



BUMIARMADA

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

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017**

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 third quarter ended 30 September 2017 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2016 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 Period Ended	
		30.09.2017 RM'000	30.09.2016 RM'000 Restated	30.09.2017 RM'000	30.09.2016 RM'000 Restated
Revenue		<b>641,391</b>	377,506	<b>1,739,983</b>	1,211,143
Cost of sales		<b>(480,535)</b>	(425,155)	<b>(1,134,001)</b>	(1,178,685)
Gross profit/(loss)		<b>160,856</b>	(47,649)	<b>605,982</b>	32,458
Other operating income		<b>92,053</b>	21,163	<b>147,120</b>	77,046
Selling and distribution costs		<b>(2,060)</b>	(2,165)	<b>(16,235)</b>	(15,430)
Administrative expenses		<b>(44,802)</b>	(39,188)	<b>(151,835)</b>	(94,733)
Operating profit/(loss) before impairment		<b>206,047</b>	(67,839)	<b>585,032</b>	(659)
Impairment		<b>(1,908)</b>	(4,218)	<b>(7,664)</b>	(597,567)
Operating profit/(loss)		<b>204,139</b>	(72,057)	<b>577,368</b>	(598,226)
Finance costs		<b>(133,147)</b>	(31,791)	<b>(305,186)</b>	(66,391)
Share of results of joint ventures		<b>81,334</b>	20,826	<b>139,745</b>	111,882
Profit/(loss) before taxation		<b>152,326</b>	(83,022)	<b>411,927</b>	(552,735)
Taxation	18	<b>(27,951)</b>	(20,511)	<b>(113,420)</b>	(45,833)
Profit/(loss) for the financial period		<b>124,375</b>	(103,533)	<b>298,507</b>	(598,568)
Attributable to:					
- Owners of the Company		<b>123,733</b>	(96,712)	<b>288,431</b>	(591,606)
- Non-controlling interests		<b>642</b>	(6,821)	<b>10,076</b>	(6,962)
		<b>124,375</b>	(103,533)	<b>298,507</b>	(598,568)
Earnings per share (sen)	27				
- Basic		<b>2.11</b>	(1.65)	<b>4.92</b>	(10.08)
- Diluted		<b>2.11</b>	(1.65)	<b>4.92</b>	(10.08)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	Individual Quarter Ended		Cumulative Quarters Period Ended	
		30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
Profit/(loss) for the financial period		<b>124,375</b>	(103,533)	<b>298,507</b>	(598,568)
Other comprehensive (expense)/income					
Items that may be reclassified subsequently to profit or loss					
- Available-for-sale financial assets:					
- Gain/(loss) on fair value change		<b>41</b>	(198)	<b>3,251</b>	161
- Fair value gain/(loss) on cash flow hedges		<b>13,287</b>	8,675	<b>32,501</b>	(49,555)
- Foreign currency translation differences		<b>(124,565)</b>	164,134	<b>(301,967)</b>	(274,503)
- Share of other comprehensive income/(expense) of joint ventures		<b>742</b>	641	<b>(1,327)</b>	(684)
Other comprehensive (expense)/income for the financial period, net of tax		<b>(110,495)</b>	173,252	<b>(267,542)</b>	(324,581)
Total comprehensive income/(expense) for the financial period		<b>13,880</b>	69,719	<b>30,965</b>	(923,149)
Total comprehensive income/(expense) attributable to:					
- Owners of the Company		<b>14,626</b>	70,481	<b>23,373</b>	(914,490)
- Non-controlling interests		<b>(746)</b>	(762)	<b>7,592</b>	(8,659)
		<b>13,880</b>	69,719	<b>30,965</b>	(923,149)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	9,718,608	16,602,637
Investments in joint ventures		731,836	651,332
Available-for-sale financial assets		17,625	22,884
Deferred tax assets		7,614	6,467
Amounts due from joint ventures		52,107	19,470
Derivative financial instruments	21	81,777	116,108
Finance lease receivables		5,448,208	-
Other receivables		158,951	49,075
		<b>16,216,726</b>	<b>17,467,973</b>
<b>CURRENT ASSETS</b>			
Inventories		5,627	6,356
Amount due from customers on contract		139,662	-
Trade receivables		737,018	632,956
Accrued lease rentals		412,588	510,345
Other receivables, deposits and prepayments		71,977	85,904
Tax recoverable		-	2,312
Amounts due from joint ventures		218,160	335,032
Derivative financial instruments	21	2,338	-
Finance lease receivables		59,654	-
Deposits, cash and bank balances		1,681,017	3,015,854
		<b>3,328,041</b>	<b>4,588,759</b>
Non-current assets classified as held-for-sale		1,846	33,397
<b>TOTAL ASSETS</b>		<b>19,546,613</b>	<b>22,090,129</b>

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

	Note	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
<b>LESS: CURRENT LIABILITIES</b>			
Trade payables and accruals		619,767	1,227,072
Other payables and accruals		471,483	1,129,761
Amounts due to joint ventures		33,807	36,562
Amounts due to customers on contract		-	69,645
Hire purchase creditors		88	88
Borrowings	20	1,998,688	2,517,059
Derivative financial instruments	21	24,356	42,250
Taxation		57,892	46,661
		<b>3,206,081</b>	<b>5,069,098</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
		<b>123,806</b>	<b>(446,942)</b>
<b>LESS: NON-CURRENT LIABILITIES</b>			
Other payables and accruals		71,221	97,014
Hire purchase creditors		221	287
Borrowings	20	10,005,697	10,529,054
Derivative financial instruments	21	527,997	705,741
Deferred tax liabilities		-	709
Provisions		109,010	98,149
		<b>10,714,146</b>	<b>11,430,954</b>
<b>NET ASSETS</b>			
		<b>5,626,386</b>	<b>5,590,077</b>
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>			
Share capital		4,311,294	1,173,253
Reserves		1,304,384	4,413,708
		<b>5,615,678</b>	<b>5,586,961</b>
<b>NON-CONTROLLING INTERESTS</b>			
		<b>10,708</b>	<b>3,116</b>
<b>TOTAL EQUITY</b>			
		<b>5,626,386</b>	<b>5,590,077</b>
<b>NET ASSETS PER SHARE (RM)</b>			
		<b>0.96*</b>	<b>0.95</b>

\* Based on 5,866,269,344 ordinary shares in issue per the Companies Act, 2016 as at 30 September 2017.

**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	Accumulated losses / Retained earnings RM'000	Total RM'000		
<u>2017</u>											
At 1 January 2017	5,866,269	1,173,253	3,137,730	1,593,424	13,947	19,928	(101,474)	(249,847)	5,586,961	3,116	5,590,077
Transfer to share capital <sup>(1)</sup>	-	3,138,041	(3,137,730)	-	(311)	-	-	-	-	-	-
Profit for the financial period	-	-	-	-	-	-	-	288,431	288,431	10,076	298,507
Other comprehensive (expense)/income for the financial period, net of tax	-	-	-	(299,444)	3,251	-	31,135	-	(265,058)	(2,484)	(267,542)
Total comprehensive (expense)/income for the financial period, net of tax	-	-	-	(299,444)	3,251	-	31,135	288,431	23,373	7,592	30,965
Transactions with owners:											
- Employee share options granted	-	-	-	-	-	266	-	-	266	-	266
- Employee share options forfeited	-	-	-	-	-	(7,471)	-	7,471	-	-	-
- Management incentive plan granted	-	-	-	-	-	5,078	-	-	5,078	-	5,078
<b>At 30 September 2017</b>	<b>5,866,269</b>	<b>4,311,294</b>	<b>-</b>	<b>1,293,980</b>	<b>16,887</b>	<b>17,801</b>	<b>(70,339)</b>	<b>46,055</b>	<b>5,615,678</b>	<b>10,708</b>	<b>5,626,386</b>

Note:

<sup>(1)</sup> Effective from 31 January 2017, the new Companies Act, 2016 (“the Act”) abolished the concept of authorised share capital and par value of share capital. Consequently, the credit balance of the share premium and preference share redemption reserve becomes part of the Company’s share capital pursuant to the transitional provision set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use this amount for purposes as set out in Section 618(3) of the Act. The Board of Directors will make a decision thereon by 31 January 2019. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

**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>2016</u>											
At 1 January 2016	5,866,269	1,173,253	3,137,730	1,383,557	6,562	44,817	(227,314)	1,738,853	7,257,458	38,314	7,295,772
Loss for the financial period	-	-	-	-	-	-	-	(591,606)	(591,606)	(6,962)	(598,568)
Other comprehensive (expense)/income for the financial period, net of tax	-	-	-	(273,475)	161	-	(49,570)	-	(322,884)	(1,697)	(324,581)
Total comprehensive (expense)/income for the financial period, net of tax	-	-	-	(273,475)	161	-	(49,570)	(591,606)	(914,490)	(8,659)	(923,149)
Transactions with owners:											
- Employee share options granted	-	-	-	-	-	1,737	-	-	1,737	-	1,737
- Employee share options forfeited	-	-	-	-	-	(24,393)	-	24,393	-	-	-
- Dividend payable	-	-	-	-	-	-	-	(48,103)	(48,103)	-	(48,103)
<b>At 30 September 2016</b>	<b>5,866,269</b>	<b>1,173,253</b>	<b>3,137,730</b>	<b>1,110,082</b>	<b>6,723</b>	<b>22,161</b>	<b>(276,884)</b>	<b>1,123,537</b>	<b>6,296,602</b>	<b>29,655</b>	<b>6,326,257</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Period Ended 30.09.2017 RM'000</b>	<b>Period Ended 30.09.2016 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit/(loss) for the financial period	<b>298,507</b>	(598,568)
Adjustments for non-cash items:		
Share of results of joint ventures	<b>(139,745)</b>	(111,882)
Depreciation of property, plant and equipment	<b>418,653</b>	429,954
Fair value through profit and loss on derivative financial instruments	<b>(9,947)</b>	(8,269)
Gain on disposal of property, plant and equipment and non-current assets held-for-sale	<b>(78,025)</b>	(4,315)
Net (allowance for doubtful debts written back)/allowance for doubtful debts	<b>(1,845)</b>	75,889
Unrealised foreign exchange loss/(gain)	<b>50,859</b>	(7,044)
Share-based payment	<b>5,344</b>	1,737
Impairment of property, plant and equipment and non-current assets held-for-sale	<b>-</b>	592,401
Impairment of available-for-sale financial assets	<b>7,664</b>	5,166
Interest income	<b>(30,058)</b>	(10,716)
Interest expense	<b>305,219</b>	65,384
Taxation	<b>113,420</b>	45,833
Operating profit before changes in working capital	<b>940,046</b>	475,570
Changes in working capital:		
Inventories	<b>430</b>	1,753
Trade and other receivables	<b>(289,194)</b>	226,455
Trade and other payables	<b>(225,906)</b>	616,777
Cash from operations	<b>425,376</b>	1,320,555
Interest paid	<b>(357,444)</b>	(268,415)
Tax paid	<b>(31,996)</b>	(21,702)
Tax refund	<b>-</b>	2,056
<b>NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES</b>	<b>35,936</b>	1,032,494



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

	<b>Period Ended 30.09.2017 RM'000</b>	<b>Period Ended 30.09.2016 RM'000</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,377,658)	(3,478,614)
Proceeds from disposal of property, plant and equipment	173,712	7,649
Dividend received from a joint venture	-	21,380
Interest received	29,892	10,799
Investment in joint ventures	(30)	-
Dividend received from investments	-	2,003
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(1,174,084)</b>	<b>(3,436,783)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from bank borrowings	131,211	4,281,730
Repayment of bank borrowings	(494,657)	(918,148)
Decrease in deposits pledged as security	900	-
Proceeds from hire purchase creditors	-	453
Repayment of hire purchase creditors	(66)	(50)
Dividend paid	-	(48,103)
<b>NET CASH FLOWS (USED IN)/GENERATED FROM FINANCING ACTIVITIES</b>	<b>(362,612)</b>	<b>3,315,882</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,500,760)</b>	<b>911,593</b>
<b>CURRENCY TRANSLATION DIFFERENCES</b>	<b>166,823</b>	<b>(38,187)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>3,014,954</b>	<b>1,524,818</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>1,681,017</b>	<b>2,398,224</b>
Cash and cash equivalents consist of:		
Deposits with licensed banks	1,307,417	1,321,760
Cash and bank balances	373,600	1,077,364
Less: Designated deposits placed with licensed banks	-	(900)
	<b>1,681,017</b>	<b>2,398,224</b>

**EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017**

**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 2016 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 2016. 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 2016, other than those disclosed below:

(a) Compliance with the requirements of the Companies Act, 2016 in Malaysia.

(b) Amendments to MFRS which are applicable to the Group effective on or after 1 January 2017:

- Amendments to MFRS 107 “Statement of Cash Flows” – Disclosure Initiative
- Amendments to MFRS 112 “Income Taxes” – Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to MFRS 12 “Disclosures of Interests in Other Entities”

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

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

- MFRS 9 “Financial Instruments”
- MFRS 15 “Revenue from Contracts with Customers”
- Amendments to MFRS 2 “Share-based Payment” - Classification and Measurement of Share-based Payment Transactions
- Annual Improvements to MFRS 1 “First-time Adoption of Malaysian Financial Reporting Standards”
- Annual Improvements to MFRS 128 “Investments in Associates and Joint Ventures”
- IC Interpretation 22 “Foreign Currency Transactions and Advance Consideration”

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

(d) New MFRS which is applicable to the Group effective on or after 1 January 2019:

- MFRS 16 “Leases”
- IC Interpretation 23 “Uncertainty over Income Tax Treatments”

The adoption of these MFRS 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 30.09.2017 RM'000</b>	<b>YTD 30.09.2016 RM'000</b>	<b>Change RM'000</b>
Segment revenue			
FPO <sup>(1)</sup>	<b>980,040</b>	488,206	491,834
OMS <sup>(1)</sup>	<b>759,943</b>	722,937	37,006
Total revenue	<b>1,739,983</b>	1,211,143	528,840
EBITDA <sup>(2)</sup>	<b>1,143,430</b>	541,177	602,253
Profit/(loss) for the financial period	<b>298,507</b>	(598,568)	897,075
Finance costs	<b>305,186</b>	66,391	238,795
Depreciation	<b>418,653</b>	429,954	(11,301)
Impairment	<b>7,664</b>	597,567	(589,903)

The Group’s revenue of RM1,740.0 million for the financial period up to 30 September 2017 (“YTD 2017”), an increase of RM528.9 million compared to the financial period up to 30 September 2016 (“YTD 2016”), was mainly attributed to increased revenue from the Armada Olombendo FPSO, Armada Kraken FPSO, Armada LNG Mediterrana Floating Storage Unit, and one-off revenue recognised based on work completed on the LukOil project arising from the signing of the supplementary agreement, offset by lower OSV<sup>(3)</sup> vessel utilisation.

The Group’s EBITDA of RM1,143.4 million for YTD 2017, an increase of RM602.3 million compared to YTD 2016 was mainly due to higher contribution from both FPO and OMS segments due to Armada Olombendo FPSO and the Lukoil project respectively, and gain on disposal of vessels. The increase in EBITDA was partly offset by higher foreign exchange losses compared to YTD 2016.

With reference to Note 10 Segmental Information, results from the FPO segment increased to RM326.8 million for YTD 2017 as compared to loss of RM68.8 million for YTD 2016 mainly due to higher contribution from Armada Olombendo FPSO and Armada LNG Mediterrana Floating Storage Unit. In respect of the OMS segment, profit improved to RM124.3 million for YTD 2017 as compared to a loss of RM35.7 million for YTD 2016 mainly due to higher contribution from the LukOil project.

The Group’s profit of RM298.5 million for YTD 2017 and profit attributable to the Owners of the Company of RM288.4 million, is an increase of RM897.1 million and RM880.0 million respectively compared to YTD 2016, as the YTD 2016 earnings were negatively impacted by a non-cash impairment charge of RM592.4 million for FPSO and OMS multipurpose construction vessels.

Notes:

<sup>(1)</sup> FPO - Floating Production and Operation (previously known as FPSO & FGS - Floating Production Storage Offloading system and Floating Gas Solution), and OMS - Offshore Marine Services. These acronyms are also used hereinafter.

<sup>(2)</sup> Defined as profit before finance costs, taxation, depreciation, amortisation and impairment.

<sup>(3)</sup> OSV – Offshore Support Vessels

**2. MANAGEMENT COMMENTARY (CONTINUED)**

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

<b>Financial Indicators</b>	<b>3rd Quarter 2017 RM'000</b>	<b>2nd Quarter 2017 RM'000</b>	<b>Change RM'000</b>
Segment revenue			
FPO	<b>402,698</b>	337,639	65,059
OMS	<b>238,693</b>	356,780	(118,087)
Total revenue	<b>641,391</b>	694,419	(53,028)
EBITDA	<b>466,882</b>	428,160	38,722
Profit for the financial period	<b>124,375</b>	117,714	6,661
Finance costs	<b>133,147</b>	108,497	24,650
Depreciation	<b>179,501</b>	127,923	51,578
Impairment	<b>1,908</b>	5,756	(3,848)

The Group's revenue of RM641.4 million for the quarter ended 30 September 2017 ("Q3 2017"), a decrease of RM53.0 million compared to the quarter ended 30 June 2017 ("Q2 2017"), was attributed mainly to the following factors:

- (a) Increase in FPO revenue mainly from the Armada Kraken FPSO and Armada Perdana FPSO; and
- (b) Decrease in OMS revenue mainly due to the one-off revenue recognised based on work completed on the LukOil project arising from the signing of the supplementary agreement in Q2 2017, offset by higher OSV vessel utilisation in Q3 2017.

<b>OSV vessel average utilisation rates for the quarter ended</b>	<b>3rd Quarter 2017 %</b>	<b>2nd Quarter 2017 %</b>	<b>Change in %</b>
Group's vessels	<b>53</b>	<b>52</b>	1
- Class A <sup>(4)</sup>	44	47	(3)
- Class B <sup>(5)</sup>	72	61	11
Group's vessels including those held by joint ventures	<b>54</b>	<b>53</b>	1

The Group's EBITDA of RM466.9 million in Q3 2017, an increase of RM38.7 million compared to Q2 2017, was driven by increased contribution from the Armada Kraken FPSO and Armada Perdana FPSO. In addition, higher share of results of joint ventures from Armada Sterling II and Karapan Armada Sterling III and gain on disposal of certain FPSO vessels have also contributed to the increased of EBITDA.

Results from the FPO segment decreased to RM111.7 million for Q3 2017 as compared to RM145.7 million for Q2 2017 due to lower contribution from the Armada Olombendo FPSO. Results from the OMS segment decreased to RM4.4 million for Q3 2017 as compared to RM111.9 million in Q2 2017 mainly due to the one-off revenue recognised based on work completed on the LukOil project arising from the signing of the supplementary agreement in Q2 2017.

The Group posted a profit of RM124.4 million in Q3 2017 and a profit attributable to Owners of the Company of RM123.7 million, an increase of RM6.7 million and RM7.1 million respectively, compared to Q2 2017. The increase was mainly due to gain on disposal of vessels in Q3 2017 which was offset by higher finance costs due to the cessation of capitalisation of borrowing costs following the completion of another FPSO vessel in Q2 2017.

Notes:

<sup>(4)</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>(5)</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

**3. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2017**

Over the remainder of 2017, we expect to see further developments in the current FPSO projects, which should be positive for the Group's FPO business revenue in 2018. For the OMS business, we expect to see a decline in activity in Q4 2017 due to winter in the Caspian region and the monsoon season in South-East Asia, which will likely result in lower earnings for this business during the last quarter of 2017.

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

The audited financial statements for the preceding financial year ended 31 December 2016 were unqualified.

**5. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the period ended 30 September 2017.

**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 flows of the Group during the period ended 30 September 2017.

**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**

There were no dividends paid during the period ended 30 September 2017.

**10. SEGMENTAL INFORMATION**

The Group is organised into 2 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 30 September 2017 and 30 September 2016 are as follows:

<b>Individual Quarter Ended 30.09.2017</b>	<b>FPO RM'000</b>	<b>OMS RM'000</b>	<b>Corporate and others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue	<b>402,698</b>	<b>238,693</b>	-	-	<b>641,391</b>
Inter-segment revenue	-	-	<b>34,027</b>	<b>(34,027)</b>	-
Results					
Segment results	<b>111,735</b>	<b>4,369</b>	<b>(2,110)</b>	-	<b>113,994</b>
Impairment	-	-	<b>(1,908)</b>	-	<b>(1,908)</b>
Share of results of joint ventures	<b>81,177</b>	<b>157</b>	-	-	<b>81,334</b>
Other operating income					<b>92,053</b>
Finance costs					<b>(133,147)</b>
Taxation					<b>(27,951)</b>
Profit for the financial period					<b>124,375</b>

<b>Individual Quarter Ended 30.09.2016</b>	<b>FPO RM'000 Restated</b>	<b>OMS RM'000 Restated</b>	<b>Corporate and others RM'000 Restated</b>	<b>Elimination RM'000 Restated</b>	<b>Group RM'000 Restated</b>
Revenue	115,980	261,526	-	-	377,506
Inter-segment revenue	-	-	39,248	(39,248)	-
Results					
Segment results	(95,677)	(3,311)	9,986	-	(89,002)
Impairment	-	(4,218)	-	-	(4,218)
Share of results of joint ventures	20,290	536	-	-	20,826
Other operating income					21,163
Finance costs					(31,791)
Taxation					(20,511)
Loss for the financial period					(103,533)

**10. SEGMENTAL INFORMATION (CONTINUED)**

<b>Cumulative Quarters Period Ended 30.09.2017</b>	<b>FPO RM'000</b>	<b>OMS RM'000</b>	<b>Corporate and others RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
Revenue	<b>980,040</b>	<b>759,943</b>	-	-	<b>1,739,983</b>
Inter-segment revenue	-	-	<b>103,226</b>	<b>(103,226)</b>	-
Results					
Segment results	<b>326,835</b>	<b>124,288</b>	<b>(13,211)</b>	-	<b>437,912</b>
Impairment	-	-	<b>(7,664)</b>	-	<b>(7,664)</b>
Share of results of joint ventures	<b>139,011</b>	<b>734</b>	-	-	<b>139,745</b>
Other operating income					<b>147,120</b>
Finance costs					<b>(305,186)</b>
Taxation					<b>(113,420)</b>
Profit for the financial period					<b>298,507</b>

<b>Cumulative Quarters Period Ended 30.09.2016</b>	<b>FPO RM'000 Restated</b>	<b>OMS RM'000 Restated</b>	<b>Corporate and others RM'000 Restated</b>	<b>Elimination RM'000 Restated</b>	<b>Group RM'000 Restated</b>
Revenue	488,206	722,937	-	-	1,211,143
Inter-segment revenue	-	-	118,642	(118,642)	-
Results					
Segment results	(68,848)	(35,707)	26,850	-	(77,705)
Impairment	(570,085)	(26,534)	(948)	-	(597,567)
Share of results of joint ventures	110,719	1,163	-	-	111,882
Other operating income					77,046
Finance costs					(66,391)
Taxation					(45,833)
Loss for the financial period					<b>(598,568)</b>

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

There was no revaluation of property, plant and equipment for the period under review. As at 30 September 2017, 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 PERIOD**

No material event has arisen in the interval between the end of this reporting period and the date of this report.

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

The 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 are as follows:

- (a) On 21 July 2017, Bumi Armada Singapore Holdings Pte Ltd (“BASH”) had incorporated a wholly-owned subsidiary, Armada Marine Angola (SU), Lda (“AMA”) as a private limited liability by shares in Angola. The issued shares are currently held by Ms Filipa Silva Tavares De Lima, a partner of FTL Advogados being the correspondent office of CMS Rui Pena & Arnaut in Angola, as the attorney holding the shares in the interest and for the benefit of BASH upon the terms and conditions stated in a Fiduciary Deed dated 18 May 2017 on temporary basis pending receipt of foreign investment approval to be obtained by BASH from the Ministry of Commerce of Angola. Authorised capital of AMA is Kz330,182. The principal business of AMA is to provide management and consulting services including human resources, finance and other related support services to companies in the Group operating in Angola.
- (b) On 1 August 2017, Bumi Armada Marine Ghana Limited (“BAMG”) was incorporated as a 60% owned subsidiary of BASH in Ghana. The remaining 40% equity stake in BAMG is owned by Cypress Energy Company Limited (“CECL”). The principal activity of BAMG is the provision of offshore support vessel services to the oil and gas industry in Ghana.
- (c) On 4 August 2017, Bumi Armada Holdings B.V. (“BAHB”), Bumi Armada Holdings Netherlands B.V. (“BAHNB”) and Bumi Armada Netherlands B.V. (“BANB”) were incorporated as direct and indirect wholly-owned subsidiaries of Bumi Armada Berhad as part of Bumi Armada’s ongoing initiatives to streamline its corporate structure, create a corporate and legal shield, optimise efficiencies and establish a commercial presence close to key target clientele and major oil and gas companies. The authorised capital, and issued and paid-up capital for each of the subsidiaries were USD25,000.

**14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Group’s contingent liabilities comprised bank guarantees extended to third parties amounted to RM664.8 million as at 30 September 2017 as compared to RM708.8 million as at 31 December 2016. 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 30 September 2017 are as follows:

	<b>RM’000</b>
- authorised and contracted	328,124
- authorised but not contracted	459,969
	788,093
	788,093



**16. SIGNIFICANT RELATED PARTY DISCLOSURES**

The significant related party transactions undertaken during the financial period ended 30 September 2017 are described below:

	<b>Cumulative Quarters Period Ended 30.09.2017 RM'000</b>
(a) Transactions with UTSB Management Sdn Bhd <sup>(1)</sup> : - management fees	4,645
(b) Telecommunication expenses to Maxis Berhad <sup>(2)</sup>	1,051
(c) Rental to Malaysian Landed Property Sdn Bhd <sup>(3)</sup>	5,900
(d) Management services charged to joint ventures - revenue - other operating income	3,207 16,641
(e) Key management personnel compensation: - non-executive directors fees - salaries, bonus and allowances and other staff related costs - defined contribution plan - share-based payment	1,574 13,844 658 3,383
(f) Payment on behalf: - joint ventures	<u>6,120</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 Period Ended	
	30.09.2017 RM'000	30.09.2016 RM'000	30.09.2017 RM'000	30.09.2016 RM'000
Income tax:				
- Current year	<b>31,249</b>	19,743	<b>107,761</b>	57,457
- Prior year	<b>(80)</b>	-	<b>6,577</b>	-
Deferred tax	<b>(3,218)</b>	768	<b>(918)</b>	(11,624)
Total	<b>27,951</b>	20,511	<b>113,420</b>	45,833

The Group's effective tax rates for the individual and cumulative quarters period ended 30 September 2017 were 18.3% and 27.5% respectively. The difference in the effective tax rate and the Malaysian statutory tax rate is due to income of foreign subsidiaries which are subject to different statutory tax rates, expenses not deductible for tax purposes, exempt income which are not taxable and withholding taxes deducted at source.

**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. BORROWINGS**

The borrowings of the Group as at 30 September 2017 are as set out below:

	<b>Denominated in USD RM'000</b>	<b>Denominated in RM RM'000</b>	<b>Total RM'000</b>
<b>SHORT-TERM DEBTS</b>			
<b>Secured:</b>			
Term loans	752,387	27,688	780,075
<b>Unsecured:</b>			
Sukuk Murabahah	-	6,646	6,646
Revolving credit	1,016,694	-	1,016,694
Term loans	7,818	187,455	195,273
<b>Total short-term debts</b>	<b>1,776,899</b>	<b>221,789</b>	<b>1,998,688</b>
<b>LONG TERM DEBTS</b>			
<b>Secured:</b>			
Term loans	5,974,218	-	5,974,218
<b>Unsecured:</b>			
Sukuk Murabahah	-	1,499,179	1,499,179
Revolving credit	422,050	-	422,050
Term loans	2,110,250	-	2,110,250
<b>Total long-term debts</b>	<b>8,506,518</b>	<b>1,499,179</b>	<b>10,005,697</b>
<b>Total borrowings</b>	<b>10,283,417</b>	<b>1,720,968</b>	<b>12,004,385</b>

**21. DERIVATIVE FINANCIAL INSTRUMENTS**

**Disclosure of derivatives**

Details of derivative financial instruments outstanding as at 30 September 2017 are as set out below:

<b>Types of Derivatives</b>	<b>Contract/ Notional amount RM'000</b>	<b>Fair value assets/ (liabilities) RM'000</b>
Derivatives used for hedging:		
Interest rate swaps		
- Less than 1 year	725,509	(2,759)
- 1 to 3 years	1,060,987	25,442
- More than 3 years	<u>3,000,832</u>	<u>54,513</u>
	<u>4,787,328</u>	<u>77,196</u>
Cross currency interest rate swaps		
- Less than 1 year	27,696	(19,259)
- 1 to 3 years	-	(25,425)
- More than 3 years	<u>1,500,000</u>	<u>(500,750)</u>
	<u>1,527,696</u>	<u>(545,434)</u>

There have been no changes since the end of the previous financial year ended 31 December 2016 in respect of the following:

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

As at 30 September 2017, the net derivative financial liabilities of the Group amounted to RM468.2 million (2016: RM631.9 million) on re-measuring the fair values of the derivative financial instruments. Of the decrease of RM163.7 million from the previous financial year ended 31 December 2016, a net amount of RM152.0 million was included in the cash flow hedging reserve attributable to the Group and non-controlling interests and RM11.7 million was recycled to the profit or loss which was included in administrative expenses for cross currency interest rate swaps and finance costs for interest rate swaps.

RM119.6 million was reclassified to the statements of profit or loss to offset the foreign exchange gain which arose from the strengthening of RM against USD, and RM1.3 million was recycled to profit or loss. This has resulted in a decrease in the debit balance of the cash flow hedging reserve as at 30 September 2017 by RM31.1 million.

The Group's cash flow hedging reserve as at 30 September 2017 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 profit or loss within finance costs over the period of the underlying borrowings.

**22. 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 30 September 2017 except as set out below, measured using Level 3 valuation technique, i.e. discounted cash flow basis:

	<b>Carrying amount RM'000</b>	<b>Fair value RM'000</b>
Sukuk Murabahah	<u>1,505,825</u>	<u>1,421,077</u>

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

The table below analyses financial instruments carried at fair value as at 30 September 2017, by valuation method.

	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Total RM'000</b>
Financial assets:			
Available-for-sale financial assets	17,625	-	17,625
Derivatives used for hedging			
- Interest rate swaps	-	82,699	82,699
- Cross currency interest rate swaps	-	1,416	1,416
	<u>-</u>	<u>84,115</u>	<u>84,115</u>
Financial liabilities:			
Derivatives used for hedging			
- Interest rate swaps	-	(5,565)	(5,565)
- Cross currency interest rate swaps	-	(546,788)	(546,788)
	<u>-</u>	<u>(552,353)</u>	<u>(552,353)</u>

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 period and the comparative period. There were also no changes in the purpose of any financial instruments that subsequently caused a change in classification of those instruments.

**23. REALISED AND UNREALISED RETAINED EARNINGS/(ACCUMULATED LOSSES)**

The following analysis of realised and unrealised retained earnings/(accumulated losses) 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/(accumulated losses) of the Group is as follows:

	<b>As at</b>
	<b>30.09.2017</b>
	<b>RM'000</b>
Total accumulated losses of the Company and its subsidiaries	
- realised	<b>(316,559)</b>
- unrealised	<b>(44,643)</b>
	<hr/> <b>(361,202)</b> <hr/>
Total share of retained earnings/(accumulated losses) from joint ventures	
- realised	<b>437,994</b>
- unrealised	<b>(30,737)</b>
	<hr/> <b>407,257</b> <hr/>
Total retained earnings of the Group	<hr/> <b>46,055</b> <hr/>

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

	<b>Individual Quarter Ended 30.09.2017 RM'000</b>	<b>Individual Quarter Ended 30.09.2016 RM'000 Restated</b>	<b>Cumulative Quarters Period Ended 30.09.2017 RM'000</b>	<b>Cumulative Quarters Period Ended 30.09.2016 RM'000 Restated</b>
Profit before taxation is arrived at after charging/(crediting):				
(a) Other operating income				
- Interest income	<b>(9,168)</b>	(5,154)	<b>(30,058)</b>	(10,716)
- Insurance claims	<b>(1,558)</b>	(74)	<b>(2,719)</b>	(174)
- Gain on disposal of property, plant and equipment	<b>(73,659)</b>	(4,315)	<b>(78,025)</b>	(4,315)
- Management services charged to joint ventures	-	(7,297)	<b>(16,641)</b>	(52,683)
- Others	<b>(7,668)</b>	(4,323)	<b>(19,677)</b>	(9,158)
(b) Interest expense	<b>133,099</b>	32,021	<b>305,219</b>	65,384
(c) Depreciation and amortisation	<b>179,501</b>	138,027	<b>418,653</b>	429,954
(d) Net allowance for doubtful debts /(allowance for doubtful debts written back)	<b>7,885</b>	79,589	<b>(1,845)</b>	75,889
(e) Impairment of property, plant and equipment and non-current asset held-for-sale	-	-	-	592,401
(f) Impairment of available-for-sales financial assets	<b>1,908</b>	4,218	<b>7,664</b>	5,166
(g) Net foreign exchange loss/(gain)				
- realised	<b>941</b>	10,405	<b>(2,530)</b>	24,577
- unrealised	<b>5,236</b>	(5,856)	<b>50,859</b>	(7,044)
(h) Fair value through profit and loss on derivative financial instruments	<b>(492)</b>	893	<b>(9,947)</b>	(8,269)
(i) Retrenchment expenses	<b>1,029</b>	1,434	<b>2,376</b>	5,431

Other than as presented in the consolidated 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 ended 30 September 2017.

## **25. MATERIAL LITIGATION**

Save for the following, as at 30 September 2017, neither our Company nor any of our subsidiaries was involved in any material litigation, claims or arbitration, and our Company and our subsidiaries are not aware of any material litigation, claims or arbitration pending or threatened against our Company and our subsidiaries:

### **(a) In the Supreme Court of Western Australia between Armada Balnaves Pte Ltd and Woodside Energy Julimar Pty Ltd**

The matter arose out of a dispute between Armada Balnaves Pte Ltd (“ABPL”), our wholly-owned subsidiary, and Woodside Energy Julimar Pty Ltd (“WEJ”) in relation to a contract for the provision of floating production storage and offloading services dated 30 September 2011 (“Contract”). On 4 March 2016, WEJ purported to terminate the Contract by issuing a notice of termination to ABPL. ABPL considered that this purported termination by WEJ was tantamount to a cancellation for convenience, or a repudiation of the Contract, either of which entitles ABPL to claim damages.

On 14 March 2016, ABPL filed a Writ of Summons in the Supreme Court of Western Australia (“Supreme Court”) against WEJ for, inter alia, (i) a declaration that WEJ was in repudiatory breach of the Contract and (ii) damages for WEJ’s breach of the Contract.

Subsequently, on 20 April 2016, ABPL filed its Statement of Claim in the Supreme Court against WEJ claiming for damages in general for WEJ’s repudiation of the Contract, and the amount of such damages has been quantified by ABPL to include the sum of USD275,813,698.63 (being the amount of the termination payment to which ABPL is entitled had the Contract been terminated without breach) plus any additional damages for loss of bargain caused to ABPL as a consequence of WEJ’s repudiation of the Contract. ABPL is also claiming for the additional sum of USD7,700,000.00 for work done and materials supplied pursuant to the Contract. WEJ had, on 2 June 2016, filed its defence to ABPL’s Statement of Claim. The matter is currently progressing towards trial. No date for trial has been fixed yet.

The management is of the view that there are reasonable grounds to expect a favourable outcome in respect of ABPL’s claims with regards to the said repudiation by WEJ of the Contract. Notwithstanding the foregoing, the award of damages in the event of a favourable outcome is subject to final determination by the Supreme Court.

### **(b) In the High Court of Bayelsa State, Nigeria between Century Energy Services Limited v Bumi Armada Berhad**

On 16 November 2016, Century Energy Services Limited (“CESL”) commenced a suit against our Company at the High Court of Bayelsa State (“High Court”) in Nigeria by way of a Writ of Summons and Statement of Claim (“Suit”) which was received by our Company on 16 December 2016. In the Suit, CESL alleged that our Company was in breach of one of the terms of a shareholders’ agreement dated 14 April 2010 between our Company and CESL (“Agreement”) and CESL has sought several declaratory reliefs, orders and damages in the sum of USD10,000,000.

In accordance with the terms of the Agreement which provided for the resolution of disputes by way of arbitration, on 19 January 2017, our Company issued a Notice of Arbitration to CESL stating our intention to arbitrate all claims and disputes between parties pursuant to the terms of the Agreement. On 25 January 2017, our Company filed an application in the High Court to stay the Suit. On 6 February 2017, the Court granted our Company’s application and stayed the Suit sine die pending the arbitration.

The management is of the view that until the parties’ respective claims have been filed in the arbitration, it is not possible at this stage to evaluate the probable outcome of the case.



**26. DIVIDENDS**

No dividend was declared or recommended for the quarter ended 30 September 2017.

**27. EARNINGS PER SHARE**

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

The diluted EPS is calculated by dividing the Group’s profit/(loss) for the financial period 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.

	<b>Individual Quarter Ended</b>		<b>Cumulative Quarters Period Ended</b>	
	<b>30.09.2017</b>	<b>30.09.2016</b>	<b>30.09.2017</b>	<b>30.09.2016</b>
Profit/(loss) attributable to Owners of the Company (RM’000)	<b>123,733</b>	(96,712)	<b>288,431</b>	(591,606)
Weighted average/adjusted weighted average number of ordinary shares in issue for basic EPS (’000)	<b>5,866,269</b>	5,866,269	<b>5,866,269</b>	5,866,269
Basic EPS (sen)	<b>2.11</b>	(1.65)	<b>4.92</b>	(10.08)
Diluted EPS (sen)	<b>2.11</b>	(1.65)	<b>4.92</b>	(10.08)

**28. 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.

	<b>As previously reported 30.09.2016 RM'000</b>	<b>Effect of reclassification RM'000</b>	<b>As restated 30.09.2016 RM'000</b>
<b><u>Consolidated Statements of Income</u></b>			
<b><u>Individual Quarter Ended 30.09.2016</u></b>			
Cost of sales	(408,644)	(16,511)	(425,155)
Other operating income	13,866	7,297	21,163
Selling and distribution costs	(8,426)	6,261	(2,165)
Administrative expenses	(42,141)	2,953	(39,188)
<b><u>Cumulative Quarters Period Ended 30.09.2016</u></b>			
Cost of sales	(1,152,792)	(25,893)	(1,178,685)
Other operating income	24,363	52,683	77,046
Selling and distribution costs	(17,523)	2,093	(15,430)
Administrative expenses	(65,850)	(28,883)	(94,733)
<b><u>Segmental Information</u></b>			
<b><u>Individual Quarter Ended 30.09.2016</u></b>			
<b><u>Segment revenue</u></b>			
Inter-segment revenue	72,534	(33,286)	39,248
<b><u>Segment results</u></b>			
FPO (previously known as FPSO & FGS)	(76,657)	(19,020)	(95,677)
OMS	(5,944)	2,633	(3,311)
Corporate and others	22,599	(12,613)	9,986
Elimination	(21,703)	21,703	-
Other operating income	13,866	7,297	21,163
<b><u>Cumulative Quarters Period Ended 30.09.2016</u></b>			
<b><u>Segment revenue</u></b>			
Inter-segment revenue	198,581	(79,939)	118,642
<b><u>Segment results</u></b>			
FPO (previously known as FPSO & FGS)	(21,226)	(47,622)	(68,848)
OMS	(4,692)	(31,015)	(35,707)
Corporate and others	36,871	(10,021)	26,850
Elimination	(35,975)	35,975	-
Other operating income	24,363	52,683	77,046

**28. COMPARATIVE FIGURES (CONTINUED)**

Management fees charged to joint ventures and reversal of certain expenses, previously classified as administrative expenses has been reclassified to other income and to cost of sales and selling and distribution costs respectively to better reflect the nature of the transactions.

Comparatives on segmental information is updated to reflect the changes affected in Q1 2017 on internal reporting provided to the Chief Executive Officer.

BY ORDER OF THE BOARD

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

Kuala Lumpur  
23 November 2017