

Dear Investors,

Thank you very much for the questions and the opportunities to clarify them.

We hope you have a better understanding of our business through this online exchange.

Your questions are reposted in *blue* followed by our replies in black.

Regards,

The Management Team  
ASL Marine Holdings Ltd.

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Dear Ong Chang Qi, you wrote:

*Congratulations for yet another outstanding performance. I have a few questions*

*1) Charter rates for the dry bulk industry can be monitored by the movements of the Baltic Dry Index. Is there any index which we can monitor the likely charter rates of ASL's chartering businesses? Secondly, are the contracts secured by ASL's chartering business short term contracts or long term contracts with fixed rates/embedded options to adjust rates according to the oil prices?*

There is no index that can monitor the likely charter rates of the Group's chartering business. The Group's chartering division operates a fleet of more than 170 tugs, Anchor Handling Tugs and barges servicing customers from various industries, including offshore oil & gas, marine infrastructure, dredging, land reclamation, marine construction and cargoes transportation. This diversified strategy will cushion the Group against any downturn in a particular sector, as ASL Marine has the flexibility and versatility to re-deploy its vessels.

The Group's chartering contracts comprised of both short term and longer term contracts. For contract of affreightment charter of longer contracted terms, the charter contracts generally include options for rate adjustment in accordance with increase in fuel costs.

*2) In general, what is the repayment period of the long term interest-bearing liabilities? Are the rates fixed or variable? S\$ denominated or US\$?*

The Group's long term interest-bearing liabilities comprised mostly loans and borrowings in fixed rates of 5 to 6 years tenor. For borrowings in variable rates, the Group minimizes its exposure to interest rate fluctuations through interest rate swaps, where appropriate, over the duration of its borrowings.

The Group's long term interest-bearing liabilities comprised mostly Singapore dollars' loans and borrowings. For borrowings in foreign currencies, the Group mitigates the effect of exposure in currency fluctuations by using foreign exchange forward contracts to hedge against foreign currency risk over the duration of its borrowings.

*3) Now that ASL is sailing into good seas and calm winds, any chance the gradually maturing Company will review its dividend policy to give more returns to loyal shareholders?*

The Group constantly reviews its dividend policy. The amount of dividend will be depending on the Group's performance and foreseeable funding requirement in future years. Depending on the Group's full year performance for FY2008, barring unforeseen circumstances the Group intends to declare higher dividend amount for FY2008 in tandem with the improvement in the Group's performance as compared to FY2007.

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Dear Panagiotis Grigoriou, you wrote:

*Congratulations on great operating performance. Now what can we do to unlock the value for investors? higher dividend? At these prices maybe take the company private?*

The Group is currently focusing on expanding its core businesses in shipbuilding, shiprepair and shipchartering and we will continue to work hard to generate value for our shareholders. Kindly refer to our reply to question 3 raised by Mr Ong Chang Qi regarding the Group's dividend policy. There are many complex factors affecting movement in share price and the management is in no position to comment on your question on privatization as it will be for shareholders to evaluate and decide upon.

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Dear KM Gan, you wrote:

*Firstly, congratulation yet again for the strong set of result!*

*1. Pls. help to provide the breakdown in percentage term for ASL customers by geographical regions across the three business segments?*

In terms of the Group's 1HFY2008 revenue of \$193.4 million, the breakdown in percentage terms for the Group's customers by geographical regions\* is as follows:

Europe and United States	54%
Singapore	30%
Rest of Asia	8%
Other countries	8%

\* The revenue by geographical regions is based on the countries in which customers are being invoiced to.

*2. With 53% of the existing ship building contracts denominated in US\$ and with the rising steel price, will there be any significant impact to the profit margin even though the hedging via forward contracts is already in place?*

For shipbuilding contracts denominated in foreign currencies, the Group enters into "plain vanilla" forward contracts to hedge against exposures in foreign currency fluctuations so that there will not be significant impact to the profit margin.

Overall there are many factors affecting our shipbuilding profit margin, these include rising raw material costs such as steel and fuel. In the immediate terms, the increase in raw material costs is mitigated through inventories purchased. In the medium to longer term, such increases in costs will be passed on to the customers.

*3. Are all the existing interest bearing liabilities charged at a fixed or floating interest rate? Going forward, does the management expect the interest payment for those liabilities to come down significantly with the downward slide of the interest rate?*

Kindly refer to our reply to question 2 raised by Mr Ong Chang Qi regarding the Group's long term interest bearing liabilities.

The downward slide of the interest rate is not expected to have significant impact to the Group's existing long term interest-bearing liabilities as they comprised mostly loans and borrowings in fixed rates. However, the Group will be benefiting from the downward slide of interest rate in terms of lower interest cost for future borrowings.

*4. Is there any expression of interests by third parties to acquire part or all shares of ASL?*

Management is not aware of any expression of interest by third parties to acquire part or all shares of ASL.

*5. With the current challenges in the market and based on the existing opportunities in the pipeline, does the management foresee any further upside in securing new shipbuilding contracts in the next 2-3 quarters?*

The Group has received on going enquiries on new shipbuilding contracts. Appropriate announcement on new shipbuilding contracts secured will be made by the Group via SGXNET as and when the contracts are confirmed and signed.

*6. What are the expected revenue contributions from Guangdong shipyard that might have been forecasted by management for FY08 and FY09?*

The Group's 60% subsidiary in Guangdong China, Jiangmen Hongda Shipyard Ltd had commenced operations in May 2007 with the building of barges. Being a new set-up, the shipyard in Guangdong is not expected to contribute significantly to the Group's revenue for FY2008 and FY2009.

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Dear Investors,

Thank you for all your questions and the interest in ASL Marine Holdings Ltd. We have come to the end of this Q&A session.

We have enjoyed and learnt much from your questions and we hope that you have a better insight of our Company and know more about our operations.

Regards,

The Management Team  
ASL Marine Holdings Ltd.