

SWISSCO INTERNATIONAL LIMITED
(COMPANY REGISTRATION NO: 200401051D)

Unaudited Financial Statement Announcement for the First Quarter ended 31 March 2010

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

	First Quarter ended 31.03.10	First Quarter ended 31.03.09	Variance
	S\$'000	S\$'000	% +/-
Sales	12,254	14,043	-12.7
Cost of sales	(7,013)	(6,158)	+13.9
Gross profit	5,241	7,885	-33.5
Other income	33	61	-45.9
Other (losses)/gains-net	(43)	336	-112.8
Less : Expenses			
Administrative	(1,995)	(2,353)	-15.2
Finance	(154)	(172)	-10.5
Share of loss of an associated company	(46)	-	NM
Profit before income tax	3,036	5,757	-47.3
Income tax expense	(102)	(325)	-68.4
Net profit for the financial period attributable to owners of the Company	2,934	5,432	-46.0
Other comprehensive income/(loss):			
Financial asset available-for-sale - fair value gain/(loss)	810	(6,840)	+111.8
Total comprehensive income/(loss) for the period attributable to owners of the Company	3,744	(1,408)	+365.9

NM – Not Meaningful

Notes to income statement:	First Quarter ended 31.03.10	First Quarter ended 31.03.09
	S\$'000	S\$'000
The profit after tax is determined after (charging) / crediting the following:		
Depreciation	(2,350)	(1,870)
Allowance for impairment of receivables	(189)	(177)
Interest expense	(154)	(172)
Interest income	10	1
Gain on disposal of property, plant & equipment	7	202
Foreign exchange (loss)/gain	(72)	118
Amortisation of deferred gain	22	16
Overprovision of income tax expense in prior years	-	165

1(b)(i) Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group	Group	Company	Company
	31.03.10	31.12.09	31.03.10	31.12.09
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	15,898	14,578	304	416
Financial asset available-for-sale	28,350	27,540	28,350	27,540
Trade and other receivables	15,194	15,457	-	-
Due from subsidiaries (non-trade)	-	-	60,622	56,615
Inventories	51	99	-	-
Other current assets	1,167	606	164	11
	60,660	58,280	89,440	84,582
Non-current asset classified as held for sale	4,888	-	-	-
	65,548	58,280	89,440	84,582
Non-current assets				
Investment in subsidiaries	-	-	7,836	7,836
Investment in an associated company	-	46	211	211
Investment in a joint venture	20	20	20	20
Property, plant and equipment	139,540	144,934	-	-
	139,560	145,000	8,067	8,067
Total assets	205,108	203,280	97,507	92,649
LIABILITIES				
Current liabilities				
Trade and other payables	20,221	18,804	6,806	6,262
Borrowings	18,810	19,722	-	-
Current income tax liabilities	846	744	-	-
	39,877	39,270	6,806	6,262
Non-current liabilities				
Borrowings	4,200	6,783	-	-
Deferred income tax liabilities	1,087	1,087	-	-
Deferred gain	1,565	1,587	-	-
	6,852	9,457	-	-
Total liabilities	46,729	48,727	6,806	6,262
NET ASSETS	158,379	154,553	90,701	86,387
SHARE CAPITAL AND RESERVES				
Share capital	27,380	27,380	27,380	27,380
Other reserves	23,933	23,041	27,706	26,815
Retained earnings	107,066	104,132	35,615	32,192
	158,379	154,553	90,701	86,387

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

Amount repayable in one year or less, or on demand

31.03.10		31.12.09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
8,635	10,175	15,172	4,550

Amount repayable after one year

31.03.10		31.12.09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,376	1,824	6,783	0

The Group's borrowings include:

(a) Secured Bank Loans

These were secured by the pledge of the Group's leasehold properties and certain vessels.

(b) Finance Lease

The finance lease obligations were secured with the fixed assets of the group.

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

	First Quarter ended 31.03.10	First Quarter ended 31.03.09
	S\$'000	S\$'000
Cash flows from operating activities		
Net Profit	2,934	5,432
Adjustments for :		
Income tax expense	102	325
Employee share option benefit	82	129
Depreciation of property, plant and equipment	2,350	1,870
Interest expense	154	172
Amortisation of deferred gain	(22)	(16)
Interest income	(9)	(1)
Gain from disposal of property, plant and equipment	(7)	(202)
Share of loss of an associated company	46	0
Operating cash flow before working capital changes	5,630	7,709
Changes in working capital :		
Trade and other receivables	263	434
Inventories	48	(147)
Other current assets	(561)	878
Trade and other payables	(66)	(6,384)
Cash generated from operations	5,314	2,490
Income tax refund	-	28
Net cash provided by operating activities	5,314	2,518
Cash flows from investing activities :		
Interest received	9	1
Proceeds from disposal of property, plant and equipment	9	785
Purchase and construction of property, plant and equipment	(363)	(10,095)
Net cash used in investing activities	(345)	(9,309)
Cash flows from financing activities :		
Interest paid	(154)	(172)
Proceeds from borrowings	2,520	9,250
Repayment of borrowings	(5,999)	(2,067)
Repayment of finance lease liabilities	(16)	(20)
Net cash (used in)/provided by financing activities	(3,649)	6,991
Net increase in cash and cash equivalents held	1,320	200
Cash and cash equivalents at the beginning of the period	14,578	4,313
Cash and cash equivalents at the end of the financial period	15,898	4,513

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

	First Quarter ended 31.03.10	First Quarter ended 31.03.09
	S\$'000	S\$'000
Fixed Deposits	5,003	35
Cash and bank balances	10,895	4,478
	15,898	4,513

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

2010				
The Group (S\$'000)	Share Capital	Other reserves	Retained earnings	Total
Balance as at 01.01.10	27,380	23,041	104,132	154,553
Employee share option scheme -Value of employee service	-	82	-	82
Total comprehensive income/(expense)	-	810	2,934	3,744
Balance as at 31.03.10	27,380	23,933	107,066	158,379

2009				
The Group (S\$'000)	Share Capital	Other reserves	Retained earnings	Total
Balance as at 01.01.09	27,380	13,999	81,928	123,307
Employee share option scheme -Value of employee service	-	129	-	129
Total comprehensive income/(expense)	-	(6,840)	5,432	(1,408)
Balance as at 31.03.09	27,380	7,288	87,360	122,028

2010				
The Company (S\$'000)	Share Capital	Other reserves	Retained earnings	Total
Balance as at 01.01.10	27,380	26,815	32,192	86,387
Employee share option scheme -Value of employee service	-	82	-	82
Total comprehensive income/(expense)	-	810	3,422	4,232
Balance as at 31.03.10	27,380	27,707	35,614	90,701

2009				
The Company (S\$'000)	Share Capital	Other reserves	Retained earnings	Total
Balance as at 01.01.09	27,380	19,311	27,775	74,466
Employee share option scheme -Value of employee service	-	129	-	129
Total comprehensive income/(expense)	-	(6,840)	(1,195)	(8,035)
Balance as at 31.03.09	27,380	12,600	26,580	66,560

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 outstanding convertibles, a 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.

In accordance to the conditional merger agreement, new options shall not be granted in 2010 (2009: 866,667) to employees and directors during the financial period.

The Company has 4,700,000 (2009: 4,700,000) 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.

	31.03.10	31.12.09
No. of ordinary shares issued and paid up	197,208,717	197,208,717

The Company does not have any treasury shares as at 31 March 2010 and 31 December 2009.

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 financial information set out in Items 1, 4, 5, 6 and 7 of this announcement for the quarter ended 31 March 2010 has been extracted from the Condensed Consolidated Interim Financial Information which have been reviewed by our independent auditor in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Please see the Appendix 1.

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 accounting policies and methods of computation applied by the Group and the Company are consistent with those used in its most recently audited financial statements which have been prepared in accordance with the Singapore Financial Reporting Standards, except that the Group has adopted the following new or revised FRS that became effective in this financial year: -

FRS 27 (Revised)	Consolidated and separate financial statements
FRS 103 (Revised)	Business Combinations
Amendment to FRS 39	Eligible hedged items
INT – FRS 117	Distributions of non-cash assets to owners
INT – FRS 118	Transfer of assets from customers

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 2010 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

	31.03.10	31.03.09
Based on number of ordinary shares in issue (in cents)	1.49	2.75
Based on fully diluted number of ordinary shares (in cents)	1.48	2.75

The calculation of basic earnings per share for the first quarter ended 31 March 2010 and 31 March 2009 is based on average weighted number of 197,208,717 issued and fully paid ordinary shares.

The calculation of fully diluted earnings per share for the first quarter ended 31 March 2010 and 31 March 2009 is based on 198,773,895 shares and 197,234,496 shares respectively.

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 Company	
	31.03.10	31.12.09	31.03.10	31.12.09
Net asset backing per ordinary share based on existing share capital as at the end of the period (in S\$)	0.80	0.78	0.46	0.44
Number of shares used in computing Net Asset	197,208,717	197,208,717	197,208,717	197,208,717

The net asset value per ordinary share of the Group and the Company as at 31 March 2010 and 31 December 2009 was calculated based on 197,208,717 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 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 revenue for 1Q10 decreased by S\$1.8m (12.7%) to S\$12.3m compared to 1Q09. Both the vessel chartering business as well as the ship repair and maintenance business registered lower revenues by S\$1.4m and S\$0.4m respectively.

The vessel chartering revenue decreased despite an increase in fleet size from 27 (as at 31 March 2009) to 32 (as at 31 March 2010) offshore support vessels. Lower utilization contributed to the decline in charter revenue. Addition of higher value vessels enhanced the Group's fleet composition resulting in higher average charter rate mitigating the lower utilization compared to the previous corresponding quarter.

The Group's ship repair and maintenance business registered a marginal decrease in turnover to S\$1.0m in 1Q10 (1Q09: S\$1.4m) as fewer vessels docked for repair.

Cost of sales increased 13.9% to S\$7.0m from S\$6.2m due mainly to higher depreciation, fuel and crew costs in line with more vessels owned and operated.

Other (losses)/gains-net for 1Q10 comprises S\$72k exchange loss offset by other miscellaneous gain of S\$29k. For 1Q09, other gains-net consist of gains from disposal of a vessel amounting to S\$0.2m plus an exchange gain of S\$0.1m.

Administrative expenses decreased 15.2% to S\$2.0m (1Q09: S\$2.4m) due mainly to lower activity level and lower accrual of performance bonus in line with lower profits. The Group had lower average bank borrowings in 1Q10 compared to 1Q09 and consequently, finance cost was lower.

Consolidated Balance Sheet

Financial asset available-for-sale (AFS) increased due to its higher market price.

Property, plant and equipment decreased due to reclassification of S\$4.9m to non-current asset classified as held for sale. The Group has signed an agreement to dispose 1 vessel to be completed in May 2010.

Trade and other payables increased due to accruals of expenses in addition to those accrued at 31 December 2009.

Bank borrowings decreased as the Group repaid loans with cash generated from operation.

Consolidated Cash Flow Statement

The Group continues to generate positive cash flow from its operations in 1Q10. The Group net gearing ratio improved to 4% at 31 March 2010 from 7% at 31 December 2009.

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

The Group did not make any forecast or prospect statement.

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

Demand for charter of offshore vessels is dependent on offshore oil and gas activities which in turn are supported by demand for oil.

The Group took delivery of 2 vessels since the beginning of 2010 and will take further delivery of 5 vessels for the rest of the financial year and 2 vessels in 2011 based on the current delivery schedule.

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/recommendeded, 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 Persons Transactions

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\$153,144 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 interim financial results for the first quarter ended 31 March 2010 to be false and misleading in any material aspect.

LETTER FROM PRIMEPARTNERS CORPORATE FINANCE PTE. LTD. TO THE BOARD OF DIRECTORS

Please see the Appendix 2.

BY ORDER OF THE BOARD

Tan Ching Chek
Company Secretary
10 May 2010