



FOR IMMEDIATE RELEASE

Swissco achieves net profit of US\$15.9 million for FY2014

- *Net profit was US\$38.9 million if impairment of goodwill and other one-time costs were excluded*
- *Acquisition of rig business Scott and English Energy Pte Ltd (“S&E”) in July 2014 and subsequent fleet expansion boosted the Group’s financial performance*
- *Group’s functional currency changed from SGD to USD with effect from 1 October 2014 to better reflect S&E’s contribution*
- *First and final dividend of 2.0 Singapore cents per share recommended, comprising ordinary and special dividends of 1.0 Singapore cent each*

Singapore, 25 February 2015 – SGX Mainboard-listed **Swissco Holdings Limited** (“Swissco” or the “Company,” together with its subsidiaries, the “Group”), an *integrated, international marine services provider*, today announced a net profit of US\$15.9 million on the back of US\$65.5 million revenue for the financial year ended 31 December 2014 (“FY2014”).

“Our solid FY2014 results reflect our successful diversification upstream into the offshore oil and gas industry as well as the continued enhancement and expansion of our fleet,” Swissco’s Chairman Mr Lim How Teck said. “In light of our encouraging performance, the Board is pleased to recommend a first and final dividend of 2.0 Singapore cents per share to thank our loyal shareholders for their support.”

“With the successful acquisition of Scott and English Energy, we are poised to continue growing on the back of our sound fundamentals, sustainable growth strategy and stable business model. Looking ahead, we also expect to continue deriving synergies from the complementary fit between our rigs and vessels, even as we continue exploring ways to further strengthen our offerings.”

Review of financial performance

As the S&E acquisition was a Very Substantial Acquisition, in which, S&E’s shareholders became the majority shareholders of the enlarged Group. The consolidated financial statements for the period ended 31 December 2014 has been prepared as a continuation of S&E’s financial statement. The full year results comprised contribution from S&E’s drilling segment from January to December 2014 and five months’ contribution from the OSV, Ship repair and

Maritime services. The Group also changed its functional currency from SGD to USD to reflect S&E's significant contribution to the enlarged Group's results.

Financial Highlights	4QFY2014¹ (US\$'000)	4QFY2013 (US\$'000)	FY2014² (US\$'000)	FY2013 (US\$'000)
Revenue	37,324	-	65,514	-
Gross Profit	12,039	-	18,500	-
Other Income	922	471	2,305	1,272
Other gains – net	5,344	111	5,344	-
Share of profits of associated companies and joint ventures	10,755	4,455	24,066	15,755
Net Profit	87	4,259	15,981	15,352
Basic Earnings Per Share (United States Cents) ³	0.013	0.941	2.914	3.394

The Group reported total revenue of US\$37.3 million for the fourth quarter of FY2014 (“4QFY2014”) and US\$65.5 million for the full financial year ended 31 December 2014 (“FY2014”). The Group’s two wholly-owned drilling rigs contributed US\$11.4 million in revenue after commencing charter in 4QFY2014, while the Group started recognizing revenue from offshore support vessel (OSV) chartering, ship repair, and maritime services from August 2014 following the completion of the S&E acquisition. No revenue was recorded in the fourth quarter and full financial year ended 31 December 2013 (“4QFY2013” and “FY2013” respectively) as S&E only recorded its share of profit of associated companies and joint ventures for those periods.

For 4QFY2014, the Group’s OSV-chartering business contributed US\$9.5 million in revenue while its maritime services segment recorded revenues of US\$16.1 million. For the 2014 full year, the Group recorded US\$16.7 million revenue from OSV-chartering and US\$36.9 million in revenue from maritime services. Below is a breakdown of the revenue contributions from the enlarged Group’s various operating segments:

¹ The Group’s consolidated income statement for **4QFY2014** consists of the results of both S&E and Swissco Group, whereas the consolidated financial statement for **4QFY2013** consists only of S&E’s results.

² The Group’s consolidated income statement for **FY2014** includes the full year results of S&E and results of Swissco Group for the period 1 August to 31 December 2014, whereas the consolidated financial statement for **FY2013** consists only of S&E’s results.

³ Earnings per share (“EPS”) has been restated and reflects the results of Scott and English till the date of the acquisition, and the results of the enlarged Group from the S&E acquisition date onwards. In addition, EPS has been retrospectively adjusted to take into account the share consolidation of every two shares in the capital of the Company into one consolidated share.

(US\$' million)	4QFY2014	FY2014*
Drilling Rigs	11.4	11.4
OSV Chartering	9.5	16.7
Ship Repair	0.3	0.5
Maritime Services	16.1	36.9
Total Revenue	37.3	65.5

*FY2014 revenue includes contribution from OSV chartering, ship repair and maritime services for the period from August to December 2014

The two jointly-owned rigs were being added to the Group's fleet in September 2014, the Group's share of profits of associated companies and joint ventures increased to US\$10.8 million in 4QFY2014 and US\$ 24.1million for the FY2014 full year.

The Group recorded a profit after tax of US\$0.1 million for 4QFY2014 and US\$15.9 million for the FY2014 full year. Excluding the impairment of goodwill and other non-recurring expenses amounting to US\$20.7 million for 4QFY2014 and US\$23.0 million for FY2014, net profit was US\$20.8 million for 4QFY2014 and US\$38.9 million for FY2014.

EPS has been restated and reflects the results of S&E until the date of the acquisition, and the results of the enlarged Group from the acquisition date onwards. EPS has also been retrospectively adjusted to take into account the share consolidation of every two shares in the capital of the company into one during the third quarter of 2014. Accordingly, the Group recorded EPS of 0.013 United States cents for 4QFY2014 and EPS of 2.914 United States cents for FY2014.

As at 31 December 2014, the Group maintained a healthy balance sheet with a strong cash balance of US\$38.6 million.

Net proceeds of US\$36.8 million in October 2014 received from the issuance of redeemable exchangeable preference shares reduced the Group's net gearing ratio from 1.04 times as at 30 September 2014 to 0.83 times as at 31 December 2014.

The Board of Directors has recommended a first and final ordinary dividend of 2.0 Singapore cent per share, comprising an ordinary dividend of 1.0 Singapore cent per share and a special dividend of 1.0 Singapore cent per share, subject to shareholders' approval at the Company's annual general meeting which will be announced at a later date.

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Outlook

Commenting on the industry's and the Group's outlook, Swissco's Senior Executive Director Mr Tan Fuh Gih said: "While the external environment remains volatile, we believe that our strong fundamentals and unique business model provide us with the resilience to weather uncertainty and further grow our business in spite of the challenging market. Looking ahead, we remain optimistic that our fully-integrated offering of marine solutions and services can effectively and efficiently meet the needs of our customers. We will continue to strategically enhance our fleet, through ways like our strategic constructing of a liftboat and to co-own two jack-up accommodation units which are currently under construction. Our ultimate goal is to continue enhancing and unlocking the value of the Company for our shareholders."

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About Swissco Holdings Limited

Swissco Holdings Limited ("Swissco") is an integrated, international marine company providing rig and vessel chartering, ship repair, maintenance and maritime services for the oil and gas, shipping and marine infrastructure industries. Helmed by industry veterans, Swissco offers a 'one-stop' solution to major clients operating worldwide. Swissco owns a fleet of rigs secured on long-term bareboat contracts to service oil and gas majors. In addition, it owns and operates a diverse fleet of offshore support vessels, tugs, barges and OPL (Out-Port-Limit) boats. As a fully-integrated offshore marine support player, Swissco's vessels and rigs are deployed across Southeast Asia, Latin America and the Middle East. The Group provides one of the most comprehensive marine and shipping solutions in a prompt, reliable and efficient manner. It was listed on SGX Catalist in 2004 and transferred to the Mainboard in 2013.

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