INCORPORATED IN SINGAPORE
COMPANY REGISTRATION NO. 200702224N

EMAS Offshore Limited

EMAS OFFSHORE LIMITED

15 Hoe Chiang Road
#28-01 Tower Fifteen
Singapore 089316

Tel: +65 6349 8535
Fax: +65 6345 0139

MEDIA RELEASE

2Q FY2015: EMAS Offshore maintains profitability, despite oil and gas environment

- Net profit improves 143% to US$9.7 million
- Continued focus on operational efficiencies and costs
- Strengthened balance sheet

SINGAPORE ♦ 7 APRIL 2015

For immediate release

The Company's admission to and listing on the SGX-ST is sponsored by DBS Bank Ltd.

EMAS Offshore Limited reported net profit of US$9.7 million in the second quarter of fiscal year 2015, a substantial increase from the US$4.0 million in the corresponding quarter of the previous fiscal year.

Revenue for the quarter was US$60.9 million, compared to US$67.6 million last year.

"The enlarged entity of EMAS Offshore has definitely positioned us to better ride out oil price volatility. While revenues and utilisation rates have declined due to market conditions, we have realised cost benefits and operational efficiencies from the business combination. We are also pleased that the FPSOs, which are largely insulated from the current depressed oil prices, continue to contribute positively," said Mr Jon Dunstan, EMAS Offshore's Chief Executive Officer.

For the first half of the fiscal year, reported net profit of US$158.1 million was a substantial increase from the US$14.4 million in the corresponding period, boosted by one-off accounting effects of US$137.5 million from the completion of the business combination of EOC Limited and EMAS Marine. Net profit excluding the one-off accounting effects was also higher at US$20.6 million, a 43 per cent increase, demonstrating the company's sustained positive operational performance.

The company posted lower revenue of US$133.6 million for the first half, a 9 per cent decrease from US$147.6 million, on the absence of contribution from a leased-in vessel returned in the second quarter of fiscal year 2014, as well as slower activity in the offshore support vessel sector.

In the **Offshore Support and Accommodation Services division**, offshore support vessel overall utilisation rate was 79% for the first half of the fiscal year, largely due to the weakness in the shallow water anchor handling, towing and supply vessels (AHTS) and shallow water platform support vessels (PSV) segments. However, the company

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sees ongoing demand for deep water capable AHTS, where utilisation rate remains above 90%.

In the **Offshore Production Services division**, the two floating production, storage and offloading (FPSO) vessels, *Perisai Kamelia* and *Lewek EMAS*, continue to perform well, maintaining high operational uptime of almost 100%, a testament to the division's operational excellence.

The company has taken steps to strengthen its balance sheet, and net gearing ratio is improved from 1.28x as at 31 August 2014 to 1.01x.

"Under the current circumstance we are taking a more cautious view for the ensuing quarters. However, we have taken steps to maintain our operational performance, which include exercising and implementing ongoing cost-optimisation initiatives, and focusing on operational excellence. These strategies will serve to protect our bottom line. Moving forward, we will ensure that we continue to improve operational efficiency with an added focus on sustaining vessel utilisation," said Mr Dunstan.

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ABOUT THE COMPANY

www.emasoffshore.com ♦ Oslo Børs listing: October 2007 ♦ SGX mainboard listing: October 2014

EMAS Offshore is an established offshore services provider offering offshore support, accommodation, construction and production services to customers in the oil and gas industry throughout the oilfield life cycle, spanning the exploration, development, production and decommissioning stages. Headquartered in Singapore, EMAS Offshore holds a leading market position in the Asia-Pacific region, with global operations across Latin America, Africa and Australia.

Business activities are carried out by two core business segments, namely: (i) the Offshore Support and Accommodation Services division, and (ii) the Offshore Production Services division.

EMAS Offshore's excellent operational and HSE (health, safety and environment) track record has allowed the Company to establish strong working relationships with leading international oil majors, national oil companies and various independent operators.

FOR ENQUIRIES

MR JASON GOH — **EMAS Offshore**
+65 6590 8209 — investor_relations@emasoffshore-cnp.com

MR ALEX TAN — **EMAS Offshore**
+65 6512 8824 — investor_relations@emasoffshore-cnp.com

MR ENDRE JOHANSEN — **CORPORATE COMMUNICATIONS**
+47 4161 0605 — endre.johansen@corpcom.no

Other media releases on the company can be accessed at www.emasoffshore.com