



BUMIARMADA

**BUMI ARMADA BERHAD**  
(370398-X)  
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2015

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015**

The Board of Directors of Bumi Armada Berhad (“Bumi Armada” or “the Company” or “the Group”) would like to announce the following unaudited condensed consolidated financial statements for the fourth quarter and year ended 31 December 2015 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

	Note	Individual Quarter Ended		Cumulative Quarters Year Ended	
		31.12.2015 RM'000	31.12.2014 RM'000 Restated	31.12.2015 RM'000	31.12.2014 RM'000 Restated
Revenue		<b>589,042</b>	701,832	<b>2,179,734</b>	2,397,339
Cost of sales		<b>(558,649)</b>	(616,297)	<b>(1,766,197)</b>	(1,819,816)
Gross profit		<b>30,393</b>	85,535	<b>413,537</b>	577,523
Other operating income		<b>14,941</b>	37,334	<b>90,635</b>	64,374
Selling and distribution costs		<b>(6,302)</b>	(20,829)	<b>(27,735)</b>	(53,526)
Administrative expenses		<b>(84,313)</b>	(77,246)	<b>(153,582)</b>	(186,278)
Operating (loss)/profit before impairment		<b>(45,281)</b>	24,794	<b>322,855</b>	402,093
Impairment		<b>(45,526)</b>	(24,823)	<b>(423,064)</b>	(29,659)
Operating (loss)/profit		<b>(90,807)</b>	(29)	<b>(100,209)</b>	372,434
Finance costs		<b>(21,517)</b>	(32,436)	<b>(122,684)</b>	(99,153)
Share of results of joint ventures		<b>8,313</b>	(86)	<b>51,501</b>	35,901
(Loss)/profit before taxation		<b>(104,011)</b>	(32,551)	<b>(171,392)</b>	309,182
Taxation	18	<b>17,147</b>	(22,417)	<b>(70,385)</b>	(84,817)
(Loss)/profit for the financial period/year		<b>(86,864)</b>	(54,968)	<b>(241,777)</b>	224,365
Attributable to:					
- Owners of the Company		<b>(85,080)</b>	(52,560)	<b>(234,566)</b>	218,690
- Non-controlling interests		<b>(1,784)</b>	(2,408)	<b>(7,211)</b>	5,675
		<b>(86,864)</b>	(54,968)	<b>(241,777)</b>	224,365
Earnings per share (sen)	28				
- Basic		<b>(1.45)</b>	(0.87)	<b>(4.00)</b>	4.32
- Diluted		<b>(1.45)</b>	(0.87)	<b>(4.00)</b>	4.32

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Individual Quarter Ended		Cumulative Quarters Year Ended	
		31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
(Loss)/profit for the financial period/year		<b>(86,864)</b>	(54,968)	<b>(241,777)</b>	224,365
Other comprehensive income/(expense):					
Items that may be reclassified subsequently to profit or loss					
- Available-for-sale financial assets:					
- Gain on fair value change		-	-	-	772
- Reclassification to profit or loss		-	5,725	-	13,576
- Fair value gain/(loss) on cash flow hedges		<b>64,817</b>	(89,471)	<b>(132,346)</b>	(84,458)
- Foreign currency translation differences		<b>(174,133)</b>	295,813	<b>1,044,147</b>	303,756
- Share of other comprehensive gain/(loss) of joint ventures		<b>1,233</b>	(351)	-	60
Other comprehensive (expense)/income for the financial period/year, net of tax		<b>(108,083)</b>	211,716	<b>911,801</b>	233,706
Total comprehensive (expense)/income for the financial period/year		<b>(194,947)</b>	156,748	<b>670,024</b>	458,071
Total comprehensive (expense)/income attributable to:					
- Owners of the Company		<b>(194,184)</b>	156,151	<b>664,036</b>	449,321
- Non-controlling interests		<b>(763)</b>	597	<b>5,988</b>	8,750
		<b>(194,947)</b>	156,748	<b>670,024</b>	458,071

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000 Restated
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	<b>14,143,868</b>	8,459,781
Investments in joint ventures		<b>535,842</b>	405,178
Available-for-sale financial assets		<b>20,240</b>	38,103
Accrued lease rentals		<b>117,605</b>	187,502
Deferred tax assets		<b>35,799</b>	13,743
Amounts due from joint ventures		<b>62,656</b>	47,426
		<b>14,916,010</b>	9,151,733
<b>CURRENT ASSETS</b>			
Inventories		<b>6,051</b>	4,830
Amounts due from customers on contract		<b>154,984</b>	136,605
Trade receivables		<b>513,349</b>	704,439
Accrued lease rentals		<b>572,922</b>	786,069
Other receivables, deposits and prepayments		<b>165,324</b>	139,837
Tax recoverable		<b>10,894</b>	9,211
Amounts due from joint ventures		<b>201,687</b>	149,438
Deposits, cash and bank balances		<b>1,525,718</b>	3,303,247
		<b>3,150,929</b>	5,233,676
Non-current assets classified as held-for-sale		<b>5,700</b>	66,481
<b>TOTAL ASSETS</b>		<b>18,072,639</b>	14,451,890

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

	Note	As at 31.12.2015 RM'000	As at 31.12.2014 RM'000 Restated
<b>LESS: CURRENT LIABILITIES</b>			
Trade payables and accruals		1,298,857	699,416
Other payables and accruals		179,327	207,511
Amounts due to joint ventures		25,189	18,598
Hire purchase creditors		-	68
Borrowings	21	1,770,171	1,018,123
Derivative financial instruments	22	22,941	7,523
Taxation		72,831	25,541
		<b>3,369,316</b>	<b>1,976,780</b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			
		<b>(212,687)</b>	<b>3,323,377</b>
<b>LESS: NON-CURRENT LIABILITIES</b>			
Advances from customers		456,820	349,730
Hire purchase creditors		-	56
Borrowings	21	6,259,383	5,174,702
Derivative financial instruments	22	654,769	174,227
Deferred tax liabilities		36,579	58,870
		<b>7,407,551</b>	<b>5,757,585</b>
<b>NET ASSETS</b>			
		<b>7,295,772</b>	<b>6,717,525</b>
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Share capital		1,173,253	1,173,253
Reserves		6,084,205	5,511,946
		<b>7,257,458</b>	<b>6,685,199</b>
<b>NON-CONTROLLING INTERESTS</b>			
		<b>38,314</b>	<b>32,326</b>
<b>TOTAL EQUITY</b>			
		<b>7,295,772</b>	<b>6,717,525</b>
<b>NET ASSETS PER SHARE (RM)</b>			
		<b>1.24*</b>	<b>1.15</b>

\* Based on 5,866,269,344 ordinary shares in issue at RM0.20 par value as at 31 December 2015.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to Owners of the Company									Non-controlling interests RM'000	Total equity RM'000
	Number of shares '000	Nominal value RM'000	Share premium RM'000	Foreign exchange reserve RM'000	Other reserves RM'000	Share option reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000	Total RM'000		
<u>2015</u>											
At 1 January	5,866,269	1,173,253	3,137,730	352,580	6,562	44,862	(94,939)	2,065,151	6,685,199	32,326	6,717,525
Loss for the financial year	-	-	-	-	-	-	-	(234,566)	(234,566)	(7,211)	(241,777)
Other comprehensive income/(expense) for the financial year, net of tax	-	-	-	1,030,977	-	-	(132,375)	-	898,602	13,199	911,801
Total comprehensive income/(expense) for the financial year, net of tax	-	-	-	1,030,977	-	-	(132,375)	(234,566)	664,036	5,988	670,024
Transactions with owners:											
- Employee share options granted	-	-	-	-	-	3,843	-	-	3,843	-	3,843
- Employee share options forfeited	-	-	-	-	-	(3,888)	-	3,888	-	-	-
- Dividend paid	-	-	-	-	-	-	-	(95,620)	(95,620)	-	(95,620)
<b>At 31 December</b>	<b>5,866,269</b>	<b>1,173,253</b>	<b>3,137,730</b>	<b>1,383,557</b>	<b>6,562</b>	<b>44,817</b>	<b>(227,314)</b>	<b>1,738,853</b>	<b>7,257,458</b>	<b>38,314</b>	<b>7,295,772</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

	Attributable to Owners of the Company									Non-controlling interests RM'000	Total equity RM'000
	Number of shares '000	Nominal value RM'000	Share premium RM'000	Foreign exchange reserve RM'000	Other reserves RM'000	Share option reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000	Total RM'000		
<u>2014</u>											
At 1 January	2,931,591	586,318	1,764,614	51,713	(7,786)	30,633	(10,355)	1,941,522	4,356,659	23,576	4,380,235
Profit for the financial year	-	-	-	-	-	-	-	218,690	218,690	5,675	224,365
Other comprehensive income for the financial year, net of tax	-	-	-	300,867	14,348	-	(84,584)	-	230,631	3,075	233,706
Total comprehensive income for the financial year, net of tax	-	-	-	300,867	14,348	-	(84,584)	218,690	449,321	8,750	458,071
Transactions with owners:											
- Employee share options exercised	1,544	309	5,620	-	-	(1,129)	-	-	4,800	-	4,800
- Employee share options granted	-	-	-	-	-	15,608	-	-	15,608	-	15,608
- Employee share options forfeited	-	-	-	-	-	(250)	-	250	-	-	-
- Right issue	1,466,567	293,313	1,686,553	-	-	-	-	-	1,979,866	-	1,979,866
- Bonus issue	1,466,567	293,313	(293,313)	-	-	-	-	-	-	-	-
- Share issuance expenses	-	-	(25,744)	-	-	-	-	-	(25,744)	-	(25,744)
- Dividend paid	-	-	-	-	-	-	-	(95,311)	(95,311)	-	(95,311)
<b>At 31 December</b>	<b>5,866,269</b>	<b>1,173,253</b>	<b>3,137,730</b>	<b>352,580</b>	<b>6,562</b>	<b>44,862</b>	<b>(94,939)</b>	<b>2,065,151</b>	<b>6,685,199</b>	<b>32,326</b>	<b>6,717,525</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Year Ended 31.12.2015 RM'000</b>	<b>Year Ended 31.12.2014 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
(Loss)/profit for the financial year	<b>(241,777)</b>	224,365
Adjustments for non-cash items:		
Share of results of joint ventures	<b>(51,501)</b>	(35,901)
Depreciation of property, plant and equipment	<b>606,658</b>	476,050
Fair value through profit and loss on derivative financial instruments	<b>15,208</b>	78,307
Gain on disposal of non-current assets classified as held-for-sale	<b>(1,009)</b>	(11,325)
Gain on disposal of property, plant and equipment	<b>(104)</b>	(138)
Gain on disposal of a subsidiary	<b>(17,645)</b>	-
Net allowance for doubtful debts	<b>167,951</b>	65,956
Bad debts written off	<b>18</b>	-
Write-down of dividend receivable	<b>-</b>	2,864
Unrealised foreign exchange gain	<b>(53,278)</b>	(59,005)
Share-based payment	<b>3,843</b>	15,608
Write off of property, plant and equipment	<b>1,928</b>	-
Impairment		
- property, plant and equipment and non-current assets held for sale	<b>395,150</b>	-
- available-for-sale financial assets	<b>25,223</b>	28,248
- goodwill	<b>-</b>	1,411
- investment in a joint venture	<b>2,691</b>	-
Interest income	<b>(52,829)</b>	(28,558)
Interest expense	<b>123,227</b>	101,606
Dividend income	<b>(1,841)</b>	(2,321)
Taxation	<b>70,385</b>	84,817
Operating profit before changes in working capital	<b>992,298</b>	941,984
Changes in working capital:		
Inventories	<b>(262)</b>	1,032
Trade and other receivables	<b>(379,772)</b>	(373,446)
Trade and other payables	<b>253,785</b>	308,800
Cash from operations	<b>866,049</b>	878,370
Interest paid	<b>(233,159)</b>	(130,349)
Tax paid	<b>(109,981)</b>	(69,963)
Tax refund	<b>-</b>	1,978
Dividend received from a joint venture	<b>12,452</b>	-
<b>NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES</b>	<b>535,361</b>	680,036



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**

	<b>Year Ended 31.12.2015 RM'000</b>	<b>Year Ended 31.12.2014 RM'000</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<b>(3,568,056)</b>	(2,128,524)
Proceeds from disposal of property, plant and equipment	<b>9</b>	138
Proceeds from disposal of non-current assets classified as held-for-sale	<b>10,440</b>	72,468
Investments in joint ventures	<b>(17,971)</b>	(77,159)
Dividend income	<b>-</b>	2,321
Interest received	<b>56,750</b>	23,612
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(3,518,828)</b>	(2,107,144)
<b>FINANCING ACTIVITIES</b>		
Proceeds from bank borrowings	<b>4,533,941</b>	3,298,372
Repayment of bank borrowings	<b>(3,558,602)</b>	(1,099,802)
Repayment of hire purchase creditors	<b>(125)</b>	(188)
Proceeds from issuance of shares	<b>-</b>	4,800
Proceeds from exercise of right issue	<b>-</b>	1,979,866
Share issuance expenses	<b>-</b>	(25,744)
Decrease/(increase) in deposit pledged as security	<b>600</b>	(600)
Dividend paid	<b>(95,620)</b>	(95,311)
<b>NET CASH FLOWS GENERATED FROM FINANCING ACTIVITIES</b>	<b>880,194</b>	4,061,393
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,103,273)</b>	2,634,285
<b>CURRENCY TRANSLATION DIFFERENCES</b>	<b>326,344</b>	33,824
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>3,301,747</b>	633,638
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>1,524,818</b>	3,301,747
Cash and cash equivalents consist of:		
Deposits with licensed banks	<b>815,342</b>	2,940,679
Cash and bank balances	<b>710,376</b>	362,568
Less: Designated deposits placed with licensed banks	<b>(900)</b>	(1,500)
	<b>1,524,818</b>	3,301,747

**EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2015**

**1. BASIS OF PREPARATION**

The unaudited condensed consolidated financial statements have been prepared in accordance with the reporting requirement as set out in Malaysian Financial Reporting Standards (“MFRS”) 134 on “Interim Financial Reporting”, Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited condensed consolidated financial statements should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 December 2014. The results of the joint ventures are based on unaudited management accounts.

The significant accounting policies and methods of computation applied in the unaudited condensed consolidated financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2014, other than those disclosed below:

(a) Amendments and Annual Improvements to MFRS which are applicable to the Group effective on or after 1 July 2014:

- Amendment to MFRS 119 “Defined Benefits Plans” - Employee Contributions
- Annual Improvements to MFRSs 2010 - 2012 cycle
- Annual Improvements to MFRSs 2011 - 2013 cycle

The adoption of the above amendment and annual improvements to MFRS did not have any significant impact on the financial statements of the Group.

(b) Amendments and Annual Improvements to MFRS which are applicable to the Group effective on or after 1 January 2016:

- Annual Improvements to MFRSs 2012 - 2014 cycle
- Amendments to MFRS 10 “Consolidated Financial Statements” and MFRS 128 “Investment in Associates and Joint Ventures” - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 127 “Separate Financial Statements” - Equity Method in Separate Financial Statements
- Amendments to MFRS 116 “Property, Plant and Equipment” and MFRS 138 “Intangibles Assets” - Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to MFRS 101 “Disclosure Initiative”

The above amendments and annual improvements to MFRS are not anticipated to have any significant impact on the financial statements of the Group upon their initial application.

(c) New MFRSs which are applicable to the Group effective on or after 1 January 2018:

- MFRS 9 “Financial Instruments”
- MFRS 15 “Revenue from Contracts with Customers”

The adoption of these MFRSs may result in a change in accounting policy. The Group will quantify the effect of adopting these standards when the full standard is effective.

**2. MANAGEMENT COMMENTARY**

**(A) Review of performance for the current year to date (“YTD”) results as compared with the previous YTD**

<b>Financial Indicators</b>	<b>YTD 31.12.2015 RM'000</b>	<b>YTD 31.12.2014 RM'000</b>	<b>Change RM'000</b>
Segment revenue			
FPSO & FGS <sup>(1)</sup>	<b>1,305,596</b>	949,066	356,530
OSV <sup>(1)</sup>	<b>538,117</b>	654,626	(116,509)
T&I <sup>(1)</sup>	<b>336,021</b>	793,647	(457,626)
Total revenue	<b>2,179,734</b>	2,397,339	(217,605)
EBITDA <sup>(2)</sup>	<b>981,014</b>	914,044	66,970
EBITDA margin	<b>45%</b>	38%	7%
(Loss)/profit for the financial year	<b>(241,777)</b>	224,365	(466,142)
Depreciation	<b>606,658</b>	476,050	130,608
Impairment	<b>*423,064</b>	29,659	393,405

\* Total impairment inclusive of share of impairment for property, plant and equipment at a joint venture of RM20.5 million is RM443.5 million.

The Group posted revenue of RM2,179.7 million for the financial year ended 31 December 2015 (“FY 2015”), a decrease of 9% compared to the financial year ended 31 December 2014 (“FY 2014”). The decrease was mainly attributed to the following factors:

- (a) Lower T&I revenue due largely to reduced activities from the LukOil project in the Caspian Sea and lower utilisation of the Armada Hawk and the Armada Condor;
- (b) Lower OSV revenue as vessel utilisation has been adversely affected by the challenging oil and gas market environment which has persisted since the second half of 2014; and
- (c) Partly offset by an increase in FPSO & FGS revenue due mainly to higher conversion activities from the Eni 1506 FPSO project and the Armada LNG Mediterrana floating storage unit project, respectively.

The Group posted EBITDA of RM981.0 million for FY 2015, an increase of 7% as compared to FY 2014. The higher EBITDA was driven mainly by higher contribution from FPSO and FGS projects, a gain on disposal of a subsidiary and higher share of results of joint ventures arising from conversion activities of the Madura FPSO project. These were partly offset by decreased contribution from OSV and T&I segment due to lower vessel utilisation, and charges related to staff retrenchment of RM26.2 million.

As a result of the oil and gas industry market conditions that have continued to deteriorate and its impact on customers and activities outlook, the Group determined that the carrying values of certain assets exceeded their recoverable amount. Consequently, net allowance for doubtful debts of RM168.0 million was recorded during FY 2015, together with asset write down and impairment loss as detailed below. The Group did not incur significant cash expenditure as a result of these charges, and intend to enforce our contractual position and pursue the collection of outstanding receivables.

The Group posted a loss of RM241.8 million for FY 2015, after taking into account impairment loss of RM443.5 million. The impairment loss comprised impairment for property, plant and equipment and non-current assets held for sale of RM395.1 million, impairment for available-for-sale financial assets of RM25.2 million, impairment for investment in a joint venture of the RM2.7 million and share of impairment of a non-core asset at a joint venture of RM20.5 million. Excluding said allowances and impairments, the Group posted a profit of RM369.7 million for FY 2015.

Notes:

- (1) FPSO - Floating Production Storage Offloading system, FGS - Floating Gas Solutions, OSV - Offshore Support Vessel and T&I - Transport and Installation. These acronyms are also used hereinafter.
- (2) Defined as profit before finance costs, taxation, depreciation, amortisation and impairment/write down.

**2. MANAGEMENT COMMENTARY (CONTINUED)**

**(B) Performance of the current quarter as compared with the immediate preceding quarter**

<b>Financial Indicators</b>	<b>4th Quarter 2015 RM'000</b>	<b>3rd Quarter 2015 RM'000</b>	<b>Change RM'000</b>
Segment revenue			
FPSO & FGS	<b>378,218</b>	365,168	13,050
OSV	<b>110,311</b>	137,392	(27,081)
T&I	<b>100,513</b>	56,904	43,609
Total revenue	<b>589,042</b>	559,464	29,578
EBITDA	<b>125,895</b>	298,629	(172,734)
EBITDA margin	<b>21%</b>	53%	(32%)
(Loss)/profit for the financial period	<b>(86,864)</b>	70,975	(157,839)
Depreciation	<b>162,863</b>	158,882	3,981
Impairment	<b>45,526</b>	12,221	33,305

The Group posted revenue of RM589.0 million for the quarter ended 31 December 2015 ("Q4 2015"), an increase of 5% compared to the quarter ended 30 September 2015 ("Q3 2015"). The increase was attributed mainly to the following factors:

- Higher T&I revenue as a result of increased O&M activities by Armada Installer in the Caspian Sea and recognition of variation orders received during the quarter for Armada Hawk in respect of the installation of the C7 FPSO completed in first half of 2015, and for LukOil project in the Caspian Sea;
- Higher FPSO & FGS revenue due to increase in FGS revenue from the conversion activities of the Armada LNG Mediterrana floating storage unit project, and performance incentive for the Armada Perkasa; but
- Partly offset by lower OSV revenue as vessel utilisation continued to be adversely affected by the challenging oil and gas market environment.

<b>OSV vessel average utilisation rates for the quarter ended</b>	<b>4th Quarter 2015 %</b>	<b>3rd Quarter 2015 %</b>	<b>Change in %</b>
Group's vessels	<b>44</b>	54	(10)
- Class A <sup>(3)</sup>	<b>43</b>	52	(9)
- Class B <sup>(4)</sup>	<b>46</b>	56	(10)
Group's vessels including those held by joint ventures	<b>46</b>	54	(8)

The Group posted an EBITDA of RM125.9 million for Q4 2015, a decrease of RM172.7 million compared to Q3 2015. The lower EBITDA was due mainly to allowance for doubtful debts recorded during the quarter as detailed below. Excluding the effects of these charges, the Group posted EBITDA of RM309.2 million for Q4 2015 or an increase of RM10.6 million (4%) compared to Q3 2015. The improvement was driven by stronger contribution from FPSO & FGS and T&I segments.

As a result of oil and gas industry market conditions that have continued to deteriorate and its impact on customers and activities outlook, the Group determined that the carrying values of certain assets exceeded their recoverable amount. Consequently, allowance for doubtful debts was recorded during Q4 2015 of RM183.3 million, together with asset write down and impairment loss as detailed below. The Group did not incur significant cash expenditure as a result of these charges, and intend to enforce our contractual position and pursue the collection of outstanding receivables.

During the quarter, the Group carried out impairment assessment of the carrying value of its vessels, based on whether the recoverable amount of each individual vessel, using fair value model, exceeded its net book value. The assessment resulted in an impairment loss for property, plant and equipment related to the FPSO segment of RM41.3 million. No further impairment loss was incurred in OSV and T&I segments. In addition, impairment for available-for-sale financial assets of RM4.2 million were recorded during the quarter. The Group posted a loss of RM86.9 million for Q4 2015 after allowance for doubtful debts and impairment loss of an aggregate amount of RM228.8 million. Excluding these charges, the Group posted a profit of RM141.9 million for Q4 2015.

## **2. MANAGEMENT COMMENTARY (CONTINUED)**

### **(B) Performance of the current quarter as compared with the immediate preceding quarter (continued)**

Notes:

<sup>(3)</sup> Class A represents vessels which are less than 12 years old or more than 8000 brake horse power and accommodation work barges which are more than 200 pax in capacity.

<sup>(4)</sup> Class B represents vessels which are more than 12 years old or less than 8000 brake horse power and accommodation work barges which are less than 200 pax in capacity.

### **(C) Critical accounting estimates and judgements**

As a result of the decline in vessel utilisation and day rates, the Group performed an assessment during the financial year of the recoverable amount of its vessels to determine whether the carrying value of these vessels are recoverable. The review was carried out in accordance with MFRS 136 “Impairment of Assets”. In such evaluation, the estimated recoverable amount is determined based on the higher of an asset’s value-in-use (“VIU”) or fair value less costs to sell (“FV”). The recoverable amount was compared to the carrying value of each asset with identified impairment triggers. If the recoverable amount is lower, the carrying value of the asset is reduced to its estimated recoverable amount and the difference is regarded as an impairment loss. The Group considered each vessel within a segment as a cash-generating unit (“CGU”), however, they are grouped together for disclosure purposes.

VIU is the present value of the future cash flows expected to be derived from the CGU. The FV represents an estimate of the amount received in the event the vessel is sold on a willing buyer and willing seller basis (considered as Level 3 in the fair value hierarchy as defined in Note 23).

The recoverable amount of each vessel is based on estimates and judgement with respect to key assumptions such as utilisation rates, daily charter rates and the discount rate, amongst others. Several of the Group’s contracts are long-term in nature and there can be no certainty that the continuity of these contracts will not be materially affected by conditions such as a deterioration in the oil and gas market or a specific client’s financial condition. Should the actual conditions be different to those in our assumptions, there may be an adverse effect on the recoverable amount of our non-financial assets or non-current assets held for sale.

The recoverable amount of OSV vessels for the financial year was RM948.0 million, while the impairment charge for the year was RM249.1 million. The recoverable amount of the T&I vessels for which an impairment charge was made during the financial year was RM39.9 million, while the impairment charge for the year was RM104.7 million. During the quarter, the Group fully impaired surplus equipment of RM41.3 million within the FPSO segment.

**3. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2016**

The offshore oil and gas sector remains challenging with the continuing uncertainty on the short-term to medium-term outlook for global energy supply and demand. Oil companies continue to focus on capital and cost management, and this will in turn result in continuing deferment of decision making and awards of new projects. The deferment of new projects is likely to have a negative impact on the demand for the assets and services of the Group. In the meantime, the Group will continue to pursue new opportunities that would meet the internal criteria for balanced risk and returns, while it remains focused on improving efficiency and productivity in our current structure.

**4. QUALIFICATION OF PRECEDING AUDITED FINANCIAL STATEMENTS**

There was no qualification to the audited financial statements for the preceding financial year ended 31 December 2014.

**5. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial year ended 31 December 2015.

**6. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE**

There were no items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial year other than those disclosed in Note 25.

**7. CHANGES IN ESTIMATES**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the unaudited condensed consolidated financial statements of the Group.

**8. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuances or repayments of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter.

**9. DIVIDENDS PAID**

The following dividend payment was made during the financial year ended 31 December 2015:

	<b>RM'000</b>
In respect of the financial year ended 31 December 2014:	
- Final cash dividend comprising a single tier tax-exempt dividend of 1.63 sen per ordinary share paid on 3 July 2015	95,620
	<u>95,620</u>

**10. SEGMENTAL INFORMATION**

The Group is organised into 3 core business segments based on the type of activities carried out by its vessels and barges. The information of each of the Group's business segments for the individual and cumulative quarters ended 31 December 2015 and 31 December 2014 are as follows:

<b>Individual Quarter Ended 31.12.2015</b>	<b>FPSO &amp; FGS RM'000</b>	<b>OSV RM'000</b>	<b>T&amp;I RM'000</b>	<b>Corporate and others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue	378,218	110,311	100,513	-	-	589,042
Inter-segment revenue	-	-	-	56,792	(56,792)	-
Results						
Segment results	(20,394)	(75,917)	36,089	5,324	(5,324)	(60,222)
Impairment	(41,341)	-	-	(4,185)	-	(45,526)
Share of results of joint ventures	7,982	331	-	-	-	8,313
Other operating income						14,941
Finance costs						(21,517)
Taxation						17,147
Loss for the financial period						(86,864)

<b>Individual Quarter Ended 31.12.2014</b>	<b>FPSO RM'000</b>	<b>OSV RM'000</b>	<b>T&amp;I RM'000</b>	<b>Corporate and others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue	285,498	182,295	234,039	-	-	701,832
Inter-segment revenue	-	-	-	42,419	(42,419)	-
Results						
Segment results (restated)	82,708	(26,525)	(68,723)	6,483	(6,483)	(12,540)
Impairment	-	-	-	(24,823)	-	(24,823)
Share of results of joint ventures	(233)	147	-	-	-	(86)
Other operating income						37,334
Finance costs						(32,436)
Taxation						(22,417)
Loss for the financial period						(54,968)

**10. SEGMENTAL INFORMATION (CONTINUED)**

<b>Cumulative Quarters Year Ended 31.12.2015</b>	<b>FPSO &amp; FGS RM'000</b>	<b>OSV RM'000</b>	<b>T&amp;I RM'000</b>	<b>Corporate and others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue	<b>1,305,596</b>	<b>538,117</b>	<b>336,021</b>	-	-	<b>2,179,734</b>
Inter-segment revenue	-	-	-	<b>185,865</b>	<b>(185,865)</b>	-
Results						
Segment results	<b>309,658</b>	<b>(117,091)</b>	<b>39,653</b>	<b>13,921</b>	<b>(13,921)</b>	<b>232,220</b>
Impairment	<b>(41,341)</b>	<b>(249,094)</b>	<b>(104,717)</b>	<b>(27,912)</b>	-	<b>(423,064)</b>
Share of results of joint ventures	<b>50,812</b>	<b>689</b>	-	-	-	<b>51,501</b>
Other operating income						<b>90,635</b>
Finance costs						<b>(122,684)</b>
Taxation						<b>(70,385)</b>
Loss for the financial year						<b>(241,777)</b>

<b>Cumulative Quarters Year Ended 31.12.2014</b>	<b>FPSO RM'000</b>	<b>OSV RM'000</b>	<b>T&amp;I RM'000</b>	<b>Corporate and others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue	949,066	654,626	793,647	-	-	2,397,339
Inter-segment revenue	-	-	-	161,445	(161,445)	-
Results						
Segment results (restated)	304,180	34,510	(971)	8,800	(8,800)	337,719
Impairment	-	-	-	(29,659)	-	(29,659)
Share of results of joint ventures	35,753	148	-	-	-	35,901
Other operating income						64,374
Finance costs						(99,153)
Taxation						(84,817)
Profit for the financial year						<b>224,365</b>

**11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There was no revaluation of property, plant and equipment for the period under review. As at 31 December 2015, all property, plant and equipment were stated at cost less accumulated depreciation and accumulated impairment losses.



**12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

There has not arisen in the interval between the end of this reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group.

**13. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group arising from business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructurings, and discontinued operations for the current quarter under review except for the following:

Due to challenging market conditions for the oil and gas sector, it was decided earlier this year that Armada Synergy Ltd (“ASL”) would exit and cease activities in the oilfield services business. This is in line with the Group’s rationalisation and efficiency plans. ASL will be dissolved and will cease to be a subsidiary of the Group with effect from 23 February 2016.

On 25 November 2015, Armada Kamelia Sdn Bhd (“Armada Kamelia”), a wholly-owned subsidiary of the Company, has filed a voluntarily strike off of ASL, a private limited company incorporated in the United Kingdom. Companies House (UK), in its supplement of the London Gazette on 24 November 2015, published a notice pursuant to Section 100(3) of the Companies Act 2006 (UK) that ASL would be struck off the register and deemed dissolved at the end of three (3) months from the date of the notice. As such, ASL had been dissolved and ceased to be a subsidiary of the Company with effect from 23 February 2016.

**14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Group’s contingent liabilities comprising bank guarantees extended to third parties amounted to RM1,134.7 million as at 31 December 2015 as compared to RM679.8 million as at 31 December 2014. There are no material contingent assets to be disclosed.

**15. CAPITAL COMMITMENTS**

Capital expenditure for property, plant and equipment approved by the Directors and not provided for in the unaudited condensed consolidated financial statements as at 31 December 2015 are as follows:

	<b>RM’000</b>
- authorised and contracted	<b>1,212,538</b>
- authorised but not contracted	<b>3,885,120</b>
	<hr/>
	<b>5,097,658</b>
	<hr/> <hr/>

**16. SIGNIFICANT RELATED PARTY DISCLOSURES**

The significant related party transactions undertaken during the financial year are described below:

	<b>Cumulative Quarters Year Ended 31.12.2015 RM'000</b>
<u>Related party transactions</u>	
(a) Transactions with UTSB Management Sdn Bhd <sup>(1)</sup> :	
- reimbursable costs incurred in respect of management services agreement	1,549
- management fees	10,074
(b) Telecommunication expenses to Maxis Berhad <sup>(2)</sup>	1,974
(c) Rental to Malaysian Landed Property Sdn Bhd <sup>(3)</sup>	7,713
(d) Transaction with a joint venture:	
- ship management fees to Century Bumi Limited	4,385
(e) Key management personnel compensation:	
- non-executive directors fees	2,763
- salaries, bonus and allowances and other staff related costs	8,266
- defined contribution plan	1,797
- share-based payment	2,038
(f) Payment on behalf:	
- joint ventures	<u>14,974</u>

Usaha Tegas Sdn Bhd (“UTSB”) is a party related to the Company by virtue of its substantial equity interest in Objektif Bersatu Sdn Bhd (“OBSB”), a substantial shareholder of the Company. The ultimate holding company of UTSB is PanOcean Management Limited (“PanOcean”). PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of Ananda Krishnan Tatparanandam (“TAK”) and foundations including those for charitable purposes. Although PanOcean and TAK are deemed to have interest in the shares of the Company through UTSB’s deemed interest in OBSB, they do not have any economic or beneficial interest in the shares as such interest is held subject to the terms of the discretionary trust.

Notes:

- <sup>(1)</sup> Subsidiary of UTSB, a substantial shareholder of the Company.  
<sup>(2)</sup> Subsidiary of a joint venture, in which UTSB has a significant equity interest.  
<sup>(3)</sup> Subsidiary of a company in which TAK has 100% equity interest.

**17. PROFIT FORECAST OR PROFIT GUARANTEE**

This is not applicable as the Group did not publish any profit forecast or issue any profit guarantee.

**18. TAXATION**

Taxation comprises the following:

	Individual Quarter Ended		Cumulative Quarters Year Ended	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Income tax:				
- Current year	25,433	12,422	123,073	52,002
- Prior year	736	(425)	1,013	(7,264)
Deferred tax	(43,316)	10,420	(53,701)	40,079
Total	(17,147)	22,417	70,385	84,817

The Group's effective tax rates for the individual quarter and cumulative quarters ended 31 December 2015 were positive 16.5% and negative 41.1% respectively, as compared to the Malaysian statutory tax rate of 25%. The variance for the individual as well as cumulative quarters was mainly due to expenses not deductible for tax purposes, changes in the proportion of income of foreign subsidiaries which are subject to different statutory tax rates, withholding taxes deducted at source as well as exempt income which is not taxable.

**19. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this report:

On 13 August 2013, we announced that our wholly-owned subsidiary, Bumi Armada Capital Offshore Ltd ("BACOL") had on 6 August 2013, entered into documentation for the establishment of a Multi Currency Euro Medium Term Note Programme with a programme size of USD1.5 billion (or its equivalent in other currencies) ("EMTN Programme").

An application has been made to the Singapore Exchange Securities Trading Limited ("SGX-ST") for permission to deal in, and for quotation of, any medium term notes ("Notes") that may be issued pursuant to the EMTN Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. An application will be submitted to Bursa Securities for listing of the Notes under the Exempt Regime. The Notes to be issued under the EMTN Programme may be listed on Bursa Securities but will not be quoted for trading. No Notes have been issued yet under the EMTN Programme.

**20. UTILISATION OF PROCEEDS FROM RIGHTS ISSUE**

In October 2014, the Company completed the renounceable Rights Issue of 1,466,567,350 new ordinary shares of RM0.20 each at an issue price of RM1.35 per share, pursuant to the renounceable Rights Issue approved at the Company's extraordinary general meeting held on 8 July 2014 ("Rights Issue"). The Rights Issue raised proceeds amounting to RM1,979.9 million ("Proceeds").

The status of the utilisation of the Proceeds as at 31 December 2015 was as follows:

	<b>Purpose</b>	<b>Proposed utilisation RM'million</b>	<b>Actual utilisation RM'million</b>	<b>Estimated timeframe for utilisation upon listing of Rights Shares</b>	<b>Remaining balance RM'million</b>
(i)	Capital expenditure	1,760.0	1,606.0	Within 24 months	154.0
(ii)	General working capital	164.9	195.1	Within 24 months	(30.2)
(iii)	Estimated expenses for the Corporate Exercises <sup>(1), (2)</sup>	55.0	24.8	Within 3 months	30.2
		<b>1,979.9</b>	<b>1,825.9</b>		<b>154.0</b>

<sup>(1)</sup> *The Corporate Exercises included the Bonus Issue and the Rights Issue as defined and detailed in the Circular to our Shareholders dated 23 June 2014 ("Circular") with further information on the Rights Issue as disclosed in the Abridged Prospectus dated 12 September 2014 ("Abridged Prospectus").*

<sup>(2)</sup> *From the previous allocation of RM55.0 million of the Proceeds to cover estimated expenses for the Corporate Exercise, RM24.8 million has been utilised for such expenses, while the balance of RM30.2 million has been reallocated to be used for general working capital requirements. The reallocation is not considered a deviation from the proposed utilisation because it is contemplated and detailed in the Circular and the Abridged Prospectus.*

**21. BORROWINGS**

The borrowings of the Group as at 31 December 2015 are as set out below:

	<b>As at 31.12.2015 RM'000</b>
<b>SHORT TERM DEBT</b>	
<b>Secured:</b>	
Term loans	<b>936,737</b>
<b>Unsecured:</b>	
Sukuk Murabahah	<b>30,655</b>
Revolving credit	<b>627,869</b>
Term loans	<b>174,910</b>
<b>Total short term debt</b>	<b>1,770,171</b>
<b>LONG TERM DEBT</b>	
<b>Secured:</b>	
Term loans	<b>2,338,297</b>
<b>Unsecured:</b>	
Sukuk Murabahah	<b>1,498,936</b>
Term loans	<b>2,422,150</b>
<b>Total long term debt</b>	<b>6,259,383</b>
<b>Total borrowings</b>	<b>8,029,554</b>
<b>CURRENCY PROFILE</b>	
United States Dollar	<b>5,977,744</b>
Ringgit Malaysia	<b>2,051,810</b>
	<b>8,029,554</b>

On 23 December 2015, the Group secured a syndicated term loan facility, a standby letter of credit facility and a bank guarantee facility, of a maximum aggregate principal amount of USD1,119.7 million (“the Facility”) to part-finance the Eni 1506 FPSO project (“the Project”), reimburse all costs and expenses in relation to the acquisition, conversion, refurbishment, mobilisation, transportation, hook-up and mooring and installation related to the Project, together with all ancillary and related works. The Facility is repayable over the term of the Project.

As at 31 December 2015, the Project was financed by the Group’s short-term corporate borrowings and internally generated funds.

**22. DERIVATIVE FINANCIAL INSTRUMENTS**

**Disclosure of derivatives**

Details of derivative financial instruments outstanding as at 31 December 2015 are as set out below:

<b>Types of Derivative</b>	<b>Contract/ Notional Amount RM'000</b>	<b>Fair Value (Liabilities)/ Assets RM'000</b>
Derivatives used for hedging:		
Interest rate swaps		
- Less than 1 year	<b>454,791</b>	<b>(4,150)</b>
- 1 to 3 years	<b>749,555</b>	<b>202</b>
	<b><u>1,204,346</u></b>	<b><u>(3,948)</u></b>
Cross currency interest rate swaps		
- Less than 1 year	<b>27,696</b>	<b>(18,791)</b>
- 1 to 3 years	<b>49,000</b>	<b>(48,691)</b>
- More than 3 years	<b>1,500,000</b>	<b>(606,280)</b>
	<b><u>1,576,696</u></b>	<b><u>(673,762)</u></b>

There have been no changes since the end of the previous financial year ended 31 December 2014 in respect of the following:

- the market risk and credit risk associated with the derivatives as these are used for hedging purposes;
- the cash requirements of the derivatives;
- the policies in place for mitigating or controlling the risks associated with the derivatives; and
- the related accounting policies.

As at 31 December 2015, the Group recognised derivative financial liabilities of RM677.7 million (2014: RM181.8 million) on re-measuring the fair values of the derivative financial instruments. Of the increase of RM495.9 million from the previous financial year ended 31 December 2014, an amount of RM488.8 million was included in the cash flow hedging reserve attributable to the Group and non-controlling interests, of which RM356.4 million was recycled to the profit or loss while the total loss on derivatives charged to profit or loss was RM15.2 million as disclosed in the Note 25 (i).

The Group's cash flow hedging reserve of RM227.3 million as at 31 December 2015 represents the effective portion of the deferred fair value losses relating to the derivative financial instruments which qualified for hedge accounting. The gains and losses recognised in the cash flow hedging reserve will be released to the profit or loss within finance cost over the period of the underlying borrowings.

**23. FAIR VALUE HIERARCHY**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value and amortised cost, the different levels have been identified as follows:

- Level 1 - Quoted prices (unadjusted in active markets for identical assets or liabilities)
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as price) or indirectly (that is, derived from prices)
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

**(a) Financial instruments carried at amortised cost**

The carrying amounts of financial assets and liabilities of the Group approximated their fair values as at 31 December 2015 except as set out below, measured using Level 3 valuation technique:

	<b>Carrying amount RM'000</b>	<b>Fair value RM'000</b>
Sukuk Murabahah	<u>1,529,591</u>	<u>1,483,474</u>

**(b) Financial instruments carried at fair value**

The table below analyses financial instruments carried at fair value as at 31 December 2015, by valuation method.

	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Total RM'000</b>
Financial asset:			
Available-for-sale financial asset	<u>20,240</u>	<u>-</u>	<u>20,240</u>
Financial liabilities:			
Derivatives used for hedging			
- Cross currency interest rate swaps	-	(673,762)	(673,762)
- Interest rate swaps	-	(3,948)	(3,948)

The fair value of financial instruments traded in an active market is based on quoted market price at the statement of financial position date. This instrument is included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques, such as estimated discounted cash flows. These valuation techniques are used to determine the fair value of derivative financial instruments. The fair value of cross currency interest rate swaps and interest rate swaps are calculated as the present value of the estimated future cash flows based on forward interest rates and exchange rates from observable yield curves.

No transfers between any levels of the fair value estimation took place during the current year and the comparative year. There were also no changes in the purpose of any financial instruments that subsequently caused a change in classification of those instruments.

**24. REALISED AND UNREALISED RETAINED EARNINGS**

The following analysis of realised and unrealised retained earnings at the legal entity level is prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to the Main Market Listing Requirements of Bursa Securities, as issued by the Malaysian Institute of Accountants whilst the disclosure at the Group level is based on the prescribed format by Bursa Securities.

The breakdown of realised and unrealised retained earnings of the Group is as follows:

	<b>As at 31.12.2015 RM'000</b>
Total retained earnings of the Company and its subsidiaries	
- realised	<b>1,553,718</b>
- unrealised	<b>52,498</b>
	<hr/> <b>1,606,216</b>
Total share of retained earnings from joint ventures	
- realised	<b>162,400</b>
- unrealised	<b>(29,763)</b>
	<hr/> <b>132,637</b>
Total retained earnings of the Group	<hr/> <hr/> <b>1,738,853</b>



**25. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

	<b>Individual Quarter Ended 31.12.2015 RM'000</b>	<b>Individual Quarter Ended 31.12.2014 RM'000</b>	<b>Cumulative Quarters Year Ended 31.12.2015 RM'000</b>	<b>Cumulative Quarters Year Ended 31.12.2014 RM'000</b>
(Loss)/profit before taxation is arrived at after charging/(crediting):				
(a) Other operating income				
- Interest income	<b>(8,701)</b>	(22,592)	<b>(52,829)</b>	(28,558)
- Gain on disposal of property, plant and equipment	<b>(14)</b>	(6,170)	<b>(104)</b>	(138)
- Gain on disposal of non-current assets classified as held-for-sale	<b>(1,009)</b>	-	<b>(1,009)</b>	(11,325)
- Gain on disposal of a subsidiary	-	-	<b>(17,645)</b>	-
- Insurance claims	<b>(1,552)</b>	(6,025)	<b>(6,127)</b>	(14,278)
- Dividend income	-	-	<b>(1,841)</b>	(2,321)
- Others	<b>(3,638)</b>	(2,547)	<b>(11,053)</b>	(7,754)
(b) Interest expense	<b>21,286</b>	32,853	<b>123,227</b>	101,606
(c) Depreciation and amortisation	<b>162,863</b>	131,210	<b>606,658</b>	476,050
(d) Net allowance for doubtful debts	<b>183,257</b>	40,603	<b>167,951</b>	65,956
(e) Bad debts written off	-	-	<b>18</b>	-
(f) Impairment				
- property, plant and equipment and non-current assets held for sale	<b>41,341</b>	-	<b>395,150</b>	-
- available-for-sale financial assets	<b>4,185</b>	23,412	<b>25,223</b>	28,248
- investment in a joint venture	-	-	<b>2,691</b>	-
- goodwill	-	1,411	-	1,411
(g) Write off of property, plant and equipment	-	-	<b>1,928</b>	-
(h) Net foreign exchange loss/(gain):				
- realised	<b>38,927</b>	(151)	<b>38,984</b>	1,566
- unrealised	<b>7,462</b>	(63,045)	<b>(53,278)</b>	(59,005)
(i) Fair value through profit and loss on derivative financial instruments	<b>(281)</b>	82,294	<b>15,208</b>	78,307
(j) Retrenchment expenses	-	-	<b>26,248</b>	-

Other than as presented in the statements of income and as disclosed above, there was no allowance for and write-off of inventories, gain or loss on disposal of quoted or unquoted investments or properties and other exceptional items for the current quarter and cumulative quarters ended 31 December 2015.

**26. MATERIAL LITIGATION**

There is no material litigation pending as at the date of this report.

**27. DIVIDENDS**

The Board of Directors proposes to recommend for shareholders' approval at the forthcoming Annual General Meeting of the Company, a tax exempt final cash dividend of 0.82 sen per share (2014: final cash dividend comprised a single tier tax exempt dividend of 1.63 sen per share) in respect of the financial year ended 31 December 2015. This dividend is not taxable in the hands of the shareholders pursuant to Section 54A(3)(d and e) of the Income Tax Act, 1967 the entitlement and payment dates for which will be announced at a later date to be determined.

If the above recommendation is approved, the total dividend for the financial year ended 31 December 2015 will be 0.82 sen per share.

**28. EARNINGS PER SHARE**

The basic earnings per share ("EPS") is calculated by dividing the Group's (loss)/profit attributable to Owners of the Company by the average number of ordinary shares in issue during the financial year.

The diluted EPS is calculated by dividing the Group's (loss)/profit for the financial year attributable to Owners of the Company (adjusted for interest income, net of tax, earned on the proceeds arising from the conversion of the Employee Share Option Scheme ("ESOS") options) by the weighted average number of ordinary shares as adjusted for the basic EPS and includes all potential dilutive shares arising from the ESOS options granted by the reporting date, as if the options had been exercised on the first day of the financial year or the date of the grant, if later.

The EPS took into consideration the number of shares issued pursuant to the Rights Issue and the Bonus Issue as disclosed in Note 20.

	<b>Individual Quarter Ended</b>		<b>Cumulative Quarters Year Ended</b>	
	<b>31.12.2015</b>	<b>31.12.2014</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
(Loss)/profit attributable to Owners of the Company (RM'000)	<b>(85,080)</b>	(52,560)	<b>(234,566)</b>	218,690
Weighted average number of ordinary shares in issue for basic EPS ('000)	<b>5,866,269</b>	4,224,352	<b>5,866,269</b>	3,266,154
Adjusted for bonus issue and bonus elements of right issues ('000)	-	1,792,458	-	1,792,400
Adjusted weighted average number of ordinary shares in issue for basic and diluted EPS ('000)	<b>5,866,269</b>	6,016,810	<b>5,866,269</b>	5,058,554
Basic EPS (sen)	<b>(1.45)</b>	(0.87)	<b>(4.00)</b>	4.32
Diluted EPS (sen)	<b>(1.45)</b>	(0.87)	<b>(4.00)</b>	4.32

**29. COMPARATIVE FIGURES**

The following comparative figures have been reclassified to conform with current year's presentation, which more appropriately reflects the nature of relevant transactions.

	As previously reported RM'000	Effect of reclassification RM'000	As restated RM'000
<b><u>Condensed Consolidated Statements of Income</u></b>			
<b><u>Cumulative Quarters Year Ended 31.12.2014</u></b>			
Cost of sales	(1,713,260)	(106,556)	(1,819,816)
Selling and distribution costs	(155,233)	101,707	(53,526)
Administrative expenses	(220,786)	34,508	(186,278)
Impairment	-	(29,659)	(29,659)
<b><u>Individual Quarter Ended 31.12.2014</u></b>			
Cost of sales	(595,630)	(20,667)	(616,297)
Selling and distribution costs	(39,220)	18,391	(20,829)
Administrative expenses	(104,345)	27,099	(77,246)
Impairment	-	(24,823)	(24,823)
<b><u>Segmental Information</u></b>			
<b><u>Cumulative Quarters Year Ended 31.12.2014</u></b>			
Segment Results (including impairment)			
FPSO	282,204	21,976	304,180
OSV	47,358	(12,848)	34,510
T&I	3,321	(4,292)	(971)
Corporate and others	(13,159)	(7,700)	(20,859)
EBITDA	884,385	29,659	914,044
EBITDA margin	37%	1%	38%
<b><u>Individual Quarter Ended 31.12.2014</u></b>			
Segment Results (including impairment)			
FPSO	68,977	13,731	82,708
OSV	(20,106)	(6,419)	(26,525)
T&I	(61,411)	(7,312)	(68,723)
Corporate and others	(18,340)	-	(18,340)

Costs and expenses attributable to activities that directly support operations, previously classified in selling and distributions costs or administrative expenses, have been reclassified to cost of sales.

**29. COMPARATIVE FIGURES (CONTINUED)**

The following comparative figures have been reclassified to conform with current year's presentation, which more appropriately reflects the nature of relevant transactions.

	<b>As previously reported RM'000</b>	<b>Effect of reclassification RM'000</b>	<b>As restated RM'000</b>
<b><u>Condensed Statements of Financial Position</u></b>			
<u>As at 31.12.2014</u>			
<u>Current liabilities</u>			
Other payables and accruals	(557,241)	349,730	(207,511)
<u>Non-current liabilities</u>			
Advances from customers	-	(349,730)	(349,730)

BY ORDER OF THE BOARD

NOREEN MELINI BINTI MUZAMLI (LS 0008290)  
NOOR HAMIZA BINTI ABD HAMID (MAICSA 7051227)  
Joint Company Secretaries

Kuala Lumpur  
26 February 2016