

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

**UNAUDITED 3RD QUARTER FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2015**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY RESULTS**

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

	The Group			The Group		
	Q3 FY2016	Q3 FY2015	Change	9M FY2016	9M FY2015	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue (i)	12,900	9,259	39.3	37,094	24,755	49.8
Other operating income	385	448	(14.1)	959	1,076	(10.9)
Depreciation expense on property, plant and equipment (i)	(1,664)	(938)	77.4	(4,975)	(2,584)	92.5
Vessel operation costs (i)	(1,181)	(689)	71.4	(3,849)	(1,910)	101.5
Transportation, warehouse and terminal operating costs	(2,402)	(2,702)	(11.1)	(6,341)	(7,783)	(18.5)
Staff and crew costs (i)	(2,731)	(2,230)	22.5	(8,346)	(6,283)	32.8
Other operating expenses	(303)	(398)	(23.9)	(1,078)	(1,103)	(2.3)
Results from operating activities	5,004	2,750	82.0	13,464	6,168	118.3
Finance income (ii)	21	9	133.3	39	362	(89.2)
Finance costs on bank borrowings (i)	(797)	(145)	NM	(2,205)	(449)	NM
Exchange differences	(10)	411	(102.4)	258	558	(53.8)
Share of results of associated company and joint venture, net of tax	(47)	(13)	NM	(111)	(22)	NM
Profit before taxation	4,171	3,012	38.5	11,445	6,617	73.0
Taxation	(6)	(9)	(33.3)	(2)	(16)	(87.5)
Profit for the period	4,165	3,003	38.7	11,443	6,601	73.4
Attributable to:						
Owners of the Company				11,443	6,601	73.4
Earnings per share, US cents						
Basic				2.6	1.5	
Diluted				2.6	1.5	

Q3: 3rd Quarter 9M: 9 Months 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 income statement, Singapore Dollar are translated at average rate as prescribe below:-

	Dec 2015	Dec 2014	% Change
SGD	1.3836	1.2705	8.9%

Note (i) The variance in revenue, depreciation expense on property, plant and equipment, vessel operation costs, staff and crew costs and finance costs on bank borrowings are due mainly to the acquisition of 3 vessels.

Note (ii) Finance income

	The Group		The Group	
	Q3 FY2016	Q3 FY2015	9M FY2016	9M FY2015
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income on deposits with banks	17	1	39	57
Interest income on interest-bearing financial assets	-	3	-	17
Net change in fair value of financial assets held-for-trading	4	(5)	-	12
Gain on disposal of financial assets held-for-trading	-	10	-	259
Others	-	-	-	17
	21	9	39	362

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

	The Group		The Group	
	Q3 FY2016	Q3 FY2015	9M FY2016	9M FY2015
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Profit for the period</b>	4,165	3,003	11,443	6,601
Other comprehensive income:				
Items that are or may be reclassified subsequently to profit or loss				
Cash flow hedges:				
- Effective portion of changes in fair value of cash flow hedges	667	(28)	(241)	(65)
- Realised and transferred to income statement	346	58	743	180
	1,013	30	502	115
Net change in currency translation reserve	90	(571)	(360)	(674)
<b>Other comprehensive income for the period, net of tax</b>	1,103	(541)	142	(559)
<b>Total comprehensive income for the period</b>	5,268	2,462	11,585	6,042
<b>Attributable to:</b>				
Owners of the Company	5,268	2,462	11,585	6,042

**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.**

	<b>The Group</b>		<b>The Company</b>	
	31.12.2015	31.3.2015	31.12.2015	31.3.2015
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	158,582	162,280	-	-
Goodwill	668	687	-	-
Investment in subsidiaries	-	-	32,625	32,625
Amount due from subsidiaries	-	-	11,746	14,608
Associated company and joint venture	3,978	4,110	1,208	1,208
Derivative financial assets	793	452	-	-
Other assets	144	103	-	-
	164,165	167,632	45,579	48,441
<b>Current assets</b>				
Inventories	484	448	-	-
Trade and other receivables	4,436	6,080	16	15
Amount due from subsidiaries	-	-	706	249
Financial assets held-for-trading	113	113	-	-
Cash and cash equivalents	11,785	7,297	7,071	3,863
	16,818	13,938	7,793	4,127
<b>Less:</b>				
<b>Current liabilities</b>				
Trade and other payables	6,256	6,083	141	225
Amount due to subsidiaries	-	-	5,728	1,419
Derivative financial liabilities	893	1,057	-	-
Current taxation	-	14	-	-
Bank borrowings	12,188	12,188	-	-
	19,337	19,342	5,869	1,644
<b>Net current (liabilities)/assets</b>	<b>(2,519)</b>	<b>(5,404)</b>	<b>1,924</b>	<b>2,483</b>
<b>Non-current liabilities</b>				
Derivative financial liabilities	3	-	-	-
Bank borrowings	86,273	95,414	-	-
Deferred taxation	19	20	-	-
	86,295	95,434	-	-
<b>Net assets</b>	<b>75,351</b>	<b>66,794</b>	<b>47,503</b>	<b>50,924</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	31,747	31,665	31,747	31,665
Other reserves	(1,716)	(1,858)	-	-
Retained earnings	45,320	36,987	15,756	19,259
<b>Total equity</b>	<b>75,351</b>	<b>66,794</b>	<b>47,503</b>	<b>50,924</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 statement of financial position, the following closing rates were used to translate Singapore Dollar:-

	Dec 2015	Mar 2015	% Change
SGD	1.4136	1.3752	2.8%

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

As at 31.12.2015		As at 31.3.2015	
Secured	Unsecured	Secured	Unsecured
US\$12,188,000	-	US\$12,188,000	-

**Amount repayable after one year**

As at 31.12.2015		As at 31.3.2015	
Secured	Unsecured	Secured	Unsecured
US\$86,273,000	-	US\$95,414,000	-

**Details of any collaterals:**

The credit facilities of the Group are generally secured by a corporate guarantee from the Company, first priority mortgage of vessels and assignment of vessels' insurance. The carrying amount of the vessels mortgaged are approximately US\$128.2 million as at 31 December 2015 (FY2015: US\$131.8 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		The Group	
	Q3 FY2016	Q3 FY2015	9M FY2016	9M FY2015
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Cash flows from operating activities</b>				
<b>Profit before taxation</b>	4,171	3,012	11,445	6,617
Adjustments for:				
Depreciation expense on property, plant and equipment	1,664	938	4,975	2,584
Share-based payment expense	-	-	82	-
Interest income	(17)	(4)	(39)	(74)
Dividend income	-	-	-	(23)
Net change in fair value of financial assets held-for-trading	(4)	5	-	(12)
Gain on disposal of financial assets held-for-trading	-	(10)	-	(259)
Gain on disposal of asset held-for-sale	-	-	-	(84)
Finance costs on bank borrowings	797	145	2,205	449
Gain on foreign exchange	60	(299)	(250)	(393)
Share of results of associated company and joint venture, net of tax	47	13	111	22
<b>Changes in working capital</b>	6,718	3,800	18,529	8,827
Inventories	(85)	(2)	(36)	(109)
Trade and other receivables	1,053	(624)	1,650	(816)
Trade and other payables	(114)	342	97	784
Cash generated from operations	7,572	3,516	20,240	8,686
Tax paid	(5)	(20)	(15)	(47)
<b>Net cash from operating activities</b>	7,567	3,496	20,225	8,639
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(1)	(33)	(516)	(16,566)
Payments for drydocking expenditure	-	-	(763)	(31)
Purchase of other assets	(45)	-	(45)	-
Interest received	14	14	33	128
Dividends received from quoted equity securities	-	-	-	23
Proceed from sale of asset held-for-sale	-	-	-	1,004
Proceed from sale of other assets	-	-	-	107
Proceeds from sale of financial assets held-for-trading	-	803	-	2,269
<b>Net cash (used in)/ generated from investing activities</b>	(32)	784	(1,291)	(13,066)

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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. (continued)**

	<b>The Group</b>		<b>The Group</b>	
	<b>Q3</b>	<b>Q3</b>	<b>9M</b>	<b>9M</b>
	<b>FY2016</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2015</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Cash flow from financing activities</b>				
Repayment of bank borrowings	(3,047)	(1,130)	(9,141)	(3,390)
Payment of finance costs on bank borrowings	(820)	(141)	(2,129)	(431)
Dividends paid	-	-	(3,110)	(3,460)
<b>Net cash used in financing activities</b>	<b>(3,867)</b>	<b>(1,271)</b>	<b>(14,380)</b>	<b>(7,281)</b>
Change in cash and cash equivalents	3,668	3,009	4,554	(11,708)
Cash and cash equivalents at beginning of the period	8,101	3,197	7,297	17,959
Effects of foreign exchange rate change on consolidation	16	(173)	(66)	(218)
<b>Cash and cash equivalents at end of the period</b>	<b>11,785</b>	<b>6,033</b>	<b>11,785</b>	<b>6,033</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 31 December 2015**

	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 2015</b>	<b>31,665</b>	<b>(605)</b>	<b>(1,253)</b>	<b>-</b>	<b>36,987</b>	<b>66,794</b>
Employee share-based compensation scheme						
- Value of employee services	-	-	-	82	-	82
- Issue of new shares	82	-	-	(82)	-	-
Total comprehensive income for 1st half FY2016	-	(511)	(450)	-	7,278	6,317
Dividends paid	-	-	-	-	(3,110)	(3,110)
<b>Balance at 30 September 2015</b>	<b>31,747</b>	<b>(1,116)</b>	<b>(1,703)</b>	<b>-</b>	<b>41,155</b>	<b>70,083</b>
Total comprehensive income for 3rd quarter FY2016	-	1,013	90	-	4,165	5,268
<b>Balance at 31 December 2015</b>	<b>31,747</b>	<b>(103)</b>	<b>(1,613)</b>	<b>-</b>	<b>45,320</b>	<b>75,351</b>
<b>Balance at 1 April 2014</b>	<b>31,665</b>	<b>(192)</b>	<b>(78)</b>	<b>-</b>	<b>31,137</b>	<b>62,532</b>
Total comprehensive income for 1st half FY2015	-	85	(103)	-	3,598	3,580
Dividends paid	-	-	-	-	(3,460)	(3,460)
<b>Balance at 30 September 2014</b>	<b>31,665</b>	<b>(107)</b>	<b>(181)</b>	<b>-</b>	<b>31,275</b>	<b>62,652</b>
Total comprehensive income for 3rd quarter FY2015	-	30	(571)	-	3,003	2,462
<b>Balance at 31 December 2014</b>	<b>31,665</b>	<b>(77)</b>	<b>(752)</b>	<b>-</b>	<b>34,278</b>	<b>65,114</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 31 December 2015**

	Share capital US\$'000	Share- based payment reserve US\$'000	Retained earnings US\$'000	Total attributable to owners of the Company US\$'000
<b>Balance at 1 April 2015</b>	<b>31,665</b>	-	<b>19,259</b>	<b>50,924</b>
Employee share-based compensation scheme				
- Value of employee services	-	82	-	82
- Issue of new shares	82	(82)	-	-
Total comprehensive income for 1st half FY2016	-	-	(325)	(325)
Dividends paid	-	-	(3,110)	(3,110)
<b>Balance at 30 September 2015</b>	<b>31,747</b>	-	<b>15,824</b>	<b>47,571</b>
Total comprehensive income for 3rd quarter FY2016	-	-	(68)	(68)
<b>Balance at 31 December 2015</b>	<b>31,747</b>	-	<b>15,756</b>	<b>47,503</b>
<b>Balance at 1 April 2014</b>	<b>31,665</b>	-	<b>18,546</b>	<b>50,211</b>
Total comprehensive income for 1st half FY2015	-	-	(62)	(62)
Dividends paid	-	-	(3,460)	(3,460)
<b>Balance at 30 September 2014</b>	<b>31,665</b>	-	<b>15,024</b>	<b>46,689</b>
Total comprehensive income for 3rd quarter FY2015	-	-	4,868	4,868
<b>Balance at 31 December 2014</b>	<b>31,665</b>	-	<b>19,892</b>	<b>51,557</b>



**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**

	3 Months ended 31.12.2015	3 Months ended 30.9.2015	3 Months ended 31.3.2015
As at beginning of the period	436,348,591	436,016,591	436,016,591
Issue during the period			
- Pursuant to the grant of performance shares under employee share-based compensation scheme	-	332,000	-
As at end of the period	436,348,591	436,348,591	436,016,591

There are no outstanding share options as at 31 December 2015 and 31 December 2014.

- 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.**

	9M FY2016	9M FY2015
Total number of issued shares (excluding treasury shares)	436,348,591	436,016,591

There were no shares held as treasury shares as current and previous periods.

- 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 nor 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.

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 financial statements for the current reporting period compared with the audited financial statements as at 31 March 2015.

**SINGAPORE SHIPPING CORPORATION LIMITED**

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

	The Group		The Group	
	Q3 FY2016	Q3 FY2015	9M FY2016	9M FY2015
Net profit attributable to equity holders of the Company (US\$'000)	4,165	3,003	11,443	6,601
(i) Based on weighted average number of ordinary shares in issue (cents)	0.9	0.7	2.6	1.5
(ii) On a fully diluted basis (cents)	0.9	0.7	2.6	1.5
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	436,349	436,017	436,203	436,017
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	436,349	436,017	436,203	436,017

On 30 July 2015, under the Singapore Shipping Corporation Limited Performance Share Plan 2015 ("the Plan"), the Company granted performance share to certain Group employees to motivate and align them to shareholders' interests under the Singapore Shipping Corporation Limited Performance Share Plan 2015 ("the Plan").

As at 31 December 2015, 332,000 performance shares have been granted to certain Group employees.

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	
	31.12.2015	31.3.2015	31.12.2015	31.3.2015
	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 / preceding year reported on	17.3	15.3	10.9	11.7

## 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.

### REVENUE

	The Group			The Group		
	Q3	Q3	Change	9M	9M	Change
	FY2016	FY2015		FY2016	FY2015	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Ship owning	9,209	5,017	83.6	27,348	12,764	114.3
Agency & logistics	3,691	4,242	(13.0)	9,746	11,991	(18.7)
	12,900	9,259	39.3	37,094	24,755	49.8

### PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

	The Group			The Group		
	Q3	Q3	Change	9M	9M	Change
	FY2016	FY2015		FY2016	FY2015	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Ship owning	3,958	2,100	88.5	11,028	4,776	130.9
Agency & logistics	837	1,035	(19.1)	1,583	2,471	(35.9)
Unallocated items <sup>(a)</sup>	(620)	(543)	14.2	(1,426)	(1,288)	10.7
Exchange difference	(10)	411	(102.4)	258	558	(53.8)
	4,165	3,003	38.7	11,443	6,517	75.6
Gain on disposal of asset-held-for-sale	-	-	-	-	84	(100.0)
Net profit for the period	4,165	3,003	38.7	11,443	6,601	73.4

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

- For Q3 FY2016/9M FY2016, revenue and operating profit from ship owning segment increased following delivery of 3 vessels.
- Agency and logistics segment reported lower revenue and operating profits due to lower business activities/margin pressures.
- One-time gain of approximately US\$84,000 was recorded from the sale of Nanyang Maritime (S'pore) Pte Ltd.

## **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

- Lower total value of property, plant and equipment was mainly due to higher depreciation from the 3 additional vessels.
- Cash and cash equivalents position improved with contributions from 3 additional vessels.
- Bank borrowings reduced due to loans repayments.
- The Group's current liabilities exceed current assets by US\$2.5 million. This shortfall will be made good from fixed operating cash flow.

#### STATEMENT OF CASH FLOWS

- The acquisition of 3 additional vessels contributed positively to overall cash flow position.

### **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 global shipping industry is facing its worst ever crisis of over tonnage across many segments. However, the Group continues to perform well for Q3 FY2016 due to its stream of stable recurring income.
- Given its strong cash position, the Group is ready to undertake further acquisitions should any of the opportunities meet our investment criteria.
- Agency and logistics business, albeit challenging, is expected to remain profitable.
- Barring any unforeseen circumstances, the Group expects FY2016 to outperform FY2015.

**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? None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared / recommended for the corresponding period of the immediately preceding financial year? None

**(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.

**17. Interested person transactions (IPT)**

Name of interested person	9M FY2016 Aggregate value of all IPT during the financial period under review (excluding transactions less than S\$100,000)	9M FY2015 Aggregate value of all IPT during the financial period under review (excluding transactions less than S\$100,000)
Paid to a subsidiary of Stamford Land Corporation Ltd - Rental expense	US\$277,000	US\$231,000
Transaction with directors of the Company - Purchase of goods and services	US\$132,000	US\$133,000

Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions below S\$100,000) is nil for both 9M FY2016 and 9M FY2015.

**18. Statement by Directors Pursuant to SGX Listing Rule 705 (5)**

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 nine months ended 31 December 2015 to be false or misleading.

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

On behalf of the Board of Directors

Ow Chio Kiat  
Executive Chairman

Ow Yew Heng  
Chief Executive Officer

**BY ORDER OF THE BOARD**

Chua Siew Hwi  
Company Secretary

10 February 2016