

General Announcement for PLC (v13)

Reference No. GA1-20092016-00055

SUBMITTED

Created by BUMI ARMADA BERHAD on 20 Sep 2016 at 5:24:15 PM

Submitted by BUMI ARMADA BERHAD on 21 Sep 2016 at 1:21:39 PM

COMPANY INFORMATION SECTION			
Announcement Type	<input checked="" type="radio"/> New Announcement <input type="radio"/> Amended Announcement		
Company Name	BUMI ARMADA BERHAD		
Stock Name	ARMADA		
Stock Code	5210		
Board	Main Market		

CONTACT DETAIL			
Contact Person	Designation	Contact No	Email Address
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MAIN	
Type	Reply to Query
Reply to Bursa Malaysia's Query Letter - Reference ID	IQL-19092016-00001
Subject	CLARIFICATION ON MEDIA ARTICLE
Reply To Query - Description	BUMI ARMADA BERHAD (Bumi Armada) - CLARIFICATION ON MEDIA ARTICLE
Content	<p>We refer to your Company's announcement dated 15 September 2016 in respect of the aforesaid matter.</p> <p>In this connection, kindly furnish Bursa Securities with the following additional information for public release:-</p> <ol style="list-style-type: none"> 1) The target sail-away date in accordance with the new key dates agreed with the charterers. 2) Circumstances leading to the payment of USD20 million as liquidated damages, and the date(s) and the terms of payment. 3) Salient terms and conditions of the amendments to the FPSO Contract scope. 4) The rationale and the terms of payment of the USD65 million. 5) The financial effects of the above payments of USD85 million on Bumi Armada Group. <p>Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.</p> <p>Yours faithfully,</p> <p>SUZALINA HARUN Senior Vice President, Issuers Listing Division, Regulation</p> <p>/WCY</p>

	c.c. : Market Surveillance Dept, Securities Commission Malaysia (via fax).						
Shareholder Approval	No						
Announcement Details/Table Section							
<p>We refer to Bursa Malaysia Securities Berhad's ("Bursa") Letter of Query dated 19 September 2016, in relation to Bumi Armada's announcement on 15 September 2016 regarding details of the concluded discussion between Bumi Armada with the charterers of the floating production, storage and offloading vessel ("FPSO") to be deployed at the Kraken Field at the United Kingdom Sector of the North Sea ("Field").</p> <p>We wish to clarify as follows:</p> <ol style="list-style-type: none"> 1. The revised sail-away date of the FPSO from the Keppel Conversion Yard is in October 2016. The FPSO is on track for sail-away by the revised sail-away date. 2. Bumi Armada has agreed to make payments of USD85 million to the charterers in conjunction with the mutual agreement between the parties with respect to the revised sail-away date and the revised date of production of first oil in the first half of 2017: USD20 million represents payment of liquidated damages pursuant to the FPSO contract, while the balance of USD65 million will be made by way of a partial reimbursement of the upfront amount previously paid by the charterers under the FPSO contract. 3. The aforesaid USD20 million payment was made on 14 September 2016. The USD65 million will be paid in instalments, with USD38 million payable between February 2017 and February 2018, and the balance payable on a quarterly basis over a two year period commencing three months after the date of production of first oil. 4. The salient terms of the amendments to the FPSO contract have been set out above. 5. Bumi Armada expects the Kraken project to contribute positively to its earnings over the charter period. The liquidated damages of USD20 million has been provided for in the accounts in the first half of 2016, and the reimbursement of USD65 million against the contract value of approximately USD1.4 billion, will be accounted for over the firm charter period of 8 years. <p>This announcement is dated 21 September 2016.</p>							
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