



中航国际船舶控股有限公司

AVIC International Maritime Holdings Limited



FY2013 Financial Results

February 2014



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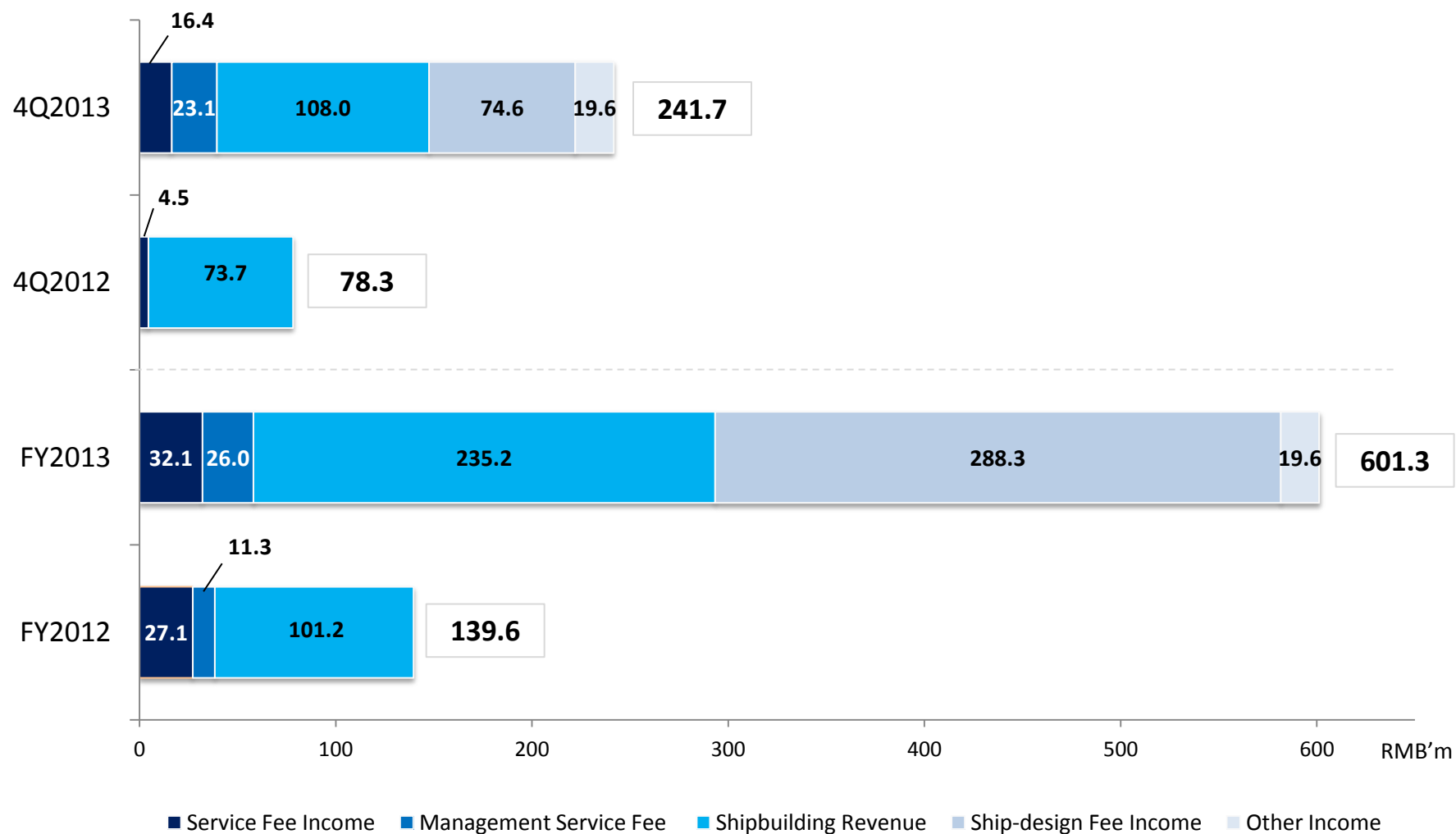


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FY2013 Financial Highlights



Revenue

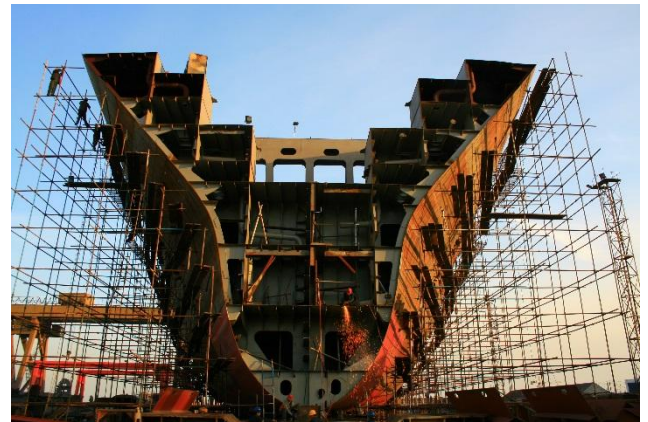




Revenue

Higher revenue achieved due to:

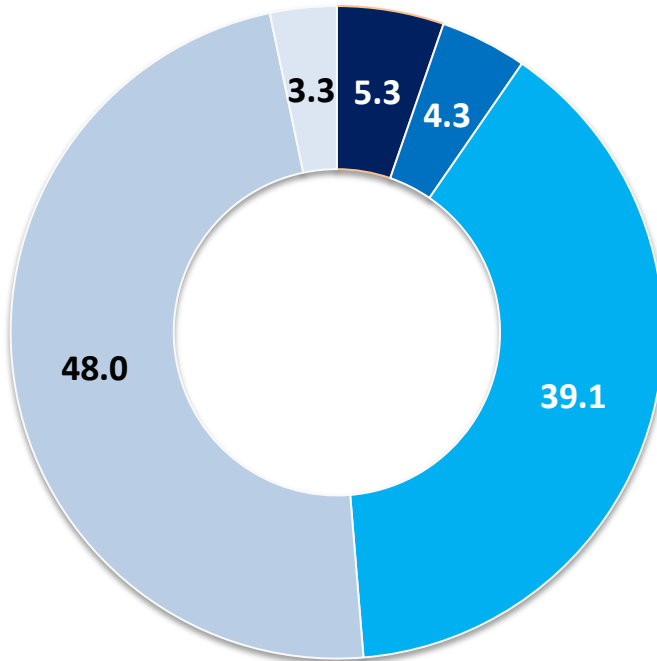
- Shipbuilding revenue for the construction of five vessels including three units of ASD tugboats, one unit of diver boat and one unit of bunkering tanker.
- Ship-design fee income from the newly acquired Deltamarin Group, the acquisition of which was completed in January 2013.
- Other income from the trading of steel plate to AVIC Dingheng and a third party shipyard.



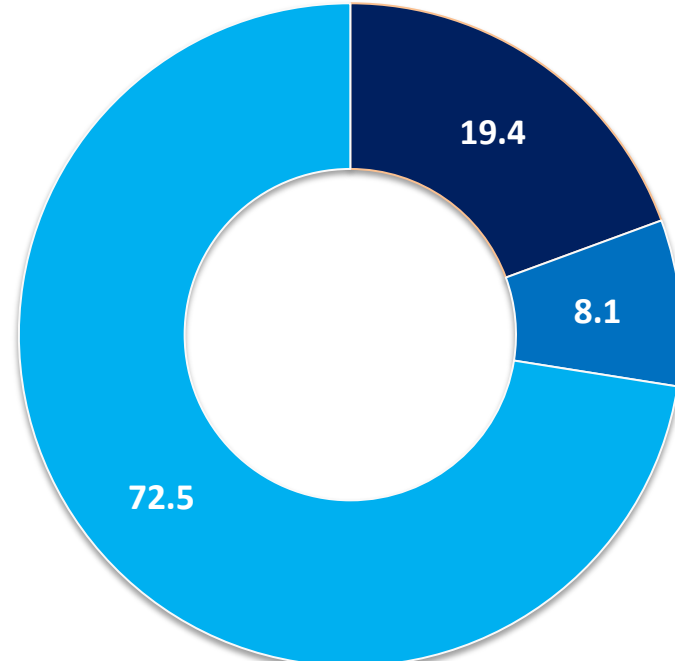


Revenue by Business Segments

FY2013 (%)



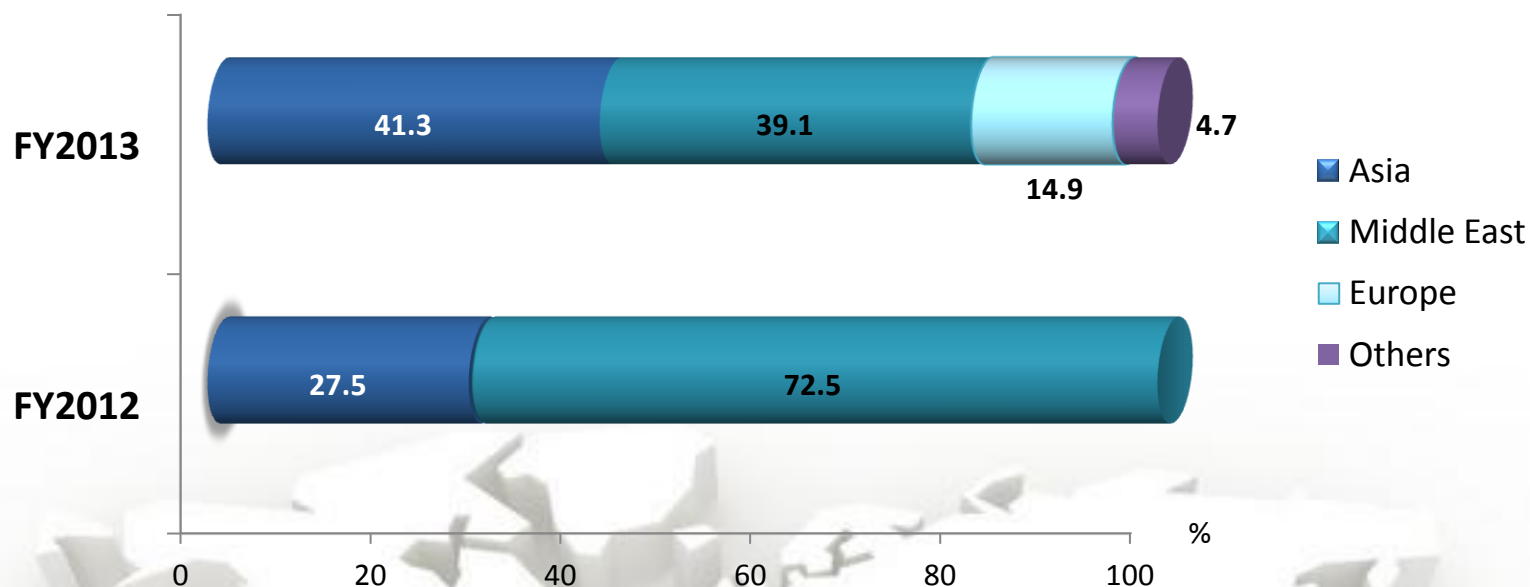
FY2012 (%)



■ Service Fee Income ■ Management Service Fee ■ Shipbuilding Revenue ■ Ship Design Fee Income ■ Other Income



Revenue by Geographical Locations



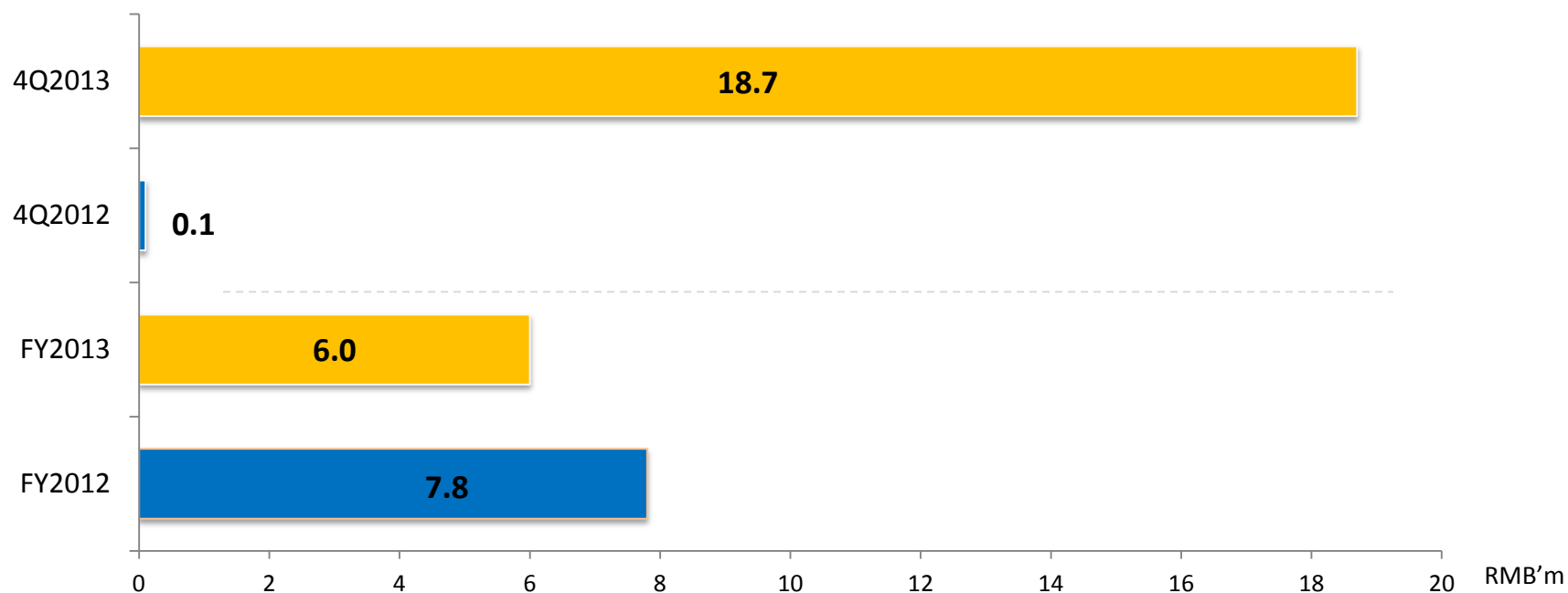
Service fee income and management service fee income were derived from **Asia**

Shipbuilding revenue was derived from the **Middle East**

Ship-design fee income was mainly derived from **Europe and Asia**, with contribution from **North America, South America, Africa and Australia**



Net Profit



Factors affecting profitability:

- (i) Increase in contract cost mainly due to the construction work for the five vessels and the contract cost incurred by Deltamarin Group to generate the ship-design fee income.
- (ii) Increase in employee benefits, travelling expenses, office rental and office expenses due to the expansion of the Group's operations as well as the inclusion of expenses from Deltamarin Group.
- (iii) Increase in operating expenses due to additional bad debts written off and increase in foreign exchange loss from long term loans which were denominated in Euro and USD and the bank balances of PRC subsidiaries denominated in USD.
- (iv) Increase in finance costs and income tax expenses.



Cash Flow

Cash Flow (RMB'm)	4Q2013	4Q2012	FY2013	FY2012
Net cash from operating activities	65.8	33.9	37.2	68.7
Net cash from/(used in) investing activities	(1.9)	(216.8)	39.6	(217.0)
Net cash from/(used in) financing activities	(50.4)	238.8	(26.4)	358.2
Cash and cash equivalents at the end of the period	403.2	355.3	403.2	355.3



Key Financial Indicators

	4Q2013	4Q2012	FY2013	FY2012
Earnings Per Share (RMB cents)	6.26	0.05	0.74	2.73
Weighted average number of shares	285,576,000	285,576,000	285,576,000	285,576,000
	As at 31 Dec 2013		As at 31 Dec 2012	
Net Asset Value Per Share (RMB cents)	65.84		56.42	
Number of ordinary shares in issue	285,576,000		285,576,000	
Current Ratio (times) (Defined as current assets / current liabilities)	2.6		6.5	
Debt to Equity Ratio (%) (Defined as total debt / total equity)	230.1		264.6	



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Business Updates



Moving Up the Value Chain

 **DELTAMARIN™** Completed acquisition of 79.57% stake in Deltamarin Group in January 2013

- Experienced developer of **profitable, sustainable and cost-efficient** vessels
- Provides **one-stop expert services** throughout the **entire life cycle** of a marine and offshore structure
- Handled **more than 5,000 complex marine and offshore projects**, in all major vessel types ranging from passenger and cargo vessels to chemical carriers and floating production storage and offloading units
- Revolutionary set of **innovative designs** such as:
 - Standard bulk carrier designs which offer low fuel consumption with high cargo deadweight and cubic capacity available in the market
 - World's highest capacity pure car truck carriers with low fuel consumption
 - Largest semi-submersible heavy-lift vessels
 - Harsher environment offshore vessels
 - Advanced cruise ships



B.Delta - Deltamarin bulk carrier design



Titanic II - Copyright Blue Star Line Pty Ltd 2013



Dynamic Producer - Photo: Petroserv



Oasis of the Seas - Photo: Jouni Saaristo



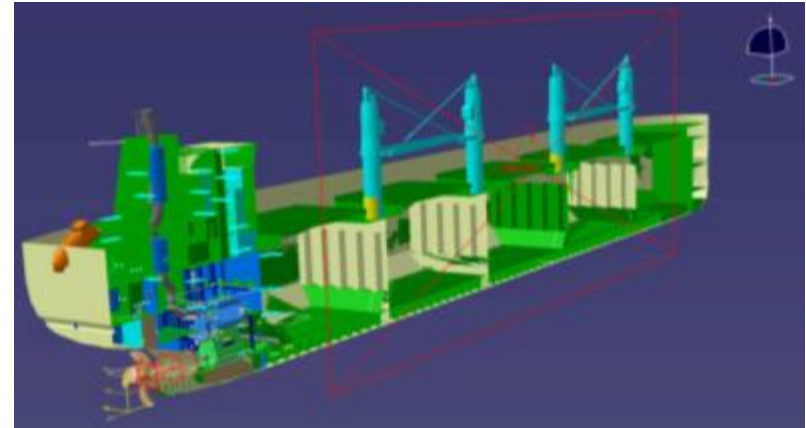
Deltamarin's New Orders and Contracts

May 2013

- Received new orders for its **B.Delta Bulk Carrier Series**, bringing the total number of Deltamarin's B.Delta designs and derivative designs to **59 vessels**, all of which are or will be built at shipyards in China.
- Total value of all these orders is about **Euro 5.1 million**, corresponding to about 70 man-years of design work.

July 2013

- Signed a contract with the Chinese Tianjin Xingang Shipbuilding Heavy Industry for the Approval and Detail Design work for **two (plus two options) Post Panamax Car Carriers** ordered by the Swedish shipowner **Wallenius Lines**.
- Vessels for Wallenius Lines are highly efficient **Ro-Ro Pure Car Truck Carriers**, designed to offer **improved fuel efficiency** and ensure **low environmental impact**.
- Total contract value of Deltamarin's design work, to be carried out over an estimated period of 12 months, is **Euro 3.5 million**.



B.Delta - Deltamarin bulk carrier design

October 2013

- **First B.Delta37 bulk carrier delivered** to China Navigation fulfils performance expectations.



Deltamarin's New Orders and Contracts

January 2014

- Deltamarin has to-date received 103 orders for its **B.Delta Bulk Carrier Series**. The latest is the order of **eight** open hatch B.Delta37 bulk carriers by Polish shipowner, **Polska Zegluga Morska P.P.**, at Yangfan Group shipyard.
- Total contract value is about **Euro 1 million**, to be carried out over an estimated period of six months.



Deltamarin – Offshore FPSO

February 2014

- Further strengthens its position in the offshore oil and gas industry with the signing of a contract with **Bumi Armada**, for the basic design of a **floating production, storage and offloading unit (FPSO)**.
- Provides a **robust FPSO design** that is suitable for the harsh North Sea environment that **fulfils the UK rules and regulations** in all aspects.
- Total contract value of Deltamarin's design work, to be carried out over an estimated period of six months, is **Euro 3.6 million**.



Seeking opportunities in the Marine and O&G Industry

On 14 February 2014, AVIC Maritime's wholly-owned subsidiary, Kaixin Industrial Pte. Ltd. and Deltamarin Ltd. together incorporated a joint-venture company in Singapore under the name of Delta-AVIC Pte. Ltd. ("Delta-AVIC").

The principal activities of Delta-AVIC will be to provide engineering, procurement and construction services for the marine and the oil and gas industry.



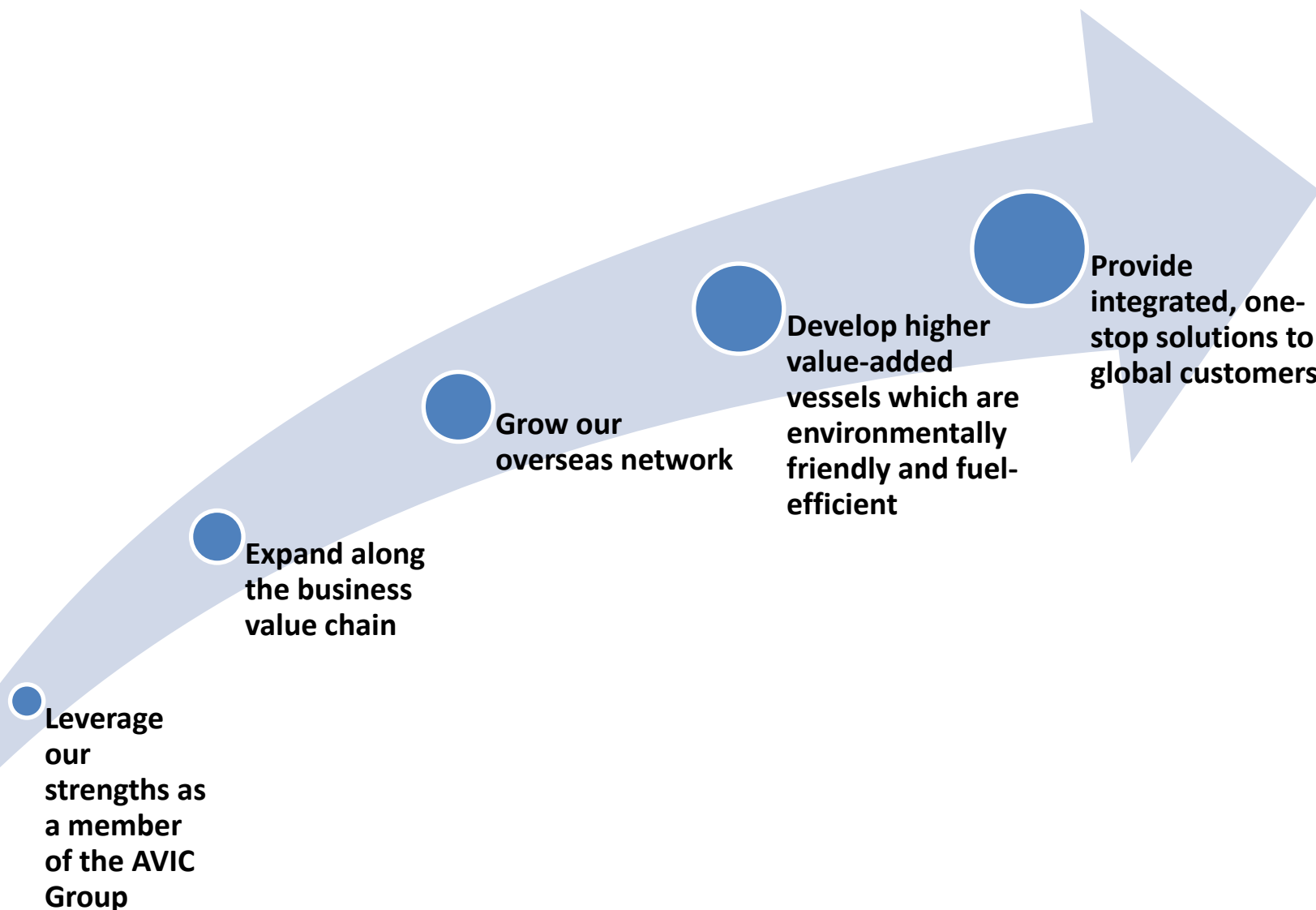


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Business Strategies



Business Strategies





Key Investment Merits



We are an active player in the marine and offshore industry, with a wide suite of services



We have an experienced and driven management team with in-depth industry knowledge



We are a member of the AVIC Group, one of the largest industrial groups owned by the PRC Central Government



As a member of the AVIC Group, we have strong support from the PRC domestic financial institutions



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Thank You