



Macquarie Australia Conference 2011: Emerging Leaders

5 May 2011



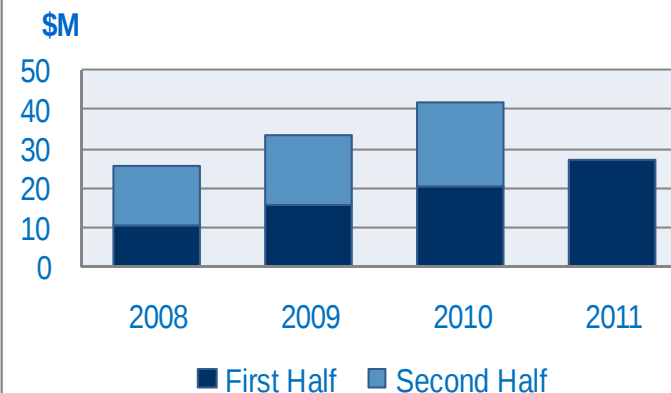
Continued Profit Growth – 1st Half 2011



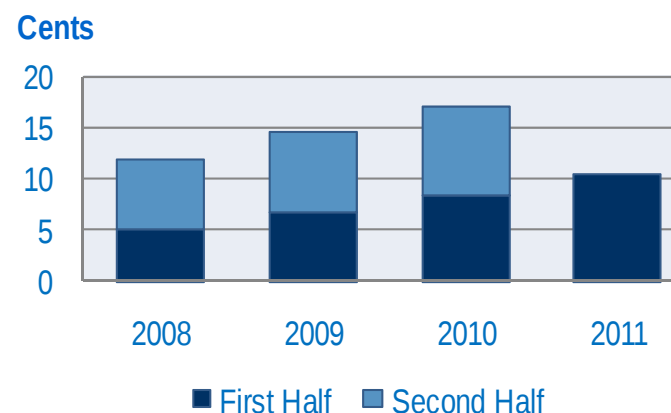
- Revenue \$135.3 million, **↑**46% pcp
- Pre-tax profit \$27.0 million, **↑** 33% pcp
- Net profit after tax \$20.4 million, **↑** 31% pcp¹
- Earnings per share of 10.5c, **↑** 25% pcp¹
- Interim Dividend 4c per share, **↑** 33% pcp
- Operating Cashflow \$17.5 million
- Cash at bank \$67.3 million
- Ongoing focus on HSEQ
- Outlook positive

¹ FY2010 normalised to exclude the one-off tax benefit of the Fed Govt investment allowance
PCP = previous corresponding period

Profit before Tax



Earnings per Share¹



Key Liquidity Ratios



	6 Months Ended 31 Dec 2010	6 Months Ended 30 June 2010	6 Months Ended 31 Dec 2009
Gearing % (Net Debt / Equity)	31.8%	66.7%	75.8%
Interest Cover (EBIT / Interest Expense)	5.6x	4.9x	6.0x
Current Ratio (Current Assets / Current Liabilities)	2.3x	1.7x	1.6x
Operating free cash flow	\$17.5M	\$23.8M	\$27.9M
Interest Bearing Liabilities	\$149.4M	\$158.2M	\$157.3M
Capital Expenditure	\$19.9M	\$15.6M	\$93.8M
Cash at Bank	\$67.3M	\$26.8M	\$23.2M

Company Overview



Mermaid Marine Australia Limited (MMA) is Australia's largest integrated marine services provider to the offshore oil and gas industry

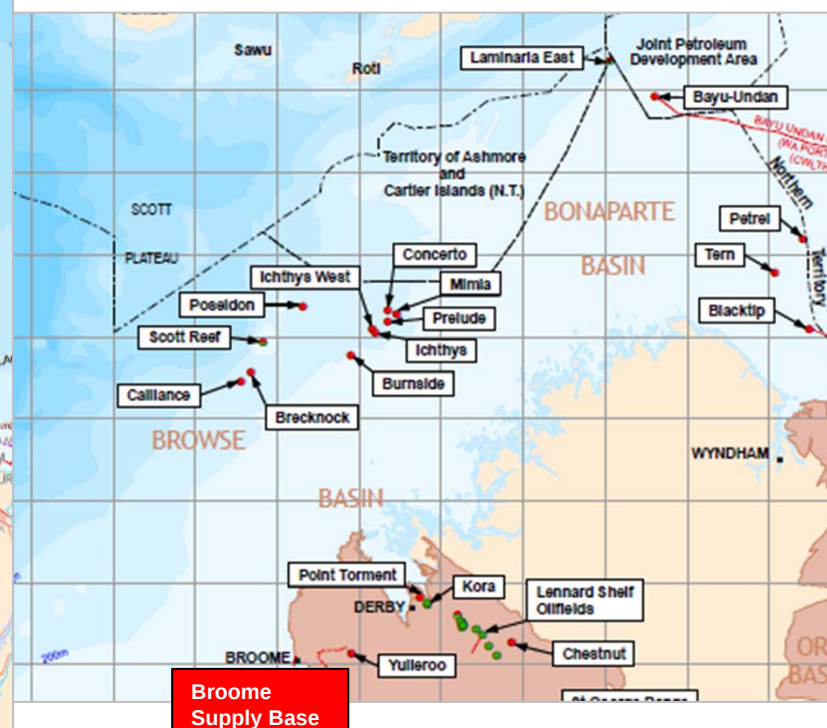
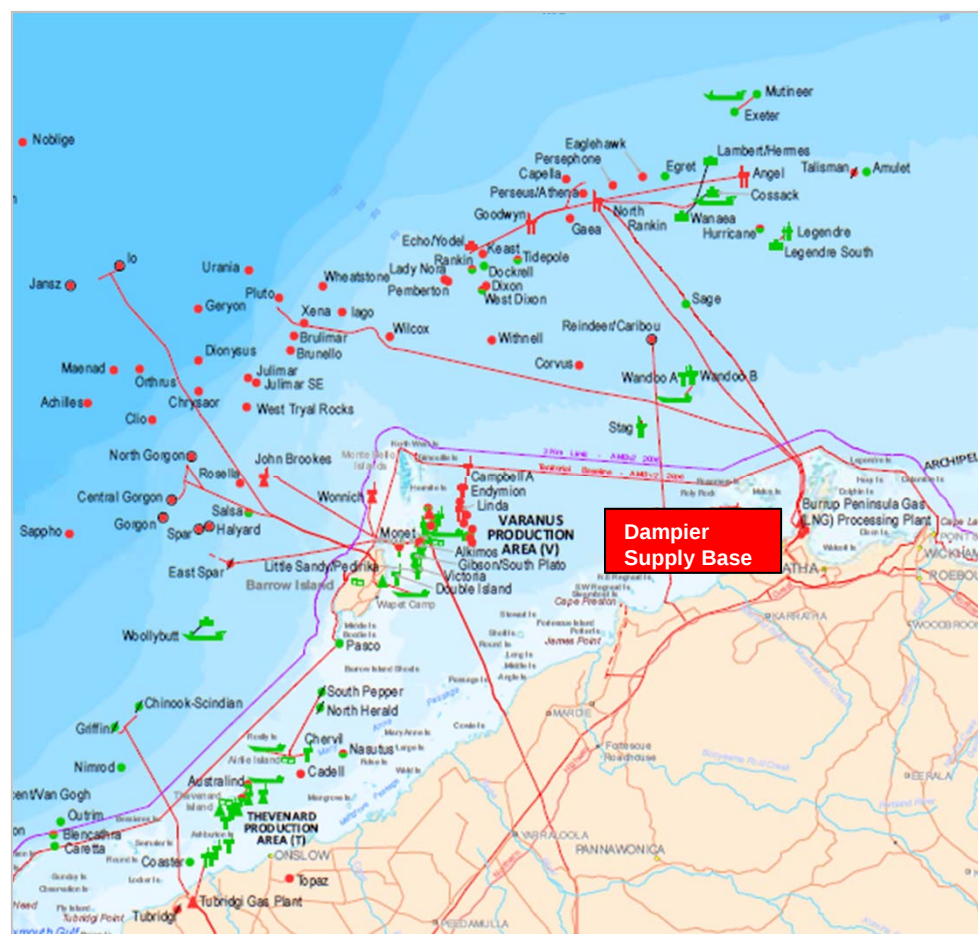
- Integrated service offering across all phases of the oil and gas cycle - exploration, construction & production
- Head office in Perth, Western Australia
- Core operations based in Dampier (hub for the North West Shelf oil and gas industry)
 - Modern offshore vessel fleet (34 vessels)
 - 17ha Supply Base with 6 berth private wharf
 - Ship repair facility - Dampier
- Broome Supply Base supporting the Browse Basin region
- Singapore office supporting international vessel operations



MERMAID MARINE
AUSTRALIA LTD

West Australian Oil & Gas Projects

MMA's Dampier and Broome Supply Bases are strategically located adjacent to the Carnarvon and Browse major oil and gas basins



Source – Department of Mines and Petroleum

Vessel Operations

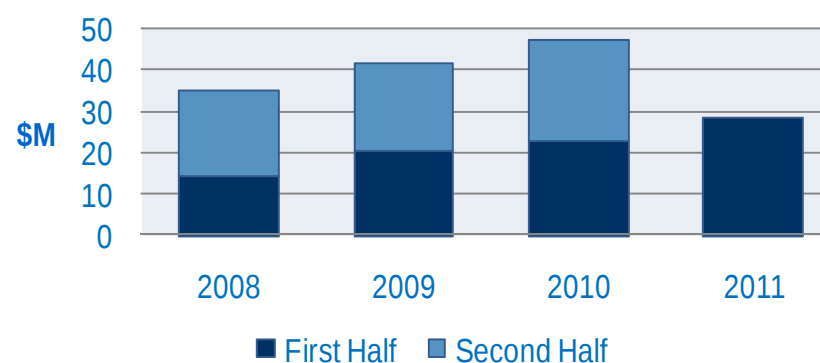


- 1st Half 2011 EBITDA up 25% on PCP
- Margins lower but still strong
- Return on assets consistent at 18.6%
- Average utilisation 80%
- 1 new AHT purchased
- 3 AHTs on charter
- 3 barges on charter
- Fuel Barge and LCT mobilised to Australia
- International operations
 - Vigilance arrived in Mexico
 - Discovery moving to Brunei
- Commenced construction of newbuild OSV
- Contract to purchase PSV with major charter to Allseas from Q4 CY2011

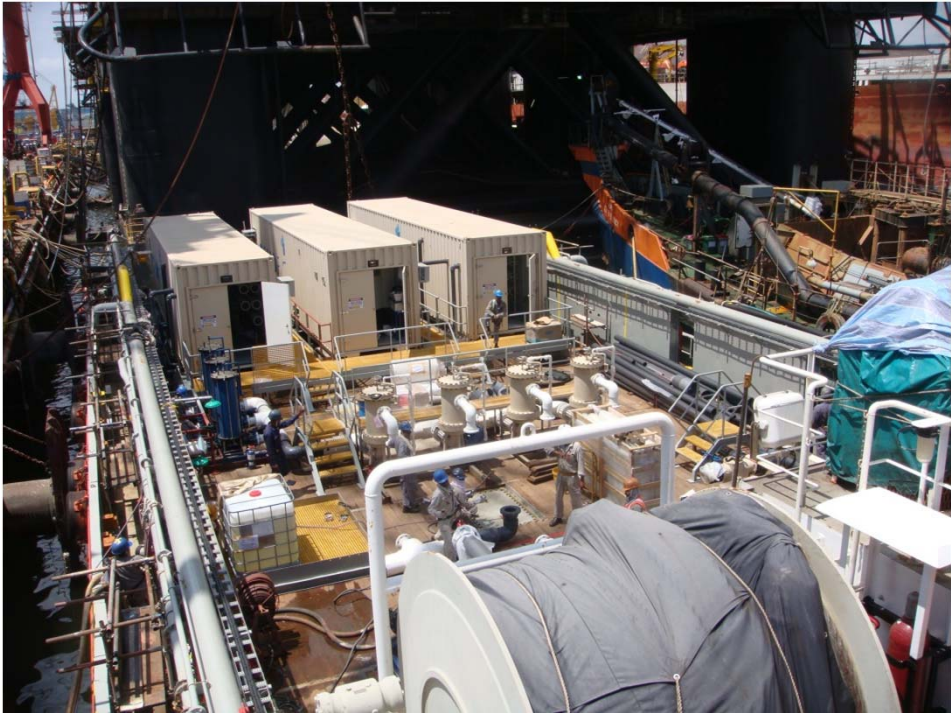
Vessel Financials

	Variance PCP	6 Months Ended 31 Dec 2010	6 Months Ended 31 Dec 2009
Revenue	↑ 37%	\$100.4M	\$73.5M
EBITDA	↑ 25%	\$28.8M	\$23.1M
EBITDA / Revenue	↓ 2.7%	28.7%	31.4%
EBIT	↑ 20%	\$22.1M	\$18.4M
EBIT / Revenue	↓ 3.0%	22.0%	25.0%
Return on Assets	↑ 0.1%	18.6%	18.5%

Vessel Earnings (EBITDA)



Customised Vessels – construction support



Vessel Strategy



Expand the PSV fleet and continue to grow core fleet

- **Expand the medium sized PSV fleet**
 - Contracted to purchase a new PSV
 - Awarded contract with Allseas to support pipeline construction for Gorgon project
 - PSVs can be used across exploration, construction and production
 - Market demand for medium sized PSVs expected to increase over the next 5 years as projects move to deeper water with greater transiting distances
- **Continue to grow core fleet**
 - Increasing demand in construction and production sectors
 - Supplement with charter vessels
- **Continue to seek opportunities to expand operations internationally**
 - Currently 6 Singapore flagged vessels capable of working internationally



Supply Base Operations



Dampier Supply Base

- 1st Half 2011 EBITDA up 61% on PCP
- Margins remain strong
- Wharf activity up approx 20%
- Signed major contract with Chevron for ongoing supply base services – upgrade work completed and activity commenced
- Actively reviewing options for additional land in Dampier

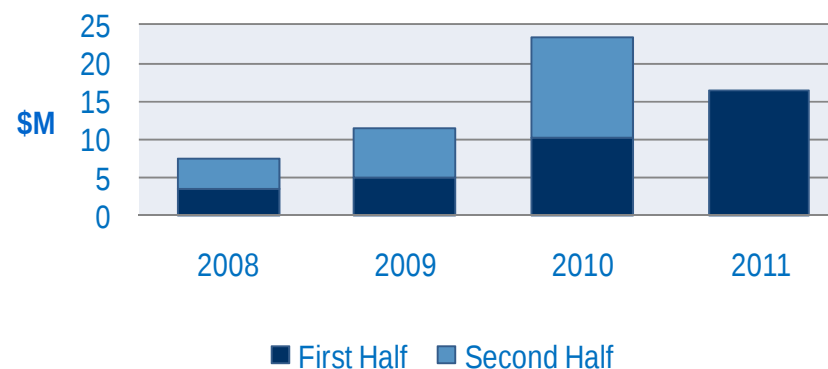
Broome Supply Base

- Limited activity in the region during the first half of the financial year
- Delays in drilling will impact 2nd half
- Broome continues to be a longer term strategic asset with major projects currently under FEED

Dampier Supply Base Financials

	Variance PCP	6 months ended 31 Dec 2010	6 months ended 31 Dec 2009
Revenue	↑ 56%	\$27.7M	\$17.7M
EBITDA	↑ 61%	\$16.3M	\$10.1M
EBITDA / Revenue	↑ 1.7%	58.8%	57.1%
EBIT	↑ 65%	\$14.2M	\$8.6M
EBIT / Revenue	↑ 2.6%	51.2%	48.6%
Return on Assets	↑ 4.9%	25.2%	20.3%

Dampier Supply Base Earnings (EBITDA)



Dampier Supply Base and Adjacent Facilities



Upgraded area for Chevron contract



Dampier Slipway Operations



Slipway

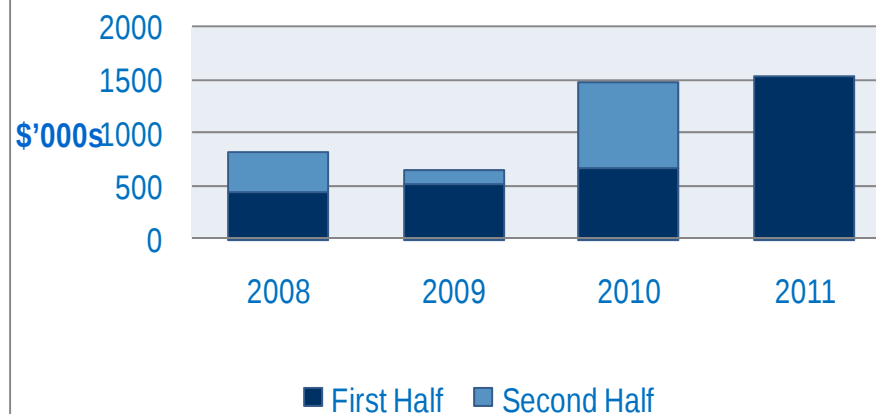
- 1st Half 2011 EBITDA up 114% to \$1.5m
- 22 vessels docked 1st half
- Ongoing high utilisation
- Key to ongoing success of our vessel business



Financials

	Variance PCP	6 months ended 31 Dec 2010	6 months ended 31 Dec 2009
Revenue	↑ 49%	\$11.5M	\$7.7M
EBITDA	↑ 114%	\$1.5M	\$0.7M
EBITDA / Revenue	↑ 3.9%	13.0%	9.1%
EBIT	↑ 200%	\$1.2M	\$0.4M
EBIT / Revenue	↑ 5.2%	10.4%	5.2%

Slipway Earnings (EBITDA)



Opportunities

- ☐ Significant activity in Australia
 - Gorgon Project ramping up
 - Chevron Wheatstone Project (US\$18b) progressing towards FID
 - Inpex Ichthys Project (US\$20b) – FEED
 - Pluto 2 – (\$12b)
 - Shell Prelude (\$US7.5b) – FEED
 - Woodside Browse – Pre-FEED
 - North Rankin B (\$5b) - FID
 - BHP Macedon (\$1.5b) - FID
- ☐ International opportunities
 - Project in West Papua completed
 - Ongoing opportunities – Mexico, Brunei

Risks

- ☐ Increased competition as Asian recovery slower than expected
- ☐ Project delays
- ☐ Industrial activity
- ☐ Access to skilled labour

Summary



- ❑ Another record result for the first half of the year
- ❑ All major divisions performing strongly
- ❑ Balance Sheet capacity - gearing low due to recent capital raising
- ❑ Solid demand for vessels in Australian market
- ❑ International business challenging but emerging opportunities
- ❑ Strong returns from the Dampier supply base, wharf demand increasing and new contract signed with Chevron
- ❑ Continuing to add to our fleet and progress PSV strategy
- ❑ Oil & Gas market in Australia remains strong
- ❑ On track to deliver increased earnings in the second half

Vessel Listing



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
MERMAID	LEVEQUE	SINGAPORE	PSV	2010	-	75	6700	40
MERMAID	VIGILANCE	SINGAPORE	PSV	2009	-	70	4000	50
MERMAID	DISCOVERY	SINGAPORE	AHTS	2007	65	57	5500	68
MERMAID	VANQUISH	SINGAPORE	AHTS	2007	65	59	5150	42
MERMAID	VANTAGE	SINGAPORE	AHTS	2009	65	59	5150	42
MERMAID	VISION	SINGAPORE	AHTS	2009	105	68	8000	32
MERMAID	VOYAGER	AUSTRALIA	AHTS	2009	65	59	5150	42
MERMAID	CARVER	AUSTRALIA	AHT	2000	40	32	3500	14
MERMAID	ENDEAVOUR	AUSTRALIA	AHT	1995	45	35	4000	12
MERMAID	GUARDIAN	AUSTRALIA	AHT	2004	50	40	4000	18
MERMAID	PROVIDER	AUSTRALIA	AHT	1995	50	45	4000	12
MERMAID	RANGER	SINGAPORE	AHT	2007	50	40	4000	20
MERMAID	SENTINEL	SINGAPORE	AHT	2006	50	40	4000	20
MERMAID	SOUND	AUSTRALIA	AHT	2005	72	50	5800	22

Vessel Listing continued



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
MERMAID	STORM	AUSTRALIA	AHT	1993	40	34	4000	18
MERMAID	SUPPORTER	AUSTRALIA	AHT	2001	65	48	4800	24
MERMAID	INVESTIGATOR	AUSTRALIA	MPV / SURVEY	2005	30	54	3619	42
MERMAID	SEARCHER	AUSTRALIA	MPV / SURVEY	2008	34	54	3200	36
MERMAID	ACHIEVER	AUSTRALIA	STANDBY / SURVEY	1983	-	40	1619	34
MERMAID	SPIRIT	AUSTRALIA	ACCOMODATION VESSEL	1998	-	30	1099	32
MERMAID	ARROW	AUSTRALIA	FAST RESPONSE CREW	2009*	-	20	1080	5
MERMAID	RESOURCE	AUSTRALIA	FAST RESPONSE CREW VESSEL	1996	-	27	2600	6
MERMAID	CHIEFTAN	AUSTRALIA	HARBOUR TUG	1969	18	20	1280	5
MERMAID	COMMANDO	AUSTRALIA	HARBOUR TUG	1981	15	20	1072	12
MERMAID	TITAN	AUSTRALIA	HARBOUR TUG	1983	9	14	800	3
MERMAID	CONSTRUCTOR	MALAYSIA	BARGE	2003	-	70	-	-
MERMAID	REGENT	SINGAPORE	BARGE	2010	-	70	-	-

* Rebuilt

Vessel Listing continued



Chartered Vessels

Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
SWISSCO	SABRE	SINGAPORE	AHT	2010	50	40	4200	20
MERMAID	RELIANCE	SINGAPORE	AHT	2010	65	50	5150	36
MERMAID	RESOLUTION	SINGAPORE	AHT	2010	65	50	5150	36
AMS	ESPERENCE	SINGAPORE	BARGE	2010	-	76	-	-
SEALINK	PACIFIC	MALAYSIA	BARGE	2004	-	85	-	-
MARITIME	FALCON	SINGAPORE	BARGE	2008	-	76	-	-
TOLL	SANDFLY	SINGAPORE	LANDING CRAFT	2010		54	1280	13

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