



## PETROSEA RESULTS FOR THE PERIOD ENDED 30 JUNE 2017

PT Petrosea Tbk., a multi-disciplinary mining, infrastructure and oil & gas services company, reported its unaudited consolidated financial statements for the period ended 30 June 2017.

### OPERATIONAL HIGHLIGHTS

We continued to focus on our three main business lines, with an eye towards a more balanced portfolio and diversified revenue stream.

- **Contract Mining.** Total overburden removal volume for the period was at 33.2 MBCM (52.3 % YoY). The overburden removal volume mainly came from: **1)** 11.7 MBCM from the Kideco Jaya Agung project; **2)** 7.2 MBCM from the Tabang project; **3)** 5.2 MBCM from the Binuang Mitra Bersama project; and **4)** 6.9 MBCM from the Indoasia Cemerlang project. The Contract Mining business contributes 62.96 % to our total revenue.
- **Engineering & Construction (E&C).** The Levee Stockpile project for PT Freeport Indonesia continues to deliver a revenue stream (28 %) to our total revenue. Furthermore, the Company signed a new contract with PT Maruwai Coal for the Lampunut Road, Bridge and Earthworks Construction project with contract duration of 2 years.
- **Petrosea Logistic & Support Services (PLSS).** PLSS is still in a process to complete the construction of its second supply base, which located in Sorong, West Papua. The new base is targeted to be in full operation on August 2017 to support exploration and operation of oil & gas companies located in the region. The base will have a similar characteristic and standard with Petrosea Offshore Supply Base (POSB) Tanjung Batu, Balikpapan as well as the services provided. As for our existing facility, PLSS continue to support oil & gas operations and drilling within the region such as ENI, Chevron, Mubadala and other oil & gas services companies from its POSB Tanjung Batu, Balikpapan. With its PLB (Pusat Logistik Berikat) operatorship status, PLSS continue to add a number of new clients at Marunda such as Weatherford, Baker Hughes, Halliburton, etc. which are predominantly still within the oil & gas sector.

- The Company continues to maintain the highest safety standards in occupational health and safety as a priority. As per 30 June 2017, the Company achieved a new safety milestone of 47.9 million man hours LTI Free.

## **FINANCIAL HIGHLIGHTS**

- The Company's total revenue increased by 21.90 % YoY from US\$ 89.07 million to US\$ 108.58 million reported in 6M17 mainly due to:
  - Revenue from Contract Mining business up 64.84 % YoY from US\$ 41.47 million to US\$ 68.36 million in 6M17, primarily on the back of higher overburden volume (52.3 % YoY).
  - Revenue from E&C business decreased 10.17 % from US\$ 33.84 million to US\$ 30.40 million in 6M17, however E&C business contributes 28 % to the total revenue.
  - Revenue from PLSS business declined 30.70 % from US\$ 12.67 million to US\$ 8.78 million in 6M17, primarily as the result of lower activities in oil & gas sector on strait of Makassar.
- Total direct costs increased by 14.52 % YoY from US\$ 80.35 million to US\$ 92.02 million. This is in line with the increase in overburden removal volume and total revenue.
- Gross profit jumped 89.69 % YoY to US\$ 16.56 million from US\$ 8.73 million reported in the previous year.
- The administration expenses increased by 11.16 % YoY from US\$ 9.05 million to US\$ 10.06 million as a result of higher insurance & management information system expenses.
- Interest expenses & finance charges decreased by 8.23 % YoY from US\$ 4.97 million to US\$ 4.56 million in 6M17, due to a lower debt balance from US\$ 171.13 million to US\$ 147.23 million in 6M17 (-13.97 % YoY).
- The Company registered a US\$ 2.60 million profit attributable to owners of the Company versus a US\$ 6.52 million loss reported in the corresponding period last year.
- The Company remained focused on working capital management. Cash & cash equivalents were at US\$ 75.88 million as of 30 June 2017.
- Capital expenditure or capital goods investment spent amounted to US\$ 25.12 million in 6M17. Capital expenditures spent were mainly used to revitalize equipment used in mining services and on the development of POSB Sorong.

### RECENT DEVELOPMENTS IN 2017

- On 23 June 2017, the Company and BP Berau Ltd. entered into an agreement for Petrosea Offshore Supply Base (POSB) in Sorong, Papua. The Contract value is Rp 734 billion with contract duration of 8 years until August 2025.
- On 16 June 2017, the Company and PT Maruwai Coal entered into an agreement for the Road, Bridge, and Earthworks Construction project in East Kalimantan. The Contract value is Rp 1.27 trillion with contract duration of 2 years.
- On 9 June 2017, the Company and PT Freeport Indonesia entered into an agreement for the Garsberg Wannagon Mining Services project in Sorong, Papua. The contract duration is 25 months.
- On 16 May 2017, the Company received a letter from PT Kideco Jaya Agung to increase the target of production volume for year 2017.
- On 2 May 2017, the Company and PT Indonesia Pratama entered into a first amendment of open pit overburden mining services, equipment rental agreement and coal transportation agreement at the Tabang mine site, Kutai Kartanegara – East Kutai, East Kalimantan. This amendment includes changes of production targets and price adjustments for the duration until September 2021.
- On 21 March 2017, the Company and PT Indoasia Cemerlang entered into a mining equipment rental agreement. This agreement includes minimum production targets, tariff and price adjustments for a duration until 31 December 2017 with an extension option minimum six months before the agreement period expires.
- On 7 February 2017, the Company and PT Binuang Mitra Bersama Blok Dua entered into an additional mining services agreement. This agreement is about additional mining territory areas and additional overburden volume production for duration of 17 months with an extension option for a minimum of 2 years.

## CONSOLIDATED FINANCIAL STATEMENTS HIGHLIGHTS

Consolidated Statements of Profit or Loss (US\$ Million)	30 June 16	30 June 17	% Change
Revenues	89.07	108.58	21.90
Direct Costs	(80.35)	(92.02)	14.52
Gross Profit	8.73	16.56	89.69
Operating Profit	(0.33)	6.49	2066.67
Share in Jointly Controlled Entities' Net (Loss)	(0.24)	(0.15)	(37.50)
Profit (Loss) for The Period	(6.48)	2.65	140.90
Profit (Loss) Attributable to Owners of The Company	(6.52)	2.60	139.88
Profit (Loss) Attributable to Non-controlling Interest	0.04	0.05	25.00

Consolidated Statements of Financial Position (US\$ Million)	31 December 16	30 June 17	% Change
Cash & Cash Equivalents	66.43	75.88	14.23
Total Current Assets	147.74	151.91	2.82
Total Noncurrent Assets	245.69	250.87	2.11
Total Assets	393.43	402.78	2.38
Bank Loans	16.25	16.86	3.75
Total Current Liabilities	68.44	74.22	8.45
Total Noncurrent Liabilities	154.53	154.69	0.10
Total Liabilities	222.98	228.91	2.66
Total Equity	170.45	173.87	2.01

Financial Ratio	31 December 16	30 June 17
Current Ratio	2.16	2.05
Debt to Equity Ratio	0.89	0.85

Share Price Data (as of August 29, 2017)	
Ticker	PTRO
Last Price (Rp)	1,220
Outstanding Shares (mn)	1,008.61
Market Capitalization (Rp bn)	1,230

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## PETROSEA OVERVIEW

PT Petrosea Tbk. is multi-disciplinary mining, infrastructure and oil & gas services company with track record of achievement in Indonesia since 1972. Drawing on rich and varied years of experience throughout the Indonesian archipelago, Petrosea is now recognized as one of Indonesia's leading contractors. We offer a competitive advantage through our ability to provide complete pit-to-port mining solutions, supported by integrated engineering & construction capabilities and logistic support, whilst demonstrating absolute commitment to health, safety & environment, quality management, and business integrity. We also provide services for the oil and gas industry in Indonesia through our Petrosea Offshore Supply Base (POSB) deep-water supply bases located in Tanjung Batu, East Kalimantan and Sorong, West Papua that consistently deliver international standard and cost-effective services to all of our clients. Petrosea has been listed on the Indonesia Stock Exchange (IDX: PTRO) since 1990 and was the first publicly listed Indonesian engineering & construction company in Indonesia.

The company's vision is to be a leading service provider in mining, oil & gas and infrastructure in South East Asia. The company's mission is to deliver innovative solutions for mining, oil & gas and infrastructure to the satisfaction of all clients and stakeholders.

Together with its holding company, PT Indika Energy Tbk., Petrosea is able to provide complete solutions in the energy supply chain. Understanding the demands of the industry and having the full range of expertise in engineering and project management, high quality construction capabilities, ability to complete complex projects on schedule, local knowledge and focus on human capital management and development, enables us to provide consistent results and position ourselves to meet and exceed the expectations of our customers.

## FURTHER INFORMATION

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