



BUMI ARMADA

BUMI ARMADA REPORTS FIRST QUARTER 2016 REVENUE OF RM430.8 MILLION, NET PROFIT OF RM23.4 MILLION AFTER NON-CASH IMPAIRMENT CHARGE

- First quarter 2016 revenue was 24.7% lower at RM430.8 million, compared to RM572.2 million in first quarter 2015.
- EBITDA margin for the first quarter 2016 improved to 58.4% from 50.2% in the first quarter 2015. EBITDA for the first quarter 2016 was RM251.5 million compared to RM287.0 million reported in the first quarter 2015.
- The Group posted a net profit¹ for the first quarter 2016 of RM23.4 million, after taking into account non-cash impairment charge of RM17.9 million. Excluding this charge, the Group would have reported net profit of RM41.3 million in the quarter.
- The Group generated net cash flows from operating activities for the first quarter 2016 of RM544.4 million, against RM148.7 million in the same period in 2015, mainly due to collection of receivables and FPSO milestone payments.
- First quarter 2016 FPSO and FGS revenue of RM216.6 million accounted for 50.3% of total revenue.
- The Group's total order book as at end-March 2016 stood at RM36.4 billion (RM24.2 billion of firm contracts and RM12.2 billion of optional extensions).

RM' mil	Individual Quarter Ended		Year to Date Ended	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Revenue	430.8	572.2	430.8	572.2
EBITDA	251.5	287.0	251.5	287.0
Net Profit/ (Loss)	23.4	72.0	23.4	72.0
EPS (sen)	0.40	1.23	0.40	1.23

Kuala Lumpur, 31 May 2016 - Malaysia-based international offshore energy facilities and services provider Bumi Armada Berhad ("Bumi Armada" or the "Group") today announced its first quarter ("Q1") 2016 financial results. Revenue for Q1 2016 was RM430.8 million, 24.7% lower than the corresponding quarter in 2015. The decline in revenue was mainly due to

¹ Net profit/loss refers to profit/loss for the financial period attributable to Owners of the Company.

lower contributions from the Armada Claire FPSO, in respect of which the Company has filed a legal action seeking damages for unlawful termination and lower utilisation of vessels in the OMS business. The FPSO and FGS businesses saw revenue decline by 25.6% year-on-year, while the OMS revenue fell by 23.8% over the same period.

EBITDA in Q1 2016 was lower at RM251.5 million as compared to RM287.0 million in Q1 2015, but due to cost rationalisation steps taken in 2015, the EBITDA margin improved to 58.4%, from 50.2% year-on-year.

Net cash flows from operating activities improved significantly to RM544.4 million, an increase of over 250% as compared to RM148.7 million reported in Q1 2015, due mainly to the collection of receivables and milestone payments for the Group's ongoing FPSO conversion projects.

During the quarter, the Group also made a non-cash impairment charge of RM17.9 million for the Armada Condor in the OMS business. This non-cash charge trimmed net profit to RM23.4 million for Q1 2016, compared to RM72.0 million in Q1 2015. Excluding the non-cash charge, the Group would have reported a net profit of RM41.3 million for Q1 2016.

Commenting on the financial results, Mr. Leon Harland, Chief Executive Officer and Executive Director of Bumi Armada said, "The underlying earnings of the Group remain strong, with net cash flow generation from operations of RM544.4 million in Q1 2016, and EBITDA margin improving to 58.4% in Q1 2016, from 50.2% in Q1 2015.

The FPSO and FGS businesses continue to focus on the delivery of the three FPSOs (Armada Kraken, Armada Olombendo and Karapan Armada Sterling III) and the FSU (Armada LNG Mediteranna), which all leave the shipyard in the second half of 2016. Delivery of these projects will trigger a significant improvement in earnings and cash flow generation for the Group over full year 2017.

While the OSV business remains challenging, our strong position in the Caspian Sea with our subsea construction operations should help to stabilise overall earnings in the OMS business. The firm order book for the OMS business stands at RM2.8 billion as at end March 2016.

We continue to pursue new prospects and opportunities across our business units. Demonstrating our ability to deliver the four new projects will significantly improve the outlook going forward.”

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Please refer to the Unaudited Financial Statement for the full details of the Q1 2016 financial results of the Company.

Notes:

EBITDA	Profit before finance costs, taxation, depreciation, amortisation and impairment
FPSO	Floating Production Storage and Offloading
FGS	Floating Gas Solutions
FSU	Floating Storage Unit
OMS	Offshore Marine Services
OSV	Offshore Support Vessels

About Bumi Armada

Bumi Armada Berhad is a Malaysia-based international offshore energy facilities and services provider with a presence in over 15 countries spread across 5 continents, underpinned by its access to over 1,500 people from over 30 nationalities.

Bumi Armada provides offshore services via three strategic business units – Floating Production, Storage and Offloading (FPSO) Operations, Floating Gas Solutions (FGS) and Offshore Marine Services (OMS). 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 offshore marine operator across Asia, Africa and Latin America. For more information, please refer to www.bumiarmada.com

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