MARCO POLO MARINE LTD
Company Registration No. 200610073Z

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND FINANCIAL QUARTER ("Q2FY2012") AND HALF FINANCIALYEAR ("H1FY2012) ENDED 31 MARCH 2012 IN RESPECT OF THE FINANCIAL YEAR ENDING 30 SEPTEMBER 2012 ("FY2012")

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

1.(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediate preceding financial year.

	The Group			The Group		
	Q2FY2012 S$'000	Q2FY2011 S$'000	% Change	**H1FY2012 S$'000**	H1FY2011 S$'000	% Change
Revenue	**31,013**	22,135	40	**55,578**	41,502	34
Cost of sales	**(22,608)**	(16,578)	36	**(40,979)**	(30,556)	34
Gross profit	**8,405**	5,557	51	**14,599**	10,946	33
Other operating income	**709**	4,217	(83)	**2,133**	6,570	(68)
Administrative expenses	**(2,038)**	(1,793)	14	**(3,580)**	(3,307)	8
Other operating expenses	**(904)**	(1,296)	(30)	**(1,752)**	(2,344)	(25)
Profit from operations	**6,172**	6,685	(8)	**11,400**	11,865	(4)
Finance costs	**(440)**	(774)	(43)	**(831)**	(1,355)	(39)
Share of results of associated companies	**(801)**	-	NM	**(1,066)**	-	NM
Share of results of jointly–controlled entities	**361**	199	81	**716**	133	438
Profit before tax	**5,292**	6,110	(13)	**10,219**	10,643	(4)
Income tax	**(1,064)**	(692)	54	**(1,640)**	(1,215)	35
Net profit attributable to the shareholders	**4,228**	5,418	(22)	**8,579**	9,428	(9)

"Q2FY2012" denotes the second financial quarter of the financial year ended 30 September 2012 ("FY2012").
"H1FY2012" denotes the first half financial year of FY2012.
"Q2FY2011" denotes the second financial quarter of the financial year ended 30 September 2011 ("FY2011").
"H1FY2011" denotes the first half financial year of FY2011.
"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.
"NM" denotes not meaningful.

1.(a)(ii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group			The Group		
	Q2FY2012 S$'000	Q2FY2011 S$'000	% Change	**H1FY2012 S$'000**	H1FY2011 S$'000	% Change
Profit for the period	**4,228**	5,418	(22)	**8,579**	9,428	(9)
Exchange differences on translating foreign operations	**(53)**	(69)	(23)	**(46)**	(250)	(82)
Share of comprehensive income of Jointly-controlled entities	**(560)**	(198)	183	**233**	(362)	NM
Other comprehensive income, net of tax	**(613)**	(267)	129	**187**	(612)	NM
Total comprehensive income for the period	**3,615**	5,151	(30)	**8,766**	8,816	(1)
Profit attributable to equity holders of the Company	**4,228**	5,418	(22)	**8,579**	9,428	(9)
Total comprehensive income attributable to equity holders of the Company	**3,615**	5,151	(30)	**8,766**	8,816	(1)

1.(a)(iii) Net profit for the period was stated after crediting/(charging):

	The Group			The Group		
	Q2FY2012 S$'000	Q2FY2011 S$'000	% Change	**H1FY2012 S$'000**	H1FY2011 S$'000	% Change
Profit before income tax has been arrived at after charging/(crediting)						
Depreciation and amortisation	**1,632**	1,840	(11)	**3,270**	3,464	(6)
Net foreign currency exchange loss/(gain)	**725**	(151)	NM	**194**	(670)	NM
Gain on disposal of property, plant and equipment	**(862)**	(3,780)	(77)	**(1,028)**	(5,373)	(81)
Property, plant and equipment written-off	**20**	-	NM	**20**	1	NM
Impairment loss on trade receivables recognised	**-**	162	NM	**-**	162	NM
Amortisation of deferred income – government grant	**(23)**	(9)	155	**(31)**	(15)	106
Interest income	**(10)**	(13)	(23)	**(39)**	(94)	(59)
Interest expenses	**440**	774	(43)	**831**	1,355	(39)
Fair value adjustment of derivative contract	**(203)**	-	NM	**(639)**	-	NM
Adjustment for overprovision of tax in respect of prior years	**(72)**	(679)	(89)	**(72)**	(679)	(89)

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 31 March 2012 S$'000	As at 30 September 2011 S$'000	**As at 31 March 2012 S$'000**	As at 30 September 2011 S$'000
Non-current assets				
Property, plant and equipment	**91,730**	96,577	**-**	-
Investment in subsidiaries	**-**	-	**4,320**	4,320
Investment in associated company	**16,374**	17,439	**-**	-
Jointly-controlled entities	**20,141**	19,258	**-**	-
	128,245	133,274	**4,320**	4,320
Current assets				
Inventories	**4,121**	10,138	**-**	-
Trade receivables	**9,151**	8,350	**-**	-
Due from customers for construction contracts	**32,816**	9,108	**-**	-
Other receivables, deposits & prepayment	**8,977**	9,708	**63**	73
Due from associated company (non-trade)	**12,545**	19,785	**-**	-
Due from subsidiaries (non-trade)	**-**	-	**54,429**	50,656
Derivative financial instruments	**6**	-	**-**	-
Fixed deposits	**3,366**	4,644	**2,083**	2,144
Cash and bank balances	**9,525**	13,685	**580**	293
	80,507	75,418	**57,155**	53,166
Total assets	**208,752**	208,692	**61,475**	57,486
Current liabilities				
Bank overdraft	**4**	999	**-**	-
Trade payables	**13,532**	26,644	**-**	-
Other payables and accruals	**7,162**	7,863	**215**	414
Borrowings – interest bearing	**30,605**	20,586	**65**	418
Derivative financial instruments	**-**	633	**-**	-
Income tax payable	**3,871**	2,633	**-**	-
	55,174	59,358	**280**	832
Non-current liabilities				
Borrowing – interest bearing	**23,280**	24,556	**-**	-
Deferred tax liabilities	**1,429**	1,236	**-**	-
Deferred income – government grant	**-**	31	**-**	-
	24,709	25,823	**-**	-
Total liabilities	**79,883**	85,181	**280**	832
Net assets	**128,869**	123,511	**61,195**	56,654
Share capital and reserves				
Share capital	**59,239**	59,239	**59,239**	59,239
Translation reserve	**(424)**	(611)	**-**	-
Retained earnings/(Accumulated losses)	**70,054**	64,883	**1,956**	(2,585)
Total equity	**128,869**	123,511	**61,195**	56,654

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

	The Group	
	As at 31 March 2012 S$ '000	As at 30 September 2011 S$ '000
Amount repayable in one year or less or on demand		
Secured*	**30,609**	21,585
Amount repayable after one year		
Secured*	**23,280**	24,556

Details of any collateral

* These are secured by:

- Mortgages over certain property, plant and equipment of subsidiaries.
- 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 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	
	H1FY2012	H1FY2011
	S$'000	S$'000
Cash flow from operating activities		
Profit before income tax	**10,219**	10,643
Adjustments for:		
Depreciation and amortization	**3,270**	3,464
Interest expense	**831**	1,355
Interest income	**(39)**	(94)
Gain on disposal of property, plant and equipment	**(1,028)**	(5,373)
Fair value adjustment of derivative contracts	**(639)**	-
Share of profits in jointly-controlled entities	**(716)**	(133)
Share of loss in associated company	**1,066**	-
Property, plant and equipment written-off	**20**	1
Amortisation of deferred income	**(31)**	(15)
Currency realignment	**292**	161
Operating profit before working capital changes	**13,245**	10,009
Working capital changes:		
Inventories	**6,017**	528
Trade and other receivables	**(71)**	(49,929)
Due from associated company	**7,240**	-
Due from customers for construction contracts	**(23,707)**	5,027
Trade and other payables	**(13,813)**	(2,874)
Cash used in operations	**(11,089)**	(37,239)
Interest paid	**(71)**	(351)
Income tax paid	**(208)**	(444)
Net cash used in operating activities	**(11,368)**	(38,034)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(12,315)**	(52,754)
Proceeds from disposal of property, plant and equipment	**14,900**	48,959
Jointly-controlled entities	**-**	(1,409)
Placement of fixed deposits and cash pledged with licensed bank	**3,440**	9,737
Interest received	**39**	94
Net cash from investing activities	**6,064**	4,627
Cash flows from financing activities		
Proceeds from issue of new share – net	**-**	14,566
Proceeds from loans – net	**9,054**	20,287
Repayment of lease obligations	**(311)**	(591)
Interest paid on lease obligations	**(25)**	(59)
Interest paid on term loans	**(735)**	(945)
Dividend paid	**(3,408)**	-
Net cash from financing activities	**4,575**	33,258
Net change in cash and cash equivalents	**(729)**	(149)
Effect of exchange rate changes on cash and cash equivalents	**(274)**	(409)
Cash and cash equivalents at beginning of financial year	**10,524**	3,819
Cash and cash equivalents at end of financial year (Note 1)	**9,521**	3,261

Note 1:

Cash and cash equivalents consist of:

	The Group	
	H1FY2012	H1FY2011
	S$'000	S$'000
Cash and bank balances	**9,525**	12,133
Fixed deposits	**3,366**	2,088
Bank overdraft	**(4)**	(8,279)
Total cash, bank balances and fixed deposit	**12,887**	5,942
Less: fixed deposits and cash pledged	**(3,366)**	(2,681)
Cash and cash equivalents	**9,521**	3,261

1.(d)(i) A 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	Retained earnings	Total
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 October 2011	59,239	(611)	64,883	123,511
Total comprehensive income for the year	-	187	8,579	8,766
Dividend paid	-	-	(3,408)	(3,408)
Balance as at 31 March 2012	59,239	(424)	70,054	128,869

	The Group			
	Share capital	Translation Reserve	Retained earnings	Total
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 October 2010	44,673	(352)	47,575	91,896
Total comprehensive income for the year	-	(612)	9,428	8,816
Issue of shares	15,050	-	-	15,050
Share issue expenses	(484)	-	-	(484)
Balance as at 31 March 2011	59,239	(964)	57,003	115,278

	The Company		
	Share capital	Retained Earnings	Total
	S$'000	S$'000	S$'000
Balance as at 1 October 2011	59,239	(2,585)	56,654
Total comprehensive income for the year	-	7,949	7,949
Dividend on ordinary shares	-	(3,408)	(3,408)
Balance as at 31 March 2012	59,239	1,956	61,195

	The Company		
	Share capital	Accumulated Losses	Total
	S$'000	S$'000	S$'000
Balance as at 1 October 2010	44,673	(1,324)	43,349
Total comprehensive income for the year	-	(314)	(314)
Issue of shares	15,050	-	15,050
Share issue expenses	(484)	-	(484)
Balance as at 31 March 2011	59,239	(1,638)	57,601

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.

There is no change in company's share capital during H1FY2012.

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 31 Mar 2012	As at 30 Sep 2011
Total number of issued ordinary shares (excluding treasury shares)	340,750,000	340,750,000

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 1 October 2011. Neither had there been any sale, transfer, disposal, cancellation and/or use of treasury shares during H1FY2012.

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.

Except as disclosed in Note 5 below, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with those of the audited financial statements as at 30 September 2011.

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 and the Company adopted all the new and revised Singapore Financial Reporting Standards (FRSs) and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 October 2011, where applicable. The adoption of these standards does not have a material impact on the financial statements of the Group and of the Company as at 1 October 2011.

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	
	H1FY2012	H1FY2011
	S$'000	S$'000
Net profit attributable to shareholders	**8,579**	9,428
Earnings per share		
Basic (Singapore cents)	**2.52 cents***	2.78 cents**
Diluted (Singapore cents)	**2.52 cents***	2.78 cents**

* Basic and diluted earnings per share for H1FY2012 is computed based on net profit for the period attributable to ordinary shareholders amounting to about S$8.6 million and the weighted average number of shares of 340,750,000.

** Basic and diluted earnings per share for H1FY2011 is computed based on net profit for the period attributable to ordinary shareholders amounting to about S$9.4 million and the weighted average number of shares of 338,634,615.

There were no potential dilutive shares as at 31 March 2012.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share capital 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 31 March 2012 S$'000	As at 30 September 2011 S$'000	**As at 31 March 2012 S$'000**	As at 30 September 2011 S$'000
Net asset value as at the respective balance sheet dates	**128,869**	123,511	**61,195**	56,654
Net asset value per ordinary share based on issued share capital as at the respective balance sheet dates (Singapore cents)	**37.8 cents**	36.2 cents	**18.0 cents**	16.6 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, an integrated marine logistic group, has grown and expanded to become a reputable player in the marine industry.

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 the transportation of coal from the mines in Indonesia to the bulkers of the coal purchasers 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. It occupies a total land area of approximately 34 hectares with a seafront of approximately 650 metres and has three dry docks to undertake ship repair and conversion services.

(a) Review of financial performance of the Group for H1FY2012 compared to H1FY2011

Our Group's revenues for H1FY2012 and H1FY2011 were as follow:

	H1FY2012		H1FY2011		Change	
	S$ million	%	S$ million	%	S$ million	%
Ship Chartering Operations	10.7	19.2	16.3	39.3	(5.6)	(34.4)
Ship Building & Repair Operations	44.9	80.8	25.2	60.7	19.7	78.2
	55.6	100.0	41.5	100.0	14.1	34.0

The Group's total revenue increased by 33.9% to S$55.6 million in H1FY2012 relative to H1FY2011 and by 51.3% to S$31.0 million in Q2FY2012 relative to Q2FY2011.

The significant increase in revenue was attributed mainly to the Group's Ship Building & Repair Operations, which posted strong growth of 78.2% to S$44.9 million from S$25.2 million in H1FY2011. For Q2FY2012, the Ship Building & Repair Operation doubles its revenue to S$26.1 million from S$13.3 million in Q2FY2011. 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 and outfitting jobs.

Following the completion of the Group's acquisition of the 49% stake in the associated company, 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 34.4% to S$10.7 million in H1FY2012 from S$16.3 million in H1FY2011, and by 44.3% to S$4.9 million in Q2FY2012 from S$8.8 million in Q2FY2011.

In tandem with its revenue growth, the Group's gross profit increased by 33.4% in H1FY2012 relative to H1FY2011 and 51.3% in Q2FY2012 relative to Q2FY2011. The Group's gross profit margin remained at 26.3% for the half year and increased slightly in Q2FY2012 to 27.1% chiefly as a result of a proportionate mix of a higher yield ship repair and outfitting job being undertaken in Q2FY2012 relative to Q2FY2011.

The Group's other operating income decreased in both H1FY2012 and Q2FY2012 relative to the corresponding periods of FY2011, due mainly to the higher gains on disposal of vessels in the relevant periods of FY2011 and reversal from foreign exchange gains in the relevant periods of FY2011 to foreign exchange losses in the corresponding periods of FY2012.

The increases in the administrative expenses in H1FY2012 and Q2FY2012 relative to the respective corresponding periods of FY2011 were mainly attributed to the increase in shipyard utilities cost, staff costs and expenses incurred for the preparation of the intended listing of the Company's Taiwan Depository Receipts ("TDR") in Taiwan which was subsequently aborted.

The decreases in other operating expenses in H1FY2012 and Q2FY2012 relative to the respective corresponding periods of FY2011 were mainly attributed to impairment of trade receivables and higher marketing expenses incurred in the relevant periods of FY2011.

Accordingly, the Group attained an operating profit of S$11.4 million for H1FY2012 and S$6.2 million for Q2FY2012 compared to that of S$11.9 million for H1FY2011 and S$6.7 million for Q2FY2011. Eliminating the effects attributed to the gain on disposal of vessels, the operating profit of the Group for H1FY2012 would be S$10.4 million compared to H1FY2011's S$6.5 million and S$5.3 million for Q2FY2012 compared to Q2FY2011's S$2.9 million.

The Group's finance costs decreased by 38.7% to S$0.8 million in H1FY2012 relative to H1FY2011 and by 43.2% to S$0.4 million in Q2FY2012 relative to Q2FY2011 chiefly as a result of lower interest costs.

The share of loss of an associated company for H1FY2012 and Q2FY2012 was in relation to BBR, and was mainly attributed to the unrealized foreign exchange loss of S$4.9 million and S$2.5 million for the respective periods incurred by BBR (the "Exchange Loss") resulting from the weakening of IDR *vis-à-vis* US$ and S$, which negatively impacted BBR's vessel loans, being substantially denominated in US$ and S$. Had it not for the Exchange Loss, BBR would have registered a profit of S$2.5 million (instead of a loss of S$2.2 million) in H1FY2012 and a profit of S$0.9 million (instead of a loss of S$1.6 million) in Q2FY2012, and the Group's share of results of BBR would have been a profit of S$1.2 million (instead of a loss of S$1.1 million) and a profit of S$0.4 million (instead of a loss of S$0.8 million) for H1FY2012 and Q2FY2012 respectively.

The share of results from jointly controlled companies had improved for both H1FY2012 and Q2FY2012 due principally to more ship chartering contracts procured by these jointly controlled companies relative to FY2011.

(b) Review of financial position of the Group as at 31 March 2012 compared to FY2011

With six vessels reflagged to BBR and two vessels sold to a third party, the Group's property, plant and equipment decreased by S$4.8 million to S$91.7 million as at 31 March 2012 from S$96.6 million as at 30 September 2011, despite the acquisition of six new vessels.

The decreases in inventories and trade payables were mainly due to decrease in raw materials purchased towards the end of Q2FY2012.

The amounts due from customers for construction contracts increased by 260.3% to S$32.8 million from S$9.1 million, mainly attributed to work done but yet been billed in respect of the ship building project worth US$27 million procured for the construction of two AHTS 5,400bhp units (the "AHTS Project") as announced by the Company on 17 October 2011.

The increase in interest-bearing borrowings was attributed mainly to construction loans procured in financing the AHTS Project.

The trade receivables as at 31 March 2012 increased in tandem with the Group's revenue grew.

The Group experienced an operating cash outflow in H1FY2012. This was attributed mainly to the amounts due from customers for construction contracts increased by S$18.7 million in connection with the AHTS Project and payments made to the Group's supplier and equipment makers aggregating S$13.8 million, which collectively outstripped the collection of S$7.2 million from BBR and the depletion of inventories by S$6.0 million.

Notwithstanding the operating cash outflow position, the Company paid a maiden interim dividend aggregating S$3.4 million in Q1FY2012, substantially with nets proceeds received from the disposal of vessels and matured fixed deposits.

Consequence to the above:

1. the Group's cash and cash equivalent decreased by S$1.0 million to S$9.5 million in 31 March 2012 from S$10.5 million in 30 September 2011;
2. the Group's net cash and bank balances, after netting off against bank overdraft, decreased by S$4.4 million to S$12.9 million as at 31 March 2012 from S$17.3 million as at 30 September 2011;
3. the working capital position of the Group further improved by 34.7% to S$21.6 million as at 31 March 2012 from S$16.0 million as at 30 September 2011; and
4. the Group's net worth grew by S$5.4 million to S$128.9 million as at 31 March 2012 from S$123.5 million as at 30 September 2011.

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.

The shipyard operations of the Group are expected to continue to drive the overall revenue of the Group for the second half of FY2012. While new-build orders of the Group have moderated, there has been an increase in enquiries for ship repair, outfitting and conversion services. With the Group's third dry dock, which is capable of docking merchant vessels of up to 45,000 dwt, being operational since January 2012, the Group is now also able to take on 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 ship chartering business, the Group expects its offshore business to continue to spearhead the growth of its overall shipping revenue. Leveraging on Singapore's leading position as a bunkering hub, the Group has announced on 23 April 2012 that it will forge a joint venture with a reputable industry incumbent to tap on this niche buoyant chartering market. 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.

Barring unforeseen circumstances, the Group is optimistic about its performance for FY2012.

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 and factors such as general economic and business conditions, including the uncertainties of the pace of recovery of the United States of America economy, continued concerns of the scale of the possible adverse fallouts and their implications on the global scene triggered by the current Euro zone debt crisis, inflationary pressures and currency appreciation which will affect the continued strong growth in Asia, especially East Asia; timing or delay in signing, commencement, implementation and performance of programs, or the delivery of products or services under them; relationships with customers; competition; and ability to attract personnel. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from

these issues will affect the performance of the Group's businesses, 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/recommended for H1FY2012.

During Q1FY2012, the Company declared a tax exempt one-tier special interim dividend of one cent per ordinary share for FY2012 and the dividends, aggregating S$3.4 million, were paid on 22 December 2011.

13. Interested Person Transactions

Pursuant to Rule 907 of the SGX-ST Listing Manual and the renewed IPT General Mandate procured from the shareholders of the Company on 30 January 2012, the following interested person transactions had been entered into during Q2FY2012:

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$100,000) pursuant to Rule 920
	S$'000	S$'000
None	-	-

14. Negative Assurance on Interim Financial Statement.

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 Q2FY2012 to be false or misleading in any material aspect.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sean Lee Yun Feng
CEO

Liely Lee
Executive Director

4 May 2012