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(A Member of Marco Polo Marine Group of Companies)

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MEDIA RELEASE – FOR IMMEDIATE RELEASE

Marco Polo Marine's earnings remain buoyant at S$4.5 million for H1 FY2009

- **Achieved against increase of 46% in revenue to S$24.1 million**
- **Gross profit surged 61% to S$8.1 million with gross profit margin improving from 30.6% to 33.6% year-on-year**
- **With first drydock fully operational, significant contributions from ship repairs expected to shipyard operations**

Singapore, 13 May 2009 – **Marco Polo Marine Ltd** ("**Marco Polo Marine**" or the "Group"), a growing integrated shipping group, today announced a commendable set of results for the three/six months ended 31 March 2009 ("Q2 FY2009/H1 FY2009").

Financial Highlights	Q2 FY2009	Q2 FY2008	Change	H1 FY2009	H1 FY2008	Change
	S$'mlm	S$'mlm	%	S$'mlm	S$'mlm	%
Revenue	15.1	9.6	58	24.1	16.5	46
Gross Profit	5.1	2.9	80	8.1	5.0	61
Gross Profit Margin	34.0%	29.8%	-	33.6%	30.6%	-
Other Operating Income	0.4	2.7	(85)	0.6	3.7	(85)
Operating Expenses*	1.8	1.2	50	3.2	2.4	36
Net Profit	3.2	3.8	(17)	4.5	5.4	(17)
Operating Cash Flow	-	-	-	29.9	8.7	242

*Operating expenses include administrative and other operating expenses

For H1 FY2009, the Group's total turnover increased by 46% to S$24.1 million with growth registered in both shipyard and ship chartering operations (as highlighted in the table below). In synchronization with the increase in the Group's operating fleet from 31 vessels as at 31 March 2008 to 45 vessels as at 31 March 2009, the ship chartering segment registered an increase in revenue of 21% to S$11.0 million for H1 FY2009. There was a jump of 77% in revenue to S$13.1 million from the shipyard operations in the same period, as more higher value third parties' projects were recognized coupled with a sizable increase in ship repair revenue coherent with the completion of the Group's first drydock.

Business Segments	H1 FY2009		H1 FY2008		Change	
	S$'mln	%	S$'mln	%	S$'mln	%
Ship Chartering	11.0	45.6	9.1	55.2	1.9	20.9
Ship Building & Repair	13.1	54.4	7.4	44.8	5.7	77.0

Overall, the Group's gross profit swelled by 61% to S$8.1 million in H1 FY2009 at improved gross profit margins. This was attributed mainly to the ship chartering operations' enhanced efficiency in fleet deployment, notwithstanding a partial offset by some increase in ship building operating expenses due to rising labor, raw materials and fuel running costs.

The other operating income decreased from S$3.7 million in H1 FY2008 to S$0.6 million in H1 FY2009 as the Group registered in H1 FY2008:

- a one-time procurement income of S$1.4 million for securing an initial fleet of 16 vessels for its 50:50 joint venture company, MPST Marine Pte Ltd; and
- a gain of S$2.0 million on disposal of 8 vessels.

The operating expenses increased by 36% to S$3.2 million in H1 FY2009 mainly due to increased manpower costs and higher depreciation and maintenance charges for the expanded facilities at the Batam yard.

Excluding the gain on disposal of vessels and the one-time procurement income for H1 FY2008, the Group's net profit for H1 FY2008 was S$1.9 million. When compared to that of S$4.5 million in H1 FY2009, the Group's net profit more than doubled at an increase of 130%.

Balance Sheet	31-Mar-09	30-Sep-08
	S$'mln	S$'mln
Property, Plant And Equipment	102.4	65.1
Cash, Bank Balances and Fixed Deposits	5.4	5.7
Borrowings	37.5	28.0
Shareholders' Equity	60.3	55.9
Gross Gearing (x)	0.62	0.50
Net Asset Value Per Share (Singapore cents)	21.1	19.5

The property, plant and equipment increased by about S$37.3 million from 30 September 2008 to 31 March 2009 mainly due to the expanded fleet size, the vessels under construction and capital expenditure at the Batam yard in relation to the drydocks and the jetty. Over the same period, there was an increase in the gearing ratio brought about mainly by additional vessel loans and bank borrowings.

First drydock fully operational in the Batam yard (3 vessels under repair in the picture)

"The respectable growth in both our Group's shipyard and ship chartering operations is very encouraging in the midst of this unprecedented global economic turmoil. Notwithstanding which, we will continue to keep a very cautious and prudent approach, particularly towards keeping our costs under check and better managing our cash flows.

Our first drydock is now fully functional. This paves the way for more repair jobs to be undertaken and such repair incomes are expected to contribute significantly to our

overall shipyard operations going forward. Another drydock and a jetty are under construction as we want to target this less cyclical ship repair business.

On the ship chartering front, our operating fleet consists mainly of tugboats and barges, and this niche market is less affected by the current downturn experienced by the bulk carriers and container ships. We see opportunities in this business with demand coming from the construction sectors and major land reclamation projects in the region."

Mr Sean Lee Yun Feng
CEO of Marco Polo Marine

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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 transhipment 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

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Issued for and on behalf of Marco Polo Marine Ltd
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