

Dyna-Mac Holdings Ltd.
1QFY2012
Results Briefing
7 October 2011



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DYNA-MAC HOLDINGS LTD.



Financial Review by Joyce Tiong, CFO

1QFY2012 Financial Highlights

- **Revenue:** -7% to S\$31.8 million, from S\$34.2 million
- **Gross profit:** -42% to S\$9.1 million, from S\$15.6 million
- **Net profit after tax:** -55% to S\$4.2 million, from S\$9.4 million
- **Net profit margin:** 13.2%, from 27.4%
- **EPS:** 0.45 cents, from 1.31 cents
- **ROE:** NM
- **Cash and cash equivalents:** S\$62.0 million, down from S\$82.0 million



Revenue

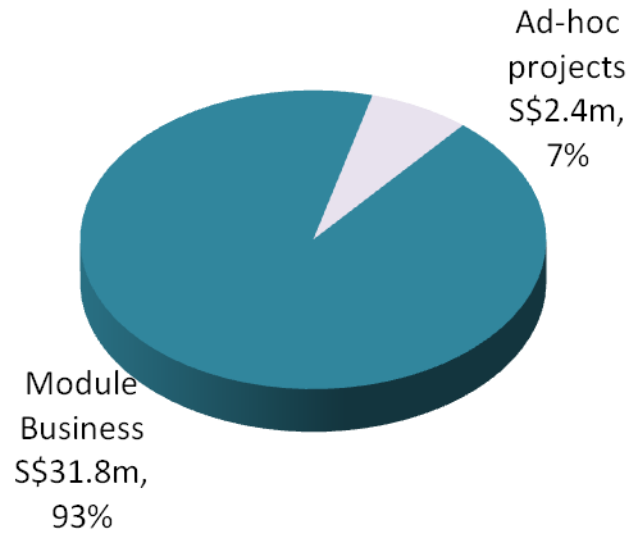
S\$' million	FY08	FY09	FY10	FY11	1QFY11	1QFY12	% Chg
Revenue	210.9	120.9	218.5	167.9	34.2	31.8	(7)

- Lower work volume as most of the fabrication works for our projects were substantially completed in the previous quarter

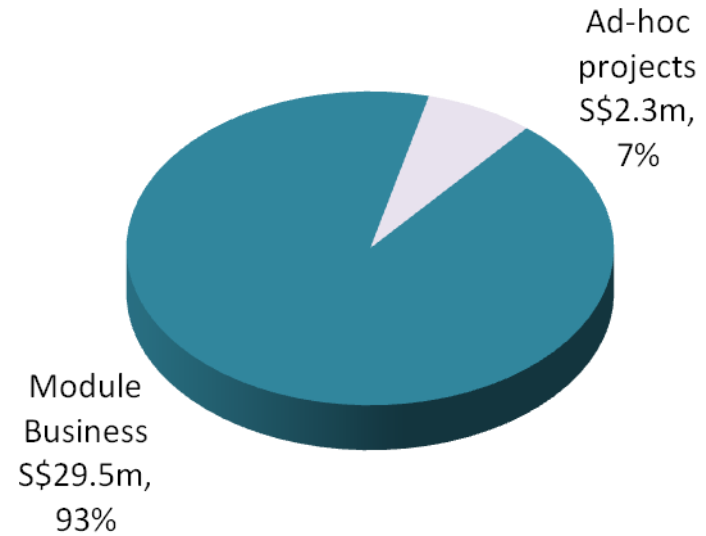


Revenue by Business

1QFY11 Revenue
S\$34.2m



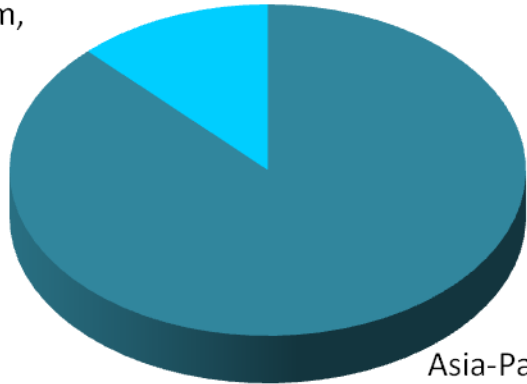
1QFY12 Revenue
S\$31.8m



Revenue by Markets

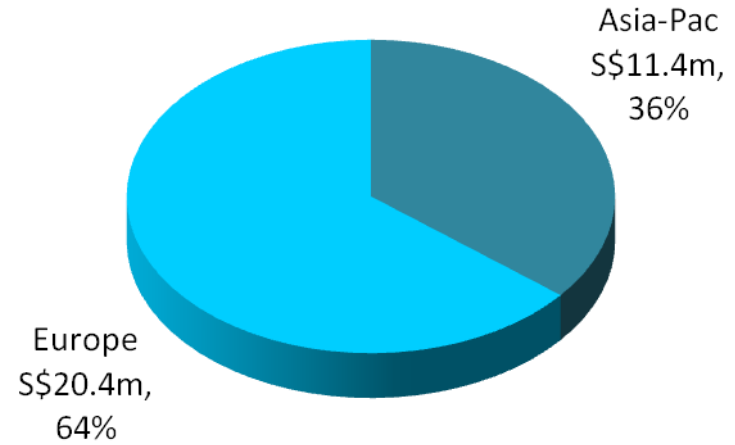
**1QFY11 Revenue:
S\$34.2m**

Europe
S\$4.2m,
12%



Asia-Pac
S\$30.0m,
88%

**1QFY12 Revenue:
S\$31.8m**



Europe
S\$20.4m,
64%

Asia-Pac
S\$11.4m,
36%



Profitability

Gross Profit	1QFY11	1QFY12	% Chg	FY10	FY11	% Chg
Gross profit (S\$'m)	15.6	9.1	(42)	50.8	50.3	(1)
GP margin (%)	45.6	28.5	(17.1)pp	23.2	30.0	6.8pp
Net Profit	1QFY11	1QFY12	% Chg	FY10	FY11	% Chg
Net profit (S\$'m)	9.4	4.2	(55)	25.5	24.8	(2)
NP margin (%)	27.4	13.2	(14.2)pp	11.6	14.8	3.2pp

- Gross profit margin dropped by 17.1 percentage points largely due to lower variation orders recognised in 1QFY12 as compared to the preceding period
- In line with the decline in gross profit, net profit margin dropped by 14.2 percentage points



Financial indicators

Balance Sheet (S\$' million)	FY2008	FY2009	FY2010	FY2011	1QFY11	1QFY12
Total assets	117.4	131.4	164.7	228.1	153.0	200.2
Total liabilities	92.5	104.9	134.7	100.2	113.6	68.1
Net Assets	24.9	26.5	30.0	127.9	39.4	132.1
Cash Flow (S\$' million)	FY2008	FY2009	FY2010	FY2011	1QFY11	1QFY12
Cash flows from operating activities before working capital changes	31.4	16.0	40.3	27.4	13.4	6.7
Net cash provided by operating activities	27.1	33.8	41.1	3.7	5.0	3.1
Net cash used in investing activities	(21.5)	(18.4)	(21.1)	(8.9)	(0.3)	(7.0)
Net cash provided by/(used in) financing activities	(8.0)	(12.3)	(14.8)	33.9	(4.5)	(16.4)
Cash and cash equivalents at end of yr/period (excluding fixed deposits)	5.0	8.2	13.3	42.0	13.4	21.6
Financial Ratios	FY2008	FY2009	FY2010	FY2011	1QFY11	1QFY12
ROE (%)	87%	30%	85%	19%	NM	NM
Gearing (times)	0.66	0.60	0.71	0.13	0.52	0.002



Use of IPO Proceeds

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
a. Expansion of yard facility at 13 Pandan Crescent	8.0	2.6	5.4
b. Upgrading and expansion of yard facility at Main Yard	12.0	6.0	6.0
c. Acquisition of additional equipment and machineries	7.0	1.1	5.9
d. Expansion of operations overseas	20.0	-	20.0
e. General working capital	26.1	21.4	4.7
	73.1	31.1	42.0





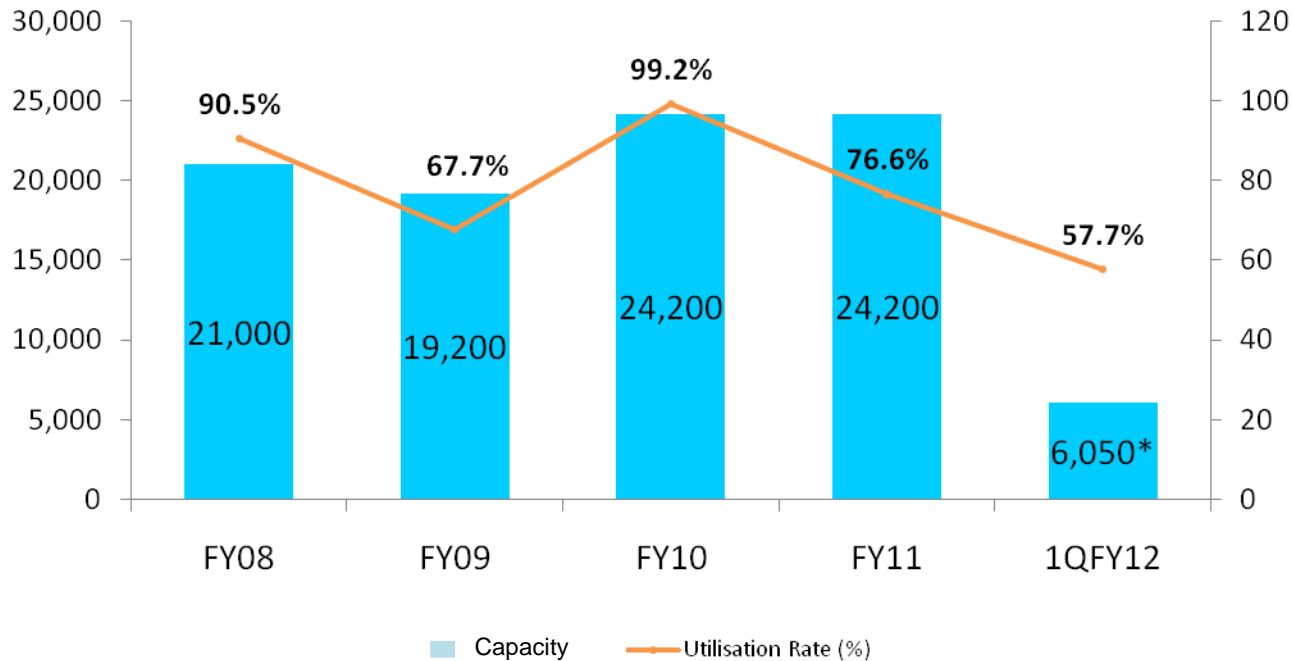
Business Review by John Varghese, COO

Ongoing Projects

Vessel Name	Customer	No. of Toppers	Other work	Expected Completion (Financial year)
FPSO Belia Azul	SBM	4	-	2Q FY12
Projects	Keppel	3	1	2Q/3Q FY12
FPSO OSX-2	SBM	12	-	2QFY13
Metering Skids	Emerson	-	4	2QFY12



Yard Capacity and Utilisation



* Estimated maximum capacity for 1QFY12 was calculated based on the total area of yard space available for 13 weeks multiplied by the estimated output (in tons) per sq m of yard space





Outlook and Strategy

Prospects for O&M

- High oil prices and declining reserves continue to underpin expenditure by oil majors globally in the mid term
- Nov Futures for Light Sweet Crude (WTI) at approximately US\$81 per barrel as at 6 Oct
- Oil prices may be volatile amid European sovereign debt issue and uncertainty in global economic recovery

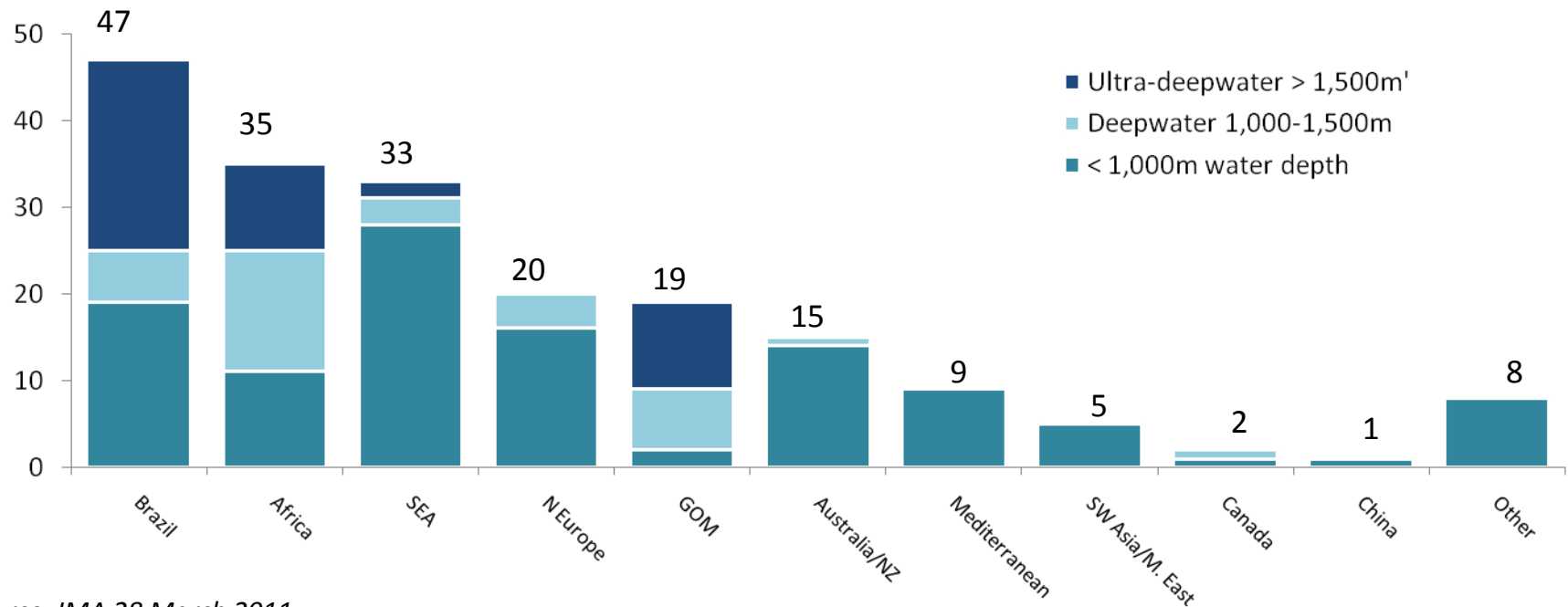


Source: Chicago Mercantile Exchange



Prospects for Floaters

Geographical Breakdown Of the 194 Planned Floating Productions Systems



Source: IMA 28 March 2011

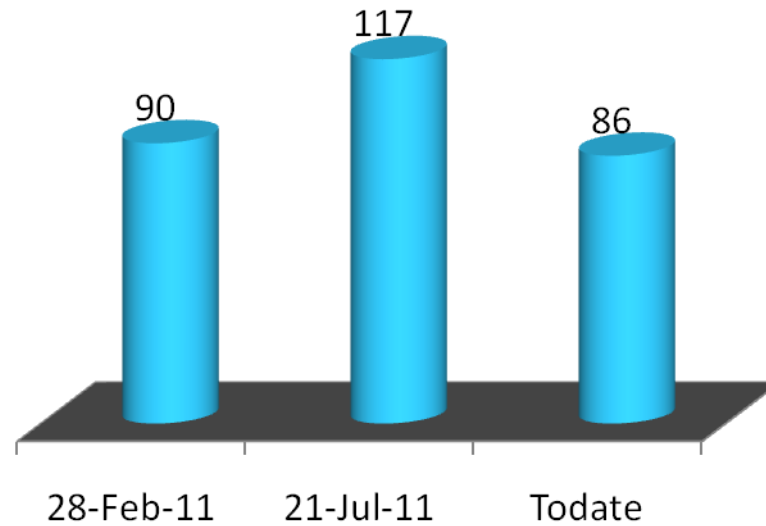
- 25% or 49 units (SEA, Australia/NZ and China) of these orders are expected from Asia-Pacific
- Asia-Pacific accounted for over 50% of Dyna-Mac's revenue in FY10 and FY11



Order Book



Order Book (S\$'mil)



Order Book is S\$86m todate

- Most of which is expected to commence in 3Q2012 and complete by 2Q2013 (calendar year)



Business Strategies

Organic expansion

- Robust topside module tender book
- Expand ad hoc projects – focus on turrets, platforms, hulls of semi-sub

Customer expansion

- Grow existing customers
- Win new clients - Asia, Australia and Africa

Overseas expansion

- Brazil and China



Thank You
Q&A



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