



PRESS RELEASE -- FOR IMMEDIATE RELEASE

ASL Marine Reports S\$4.5 Million Earnings for 1HFY2015 despite Difficult Market Conditions

- Group has non-offshore related vessels in fleet that will benefit from lower oil prices and lower cost for operators
- As of 31 December 2014, Group's shipbuilding order book from external customers stood at approximately S\$270 million for 21 vessels, and shipchartering outstanding order book of approximately \$60 million with respect to long-term contracts
- Upcoming major infrastructure projects in Singapore and Malaysia will support shipchartering business of the Group as it provides equipment to major contractors

Singapore, 12 February 2015 – ASL Marine Holdings Ltd. ("ASL Marine" or the "Group"), an integrated marine company offering comprehensive services in shipbuilding, shiprepair and conversion, shipchartering and dredging engineering, reported revenue of S\$47.4 million and net profit attributable to shareholders of S\$4.5 million for the six months ended 31 December 2014 ("1HFY2015").

Financial Highlights	2QFY2015	2QFY2014	Chg	1HFY2015	1HFY2014	Chg
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	(21,087)	190,436	NM	47,443	338,738	(86.0)
Gross Profit	5,438	18,387	(70.4)	15,248	42,379	(64.0)
Gross Profit Margin	NM	9.7%	-	32.1%	12.5%	-
Other Operating Income	6,533	4,213	55.1	9,981	6,610	51.0
Administrative Expenses	(8,181)	(8,756)	(6.6)	(14,128)	(16,040)	(11.9)
Other Operating Expenses	(1,420)	(1,356)	4.7	(2,617)	(938)	179.0
Net Profit Attributable to Equity Holders	1,522	7,315	(79.2)	4,532	20,109	(77.5)
Net Profit Margin	NM	3.8%	-	9.6%	5.9%	-
Basic Earnings Per Share (cents)*	0.36	1.74	(79.3)	1.08	4.79	(77.5)

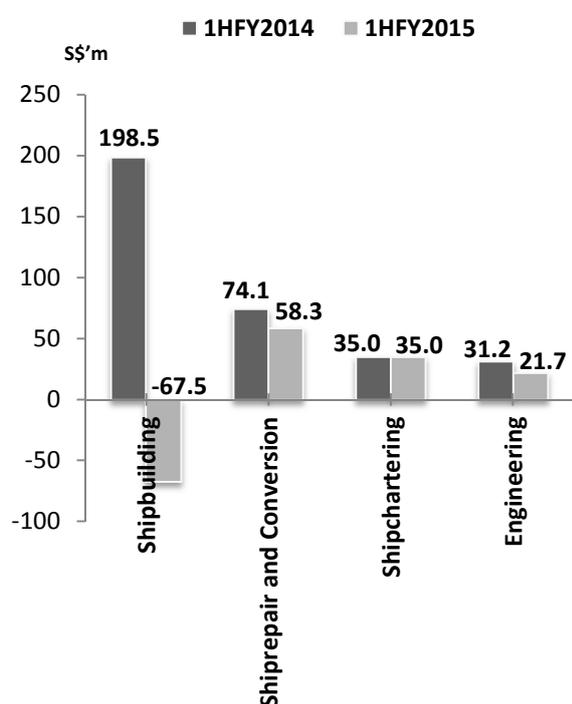
* Based on the weighted average of 419,511,294 ordinary shares in issue

* NM: Not meaningful

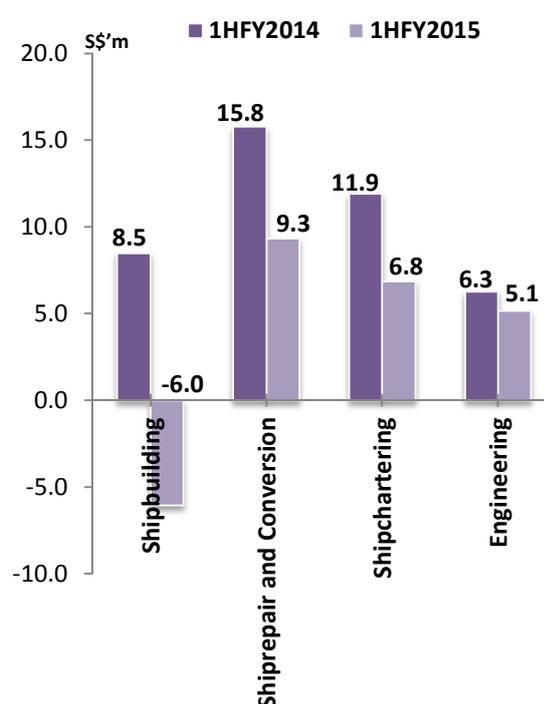
1HFY2015 FINANCIAL OVERVIEW

Group reported revenue of S\$47.4 million for 1HFY2015, 86% lower compared to 1HFY2014. The decrease was primarily caused by a revenue reversal of S\$95.0 million recognised in the previous financial years, following the rescission of the two OSV shipbuilding contracts in December 2014. Gross profit was S\$15.2 million, 64% lower year-on-year (yoy).

Segmental Revenue



Segmental Gross Profit



The lower shipbuilding revenue was attributable to multiple factors, including the lower POC (Percentage of Completion) for projects in the reporting period, and reclassification of shipbuilding contracts for three units of multi-purpose offshore support vessels from third parties to related parties. In addition, the sharp decline in bulk commodities and oil prices have led to fewer orders secured. Amid increased competition, the Group also took a more prudent approach in taking on new orders to ensure profit margin and minimize the risk of future cancellation. The reversal of gross profit recognized in the previous financial years and the upward revision of material and subcontractors' cost for higher complexity shipbuilding projects resulted in a gross loss of S\$6.0 million for 1HFY2015.

Shiprepair and conversion segment reported revenue of S\$58.3 million for 1HFY2015, down 21.4% year-on-year (yoy), due to fewer completed high-value (amount above S\$1 million)

jobs. Gross profit for the segment was 21.3% lower at S\$9.3 million, mainly due to the projects completed in the quarter carrying lower margins.

Shipchartering revenue remained flat for 1HFY2015, as the impact of lower OSV chartering revenue and fewer ad hoc services were cushioned by the higher utilization of tug boats and the contribution of an additional unit of LCT since July 2014. These vessels were mainly deployed to support our customers in marine infrastructure and transportation of precast/reinforced concrete used in construction. Gross profit for the shipchartering segment declined by S\$5.0 million (42.4%) to \$6.8 million in 1H FY2015 due to higher depreciation in line with larger fleet, and the higher operating expenses such as crew salaries, fuel oil and upkeep of vessels.

Engineering segment reported revenue of S\$21.7 million, 30.4% lower yoy, due to lower POC and fewer projects undertaken by the Newbuild business during the period, as well as fewer orders for Components business. Despite the decrease in gross profit by S\$1.1 million, or 18%, to S\$5.1 million, gross profit margin improved during the reporting period.

OUTLOOK

As at 31 December 2014, the Group held approximately S\$270 million in shipbuilding order book from external customers for 21 vessels. These vessels include AHTS, tugs, barges and tanker, and will be progressively delivered up to the second quarter of FY2017.

The Group's shipchartering fleet comprised 192 vessels as at 31 December 2014 (31 December 2013: 177 vessels). The Group's shipchartering operations currently have an outstanding delivery order of 13 vessels worth approximately \$41 million, comprising Landing Crafts, tugs and barges. With the exception of 6 vessels with a total worth of \$13 million, these vessels are being built internally by the Group. As at 31 December 2014, the Group had an outstanding order book of approximately S\$60 million in long-term shipchartering contracts.

"In the last seven months oil prices have declined sharply. WTI for instance, was around US\$100/bbl in June 2014 but by January 2015 had fallen to around US\$45/bbl (current price is around US\$50/bbl). This sharp decline in oil prices have impacted the prospectus and/or sentiment amongst select clients particularly those in the offshore oil exploration and production industry. The negative sentiment has in turn resulted in postponements, suspensions of projects and even cancellations.

Whilst the news is not good, the Group has remained profitable and has generated good cashflow on the back of its significant non-offshore business. This is in sharp contrast to several international competitors.

Looking forward, there are two potential compensating events. The first is the existing and upcoming major infrastructure projects (such as land reclamation, dredging and port construction) in Singapore and Malaysia. These projects should benefit, at the very least, our chartering business. The second is that we are seeing a rise in business queries for bulkers, tankers and non-oil and gas support vessels given that these vessels benefit from significantly lower operating costs on the back of lower oil prices.

The present is challenging but the future is not bleak”

Ang Kok Tian
Chairman and Managing Director, ASL Marine

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About ASL Marine Holdings Ltd. (Bloomberg Code: ASL SP)

ASL Marine Holdings Ltd. is a dynamic marine group principally engaged in shipbuilding, shiprepair and conversion, shipchartering and other marine related services, catering to customers from Asia Pacific, South Asia, the Middle East, Europe and Australia. ASL Marine owns and operates shipyards in Singapore, Batam (Indonesia) and Guangdong (China), providing a comprehensive range of marine engineering services spanning myriad sectors/ industries. The Group's 300,000 dwt graving dry dock in Batam is one of the few docks in the region capable of repairing Capesize vessels.

ASL Marine added engineering segment to its business model after the acquisition of Vosta LMG group. Vosta LMG is a leading international dredging engineering and contracting company with more than 140 years of history in providing specialized and tailor-made solutions to the world's dredging industry. Vosta LMG designs, provides specialist parts to, and manages the construction of large custom-built or standard, self-propelled or stationary dredgers. Vosta LMG's strength in design allows it to convert, refit and upgrade existing dredgers. Vosta LMG also provides inspection, training, management and advisory services to clients all over the world.

For more information, please refer to the corporate website www.aslmarine.com

Issued for and on behalf of ASL Marine Holdings Ltd.

By Financial PR Pte Ltd

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