



BUMI ARMADA

For immediate release

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BUMI ARMADA ANNOUNCES Q1 2014 RESULTS AND A RIGHTS ISSUE TO FUND GROWTH AND INCREASING ORDER BACKLOG

- Secured a Letter of Intent for its largest FPSO to date for ENI Block 15/06 field in Angola, adding approximately RM9.5 billion to its firm order backlog when signed
- Submitted major bids for FPSOs in Ghana, Namibia, Mexico and Indonesia, worth USD3 billion in CAPEX and working on 6 more bids with a combined CAPEX of more than USD10 billion.
- Work on ongoing C7 and Kraken projects progressing well and in accordance with plans
- Strong cashflow from operations of RM74 million, an increase of 122% y-o-y
- EBITDA of RM223 million with a margin of 47.5%

Kuala Lumpur - Bumi Armada Berhad (“Bumi Armada”), the Malaysia-based international offshore oilfield services provider, today announced revenue and net profit of RM468.9 million and RM64.8 million respectively for the first quarter ended 31 March 2014.

Bumi Armada recorded EBITDA of RM223 million for the quarter which represented an EBITDA margin of 47.5%. Cashflow from operations increased by 122% y-o-y to RM74 million due to improved working capital management and improvement in business performance. Net profit for the first quarter was strong despite lower contributions from the Transport and Installation (T&I) business due to seasonality and lower Offshore Support Vessel (OSV) utilisation in the older vessels categories.

Elaborating on the results, Executive Director/Chief Executive Officer, Mr Hassan Basma said “Work on C7 and Kraken projects is progressing well and in accordance with plans. The addition of our second large FPSO project for ENI Block 15/06 in Angola underscores Bumi Armada’s successful move from small to large FPSOs as we go further, deeper and harsher.”

The Company continues to pursue attractive prospects along the Atlantic corridor in regions such as the West Coast of Africa and Latin America, which if awarded, will significantly increase existing total order backlog of RM22.2 billion.

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In the OSV sector, the group is finalising its plans for a gradual disposal of identified older tonnage in line with its fleet renewal strategy. The group continues to expand its fleet and plans to acquire new tonnage. The fleet renewal and new acquisition will raise utilization levels back to planned levels going forward.

Commenting on seasonality, Executive Director/Chief Executive Officer, Mr Hassan Basma said “As we work across the globe, fluctuations in utilisations due to weather are to be expected. Today the construction fleet is back at optimum utilisation which will lead to improved results going forward.”

The Company also announced a proposed Bonus and renounceable Rights Issue to be approved by shareholders at an Extraordinary General Meeting and Bursa Malaysia Securities Berhad for the listing of new shares to be issued. If approved, Bumi Armada will raise approximately RM2.2 billion (US\$690 million) from the Rights Issue. Concurrently with the implementation of the Proposed Rights Issue, Bumi Armada will implement a Bonus Issue to existing shareholders, as an appreciation of the shareholders' loyalty and continuing support. The proposed capital raising exercise would enable the Company to fund capital expenditures as well as optimise its capital structure, reduce current leverage ratios and thereby creating additional headroom for borrowing ahead of the anticipated large projects and expansion plans.

The proposed Bonus Issue would be carried out on the basis of 1 new share for every 2 existing shares held, while the basis of the Rights Issue is 1 new share for every 2 existing shares held (calculated based on pre-Bonus Issue number of shares held).

In addition to the Rights Issue, Bumi Armada has in place a Multi-Currency Euro Medium Term Note Programme with a programme size of USD1.5 billion (or its equivalent in other currencies) and has received authorisation from the Securities Commission Malaysia for the establishment of a Sukuk Programme of up to RM1.5 billion in nominal value under the Shariah principles of Murabahah (via a Tawarruq arrangement) and the issuance of Sukuk Murabahah thereunder.

Commenting on the proposed Bonus and Rights Issues, Mr Basma said “The Company has proposed the Bonus and Rights Issues to help fund expansion in our business units, as our market fundamentals remain strong and order backlog increases.”

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* Net profit – profit attributable to Bumi Armada shareholders

About Bumi Armada

Bumi Armada Berhad is a Malaysia-based international offshore oilfield services provider with a presence in over 19 countries spread across five continents, underpinned by its access to over 3,000 people from 40 nationalities.

Bumi Armada provides these offshore services via five strategic business units - Floating Production, Storage and Offloading (“FPSO”), Offshore Support Vessels (“OSV”), Transport and Installation (“T&I”), Oilfield Services (“OFS”) and Gas Development and Technology (“GDT”). These are complemented by three support units which are Asset Management & Operations (“AMO”), Engineering and Technology (“E&T”) and Major Projects (“MP”).

Bumi Armada is an established OSV owner and operator across Asia, Africa and Latin America and the fifth largest FPSO player in the world. For more information, please refer to www.bumiarmada.com.

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