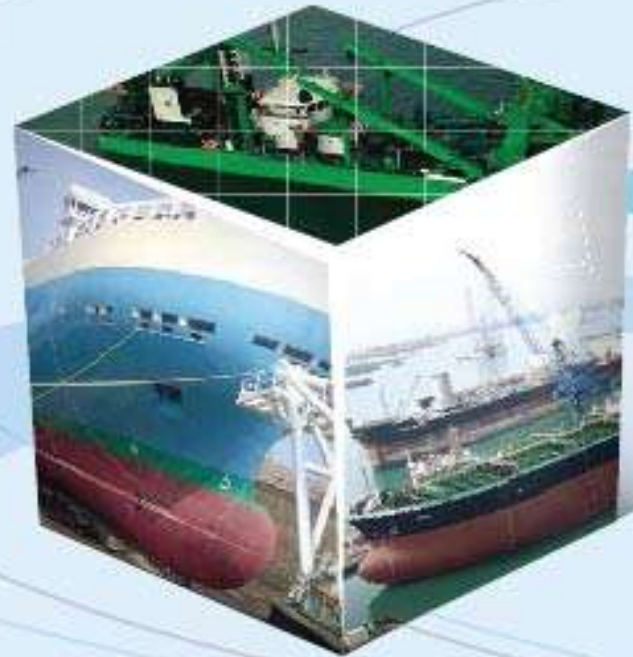




ASL MARINE

Corporate Presentation

FY2012



Presentation Outline



- **Group Overview**
- **FY2012 Financial Review**
(12 months ended 30 June 2012)
- **Operation Review**
- **Business Outlook**



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Group Overview

Company Profile



- **Core businesses:-**

- Shipbuilding
- Shiprepair and Conversion
- Shipchartering

- **Shipbuilding and Shiprepair & Conversion**

- 4 shipyards: 1 in Singapore (4 hectare), 2 in Batam, Indonesia (30 and 16 hectare) and 1 in Guangdong, China (8 hectare)
- Batam yard: 3 graving dry docks (300,000 dwt, 60,000 dwt and 20,000 dwt)
- The big dock is currently one of the largest dry docks in Batam capable of accommodating larger vessels (like Capesize Bulk Carriers, Long Range Product Tankers, Containerships, Heavy-lift Ships, FSO and FPSO)



Company Profile



- **Shipbuilding and Shiprepair & Conversion (cont.)**

- Builds a variety of vessels, specialises in building:

- i) Offshore Support Vessels

- (Heavy-Lift cum Pipelay Vessel, Subsea Operation Vessel, AHTS, PSV, Offshore Maintenance/Accommodation Vessel, Rescue and Standby Vessel)

- ii) Construction Vessels and Dredgers

- (Cutter Suction Dredger and Water Injection Dredger)

- iii) Tugs (Rotor Tugs and Azimuth Stern Drive Tugs)

- iv) Barges (Accommodation, Pipe laying and Work)



Company Profile



- **Shipchartering**

- Fleet size at 30 June 2012: 188 vessels
- Mainly barges, towing tugs, AHT, AHTS, ROV Support Vessel and chemical tankers
- Vessels on time or bareboat charter to following industries:
 - i) Offshore Oil and Gas
 - ii) Marine Infrastructure
 - iii) Dredging, Land Reclamation and Marine Construction Works
 - iv) Transportation of Cargoes e.g. coal, aggregates, heavy equipment



Company Profile



- **Shipchartering (cont.)**

- Out of the 188 vessels in the fleet, 32 vessels are on long-term charters
- Of the 188 vessels, 35 vessels are deployed in Singapore, 48 vessels in Indonesia, 38 in Malaysia and 19 in Australia
- Details on the fleet and type of vessels are highlighted below:

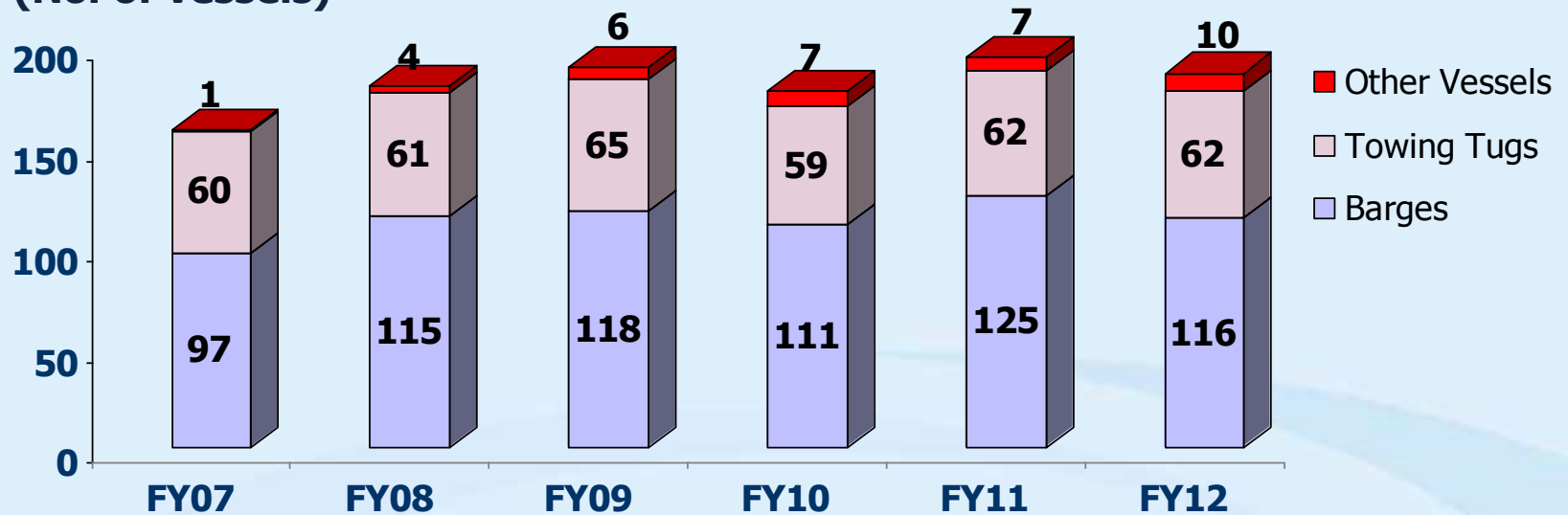
Type of Vessels	No. of Vessels	Avg. Age of Vessels
Barges	116	6
Towing Tugs	62	7
AHT	5	3
AHTS	2	1
ROV Support Vessel	1	1
Chemical Tankers	2	2



Company Profile



- Shipchartering (cont.)**
(No. of vessels)



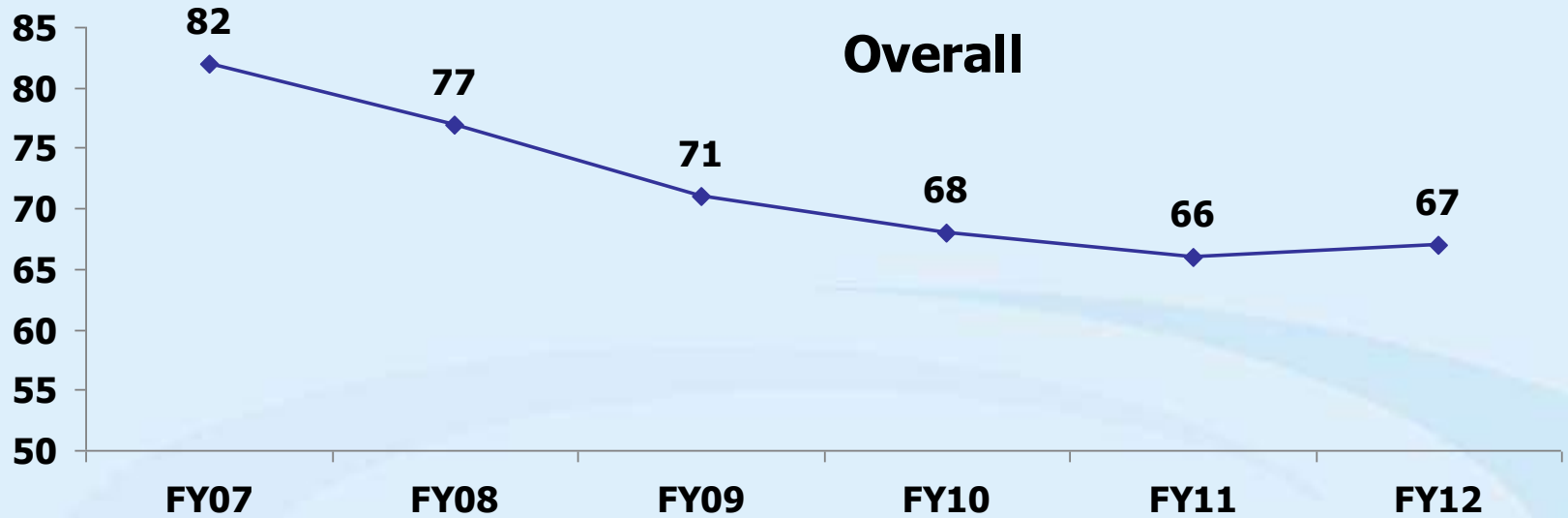
	FY07	FY08	FY09	FY10	FY11	FY12
AHT	1	4	4	4	3	5
AHTS					2	2
Chemical Tanker			1	2	2	2
ROV Support Vessel						1
Straight Supply Vessel			1	1		
Total of Other Vessels	1	4	6	7	7	10

Company Profile



- Shipchartering (cont.)

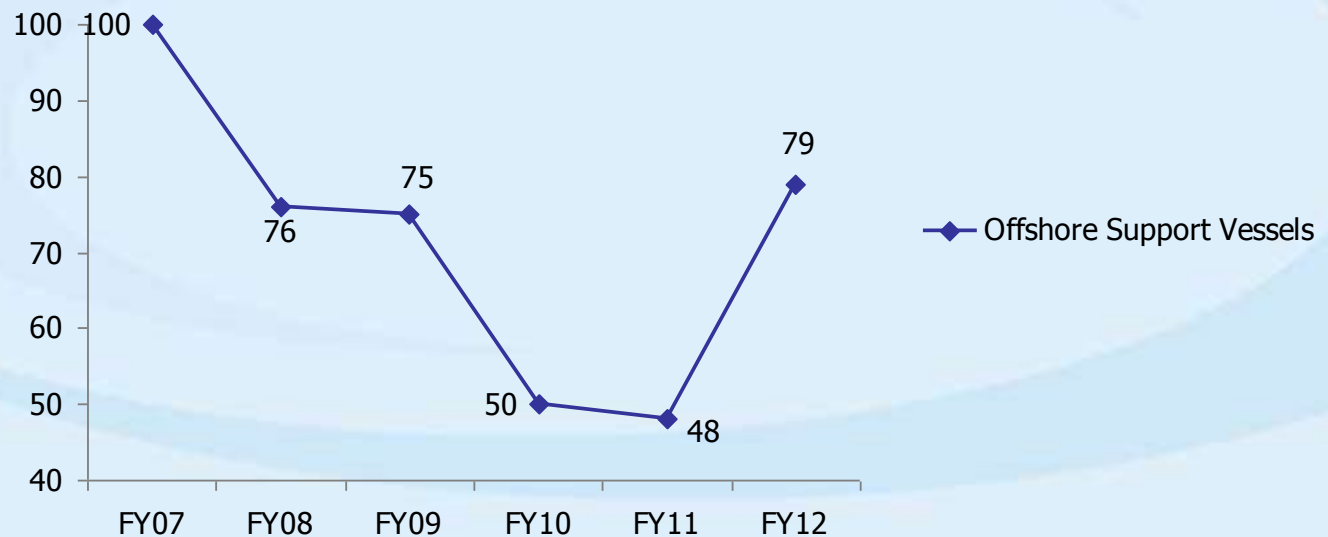
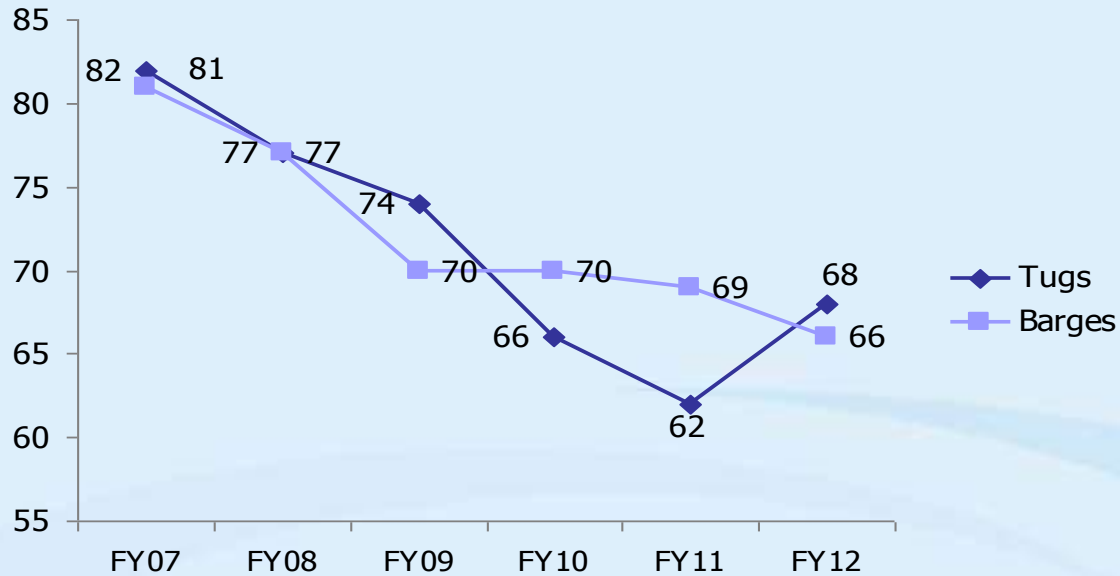
Vessel Utilisation (%)



Company Profile



- **Shipchartering (cont.)**
Vessel Utilisation (%)



The logo for ASL Marine features the letters 'ASL' in a bold, blue, sans-serif font, with a red swoosh above the 'S'. Below this, the words 'ASL MARINE' are written in a larger, bold, blue, sans-serif font. Underneath that, the words 'Financial Review' are written in a smaller, bold, blue, sans-serif font. The entire logo is set against a light blue, oval-shaped background.

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Financial Review



Results Snapshot



	4Q FY12 (S\$m)	4Q FY11 (S\$m)	chg %	FY2012 (S\$m)	FY2011 (S\$m)	chg %
Revenue	117.0	92.6	26.3	391.2	363.2	7.7
Gross Profit	18.0	13.6	31.5	56.9	49.6	14.7
Gross Profit Margin	15.3%	14.7%	-	14.5%	13.7%	-
Net Profit Attributable to Shareholders	8.3	5.8	42.3	32.3	31.9	1.3
Net Profit Margin	7.1%	6.3%	-	8.3%	8.8%	-
EBITDA	20.1	20.0	0.6	83.7	83.5	0.3
Basic EPS (cents)	1.98¹	1.39¹	42.4	7.71¹	7.61²	1.3

Based on weighted average of

¹ 419,511,294 shares in issue for 4Q FY11, 4Q FY12 & FY2012

² 419,482,630 shares in issue for FY2011

Business Operations Snapshot (Revenue and Gross Profit Margin)



Business Segments	4Q FY12		4Q FY11		FY2012		FY2011	
	Revenue (S\$m)	GPM	Revenue (S\$m)	GPM	Revenue (S\$m)	GPM	Revenue (S\$m)	GPM
Shipbuilding	56.1	11.1%	57.5	8.5%	224.0	10.6%	215.7	8.2%
Shiprepair and Conversion	38.5	12.8%	17.4	23.7%	89.1	16.0%	81.9	19.7%
Shipchartering	22.4	30.4%	17.7	26.1%	78.1	24.2%	65.6	23.9%
Total	117.0	15.3%	92.6	14.7%	391.2	14.5%	363.2	13.7%

Shipbuilding



	4Q FY12 (S\$m)	4Q FY11 (S\$m)	chg %	FY2012 (S\$m)	FY2011 (S\$m)	chg %
Offshore Support Vessels	34,478	9,955	246.3	108,797	38,077	185.7
Dredgers	2,333	29,410	(92.1)	41,524	99,138	(58.1)
Tugs	9,799	16,085	(39.1)	46,904	52,527	(10.7)
Barges	9,470	2,088	353.5	26,760	25,941	3.2
Total	56,080	57,538	(2.5)	223,985	215,683	3.8



Shipbuilding



- Revenue from the shipbuilding business increased 3.8% y-o-y to S\$224.0 million in FY2012 mainly due to a higher project value order book and greater percentage of completion as revenue is recognised on percentage of completion basis
- FY2012 gross profit increased 33.2% to S\$23.7 million with higher gross margin at 10.6% (FY2011: 8.2%) due to progressive recognition of higher value projects and better project management which resultant in fewer cost over-run



Shiprepair and Conversion



	4Q FY12 (S\$m)	4Q FY11 (S\$m)	chg %	FY2012 (S\$m)	FY2011 (S\$m)	chg %
Shiprepair	11,855	17,179	(31.0)	56,447	79,353	(28.9)
Conversion	26,347	-	100.0	31,480	980	3,112.2
Other marine related services	262	222	18.0	1,159	1,567	(26.0)
Total	38,464	17,401	121.0	89,086	81,900	8.8



Shiprepair and Conversion



- Revenue from shiprepair and conversion business improved 8.8% y-o-y to S\$89.1 million in FY2012 mainly attributed to the completion of a major ship conversion project for a Floating Production and/or Storage and Offloading vessel (FPSO) in 4Q FY12
- Gross profit declined by 11.7% y-o-y to S\$14.3 million in FY2012 while gross profit margin reduced from 19.7% to 16.0% as provision for higher subcontractors' costs was made on the FPSO conversion project



Shipchartering



	4Q FY12 (S\$m)	4Q FY11 (S\$m)	chg %	FY2012 (S\$m)	FY2011 (S\$m)	chg %
Spot charter	14,677	14,987	(2.1)	54,257	55,779	(2.7)
Long-term charter	6,469	1,623	298.6	19,178	6,877	178.9
Total charter	21,146	16,610	27.3	73,435	62,656	17.2
Trade sales	1,060	934	13.5	3,769	2,284	65.0
Rental income	224	143	56.6	947	628	50.8
Total	22,430	17,687	26.8	78,151	65,568	19.2



Shipchartering



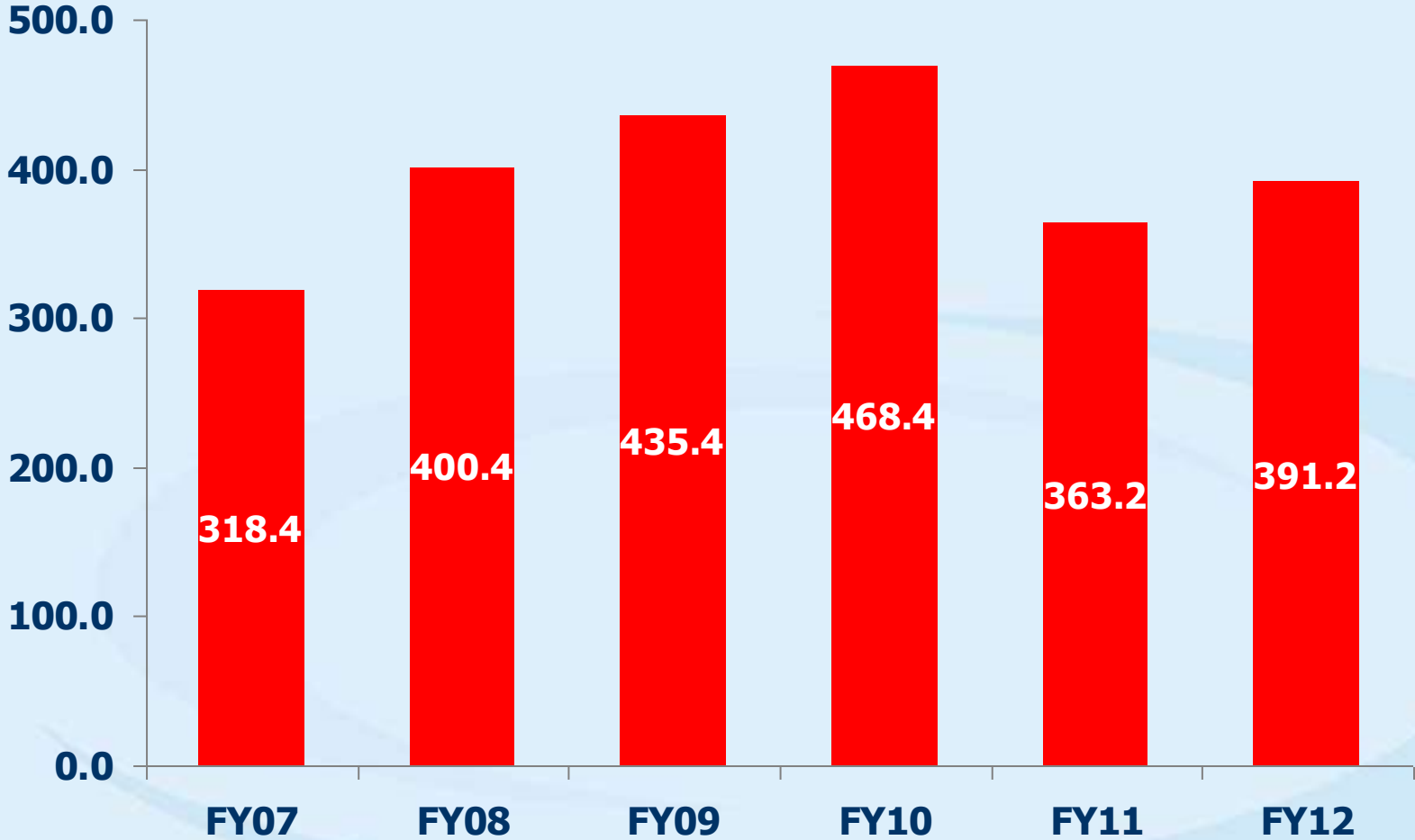
- Revenue for FY2012 rose 19.2% to S\$78.2m due to:
 - additional charter income from operation of AHTS (acquired in 4Q FY11) and ROV Support Vessel (acquired in 1Q FY12);
 - improved utilisation rates from charter of tugs and chemical tankers; partially offset by
 - absence of charter income from Straight Supply Vessel which was transferred to assets held for sale in 4Q FY11 and subsequently sold in 1Q FY12
- In line with the increase in revenue, gross profit increased by S\$3.3m (20.8%) to S\$18.9m and gross profit margin lifted to 24.2% in FY2012 (FY2011: 23.9%)



Revenue Trend



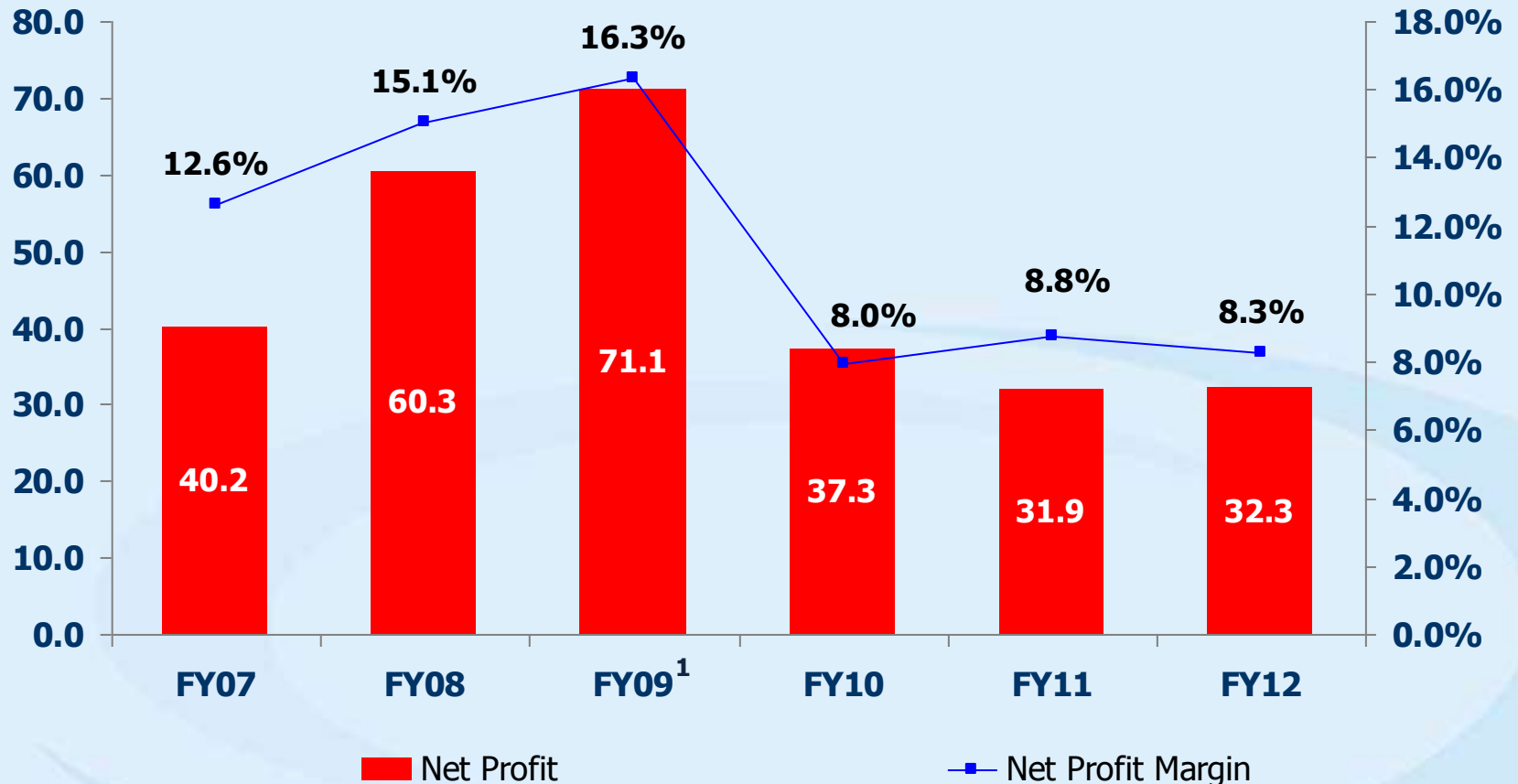
(S\$m)



Profit Trend



(S\$m)



¹ The Group's net profit for FY09 of S\$71.1 million included a one-off gain of S\$12.2 million relating to divestment of ASL Energy Pte Ltd

Balance Sheets



	FY2012 (S\$m)	FY2011 (S\$m)	chg %
Non-current Assets	514.2	498.1	3.2
Currents Assets	340.0	280.8	21.0
Total Assets	854.2	778.9	9.7
Current Liabilities	308.2	267.8	15.1
Non-current Liabilities	182.6	165.9	10.1
Total Liabilities	490.8	433.7	13.2
Total Equity	363.4	345.2	5.3
Property, Plant and Equipment	509.0	493.3	3.2
Bank Balances, Deposits and Cash	95.5	49.5	92.7
Total Borrowings	285.2	258.8	10.2

Financial Ratios



	FY2012	FY2011
Return on Equity	8.9%	9.2%
Return on Total Assets	3.8%	4.1%

As at	30 Jun 12	30 Jun 11
Net Asset Value per Share¹ (cents)	84.42	80.05
Gearing Ratio	0.81	0.77
Net Gearing Ratio	0.54	0.62

¹Based on total number of issued shares of 419,511,294 as at 30 June 2012 and as at 30 June 2011



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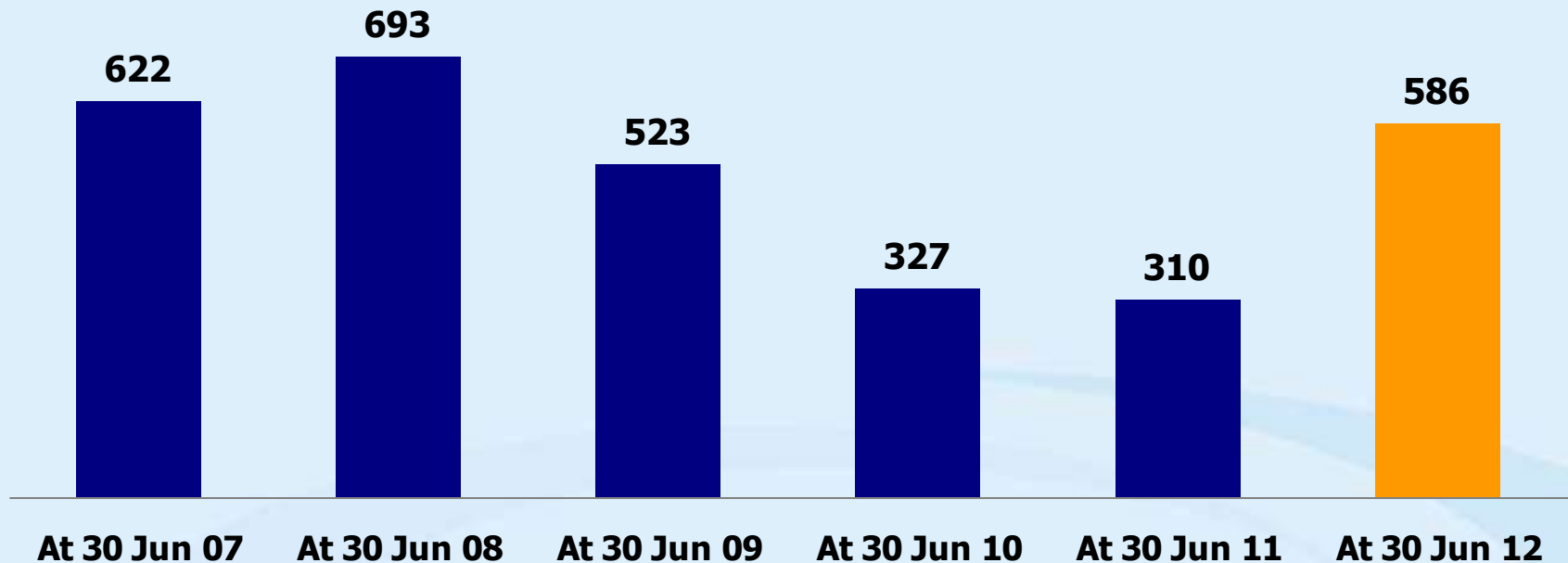
Operation Overview



Shipbuilding Order Book



(S\$m)



- Sustains order-winning momentum that sees shipbuilding orders secured in FY2012 rising to total of S\$454.5 million
- Total outstanding order book of S\$586 million comprised 38 vessels and of which approximately 53% is expected to be recognised in FY2013

Shipbuilding Order Book



		FY2013		After FY2013		Total	
Type of Vessels	Units	S\$m	%	S\$m	%	S\$m	%
Offshore Support Vessels ¹	16	198	34	126	21	324	55
Tugs ²	8	60	10	37	6	97	16
Dredgers	1	48	8	111	20	159	28
Barges & other Vessels	13	6	1	-	-	6	1
Total	38	312	53	274	47	586	100

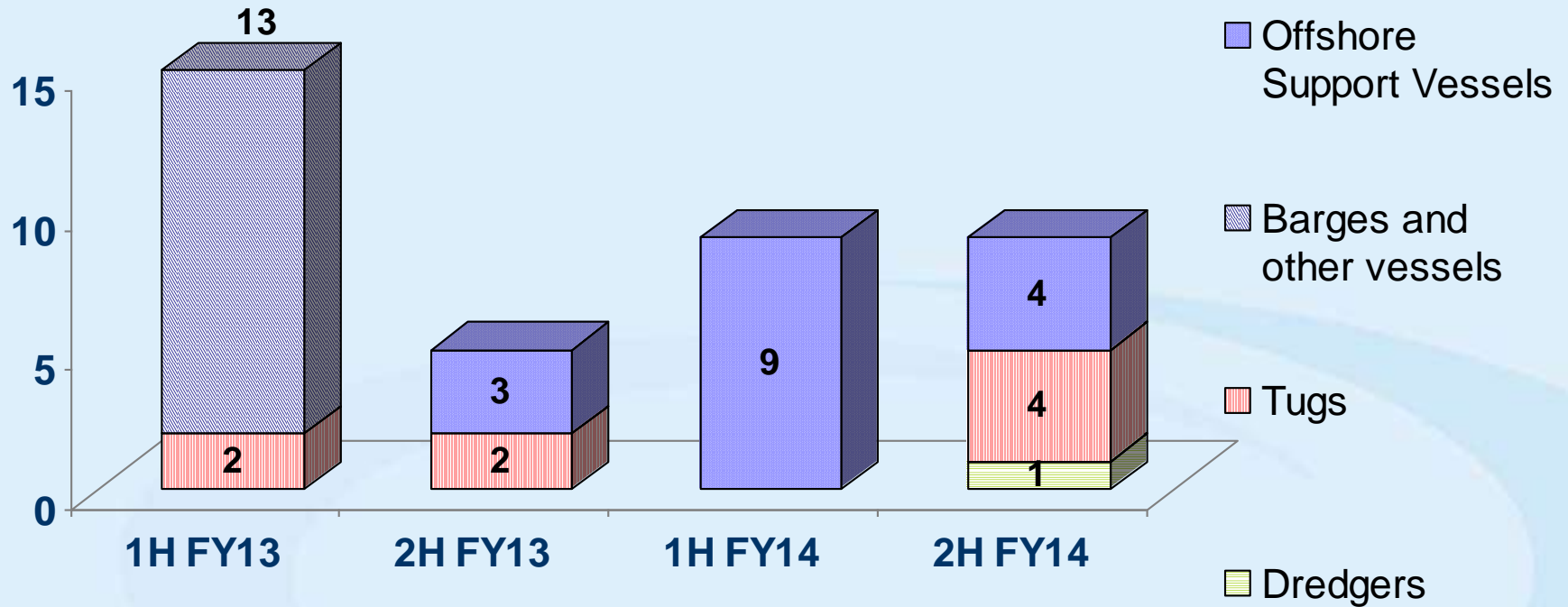
¹ Offtake Support & Supply Vessel, AHTS, Emergency Response & Rescue Vessels and Platform Supply Vessels

² Rotor Tugs and Diesel Electric Hybrid ASD Tugs

Vessel Delivery Schedule



(No. of vessels)





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Business Outlook

Business Outlook



Overall

- Although oil prices have eased and the global economy appears to be slowing on the back of slower growth in China, negative business sentiment in Europe and what appears to be a shaky US recovery, the short term effect on offshore oil and gas activity appears muted
- Increased activities in the sale-and-purchase of Offshore Support Vessels, in particular the smaller Platform Support Vessels (“PSV”) and larger AHTS vessels, whilst the traditional shipping markets, such as bulk and containers continue to suffer
- Expect continued demand for offshore production vessels from the continued investment by oil companies in deepwater exploration and production activities

Shipbuilding

- Moving towards oil & gas industry
- Focus on building OSV such as AHTS, PSV, DSV & offshore construction vessels (such as crane barge, accommodation vessel, pipe-lay barge, etc.)

Shiprepair and Conversion

- Improving competitiveness, customer service and turnaround time will continue to be our key focal point
- Concentrate our effort in getting more conversion, major repair and refurbishment jobs for FSO, FPSO and oil rigs
- Developing our capability in offshore fabrication works e.g. turret, top side modules, accommodation modules, jacket, etc
- Expects to remain robust and target more of higher value oil and gas related repair and conversion jobs for more complex offshore vessels

Shipchartering

- Maximising deployment, enhancing and renewing our fleet to better meet customers' needs
- Giving our attention to terminal operation, marine transportation and offshore support
- Areas of operations – Singapore, Indonesia, Malaysia & Australia
- As at 30 June 2012, the Group had an outstanding order book of approximately \$59 million with respect to long-term shipchartering contracts
- Received a notice from an existing customer to exercise their option to purchase the ROV Support Vessel that has been chartered on long-term contract since September 2011. Excluding this vessel, the outstanding order book will be lower and approximately S\$58 million

Business Outlook



Capital Expenditure

- Total capex of S\$67 million in FY2012 comprised mainly:

	S\$'m
Vessels	22
Assets under construction for yard infrastructure and vessels	34
Plant and machinery	10

- Shipchartering operations have an outstanding delivery order for 30 new vessels worth approximately S\$133 million comprising :

Shipchartering outstanding delivery orders	Unit
Barges	17
Tugs	8
AHTS	2
ROV Support Vessel	1
Landing crafts	2
Total	30

Share Price Information



As at	13 Aug 12	15 Aug 11
Share Price (S\$)	0.58	0.51
Price Earnings Ratio	7.52	6.70
Price / Net Asset Value per Share	0.69	0.64
Market Capitalization (S\$m)	243.3	214.0



Source: Bloomberg

ASL vs Indices



**ASL's share price versus STI and FTSE Straits Times Oil & Gas Index (FSTOG)
(for 15 Aug 2011 to 13 Aug 2012 – normalised graph based on %)**

