

ASL
ASL MARINE Holdings Ltd.

9M FY2010 Presentation



Ship Building



Shiprepair & Ship Conversion



Ship Chartering

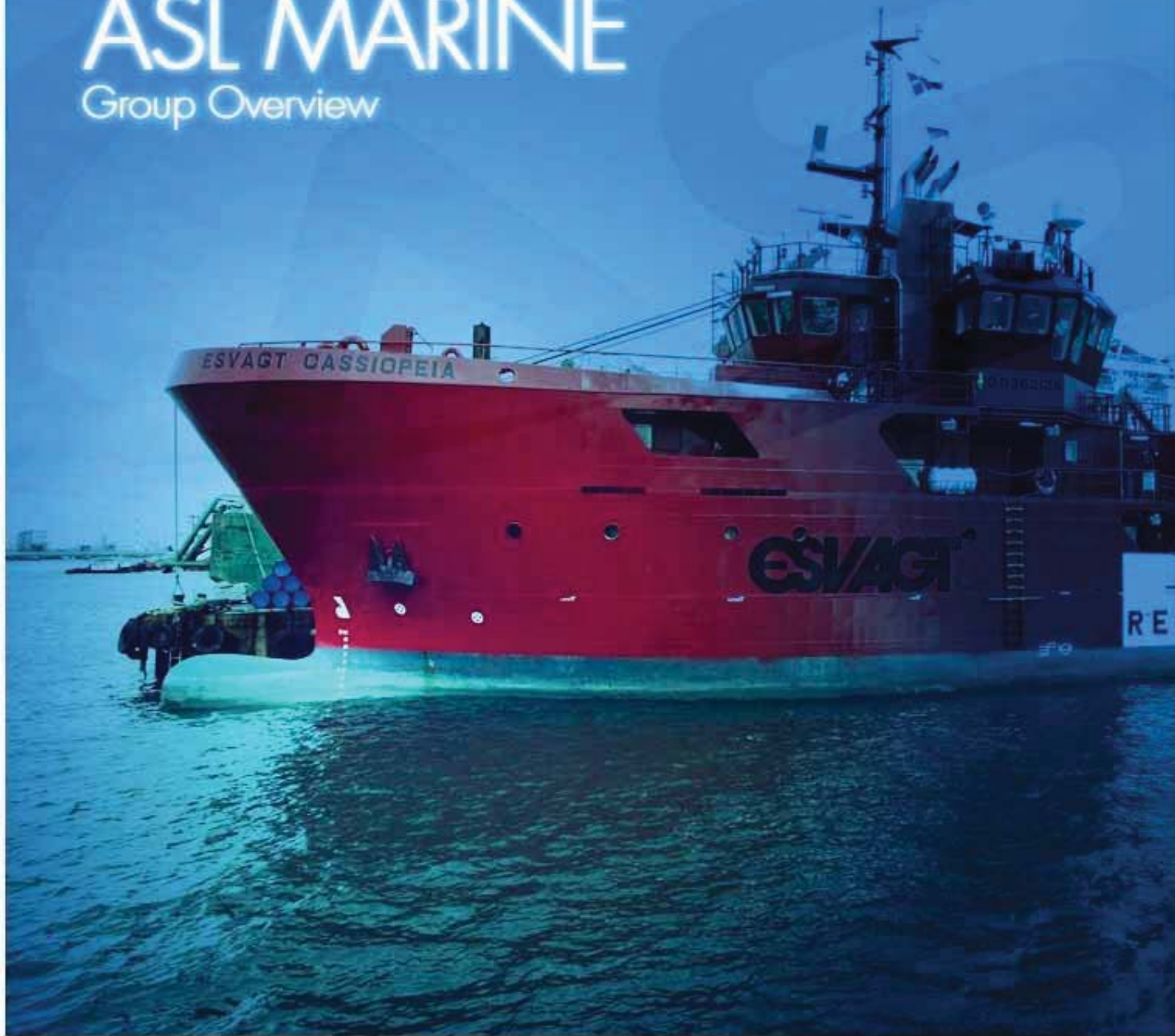
Presentation Outline

- **Group Overview**
- **9M FY2010 Financial Review
(9 months ended 31 March 2010)**
- **Operational Review**
 - Shipbuilding
 - Shiprepair and Ship Conversion
 - Shipchartering
- **Business Outlook & Strategies**



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Group Overview



Company Profile

- **Core businesses:-**
 - Shipbuilding
 - Shiprepair and Ship Conversion
 - Shipchartering
- **Shipbuilding and Shiprepair**
 - 3 shipyards in Singapore, Batam (Indonesia) and Guangdong (China)
 - Batam yard: Dry Docks (150,000 dwt & 60,000 dwt)
Floating Dock (20,000 dwt)



Company Profile

- **Shipchartering**

Fleet size at 31 March 2010: 181 vessels
(Towing tugs, anchor handling tugs, barges and other vessels)

Vessels charter for:

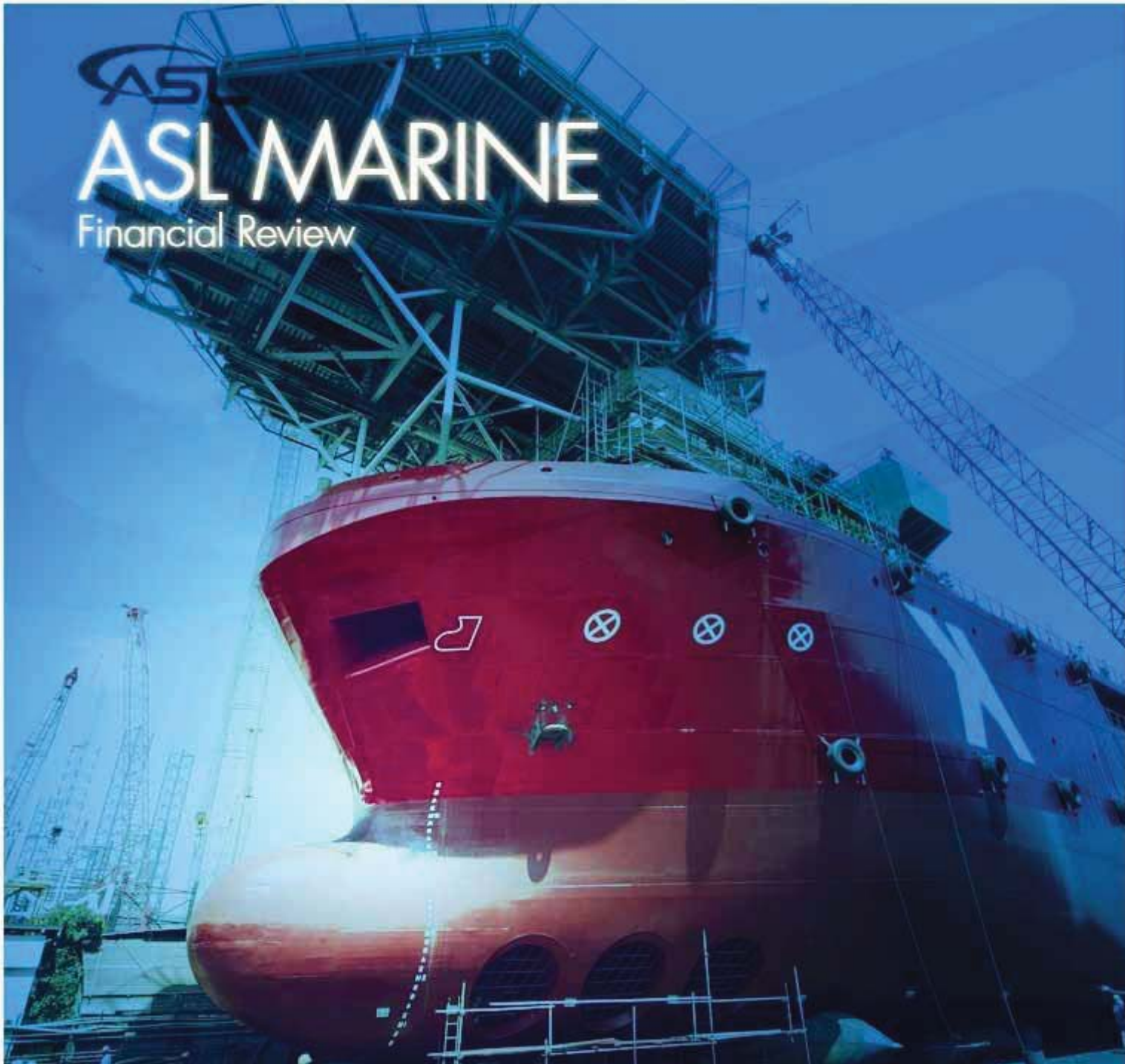
- Offshore Oil and Gas
- Marine Infrastructure
- Dredging, Land Reclamation & Marine Construction Works, and
- Transportation of cargoes such as aggregates, heavy equipment etc





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Financial Review



Financial Performance

S\$' million	3Q FY2010	3Q FY2009	%	9M FY2010	9M FY2009	%	Comments
Revenue	110.1	106.9	3.0	363.3	333.2	9.0	Higher revenue from shipbuilding, shiprepair and conversion partially offset by lower revenue from shipchartering
Gross Profit	14.2	17.2	(17.3)	46.2	58.9	(21.6)	Lower gross profit margin mainly due to:
Gross Margin	12.9%	16.1%	-	12.7%	17.7%	-	<ul style="list-style-type: none"> - Pricing pressure on shiprepair & larger ship conversion projects - Lower vessel utilisation & charter pricing
Other Operating Income	2.1	14.4	(85.2)	6.7	28.9	(76.9)	<ul style="list-style-type: none"> - Lower gain on vessels disposal of \$4.1m (9M FY2009: \$13.6m) - Absence of \$12.2m gain on disposal of a jointly-controlled entity
Other Operating Expenses	0.6	(3.2)	Nm	(0.7)	(4.0)	(82.1)	
Net Profit	9.3	23.4	(60.3)	30.1	63.6	(52.7)	
Net Margin	8.4%	21.9%	-	8.3%	19.1%	-	
EBITDA	21.9	32.3	(32.1)	66.7	95.1	(29.9)	

Cash Flow

CASH FLOW	9M FY2010 S\$' million	9M FY2009 S\$' million	Change %
Net cash generated from operating activities	59.7	60.4	(1.1)
Net cash used in investing activities (Capital expenditure net of disposal)	(52.6)	(55.3)	(4.7)
Net cash generated from financing activities (Borrowings net of repayment & dividends payment)	40.0	20.3	97.3
Net increase in cash	47.1	25.4	85.2
Cash at beginning of period	96.0	103.0	(6.8)
Cash at end of period	143.0	128.4	11.3

Financial Ratios

	9M FY2010	9M FY2009
Basic EPS ¹ (cents)	10.05	21.18
Fully Diluted EPS ² (cents)	10.05	21.18
Return on Equity (Annualised)	12.6%	30.3%
Return on Total Assets (Annualised)	5.1%	12.6%

As at	31 Mar 2010	30 June 2009
Net Asset Value Per Share ³ (cents)	103.48	96.32
Gearing Ratio	0.83	0.67
Net Gearing Ratio	0.37	0.34

¹ Based on weighted average of 299,600,225 Shares in issue (9M FY2009: 300,226,090)

² Based on weighted average of 299,621,703 Shares in issue (9M FY2009: 300,254,704)

³ Based on 299,604,002 Shares as at 31 March 2010 (30 June 2009: 299,589,002)

Share Price Information

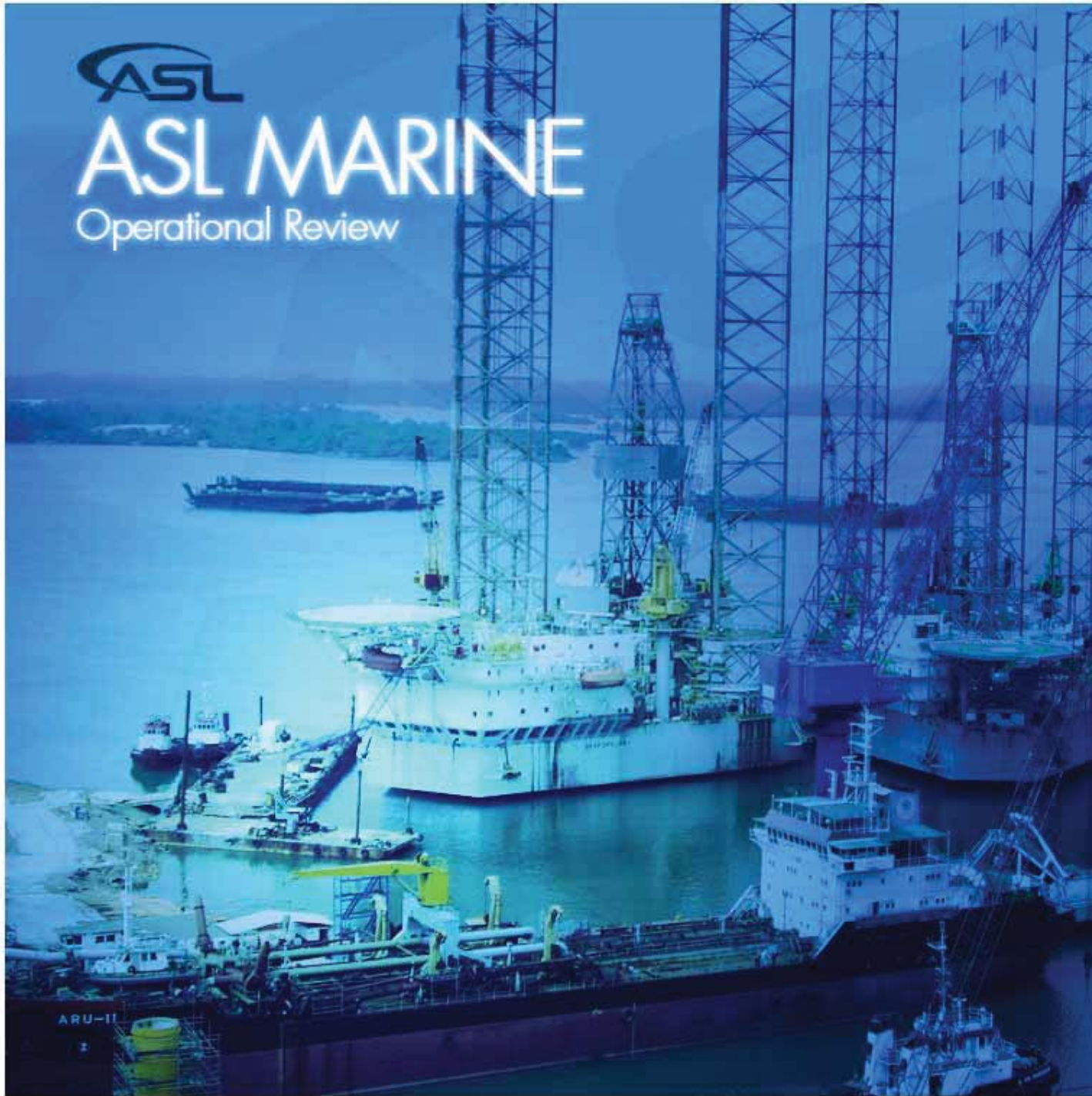
As at	10 May 10	8 May 09
Share Price (\$)	0.90	0.85
Price Earnings Ratio	6.72	3.01
Price / Net Assets Value per Share	0.87	0.93
Market Capitalisation (\$'million)	269.6	254.7





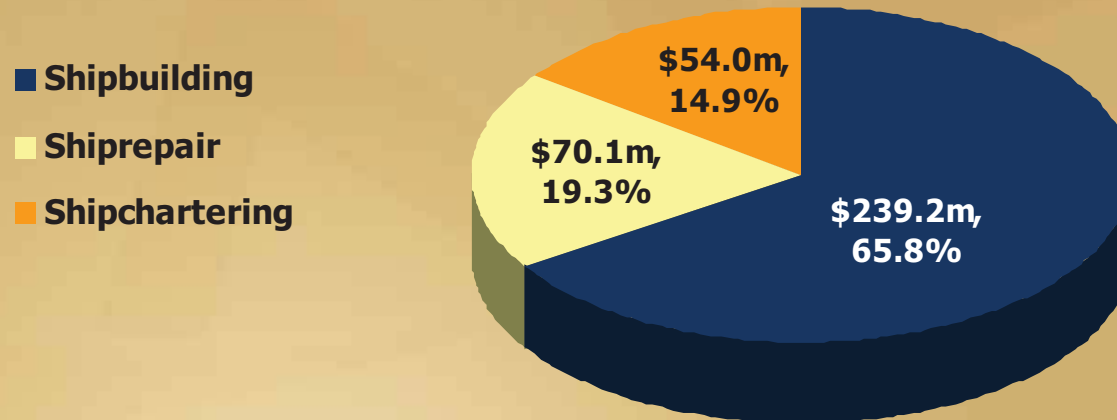
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Operational Review

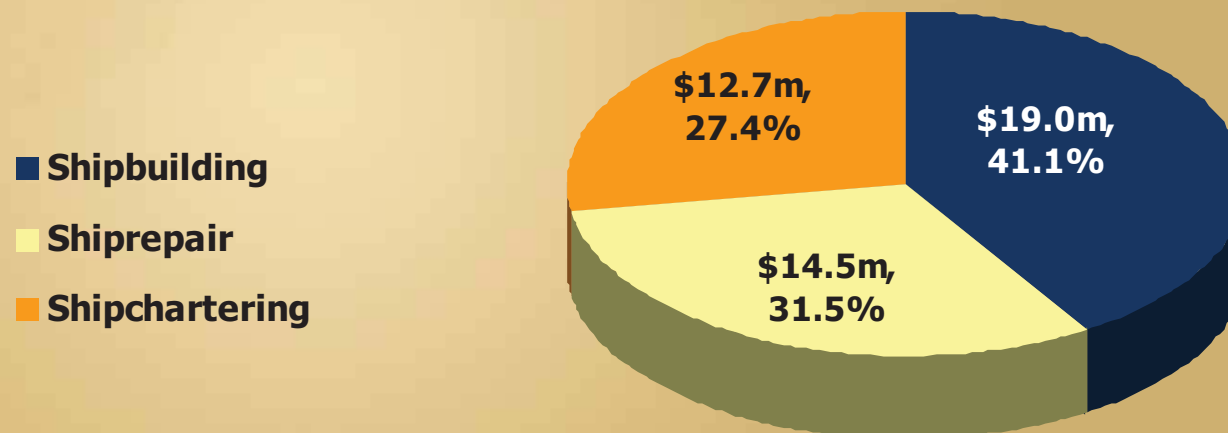


Revenue & Gross Profit by Activities

9M FY2010 Revenue S\$363.3 million



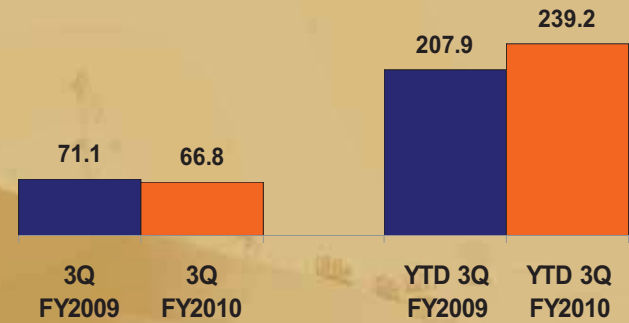
9M FY2010 Gross Profit S\$46.2 million



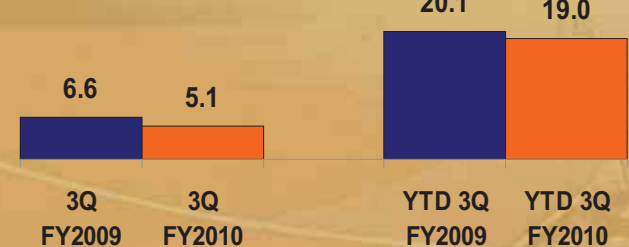
Shipbuilding

- Revenue increased 14% to S\$239.2m in 9M FY2010
- Gross profit decreased 6% to S\$19.0m in 9M FY2010
- Gross margin declined from 9.6% to 7.9% in 9M FY2010 due to increased costs incurred for certain projects owing to technical complexities encountered

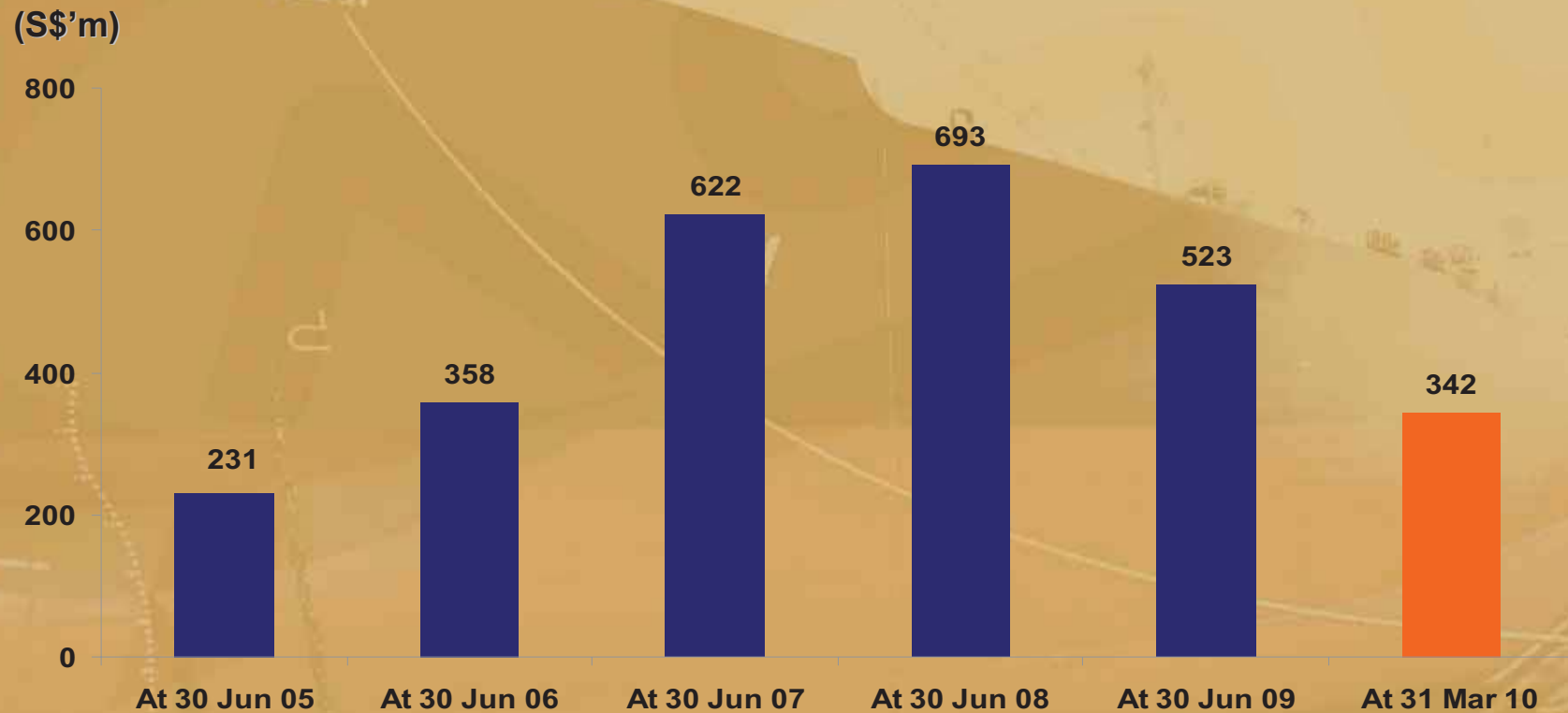
Revenue (S\$m)



Gross Profit (S\$m)



Shipbuilding Order Book



- Order book of S\$342 million comprises of 21 vessels with progressive deliveries until end of 2011
- Approximately 79% of order book are denominated in foreign currencies. Beside utilizing natural hedge, the Group entered into “plain vanilla” forward contracts to hedge against foreign exchange exposures

Shipbuilding Order Book

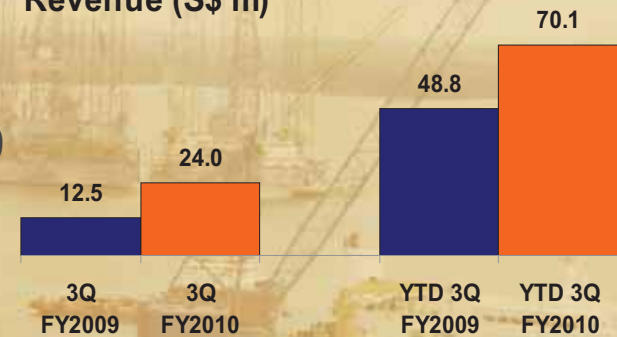
Type of vessels	Units	S\$'m	%
Offshore Support Vessels	5	71	21
Tugs	12	110	32
Dredgers	2	153	45
Others	2	8	2
Total	21	342	100

- Offshore Support Vessels comprised 4 AHTS and 1 Diving Support Vessel
- Tugs comprised mainly Rotor Tugs

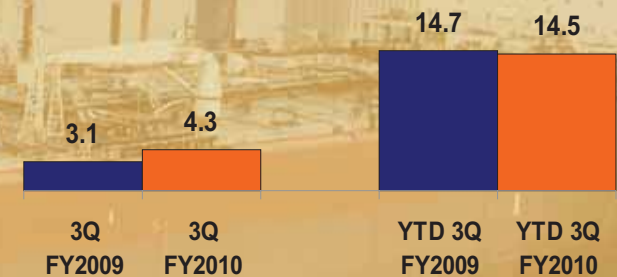
Shiprepair and Ship Conversion

- Revenue surged 44% to S\$70.1m in 9M FY2010
- Gross profit decreased 1% to S\$14.5m in 9M FY2010
- Gross margin declined from 30.2% to 20.8% in 9M FY2010
 - Pricing pressure
 - Larger ship conversion jobs undertaken which generally has lower profit margin

Revenue (S\$m)

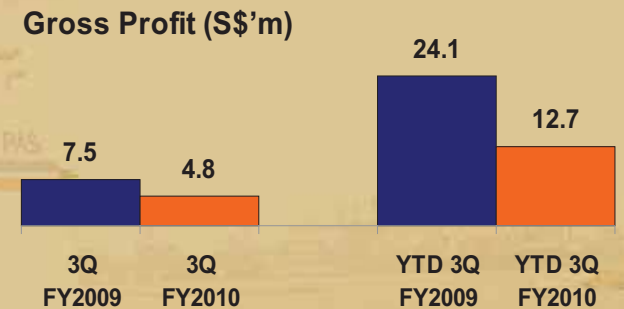
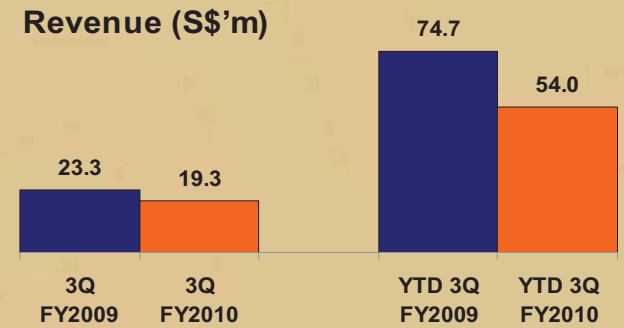


Gross Profit (S\$m)



Shipchartering

- Revenue decreased 28% to S\$54.0m in 9M FY2010
- Gross profit decreased 47% to S\$12.7m in 9M FY2010
- Gross margin declined from 32.3% to 23.5% in 9M FY2010
 - Lower vessel utilisation rate
 - Reduced charter pricing





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Business Outlook & Strategies



Business Outlook & Strategies

Shipbuilding

- Demand for new builds projected to remain sluggish due to:
 - uncertain pace of economy recovery
 - over-supply in some important sub-sectors of the shipping industry
- Focus on increasing efficiency on existing order book deliveries
- Order book of S\$342 million will sustain shipbuilding operations until 2011

Shiprepair

- Long-term outlook reasonably positive based on:
 - Increasing world fleet
 - Recurring and mandatory requirements to maintain sea worthiness of vessels and comply with requirement of classification societies

Business Outlook & Strategies

Shiprepair (cont'd)

- Batam yard facility expansion expected to be fully operational in 4Q FY2010:
 - Lengthening of existing 150,000 dwt dry dock from 260 meter to 340 meter for larger vessels e.g. Capesize bulker, FSO/FPSO
 - Adding 3rd dry dock of 180 meter length for medium-sized vessels e.g. Handymax, medium range tankers

Shipchartering

- Chartering demand supported by:
 - Domestic marine infrastructure, construction and land reclamation projects e.g. port expansion, new international cruise terminal
 - Transportation of aggregates and coal in South East Asia
 - Offshore oil and gas activities in South East Asia and Australia
 - Marine infrastructure, harbour and terminal services sectors in Australia
- Order book of S\$9 million for long term charter contracts

Business Outlook & Strategies

Capex

- 9M FY2010 capex of S\$70 million included S\$10 million for vessels, S\$7 million for plant & machinery and S\$53 million for assets under construction (yard infrastructure development and vessels)
- Outstanding delivery order of 13 vessels worth approx. S\$77 million including towing tugs, barges, AHTS and a tanker. Out of the 13 vessels, 12 vessels worth approx. S\$71 million are being built internally



Thank you