



Mermaid
SUBSEA SERVICES



Mermaid Maritime Plc

3Q 2015 Results

Investor Update

November 18, 2015



Agenda

- **Business Report**
- **Financial Review**
- **Business Outlook**



MERMAID MARITIME
PUBLIC COMPANY LIMITED

Business Report

Katarat Suksawang
Chief Financial Officer



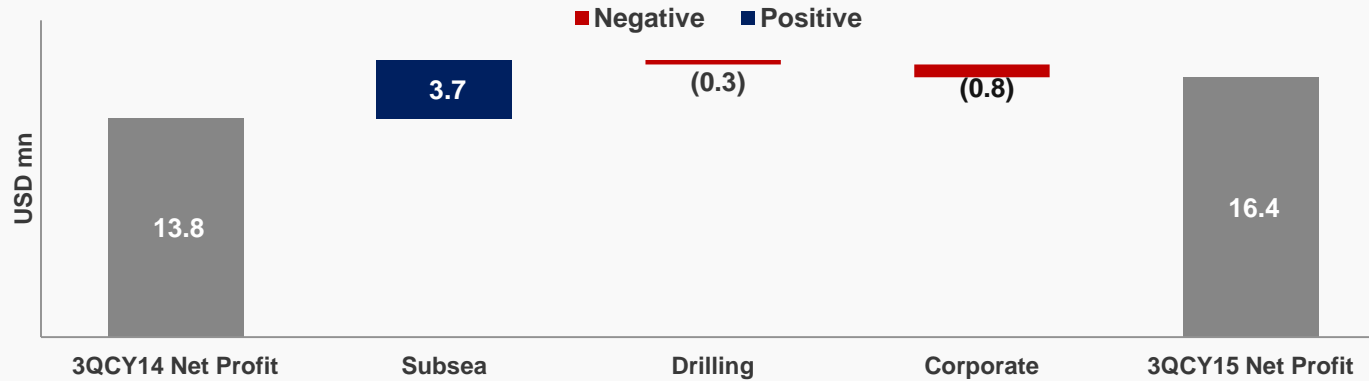
3Q 2015 Highlights

- ▶ Earnings turnaround on improved subsea performance
- ▶ Realized significant discount on chartered-in vessels
- ▶ Continued making profit in cable laying venture and Subsea IRM; business continue to gain traction with customer
- ▶ Delayed earnings impact from Asia Offshore Drilling rate cut as bare boat charter rate pass thru yet to be revised to reflect lower day rate
- ▶ Solid order book (excl. Asia Offshore Drilling) at USD212.3m
- ▶ Charter-in vessels Nusantara (ex-Windermere) charter party expires 24 December 2015, Endeavour expires 29 February 2016 and Resolution expires 10 December 2016

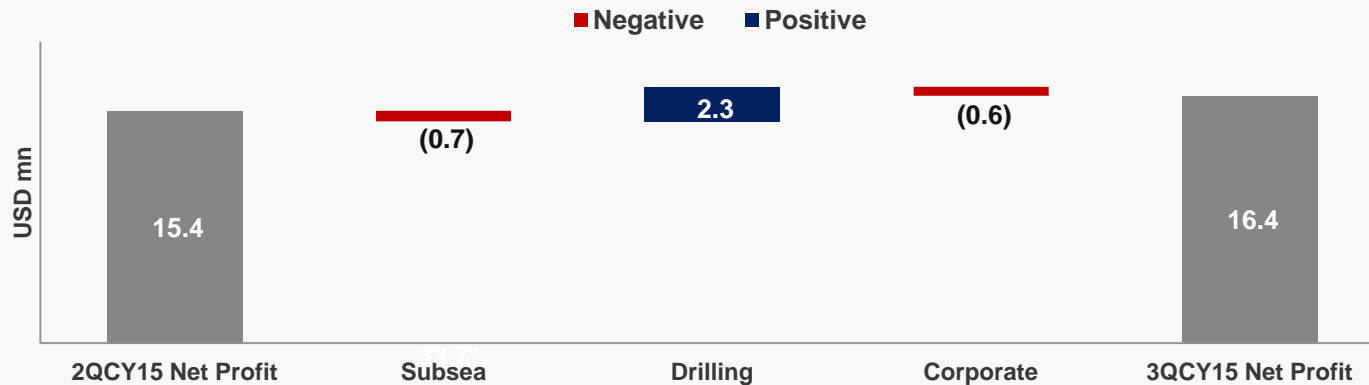


3Q 2015 Net Profit US\$16.4m

YoY Net Profit Change



QoQ Net Profit Change



* Adjusted to exclude the impact of group internal FX translation loss of USD 10.9m booked under corporate (gain for subsea) for comparison purpose; FX translation loss relates to Thai-denominated debt by holding company (corporate) to subsea subsidiary



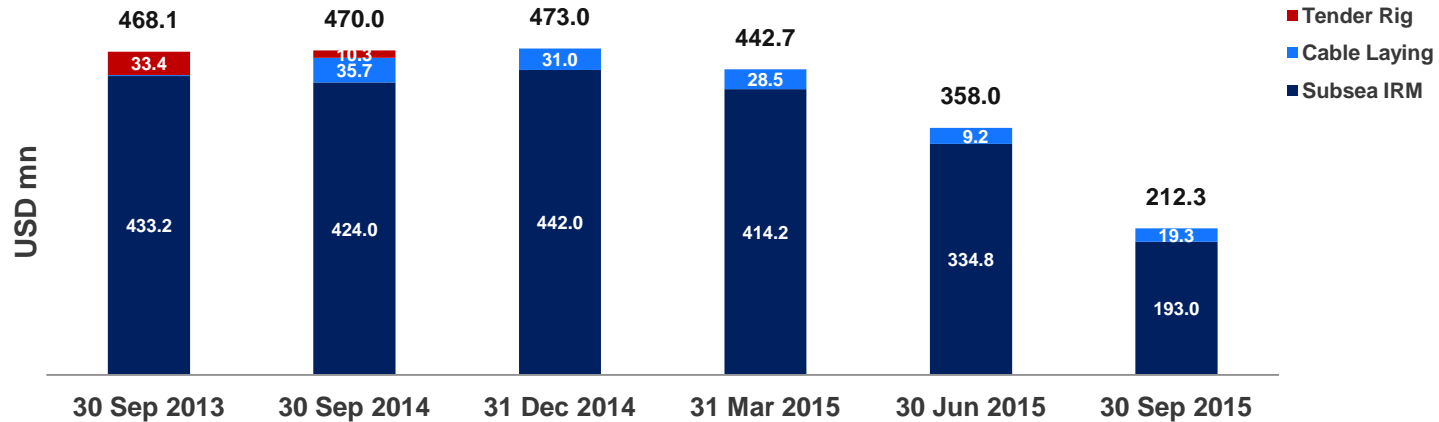
AOD equity income contribution yet to reflect recent rate cut

- 33.8% drilling associate Asia Offshore Drilling Limited (“AOD”) has reached an agreement with its customer Saudi Arabian Oil Company (“Saudi Aramco”) to reduce the operating day rates on the jackup rigs AOD I, AOD II, and AOD III by 10 percent
- Operating day rate reductions are effective from April 1, 2015 through to March 31, 2016
- As announced to SGX on May 28, 2015, this will reduce AOD’s backlog by approximately USD 20 million
- Notwithstanding the rate reduction, equity income from AOD in 3QFY2015 have yet to feel the impact as bare boat charter rate pass thru yet to be revised to reflect lower day rate

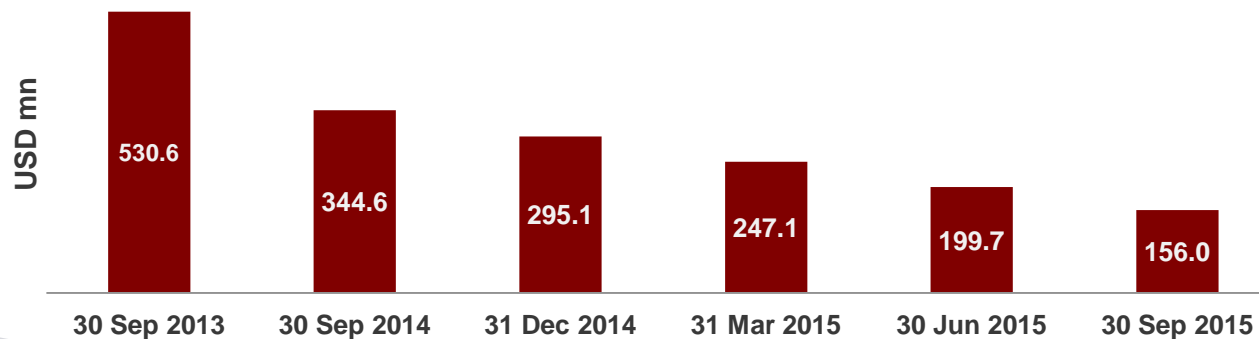


Order book declined to USD212.3m on strong 3Q CY2015 subsea work

Order Book (excluding Asia Offshore Drilling)



Asia Offshore Drilling Order Book*



* Mermaid Maritime owns 33.76% stake in Asia Offshore Drilling



Financial Review

Katarat Suksawang
Chief Financial Officer

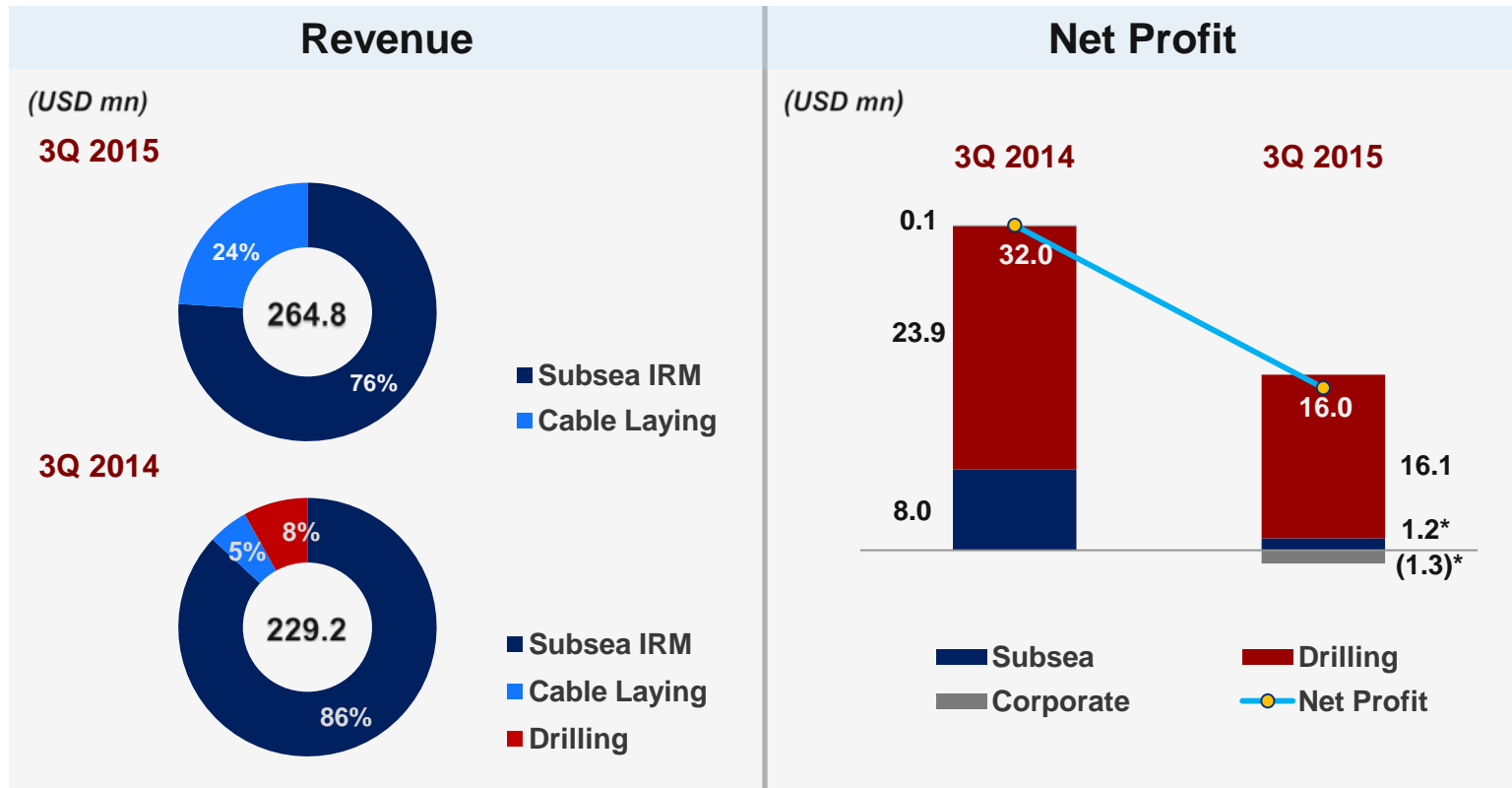


3Q 2015 (9mth period) Profit & Loss

USD mn	3Q CY15	3Q CY14	Δ %
Turnover	264.8	229.2	15.5
EBITDA	21.1	37.2	(43.3)
Profit from Operations	19.9	37.5	(46.9)
EBIT	(2.4)	13.6	(117.6)
Associates & JV Equity Income	22.3	23.9	(6.7)
Finance Cost	(2.5)	(2.8)	(7.1)
Profit before Tax	17.4	34.7	(49.9)
Tax	(1.4)	(2.7)	(48.1)
Net Profit	16.0	32.0	(50.0)
EPS (US cents)	1.2	2.3	(47.8)



3Q 2015 (9mth period) Segmental Contribution



* Adjusted for group internal FX translation loss of USD 15.8m booked under corporate (FX gain for subsea) in 3Q2015 for Thai-denominated debt by holding company (corporate) to subsea subsidiary

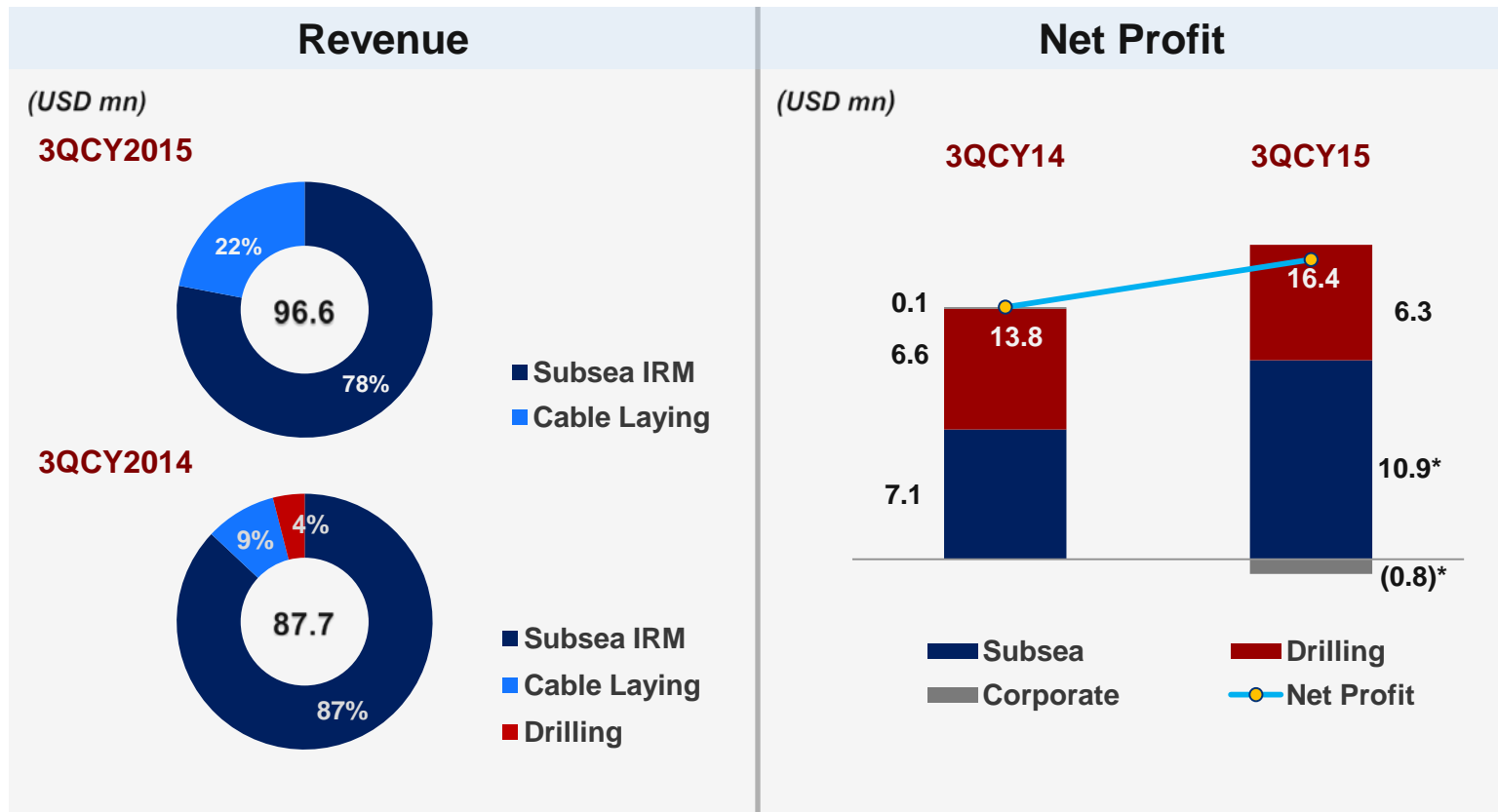


3Q 2015 (3mth period) Profit & Loss

USD mn	3Q CY15	3Q CY14	Δ %
Turnover	96.6	87.7	10.1
EBITDA	18.4	16.0	15.0
Profit from Operations	18.0	15.9	13.8
EBIT	10.5	8.0	32.5
Associates & JV Equity Income	7.5	7.9	(5.1)
Finance Cost	(0.9)	(0.9)	0.0
Profit before Tax	17.1	15.0	14.7
Tax	(0.7)	(1.2)	(41.7)
Net Profit	16.4	13.8	18.8
EPS (US cents)	1.2	1.0	20.0



3Q 2015 (3mth period) Segmental Contribution



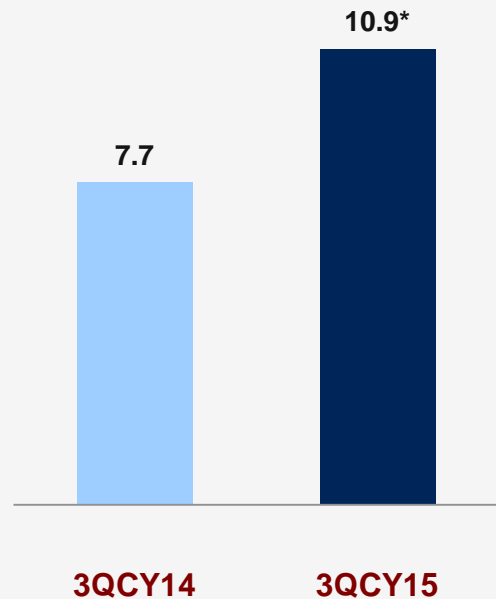
* Adjusted for group internal FX translation loss of USD 10.9m booked under corporate (FX gain for subsea) in 3Q CY2015 for Thai-denominated debt by holding company (corporate) to subsea subsidiary



Seasonally strong subsea performance

Solid Earnings Momentum

USD mn



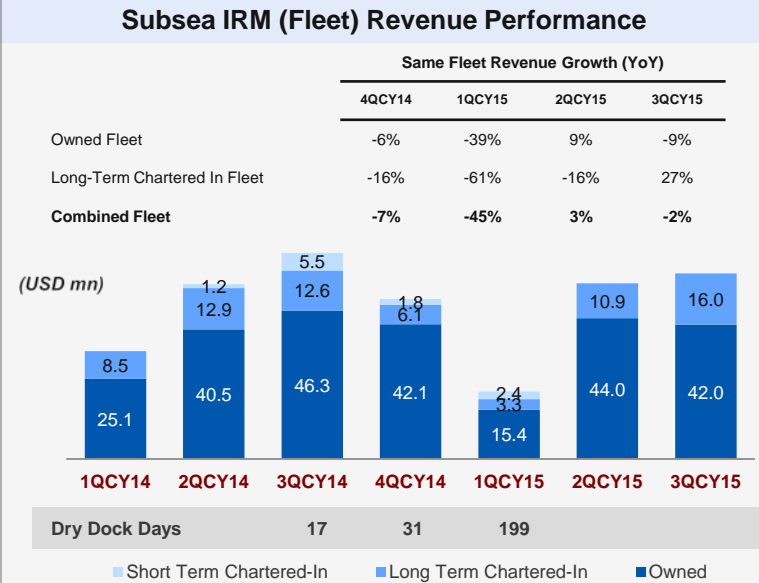
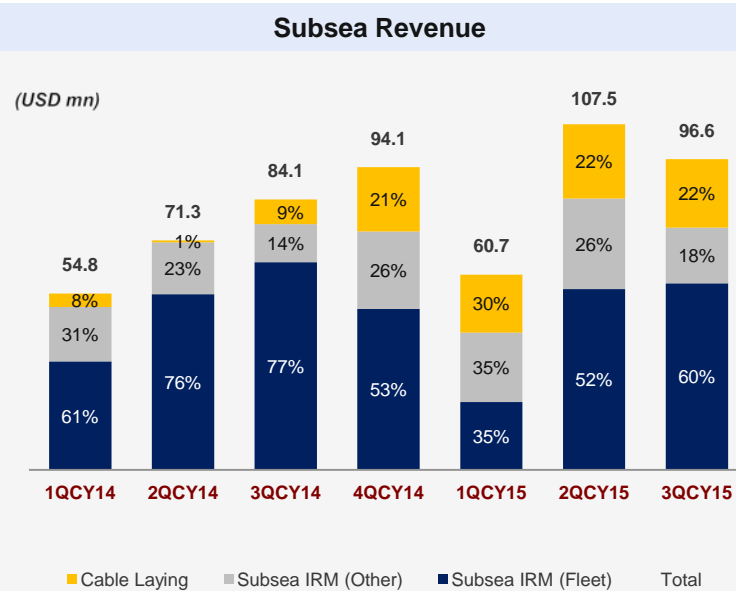
Subsea Net Profit at US\$ 10.9 Million

- 3QCY15 turnover at USD 96.6 Mn up 15%, underpinned by the group's expanded service offering and higher IRM service
- Subsea earnings grew substantially underpin by maiden cable laying earnings
- Traditionally seasonally strong quarter
- Successfully negotiated with the owner and realized significant discount on chartered-hire fees

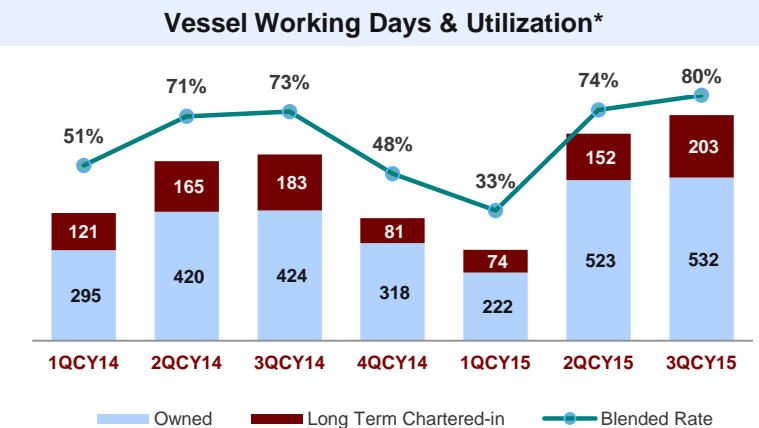
* Adjusted to exclude group internal FX translation loss of USD 10.9m for Thai-denominated debt by holding company to subsea subsidiary



Seasonally high vessel utilization, same fleet revenue declined by 2% YoY



- Substantial yoy increase in subsea revenues driven by seasonal factors and also new cable laying business revenue contribution
- Fleet utilization rate slightly increased to 80% in 3QCY15 mainly due to a new project contract of long-term chartered-in vessel; Windermere during 3QCY15
- Combined same fleet revenue slightly reduced by 2% yoy underpinned by 9% yoy decrease in owned fleet revenue, and 27% yoy growth at long-term chartered fleet revenue



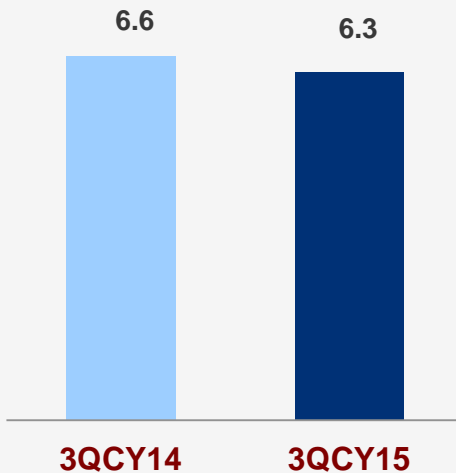
* Total Working Days / Total Vessel Calendar Day

Drilling earnings continued to maintain satisfactory earnings and yet to be impacted by bare boat charter rate reduction



Lower Drilling Earnings

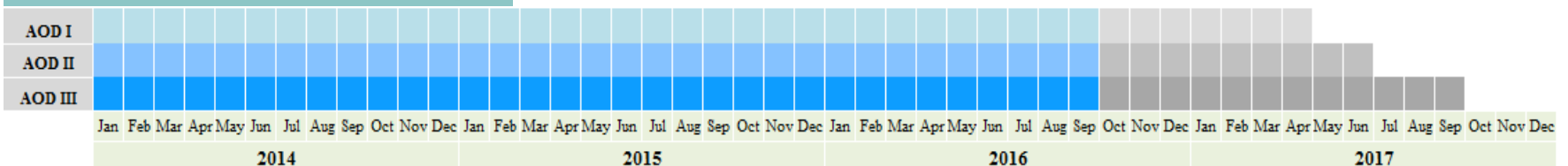
(USD mn)



Drilling Net Profit at US\$ 6.3 Million

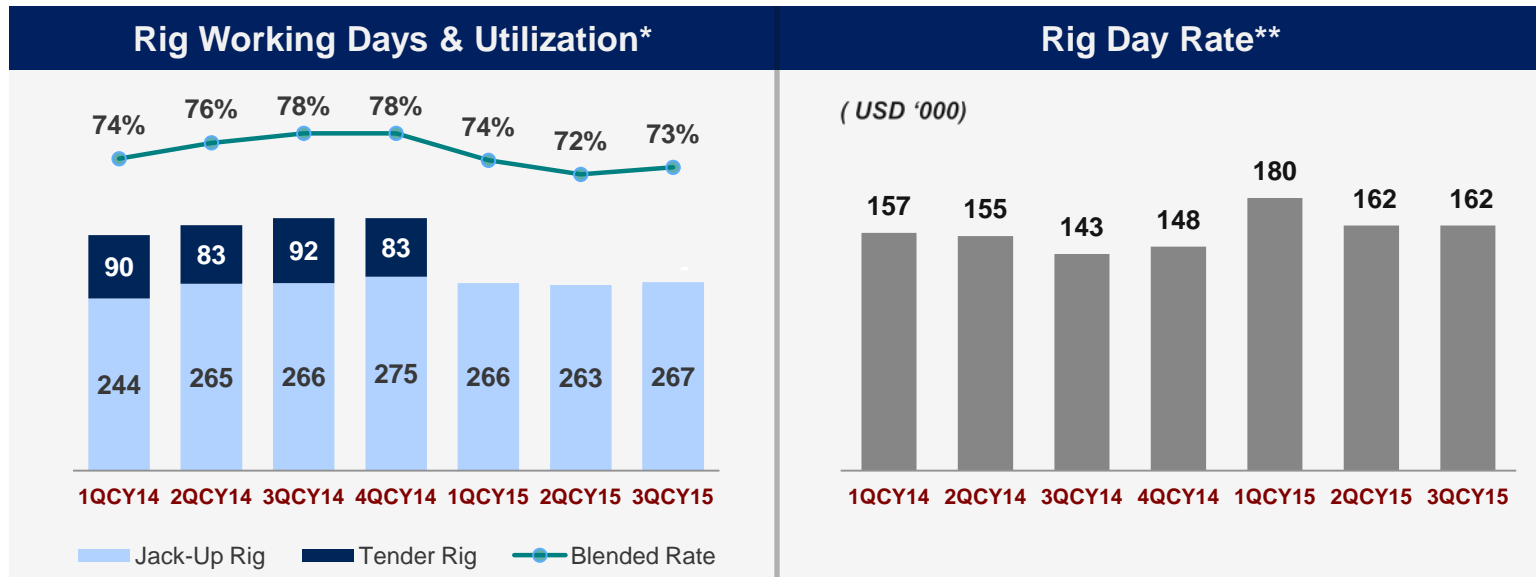
- Profits mainly underpinned by associate company, Asia Offshore Drilling (“AOD”) income contribution
- Despite AOD agreeing to lower jack-up day rates of US\$162,000/day starting 1st April 2015, earnings yet to be impacted as AOD bare boat charter rate pass thru yet to be revised down

Jack-Up Contract Coverage





Steady jack-up drilling performance



- With MTR-1 transferred to Asset for Sale (since 1Q CY2015) and MTR-2 still uncontracted, overall rig utilization rate was 73% in 3Q CY2015
- Asia Offshore Drilling jack-up rigs continue to operate strongly at 97% utilization rate in 3Q CY2015 (2Q CY2015 96%)
- Effective drilling rig day rates improve without the lower day rate tender rig
- Jack-up rig day rate was steady at USD162,000/day

* Total Working Days / Total Rig Calendar Days

** Rig Earned Revenues / Total Working Days



Statement of Financial Position

USD mn	30 Sep 2015	31 Dec 2014	Δ (%)
Current Assets	258.1	228.8	12.8
Non-Current Assets	520.3	534.5	(2.7)
Total Assets	778.4	763.3	2.0
Current Liabilities	112.4	87.4	28.6
Non-Current Liabilities	97.9	110.0	11.0
Total Liabilities	210.3	197.4	6.5
Total Equity	568.1	565.9	0.4
Property, Plant and Equipment	346.9	378.3	(8.3)
Bank Balances, Deposits and Cash	60.7	93.4	(35.0)
Total Borrowings	112.1	112.7	(0.5)



Borrowings

USD mn	30 Sep 2015	31 Dec 2014	30 Sep 2014
Interest Bearing Debt			
Asset-backed Financing	99.4	103.3	107.3
Unsecured Loan	12.6	9.4	10.1
	112.0	112.7	117.4
Cash and Cash Equivalent	(60.7)	(93.4)	(84.9)
Net Debt / (Cash)	51.3	19.3	32.5
Shareholder Funds	568.1	565.9	561.8
Net Gearing	9.0%	3.4%	5.8%



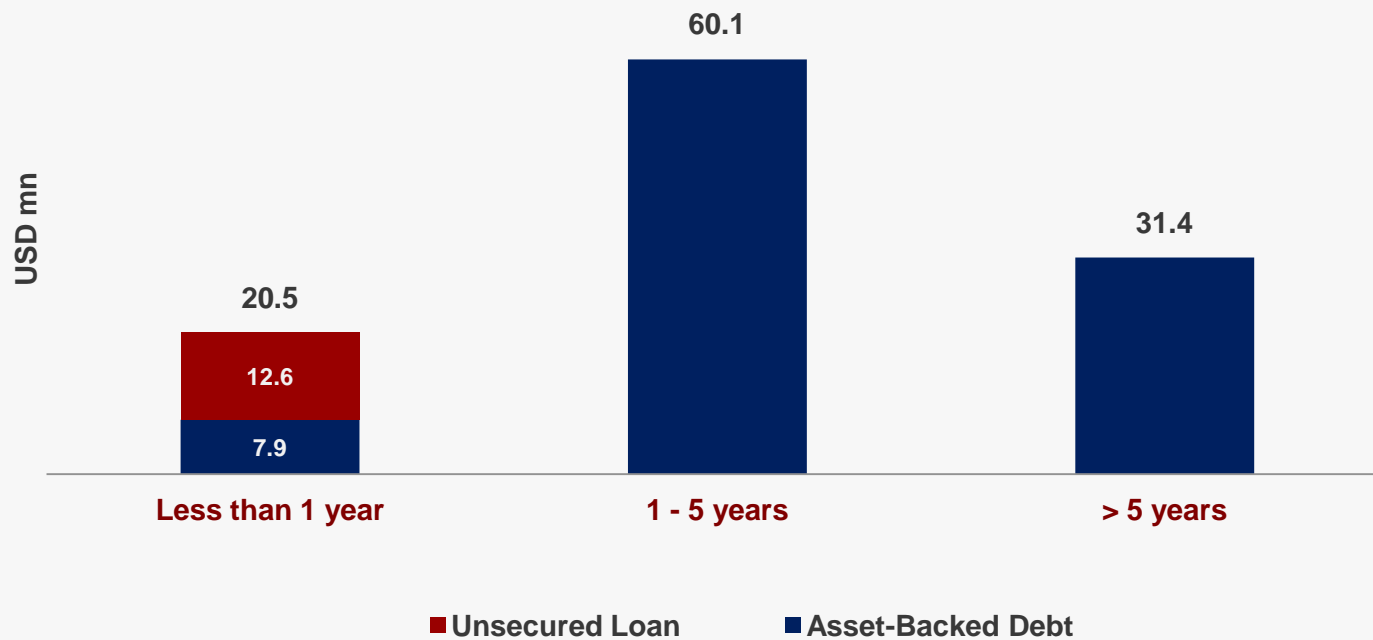
Group Free Cash Flow

USD mn	3QCY15 (9mth)	3QCY14 (9mth)
CASH FLOW FROM OPERATING ACTIVITIES		
Before Changes in Working Capital	27.3	39.6
Changes in Working Capital	(22.5)	(19.1)
Tax Paid	(5.0)	(6.9)
Others	(2.8)	(2.9)
	(3.0)	10.7
CASH FLOW FROM INVESTING ACTIVITIES		
Dividend and Interest received	7.1	0.5
Capital Expenditure, Investments and Deposit	(23.0)	(100.9)
	(15.9)	(100.4)
FREE CASH FLOW	(18.9)	(89.7)



Debt Maturity Profile

Interest Bearing Debt (30 Sep 2015): USD 112.0 Million





Business Outlook

1. The global oil and gas industry continues to experience significant challenges in light of the current oil price environment.
2. In the subsea business, the Group remains focused on developing this segment.
3. The Group continues to tender aggressively for contracts, and will take advantage of the weak markets for opportunistic business created by the exit of its competitors and the available supply of chartered-in vessels.
4. In the drilling business, the Group continues to actively market the new tender rigs, 'MTR-3' and 'MTR-4', for production drilling contracts.
5. The Group has also marketed the 'MTR-1' and 'MTR-2' for sale given that these older units are more challenged to remain utilized due to the availability of more modern rigs during this downturn.



Business Outlook

6. In our drilling business joint venture under Asia Offshore Drilling, the Group's three high specification jack-up drilling rigs delivered satisfactory performance, and performed steadily in the third quarter with average utilization of 97 percent.
7. The Group believes that market conditions will remain challenging throughout 2016 and has taken proactive measures to accelerate cost reduction and efficiency measures in order to reinforce the Group through and beyond the current downturn.
8. The Group's strong balance sheet will financially help the Group weather the downturn better and, combined with the recent set up of MTN program, the Group is well positioned to capitalize on opportunistic expansion if and when potential distressed assets become available for sale.



Strategic Initiatives

To be the Preferred Global Oil Service Specialist Partner

**Leading Global Subsea Specialist
'From Tonnage to Service Provider'**

**Premium Drilling Asset Owner & Operator
in particular South East Asia**

Leverage on Core
Competency to Build Brand &
Premium Niche Position

Leverage Capabilities for
Growth

Create & Sustain
Shareholder Value

Strengthening the Core

- 1 Maintain high client service engagement standards
- 2 Engage customers on collaborative cost savings
- 3 Step up risk management to avoid excessive project cost exposure
- 4 Streamline operation/process for higher cost efficiencies
- 5 Solid Fleet Renewal Program

Positioning for Growth

- 6 Subsea gradual move up the value chain
- 7 New markets expansion
- 8 Market drilling expertise to asset owner looking for operator
- 9 Identify potential transformative acquisitions



Mermaid
SUBSEA SERVICES



Mermaid Maritime Plc

3Q 2015 Results

November 13, 2015

Investor Relations

Vincent Siaw
Katarat Suksawang

+66 2 255 3115 Ext. 7332

ir@mermaid-maritime.com