



BUMI ARMADA

BUMI ARMADA REPORTS REVENUE OF RM402.9 MILLION, EBITDA OF RM198.7 MILLION AND PRE-IMPAIRMENT NET PROFIT OF RM57.1 MILLION FOR THE SECOND QUARTER ENDING 30 JUNE 2016

- Second quarter 2016 revenue was at RM402.9 million, 12.2% lower than the RM459.1 million reported in the second quarter 2015.
- EBITDA for the second quarter 2016 was RM198.7 million with the EBITDA margin at 49%.
- The Group posted a net profit before impairment charge for the second quarter 2016 of RM57.1 million.
- After including total non-cash impairment charges of RM575.5 million, predominantly on the Armada Claire, the Group posted a net loss¹ for the second quarter 2016 of RM518.3 million.
- Second quarter 2016 FPSO and FGS revenue contributions declined due to the loss of revenue from Armada Claire, lower conversion activities as new projects near completion and lower contribution from Armada Perkasa.
- The Group's total order book as at end-June 2016 stood at RM37.1 billion (RM24.5 billion of firm contracts and RM12.6 billion of optional extensions).

RM' mil	Individual Quarter Ended		Year to Date Ended	
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
Revenue	402.9	459.1	833.6	1,031.2
EBITDA	198.7	269.5	450.2	556.5
Net Profit/ (Loss)	(518.3)	(291.5)	(494.9)	(219.5)
EPS (sen)	(8.84)	(4.97)	(8.44)	(3.74)

Kuala Lumpur, 26 August 2016 - Malaysia-based international offshore energy facilities and services provider Bumi Armada Berhad ("Bumi Armada" or the "Group") today announced its second quarter ("Q2") 2016 financial results. Revenue for Q2 2016 was RM402.9 million, 12.2% lower than the corresponding quarter in 2015. The decline in revenue was mainly due to a 28.1% fall in FPSO and FGS contributions on the back of the loss of revenue

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

from Armada Claire during Q2 2016, lower conversion activities as new projects near completion prior to sail away, and lower contribution from Armada Perkasa. OMS revenue however, increased by 15.4% from Q2 2015 to Q2 2016 on the back of improved utilisation in the OSV business as well as Subsea Construction work related to the LukOil project in the Caspian Sea.

EBITDA in Q2 2016 declined to RM198.7 million as compared to RM269.5 million in Q2 2015 on the back of lower contributions across the business units. EBITDA margin was reduced to 49% versus 59% in the same period in 2015.

The Company reported a net loss of RM518.3 million in Q2 2016 on the back of non-cash impairment charges totaling RM575.5 million. A significant portion of this non-cash impairment relates to the Armada Claire FPSO.

Commenting on the financial results, Mr. Leon Harland, Chief Executive Officer and Executive Director of Bumi Armada said, "The current climate of relatively lower oil prices continues to challenge our industry and Bumi Armada has also been impacted by the loss of earnings from Armada Claire, challenges to get regular payments from our FPSO clients in Nigeria and continued weak demand for OSV services. In addition, we have taken non-cash impairments, predominantly on the Armada Claire, which pushed the results to a net loss. This non-cash impairment does not in any way change our position that the termination of the contract was unlawful and we will continue to pursue our claim for damages for this unlawful termination. We believe that the underlying fundamentals of the Group remain positive. We are well advanced in the completion of our four new FPSO/FGS projects. Once operational, these projects will provide a step-change in the Group's financial results from 2017 onwards.

In the OSV business, which is most exposed to reduced exploration and development activities by the oil companies, rates remain weak. Notwithstanding this, we have managed to slightly increase the utilisation of the fleet in Q2 2016, and we continue to focus on keeping the business as

cost efficient as possible and operating cash flow positive. We do not however, expect to see a major improvement in the OSV segment over the short-term.

On our FPSO operations, we have maintained an average uptime of over 99% for our operating units, and have achieved some significant safety milestones, including three years of continued operations without a Lost Time Incident (“LTI”) on the Armada Perdana during Q2 2016.

Meanwhile, we remain focused on bringing our new major projects on stream and converting our backlog of RM21.9 billion of firm FPSO and FGS contracts into day-to-day income.”

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Please refer to the Unaudited Financial Statement for the full details of the Q2 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
SC	Subsea Construction

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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