

**SINGAPORE SHIPPING CORPORATION LIMITED**  
(Company Registration Number: 198801332G)

**UNAUDITED SECOND QUARTER FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2016**

**PART I – INFORMATION REQUIRED FOR QUARTERLY ANNOUNCEMENTS**

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

	The Group Second Quarter			The Group First Half		
	FY2017	FY2016	Change	FY2017	FY2016	Change
	US\$'000	US\$'000 (Restated)*	%	US\$'000	US\$'000 (Restated)*	%
Revenue	11,605	11,445	1.4	22,410	22,120	1.3
Other operating income	325	318	2.2	631	574	9.9
Depreciation expense on property, plant and equipment	(1,766)	(1,666)	6.0	(3,545)	(3,311)	7.1
Vessel operation costs	(1,263)	(1,257)	0.5	(2,652)	(2,668)	(0.6)
Transportation, warehouse and terminal operating costs	(2,162)	(2,101)	2.9	(4,116)	(3,939)	4.5
Staff and crew costs	(3,197)	(2,844)	12.4	(6,219)	(5,615)	10.8
Other operating expenses	(499)	(333)	49.8	(1,104)	(775)	42.5
Results from operating activities	3,043	3,562	(14.6)	5,405	6,386	(15.4)
Finance income	45	-	NM	73	18	NM
Finance costs on bank borrowings	(728)	(818)	(11.0)	(1,470)	(1,408)	4.4
Exchange differences	4	475	(99.2)	15	268	(94.4)
Share of results of associated company and joint venture, net of tax	(68)	(33)	106.1	(123)	(64)	92.2
Profit before taxation	2,296	3,186	(27.9)	3,900	5,200	(25.0)
Taxation	(42)	13	NM	(45)	4	NM
<b>Profit for the period</b>	<b>2,254</b>	<b>3,199</b>	<b>(29.5)</b>	<b>3,855</b>	<b>5,204</b>	<b>(25.9)</b>
<b>Attributable to:</b>						
Owners of the Company	2,254	3,199	(29.5)	3,855	5,204	(25.9)
<b>Earnings per share (US cents)</b>						
Basic	0.5	0.7	(28.6)	0.9	1.2	(25.0)
Diluted	0.5	0.7	(28.6)	0.9	1.2	(25.0)

Q2: Second Quarter    1H: First Half    FY: Financial year ending 31 March    NM: Not meaningful

**SINGAPORE SHIPPING CORPORATION LIMITED**

(Company Registration Number: 198801332G)

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

For the income statement, Singapore Dollar ("SGD") was translated at average rate as prescribed below:-

	<u>Sep 2016</u>	<u>Sep 2015</u>	<u>% Change</u>
SGD	1.3593	1.3714	(0.9)

\* The figures for Q2 FY2016 and 1H FY2016 have been restated due to the adoption of "straight line" revenue recognition over the entire charter period for ship owning revenue. Please refer to Note 3(z) in the audited financial statements for the year ended 31 March 2016 as set out in the Annual Report for more details.

**2. A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>The Group Second Quarter</b>		<b>The Group First Half</b>	
	<b>FY2017</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2016</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
		<b>(Restated)</b>		<b>(Restated)</b>
<b>Profit for the period</b>	2,254	3,199	3,855	5,204
<b>Other comprehensive income/(loss)</b>				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Cash flow hedges:				
- Effective portion of changes in fair value of cash flow hedges	304	(2,171)	(1,115)	(908)
- Realised and transferred to income statement	112	371	407	397
	416	(1,800)	(708)	(511)
Net change in currency translation reserve	(179)	(733)	(182)	(450)
<b>Other comprehensive income/(loss) for the period, net of tax</b>	237	(2,533)	(890)	(961)
<b>Total comprehensive income for the period</b>	2,491	666	2,965	4,243
<b>Attributable to:</b>				
Owners of the Company	2,491	666	2,965	4,243

**SINGAPORE SHIPPING CORPORATION LIMITED**

(Company Registration Number: 198801332G)

**3(a). A statement of financial position (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year.**

	The Group		The Company	
	30.9.2016	31.3.2016	30.9.2016	31.3.2016
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	155,200	157,026	-	-
Goodwill	605	702	-	-
Investment in subsidiaries	-	-	32,625	32,625
Amount due from subsidiaries	-	-	11,543	11,714
Associated company and joint venture	3,859	4,000	1,208	1,208
Other assets	150	151	-	-
	159,814	161,879	45,376	45,547
<b>Current assets</b>				
Inventories	416	447	-	-
Trade and other receivables	4,254	5,411	39	26
Amount due from subsidiaries	-	-	743	51
Financial assets held for trading	103	92	-	-
Cash and cash equivalents	12,878	13,160	10,203	11,064
	17,651	19,110	10,985	11,141
<b>Less:</b>				
<b>Current liabilities</b>				
Trade and other payables	7,123	7,233	122	251
Amount due to subsidiaries	-	-	6,669	3,509
Derivative financial liabilities	724	910	-	-
Bank borrowings	12,188	12,188	-	-
	20,035	20,331	6,791	3,760
<b>Net current (liabilities)/assets</b>	<b>(2,384)</b>	<b>(1,221)</b>	<b>4,194</b>	<b>7,381</b>
<b>Non-current liabilities</b>				
Bank borrowings	77,132	83,226	-	-
Derivative financial liabilities	2,519	1,625	-	-
Deferred income	6,707	4,564	-	-
	86,358	89,415	-	-
<b>Net assets</b>	<b>71,072</b>	<b>71,243</b>	<b>49,570</b>	<b>52,928</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	31,812	31,747	31,812	31,747
Other reserves	(4,445)	(3,555)	-	-
Retained earnings	43,705	43,051	17,758	21,181
<b>Total equity</b>	<b>71,072</b>	<b>71,243</b>	<b>49,570</b>	<b>52,928</b>

**SINGAPORE SHIPPING CORPORATION LIMITED**

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**3(a). A statement of financial position (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year (continued).**

For the statement of financial position, the following closing rates were used to translate Singapore Dollar:-

	<u>Sep 2016</u>	<u>Mar 2016</u>	<u>% Change</u>
SGD	1.3651	1.3494	1.2

**3(b). Aggregate amount of the group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

<b>As at 30.9.2016</b>		<b>As at 31.3.2016</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
US\$12,188,000	-	US\$12,188,000	-

**Amount repayable after one year**

<b>As at 30.9.2016</b>		<b>As at 31.3.2016</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
US\$77,132,000	-	US\$83,226,000	-

**Details of any collaterals**

The bank borrowings of the Group are generally secured by a corporate guarantee from the Company, first priority mortgage of vessels and assignment of vessels' insurances. The carrying amount of the vessels mortgaged as security for the bank borrowings is approximately US\$125.3 million as at 30 September 2016 (31 March 2016: US\$126.8 million).

**SINGAPORE SHIPPING CORPORATION LIMITED**

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**4. A statement of cash flows (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	The Group Second Quarter		The Group First Half	
	FY2017	FY2016	FY2017	FY2016
	US\$'000	US\$'000 (Restated)	US\$'000	US\$'000 (Restated)
<b>Cash flows from operating activities</b>				
Profit before taxation	2,296	3,186	3,900	5,200
Adjustments for:				
Depreciation expense on property, plant and equipment	1,766	1,666	3,545	3,311
Share-based payment expense	65	82	65	82
Interest income	(34)	(13)	(61)	(22)
Net change in fair value of financial assets held for trading	(11)	13	(12)	4
Finance costs on bank borrowings	728	818	1,470	1,408
Gain on foreign exchange	(36)	(510)	(38)	(311)
Share of results of associated company and joint venture, net of tax	68	33	123	64
Changes in working capital	4,842	5,275	8,992	9,736
Inventories	(83)	7	31	49
Trade and other receivables	570	(297)	1,157	597
Trade and other payables	(140)	(819)	(88)	211
Deferred income	1,078	1,043	2,143	2,074
Cash generated from operations	6,267	5,209	12,235	12,667
Tax paid	(42)	(1)	(45)	(10)
<b>Net cash from operating activities</b>	<b>6,225</b>	<b>5,208</b>	<b>12,190</b>	<b>12,657</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(13)	(350)	(1,004)	(515)
Payment for dry-docking expenditure	-	-	(724)	(763)
Interest received	37	9	61	19
<b>Net cash from/(used in) investing activities</b>	<b>24</b>	<b>(341)</b>	<b>(1,667)</b>	<b>(1,259)</b>
<b>Cash flows from financing activities</b>				
Repayment of bank borrowings	(3,047)	(3,047)	(6,094)	(6,094)
Payment of finance costs on bank borrowings	(736)	(817)	(1,492)	(1,309)
Dividends paid	(3,201)	(3,110)	(3,201)	(3,110)
<b>Net cash used in financing activities</b>	<b>(6,984)</b>	<b>(6,974)</b>	<b>(10,787)</b>	<b>(10,513)</b>
Change in cash and cash equivalents	(735)	(2,107)	(264)	885
Cash and cash equivalents at beginning of the period	13,629	10,332	13,160	7,297
Effects of foreign exchange rate fluctuation on cash and cash equivalents	(16)	(124)	(18)	(81)
<b>Cash and cash equivalents at end of the period</b>	<b>12,878</b>	<b>8,101</b>	<b>12,878</b>	<b>8,101</b>

**SINGAPORE SHIPPING CORPORATION LIMITED**

(Company Registration Number: 198801332G)

5(a). 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.

5(a)(i). **The Group**

***Consolidated statement of changes in equity for the period ended 30 September 2016***

	Share capital	Hedging reserve	Currency translation reserve	Share-based payment reserve	Retained earnings	Total attributable to owners of the Company
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 April 2016</b>	31,747	(2,535)	(1,020)	-	43,051	71,243
<b>Total comprehensive income/(loss) for the period</b>						
Profit for the period	-	-	-	-	3,855	3,855
Other comprehensive loss for the period	-	(708)	(182)	-	-	(890)
<b>Total</b>	-	(708)	(182)	-	3,855	2,965
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Employee share-based compensation scheme						
- Value of employee services	-	-	-	65	-	65
- Issue of new shares	65	-	-	(65)	-	-
Dividends paid	-	-	-	-	(3,201)	(3,201)
<b>Total</b>	65	-	-	-	(3,201)	(3,136)
<b>Balance at 30 September 2016</b>	<b>31,812</b>	<b>(3,243)</b>	<b>(1,202)</b>	<b>-</b>	<b>43,705</b>	<b>71,072</b>
<b>Balance at 1 April 2015</b>	31,665	(605)	(1,253)	-	36,573	66,380
<b>Total comprehensive income/(loss) for the period</b>						
Profit for the period (restated)	-	-	-	-	5,204	5,204
Other comprehensive loss for the period	-	(511)	(450)	-	-	(961)
<b>Total</b>	-	(511)	(450)	-	5,204	4,243
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Employee share-based compensation scheme						
- Value of employee services	-	-	-	82	-	82
- Issue of new shares	82	-	-	(82)	-	-
Dividends paid	-	-	-	-	(3,110)	(3,110)
<b>Total</b>	82	-	-	-	(3,110)	(3,028)
<b>Balance at 30 September 2015</b>	<b>31,747</b>	<b>(1,116)</b>	<b>(1,703)</b>	<b>-</b>	<b>38,667</b>	<b>67,595</b>

**SINGAPORE SHIPPING CORPORATION LIMITED**

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- 5(a). 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 (continued).

5(a)(ii). The Company**Statement of changes in equity for the period ended 30 September 2016**

	Share capital	Share- based payment reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 April 2016</b>	31,747	-	21,181	52,928
<b>Total comprehensive loss for the period</b>				
Loss for the period	-	-	(222)	(222)
Total	-	-	(222)	(222)
<b>Transactions with owners, recognised directly in equity</b>				
<b>Contributions by and distributions to owners</b>				
Employee share-based compensation scheme				
- Value of employee services	-	65	-	65
- Issue of new shares	65	(65)	-	-
Dividends paid	-	-	(3,201)	(3,201)
Total	65	-	(3,201)	(3,136)
<b>Balance at 30 September 2016</b>	31,812	-	17,758	49,570
<b>Balance at 1 April 2015</b>	31,665	-	19,259	50,924
<b>Total comprehensive loss for the period</b>				
Loss for the period	-	-	(325)	(325)
Total	-	-	(325)	(325)
<b>Transactions with owners, recognised directly in equity</b>				
<b>Contributions by and distributions to owners</b>				
Employee share-based compensation scheme				
- Value of employee services	-	82	-	82
- Issue of new shares	82	(82)	-	-
Dividends paid	-	-	(3,110)	(3,110)
Total	82	-	(3,110)	(3,028)
<b>Balance at 30 September 2015</b>	31,747	-	15,824	47,571

**SINGAPORE SHIPPING CORPORATION LIMITED**

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- 5(b). 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 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.**

**Issued and fully paid ordinary shares**

	<b>No. of ordinary shares</b>
As at 1 July 2016	436,348,591
Issued during the period	
- Pursuant to the grant of performance shares under employee share-based compensation scheme	308,000
As at 30 September 2016	436,656,591

On 1 August 2016, the Company issued 308,000 ordinary shares for fulfilling the grant of performance shares that were fully vested under the Singapore Shipping Corporation Limited Performance Share Plan 2015.

There are no outstanding share options as at 30 September 2016 and 30 September 2015.

- 5(c). 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.**

	<b>As at 30.09.2016</b>	<b>As at 31.03.2016</b>
Total number of issued shares (excluding treasury shares)	436,656,591	436,348,591

There were no shares held as treasury shares as at 30 September 2016 and 31 March 2016.

- 5(d). A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 6. 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.

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

Not applicable.



**SINGAPORE SHIPPING CORPORATION LIMITED**

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8. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared with the audited financial statements as at 31 March 2016.

9. **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.**

There is no change in the accounting policies and methods of computation adopted.

10. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per ordinary share is calculated by dividing net profit attributable to owners of the Company by weighted average number of ordinary shares outstanding during the financial period.

	The Group Second Quarter		The Group First Half	
	FY2017	FY2016	FY2017	FY2016
Net profit attributable to owners of the Company (US\$'000)	2,254	(Restated) 3,199	3,855	(Restated) 5,204
(i) Based on weighted average number of ordinary shares in issue (US cents)	0.5	0.7	0.9	1.2
(ii) On a fully diluted basis (US cents)	0.5	0.7	0.9	1.2
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	436,553	436,243	436,451	436,129
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	436,553	436,243	436,451	436,129

## SINGAPORE SHIPPING CORPORATION LIMITED

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11. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	The Group		The Company	
	30.9.2016	31.3.2016	30.9.2016	31.3.2016
	US Cents	US Cents	US Cents	US Cents
Net asset value per ordinary share based on the total number of issued shares as at the end of the period/year	16.3	16.3	11.4	12.1

12. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.**

### REVENUE

	The Group Second Quarter			The Group First Half		
	FY2017	FY2016	Change	FY2017	FY2016	Change
	US\$'000	US\$'000 (Restated)	%	US\$'000	US\$'000 (Restated)	%
Ship owning	8,125	8,166	(0.5)	15,701	16,065	(2.3)
Agency & logistics	3,480	3,279	6.1	6,709	6,055	10.8
	11,605	11,445	1.4	22,410	22,120	1.3

### PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

	The Group Second Quarter			The Group First Half		
	FY2017	FY2016	Change	FY2017	FY2016	Change
	US\$'000	US\$'000 (Restated)	%	US\$'000	US\$'000 (Restated)	%
Ship owning	2,502	2,623	(4.6)	4,193	4,996	(16.1)
Agency & logistics	521	495	5.3	1,119	746	50.0
Unallocated items <sup>(a)</sup>	(773)	(394)	96.2	(1,472)	(806)	82.6
Exchange differences	4	475	(99.2)	15	268	(94.4)
Profit for the period	2,254	3,199	(29.5)	3,855	5,204	(25.9)

<sup>(a)</sup> Unallocated items refer to corporate costs, finance income and taxation.

- Lower income from ship owning segment due mainly to off-hire of a vessel for dry-docking;
- Improved performance from agency & logistics segment due to higher revenue/margins achieved on special projects; and
- Higher unallocated items due mainly to accrued and higher corporate expenses.

## **SINGAPORE SHIPPING CORPORATION LIMITED**

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- 12. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (continued).**

### STATEMENT OF FINANCIAL POSITION

Reduced value of property, plant and equipment was due to depreciation of vessels, partially offset by capitalisation of dry-docking expenses and purchase of vessel equipment.

Reduced bank borrowings due to progressive repayments made during the financial period.

The Group's current liabilities exceed current assets by US\$2.4 million. However, the Group maintains positive operating cash flows of US\$12.2 million for 1H FY2017.

### STATEMENT OF CASH FLOWS

Overall decrease of US\$0.3 million in cash and cash equivalents during the financial period mainly due to utilisation of operating cash inflows for:

- Repayment of bank borrowings; and
- Dividends paid to the shareholders.

- 13. Where a forecast, or a prospect statement, had been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast was previously reported.

- 14. 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.**

- The Group continues to be profitable for Q2 FY2017 due to its stream of stable recurring income.
- Agency & logistics business faces a challenging environment. It will however remain profitable.
- Due to its strong free cash position, the Group has made an early full repayment of one of its bank loans amounting to US\$7.6 million, 2 years ahead of its due date. This will save interest expenses. The Group continues to evaluate acquisition opportunities.
- Barring any unforeseen circumstances, the Group expects to remain profitable for FY2017.

**SINGAPORE SHIPPING CORPORATION LIMITED**

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**15. Dividends**

**(a) Current financial period reported on**

Any dividend declared/recommended for the current financial period reported on? No

**(b) Corresponding period of the immediately preceding financial year**

Any dividend declared/recommended for the corresponding period of the immediately preceding financial year? No

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend has been declared or recommended in the current reporting period.

**17. Interested person transactions (“IPTs”)**

The Company has not obtained a general mandate from shareholders for any IPTs.

**18. Statement by directors pursuant to Rule 705(5) of the Listing Manual**

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 30 September 2016 to be false or misleading in any material aspect.

**19. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Ow Chio Kiat  
Executive Chairman

Ow Yew Heng  
Chief Executive Officer

**BY ORDER OF THE BOARD**

Lee Li Huang  
Company Secretary

11 November 2016