MARCO POLO MARINE LTD
Company Registration No. 200610073Z

UNAUDITED THIRD QUARTER ("Q3FY2009") AND NINE MONTHS' ("9MFY2009") FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT OF THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2009 ("FY2009")

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

1.(a)(i) 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			The Group		
	Q3FY2009 S$'000	Q3FY2008 S$'000	% Change	**9MFY2009 S$'000**	9MFY2008 S$'000	% Change
Revenue	**15,816**	13,451	18	**39,906**	29,899	33
Cost of sales	**(10,921)**	(9,959)	10	**(26,915)**	(21,374)	26
Gross profit	**4,895**	3,492	40	**12,991**	8,525	52
Other operating income	**(72)**	3,318	(102)	**491**	6,991	(93)
Administrative expenses	**(611)**	(697)	(12)	**(2,415)**	(2,095)	15
Other operating expenses	**(553)**	(669)	(17)	**(1,957)**	(1,632)	20
Finance costs	**(617)**	(464)	33	**(1,748)**	(1,181)	48
Share of results of a jointly controlled entity	**759**	(41)	1951	**938**	(41)	2387
Profit before tax	**3,801**	4,939	(23)	**8,300**	10,567	(21)
Income tax	**(38)**	(148)	(74)	**(66)**	(373)	(82)
Net profit attributable to the shareholders	**3,763**	4,791	(21)	**8,234**	10,194	(19)

"Q3FY2008" denotes the third financial quarter of the financial year ended 30 September 2008 ("FY2008").
"9MFY2008" denotes the first nine months of FY2008.
"% 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			The Group		
	Q3FY2009 S$'000	Q3FY2008 S$'000	% Change	**9MFY2009 S$'000**	9MFY2008 S$'000	% Change
Profit before tax has been arrived at after charging/(crediting):-						
Depreciation of property, plant and equipment	**1,456**	586	148	**3,821**	2,177	76
Foreign exchange (gain)/loss –net	**251**	31	710	**(113)**	92	(223)
Gain on disposal of property, plant and equipment	**-**	(3,182)	(100)	**-**	(5,199)	(100)
Property, plant and equipment written off	**8**	-	N/M	**8**	-	N/M
Write back of impairment on trade receivables	**(598)**	-	N/M	**(446)**	-	N/M
Allowance for stock obsolesces	**-**	-	N/M	**45**	-	N/M
Interest income	**(4)**	(15)	(73)	**(23)**	(70)	(67)
Interest expenses	**617**	464	33	**1,748**	1,181	48

"Q3FY2008" denotes the third financial quarter of the financial year ended 30 September 2008 ("FY2008").
"9MFY2008" denotes the first nine months of FY2008.
"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.
"N/M" denotes "Not meaningful".

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	
	As at 30 June 2009 S$'000	As at 30 Sep 2008 S$'000	**As at 30 June 2009 S$'000**	As at 30 Sep 2008 S$'000
Non-current assets				
Property, plant and equipment	**118,754**	65,146	**-**	-
Investments in subsidiaries	**-**	-	**4,320**	4,320
Jointly controlled entity	**9,114**	8,757	**-**	-
	127,868	73,903	**4,320**	4,320
Current assets				
Inventories	**4,594**	6,447	**-**	-
Trade receivables	**4,181**	2,427	**-**	-
Due from customers for construction contracts	**7,001**	16,828	**-**	-
Due from related parties^ (trade)	**768**	1,523	**-**	-
Other receivables, deposits & prepayments	**6,877**	7,085	**13**	47
Due from a jointly controlled entity^ (trade)	**399**	1,260	**-**	-
Due from subsidiaries^ (non-trade)	**-**	-	**39,144**	30,010
Fixed deposits	**3,599**	2,151	**3,599**	2,151
Cash and bank balances	**3,970**	3,563	**556**	877
	31,389	41,284	**43,312**	33,085
Total assets	**159,257**	115,187	**47,632**	37,405
Current liabilities				
Trade payables	**28,681**	20,011	**-**	-
Due to related parties^ (trade)	**2,606**	560	**-**	-
Due to a jointly controlled entity^ (trade)	**791**	-	**-**	-
Other payables and accruals	**14,797**	10,187	**85**	109
Due to subsidiaries^ (non-trade)	**-**	-	**493**	-
Borrowings - Interest bearing	**15,256**	7,105	**1,596**	-
Provision for income tax	**276**	576	**-**	-
	62,407	38,439	**2,174**	109
Non-current liabilities				
Borrowings - Interest bearing	**25,538**	20,897	**1,262**	-
Total liabilities	**87,945**	59,336	**3,436**	109
Net assets	**71,312**	55,851	**44,196**	37,296
Share capital and reserves				
Share capital	**44,673**	37,446	**44,673**	37,446
Translation reserve	**11**	11	**-**	-
Retained earnings/ (Accumulated loss)	**26,628**	18,394	**(477)**	(150)
Total equity	**71,312**	55,851	**44,196**	37,296

^These are unsecured, interest-free and repayable on demand.

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

	As at 30 June 2009 S$'000	As at 30 September 2008 S$'000
Amount repayable in one year or less or on demand		
Secured*	**13,086**	7,105
Unsecured	**2,170**	-
	15,256	7,105
Amount repayable after one		
Secured*	**20,518**	20,897
Unsecured	**5,020**	-
	25,538	20,897

Details of any collateral

* These are secured against:-

- 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
- Certain plant and equipment are under finance lease arrangements

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	
	9MFY2009	9MFY2008
	S$'000	S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**8,300**	10,567
Adjustments for:-		
Depreciation of property, plant and equipment	**3,821**	2,177
Interest expense	**1,748**	1,181
Interest income	**(23)**	(70)
Gain on disposal of property, plant and equipment	**-**	(5,199)
Share of (profits) / loss in a jointly controlled entity	**(938)**	41
Property, plant and equipment written off	**8**	-
Operating profit before working capital changes	**12,916**	8,697
Inventories	**1,853**	(6,056)
Trade and other receivables	**70**	(16,096)
Due from customers for construction contracts	**9,827**	(1,635)
Trade and other payables	**16,117**	14,750
Cash generated from operations	**40,783**	(340)
Interest paid	**(384)**	(169)
Income tax paid	**(366)**	(121)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**40,033**	(630)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(56,225)**	(29,526)
Proceeds from the disposal of property, plant and equipment	**-**	19,093
Jointly controlled entity	**581**	(6,026)
Placement of fixed deposits pledged with licensed bank	**(1,448)**	(2,067)
Interest received	**23**	70
NET CASH USED IN INVESTING ACTIVITIES	**(57,069)**	(18,456)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of new shares - net	**7,227**	13,236
Proceeds from loans/(Repayment of loans) - net	**11,134**	5,180
Repayment of lease obligations	**(511)**	(63)
Deferred expenses	**-**	896
Interest paid on lease obligations	**(160)**	(18)
Interest paid on term loans	**(1,204)**	(993)
NET CASH GENERATED FROM FINANCING ACTIVITIES	**16,486**	18,238
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	**(550)**	(848)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**3,563**	1,025
CASH AND CASH EQUIVALENTS AT END OF PERIOD (NOTE 1)	**3,013**	177

Note 1:-

Cash and cash equivalents consist of:-

	The Group	
	9MFY2009	9MFY2008
	S$'000	S$'000
Cash and bank balances	**3,970**	1,954
Fixed deposits	**3,599**	2,067
Total cash, bank balances and fixed deposits	**7,569**	4,021
Less: Fixed deposits pledged	**(3,599)**	(2,067)
Less: Bank overdrafts – secured	**(957)**	(1,777)
	3,013	177

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**	**Retain Earnings**	**Total**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Balance as at 1 October 2008	**37,446**	**11**	**18,394**	**55,851**
Issuance of ordinary shares of the Company pursuant to the 2nd Placement (as defined in Item 1.(d)(ii) below)	7,500	-	-	7,500
Share issue expenses pursuant to the 2nd Placement	(273)	-	-	(273)
Profit for the period	-	-	8,234	8,234
Balance as at 30 June 2009	**44,673**	**11**	**26,628**	**71,312**
Balance as at 1 October 2007	**18,158**	**11**	**7,259**	**25,428**
Issuance of ordinary shares of the Company pursuant to IPO	14,994	-	-	14,994
Share issue expenses pursuant to IPO	(1,758)	-	-	(1,758)
Profit for the period	-	-	10,194	10,194
Balance as at 30 June 2008	**31,394**	**11**	**17,453**	**48,858**

	The Company		
	Share Capital	**Retained Earnings/ (Accumulated Loss)**	**Total**
	S$'000	**S$'000**	**S$'000**
Balance as at 1 October 2008	**37,446**	**(150)**	**37,296**
Issuance of ordinary shares of the Company pursuant to the 2nd Placement	7,500	-	7,500
Shares issue expenses pursuant to the 2nd Placement	(273)	-	(273)
Loss for the period	-	(327))	(327)
Balance as at 31 March 2009	**44,673**	**(477)**	**44,196**
Balance as at 1 October 2007	**18,158**	**313**	**18,471**
Issuance of ordinary shares of the Company pursuant to IPO	14,994	-	14,994
Shares issue expenses pursuant to IPO	(1,758)	-	(1,758)
Loss for the period	-	(378)	(378)
Balance as at 30 June 2008	**31,394**	**(65)**	**31,329**

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.

On 15 July 2008. the Company issued 18,000,000 new ordinary shares at S$0.346 per share for cash 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, as at the date of this announcement, a total of about S$3.5 million was utilised for the following purposes:-

Use of Placement proceeds	As at the date of this announcement	As last reported (per H1FY2009 announcement)
	S$ million	**S$ million**
1. Financing the purchase of new vessels	2.0	2.0
2. Financing the 2nd dry-dock at shipyard	1.3	0.5
3. Other investments	-	-
4. Listing expenses	0.2	0.2
Total amount disbursed	3.5	2.7

"H1FY2009" denotes the first half of FY2009.

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

On 16 June 2009, the Company issued 20,000,000 new ordinary shares at S$0.375 per share for cash pursuant to another placement exercise (the "2nd Placement"). These shares rank *pari passu* in all respect with the existing ordinary shares of the Company.

Of the gross proceeds of S$7.50 million raised from the 2nd Placement, as at the date of this announcement, a total of about S$5.6 million was utilised for the following purposes:-

Use of Placement proceeds	As at the date of this announcement
	S$ million
1. Fleet/Business Expansion	1.1
2. Shipyard working capital requirements	4.2
3. Listing expenses	0.3
Total amount disbursed	5.6

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 June 2009	As at 30 September 2008
Total number of issued ordinary shares (excluding treasury shares)	305,750,000	285,750,000

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 June 2009.

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 the current reporting period as those of the audited financial statements for the year ended 30 September 2008 except for the new and revised Financial Reporting Statements (FRSs) which took effect from the current financial year.

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.

There were no changes in the accounting policies and methods of computation.

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 June 2009 S$'000	As at 30 June 2008 S$'000
Net profit attributable to shareholders	**8,234**	10,194
Earnings per share		
Basic (Singapore cents)	**2.87 cents**(1)	3.91 cents(2)
Diluted (Singapore cents)	**2.87 cents**(1)	3.91 cents(2)

Notes:-

(1) Basic and diluted earnings per share for 9MFY2009 are computed based on net profit for the period attributable to ordinary shareholders amounting to about S$8.2 million and the number of weighted average ordinary share capital of 286,848,901 ordinary shares in issue during the period.

(2) Basic and diluted earnings per share for 9MFY2008 are computed based on net profit for the period attributable to ordinary shareholders amounting to about S$10.2 million and the weighted average number of ordinary share capital of 260,909,672 ordinary shares in issue during the period.

There were no potential dilutive shares as of 30 June 2009.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current period reported on; and
(b) immediately preceding financial year.

	The Group		The Company	
	As at 30 June 2009 S$'000	As at 30 September 2008 S$'000	**As at 30 June 2009 S$'000**	As at 30 September 2008 S$'000
Net asset value as at the respective balance sheet dates	**71,312**	55,851	**44,196**	37,296
Net asset value per ordinary share based on issued share capital as at the respective balance sheet dates (Singapore cents)	**23.3 cents**	19.5 cents	**14.5 cents**	13.0 cents

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.

Overview
Marco Polo Marine is an integrated shipping group that facilitates the growth of and investments in South East Asia through its ship chartering and shipyard businesses.

The Group's ship chartering business provides tug boats and barges to its customers from the mining, commodities, construction, infrastructure, property development and land reclamation industries. The shipyard in Batam (occupying a land area of approximately 35 hectares with a 650 metres seafront) has two dry docks and undertakes ship building, ship repair and conversion services.

(a) Review of financial performance of the Group for 9MFY2009 compared to 9MFY2008

Our Group's revenue in 9MFY2009 and 9MFY2008 were as follow:-

	9MFY2009		9MFY2008		Change	
	S$' m	%	S$'m	%	S$' m	%
Ship chartering operations	18.2	45.6	14.1	47.2	4.1	29.1
Ship building & repair operations	21.7	54.4	15.8	52.8	5.9	37.3
	39.9	100.0	29.9	100.0	10.0	33.4

The Group achieved a growth of about S$10.0 million or 33.4% in total revenue from about S$29.9 million in 9MFY2009 to about S$39.9 million in 9MFY2009 against higher revenue attained for both the ship chartering and ship building cum repair operations.

Revenue from our ship chartering operations increased by about S$4.1 million or 29.1% from about S$14.1 million in 9MFY2008 to about S$18.2 million in 9MFY2009, in tandem with the increase in our operating fleet size from 31 vessels as at 30 June 2008 to 48 vessels as at 30 June 2009.

Revenue from our ship building cum repair operations increased by about S$5.9 million or 37.3% from about S$15.8 million in 9MFY2008 to about S$21.7 million in 9MFY2009. The increase was attributed mainly to higher ship building revenue of about S$3.9 million, as revenue in respect of more third parties' ship building projects at higher values were recognised in 9MFY2009 relative to 9MFY2008, and the substantial increase in ship repair revenue of about S$2.0 million following the completion of our first drydock in H1FY2009.

Overall, the Group attained a gross profit of about S$13.0 million at a gross profit margin of about 32.6% in 9MFY2009 as compared to a gross profit of about S$8.5 million at a gross profit margin of about 28.5% in 9MFY2008. The increased gross profit and gross profit margin were attributed mainly to the Group's ship chartering operations, chiefly as a result of improved efficiency in the deployment of our fleet, notwithstanding the increase in ship building operating costs due to rising labor and raw materials costs.

Our other operating income of about S$7.0 million in 9MFY2008 relates mainly to a procurement income of S$1.4 million for securing an initial fleet of 16 vessels for our 50:50 joint venture company, MPST Marine Pte Ltd ("MPST"), as well as a gain on disposal of 13 vessels totaling about S$5.2 million. No vessels were disposed in 9MFY2009.

The increase in administrative expenses of about S$0.3 million from about S$2.1 million in 9MFY2008 to about S$2.4 million in 9MFY2009 relates mainly to increased manpower costs.

The increase in the other operating expenses in 9MFY2009 of about S$0.3 million was due primarily to the higher depreciation and maintenance costs resulted from our expanded facilities in our shipyard, impairment on trade receivables as well as higher legal and professional fees incurred, though collectively these were offsetted by a write-back of a previously impaired trade receivables of about S$0.6 million in FY2008 following a recovery of the relevant debt.

Our finance costs increased by about S$0.6 million from about S$1.2 million in 9MFY2008 to about S$1.7 million in 9MFY2009, mainly as a result of increased bank borrowings and bills payables to finance the Group's expansion in both its ship chartering and shipyard operations.

The share of profits of a jointly controlled entity was contributed by our 50:50 jointly controlled entity, MPST, which commenced ship chartering operations in June 2008. With the completion and delivery of 13 vessels in 9MFY2009, we registered a share of profits in MPST at S$0.9 million in 9MFY2009 compared to a loss in 9MFY2008 when it just commenced operations with 2 vessels delivered in June 2008.

We registered a lower effective corporate tax rate relative to the corporate tax rate of 17% in Singapore as a large proportion of our shipping profits are tax exempted pursuant to Section 13A of the Singapore Income Tax Act.

On a quarter-to-quarter comparison, our Group attained an increase of about S$2.4 million or 17.6% in turnover, from about S$13.5 million in Q3FY2008 to about S$15.8 million in Q3FY2009, with our gross profit increased by about S$1.4 million or 40.2%, from about S$3.5 million in Q3FY2008 to about S$4.9 million in Q3FY2009, at an improved gross profit margin from about 26.0% in Q3FY2008 to about 30.9% in Q3FY2009.

Excluding the gain on disposal of vessels and the one time procurement income captured in other operating income in 9MFY2008, we achieved a more than 2-fold increase in net profit of about S$8.2 million for 9MFY2009 compared to that of about S$3.6 million for 9MFY2008.

(b) Review of financial position of the Group as at 30 June 2009 and 30 September 2008

The net increase in our Group‘s property, plant and equipment of about S$53.6 million was attributed mainly to the expansion of our fleet size and vessels under construction as well as cost incurred for the construction of the drydocks and jetty at our Batam shipyard.

The decrease in inventories of about S$1.8 million was mainly due to the drawdown of raw materials, mainly steel plates, for shipbuilding projects during 9MFY2009.

The Group’s trade receivables, trade payables (including trust receipts payable), amounts due to related parties (trade) and a jointly controlled entity (trade) increased in tandem with our business activities.

The amounts due from related parties (trade) and a jointly controlled entity (trade) were reduced following collections received during 9MFY2009.

The completion and delivery of 9 third-party vessels during 9MFY2009 had resulted in a decrease in the amounts due from customers for construction contracts.

The increase in the other payables and accruals was attributed mainly to the increase in deposits received from shipbuilding customers.

The increase in the current portion of interest bearing borrowings relates mainly to the utilisation of bank overdraft and bridging loan facilities as well as additional term loans drawndown during 9MFY2009, in meeting our fleet expansion needs and in tandem with our increased business activities.

Despite an increase of about S$1.9 million in cash and bank balances as well as fixed deposits over the periods under consideration, the increase in the current portion of our interest bearing borrowings, trade and other payables, offsetted by a reduction in amounts due from customers for construction contracts, had resulted in the Group registering a negative working capital position as at 30 June 2009.

The Group generated a net cash from operating activities of about S$40.0 million and financing activities of about S$16.5 million for 9MFY2009. Notwithstanding which, these were utilised for investing activities to fund the Group’s expansion in both its ship chartering and shipyard operations, through the purchases of vessels and shipyard equipment as well as the construction of drydocks and related yard facilities at an aggregate cash outlay of about S$57.0 million. Consequently, a net decrease in the cash and cash equivalents of about S$0.6 million was recorded in 9MFY2009.

Following an increase of about S$12.8 million or 45.7% in total borrowings from about S$28.0 as at 30 September 2008 to about S$40.8 million as at 30 June 2009, arising from the utilisation of additional vessel loans and bank borrowings, our gearing (defined as the ratio of the aggregate of interest bearing loans to total equity) increased from about 50% as at 30 September 2008 to about 57% as at 30 June 2009.

During Q3FY2009, the Company, pursuant to the 2nd Placement, placed out 20 million new ordinary shares at an issue price of S$0.375 each in procuring a net placement proceeds of about S$7.2 million. Accordingly, the share capital of the Company increased to S$44.7 million as at 30 June 2009.

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

Not applicable.

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.

Encouraging signs that the worst might be over for the global financial and economic difficulties are increasingly evident. In spite of the market challenges since late 2008, the Group has been able to capitalise on the growth opportunities in South

East Asia through its growing integrated shipping operations. 9MFY2009 revenue rose by 33.4% year-on-year to $39.9 million. Despite the $6.6 million in other operating income (from the sale of tug boats, barges and a one-off procurement fee) in 9MFY2008 not repeated in 9MFY2009, 9MFY2009 group net profit fell by only 19.2% year-on-year to $8.2 million.

For 9MFY2009, all our core shipping businesses (ship chartering, ship repair and ship building) have done well. The above broad based improvement in operating performance was made possible by strategic investments in prior years and we are beginning to reap the fruits now.

Spearheading the operating improvement is ship chartering, which has benefited from an ongoing fleet expansion. Our chartering operation, which comprises the chartering of coastal-plying tugboats and barges, is relatively shielded from the downturn experienced by ocean-plying bulk carriers and container ships. We are cautiously optimistic about the sustainability of our charter rates, which are underpinned by demand from construction, land reclamation projects and the shipment of commodities in South East Asia. Our fleet of vessels will continue to expand over the near term and we expect this recurring income to grow.

Following the completion of our first dry dock in H1FY2009, we booked significantly higher revenue from ship repair in Q3FY2009. The second larger dry dock currently under construction, which is scheduled for completion next month, will significantly expand ship repair revenue (less cyclical in nature compared to shipbuilding) from FY2010. Our ship building activities will continue to remain active and contribute to group profits.

With the stabilization of the global economy, the outlook for the economies in South East Asia is cautiously optimistic. This will augur well for the Group's prospects in the medium term. Barring unforeseen circumstances, the scale of our integrated shipping operations will grow and we expect our performance for the full year of FY2009 to be satisfactory.

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?

Nil.

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

Nil.

(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 for the period ended 30 June 2009.

BY ORDER OF THE BOARD

Sean Lee Yun Feng
CEO

13 August 2009

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

Negative Assurance Confirmation on Interim Financial Results pursuant to Rule 705(4) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the third quarter and nine months ended 30 June 2009 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

Lee Wan Tang **Executive Chairman**	**Sean Lee Yun Feng** **CEO**

13 August 2009