中 远 投 资 (新 加 坡) 有 限 公 司

COSCO CORPORATION (SINGAPORE) LIMITED

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Press Release

FY 2012 Results: Financial Year ended 31 December 2012

	FY 2012	FY 2011	Chg
	S$'000	S$'000	%
Turnover	**3,734.3**	4,162.9	**(10)**
Gross Profit	**484.9**	380.8	**+27**
Pre-tax profit	**229.6**	287.6	**(20)**
Net profit *(attributable to equity holders of the Company)*	**105.7**	139.7	**(24)**
Diluted EPS *(cents)*	**4.72**	6.24	**(24)**

Highlights:

- Group turnover fell 10.3% to $3.7bn in FY2012 on declines in shipyard and dry bulk shipping revenues.
- Turnover from shipyard operations decreased 10.1% to $3.7bn due mainly to lower revenue contributions from ship building projects, cushioned by growth in revenue from marine engineering segments.
- Turnover from dry bulk shipping and other businesses decreased 19.6% to $53.7m due to significantly lower short-term charter rates.
- Gross profit increased 27.3% to $484.9 million in FY 2012 supported by higher profit contributions from shipyard operations
- Net profit attributable to equity holders of the Company declined 24.3% to $105.7m on lower sale value of scrap materials, a one-off compensation received from customers in FY 2011 and higher distribution and finance expenses.
- The Group will focus on enhancing the competencies and efficiencies in its flagship shipyard businesses.

SINGAPORE 21st Feb 2013 – Singapore Exchange ("SGX") mainboard-listed COSCO Corporation (Singapore) Limited ("COSCO" or the "Company"), a leading ship repair & marine engineering and shipping group, today announced its financial results for the full year ended 31 December 2012.

Group turnover fell 10.3% to $3.7 billion in FY 2012 from $4.2 billion in FY 2011 due to decreases in shipyard and dry bulk shipping revenues. Turnover from shipyard operations decreased 10.1% to $3.7 billion in FY2012 from $4.1 billion in FY 2011 mainly due to lower revenue contribution from ship building segment which more than offset the growth in revenue from marine engineering segment. The Group successfully delivered 32 bulk carriers and 6 offshore projects in FY 2012. Turnover from dry bulk shipping and other businesses declined 19.6% from $66.8 million in FY 2011 to $53.7 million in FY 2012 due to lower charter rates.

Gross profit increased 27.3% from $380.8 million in FY 2011 to $484.9 million in FY 2012 mainly due to higher profit contributions from shipyard operations. Other income which comprised gain from the disposal of scrap metal, interest income, net currency exchange gain/(loss) and others decreased 43.9% to $122.6 million in FY 2012 mainly due to lower sale value of scrap materials and a one-off compensation received from customers in FY 2011.

Distribution costs rose 28.5% to $82.3 million mainly due to additional marketing and promotional activities. Interest expense increased 114.0% to $99.9 million in FY 2012 on higher bank borrowings to fund shipyard operations.

Overall, net profit attributable to equity holders of the Company decreased 24.3% from $139.7 million in FY 2011 to $105.7 million in FY 2012.

Mr. Wu Zi Heng, Vice Chairman and President of the Company said, "We expect the global economies to remain soft and competition to continue to heat up in 2013 as more players enter the offshore marine engineering segment. Our Group will bolster our marketing capabilities to better understand and meet customers' needs as we continue to enhance our offerings."

As at 31 December 2012, the Group's order book stood at US$6.1 billion with progressive deliveries up to 2015. This order book is subject to revision from any new or cancellation of orders that may arise.

New orders received in 2012 amounting to US$2.0 billion include 1 FPSO, 1 wind turbine installation vessel, 1 jack-up drilling rig, 1 jack-up barge, 1 tender rig, 1 semi-submersible accommodation vessel, 1 semi-submersible accommodation rig, 2 pipelay heavylift offshore construction vessels, 2 tender barges, 5 bulk carriers and 8 platform supply vessels.

As an early mover in the offshore marine segment among Chinese shipyards and with the experience and expertise gained over the years, the Group is now a leading player among Chinese shipyards in the offshore marine segment. The Group will continue to gather expertise and capabilities to reach out to a broader customer base to lay an even firmer foundation for long-term sustainable growth in offshore and marine engineering operations.

About COSCO Corporation (Singapore) Ltd

Listed on the main board of the SGX, COSCO Corporation (Singapore) Ltd ("COSCO") is a leading ship repair, shipbuilding & marine engineering and dry bulk shipping group. The Group owns 51% of the largest shipyard group in China, COSCO Shipyard Group, and a fleet of 12 dry bulk carriers. It also operates shipping agencies. COSCO is the listed subsidiary of China Ocean Shipping (Group) Company, the largest shipping group in China.

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