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

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**MEDIA RELEASE**

# Marco Polo achieved record quarterly revenue of S$24.6 million in Q1FY2012 against a profit of S$4.4 million

- **Revenue upped 26.8% year-on-year (yoy), lifted by ship building and repair operations**
- **Working capital position further improved by 47.5% to S$23.6 million as at 31 December 2011 from S$16.0 million as at 30 September 2011**
- **Notwithstanding a maiden dividend of one cent per ordinary share paid in December 2011, net tangible asset per share increased to S$0.37 in Q1FY2012 from S$0.36 in FY2011.**

**Singapore, 14 February 2012** - 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 three-month period ended 31 December 2011.

## Financial Highlights

| S$ million | Q1FY2012 | Q1FY2011 | Change |
|---|---|---|---|
| Total Revenue | 24.6 | 19.4 | 26.8% |
| Gross Profit | 6.2 | 5.4 | 14.9% |
| Profit Before Tax | 4.9 | 4.5 | 8.7% |
| Net Profit attributable to Shareholders | 4.4 | 4.0 | 8.5% |
| Gross Margin (%) | 25.2% | 27.8% | NM |
| Net Margin (%) | 17.7% | 20.7% | NM |
| EBITDA | 7.0 | 6.7 | 3.2% |
| ROE | 3.5% | 3.2% | NM |
| EPS (cents) – Fully Diluted | 1.28 | 1.19 | 7.6% |

NM – Not Meaningful

Marco Polo Marine's revenue grew by 26.8% to S$24.6 million in Q1FY2012 from S$19.4 million in Q1FY2011.

The increase was attributed mainly to the Group's Ship Building & Repair Operations, which posted strong growth of 58.0% to S$18.8 million from S$11.9 million in Q1FY2011. The strategic location of the Group's shipyard coupled with high service quality and ability to provide a suite of integrated marine logistics services, including ship conversion, facilitated the procurement of more ship repair jobs and higher value ship conversion jobs.

Following the completion of the Group's acquisition of a 49% stake in the associated company, PT Pelayaran Nasional Bina Buana Raya ("BBR"), and the accompanying reflagging exercise in FY2011, carried out in order to comply with the Indonesia's Cabotage principle which requires all vessels plying Indonesian waters to be Indonesia flagged and such Indonesia flagged vessels must be owned by Indonesian entities controlled by Indonesian persons, the shipping business of the Group has been confined to waters beyond Indonesia. With BBR assuming the shipping business within Indonesian waters as a consequence, the Group's ship chartering revenue decreased by 22.7% to S$5.8 million in Q1FY2012 from S$7.5 million in Q1FY2011.

**Prospects**

The Group has completed and commissioned its third dry dock in January 2012. This bigger and deeper third dry dock, measuring 190m x 45m x 9m, is capable of docking merchant vessels of up to 45,000 dwt. With the third dry dock complementing the operations of the other two existing dry docks which were in operation since 2009, the Group is well-poised to take advantage of the buoyant demand for ship repair and conversion business, boosted by the regional thriving commodity shipping, oil and gas activities, to benefit its ship repair operations, which in turn are expected to continue to contribute significantly to the revenue of the Group for FY2012.

*"The Group enjoys an unprecedented success in its ship building, repair and conversion operations since the onset of FY2012. Having procured a ship outfitting contract worth S$22.5 million in January 2012, the total value of new build, ship repair and conversion projects secured by the Group to date has been boosted to S$57.5 million. Further, with the Group having successfully delivered its first swamp drilling barge to its customer in January 2012, a milestone reflecting the competence of the Group's shipyard in delivering the world's most technically-advanced swamp drilling barge with value added solutions and within quick turnaround time, the Group has been entrusted by the customer concerned with another swamp drilling barge for upgrade."*

*Mr Sean Lee Yun Feng, Chief Executive Director*

With regard to its ship chartering business, the Group expects its offshore business, backed by a team of experienced offshore marine staff, to continue to lead the growth and make significant contribution to the overall chartering income as it rides the waves of heightened demand for energy.

Accordingly, barring unforeseen circumstance, the Group expects its overall results to outperform in FY2012 compared to FY2011.

**Notes:**

1. "FY" denotes to the financial year ended or ending 30 September (as the case may be) and any "Q" or "H" which precedes it denotes the relevant financial quarter or half year (as the case may be).
2. This press release should be read in conjunction with Marco Polo Marine's Q1FY2012 results announcement posted on the Singapore Exchange on 14 February 2012.

**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 three 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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