

# BUMI ARMADA BERHAD Company Presentation

June 2014



BUMIARMADA

“Knots Ahead of the Rest”

# Disclaimer

---

This presentation includes information obtained from the Company and from publicly available sources. The contents of this presentation are based, in part, on certain assumptions obtained from the Company, its management, employees, agents, affiliates and/or from other sources. All information included in this document and any oral information provided in connection herewith speaks as of the date of this presentation (or earlier, if so indicated).

This presentation is for information purposes only and does not constitute or form part of any offer or invitation for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract, commitment or investment decision in relation thereto in Malaysia or any other jurisdiction.

This presentation contains certain “forward looking statements” and during the course of this presentation, the Company may make projections or other forward-looking statements regarding, among other things, the Company’s business outlook and investments, implementation of its strategies, competition, estimates of future performance, anticipated results, future revenues, cash flows or capital requirements that involve risks and uncertainties. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. In some cases you can identify these statements by words such as “could,” “may,” “expects,” “anticipates,” “believes,” “intends,” “estimates,” or similar words. In light of these risks and uncertainties and other factors not currently viewed as material, there is no assurance that the forward-looking statements made during this presentation will in fact be realized and actual results may differ materially from those described in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. These forward-looking statements speak only as at the date as of which they are made. Such forward looking statements are made based on management’s current expectations or beliefs as well as assumptions made by, and information currently available to, management. The Company assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

This presentation includes certain industry data and projections that have been obtained from industry publications and surveys. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance that the information is accurate or complete. The Company has not independently verified any of the data from third-party sources or ascertained the underlying economic assumptions relied upon therein. No representation or claim is made that the results or projections contained in this presentation will actually be achieved. In this presentation, there may be industry data and projections and all information are based on data obtained from the sources cited and involve significant elements of subjective judgment and analysis, which may or may not be correct. For the reasons mentioned above, you should not rely in any way on any of the forward-looking statements or projections contained in this presentation for any purpose. Unless otherwise stated, all financial information relating to the Company contained herein are stated in accordance with Malaysian Financial Accounting Standards (“MFAS”). All amounts included in this presentation are expressed in Malaysia Ringgit unless otherwise noted.

This presentation includes measures of financial performance which are not a measure of financial performance under MFAS, such as “EBITDA.” These measures are presented because the Company believes that they serve as a useful indicators of its operating performance. In particular, the Company believes that EBITDA is a measure commonly used by analysts, investors and peers in its industry. Accordingly, EBITDA is disclosed in this document to permit a more complete analysis of the Company’s operating performance. EBITDA, however, should not be considered as an alternative to cash flows from operating activities, a measure of liquidity or an alternative to net income or indicators of the Company’s operating performance on any other measure of performance derived in accordance with MFAS. Because it is not an MFAS measure, EBITDA or other measures derived from EBITDA may not be comparable to similarly titled measures presented by other companies.

This presentation is based on information regarding the Company and the economic, regulatory, market and other conditions as in effect on the date hereof. It should be understood that subsequent developments may affect the information contained in this presentation, which the Company is under no obligation to update, revise, re-affirm or complete, except as may be required by applicable law or regulation.

# Vision, Mission and Core Values

## Our Company's One Vision, One DNA

### Our Vision

*"To be the Trusted Offshore and Marine Energy Services Provider in Every Corner of the World"*

### Our Mission

*"To provide effective integrated floating solutions in a safe, sustainable, reliable and environmentally-friendly manner therefore fuelling the growth of our host nations and communities"*

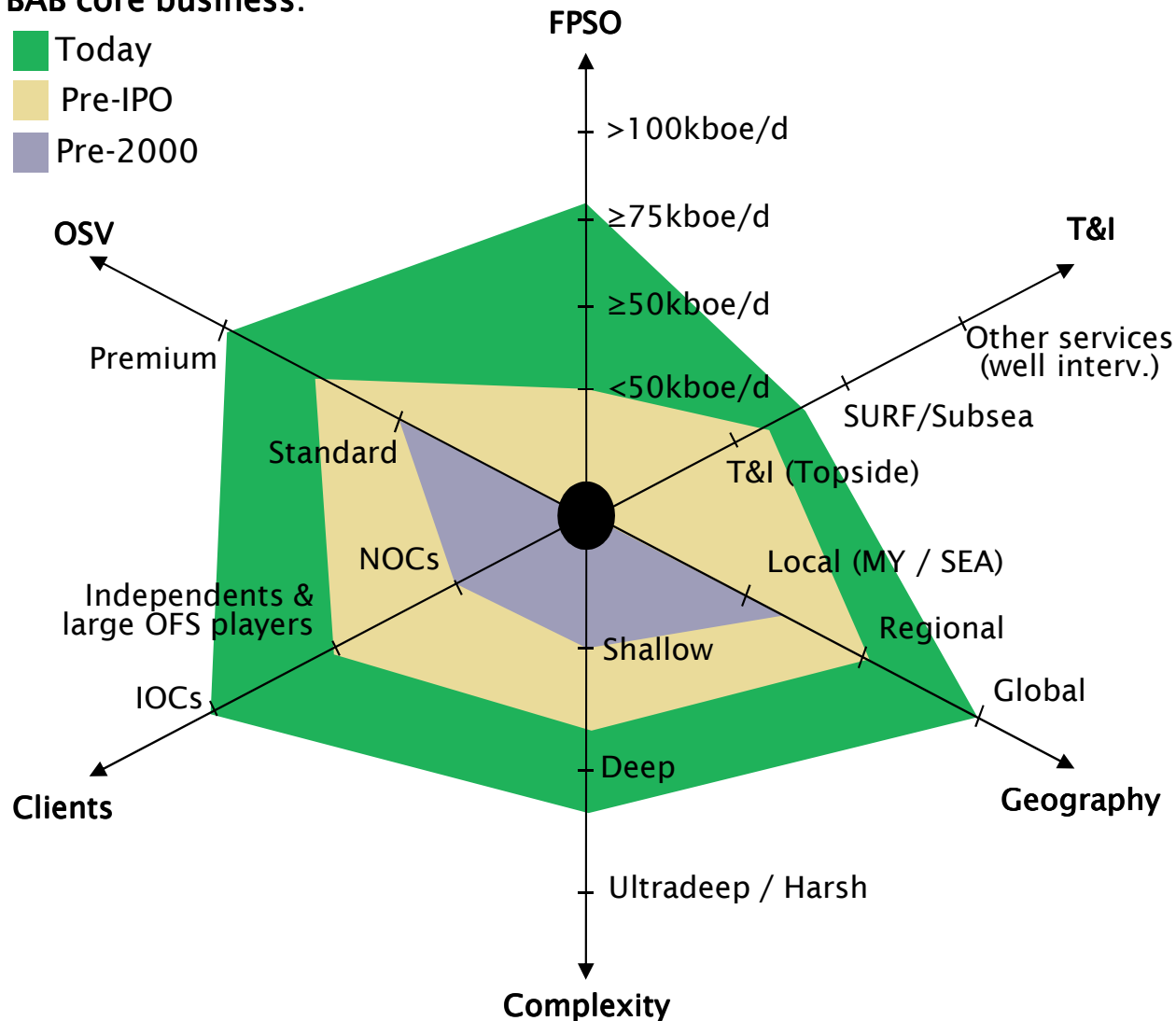
### Core Values



# BAB has evolved its business to offer an integrated suite of oil field services

## BAB core business:

- Today
- Pre-IPO
- Pre-2000



## Pre-2000:

- Local Malaysian OSV player
- ~10 light vessels
- No FPSOs

## Pre-IPO:

- Regional expansion in SEA and Africa
- ~30 OSV vessels, few heavy AHTS and PSVs
- 2 FPSOs

## Today:

- Global reach
- ~51 OSV vessels, with several heavy AHTS and PSVs
- 7 FPSOs & 1 Pending LOI
- T&I, GDT and OFS

# The Bumi Armada success story



BUMIARMADA

## Bumi Armada success story

*Malaysian league*  
*~10 years ago*



- Predominantly focused on the domestic market

*Premier league*  
*Today*



- Dramatic change of route to achieve profitable growth

*Champions league*  
*Tomorrow*



- Expansion in new business segments and geographies



BUMIARMADA

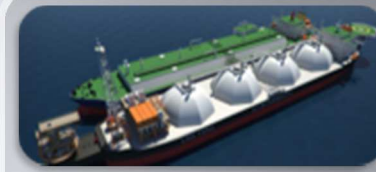
# Bumi Armada at a glance

## BUSINESS STREAMS

### Floaters



**FPSO** Floating Production, Storage and Offloading



**GDT** Gas Development and Technology

### Services



**OSV** Offshore Support Vessels



**T&I** Transport and Installation



**OFS** Oilfield Services

## SUPPORT UNITS



**E&T** Engineering and Technology



**Major Projects**



**AMO** Asset Management and Operations



# Bumi Armada's integrated services offering

BAB's INTEGRATED SERVICES OFFERING THROUGHOUT THE OFFSHORE FIELD LIFECYCLE

Surveying and exploration	Development / Construction	Production	De-commissioning
Seismic surveying and drilling	Installation of platforms, subsea structures and pipelines	Oil extraction, supply/storage and maintenance of production units	Removal of installations

Bumi Armada services offering	FPSO			✓	
	OSV	✓	✓	✓	✓
	T&I		✓	✓	✓
	OFS		✓	✓	

From Asset Heavy to Asset Light services

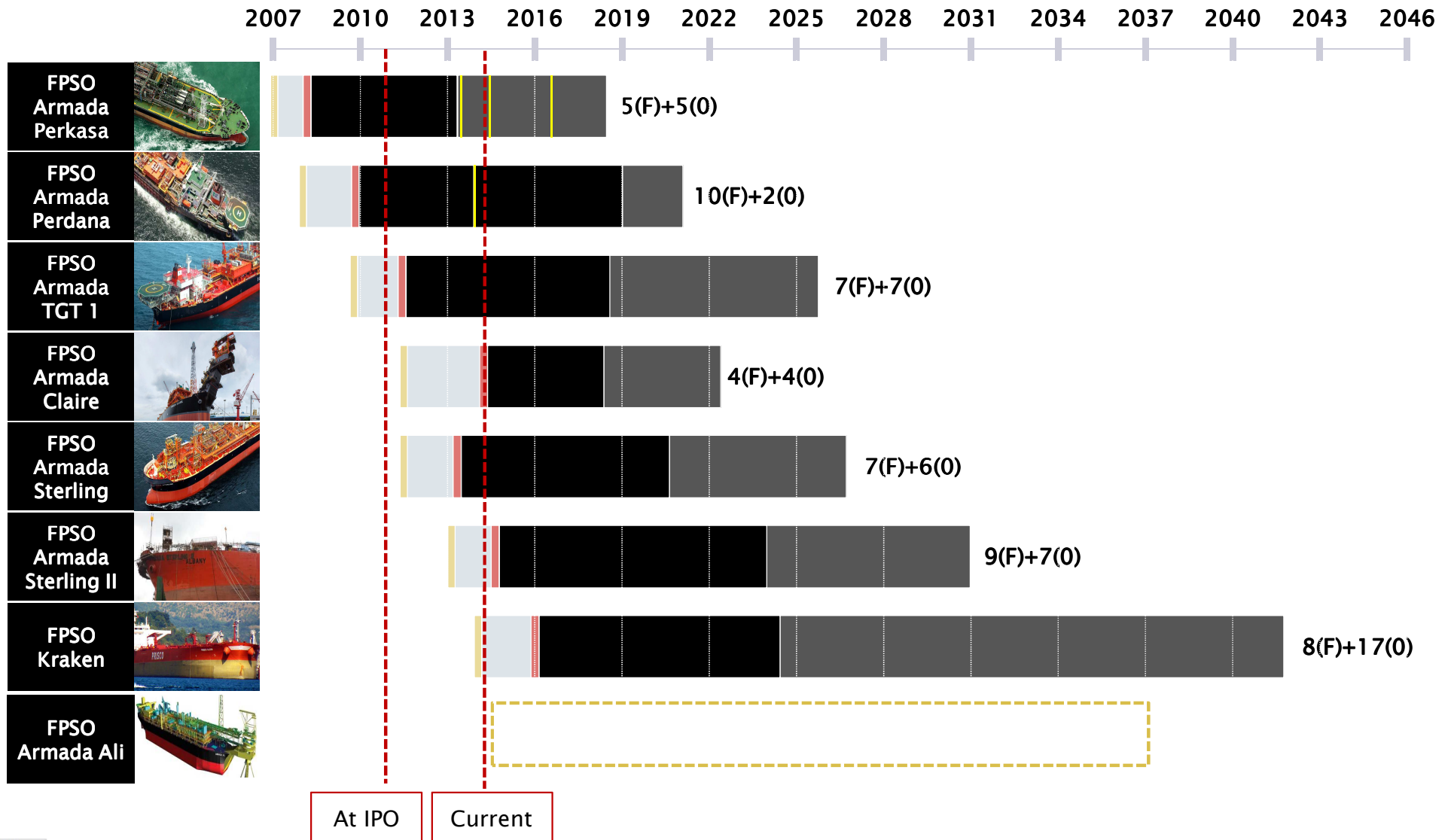
# Increasing project and technical complexity

Vessel Name		Generation	Vessel Size	Topsides Weight	Turret / Spread
Armada Perkasa		1	Panamax	<2,500	Spread
Armada Perdana		2	Suezmax	<5,000	Spread
Armada Sterling		3	Aframax	<7,500	Internal
Armada Clair		3	Suezmax	<7,500	External Disconnectable
Armada Sterling II		3	Aframax	<7,500	Internal
Armada TGT 1		4	Suezmax	<15,000	External
Armada Kraken			Suezmax	<15,000	Internal Disconnectable
Armada 15/06		5	VLCC	<20,000	External Turret



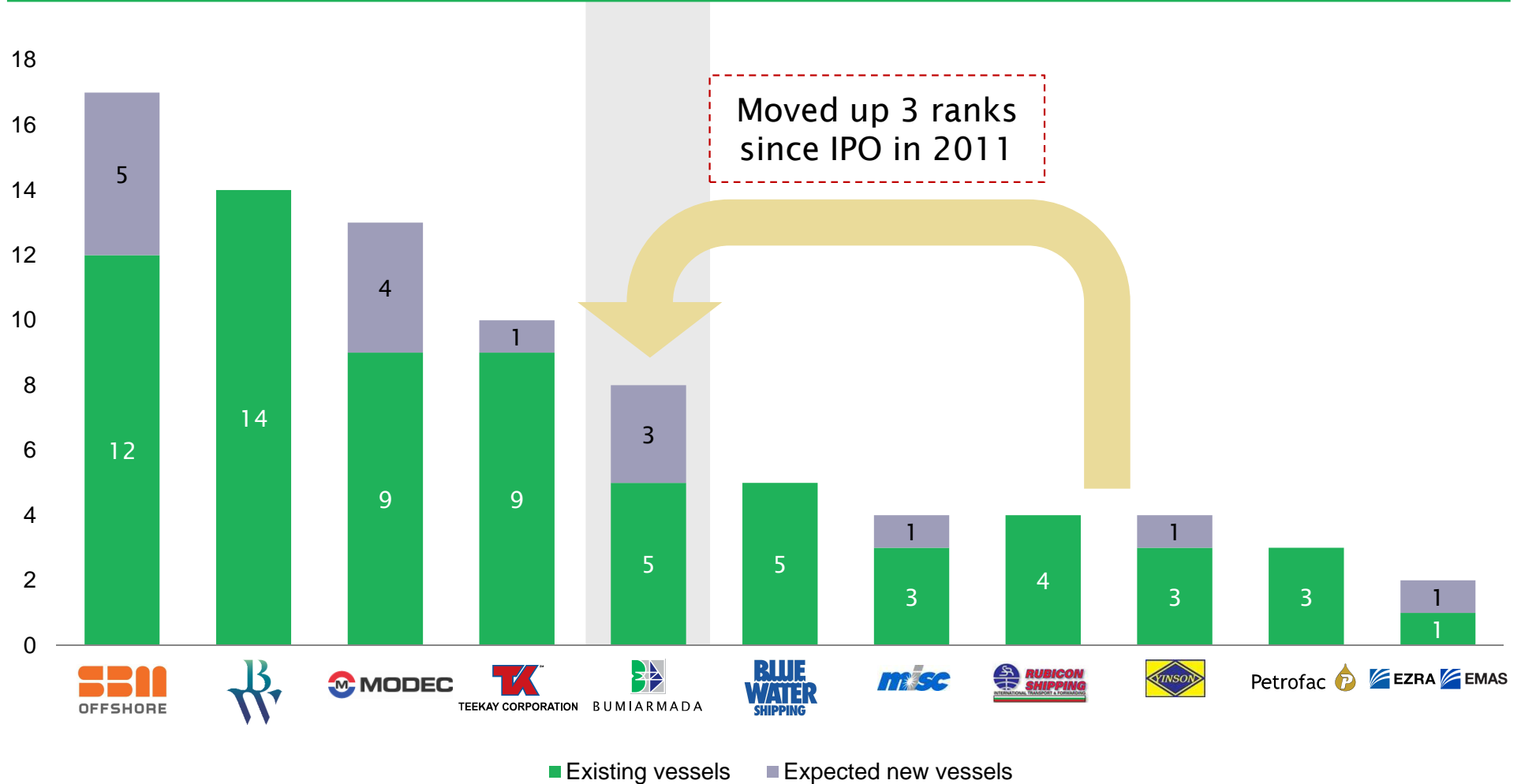
# Firm and visible orderbook

- FPSO contracts providing stable and visible cashflows for up to the next 30 years



# Target to be 4<sup>th</sup> largest FPSO player

Expanding FPSO operator with target to be the 4th largest by fleet size



## Number of operational FPSOs by selected FPSO lease owners



Note: Bumi Armada figure includes latest letter of intent received from Eni Angola.  
Source: Companies' website as at Feb 2014.

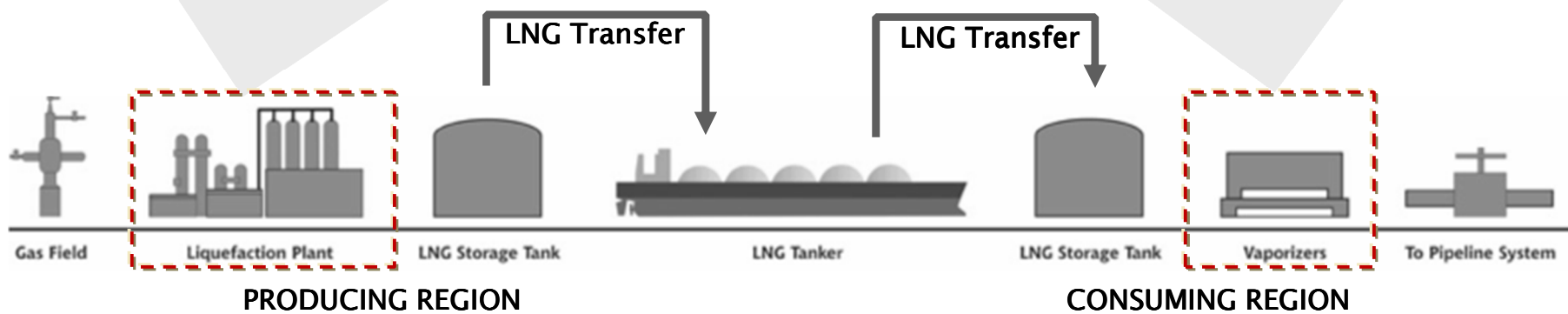
# From FPSOs to FLNG – Gas Development and Technology



LNG Production



LNG Regasification



# From volume to value – Offshore Support Vessels

## A leading OSV player with global footprint

- First to build DP2 vessels in Malaysia (Steel on Water 1)
- First deepwater Malaysia operations for Kikeh
- First diesel electric MPSV in Malaysia – Armada Tuah 300 for Shell Gumusut
- First to build 4,500 d.w.t. MPSV
- Average age of c. 7 years for CLASS A and overall
- >50 OSVs
- Reputation for reliability
- Technical excellence – DP training school



Adding larger, high specification, greener, cleaner, safer and more efficient (GSCE) vessels to the fleet

# From T&I to SURF and Life-of-field services – Transport and Installation

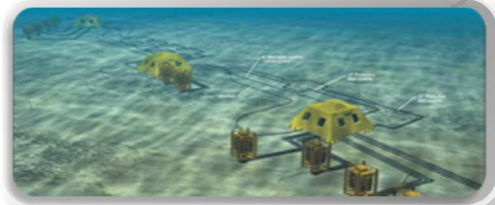
## Services



FPSO Mooring, Riser Installation and Hook-up



Offshore Pipelines and Platforms Installation



Installation, Maintenance and Repair works (IMR)



SURF EPIC Works

## Integrated transport and installation services



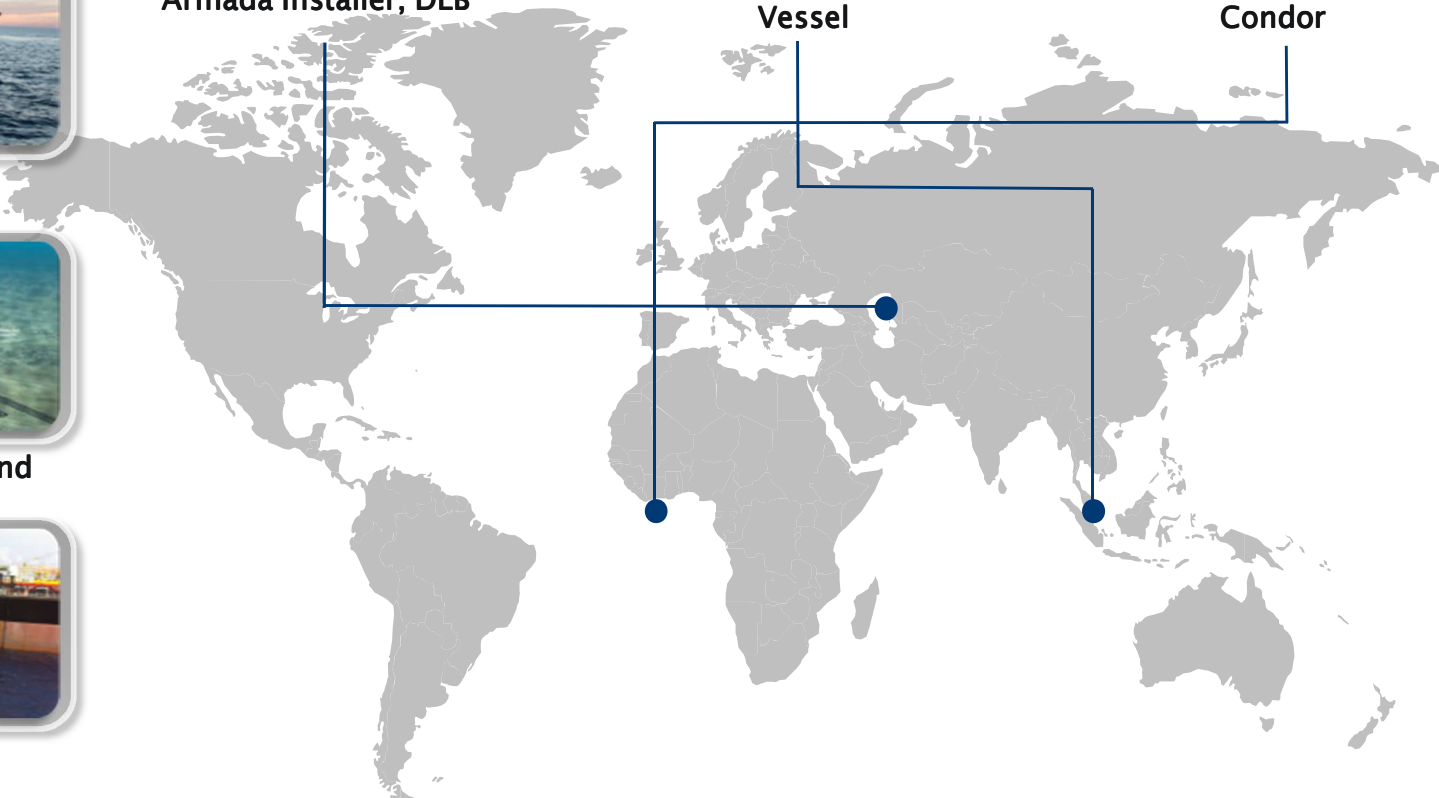
Armada Installer, DLB



Armada Hawk, SURF Vessel



Armada Condor



# Completing the integrated services offering – Oilfield Services

## Bumi Armada oilfield services

*... a new player in Well Services*

Oilfield Services (OFS) is dedicated to enhancing the 'life of field' recovery of our clients' assets through intervention in all marine environments and with innovative floating solutions for Enhanced Oil Recovery.



### Subsea Well Intervention

Dedicated Light Well Intervention Vessel (LWIV) with Integrated Subsea Well Intervention Lubricator (SIL)



### Brownfield Enhancement And EOR Solutions

Custom vessel solutions for production enhancement



### Integrated Well Services

365 days, low impact intervention platform

OFS provides asset light services offering



BUMIARMADA

# Technology creating value – Engineering and Technology

## Process and FEED

- All topsides and marine technologies including oil, gas and water treatment
- Oil and gas gathering, exploration, stabilization and production
- Technology selection and project delivery for small LNG methanol and gas liquefaction systems
- Acid gas treatment processes (in liaison with technology suppliers of H<sub>2</sub>S, CO<sub>2</sub>, Mercury and Sulphate removal processes)



PDMS



Integrated Modules

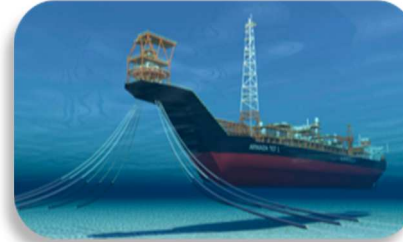


Turret Structure

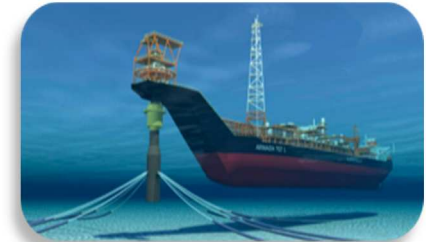


FEED & Concept Selection

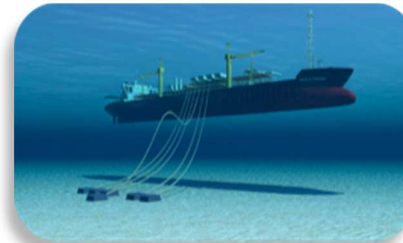
## In-house Turret and Mooring Expertise



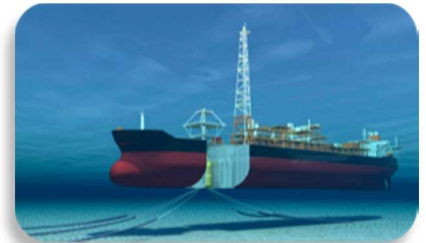
**External Fixed Turret**  
FPSO Armada TGT 1



**External Disconnectable Turret**  
FPSO Armada Claire



**Spread Moored**  
FPSO Armada Perdana and  
Armada Perkasa



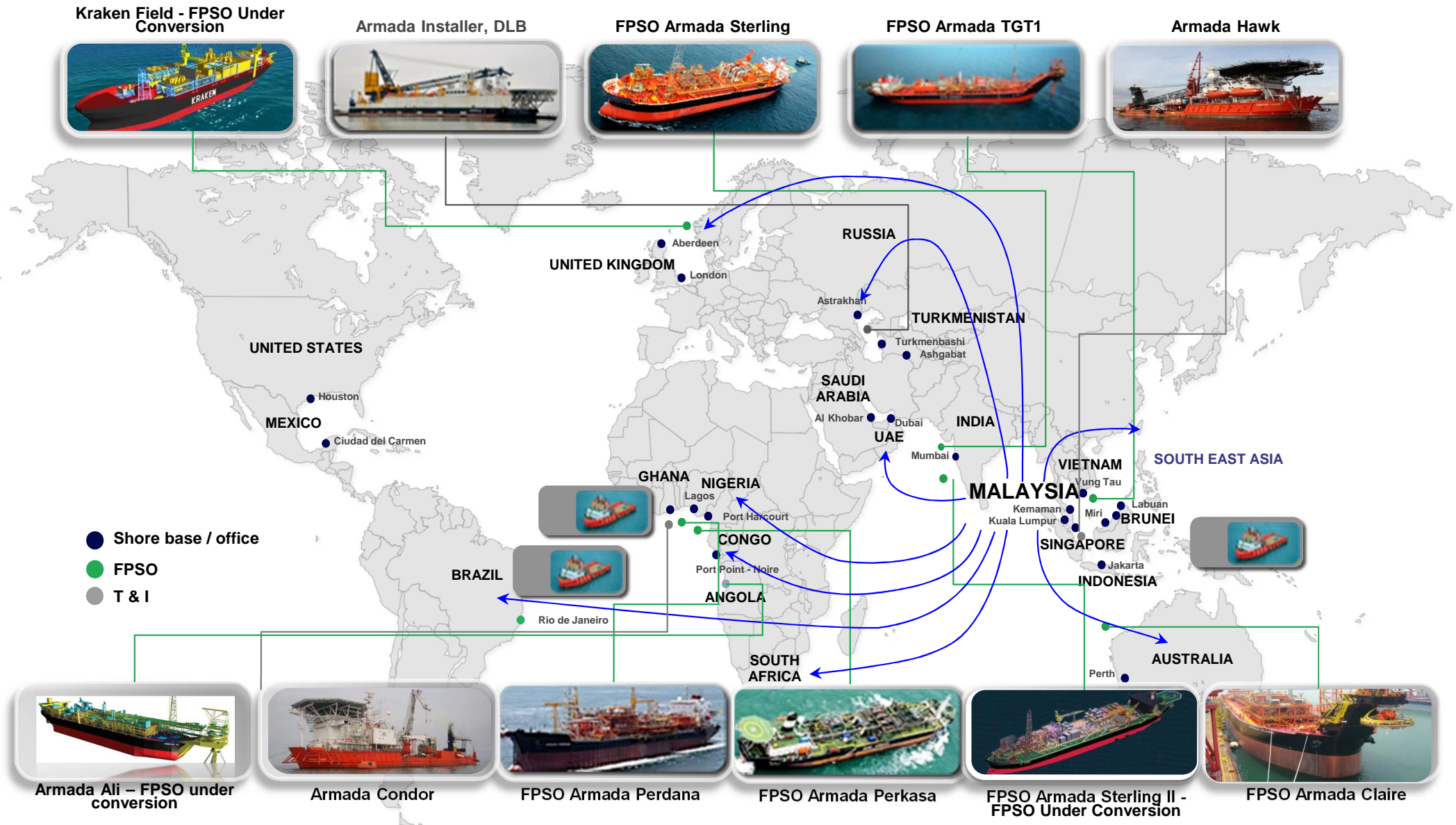
**Internal Turret**  
FPSO Armada Sterling  
FPSO Armada Sterling II



**Calm Buoy Turret System**  
Future FPSO

# Global Execution Local Delivery

## Integrated Offshore Oilfield Services Provider



An established and expanding FPSO platform with 99% uptime in 2013, present in 19 countries



# Integrated Offshore Oilfield Services Provider



# Strong and established relationships with multiple clients across the oil & gas value chain

## National Oil Companies



PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED



## International Oil Companies



## Independent Oil Companies



# Experienced Management team with proven track record – Corporate management



**Hassan Assad Basma**  
*CEO / ED*



**Kenneth Murdoch**  
*Chief Financial Officer*



**Noval D'avila Paredes**  
*Vice President,  
Corporate HSSEQ*



**Jonathan Edward Duckett**  
*Senior Vice President,  
Corporate Affairs*



**Elias Michael Farah**  
*Vice President,  
Commercial and Risk Management*



**Lo Khien Ngoh**  
*General Counsel,  
Legal*



**Madhusudanan Madasery Balan**  
*Chief Talent Officer & Head of Shared  
Services*



**Chakib Abi-Saab**  
*Chief Digital Officer, Information Systems  
and Technology*

Multicultural organisation capable of attracting and pooling talents worldwide to operate across multiple countries, with over 38 nationalities working in over 19 countries

# Experienced Management team with proven track record – Business Heads



**Shaharul Rezza Hassan**  
*Head of OSV Business / ED*



**Andrew Day Lamshed**  
*Senior Vice President,  
Floating Production Systems*



**Adriaan Petrus van de Korput**  
*Senior Vice President,  
Major Projects*



**Peter James McDonnell**  
*Senior Vice President,  
Asset Management and Operations (AMO)*



**David John Carr**  
*Vice President,  
Oilfield Services Division*



**Noor Azmi bin Abdul Malek**  
*Vice President,  
Engineering and Technology (E&T)*

Multicultural organisation capable of attracting and pooling talents worldwide to operate across multiple countries, with over 38 nationalities working in over 19 countries

# CSR – Sustainability Index

MEMBER OF

**Dow Jones  
Sustainability Indices**

In Collaboration with RobecoSAM 



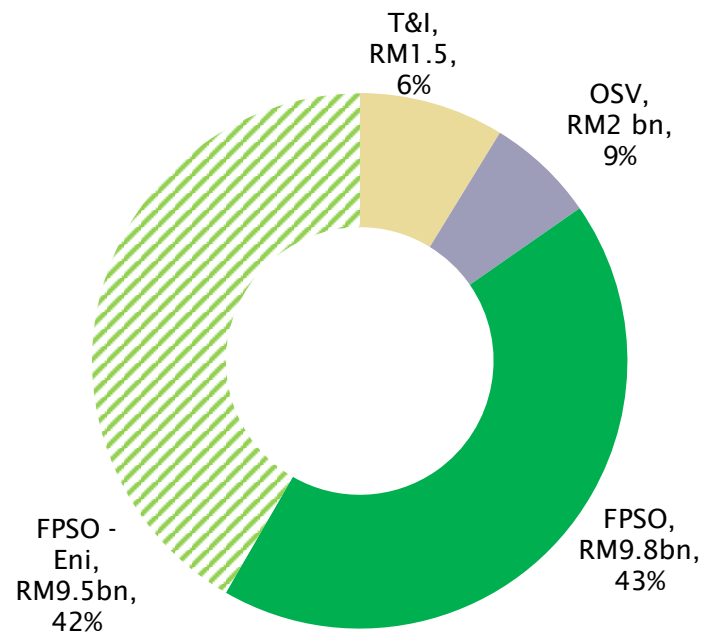
- Bumi Armada was successfully included in the Dow Jones Sustainability Emerging Markets Index (DJSI Emerging Markets) for the second time in September 2013
- Companies included in the list include Petrobras, Thai Oil PCL, Nestle Malaysia and Maybank

# Order book as at 31 March 2014

- Including Eni Angola Block 15/06 LOI contract indicative value of RM9.5bn (US\$2.9bn), total order book increases to RM31.7 billion

## Firm contract period

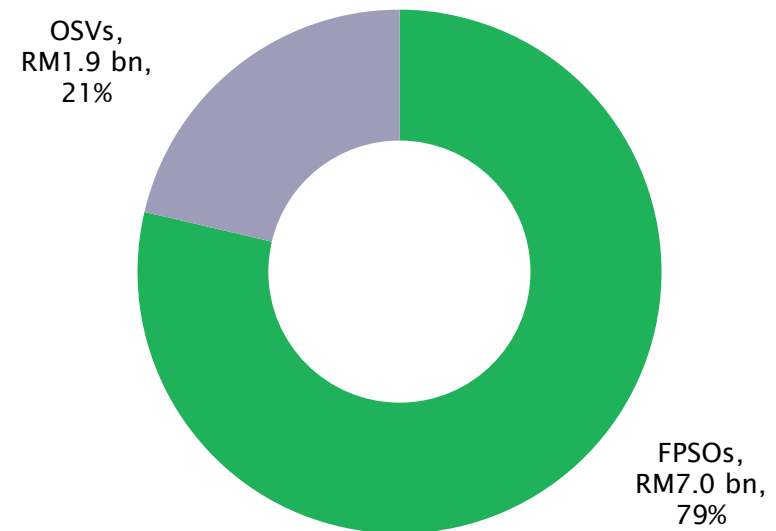
The breakdown of order book with firm contract period by business segments (fleets) is as follows:



Firm contract period order book: RM22.8bn\*

## Optional extension period

The breakdown of order book with optional contract period by business segments (fleets) is as follows:

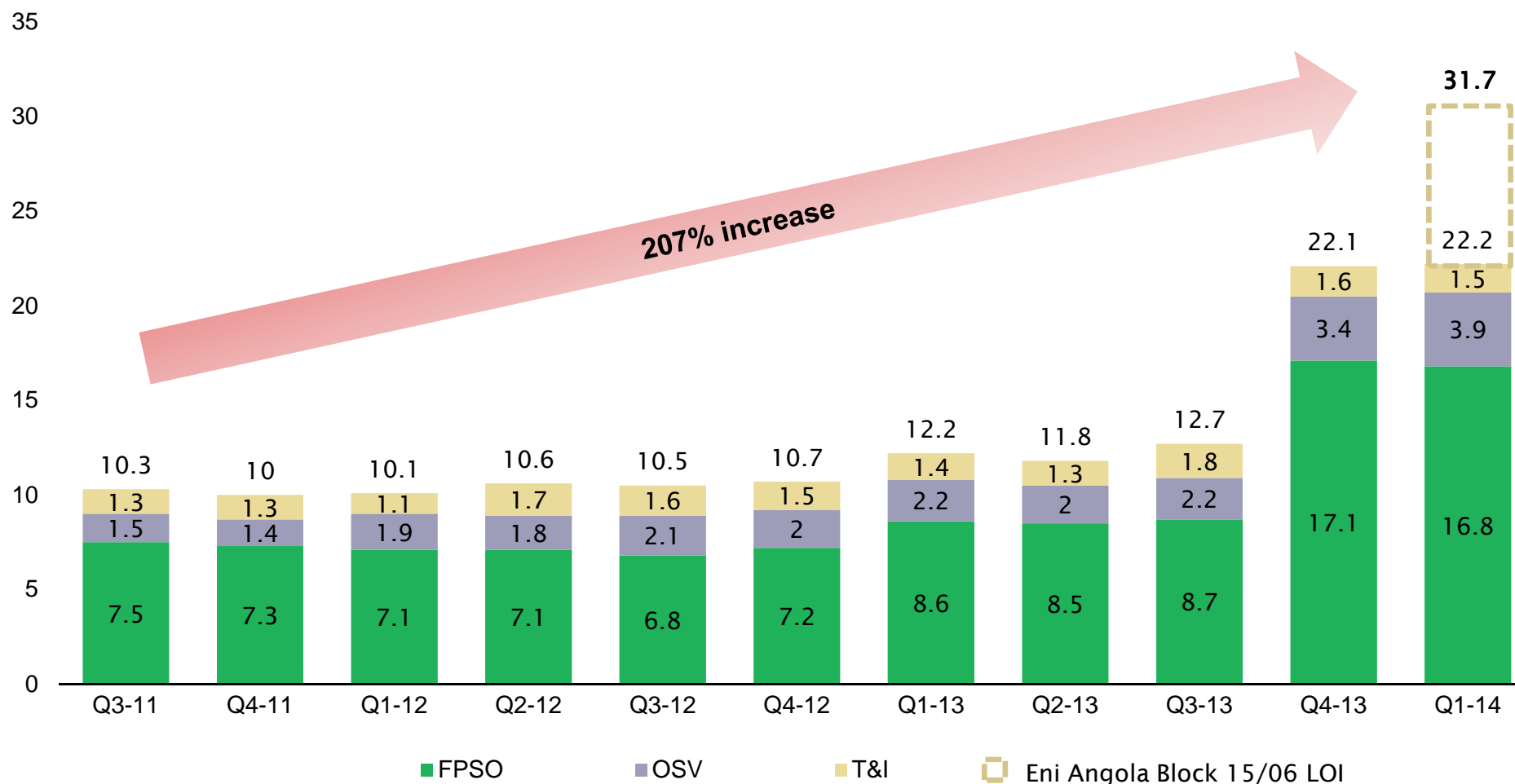


Optional extension period order book: RM8.9bn

Quality order book of RM31.7 bn\*

# Strong organic growth since IPO

Historical orderbook (RM' bil)

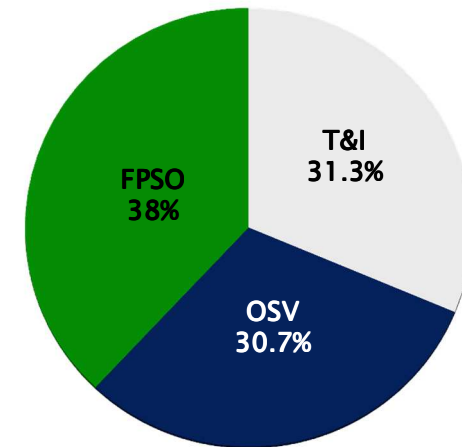
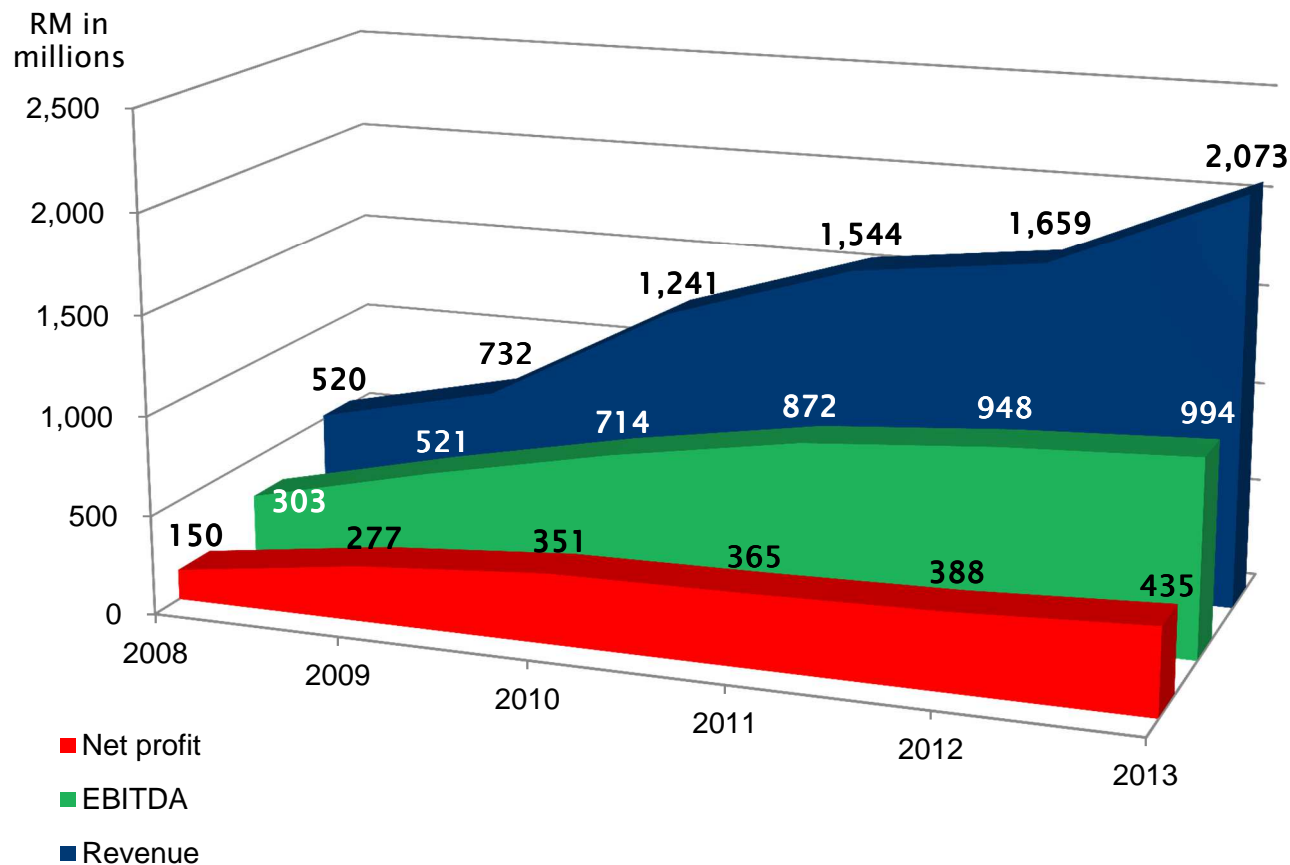


Bumi Armada has grown its order book by more than two-fold since IPO

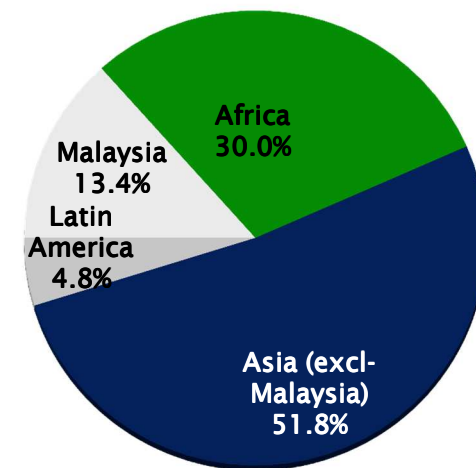
# Sector and geographical diversified income stream with a strong back bone business (FPSO)

## Diversified and growing revenues

- ✓ 5 Year Revenue CAGR: 32%
- ✓ 5 Year EBITDA CAGR: 27%
- ✓ 5 Year Net profit CAGR: 24%



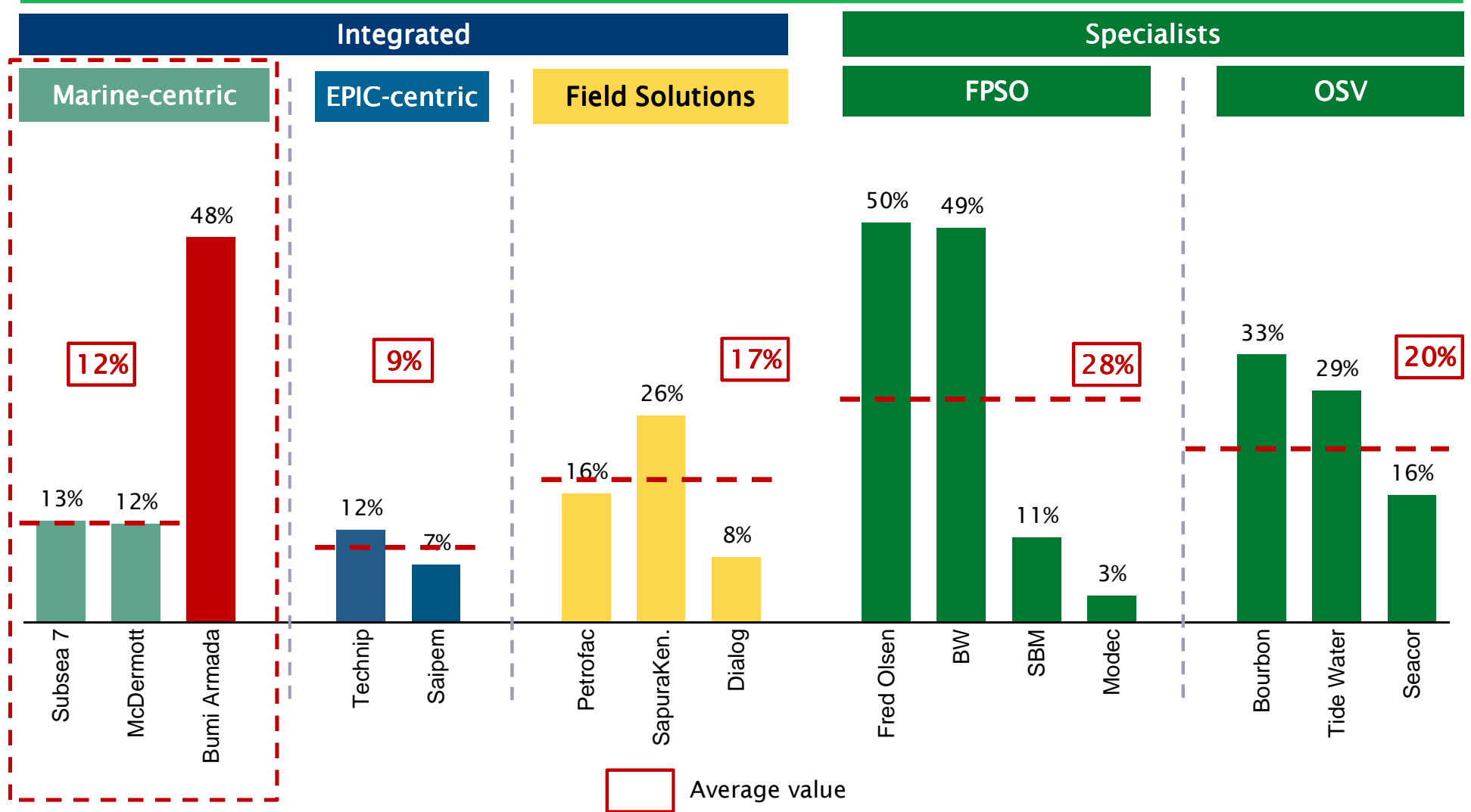
FY 2013 revenue:  
RM2,073 million  
(USD648 million)





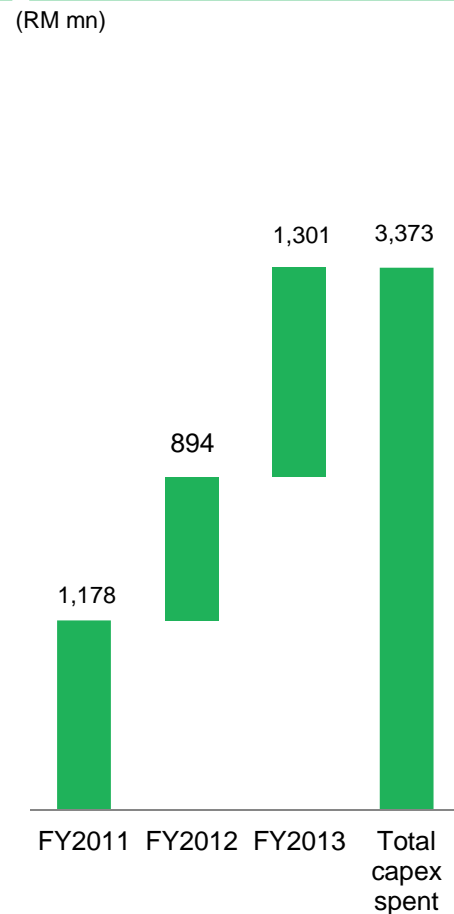
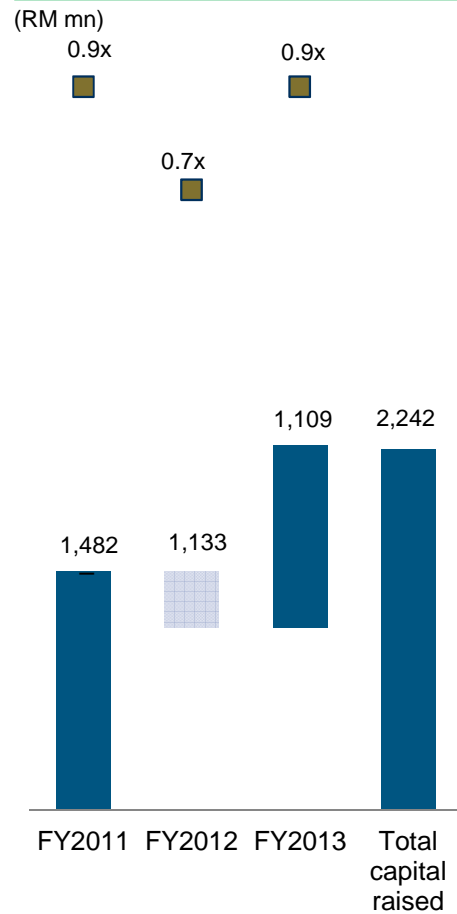
# Bumi Armada has the leading EBITDA margin amongst peers

## 2013 EBITDA margins

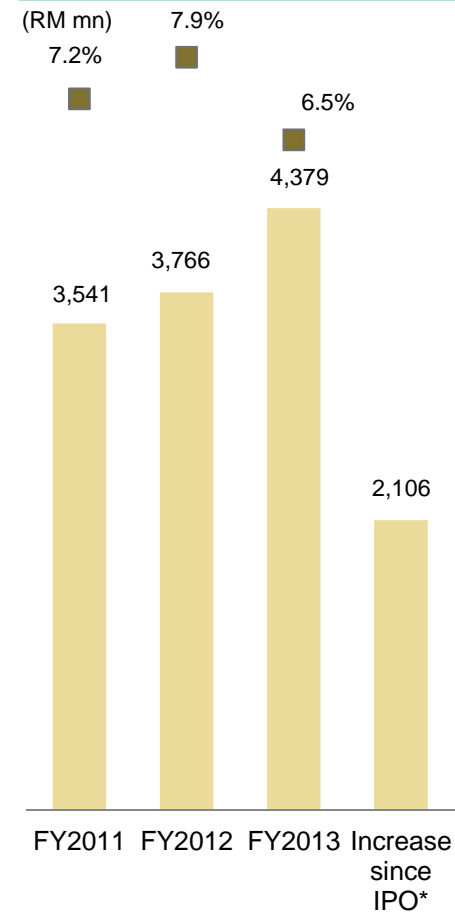


# Continued efficient balance sheet and orderbook growth

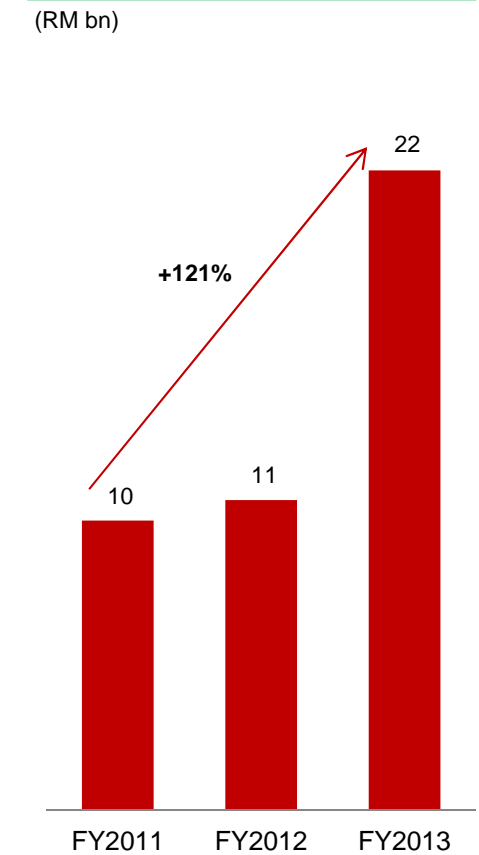
## Net capital raised and gearing Capex



## NTA and ROIC



## Orderbook



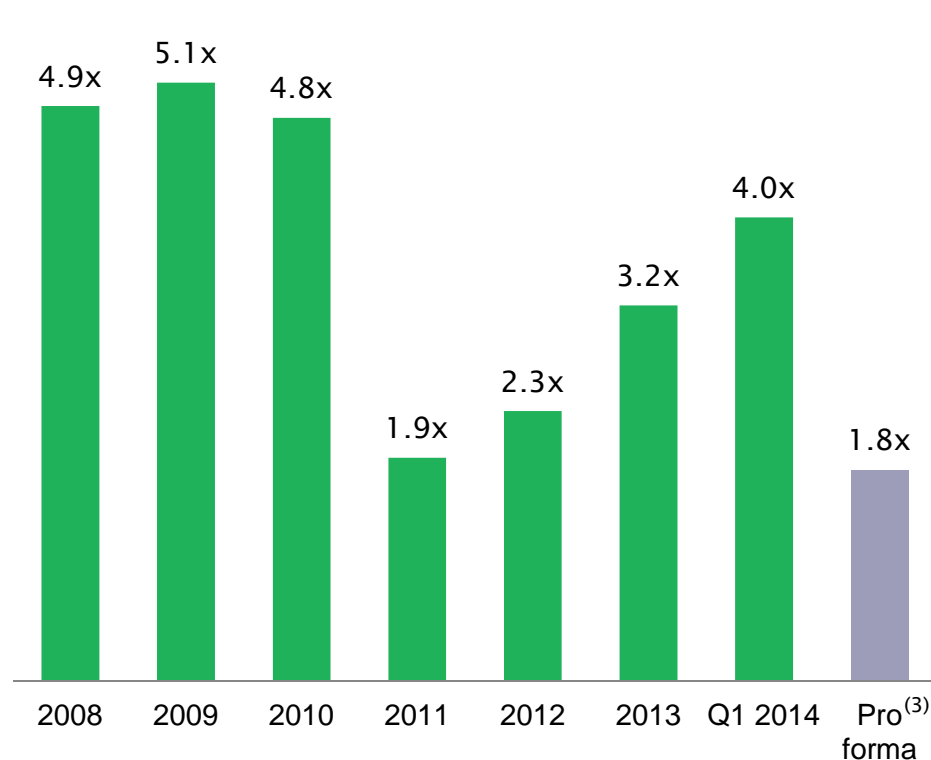
Note: Net capital raised = Equity raised plus debt raised – debt repaid. FY2011 net capital raised includes RM1.8bn net proceeds from IPO

Note: \* NTA at IPO = RM1,256mn

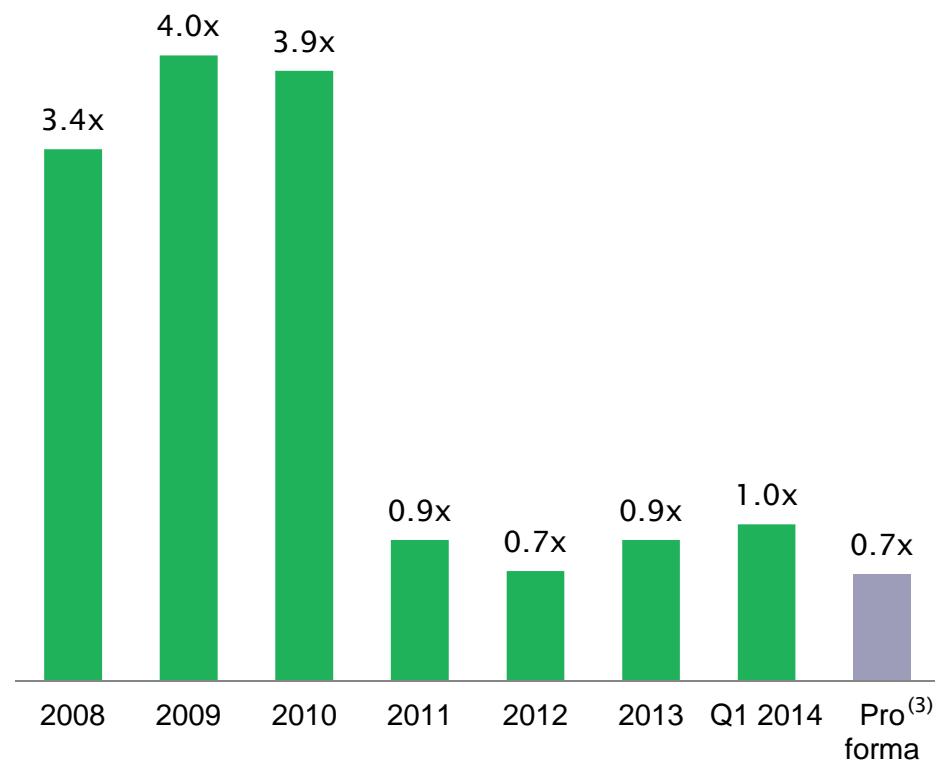
**Bumi Armada has efficiently utilised capital raised to fund capex and grow orderbook since IPO**

# Leverage and capitalization

Net Debt / EBITDA<sup>(1)</sup>



Gearing ratio<sup>(2)</sup>



<sup>(1)</sup> Calculated based on LTM as of Q1 2014 EBITDA

<sup>(2)</sup> Gearing = Gross Debt / Shareholders Equity

Financial capacity intact to undertake more projects and achieve target of becoming the 4<sup>th</sup> largest FPSO player globally

# BAB's 2020: From Volume to Value

## FUEL "GROWTH" ENGINE



### Floaters

*"Further, Deeper, Harsher"*

#### FPSO

- Selectively protect small & medium segment
- Expand in the large and complex segment

#### GAS

- Build FLNG capabilities
- Prepare to enter the FSRU market

## SYNERGIC EXPANSION



### OSV

### T&I

*"Infrastructure"*

- Focus on premium vessels
- Apply a disciplined approach to portfolio
- Capture synergies with T&I
- Maintain position in the Caspian Sea
- Expand in SURF/IMR, focusing on key BAB geographies
- Build capabilities to establish position as preferred vendor

## SUSTAIN THE GROWTH



### OFS

*"Well lifecycle support"*

- Prioritize light, 'riserless' intervention
- Establish technical partnerships to target key existing geographies
- Provide more advanced services once track record consolidated

## ORGANIZATION

## ENGINEERING CAPABILITIES

## OPERATIONAL EXCELLENCE

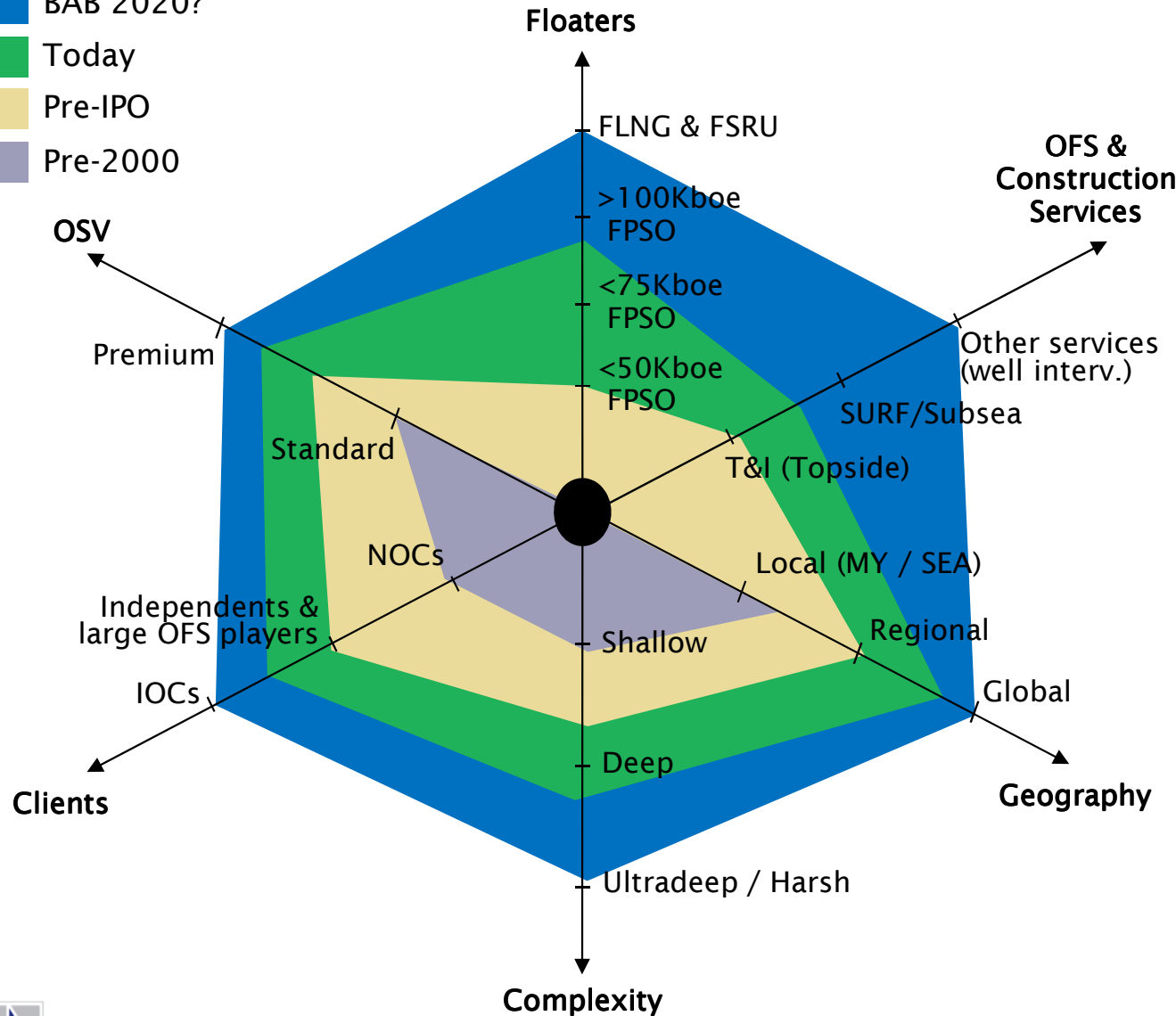
## SYNERGIES FROM END-TO-END INTEGRATION

## COMMERCIAL EXCELLENCE AND CLIENT RELATIONS

# Executing on this strategy will improve the overall positioning of Bumi Armada

## BA core business:

- BAB 2020?
- Today
- Pre-IPO
- Pre-2000



## Pre-2000:

- Local Malaysian OSV player
- ~10 light vessels
- No FPSOs

## Pre-IPO:

- Regional expansion in SEA and Africa
- ~30 OSV vessels, few heavy AHTS and PSVs
- 2 FPSOs

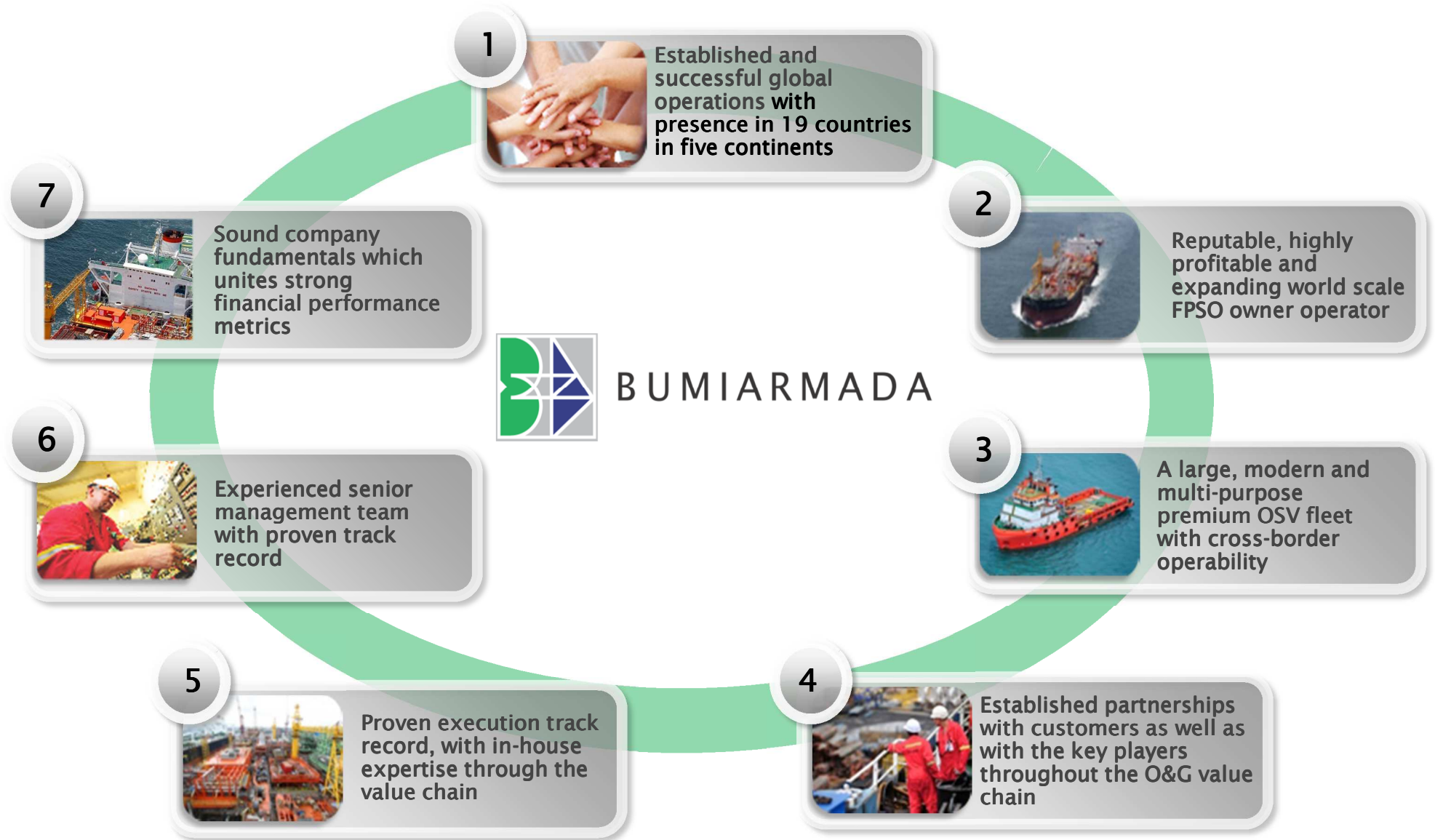
## Today:

- Global reach
- ~51 OSV vessels, with several premium AHTS and PSVs
  - 7 FPSOs & 1 Pending LOI
- T&I, GDT & OFS

## 2020:

- FLNG and FSRU contracts
- Several SURF and Subsea projects
- OFS premium services (well intervention)

# Why Bumi Armada



Thank you



“Knots Ahead of the Rest”



BUMIARMADA