

## **SWISSCO INTERNATIONAL LIMITED**

(Company Reg. No: 200401051D)

### **DILUTION IN EQUITY STAKE IN ASSOCIATED COMPANY**

Swissco International Limited ("Swissco"), a SESDAQ listed company, wishes to announce that its associated company, Swiber Holdings Pte Ltd ("Swiber"), has increased its issued and fully paid capital from S\$15 million to S\$16.5 million by an allotment of an additional 1.5 million ordinary shares at S\$1.00 per share ("New Shares") to Swiber's key executive directors. The allotment served as part of an incentive and reward to them for their efforts and contributions to the growth and development of Swiber.

Consequent to the issue of New Shares, the Swissco's shareholdings in Swiber is diluted from 22% to 20% of the total enlarged issued and fully paid capital of Swiber. However, Swissco's total number of shares in the capital of Swiber remains at 3.3 million ordinary shares.

Swiber engages in ship chartering and ship engineering services in the oil and gas industry in certain geographical segments and more recently, in the coal mining industry. In its operations, Swiber utilises its own vessels, third party vessels as well as vessels from the Swissco's fleet. The activities of Swiber complement the Swissco's offshore logistic support business. With growing demands and opportunities in the oil and gas industry, Swiber is actively expanding its business and building-up its fleet.

Following the dilution of its percentage shareholdings in Swiber, the Swissco's effective interests in the following associated companies through Swiber is correspondingly reduced from 22% to 20%.

- (a) Swiber Marine (Malaysia) Sdn Bhd;
- (b) PT Swisko Berjaya;
- (c) Swiber Offshore Pte Ltd; and
- (d) APECS Offshore Pte Ltd
- (e) Apecs Offshore Limited;

The Swissco's effective interest in Camvale Pte Ltd through Swiber Offshore Pte Ltd is also reduced from 22% to 20%.

The above transaction is not expected to have a material impact on the consolidated net tangible assets per share and consolidated earnings per share of Swissco for the financial year ending 31 December 2006.

None of the Directors or substantial shareholders or controlling shareholders of Swissco has any interest direct or indirect in the aforesaid transaction.

By Order of the Board

Tan Ching Chek  
Company Secretary  
Dated: 5 October 2006