



中远投资(新加坡)有限公司

COSCO CORPORATION (SINGAPORE) LIMITED

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Press Release

3Q07 Results: 3 months ended 30 September 2007

Bulking Up Growth

9M 2007 results surpassed full-year 2006 as order book burgeons

	3Q07	3Q06	Chg	9M07	9M06	Chg
	S\$'000	S\$'000		S\$'000	S\$'000	
Turnover	546,995	317,772	+72%	1,415,122	850,713	+66%
Gross profit	183,276	103,212	+78%	427,965	270,999	+58%
Pre-tax profit	144,014	96,750	+49%	350,359	229,168	+53%
Net profit	97,748	71,483	+37%	220,083	160,068	+37%
EPS (cents)	4.33	3.22	+34%	9.84	7.24	+36%
Net profit, excl. EG*	97,748	52,270	+87%	220,083	134,866	+63%

* EG: Extraordinary Gain arising from the disposal of old vessels in FY2006.

Highlights:

- Group turnover leaped 72% on thriving ship repair, ship building and marine engineering business and higher dry bulk shipping freight rates.
- Ship repair, ship building and marine engineering turnover grew 76.7% as Group continued to undertake higher value conversion & offshore projects.
- Net profit rose 37% in Q3 2007 backed by strong project flow.
- Net profit rose 37% to \$220.1m in YTD 2007, exceeding the \$205.4m achieved for the whole of FY2006
- Net profit would have risen 87% and 63% from those in Q3 2007 and 9M 2006 respectively, excluding the effect of exceptional gains in FY 2006.
- Excellent shipbuilding business set to drive further growth ahead.
- Group expects growth momentum to continue into the rest of 2007.

SINGAPORE (31 October 2007) – Singapore Exchange (“SGX”) mainboard-listed COSCO Corporation (Singapore) Limited (“COSCO” or the “Company”), a leading ship repair & marine engineering and shipping group, is pleased to announce another quarter of record-breaking set of results for the three months ended 30 September 2007.

Turnover jumped 72% to \$547.0 million and net profit attributable to equity holders of the Company rose 37% to \$97.7 million in Q3 2007 on strong growth in the ship repair, ship building and marine engineering segments and robust dry bulk shipping performance.

For the nine months ended 30 September 2007, Group turnover and net profit attributable to equity holders of the Company grew 66% and 37% respectively to \$1.4 billion and \$220.1 million, surpassing the \$1.2 billion and \$205.4 million achieved respectively for the whole of FY2006.

Ship repair, ship building and marine engineering turnover grew 76.7% to \$487.8 million in Q3 2007 as the Group continued to undertake and complete more high-value conversion and offshore projects. Dry bulk shipping turnover rose 43.7% to \$53.3 million in Q3 2007 lifted by firmer Baltic Dry Index despite a smaller fleet size.

Gross profit rose 78% to \$183.3 million in Q3 2007 on the back of higher turnover. Gross profit margin improved from 32.5% in Q3 2006 to 33.5% in Q3 2007.

There was no exceptional item in Q3 2007 compared with an exceptional gain of \$19.2 million in Q3 2006 arising from the disposal of 3 old vessels in Q3 2006.

Overall, net profit attributable to equity holders of the Company rose 37% to \$97.7 million in Q3 2007 was backed by strong project flow.

Excluding the effect of the \$19.2 million and \$25.2 million exceptional gain in Q3 2006 and YTD 2006 respectively, net profit attributable to equity holders of the Company

would have risen by 86.8% from the adjusted \$52.3 million in Q3 2006 and by 63.2% from the adjusted \$134.9 million in YTD 2006.

Mr. Ji Hai Sheng, Vice Chairman and President of COSCO Corporation said, “This quarter’s results once again showcase the giant leap our Group has accomplished in our ship repair, ship building and marine engineering business expansion drive. Having already surpassed the performance for the full-year 2006 with another set of record-breaking results for the 9 months to date, our Group expects our order book to build up over time. As we began work on our ship building projects in Q3 2007, we expect this segment to contribute favourably to earnings going forward.”

In Q3 2007, our Group secured US\$2 billion of conversion and new building contracts, bringing the total contracts won in FY2007 to US\$4.7 billion. Out of this, about US\$1.3 billion was for offshore (US\$734 million) and conversion (US\$577 million) projects, while the balance of US\$3.4 billion was for contracts to build 84 new vessels.

“To further expand our ship repair capacity, our Group will embark on Zhoushan Shipyard phase III expansion of 1 million square metre of land with 3 new berths and 3 dry docks totaling 1 million dwt docking capacity. Construction of the new facilities will commence in Q1 2008 and targeted for completion in 2H 2010. One 500,000 dwt dry dock capable of docking two VLCC simultaneously is expected to be ready by Q3 2008. Phase III expansion, which is expected to be fully completed in 2H 2010, will increase our Group’s total docking capacity by 57% from the current 1.73 million dwt to 2.73 million dwt,” added Mr. Ji.

Barring unforeseen circumstances, the Group expects growth momentum to continue into the rest of 2007.

About COSCO Corporation (Singapore) Ltd

Listed on the main board of the Singapore Exchange, COSCO Corporation is a diversified group with core activities in shipping and shipping related services. The Group owns bulk carriers and majority stake in the largest shipyard group in China, operates shipping agencies as well as provides marine engineering and ship repair services. COSCO Corporation 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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