

SWISSCO INTERNATIONAL LIMITED
(COMPANY REGISTRATION NO: 200401051D)

Unaudited Financial Statement Announcement for the Third Quarter ended 30 September 2008

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

	3rd Qtr 2008 S\$'000	3rd Qtr 2007 S\$'000	Variance %(+/-)	9months ended 30 Sept 08 S\$'000	9months ended 30 Sept 07 S\$'000	Variance % (+/-)
Sales	14,331	7,597	+88.6	36,836	22,286	+65.3
Cost of sales	(6,494)	(3,094)	+109.9	(16,813)	(10,448)	+60.9
Gross profit	7,837	4,503	+74.0	20,023	11,838	+69.1
Other income	254	328	-22.6	602	648	-7.1
Other gains-net	2,293	4,922	-53.4	4,592	36,337	NM
Less Expenses :						
Administrative	(2,864)	(2,604)	+10.0	(6,366)	(8,847)	-28.0
Other operating expenses	(29)	193	NM	(74)	14	NM
Finance	(126)	(152)	-17.1	(400)	(535)	-25.2
Share of loss of an associated company	(74)	-	+100.0	(211)	-	+100.0
Profit before tax	7,291	7,190	+1.4	18,166	39,455	-54.0
Income tax expense	(120)	(170)	-29.4	(424)	(270)	+57.0
Net profit for the financial period attributable to equity shareholders of the Company	7,171	7,020	+2.2	17,742	39,185	-54.7

NM – Not Meaningful

Notes to income statement:	3rd Qtr 2008 S\$'000	3rd Qtr 2007 S\$'000	9 months ended 30 Sept 08 S\$'000	9 months ended 30 Sept 07 S\$'000
The profit after tax is determined after (charging)/crediting the following :				
Depreciation	(1,219)	(751)	(3,256)	(2,137)
Allowance for impairment of receivables	(29)	193	(74)	14
Interest expense	(126)	(152)	(400)	(535)
Interest income	58	267	174	295
Gain on disposal of property, plant & equipment	1,791	5,519	4,888	7,682
Foreign exchange gain/(loss)	502	(597)	(296)	(724)
Gain from disposal of financial assets, available-for-sale	-	-	-	29,379
Amortisation of deferred income	16	-	32	-

1(b)(i) 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 Group	The Company	The Company
	30.09.08	31.12.07	30.09.08	31.12.07
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	9,438	9,795	125	30
Financial assets, available-for-sale	41,800	130,340	41,800	130,340
Trade and other receivables	15,431	11,324	-	-
Due from subsidiaries (non-trade)	-	-	50,442	55,835
Inventories	199	33	-	-
Other current assets	948	583	11	28
	67,816	152,075	92,378	186,233
Non-current assets classified as held for sale	-	6,538	-	-
	67,816	158,613	92,378	186,233
Non-current assets				
Investment in subsidiaries	-	-	7,786	7,736
Investment in an associated company	-	-	211	-
Property, plant and equipment	111,205	85,040	-	-
	111,205	85,040	7,997	7,736
Total assets	179,021	243,653	100,375	193,969
LIABILITIES				
Current liabilities				
Trade and other payables	19,150	17,337	6,034	7,146
Borrowings	13,594	7,606	-	-
Current income tax liabilities	567	1,035	-	-
	33,311	25,978	6,034	7,146
Non-current liabilities				
Borrowings	6,342	7,419	-	-
Deferred income tax liabilities	102	102	-	-
Deferred gain	1,228	-	-	-
	7,672	7,521	-	-
	40,983	33,499	6,034	7,146
NET ASSETS	138,038	210,154	94,341	186,823
Share capital and reserves				
Share capital	27,380	26,919	27,380	26,919
Other reserves	34,580	122,931	39,892	128,243
Retained earnings	76,078	60,304	27,069	31,661
	138,038	210,154	94,341	186,823

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

Amount repayable in one year or less, or on demand

30.09.08		31.12.07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,944	9,650	3,206	4,400

Amount repayable after one year

30.09.08		31.12.07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
6,342	0	7,419	0

The Groups' borrowings include :

(a) Bank Term Loan 1

The four 4-year term loans with a balance of S\$7,536,688 (2007 : S\$9,731,529) as at 30 September 2008 were secured by four of the Group's vessels.

(b) Bank Term Loan 2

The 10-year term loan of S\$286,294 (2007 : S\$370,226) as at 30 September 2008 was secured by the Group's leasehold properties.

(c) Bank Term Loan 3

The 3-year term loan of S\$2,222,224 (2007 : nil) as at 30 September 2008 was secured by one of the Group's vessels.

(d) Short Term Advances

Short term advances of S\$9,650,000 (2007 : S\$4,400,000) as at 30 September 2008 were unsecured.

(e) Finance Lease

The finance lease obligations of S\$241,691 (2007 : S\$523,023) as at 30 September 2008 were secured over the fixed assets of the Group with net book values amounting to S\$344,674 (2007 : S\$736,235).

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

	3rd Qtr ended 30.09.08 S\$'000	3rd Qtr ended 30.09.07 S\$'000	9 months- 30 Sept 08 S\$'000	9 months- 30 Sept 07 S\$'000
Cash flows from operating activities				
Net Profit	7,171	7,020	17,742	39,185
Adjustments for :				
Income tax expense	120	170	424	270
Share of loss of an associated company	74	0	211	0
Employee share option expense	108	97	302	219
Depreciation of property, plant and equipment	1,219	751	3,256	2,137
Interest expense	126	152	400	535
Interest income	(58)	(267)	(174)	(295)
Amortisation of deferred gain	(16)	0	(32)	0
Gain from disposal of property, plant and equipment	(1,791)	(5,519)	(4,888)	(7,682)
Gain from disposal of financial assets, available-for-sale	0	0	0	(29,379)
Operating cash flow before working capital changes	6,953	2,404	17,241	4,990
Changes in working capital :				
Trade and other receivables	(4,366)	(375)	(4,107)	(1,933)
Inventories	(21)	9	(166)	264
Other current assets	(419)	(65)	(365)	(582)
Trade and other payables	4,048	(432)	1,813	3,780
Cash generated from operations	6,195	1,541	14,416	6,519
Income tax paid	(274)	(60)	(893)	(140)
Net cash provided by operating activities	5,921	1,481	13,523	6,379
Cash flows from investing activities :				
Proceeds from disposal of financials assets, available-for-sale	0	0	0	32,822
Investment in an associated company	0	0	(211)	0
Interest received	58	267	174	295
Proceeds from disposal of property, plant and equipment	8,409	13,421	19,238	17,114
Purchase and construction of property, plant and equipment	(12,093)	(12,519)	(35,973)	(34,704)
Net cash (used in)/provided by investing activities	(3,626)	1,169	(16,772)	15,527
Cash flows from financing activities :				
Proceeds from issuance of ordinary shares	247	246	348	917
Dividends paid	-	(5,363)	(1,968)	(7,144)
Interest paid	(126)	(152)	(400)	(535)
Proceeds from borrowings	3,250	292	8,560	15,385
Repayment of borrowings	(1,720)	(4,237)	(3,306)	(14,320)
Repayment of finance lease liabilities	(68)	(23)	(342)	(197)
Net cash provided by/(used in) financing activities	1,583	(9,237)	2,892	(5,894)
Net increase/(decrease) in cash and cash equivalents held	3,878	(6,587)	(357)	16,012
Cash and cash equivalents at the beginning of the period	5,560	25,448	9,795	2,849
Cash and cash equivalents at the end of the financial period	9,438	18,861	9,438	18,861

(A) Cash and bank balances

Cash and bank balances comprise the following :

	3rd Qtr ended 30.09.08	3rd Qtr ended 30.09.07
	S\$'000	S\$'000
Bank Overdraft	0	0
Fixed Deposits	6,486	16,609
Cash and bank balances	2,952	2,252
	9,438	18,861

For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following :

	3rd Qtr ended 30.09.08	3rd Qtr ended 30.09.07
	S\$'000	S\$'000
Cash and bank balances	9,438	18,861
Less : Bank overdraft	0	0
Cash and cash equivalents per consolidated cash flow statement	9,438	18,861

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

2008 The Group (S\$'000)	Share Capital	Other Reserves	Retained earnings	Total
Balance as at 01.01.08	26,919	122,931	60,304	210,154
Financial assets, available-for-sale -Fair value loss	-	(33,820)	-	(33,820)
Net loss recognized directly in equity	-	(33,820)	-	(33,820)
Net profit	-	-	4,850	4,850
Total recognized income/(loss)	-	(33,820)	4,850	(28,970)
Employee share option scheme -Value of employee service	-	97	-	97
Balance as at 31.03.08	26,919	89,208	65,154	181,281
Financial assets, available-for-sale -Fair value loss	-	(2,660)	-	(2,660)
Net loss recognized directly in equity	-	(2,660)	-	(2,660)
Net profit	-	-	5,721	5,721
Total recognized income/(loss)	-	(2,660)	5,721	3,061
Issue of shares pursuant to an employee share option scheme	101	-	-	101
Employee share option scheme -Value of employee service	-	97	-	97
Dividend paid	-	-	(1,968)	(1,968)
Balance as at 30.06.08	27,020	86,645	68,907	182,572

2008	Share Capital	Other Reserves	Retained earnings	Total
The Group (\$S'000)				
Financial assets, available-for-sale				
-Fair value loss	-	(52,060)	-	(52,060)
Net loss recognized directly in equity	-	(52,060)	-	(52,060)
Net profit	-	-	7,171	7,171
Total recognized income/(loss)	-	(52,060)	7,171	(44,889)
Issue of shares pursuant to an employee share option scheme	247	-	-	247
Employee share option scheme				
-Value of employee service	-	108	-	108
Transfer to share capital upon exercise of share options	113	(113)	-	-
Balance as at 30.09.08	27,380	34,580	76,078	138,038

2007	Share Capital	Other Reserves	Retained Earnings	Total
The Group (\$S'000)				
Balance as at 01.01.07	25,825	32,817	27,242	85,884
Financial assets, available-for-sale				
-Fair value gains	-	27,143	-	27,143
Net profit	-	-	4,564	4,564
Total recognized income	-	27,143	4,564	31,707
Issue of shares pursuant to an employee share option scheme	156	-	-	156
Employee share option scheme				
-Value of employee service	-	33	-	33
Balance as at 31.03.07	25,981	59,993	31,806	117,780
Financial assets, available-for-sale				
-Fair value gains	-	33,953	-	33,953
Net profit	-	-	27,600	27,600
Total recognised income	-	33,953	27,600	61,553
Issue of shares pursuant to an employee share option scheme	515	-	-	515
Employee share option scheme				
-Value of employee service	-	88	-	88
Dividends paid	-	-	(1,781)	(1,781)
Balance as at 30.06.07	26,496	94,034	57,625	178,155
Financial assets, available-for-sale				
-Fair value gains	-	30,020	-	30,020
Net profit	-	-	7,020	7,020
Total recognised income	-	30,020	7,020	37,040
Issue of shares pursuant to an employee share option scheme	247	-	-	247
Employee share option scheme				
-Value of employee service	-	97	-	97
Transfer to share capital upon exercise of share options	177	(177)	-	-
Dividends paid	-	-	(5,362)	(5,362)
Balance as at 30.09.07	26,920	123,974	59,283	210,177

2008	Share Capital	Other reserves	Retained earnings	Total
The Company (\$S'000)				
Balance as at 01.01.08	26,919	128,243	31,661	186,823
Financial assets, available-for-sale	-	(33,820)	-	(33,820)
-Fair value loss				
Net loss recognised directly in equity	-	(33,820)	-	(33,820)
Net loss	-	-	(224)	(224)
Total recognized loss	-	(33,820)	(224)	(34,044)
Employee share option scheme				
-Value of employee service	-	97	-	97
Balance as at 31.03.08	26,919	94,520	31,437	152,876
Financial assets, available-for-sale				
-Fair value loss	-	(2,660)	-	(2,660)
Net loss	-	-	(924)	(924)
Total recognised loss	-	(2,660)	(924)	(3,584)
Issue of shares pursuant to an employee share option scheme	101	-	-	101
Employee share option scheme				
-Value of employee service	-	97	-	97
Dividends paid	-	-	(1,968)	(1,968)
Balance as at 30.06.08	27,020	91,957	28,545	147,522
Financial assets, available-for-sale				
-Fair value loss	-	(52,060)	-	(52,060)
Net loss	-	-	(1,476)	(1,476)
Total recognised loss	-	(52,060)	(1,476)	(53,536)
Issue of shares pursuant to an employee share option scheme	247	-	-	247
Employee share option scheme				
-Value of employee service	-	108	-	108
Transfer to share capital upon exercise of share options	113	(113)	-	-
Balance as at 30.09.08	27,380	39,892	27,069	94,341

2007	Share Capital	Other reserves	Retained Earnings	Total
The Company (\$S'000)				
Balance as at 01.01.07	25,825	38,968	2,672	67,465
Financial assets, available-for-sale				
-Fair value gains	-	28,681	-	28,681
Net loss	-	-	(314)	(314)
Total recognized income/(loss)	-	28,681	(314)	28,367
Issue of shares pursuant to an employee share option scheme	156	-	-	156
Employee share option scheme				
-Value of employee service	-	33	-	33
Balance as at 31.03.07	25,981	67,682	2,358	96,021
Financial assets, available-for-sale				
-Fair value gains	-	31,576	-	31,576
Net profit	-	-	38,115	38,115
Total recognized income/(loss)	-	31,576	38,115	69,691

2007 The Company (S\$'000)	Share Capital	Other reserves	Retained Earnings	Total
Issue of shares pursuant to an employee share option scheme	515	-	-	515
Employee share option scheme -Value of employee service	-	88	-	88
Dividends paid	-	-	(1,781)	(1,781)
Balance as at 30.06.07	26,496	99,346	38,692	164,534
Financial assets, available-for-sale -Fair value gains	-	30,020	-	30,020
Net profit/(loss)	-	-	(932)	(932)
Total recognised income/(loss)	-	30,020	(932)	29,088
Issue of shares pursuant to an employee share option scheme	247	-	-	247
Employee share option scheme -Value of employee service	-	97	-	97
Transfer of share capital upon exercise of share options	177	(177)	-	
Dividends paid	-	-	(5,362)	(5,362)
Balance as at 30.09.07	26,920	129,286	32,398	188,604

- 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 issued 375,000 ordinary shares arising from the exercise of share options for S\$247,425. These new shares rank pari passu with the existing shares of the Company. The share capital has been increased from 196,833,717 issued and paid up shares to 197,208,717 issued and paid up shares.

The Company has 2,825,000 (2007 : 2,050,000) 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.**

	30.09.08	31.12.07
No of ordinary shares issued and paid up	197,208,717	178,757,925

The Company does not have any treasury shares as at 30 September 2008 and 31 December 2007.

- 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 2007.

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 2008 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**

	9 months ended 30.09.08	9 months ended 30.09.07
Based on number of ordinary shares in issue (in cts)	9.01	20.07
Based on fully diluted number of ordinary shares (in cts)	8.99	19.96

The calculation of basic earnings per share for the nine months ended 30 September 2008 and 30 September 2007 is based on weighted average number of 196,816,108 issued and fully paid ordinary shares and the weighted average number of 195,273,042 issued and fully paid up ordinary shares respectively.

The calculation of fully diluted earnings per share for the nine months ended 30 September 2008 and 30 September 2007 is based on 197,352,679 shares and 196,339,160 shares respectively.

The calculation of the above earnings per share has been adjusted for the effects of the bonus issue of 17,875,792 ordinary shares on 10 April 2008.

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	
	30.09.08	31.12.07	30.09.08	31.12.07
Net asset backing per ordinary share based on existing share capital as at the end of the period (in S\$)	0.70	1.18	0.48	1.05
Number of shares used in computing Net Asset	197,208,717	178,757,925	197,208,717	178,757,925

The net asset value per ordinary share of the Group and the Company as at 30 September 2008 and 31 December 2007 was calculated based on 197,208,717 and 178,757,925 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 third quarter rose 88.6% to S\$14.3m compared with S\$7.6m for 3Q07. The increase was the result of higher charter rates and deployment of more and higher valued vessels in the marine logistics business as well as increased sales from the ship repair business. These factors also contributed to the Group's 65.3% jump in revenue for 9 months.

The Group's gross profit for the quarter increased to S\$7.8m from S\$4.5m for 3Q07 due to increased sales offset by higher cost of sales from rising crew wages and cost and depreciation. The gross profit for 9 months increased to S\$20.0m from S\$11.8m for 3Q07.

The gain from disposals of vessels and foreign exchange gain amounted to S\$2.3m for the third quarter compared to S\$5.5m in 3Q07.

Administrative expenses for the third quarter increased to S\$2.9m from S\$2.6m for 3Q07 as there was a write-back of provision for doubtful debt of S\$108k in 3Q07. Finance expenses decreased marginally to S\$130k from S\$150k for 3Q07 as a result of lower interest cost. Both the administrative and finance expenses for the 9 months were lower due to lesser accrual of performance bonus and cost of borrowings.

The Group's net profit for the third quarter increased 2.2% over 3Q07 attributable to better returns from operating a larger fleet and higher rates. For the 9 months, the Group's net profit of \$17.7m was lower compared to the previous corresponding period. This was due to a significant gain from the disposal of financial assets amounting to S\$29.4m in the previous corresponding period.

Consolidated Balance sheet

Financial assets, available-for-sale decreased due to lower market value of quoted shares held.

The increase in fixed assets was mainly due to the delivery of new vessels and progress payments made for vessels under construction.

The increase in inventory was mainly due to the higher volume of ship repair and maintenance.

The increase in trade debtors was mainly due to higher Group revenue.

Trade creditors and other payables increased in line with higher activity level.

Bank borrowings were higher to meet the Group's investment in new vessels.

Deferred gain represents 49% of Swissco's share in the unrealized gain from the sale of a vessel to PT Indonesia (associated company). This amount will be amortised over a period of 20 years on a straight-line basis.

The Group's equity attributable to equity holders of the Company decreased to \$138m from \$210m a year ago due to market valuation of financial assets. The Group's net gearing ratio at 30 September 2008 was 0.08.

Consolidated Cash flow statement

The Group continued to generate strong cash flow from its operations for the 9 months ended 30 September 2008. The Group planned investment in new vessels is well balanced by internal cash flows generated from operations as well as external borrowings.

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

The Group is mindful of the current financial outlook and the uncertain economic conditions and will continue with its efforts to optimize operational efficiency.

We expect demand for our services to remain steady for the rest of the year.

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/recommended, a statement to that effect

No dividend has been declared/recommendeded 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 period ended 30 September 2008 under review (excluding transactions less than S\$100,000)
Swissco Structural Mechanical Pte Ltd	Rental expense of S\$540,000 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 third quarter ended 30September 2008 to be false and misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary
13 November 2008