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

11 Sims Drive #02-01
Singapore 387385
Tel (65) 6741 2545
Fax (65) 6841 5756
www.marcopolomarine.com.sg
RCB / GST No. 200610073Z

MEDIA RELEASE

Marco Polo Marine achieved record Net Profit for 9MFY2012 at enhanced Gross Profit Margin of 32%

- **Record net profit of S$17.5 million for 9MFY2012 surpassed that for full year of FY2011 by 1.5%**
- **Gross profit increased by 42.1% to S$22.4 million for 9MFY2012 from S$15.8 million for 9MFY2011 with margin enhanced to 32.0% from 25.2%**
- **Ship Building and Repair Operations continue to be the key performance driver**
- **Earnings per share increased by 26.4% to 5.13 Singapore cents for 9MFY2012 from 4.06 Singapore cents for 9MFY2011**
- **Net asset value per share increased by 11.9% to 40.5 Singapore cents as at 30 June 2012 from 36.2 Singapore cents as at 30 September 2011**
- **Operating cashflow position reversed from a net cashflow used in operations of S$57.4 million in 9MFY2011 to a net cashflow generated from operations of S$10.0 million in 9MFY2012**
- **Low gearings with Debt-to-Equity at 39.7% and Net Debt-to-Equity at 25.5%, taking into account of cash balance of S$19.6 million as at 30 June 2012**

Singapore, 6 August 2012 - Singapore Exchange Mainboard-listed Marco Polo Marine Ltd (the "Company") together with its subsidiaries (the "Group"), a growing integrated marine logistic group, is pleased to announce its financial results for the nine-month period ended 30 June 2012 ("9MFY2012).

Financial Highlights of the Group

S$ million	9MFY2012	%	9MFY2011	%	Change
Ship Chartering Operations	*15.9*	*22.7*	*24.4*	*38.9*	*(34.8)%*
Ship Building & Repair Operations	*54.1*	*77.3*	*38.3*	*61.1*	*41.3%*
Total Revenue	70.0	*100.0*	62.7	*100.0*	11.6%
Gross Profit	22.4		15.8		41.8%
Profit from Operations	17.7		17.0		4.1%

Net Profit attributable to Shareholders	17.5		13.8		26.8%
Gross Margin (%)	32.0%		25.2%		6.8% pts
Operation Margin (%)	25.3%		27.1%		-1.8% pts
Return on Equity, Annualised (%)	16.9%		15.4%		1.5% pts

Revenue

The Group's total revenue increased by 11.6% to S$70.0 million in 9MFY2012 relative to that of 9MFY2011, despite the Group's total revenue decreasing by 32.1% to S$14.4 million in Q3FY2012 (*vis-à-vis* Q3FY2011's S$21.2 million) and the Group's revenue from Ship Chartering Operations decreased by 34.8% to S$15.9 million in 9MFY2012 (*vis-à-vis* 9MFY2011's S$24.4 million).

Ship Chartering Operations

Following the completion of the Group's acquisition of the 49% equity interest in PT Pelayaran Nasional Bina Buana Raya ("BBR"), and the accompanying reflagging exercise in FY2011, carried out in order to comply with 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 declined by 34.8% to S$15.9 million in 9MFY2012 from S$24.4 million in 9MFY2011, and by 35.8% to S$5.2 million in Q3FY2012 from S$8.1 million in Q3FY2011.

Ship Building & Repair Operations

The commendable revenue growth attained in Q3FY2012 (*vis-à-vis* Q3FY2011) and in 9MFY2012 (*vis-à-vis* 9MFY2011) were attributed particularly to more ship repair jobs and higher value ship conversion and outfitting jobs having been completed, especially since early Q3FY2012 when the Group's third dry dock, which is capable of docking merchant vessels of up to 45,000 dwt, swung into full operation.

Gross profit/Net Profit

The gross profit of the increased by 42.1% to S$22.4 million in 9MFY2012 relative to 9MFY2011's S$15.8 million against an enhanced margin of 32.0% from 25.2%. Further, the net profit attributable to the shareholders of the Group soared to a record high of S$17.5 million for 9MFY2012, the first nine months of FY2012, which surpassed that achieved for the full 12 months of FY2011 of S$17.3 million by 1.5%. The markedly improved profits and gross profit margin were due primarily to the Group's Ship Repair Operations which generated substantial increases in ship repair and outfitting revenues at higher yields, particularly in Q3FY2012 when all its three dry docks were in full operation.

Prospects

The shipyard operations of the Group are expected to continue to drive the overall revenue of the Group for the rest of FY2012. While new-build orders of the Group have moderated, the Group has been encouraged by the increase in enquiries for ship repair, outfitting and conversion services. With the Group's three dry docks swung into full operation since Q3FY2012, the Group is able to and has been undertaking more contracts of increasing scale and complexity. Projects relating to ship repair, outfitting and conversion services allow for faster turnaround time, though they may be *ah-hoc* in nature.

With regard to the Group's ship chartering business, the Group expects its offshore business to continue to spearhead the growth. Charter rates in both the offshore vessels division as well as the tugs and barges division have stabilized and, based on the recent enquiries and indications, are expected to continue to remain stable in the foreseeable future.

Commenting on the performance of the Group, Mr Sean Lee Yun Feng, CEO of the Company, remarked, "We are encouraged by our commendable set of results, in particular, our record net profit achieved. This sterling performance is attributed to the smooth execution of our corporate strategies of staying focused, our ability to tap on the robust offshore oil and gas sector demand and our capability to operate in Indonesian waters through BBR".

Mr Lee further added that, "Operationally, we are entering into an exciting phase of our Group's development with the planned initiatives coming into fruition. We look forward to the increase of our fleet size and expansion into the offshore market. Our shipyard's improved technical capabilities and expanded facilities will continue to equip us to secure higher value and complex projects. On the business collaboration front, our Company's bunkering joint venture is also off to a strong start by securing long term contracts, having taken delivery of the two initial bunkering vessels only in July 2012; the joint venture is envisaged to provide a stable and growing source of income to the Group from the financial years ending 30 September 2013 and thereafter".

The external macroeconomic environment, especially the Euro zone debt crisis and stuttering growth recovery in the US, is expected to negatively affect sentiments and operations. Setting aside these uncertain conditions and barring unforeseen circumstances, the Group, while maintaining the view that its overall performance for FY2012 is expected to outperform that for FY2011, is optimistic about its performance for the next 12 months.

- End -

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 Q3FY2012 results announcement posted on the web site of Singapore Exchange on 6 August 2012.

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About Marco Polo Marine Ltd

Marco Polo Marine, an integrated marine logistic group, has grown and expanded to become a reputable player in the marine industry in the region.

The Group's ship chartering business provides tugboats and barges to its customers from the mining, commodities, construction, infrastructure, property development and land reclamation industries as well as offshore vessels which are being deployed in the waters of Australia, Gulf of Thailand and Indonesia. It also provides transshipment services which involve principally the transportation of coal from the mines in Indonesia to the bulkers of the coal purchasers' bulk for their onward transportation to electric power plants throughout Asia.

The Group's shipyard undertakes ship building, ship repair, outfitting and conversion services in Batam, Indonesia. Occupying a total land area of approximately 34 hectares with a seafront of approximately 650 metres, it also has three dry docks to undertake ship repair and conversion services.

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

For media enquiries, please contact:
Marco Polo Marine Ltd
Mr. Hsu Chong Pin
Head of Business Development and Investor Relations
Tel: +65 6741 2545
Email: chongpin.hsu@marcopolomarine.com.sg