



中远投资 (新加坡) 有限公司

COSCO CORPORATION (SINGAPORE) LIMITED

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Press Release

2Q 2012 Results: Financial Quarter ended 30 June 2012

	2Q 2012	2Q 2011	Chg	1H 2012	1H 2011	Chg
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Turnover	975,338	996,047	-2	1,954,061	2,006,719	-3
Gross Profit	117,410	75,147	+56	216,216	187,189	+16
Pre-tax profit	66,859	75,860	-12	130,395	151,745	-14
Net profit <i>(attributable to equity holders of the Company)</i>	27,612	31,863	-13	55,439	68,950	-20
Diluted EPS <i>(cents)</i>	1.23	1.42	-13	2.48	3.08	-19

Highlights:

- Group achieved net profit attributable to equity holders of \$27.6m on turnover of \$975.3m against the backdrop of a difficult business environment in Q2 2012.
- Turnover from shipyard operations decreased 2.2% to \$960.8m due mainly to lower revenue contributions from ship building projects, cushioned by growth in revenue from ship repair and marine engineering segments.
- Turnover from dry bulk shipping and other businesses increased marginally by 2.8% to \$14.6m supported by contribution from other businesses which more than offset the fall in dry bulk shipping revenue due to lower charter-hire rates.
- Gross profit increased 56.2% to \$117.4m mainly due to higher profit contributions from ship repair & conversion and marine engineering projects.
- Net profit attributable to equity holders of the Company slipped 13.3% to \$27.6m.

SINGAPORE (1 Aug 2012) – Singapore Exchange (“SGX”) mainboard-listed COSCO Corporation (Singapore) Limited (“COSCO” or the “Company”), a leading ship repair & marine engineering and shipping group, today announced its 2nd quarter financial results for the 3 months ended 30 June 2012.

Group turnover fell 2.1% to \$975.3 million in Q2 2012 from \$996.0 million in Q2 2011 due to a decline in shipyard revenue. Turnover from shipyard operations decreased marginally by 2.2% to \$960.8 million in Q2 2012 mainly due to lower revenue contribution from ship building segment which more than offset the growth in revenue from ship repair and marine engineering segments. The Group successfully delivered 8 dry bulk carriers in the quarter. Turnover from dry bulk shipping and other businesses increased marginally by 2.8% to \$14.6 million in Q2 2012 due to contribution from other businesses which more than offset the decline in dry bulk shipping revenue affected by lower charter rates.

Gross profit increased 56.2% from \$75.1 million in Q2 2011 to \$117.4 million in Q2 2012 mainly due to higher profit contributions from ship repair & conversion and marine engineering projects. Distribution costs rose by 44.9% to \$19.0 million mainly due to additional marketing and promotional activities. Overall, net profit attributable to equity holders of the Company decreased 13.3% from \$31.9 million in Q2 2011 to \$27.6 million in Q2 2012 mainly due to lower profit contributions from dry bulk shipping operations.

Compared to 1H 2011, net profit attributable to equity holders of the Company decreased 19.6% from \$68.9 million to \$55.4 million in 1H 2012.

Capt. Wu Zi Heng, Vice Chairman and President of the Company said, “Our Group maintains a cautious outlook for 2012 as the state of global economy remains fragile. With excess capacity in the shipping industry and the uncertain global economic conditions, shipowners may be reluctant to place new orders for vessels and the Group may experience a decline in new orders in ship building.”

As at 30 June 2012, the Group's order book stood at US\$5.9 billion with progressive deliveries up to 2014. This order book is subject to revision from any new orders or cancellation or rescheduling of orders that may arise.

New orders received in 1st half 2012 amounting to US\$1.0 billion include 1 wind turbine installation vessel, 1 tender rig, 1 semi-submersible accommodation vessel, 2 pipelay heavylift offshore construction vessels, 2 tender barges, 3 bulk carriers and 4 platform supply vessels

Currently one of the largest marine engineering groups in the People's Republic of China, the Group aims to enhance its offerings in offshore marine engineering operations.

About COSCO Corporation (Singapore) Ltd

Listed on the main board of the SGX, COSCO Corporation (Singapore) Ltd ("COSCO") is a leading ship repair, shipbuilding & marine engineering and dry bulk shipping group. The Group owns 51% of the largest shipyard group in China, COSCO Shipyard Group, and a fleet of 12 dry bulk carriers. It also operates shipping agencies. COSCO is the listed subsidiary of China Ocean Shipping (Group) Company, the largest shipping group in China.

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