MARCO POLO MARINE LTD
Company Registration No. 200610073Z

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2008 (“FY2008”)

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), FULL YEAR RESULTS

1.(a) A profit and loss statement for the group together with a comparative statement for the corresponding period of the immediate preceding financial year.

	The Group		
	FY2008 S$'000	FY2007 S$'000	% Change
Revenue	**45,943**	37,121	24
Cost of sales	**(34,045)**	(27,222)	25
Gross profit	**11,898**	9,899	20
Other operating income	**7,817**	3,352	133
Administration expenses	**(3,029)**	(1,701)	78
Other operating expenses	**(3,424)**	(1,677)	104
Finance costs	**(1,711)**	(1,256)	36
Share of results of a jointly controlled entity	**58**	-	N/M
Profit before tax	**11,609**	8,617	35
Income tax	**(474)**	(220)	115
Net profit attributable to the shareholders	**11,135**	8,397	33

“FY2007” denotes the financial year ended 30 September 2007.
“% Change” denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.
“N/M” denotes “Not meaningful”.

1.(a)(ii) The accompanying notes to the financial statements form an integral part of the financial statements.

	The Group		
	FY2008 S$'000	FY2007 S$'000	% Change
Profit before tax has been arrived at after charging/(crediting):			
Allowance for doubtful trade debts	**613**	63	873
Depreciation of property, plant and equipment	**3,158**	2,896	9
Foreign currency exchange loss	**136**	615	(78)
Gain on disposal of property, plant and equipment	**(5,882)**	(3,024)	95
Interest income	**(80)**	(2)	3,900
Interest expenses	**1,711**	1,256	36

“% Change” denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.

1.(b)(i) A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	30 September 2008 S$'000	30 September 2007 S$'000	**30 September 2008 S$'000**	30 September 2007 S$'000
Non-current assets				
Property, plant and equipment	**65,146**	45,053	**-**	-
Investments in subsidiaries	**-**	-	**4,320**	4,320
Interest in a jointly controlled entity	**8,757**	-	**-**	-
	73,903	45,053	**4,320**	4,320
Current assets				
Inventories	**6,447**	1,854	**-**	-
Trade receivables	**2,427**	2,221	**-**	-
Due from customers on construction contracts	**16,828**	7,330	**-**	-
Due from related parties^ (trade)	**1,523**	2,120	**-**	-
Other receivables, prepayments & deposits	**7,085**	4,209	**47**	904
Due from a jointly controlled entity^ (trade)	**1,260**	-	**-**	-
Due from subsidiaries^ (non-trade)	**-**	-	**30,010**	13,300
Cash, bank balances and fixed deposits	**5,714**	1,025	**3,028**	66
	41,284	18,759	**33,085**	14,270
Total assets	**115,187**	63,812	**37,405**	18,590
Current liabilities				
Trade payables	**20,011**	6,833	**-**	-
Due to related parties^ (trade)	**560**	4,515	**-**	-
Other payables and accruals	**10,187**	3,354	**109**	25
Due to subsidiaries^ (non-trade)	**-**	-	**-**	94
Interest bearing loans and borrowings (secured)	**7,105**	5,902	**-**	-
Provision for income tax	**576**	219	**-**	-
	38,439	20,823	**109**	119
Non-current liabilities				
Interest bearing loans and borrowings (secured)	**20,897**	17,561	**-**	-
Total liabilities	**59,336**	38,384	**109**	119
Net assets	**55,851**	25,428	**37,296**	18,471
Share capital and reserves				
Share capital	**37,446**	18,158	**37,446**	18,158
Translation reserve	**11**	11	**-**	-
Accumulated profits/(losses)	**18,394**	7,259	**(150)**	313
Total equity	**55,851**	25,428	**37,296**	18,471

"% Change" denotes increase/(decrease) in the relevant balance sheet item as compared with the comparative figure.
"N/M" denotes "Not meaningful".
^These are unsecured, interest-free and repayable on demand.

1.(b)(ii) Aggregate amount of borrowings and debts securities for the Group.

	The Group	
	As at 30 September 2008 S$ '000	As at 30 September 2007 S$ '000
Amount repayable in one year or less or on demand		
Secured*	**7,105**	5,902
Unsecured	**-**	-
	7,105	5,902
Amount repayable after one year		
Secured*	**20,897**	17,561
Unsecured	**-**	-
	20,897	17,561

Details of any collateral

* These are secured by:

- Mortgages over certain property, plant and equipment of subsidiaries.
- Joint and several guarantees by certain directors of the Group.
- Assignment of certain charter income and insurance policies of vessels of a subsidiary.
- Corporate guarantees by the Company and a related company.
- Deposits provided by the Company.
- Assets of certain directors and related parties of the Group.

1.(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group	
	FY2008	FY2007
	S$'000	S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**11,609**	**8,617**
Adjustments for:		
Depreciation of property, plant and equipment	**3,158**	**2,896**
Property, plant and equipment written off	**1**	**-**
Interest expense	**1,711**	**1,256**
Interest income	**(80)**	**(2)**
Gain on disposal of property, plant and equipment	**(5,882)**	**(3,024)**
Share of profits of a jointly controlled entity	**(58)**	**-**
Currency realignment	**N/m**	**428**
Operating profit before changes in working capital	**10,459**	**10,171**
Inventories	**(4,593)**	**248**
Trade and other receivables	**(3,745)**	**(6,415)**
Due from customers on construction contracts	**(9,498)**	**(6,497)**
Trade and other payables	**16,056**	**5,134**
Cash generated from operations	**8,679**	**2,641**
Interest paid	**(526)**	**-**
Income tax paid	**(117)**	**N/m**
NET CASH GENERATED FROM OPERATING ACTIVITIES	**8,036**	**2,641**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	**(34,002)**	**(16,511)**
Proceeds from disposal of property, plant and equipment	**20,924**	**8,567**
Interest in a jointly controlled entity	**(8,699)**	**-**
Fixed deposits pledged	**(2,151)**	**-**
Interest received	**80**	**2**
NET CASH USED IN INVESTING ACTIVITIES	**(23,848)**	**(7,942)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of new shares	**19,288**	**3,000**
Proceeds from loans (net)	**1,360**	**8,362**
Repayment of lease obligations	**(1,113)**	**-**
Deferred expenses	**-**	**(564)**
Due from related parties (non-trade)	**-**	**(464)**
Due to a director (non-trade)	**-**	**(3,179)**
Interest paid on HP loans	**(69)**	**-**
Interest paid on term loans	**(1,116)**	**(1,256)**
NET CASH GENERATED FROM FINANCING ACTIVITIES	**18,350**	**5,899**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**2,538**	**598**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**1,025**	**438**
EFFECT OF EXCHANGE RATE CHANGES	**-**	**(11)**
CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 1)	**3,563**	**1,025**

"N/m" denotes "Not material"

Note 1:
Cash and cash equivalents consist of:

	The Group	
	FY2008	FY2007
	S$'000	S$'000
Cash and bank balances	**3,563**	1,025
Fixed deposits	**2,151**	-
Total cash, bank balances and fixed deposits	**5,714**	1,025
Less: fixed deposits pledged	**(2,151)**	-
Total cash and cash equivalents	**3,563**	1,025

1.(d)(i) statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

	The Group			
	Share Capital	Translation Reserve	Accumulated Profits	Total
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 October 2007	**18,158**	**11**	**7,259**	**25,428**
Issuance of ordinary shares of the Company pursuant to the IPO (as defined below)	14,994	-	-	14,994
Share issue expenses pursuant to the IPO	(1,758)	-	-	(1,758)
Issuance of ordinary shares of the Company pursuant to the Placement (as defined below)	6,228	-	-	6,228
Share issue expenses pursuant to the Placement	(176)	-	-	(176)
Profit for the year	-	-	11,135	11,135
Balance as at 30 September 2008	**37,446**	**11**	**18,394**	**55,851**
Balance as at 1 October 2006	**1,320**	**22**	**9,520**	**10,862**
Issuance of ordinary shares of the Company via cash injection	3,000	-	-	3,000
Issuance of ordinary shares of the Company via capitalisation	3,180	-	-	3,180
Bonus issue	10,658	-	(10,658)	-
Net exchange differences on translation of financial statements of foreign subsidiaries	-	(11)	-	(11)
Profit for the year	-	-	8,397	8,397
Balance as at 30 September 2007	**18,158**	**11**	**7,259**	**25,428**

	The Company		
	Share Capital	Accumulated Profits/ (Losses)	Total
	S$'000	S$'000	S$'000
Balance as at 1 October 2007	**18,158**	**313**	**18,471**
Issuance of ordinary shares of the Company pursuant to the IPO	14,994	-	14,994
Share issue expenses pursuant to the IPO	(1,758)	-	(1,758)
Issuance of ordinary shares of the Company pursuant to the Placement	6,228	-	6,228
Share issue expenses pursuant to the Placement	(176)	-	(176)
Loss for the year	-	(463)	(463)
Balance as at 30 September 2008	**37,446**	**(150)**	**37,296**
Balance as at 1 October 2006	**1,320**	**(13)**	**1,307**
Issuance of ordinary shares of the Company via cash injection	3,000	-	3,000
Issuance of ordinary shares of the Company via capitalisation	3,180	-	3,180
Bonus issue	10,658	(10,658)	-
Profit for the year	-	10,984	10,984
Balance as at 30 September 2007	**18,158**	**313**	**18,471**

1.(d)(ii) Details of any changes in company's share capital arising from rights issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

The Company issued 53,550,000 new ordinary shares at S$0.28 per share for cash on 5 November 2007 pursuant to its initial public offering ("IPO"). These shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

Of the gross proceeds of S$14.994 million raised from the IPO, a total of about S$14.7 million was utilised for the following purposes as at the date of this announcement:

Use of IPO proceeds	As at the date of this announcement	As last reported (per results announcement for 1HFY2008)
	S$ million	S$ million
1. Financing the purchase of new vessels	3.0	3.0
2. Financing the shipyard development	4.8	2.6
3. Listing expenses	1.7	1.7
4. General working capital	5.2	5.2
Total amount disbursed	14.7	12.5

The Company issued 18,000,000 new ordinary shares at S$0.346 per share for cash on 15 July 2008 pursuant to a placement exercise (the "Placement"). These shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

Of the gross proceeds of S$6.228 million raised from the Placement, a total of about S$1.1 million was utilized for the following purposes as at the date of this announcement:

Use of Placement proceeds	**As at the date of this announcement**
	S$ million
1. Financing the purchase of new vessels	0.9
2. Financing the 2nd dry-dock at shipyard	-
3. Other investments	-
4. Listing expenses	0.2
Total amount disbursed	1.1

Pending specific deployment for purposes (1), (2) and (3) above in connection with the Placement, the balance of the net Placement proceeds were utilized for general working capital of the Group.

1.(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30 September 2008	**As at 30 September 2007**
Total number of issued ordinary shares (excluding treasury shares)	285,750,000	214,200,000

1.(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company had no treasury shares as at 30 September 2008.

2. Whether the figures have been audited, or reviewed in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for FY2008 as those in the audited financial statements for FY2007.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all relevant new Singapore Financial Reporting Standards ("FRSs") that are mandatory for adoption in respect of financial year beginning on or after 1 October 2007. The adoption of the new and revised FRSs did not have any significant financial impact to the financial statements of the Group.

6. Earnings per ordinary shares of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	As at 30 September 2008 S$'000	As at 30 September 2007 S$'000
Net profit attributable to shareholders	**11,135**	8,397
Earnings per share		
Basic (Singapore cents)	**4.2**	3.9*
Diluted (Singapore cents)	**4.2**	3.1**

Calculations of the basic and diluted earnings per ordinary share of the Group for FY2008 are based on net profit for the year attributable to ordinary shareholders amounting to about S$11.1 million and the weighted average number of 266,465,164 ordinary shares in issued during the financial year.

* Basic earnings per share for FY2007 is computed based on net profit for the year attributable to ordinary shareholders amounting to about S$8.4 million and the pre-IPO share capital of 214,200,000 shares.

** Diluted earnings per share for FY2007 is computed based on net profit for the year attributable to ordinary shareholders amounting to about S$8.4 million and the post-IPO share capital of 267,750,000 shares.

There were no potential dilutive shares as of 30 September 2008.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately.

	The Group		The Company	
	As at 30 September 2008 S$'000	As at 30 September 2007 S$'000	**As at 30 September 2008 S$'000**	As at 30 September 2007 S$'000
Net asset value as at end of financial year	**55,851**	25,428	**37,296**	18,471
Net asset value per ordinary share as at the end of financial year (Singapore cents)	**19.5***	11.9**	**13.0***	8.6**

* Based on the post-IPO and post-Placement share capital of 285,750,000 ordinary shares.

** Based on the pre-IPO share capital of 214,200,000 ordinary shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earning of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period report on.

(a) Review of profit and loss statement of the Group for FY2008 relative to that for FY2007

Our Group's revenues in FY2008 and FY2007 were as follow:

	FY2008		FY2007		Change	
	S$' m	%	S$'m	%	S$' m	%
Ship chartering operations	20.1	43.8	17.4	46.9	2.7	15.5
Ship building operations	25.8	56.2	19.7	53.1	6.1	31.0
	45.9	100.0	37.1	100.0	8.8	23.7

Our Group achieved a total revenue of about S$45.9 million for FY2008, representing an increase of about S$8.8 million or 23.7% over that of S$37.1 million for FY2007.

Revenue from our ship chartering operations increased by about 15.5% or S$2.7 million from about S$17.4 million in FY2007 to about S$20.1 million in FY2008, as our operating fleet size increased from 25 vessels as at 30 September 2007 to 36 vessels as at 30 September 2008.

Revenue from our ship building operations increased by about S$6.1 million or 31.0% from about S$19.7 million in FY2007 to about S$25.8 million in FY2008. The increase was attributable mainly to more ship building projects secured at higher contract value being recognised in FY2008 relative to that in FY2007.

Overall, our Group attained a gross profit of about S$11.9 million at a gross profit margin of about 25.9% in FY2008 as compared to a gross profit of about S$9.9 million at a gross profit margin of about 26.7% in FY2007. The marginal decrease in gross profit margin was attributed mainly to the Group's ship chartering operations as a result of higher fuel costs brought about by the global energy crisis, albeit an improvement in the gross profit margins from our shipyard operations following more higher value ship building projects being undertaken in FY2008.

Our other operating income for FY2008 comprises mainly an aggregate gain on disposal of 14 vessels of about S$5.9 million (compared to an aggregate gain of about $3.0 million from the disposal of 12 vessels for FY2007) and an amount of S$1.4 million relating to a procurement fee (the "Procurement Fee") for securing an initial fleet of 16 vessels for our 50:50 jointly controlled entity, MPST Marine Pte Ltd ("MPST"). The disposal of vessels were carried out by our Group either as part of our fleet renewal policy (to minimise expenditure on major repair and maintenance or for reasons of operational efficiency or capacity improvement) or via sale-and-leaseback arrangements in respect of vessels to be re-flagged as Indonesian vessels.

The increase in administrative expenses of about S$1.3 million from about S$1.7 million in FY2007 to about S$3.0 million in FY2008 relates mainly to increased manpower costs as we beefed up our staff strength to cater for the increased activities of our Group's shipyard operations as well as for additional bonus paid in FY2008 for the Group's commendable performance in FY2007.

The increase in other operating expenses of about S$1.7 million in FY2008 relative to FY2007 was attributed mainly to higher depreciation for property, plant and equipment as full year depreciation for our office building and yard facilities in Batam, which were completed during FY2007, began to kick-in in FY2008; higher allowance for doubtful debts; and higher legal and professional costs incurred in line with our increased business activities.

Our finance costs increased by about S$0.4 million from about S$1.3 million in FY2007 to about S$1.7 million in FY2008 mainly as a result of increased bank borrowings to partially fund the expansion of both our ship chartering and shipyard operations.

The share of profits of a jointly controlled entity was attributed to our 50:50 jointly controlled entity, MPST, which commenced ship chartering business during FY2008 following the receipt of its first pair of tugboat and barge in June 2008.

We registered a lower effective corporate tax rate relative to the corporate tax rate of 18% in Singapore as a large proportion of our shipping profits are tax exempted pursuant to Section 13A of the Singapore Income Tax Act.

Accordingly, we achieved a profit after tax attributable to shareholders of about S$11.1 million in FY2008, an increase of about 32.6% over that of about S$8.4 million attained in FY2007.

(b) Review of financial position of the Group as at 30 September 2008 compared to that as at 30 September 2007

The net increase in our Group's property, plant and equipment was attributed mainly to the net increase in our fleet size (after taking into account the delivery of 19 new vessels and the disposal of 14 vessels during FY2008) as well as the expansion of our shipyard facilities at Batam, including the construction of a drydock and facilities, such as workshops and warehouses, to undertake ship repair, maintenance and conversion works.

Interest in a jointly controlled entity mainly relates to our Group's share of deposits paid for the construction of a fleet of 24 vessels contracted by MPST, of which one pair of tugboat and barge had been delivered in June 2008.

The increase in inventories was mainly due to increased stock holding for our ship building activities during the last financial quarter ended 30 September 2008 in preparation for the construction of vessels which were scheduled to commence in October 2008.

The increase in amounts due from customers on construction contracts was mainly the result of work done in respect of a higher proportion of ship building projects at higher contract value for which billings has yet to be made as at 30 September 2008 as compared to the same as at 30 September 2007.

The increase in other receivables, deposits and prepayments comprised mainly down payments made for the purchase of vessels as well as machinery and engines needed for the construction of vessels.

The amount due from a jointly controlled entity relates mainly to the balance of the Procurement Fee (as detailed in the explanation on "Other operating income" above), which will be pared down as and when the Group delivers the remaining 14 tugboats and barges to MPST.

The increase in cash and bank balances was attributed mainly to the net proceeds from the IPO and Placement, cash generated from operations as well as proceeds from the disposal of vessels, after netting off cash deployed for the purchase of property, plant and equipment as well as investment in MPST.

The increases in trade payables, other payables and accruals were in line with the increased business activities of the Group during FY2008.

Over the two financial years under review, we reversed our working capital position from a net current liability position of about S$2.1 million as at 30 September 2007 to a net current asset position of about $2.8 million as at 30 September 2008.

The increase in interest bearing loans relates mainly to increased bank borrowings in tandem with financing for our increased fleet size as well as for the acquisition of certain plant and equipment for our shipyard operations.

Following the sale-and-leaseback of vessels and increase in share capital pursuant to the IPO and Placement carried out during FY2008, our gearing (defined as the ratio of the aggregate of interest bearing loans to total equity) greatly improved from 92% as at 30 September 2007 to 50% as at 30 September 2008.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Consistent with our prospect statement made on 15 May 2008 pursuant to the announcement of our half year results for the financial year ended 30 September 2008, whereby it was stated that we expect to turn in a better performance for FY2008 compared to FY2007, we achieved higher revenue, gross profit and net profit of about S$45.9 million, S$11.9 million and S$11.1 million respectively in FY2008 relative to that of about S$37.1 million, S$9.9 million and S$8.4 million respectively in FY2007.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Ship Building Operations

As at the date of this announcement, our Group has outstanding ship building orders from third-party customers aggregating about S$116.8 million, including 11 barges to be built for our jointly controlled entity, MPST, and a DP2 diving support vessel secured at about S$74.5 million.

With regard to our shipyard development, the first drydock and related facilities are expected to be fully operational by December 2008. Commencement on the construction of the second drydock, jetty and related facilities will be deferred as we need to free up space in fulfilling our prevailing ship building orders.

Given the present global financial turmoil, ship owners are expected to prolong the utilisation of their vessels as long as possible. Consequently, we expect a steady stream of revenue to be generated from ship repair operations following the impending completion of our first drydock. The new ship repair revenue stream is expected to cushion the anticipated reduction in barge building revenue due to space constraint at the yard as we will have to make room to accommodate the construction of the second drydock and jetty which are expected to commence sometime during the financial year ending 30 September 2009 (“FY2009”).

Ship Chartering Operations

With the addition of new vessels currently in the pipeline of being built, our operating fleet size (excluding those of MPST) is expected to increase from the present 36 vessels (including Indonesian flagged vessels) to 48 vessels by the end of 2009. Accordingly, with the expansion in fleet size, we expect our ship chartering revenue to increase in tandem, though the growth may be affected by curtailed demand brought about as a result of the current global economic slowdown.

Separately, with another 9 pairs of tugboats and barges expected to be delivered in FY2009 to our 50:50 jointly controlled entity, MPST, we expect MPST to start making steady and meaningful recurring contribution to our results through our share of profits in the jointly controlled entity.

Outlook

The outlook for the marine industry appears to be overcast with uncertainties following the recent abrupt changes in the global economic conditions and credit crunches from banks which, notwithstanding the easing of fuel costs and steel prices, clip ship chartering and ship building demands. Against such a backdrop, we will adopt a vigilant approach in managing our costs and cashflows with a view to improve efficiency and productivity and a measured approach in carrying out our expansion plan.

Barring unforeseen circumstances and further deterioration of the prevailing conditions in the financial markets and the worsening of the risk of a prolonged global recession, we are cautiously confident to ride through the seemingly trying times.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, undue reliance must not be placed on these statements.

11. Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared / recommended, a statement to that effect.

No dividend has been declared or recommended during the financial year ended 30 September 2008.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1 ,Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Business Segments

FY2008	**Ship Chartering**	**Shipyard**	**Others**	**Eliminations**	**Total**
	S$' 000	**S$' 000**	**S$' 000**	**S$' 000**	**S$' 000**
REVENUE					
Revenue from external customers	20,115	25,828	-	-	45,943
Inter-segment revenue	188	25	-	(213)	-
Total Revenue	20,303	25,853	-	(213)	45,943
SEGMENT RESULTS	12,531	1,188	(457)	-	13,262
Share of results of a jointly controlled entity					58
Finance costs (net)					(1,711)
Profit before tax					11,609
Income tax					(474)
Net profit for the year					11,135
ASSETS AND LIABILITIES					
SEGMENT ASSETS	52,630	58,430	-	-	111,060
Unallocated assets					4,127
Total assets					115,187
SEGMENT LIABILITIES	20,966	36,830	-	-	57,796
Unallocated liabilities					964
Total liabilities					58,760
OTHER INFORMATION					
Capital expenditures	24,910	13,384	-	-	38,294
Depreciation of property, plant and equipment	1,839	1,319	-	-	3,158

FY2007	**Ship Chartering**	**Shipyard**	**Others**	**Eliminations**	**Total**
	S$' 000	**S$' 000**	**S$' 000**	**S$' 000**	**S$' 000**
REVENUE					
Revenue from external customers	17,433	19,688	-	-	37,121
Inter-segment revenue	80	27	-	(107)	-
Total Revenue	17,513	19,715	-	(107)	37,121
SEGMENT RESULTS - Profit/(loss) from operations	9,328	564	(19)	-	9,873
Finance costs (net)					(1,256)
Profit before tax					8,617
Income tax					(220)
Net profit for the year					8,397
ASSETS AND LIABILITIES					
SEGMENT ASSETS	34,844	26,924	-	-	61,768
Unallocated assets					2,044
Total assets					63,812
SEGMENT LIABILITIES	17,549	19,700	-	-	37,249
Unallocated liabilities					916
Total liabilities					38,165
OTHER INFORMATION					
Capital expenditures	10,402	6,109	-	-	16,511
Depreciation of property, plant and equipment	2,091	805	-	-	2,896

Geographical* Segments

FY2008	Singapore	Indonesia	Switzerland	Others (principally Hong Kong, Malaysia and Dubai)	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue	20,798	21,998	-	3,147	45,943
Segment assets	74,972	40,215	-	-	115,187
Capital expenditures	24,950	13,344	-	-	38,294

FY2007	Singapore	Indonesia	Switzerland	Others (principally Hong Kong, Malaysia and Dubai)	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue	3,694	27,810	629	4,988	37,121
Segment assets	39,489	24,323	-	-	63,812
Capital expenditures	10,410	6,101	-	-	16,511

*Based on the country of origin of our customers and not the destination for the delivery of our chartering services or built vessels.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the business of geographical segments.

Although our ship building activities contributed to about 56.2% to our total revenue in FY2008 as compared to our ship chartering activities, ship chartering business continued to remain the key contributor to our Group's profitability for both FY2007 and FY2008.

The increase in revenue contribution from Singapore in FY2008 as compared to FY2007 relates mainly to the growth in our ship building contracts secured with Singapore customers during FY2008, especially with our 50:50 jointly controlled entity, MPST.

15. Breakdown of sales

	The Group	
	FY2008	FY2007
	S$' 000	S$' 000
(i) Turnover reported for:		
First half year ended 31 March	**16,448**	16,953
Second half year ended 30 September	**29,495**	20,168
	45,943	37,121
(ii) Net profit for the year reported for:		
First half year ended 31 March	**5,403**	4,369
Second half year ended 30 September	**5,732**	4,028
	11,135	8,397

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

17. Interested Person Transactions

Pursuant to Rule 907 of the Listing Manual and the renewed IPT General Mandate obtained from the shareholders of the Company on 30 January 2008, the following interested person transactions were entered into during FY2008:

Name of Interested Persons	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920)**	**Aggregate value of all interested person transactions conducted under the Shareholders' Mandate (excluding transactions less than S$100,000) pursuant to Rule 920**
Sale of vessels by our subsidiary, Marco Polo Shipping Co Pte Ltd, to PT. Pelayaran Nasional Bina Buana Raya, an interested person, pursuant to a Sales and Leaseback Agreement	-	S$6,900,000

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sean Lee Yun Feng
CEO

28 November 2008

The Initial Public Offering of the Company's share was sponsored by UOB Asia Limited.