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ASL Marine posts earnings of S\$8.0 million for 1QFY2011

- Recently secured new shipbuilding orders worth approximately S\$29 million for 6 vessels comprising offshore support vessel and barges
- Total shipbuilding order book stands at S\$303 million for 50 vessels scheduled for progressive deliveries up to first quarter 2012

Singapore, 10 November 2010 – ASL Marine Holdings Ltd. (“ASL Marine” or the “Group”), an integrated marine company offering comprehensive services in shipbuilding, shiprepair and conversion and shipchartering, registered a total revenue of S\$81.4 million and a net profit of S\$8.0 million for the three months ended 30 September 2010 (“1QFY2011”).

Financial Highlights	1QFY2011	1QFY2010	change
	S\$'000	S\$'000	%
Revenue	81,401	117,352	(30.6)
Gross Profit	10,819	16,693	(35.2)
Gross Profit Margin	13.3%	14.2%	-
Other Operating Income	4,443	3,392	31.0
Administrative Expenses	(2,296)	(2,292)	0.2
Other Operating Expenses	(1,494)	(1,188)	25.8
Net Profit Attributable to Equity Holders	8,026	11,844	(32.2)
Net Profit Margin	9.9%	10.1%	-
Basic Earnings Per Share (cents)	2.68 ¹	3.95 ²	(32.2)

Based on the weighted average of 299,604,002 ordinary shares¹ and 299,592,752 ordinary shares²

1QFY2011 FINANCIAL OVERVIEW

The Group's revenue of S\$81.4 million and gross profit of S\$10.8 million for 1QFY2011 declined by 30.6% and 35.2% respectively due to lower revenue recorded by all three business segments of shipbuilding, shiprepair and conversion and shipchartering.

The Group's other operating income of S\$4.4 million in 1QFY2011 was S\$1.1 million higher mainly due to higher gain on disposal of vessels held for sale (increased by S\$4.0 million) partially offset by lower miscellaneous income (decreased by S\$1.7 million) and gain on disposal of vessels (decreased by S\$1.2 million).

The Group's administrative expenses remained relatively flat at S\$2.3 million for 1QFY2011. Other operating expenses were S\$0.3 million higher in 1QFY2011 mainly due to higher foreign exchange loss of S\$1.5 million (1QFY2010: S\$1.1 million) comprising mainly unrealised foreign exchange losses arising from revaluation of foreign currency denominated receivables and other assets.

The Group registered a lower net profit attributable to equity holders of S\$8.0 million in 1QFY2011 that translated to basic earnings per share of 2.68 Singapore cents.

OPERATIONS OVERVIEW

Segments:	1QFY2011			1QFY2010		
	Revenue	Gross Profit	Gross Margin	Revenue	Gross Profit	Gross Margin
	(S\$'000)	(S\$'000)	%	(S\$'000)	(S\$'000)	%
Shipbuilding	49,027	4,495	9.2	71,062	6,042	8.5
Shiprepair and conversion	17,384	3,161	18.2	27,985	6,349	22.7
Shipchartering and rental	14,990	3,163	21.1	18,305	4,302	23.5

Shipbuilding revenue of S\$49.0 million in 1QFY2011 was 31% lower mainly due to lesser number of projects undertaken and comparatively lower order book. The segment's gross margin remained stable and it was marginally higher at 9.2% in 1Q FY2011.

Revenue from shiprepair and conversion segment declined by 37.9% in 1QFY2011 to S\$17.4 million due to absence of larger ship conversion jobs undertaken in 1QFY2010. The segment's gross margin declined from 22.7% to 18.2% mainly affected by continued pricing pressure.

Owing to weak demand for towing jobs, revenue from shipchartering operations was 18.1% lower at S\$15.0 million in 1QFY2011. The gross profit margin for this segment declined from 23.5% to 21.1% mainly due to lower charter earnings. The Group's fleet size stood at 179 vessels as at 30 September 2010, compared to 190 vessels as at 30 September 2009.

OUTLOOK

Amidst subdued demand for new orders, the Group has recently secured 6 shipbuilding orders comprising offshore support vessel and barges worth approximately S\$29 million. This brought the Group's shipbuilding order book to S\$303 million comprising 50 vessels including offshore support vessel, diving support vessel, tugs, self-propelled cutter suction dredgers, barges and other vessels. These 50 vessels are scheduled for progressive deliveries up to first quarter of 2012.

The Group expects the operating environment for its shiprepair and shipchartering operations to remain highly competitive. Despite this, the Group expects to remain profitable for the financial year ending 30 June 2011.

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. For 1QFY2011, approximately 16% of shipchartering revenue came from long term chartering contracts (with duration over a year). The Group had an outstanding order book of approximately S\$23 million for long term contracts as at 30 September 2010. With the aim of maximizing deployment, enhancing and renewing its fleet to better serve the clients, the Group's shipchartering operations have an outstanding delivery order of 33 vessels worth approximately S\$105 million. These 33 vessels comprise towing tugs, pipe-lay barge, ROV support vessel, Anchor Handling Towing/ Supply vessels, Anchor Handling Tugs and barges. Of these 33 vessels, 12 vessels worth S\$98 million are being built internally by the Group against which long term charter contracts have been secured for 2 vessels under construction.

“With intense competition in the marine industry, margins are under pressure particularly in the new shipbuilding and the shiprepair segments. However, with the enhanced facilities at the Group's Batam yard, we are well positioned for more works and also to enlarge our current customer base.”

**Mr. Ang Kok Tian
Chairman and Managing Director**

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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. It has a young fleet of about 179 vessels comprising towing tugs, Anchor Handling Tugs, barges and other vessels for its shipchartering operation.

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

Issued for and on behalf of ASL Marine Holdings Ltd.

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