

SINGAPORE SHIPPING CORPORATION LIMITED
(Company Registration Number: 198801332G)

**UNAUDITED 3RD QUARTER FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2009**

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY RESULTS

1. **An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Q3 2010	Q3 2009	Favourable/ (unfavourable)	YTD 2010	YTD 2009	Favourable/ (unfavourable)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	3,331	3,179	4.8	9,479	8,455	12.1
Other operating income	45	76	(40.8)	141	199	(29.1)
Depreciation expense on property, plant and equipment	(519)	(513)	(1.2)	(1,663)	(1,405)	(18.4)
Depreciation expense on investment properties	(2)	(1)	(100.0)	(4)	(4)	-
Vessel operation and crew management costs	(690)	(905)	23.8	(1,968)	(2,547)	22.7
Staff costs	(1,217)	(1,412)	13.8	(4,112)	(4,325)	4.9
Other operating expenses	(212)	(321)	34.0	(714)	(945)	24.4
Operating profit /(loss) before other gains	736	103	614.6	1,159	(572)	302.6
Other gains (i)	739	1,307	(43.5)	739	1,307	(43.5)
Results from operating activities	1,475	1,410	4.6	1,898	735	158.2
Net finance income / (expense) (ii)	71	(5,307)	101.3	1,583	(6,666)	123.7
Exchange differences	(39)	656	(105.9)	(295)	707	(141.7)
Share of results of associated company	253	187	35.3	773	526	47.0
Profit / (loss) before taxation	1,760	(3,054)	157.6	3,959	(4,698)	184.3
Taxation (iii)	84	(1)	8,500.0	79	45	75.6
Profit / (loss) for the period	1,844	(3,055)	160.4	4,038	(4,653)	186.8
Attributable to:						
Owners of the Company				4,038	(4,653)	186.8
Earnings / (loss) per share, cents						
Basic				0.9	(1.1)	
Diluted				0.9	(1.1)	

Q3: 3rd Quarter

YTD: Year to date

SINGAPORE SHIPPING CORPORATION LIMITED

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1. An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)Note (i) Other gains

	Q3 2010	Q3 2009	YTD 2010	YTD 2009
	\$'000	\$'000	\$'000	\$'000
Gain on disposal of an investment property	1,053	1,307	1,053	1,307
Loss on disposal of a vessel	(314)	-	(314)	-
	739	1,307	739	1,307

Note (ii) Net finance income / (expense)

	Q3 2010	Q3 2009	YTD 2010	YTD 2009
	\$'000	\$'000	\$'000	\$'000
Interest income on deposits with banks	79	115	375	380
Interest income on security notes	2	-	2	-
Interest income on equity linked notes	-	-	-	94
Dividend income from quoted equity securities	12	58	79	471
Net change in fair value of disposed / outstanding financial assets held-for-trading	(22)	(5,480)	1,127	(7,611)
	71	(5,307)	1,583	(6,666)

Note (iii) Taxation

The income tax expense on the results of the Group for the financial period varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit before taxation, due to the following factors:

	Q3 2010	Q3 2009	YTD 2010	YTD 2009
	\$'000	\$'000	\$'000	\$'000
Profit / (loss) before taxation	1,760	(3,054)	3,959	(4,698)
Tax calculated using Singapore tax rate of 17% (2009: 17%)	299	(503)	673	(799)
Singapore statutory stepped income exemption	(3)	(1)	(15)	(5)
Income not subject to tax	(366)	(281)	(822)	(907)
Expenses not deductible for tax purposes	(19)	(85)	55	87
Utilisation of previously unrecognised tax losses	(1)	14	(4)	(1)
Over provision in prior years	(85)	-	(87)	(49)
Tax benefits not recognised	91	857	121	1,629
	(84)	1	(79)	(45)

SINGAPORE SHIPPING CORPORATION LIMITED

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2(a). A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	31.12.2009	31.3.2009	31.12.2009	31.3.2009
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	9,168	18,030	-	-
Investment properties	160	295	-	-
Subsidiaries	-	-	31,996	33,165
Associated company	3,948	3,446	-	-
Available-for-sale financial assets	9	6	-	-
Other assets	329	329	-	-
	13,614	22,106	31,996	33,165
Current assets				
Inventories	113	244	-	-
Trade and other receivables	898	1,209	38,167	22,237
Financial assets held-for-trading	1,610	1,997	-	-
Cash and cash equivalents	53,615	46,547	16,033	25,075
	56,236	49,997	54,200	47,312
Less:				
Current liabilities				
Trade and other payables	1,602	1,837	30,570	27,712
Current tax payable	13	6	12	2
	1,615	1,843	30,582	27,714
Net current assets	54,621	48,154	23,618	19,598
Non-current liability				
Deferred tax liability	1	6	1	6
Net assets	68,234	70,254	55,613	52,757
Equity attributable to owners of the Company				
Share capital	44,347	44,347	44,347	44,347
Other reserves	(5,024)	(3,326)	-	-
Retained earnings	28,911	29,233	11,266	8,410
Total equity	68,234	70,254	55,613	52,757

2(b). Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.12.2009		As at 31.3.2009	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31.12.2009		As at 31.3.2009	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral : Not applicable

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3. A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	YTD 2010	YTD 2009
	\$'000	\$'000
Operating activities		
Profit / (loss) before taxation	3,959	(4,698)
Adjustments for:		
Depreciation expense on property, plant and equipment	1,663	1,405
Depreciation expense on investment properties	4	4
Loss on disposal of property, plant and equipment	314	31
Gain on disposal of an investment property	(1,053)	(1,307)
Interest income	(377)	(474)
Dividend income	(79)	(471)
Net change in fair value of disposed / outstanding financial assets held-for-trading	(1,127)	7,611
Net change in fair value of foreign exchange options	-	(809)
Share of results of associated company	(773)	(526)
	2,531	766
Changes in working capital:		
Inventories	112	(47)
Trade and other receivables	218	(1,426)
Trade and other payables	(140)	222
Cash generated from operations	2,721	(485)
Income taxes refunded	81	49
Cash flows from operating activities	2,802	(436)
Investing activities		
Purchase of property, plant and equipment	(4)	(869)
Payments for drydocking expenditure	-	(2,948)
Purchase of financial assets held-for-trading	(251)	-
Interest received	391	467
Dividends received from quoted equity securities	75	471
Proceeds from expiry of an equity linked note	-	2,143
Proceeds from sale of financial assets held-for-trading	1,685	9,664
Other receivables relating to sale of financial assets held-for-trading	-	(2,148)
Proceeds from sale of an investment property	1,185	1,430
Proceeds from sale of property, plant and equipment	5,661	-
Cash flows from investing activities	8,742	8,210
Financing activity		
Dividends paid	(4,360)	(8,720)
Cash flows from financing activity	(4,360)	(8,720)
Change in cash and cash equivalents	7,184	(946)
Cash and cash equivalents at beginning of the year	46,547	40,547
Effects of exchange rate fluctuations on cash and cash equivalents	(116)	42
Cash and cash equivalents at end of the period	53,615	39,643

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- 4(a). A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

4(a)(i). The Group

Consolidated Statement of Comprehensive Income for the period ended 31 Dec 2009

The Statement of Comprehensive Income included as part of the results announcement is in compliance with the revised Financial Reporting Standard (FRS) 1 (effective from 1 April 2009).

	YTD 2010	YTD 2009
	\$'000	\$'000
Net profit / (loss) for the period	4,038	(4,653)
Other comprehensive income, net of tax		
Currency translation differences of foreign operations	(1,702)	317
Net change in fair value of available-for-sale financial assets	4	(5)
	(1,698)	312
Total comprehensive income / (loss)	2,340	(4,341)
Total comprehensive income / (loss) attributable to:		
Owners of the Company	2,340	(4,341)

Consolidated Statement of Changes in Equity for the period ended 31 Dec 2009

	Share capital	Fair value reserve	Currency translation reserve	Retained earnings	Total attributable to equity holders of the Company
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2008	44,347	7	(4,161)	41,452	81,645
Total comprehensive income / (loss)	-	(5)	317	(4,653)	(4,341)
Dividends	-	-	-	(8,720)	(8,720)
Balance at 31 Dec 2008	44,347	2	(3,844)	28,079	68,584
Balance at 1 April 2009	44,347	2	(3,328)	29,233	70,254
Total comprehensive income / (loss)	-	4	(1,702)	4,038	2,340
Dividends	-	-	-	(4,360)	(4,360)
Balance at 31 Dec 2009	44,347	6	(5,030)	28,911	68,234

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- 4(a). A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

4(a)(ii). The Company**Statement of Comprehensive Income for the period ended 31 December 2009**

	YTD 2010	YTD 2009
	\$'000	\$'000
Net profit for the period	7,216	2,247
Other comprehensive income, net of tax	-	-
Total comprehensive income attributable to owners of the Company	7,216	2,247

Statement of Changes in Equity for the period ended 31 December 2009

	Share capital	Retained earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 April 2008	44,347	13,757	58,104
Total comprehensive income	-	2,247	2,247
Dividends	-	(8,720)	(8,720)
Balance at 31 December 2008	44,347	7,284	51,631
Balance at 1 April 2009	44,347	8,410	52,757
Total comprehensive income	-	7,216	7,216
Dividends	-	(4,360)	(4,360)
Balance at 31 December 2009	44,347	11,266	55,613

- 4(b). Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Nil

- 4(c). To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31.12.2009	As at 31.3.2009
Total number of issued shares (excluding treasury shares)	436,016,591	436,016,591

There were no shares held as treasury shares as at 31 December 2009 and 31 March 2009.

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- 4(d). **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

5. **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the Company's auditors.

6. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable

7. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in item 8 below, the Group has applied the same accounting policies and methods of computation in the current reporting period's financial statements as compared with the audited financial statements for the financial year ended 31 March 2009.

8. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 April 2009. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

FRS 1 (revised 2008)	<i>Presentation of Financial Statements</i>
FRS 23 (revised 2007)	<i>Borrowing Costs</i>
FRS 108	<i>Operating Segments</i>

FRS 1 (revised 2008) requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The Group is presenting the statement of comprehensive income in two statements.

FRS 23 (revised 2007) removes the option to expense borrowing costs and requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the costs of that asset. The Group's current policy to capitalise borrowing costs is consistent with the requirement in the revised FRS 23.

FRS 108 replaces FRS 14 Segment Reporting. It requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

SINGAPORE SHIPPING CORPORATION LIMITED

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9. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	The Group	
	YTD 2010 Cents	YTD 2009 Cents
Earnings / (loss) per ordinary share based on:-		
(i) the weighted average number of ordinary shares in issue	0.9	(1.1)
(ii) fully diluted basis	0.9	(1.1)

The weighted average number of ordinary shares in issue and on a fully diluted basis for both periods are 436,016,591 ordinary shares as there are no new issues or outstanding share options.

10. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding year

	The Group		The Company	
	31.12.2009	31.3.2009	31.12.2009	31.3.2009
Net asset value per ordinary share based on the total number of issued shares as at the end of the period / year reported on	\$0.16	\$0.16	\$0.13	\$0.12

11. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.**

REVENUE

	Q3 2010	Q3 2009	Favourable variance	YTD 2010	YTD 2009	Favourable variance
	\$'000	\$'000	%	\$'000	\$'000	%
Ship owning & management	3,331	3,179	4.8	9,479	8,455	12.1

The Group's revenue for Q3 2010 and YTD 2010 increased by approximately \$0.2 million (4.8%) and \$1.0 million (12.1%) respectively when compared to Q3 2009 and YTD 2009. The lower revenue in YTD 2009 was mainly due to off-hire of a vessel for drydocking and repair of its main engine.

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11. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. (continued)

PROFIT ATTRIBUTABLE TO OWNERS

	Q3 2010	Q3 2009	Favourable / unfavourable variance	YTD 2010	YTD 2009	Favourable / unfavourable variance
	\$'000	\$'000	%	\$'000	\$'000	%
Ship owning & management	989	290	241.0	1,932	(46)	4,300.0
Unallocated items ^(a)	116	(4,652)	102.5	1,367	(5,914)	123.1
Net profit / (loss) before other gains	1,105	(4,362)	125.3	3,299	(5,960)	155.4
Other gains ^(b)	739	1,307	(43.5)	739	1,307	(43.5)
Net profit/(loss) for the period	1,844	(3,055)	160.4	4,038	(4,653)	186.8

^(a) Unallocated items refer to net finance income / (expense), exchange differences and taxation.

^(b) Refer to item 1, note (i) for details.

Ship owning and management's favourable variance of approximately \$2.0 million in net profit compared to YTD 2009 may be summarised as follows:

	Favourable / (unfavourable) variance
	\$'m
• Higher revenue	1.0
• Lower vessel operating costs	0.6
• Lower administrative costs	0.5
• Higher depreciation charge due to the fall in market scrap value of vessels	(0.1)
	2.0

Unallocated items' favourable variance of approximately \$7.3 million in net profit compared to YTD 2009 may be summarised as follows:

	Favourable / (unfavourable) variance
	\$'m
• Positive change in fair value of short-term investments	8.7
• Lower dividend and interest income as the average cash resources placed on deposits and short-term investments was lower than previous financial period	(0.4)
• Unfavourable variance in exchange differences due to weakening of the United States dollar against Singapore dollar	(1.0)
	7.3

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11. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. (continued)**

BALANCE SHEET

The decrease in property, plant and equipment was due to the disposal of a vessel, the translation differences of certain property, plant and equipment that are denominated in US dollar functional currency and depreciation charge for the period.

The increase in cash and cash equivalents due to cash inflow from operating activities and proceeds from the sale of financial assets held-for-trading, an investment property and a vessel was partially offset by dividends paid in August 2009.

CASH FLOW STATEMENT

The increase in cash flows from operating activities compared to YTD 2009 was mainly due to higher ship owning revenue and lower vessel operating costs.

The increase in cash flows from investing activities compared to YTD 2009 was mainly due to sale of an investment property and a vessel.

12. **Where a forecast, or a prospect statement, had been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable

13. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group is looking into the prospect of investing in a younger and larger RORO vessel, which will be on a long-term charter to a blue-chip operator. This will be a good replacement to the much older and smaller vessel which was disposed of in December 2009.

With the Group's existing cash hoard, we are well positioned to take advantage of such opportunities in the market place.

14. **Dividends**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

15. **If no dividend has been declared / recommended, a statement to that effect.**

No dividend has been declared or recommended.

SINGAPORE SHIPPING CORPORATION LIMITED

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PART II ADDITIONAL INFORMATION**16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**a) Operating segments

The Group is principally engaged in ship owning and ship management. Its assets, liabilities and capital expenditure are employed in this sole operating segment.

b) Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the country of domicile of the customers.

	YTD 2010	YTD 2009
	\$'000	\$'000
<u>Revenue</u>		
Singapore	193	85
Japan	9,286	8,370
	<u>9,479</u>	<u>8,455</u>

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

See comments under item 11.

18. A breakdown of sales and operating profit.

	2010	2009	Favourable
	\$'000	\$'000	%
(a) Sales reported for first half	6,148	5,276	16.5
(b) Operating profit / (loss) after taxation before deducting minority interests reported for first half:			
Before other gains	2,194	(1,598)	237.3
After other gains	2,194	(1,598)	237.3
(c) Sales reported for third quarter	3,331	3,179	4.8
(d) Operating profit / (loss) after taxation before deducting minority interests reported for third quarter:			
Before other gains	1,105	(4,362)	125.3
After other gains	1,844	(3,055)	160.4
(e) Sales reported for year-to-date	9,479	8,455	12.1
(f) Operating profit / (loss) after taxation before deducting minority interests reported for year-to-date:			
Before other gains	3,299	(5,960)	155.4
After other gains	4,038	(4,653)	186.8

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19. Interested person transactions (IPT)

Name of interested person	YTD2010 Aggregate value of all IPT during the financial period under review (excluding transactions less than \$100,000)	YTD 2009 Aggregate value of all IPT during the financial period under review (excluding transactions less than \$100,000)
Paid to a subsidiary of Stamford Land Corporation Ltd - Rental expense	\$179,000	\$184,000

Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions below \$100,000) is nil for both YTD 2010 and YTD 2009.

BY ORDER OF THE BOARD

Christina Chew Heng Siang / Hon Wei Seng
Joint Company Secretaries

11 February 2010

SINGAPORE SHIPPING CORPORATION LIMITED
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Statement by Directors
Pursuant to SGX Listing Rule 705 (5)

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the nine months ended 31 December 2009 to be false or misleading.

On behalf of the Board of Directors

Ow Chio Kiat
Director

Ow Cheo Guan
Director

11 February 2010