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Swissco places out 29 million New Shares

- Net proceeds of approximately \$9.9 million for fleet expansion and working capital

SINGAPORE – 27 March 2006 – SESDAQ-listed **Swissco International Limited** (“Swissco”), a Singapore-based marine company that owns, operates and charters a modern fleet of offshore support vessels, “Out-Port-Limit” boats, tugs and barges, today announced that it has entered into a placement agreement with CIMB-GK Securities Pte Ltd to place out 29,000,000 new ordinary shares (“the Placement Shares”) at \$0.355 per share due to demand from institutional investors.

The net proceeds from the Placement are estimated to be approximately \$9.9 million. Out of this, approximately \$8.0 million will be used to fund the Company’s offshore fleet expansion plans. The balance will be used for working capital requirements.

Alex Yeo, Swissco’s Chief Executive Officer said “The proceeds from the Placement will enable us to further enhance our expansion of our offshore fleet. It will accelerate our plans to move into bigger and more specialized offshore vessels.”

With the 14 new support vessels, the Group now has a fleet of 19 vessels and barges. Eight vessels were introduced in the first half of 2005 and another six new additions were commissioned in the third and fourth quarters. The strategy driving the replacement programme is aimed at building up a high quality earning stream by offering high value added services and operating specialised vessels.

The buoyant global oil and gas industry, fuelling the increase in demand for offshore support and other vessels, enabled the Group to dispose of more vessels, replacing them with newer and more specialised ones. The upsurge in demand and utilisation of its fleet of offshore support vessels and barges boosted gross profit margins from 12% in FY2004 to 23% in FY2005.

“With the current level of oil prices showing no signs of significant change, we expect the marine support and oil and gas industries to remain buoyant throughout 2006. The demand for offshore vessels and barges, as well as our ship repair and maintenance services is expected to show continued growth,” Mr Yeo said.

The Placement Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares and represent approximately 19.8% of the issued share capital of the Company. When completed, the Placement will increase the existing issued ordinary share of the Company from 146,692,925 shares (as at the date of this announcement) to 175,692,925 shares. Subsequently the Group’s unaudited net tangible assets per share will be adjusted from 21.75 cents to 23.79 cents as at 31 December 2005.

About Swissco International Ltd

With a history that dates back to 1970, Swissco is today one of the leading operators of a young fleet of offshore support vessels, providing marines services to the shipping and offshore oil and gas industries.

With a diversified base of customers from various industries, Swissco’s vessels can be found operating in Asian countries such as Indonesia, Malaysia, Vietnam, Thailand and other far-flung areas like Russia and East Africa.

Swissco also operates a ship repair and maintenance yard, comprising 2 slipways, waterfront and 3,000 DWT dockyard that has the capacity to carry out dry docking and afloat repairs of smaller to mid-sized support vessels.

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