

**SWISSCO INTERNATIONAL LIMITED**  
**(COMPANY REGISTRATION NO: 200401051D)**

**Unaudited Financial Statement Announcement for the Second Quarter ended 30 June 2009**

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

	2 <sup>nd</sup> Qtr 2009	2 <sup>nd</sup> Qtr 2008	Var %(+/-)	1H09	1H08	Var % (+/-)
	S\$'000	S\$'000		S\$'000	S\$'000	
Sales	19,891	11,828	+68.2	33,934	22,505	+50.8
Cost of sales	(10,051)	(5,225)	+92.4	(16,208)	(10,319)	+57.1
Gross profit	9,840	6,603	+49.0	17,726	12,186	+45.5
Other income	166	176	-5.7	228	348	-34.5
Other gains-net	4,440	1,819	+144.1	4,775	2,299	+107.8
Less Expenses :						
Administrative	(3,036)	(2,336)	+30.0	(5,212)	(3,503)	+48.8
Other operating expenses	(1,906)	29	NM	(2,082)	(45)	NM
Finance	(188)	(137)	+37.2	(362)	(274)	+32.1
Share of loss of an associated company	0	(136)	NM	0	(136)	NM
Profit before tax	9,316	6,018	+54.8	15,073	10,875	+38.6
Income tax expense	99	(297)	NM	(226)	(304)	-25.7
Net profit for the financial period attributable to equity shareholders of the Company	9,415	5,721	+64.6	14,847	10,571	+40.5

NM – Not Meaningful

**Statement of comprehensive income for the second quarter ended 30 June 2009**

	2 <sup>nd</sup> Qtr 2009	2 <sup>nd</sup> Qtr 2008	Var %(+/-)	1H09	1H08	Var % (+/-)
	S\$'000	S\$'000		S\$'000	S\$'000	
Profit for the period	9,415	5,721	+64.6	14,847	10,571	+40.5
Other comprehensive expense :						
Financial assets, available-for-sale - fair value gain / (loss)	12,422	(2,660)	NM	5,582	(36,480)	NM
Total comprehensive expense for the period attributable to owners of the Company	21,837	3,061	NM	20,429	(25,909)	NM

Notes to income statement:				
	2 <sup>nd</sup> Qtr 2009	2 <sup>nd</sup> Qtr 2008	1H09	1H08
	S\$'000	S\$'000	S\$'000	S\$'000
The profit after tax is determined after (charging)/crediting the following :				
Depreciation	(2,008)	(956)	(3,878)	(2,037)
Allowance for impairment of receivables	(1,906)	29	(2,082)	(45)
Interest expense	(188)	(137)	(361)	(274)
Interest income	1	46	2	116
Gain on disposal of property, plant & equipment	130	2,027	332	3,097
Foreign exchange loss	(430)	(223)	(314)	(798)
Gain from disposal of financial assets, available-for-sale	4,725	-	4,725	-
Amortization of deferred gain	15	15	32	-
Overprovision of income tax expense in prior years	245	-	410	-

1(b)(i) Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	The Group	The Group	The Company	The Company
	30.06.09	31.12.08	30.06.09	31.12.08
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	10,028	4,313	1,942	82
Financial assets, available-for-sale	25,050	21,090	25,050	21,090
Trade and other receivables	15,429	16,095	-	-
Due from subsidiaries (non-trade)	-	-	51,997	50,938
Inventories	169	147	-	-
Other current assets	615	1,459	17	17
	<b>51,291</b>	<b>43,104</b>	<b>79,006</b>	<b>72,127</b>
<b>Non-current assets</b>				
Investment in subsidiaries	-	-	7,836	7,786
Investment in an associated company	-	-	211	211
Property, plant and equipment	147,456	131,473	-	-
	<b>147,456</b>	<b>131,473</b>	<b>8,047</b>	<b>7,997</b>
<b>Total assets</b>	<b>198,747</b>	<b>174,577</b>	<b>87,053</b>	<b>80,124</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	23,225	23,481	7,150	5,658
Borrowings	26,353	18,613	-	-
Current income tax liabilities	481	626	15	-
	<b>50,059</b>	<b>42,720</b>	<b>7,165</b>	<b>5,658</b>
<b>Non-current liabilities</b>				
Borrowings	5,076	7,235	-	-
Deferred income tax liabilities	468	102	-	-
Deferred gain	1,181	1,213	-	-
	<b>6,725</b>	<b>8,550</b>	<b>-</b>	<b>-</b>
	<b>56,784</b>	<b>51,270</b>	<b>7,165</b>	<b>5,658</b>
<b>NET ASSETS</b>	<b>141,963</b>	<b>123,307</b>	<b>79,888</b>	<b>74,466</b>
<b>Share capital and reserves</b>				
Share capital	27,380	27,380	27,380	27,380
Other reserves	19,780	13,999	23,973	19,311
Retained earnings	94,803	81,928	28,535	27,775
	<b>141,963</b>	<b>123,307</b>	<b>79,888</b>	<b>74,466</b>

1(b)(ii) **Aggregate amount of group's borrowings and debt securities**

**Amount repayable in one year or less, or on demand**

<b>30.06.09</b>		<b>31.12.08</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
14,303	12,050	8,563	10,050

**Amount repayable after one year**

<b>30.06.09</b>		<b>31.12.08</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
5,076	0	7,235	0

**The Group's borrowings include: -**

(a) Secured Bank Loans

These are secured by the pledge of the Group's leasehold properties and certain vessels.

(b) Finance Lease

The finance lease obligations were secured with the fixed assets of the Group.

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	<b>2<sup>nd</sup> Qtr ended 30.06.09</b>	<b>2<sup>nd</sup> Qtr ended 30.06.08</b>	<b>1H09 ended 30.06.09</b>	<b>1H08 ended 30.06.08</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Cash flows from operating activities				
Net Profit	9,415	5,721	14,847	10,571
Adjustments for :				
Income tax expense	(99)	297	226	304
Share of loss of an associated company	0	136	0	136
Employee share option expense	70	97	199	194
Depreciation of property, plant and equipment	2,008	956	3,878	2,037
Interest expense	188	137	362	274
Interest income	(1)	(46)	(2)	(116)
Amortisation of deferred gain	(15)	(15)	(32)	(15)
Gain from disposal of property, plant and equipment	(130)	(2,027)	(332)	(3,097)
Gain from disposal of financial assets, available-for-sale	(4,725)	0	(4,725)	0
<b>Operating cash flow before working capital changes</b>	<b>6,711</b>	<b>5,256</b>	<b>14,421</b>	<b>10,288</b>
Changes in working capital :				
Trade and other receivables	232	1,352	666	257
Inventories	125	(141)	(22)	(145)
Other current assets	(34)	218	844	53
Trade and other payables	6,129	(6,418)	(256)	(2,332)
<b>Cash generated from operations</b>	<b>13,163</b>	<b>267</b>	<b>15,653</b>	<b>8,121</b>
Income tax paid	(34)	(297)	(5)	(617)
<b>Net cash (used in)/provided by operating activities</b>	<b>13,129</b>	<b>(30)</b>	<b>15,648</b>	<b>7,504</b>
Cash flows from investing activities :				
Proceeds from disposal of financials assets, available-for-sale	6,345	0	6,345	0
Investment in an associated company	0	0	0	(211)
Interest received	1	46	2	116
Proceeds from disposal of property, plant and equipment	130	6,082	915	10,829
Purchase and construction of property, plant and equipment	(10,347)	(13,668)	(20,444)	(23,781)
<b>Net cash used in investing activities</b>	<b>(3,871)</b>	<b>(7,540)</b>	<b>(13,182)</b>	<b>(13,047)</b>
Cash flows from financing activities :				
Proceeds from issuance of ordinary shares	0	101	0	101
Dividends paid	(1,972)	(1,968)	(1,972)	(1,968)
Interest paid	(188)	(137)	(361)	(274)
Proceeds from borrowings	0	2,561	9,250	5,310
Repayment of borrowings	(1,567)	(830)	(3,633)	(1,587)
Repayment of finance lease liabilities	(16)	(32)	(35)	(274)
<b>Net cash (used in)/provided by financing activities</b>	<b>(3,743)</b>	<b>(305)</b>	<b>3,249</b>	<b>1,308</b>
Net increase/(decrease) in cash and cash equivalents held	5,515	(7,875)	5,715	(4,235)
Cash and cash equivalents at the beginning of the period	4,513	13,435	4,313	9,795
<b>Cash and cash equivalents at the end of the financial period</b>	<b>10,028</b>	<b>5,560</b>	<b>10,028</b>	<b>5,560</b>

Notes to Statement of cash flow

Cash and bank balances comprise the following: -

	<b>2<sup>nd</sup> Qtr ended 30.06.09</b>	<b>2<sup>nd</sup> Qtr ended 30.06.08</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Fixed Deposits	35	2,306
Cash and bank balances	9,993	3,254
	<b>10,028</b>	<b>5,560</b>

1(d)(i) 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

<b>2009 The Group (S\$'000)</b>	<b>Share capital</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Total</b>
Balance as at 01.01.09	27,380	13,999	81,928	123,307
Employee share option scheme - value of employee service	-	129	-	129
Total comprehensive income/(expense)	-	(6,840)	5,432	(1,408)
Balance as at 31.03.09	27,380	7,288	87,360	122,028
Employee share option scheme -Value of employee service	-	70	-	70
Total comprehensive income/(expense)	-	12,422	9,415	21,837
Dividend paid	-	-	(1,972)	(1,972)
<b>Balance as at 30.06.09</b>	<b>27,380</b>	<b>19,780</b>	<b>94,803</b>	<b>141,963</b>

<b>2008 The Group (S\$'000)</b>	<b>Share Capital</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Total</b>
Balance as at 01.01.08	26,919	122,931	60,304	210,154
Employee share option scheme - value of employee service	-	97	-	97
Total comprehensive income/(expense)	-	(33,820)	4,850	(28,970)
<b>Balance @ 31.03.08</b>	<b>26,919</b>	<b>89,208</b>	<b>65,154</b>	<b>181,281</b>
Issue of shares pursuant to an employee share option scheme	101	-	-	101
Employee share option scheme - value of employee service	-	97	-	97
Total comprehensive income/(expense)	-	(2,660)	5,721	3,061
Dividend paid	-	-	(1,968)	(1,968)
<b>Balance as at 30.06.08</b>	<b>27,020</b>	<b>86,645</b>	<b>68,907</b>	<b>182,572</b>

<b>2009 The Company (S\$'000)</b>	<b>Share Capital</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Total</b>
Balance as at 01.01.09	27,380	19,311	27,775	74,466
Employee share option scheme -value of employee service	-	129	-	129
Total comprehensive income/(expense)	-	(6,840)	(1,195)	(8,035)
<b>Balance as at 31.03.09</b>	<b>27,380</b>	<b>12,600</b>	<b>26,580</b>	<b>66,560</b>
Employee share option scheme -value of employee service	-	70	-	70
Total comprehensive income/(expense)	-	11,303	3,927	15,230
Dividend paid	-	-	(1,972)	(1,972)
<b>Balance as at 30.06.09</b>	<b>27,380</b>	<b>23,973</b>	<b>28,535</b>	<b>79,888</b>

<b>2008 The Company (S\$'000)</b>	<b>Share capital</b>	<b>Other reserves</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance as at 01.01.08	26,919	128,243	31,661	186,823
Employee share option scheme -Value of employee service	-	97	-	97
Total comprehensive income/(expense)	-	(33,820)	(224)	(34,044)
<b>Balance as at 31.03.08</b>	<b>26,919</b>	<b>94,520</b>	<b>31,437</b>	<b>152,876</b>
Issue of shares pursuant to an employee share option scheme	101	-	-	101
Employee share option scheme -Value of employee service	-	97	-	97
Total comprehensive income/(expense)	-	(2,660)	(924)	(3,584)
Dividend paid	-	-	(1,968)	(1,968)
<b>Balance as at 30.06.08</b>	<b>27,020</b>	<b>91,957</b>	<b>28,545</b>	<b>147,522</b>

**1(d)(ii) 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**

During the financial period, the Company has granted options to subscribe for 1,150,000 shares to employee and controlling shareholders/ Directors. The Company has 4,700,000 (2008: 3,200,000) ordinary shares under option outstanding at the end of the financial period.

**1(d)(iii) 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.**

	<b>30.06.09</b>	<b>31.12.08</b>
No of ordinary shares issued and paid up	197,208,717	197,208,717

The Company does not have any treasury shares as at 30 June 2009 and 31 December 2008.

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

Not applicable

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable

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

The Group has applied the same accounting policies and methods of computation in the financial information for the current reporting period compared to the audited financial statements for the financial year ended 31 December 2008.

**5. 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**

Certain new standards, amendments and interpretations to existing standards have been published and they are mandatory for the Group's accounting periods beginning on or after 1 January 2009 or later periods. The adoption of these accounting standards, amendments and interpretations will not have a material impact on the Group's financial statements.

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

	<b>1H09 ended 30.06.09</b>	<b>1H08 ended 30.06.08</b>
<b>Based on number of ordinary shares in issue (in cents)</b>	7.53	5.37
<b>Based on fully diluted number of ordinary shares (in cents)</b>	7.52	5.36

The calculation of basic earnings per share for the half year ended 30 June 2009 and 30 June 2008 is based on weighted average number of 197,208,717 issued and fully paid ordinary shares and the weighted average number of 196,669,157 issued and fully paid up ordinary shares respectively.

The calculation of fully diluted earnings per share for the half year ended 30 June 2009 and 30 June 2008 is based on 197,379,089 shares and 197,311,088 shares respectively.



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

	The Group		The Company	
	30.06.09	31.12.08	30.06.09	31.12.08
<b>Net asset backing per ordinary share based on existing share capital as at the end of the period (in S\$)</b>	0.72	0.63	0.41	0.38
<b>Number of shares used in computing Net Asset</b>	197,208,717	197,208,717	197,208,717	197,208,717

The net asset value per ordinary share of the Group and the Company as at 30 June 2008 and 31 December 2008 was calculated based on 197,208,717 issued and fully paid ordinary shares respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: any significant factors that affected the turnover, costs, and earnings of the group for financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Consolidated Income Statement

The Group's total revenue for the 2Q2009 increased by 68.2% to S\$19.9m compared to S\$11.8m in 2Q2008. The Group's gross profit and net profit increased to S\$9.8m (2Q2008: S\$6.6m) and S\$9.4m (2Q2008: S\$5.7m) respectively.

These improvements were due mainly to higher revenue from the marine logistics business which registered an amount of S\$18.6m (2Q2008: S\$10.7m). Revenue for the Group's ship repair and maintenance business remained comparable at S\$1.2m in 2Q2009 (2Q2008: S\$1.2m).

Other gains-net of S\$4.4m in 2Q2009 comprises mainly a gain of S\$4.7m from partial divestment of financial assets, available-for-sale and an exchange loss of S\$0.4m. Administrative expenses increased due mainly to higher accrual of performance bonus in line with higher profits. Other operating expenses increased due mainly to allowance for impairment of receivables. Finance cost increased in line with higher bank borrowings.

The Group's total revenue for the 1H2009 increased by 50.8% to S\$33.9m compared to S\$22.5m in 1H2008. The Group's gross profit and net profit increased to S\$17.7m (1H2008: S\$12.2m) and S\$14.8m (1H2008: S\$10.6m) respectively.

The improvements in the Group's results were due mainly to deployment of a larger fleet which included specialized vessels. Consequently, the marine business registered an increase in turnover in 1H2009 to S\$31.3m (1H2008: S\$20.1m). These specialized vessels earned better charter rates and contributed positively to revenues and profits.

The Group's ship repair and maintenance business registered a marginal increase in turnover to S\$2.6m in 1H2009 (1H2008: S\$2.4m).

Other income, comprises mainly interest income, decreased 34.5% as fixed deposits were earning low or no interest income throughout the first half of 2009. Other gains comprised S\$4.7m gains from partial divestment of financial assets, available-for-sale (1H2008: nil), gain on disposal of vessels amounting to S\$0.3m (1H2008: S\$3.1m), and an exchange loss of S\$0.3m (1H2008: loss of S\$0.8m).

Administrative expenses increased 48.8% to S\$5.2m (1H2008: S\$3.5m) due mainly to higher accrual of performance bonus. Other operating expenses increased due mainly to allowance for impairment of receivables. Finance cost increased in line with higher bank borrowings.

#### Consolidated Balance Sheet

Financial assets, available-for-sale (AFS) increased due to its higher stock market price.

Other current assets included certain advances for vessel-in-construction that were transferred to fixed assets as we take delivery of the vessels.

Property, plant and equipment increased due to delivery of new offshore vessels during the period and progress payments made for vessels under construction.

Bank borrowings increased as new loans were drawn to pay for new vessels and vessels under construction.

#### Consolidated Cash Flow Statement

In 1H2009, operating cash flow remains strong and with \$6.3m raised from the divestment of 8m ordinary shares in the capital of Swiber Holdings Limited, funded the fleet renewal and expansion program. The Group's net gearing ratio (net external indebtedness to banks and financial institutions to shareholders' equity) decreased to 15.1% (31 December 2008: 17.5%).

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

The Group's results are consistent with the industry outlook as previously stated.

**10. 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**

We expect the current uncertain operating conditions to remain difficult. This may lead to lower demand for offshore support vessels and utilization of our fleet. Charter rates are likely to remain soft. The Group will continue to take a cautious approach and focus on improving operational efficiencies.

As at 30 June 2009, the Group has taken delivery of 5 vessels under its fleet renewal and expansion program. A further 9 vessels are expected to be added to the fleet for the rest of the financial year and these additions are expected to enhance the Group's fleet mix and contribute to the Group's performance.

**11. Dividend**

***(a) Current Financial Period Reported On***

Any dividend declared for the current financial period reported on? No

***(b) Corresponding Period of the Immediately Preceding Financial Year***

Not applicable

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable

**12. If no dividend has been declared/recommendeded, a statement to that effect**

No dividend has been declared / recommended during the financial period.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13. **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**

Not applicable.

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

Not applicable

15. **A breakdown of sales**

Not applicable

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Not applicable.

17. **Interested Persons Transactions.**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000)
Swissco Structural Mechanical Pte Ltd	Rental expense of S\$360,000 paid for the use of the premises at No 9 Pandan Road Singapore 609257

The Company has no shareholder mandate pursuant to Rule 920 of the SGX Listing Manual.

**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE SGX LISTING MANUAL**

The Board of Directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results for the second quarter ended 30 June 2009 to be false and misleading in any material aspect.

**BY ORDER OF THE BOARD**

Tan Ching Chek  
Company Secretary  
7 August 2009