

Swiber Holdings Limited 9MFY2011 & 3QFY2011 Results Briefing

14 November 2011




3Q2011- Key Highlights

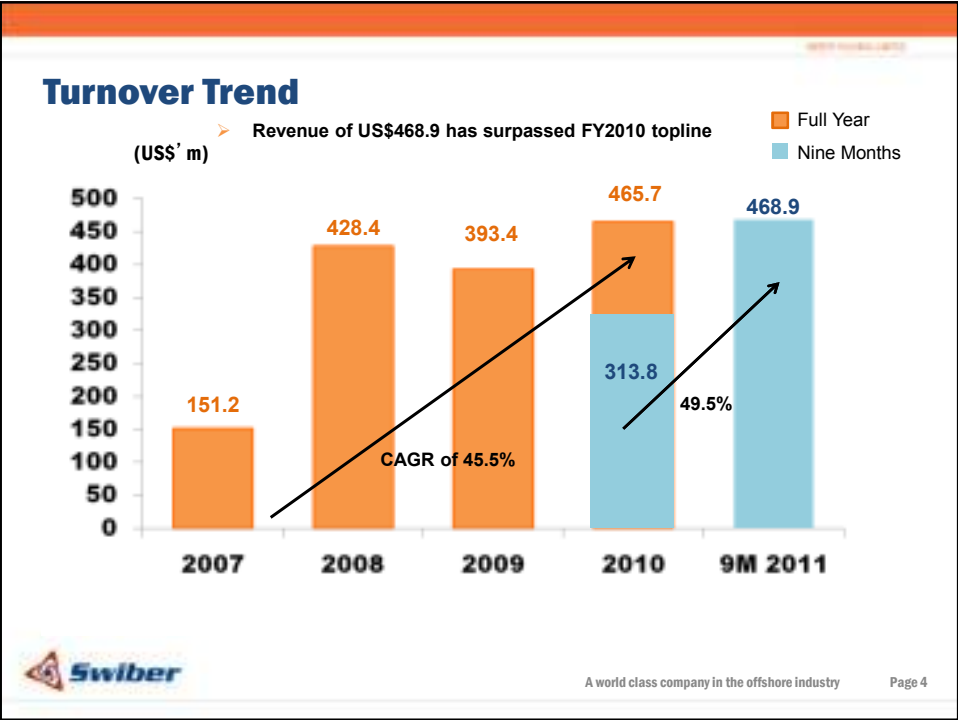
- **Revenue up 12.5% to US\$137.7 million for 3Q2011**
 - Driven by progressive revenue recognition from various contracts that are concentrated in South Asia and Southeast Asia, awarded to the Group in the last two years
- **Gross Profit of US\$22.8 million with Gross Profit Margin of 16.6%**
 - Stable margin in line with industry norms
- **Profit for the period almost doubles to US\$15.9 million**
 - Mainly due to higher other operating income in 3Q2011 from foreign exchange gain and changes in fair value of financial derivative embedded in convertible bonds, as well as lower other operating expenses in 3Q2011
- **Achieved record order book of approximately US\$1.0 billion as at November 2011**
 - Expected to contribute to Group's results over next two years

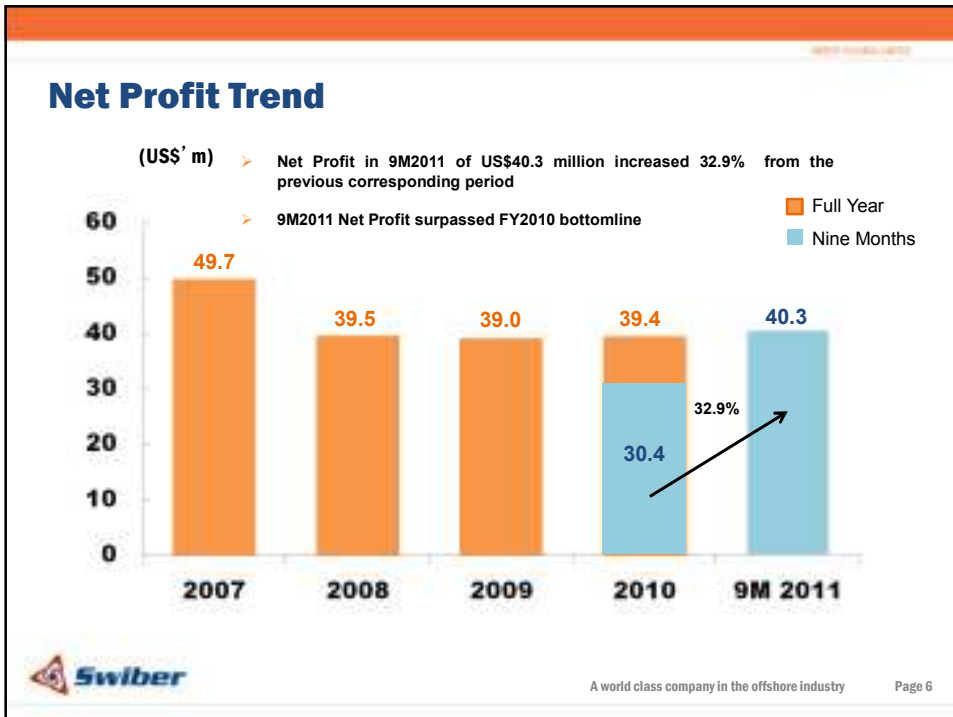
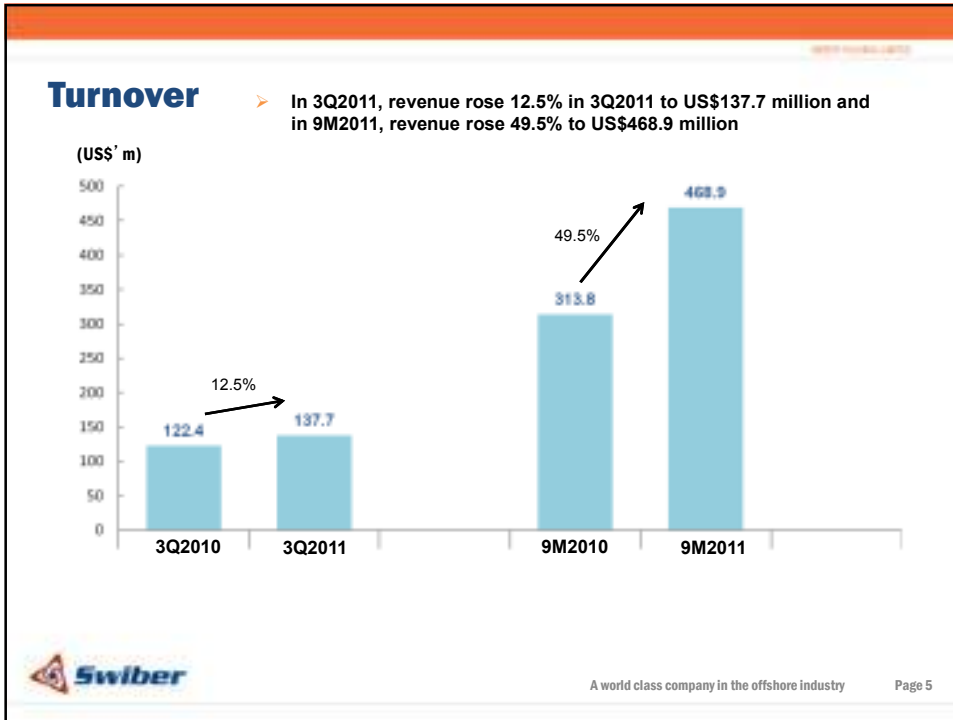


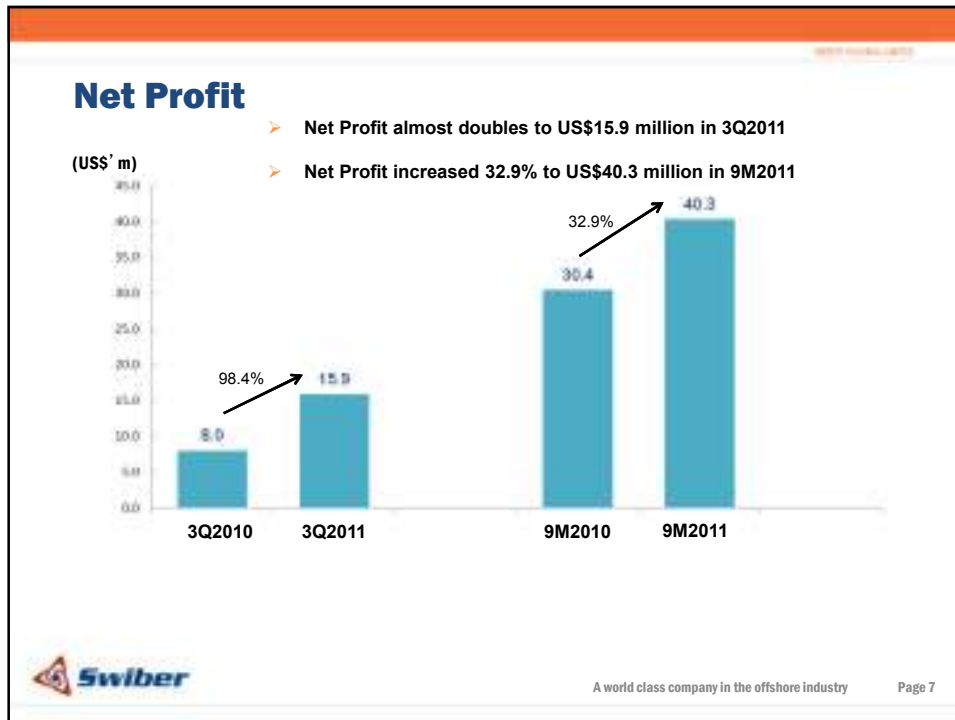
Financial Highlights

US\$ (million)	3QFY2011	3QFY2010	Change (%)	9MFY2011	9MFY2010	Change (%)
Revenue	137.7	122.4	12.5	468.9	313.8	49.5
Gross Profit	22.8	26.5	(14.0)	73.9	68.0	8.6
Gross Profit Margin (%)	16.6	21.7	(5.1)pts	15.8	21.7	(5.9)pts
Net Profit	15.9	8.0	98.4	40.3	30.4	32.9
Net Profit Margin (%)	11.5	6.5	5.0pts	8.6	9.7	(1.1)pts


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Statement of Financial Position

US\$' m	30 Sep 2011	31 Dec 2010	Change (%)
Cash & bank balances	80.5	137.8	↓41.6
Trade receivables and EWIP	249.8	253.0	↓ 1.3
Current assets	434.6	516.2	↓15.8
Non-current assets	760.5	475.8	↑59.9
Current liabilities	343.6	320.8	↑ 7.1
Non-current liabilities	328.1	314.9	↑ 4.2
Total equity	523.4	356.3	↑46.9

30 Sep 2011 vs 31 Dec 2010

- **Trade receivables and EWIP ↓ to US\$249.8m:**
 - Faster progress payment by customers
 - Progressive billing to customers for the works performed
 - Variations in scope, value, duration
 - Timing differences between billing and revenue recognised for projects in progress
- **Non-current assets ↑:**
 - Acquisition of derrick pipelay barge, increase in construction work-in-progress in relation to vessels under construction and acquisition of office building
 - Increased investment in associates
- **Total Equity ↑:**
 - Largely due to increase in employees' share option reserve and non-controlling interests

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Key Financial Ratios

Key ratios	30 Sep 2011	31 Dec 2010	Change(%)
Net Debt / Equity (times)	0.85	0.94	↓ 9.6
NAV per share (US cents)	71.1	64.4	↑ 10.4
Return on Equity (%) (Annualised)	15.0	12.1	↑ 24.0
Return on Asset (%) (Annualised)	4.5	4.0	↑ 12.5

- ▶ Net Debt/Equity decreased due to: increase in current and non-current multicurrency medium term notes



Cashflow Statement for 3rd Quarter

US\$' m	3QFY2011	3QFY2010
Operating cashflow before movement in working capital	21.0	13.1
Net cash used in operating activities	(10.5)	(63.9)
Net cash (used in)/ generated from investing activities	(59.7)	44.2
Net cash generated from financing activities	43.6	41.9
Cash & Cash equivalents at end of period	67.3	97.6

- ▶ Net Cash outflow in operating activities :
The outflow was mainly a result of
 - I. An increase in trade receivables and EWIP of US\$25.6 million;
 - II. An decrease in other receivables of US\$18.2 million; and
 - III. An decrease in trade and other payables of US\$19.4 million
- ▶ Net Cash outflow from investing activities:
The outflow was due to:
 - I. Addition to property, plant and equipment and investment in associates of total US\$63.1 million
- ▶ Net Cash inflow from financing activities:
The inflow was due to:
 - I. New bank borrowings amounting to US\$131.8 million
 - II. Offset by repayment of bank loans amounting to US\$86.9million



Corporate Highlights



Contract Wins

Date	Client/ Country	Work Scope	Value (US\$m)
10 Mar	International major oil company in Southeast Asia	Transportation, installation, and subsea works	34.0
10 Mar	Leading oil and gas operator in South Asia	Engineering, procurement, laying of subsea pipelines and platform modifications	125.0
22 Mar	Leading oil majors and other oil and gas contractors	Charter contracts for AHTS, flat top barges, construction barge, and other services in Southeast Asia	27.0
23 May	Oil majors	Execution of offshore construction projects, chartering of offshore construction and support vessels, and execution of subsea and related projects in Southeast Asia	109.0
12 Aug	Three oil majors from Southeast Asia	Pipeline installation works	82.0
15 Aug	Oil major from South Asia	Platform installation works	30.0
22 Aug	Oil major from Middle East	Subsea installation works	25.0
22 Sep	Oil major from South Asia	EPIC pipeline project	155.0
29 Sep	Various leading offshore construction companies and oil majors	Pipeline transportation and installation, subsea installation and chartering of marine vessels (including extension options)	69.0
11 Oct	Oil majors from Southeast Asia	Pipeline and subsea installation works	102.0
TOTAL			US\$758.0m



Other Corporate Developments

October 2011

Issued S\$60,000,000 fixed rate notes due 2012 under the S\$500,000,000 multicurrency medium term note programme

September 2011

Swiber's order book surges past one billion USD, a record in corporate history



Current Fleet: 50 Vessels : 80% less than 4 Years Old

Construction Vessels

1. Swiber Conquest (Pipelay barge) *
2. 1MAS-300 (Pipelay barge)**
3. Swiber Concorde (Pipelay crane barge) *
4. Aziz (Derrick pipelay Barge)**
5. Resolute (Derrick pipelay barge) *
6. Swiber PJW3000 (Derrick lay barge) **
7. Magnificent (Crane vessel)
8. Kreuz Supporter (Dive support work barge)
9. Swiber Victorious (Dive support accommodation barge) **
10. Kreuz Glorious (Accommodation Barge)
11. Swiber Atlantis (Dive support work barge) **
12. Holmen Arctic (former Swiber SLB1) (Submersible barge)

12 Construction Vessels

*Under S&L **Owned by JV Company and Associates

Expanded fleet puts Swiber in a strong position to service outstanding order book and pursue offshore projects
"Swiber PJW3000"



Offshore Vessels:

Utility / towing tugs

1. Swiber 99
2. Swiber Raven**
3. Swiber Charlton**
4. Swiber Carina**

AHT/AHTS

1. Swiwar Venturer**
2. Swiwar Challenger**
3. Swiwar Victor**
4. Swiwar Surya**
5. Swiber Trader
6. Swiber Singapore
7. Swiber Navigator*
8. Swiber Explorer*
9. Swiber Gallant*
10. Swiber Valliant*
11. Swiber Ada*
12. Swiber Torunn*
13. Swiber Sandefjord*
14. Swiber Oslo*
15. Swiber Else-Marie*

AHT/AHTS (Cont' d)

16. Swiber Anne Christine*
17. Vallianz Hope**
18. Swiber Mary-Ann*
19. Swiber Bhanwar**
20. Swiber Anna
21. Swiber Lina

Cargo / Flat top barge

1. Swiber 123**
2. Swiber 255
3. Swiber 282
4. Swiber 283
5. Kreuz 231
6. Kreuz 232
7. Kreuz 241
8. Kreuz 281
9. Kreuz 282
10. Kreuz 283
11. Kreuz 284
12. Newcruz 331
13. Newcruz 332

38 offshore vessels

FY11-FY12 Vessel Delivery Plan

VESSEL NAME	2012	2013
Derrick Crane Barge		
Swiber Kaizen4000		1
Submersible cum Launch Barge		
Holmen Pacific	1	
Holmen Atlantic	1	
Total	2	1



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Outlook and Strategy



Industry Outlook

Overall, sustained E&P activities in the industry:

- ▶ Due to global economic uncertainty, global oil demand might decrease by 210 kb/d for 2012 but oil demand is expected to ride out the turmoil in the US and Europe because of strong demand in countries such as Asia
(Source: International Energy Agency, October 12'11 and The Wall Street Journal Asia, October 12'11)
- ▶ Offshore oil and gas capital expenditure in Asia alone is forecasted to increase by 41.8% YoY to US\$79.4b this year
(Source: Kim Eng Research, September 19'11)
- ▶ E&P spending is forecasted to increase by 8% in 2012 and 7% in 2013 on the back of increased activity, with expenditure on pipelines and fixed platforms in Asia likely to drive anticipated growth in the offshore market till 2014.
(Source: DNB NOR E&P spending report, October 12'11, Kim Eng Research, September 19'11)
- ▶ Though there is volatility, oil prices are trading significantly above the investment hurdle of most oil & gas (O&G) majors at US\$75/bbl, which will lead to sustained confidence in investing in new offshore assets and return of contracting work for service providers
(Source: OSKDMG Offshore & Marine report, May 2011)



Global Oil Demand

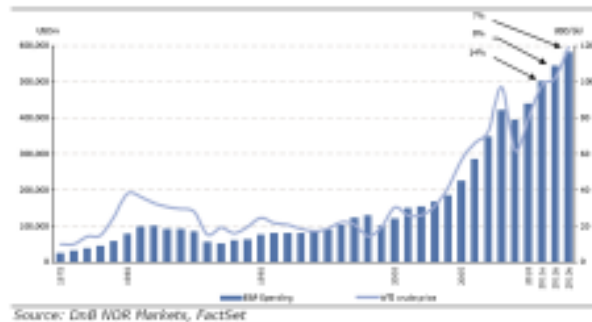


- ▶ World oil demand is forecast at 0.9 mb/d y-o-y to average 87.8 mb/d
- ▶ Chinese oil demand is expected to inch up by 5.1% y-o-y. Along with China, the Middle East, India, Brazil, and the rest of the non-OECD countries will boost world oil demand by 1.2 mb/d or 1.4 % in 2012.

Source: OPEC Monthly Oil Market Report, Novemebr 2011



E&P Spending Expected to Increase



- ▶ Oil companies covered expect a spending increase of 14% in 2011, 8% in 2012 and 7% in 2013.

Source: DnbNOR's E&P Spending Report, August 2011



Strategy

- ▶ **Strengthen our position as an experienced and reputable offshore service provider in the market**
- ▶ **Well positioned to bid for major contracts**
 - ▶ Continues to focus on winning new contracts
- ▶ **Prudent in managing business operations and cost efficiencies**
- ▶ **Exploring new opportunities to leverage on strong track record**
- ▶ **Order book of approximately US\$1.0 billion expected to contribute to the Group's results over the next two years, barring unforeseen circumstances**



Thank You

Q&A session

