



PETROSEA RESULTS FOR THE PERIOD ENDED DECEMBER 31st, 2014

PT Petrosea Tbk. (IDX: PTRO) a multi-disciplinary mining, infrastructure and oil & gas services company reported its audited consolidated financial statements for a year ended December 31st, 2014.

Operational Highlights

- In Contract Mining, total overburden removal decreased by 7% YoY from 141 million BCM to 131 million BCM in 2014.
 - Overburden removal at the Kideco Mine Project increased by 28 % YoY from 35 million BCM to 45 million BCM in 2014.
 - Overburden removal at the Adimitra Baratama Mine Project also increased by 33 % from 46 million BCM to 62 million BCM in 2014.
 - On the other site, the overburden removal at Gunung Bayan Mine Project decreased by 36 % YoY from 36 million BCM to 23 million BCM in 2014 due to coal price declines.
 - On June 27th, 2014 PTRO signed a seven year open pit mining works agreement for overburden removal with PT Indonesia Pratama, a member of PT Bayan Resources Tbk. for 72 million BCM.
 - The Company maintains 38 fleets in 2014 with annual rated capacity of 169 MBCM.

- In Oil & Gas Services, vessel berthing frequency and tonnage in 2014 increased by over 11% compared to 2013, resulting in over 600,000 metric tonnes of materials being transferred over the quay. Exploration activities remained strong with oil & gas companies using the POSB shore base to support deep water drilling programs in the region.

- In Engineering & Project Management, the 69 Km coal haul road connecting Tabang Mine and Senyur Port for PT Indonesia Pratama, located in Kutai Kertanegara, East Kalimantan is in the process of completion. In 2014, we also completed our contract with PT Indonesia Bulk Terminal for replacement of a series of barge unloading craned and wharf works in Pulau Laut, South Kalimantan.

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Neither PT Petrosea Tbk, its affiliates nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statement in this communication.

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Financial Highlights

- Total revenues of US\$ 348.0 million decreased by 3.4 % YoY from US\$ 360.1 million reported in 2013 due to lower mining overburden volumes which partially offset by higher revenues from Oil & Gas Services and Engineering & Project Management.
- Gross profit of US\$ 66.6 million, down 26.8 % YoY from US\$ 90.9 million reported in 2013 mainly due to lower revenue from Contract Mining.
- Operating profit of US\$ 40.1 million, down 35.8 % YoY from 62.5 million reported in the previous year. This was due to lower gross profit, partially offset by the decrease in the administration expenses (- 6.9 % YoY) as the result of efficiency programs during 2014 on salaries & wages, rents, business travel and professional fees.
- Shares in jointly controlled entities reported a US\$ 3.9 million loss in 2014. PTRO owns 50 % of equity interest in PT Santan Batubara. Under the current coal price, the production at Uskap Block is suspended but continued mining Separi Block until it finally mined out in May 2014 with a total production of 0.37 million tonnes.
- Interest expenses and finance charges were down by 51.5 % YoY due to the group-wide liability management exercise undertaken in the year 2013. In addition, total liabilities decrease to US\$ 274.9 million from US\$ 311.7 million in 2013.
- Debt to equity ratio improved from 1.15 to 1.01 and interest coverage ratio also improved by 77.4 % from 4.94 times to 8.76 times. Those ratios represent the company's capability to pay debt.
- Net income attributable to owners of the Company stood at US\$ 2.3 million, dropped from US\$17.3 million reported in the same period last year.
- The company succeeded in maintaining strong cash balance of US\$ 65.4 million, an increase of 14.4 % compared to last year.
- Capex spent for 2014 was US\$ 44.3 million represents the replacement of equipment for Oil & Gas Services and component replacement for Contract Mining equipment.

Development & Update

- On March 3rd, 2015, PTRO received notification from Gunung Bayan Pratama, a member of Bayan Group for early termination of the overburden removal contract prior to the expiration of the OB contract which is going to expire on December 31st, 2017. However, an open pit mining works agreement was signed with PT Indonesia Pratama, a member of Bayan Group for overburden removal at the Tabang mine. The seven year contract commenced during the second half of 2014 with an initial amount of 170 thousand BCM overburden removal.
- On March 2nd, 2015, PTRO received a letter from Pertamina, wherein Pertamina has in principle agreed to enter into a new agreement to extend Tanjung Batu land rental in the due course which is up for expiry on February 1st, 2016.

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PTRO Summary Financials

Profit & Loss (US\$ mn)	2013	2014	% Change
Revenues	360.1	348.0	-3.4%
Direct Costs	269.2	281.4	4.5%
Gross Profit	90.9	66.6	-26.8%
Operating Profit	62.5	40.1	-35.8%
EBITDA	124.9	107.5	-13.9%
Equity Income/(Loss)	-4.0	-3.9	-2.5%
Net Profit	17.3	2.3	-87.0%

Balance Sheet (US\$ mn)	2013	2014	% Change
Cash	57.1	65.4	14.5%
Other Current Assets	2.5	2.9	15.1%
Non - Current Assets	320.6	290.9	-9.3%
Total Assets	509.2	467.7	-8.2%
Current Finance Lease Liabilities	48.0	31.6	-34.1%
Current Portion of LT Debt	3.6	3.6	0.0%
Long Term Debt	115.4	115.4	0.0%
Non - Current Finance Lease Liabilities	51.8	20.8	59.8%
Total Liabilities	311.7	274.9	-11.8%
Total Shareholder's Equity	197.6	192.8	-2.4 %

Ratios	2013	2014
Gross Margin	25%	19%
Operating Margin	17%	12%
EBITDA Margin	35%	31%
Net Income (After Tax) Margin	4.8%	0.7%
Current Ratio	1.55	1.64
Debt to Equity	1.17	1.01
Fixed Asset Turnover Ratio	1.18	1.24
Assets Turnover Ratio	0.71	0.74

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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 :

Anto Broto – Corporate Secretary & Investor Relations

Email : Investor.relation@petrosea.com

Telephone : +6221 718 3255

Our website : www.petrosea.com

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