UNAUDITED QUARTERLY FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 31 MARCH 2013

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Income Statement

	Group					
	3 months ended 31 March			9 months ended 31 March		
	3Q FY2013	3Q FY2012	Inc/ (Dec)	9M FY2013	9M FY2012	Inc/ (Dec)
	$'000	$'000	%	$'000	$'000	%
Total revenue	**144,029**	**113,785**	**26.6**	**315,980**	**274,248**	**15.2**
Cost of sales	(125,235)	(97,810)	28.0	(255,701)	(235,326)	8.7
Gross profit	**18,794**	**15,975**	**17.6**	**60,279**	**38,922**	**54.9**
Other operating income	3,074	2,807	9.5	2,675	8,284	(67.7)
Administrative expenses	(8,289)	(2,096)	295.5	(14,801)	(7,520)	96.8
Other operating expenses	(40)	(6,195)	(99.4)	(7,502)	(4,302)	74.4
Finance costs	(2,663)	(2,617)	1.8	(7,668)	(7,942)	(3.5)
Share of results of jointly-controlled entity and associates	441	202	118.3	(234)	209	Nm
Profit before tax	**11,317**	**8,076**	**40.1**	**32,749**	**27,651**	**18.4**
Tax expense						
- current period	(1,442)	(58)	2,386.2	(4,445)	(3,149)	41.2
- over/ (under) provision for prior years	54	(270)	Nm	1,389	1	Nm
Profit for the period	**9,929**	**7,748**	**28.1**	**29,693**	**24,503**	**21.2**
Attributable to:						
Owners of the Company	**9,622**	**7,955**	**21.0**	**30,061**	**24,039**	**25.1**
Non-controlling interests	307	(207)	Nm	(368)	464	Nm
	9,929	**7,748**	**28.1**	**29,693**	**24,503**	**21.2**

Nm: Not meaningful

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Comprehensive Income

	Group					
	3 months ended 31 March			9 months ended 31 March		
	3Q FY2013	3Q FY2012	Inc/ (Dec)	9M FY2013	9M FY2012	Inc/ (Dec)
	$'000	$'000	%	$'000	$'000	%
Profit for the period	**9,929**	**7,748**	**28.1**	**29,693**	**24,503**	**21.2**
Translation differences relating to financial statements of foreign subsidiaries, net of tax	806	(1,889)	Nm	(1,441)	414	Nm
Share of other comprehensive income of jointly-controlled entity and associates	14	(35)	Nm	(30)	33	Nm
Net fair value changes to cash flow hedges	(1,645)	6,049	Nm	7,473	(3,953)	Nm
Other comprehensive income for the period, net of tax	**(825)**	**4,125**	**Nm**	**6,002**	**(3,506)**	**Nm**
Total comprehensive income for the period	**9,104**	**11,873**	**(23.3)**	**35,695**	**20,997**	**70.0**
Attributable to:						
Owners of the Company	**8,682**	**12,436**	**(30.2)**	**36,387**	**20,627**	**76.4**
Non-controlling interests	422	(563)	Nm	(692)	370	Nm
	9,104	**11,873**	**(23.3)**	**35,695**	**20,997**	**70.0**

Nm: Not meaningful

1(a)(ii) Net profit for the period was stated after crediting/ (charging):-

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2013	3Q FY2012	9M FY2013	9M FY2012
	$'000	$'000	$'000	$'000
Allowance for impairment of doubtful trade receivables	(267)	(2,288)	(5,103)	(2,566)
Allowance for impairment of doubtful non-trade receivables	-	(280)	-	(280)
Allowance for impairment of doubtful trade receivables written back	1,002	79	1,021	82
Amortisation of lease prepayments	(65)	(52)	(190)	(155)
Bad debts written off (trade)	-	-	(20)	(40)
Changes in fair value of short term investment	7	-	32	-
Depreciation of property, plant and equipment	(10,441)	(8,859)	(27,770)	(28,145)
Gain on disposal of assets held for sale	-	1,229	496	3,148
Gain on disposal of property, plant and equipment	354	1,481	1,109	3,173
Gain/ (Loss) on foreign exchange (net)*	1,620	(3,702)	(3,348)	(907)
* inclusive of gain on ineffective portion of cash flow hedges on forward currency contracts and interest rate swaps	56	202	211	243
Impairment loss on property, plant and equipment	-	-	-	(424)
Interest income	74	29	262	95
Property, plant and equipment written off	(40)	(4)	(52)	(167)
Over/ (Under)provision of tax in respect of prior years				
- current tax expense	54	-	(161)	271
- deferred tax expense	-	(270)	1,550	(270)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31-Mar-13 $'000	**30-Jun-12 $'000**	**31-Mar-13 $'000**	**30-Jun-12 $'000**
Non-current assets				
Property, plant and equipment	545,947	508,968	-	-
Lease prepayments	5,026	3,827	-	-
Subsidiaries	-	-	69,555	69,505
Interest in jointly-controlled entity and associates	1,201	1,450	-	-
Provisional goodwill	19,778	-	-	-
	571,952	**514,245**	**69,555**	**69,505**
Current assets				
Inventories	21,746	10,851	-	-
Assets held for sale	-	354	-	-
Short term investment	5,032	-	5,032	-
Construction work-in-progress	195,315	85,936	-	-
Trade and other receivables	186,323	147,352	195,815	159,362
Derivative financial instruments	1,130	-	-	-
Bank balances, deposits and cash	162,217	95,461	49,534	1,928
	571,763	**339,954**	**250,381**	**161,290**
Current liabilities				
Trade and other payables	188,133	152,644	47,552	38,001
Progress billings in excess of construction work-in-progress	30,576	29,306	-	-
Trust receipts	81,739	34,372	-	-
Interest-bearing loans and borrowings	204,647	76,219	71,450	21,450
Derivative financial instruments	724	8,733	104	272
Current tax liabilities	5,521	6,902	31	-
	511,340	**308,176**	**119,137**	**59,723**
Net current assets	**60,423**	**31,778**	**131,244**	**101,567**
Non-current liabilities				
Other liabilities	1,575	-	-	-
Interest-bearing loans and borrowings	231,327	174,651	100,000	71,450
Deferred tax liabilities	7,734	7,986	-	-
	240,636	**182,637**	**100,000**	**71,450**
Net assets	**391,739**	**363,386**	**100,799**	**99,622**
Share capital	83,092	83,092	83,092	83,092
Treasury shares	(923)	(923)	(923)	(923)
Reserves	301,017	271,972	18,630	17,453
	383,186	**354,141**	**100,799**	**99,622**
Non-controlling interests	8,553	9,245	-	-
Total equity	**391,739**	**363,386**	**100,799**	**99,622**

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.

	Group			
	As at 31-Mar-13		As at 30-Jun-12	
	Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
Amount repayable in one year or less, or on demand	174,883	111,503	47,607	62,984
Amount repayable after one year	130,997	100,330	102,520	72,131
	305,880	**211,833**	**150,127**	**135,115**

Details of any collateral

The Group's secured borrowings comprised term loans and finance leases which are secured by way of:

- Corporate guarantees from the Company and certain subsidiaries
- Legal mortgages of certain leasehold properties of subsidiaries
- Legal mortgages over certain vessels, plant and equipment of subsidiaries
- Assignment of charter income and insurance of certain vessels of subsidiaries

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2013 $'000	3Q FY2012 $'000	9M FY2013 $'000	9M FY2012 $'000
Cash flows from operating activities				
Profit before tax	11,317	8,076	32,749	27,651
Adjustments for:				
Amortisation of lease prepayments	65	52	190	155
(Write-back of)/ Allowance for impairment of doubtful receivables (net)	(735)	2,489	4,082	2,764
Bad debts written off (trade)	-	-	20	40
Changes in fair value of short term investment	(7)	-	(32)	-
Depreciation of property, plant and equipment	10,441	8,859	27,770	28,145
Gain on ineffective portion of cash flow hedges on forward currency contracts and interest rate swaps	(56)	(202)	(211)	(243)
Gain on disposal of assets held for sale	-	(1,229)	(496)	(3,148)
Gain on disposal of property, plant and equipment	(354)	(1,481)	(1,109)	(3,173)
Impairment loss on property, plant and equipment	-	-	-	424
Interest expense	2,663	2,617	7,668	7,942
Interest income	(74)	(29)	(262)	(95)
Property, plant and equipment written off	40	4	52	167
Share of results of jointly-controlled entity and associates	(441)	(202)	234	(209)
Operating profit before working capital changes	22,859	18,954	70,655	60,420
Changes in working capital:				
Inventories	(6,203)	903	(9,863)	2,516
Construction work-in-progress and progress billings in excess of construction work-in-progress	(81,099)	4,089	(111,187)	54,347
Trade and other receivables	22,875	(15,346)	(26,197)	(36,672)
Trade and other payables	5,789	9,101	14,238	16,862
Balances with related parties (trade)	(2,885)	893	208	(31,421)
Bank balances, deposits and cash (restricted use)	907	71	2	1,179
Cash (used in)/ generated from operations	(37,757)	18,665	(62,144)	67,231
Tax paid	(1,826)	(1,659)	(6,189)	(5,513)
Net cash (used in)/ generated from operating activities	(39,583)	17,006	(68,333)	61,718
Cash flows from investing activities				
Interest received	25	29	206	95
Acquisition of subsidiaries	-	-	(2,305)	-
Investment in associate	-	(762)	-	(762)
Purchase of short term investment	-	-	(5,000)	-
Purchase of property, plant and equipment	(874)	(11,276)	(79,155)	(47,396)
Proceeds from disposal of assets held for sale	-	3,862	850	18,860
Proceeds from disposal of property, plant and equipment	315	3,001	24,905	11,265
Lease prepayments	-	-	(1,400)	-
Balances with related parties (non-trade)	(93)	(49)	(135)	2
Net cash used in investing activities	(627)	(5,195)	(62,034)	(17,936)
Cash flows from financing activities				
Interest paid	(3,629)	(2,801)	(8,922)	(8,432)
Dividends paid	-	-	(7,342)	(6,293)
Repayment of interest-bearing loans and borrowings	(33,067)	(36,056)	(84,361)	(69,952)
Proceeds from interest-bearing loans and borrowings	173,217	23,669	251,103	84,419
Repayment of loan from minority shareholders of subsidiaries	-	-	(2,393)	-
Proceeds from loan from minority shareholders of subsidiaries	-	192	1,847	192
Repayment of trust receipts	(11,308)	(19,392)	(23,502)	(52,313)
Proceeds from trust receipts	14,546	6,579	70,854	38,489
Net cash generated from/ (used in) financing activities	139,759	(27,809)	197,284	(13,890)
Net increase/ (decrease) in cash and cash equivalents	99,549	(15,998)	66,917	29,892
Cash and cash equivalents at beginning of period	58,884	90,872	91,813	44,751
Effects of exchange rate changes on opening cash and cash equivalents	138	(153)	(159)	78
Cash and cash equivalents at end of period	158,571	74,721	158,571	74,721

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the period ended 31-Mar-13

Group	Attributable to owners of the Company								
	Share capital $'000	Treasury shares $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Total reserves $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
9M FY2013									
At 1-Jul-12	83,092	(923)	(4,096)	(7,105)	283,173	271,972	354,141	9,245	363,386
Profit for the period	-	-	-	-	30,061	30,061	30,061	(368)	29,693
Other comprehensive income for the period, net of tax									
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	(1,147)	-	-	(1,147)	(1,147)	(294)	(1,441)
Share of other comprehensive income of jointly-controlled entity and associates	-	-	-	-	-	-	-	(30)	(30)
Net fair value changes to cash flow hedges	-	-	-	7,473	-	7,473	7,473	-	7,473
	-	-	(1,147)	7,473	-	6,326	6,326	(324)	6,002
Total comprehensive income for the period	-	-	(1,147)	7,473	30,061	36,387	36,387	(692)	35,695
Distributions to owners									
Dividends	-	-	-	-	(7,342)	(7,342)	(7,342)	-	(7,342)
Total distributions to owners	-	-	-	-	(7,342)	(7,342)	(7,342)	-	(7,342)
At 31-Mar-13	83,092	(923)	(5,243)	368	305,892	301,017	383,186	8,553	391,739

Statement of Changes in Equity for the period ended 31-Mar-12										
	Attributable to owners of the Company									
Group	Share capital $'000	Treasury shares $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Total reserves $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
9M FY2012									
At 1-Jul-11	83,092	(923)	(4,865)	1,392	257,140	253,667	335,836	9,352	345,188
Profit for the period	-	-	-	-	24,039	24,039	24,039	464	24,503
Other comprehensive income for the period, net of tax									
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	541	-	-	541	541	(127)	414
Share of other comprehensive income of jointly-controlled entity and associates	-	-	-	-	-	-	-	33	33
Net fair value changes to cash flow hedges	-	-	-	(3,953)	-	(3,953)	(3,953)	-	(3,953)
	-	-	541	(3,953)	-	(3,412)	(3,412)	(94)	(3,506)
Total comprehensive income for the period	-	-	541	(3,953)	24,039	20,627	20,627	370	20,997
Distributions to owners									
Dividends	-	-	-	-	(6,293)	(6,293)	(6,293)	-	(6,293)
Total distributions to owners	-	-	-	-	(6,293)	(6,293)	(6,293)	-	(6,293)
At 31-Mar-12	83,092	(923)	(4,324)	(2,561)	274,886	268,001	350,170	9,722	359,892

Statement of Changes in Equity for the period ended 31-Mar-13 and 31-Mar-12						
Company	Share capital $'000	Treasury shares $'000	Hedging reserve $'000	Accumulated profits $'000	Total reserves $'000	Total equity $'000
9M FY2013						
At 1-Jul-12	83,092	(923)	(272)	17,725	17,453	99,622
Profit for the period	-	-	-	8,351	8,351	8,351
Other comprehensive income for the period, net of tax						
Net fair value changes to cash flow hedges	-	-	168	-	168	168
	-	-	168	-	168	168
Total comprehensive income for the period	-	-	168	8,351	8,519	8,519
Distributions to owners						
Dividends	-	-	-	(7,342)	(7,342)	(7,342)
Total distributions to owners	-	-	-	(7,342)	(7,342)	(7,342)
At 31-Mar-13	83,092	(923)	(104)	18,734	18,630	100,799
9M FY2012						
At 1-Jul-11	83,092	(923)	(505)	17,497	16,992	99,161
Profit for the period	-	-	-	6,630	6,630	6,630
Other comprehensive income for the period, net of tax						
Net fair value changes to cash flow hedges	-	-	244	-	244	244
			244	-	244	244
Total comprehensive income for the period	-	-	244	6,630	6,874	6,874
Distributions to owners						
Dividends	-	-	-	(6,293)	(6,293)	(6,293)
Total distributions to owners	-	-	-	(6,293)	(6,293)	(6,293)
At 31-Mar-12	83,092	(923)	(261)	17,834	17,573	99,742

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of Ordinary Shares (excluding treasury shares)
Balance as at 31-Mar-13 and 30-Jun-12	419,511,294

There have been no changes in the issued and paid-up capital of the Company since 30 June 2012.

There are no outstanding share options granted under the ESOS as at 31 March 2013 and 31 March 2012.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31-Mar-13	As at 30-Jun-12	As at 31-Mar-12
Total number of issued shares	422,022,894	422,022,894	422,022,894
Total number of treasury shares	(2,511,600)	(2,511,600)	(2,511,600)
Total number of issued shares (excluding treasury shares)	**419,511,294**	**419,511,294**	**419,511,294**

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

During the current financial period reported on, there were no purchases, sales, transfers, disposal, cancellation and/or use of treasury shares.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies adopted and methods of computation in the preparation of the financial statements are consistent with those of the audited financial statements as at 30 June 2012 except in the current financial period, the Group has adopted all the new and revised standards and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning as of 1 July 2012. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	3 months ended 31 March		9 months ended 31 March	
Earnings per ordinary share:	3Q FY2013	3Q FY2012	9M FY2013	9M FY2012
(i) On weighted average no. of ordinary shares in issue	2.29 cents	1.90 cents	7.17 cents	5.73 cents
(ii) On a fully diluted basis	2.29 cents	1.90 cents	7.17 cents	5.73 cents
Net profit attributable to shareholders:	$9,622,000	$7,955,000	$30,061,000	$24,039,000
Number of shares in issue:				
(i) Weighted average no. of shares in issue	419,511,294	419,511,294	419,511,294	419,511,294
(ii) On a fully diluted basis	419,511,294	419,511,294	419,511,294	419,511,294

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31-Mar-13	30-Jun-12	31-Mar-13	30-Jun-12
Net Asset Value (NAV) per ordinary share	91.34 cents	84.42 cents	24.03 cents	23.75 cents
NAV has been computed based on the share capital of	419,511,294	419,511,294	419,511,294	419,511,294

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF GROUP PERFORMANCE

The Group's business segments are subject to different degree of seasonality, with highest impact being experienced by the shipchartering operations. As a result, the quarter on quarter results may not be a good indicator of the overall trend of our business or of the results for the whole of the financial year.

Revenue

Total Group revenue of $144.0 million for the 3 months ended 31 March 2013 ("3Q FY2013") was $30.2 million (26.6%) higher compared to the corresponding period in FY2012 ("3Q FY2012"). For the 9 months ended 31 March 2013 ("9M FY2013"), total Group revenue of $316.0 million was $41.7 million (15.2%) higher compared to corresponding 9 months ended 31 March 2012 ("9M FY2012").

Details for revenue generated from each segment are as follows:

	Group					
	3Q FY2013 $'000	**3Q FY2012 $'000**	Increase/ (Decrease) %	**9M FY2013 $'000**	**9M FY2012 $'000**	Increase/ (Decrease) %
Shipbuilding	97,198	72,709	33.7	190,504	167,905	13.5
Shiprepair and conversion	11,130	22,266	(50.0)	45,575	50,622	(10.0)
Shipchartering	22,716	18,810	20.8	66,916	55,721	20.1
Engineering	12,985	-	100.0	12,985	-	100.0
	144,029	113,785	26.6	315,980	274,248	15.2

Shipbuilding

Shipbuilding revenue increased by $24.5 million (33.7%) to $97.2 million in 3Q FY2013 and $22.6 million (13.5%) to $190.5 million in 9M FY2013 mainly due to more units of Offshore Support Vessels which included 1 unit of a 200 men accommodation barge and 1 unit of high value dredger being constructed during the quarter and period ended 31 March 2013. The recognition of shipbuilding revenue is calculated based on project value multiplied by the percentage of completion.

The breakdown of revenue generated from the Shipbuilding division is as follows:

	Group				
	3Q FY2013 No. of vessels	3Q FY2012	3Q FY2013 $'000	3Q FY2012 $'000	Increase/ (Decrease) %
Offshore Support Vessels ("OSV")	13	4	72,152	38,521	87.3
Dredgers	1	1	21,783	10,463	108.2
Tugs	3	8	2,876	14,894	(80.7)
Barges and others	4	13	387	8,831	(95.6)
	21	**26**	**97,198**	**72,709**	33.7

	Group				
	9M FY2013 No. of vessels	9M FY2012	9M FY2013 $'000	9M FY2012 $'000	Increase/ (Decrease) %
Offshore Support Vessels ("OSV")	13	4	146,430	74,319	97.0
Dredgers	1	2	21,783	38,180	(42.9)
Tugs	4	8	15,200	37,105	(59.0)
Barges and others	15	12	7,091	18,301	(61.3)
	33	**26**	**190,504**	**167,905**	13.5

Shiprepair and conversion

Shiprepair and conversion revenue decreased by $11.1 million (50.0%) to $11.1 million in 3Q FY2013 mainly due to repair works undertaken on the 5 units of oil rigs whereby completion are expected only in the following quarters.

Shiprepair and conversion revenue of $45.6 million was $5.0 million (10.0%) lower in 9M FY2013 due to absence of FSO conversion project undertaken in 9M FY2012.

The breakdown of revenue generated from the Shiprepair and conversion division is as follows:

	Group					
	3Q FY2013 $'000	3Q FY2012 $'000	Increase/ (Decrease) %	9M FY2013 $'000	9M FY2012 $'000	Increase/ (Decrease) %
Shiprepair	10,610	21,966	(51.7)	43,669	44,592	(2.1)
Conversion	14	-	100.0	600	5,133	(88.3)
Other marine related services	506	300	68.7	1,306	897	45.6
	11,130	**22,266**	**(50.0)**	**45,575**	**50,622**	**(10.0)**

Shipchartering

Shipchartering revenue improved by $3.9 million (20.8%) to $22.7 million in 3Q FY2013 and $11.2 million (20.1%) to $66.9 million in 9M FY2013 mainly attributed to:

a) additional charter income of $0.9 million in 3Q FY2013 (9M FY2013: $3.2 million) received from the charter of 2 newly acquired Anchor Handling Tugs ("AHT") in 4Q FY2012;
b) additional charter income of $1.2 million in 3Q FY2013 (9M FY2013: $2.1 million) received from the charter of an Anchor Handing Towing/ Supply vessel ("AHTS") acquired in 2Q FY2013; and
c) greater demand for higher horse power tugs.

The breakdown of revenue generated from the Shipchartering division is as follows:

	Group					
	3Q FY2013 $'000	3Q FY2012 $'000	Increase/ (Decrease) %	9M FY2013 $'000	9M FY2012 $'000	Increase/ (Decrease) %
Spot charter	15,329	12,214	25.5	44,873	39,580	13.4
Long term charter	5,356	5,520	(3.0)	17,828	12,709	40.3
Total charter	20,685	17,734	16.6	62,701	52,289	19.9
Trade sales	2,031	846	140.1	4,215	2,710	55.5
Rental income	-	230	(100.0)	-	722	(100.0)
	22,716	**18,810**	20.8	**66,916**	**55,721**	20.1

The increase in the long-term charter revenue in 9M FY2013 was mainly due to the additional 10 vessels under long-term contracts. The increase in the spot charter revenue in 9M FY2013 was mainly due to charter of 2 newly acquired AHT in 4Q FY2012. Bulk of the increase in trade sales pertained to bunker sales.

Engineering

VOSTA LMG group mainly comprised three business units – Engineering, Engineered Dredger Products & Dredgers; and Components & Services. The breakdown by revenue generated from the Engineering division is as follows:

	Group			
	3Q FY2013 $'000	%	9M FY2013 $'000	%
Engineered Dredger Products & Dredgers	761	5.9	761	5.9
Components & Services	12,224	94.1	12,224	94.1
	12,985	**100**	**12,985**	**100**

Gross profit and gross profit margin

Total Group gross profit improved by $2.8 million (17.6%) to $18.8 million in 3Q FY2013 and $21.4 million (54.9%) to $60.3 million in 9M FY2013 compared to the respective corresponding periods.

The breakdown of gross profit and gross profit margin for each respective segment are as follows:

	Group							
	3Q FY2013		3Q FY2012		9M FY2013		9M FY2012	
	$'000	%	$'000	%	$'000	%	$'000	%
Shipbuilding	8,849	9.1%	8,635	11.9%	26,900	14.1%	17,467	10.4%
Shiprepair and conversion	3,142	28.2%	2,660	11.9%	12,882	28.3%	9,366	18.5%
Shipchartering	5,185	22.8%	4,680	24.9%	18,879	28.2%	12,089	21.7%
Engineering	1,618	12.5%	-	-	1,618	12.5%	-	-
	18,794	13.0%	15,975	14.0%	60,279	19.1%	38,922	14.2%

Shipbuilding

The higher gross profit margin of 14.1% achieved in 9M FY2013 was due to the construction of two units of high value Platform Supply Vessels and reversal of unrequired construction costs provisions. The gross margin of 9.1% in 3Q FY2013 was lower as compared to 3Q FY2012 was mainly due to the lower margin derived from the high value dredger and the 200 men accommodation vessel under construction during the quarter.

Shiprepair and conversion

Shiprepair and conversion operations recorded a higher gross profit margin of 28.2% in 3Q FY2013 and 28.3% in 9M FY2013 due mainly to write-back of sub-contractor costs for prior years' completed projects. Excluding the write-back, gross profit margin for 3Q FY2013 would have been 19.6% (9M FY2013: 21.2%). The low margin of 11.9% in 3Q FY2012 was due to additional costs of $1 million incurred for some shiprepair jobs undertaken in 2Q FY2012, excluding these costs, profit margin for 3Q FY2012 would have been 16.3%.

Shipchartering

Shipchartering operations recorded an increase in gross profit of $0.5 million (10.8%) to $5.2 million in 3Q FY2013 and $6.8 million (56.2%) to $18.9 million in 9M FY2013. Gross profit margin of 22.8% in 3Q FY2013 was 2.1% lower compared to 3Q FY2012 due to a repair performed on a grab-dredger. Gross profit margin of 28.2% in 9M FY2013 was 6.5% higher compared to 9M FY2012. The higher gross profit and gross profit margin were attributed to:

a) increase in Group's utilisation rate for tugs from 68% to 71%;
b) additional gross profit derived from the charter of an AHTS acquired in 2Q FY2013;
c) higher time charter income; and
d) absence of additional depreciation of $0.7 million back charged from cancellation of vessels held for sale in 1Q FY2012

but partially offset by:

e) the lower gross profit generated from the charter of the ROV support vessel as it was disposed off in 1Q FY2013.

Other operating income

Details for other operating income are as follows:

	Group			
	3Q FY2013 $'000	**3Q FY2012 $'000**	**9M FY2013 $'000**	**9M FY2012 $'000**
Changes in fair value of short term investment	7	-	32	-
Gain on disposal of plant and equipment	354	1,481	1,109	3,173
Gain on disposal of assets held for sale	-	1,229	496	3,148
Gain on foreign exchange				
- unrealised	1,094	-	-	-
- realised	526	-	-	-
Interest income	74	29	262	95
Miscellaneous income	284	68	776	1,868
Write-back of impairment of doubtful trade receivables (net)	735	-	-	-
	3,074	**2,807**	**2,675**	**8,284**

Due to fewer units of vessels disposed in the current periods under review (5 units in 9M FY2013 compared with 33 units in 9M FY2012 and none in 3Q FY2013 compared with 17 units in 3Q FY2012), lower gain on disposal of plant and equipment and assets held for sale was recognised. Miscellaneous income of $1.9 million recognised in 9M FY2012 mainly pertained to forfeiture of a deposit received from a customer for cancellation to acquire vessels which was a non-recurring item.

The unrealised gain of $1.1 million was mainly attributed to the appreciation of IDR and US$ against S$ during the period under review.

Administrative expenses

Administrative expenses increased by $6.2 million (295.5%) to $8.3 million in 3Q FY2013 mainly due to the consolidation of the administrative expenses of $4.5 million of the VOSTA LMG group. Administrative expenses for the 9 months period increased by $7.3 million (96.8%) to $14.8 million. Excluding the administrative expenses of VOSTA LMG group of $4.5 million, the increase was due mainly to legal and professional fees and travelling expenses incurred as a result of the acquisition of VOSTA LMG group, higher facility fees incurred for additional bank financing obtained and higher bonus payment.

Other operating expenses

Other operating expenses decreased by $6.2 million (99.4%) to $40,000 in 3Q FY2013 but increased by $3.2 million (74.4%) to $7.5 million in 9M FY2013.

Other operating expenses comprised the followings:

	Group			
	3Q FY2013 $'000	3Q FY2012 $'000	9M FY2013 $'000	9M FY2012 $'000
Allowance for impairment of doubtful trade receivables (net)	-	2,489	4,082	2,764
Bad debts written off (trade)	-	-	20	40
Loss on foreign exchange				
- unrealised	-	2,870	2,817	433
- realised	-	832	531	474
Impairment loss on property, plant and equipment	-	-	-	424
Property, plant and equipment written off	40	4	52	167
	40	**6,195**	**7,502**	**4,302**

The unrealised foreign exchange loss arose from the revaluation of foreign currency denominated assets and liabilities as at the reporting dates. The unrealised loss in 9M FY2013 was mainly attributed to the depreciation of IDR and US$ against S$ during the period under review.

Exchange rates for the respective reporting periods were as follows:-

	31 Mar 2013	31 Mar 2012	31 Dec 2012	31 Dec 2011	30 June 2012	30 June 2011
US$ against S$	1.2434	1.2560	1.2229	1.2973	1.2688	1.2289
IDR against US$	9,719	9,122	9,670	9,070	9,480	8,565
IDR against S$	7,816	7,262	7,907	6,992	7,415	6,970

Finance costs

Finance costs increased marginally by $46,000 (1.8%) to $2.7 million in 3Q FY2013 but decreased by $0.3 million (3.5%) to $7.7 million in 9M FY2013. The decrease in 9M FY2013 was due to lower amount of bonds interest incurred following the partial repayment of bonds of $22.1 million in March 2012. The Group hedges against interest rate fluctuations for part of its long-term borrowings by way of 'plain vanilla' interest rate swaps.

Share of results of jointly-controlled entity and associates

The Group's share of results of jointly-controlled entity and associates comprised:

	Group's effective interest	Group			
		3Q FY2013 $'000	3Q FY2012 $'000	9M FY2013 $'000	9M FY2012 $'000
Jointly-controlled entity					
HKR-ASL Joint Venture Limited	50%	1	1	-	(144)
Associate					
PT. Hafar Capitol Nusantara ("PT Hafar")	36.75%	440	201	(234)	353
		441	**202**	**(234)**	**209**

HKR-ASL Joint Venture Limited has been dormant since FY2009.

The loss in PT Hafar for the 9 months period was due to there being no generation of charter income as the vessel has been undergoing upgrading works in the Group's Batam shipyard from April 2012 to February 2013 to increase its accommodation capacity. PT Hafar however recorded a profit in 3Q FY2013 due to the higher charter rate earned when its vessel commenced operation at the end of February 2013.

No further loss from Fastcoat was recorded during the current reporting period as the Group has restricted its share of loss to its cost of investment since FY2011.

Profit before tax

In line with the increase in gross profits of $2.8 million (17.6%) in 3Q FY2013, the Group's profit before tax increased by $3.2 million (40.1%) to $11.3 million. There were lower allowance for impairment of doubtful receivables and foreign exchange loss partially offset by higher administrative expenses.

Despite the increase in gross profit of $21.4 million in 9M FY2013, the Group's profit before tax only increased by $5.1 million mainly due to the pre-tax loss of $2.1 million incurred by Vosta LMG group, lower operating income, higher administrative expenses, allowance for impairment of doubtful trade receivables and foreign exchange loss.

Tax expense

In line with the higher profit before tax for the nine months ended 31 March 2013, the Group's current tax expense increased by $1.3 million. Overall, the Group recorded a higher effective tax rate of 13.5% in 9M FY2013 as compared to 11.5% in 9M FY2012 mainly due to pre-tax loss of $2.1 million incurred by VOSTA LMG group which cannot be offset against profits earned by other companies in the Group.

The overprovision of tax of $1.4 million in 9M FY2013 included a reversal of deferred tax liabilities of $1.5 million which no longer required.

Non-controlling interests

Non-controlling interests' share of loss of $0.4 million in 9M FY2013 mainly due to there being no revenue recognition from the shipyard operations in China as its current projects have yet to reach the 10% recognition threshold.

Operating cash flow

3Q FY2013

The Group recorded a net cash outflow from operating activities in 3Q FY2013 of $39.6 million as compared to the net cash inflow of $17.0 million in 3Q FY2012. The higher cash outflow was mainly attributed to comparatively higher construction work in progress incurred for shipbuilding and shiprepair projects partially offset by higher receipts from customers.

The Group funded its working capital through net proceeds from bank borrowings which included bonds issuance of $100 million in March 2013.

9M FY2013

The Group's net cash outflow from operating activities of $68.3 million in 9M FY2013 was $130.1 million higher as compared to the net cash inflow of $61.7 million in 9M FY2012. The increase in cash outflow was mainly attributed to higher work-in-progress incurred for shipbuilding and shiprepair projects partially offset by higher receipts from customers and cash outflow on balances owing from related parties in 9M FY2012.

The Group funded its working capital and higher capital expenditure through proceeds from disposal of its ROV support vessel in 1Q FY2013 and net proceeds from bank borrowings which included bonds issuance of $100 million in March 2013 and increased financing from trust receipts.

REVIEW OF FINANCIAL POSITION AS AT 31 MARCH 2013

Non-current assets

Property, plant and equipment ("PPE") increased by $36.9 million (7.3%) from $509.0 million as at 30 June 2012 to $545.9 million as at 31 March 2013.

Movement in PPE during the period under review is as follows:

	$'000
Balance as at 1 July 2012	508,968
Acquisition of property, plant and equipment Inclusive of : - $58.0 million for 26 vessels - $26.0 million for plant and machinery - $6.8 million for yard infrastructure development and $5.3 million for vessels under construction	97,517
Acquisition of VOSTA LMG group	1,679
Disposal/ write-off of plant and equipment	(23,849)
Depreciation charge	(32,534)
Translation differences	(5,834)
Balance as at 31 March 2013	**545,947**

The provisional goodwill of $19.8 million (€12.4 million) arose due to the acquisition of VOSTA LMG International B.V. and CFT International GmbH (the "VOSTA LMG group") on 13 December 2012. The Group is currently in the midst of performing a purchase price allocation ("PPA") exercise to attribute the provisional goodwill to intangible assets and is given 12 months from the date of acquisition to finalise the PPA.

The increase in cost of investment in subsidiaries of $50,000 in the Company's books mainly pertained to investment in Intan OSV Pte. Ltd. which was incorporated in September 2012.

Current assets

Current assets increased by $231.9 million (68.2%) from $339.9 million as at 30 June 2012 to $571.8 million as at 31 March 2013.

Inventories (mainly steel) of $21.7 million were $10.9 million (100.4%) higher when compared to 30 June 2012 due to higher steel plates purchased in line with the higher shipbuilding orderbook achieved.

Trade and other receivables comprised the following:

	ASL group $'000	VOSTA LMG group $'000	31-Mar-13 $'000	30-Jun-12 $'000	Increase/ (decrease) $'000	%
Trade receivables	125,162	8,529	133,691	99,851	33,840	33.9
Other receivables and deposits	18,147	2,305	20,452	17,268	3,184	18.4
Amounts due from related parties	32,180	-	32,180	30,233	1,947	6.4
	175,489	**10,834**	**186,323**	**147,352**	**38,971**	**26.4**

Of the total trade receivables, $19.5 million was collected subsequently in April 2013. The increase in trade receivables was due to progressive billings of $40.1 million for the repair of 6 rigs projects which remains outstanding. The increase in other receivables was mainly due to higher prepayments of upfront fee for issuance of bond and down payment for purchase of vessels, plant and machinery.

The increase in amount due from related parties was mainly due to additional billing for shiprepair works performed for PT Hafar partially offset by unrealised loss of $0.6 million arising from the revaluation of outstanding balance of US$22.3 million (equivalent to S$27.7 million) due from PT Hafar for the sale of a vessel worth $31.5 million (equivalent to US$25 million) in July 2011.

In July 2012, the Group invested $5.0 million in principal amount of OCBC 4.0% non-cumulative non-convertible non-voting class M preference shares which is callable in 2018 and 2022 at an issue price of S$1 per class M preference shares.

The Group enters into “plain vanilla” forward contracts to hedge future receipts or payments. The value of derivative (financial instrument) assets increased by $1.1 million mainly pertained to mark-to-market gains arising from foreign exchange hedges on US$ denominated trade receivables.

Bank balances, deposits and cash of $162.2 million included balances amounting to $3.6 million of restricted use as at 31 March 2013 (30 June 2012: $3.6 million). Bank balances increased by $66.8 million (69.9%) mainly due to issuance of $100 million bonds on 28 March 2013 partially offset by partial bonds repayment of older series of $21.5 million.

Current liabilities

Current liabilities increased by $203.1 million (65.9%) from $308.2 million as at 30 June 2012 to $511.3 million as at 31 March 2013.

Trade and other payables comprised the following:

	ASL group $'000	VOSTA LMG group $'000	31-Mar-13 $'000	30-Jun-12 $'000	Increase/ (decrease) $'000	%
Trade payables	149,781	10,838	160,619	134,424	26,195	19.5
Other payables	17,252	4,833	22,085	15,476	6,609	42.7
Provision for warranty	-	3,143	3,143	-	3,143	100.0
Amounts due to related parties	495	-	495	345	150	43.5
Loan from non-controlling interests of subsidiaries	1,791	-	1,791	2,399	(608)	(25.3)
	169,319	**18,814**	**188,133**	**152,644**	**35,489**	**23.2**

The increase in trade payables was mainly due to the increased volume in shipyard activities.

Other payables comprised mainly payables for expenditure incurred on yard developments, deferred income and deposits received from customers for shiprepairs and shipcharters. The increase was mainly due to deposits received from customers and accruals for the remaining 50% payable 6 months after the completion of the acquisition of VOSTA LMG group.

Current portion of interest-bearing loans and borrowings increased by $128.4 million (168.5%) to $204.6 million mainly due to increase in short-term loans of $70.4 million and reclassification of $50 million bond due in March 2014 from long-term liabilities. Trust receipts increased by $47.4 million (137.8%) to $81.7 million. The short-term loans and trust receipts obtained were mainly utilised for shipbuilding projects.

Derivative financial instruments liabilities decreased by $8.0 million (91.7%) due to lower mark-to-market losses derived from foreign exchange forward contracts entered to hedge against foreign exchange rate fluctuations for trade receivables and payables and lower mark-to-market losses arising from interest rate swaps.

The Group's net construction work-in-progress in excess of progress billings increased by $108.1 million (190.9%) from $56.6 million as at 30 June 2012 to $164.7 million as at 31 March 2013. The increase was mainly due to higher work in progress incurred for shipbuilding projects as a result of higher proportion of contracts secured under contractual term of 20% upon signing of contract and 80% upon delivery partially offset by higher progress billings for the rigs repair jobs.

Non-current liabilities

Non-current liabilities increased by $58.0 million (31.8%) to $240.6 million as at 31 March 2013 due mainly to higher interest-bearing loans and borrowings.

Total interest-bearing loans and borrowings (current and non-current portions) increased by $232.5 million (81.5%) to $517.7 million as at 31 March 2013. The increase was due to bonds issuance, additional short term loans, trust receipts and finance leases obtained.

	31-Mar-13 **$'000**	**30-Jun-12** **$'000**
Long term loans (inclusive of $100 million bond issued on 28 March 2013)	324,232	221,875
Finance lease liabilities	30,976	18,659
Short term loans	80,766	10,336
Total interest-bearing loans and borrowings	**435,974**	**250,870**
Trust receipts	81,739	34,372
Total borrowings	**517,713**	**285,242**
Total shareholders' funds	**383,186**	**354,141**
Gearing ratio (times)	**1.35**	**0.81**
Net gearing ratio (times)	**0.93**	**0.54**

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

In line with the Group's announcement made on 15 August 2012 with respect to the financial year ended 30 June 2012, the Group remained profitable in 9M FY2013.

On 6 February 2013, the Group announced an outstanding delivery order of 25 vessels worth approximately $138 million for its shipchartering operations. During 3Q FY2013, the shipchartering operations took delivery of 8 vessels with a total worth of $13 million.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Overall

The outlook of offshore and marine industry for 2013 is expected to be good given the current oil prices which is one of the key drivers for oil companies to continue focusing on their E&P activities.

Utilisation and charter rates for both AHTS and PSVs have generally improved and enquiry levels for offshore construction vessel and AHTS remained positive.

As mentioned in our 1Q FY2013 results announcement, the weak bulk and containers shipping markets has led many shipyards to move into the offshore segment thereby resulting in greater competition. More generous credit terms from shipbuilders in China are leading to generally thinner margins.

The Group remains cautiously optimistic and barring any unforeseen circumstances, the Directors expect the Group to remain profitable for the financial year ending 30 June 2013.

Shipbuilding and Shiprepair Operations

As at 31 March 2013, the Group has an outstanding shipbuilding order book from external customers of approximately $458 million for 32 vessels with progressive deliveries up to second quarter of 2014. The order book comprised Offshore Support Vessels, AHTS, self-propelled cutter suction dredger, tugs and barges.

Shipchartering Operations

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. Approximately 28% of shipchartering revenue in 9M FY2013 was attributed to long-term chartering contracts (meaning contracts with a duration of more than one year). As at 31 March 2013, the Group had an outstanding order book of approximately $78 million with respect to long-term shipchartering contracts.

The Group remains strategically committed to maximising deployment, enhancing and renewing its fleet to better meet customers' needs. The Group's shipchartering operations currently have an outstanding delivery order of 25 vessels worth approximately $109 million, comprising AHTS, ROV Support Vessel, landing crafts, tugs and barges. With the exception of 3 barges with a total worth of $6 million, these vessels are being built internally by the Group.

Engineering Operations

The shorter term outlook for dredging and land reclamation is mixed. However, in the longer term, the Directors believe that increased cost will result in many dredging companies leading to upgrade their equipment. In such an event, the VOSTA LMG group is well positioned to capture such a trend.

11. Dividend

(a) Current Financial Period

Any dividend recommended for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

No interim dividend has been declared for the period ended 31 March 2013.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group did not obtain a general mandate from shareholders for Interested Person Transactions.

14. Negative confirmation pursuant to Rule 705(5).

We, the undersigned, hereby confirm to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Group and the Company for the third quarter and nine months ended 31 March 2013 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Ang Kok Tian Chairman and Managing Director	Ang Ah Nui Deputy Managing Director

BY ORDER OF THE BOARD

Ang Kok Tian
Chairman and Managing Director
8 May 2013