



**MEDIA RELEASE – FOR IMMEDIATE RELEASE**

# **Marco Polo Marine achieved a 31% growth in revenue to S\$9.0 million against a 36% increase in gross profit for Q1 FY2009**

- Higher revenue attributed to growth in both the ship building and ship chartering segments
- Gross profit margin improved from 31.7% to 32.9%
- Hike in net profit (excluding gain from vessel disposal) by 56% to S\$1.3 million

Singapore, 13 February 2009 – Marco Polo Marine Ltd (“Marco Polo Marine” or the “Group”), a growing integrated shipping group, today made its debut quarterly results announcement in respect of the first financial quarter ended 31 December 2008 (“Q1 FY2009”) for the financial year ending 30 September 2009.

<b>Financial Highlights (S\$ million)</b>	<b>Q1 FY2009</b>	<b>Q1 FY2008</b>	<b>% Change</b>
Revenue From Ship Chartering	5.5	4.5	23
Revenue From Ship Building	3.5	2.4	46
<b>Total Revenue</b>	<b>9.0</b>	<b>6.9</b>	<b>31</b>
<b>Gross Profit</b>	<b>3.0</b>	<b>2.2</b>	<b>36</b>
<b>Gross Profit Margin (%)</b>	<b>32.9</b>	<b>31.7</b>	<b>4</b>
Total Operating Expenses	1.4	1.2	22
<b>Net Profit</b>	<b>1.3</b>	<b>1.6</b>	<b>(18)</b>
Less: Gain from Vessel Disposal	-	(0.8)	-
<b>Net Profit excluding Gain from Vessel Disposal</b>	<b>1.3</b>	<b>0.8</b>	<b>56</b>
Net Cash Flow From Operating Activities	5.6	0.4	-

The Group recorded a 31% growth in revenue to S\$9.0 million for Q1 FY2009. The overall increase in revenue was propelled by both the business segments. The ship chartering operations attained a growth of 23% to S\$5.5 million in revenue for Q1 FY2009 mainly due to the increased fleet size. The revenue from ship building segment rose by 46% to S\$3.5 million



**MARCO POLO MARINE LTD**  
(A Member of Marco Polo Marine Group of Companies)

for Q1 FY2009 with more third-parties' ship building projects being recognized in the quarter when compared with the corresponding quarter of the previous financial year.

The gross profit margin improved from 31.7% in Q1 FY2008 to 32.9% in Q1 FY2009, pushing the gross profit for the Group to S\$3.0 million in Q1 FY2009 at an increase of 36%. The better gross profit margin was mainly due to enhanced efficiency in the deployment of the vessel fleet for the Group's ship chartering segment, notwithstanding the higher operating costs witnessed in the ship building business due to hike in labour, raw material and fuel running costs.

The other operating income was lower in Q1 FY2009 comparatively as the Group registered a disposal gain of S\$0.8 million for two vessels in Q1 FY2008.

The total operating expenses increased by 22% to S\$1.4 million in Q1 FY2009, mainly due to an increase of 11% to S\$0.8 million in administrative expenses with increased manpower costs and an increase of 41% to S\$0.6 million due to higher depreciation and maintenance charges for the expanded facilities at the Batam yard.

Excluding the gain on disposal of vessels in Q1 FY2008, the Group achieved an increase of 56% in net profit attributable to shareholders to S\$1.3 million for Q1 FY2009.

<b>Balance Sheet (S\$ million)</b>	<b>31 Dec 2008</b>	<b>30 Sep 2008</b>
Property, Plant & Equipment	75.4	65.1
Cash, Bank Balances and Fixed Deposits	3.5	5.7
Borrowings	30.9	28.0
Shareholders' Equity	57.2	55.9
Gross Gearing (x)	0.54	0.50
Net Asset Value Per Share (Singapore Cents)	20.0	19.5

The increase in the property, plant and equipment was attributed mainly to the increase in fleet size and vessels under construction as well as expenditure incurred for the construction of the drydock at the yard.

The net asset value per share of the Group increased from 19.5 cents as at 30 September 2008 to 20.0 cents as at 31 December 2008 with the gearing ratio maintained at almost the same level over the two dates.



**MARCO POLO MARINE LTD**  
(A Member of Marco Polo Marine Group of Companies)

“While the current global economic turmoil and continued credit crunches by financial institutions may pose challenges to our operating business environment, barring unforeseen circumstances and further deterioration of the situation, we are poised to weather the downturn.

We will continue to adopt a vigilant approach in managing our costs and cashflows with a view to improve efficiency and productivity and a measured approach in carrying out our expansion plan.”

**Mr Sean Lee Yun Feng**  
**CEO of Marco Polo Marine**

--- End ---

About Marco Polo Marine Ltd (Bloomberg Code: MPM.SP)

Marco Polo Marine is a growing integrated shipping group principally engaged in the ship chartering and shipyard businesses.

The Group’s ship chartering business includes the provision of chartering, re-chartering and transshipment services of tugboats and barges to its customers and end-users from the mining, commodity, trading, shipping, construction, infrastructure, property development and land reclamation industries. The trans-shipment services it provides involve the transportation of coal mined in Indonesia to coal operators for their onward transportation to energy power plants in the South East Asia regions.

The Group’s shipyard is strategically located in Batam, Indonesia, occupying a total land area of approximately 348,705 square metres, with a seafront of approximately 650 metres. Presently, the Group is in the process of expanding its shipyard. When completed, its shipyard is expected to be one of the larger shipyards in Batam.

For more information, please refer to the corporate website [www.marcopolomarine.com.sg](http://www.marcopolomarine.com.sg)

---

Issued for and on behalf of Marco Polo Marine Ltd  
**By Financial PR Pte Ltd**

For more information, please contact:

**Kathy Zhang**, [kathy@financialpr.com.sg](mailto:kathy@financialpr.com.sg)

**Romil Singh**, [romil@financialpr.com.sg](mailto:romil@financialpr.com.sg)

Tel: (65) 6438 2990 Fax: (65) 6438 0064