



## PETROSEA RESULTS FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2016

PT Petrosea Tbk. (IDX: PTRO) a multi-disciplinary mining, infrastructure and oil & gas services company reported its unadited consolidated financial statements for the nine month periods ended of September 30, 2016.

### NEW PROJECTS IN 2016

- On August 1, 2016, the Company and PT Indonesia Bulk Terminal (IBT) entered into agreement assessment, repair, and construction of damaged coal export jetty in Pulau Laut, South Kalimantan amounting to IDR53.2 billion.
- On May 13, 2016, the Company and PT Binuang Mitra Bersama Blok Dua (BMB) entered into agreement mining services and rental of heavy equipment and personnel in area BMB Blok Dua, Salam Baris, Tapin, South Kalimantan with production volume of 28.0 million BCM and 6.5 million ton coal per annum. The agreement effective start on June 6, 2016, for a period of five years with estimated contract value of IDR2.38 trillion.
- On May 12, 2016, the Company and ConocoPhillips (Grissik) Ltd., entered into a provision of earthwork, road and drainage construction for Suban Compression Project in South Sumatra, the contract value of IDR40.2 billion, this agreement is effective start at June 5, 2016.
- On March 18, 2016, the Company and PT Newmont Nusa Tenggara, entered into EPCM of re-feed conveyor and conveyor extension amounting to IDR29.03 billion in Sumbawa Island, West Nusa Tenggara, and this agreement is effective start at June 5, 2016.
- On March 8, 2016, the government has appointed the Company as the operator in Bonded Logistics Center (PLB). This is the first PLB in Indonesia. On July 13, 2016, the Hakuryu-10 jack-up rig operated by Japan Drilling Indonesia entered into PLB and becomes the first client.
- On January 11, 2016, the Company and PT Anzawara Satria (ANZ) entered into agreement of overburden removal in area ANZ, Tanah Bumbu, South Kalimantan amounting to IDR622 billion and effective for three years until year 2019. The scopes are encompasses overburden removal, hire of mobile plant & personnel and coal hauling in Tanah Bumbu, South Kalimantan.
- On January 1, 2016, the Company and PT Saipem Indonesia entered into rental of logistic base and related services for scarabeo 7 drilling project amounting to Rp8.9 billion.

## OPERATIONAL HIGHLIGHTS

The Company still maintaining sustainability through sound business diversification.

- Contract Mining. Total overburden removal volume for the period was 42.70 MBCM (-23.20 % YoY). The overburden removal volume mainly comes from: **1).** Kideco Mine Project of 20.73 MBCM, **2).** IAC Mine Project of 7.70 MBCM, **3).** Tabang Mine Project of 5.30 MBCM and **4).** BMB Mine Project of 4.30 MBCM, a new project started in June, 2016.
- Engineering & Construction (E&C). Contribution to total revenues of the Company increased from 12.70 % to 35.19 % in 9M16 mainly comes from Levee Stockpile Project at PT Freeport Indonesia. EPM successfully completed the construction of access road to Lampunut Coal Project in Central Kalimantan for PT Maruwai Coal in early July 2016.
- Petrosea Logistic & Support Services (PLSS) still maintain a focus on the oil & gas sector through the Petrosea Offshore Supply Base (POSB) in Balikpapan by providing a broader range of services to a wider customer base such as Japan Drilling Indonesia (JDI) to support the Hakuryu-10 jack-up rig for UWILD operations, Viking for mooring equipment, Liebherr for mining equipment replacement as well as maintaining the existing client base such as BUT Chevron Indonesia Company, BUT Niko Resources Limited and others.
- On HSE, the Company achieved 38.36 million man-hour without Loss time injury (LTI) as of September 30, 2016.

## FINANCIAL HIGHLIGHTS

- Revenues decreased 9.59 % YoY from US\$164.58 million to US\$148.80 million, mainly due to lower revenue from contract mining business (-34.93 % YoY) from US\$118.17 million to US\$76.89 million as the result of lower overburden volumes. Revenues from PLSS business also decreased 28.92 % YoY from US\$25.17 million to US\$17.89 million reported in 9M16 as the result of lower activities in oil & gas sector. On the other hand, revenue from EPM business increased significantly by 150.45 % YoY from US\$20.91 million to US\$52.37 million.
- Total direct costs decreased 8.09 % to US\$127.36 million. This is in line with the declined in overburden removal volume and total revenues.
- Gross profit declined 17.60 % YoY to US\$21.44 million from US\$26.02 million reported in the previous year.
- The administration expense for 9M2016 was US\$14.15 million. The Company continues its efficiency initiatives in the administration expense.
- Interest expenses & finance charges were US\$7.42 million.
- The company registered US\$4.63 million loss attributable to owners of the company.
- The Company recorded US\$63.58 million in cash & cash equivalents balance as of September 30, 2016, as the results of strong cash & working capital management.

- Petrosea recorded capital expenditure spent amounted to US\$5.32 million in 9M16, or declined from US\$21.19 million reported in the previous year. Capital expenditures spent were mainly used to revitalize equipment used in mining services.

### PTRO FINANCIAL HIGHLIGHTS

Consolidated Statements of Profit or Loss (US\$ Million)	Sep 30, 2015	Sep 30, 2016	% Change
Revenues	164.58	148.80	-9.59
Direct Costs	-138.57	-127.36	-8.09
Gross Profit	26.02	21.44	-17.60
Operating Profit	11.92	7.30	-38.76
Share in Jointly Controlled Entities' Net (Loss)	-1.57	-0.47	-70.06
Loss Attributable to Owners of the Company	-1.35	-4.63	-242.96

Consolidated Statements of Financial Position (US\$ Million)	Dec 31, 2015	Sep 30, 2016	% Change
Cash & Cash Equivalents	53.57	63.58	18.69
Total Current Assets	141.19	142.94	1.24
Total Noncurrent Assets	284.18	257.52	-9.38
<b>Total Assets</b>	<b>425.37</b>	<b>400.46</b>	<b>-5.86</b>
Bank Loans	32.11	18.50	-42.39
Total Current Liabilities	90.94	69.39	-23.70
Total Noncurrent Liabilities	156.15	157.32	0.75
<b>Total Liabilities</b>	<b>247.09</b>	<b>226.71</b>	<b>-8.25</b>
<b>Total Equity</b>	<b>178.28</b>	<b>173.75</b>	<b>-2.54</b>

Financial	Dec 31, 2015	Sep 30, 2016
Current Ratio	1.55	2.06
Debt to Equity Ratio	1.00	0.90

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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 & gas industry in Indonesia through our Petrosea Offshore Supply Base (POSB) deep-water supply base that consistently delivers 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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