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ASL Marine registers earnings of S\$10.0 million for 2QFY2011

- **Outstanding shipbuilding order book stood at S\$265 million for 52 vessels**

Singapore, 11 February 2011 – ASL Marine Holdings Ltd. (“ASL Marine” or the “Group”), an integrated marine company offering comprehensive services in shipbuilding, shiprepair and conversion as well as shipchartering, posted its financial results with total revenue of S\$103.1 million and net profit attributable to shareholders of S\$10.0 million for the three months ended 31 December 2010 (“2QFY2011”).

Financial Highlights	2QFY2011	2QFY2010	change	1HFY2011	1HFY2010	change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	103,112	135,792	(24)	184,513	253,144	(27)
Gross Profit	14,703	15,311	(4)	25,522	32,004	(20)
Gross Profit Margin	14.3%	11.3%	-	13.8%	12.6%	-
Other Operating Income	1,409	1,170	20	5,852	4,562	28
Administrative Expenses	(2,387)	(2,586)	(8)	(4,683)	(4,878)	(4)
Net Profit Attributable to Equity Holders	10,029	8,969	12	18,055	20,813	(13)
Net Profit Margin	9.7%	6.6%	-	9.8%	8.2%	-
Basic Earnings Per Share (cents)	2.39 ¹	2.14 ²	12	4.30 ³	4.96 ⁴	(13)

Based on the weighted average of 419,463,374 ordinary shares for 2QFY2011¹ and 419,445,494 ordinary shares for 2QFY2010²

Based on the weighted average of 419,454,434 ordinary shares for 1HFY2011³ and 419,437,619 ordinary shares for 1HFY2010⁴

2QFY2011 FINANCIAL OVERVIEW

Total revenue for the Group declined 24% on a year-on-year (y-o-y) basis to S\$103.1 million in 2QFY2011 mainly due to lower revenue contribution from the shipbuilding operations partially offset by higher revenue contributions from the shiprepair and conversion and the shipchartering operations. Gross profit however decreased slightly by 4% to S\$14.7 million mainly due to higher contribution from the shiprepair and conversion operations.

Other operating income increased by 20% y-o-y to S\$1.4 million in 2QFY2011 due to higher gain on disposal of plant and equipment of S\$0.7 million, partially offset by lower

other income of S\$0.3 million and absence of gain on disposal of vessels held for sale of S\$0.2 million recorded in 2Q FY2010.

The administrative and other operating expenses for 2QFY2011 remained relatively stable.

The Group's taxation charge was \$1.5 million lower in 2QFY2011. The Group's earnings in 2QFY2011 increased by 12% y-o-y to S\$10.0 million, thereby raising the basic earnings per share from 2.14 Singapore cents to 2.39 Singapore cents.

OPERATIONS OVERVIEW

	2QFY2011			2QFY2010		
	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Shipbuilding	53,555	4,136	7.7	101,310	7,800	7.7
Shiprepair and conversion	31,917	6,541	20.5	18,036	3,939	21.8
Shipchartering and rental	17,640	4,026	22.8	16,446	3,572	21.7

Slower demand for new shipbuilding orders continue to affect the revenue contribution from the shipbuilding operations, which decreased by 47% to S\$53.6 million in 2QFY2011. Shipbuilding's gross profit decreased correspondingly by 47% to S\$4.1 million

Shiprepair and conversion operations recorded a 77% increase in revenue for 2QFY2011 to S\$31.9 million mainly attributed to works undertaken for a floating storage and offloading (FSO) vessel. Its gross profit was 66% higher to S\$6.5 million at gross profit margin of 20.5%.

Revenue from the shipchartering operations was higher by 7% in 2QFY2011 due to marginally higher vessel utilisation rate. Consequently, gross profit increased by 13% to S\$4.0 million with gross profit margin improved slightly from 21.7% to 22.8%.

OUTLOOK

Barring any unforeseen circumstances, the Group expects to remain profitable for the financial year ending 30 June 2011.

Recent addition of S\$17 million worth of secured orders brought the Group's outstanding shipbuilding order book to S\$265 million till date for 52 vessels with progressive deliveries up to first quarter of 2012. The order book comprised of offshore support vessel, diving support vessel, tugs, self-propelled cutter suction dredgers, barges and others. Barring any unforeseen circumstances, approximately 34% of the order book will be recognised in 2HFY2011.

The Group has a fleet size of 196 vessels as at 31 December 2010 as compared to 184 vessels as at 31 December 2009. The Group's shipchartering operations currently has an outstanding delivery order of 13 vessels for its own fleet worth approximately S\$101 million, of which 9 vessels worth S\$98 million are being built internally. Long term charter contracts have been secured for 2 vessels under construction.

Long term chartering contracts contributed approximately 14% of the Group's shipchartering revenue in 1HFY2011. As at 31 December 2010, the Group had an outstanding order book of approximately S\$22 million with respect to long term shipchartering contracts.

“With higher oil prices and picking up of activities in the offshore exploration and production, the sentiments are turning positive for the industry. However, this positive trend is likely to take a while to translate into new orders due to the current over-supply situation.

For the shiprepair and conversion operations, despite stiff competitions in the industry, the Group is positive on the outlook in view of the healthy demand in the region particularly within Indonesia.”

**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 196 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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