

NEWSLETTER # 49
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WINS 1Q2016 EBITDA rose 3% YOY to US\$9.4million despite revenue falling over the same period last year, reflecting tighter cost control amidst the difficult industry environment

Owned Vessels

Depressed oil prices continued to impact the oil and gas industry in 1Q2016 as intensified price competition pushed down charter rates. This resulted in a 19%YOY fall in revenue to US\$15.4million for the Owned Vessel division.

Although utilization at 57% in 1Q2016 was lower than the 61% achieved in the same period the previous year, it was an improvement compared to 4Q2015 where the quarterly utilization was lowest at 53%. The better utilization in 2016 compared to the final quarter in 2015 was due to some increased activity which saw the commencement of operations for a few high tier vessels which had been idle most of the past year.

Chartering

Chartering Division revenues remained flat in 1Q2016 compared to the same period the previous year, but margins were slightly better, resulting in a 7% increase in gross profit to US\$0.8million.

Other Revenue

Due to the completion of a one off project, during 1Q2016 Other Revenue fell to US\$194,000 from US\$2.9million in 1Q2015. However, contribution from this Division is small, falling to US\$195,000 from US\$ 234,000 over the same period last year.

Direct Expenses

Depreciation rose by 3%YOY for 1Q2016 because of two new vessels in our fleet during the past 12 months, the latest addition being a mid tier AHT vessel that joined our fleet in 1Q2016. Although direct costs in our owned vessel division are generally fixed in nature, the measures taken to reduce our cost base succeeded in bringing down direct vessel costs by 19% YOY to US\$11.8million, despite having more vessels. This was largely due to a fall of 36%YOY in crewing costs, the largest component of direct

EBITDA Kwartal I-2016 WINS naik 3% menjadi US\$ 9,4 juta meskipun pendapatan turun dibandingkan periode yang sama tahun yang lalu, hasil dari pengendalian biaya yang ketat di tengah kesulitan di industri

Kapal Milik

Tertekannya harga minyak turut mempengaruhi industri minyak dan gas di Kwartal I-2016 karena meningkatnya kompetisi harga mendorong turunnya tarif sewa. Hal ini menghasilkan penurunan 19% pada pendapatan menjadi US\$ 15,4 juta dibandingkan periode sebelumnya untuk segmen Kapal Milik.

Meskipun utilisasi 57% pada Kwartal I-2016 lebih rendah daripada 61% yang dicapai pada periode lalu, terjadi perbaikan dibandingkan Kwartal IV-2015 di mana utilisasi kwartalan mencapai titik terendah yaitu 53%. Utilisasi yang lebih baik pada tahun 2016 dibandingkan kwartal terakhir tahun 2015 disebabkan peningkatan aktivitas yang terlihat dengan dimulainya operasi beberapa kapal *high tier* yang telah menganggur hampir sepanjang tahun lalu.

Chartering

Pendapatan segmen *Chartering* tetap sama dalam Kwartal I-2016 dibandingkan periode yang sama tahun lalu, tetapi margin sedikit lebih baik sehingga menghasilkan kenaikan 7% pada laba bruto menjadi US\$ 0,8 juta.

Pendapatan Lainnya

Sehubungan dengan berakhirnya suatu proyek pendek, selama Kwartal I-2016 Pendapatan Lainnya turun menjadi US\$ 194,000 dari US\$ 2,9 juta pada Kwartal I-2015. Namun, kontribusi dari segmen ini kecil, turun menjadi US\$ 195,000 selama periode berjalan dari US\$ 234,000 pada periode sama tahun lalu.

Beban-beban Langsung

Penyusutan Kwartal I-2016 naik 3% dibandingkan periode tahun lalu karena adanya penambahan 2 kapal baru dalam armada kami dalam 12 bulan terakhir. Penambahan terakhir berupa satu unit kapal mid tier yaitu kapal AHT yang bergabung dengan armada dalam Kwartal I-2016. Walaupun beban langsung kapal milik umumnya bersifat tetap, tindakan yang diambil untuk mengurangi biaya telah berhasil menurunkan beban langsung kapal sebesar 19% dibandingkan periode lalu menjadi US\$ 11,8 juta, meskipun jumlah kapal lebih banyak. Hal ini sebagian besar

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cash costs, in 1Q2016. The gross margin was the same at 23.3% for 1Q2016 compared to a year ago.

Gross Profit

Gross Profit was US\$ 4.6million for 1Q2016, 16% lower YOY but it was a significant improvement on the gross profit of US\$2.2million in the previous quarter in 4Q2015.

Indirect expenses and operating profit

Tighter cost control and a hiring freeze resulted in a 31%YOY fall in indirect expenses for 1Q2016 with salary related expenses contributing to more than half of the reduction in indirect expenses.

As a result, operating profit rose 3% to US\$2.6million in the 1Q 2016 compared to 1Q2015.

Other Income/ Expenses and EBITDA

Interest expenses fell 7%YOY to US\$2.3million as a result of net debt reduction as the company continued to pay down debt over the past 12 months.

In line with the strategy to raise cash and reduce financial risk of the company, there were two vessels sold in 1Q2016, resulting in a book loss of US\$1.9million from sale of fixed assets. This was partially offset by a turnaround in equity in net earnings of associated companies, which recorded a profit of US\$0.5million compared with a loss of US\$0.17million in 1Q2015.

Because of the book losses on sale of vessels, there was a loss of US\$1.4million attributable to shareholders.

EBITDA for the 1Q2016 was US\$9.7million, a rise of 3% YOY compared to 1Q2015. However, if compared to the last quarter of 2015, EBITDA actually increased by 28% QOQ from US\$7.6million.

Assets and Gearing

There was one new mid tier vessel delivered in January which had started operations by the end of the quarter, while two vessels were sold.

Net gearing fell to 55% as compared to 65% at end of 1Q2015.

Industry Outlook

Oil prices seem to have moved off the lows recorded in January this year, despite the lack of agreement on output controls amongst the major oil producers in and outside of OPEC. However, there is still poor visibility regarding the

disebabkan oleh penurunan 36% pada beban awak kapal, yang merupakan komponen terbesar dari beban langsung kas dalam Kwartal I-2016.

Laba Bruto

Laba Bruto sebesar US\$ 4,6 juta dalam Kwartal I-2016, lebih rendah 16% dibandingkan kwartal 1-2015, tetapi mengalami kenaikan yang signifikan jika dibandingkan dengan laba bruto yang sebesar US 2,2 juta dalam Kwartal IV-2015.

Beban usaha dan laba operasi

Pengendalian biaya yang lebih ketat dan penghentian rekrutmen menghasilkan 31% penurunan beban tidak langsung pada Kwartal I-2016 di mana beban yang berhubungan dengan gaji menyumbang lebih dari separuh penurunan beban tidak langsung.

Hasilnya, laba operasi naik 3% menjadi US\$ 2,6 juta pada 1Q 2016 dibandingkan Kwartal I-2015.

Pendapatan/Beban Lain-lain dan EBITDA

Beban bunga turun 7% dibandingkan periode lalu menjadi US\$ 2,3 juta yang disebabkan oleh penurunan pinjaman bersih karena perusahaan terus membayar pinjaman dalam kurun 12 bulan terakhir.

Seiring dengan strategi untuk memperoleh kas dan mengurangi risiko keuangan perusahaan, ada dua kapal yang dijual dalam Kwartal I-2016, yang menyebabkan kerugian US\$ 1,9 juta dari penjualan aset tetap. Sebagian kerugian ini dioffset oleh kenaikan laba entitas perusahaan asosiasi yang mencatatkan laba US\$ 0,5 juta dibandingkan rugi US\$ 0,17 juta pada Kwartal I-2015.

Kerugian penjualan kapal ini menyebabkan kerugian US\$ 1,4 juta yang diatribusikan kepada pemegang saham.

EBITDA selama Kwartal I-2016 menjadi US\$ 9,7 juta, naik 3% dibandingkan Kwartal I-2015. Namun, jika dibandingkan dengan kwartal terakhir 2015, EBITDA mengalami kenaikan 28% dari US\$ 7,6 juta.

Aset dan Gearing

Terdapat satu kapal mid tier yang diterima pada bulan Januari yang telah memulai operasinya pada akhir kwartal ini, sementara dua kapal dijual.

Net gearing turun menjadi 55% dibandingkan 65% pada akhir Kwartal I-2015.

Prospek Industri

Harga minyak kelihatannya telah bergerak dari posisi terendahnya pada bulan Januari tahun ini, meskipun kurangnya kesepakatan untuk mengendalikan volume produksi diantara para penghasil minyak besar dalam dan di luar OPEC. Namun

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direction of oil prices for the rest of the year.

Although there is some evidence for a more stable oil price outlook for the rest of the year, this does not necessarily imply that vessel charter rates will rise. The offshore support vessel industry is still plagued by oversupply and depressed charter rates, which we believe will take some time to work through. This we believe will keep pressure on pricing for the rest of the year.

We are therefore still cautious for the outlook in 2016, although there is cause for improvement in 2017. Domestically there are some signs of activity planned for 2017 onwards. However, with no consensus from the major oil producers to limit output increases, oil prices are likely to remain low.

We therefore still expect a very competitive environment in 2016 leading to continued low pricing for the near term.

Strategy

Management continues to focus on cost control while maintaining high safety and quality standards. The slowdown in activity in the past 12 months has enabled senior management to focus on strategic organizational issues and safety campaigns, which during the past years of high utilization were not easily addressed. At the same time, we continue to strengthen our presence in foreign markets, which have enabled our vessels to secure work despite the lack of demand in our domestic market.

Indonesia's growing need for energy will continue to underpin the oil and gas industry. We are therefore confident that the longer term outlook for oil and gas is still positive.

For further information, please contact:

perkiraan harga minyak masih belum terlihat jelas selama tahun ini.

Walaupun ada beberapa bukti adanya kestabilan perkiraan harga minyak selama tahun ini, hal ini tidak menjamin tarif sewa kapal akan naik. Industri kapal pendukung lepas pantai masih terganggu oleh kelebihan suplai kapal dan tarif sewa yang tertekan, yang kami yakini akan perlu waktu untuk melewatinya. Kami yakin bahwa hal ini akan tetap menekan harga selama sisa tahun ini.

Oleh sebab itu, kami sangat berhati-hati untuk prospek tahun 2016, walaupun ada penyebab perbaikan di tahun 2017. Secara domestik, terdapat beberapa tanda aktivitas yang direncanakan untuk tahun 2017 ke depan. Namun, dengan tidak adanya kesepakatan dari para penghasil minyak besar untuk membatasi kenaikan produksi, harga minyak kemungkinan akan bertahan.

Dengan itu kami masih memperkirakan lingkungan yang kompetitif di tahun 2016 mengakibatkan berlanjutnya tarif sewa rendah dalam jangka pendek ini.

Strategi

Manajemen melanjutkan fokusnya pada pengendalian biaya dengan tetap mempertahankan standar yang tinggi pada keselamatan dan kualitas. Melambatnya aktivitas dalam 12 bulan terakhir telah membuat manajemen senior untuk fokus pada isu-isu organisasi yang strategis dan kampanye keselamatan, yang selama tahun-tahun lampau pada saat utilisasi tinggi, tidak mudah dilakukan. Pada saat yang bersamaan, kami tetap memperkuat citra kami di pasar luar negeri, yang membuat kapal kami dapat bekerja meskipun permintaan kurang di pasar domestik.

Pertumbuhan permintaan energi di Indonesia akan mendukung industri minyak dan gas. Dengan itu, kami yakin bahwa dalam jangka panjang, prospek minyak dan gas masih positif.

Untuk informasi lebih lanjut, silahkan hubungi :

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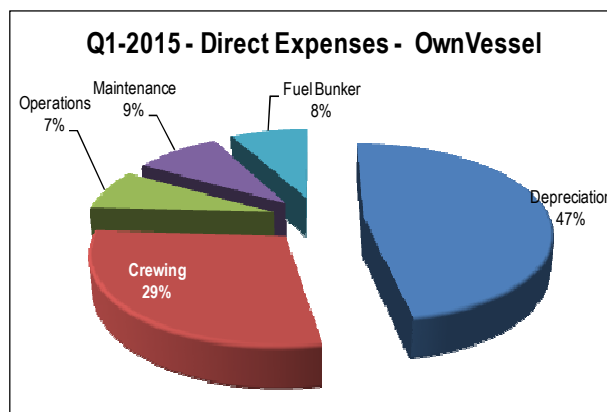
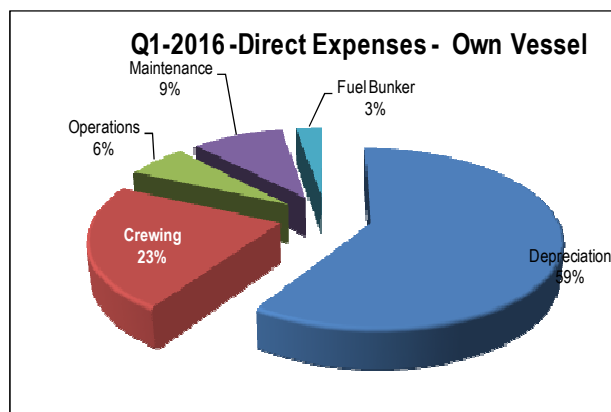
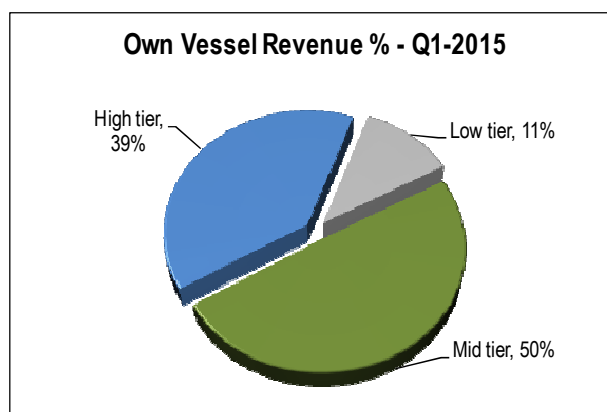
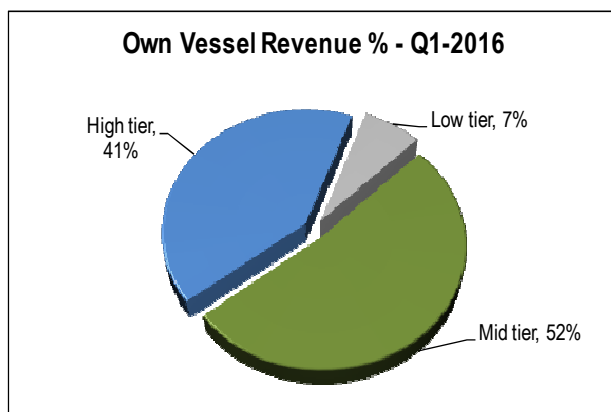
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(USD)	Q1 2016	Q1 2015	Q1-2016 vs Q1-2015	
			Change	%
Direct expense				
Depreciation	7,027,807	6,831,305	196,502	3%
Crewing	2,669,985	4,200,365	(1,530,380)	-36%
Operations	715,164	1,095,470	(380,306)	-35%
Maintenance	1,109,020	1,263,097	(154,077)	-12%
Fuel Bunker	317,174	1,139,060	(821,885)	-72%
Charter	6,385,945	6,390,367	(4,422)	0%
Others	463,417	2,909,156	(2,445,738)	-84%
Total Direct expense	18,688,513	23,828,819	(5,140,306)	-22%
Indirect expenses				
Administration	37,059	56,870	(19,811)	-35%
Depreciation office	54,393	69,194	(14,801)	-21%
Office utility	127,762	248,855	(121,093)	-49%
Professional fee	75,432	83,426	(7,994)	-10%
Staff salary	1,276,025	1,875,284	(599,259)	-32%
Staff training & recreation	25,284	52,228	(26,944)	-52%
Telecommunication	14,791	20,114	(5,323)	-26%
Travelling	59,044	74,655	(15,611)	-21%
Marketing	131,806	216,816	(85,010)	-39%
Donation	3,375	2,067	1,307	63%
Employee Benefit	179,444	191,296	(11,852)	-6%
Total Indirect expenses	1,984,415	2,890,805	(906,390)	-31%

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PT WINTERMAR OFFSHORE MARINE TBK AND SUBSIDIARIES

(USD)	Q1 2016	Q1 2015	Q1-2016 vs Q1-2015	
			Change	%
PROFIT AND LOSS				
Revenue				
Owned vessel	15,420,939	18,961,935	(3,540,996)	-19%
Chartering	7,188,625	7,142,297	46,329	1%
Others	657,475	3,143,263	(2,485,788)	-79%
Total Revenue	23,267,039	29,247,495	(5,980,456)	-20%
Direct expense				
Owned vessel	11,839,151	14,529,297	(2,690,146)	-19%
Charter	6,385,945	6,390,367	(4,422)	0%
Others	463,417	2,909,156	(2,445,738)	-84%
Total Direct expense	18,688,513	23,828,819	(5,140,306)	-22%
Gross profit	4,578,526	5,418,676	(840,150)	-16%
Gross profit - owned vessel	3,581,789	4,432,639	(850,850)	-19%
Gross profit - chartering	802,680	751,930	50,751	7%
Gross profit - others	194,057	234,107	(40,050)	-17%
Total Indirect expenses	1,984,415	2,890,805	(906,390)	-31%
Operating profit	2,594,111	2,527,871	66,240	3%
Other income (expenses)				
Interest expenses	(2,312,909)	(2,496,147)	183,238	-7%
Interest income	39,957	32,802	7,155	22%
Equity in net earning of associates	505,539	(170,926)	676,464	-396%
Net - Gain (loss) on sale of fixed assets	(1,934,462)	36,788	(1,971,250)	-5358%
Forex gain (loss)	(1,314)	103,176	(104,490)	-101%
Others	(60,841)	24,114	(84,955)	-352%
Total Other income (expenses)	(3,764,031)	(2,470,192)	(1,293,839)	
Net income before tax	(1,169,920)	57,679	(1,227,598)	-2128%
Total tax expenses	(308,813)	(469,708)	160,895	-34%
Income before non controlling interest	(1,478,733)	(412,030)	(1,066,703)	259%
Non controlling interest	(59,247)	(488,152)	428,905	-88%
NET INCOME	(1,419,486)	76,123	(1,495,609)	-1965%
EBITDA	9,676,312	9,428,370	247,941	3%
Weighted Average EPS - USD Cents	(0.035)	0.002	-0.04	-1858%
Weighted Average EPS - Equivalent to IDR	(4.7)	0.3	-4.90	-1873%

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