



**PRESS RELEASE**

Kuala Lumpur, 7th May 2014

## **MHB Attains Pretax Profit Of RM34 Million In The 1<sup>st</sup> Quarter**

- Revenue of RM671 million
- Profit before taxation of RM34 million
- Sailaway of FPSO Cendor with safety record of 8.7 million manhours with zero LTI

Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) is pleased to announce its financial results for the three (3) months ended 31 March 2014. The Group achieved a revenue of RM671 million with profit before tax of RM34 million.

MHB's offshore business segment achieved a revenue of RM609 million. During the quarter under review, the Group successfully completed the FPSO Cendor project as the vessel sailed away from MMHE West Yard. The project required the repair, life extension and conversion of an existing tanker into a floating production storage and offloading (FPSO) vessel. MHB also fabricated and integrated the topsides of the FPSO vessel. The safe sailaway marked a milestone for the Group as this was its eleventh FPSO/FSO conversion project.

The Group's marine business segment continued to expand its scope of services. It offered repair and maintenance services to third parties' accommodation & work barges and also heavy lifting vessel. During the quarter, the dock gate at Dry Dock 1 was replaced after being in service for 40 years. Investment in the new dock gate was part of the Group's ongoing Yard Optimisation programme to increase the yard's efficiency and to expand the range of projects that the Group can undertake.

During the quarter under review, MHB attained a net profit of RM35 million. Earnings per share ("EPS") attributable to equity holders of MHB is 2.2 sen for the first quarter ended 31 March 2014. With the ongoing investments in the yard optimisation programme, the Group's property, plant and equipment has increased to RM1.5 billion. Total equity has increased to RM2.6 billion.

Managing Director & Chief Executive Officer, Mr. Dominique de Soras commented, "For 2014, we will continue with the engineering and fabrication work on the country's first tension leg platform structure, the TLP Malikai Deepwater Project. Also, together with our project joint-venture partner, Technip, commendable progress has been achieved with the SK 316 project, where we will carry out the engineering, procurement, construction, installation and commissioning (EPCIC) for the entire project. The SK 316 project involves the development of a central processing platform, wellhead platform, link bridge and two jackets. On the business development front, MHB is currently actively involved in the bidding activities for selected domestic and international projects which, if successful, will extend the Group's backlog visibility and enhance future earnings".

**About MHB**

Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) is a leading marine and heavy engineering services provider in South-east Asia region, focused primarily on the oil and gas sector. It offers a wide spectrum of offshore solutions which include offshore construction, offshore conversion; and marine repair services at two yards in Pasir Gudang, Johor, Malaysia. The yards can accommodate the fabrication of large marine structures with a total tonnage of 129,700 MT; and are also equipped with two dry docks accommodating vessels up to 450,000 deadweight tonnes (dwt).

**For more information, kindly contact MHB Corporate Communications:**

**Lina Yap-Abdullah**

Tel: +603-2275 3786

Hp: +6012-603 5279

Email: [lina.yap-abdullah@mmhe.com.my](mailto:lina.yap-abdullah@mmhe.com.my)

**Nor Mariam Mohd Nazir**

Tel: +603-2275 3948

Hp: +6012-341 9494

Email: [nor.mariam@mmhe.com.my](mailto:nor.mariam@mmhe.com.my)