



PRESS RELEASE -- FOR IMMEDIATE RELEASE

ASL Marine recorded S\$8.5 million earnings with sharply higher order book

- Revenue grew 2% y-o-y to S\$83.1 million mainly due to increased revenue contributions from shiprepair and shipchartering segments
- Recently secured new shipbuilding orders worth S\$267 million for two platform supply vessels, one dredger and two barges
- Outstanding shipbuilding order book of approximately S\$542 million, with progressive deliveries up to 3Q FY2014

Singapore, 10 November 2011 – ASL Marine Holdings Ltd. (“ASL Marine” or the “Group”), an integrated marine company offering comprehensive services in shipbuilding, shiprepair and conversion and shipchartering, today announced its financial results for the three months ended 30 September 2011 (“1Q FY2012”) and reported total revenue of S\$83.1 million and net profit attributable to owners of the Company of S\$8.5 million.

Financial Highlights	1Q FY2012	1Q FY2011	chg
	S\$'000	S\$'000	%
Revenue	83,109	81,401	2
Gross Profit	9,592	10,819	(11)
Gross Profit Margin	11.5%	13.3%	-
Other Operating Income	6,593	4,443	48
Administrative Expenses	(2,762)	(2,296)	20
Profit Before Tax	10,324	9,151	13
Net Profit Attributable to Owners of the Company	8,490	8,026	6
Net Profit Margin	10.2%	9.9%	-
Basic Earnings Per Share (cents)	2.02 ¹	1.91 ²	5.8

Based on the weighted average of 419,511,294 ordinary shares for 1Q FY2012¹ and 419,445,494 ordinary shares for 1Q FY2011². The earnings per ordinary for 1Q FY2011 have been restated taking into consideration the bonus share issuance on 29 December 2010.

1Q FY2012 FINANCIAL OVERVIEW

The Group's revenue increased 2% year-on-year ("y-o-y") to S\$83.1 million for 1Q FY2012 as a result of comparatively higher revenue contributions from its shiprepair and conversion and shipchartering business segments, partially offset by decline in revenue from the shipbuilding operations.

The Group's gross profit decreased 11% y-o-y to S\$9.6 million for 1Q FY2012. Gross profit margin also registered a decline from 13.3% in 1Q FY2011 to 11.5% in 1Q FY2012. The decline in gross profit and gross profit margin was mainly due to lower earnings from shipbuilding and shipchartering operations.

Other operating income increased by 48% y-o-y to S\$6.6 million in 1Q FY2012. The increase was primarily attributed to foreign exchange gain of S\$2.5 million (1Q FY2011: net foreign exchange loss of S\$1.5 million), disposal gain of S\$0.8 million from sale of 6 vessels (1Q FY2011: S\$0.3 million for 3 vessels) and miscellaneous income of S\$1.6 million comprised mainly a forfeiture of S\$1.3 million deposit received due to cancellation of vessels held for sale.

Administrative expenses increased 20% y-o-y to S\$2.8 million for 1Q FY2012 mainly due to higher manpower costs.

Finance costs were S\$0.4 million higher mainly due to increased amount of outstanding loans and borrowings.

The Group's tax expense climbed 70% y-o-y in 1Q FY2012 to S\$1.8 million as it recorded a higher effective tax rate of 17.5% (1Q FY2011: 11.5%) mainly due to higher tax attributed to shipyard operations partially offset by higher tax exempt shipping profit from shipchartering operations.

The Group's net profit attributable to owners of the Company for 1Q FY2012 advanced 6% y-o-y to S\$8.5 million which translated to basic earnings per share of 2.02 cents (1Q FY2011: 1.91 cents).

OPERATIONS OVERVIEW

	1Q FY2012			1Q FY2011		
	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin
Segments	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Shipbuilding	46,891	3,175	6.8	49,027	4,495	9.2
Shiprepair and conversion	19,210	3,953	20.6	17,384	3,161	18.2
Shipchartering and rental	17,008	2,464	14.5	14,990	3,163	21.1

The Group's shipbuilding revenue declined 4% y-o-y to S\$46.9 million in 1Q FY2012. Gross profit decreased 29% y-o-y to S\$3.2 million, while gross profit margin fell from 9.2% in 1Q FY2011 to 6.8% in 1Q FY2012 principally due to higher cost provisions made for completed projects.

As a result of a larger ship conversion job, revenue from shiprepair and conversion operations increased 11% y-o-y to S\$19.2 million in 1Q FY2012. During the same period, gross profit climbed 25% y-o-y to S\$4.0 million and the segment's gross profit margin rose from 18.2% in 1Q FY2011 to 20.6% in 1Q FY2012.

Revenue from the shipchartering segment grew 14% y-o-y to S\$17.0 million in 1Q FY2012. This was in spite of a larger fleet size of 196 vessels as at 30 September 2011 (30 September 2010: 179 vessels) owing to lower vessel utilisation rate during 1Q FY2012. The segment's gross profit declined 22% y-o-y to S\$2.5 million for 1Q FY2012, while gross profit margin fell from 21.1% in 1Q FY2011 to 14.5% in 1Q FY2012 on the back of lower vessel utilisation rate, a higher proportion of charter revenue under contract of affreightment which generally yields lower margin as well as an additional depreciation charge of S\$0.7 million arising from cancellation of vessels held for sale.

OUTLOOK

The Group previously announced on 11 October 2011 new shipbuilding orders worth approximately S\$267 million for the construction of 5 vessels which included two platform supply vessels, one dredger and two barges. As at to-date, the Group's outstanding shipbuilding order book from external customers stands at S\$542 million for 30 vessels, with progressive deliveries scheduled up to 3Q FY2014. The order book comprises offshore support vessels, Anchor Handling Towing/ Supply vessels, self-propelled cutter suction dredgers, tugs and barges.

The Group has a fleet size of 196 vessels as at 30 September 2011 (30 September 2010: 179 vessels) comprising barges, towing tugs, Anchor Handling Tugs, Anchor Handling Towing/ Supply vessels, ROV support vessel and other vessels. As of the date of this announcement, the Group's shipchartering operations have a total outstanding delivery order of 12 new vessels worth approximately S\$32 million. These 12 vessels comprising Anchor Handling Tugs and barges are being built internally by the Group.

Approximately 16% of the Group's shipchartering revenue in 1Q FY2012 was contributed by long term chartering contracts. As at 30 September 2011, the Group's outstanding order book with respect to long term shipchartering contracts amounted to approximately S\$57 million.

“We are pleased to have secured new shipbuilding orders in spite of overarching negativity shrouding the operating environment due to renewed concerns over the uncertain global economy. Going forward, the challenging market conditions and strong competitive pressures remain imminent headwinds that cannot be ignored.”

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 barges, towing tugs, Anchor Handling Tugs, Anchor Handling Towing/ Supply vessels 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.

By Financial PR Pte Ltd

For more information, please contact:

Romil SINGH / Kathy ZHANG / Sylvia LEE

Tel: (65) 6438 2990

Fax: (65) 6438 0064

E-mail: romil@financialpr.com.sg / staff@financialpr.com.sg