



Atlantic Navigation Holdings (Singapore) Limited

(Company registration no. 200411055E)

MEDIA RELEASE

Atlantic Navigation half-year net profit increased 19.8% (year-on-year) to US\$6.62 million

- On a half-yearly basis, revenue increased by 4.6% and net profit was up 19.8%
- Took delivery of a new vessel in June 2014, with another two under construction

Results Snapshot

US\$ million	2Q2014	2Q2013	% chg ⁺⁺	HY2014	HY2013	% chg ⁺⁺
Revenue by segment						
- Marine logistics services	11.39	11.87	(4.0)	21.93	21.56	1.7
- Ship repair, fabrication & others	0.98	0.45	117.0	1.67	1.00	66.3
Group Revenue	12.37	12.32	0.4	23.60	22.56	4.6
Gross Profit by segment						
- Marine logistics services	4.93	5.18	(4.9)	9.36	8.15	14.9
- Ship repair, fabrication & others	0.38	0.08	400.0	0.55	0.33	65.2
Group Gross Profit	5.31	5.26	0.9	9.91	8.48	16.9
Gross Profit Margin	42.9%	42.7%	+0.2ppts	42.0%	37.6%	+4.4ppts
Pretax Profit	3.59	3.64	(1.5)	6.62	5.52	19.8
Net Profit	3.59	3.64	(1.5)	6.62	5.52	19.8
Basic EPS (US cents)*	1.38	1.40		2.54	2.12	
Diluted EPS (US cents) ⁺	1.36	-		2.51	-	

* Based on weighted average number of shares of 260.6 million as at 30 June 2014 (30 June 2013: 260.6 million)

+ Based on weighted average number of shares as at 30 June 2014, adjusted for the dilutive effect of 4.1 million share options (30 June 2013: N/A)

++ The percentage change is computed based on the dollar amounts rounded to the nearest thousand

4 August 2014 – Atlantic Navigation Holdings (Singapore) Limited (“Atlantic Navigation” or “the Group”), a leading provider of marine logistics services in the Middle East, has reported net profit of US\$6.6 million for the first six months of financial year 2014 (“HY2014”), an increase of 19.8% from HY2013. For the three-month period ended 30 June 2014 (“2Q2014”), net profit was US\$3.6 million, with no significant change from 2Q2013.

Review of 2Q2014 Operating Results

The Group’s financial results in 2Q2014 did not change significantly compared to the corresponding period in FY2013. Group revenue rose 0.4% to US\$12.4 million, with gross profit increasing 0.9% to US\$5.3 million. However, the segmental breakdown saw a greater contribution from ship repair, fabrication and other marine services; this segment contributed US\$981K of revenue for 2Q2014,

more than double the US\$452K amount in 2Q2013. With the uptick in work volume and resultant spread of fixed overhead costs, gross profit for the segment increased from US\$76K in 2Q2013 to US\$380K in 2Q2014.

Review of HY2014 Operating Results

Revenue grew 4.6% to US\$23.6 million, with US\$372K of the increase coming from the marine logistics services segment, and US\$664K from ship repair, fabrication and other marine services. The Group's gross profit for the period was US\$9.9 million, an increase of 16.9% from HY2013, largely driven by the gross profits from the marine logistics services segment, which increased 14.9% from US\$8.1 million to US\$9.4 million.

The Group's finance costs increased from US\$0.6 million in HY2013 to US\$0.8 million in HY2014, as higher borrowings resulted in higher interest expenses. Notably, a new loan was undertaken in June 2014 to partially finance the purchase of a new multipurpose offshore support vessel, which was announced in November 2013.

Outlook and Strategy

Within the Middle East, the Group sees a strong demand base for its marine logistics services underpinned by high levels of investment in offshore energy and production. Looking further beyond its operating base, the Group is also continuing to explore strategic opportunities in new markets, and has a 90% equity interest in a Ghanaian subsidiary, established in May 2014, which is actively working with potential new clients in West Africa.

The Group took delivery of a new 60.5-metre multipurpose offshore support vessel in June 2014, and has two additional vessels under construction – a 75-metre platform supply vessel scheduled for delivery in 2Q2015, and a self-propelled self-elevating liftboat expected in 1Q2016.

“We will continue to be nimble to adapt to the changing needs of the market, and positioning ourselves for continued growth at a sustainable pace. The vessels we are acquiring will enable us to better serve the needs of current and potential clients, and this is also supported by our business development efforts, where we are actively pursuing opportunities beyond the Middle East.”

Mr. Wong Siew Cheong, Executive Chairman and CEO of Atlantic Navigation

About Atlantic Navigation Holdings (Singapore) Limited (Bloomberg: ATL SP, Reuters: ATLA.SI)

Atlantic Navigation Holdings (Singapore) Limited is an investment holding company with a vertically integrated offering of marine logistics services as well as ship repair and maintenance services. It owns, operates, and charters its fleet of 14 offshore support vessels to leading offshore oil and gas companies primarily in the Middle East, India and Africa. It also manages the sourcing and cross-chartering of third party vessels to match customers' requirements where necessary. Additionally, the Group provides ship repair, fabrication, maintenance, and other services at its workshop facility in Sharjah, UAE.

The Group was established in the UAE in 1997, and completed a reverse takeover of Fastube Limited on 30 July 2012. The entity was renamed as Atlantic Navigation Holdings (Singapore) Limited and has been trading under this name on SGX Catalyst (stock code: 5UL) since 1 October 2012.

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