

NEWSLETTER # 53
28 April 2017
RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

Revenue from WINS fleet falls 39% YOY, reflecting the lagged effect of depressed oil prices in 2016

Overall Revenue including Chartering Division fell by 44% YOY to US\$ 13.1million compared to US\$23.3million in 1Q2016. This was caused by the lagged effect of the near standstill in tendering activity experienced in the second half of 2016, which resulted in lower charter rates at the same time as the utilization rate dipped below 50%.

Although sentiment in the oil industry seems to have bottomed and tendering activity has picked up in 2017, the OSV sector lags the oil price by 6-9 months. The low first quarter result reflected the negative sentiment in the industry in the latter half of 2016 where few contracts were awarded.

Owned Vessels

The utilization rate of Owned Vessels fell to 49% in 1Q2017 from 57% in 1Q2016. High tier vessels saw a bigger dip in utilization as several of them completed contracts last year and there were no significant new contracts of work that began in 1Q2017.

Lower fuel, crewing and operations costs contributed to a 11% decline in Owned Vessel Direct Expenses to US\$10.5million, mainly from a 23% fall in crew costs, with 46% and 51% reductions in maintenance and fuel costs respectively.

At the Gross Profit level, Owned Vessel Division recorded a loss of US\$1.05million for 1Q2017 compared to a profit of US\$3.6million in 1Q2016. On a QOQ basis, there was a slight improvement in Owned Vessel performance compared to the loss of US\$1.5million in 4Q2016 as crewing costs continued to fall.

Pendapatan dari armada WINS turun 39% YOY, mencerminkan dampak tersisa dari turunnya harga minyak di 2016

Pendapatan secara keseluruhan termasuk dari Divisi *Chartering* turun sebesar 44% YOY menjadi US\$ 13,1juta dibandingkan US\$23,3juta pada 1Q2016. Hal ini disebabkan dampak berkurangnya aktivitas tender di paruh kedua 2016, yang mengakibatkan tarif sewa yang rendah di saat yang sama level utilisasi berada di bawah 50%.

Meskipun sentimen di industri minyak nampaknya telah melewati titik terendah dan aktivitas tender meningkat pada tahun 2017, sektor OSV tertinggal 6-9 bulan dibelakang harga minyak. Hasil kuartal pertama yang rendah mencerminkan sentimen negatif di industri ini pada paruh kedua tahun 2016 dimana hanya sedikit kontrak diberikan.

Kapal Milik

Tingkat utilisasi Kapal Milik turun menjadi 49% di 1Q2017 dari 57% di 1Q2016. Kapal "*high tier*" terlihat mengalami penurunan yang lebih besar dikarenakan beberapa kontrak di antaranya selesai di tahun lalu dan belum ada kontrak kerja baru yang signifikan yang mulai pada 1Q2017.

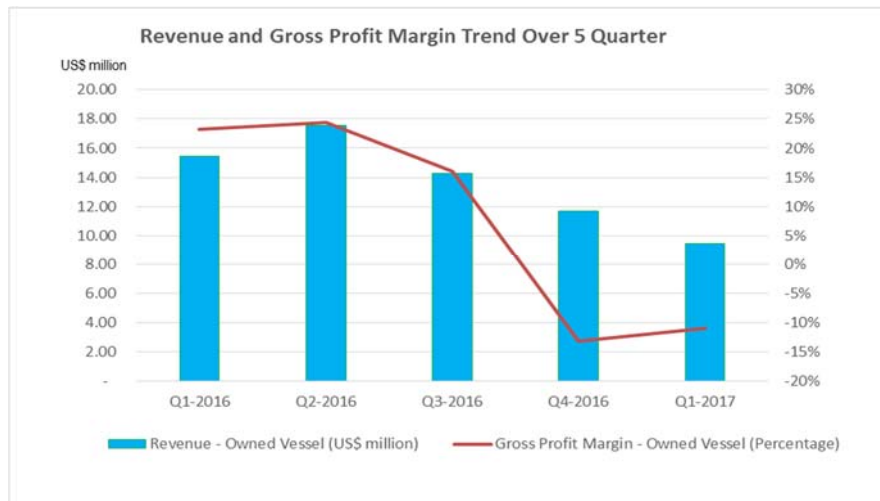
Biaya bahan bakar, awak kapal dan operasi yang lebih rendah membuat penurunan 11% pada Beban Langsung Kapal Milik menjadi US\$ 10,5juta, terutama dari penurunan biaya awak kapal sebesar 23%, dengan pengurangan biaya pemeliharaan dan bahan bakar sebesar 46% dan 51%.

Di tataran Laba Kotor, Divisi Kapal Milik mencatat kerugian sebesar US\$1,05juta untuk 1Q2017 dibandingkan dengan keuntungan sebesar US\$3,6juta di 1Q2016. Secara kuartalan, ada sedikit peningkatan pada kinerja Kapal Milik dibandingkan dengan kerugiannya sebesar US\$1,5 juta di 4Q2016 dikarenakan biaya awak kapal terus turun.

PT WINTERMAR OFFSHORE MARINE Tbk

Jl. Kebayoran Lama No 155
Jakarta 11560 Indonesia
Tel : 62 21 530 5201 / 2
Fax : 62 21 530 5203
www.wintermar.com





Chartering and Other Revenues

The Chartering Division was also negatively affected by the severe downturn last year. Revenue and Gross profit from Chartering Division fell by 59%YOY and 39% YOY to US\$2.9million and US\$0.6million respectively.

Other Revenues were stable while Gross profit from this division rose 16% to US\$0.2million.

Operating Profit

Indirect expenses fell by 4% to US\$1.9million as reductions in marketing, telecommunications and administration costs were offset by slightly higher salary and training expenses as well as professional fees paid.

An Operating loss of US\$2.2million was recorded for 1Q2017 compared to an Operating profit of US\$2.6million in 1Q2016.

Other income and expense

Interest expenses fell by 8%YOY to US\$2.1million because of lower debt. Associates recorded a loss of US\$0.3million and there was an asset impairment of US\$0.6million from reclassifying vessels for sale at a potential loss.

Overall Total net other expenses declined by 19% to US\$3million YOY.

EBITDA, Debt and Impairment

EBITDA for the first quarter 2017 amounted to US\$4.8million, a fall of 51% compared to the first quarter in the previous year, but slightly better than 4Q2016. The positive cash flow supported the continued payment of loan installments, enabling the Company to bring down

Chartering dan Pendapatan Lain-lain

Divisi *Chartering* juga terpengaruh secara negatif oleh penurunan yang parah tahun lalu. Pendapatan dan Laba Kotor dari Divisi *Chartering* masing-masing turun masing-masing 59%YOY dan 39%YOY menjadi US\$2,9 juta dan US\$0,6juta.

Pendapatan Lain-Lain tidak bergerak dimana Laba kotor dari divisi ini meningkat 16% menjadi US\$0,2juta.

Laba Operasional

Biaya tidak langsung turun sebesar 4% menjadi US\$1,9juta karena berkurangnya biaya pemasaran, telekomunikasi dan administrasi mampu mengimbangi kenaikan gaji dan pelatihan dan juga biaya profesional yang lebih tinggi.

Kerugian Operasi sebesar US\$2,2juta tercatat untuk 1Q2017 dibandingkan dengan Laba operasi sebesar US\$2,6juta di 1Q2016.

Pendapatan dan beban Lainnya

Beban bunga turun 8% YOY menjadi US\$2,1juta karena turunnya nilai utang. Entitas Asosiasi mencatat kerugian sebesar US\$0,3juta dan terjadi penurunan nilai aset sebesar US\$0,6juta dari potensi kerugian atas reklasifikasi kapal untuk dijual.

Secara keseluruhan Total beban lainnya bersih turun 19% menjadi US\$3juta YOY.

EBITDA, Pinjaman, dan penurunan nilai aset

EBITDA untuk kuartal pertama 2017 sebesar US\$4,8juta, turun 51% dibandingkan kuartal pertama tahun sebelumnya, namun sedikit lebih baik dari 4Q2016. Arus kas positif tersebut mendukung pembayaran cicilan pinjaman, yang memungkinkan Perusahaan menurunkan net gearing menjadi 49% dari 50% pada akhir FY2016

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the net gearing further to 49% from 50% at the end of FY2016.

Net interest bearing debt fell by US\$6million to US\$111million as at end March 2017, a reduction of 5.1% from year end 2016.

In line with management strategy to sell older vessels, several vessels were reclassified as held for sale, as reflected in the asset impairment value of US\$0.6million booked in 1Q2017.

Net loss attributable to Shareholders

Net loss attributable to Shareholders for the period 1Q2017 was US\$4million, compared to a net loss of US\$1.4million in 1Q2016.

Contracts on hand are finally picking up

Although the financial results for 1Q2017 continue to be weak, the marketing activity has been trending up steadily for the first few months of 2017.

As a leading indicator, the contracts on hand which declined steadily last year due to a lack of activity have started to rise again with the award of new contracts of work in the past few weeks.

. Utang bersih berbunga turun US\$6juta menjadi US\$111juta pada akhir Maret 2017, pengurangan 5,1% dari akhir tahun 2016

Sejalan dengan strategi manajemen untuk menjual kapal yang lebih tua, beberapa kapal direklasifikasi untuk dijual, tercermin dari diturunkannya nilai aset sebesar US\$0,6juta yang dibukukan pada 1Q2017.

Labu bersih diatribusikan kepada Pemegang Saham

Kerugian bersih yang diatribusikan kepada Pemegang Saham untuk periode 1Q2017 adalah US\$4juta, dibandingkan dengan rugi bersih sebesar US\$1,4juta di 1Q2016.

Kontrak yang dimiliki akhirnya meningkat

Meskipun hasil keuangan untuk 1Q2017 masih melemah, aktivitas pemasaran berkembang dengan mantap pada bulan-bulan pertama tahun 2017.

Sebagai indikator utama, kontrak di tangan yang terus menurun tahun lalu dikarenakan kurangnya aktivitas sudah meningkat kembali dengan didapatnya kontrak kerja baru dalam beberapa minggu terakhir.



Industry Outlook

Since the end of December 2016, there has been higher optimism that oil prices are settling into a more stable trading range. There is increased activity in South East Asia with a number of contracts awarded over the past few months.

Despite the higher activity, there is still oversupply in the OSV industry, which has caused charter rates to fall even further in the latest rounds of tenders.

There is new drilling activity in South East Asia, as indicated by some new tenders for drilling rigs in Vietnam, Indonesia, Myanmar and Malaysia so far this year. We

Prospek Industri

Sejak akhir Desember 2016, ada optimisme yang lebih tinggi bahwa harga minyak mendekati kisaran perdagangan yang lebih stabil. Ada pertumbuhan aktivitas di Asia Tenggara dengan sejumlah kontrak yang diberikan dalam beberapa bulan terakhir.

Meskipun aktivitasnya meningkat, masih ada kelebihan pasokan di industri OSV, yang menyebabkan tarif sewa turun lebih jauh pada putaran tender-tender terakhir.

Sejauh ini ada kegiatan pengeboran baru di Asia Tenggara, terindikasi dari adanya beberapa tender baru untuk rig pengeboran di Vietnam, Indonesia, Myanmar dan Malaysia pada tahun ini. Kami

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are optimistic that business conditions are improving, but because of the price competition, we expect it will be several months before this is reflected in better financials for the Offshore support sector.

Strategy

Cost control continues to be a key focus, with emphasis on improving the efficiency of fuel and operations. At the same time marketing efforts have been extended geographically as well as expanding the client base. We will seek to build up other income through building new client relationships in new industries.

Cash flow will be enhanced through speeding up asset sales of older fleet. With the reasonably low gearing of 46%, the Company is well positioned to weather the cycle.

Planned Corporate Action

Wintermar has announced a plan to issue up to 400million new shares through a placement without pre-emptive rights, which will require approval by the General Meeting of Shareholders (GMS) on 18th May 2017. If approved at the GMS, the Company has a two year window to issue such shares.

The approval of the shares issuance will allow the Company the flexibility to raise funds as and when required, and provide funds to reduce debt, strengthen equity, increase working capital and fund any possible business opportunities that may present themselves in the coming 24 month period.

For further information, please contact:

optimis bahwa kondisi bisnis membaik, namun karena persaingan harga, kondisi tersebut membutuhkan waktu beberapa bulan sebelum tercermin pada keuangan yang lebih baik untuk sektor pendukung aktivitas lepas pantai.

Strategi

Pengendalian biaya terus menjadi fokus utama, dengan penekanan pada peningkatan efisiensi bahan bakar dan operasi. Pada saat yang sama, upaya pemasaran diperluas secara geografis sebagaimana juga memperluas basis klien. Kami akan berupaya mengembangkan pendapatan lainnya dengan menciptakan hubungan klien baru di industri baru.

Arus kas akan ditingkatkan dengan mempercepat penjualan aset armada yang lebih tua. Dengan gearing yang cukup rendah sebesar 46%, Perusahaan berada pada posisi yang baik untuk mengatasi siklus ini.

Perencanaan Aksi Korporasi

Wintermar telah mengumumkan rencana penerbitan 400 juta saham baru melalui penempatan tanpa Hak Memesan Efek Terlebih Dahulu, yang mana akan memerlukan persetujuan Rapat Umum Pemegang Saham (RUPS) pada tanggal 18 Mei 2017. Jika disetujui di RUPS, Perusahaan memiliki waktu dua tahun untuk menerbitkan saham tersebut.

Persetujuan atas penerbitan saham ini memungkinkan Perusahaan memiliki fleksibilitas untuk memperoleh sejumlah dana pada saat diperlukan, penyediaan dana untuk mengurangi utang, menguatkan ekuitas, meningkatkan modal kerja dan mendanai peluang bisnis yang mungkin terjadi pada periode 24 bulan mendatang.

Untuk informasi lebih lanjut, silahkan hubungi :

Ms. Pek Swan Layanto
Investor Relations

PT Wintermar Offshore Marine Tbk
Tel (62-21) 530 5201 Ext 401

Email: investor_relations@wintermar.com

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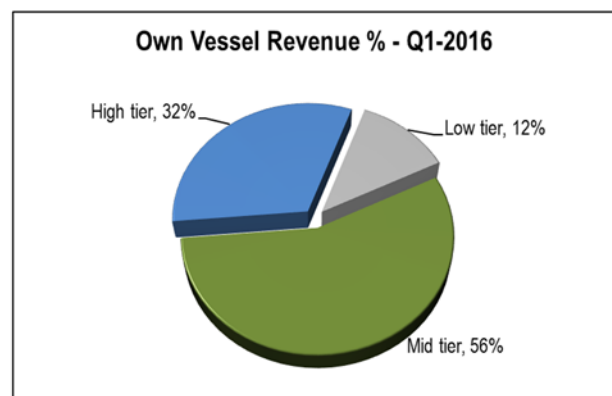
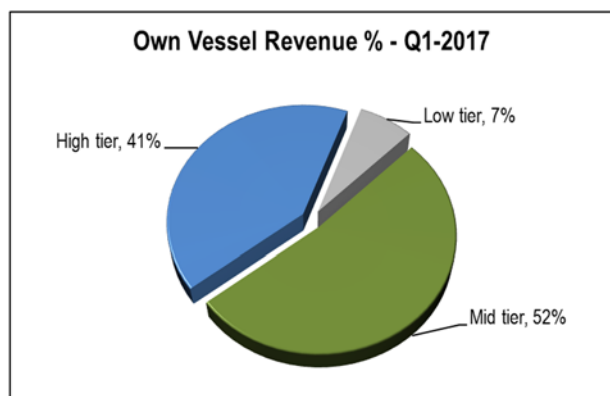
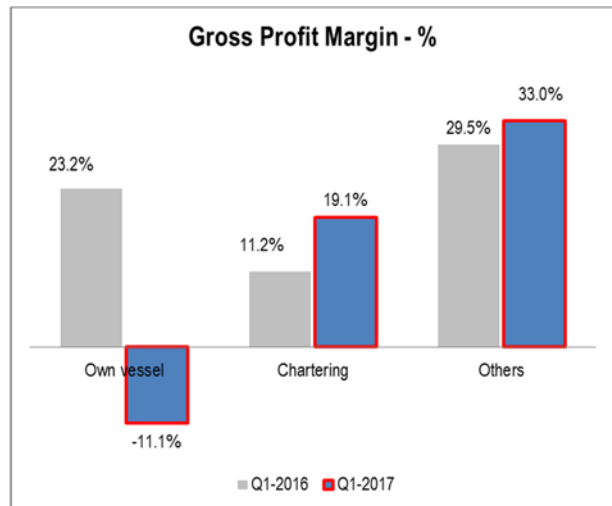
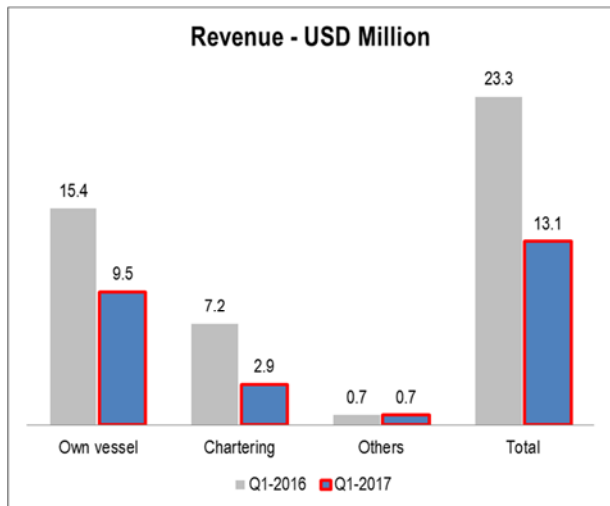
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Description	Q1-2017	Q1-2016	Q1-2016 vs Q1-2017	
			Change	%
Indirect expenses				
Administration	32,182	37,059	(4,877)	-13%
Depreciation office	40,038	54,393	(14,355)	-26%
Office utility	133,247	127,762	5,484	4%
Professional fee	95,826	75,432	20,394	27%
Staff salary	1,310,493	1,276,025	34,468	3%
Staff training & recreation	30,536	25,284	5,252	21%
Telecommunication	11,858	14,791	(2,933)	-20%
Travelling	45,572	59,044	(13,473)	-23%
Marketing	46,587	131,806	(85,219)	-65%
Donation	736	3,375	(2,639)	-78%
Employee Benefit	158,899	179,444	(20,545)	-11%
Total Indirect expenses	1,905,974	1,984,415	(78,441)	-4%



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SUMMARY PROFIT AND LOSS (Q1-2017 vs Q1-2016)

PT WINTERMAR OFFSHORE MARINE TBK AND SUBSIDIARIES

Description	Q1-2017 2017	Q1-2016 2016	Q1-2017 vs Q1-2016	
			Change	%
PROFIT AND LOSS				
Revenue				
Owned vessel	9,455,315	15,420,939	(5,965,624)	-39%
Chartering	2,944,264	7,188,625	(4,244,362)	-59%
Others	683,650	657,475	26,176	4%
Total Revenue	13,083,229	23,267,039	(10,183,810)	-44%
Direct expense				
Owned vessel	10,501,205	11,839,151	(1,337,946)	-11%
Depreciation	6,903,194	7,027,807	(124,613)	-2%
Crewing	2,062,146	2,669,985	(607,840)	-23%
Operations	782,163	715,164	66,999	9%
Maintenance	597,209	1,109,020	(511,811)	-46%
Fuel Bunker	156,493	317,174	(160,681)	-51%
Charter	2,382,464	6,385,945	(4,003,481)	-63%
Others	458,088	463,417	(5,330)	-1%
Total Direct expense	13,341,757	18,688,513	(5,346,756)	-29%
Gross profit	(258,527)	4,578,526	(4,837,053)	-106%
Gross profit - owned vessel	(1,045,890)	3,581,789	(4,627,678)	-129%
Gross profit - chartering	561,800	802,680	(240,881)	-30%
Gross profit - others	225,563	194,057	31,506	16%
Total Indirect expenses	1,905,974	1,984,415	(78,441)	-4%
Operating profit	(2,164,501)	2,594,111	(4,758,612)	-183%
Other income (expenses)				
Interest expenses	(2,123,798)	(2,312,909)	189,111	-8%
Interest income	9,714	39,957	(30,243)	-76%
Equity in net earning of associates	(302,856)	505,539	(808,394)	-160%
Net - Gain (loss) on sale of fixed assets	-	(1,934,462)	1,934,462	-100%
Forex gain (loss)	(142)	(1,314)	1,172	-89%
Impairment of assets	(574,692)	-	(574,692)	
Others	(42,260)	(60,841)	18,582	-31%
Total Other income (expenses)	(3,034,034)	(3,764,031)	729,997	-19%
Net income (loss) before tax	(5,198,535)	(1,169,920)	(4,028,615)	
Total tax benefit (expenses)	(208,823)	(308,813)	99,989	
Income (loss) before non controlling interest	(5,407,357)	(1,478,732)	(3,928,625)	
Non controlling interest	(1,427,201)	(59,247)	(1,367,954)	
NET INCOME (LOSS) ATTRIBUTABLE TO SHAREHOLDERS	(3,980,156)	(1,419,485)	(2,560,671)	180%
EBITDA	4,778,731	9,676,312	(4,897,580)	-51%
Weighted Average EPS - USD Cents	(0.10)	(0.04)	(0.06)	180%
Weighted Average EPS - Equivalent to IDR	(13.15)	(4.67)	(8.50)	180%

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