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MEDIA RELEASE

Revenue Rose 27% to S$62.7 Million in 9M FY2011 driven by robust performance from Shipyard and Offshore operations

- **Increased number of ship repair contracts and higher value ship conversion boosted shipyard revenue by 67% to S$38.3 million**
- **Newly formed offshore operations made maiden contribution of S$4.0 million**

Singapore, 12 August 2011 - Singapore Exchange Mainboard-listed Marco Polo Marine Ltd ("Marco Polo Marine" or "the Group"), a growing integrated marine logistic group, is pleased to announce its financial results for the nine-month period ended 30 June 2011 ("9M FY2011").

9M FY2011 Results Review

Business Segment (S$ million)	9M FY2011	9M FY2010	Change
Ship chartering operations	24.4	26.5	(8%)
Ship building & repair operations	38.3	23.0	+ 67%
Total	62.7	49.5	+ 27%

Overall, Marco Polo Marine achieved a 27% increase in revenue to S$62.7 million for 9M FY2011, boosted primarily by its shipyard & repair operations.

As a one-stop shipyard service centre strategically located in Batam, Indonesia, coupled with the ability to deliver high quality integrated marine logistics services, the Group was able to secure more ship repair contracts and higher value ship conversion projects in 9M FY2011, which saw it registering a significant increase in revenue by 67% to S$38.3 million in 9M FY2011.

The ship chartering revenue of the Group, on the other hand, fell 8% to S$24.4 million due mainly to lower contribution from time charters as a result of lower fleet utilisation rate attributed to an unusually long monsoon season in H1 FY2011 which hampered operations and re-flagging downtime for some of the existing fleet to Indonesian flagged vessels. The decline in ship chartering revenue was moderated by a maiden contribution of S$4.0 million from the offshore operations following the completion of the Group's acquisition of three utility vessels which ply waters in Australia and the Gulf of Thailand.

Against the higher revenue, the gross profit of the Group grew by 19% to S$15.8 million in 9M FY2011. However, a higher proportion of lower margin re-chartering activities resulted in a marginal drop in gross profit margin from 27% in 9M FY2010 to 25% in 9M FY2011. The decline was moderated by higher profit margin generated from the new offshore division which commenced operation in Q1 FY2011.

Commenting on the performance of the Group, Mr Sean Lee Yung Feng, CEO of Marco Polo Marine, remarked that "notwithstanding a year-to-date decrease in post tax profit of 16% to S$13.8 million in 9M FY2011, the Group turned in a 7% increase in post tax profit to S$4.4 million in Q3 FY2011 and, through better working capital management, reversed from a negative working capital position of S$3.3 million as at 30 September 2010 to a positive working capital position of S$58.9 million as at 30 June 2011."

Prospects

Robust growth in intra-regional business activities and high foreign demand for a broad range of Indonesian commodities underpin strong demand for the Group's marine logistic and shipyard related services. The progressive commissioning of new and refurbished coal-fired power plants in Indonesia has generated growing demand for tugboats and barges to transport coal for domestic use and this will continue to benefit the Group's ship chartering business.

In order to comply with the Cabotage Principle in Indonesia, the Group has embarked on a sale-and-leaseback arrangement to enable a portion of its fleet to operate in Indonesian waters. As a substantial player in the transportation of coal for domestic use in Indonesia, the Group has replaced this short term solution with a long term sustainable business structure through its recent acquisition of a 49% equity interest in PT Pelayaran Nasional Bina Buana Raya ("BBR"). "BBR, being an Indonesian entity, has its advantages with regard to the compliance of the Cabotage Principle, and the the Group stands ready to reap the benefits which may accrue to BBR from rising demand for shipping services to transport commodities in Indonesia through its 49% stake in BBR," said Mr Sean Lee.

On another front, the Group will continue to acquire and expand its fleet of offshore support vessels to increase its participation in the exploration potential of the energy sector in the region. As regards its shipyard operations, in view of the strong demand from ship repair and ship conversion projects, the Group has also in Q2 FY2011 commenced at its existing shipyard in Batam, Indonesia, the construction of a bigger and deeper third drydock, measuring 190m x 45m x 9m, which is scheduled for completion in Q2 FY2012.

This press release should be read in conjunction with Marco Polo Marine's 9M FY2011 results announcement posted on the Singapore Exchange on 12 August 2011.

About Marco Polo Marine Ltd

Marco Polo Marine (Bloomberg Code: MPM.SP) is an integrated marine logistic company serving the energy sector in Indonesia and the region. The Group is a substantial player in the transportation of Indonesian coal for domestic use and exports. In Thailand and Australia (and soon Indonesia), the Group's growing fleet of offshore supply vessels support deep sea oil & gas exploration.

A wholly-owned shipyard in Batam undertakes ship building and ship repair for the Group as well as third parties by providing Singapore quality at Indonesian costs. The shipyard occupies a total land area of approximately 34 hectares, with a seafront of approximately 650 metres and has two dry docks to undertake ship repair and conversion services.

For more information, please refer to the corporate website www.marcopolomarine.com.sg

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