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ASL Marine registers earnings of S\$8.0 million for 3Q FY2012

- Gross profit grew by 53% to S\$16.0 million but earnings were slightly lower by 1% due to higher net operating expenses
- Increased contributions from all three business segments boosted the total revenue by 32% to S\$113.8 million
- Outstanding shipbuilding order book from external customers and long term shipchartering order book stood at S\$642 million and S\$57 million respectively, as at 31 March 2012

Singapore, 9 May 2012 – ASL Marine Holdings Ltd. (“ASL Marine” or the “Group”), an integrated marine company offering comprehensive services in shipbuilding, shiprepair and conversion and shipchartering, reported revenue of S\$113.8 million and net profit attributable to shareholders of S\$8.0 million for the three months ended 31 March 2012 (“3Q FY2012”).

Financial Highlights	3Q	3Q	chg	9M	9M	chg
	FY2012	FY2011		FY2012	FY2011	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	113,785	86,012	32	274,248	270,525	1
Gross Profit	15,975	10,428	53	38,922	35,950	8
Gross Profit Margin	14.0%	12.1%	-	14.2%	13.3%	-
Other Operating Income	2,807	4,456	(37)	8,284	10,308	(20)
Other Operating Expenses	(6,195)	(658)	841	(4,302)	(2,302)	87
Net Profit Attributable to Equity Holders	7,955	8,036	(1)	24,039	26,091	(8)
Net Profit Margin	7.0%	9.3%	-	8.8%	9.6%	-
Basic Earnings Per Share (cents) *	1.90	1.92	(1)	5.73	6.22	(8)

* Based on the weighted average of 419,511,294 ordinary shares for both 3Q FY2012 and 3Q FY2011 and 419,511,294 ordinary shares for 9M FY2012 (9M FY2011: 419,473,111 ordinary shares)

3Q FY2012 FINANCIAL OVERVIEW

The total revenue for the Group increased 32% year-on-year (“y-o-y”) in 3Q FY2012 to S\$113.8 million. The increase was due to all three business segments, namely shipbuilding, shiprepair and conversion and shipchartering, registering growth in their respective revenue contributions for 3Q FY2012.

With growth in gross profits for each of the business segments, the overall gross profit for the Group surged 53% y-o-y to S\$16.0 million in 3Q FY2012. The gross profit margin for the Group improved from 12.1% in 3Q FY2011 to 14.0% in 3Q FY2012 mainly due to better margin from the shipbuilding segment, partially offset by the margin declines in the shiprepair and shipchartering segments.

Other operating income reduced 37% y-o-y in 3Q FY2012 to S\$2.8 million mainly due to lesser gain on disposal of vessels from S\$4.4 million in 3Q FY2011 to S\$2.7 million in 3Q FY2012.

Other operating expenses for the Group registered an increase from S\$0.7 million in 3Q FY2011 to S\$6.2 million in 3Q FY2012, mainly due to S\$2.5 million allowance for impairment of doubtful receivables and S\$3.7 million loss on foreign exchange recorded in 3Q FY2012.

Consequently, the Group registered a net profit attributable to shareholders of S\$8.0 million in 3Q FY2012, a 1% decline y-o-y. This translated to basic earnings per share of 1.90 Singapore cents for 3Q FY2012 (3Q FY2011: 1.92 Singapore cents).

OPERATIONS OVERVIEW

Segments	3Q FY2012			3Q FY2011		
	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Shipbuilding	72,709	8,635	11.9	55,563	4,225	7.6
Shiprepair and conversion	22,266	2,660	11.9	15,198	2,345	15.4
Shipchartering and rental	18,810	4,680	24.9	15,251	3,858	25.3

Revenue from the shipbuilding business increased 31% y-o-y to S\$72.7 million in 3Q FY2012 mainly due to more shipbuilding projects under construction or completed as well as a higher percentage of completion since revenue is recognised on percentage of completion basis. The gross profit for the segment more than doubled to S\$8.6 million and the gross profit margin improved from 7.6% in 3Q FY2011 to 11.9% in 3Q FY2012 due to progressive recognition of more profitable projects resulting from fewer costs over-runs.

Revenue from shiprepair and conversion business surged 47% y-o-y to S\$22.3 million in 3Q FY2012 as the Group completed more high value shiprepair jobs in the quarter. The gross profit from the segment grew by 13% y-o-y to S\$2.7 million in 3Q FY2012 and the gross profit margin reduced from 15.4% to 11.9%, mainly due to unbooked additional costs incurred for some shiprepair jobs undertaken in 2Q FY2012. Excluding these costs, the segment's gross profit margin would have been 16.3% for 3Q FY2012.

Revenue from the shipchartering and rental business grew 23% y-o-y to S\$18.8 million in 3Q FY2012 mainly due to additional charter income from the operations of the Anchor Handling Towing/ Supply vessels (AHTS) acquired in 4Q FY2011 and the ROV support vessel acquired in 1Q FY2012. Improved utilisation rate from charter of tugs partially offset by lower charter income from Anchor Handling Tugs also contributed to the variance in revenue. In line with the increase in revenue, the gross profit increased 21% y-o-y to S\$4.7 million in 3Q FY2012 and the gross profit margin eased off slightly from 25.3% to 24.9%.

OUTLOOK

The Group secured about S\$454.5 million worth of new shipbuilding contracts to date in FY2012. With the contract wins, the Group's shipbuilding order book from external customers stood at approximately S\$642 million as at 31 March 2012. The order book comprised of 40 vessels, including offshore support vessels, AHTS, self-propelled cutter suction dredgers, tugs and barges. These 40 vessels have progressive deliveries up to second quarter of 2014.

As for shipchartering business, the Group's fleet size as at 31 March 2012 stood at 186 vessels (31 March 2011: 190 vessels) comprising barges, towing tugs, Anchor Handling Tugs, AHTS, ROV support vessel and other vessels. Currently, the Group's shipchartering operations have a total outstanding delivery order of 21 vessels worth approximately S\$127 million. These 21 vessels comprising Anchor Handling Tug, AHTS, ROV support vessel, tugs and barges are being built internally by the Group.

Approximately 24% of the Group's shipchartering revenue in 9M FY2012 was contributed by long term chartering contracts. As at 31 March 2012, the Group's outstanding order book comprising long term shipchartering contracts amounted to approximately S\$57 million.

“The offshore oil and gas industry continues to witness increased activity levels supported by the robust oil prices that have stayed above US\$80 a barrel. The oil companies continue to pump investments towards deeper water drilling to locate new reserves and this is creating demand for more offshore production units and also improving vessel chartering rates.

Against this background, we are experiencing a healthy enquiry level for new shipbuilding coming particularly from demand for vessels to support the offshore oil exploration and production activities. Also, the shiprepair side of the business is experiencing more demand for repair works coming from the oil and gas related vessels.

Though competition and a uncertain macro environment concerns us, yet with a high level of shipbuilding order book on hand and with more jobs in the shiprepair side coming from the oil and gas industry, we remain cautiously optimistic on our financial performance.”

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

Barring any unforeseen circumstances, the Directors expect the Group to remain profitable for FY2012.

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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 186 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.

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