



MERMAID MARINE
AUSTRALIA LTD

2010 Full Year Results

August 2010

2010 Highlights ... another year of solid growth



Financial

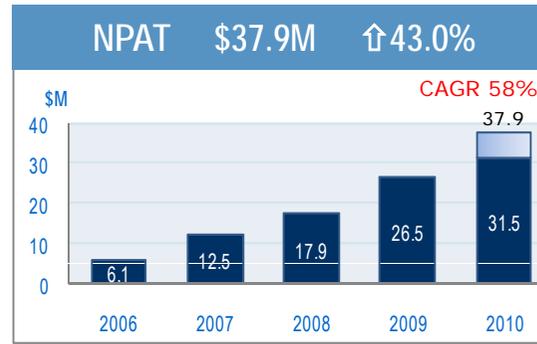
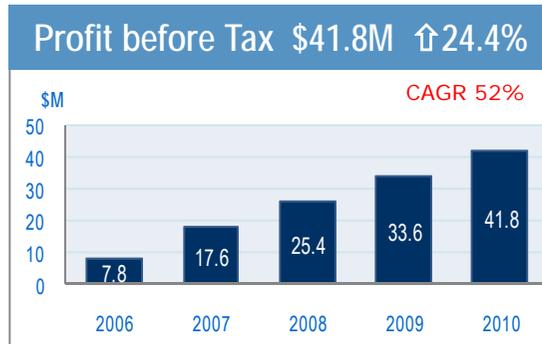
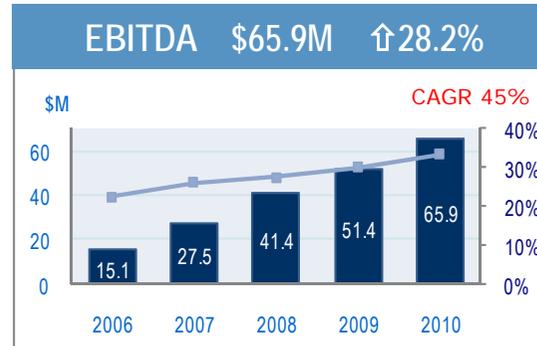
- ❑ Revenue \$194.4 million, ↑18.6%
- ❑ Pre-tax profit \$41.8 million, ↑24.4%
- ❑ Net profit after tax \$37.9 million, ↑43.0%*
- ❑ Earnings per share of 20.4c, ↑40.7%*
- ❑ Final Dividend 5c per share; full year 8c per share ↑33.3%
- ❑ Operating Cashflow \$51.7 million ↑98.8%; Cash at bank \$26.8 million

Operating

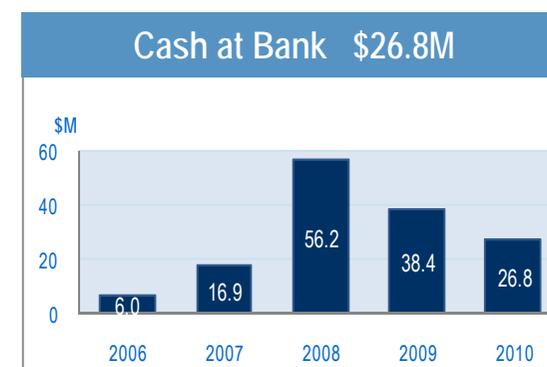
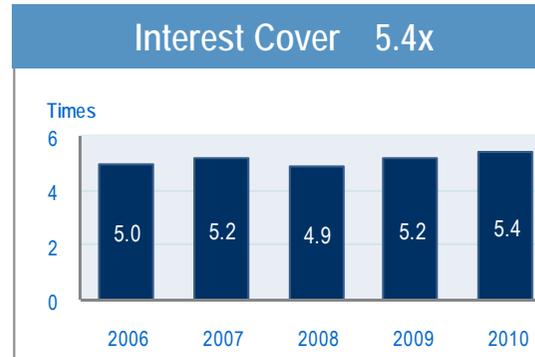
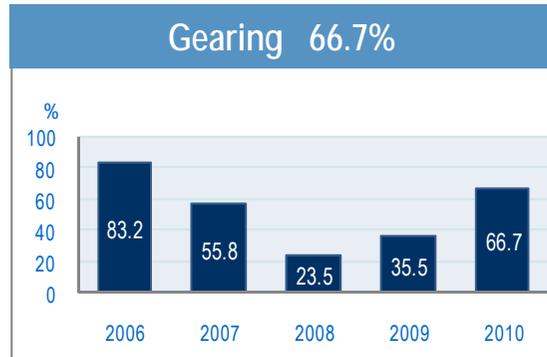
- ❑ Good safety performance – and improving
- ❑ Increased fleet size and capability
- ❑ International business continues to perform well
- ❑ Completed major upgrade of Dampier Supply Base
- ❑ Improved earnings and margins on Slipway
- ❑ Outlook remains positive through 2011

** Includes one off impact of Federal Government Investment Incentives – Normalised NPAT \$31.5m; Normalised EPS 17.0c*

Key Performance Ratios ... consistent growth



Key Liquidity Ratios ... strong cash generation



Safety and Environment ... a key focus



- Good safety performance across the organisation for the year - 59% improvement in TRCF
- Strategy to continue improvement through behavioural based safety initiatives
- Established accredited Safety Management System for International fleet
- Managed vessel transits from Egypt and West Africa
- Continued to invest and build capability in HSEQ group
- Exceeded all Ministerial Environmental requirements
- Operating Gorgon supply base with high levels of safety, environmental and quarantine compliance requirements



Vessel Operations



Vessel Operations .. solid performance in a challenging year



Financial highlights

- Earnings grew by 10%
- Margins consistent with prior year
- ROA lower but still strong
- Average Fleet age now 8 years
- Improved long term contract cover
- Ongoing tendering activity
- Over \$40M of new work secured in last 2 months

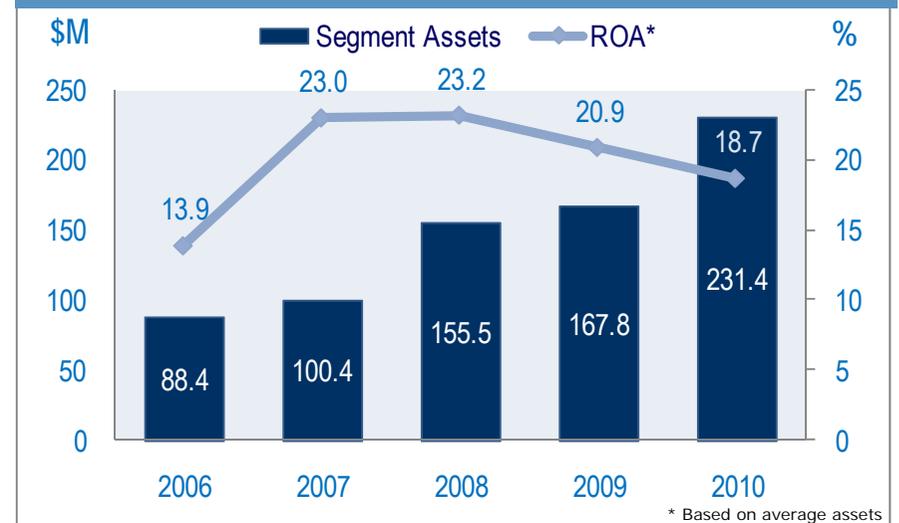
Operational highlights

- Delivered 4 new vessels – new sector
- Maintained utilisation in a difficult market – Avg. 74%
- Supported Pluto project Q1
- Ongoing international contracts
- Chartering vessels to supplement fleet

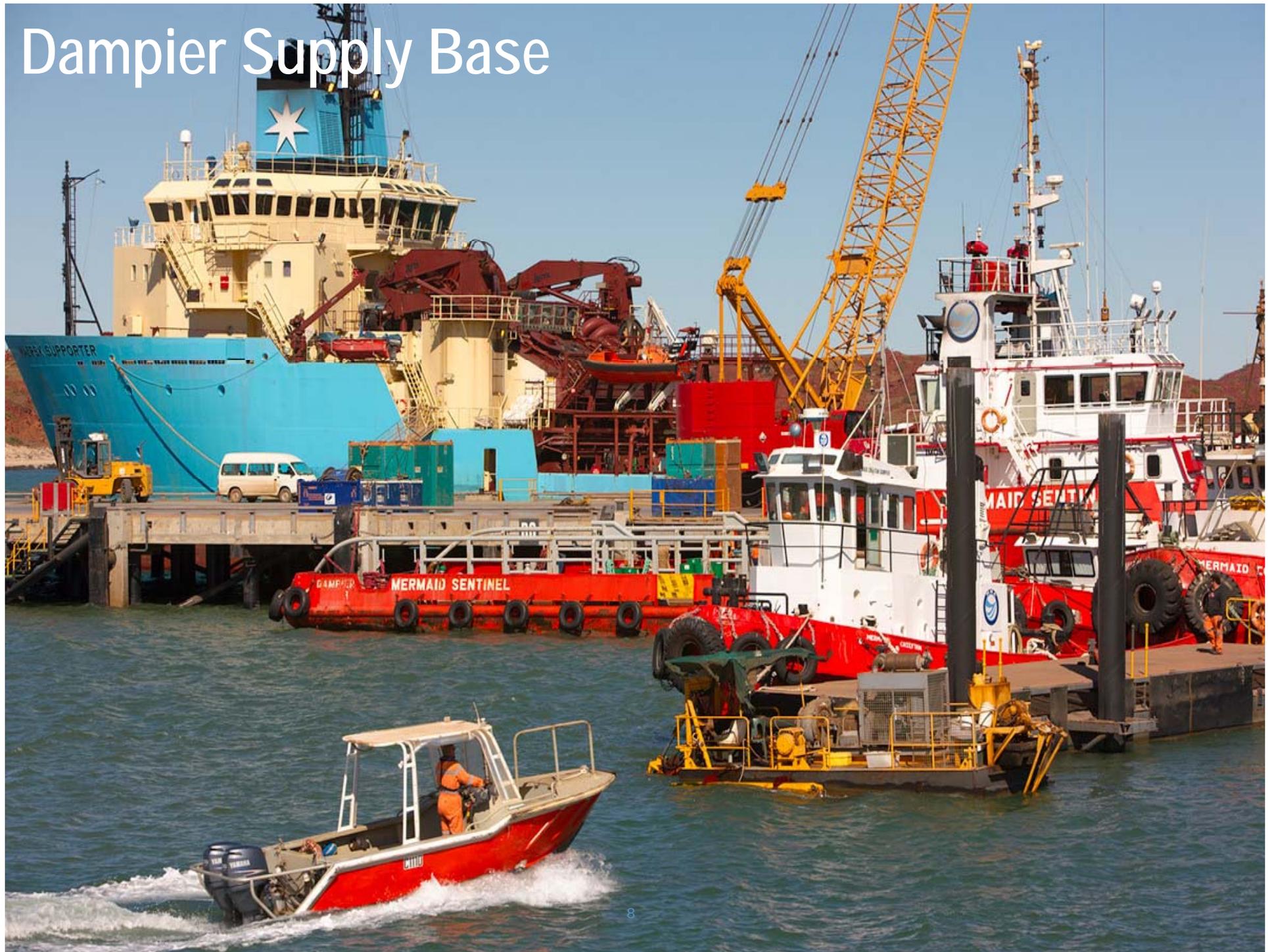
Vessel Financials

	Variance	30 Jun 2010	30 Jun 2009
Revenue	↑ 12.4%	\$150.1M	\$133.6M
EBITDA	↑ 14.2%	\$47.5M	\$41.6M
EBITDA / Revenue	↑ 0.5%	31.6%	31.1%
EBIT	↑ 9.7%	\$37.2M	\$33.9M
EBIT / Revenue	↓ 0.6%	24.8%	25.4%

Return on Assets



Dampier Supply Base



Dampier Supply Base ... investment now delivering



Financial highlights

- Earnings up by 103%
- Maintained strong margins
- ROA reflects unique service
- Invested \$30m to improve infrastructure and grow earnings

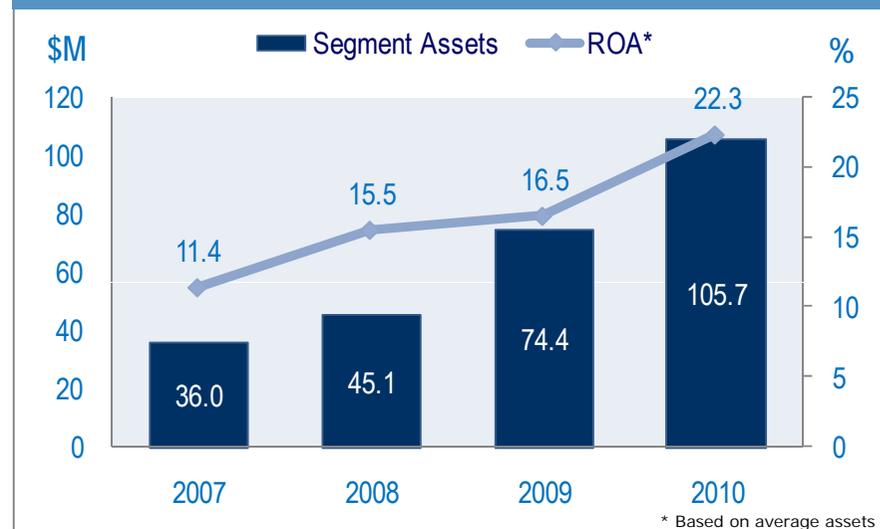
Operational highlights

- Completed upgrade for Gorgon Project
- Commenced stevedoring operations for Gorgon Project
- Wharf utilisation justifies capital expenditure
- Personnel numbers increased by 20%
- New equipment to enhance services
- Extended contract with BHPB
- Secured external stevedoring contract
- Continuing to market services to new clients

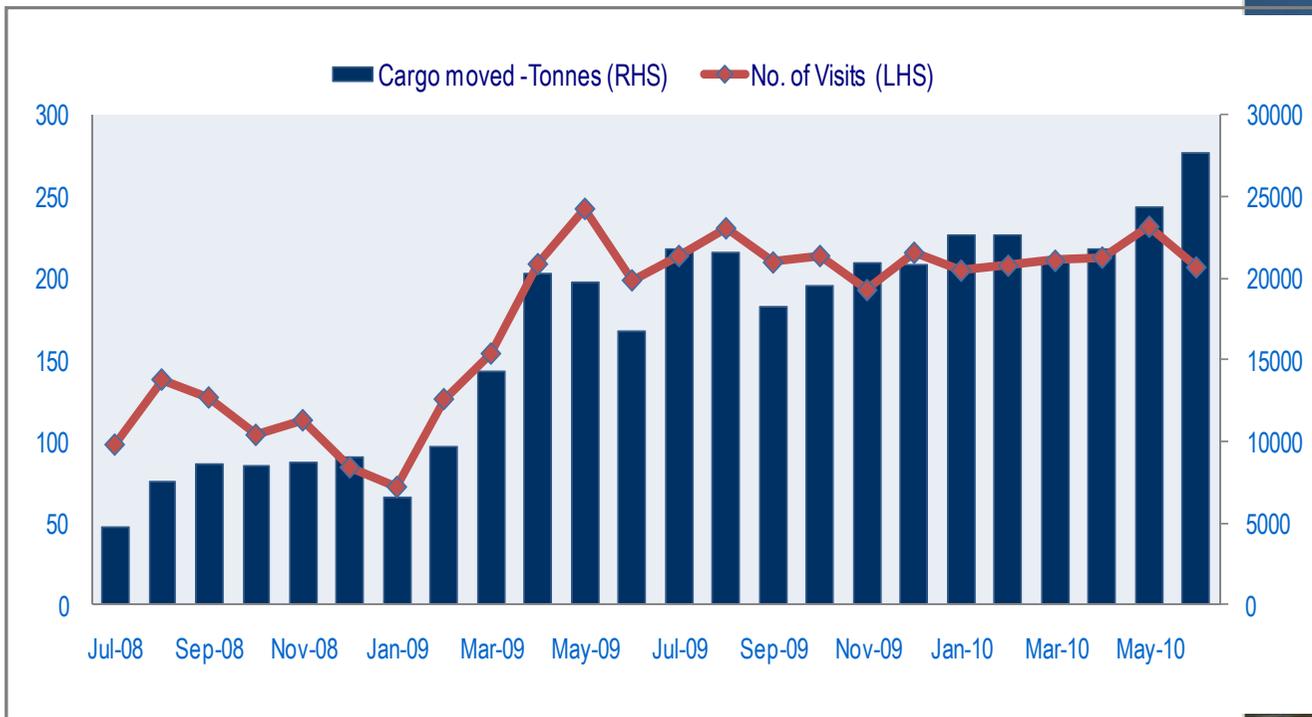
Dampier Supply Base Financials

	Variance	30 Jun 2010	30 Jun 2009
Revenue	↑ 86.8%	\$40.9M	\$21.9M
EBITDA	↑ 103.5%	\$23.4M	\$11.5M
EBITDA / Revenue	↑ 4.7%	57.2%	52.5%
EBIT	↑ 103.0%	\$20.1M	\$9.9M
EBIT / Revenue	↑ 3.9%	49.1%	45.2%

Return on Assets



Dampier Wharf extension – demand levels remain strong



Dampier Supply Base and adjacent facilities



Dampier Slipway



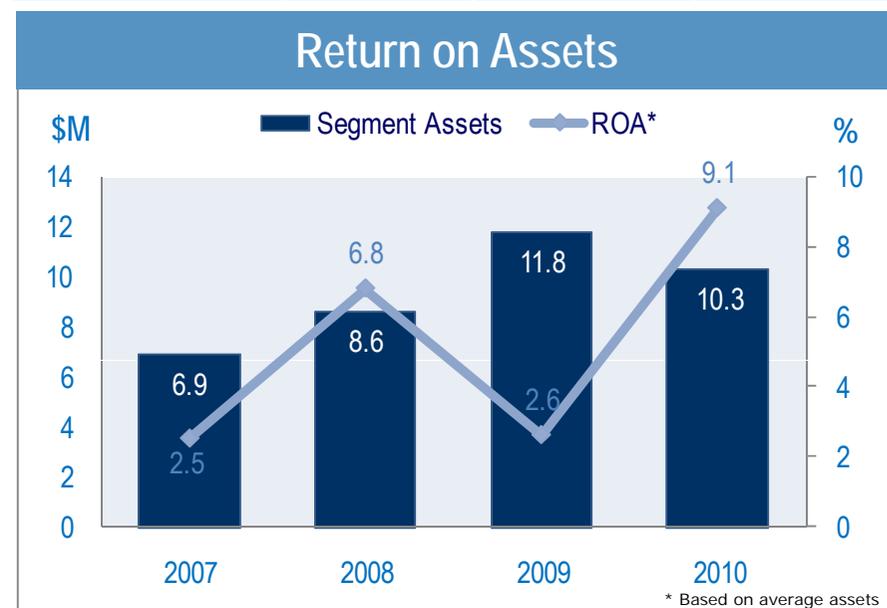
Dampier Slipway Operations ... a strategic asset



- **Financial highlights**
 - Improved earnings and margins
 - Productivity improvements

- **Operational highlights**
 - Docked 35 vessels
 - MMA remains major client
 - Improved infrastructure
 - Docked first Navy vessel
 - Undertook “Flow Hose” maintenance
 - Increasing Oil & Gas Exposure
 - Strengthened management capability and retained key staff

Financials			
	Variance	30 Jun 2010	30 Jun 2009
Revenue	↓ 12.7%	\$13.1M	\$15.0M
EBITDA	↑ 150.0%	\$1.5M	\$0.6M
EBITDA / Revenue	↑ 7.5%	11.5%	4.0%
EBIT	↑ 233.3%	\$1.0M	\$0.3M
EBIT / Revenue	↑ 5.6%	7.6%	2.0%



Broome Supply Base



Broome Supply Base ... future growth



- Supported Exploration activities for:
 - Shell
 - Santos
 - Conoco Phillips
 - Apache
- Progress towards Production Facilities
 - Shell Prelude FLNG Project – entered FEED, Sales Agreements Announced
 - Woodside Browse – Broome Office Established
 - Inpex Ichthys – Raising funds
- Well positioned for future growth in activity in the Browse Basin



Image of Shell's Floating LNG facility, courtesy of Shell

Market Outlook



Opportunities

- Ongoing opportunities with Gorgon Project
- Apache Devils Creek Project
- ESSO KTT Project
- BHPB Macedon Development
- Chevron Wheatstone Project
- Woodside North Rankin B Project
- Browse Basin Developments
- ENI Kitan Oil Field Development
- International operations

Risks

- Increased competition due to weaker SE Asian markets
- Recruitment of appropriate personnel

Summary



- A year of strong growth and delivered on expectations
- Fleet capability improved and chartering vessels to cover new contract wins
- Vessel utilisation expected to improve in Q2 FY11
- Dampier Supply Base upgrade completed and now in operation
- Slipway utilisation expected to remain strong
- Continue supporting drilling activity in the Browse Basin via Broome Supply Base
- Short term market strengthening and longer term market continues to present opportunities
- Look forward to ongoing growth in earnings

Vessel Listing



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
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	ARROW	AUSTRALIA	FAST RESPONSE CREW VESSEL	2009	-	20	1080	5
MERMAID	RESOURCE	AUSTRALIA	FAST RESPONSE CREW VESSEL	1996	-	27	2600	6
MERMAID	CONSTRUCTOR	MALAYSIA	BARGE	2003	-	70	-	-
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	SENTINEL	SINGAPORE	AHT	2006	50	40	4000	20
MERMAID	SOUND	AUSTRALIA	AHT	2005	72	50	5800	22
MERMAID	STORM	AUSTRALIA	AHT	1993	40	34	4000	18
MERMAID	PROVIDER	AUSTRALIA	AHT	1995	50	45	4000	12
MERMAID	SUPPORTER	AUSTRALIA	AHT	2001	65	48	4800	24

Vessel Listing - continued



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
MERMAID	RANGER	SINGAPORE	AHT	2007	50	40	4000	20
MERMAID	VISION	SINGAPORE	AHTS	2009	105	68	8000	32
MERMAID	VOYAGER	AUSTRALIA	AHTS	2009	65	59	5150	42
MERMAID	VANTAGE	SINGAPORE	AHTS	2009	65	59	5150	42
MERMAID	VANQUISH	SINGAPORE	AHTS	2007	65	59	5147	42
MERMAID	DISCOVERY	SINGAPORE	AHTS	2007	65	57	5500	68
MERMAID	INVESTIGATOR	AUSTRALIA	MPV / SURVEY	2005	30	54	3619	42
MERMAID	SEARCHER	AUSTRALIA	MPV / SURVEY	2008	34	54	3200	36
MERMAID	SPIRIT	AUSTRALIA	ACCOMODATION VESSEL	1998	-	30	1099	32
MERMAID	ACHIEVER	AUSTRALIA	STANDBY / SURVEY	1983	-	40	1619	34
MERMAID	VIGILANCE	SINGAPORE	PSV	2009	-	70	4000	50

Vessel Listing – chartered vessels



Vessel	Name	Flag	Type	Year	Bollard Pull	LOA	BHP	Berths
SWISSCO	SABRE	SINGAPORE	AHT	2010	50	40	2100	20
MERMAID	RELIANCE	SINGAPORE	AHT	2010	65	50	5150	36
MERMAID	RESOLUTION	SINGAPORE	AHT	2010	65	50	5150	36
MICLYN	GLORY	SINGAPORE	SUPPLY	2003	-	53	3200	23
AMS	ESPERENCE	SINGAPORE	BARGE	2010	-	76	-	-
MARITIME	FALCON	SINGAPORE	BARGE	2008	-	70	-	-

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Final Results FY2010



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