



PETROSEA RESULTS FOR THE YEAR ENDED DECEMBER 31, 2016

PT Petrosea Tbk. (IDX: PTRO) a multi-disciplinary mining, infrastructure and oil & gas services company reported its audited consolidated financial statements for the year ended of December 31, 2016.

NEW PROJECTS IN 2016

- On November 25, 2016, the Company and PT Pertamina Hulu Energy Nunukan signed services contract for provision of onshore base support services for Parang well drilling in North Kalimantan. The total contract value is Rp 21.35 billion, with 24 months of contract duration which is going to be expired on November 24, 2018.
- On September 16, 2016, the Company and PT Indoasia Cemerlang entered into agreement amendment overburden removal regarding extension time of contract and addition production volume.
- 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 Rp 53.2 billion.
- On May 24, 2016, the Company and PT Lamurindo, signed contract for Provision of Shore Base Services. The total contract value is Rp 13.3 billion with contract duration for 36 months until year 2019. This contract executed through Petrosea Offshore Supply Base (POSB) facility at Tanjung Batu, East Kalimantan.
- 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 four years.
- 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 Rp 40.2 billion.
- On March 18, 2016, the Company and PT Newmont Nusa Tenggara, entered into EPCM of re-feed conveyor and conveyor extension amounting to Rp 29.03 billion in Sumbawa Island, West Nusa Tenggara.
- 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 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 Rp 622 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 Rp 8.90 billion.

OPERATIONAL HIGHLIGHTS

The Company still maintaining sustainability through sound business diversification.

- Contract Mining. Total overburden removal volume for the year was 57.3 MBCM (-13.18 % YoY). The overburden removal volume mainly comes from: 1) The Kideco Jaya Agung Project of 27.9 MBCM; 2) The Indoasia Cemerlang Project of 11.1 MBCM; 3) The Tabang Project of 7.6 MBCM and 4) the Binuang Mitra Bersama Project of 8.8 MBCM.
- Engineering & Construction Management (ECM). ECM successfully completed: 1) The construction of access road to Lampunut Coal Project in Central Kalimantan for PT Maruwai Coal; 2) The assessment, repair & reconstruction of damaged coal export jetty for PT Indonesia Bulk Terminal; 3) Provision of earthwork road & drainage for Suban Compression Project of Conoco Phillips (Grissik) Ltd. at South Sumatra; and 4) EPCM work of re-feed conveyor & extension of PT Newmont Nusa Tenggara at Sumbawa Island. Contribution of ECM business to total revenues of the Company increased from 12.92 % to 33.49 % in 2016 mainly came from Levee Stockpile Project at PT Freeport Indonesia.
- Petrosea Logistic & Support Services (PLSS). The government has appointed the Company as the operator in Bonded Logistics Center (PLB) on March 10, 2016. This is the part of the first stage PLB in Indonesia. 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. PLSS is building an onshore facility in Sorong, Papua to serve the eastern part of Indonesia.
- On HSE. In 2016, the Company achieved a new safety record of 41.0 million man hours LTI Free, a clear indication that the highest safety standards work safety and health have always been out top priority.

FINANCIAL HIGHLIGHTS

- The Company's revenues increased 1.23 % to US\$ 209.37 million from US\$206.83 million reported in the previous year, mainly as the result of higher revenue from ECM business. Revenue from ECM business increased significantly by 162.37 % from US\$26.73 million to US\$70.12 million. On the other side, revenue from contract mining business decreased 21.88 % from US\$146.35 million to US\$114.33 million as the result of lower overburden volume, and revenue from PLSS business also decreased 31.21 % from US\$32.94 million to US\$22.66 million in 2016 as the result of lower activities in oil & gas sector.
- Total direct costs decreased 1.80 % to US\$174.50 million. This is in line with the declined in overburden removal volume and total revenue.
- Gross profit increased 19.65 % to US\$34.87 million from US\$29.14 million reported in the previous year.
- The administration expense decreased 3.25% to US\$18.78 million in 2016. The Company continues its efficiency initiatives in the administration expense.
- Interest expenses & finance charges were US\$9.51 million (-1.56% yoy).
- The Company registered US\$7.83 million loss attributable to owners of the company (-38.34% YoY).
- Cash & cash equivalents were US\$66.43 million as of December 31, 2016, as the results of strong cash & working capital management.
- Capital expenditure or capital goods investment spent amounted to US\$17.78 million in 2016, or declined from US\$40.85 million reported in the previous year. Capital expenditures spent were mainly used to revitalize equipment used in mining services.

CONSOLIDATED FINANCIAL STATEMENTS HIGHLIGHTS

Consolidated Statements of Profit or Loss (US\$ Million)	Dec 31, 2015	Dec 31, 2016	% Change
Revenues	206.83	209.37	1.23
Direct Costs	-177.69	-174.50	-1.80
Gross Profit	29.14	34.87	19.65
Operating Profit	9.73	16.09	65.31
Share in Jointly Controlled Entities' Net (Loss)	-1.42	-2.21	55.38
Loss for the year	-12.69	-7.83	-38.34

Consolidated Statements of Financial Position (US\$ Million)	Dec 31, 2015	Dec 31, 2016	% Change
Cash & Cash Equivalents	53.57	66.43	23.99
Total Current Assets	141.19	147.74	4.64
Total Noncurrent Assets	284.18	245.69	-13.54
Total Assets	425.37	393.43	-7.51
Bank Loans	32.11	16.25	-49.39
Total Current Liabilities	90.94	68.44	-24.74
Total Noncurrent Liabilities	156.15	154.53	-1.04
Total Liabilities	247.09	222.98	-9.76
Total Equity	178.28	170.45	-4.39

Financial	Dec 31, 2015	Dec 31, 2016
Current Ratio	1.55	2.16
Debt to Equity Ratio	1.00	0.89

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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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