



## Scomi Energy Services Bhd

News Release

31 May 2016

### **Scomi Energy Services posts RM1.25billion revenue**

PETALING JAYA: Scomi Energy Services Bhd ("SESB" or "the Company") posted a revenue of RM1.25billion for its financial year ended 31 March 2016 ("FY2016"). The Company's Oilfield Services unit contributed RM1.05billion of the revenue while its Marine Services division recorded a revenue of RM194.9million.

SESB's core profit before tax stood at RM55.1million for FY2016 while its core profit after tax was RM28.6million. Core gross profit for the quarter ended 31 March 2016 increased to RM66.4million from RM59.4million in the preceding quarter.

However, the profitability was impacted by a few exceptional and non-recurring items such as foreign exchange ("forex") loss and impairment for the Company's Marine Services unit amounting to RM44.3million. As a result, the Company registered a profit before tax of RM14.0million for the year under review.

Notwithstanding the forex loss and impairment charges, SESB capped the year with a commendable gross profit margin of 20.3 per cent while EBITDA was at RM142.2million. The Company's operating expenses also decreased from RM206.4million for the financial year ended 31 March 2015 to RM175.6million for FY2016.

"The various measures taken by the Company have enabled us to cushion the full impact of the subdued oil prices. Furthermore, we have achieved increased operational efficiency and continued growing our product and service offerings," said SESB Chief Financial Officer, Ramesh Veetikat Ramachandran.

"With crude oil prices currently stabilising at approximately USD50 per barrel, we believe that there are still pockets of opportunity for us to capitalise on. This is reflected in the continued

active bidding that we have had throughout the year. We have outstanding tenders in excess of USD700.0million while our order book remains at over USD1.0billion,” he added further.

“The Company’s strategy in the immediate future revolves around expansion to new markets and further driving cost efficiencies. In addition, we are marketing new technologically advanced products such as green base oil, lubricants and water treatment chemicals which have proved to enhance performance and ultimately lower the cost of drilling,” said Ramesh.

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### **About Scomi Energy Services**

Scomi Energy Services Bhd, which is listed on the Main Market of Bursa Malaysia Securities Bhd, and its Group of companies are involved in the Energy Services comprising of the Oilfield Services and Marine Services. The Group offers drilling and completion services, development and production of oil & gas assets as well as vessels for offshore support and coal logistics. With offices in 20 countries, the Group derives most of its business from its international operations, which is backed by over 60 years of experience in the industry servicing numerous local and multinational companies.

### **FOR MEDIA ENQUIRIES PLEASE CONTACT:**

Zubaidi            T +603-7717 2600 / +6012-210 1401  
Rishant            T +603-7717 3179 / +6017-488 0250

E [zubaidi.harun@scomigroup.com.my](mailto:zubaidi.harun@scomigroup.com.my)  
E [rishant.sraveanan@scomigroup.com.my](mailto:rishant.sraveanan@scomigroup.com.my)