

Latina Offshore Holding Limited
Unaudited consolidated financial information
First quarter results 2018
(In thousands of US dollars)

Mexico City, 31 May 2018, Latina Offshore Holding Limited (the “Company”), a subsidiary of Constructora y Perforadora Latina, S.A. de C.V. (“Latina”), reports the unaudited consolidated financial results as of 31 March 2018.

The Company, through its subsidiaries, owns two (2) Jack-ups (La Santa Maria and La Covadonga, jointly referred to as the “Jack-ups”) and one (1) modular rig (Modular 01, referred to as the “Modular”). The Jack-ups and the Modular are indirectly leased to Pemex on long-term drilling and repairing contracts. La Santa Maria commenced operations on 15 February 2014, La Covadonga on 28 May 2014, and the Modular on 5 July 2016.

Latina has long-term drilling contracts that are expected to end as follows:

- La Santa Maria on 1 April 2023
- La Covadonga on 14 March 2023
- Modular on 8 September 2020

Today all these assets are working to repair and drilling holes in the Gulf of Mexico, La Santa Maria in Abkatun Pol Chuc, and La Covadonga and Modular in Litoral Tabasco.

1. Contracts with PEMEX

The Company is still in talks with Pemex about the early termination clause by decision of Pemex, we hope to modify it as soon as possible.

2. Restructuring bonds

The Company is in talks with the bondholder group about the conditions of the restructuring regarding the \$306,250 bond which matures on 3 July 2018.

3. Operations Highlights

	Q1 2018	Q1 2017	FY 2017
Revenue	\$16,389	\$12,690	\$58,313
EBITDA	\$15,456	\$11,979	\$55,390
Interest expenses	\$8,468	\$8,324	\$34,035
Total debt	\$355,750	\$356,250	\$356,250

	Santa Maria		Covadonga		Modular	
	Efficiency					
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q1 2018	100%	100%	100%	99.95%	100%	99.91%
Q1 2017	99.64%	99.26%	97.97%	97.65%	98.91%	98.71%
FY2017	99.91%	99.81%	99.53%	99.32%	99.54%	99.19%

Revenue

The revenue for Q1 2018 was \$16,389, 29% more than Q1, 2017 as a consequence of the increased of the daily rate in Santa Maria, all of which was received under the bareboat charter contracts between La Santa Maria Limited, La Covadonga Limited, and Latina Modular 01 Limited (indirect subsidiaries of the Company) and Latina.

The bareboat charters were as follows:

	Q1 2018 bareboat rate	Q1 2018 revenues	Q1 2017 bareboat rate	Q1 2017 revenues
La Santa María	\$77.51	\$6,976	\$35	\$3,150
La Covadonga	\$77.51	\$6,976	\$76	\$6,840
Modular	\$27.07	\$2,437	\$30	\$2,700

	YTD 2018 bareboat rate	YTD 2018 (revenues)	FY 2017 bareboat rate	FY 2017 (revenues)
La Santa María	\$77.51	\$6,976	\$57.85	\$21,117
La Covadonga	\$77.51	\$6,976	\$72.90	\$26,611
Modular	\$27.07	\$2,437	\$29.00	\$10,585

EBITDA

The EBITDA for Q1, 2018 was \$15,456, 29% more than Q1, 2017. This corresponds to a percentage of accumulated revenue equal to 94.30%, similar to Q1, 2017.

4. Invoice and factoring

As of 31 March 2018 up to today, Latina's account receivables are as follows:

	Jack-ups- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2017	\$22,497	\$ 3,600	\$ 26,097	\$ -	\$ -	\$ -
Invoice in Q1 2018	19,023	3,044	22,067	-	-	-
Collection in Q1 2018	(22,497)	(3,600)	(26,097)	-	-	-
Balance as of 31 March 2018	19,023	3,044	22,067	-	-	-
Invoice in Q2 2018	13,579	2,173	15,751	-	-	-
Collection in Q2 2018	(12,791)	(2,046)	(14,837)	-	-	-
Balance as of today	\$19,811	\$ 3,170	\$ 22,981	\$ -	\$ -	\$ -

	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2017	\$ 3,236	\$ 517	\$ 3,753	\$ 422	\$ 68	\$ 490
Invoice in Q1 2018	-	-	-	4,311	690	5,001
Collection in Q1 2018	(3,235)	(518)	(3,753)	(422)	(68)	(490)
Balance as of 31 March 2018	0	0	0	4,311	690	5,001
Invoice in Q2 2018	3,184	509	3,694	-	-	-
Collection in Q2 2018	-	-	-	(2,849)	(456)	(3,305)
Balance as of today	\$ 3,184	\$ 509	\$ 3,694	\$ 1,462	\$ 234	\$ 1,695

The account receivables are paid 90 days after issuing the invoices.

The invoices factored have been made without any form of recourse.

5. Latina's pro-forma consolidated income statement

The following consolidated income statements are included only for additional information, reflecting the business offshore as a project.

For the three months ended March 31, 2018 and 2017

(In thousands of US dollars)

	Q1 2018			Q1 2017		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	19,457	4,574	24,031	16,271	4,650	20,921
Operating expenses:						
Operating cost and expenses	5,392	2,187	7,579	4,407	1,954	6,361
Other expenses (incomes), net	(38)	(6)	(44)	466	30	496
Corporate expenses	1,350	270	1,620	1,350	270	1,620
Depreciation	9,384	2,804	12,188	9,204	2,671	11,875
Total operating expenses	16,088	5,255	21,343	15,427	4,925	20,352
Operating results	3,369	(681)	2,688	844	(275)	569
EBITDA	12,753	2,123	14,876	10,048	2,396	12,444

	YTD 2018			FY 2017		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	19,457	4,574	24,031	72,949	19,042	91,991
Operating expenses:						
Operating cost and expenses	5,392	2,187	7,579	20,721	8,660	29,381
Other expenses (incomes), net	(38)	(6)	(44)	131	(144)	(13)
Corporate expenses	1,350	270	1,620	5,475	1,095	6,570
Depreciation	9,384	2,804	12,188	37,046	10,872	47,918
Total operating expenses	16,088	5,255	21,343	63,373	20,483	83,856
Operating results	3,369	(681)	2,688	9,576	(1,441)	8,135
EBITDA	12,753	2,123	14,876	46,622	9,431	56,053