



PETROSEA RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

Share

IDX Ticker	PTRO
Last Price (Rp) ¹	1,880
Outstanding Shares (billion)	1.01
Market Capitalization (Rp billion)	1,896

Financial Statements Highlights

	9M17	9M18	YoY
Total Revenue	224.09	326.16	45.55%
Operating Profit	20.19	36.26	79.59%
Operating Profit Margin	9.01%	11.12%	23.42%
Net Profit	7.79	17.77	128.11%
Net Profit Margin	3.48%	5.45%	56.61%
EPS	0.0077	0.0176	128.57%
Cash Balance	80.26	58.64	-26.94%
Net Debt	144.27	186.18	29.05%
Capex	34.79	78.63	126.01%

Shareholders Structure (above 5%)²

PT Indika Energy Tbk.	69.80%
Lo Kheng Hong	12.31%
Public	17.89%

Contact

PT Petrosea Tbk.

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Note:

1) As of 30 October 2018

2) As of 30 September 2018

PT Petrosea Tbk. (**PTRO**), is a multi-disciplinary, mining, infrastructure and oil & gas services Company with a track record of achievement in Indonesia since 1972. The Company continued to focus on cost effectiveness and implementation of responsive operating strategies, with an eye towards achieving a more balanced portfolio and diversified revenue streams.

The Company reported its consolidated financial statements for the period ended 30 September 2018 and posted a profit attributable to owners of the Company of US\$17.77 million compared to US\$7.79 million in the previous year (+128.11% YoY).

The Contract Mining business line contributed 60.36% to the total revenue, followed by 23.57% from the Engineering & Construction business line. The Company's total revenue reached US\$326.16 million reported in 9M18 (+45.55% YoY).

Contract Mining

Petrosea's excellent operational performance within the Contract Mining business line resulted in higher overburden and coal production volumes. Total overburden volume for the period reached 89.22 million BCM, a 49.80% year-on-year increase from 59.56 million BCM in 9M17. Total coal production volume for the period reached 26.85 million tons, a 50.34% increase from 17.86 million tons during the same period last year.

The Company's operational performance results were achieved through continuing higher productivity levels, optimization of asset utilization, multiple continuous improvement initiatives and supported by favorable weather conditions in 3Q18.

Engineering & Construction

The Levee Stockpile project for PT Freeport Indonesia continued to contribute the majority revenue stream from Engineering & Construction business line. This project contributed 12.18% to the Company total revenue.

Petrosea Logistics & Support Services

Petrosea continues to provide services for the oil & gas sector through our offshore supply base and Bonded Logistic Center (PLB). The Company also entered into new agreements and contract amendments with clients with a total contract value of around Rp12 billion.

Financial Highlights

- Total revenue increased by 45.55% year-on-year from US\$224.09 million to US\$326.16 million reported in 9M18. The Contract Mining business line contributed 60.36% to the total revenue, followed by 23.57% from E&C and 15.55% from PLSS, and 0.52% from others.
 - Contract Mining contributed US\$196.88 million (+62.06% YoY) to the total revenue, as the result of higher operational volumes (total overburden volume increased 49.80% YoY from 59.56 million BCM to 89.22 million BCM and total coal production volume increased 50.34% YoY from 17.86 million to 26.85 million tons in 9M18).
 - Engineering & Construction contributed US\$76.87 million in 9M18 (+66.97% YoY) to the total revenue. The Levee Stockpile project for PT Freeport Indonesia contributed 12.18% to the total revenue of the Company.
 - PLSS revenue decreased by 7.94% YoY from US\$55.08 million to US\$50.71 million in 9M18. This was due to lower activities at the Tanjung Batu offshore supply base.
- Gross profit increased by 51.43% year on year to US\$52.32 million from US\$34.55 million in the previous year.
- The Company continued to maintain its effectiveness in administration expenses. The administration expenses for 9M18 was around US\$16.07 million (+11.86% YoY).
- Interest expenses & finance charges increased by 25.32% YoY from US\$6.95 million to US\$8.71 million (debt balance increased 29.05% to US\$186.18 million in 9M18). Capital expenditure or capital goods investment spent amounted to US\$78.63 million, which was mainly used to revitalize equipment for the Contract Mining business line.
- The Company was registered US\$17.77 million of profit attributable to owners of the company compared to US\$7.79 million profit reported in the previous year (+128.11% YoY).
- The Company remained focused on working capital management to support its operations. The cash & cash equivalents amounted to US\$58.64 million.

Financing

- In January 2018, Petrosea & PT Bank Mandiri (Persero) Tbk. signed an agreement to extend the existing facility and additional credit investment facility amounting to US\$75.0 million.
- In January 2018, Petrosea & PT Sarana Multi Infrastruktur (Persero) signed an investment financing facility agreement amounting to Rp187.3 billion.
- In October 2018, Petrosea & PT Bank Mandiri (Persero) Tbk. signed a new long term investment facility & working capital facility amounting to US\$130 million.

Contracts in 2018

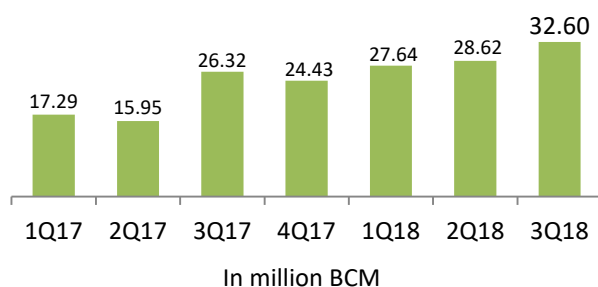
- In January 2018, **Contract Mining** - The agreement between Petrosea and PT Indonesia Pratama was amended. The Amendment No. 2 to The Agreement for The Provision of Open Pit Overburden Mining Services, The Amendment No. 2 to the Agreement for The Provision of Coal Transportation Services and the Amendment No. 3 to the Equipment Rental Agreement includes changes to the total overburden volume target of 223.85 million BCM and price adjustment for the period up to December 31, 2021. This amendment effectively started on 1 January 2018.
- In January 2018, **PLSS** - Petrosea & Saipem entered into an agreement for the provision of logistics at POSB Sorong with an estimated contract value of US\$0.75 million.
- In January 2018, **E&C** - Petrosea & PT Freeport Indonesia entered into a construction sediment management agreement with an estimated contract value of US\$21.3 million and duration of 36 months.
- In March 2018, **Contract Mining** - The waste removal, coal production and equipment rental agreement with PT Kideco Jaya Agung was amended, which included amongst others, the extension of the expiration date of the contract to 31 March 2023.
- In May 2018, **PLSS** - Petrosea & CSTS entered into an agreement for the provision of loading & unloading and storage at POSB Sorong with an estimated contract value of US\$1.03 million.
- In May 2018, **E&C** - Petrosea received notice of award from PT Maruwai Coal for the Village Installation Construction with contract value of Rp112.1 billion and duration of 8 months.
- In July – September 2018, **PLSS** - Petrosea entered into new agreement and amendment of agreement for POSB Sorong in Papua, Bonded Logistics Center (PLB) and Petrosea Supply Base in Tanjung Batu, East Kalimantan with PT Saipem Indonesia, Salamander Energy Pte. Ltd., Pertamina Trans Kontinental, Talisman Sageri Ltd., Chevron Indonesia Company, Energy Logistic, Sindo Utama Jaya, Viking Seatech Indonesia, Baraiod Indonesia, Apexindo Pratama Duta, Ensco Sarida Offshore and Parasadha Pamunah Limbah Industri. The total Contract value is Rp12 billion.

Others

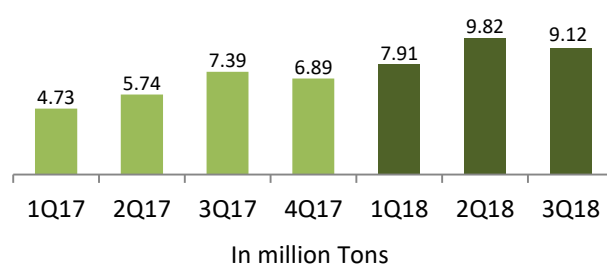
- In June 2018, Petrosea Tbk. acquired 95% shares of PT Kuala Pelabuhan Indonesia owned by PT Indika Logistic & Support Services. Through this acquisition, Petrosea continues to develop its business diversification strategy by adding services that it offers in order to increase the Company's income. Furthermore, this transaction will continue to strengthen Petrosea's position in the engineering & construction and contract mining industries. PT Kuala Pelabuhan Indonesia was established in 1995 with business activities in the port operator, transportation and contractor areas as well as service provider specifically to support the business activities of PT Freeport Indonesia in Amamapare, Papua.
- In August 2018, Petrosea released and transferred its shares of ownership in PT Santan Batubara to PT Harum Energy Tbk. for Rp86.41 billion.

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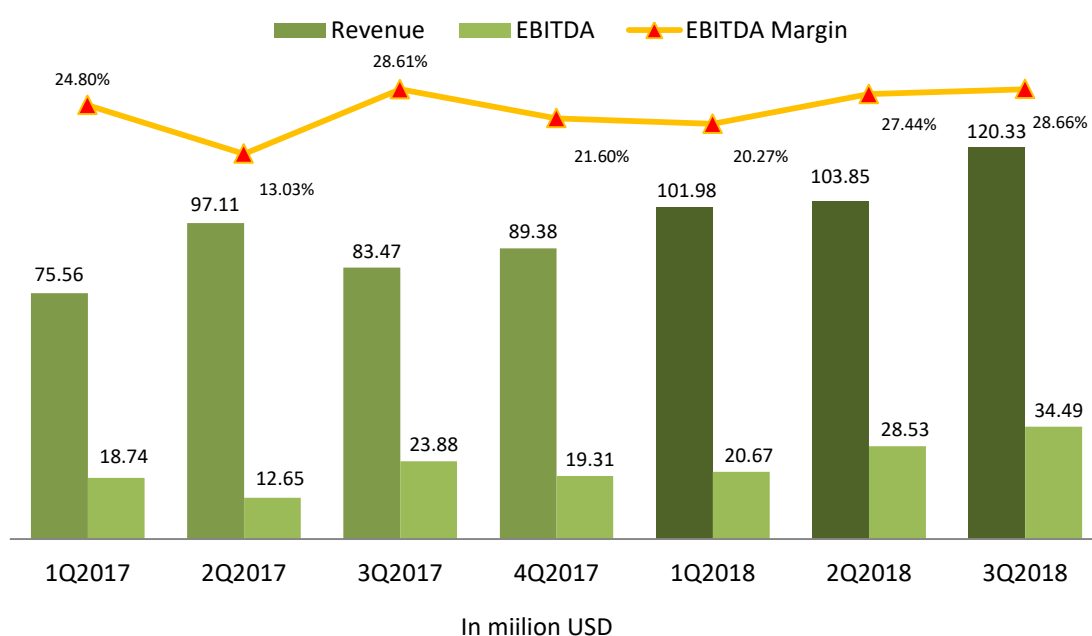
OVERBURDEN REMOVAL



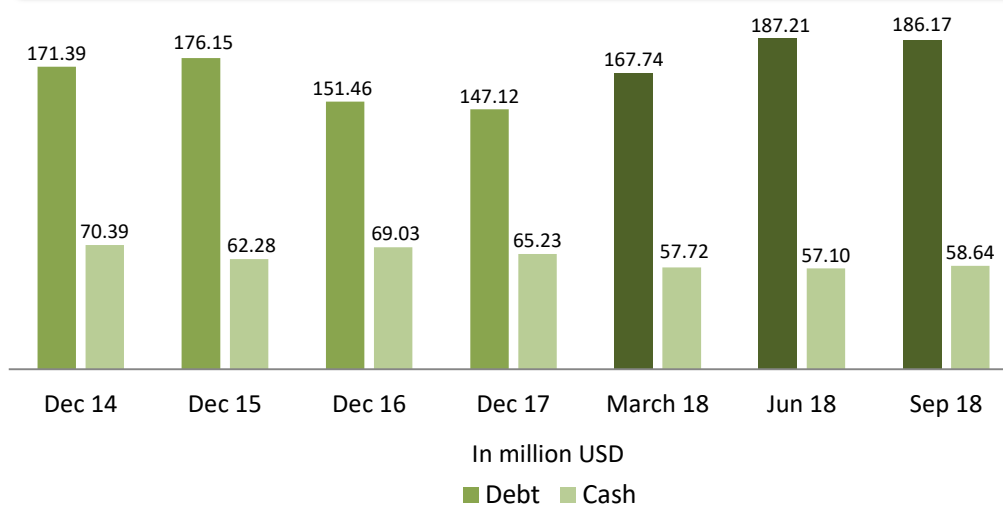
COAL PRODUCTION



PROFITABILITY



DEBT & CASH



Consolidated Statements of Profit or Loss (US\$ Million)	30 Sep 17	30 Sep 18	% Change
Revenues	224.09	326.16	45.55
Direct Costs	(189.54)	(273.84)	44.48
Gross Profit	34.55	52.32	51.43
Operating Profit	20.19	36.26	79.59
Share in Jointly Controlled Entities' Net (Loss)	(0.35)	(0.50)	42.86
Profit (Loss) for The Period	8.01	17.93	123.85
Profit (Loss) Attributable to Owners of The Company	7.78	17.77	128.41
Profit (Loss) Attributable to Non-controlling Interest	0.22	0.16	-27.27

Consolidated Statements of Financial Position (US\$ Million)	31 Dec 17	30 Sep 18	% Change
Cash & Cash Equivalents	65.23	58.64	-10.10
Total Current Assets	177.65	217.18	22.25
Total Noncurrent Assets	276.55	298.23	7.84
Total Assets	454.20	515.41	13.48
Bank Loans	10.60	20.01	88.77
Total Current Liabilities	103.67	141.15	36.15
Total Noncurrent Liabilities	161.71	188.58	16.62
Total Liabilities	265.37	329.73	24.26
Total Equity	188.83	185.68	-1.67
Total Liabilities & Equity	454.20	515.41	13.48

Financial Ratio	31 Dec 17	30 Sep 18
Return on Assets ¹	2.62%	4.24%
Return on Equity ¹	6.30%	11.75%
Current Ratio	1.71	1.54
Debt to Equity Ratio	0.76	1.00
Fixed Assets Turnover Ratio	0.84	1.45
Total Assets Turnover Ratio	0.69	0.81
Gross Profit Margin	13.66%	16.05%
Operating Profit Margin	6.50%	11.12%
Net Profit Margin	3.28%	5.50%

Note:

1) Annualized

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.

Anto Broto
Head of Corporate Secretary & Investor Relations

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