



PRESS RELEASE

Elnusa receives USD388 million Contract in Upstream Oil and Gas Services

Jakarta, 25th November 2016 – PT Elnusa Tbk. (“ELNUSA”), one of the national leading providers of energy services, deliver the company’s performance results during the third quarter in 2016 and business development update in public expose held at the Indonesian Stock Exchange, today.

Since oil and gas activity has not fully recovered and the oil prices are still low, reduction of work in the Oil and Gas Upstream Services cannot be avoided, mainly in the drilling services and wireline logging. However, as an integrated oil and gas services company which has the advantage of positioning and diversification, Elnusa remains confidence toward the future of the company's business. The result of this diversification remains visible from the seismic services, maintenance operation and logistic distribution services, which this year became the backbone of the business on a consolidated basis.

Throughout this year until September 2016, Elnusa already received a total contract worth USD388 million from upstream oil and gas services, which being worked for the next few years. Refer to those values, 57% of the new contracts obtained in this year worth USD77 million are from the operation & maintenance service contract and become the major contributor.

This year, land seismic services have performed well with growth of 8% from 3D seismic project in West Java and almost completed. For the next year, Elnusa has also been prepared to do seismic work in several areas, including East Java, Central Kalimantan and South Sumatra.

Marine seismic services, which is inactive in the past few years, are ready to resume operation through Elnusa latest investment in the seismic vessel called "ELSA Regent", one of which is a 2D seismic project in the Java Sea. Elnusa is optimistic to see a tremendous opportunity to develop a marine seismic in Indonesia since there are many national oil and gas reserves in the deep sea that can be worked optimally. It is also in line with the Indonesian government to prioritize national capacity, which currently only a few national companies who have competence in the field of marine seismic services and only a handful of Indonesian-flagged seismic vessel working in Indonesian sea.

In addition to the existing business, this year Elnusa also started to explore several new business opportunities, including the development of flare gas. One of the solutions and services that can be provided by Elnusa is the solution to process the flare gas into electricity using a gas engine generator set, fueled by gas flare. This is in line with the Indonesian government program to reduce gas emissions, the Zero Flaring program by Pertamina and addressing the challenges of oil and gas production cost efficiency.

In terms of financial performance, until the end of September 2016, Elnusa’s revenue declined by 3.7% to Rp2.5 trillion worth compared to the same period of the previous year which was worth Rp2.6 trillion. The

decline in net profit worth Rp178 billion is attributed to the decrease in operating profit were also burdened by the impact of foreign exchange loss worth Rp22 billion, where it is inversely proportional to the previous period. "However, achievement of positive performance is maintained in operating profit and EBITDA grew more than 13% as a result of the effectiveness and efficiency at the operational level", said Budi Rahardjo, Finance Director of Elnusa.

Budi added, "On the other hand, the strategy of slim and ideal by using partial debt repayment method to optimize balance sheet is visible to the long-term interest bearing debt and decreased by the end of September 2016 worth 89.2% to Rp40 billion to help Elnusa reduce the financial burden along the trimester of this year. "***

PT Elnusa Tbk (ELNUSA) company overview

Elnusa is an integrated energy services company, with core competencies in the upstream oil and gas which include seismic services (geoscience services: land, marine and transition zone as well as data processing), drilling services and maintenance of oil and gas fields (drilling and oilfield services). Elnusa has six subsidiary companies engaged in upstream oil and gas business, support services, logistic services and distribution of energy to provide excellent portfolio strategy. Elnusa is currently serving to the national and international oil companies, including Pertamina Group, Total E & P Indonesia, Chevron, and Vico Indonesia.

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