



Ship Building



Shiprepair & Conversion



Ship Chartering



**ASL MARINE**  
Corporate Presentation 9M FY2011

# Presentation Outline



- **Group Overview**
- **9M FY2011 Financial Review  
(9 months ended 31 March 2011)**
- **Operational Review**
  - **Shipbuilding**
  - **Shiprepair and Conversion**
  - **Shipchartering**
- **Business Outlook**



# ASL MARINE

Group Overview



# Company Profile



- **Core businesses:-**
  - Shipbuilding
  - Shiprepair and Conversion
  - Shipchartering
- **Shipbuilding and Shiprepair**
  - 3 shipyards in Singapore, Batam (Indonesia) and Guangdong (China)
  - Batam yard: 3 graving dry docks (300,000 dwt, 60,000 dwt & 20,000 dwt)



# Company Profile



- **Shipchartering**

- Fleet size at 31 March 2011: 190 vessels
- Mainly barges, towing tugs, Anchor Handling Tugs and other vessels
- Vessels on time or bareboat charter to following industries:
  - Offshore Oil and Gas
  - Marine Infrastructure
  - Dredging, Land Reclamation & Marine Construction Works
  - Transportation of cargoes e.g. coal, aggregates, heavy equipment







# ASL MARINE

Financial Review

# Financial Performance



	3Q FY11 (S\$m)	3Q FY10 (S\$m)	chg %	9M FY11 (S\$m)	9M FY10 (S\$m)	chg %	Comments
Revenue	86.0	110.1	(22)	270.5	363.3	(26)	Lower revenue from shipbuilding and shipchartering; absence of larger ship conversion jobs
Gross Profit	10.4	14.2	(27)	36.0	46.2	(22)	
Gross Profit Margin	12.1%	12.9%	-	13.3%	12.7%	-	
Other Operating Income	4.5	2.1	109	10.3	6.7	54	Higher disposal gain on vessels of S\$10.0m (9M FY10: S\$4.1m) partially offset by lower miscellaneous income & higher foreign exchange losses
Other Operating Expense	(0.7)	0.6	Nm	(2.3)	(0.7)	218	
Net Profit	8.0	9.3	(14)	26.1	30.1	(13)	
Net Margin	9.3%	8.4%	-	9.6%	8.3%	-	
EBITDA	20.6	21.9	(6)	63.5	66.7	(5)	

# Cash Flow



Cash Flows (S\$m)	9M FY11	9M FY10	% Chg
Net cash generated from operating activities	34.0	53.6	(37)
Net cash used in investing activities (Capital expenditure net of disposal)	(53.9)	(52.6)	2
Net cash generated from financing activities (Borrowings net of repayments & dividends payment)	3.4	40.0	(91)
Net (decrease)/ increase in cash	(16.5)	41.0	Nm
Cash at beginning of the period	83.3	94.8	(12)
Cash at end of the period	66.1	135.6	(51)



# Financial Ratios



	9M FY11	9M FY10
Basic Earnings per Share <sup>1</sup> (cents)	6.22	7.18
Fully Diluted Earnings per Share <sup>2</sup> (cents)	6.22	7.18
Return on Equity (Annualised)	10.3%	12.6%
Return on Total Assets (Annualised)	4.7%	5.1%

As at	31 Mar 11	30 Jun 10
Net Asset Value per Share <sup>3</sup> (cents)	78.70	105.25
Gearing Ratio	0.70	0.66
Net Gearing Ratio	0.48	0.38

Based on weighted average of

<sup>1</sup> 419,473,111 shares in issue for 9M FY11 (9M FY10: 419,440,206)

<sup>2</sup> 419,482,000 shares in issue for 9M FY11 (9M FY10: 419,462,323)

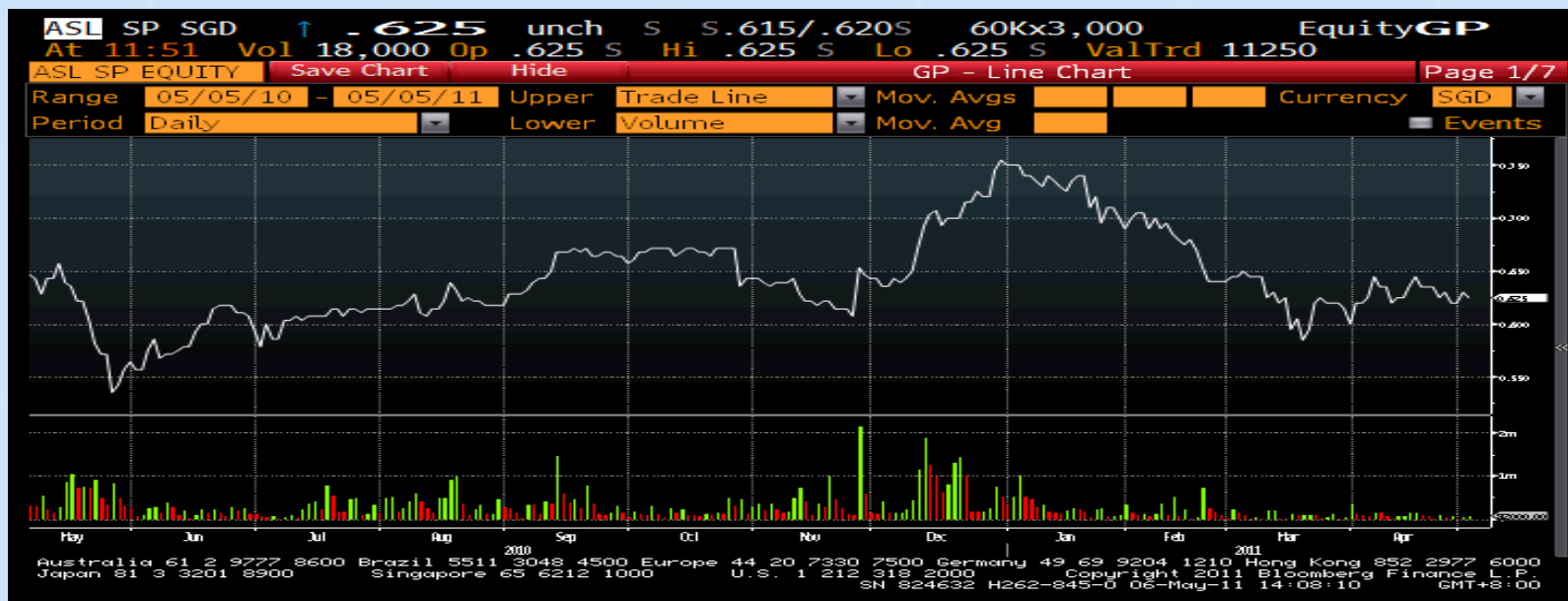
<sup>3</sup> 419,511,294 shares as at 31 March 2011 (30 June 2010: 299,604,002)

# Share Price Information



As at	5 May 11	10 May 10
Share Price <sup>1</sup> (\$)	0.63	0.90
Price Earnings Ratio	7.60	6.72
Price / Net Asset Value per Share	0.80	0.87
Market Capitalisation (S\$m)	264.3	269.6

<sup>1</sup> New bonus shares on the basis of 4 bonus shares for every 10 existing shares were issued in December 2010



Source: Bloomberg



# ASL MARINE

Operational Review

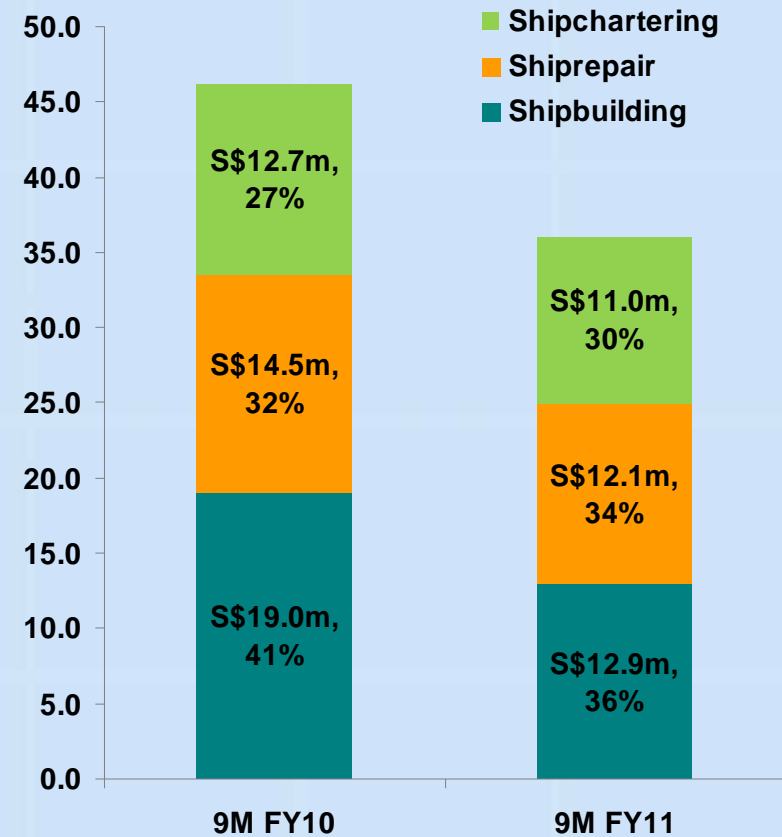
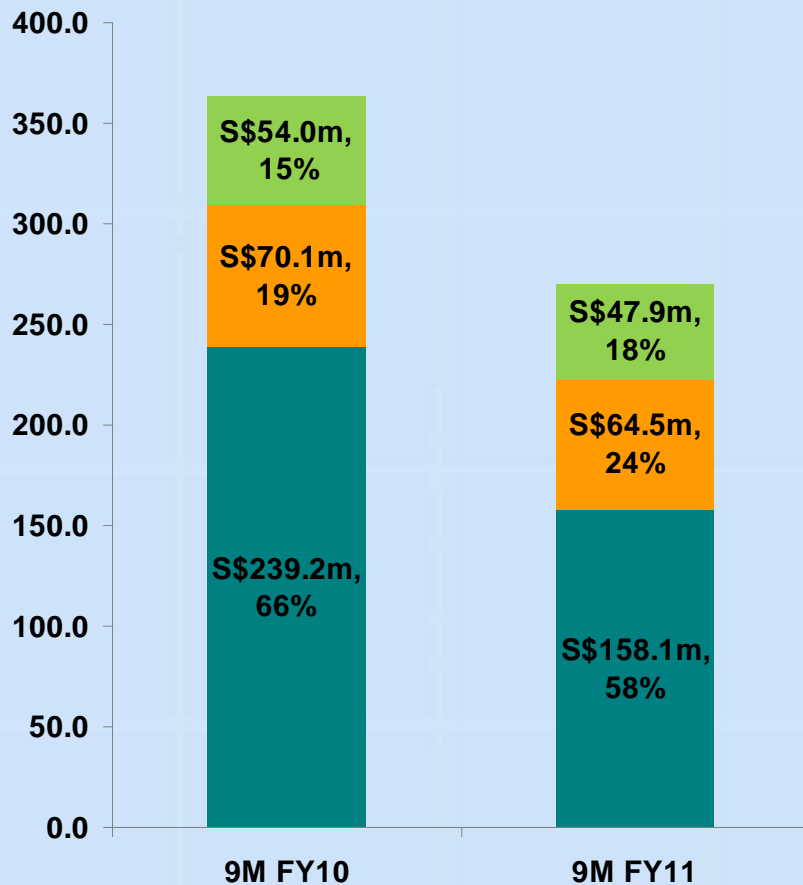


# Revenue and Gross Profit by Activities



**Revenue S\$270.5m (9M FY10: S\$363.3m)**

**Gross Profit S\$36.0m (9M FY10: S\$46.2m)**

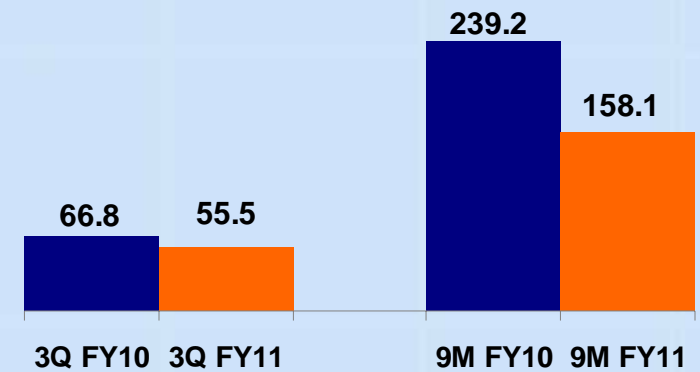


# Shipbuilding

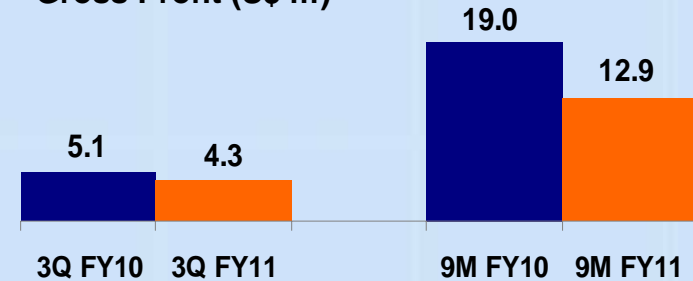


- YTD revenue down 34% to S\$158.1m due to lower order book
- YTD gross profit reduced by 32% to S\$12.9m with gross margin stable at 8.1%

Revenue (S\$m)



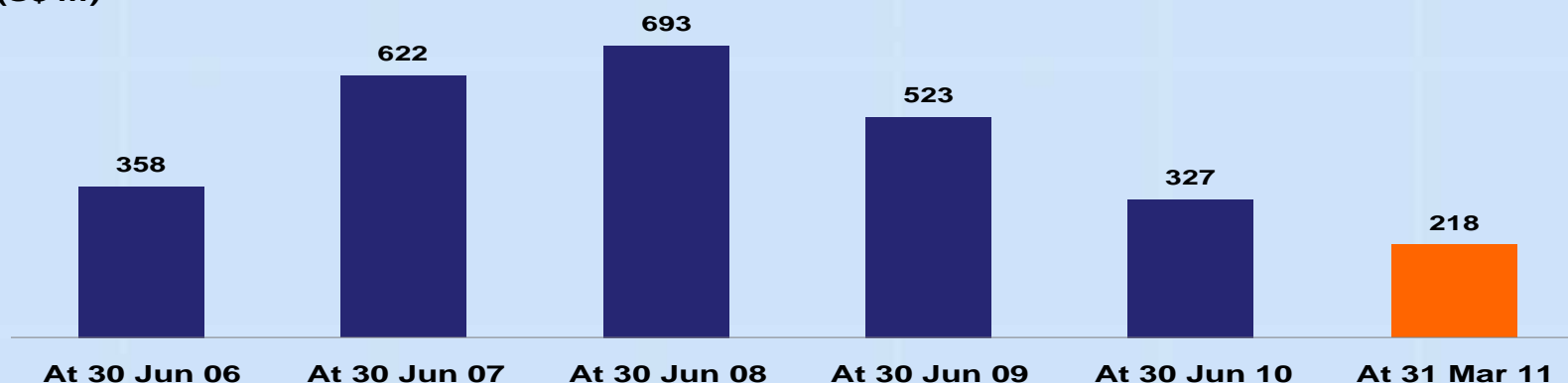
Gross Profit (S\$m)



# Shipbuilding Order Book



(S\$m)



Type of Vessels	Units	S\$m	%
Offshore Support Vessels	2	49	22
Tugs <sup>1</sup>	9	82	38
Dredgers	2	66	30
Barges & Other Vessels	28	21	10
<b>Total</b>	<b>41</b>	<b>218</b>	<b>100</b>

Outstanding order book of S\$218 million comprised 41 vessels with progressive deliveries up to first quarter of 2012.

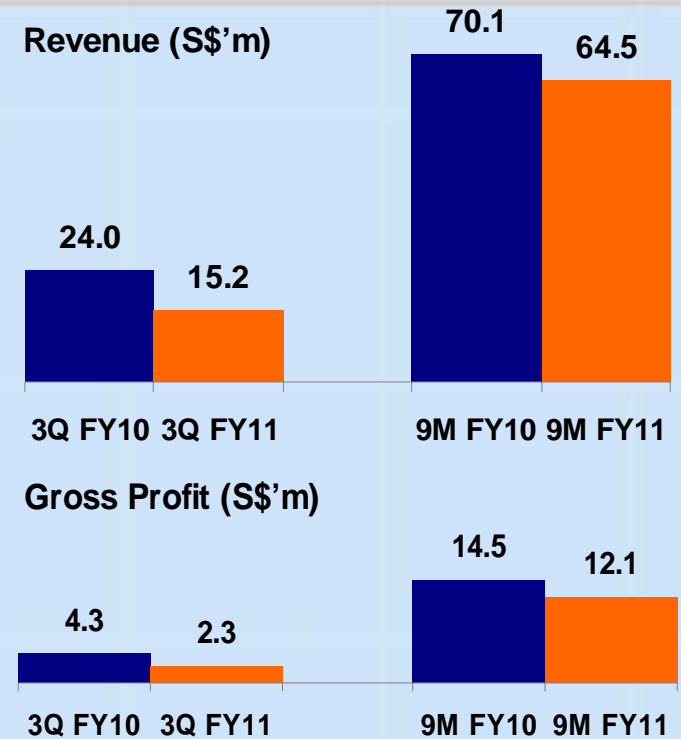
<sup>1</sup> Rotor Tugs and Azimuth Stern Drive Tugs



# Shiprepair & Conversion



- YTD revenue decreased 8% to S\$64.5m due to absence of larger ship conversion jobs undertaken in 9M FY10
- YTD gross profit reduced 17% to \$12.1m at gross margin of 18.7% (9M FY10: 20.8%) affected by pricing pressure

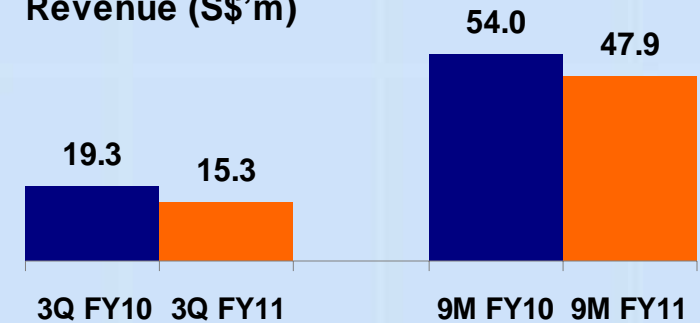


# Shipchartering

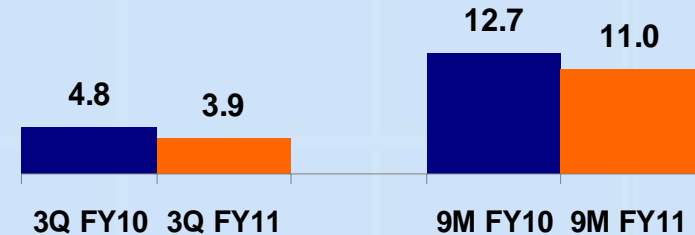


- YTD revenue declined 11% to S\$47.9m mainly due to weak demand for towing jobs
- YTD gross profit reduced 13% to S\$11.0m with gross margin of 23.1% comparable to 9M FY10

Revenue (S\$m)



Gross Profit (S\$m)





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Business Outlook



# Business Outlook



## Shipbuilding

- Despite improving sentiments particularly the oil & gas industry, new shipbuilding orders remain slow due to current over-supply situation
- Outstanding order book of S\$218 million for 41 vessels will sustain shipbuilding operations until early 2012

## Shiprepair

- Market conditions remain competitive
- Longer term fundamentals underpinned by:
  - Increasing world fleet
  - Recurring and mandatory requirements to maintain sea worthiness of vessels and to comply with requirement of classification societies
  - Healthy demand in the region particularly within Indonesia

# Business Outlook



## Shiprepair (cont.)

- Well equipped facilities at Batam yard:
  - 1 dry dock of 340 metres length (300,000 dwt)
  - 2 medium-sized dry docks of 230 metres & 180 metres length (60,000 dwt & 20,000 dwt)

## Shipchartering

- Demand supported by:
  - Domestic marine infrastructure, construction and land reclamation projects e.g. construction of port and international cruise terminal
  - Transportation demand (e.g. coal) in Indonesia & South East Asia regions
  - Offshore oil and gas activities in South East Asia & Australia
  - Marine infrastructure, harbour and terminal services sectors in Australia
- Order book of approximately S\$25 million for long term charter contracts

# Business Outlook



## Capital Expenditure

- Total capex of S\$76.3 million in 9M FY11 included S\$18.6 million for vessels, S\$7.5 million for leasehold property and building, S\$3.6 million for plant & machinery and S\$46.1 million for assets under construction (yard infrastructure and vessels).
- Shipchartering operations have outstanding delivery orders for 12 vessels worth approximately S\$104 million comprising towing tugs, pipe-lay barge, ROV support vessel, AHTS, AHT and barges. These 12 vessels are being built internally of which long term charter contracts have been secured for 2 vessels.





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**Thank You**