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ASL Marine secures S\$73.3 million shipbuilding contracts and US\$50 million floating terminal charter contract

- *Eight new vessels to be built by shipbuilding division by 30 June 2006*
- *10-year floating terminal charter contract serves Group's interest in Indonesian coal industry*

Singapore – 1 December 2004 – ASL Marine Holdings Ltd (“ASL Marine”), the integrated marine company with facilities bases in Singapore and Batam, Indonesia, today announced that its subsidiary, ASL Shipyard Pte Ltd (“ASL Shipyard”) has secured new shipbuilding contracts worth a total of S\$73.3 million for the construction of eight vessels.

In addition, the Group’s 50% jointly-controlled entity, ASL Energy Pte Ltd (“ASL Energy”) has also secured a 10-year floating terminal charter contract worth US\$50 million.

S\$73.3 million Shipbuilding Contracts

The new shipbuilding contracts include the building and delivery of two Rotor® Tugs, four Azimuth Stern Drive (ASD) Tugs, one Maintenance/Work Vessel, and one Voith Escort Tug. These eight vessels have been ordered by various customers in Europe and Malaysia, companies with strong business emphasis in the marine and offshore infrastructure sector.

Revenue from these new shipbuilding contracts will be recognized over the contract period in accordance with the ASL Marine's revenue recognition policy, which is based on the percentage of completion method. These projects are expected to be completed by 30 June 2006.

"Our continual focus in developing our shipbuilding and shiprepair divisions' expertise in the building and repair of larger and more sophisticated vessels such as the Voith Escort Tug continues to bear fruit for the Group. Winning repeat contracts for two Rotor® Tugs and four Azimuth Stern Drive Tugs is a clear indication that shipowners recognise us for our commitment to quality," said Mr Ang Kok Tian, Chairman and Managing Director of ASL Marine.

Barring any unforeseen circumstances, these new shipbuilding contracts are expected to have a positive impact on the net tangible asset and earnings per share of ASL Marine for the financial year ending 30 June 2005.

US\$50 million Floating Terminal Charter Contract

In a separate contract, ASL Marine's 50% jointly-controlled entity, ASL Energy has signed a 10-year charter contract worth US\$50 million with PT Dermaga Perkasapratama, who will charter ASL Energy's 65,000 dwt floating terminal pontoon that is currently being built by ASL Shipyard. ASL Marine will stand to enjoy 50% proportionate share of ASL Energy's bottomline.

The floating terminal pontoon will be used by PT Dermaga Perkasapratama for the unloading of coal from the barges; storage of coal; and subsequent loading of coal onto ocean-going vessels near the Balikpapan Coal Terminal. It is expected to be completed and operational by December 2005.

This charter contract is for a period of 10 years at a charter rate of US\$5 million per 12-month period and can be extended for another 10 years subject to mutual agreement between the parties.

Within the terms in the bareboat charter agreement, PT Dermaga Perkasapratama and their appointed nominee are granted an option to purchase the floating terminal pontoon at a pre-agreed rate. This option shall automatically lapse on the expiration of the charter agreement.

“With the signing of this charter contract, we have once again shown our unique strength as a vertically-integrated marine company with capabilities spanning the building of vessels up to providing them for charter. Going forward, this floating terminal pontoon will be instrumental in supporting our coal transportation business and our coal concession in Tabang, East Kalimantan, Indonesia,” added Mr Ang.

About ASL Marine

ASL Marine is a vertically-integrated marine company principally involved in shipbuilding, shiprepair, shipchartering and other marine related services, catering to customers mainly from Asia Pacific, South Asia, the Middle East and Europe.

Headquartered and listed in Singapore, the Group owns and operates two shipyards in Singapore and Batam, providing a comprehensive range of marine engineering services spanning myriad sectors/industries. Equipped with a fleet consisting mainly of tugs and barges, ASL Marine has also carved a niche in providing shipchartering services to the marine and offshore infrastructure sector.

In May 2004, the Group successfully acquired the Tabang Coal Concession in Tabang, East Kalimantan which strategically ensures at least minimum utilisation of the Group’s shipchartering fleet.

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