



## **AVIC International Maritime Holdings Limited**

(Formerly known as AVIC International Investments Limited)  
(Registration Number: 201024137N)

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### **PRESS RELEASE**

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## **AVIC Maritime's 3Q2013 revenue jumps nearly three-fold to RMB103.2 million**

- *Increase in shipbuilding revenue and contribution from newly acquired Deltamarin's ship-design fee income boosted topline growth*
- *A Diversified geographical spread of revenue sources*

**SINGAPORE – 12 November 2013** – Mainboard-listed marine and offshore company **AVIC International Maritime Holdings Limited** (“AVIC Maritime”, and together with its subsidiaries, the “Group”) (中航国际船舶控股有限公司), a member of the Aviation Industry Corporation of China (“AVIC”) (中国航空工业集团公司) group of companies (the “AVIC Group”), posted a revenue of RMB103.2 million for the three months ended 30 September 2013 (“3Q2013”), a 192.2% increase from the corresponding period in the previous financial year (“3Q2012”).

On a year-to-date basis, the Group recorded a total revenue of RMB359.6 million, an increase of more than five-fold from the preceding period ended 30 September 2012.

The Group's growth was largely attributable to higher shipbuilding revenue and new revenue stream from the ship-design business.

For the quarter under review, shipbuilding revenue accounted for 32.0% of the Group's total revenue at RMB33.1 million for the construction of five vessels, comprising three units of ASD tugboats, one unit of diver boat and one unit of bunkering tanker.

In addition, the newly acquired Deltamarin Oy (“Deltamarin”), a Finnish design and engineering company which the Group bought a 79.57% stake in January this year, contributed RMB62.8 million in ship-design fee income, accounting for 60.8% of the Group’s total revenue in 3Q2013.

During the quarter, AVIC Maritime continued to widen its revenue streams from well-diversified geographical markets, with contribution derived from the Middle East for shipbuilding, Europe and Asia for ship-design fee income, and Asia for service fee income. In contrast, the revenue registered for the corresponding period in the previous year was solely derived from Asia.

With the expanded operations and acquisition of Deltamarin, the Group incurred higher employee benefits, travelling and entertainment as well as office-related expenses. Other operating expenses also increased mainly due to foreign exchange losses arising from the appreciation of the Euro against Singapore dollars and the Chinese Yuan against US dollars. As a result, the Group registered a net loss of RMB2.6 million in 3Q2013, compared to a net profit of RMB0.8 million in 3Q2012.

### **Financial position**

As at 30 September 2013, the Group’s total assets stood at RMB679.7 million compared to RMB587.4 million as at 31 December 2012. This was backed by strong cash and cash equivalents of RMB390.6 million as at end of the quarter. Net asset value per share based on issued share capital of 285,576,000 shares stood at 57.29 RMB cents as at 30 September 2013 compared to 56.42 RMB cents as at 31 December 2012.

Commenting on the latest set of results, AVIC Maritime Executive Chairman and Interim Chief Executive Officer Dr Diao Weicheng (刁伟程) said, “ It is our mission to continue to expand revenue streams and establish ourselves as a dominant player in the global marine industry. We have been concentrating our efforts in strengthening our capabilities along the entire marine business value chain, including shipbuilding and ship-design, so as to provide an integrated one-stop solution to our global customers. We are happy to see our revenue coming from diverse geographical markets and business segments.”

On the Group's growth strategy, Dr Diao said, "Despite the challenging business environment in China's shipbuilding industry, the Group sees a positive prospect of the global marine and offshore industry, particularly in the area of environmentally-friendly and fuel-efficient vessels. There are escalating demands for such vessels and its related services. On a long term basis, the timely acquisition of Deltamarin, which has an unsurpassed number of proven innovations in the sustainability arena, will put the Group in good stead."

Deltamarin's past references include a revolutionary set of innovative designs such as standard bulk carrier designs which offer the lowest fuel consumption with the highest cargo deadweight and cubic capacity available in the market today. The world's highest capacity pure car truck carriers with low fuel consumption, largest semi-submersible heavy-lift vessels, harsher environment offshore vessels and most advanced cruise ships were also developed by Deltamarin.

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***About AVIC International Maritime Holdings Limited***

*Listed on the SGX-ST Mainboard in September 2011, AVIC International Maritime Holdings Limited (中航国际船舶控股有限公司), also known as AVIC Maritime, is an active player in the marine and offshore industry.*

*We strive to provide innovative and integrated solutions along the entire marine business value chain. Our wide range of services includes shipbuilding project management and consultancy, design and engineering, shipbuilding as well as ship-trading.*

*AVIC Maritime's track record in shipbuilding management and consultancy services dates back to 1994. Our ship design arm, Deltamarin, has been a forerunner in naval architecture and engineering. With a track record that dates back to 1984, Deltamarin is an experienced developer of profitable, sustainable and cost-efficient vessels. Our major shareholder, AVIC International Holding Corporation, has extensive shipbuilding and ship-trading capabilities, given its decades of experience in the industry.*

*Together with our subsidiaries, AVIC Maritime is a member of the Aviation Industry Corporation of China (中国航空工业集团公司) group of companies (the “AVIC Group”), one of the largest industrial groups authorised and managed by the PRC Central Government. The AVIC Group was ranked 250 amongst international Fortune 500 companies in 2012. As part of the state-owned AVIC Group, we enjoy strong support from the PRC Central Government, including PRC domestic financial institutions.*

*Led by an experienced and driven management team with in-depth industry knowledge, coupled with our ability to leverage on the AVIC Group’s excellent business relationships, strong fundamentals and global business network, AVIC Maritime is well-positioned to become a key player in the global marine and offshore industry.*