



BUMI ARMADA

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BUMI ARMADA YEAR TO DATE NET OPERATING CASH FLOWS INCREASE 53% TO RM383.1 MILLION, REPORTS NET LOSS ON NON-CASH IMPAIRMENT CHARGE

- Year to date EBITDA increased by 14.6% year-on-year to RM556.5 million.
- Net cash flows generated from operating activities increased by 53.0% year-on-year, to RM383.1 million in the first half of 2015.
- Second quarter 2015 revenue declined by 22.2% to RM459.1 million compared to the same quarter last year.
- An impairment charge of RM383.7 million was made during the quarter, in light of the weak outlook in the oil and gas sector.
- Excluding the impairment charge, the Group would have posted an adjusted net profit of RM84.8 million¹ for the second quarter of 2015.
- Including the impairment charge, the Group reported a net loss² of RM291.5 million for the period.
- All new FPSO and FGS conversions remain on track for delivery.
- The Company's total order book as at 30 June 2015 was RM39.1 billion (RM25.8 billion of firm contracts and RM13.3 billion of optional extensions).

RM' mil	Individual Quarter Ended		Year to Date Ended	
	30-6-2015	30-6-2014	30-6-2015	30-6-2014
Revenue	459.1	590.1	1,031.2	1,059.0
Net Profit/ (Loss)	(291.5)	98.4	(219.5)	163.2
EPS (sen)	(4.97)	2.08	(3.74)	3.45
Net operating cash flows	234.4	176.9	383.1	250.4
EBITDA	269.5	287.0*	556.5	485.8

*Refers to EBITDA of Q1 2015

¹ Adjusted net profit of RM84.8 million for the quarter is derived by adding back the impairment charge of RM383.7 million made during the quarter, to the reported loss of RM298.9 million (attributable to Owners of the Company and Non-Controlling Interests).

² Net profit/loss refers to profit/loss for the financial period attributable to Owners of the Company.

Kuala Lumpur, 27 August 2015 - Malaysia-based international offshore oilfield services provider, Bumi Armada Berhad (Bumi Armada or the Group) today announced its second quarter 2015 (Q2 2015) financial results, reporting strong net cash flows from operating activities of RM383.1 million, a year-on-year increase of 53.0%. Despite this, the Group reported a net loss of RM291.5 million, as it took a non-cash impairment charge of RM383.7 million (including an impairment of a non-core asset at a joint venture). Excluding the impairment charge, the Group would have posted an adjusted net profit of RM84.8 million. The impairment charge was made pursuant to MFRS 136 “Impairment of Assets”, and relates mainly to the write down of the carrying value of certain vessels in the T&I and OSV business units, and a non-core asset held at a joint venture, in light of the weak outlook for the oil and gas sector. In addition, the charge includes a write down of the Group’s available-for-sale financial assets.

Revenue in Q2 2015 declined by 22.2% to RM459.1 million against Q2 2014, while first half 2015 (1H 2015) revenue of RM1,031.2 million was 2.6% lower than the corresponding period in 2014. The decline in revenue was due primarily to lower utilisation of the vessels under the OSV and T&I business units.

The Group’s EBITDA increased to RM556.5 million for 1H 2015, a 14.6% increase over 1H 2014. The strong net operating cash flows and EBITDA increase were driven mainly by the FPSO business unit.

Commenting on the financial results, Mr. Chan Chee Beng, the Executive Director and Acting Chief Executive Officer of Bumi Armada said, “The Group continues to generate positive net operating cash flows and core profit, driven by our FPSO business. The projects under conversion remain on track and we expect the Group to continue to generate positive operating cash flows and EBITDA going forward.

The Group benefits from a strong firm order-book of RM25.8 billion, with potential extension options worth RM13.3 billion, and this order-book will provide us with steady cash flows and earnings in the coming years.

The low oil price continues to dampen sentiment and activities in the offshore oil and gas services sector, and the market is likely to be challenging through 2016. We are actively monitoring the performance of all business units, and will focus on further improving the productivity and efficiency of the Group, including additional cost reduction measures, as may be necessary.

While the challenges and volatility in the OSV and T&I businesses will continue for some time, the FPSO business remains robust on the back of our long-term firm contracts and the on-going conversions. Our new FPSO vessels will start to come on-stream in 2016 and are expected to deliver the next round of strong growth for the Group.”

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Please refer to the Unaudited Financial Statement for the full details of the Q2 2015 financial results of the Company.

Notes:

EBITDA	Profit before finance costs, tax, depreciation, amortisation and impairment
FPSO	Floating Production Storage and Offloading
FGS	Floating Gas Solutions
OSV	Offshore Support Vessels
T&I	Transport and Installation

About Bumi Armada

Bumi Armada Berhad is a Malaysia-based international offshore oilfield services provider with a presence in over 15 countries spread across five continents, underpinned by its personnel comprising over 1,500 people from over 30 nationalities.

Bumi Armada provides these offshore services via four strategic business units – Floating Production, Storage and Offloading Operations (“FPSO”), Floating Gas Solutions (“FGS”), Offshore Support Vessels (“OSV”) and Transport and Installation (“T&I”). These are complemented by three support units which are FPSO Sales, Technology and Development (“T&D”) and Projects.

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

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