



PRESS RELEASE

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MHB Attains 9-Month Pretax Profit of RM151 Million

- Revenue of RM2.2 billion
- Profit before taxation of RM151 million
- Sailaway of Damar Topside
- Sailaway of F14/F29 process module
- Sailaway of F14DR-A substructure

Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) is pleased to announce its financial results for the nine (9) months ended 30 September 2013. The Group achieved a revenue of RM2.2 billion with profit before tax of RM151 million.

During the quarter, the Damar Topside successfully sailed away from MMHE West Yard to its location offshore Terengganu in the Peninsular Malaysia. MHB also delivered the F14/F29 process module and F14DR-A substructure for sailaway to its offshore location in Sarawak, East Malaysia. These structures will further facilitate the efficient development of Malaysia's gas resources to meet its growing energy demands.

The offshore business segment had lower revenue during the period under review as the Tapis Enhanced Oil Recovery (EOR) Project is nearing completion. MHB has already delivered the Tapis-Q Topside with Tapis-R integrated deck at the advanced fabrication stage. The latter is due for completion in the following financial period. The Tapis EOR project is Malaysia's first full field EOR project and is one of the largest offshore EOR projects in the Asia Pacific region.

Additionally, MHB's marine business segment has expanded its scope of services during the period under review as it undertakes the refurbishment and conversion of two (2) Mobile Offshore Drilling Units to Mobile Offshore Production Unit (MOPUs). The two (2) MOPUs will ultimately be deployed for the production of oil at selected marginal field projects in Malaysia.

MHB attained a net profit of RM135 million. Earnings per share ("EPS") attributable to equity holders of MHB is 8.4 sen for the period of nine (9) months ended 30 September 2013. With ongoing investments in the yard optimisation programme, the MHB Group's Fixed Assets have increased to RM1.5 billion. Total equity of MHB was RM2.5 billion as at 30th September.

Managing Director & Chief Executive Officer, Mr. Dominique de Soras commented, "The sailaway of three structures during the quarter is a reflection of the Group's emphasis to enhance our project delivery to our clients. And just before the quarter ended, our joint-venture with Technip received a confirmation from PETRONAS Carigali for an engineering, procurement, construction, installation and commissioning (EPCIC) contract for the development of two gas fields in Block SK316. We will leverage on our respective expertise and endeavour to execute the project successfully by harnessing mostly on our domestic resources".

**About MHB**

Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) is a leading marine and heavy engineering services provider in the 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).

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