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

MEDIA RELEASE

Marco Polo Marine upped net profit by 21% to S$21.1 million for the 9-month period ended 30 June 2013

- Increase in net profit includes an exceptional gain of S$5.7 million, being a re-measurement gain in connection with a deemed disposal of the Group's equity interest in PT Pelayaran Nasional Bina Buana Raya Tbk ("BBR") prior to 9 January 2013 as required by the accounting standards

- Gross profit increased by 12% to S$25.1 million for 9MFY2013 from S$22.4 million for 9MFY2012, albeit a decline in revenue

- Gross profit margin and net profit margin increased to 38.5% from 32.0% and to 32.4% from 25.0% respectively for 9MFY2013 compared to 9MFY2012

- Intensified focus to entrench position as a leading OSV owner and operator in the region to ride on the buoyant offshore oil and gas sector through fleet expansion programme

Singapore, 12 August 2013 - Singapore Exchange Mainboard-listed Marco Polo Marine Ltd (the "Company") together with its subsidiaries (the "Group"), a growing regional integrated marine logistic group, is pleased to announce its 9-month financial results for the period ended 30 June 2013 ("9MFY2013").

Financial Highlights of the Group

S$ million	9MFY2013	%	9MFY2012	%	Change
Ship Chartering Operations	*39.3*	*60.4*	*15.9*	*22.7*	*147.2%*
Ship Building & Repair Operations	*25.8*	*39.6*	*54.1*	*77.3*	*(52.3)%*
Total Revenue	65.1	*100.0*	70.0	*100.0*	(7.0)%
Gross Profit	25.1		22.4		11.9%
Net Profit attributable to Shareholders	18.1		17.5		3.7%
Earnings Per Share (Cents)	5.32		5.13		3.7%
Net Asset Value Per Share	46.8		41.4*		13.0%
Performance Ratios					
Gross Profit Margin (%)	38.5%		32.0%		6.5% pts
Net Profit Margin (%) (Excluding Exceptional Item)	23.7%		25.0%		-1.3% pts

** As at 30 September 2012*

Note:
The balance sheet of the Group as at 30 June 2013, the income statements of the Group for Q3FY2013 and 9MFY2013 as well as the cashflow statement of the Group for 9MFY2013 had took into account and consolidated

the relevant financial results/position of BBR with effect from 9 January 2013 (the "Transition"), following BBR's debut listing on the Indonesia Stock Exchange (the "IPO") and with the Group, being the single largest shareholder of BBR after the IPO, exerting a de facto control over BBR's operations since then.

Revenue

The Group's Ship Chartering and Ship Building & Repair Operations registered a combined growth of 98.6% in Q3FY2013 relative to Q3FY2012. Notwithstanding which, the Group's year-to-date revenue decreased by 7.0% to S$65.1 million in 9MFY2013 from S$70.0 million in 9MFY2012.

The continued strong growths in revenue of 147.2% to S$39.3 million in 9MFY2013 and 234.6% to S$17.4 million in Q3FY2013, enjoyed by the Ship Chartering Operations, were attributed chiefly to BBR subsequent to the Transition and the strong demand for Offshore Supply Vessels (OSVs) in the region.

Due principally to fewer repair jobs and slower uptake of new-build orders coupled with the one-off revenue recognized in Q3FY2012 in connection with the cancellation of a ship building agreement for an amount of S$9.3 million ("De-Recognized Revenue"), the Ship Building & Repair Operations registered a decrease in revenue by 52.3% in 9MFY2013 relative to 9MFY2012, despite an increase in revenue by 21.7% in Q3FY2013 relative to Q3FY2012. Without taking into account the De-Recognized Revenue, the Ship Building & Repair Operations' revenue would have decreased by 39.5% in Q3FY2013 relative to Q3FY2012.

Gross Profit and Net Profit

The Group's overall gross profit increased by 11.9% to S$25.1 million in 9MFY2013 relative to 9MFY2012 at improved gross profit margin from 32.0% in 9MFY2012 to 38.5% in 9MFY2013. The improved gross profit and gross profit margin performances were attributable mainly to the expanded high yield offshore chartering business of the Ship Chartering Operations. Without taking into account the De-Recognized Revenue and the related costs, the Group's overall gross profit margin would have further enhanced to 35.8% from 32.0%.

The Group's profit after tax and extraordinary item also increased from S$17.5 million in 9MFY2012 to S$21.1 million in 9MFY2013. The increase was attributed mainly to:

1. the Group's improved gross profit performance;
2. an enhanced share of results from the Group's jointly controlled company which engages in the bunker tanker business; and
3. an exceptional gain in connection with a deemed disposal required to be recognized under *FRS 103 – Business Combinations*, which stipulates that the Group's equity interest in BBR prior to the Transition be re-measured as if the stake had been disposed as well as an enhanced share of results from jointly controlled companies from the bunker vessel joint-venture operations,

which collectively was off-set by a decrease in the Group's other operating income due mainly to decreases in gain on disposal of vessels and foreign exchange as well as increased finance costs attributed mainly to BBR's interest expense in connection with its vessel loans.

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Comments by CEO

Commenting on the financial performance for 9MFY2013, Mr Sean Lee Yun Feng, CEO of the Company, remarked:

> "Amidst the less certain business environment, I am encouraged by the Group's performance for 9MFY2013".
>
> "However, the subdued global economic outlook, due largely to slower growth in several key advanced economies and a more protracted recession in the euro zone area coupled with the general overcapacities of shipyards, is expected to continue to affect the Group's Ship Building and Repair Operations.
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> "We expects the offshore business of the Group's Ship Chartering Operations to continue to spearhead the growth of the Group. The offshore business of the Group is also expected to receive a booster following the Group's acquisition of MP Prevail in June 2013."

\- 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 Q3FY2013 results announcement posted on the web site of Singapore Exchange on 12 August 2013.

<u>About Marco Polo Marine Ltd</u>

Listed on SGX-ST since 2007, Marco Polo Marine Ltd (the "Company") and its subsidiaries (the "Group"), is a reputable integrated marine logistic company which is principally engaged in shipping and shipyard businesses in the region.

The Group's shipping business relates to the chartering of Offshore Supply Vessel (OSVs), comprising mainly Anchor Handling Tug Supply (AHTS) vessels, for deployment in the regional waters, including the Gulf of Thailand, Malaysia and Indonesia, as well as the chartering of tugs and barges to customers, especially those engaged in the mining, commodities, construction, infrastructure and land reclamation industries.

The Group's shipyard business relates to ship building as well as ship maintenance, repair, outfitting and conversion services which are carried out through its shipyard located in Batam, Indonesia. Occupying a total land area of approximately 34 hectares with a seafront of approximately 650 meters, the modern shipyard also houses three dry docks which boosted the Group's technical capabilities and service offerings to undertake projects involving mid-sized and sophisticated vessels.

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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