

# Swiber Holdings Limited 1QFY15 Results



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# 1QFY15 Results

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# 1QFY15 Results

- Net profit of US\$70,000 against US\$52.8 million in 1QFY14
  - decline in backlogs as a result of depletion of order book in FY14
  - absence of US\$95.1 million gain from disposal of a group of subsidiaries in FY14
  - fair value loss of US\$20.9 million on financial liabilities
- Revenue falls 17.3% to US\$164.9 million
  - decline in revenue recognition with fewer contracts being executed
- Gross profit margins improves to 11.8% through stringent cost controls and optimisation

# 1QFY15 Results

- New contract wins in 2015, including three major awards from a National Oil Company (“NOC”) in India
  - US\$310 million for eight new platforms and associated pipelines for a NOC in India in February
  - US\$405.6 million for a series of contracts including a US\$333 million EPIC contract from same NOC in India for Pipeline Replacement Project 4 in March
  - US\$133 million contract, also from the same NOC in India in April
- Order book to-date of US\$1.8 billion as at 11 May 2015
- Well positioned for strong turnaround in 2HFY15

# Financial Highlights

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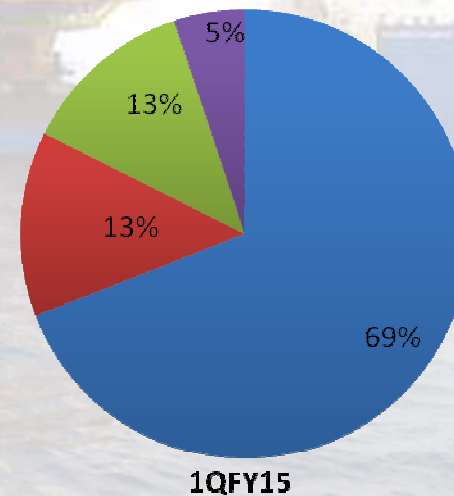
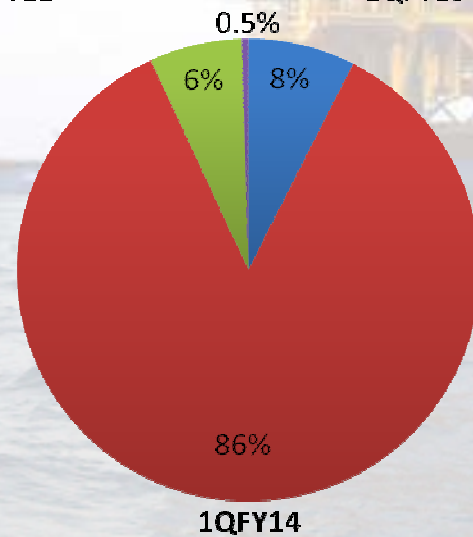
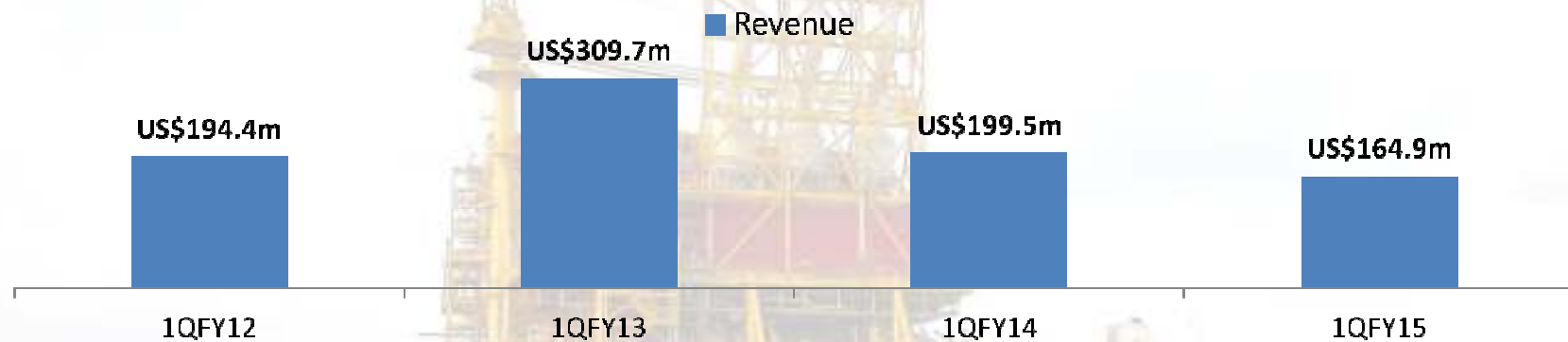


# Financial Highlights

US\$'000	1QFY14	1QFY15	% change
<b>Revenue</b>	199,498	164,905	(17.3)
<b>Gross profit</b>	9,009	19,422	115.6
<b>Other operating income</b>	97,062	2,947	(97.0)
<b>Share of profit of associates and joint ventures</b>	9,991	4,844	(51.5)
<b>Profit before tax</b>	56,161	2,265	(96.0)
<b>EBITDA</b>	76,474	26,376	(65.5)
<b>Net profit</b>	52,833	70	(99.9)

# Group Revenue

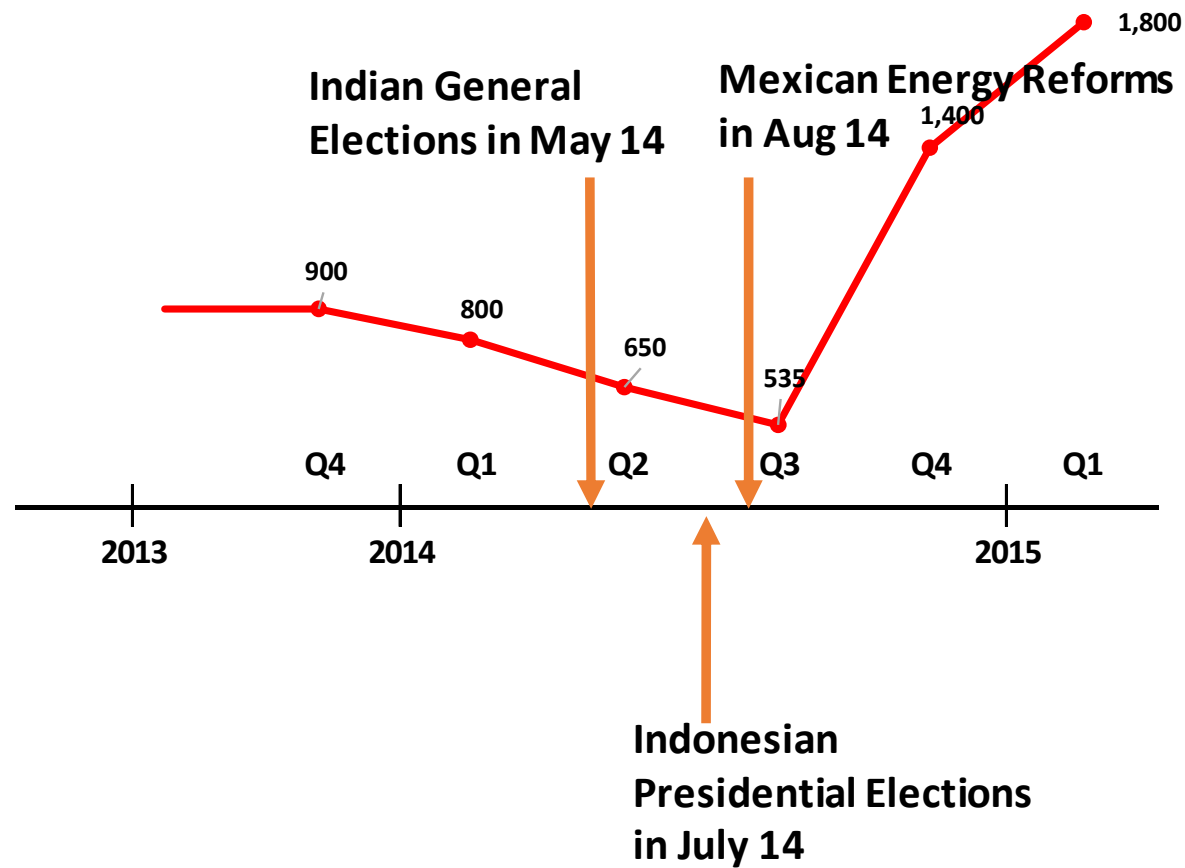
- Revenue falls 17.3% to US\$164.9 million in 1QFY15 due to fewer contracts being executed
- Latin America sees upturn in activities



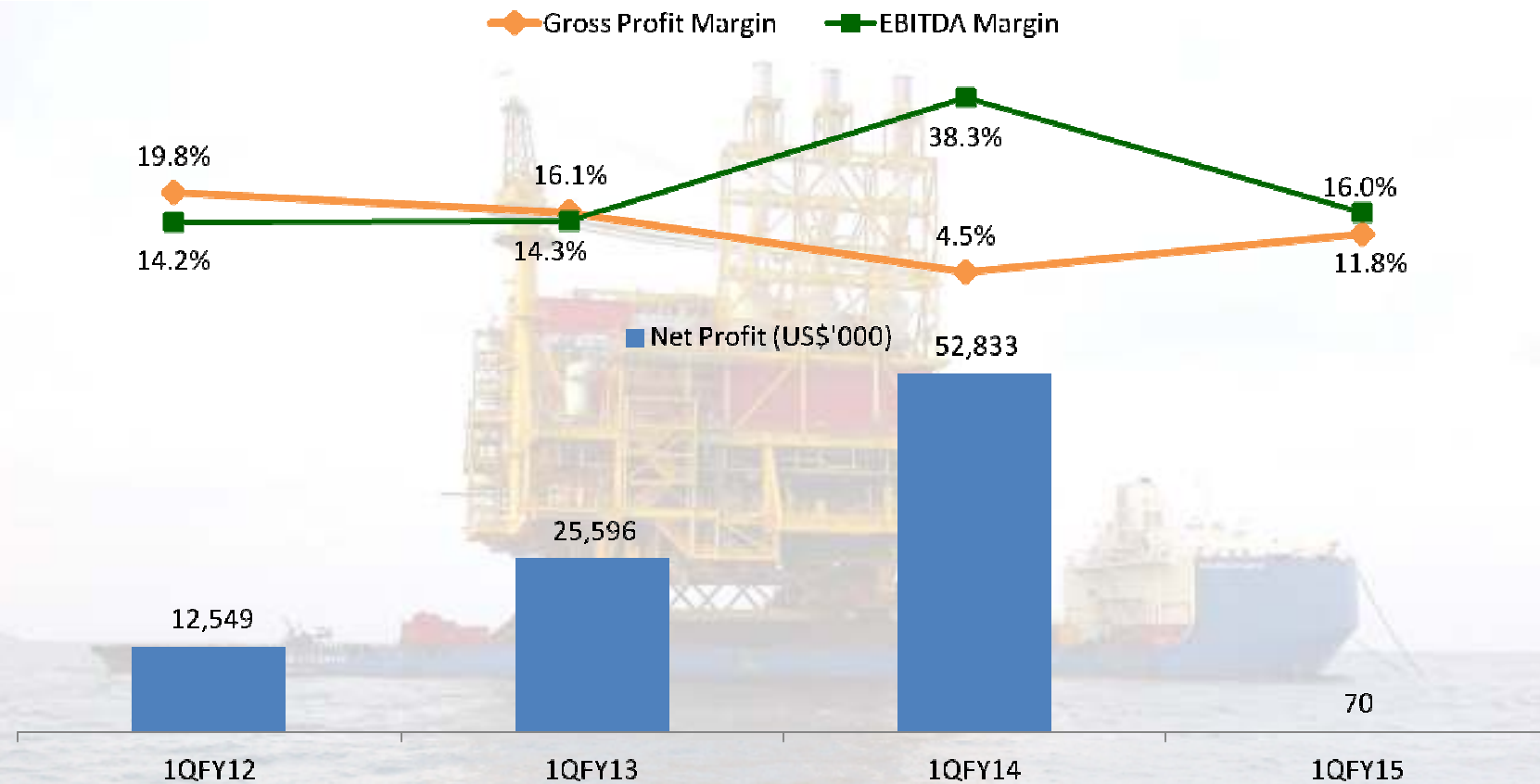


# Impact of election & energy reforms in target markets on order book

- Elections in target markets slow new awards in FY14
- Energy reforms in Mexico to benefit order book



# Group Profitability

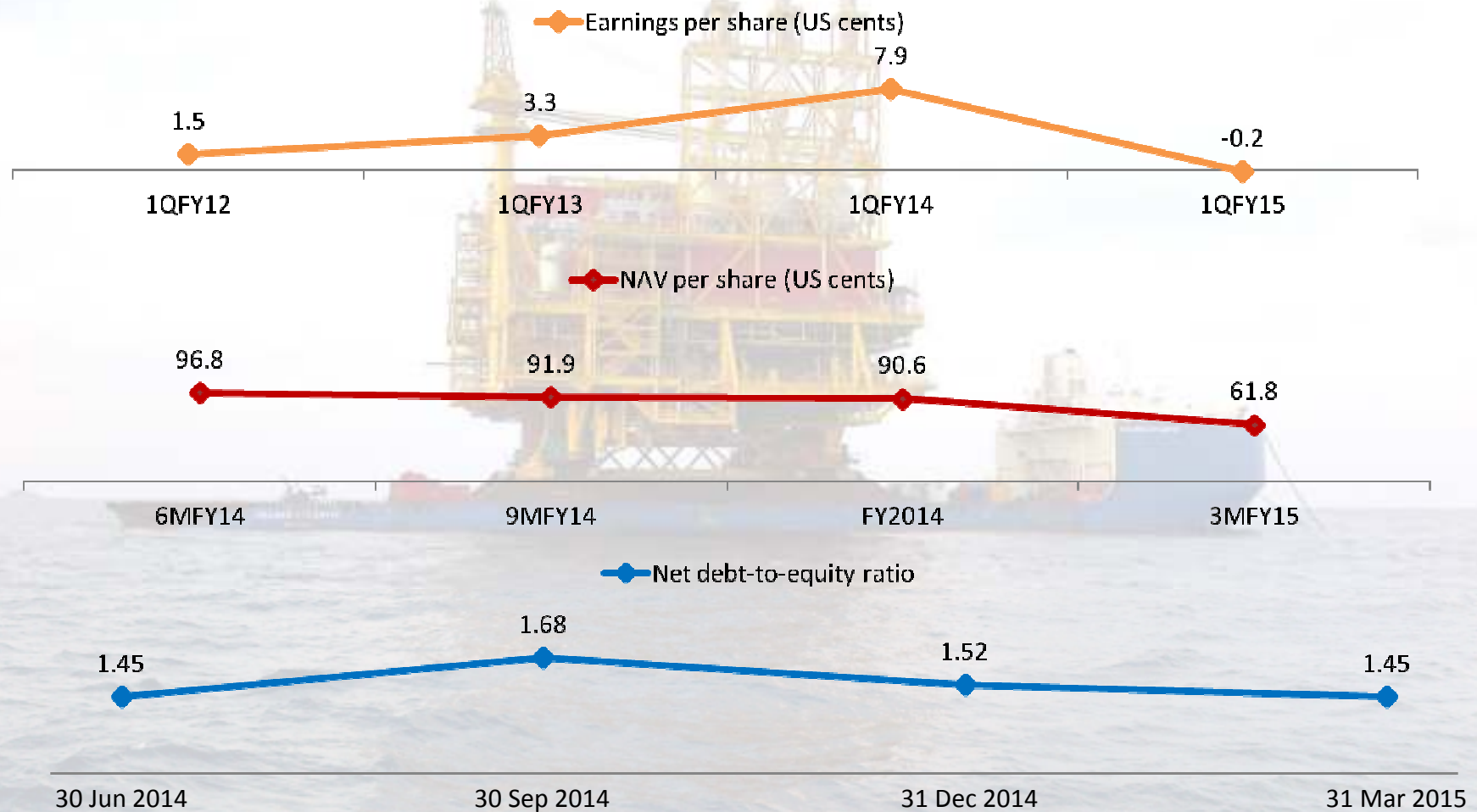


- Net profit down reflecting fewer contracts being executed, absence of US\$95.1 million gain from disposal of a group of subsidiaries in FY14, and fair value loss of US\$20.9 million on financial liabilities
- Gross profit margin improves to 11.8% in 1QFY15 with more stringent controls imposed over operating costs

# Financial Highlights

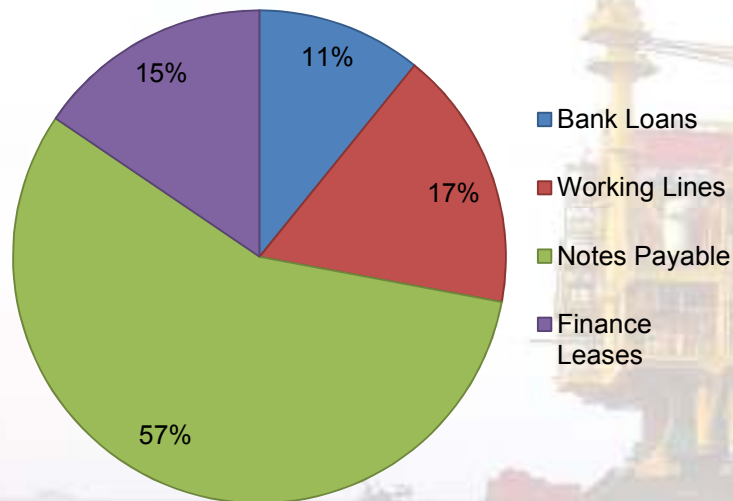
US\$'000	FY2014	3MFY15
<b>Current Assets</b>	1,020,519	963,330
<b>Non-Current Assets</b>	1,128,782	1,106,103
<b>Current Liabilities</b>	641,266	555,743
<b>Non-Current Liabilities</b>	854,710	850,642
<b>Equity</b>	653,325	663,048

# Key Financial Ratios



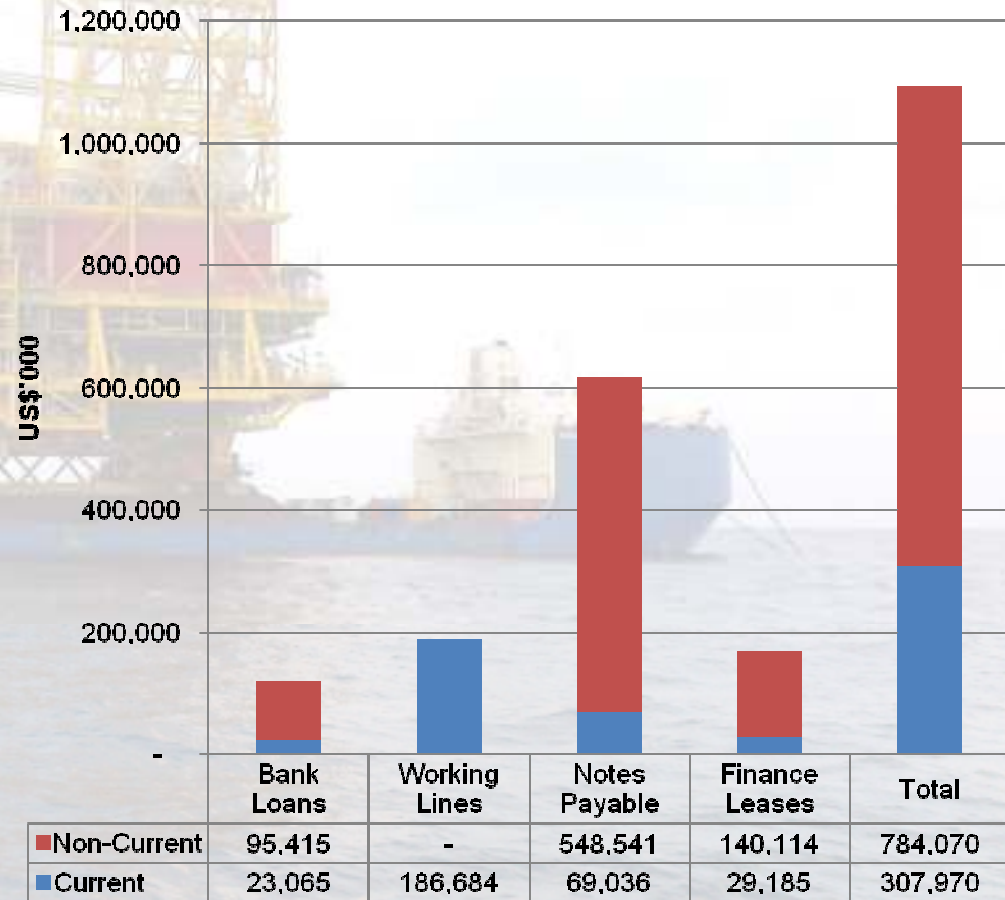
# Total Group Borrowings

**Total Borrowing as at 31 Mar 2015 (US\$1,092 million)**



	Total US\$'000
Bank Loans	118,480
Working Lines	186,684
Notes Payable	617,577
Finance Leases	169,299

**Total Current and Non-Current Borrowings as at 31 Mar 2015**



# Outlook

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# Industry Outlook

Brent Crude Price



- Oil prices have rebounded by around a third from its low of US\$50.10 in January to above US\$65
- Industry capex cuts to have greater impact on new field developments and deepwater activities
- Swiber focuses on shallow water and field development stage rather than exploration part of the oil and gas value chain
- Swiber to mitigate market pressures by leveraging on asset-based strategy to maximise vessel usage, negotiating with suppliers to greater advantage, and cutting costs.

# Q&A

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Thank you

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