

SWISSCO INTERNATIONAL LIMITED
(COMPANY REGISTRATION NO: 200401051D)

Unaudited Half Year Financial Statement Announcement for the Period Ended 30 June 2007

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

	6 months ended 30.06.07	6 months ended 30.06.06	Variance
	S\$'000	S\$'000	%age +/-
Turnover	14,689	10,491	+40.0%
Cost of sales	(7,354)	(6,323)	+16.3%
Gross profit	7,335	4,168	+76.0%
Other operating income	31,861	162	NM
Administrative expenses	(6,243)	(1,817)	+243.6%
Other operating expenses	(306)	(162)	+88.9%
Profit from operation	32,647	2,351	+1288.6%
Financial expenses	(383)	(148)	+158.8%
Share of results of associated companies	-	604	NM
Profit before tax	32,264	2,807	+1049.4%
Taxation	(100)	(100)	-
Profit after tax	32,164	2,707	+1088.2%

NM = Not Meaningful

Notes to income statement :	6 months ended 30.06.07	6 months ended 30.06.06
	S\$'000	S\$'000
The profit after tax is determined after charging/(crediting) the following:		
Depreciation	1,386	728
Impairment loss on trade receivables	179	14
Interest Expense	383	148
Interest Income	(28)	(50)
Exchange loss	126	148
Gain on disposal of property, plant and equipment	(2,162)	(33)
Gain on disposal of financial assets, available-for-sale	(29,379)	-
Amortisation of deferred gain	-	(9)

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
	30.06.07	31.12.06	30.06.07	31.12.06
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant & equipment	70,397	51,128	-	-
Investment in subsidiaries	-	-	7,736	7,736
Club membership, at fair value	-	4	-	-
	70,397	51,132	7,736	7,736
Current assets				
Inventories	41	296	-	-
Trade receivables	9,597	8,039	-	-
Other current assets	1,103	586	20	39
Due from subsidiaries (non-trade)	-	-	55,811	19,115
Financial assets, available-for-sale	101,460	51,975	101,460	51,975
Fixed deposits	23,830	384	4,510	-
Cash and bank balances	1,996	2,721	477	45
	138,027	64,001	162,278	71,174
Current liabilities				
Trade payables	2,884	3,885	-	-
Other payables and accruals	8,718	3,508	5,479	1,739
Current tax liabilities	765	744	-	-
Borrowings, current portion	11,286	9,271	-	-
	23,653	17,408	5,479	1,739
Net current assets	114,374	46,593	156,799	69,435
Non-current liabilities				
Borrowings, non-current portion	6,514	3,571	-	-
Deferred tax liabilities	101	8,269	-	9,705
	6,615	11,840	-	9,705
Net assets	178,156	85,885	164,535	67,466
Equity				
Capital reserves attributable to equity holders of the company				
Share capital	26,496	25,825	26,496	25,825
Other reserves	94,034	32,817	99,345	38,967
Retained earnings	57,626	27,243	38,694	2,674
	178,156	85,885	164,535	67,466

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

Amount repayable in one year or less, or on demand

30.06.07		31.12.06	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,707	8,579	1,414	7,857

Amount repayable after one year

30.06.07		31.12.06	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
6,514	0	3,571	0

The Group's borrowings comprise :

(a) Bank Overdraft

The bank overdraft of S\$378,746 (FY06 : S\$257,059) was unsecured.

(b) Bank Term Loans comprise :

- (i) One (1) term loan with a balance of S\$424,292 as at balance sheet date (FY06 : S\$476,895) on a tenure of 10 years was secured on Group's leasehold building.
- (ii) Four (4) vessel loans with a balance of S\$8,501,045 as at balance sheet date (FY06 : Three (3) vessel loans with a balance of S\$4,123,768) on a tenure of 4 years were secured on Group's vessels.

(c) Short Term Advances

Short term advances of S\$8,200,000 (FY06 : S\$7,600,000) were unsecured.

(d) Finance Lease

The finance lease liabilities were secured on the motor vehicles, plant and equipment of the Group with net book values amounting to approximately S\$480,274 (FY06 : S\$384,194)

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

	6 months ended 30.06.07	6 months ended 30.06.06
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	32,264	2,807
Adjustments for :		
Share of results of associated companies	-	(604)
Gain on disposal of property, plant and equipment	(2,162)	(33)
Depreciation of property, plant and equipment	1,386	728
Gain from disposal of financial asset, available for sale	(29,379)	-
Amortisation of deferred income	-	(9)
Interest expense	383	148
Interest income	(28)	(50)
Employee share option benefit	121	84
Operating profit before working capital changes	2,585	3,071
Changes in operating assets and liabilities		
Inventories	255	17
Trade receivables	(1,558)	(2,532)
Other current assets	(517)	201
Trade and other payables	4,209	(620)
Cash generated from operations	4,974	137
Income tax paid	(77)	(238)
Net cash provided by/(used in) operating activities	4,897	(101)
Cash flows from investing activities		
Proceeds from disposal of financial assets, available- for-sale	32,822	-
Purchase of property, plant and equipment	(22,184)	(11,295)
Proceeds from sale of property, plant and equipment	3,692	41
Interest received	28	50
Net cash provided by/(used in) investing activities	14,358	(11,204)
Cash flows from financing activities		
Issue of share capital	670	10,467
Share issue expenses paid	-	(332)
Interest Paid	(383)	(148)
Proceeds from borrowings	15,093	6,806
Repayment of borrowings	(10,256)	(5,724)
Dividends paid to shareholders	(1,781)	-
Net cash provided by financing activities	3,343	11,069
Net increase/(decrease) in cash and cash equivalent held	22,598	(236)
Cash and cash equivalent at the beginning of the financial period	2,849	4,206
Cash and cash equivalent at the end of the financial period	25,447	3,970

(A) Cash and cash equivalents

Cash and cash equivalents included in the consolidated cashflow statement comprise the following :

	30.06.07	30.06.06
	S\$'000	S\$'000
Bank overdraft	(379)	(455)
Fixed Deposit	23,830	3,181
Cash and bank balances	1,996	1,244
	25,447	3,970

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

The Group

As at 30.06.07 (S\$'000)	Share capital	Share premium	Other reserves	Retained earnings	Total
Balance as at 01.01.07	25,825	-	32,817	27,243	85,885
Financial assets, available-for-sale- Fair value gains	-	-	61,096		61,096
Net profit for the financial period	-	-		32,164	32,164
Total recognized gains for the financial period	-	-	61,096	32,164	93,260
Issue of shares pursuant to an employee share option scheme	671	-	-	-	671
Employee share option scheme : Value of employee service	-	-	121	-	121
Dividends relating to 2006 paid	-	-		(1,781)	(1,781)
Balance as at 30.06.07	26,496	-	94,034	57,626	178,156
As at 30.06.06 (S\$'000)	Share capital	Share premium	Other reserves	Retained earnings	Total
Balance as at 01.01.06	11,735	3,916	(40)	16,292	31,903
Effect of Companies (Amendment) Act 2005	3,916	(3,916)	-	-	-
Net profit/total recognized gains for the financial period	-	-	-	2,707	2,707
Issue of shares	10,135	-	-	-	10,135
Employee share option -value of employee service	-	-	84	-	84
Balance as at 30.06.06	25,786	-	44	18,999	44,829

The Company

As at 30.06.07 (S\$'000)	Share capital	Share premium	Other reserves	Retained earnings	Total
Balance as at 01.01.07	25,825	-	38,967	2,674	67,466
Financial assets, available-for-sale-Fair value gains	-	-	60,257	-	60,257
Net profit for the financial period	-	-	-	37,801	37,801
Total recognized gains for the financial period	-	-	60,257	37,801	98,058
Issue of shares pursuant to an employee share option scheme	671	-	-	-	671
Employee share option scheme : Value of employee service	-	-	121	-	121
Dividends relating to 2006 paid	-	-	-	(1,781)	(1,781)
Balance as at 30.06.07	26,496	-	99,345	38,694	164,535
As at 30.06.06 (S\$'000)	Share capital	Share premium	Other reserves	Retained earnings	Total
Balance as at 01.01.06	11,735	3,916	30	1,609	17,290
Effect of Companies (Amendment) Act 2005	3,916	(3,916)	-	-	-
Net loss/total recognized loss for the financial period	-	-	-	(124)	(124)
Issue of shares	10,135	-	-	-	10,135
Employee share option-value of employee service	-	-	84	-	84
Balance as at 30.06.06	25,786	-	114	1,485	27,385

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 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 issued 1,780,000 ordinary shares arising from the exercise of share options, for S\$670,480. The share capital has been increased from 176,377,925 issued and paid up shares to 178,157,925 issued and paid up shares accordingly.

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

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 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

Except as disclosed under item 5, 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 2006.

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

In 2007, the Group adopted the new and revised financial reporting standards (FRS), which are relevant to the group.

Amendment to FRS 1 Presentation of Financial Statements-Capital Disclosures
FRS 40 Investment Property
FRS 107 Financial Instruments:Disclosures

The adoption of the above new and revised FRS did not materially affect the results of the Group.

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

	6 months ended 30.06.07	6 months ended 30.06.06
Based on weighted average number of ordinary shares in issue (in cents)	18.17	1.68
Based on fully diluted basis (in cents)	18.07	1.68

The calculation of basic earnings per share for the financial period ended 30 June 2007 is based on the weighted average number of 177,039,582 issued and fully paid ordinary shares. The calculation

of basic earnings per share for the financial period ended 30 June 2006 is based on 161,421,258 issued and fully paid ordinary shares.

The calculation of fully diluted earnings per share for the financial period ended 30 June 2007 is based on adjusted weighted average number of ordinary shares in the Company of 178,066,300 shares.

The calculation of fully diluted earnings per share for the financial period ended 30 June 2006 is based on adjusted weighted average number of ordinary shares in the Company of 161,346,021 shares.

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

	The Group	The Group	The Company	The Company
	30.06.07	31.12.06	30.06.07	31.12.06
Net asset value per ordinary share based on existing share capital as at the end of the period (S\$)	1.00	0.49	0.92	0.38
Number of shares used in computing net asset value per ordinary share	178,157,925	176,377,925	178,157,925	176,377,925

The net asset value per ordinary share of the Group and the Company as at 30 June 2007 was calculated based on 178,157,925 issued and fully paid ordinary shares.

The net asset value per ordinary share of the Group and the Company as at 31 December 2006 was calculated based on 176,377,925 issued and fully paid ordinary shares.

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 :-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Group Income Statement

The Group registered a turnover of S\$14.7m (1H07) compared with S\$10.5m (1H06). The higher turnover came from increases in offshore vessel chartering as well as better rates enjoyed by both offshore vessel and ship repair services. The marine logistic support services turned in S\$12.9m (1H07) compared with S\$8.5m (1H06), and the ship repair services S\$2.8m (1H07) compared with S\$2.3m (1H06).

Gross profit for the group improved to S\$7.3m (1H07) compared with S\$4.2m (1H06).

During 1H07 the Group divested part of an investment which the Group had held for a long time. The divestment yielded a gain of S\$29.4m which contributed to the net profit of S\$32.2m compared with S\$2.7m (1H06).

Consequently, administrative expenses increased to S\$6.2m (1H07) from S\$1.8m (1H06). This includes a provision for additional performance bonus for key executive directors. Provision was made for an impairment loss on trade receivables, which caused the increase in other operating expenses to S\$306k (1H07) from S\$162k (1H06). Finance cost rose to S\$383k (1H07) from S\$148k (1H06) because of additional bank borrowings.

Balance Sheet

Property, plant and equipment have increased substantially due to progressive payments made towards vessels under construction which are expected for delivery in the 2H07 as well as for FY08.

Trade receivables have increased in-line with higher sales recorded. Financial assets, available for sale (AFS) as of end of 1H07 have increased significantly due to higher market valuation.

Higher fixed deposits are due to proceeds from the divestment of AFS. Other payables and accruals have increased due to provision for performance bonuses of key executive directors.

Bank borrowings have increased as the Group has drawn down new loans to make progressive payment for vessels under construction. Deferred tax liabilities have been written back as they are now no longer deemed required after an internal assessment.

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

There is no variance between the forecast and the actual results.

10. A commentary at the date of the announcement of the 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

Strong demand for oil and gas will translate to more exploration and production activities. Consequently, the Group expects the industry to remain buoyant for the rest of the year as the industry is experiencing a shortage of suitable offshore support vessels. The industry had not seen any significant number of vessel replacements in the last 20 years. Demand for the Group's offshore vessels and related services is expected to continue.

The Group expects to take delivery of a further 7 vessels for the remaining year. The vessels will contribute progressively as and when they join the fleet.

The Group will continue to capitalize on opportunities to maximize returns should these present themselves.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	Special Interim
Dividend Type	Cash, special interim
Dividend Rate	Three cents per ordinary share (tax exempt, 1-tier)

(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

Please refer to (d).

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on **3 September 2007 and 4 September 2007**, both dates inclusive, for the preparation of dividend warrants.

Duly completed transfers received by the Company's Registrar, B.A.C.S Private Limited, 63 Cantonment Road Singapore 089758 up to the close of business at 5:00 p.m. on **31 August 2007** will be registered to determine shareholders' entitlement to the special cash interim dividend of three cents per ordinary share (tax exempt 1-tier) for the year ending 31 December 2007.

The dividend will be paid on **12 September 2007** to shareholders registered in the books of the Company on **31 August 2007**.

In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

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

Not applicable.

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 Person Transactions

During the 6 months ended 30 June 2007, the following interested person transactions were entered into by the Group :

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\$264,000 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 of the Group for the half year ended 30 June 2007 to be false and misleading.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary

13 August 2007