



COSCO CORPORATION (SINGAPORE) LIMITED
(Company Registration no:- 196100159G)

Unaudited First Quarter Financial Statement Announcement for the Financial Period Ended 31 March 2016

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

(i) Consolidated Income Statement

	Group		
	S\$'000		% Change
	Q1 2016	Q1 2015	
Sales	722,294	991,172	(27)
Cost of sales	(633,004)	(918,167)	(31)
Gross profit	89,290	73,005	22
Other income [1]	13,795	20,110	(31)
Other gains and losses [1]	(836)	6,595	NM
Expenses			
- Distribution	(19,540)	(17,651)	11
- Administrative	(35,087)	(35,920)	(2)
- Finance	(59,682)	(38,779)	54
Share of profit/(loss) of associated companies [2]	18	(36)	NM
(Loss)/profit before income tax [3]	(12,042)	7,324	NM
Income tax credit/(expense) [4]	296	(3,072)	NM
Net (loss)/profit	(11,746)	4,252	NM
(Loss)/profit attributable to: Equity holders of the Company	(14,394)	766	NM
Non-controlling interests	2,648	3,486	(24)
Net (loss)/profit	(11,746)	4,252	NM
Earnings per share for profit attributable to the equity holders of the Company (expressed in cents per share)			
- basic	(0.64)	0.03	NM
- diluted	(0.64)	0.03	NM

NM denotes not meaningful.

(ii) Consolidated Statement of Comprehensive Income

	Group		
	S\$'000		%
	Q1 2016	Q1 2015	Change
Net (loss)/profit	(11,746)	4,252	NM
Other comprehensive (loss)/income: Items that may be reclassified subsequently to profit or loss:			
Available-for-sale financial assets			
- Fair value losses	(77)	(36)	114
Currency translation differences arising from consolidation	(51,928)	76,752	NM
Total comprehensive (loss)/income for the period	(63,751)	80,968	NM
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company	(44,711)	46,126	NM
Non-controlling interests	(19,040)	34,842	NM
	(63,751)	80,968	NM

(iii) Breakdown and Explanatory Notes to Consolidated Income Statement

[1] Other income and Other gains and losses comprises the following:

	Q1 2016	Q1 2015	Change
	S\$'000	S\$'000	%
Government grants	815	928	(12)
Interest income	6,446	11,813	(45)
Rental income	670	586	14
Sale of scrap materials	4,447	5,653	(21)
Sundry income	1,417	1,130	25
Other income	13,795	20,110	(31)
Foreign exchange (loss)/gain	(144)	7,803	NM
Net gain/(loss) on disposal of property, plant and equipment	9	(37)	NM
Loss on sale of bunker stock	(701)	(1,171)	(40)
Other gains and losses	(836)	6,595	NM

[2] Share of profit/(loss) of associated companies is after tax.

[3] (Loss)/profit before income tax is arrived at after (charging)/crediting:

	Q1 2016	Q1 2015	Change
	S\$'000	S\$'000	%
Interest on borrowings	(59,682)	(38,779)	54
Amortisation of deferred expenditure	(22)	(22)	-
Depreciation of property, plant and equipment and investment properties	(37,933)	(36,099)	5
Net reversal of impairment of trade and other receivables	720	37	NM
Reversal of/(Allowance for) inventory write-down	1,237	(680)	NM
Property, plant and equipment written off	(296)	-	NM
Allowance for expected losses recognised on construction contracts	(3,307)	(1,726)	92

[4] Adjustment for under provision of tax in respect of prior years:

	Q1 2016	Q1 2015	Change
	S\$'000	S\$'000	%
Adjustment for under provision of tax in respect of prior years:			
Current income tax	-	(15)	NM

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/03/2016	31/12/2015	31/03/2016	31/12/2015
	S\$'000	S\$'000	S\$'000	S\$'000
Current assets				
Cash and cash equivalents	2,210,754	1,570,852	33,548	36,301
Trade and other receivables	5,119,049	5,202,201	43,535	45,422
Inventories	755,004	780,251	-	-
Construction contract work-in-progress	125,157	199,122	-	-
Income tax receivables	7,893	9,278	-	-
Other current assets	19,245	15,537	123	115
	8,237,102	7,777,241	77,206	81,838
Non-current assets				
Available-for-sale financial assets	4,587	4,890	-	-
Club memberships	305	311	82	82
Investments in associated companies	4,669	4,854	-	-
Investments in subsidiaries	-	-	372,477	372,298
Investment properties	10,351	10,579	-	-
Property, plant and equipment	2,183,992	2,307,323	497	530
Intangible assets	9,538	9,583	-	-
Deferred expenditure	2,869	2,980	-	-
Deferred income tax assets	229,815	236,932	-	-
	2,446,126	2,577,452	373,056	372,910
Total assets	10,683,228	10,354,693	450,262	454,748
Current liabilities				
Trade and other payables	2,182,125	2,417,472	17,428	17,497
Current income tax liabilities	5,762	7,645	2,174	2,279
Borrowings	4,528,207	3,985,918	-	-
Provision for other liabilities	53,616	56,500	-	-
	6,769,710	6,467,535	19,602	19,776
Non-current liabilities				
Borrowings	2,637,029	2,546,887	-	-
Deferred income tax liabilities	257	288	-	-
	2,637,286	2,547,175	-	-
Total liabilities	9,406,996	9,014,710	19,602	19,776
Net assets	1,276,232	1,339,983	430,660	434,972
Equity				
Share capital	270,608	270,608	270,608	270,608
Statutory and other reserves	298,541	328,838	45,105	45,105
Retained earnings	208,172	222,586	114,947	119,259
Shareholders' equity	777,321	822,032	430,660	434,972
Non-controlling interests	498,911	517,951	-	-
Total equity	1,276,232	1,339,983	430,660	434,972

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/03/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
1,212,325,000	3,315,882,000	788,233,000	3,197,685,000

Amount repayable after one year

As at 31/03/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
931,014,000	1,706,015,000	907,599,000	1,639,288,000

Details of any collateral

The collaterals for secured borrowings comprise the Group's trade receivables and property, plant and equipment with net book value totalling \$2,173,706,000 (2015: \$1,695,832,000).

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group	
	S\$'000	
	Q1 2016	Q1 2015
<u>Cash flows from operating activities</u>		
Net (loss)/profit	(11,746)	4,252
Adjustments for:		
Income tax (credit)/expense	(296)	3,072
Amortisation of deferred expenditure	22	22
Depreciation of property, plant and equipment and investment properties	37,933	36,099
Net reversal of impairment of trade and other receivables	(720)	(37)
(Reversal of)/allowance for inventory write-down	(1,237)	680
Net (gain)/loss on disposal of property, plant and equipment	(9)	37
Allowance for expected losses recognised on construction contracts	3,307	1,726
Write-off of property, plant and equipment	296	-
Share of (profit)/loss of associated companies	(18)	36
Interest expense	59,682	38,779
Interest income	(6,446)	(11,813)
	80,768	72,853
Changes in working capital:		
Inventories and construction contract work-in-progress	100,449	(146,960)
Trade and other receivables	79,463	(305,073)
Trade and other payables	(240,090)	171,996
Other current assets	(3,708)	(5,752)
Provision for other liabilities	(2,886)	9,379
Exchange differences	(195,350)	110,174
Cash used in operations	(181,354)	(93,383)
Income tax paid	(2,994)	(7,415)
Net cash used in operating activities	(184,348)	(100,798)
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(10,438)	(55,844)
Proceeds from disposal of property, plant and equipment	18	112
Dividend received	-	66
Interest received	10,739	13,528
Net cash provided by/(used in) investing activities	319	(42,138)
<u>Cash flows from financing activities</u>		
Proceeds from borrowings	1,556,582	803,605
Repayments of borrowings	(579,693)	(658,368)
(Increase)/Decrease in bank deposits pledged	(115)	573
Interest paid	(57,470)	(46,916)
Net cash provided by financing activities	919,304	98,894
Net increase/(decrease) in cash and cash equivalents	735,275	(44,042)
Cash and cash equivalents at beginning of financial period	1,569,004	1,557,484
Effects of currency translation on cash and cash equivalents	(95,488)	56,224
Cash and cash equivalents at end of financial period	2,208,791	1,569,666
Cash and cash equivalents represented by:		
Cash at bank and on hand	699,578	417,399
Short-term bank deposits	1,511,176	1,155,013
Less: Bank deposits pledged	(1,963)	(2,746)
	2,208,791	1,569,666

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital S\$'000	Statutory and other reserves S\$'000	Retained earnings S\$'000	Non-controlling interests S\$'000	Total S\$'000
The Group					
At 1 January 2016	270,608	328,838	222,586	517,951	1,339,983
Total comprehensive loss for the period	-	(30,317)	(14,394)	(19,040)	(63,751)
Transfer of statutory reserves from retained earnings	-	20	(20)	-	-
At 31 March 2016	270,608	298,541	208,172	498,911	1,276,232
At 1 January 2015					
At 1 January 2015	270,608	284,328	812,819	861,750	2,229,505
Total comprehensive income for the period	-	45,360	766	34,842	80,968
Transfer of statutory reserves from retained earnings	-	112	(112)	-	-
At 31 March 2015	270,608	329,800	813,473	896,592	2,310,473

	Share capital S\$'000	Statutory and other reserves S\$'000	Retained earnings S\$'000	Non-controlling interests S\$'000	Total S\$'000
The Company					
At 1 January 2016	270,608	45,105	119,259	-	434,972
Total comprehensive loss for the period	-	-	(4,312)	-	(4,312)
At 31 March 2016	270,608	45,105	114,947	-	430,660
At 1 January 2015					
At 1 January 2015	270,608	45,105	114,748	-	430,461
Total comprehensive income for the period	-	-	1,067	-	1,067
At 31 March 2015	270,608	45,105	115,815	-	431,528

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the issued and paid-up capital of the Company since the previous period reported on.

The outstanding share options under the Scheme 2002 as at 31 March 2016 were 10,780,000 (31 March 2015: 11,580,000).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 March 2016, share capital of the Company comprised 2,239,244,954 ordinary shares (31 December 2015: 2,239,244,954).

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Company does not have any treasury shares.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Paragraph 5 below, the Group has adopted the same accounting policies and method of computation in the financial statements for the current financial period as compared with the audited financial statements for the financial year ended 31 December 2015.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

On 1 January 2016, the Group and the Company adopted the following amended financial reporting standards ("FRS") which are effective for annual periods beginning on or after 1 January 2016.

The following are the amended FRS that are relevant to the Group:

- (i) Amendments to FRS 16 *Property plant and equipment*
- (ii) Amendments to FRS 38 *Intangible assets*
- (iii) Amendments to FRS 111 *Joint Arrangements*
- (iv) Amendments to FRS 110 *Consolidated financial statements*
- (v) Amendments to FRS 28 *Investments in associates and joint ventures*
- (vi) Amendments to FRS 1 *Presentation of financial statements*

The adoption of the above amended FRS does not have a significant impact on the financial statements of the Group.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	Q1 2016	Q1 2015
(i) Based on the weighted average number of ordinary shares on issue (cents per share)	(0.64)	0.03
Weighted average number of ordinary shares('000)	2,239,245	2,239,245
(ii) On a fully diluted basis (cents per share)	(0.64)	0.03
Adjusted weighted average number of ordinary shares ('000)	2,239,245	2,236,245

NOTES:

Basic earnings per ordinary share is calculated by dividing the net profit attributable to the equity holders of the Company over the weighted average number of ordinary shares outstanding during the financial period.

The fully diluted earnings per share is arrived at after taking into consideration the potential ordinary shares arising from the exercise of outstanding share options which would dilute the basic earnings per share. The outstanding share options do not have any dilutive effect on the earnings per share as the exercise prices for the outstanding share options were higher than the average market price during the financial period.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

	Group		Company	
	31/03/2016	31/12/2015	31/03/2016	31/12/2015
Net asset value per ordinary share (cents)	34.71	36.71	19.23	19.42

The net asset value per ordinary share is calculated based on the total number of issued shares of 2,239,244,954 (2015: 2,239,244,954).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Overview

The Group recorded net loss attributable to equity holders of \$14.4 million on turnover of \$722.3 million in Q1 2016. Group turnover decreased 27.1% to \$722.3 million in Q1 2016 from \$991.2 million in Q1 2015 owing to a decrease in shipyard and dry bulk shipping revenue.

Turnover

In Q1 2016, turnover from shipyard operations decreased by 26.9% to \$716.6 million from \$980.8 million in Q1 2015, owing to lower revenue contribution from marine engineering and ship building, partially offset by an increase in revenue from ship repair.

The Group delivered 6 projects in Q1 2016. Of these, COSCO Zhoushan shipyard delivered 2 oil tankers; COSCO Guangdong shipyard delivered 1 livestock carrier and 1 platform supply vessel; COSCO Dalian shipyard delivered 1 salvage lifting vessel and COSCO Qidong shipyard delivered 1 semi-submersible accommodation vessel.

Turnover from dry bulk shipping and other businesses decreased 45.2% from \$10.4 million in Q1 2015 to \$5.7 million in Q1 2016 as the current short-term charter rates were lower than the more favorable charter rates received in Q1 2015.

The BDI started the year 2016 at 473 points and ended Q1 2016 lower at 429 points, after hitting a historic low of 290 points on 10 February 2016. The BDI averaged 358 points for Q1 2016, which is a 41.7% decrease from the average of Q1 2015 of 614 points.

Shipyard business remained the biggest revenue contributor, making up 99.2% of Group turnover in Q1 2016.

Profitability

Gross profit increased 22.3% from \$73.0 million in Q1 2015 to \$89.3 million in Q1 2016 due to higher profit contributions from shipyard operations partially offset by losses from shipping operations due to the lower charter rates.

Other income comprised gain from the disposal of scrap metal, interest income and others. Compared to Q1 2015, other income decreased 31.4% to \$13.8 million in Q1 2016 mainly due to lower sales value of scrap materials and interest income.

Other gains and losses for Q1 2016 were losses of \$0.8 million (Q1 2015: \$6.6 million gains) mainly due to an exchange loss of \$0.1 million (Q1 2015: \$7.8 million gains) and loss on sale of bunker stock of \$0.7 million (Q1 2015: \$1.2 million loss).

Interest expense increased by 53.9% to \$59.7 million in Q1 2016 due to higher bank borrowings to fund shipyard operations.

Overall, the Group recorded net loss attributable to equity holders of the Company of \$14.4 million in Q1 2016 compared to net profit of \$0.8 million in Q1 2015 mainly due to losses in shipping operations.

Balance Sheet

(31 March 2016 vs 31 December 2015)

Cash and cash equivalents increased from \$1.6 billion to \$2.2 billion mainly due to higher bank borrowings to fund shipyard operations. Please refer to Note 1(c) Cash Flow Statement for more details.

Trade and other receivables decreased \$83.2 million to \$5.1 billion mainly due to lower construction contracts due from customers in the marine engineering segment, partially offset by an increase in advances paid to suppliers (from \$262.2 million to \$373.5 million).

Trade and other payables decreased \$235.3 million to \$2.2 billion mainly due to lower accruals for operating expenses and a decrease in advances received from customers (from \$241.9 million to \$200.1 million).

Total borrowings increased by \$632.4 million to \$7.2 billion due to additional funding procured to finance shipyard operations.

Shareholder's equity decreased by \$44.7 million mainly due to the losses incurred in Q1 2015 and a decrease in currency translation reserve.

Cash Flow

Net cash used in operating activities for the quarter was \$184.3 million compared to \$100.8 million for the corresponding quarter last year. Please refer to Note 1(c) Cash Flow Statement for more details.

Net cash provided by investing activities for the quarter was \$0.3 million. This comprised principally the interest received, partly offset by purchase of fixed assets by shipyard operations during the quarter.

Net cash provided by financing activities was \$919.3 million. This was due mainly to net proceeds of bank borrowings during the quarter.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As at 31 March 2016, the Group's order book stood at approximately US\$7.6 billion with progressive deliveries up to 2018. These include modules of drillship and FPSO contracts for certain Brazilian customers which amount to approximately US\$1.4 billion. This order book is subject to revision from any new, cancellation, variation or scheduling of orders that may arise. New orders received in Q1 2016 include 1 trailing suction hopper dredger and 1 self-elevating workover unit.

These contracts were secured at low contract values due to the weak global economy and depressed shipbuilding and offshore markets against the backdrop of low crude oil prices. As these conditions continue to persist, the Group expects operating margins on new ship building and offshore contracts to continue facing severe downward pressure.

In offshore marine engineering operations, the Group remains one of the largest marine engineering groups in the People's Republic of China. Its order book in this segment covers a wide product range that includes FPSO, semi-submersible accommodation rig and vessel, Sevan 650 drilling unit, semisubmersible tender assist drilling rig, jack-up rig, platform supply vessel, emergency response/rescue/field support vessel, DP3 accommodation barge, subsea supply vessel, shuttle tanker, cargo transfer vessel, modules of drillship and FPSO.

For new product types in offshore and shipbuilding sectors, the Group expects to incur higher costs during execution. In addition, the Group expects competition to remain keen as crude oil prices continue to remain depressed and global economic conditions remain generally weak. The Group will continue to strive to improve its expertise and capabilities for long-term sustainable growth in offshore marine engineering and new shipbuilding operations.

The Baltic Dry Index (BDI) averaged 358 points in Q1 2016, a decrease of 41.7% from the average of 614 points in Q1 2015. The Baltic Exchange Handysize Index (BHSI) averaged 230 points in Q1 2016, a decrease of 35.9% from the average of 359 points in the Q1 2015. The Baltic Exchange Supramax Index (BSI) averaged 363 points in Q1 2016, a decrease of 41.0% from the average of 615 points in Q1 2015. Currently, the Group's dry bulk shipping fleet comprises Panamax, Supramax and Handymax carriers.

Amidst excess tonnage and overall weak macroeconomic conditions, the world dry bulk shipping market has declined to a historically low level in Q1 2016. On 10 February 2016, the BDI declined to 290 points, the lowest since the Index was created. Given the difficult market conditions, any recovery in the dry bulk shipping segment will be slow and fraught with uncertainty.

As the world shipping market continues to face tonnage over-capacity pressures, new ship building orders have fallen to a low level in Q1 2016. The Group will thus continue to face pressure in the ship building segment.

The Group's offshore marine segment has been adversely affected by current situation of low crude oil prices which has already persisted for a significant period of time and will be further negatively affected by any further price slides.

The DP3 Deepwater Drillship (DDD) (which was the subject of an arbitration that has now concluded) has now been successfully completed by COSCO Dalian shipyard and trials and testing have been carried out. COSCO Dalian shipyard is currently still in discussions with relevant oil companies to negotiate for a lease or to sell the DDD. There is however no assurance that any lease or sale will materialise especially since the DDD is a specialised vessel.

On 15 April 2016, the Group announced that Sevan Drilling and COSCO Qidong shipyard have agreed to exercise the second option to extend the delivery date of Sevan Developer for another 6 months up to 15 October 2016. COSCO Qidong shipyard was also required to refund to the Sevan Drilling the sum of US\$26.3 million (being 5% of the contract price) plus interest, by 25 May 2016. The final payment for the contract was also amended from the original 85% of the contract price to 90% of the contract price of US\$526.0 million (amounting to US\$473.4 million) and can be amended further upon the expiration of the option period. The other terms and conditions under the deferment agreement, including termination rights, remain unchanged. In view of the deferment and the uncertainty as to whether the remaining options will be exercised, it is still not possible to ascertain the financial impact of the agreement for deferment.

In 2015, the Group experienced delivery date extensions and order cancellations for several of its projects. The Group will continue to monitor the risks associated with these projects as well as contracts for modules of drillships and FPSO with certain Brazilian customers.

Amidst persistent weakness in the state of the global economy and depressed crude oil prices, the Group continues to face the adverse effects of unfavourable market conditions. Some of the Group's customers may be unable to meet their contractual payment obligations to the Group, either in a timely manner or at all, or may otherwise default on these obligations. Moreover, any tightening of the availability and cost of credit in a market that is already under considerable stress could also adversely affect the ability of customers to meet their financial obligations. These will adversely impact the Group's financial position.

For more than a year, the global offshore market has been slowing down significantly with no signs of sustainable improvement. Since the latter half of 2014, crude oil prices have been falling to multi-year lows with no significant recovery. On 20 January 2016, Brent Crude Oil traded at US\$27.10 per barrel, the lowest in the past 12 years. In Q1 2016, Brent Crude Oil prices averaged US\$35.21 per barrel, a decrease of 36.1% from the average of US\$55.13 in Q1 2015.

Many oil majors have cut expenditure leading to fewer orders for rigs and support vessels. The average utilisation rate of jack-up rigs, semi-sub rigs, drill ships and support vessels have all declined in the past year.

Under such challenging circumstances, new orders started to decline in 2014 and this continued throughout 2015 and into Q1 2016. Some customers have delayed accepting delivery of projects upon completion and it is possible that more customers will seek to delay delivery of projects or seek deferment of payment schedules.

Any rise in wages, prices of raw materials required for production as well as higher financing costs may exert even greater downward pressure on the operating margins of the Group's shipyard operations.

Against the backdrop of such difficult conditions, the Group recorded a net loss attributable to equity holders for Q1 2016. Overall, the Group expects these difficult and challenging business and operating conditions to persist and even worsen. As such, 2016 will be another very difficult and challenging year for the Group.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No interim dividend has been declared/recommended by the Directors in Q1 2016.

13. Interested Person Transactions

Pursuant to Rule 907 of the Listing Manual, the following interested person transactions were entered into during the financial period:

Name of interested person	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	S\$'000	S\$'000
<u>Between Subsidiaries and:</u>		
Bridge Line Co., Ltd	-	212
Chimbusco Guangzhou Branch	-	339
Chimbusco Zhoushan Branch	-	1,689
China Marine Bunker (Dalian) Co., Ltd	-	2,625
Cosco (Cayman) Mercury Co., Ltd	-	422
Cosco (HK) Shipping Co., Ltd	-	2,020
Cosco Bulk Carrier Co., Ltd	-	278
Cosco Container Lines Co., Ltd	-	397
Cosco Finance Co., Ltd	-	1,060,667
COSCO Kansai Paint & Chemicals Co., Ltd	-	315
Cosco Petroleum Pte Ltd	-	670
Cosco Shipping Co., Ltd	-	838
Cosco Shipyard Qingdao Company Ltd	-	261
Dalian Ocean Shipping Company	-	4,316
Nantong Chimbusco Marine Bunker Co., Ltd	-	2,455
Nantong Cosco Heavy Industry Co., Ltd	-	4,226
Qingdao Manning Co-operation Ltd	-	914
Qingdao Ocean Shipping Company	-	571
Shanghai Ocean Crew Co., Ltd	-	1,343
Shenzhen Ocean Shipping Company	-	133
Xiamen Ocean Shipping Company	-	116
Total	-	1,084,807

	As at 31/03/2016	As at 31/12/2015
	S\$'000	S\$'000
Balances placed with a fellow subsidiary, Cosco Finance Co., Ltd :		
- Cash at bank	113,509	381,066
- Short-term bank deposits	371,447	144,959
	484,956	526,025
Loan from a fellow subsidiary, Cosco Finance Co., Ltd	370,037	228,030

14. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

The Company confirms that it has procured undertakings from all its directors and executive offices in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Mr Wu Zi Heng
Vice Chairman and President
6/5/2016

CONFIRMATION BY THE BOARD

We hereby confirm on behalf of the directors of the company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the company which may render the financial period ended 31 March 2016 financial results to be false or misleading.

On behalf of the directors

Mr Wu Zi Heng
Vice Chairman and President

Mr Tom Yee Lat Shing
Director

6/5/2016