



PETROSEA RESULTS FOR THE PERIOD ENDED 31 MARCH 2018

PT Petrosea Tbk., a multi-disciplinary mining, infrastructure and oil & gas services company reported its unaudited consolidated financial statements for the period ended 31 March 2018. The Company posted a profit attributable to owners of the Company of US\$ 1.49 million. The Contract Mining business line contributed around 65 % to the total revenue followed by 29 % from the E&C business line.

OPERATIONAL HIGHLIGHTS

We continued to deliver results through operational excellence within our three business lines.

- **Contract Mining.** Total overburden volume for the period was 27.60 million BCM, an increase of 59.63 % year-on-year from 17.29 million BCM in 3M17. Coal production increased by 67.23 % from 4.73 million tons to 7.91 million tons of coal in 3M18.
- **Engineering & Construction (E&C).** The Levee Stockpile project for PT Freeport Indonesia and the Lampung Road, Bridge & Earthworks Construction project for PT Maruwai Coal continues to deliver majority revenue stream to our total revenue. In January 2018, Petrosea received a new loading support services work assignment from PT Freeport Indonesia for dewatering port site operations and one amendment for bus operation support services, both for a duration of one year.
- **Petrosea Logistics & Support Services (PLSS).** After achieving an exciting development with the inauguration of our new offshore supply base in Sorong, West Papua, we have continued to provide services for the oil & gas sector in the eastern Indonesian region through contracts with BP Berau Ltd. and Ophir Energy Indonesia. We have also continued to expand our services by opening our third Bonded Logistics Center (PLB) at POSB Sorong after previously opening PLB facilities in Tanjung Batu, East Kalimantan and Marunda, Jakarta.

FINANCIAL HIGHLIGHTS

- The Company's consolidated total revenue increased by 53.13 % year-on-year from US\$ 58.46 million to US\$ 89.52 million reported in 3M18. The Contract Mining business line contributed 65.47 % to the total revenue, followed by 29.00 % from E&C, 4.86 % from PLSS and 0.67 % from others.
 - Revenue from the Contract Mining business line increased by 61.24 % year-on-year from US\$ 36.35 million to US\$ 58.61 million in 3M18, as the result of higher operational volumes.
 - Revenue from the E&C business line increased by 54.43 % year-on-year from US\$ 16.81 million to US\$ 25.96 million in 3M18. The Levee Stockpile project for PT Freeport Indonesia still contributed around 17 % to the total revenue of the Company.
 - Revenue from the PLSS business line decreased by 9.38 % year-on-year from US\$ 4.80 million to US\$ 4.35 million in 3M18.
- Total direct costs increased by 68.05 % year-on-year from US\$ 47.29 million to US\$ 79.47 million in 3M18. This increase was contributed by: **1).** Operations of plant & equipment costs increased by 68.82 %; **2).** Salaries, wages and related costs increased by 94.84 %; **3).** Depreciation costs increased by 34.23 %; **4).** Subcontractor costs increased by 45.71 %; **5).** Rental of plant, vehicle & other costs increased by 108.06 %. **6).** Material costs increased by 158.16 %; **7).** Management information system costs increased by 27.27 %. This is in line with the increase of operational volumes in the Contract Mining business line.
- Gross profit decreased by 10.11 % year-on-year to US\$ 10.05 million from US\$ 11.18 million reported in the previous year.
- Administration expenses amounted to US\$ 5.18 million (+2.37 % year-on-year). The Company continued to maintain its effectiveness in administration expenses.
- Interest expenses & finance charges increased by 0.83 % year-on-year from US\$ 2.43 million to US\$ 2.45 million, due to a higher debt balance (from US\$ 149.93 million to US\$ 167.74 million in 3M18) as a result of additional credit investment facilities.
- The Company registered US\$ 1.49 million of profit attributable to owners of the Company versus US\$ 2.47 million profit reported in the previous year (-39.68 % year-on-year).
- Capital expenditure or capital goods investment spent amounted to US\$ 26.44 million. Capital expenditure was mainly used to revitalize and buy additional equipment for the Contract Mining business line.
- Cash & cash equivalents were at US\$ 54.48 million (-5.24 % year-on-year). The Company remained focused on working capital management to support operational volumes and business development.

- The Company has secured order books totaling around US\$ 1 billion as of 31 March 2018.

DEVELOPMENTS IN 3M 2018

- On 15 January 2018, the agreement between the Company and PT Indonesia Pratama was amended. The amendment to the agreement for the provision of open pit overburden mining services, coal transportation services and equipment rental agreement includes changes to the total overburden volume target of 223.85 million BCM and price adjustment for the period up to 31 December 2021. This amendment effectively started on 1 January 2018.
- On 16 March 2018, the waste removal, coal production and equipment rental agreement with PT Kideco Jaya Agung was amended, which included among others, the extension of the expiration date of the contract to 31 March 2023.

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CONSOLIDATED FINANCIAL STATEMENTS HIGHLIGHTS

Consolidated Statements of Profit or Loss (US\$ Million)	31 Mar 18	31 Mar 17	% Change
Revenues	89.52	58.46	53.11
Direct Costs	(79.47)	(47.29)	68.06
Gross Profit	10.05	11.18	(10.11)
Operating Profit	4.87	6.12	(20.40)
Share in Jointly Controlled Entities' Net (Loss)	(0.26)	(0.23)	12.72
Profit (Loss) for The Period	1.54	2.49	(38.06)
Profit (Loss) Attributable to Owners of The Company	1.49	2.47	(39.60)
Profit (Loss) Attributable to Non-controlling Interest	0.05	0.02	142.86

Consolidated Statements of Financial Position (US\$ Million)	31 Mar 18	31 Dec 17	% Change
Cash & Cash Equivalents	54.48	57.49	(5.23)
Total Current Assets	174.54	161.08	8.35
Total Noncurrent Assets	286.83	275.76	4.01
Total Assets	461.37	436.84	5.61
Bank Loans	22.90	10.60	116.09
Total Current Liabilities	109.15	97.39	12.07
Total Noncurrent Liabilities	172.14	160.92	6.97
Total Liabilities	281.29	258.31	8.90
Total Equity	180.08	178.54	0.86
Total Liabilities & Equity	461.37	436.84	5.61

Financial Ratio	31 Mar 18	31 Dec 17
Return on Assets	0.33%	1.90%
Return on Equity	0.36%	4.65%
Current Ratio	1.60	1.65
Debt to Equity Ratio	0.92	0.81
Fixed Assets Turnover Ratio	0.33	0.99
Total Assets Turnover Ratio	0.19	0.59
Gross Profit Margin	11.23%	15.75%
Operating Profit Margin	5.44%	8.43%
Net Profit Margin	1.72%	3.20%

Share Price Data (as of 25 April 2018)	
Ticker	PTRO
Last Price (IDR)	2,200
Outstanding Shares (Billion)	1.01
Market Capitalization (Trillion IDR)	2.25

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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