

## Half Year Financial Report

20 February 2009

### **MMA DELIVERS ANOTHER RECORD HALF-YEAR PERFORMANCE**

The Directors of Mermaid Marine Australia Limited (MMA) are pleased to announce a 63% increase in NPAT to \$12.2M for the six months to 31 December, 2008, continuing the Company's growth performance. The Company generated strong cashflows from operations during the period of \$15.8M, gearing remained conservative at 31% with cash at bank of \$44M.

### **Financial Highlights**

	December '08	December '07	Variance
Revenue	\$78.9M	\$62.7M	↑ 26%
EBITDA	\$24.1M	\$16.7M	↑ 44%
NPAT	\$12.2M	\$7.5M	↑ 63%
EPS	6.7 cents	5.1 cents	↑ 31%
Interim Dividend	2 cps	-	

Commenting on the result, MMA Chairman Mr Tony Howarth said:

"This result confirms the value of MMA's earnings diversity and the strength of our business model.

"MMA is not immune to the impact of the Global Financial Crisis but continues to benefit from the relative robustness of the global oil and gas industry and long-term North West Shelf developments.

"In this environment, it is pleasing to be able to report a strong result and be able to declare a fully franked interim dividend of 2 cents per share".

The Managing Director, Mr Jeff Weber, commented:

"Demand remains firm for the Company's services as long lead time projects continue to be developed and offshore production activities require ongoing support.

"The Company's supply bases, slipway, Australian-based vessels and international vessels all performed well and made a material contribution to the result.

"In particular, the international business through our Singapore office has contributed to margin improvement compared to the previous corresponding period.

"With a number of key infrastructure developments being undertaken on the Dampier Supply Base, extension of our international vessel contracts and delivery in December of a new vessel, Mermaid Searcher, we have cause to remain optimistic about the outlook for the Company".

***For further information please contact:***

*Mr Jeffrey Weber, Managing Director – 0418 855 275*

*Ms Kate Kerrison, Media Contact - (02) 6746 3221*

## Appendix 4D Half Year Report

### 1. Details of the reporting period and the previous corresponding period

Name of entity: <b>Mermaid Marine Australia Limited</b>
ABN: 21 083 185 693
Half year ended: 31 December 2008
Previous half year ended: 31 December 2007

### 2. Results for announcement to the market

	Percentage change over previous year	\$'000
2.1 Revenues from ordinary activities	Up 26%	78,949
2.2 Profit from ordinary activities after tax attributable to members	Up 63%	12,275
2.3 Net profit attributable to members	Up 63%	12,275
<p>2.4 Dividends: A fully franked dividend of 2 cents per share (total \$3.64m) relating to the year ended 30 June 2008 was paid during the period.</p> <p>The Directors have declared an interim fully franked dividend for the year ending 30 June 2009 of 2 cents per share. The payment date for the dividend will be 8 April 2009.</p>		
2.5	Record date for determining entitlements to the dividend: 20 March 2009	
2.6	A detailed review of the Company's operations and results for the half year is included in the Directors' Report in the attached Half Year Financial Report.	

### 3. Net Tangible Asset Backing

	31/12/08	31/12/07
Net tangible asset backing per ordinary security	91 cents	60 cents

### 4. (i) Control gained over entities during the year

Name of entity:	Nil
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### (ii) Loss of control of entities during the year

Name of entity:	Nil
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### (iii) Contribution to the entities profit from ordinary activities

Name of entity:	Nil
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### 5. Dividends

A fully franked dividend of 2 cents per share (total \$3.64m) relating to the year ended 30 June 2008 was paid to shareholders on 8 October 2008.

The Directors have declared an interim fully franked dividend for the year ending 30 June 2009 of 2 cents per share.

The record date for determining entitlement to the dividend is 20 March 2009.

The payment date for the dividend will be 8 April 2009.

**6. Details of dividend reinvestments plans in operation**

The Company introduced a dividend reinvestment plan on 24 August 2007 which remains in place for the interim dividend for the 2009 financial year to be paid on 8 April 2009.

The shares subscribed for under the Plan are issued at a discount of 2.5% to the average of the daily volume weighted average sale price of the Company's shares sold on ASX during the 5 trading days following the record date.

**7. Details of associates and joint venture entities**

Equity accounted associates and joint venture entities	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit	
	31 December 2008 %	31 December 2007 %	31 December 2008 \$A'000	31 December 2007 \$A'000
Mermaid Clough Pty Ltd	Nil	50	Nil	(18)
Toll Mermaid Logistics – Broome Pty Ltd	50	50	773	349

**8. For Foreign entities details of which set of accounting standards is used in compiling the report (International Accounting Standards)**

N/A

**9. If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.**

N/A



**MERMAID MARINE AUSTRALIA LIMITED**  
**ABN 21 083 185 693**

**Financial Report for the Half Year Ended 31 December 2008**

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## Directors' Report

The Directors of Mermaid Marine Australia Limited (MMA) submit herewith the financial report for the half-year ended 31 December 2008. In order to comply with the provisions of the Corporations Act 2001, the directors' report as follows:

The names of the directors of the Company during or since the end of the half-year are:

- Mr A J Howarth AO
- Mr J A Weber
- Mr J H Carver
- Mr M F Bradley
- Mr J A S Mews

## Review of Operations

The solid financial performance in the first half of FY2009 highlights the value of the diversity in earnings across the organisation. The Company's supply bases, slipway, Australian-based vessels and international vessels all performed well and made a material contribution to the result.

Strong demand was experienced during the first quarter, which is typically a seasonally weaker quarter, allowing the business to report revenue growth of 26% to \$78.9 million for the half year.

The higher margins achieved by our international business contributed to a 63% increase in net profit to \$12.2 million.

Earnings per share also improved by 31% to 6.7 cents, up from 5.1 cents in the first half of FY08.

The Board has approved a fully franked interim dividend of 2 cents per share.

### Vessel Operations

Vessel revenue increased by 22% compared to the previous corresponding period and EBIT contribution increased by 47% to \$17.4 million.

Firm demand was evident for our vessels in the first half supporting the ENI Blacktip project in the Bonaparte Basin, the Apache Van Gogh FPSO development in the Carnarvon Basin and normal production support activities in the North West Shelf. During the second half our vessels will be involved in the commencement of construction of Woodside's Pluto pipeline and ongoing work on the Van Gogh FPSO development.

MMA currently has four vessels trading internationally. The Mermaid Discovery is continuing operations out of Egypt in the Mediterranean and Red Seas. The Crest Diamond, Miclyn Glory and Swissco Sovereign sailed to Angola in September and on current expectations will stay in the region for the majority of the 2009 calendar year.

The international business has made a solid contribution to earnings during the half. Our client, Geokinetics, produces high quality seismic data for its clients and has been successful in generating additional work in the regions.

MMA took delivery of the new vessel Mermaid Searcher late in the first half and this vessel will commence its first longer term charter in February, supporting the Pluto pipeline construction.

MMA continues to review opportunities for new vessels, particularly in the longer term contract market.

**Directors' Report (cont)**  
**Review of Operations (cont)**

Supply Bases

MMA's supply base operations in Dampier and Broome continue to grow in significance for the Company as we commit to new infrastructure, attract new clients and increase earnings.

Dampier supply base revenue grew to \$16.7 million, a 49% increase on the previous corresponding period, with EBIT increasing by 48% to \$4.6 million. In November 2008, MMA announced that it had signed a contract with Chevron Australia Pty Ltd to provide supply base services supporting the Gorgon Project. This was an enormous step forward for the Company and we are now in the process of undertaking the necessary upgrades to our common user facility to meet the requirements of the project. Work has already commenced on construction of an extension to the current barge loading ramp, with other work expected to commence shortly. This is an exciting project for MMA that will add value for our shareholders in the short and longer term.

MMA completed the last concrete pour on the \$22 million Dampier wharf extension on 10 February, 2009. This means that the extension will be completed well ahead of our original schedule of May 2009 and will be completed under budget. This wharf development places MMA in a unique position to take advantage of the ongoing development in oil and gas projects in the North West Shelf region.

Broome supply base has also performed ahead of budget in the first half with drilling in the highly prospective Browse Basin remaining active. Work has continued on developing a new supply base facility on Port Drive and a world class casing yard has been completed.

Additional infrastructure will be constructed over the next year as demand requires. MMA operates in joint venture with Toll in Broome and we are well positioned to take advantages of future developments in the Browse Basin region.

The MMA slipway also had a strong first half undertaking work on MMA vessels and third-party vessels. The slipway now undertakes blasting and painting services directly - a positive development both in terms of quality and margins. The slipway has a strong order book for the second half of the financial year.

Outlook

MMA is not immune to the impact of the Global Financial Crisis but is arguably exposed to a sector of the market that will continue to invest through the downturn. LNG is acknowledged as a commodity with an excellent long term future and there has been a strong commitment from the major oil companies to ongoing capital expenditure for key LNG Projects. Woodside is currently constructing its Pluto LNG project and Chevron with its JV partners Shell and Exxon Mobil, continues to make progress towards a Financial Investment Decision on the Gorgon project.

With the new wharf extension being completed, work commencing on the Dampier supply base upgrade, our new vessel, Mermaid Searcher, starting to contribute and offshore work commencing on the Woodside Pluto project, the Company has good cause for optimism going forward.



**Directors' Report (cont)**

**Auditor's Independence Declaration**

The Auditor's Independence Declaration is included on page 6.

**Rounding off of amounts**

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Tony Howarth', written in a cursive style.

**TONY HOWARTH AO**  
Chairman

Perth, 19 February 2009

## Audit Independence Declaration

# Deloitte.

Deloitte Touche Tohmatsu  
ABN 74 490 121 060

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The Board of Directors  
Mermaid Marine Australia Limited  
20 Mews Road  
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WA 6160

19 February 2009

Dear Board Members

### **Mermaid Marine Australia Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Mermaid Marine Australia Limited.

As lead audit partner for the review of the financial statements of Mermaid Marine Australia Limited for the half-year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

*Deloitte Touche Tohmatsu*

**DELOITTE TOUCHE TOHMATSU**

*Kathleen Bozanic*

**Kathleen Bozanic**  
Partner  
Chartered Accountants

Member of  
Deloitte Touche Tohmatsu

Audit Review Report



Deloitte Touche Tohmatsu  
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## Independent Auditor's Review Report to the Members of Mermaid Marine Australia Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mermaid Marine Australia Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, cash flow statement, statement of changes in equity for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 10 to 16.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Mermaid Marine Australia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

Member of  
Deloitte Touche Tohmatsu

**Audit Review Report (cont)**

# Deloitte.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mermaid Marine Australia Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*Kathleen Bozanic*

**Kathleen Bozanic**

Partner

Chartered Accountants

Perth, 19 February 2009

## Directors' Declaration

The directors declare that:

- a) In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- b) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



**TONY HOWARTH AO**  
Chairman

Perth, 19 February 2009

**Condensed consolidated income statement  
for the half year ended 31 December 2008**

	<b>Consolidated Half Year Ended 31 Dec 2008 \$'000</b>	<b>Consolidated Half Year Ended 31 Dec 2007 \$'000</b>
Revenue	78,949	62,702
Other income	-	518
Share of profits of associates and jointly controlled entities accounted for using the equity method	773	331
Vessel expenses	(49,832)	(41,760)
Supply base expenses	(7,418)	(5,839)
Administration expenses	(2,810)	(2,363)
Finance costs	(4,140)	(2,855)
<b>Profit before tax</b>	<b>15,522</b>	<b>10,734</b>
Income tax expense	(3,247)	(3,194)
<b>Profit for the Period</b>	<b>12,275</b>	<b>7,540</b>
<b>Profit Attributable to Equity holders of the Parent</b>	<b>12,275</b>	<b>7,540</b>
<b>Earnings Per Share:</b>		
Basic (cents per share)	6.73	5.09
Diluted (cents per share)	6.61	5.01

Notes to the condensed consolidated financial statements are included on pages 14 to 16.

**Condensed consolidated balance sheet  
as at 31 December 2008**

	<b>Consolidated 31 Dec 2008 \$'000</b>	<b>Consolidated 30 June 2008 \$'000</b>
<b>Current Assets</b>		
Cash and cash equivalents	44,587	56,217
Trade and other receivables	28,376	29,790
Inventories	1,626	2,124
Current tax assets	81	-
Other financial assets	19	-
Other	1,174	599
<b>Total Current Assets</b>	<b>75,863</b>	<b>88,730</b>
<b>Non-Current Assets</b>		
Investments accounted for using the equity method	2,147	1,374
Property, plant and equipment	205,898	177,798
<b>Total Non-Current Assets</b>	<b>208,045</b>	<b>179,172</b>
<b>Total Assets</b>	<b>283,908</b>	<b>267,902</b>
<b>Current Liabilities</b>		
Trade and other payables	11,957	18,484
Borrowings	40,900	36,104
Other financial liabilities	-	695
Provisions	1,259	1,417
Current tax payables	-	3,564
<b>Total Current Liabilities</b>	<b>54,116</b>	<b>60,264</b>
<b>Non-Current Liabilities</b>		
Borrowings	55,763	54,750
Provisions	330	345
Deferred tax liabilities	7,333	5,236
<b>Total Non-Current Liabilities</b>	<b>63,426</b>	<b>60,331</b>
<b>Total Liabilities</b>	<b>117,542</b>	<b>120,595</b>
<b>Net Assets</b>	<b>166,366</b>	<b>147,307</b>
<b>Equity</b>		
Issued Capital	107,404	106,242
Reserves	9,205	(60)
Retained earnings	49,757	41,125
<b>Total Equity</b>	<b>166,366</b>	<b>147,307</b>

Notes to the condensed consolidated financial statements are included on pages 14 to 16.

**Condensed consolidated statement of changes in equity  
for the half year ended 31 December 2008**

	Ordinary Shares	Employee equity settled benefits reserve	Hedging Reserve	Foreign Currency Translation Reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Half year ended 31 December 2008</b>						
<b>Balance at 1 July 2008</b>	<b>106,242</b>	<b>635</b>	<b>(695)</b>	<b>-</b>	<b>41,125</b>	<b>147,307</b>
Exchange difference arising on translation of foreign operations	-	-	-	8,336	-	8,336
Loss on cash flow hedge	-	-	(199)	-	-	(199)
<b>Net expense recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(199)</b>	<b>8,336</b>	<b>-</b>	<b>8,137</b>
Transfer to initial carrying amount of non financial hedged item on cash flow hedge	-	-	894	-	-	894
Profit for the period	-	-	-	-	12,275	12,275
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>695</b>	<b>8,336</b>	<b>12,275</b>	<b>21,306</b>
Recognition of share based payments	-	234	-	-	-	234
Issue of shares	1,196	-	-	-	-	1,196
Foreign currency translation	(12)	-	-	-	-	(12)
Shares issues costs	(22)	-	-	-	-	(22)
Dividends Paid	-	-	-	-	(3,643)	(3,643)
<b>Balance at 31 December 2008</b>	<b>107,404</b>	<b>869</b>	<b>-</b>	<b>8,336</b>	<b>49,757</b>	<b>166,366</b>
<b>Half year ended 31 December 2007</b>						
<b>Balance at 1 July 2007</b>	<b>58,067</b>	<b>680</b>	<b>(881)</b>	<b>-</b>	<b>24,707</b>	<b>82,573</b>
Loss on cash flow hedge	-	-	(469)	-	-	(469)
<b>Net expense recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(469)</b>	<b>-</b>	<b>-</b>	<b>(469)</b>
Transfer to initial carrying amount of non financial hedged item on cash flow hedge	-	-	723	-	-	723
Profit for the period	-	-	-	-	7,540	7,540
<b>Total recognised income and expense</b>	<b>-</b>	<b>-</b>	<b>254</b>	<b>-</b>	<b>7,540</b>	<b>7,794</b>
Recognition of share based payments	-	248	-	-	-	248
Issue of shares	483	-	-	-	-	483
Share issue costs	-	-	-	-	(1,479)	(1,479)
<b>Balance at 31 December 2007</b>	<b>58,550</b>	<b>928</b>	<b>(627)</b>	<b>-</b>	<b>30,768</b>	<b>89,619</b>

Notes to the condensed consolidated financial statements are included on pages 14 to 16.



**Condensed consolidated cash flow statement  
for the half year ended 31 December 2008**

	<b>Consolidated Half Year Ended 31 Dec 2008</b>	<b>Consolidated Half Year Ended 31 Dec 2007</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	88,274	62,651
Payments to suppliers and employees	(64,917)	(47,811)
Interest received	1,431	485
Income tax paid	(4,874)	(2,684)
Interest and other costs of finance paid	(4,119)	(2,829)
<b>Net Cash Provided by Operating Activities</b>	<b>15,795</b>	<b>9,812</b>
<b>Cash Flows from Investing Activities</b>		
Payments for property, plant and equipment	(24,113)	(8,259)
Proceeds from sale of property, plant and equipment	300	3,328
Advance to related parties	(550)	-
<b>Net Cash Used in Investing Activities</b>	<b>(24,363)</b>	<b>(4,931)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issues of equity securities	71	32
Payment for share issue costs	(22)	-
Proceeds from borrowings	3,872	2,889
Repayment of borrowings	(4,465)	(5,581)
Dividends Paid	(2,518)	(1,028)
<b>Net Cash Used in Financing Activities</b>	<b>(3,062)</b>	<b>(3,688)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(11,630)</b>	<b>1,193</b>
<b>Cash and Cash Equivalents at the beginning of the Half Year</b>	<b>56,217</b>	<b>16,926</b>
<b>Cash and Cash Equivalents at the end of the Half Year</b>	<b>44,587</b>	<b>18,119</b>

Notes to the condensed consolidated financial statements are included on pages 14 to 16.

## **Notes to the condensed consolidated financial statements for the half year ended 31 December 2008**

### **1. Significant accounting policies**

#### **Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

#### **Basis of preparation**

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2008 annual financial report for the financial year ended 30 June 2008.

#### **Adoption of new and revised Accounting Standards**

In the half-year, the Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period. None of the new and revised standards and interpretations have had a material effect on the half-year financial result.

#### **Foreign Currency**

During the reporting period, there was a change in functional currency for a 100% owned foreign company. The functional currency changed from Australian dollars to United States dollars as a result of an increased proportion of Company revenues and expenses being denominated in United States dollars.

**Notes to the condensed consolidated financial statements  
for the half year ended 31 December 2008 (continued)**

**2. Segment Information**

The following is an analysis of the revenue and results for the period, analysed by business segment, the group's primary basis of segmentation:

	Vessels		Supply Base		Total	
	Half Year ended 31 Dec 2008 \$'000	Half Year ended 31 Dec 2007 \$'000	Half Year ended 31 Dec 2008 \$'000	Half Year ended 31 Dec 2007 \$'000	Half Year ended 31 Dec 2008 \$'000	Half Year ended 31 Dec 2007 \$'000
<b>Segment Revenues</b>						
Sales to outside customers	65,263	53,630	12,020	9,072	77,283	62,702
Inter-segment revenue	235	239	4,668	2,117	4,903	2,356
Total	65,498	53,869	16,688	11,189	82,186	65,058
Eliminations					(4,903)	(2,356)
Unallocated					1,666	-
Total consolidated revenue					78,949	62,702
<b>Segment Results</b>						
Segment result	17,421	11,870	4,629	3,130	22,050	15,000
Eliminations					(27)	103
Total					22,023	15,103
Unallocated					(6,501)	(4,369)
Profit before income tax expense					15,522	10,734
Income tax expense					(3,247)	(3,194)
<b>Profit for the Period</b>					<b>12,275</b>	<b>7,540</b>

**Notes to the condensed consolidated financial statements  
for the half year ended 31 December 2008 (continued)**

**3. Dividends**

During the period, Mermaid Marine Australia Limited made the following dividend payments:

	Half-year ended 31 Dec 2008		Half-year ended 31 Dec 2007	
	Cents per share	Total \$'000	Cents per share	Total \$'000
Fully Paid ordinary shares				
Final dividend (fully franked at 30% tax rate)	2	3,643	1	1,497

On 18 February 2009 the directors resolved to pay a fully franked interim dividend for the year ending 30 June 2009 of 2 cents per share. The record date for determining entitlement to the dividend will be 20 March 2009. The dividend will be paid to eligible shareholders on 8 April 2009. This dividend has not been included as a liability in these financial statements.