中远投资(新加坡)有限公司

COSCO CORPORATION (SINGAPORE) LIMITED

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Press Release

3Q 2015 Results: Financial Quarter ended 30 September 2015

	3Q 2015	3Q 2014	Chg	9M 2015	9M 2014	Chg
	S$'000	S$'000	%	S$'000	S$'000	%
Turnover	**949,569**	1,158,982	**(18)**	**2,794,267**	3,344,890	**(16)**
Gross profit / (loss)	**(10,713)**	56,673	**NM**	**121,342**	244,369	**(50)**
Pre-tax profit / (loss)	**(168,383)**	8,435	**NM**	**(172,949)**	74,488	**NM**
Net profit / (loss) *(attributable to equity holders of the Company)*	**(82,116)**	7,147	**NM**	**(86,112)**	34,074	**NM**
Diluted EPS *(cents)*	**(3.67)**	0.32	**NM**	**(3.85)**	1.52	**NM**

Highlights:

- The Group recorded $82.1m in net loss attributable to equity holders of the Company due to losses in shipyard and shipping operations amidst unfavourable market conditions – low crude oil price and soft dry bulk shipping and shipbuilding markets.
- Group turnover fell 18.1% to $949.6m owing to decreases in shipyard and shipping revenues.
- Turnover from shipyard operations dropped 17.8% to $939.9m on lower revenue contribution from marine engineering, partially offset by an increase in ship repair and ship building revenue recognition.
- Turnover from dry bulk shipping and other businesses declined 34.9% to $9.7m due to lower charter rates.
- Administration expenses increased by $86.9m to $113.4m mainly due to allowance for impairment of trade and other receivables.

SINGAPORE (12 November 2015) – 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 3rd quarter financial results for the 3 months ended 30 September 2015.

Group turnover decreased 18.1% to $949.6 million in Q3 2015 from $1.2 billion in Q3 2014 owing to decreases in shipyard and shipping revenues.

Turnover from shipyard operations decreased 17.8% to $939.9 million in Q3 2015 from $1.1 billion in Q3 2014 on lower revenue contribution from marine engineering, partially offset by an increase in revenue from ship building and ship repair segment. The Group delivered 3 platform supply vessels, 1 anchor handling tug supply vessel and 1 semi-submersible accommodation vessel in Q3 2015.

Turnover from dry bulk shipping and other businesses decreased by 34.9% from $14.9 million in Q3 2014 to $9.7 million in Q3 2015 as the current short-term rates were lower than the more favorable charter rates received in Q3 2014.

The Group registered gross loss for Q3 2015 of $10.7 million, as compared to gross profit of $56.7 million in Q3 2014 due to losses from shipyard and shipping operations. Other income comprising gain from the disposal of scrap metal, interest income and others decreased by 28.1% to $19.4 million in Q3 2015 mainly due to lower sale value of scrap materials and lower interest income. Administration expenses increased by $86.9 million to $113.4 million mainly due to allowance for impairment of trade and other receivables. Interest expense increased by 41.1% to $44.2 million in Q3 2015 due to higher bank borrowings to fund shipyard operations.

Overall, the Group recorded net loss attributable to equity holders of the Company of $82.1 million in Q3 2015 compared to net profit of $7.1 million in Q3 2014 due to losses in shipyard and shipping operations mainly attributable to unfavourable market conditions. The low crude oil prices over recent months had adversely impacted the global marine industry. Languid dry bulk shipping market put pressures on the Group's dry bulk fleet while the shipbuilding market slump negatively affected the Company's shipyards. In the first 9 months of 2015, the Group recorded net loss attributable to equity holders of the Company of $86.1 million compared to net profit of to $34.1 million in the first 9 months of 2014.

Captain Wu Zi Heng, Vice Chairman and President of the Company said, "Notwithstanding that the Group has accumulated substantial experience in the offshore marine segment, it will still face new operational challenges in the production of higher value products. The Group will continue to strive to improve its expertise and capabilities for long-term sustainable growth in offshore marine engineering and new shipbuilding operations."

As at 30 September 2015, the Group's order book stood at US$7.9 billion with progressive deliveries up to 2017. This order book is subject to revision from any new, cancellation, variation or rescheduling of orders that may arise. New orders received in the first 9 months of 2015 include 7 container vessels, 1 shuttle tanker, 1 module carrier, 1 tanker assist / emergency response / rescue / field support vessel, 1 research vessel and 1 FPSO conversion.

In the first 9 months of 2015, the Group experienced delivery date extensions for several of its projects. The Group will continue to monitor the risks associated with these projects.

The Group expects difficult and challenging business and operating conditions to persist.

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:

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