中远投资(新加坡)有限公司

COSCO CORPORATION (SINGAPORE) LIMITED

9 Temasek Boulevard, #07-00 Suntec Tower Two, S038989
Tel: 68850888 Fax: 63369006
RCB REG NO: 196100159G

Press Release

2Q 2014 Results: Financial Quarter ended 30 June 2014

	Q2 2014	Q2 2013	Chg	1H 2014	1H 2013	Chg
	S$'000	S$'000	%	S$'000	S$'000	%
Turnover	**1,146,522**	890,326	**29**	**2,185,908**	1,623,321	**35**
Gross Profit	**91,977**	95,790	**(4)**	**187,696**	174,409	**8**
Pre-tax profit	**37,003**	16,488	**124**	**66,053**	37,847	**75**
Net profit *(attributable to equity holders of the Company)*	**14,302**	12,041	**19**	**26,927**	21,785	**24**
Diluted EPS *(cents)*	**0.64**	0.54	**19**	**1.20**	0.97	**24**

Highlights:

- Group net profit attributable to equity holders increased 19% to $14.3m boosted by higher turnover and other income.
- Group turnover rose 29% to $1.1bn on increase in shipyard revenues.
- Turnover from shipyard operations increased 29% to $1.1bn on the back of higher revenue contribution from ship repair, ship building and marine engineering.
- Turnover from dry bulk shipping and other businesses decreased 6% to $12.3m due to lower charter rates.
- Gross profit fell 4% to $92m on lower profit contributions from shipyard operations.
- The Group will continue to focus on moving up the value chain and increasing efficiencies.

SINGAPORE (1 Aug 2014) – 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 2nd quarter financial results for the 3 months ended 30 June 2014.

Group turnover increased 28.8% to $1.1 billion in Q2 2014 from $890.3 million in Q2 2013 supported by the increase in shipyard revenue.

Turnover from shipyard operations increased 29.3% to $1.1 billion in Q2 2014 from $877.2 million in Q2 2013 mainly on higher revenue contributions from ship repair, ship building and marine engineering segments. The Group delivered 3 bulk carriers, 1 pipelay heavy lift vessel, 1 tender barge and 1 float-over launch barge in Q2 2014.

Turnover from dry bulk shipping and other businesses decreased by 6.1% from $13.1 million in Q2 2013 to $12.3 million in Q2 2014 as the current short-term rates were lower than the more favorable charter rates received in Q2 2013.

Gross profit decreased 4.0% from $95.8 million in Q2 2013 to $92.0 million in Q2 2014 mainly due to lower profit contributions from shipyard operations. Other income comprised gain from the disposal of scrap metal, interest income, net currency exchange gain/(loss) and others. Other income increased by 121.6% to $35.4 million in Q2 2014 mainly due to higher sale value of scrap materials, an exchange gain of $0.6 million (Q2 2013: exchange loss of $10.2 million) and fair value gain of $4.0 million on forward currency contracts.

Overall, net profit attributable to equity holders of the Company increased 18.8% from $12.0 million in Q2 2013 to $14.3 million in Q2 2014. Compared to 1H 2013, net profit attributable to equity holders of the Company increased 23.6% from $21.8 million to $26.9 million in 1H 2014.

Captain Wu Zi Heng, Vice Chairman and President of the Company said, "Our Group's performance amid the lingering industry headwinds vindicates our resilience under trying conditions. We are resolute in our commitment to deliver value through securing projects higher up the value chain as we intensify our efforts in improving capabilities and productivity."

As at 30 June 2014, the Group's order book stood at US$ 8.1 billion with progressive deliveries up to 2016. This order book is subject to revision from any new or cancellation of orders that may arise.

New orders received in first half FY 2014 include 8 platform supply vessels, 4 emergency response/rescue/field support vessels, 2 livestock carriers and 1 jack-up rig. As the Group continues construction in 2014 on new ship building contracts that were secured in recent years at low contract values due to the slumping shipping market then, the Group expects operating margins on these new shipbuilding projects to continue to be under great pressure notwithstanding improving gains in efficiency and productivity.

In dry bulk shipping, the Group expects the positive impact from any rebound in BDI to be subdued as expansion in the global bulk carrier fleet continues to outpace demand.

The Group maintains a cautious outlook for 2014 with continuing uncertainty over the state of the global economy and global economic growth.

About COSCO Corporation (Singapore) Ltd

Listed on the main board of the SGX, COSCO Corporation (Singapore) Ltd ("COSCO") is a leading offshore marine engineering, shipbuilding, ship repair & conversion and dry bulk shipping group. The Group owns 51% of a large shipyard group in China, COSCO Shipyard Group, and a fleet of 10 dry bulk carriers. COSCO is the listed subsidiary of China Ocean Shipping (Group) Company, the largest shipping group in China

For further information, please contact:

Company	IR Consultant to the Company
COSCO Corporation (Singapore) Ltd	**SPIN Capital Asia**
Mr. Li Man Vice President Tel: 65-68850888 / Fax: 65-63369006 Email: liman@cosco.com.sg	Mr. Michael Tan Tel: 65-62277790 Email: michael@spin.com.sg