



McDermott International

Designs, engineers, fabricates & installs marine pipelines & offshore structures for development, drilling & production & subsea production systems

– Revenues: US\$ 2.4 billion (2010)

– Employees: more than 15,000





McDermott on Batam Island

- Established in 1970
- Over 670 structures/700,000 mt produced
- Over 8,000 employees (99% local) -- 2010



Fabrication Yard and Marine Base serving all of SE Asia

- 272 Acres
- Over 17,000 sq ft of covered warehousing
- 5 acres of covered assembly area
- 104 acres of open assembly/fabrication
- ISO 9001 certified
- Deep-water access



Capacities

- 60,000 mt per year production
- 10,000 man-hours per year
- Expanding to 12,000 man-hours per year
- Berthing for 300,000DWT vessels



RECENT BATAM YARD UPGRADES

- Construction of 25,000 MT skidways for load-out of integrated deck
- New quay wall to accommodate larger transport vessels from a water depth of 5m
- New offices for projects



Major projects and marine operations for:

- Indonesia
- Vietnam
- Thailand
- Philippines
- Australia
- Singapore
- Malaysia
- India



EXPORT TO USA

Devils Tower - World's Deepest Spar

Client:	Dominion Exploration & Production, Inc.
Location:	Gulf of Mexico
Award date:	June 2001
Completion date:	2003
Dimension:	28.5m Hard Tank diameter with 12.8m x 12.8m centerwell for 8 production risers, length 73.6m truss length 92.8; Soft Tank depth 12m; Overall spar length 178.6m with 15m hard tank freeboard. Hull weight: 11,138MT
Water depth:	1,710m
Scope of work:	EPCI contract to provide complete truss Spar based, floating workover & production platform with eight dry tree riser assemblies



**First spar hull to
Gulf of Mexico
export from
Batam Yard**



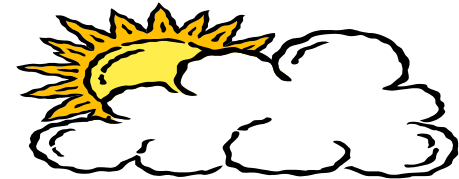
BATAM ISLAND – WORKING HOURS

- **Standard Working Hours - Basis of Schedule**
 - 5.5 day workweek **Mon-Thurs, Sat; Fri (06:30-11:15)**
 - 3 shifts per day (8hrs) **07:00 -15:00; 15:00 - 23:00; 23:00 - 07:00**
 - Labor split across shifts **First: 60%; Second: 30%; Third:10%**
 - Standard man-month **208 man-hours (Accounts for gazetted holidays)**
 - Modified labor split during Ramadan **Minimal effect on standard productivity**
- **Contingency measures available**
 - Increase labor on second & third shifts
 - Overtime
 - Sunday Work (alternate)
 - Subcontract labor
 - Subcontract work

BATAM ISLAND - WEATHER

Average 8% days lost per year due to rain for external work

Temperature	High 34 degrees C Low 23 degrees C
North East Monsoon	October - February
South West Monsoon	June - August



Condition	Effect	Occurrence	Impact	Standard Action
Rain	General disruption	Jul - Aug	Negligible	Restrict work to shop / covered areas
High wind	Welding/Painting	Dec - Jan Jul - Aug	Negligible	Erect wind breaks Adjust paint shift loading
Humidity	Restricts painting/blasting	Dec - Jan Oct - Feb	Negligible	Higher use of CAB bldg.

(Temperature does not have a significant effect)

BATAM ISLAND – COMPANY AMENITIES

ACCOMMODATION

- Compound adjacent to fabrication yard offers bachelor/married quarters for senior staff & client representatives
- 133 bachelor quarters - full room & board
- 16 villas (three-bedroom)
- 4 villas (four-bedroom)
- Power/water supplied from yard utilities grid
- Houses/apartments may be rented off-s



SCHOOLS / EDUCATION / HEALTH

- JRM operates a school for children of expatriate staff/client reps
- Located in housing compound
- International curriculum
- Caters for children up to ten years old
- 3 classrooms/library/computer facilities/fenced in playground
- Capacity 36 children
- 2 Clinics, 3 MDs, 11 Nurses











WHY BATAM?

- Duty free imports
- Excellent work force
- Business-friendly government
- Excellent transportation
- Proximity to Singapore

