



ASL MARINE

Corporate Presentation

9M FY2012



Presentation Outline



- **Group Overview**
- **9M FY2012 Financial Review
(9 months ended 31 March 2012)**
- **Operations Review**
 - **Shipbuilding**
 - **Shiprepair and Conversion**
 - **Shipchartering**
- **Business Outlook**



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Group Overview

Company Profile



- **Core businesses:-**

- Shipbuilding
- Shiprepair and Conversion
- Shipchartering

- **Shipbuilding and Shiprepair & Conversion**

- 4 shipyards: 1 in Singapore (4 hectare), 2 in Batam, Indonesia (30 and 16 hectare) and 1 in Guangdong, China (8 hectare)
- Batam yard: 3 graving dry docks (300,000 dwt, 60,000 dwt and 20,000 dwt)
- The big dock is currently one of the largest dry docks in Batam capable of accommodating larger vessels (like Capesize Bulk Carriers, Long Range Product Tankers, Containerships, Heavy-lift Ships, FSO and FPSO)



Company Profile



- **Shipbuilding and Shiprepair & Conversion (cont.)**

- Builds a variety of vessels, specialises in building:

- i) Offshore Support Vessels

- (Heavy-Lift cum Pipelay Vessel, Subsea Operation Vessel, AHTS, PSV, Offshore Maintenance/Accommodation Vessel, Rescue and Standby Vessel)

- ii) Construction Vessels and Dredgers

- (Cutter Suction Dredger and Water Injection Dredger)

- iii) Tugs (Rotor Tugs and Azimuth Stern Drive Tugs)

- iv) Barges (Accommodation, Pipe laying and Work)

- v) Tankers (Chemical Tanker (IMO II/III), Bunkering and Product Tankers)



Company Profile



- **Shipchartering**

- Fleet size at 31 March 2012: 186 vessels
- Mainly barges, towing tugs, AHT, AHTS, ROV support vessel and other vessels
- Vessels on time or bareboat charter to following industries:
 - i) Offshore Oil and Gas
 - ii) Marine Infrastructure
 - iii) Dredging, Land Reclamation and Marine Construction Works
 - iv) Transportation of Cargoes e.g. coal, aggregates, heavy equipment



Company Profile



- **Shipchartering (cont.)**

- Out of the 186 vessels in the fleet, 29 vessels are on long term charters
- Of the 186 vessels, 39 vessels are deployed in Singapore, 49 vessels in Indonesia, 24 in Malaysia, 4 in Brunei and 18 in Australia
- Details on the fleet and type of vessels are highlighted below:

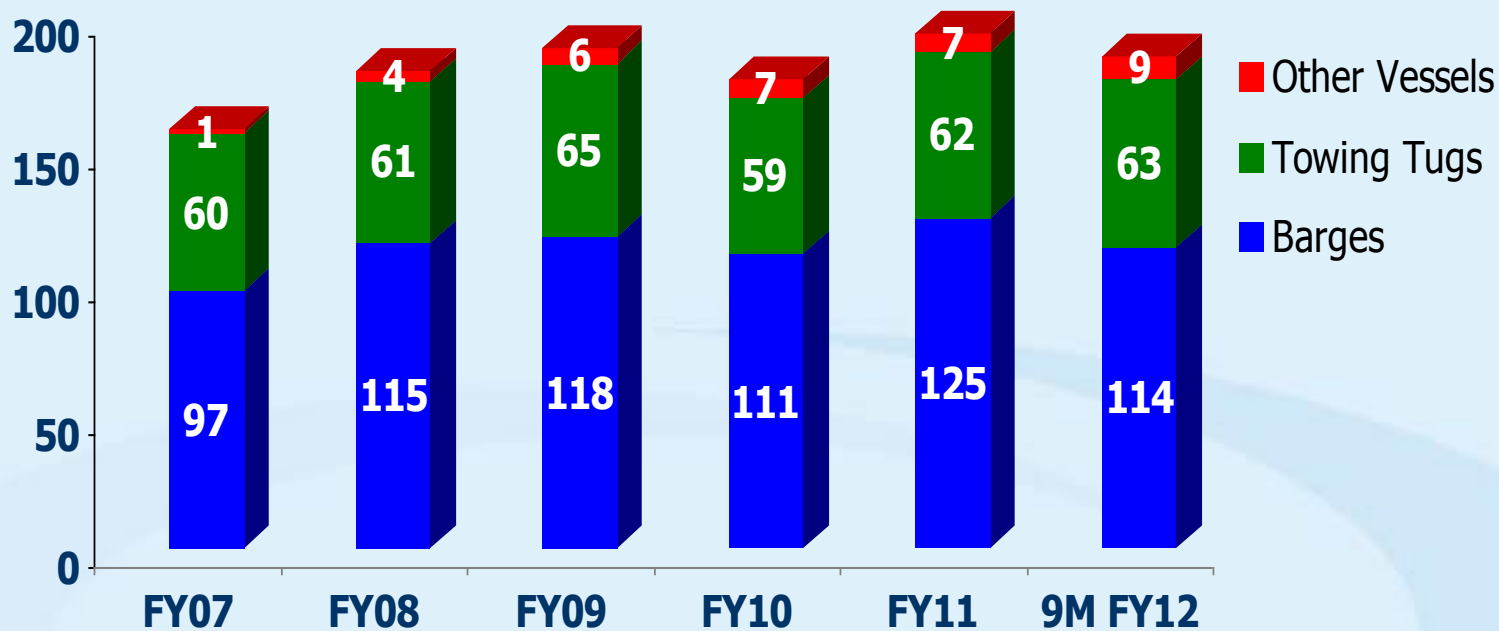
Type of Vessels	No. of Vessels	Avg. Age of Vessels
Barges	114	6
Towing Tugs	63	7
AHT	4	3
AHTS	2	1
ROV Support Vessel	1	1
Chemical Tankers	2	2



Company Profile



- **Shipchartering (cont.)**
(No. of vessels)



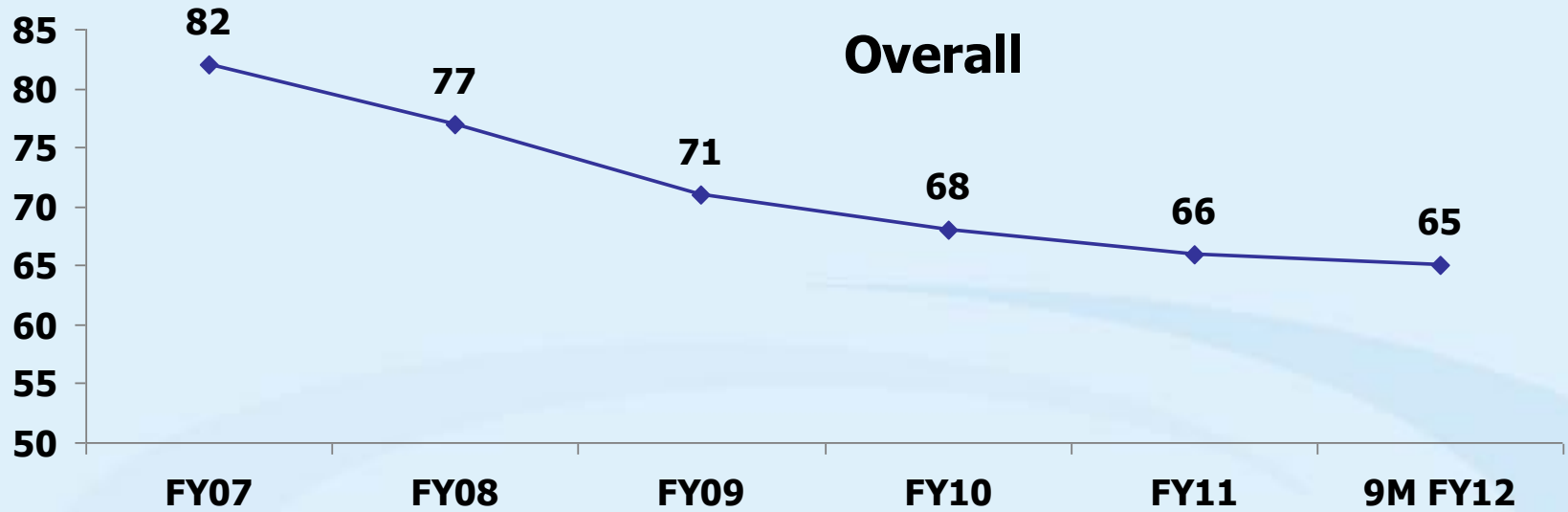
	FY07	FY08	FY09	FY10	FY11	9M FY12
AHT	1	4	4	4	3	4
AHTS					2	2
Chemical Tanker			1	2	2	2
ROV Support Vessel						1
Straight Supply Vessel			1	1		
Total of Other Vessels	1	4	6	7	7	9

Company Profile



- Shipchartering (cont.)

Vessel Utilisation (%)

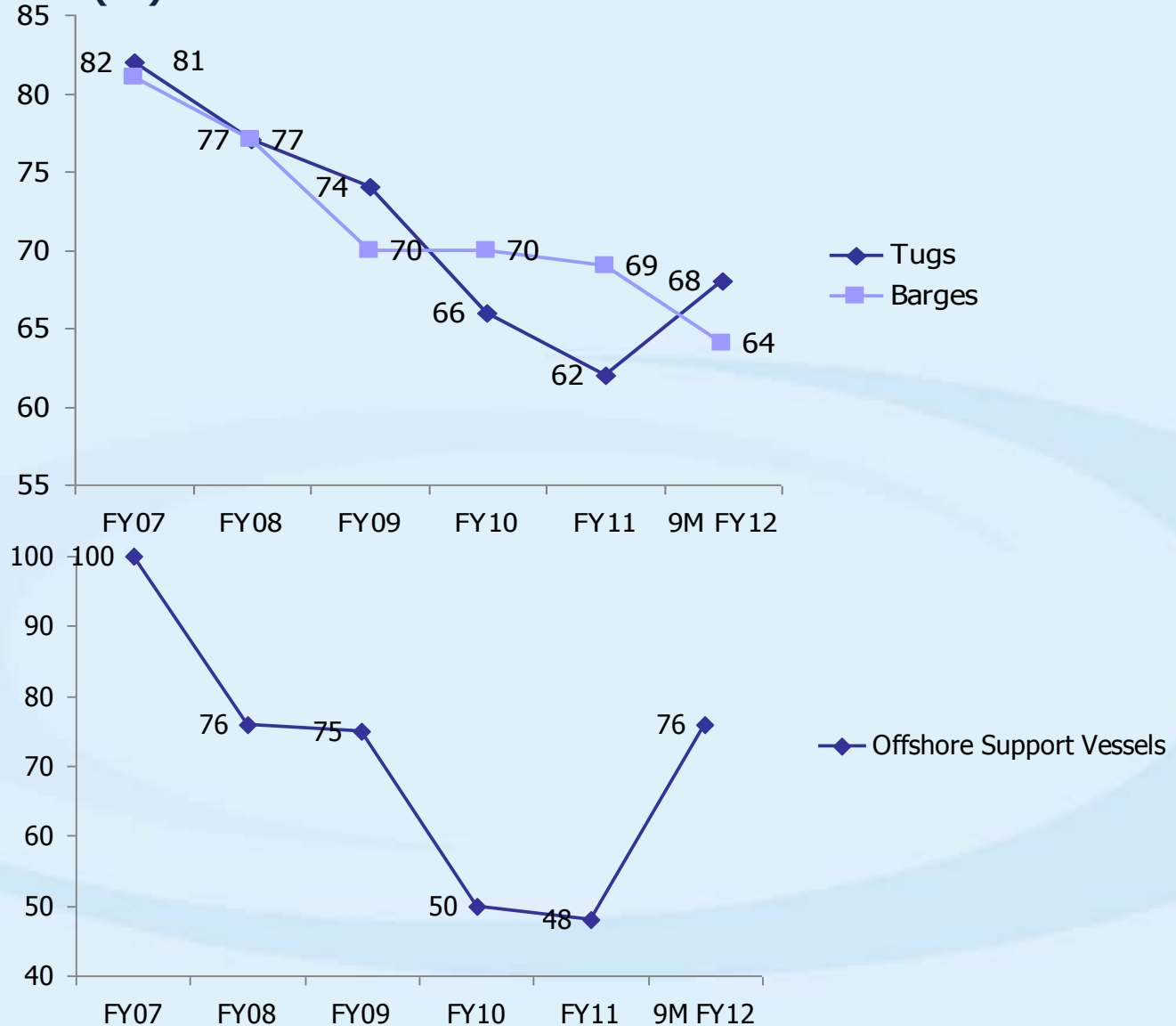


Company Profile



- **Shipchartering (cont.)**

Vessel Utilisation (%)





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Financial Review



Results Snapshot



	3Q FY12 (S\$m)	3Q FY11 (S\$m)	chg %	9M FY12 (S\$m)	9M FY11 (S\$m)	chg %
Revenue	113.8	86.0	32	274.2	270.5	1
Gross Profit	16.0	10.4	53	38.9	36.0	8
Gross Profit Margin	14.0%	12.1%	-	14.2%	13.3%	-
Net Profit Attributable to Shareholders	8.0	8.0	(1)	24.0	26.1	(8)
Net Profit Margin	7.0%	9.3%	-	8.8%	9.6%	-
EBITDA	19.4	20.6	(6)	63.6	63.5	-
Basic EPS (cents)	1.90¹	1.92¹	(1)	5.73²	6.22²	(8)

Based on weighted average of

¹ 419,511,294 shares in issue for 3Q FY12 (3Q FY11: 419,511,294)

² 419,511,294 shares in issue for 9M FY12 (9M FY11: 419,473,111)

Business Operations Snapshot (Revenue and Gross Profit Margin)



Business Segments	3Q FY12		3Q FY11		9M FY12		9M FY11	
	Revenue (S\$m)	GPM	Revenue (S\$m)	GPM	Revenue (S\$m)	GPM	Revenue (S\$m)	GPM
Shipbuilding	72.7	11.9%	55.5	7.6%	167.9	10.4%	158.1	8.1%
Shiprepair and Conversion	22.3	11.9%	15.2	15.4%	50.6	18.5%	64.5	18.7%
Shipchartering	18.8	24.9%	15.3	25.3%	55.7	21.7%	47.9	23.1%
Total	113.8	14.0%	86.0	12.1%	274.2	14.2%	270.5	13.3%

Shipbuilding



- 3Q FY12 revenue was higher by S\$17.1m (30.9%) to S\$72.7m due mainly to more shipbuilding projects under construction or completed as well as higher percentage of completion recognised on percentage of completion basis
- 3Q FY12 gross profit doubled to S\$8.6m with higher gross margin at 11.9% (3Q FY11: 7.6%) due to progressive recognition of more profitable projects resulting from fewer costs over-runs



Shiprepair and Conversion



- Revenue for 3Q FY12 increased by S\$7.1m (46.5%) to S\$22.3m due to more high value shiprepair jobs undertaken in 3Q FY12
- Gross profit increased marginally by S\$0.3m (13.4%) to S\$2.7m in 3Q FY12. Gross profit margin decreased to 11.9% (3Q FY11: 15.4%) due mainly to unbooked additional costs incurred for some shiprepair jobs undertaken in 2Q FY12
- Excluding these costs, gross profit margin for 3Q FY12 would have been 16.3%



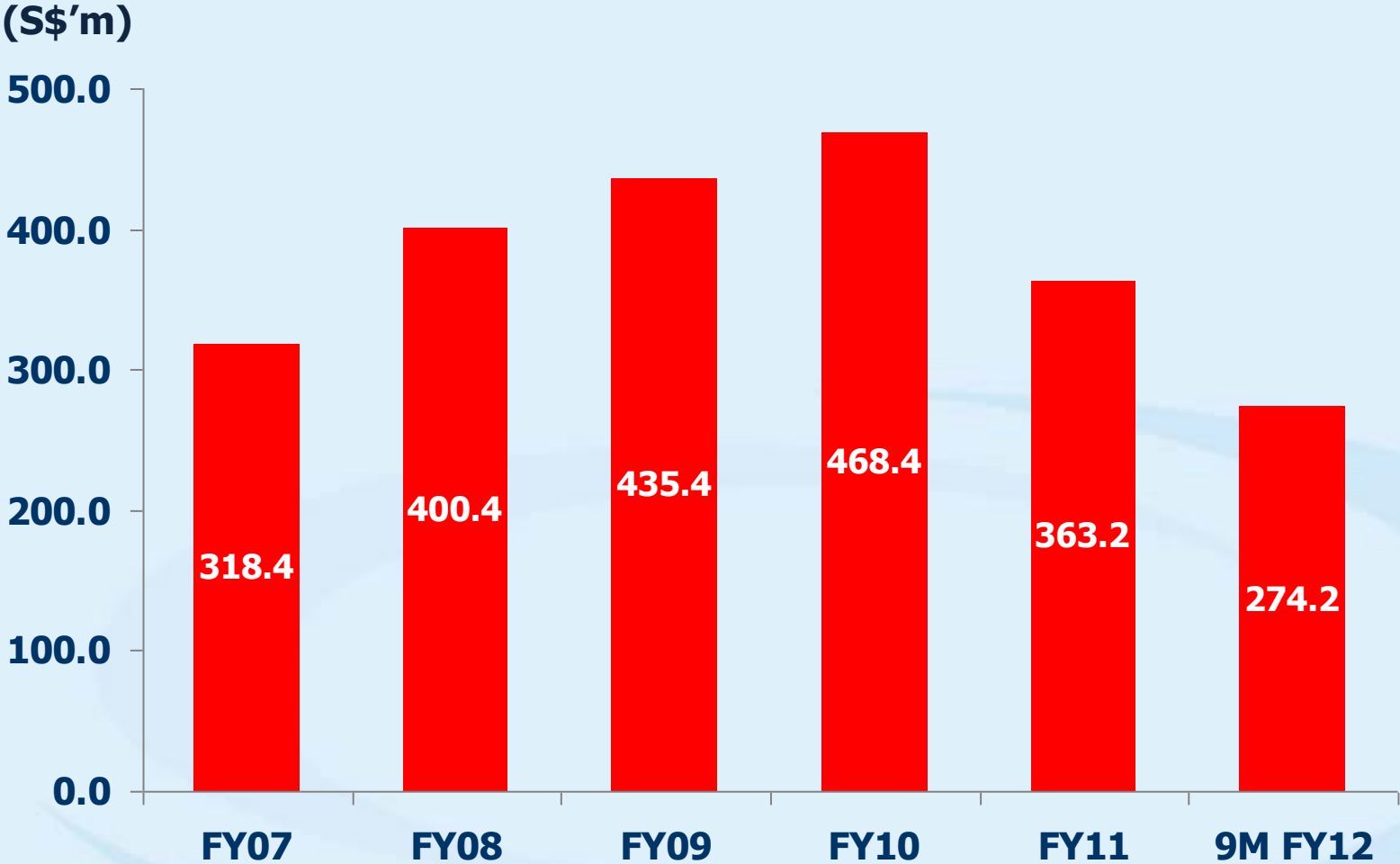
Shipchartering



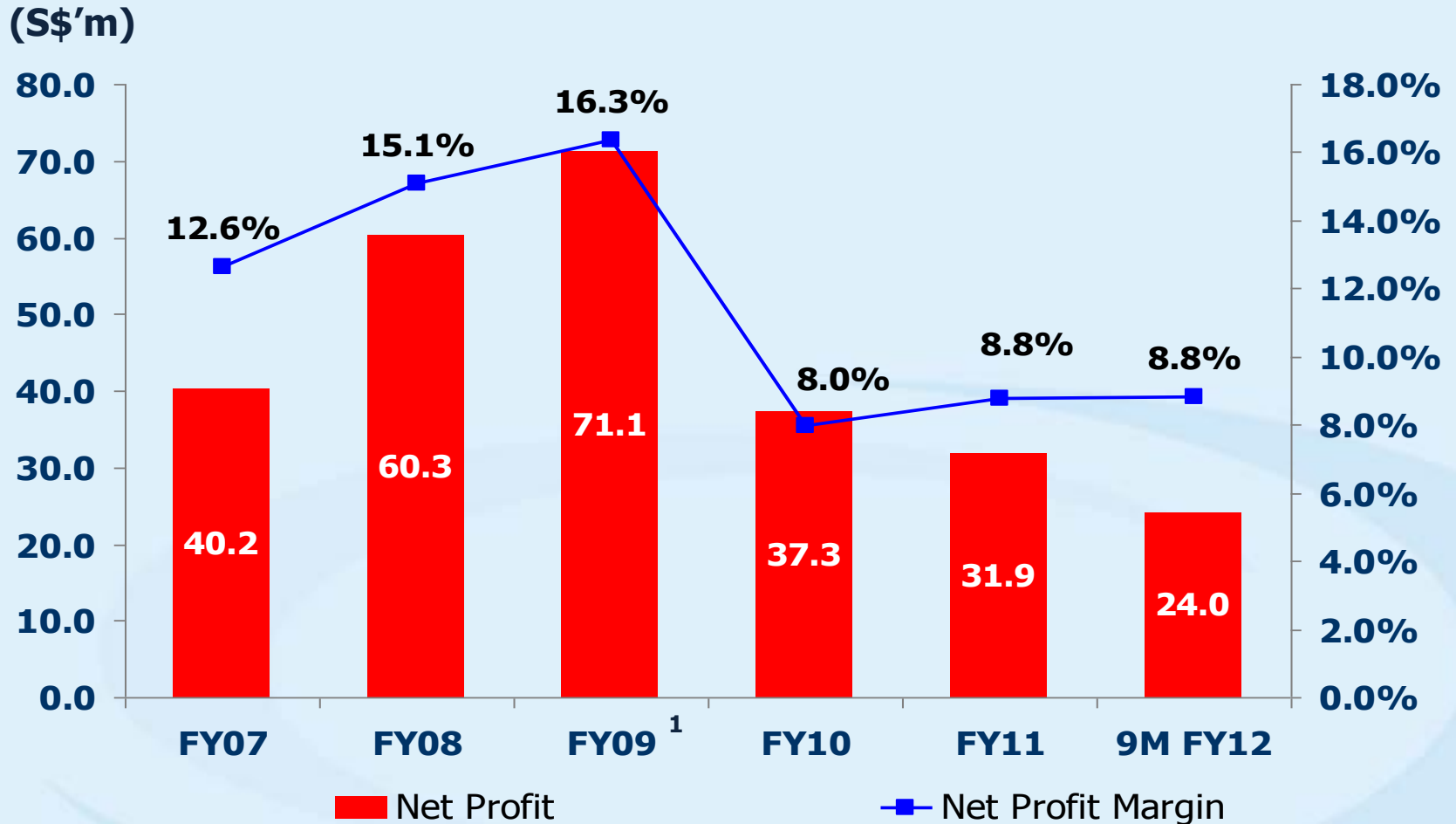
- Revenue for 3Q FY12 rose by S\$3.6m (23.3%) to S\$18.8m due to
 - additional charter income from operation of AHTS (acquired in 4Q FY11) and ROV support vessel (acquired in 1Q FY12);
 - improved utilisation rate from charter of tugs; partially offset by
 - lower charter income from AHT
- In line with the increase in revenue, gross profit increased by S\$0.8m (21.3%) to S\$4.7m and gross profit margin eased off slightly to 24.9% in 3Q FY12 (3Q FY11: 25.3%)



Revenue Trend



Profit Trend



¹ The Group's net profit for FY09 of S\$71.1 million included a one-off gain of S\$12.2 million relating to divestment of ASL Energy Pte Ltd

Balance Sheets



	31 Mar 12 (S\$m)	30 Jun 11 (S\$m)	chg %
Non-current Assets	505.3	498.1	1
Currents Assets	337.3	280.8	20
Total Assets	842.6	778.9	8
Current Liabilities	303.5	267.8	13
Non-current Liabilities	179.2	165.9	8
Total Liabilities	482.7	433.7	11
Total Equity	359.9	345.2	4
Property, Plant and Equipment	500.4	493.3	1
Bank Balances, Deposits and Cash	78.3	49.5	58
Total Borrowings	259.5	258.8	-

Financial Ratios



	9M FY12	9M FY11
Return on Equity (annualised)	8.9%	10.3%
Return on Total Assets (annualised)	3.8%	4.7%

As at	31 Mar 12	30 Jun 11
Net Asset Value per Share¹ (cents)	83.47	80.05
Gearing Ratio	0.74	0.77
Net Gearing Ratio	0.52	0.62

¹Based on total number of issued shares of 419,511,294 as at 31 March 2012 and 30 June 2011



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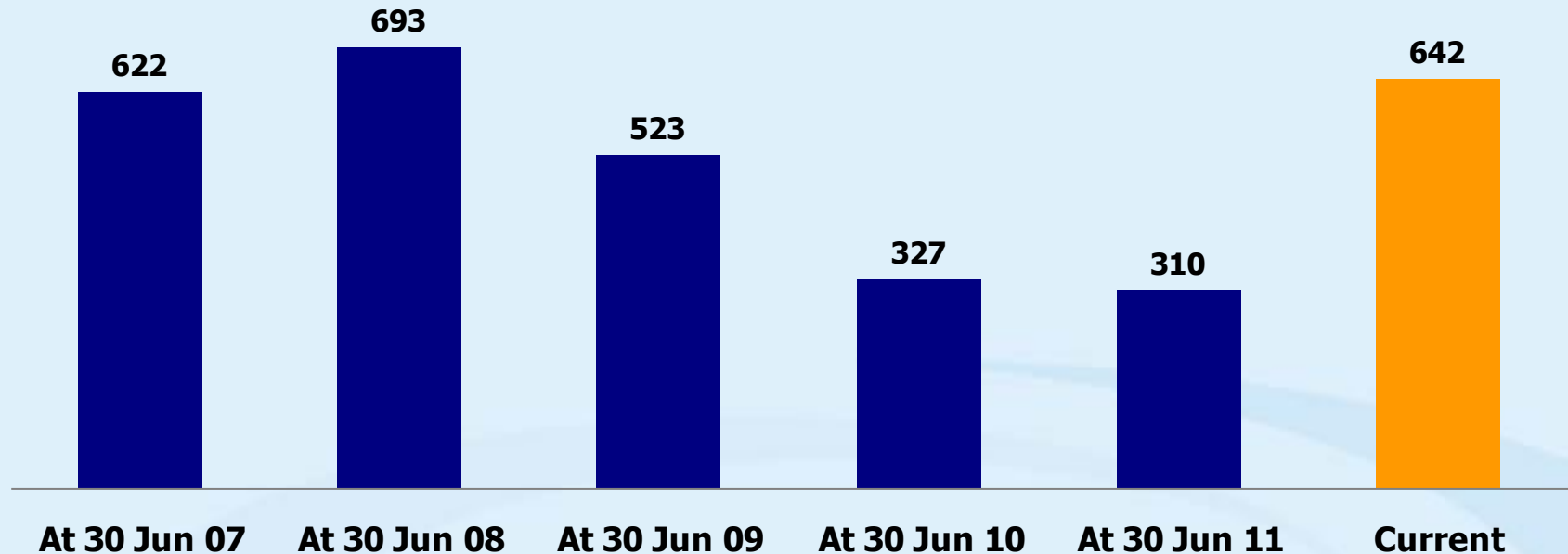
Operation Overview



Shipbuilding Order Book



(S\$m)



- Sustains order-winning momentum that sees shipbuilding orders secured in FY2012 rising to S\$454.5 million
- Total outstanding order book of S\$642 million comprised 40 vessels with progressive deliveries up to second quarter of 2014

Shipbuilding Order Book



Type of Vessels	Units	S\$m	%
Offshore Support Vessels ¹	16	356	56
Tugs ²	8	111	17
Dredgers	2	162	25
Barges	14	13	2
Total	40	642	100

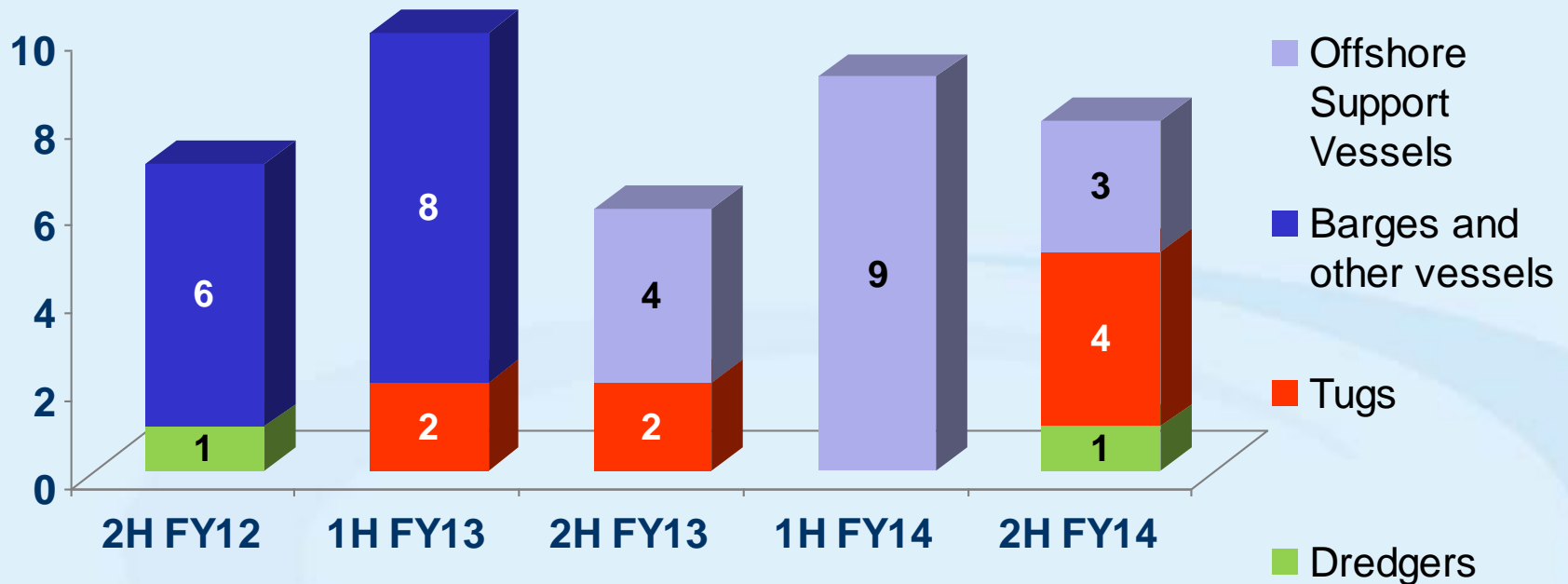
¹ Offtake Support & Supply Vessel, AHTS, Emergency Response & Rescue Vessels and Platform Supply Vessels

² Rotor Tugs and Diesel Electric Hybrid ASD Tugs

Vessel Delivery Schedule



(No. of vessels)





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Business Outlook

Business Outlook



Overall

- Oil prices staying above US\$80/barrel, increased activities in offshore oil & gas industry
- Seeing improvement in demand for offshore oil exploration and production vessels
- Continued investment in deepwater exploration and production activities should create demand for more offshore production vessels and improved vessels chartering rates

Shipbuilding

- Moving towards oil & gas industry
- Focus on building OSV such as AHTS, PSV, DSV & offshore construction vessels (such as crane barge, accommodation vessel, pipe-lay barge, etc.)

Shiprepair and Conversion

- Improve competitiveness, customer service and turnaround time will be our key focal point
- Concentrate our effort in getting more conversion, major repair and refurbishment jobs for FSO, FPSO and oil rigs
- Developing our capability in offshore fabrication works e.g. turret, top side modules, accommodation modules, jacket, etc.

Shipchartering

- Maximising deployment, enhancing and renewing our fleet to better meet customers' needs
- Giving our attention to terminal operation, marine transportation and offshore support
- Areas of operations – Singapore, Indonesia, Malaysia & Australia

Business Outlook



Capital Expenditure

- Total capex of S\$47 million in 9M FY12 comprised mainly:

	S\$'m
Vessels	16
Assets under construction for yard infrastructure and vessels	25
Plant and machinery	5

- Shipchartering operations have outstanding delivery order for 21 new vessels worth approximately S\$127 million comprising :

Shipchartering outstanding delivery orders	Unit
Barges	10
Tugs	7
AHT/ AHTS	3
ROV support vessel	1
Total	21

Share Price Information



As at	7 May 12	5 May 11
Share Price (S\$)	0.64	0.63
Price Earnings Ratio	8.38	7.60
Price / Net Asset Value per Share	0.77	0.80
Market Capitalization (S\$m)	268.5	264.3



Source: Bloomberg

ASL vs Indices



Source: Bloomberg

ASL's share price versus STI and FTSE Straits Times Oil & Gas Index (FSTOG) (for 9 May 2011 to 7 May 2012 – normalised graph based on %)

