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MEDIA RELEASE

Marco Polo Achieved Record Full Year Revenue S$83.0 Million in FY2011

- **Increased number of ship repair contracts and higher value of ship conversion jobs boosted shipyard revenue by 64.2% to S$52.2 million in FY2011**
- **Newly established offshore operations made maiden contribution of S$6.4 million in FY2011**
- **Group's working capital position drastically improved from a negative S$3.3 million as at 30 September 2010 to a positive S$17.3 million as at 30 September 2011**
- **Group's net tangible asset per share increased from S$0.30 in FY2010 to S$0.36 in FY2011**
- **Group's net gearing ratio markedly reduced from 32.3% in FY2010 to 22.5% in FY2011**

Singapore, 24 November 2011 - 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 full year ended 30 September 2011.

FY2011 Results Review

Business Segment (S$ million)	FY2011	FY2010	Change
Ship chartering operations	30.8	32.5	(5.2%)
Ship building & repair operations	52.2	31.8	+ 64.2%
Total	83.0	64.3	+ 29.1%

Marco Polo Marine achieved a 29.1% growth in total revenue to a record S$83.0 million for FY2011, boosted primarily by its shipyard & repair operations.

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 its ship building & repair operations in securing more ship repair jobs and higher value ship conversion jobs. Accordingly, the operations posted strong growth of 64.2% to S$52.2 million from S$31.8 million in FY2010.

The ship chartering revenue of the Group, on the other hand, decreased 5.2% to S$30.8 million due mainly to lower contribution from time charters as a result of lower fleet utilisation rate attributed to an unusually long monsoon season in H1FY2011 which hampered operations and re-flagging downtime for some of the existing fleet to Indonesia flagged vessels. The decline in ship chartering revenue was moderated by a maiden contribution of S$6.4 million from the offshore operations following the completion of the Group's acquisition of three utility vessels which ply waters in Australia and the Gulf of Thailand.

"In tandem with the record turnover achieved and revenue growth, the Group's gross profit increased by 26.3% to S$23.3 million from S$18.5 million in FY2010, with its gross profit margin maintained at about 28%. While the Group registered a year-to-date decrease in post tax profit of 9.5% to S$17.3 million in FY2011, through better working capital management, it drastically reversed its negative working capital position of S$3.3 million as at 30 September 2010 to a positive working capital position of S$17.3 million as at 30 Sep 2011 and reduced its net gearing to 22.5% from 32.3%."

Mr Sean Lee Yun Feng, Chief Executive Director

Prospects

The Group has to date substantially completed the reflagging exercise, via its Indonesian associate company, PT Pelayaran Nasional Bina Buana Raya ("BBR"), in respect of all its vessels earmarked for plying in Indonesian waters. The reflagging exercise is necessary to be 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 construction of a bigger and deeper third drydock, measuring 190m x 45m x 9m, by the Group's shipyard in Batam since Q2FY2011 is expected to be completed by Q2FY2012. When the third drydock becomes fully operational, the Group will be well-poised to take advantage of the buoyant demand for ship repair and conversion businesses boosted chiefly by the thriving commodity shipping and oil and gas activities in Indonesia.

"For the financial year ending 30 September 2012, the Group expects its ship chartering results to be lifted from the Group's newly set up offshore business which targets the promising oil and gas activities. A further pick-up in its ship building and repair results is also expected following the Group's scheduled delivery of two additional units OSV by Q3 2012".

Mr Sean Lee Yun Feng, Chief Executive Director

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 FY2011 results announcement posted on the Singapore Exchange on 24 November 2011.

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 two 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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