



# 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

Full-Year Results: Financial Year ended 31 December 2007

## Charting New Heights

**Net profit surged 64% to \$336.6m on turnover of \$2.3bn**

	<b>FY2007</b>	FY2006	<b>Chg</b>
	S\$'000	S\$'000	
Turnover	<b>2,261,700</b>	1,215,469	<b>+86%</b>
Gross profit	<b>610,193</b>	377,623	<b>+62%</b>
Pre-tax profit	<b>498,073</b>	302,296	<b>+65%</b>
Net profit	<b>336,568</b>	205,353	<b>+64%</b>
<i>Net profit, excl. EG*</i>	<b>336,568</b>	<i>181,217</i>	<b>+86%</b>
EPS (cents)	<b>15.02</b>	9.30	<b>+62%</b>
NAV (cents)	<b>42.00</b>	30.26	<b>+39%</b>
Dividend/share (cents) - Final	<b>4.00</b>	2.50	<b>+60%</b>
Dividend/share (cents) - Special	<b>3.00</b>	1.50	<b>+100%</b>

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

### Highlights:

- **Turnover soared 86% supported by solid growth across key businesses.**
- **Ship repair, shipbuilding & marine engineering turnover almost doubled fueled by higher value conversion & offshore and shipbuilding projects.**
- **Net profit rose 64% on successful expansion into shipbuilding business.**
- **Net profit would have risen 86% had the effect of exceptional gains in FY2006 been excluded.**
- **Strong order book and capacity expansion support bright outlook.**

**SINGAPORE (21 February 2008)** – Singapore Exchange (“SGX”) mainboard-listed COSCO Corporation (Singapore) Limited (“COSCO” or the “Company”), a leading ship repair, shipbuilding & marine engineering and dry bulk shipping group, is pleased to announce another strong showing in FY2007 with financial results surging to yet further uncharted highs.

Turnover soared 86% to top \$2.3 billion while net profit attributable to equity holders jumped 64% to \$336.6 million well supported by solid growth across key business segments.

Ship repair, shipbuilding and marine engineering operations grew 97% to \$2.0 billion buoyed by strong flow of high-value conversion and offshore projects, contributions from the 2 new COSCO Zhoushan dry docks and robust maiden 2 quarters of shipbuilding revenue. Dry bulk shipping business provided another source of strength rising 40% to \$207.9 million in FY2007 boosted by firmer Baltic Dry Index despite a smaller fleet size.

Gross profit rose 62% from \$377.6 million in FY2006 to \$610.2 million in FY2007 lifted by higher turnover. Overall, net profit attributable to equity holders of the Company rose 64% from \$205.4 million in FY2006 to \$336.6 million in FY2007 on successful expansion into shipbuilding business.

There was no exceptional item in FY2007 compared with an exceptional gain of \$24.1 million in FY2006 arising from the disposal of 4 old bulk carriers in FY2006. Had the non-recurring exceptional gain of \$24.1 million in FY2006 been excluded, net profit attributable to equity holders of the Company would have risen 86% from the adjusted \$181.2 million in FY2006 to \$336.6 million in FY2007.

Return on shareholders’ fund improved significantly from 34.5% in FY2006 to 41.8% in FY2007.

To reward shareholders for their support, the Company had proposed tax-exempt one-tier dividends totaling 7.0 cents per share for FY2007 comprising first & final dividend

of 4.0 cents and special dividend of 3.0 cents per ordinary share. The proposed dividends represent a 75% increase over FY2006 dividends pay out.

Mr. Ji Hai Sheng, Vice Chairman and President of COSCO Corporation said, “Our Group did it again! Having consistently proven our ability to deliver year after year of growth since we embarked on our restructuring and expansion drives in 2002, our Group is well-positioned to be a key player in ship repair, shipbuilding and marine engineering arena in the PRC. To sustain long-term organic growth and strong project flow momentum, the Group is progressively adding shipyard capacity to cater to the overwhelming global demand.”

The Group set up a joint venture (“JV”) - COSCO Lianyungang Shipyard Co., Ltd - with the Port of Authority of Lianyungang in January 2008, with COSCO Shipyard Group owning 60% of the equity. The new subsidiary operates a shipyard in Lianyungang, Jiangsu, which had since started its ship and offshore repair and conversion operations, and is expected to contribute to Group earnings from FY2008.

The Group also acquired a piece land at Qidong, Jiangsu province in January 2008 for the expansion of the offshore construction base of COSCO (Nantong) Shipyard. It will focus on offshore projects including the construction of oil & gas related equipment such as semi-submersible rig, jack-up rig and other floaters. The land will be fully developed in 4 phases by 2011. Work on Phase 1 expansion had begun and will complete in about one year. The progressive completion of each phase will enhance the ship repair, conversion and offshore operations.

“Contributions from the two new Zhoushan dry docks with total capacity of 380,000 dwt (that commenced operations in the H1 FY2007) will increase as they begin their first full-year contributions in FY2008. As of 31 December 2007, our Group has a healthy order book of US\$6.5 billion, representing 4.1 times of FY2007 sales, to be progressively delivered by Q1 FY2011. Of the 113 dry bulk vessels that the Group had been contracted to construct, the first batch of 10 bulk carriers are expected to be delivered in FY2008,” added Mr. Ji.

As the Group continues to enhance its shipbuilding order book, capability, efficiency and capacity, this segment is expected to add substantially to earnings going forward.

Barring unforeseen circumstances, the Board of Directors is confident of the Group's prospects in FY2008.

**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.

**For further information, please contact:**

<p><b><i>Company:</i></b></p> <p><b>COSCO Corporation (Singapore) Ltd</b></p> <p><b>Mr. Li Jian Xiong</b> Vice President Tel: 65-6885 0888 / Fax: 65-6336 9006 Email: <a href="mailto:lijianxiong@cosco.com.sg">lijianxiong@cosco.com.sg</a></p>	<p><b><i>IR Consultant to the Company:</i></b></p> <p><b>SPIN Capital Asia</b></p> <p><b>Mr. Michael Tan</b> Tel: 62277790 / Email: michael@spin.com.sg</p> <p><b>Ms. Dawn Soo</b> Tel: 62500800 / Email: dawn@spin.com.sg</p>
--	--