

SINGAPORE SHIPPING CORPORATION LIMITED

(Company Registration Number: 198801332G)

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

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

	Q4 2010	Q4 2009	Favourable/ (unfavourable)	FY2010	FY2009	Favourable/ (unfavourable)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	1,877	3,280	(42.8)	11,356	11,735	(3.2)
Other operating income	43	32	34.4	184	231	(20.3)
Depreciation expense on property, plant and equipment	(477)	(1,115)	57.2	(2,140)	(2,520)	15.1
Depreciation expense on investment properties	(1)	-	NM	(5)	(4)	(25.0)
Vessel operation and crew management costs	(213)	(616)	65.4	(2,181)	(3,163)	31.0
Staff costs	(1,086)	(1,362)	20.3	(5,198)	(5,687)	8.6
Other operating expenses	(240)	(267)	10.1	(954)	(1,212)	21.3
Operating (loss)/profit before other gains	(97)	(48)	(102.1)	1,062	(620)	271.3
Other gains (i)	-	618	NM	739	1,925	(61.6)
Results from operating activities	(97)	570	(117.0)	1,801	1,305	38.0
Net finance income / (expense) (ii)	139	12	1,058.3	1,722	(6,654)	125.9
Exchange differences	(34)	236	(114.4)	(329)	943	(134.9)
Share of results of associated company (net of tax)	55	344	(84.0)	828	870	(4.8)
Profit / (loss) before taxation	63	1,162	(94.6)	4,022	(3,536)	213.7
Taxation (iii)	(20)	(8)	(150.0)	59	37	59.5
Profit / (loss) for the year	43	1,154	(96.3)	4,081	(3,499)	216.6
Attributable to:						
Owners of the Company				4,081	(3,499)	216.6
Earnings / (loss) per share, cents						
Basic				0.9	(0.8)	
Diluted				0.9	(0.8)	

Q4: 4th Quarter

FY: Financial year

NM: Not meaningful

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

	Q4 2010	Q4 2009	FY2010	FY2009
	\$'000	\$'000	\$'000	\$'000
Gain on disposal of an investment property	-	-	1,053	1,307
Loss on disposal of a vessel	-	-	(314)	-
Realisation of currency translation reserve upon liquidation of subsidiaries	-	618	-	618
	-	618	739	1,925

Note (ii) Net finance income / (expense)

	Q4 2010	Q4 2009	FY2010	FY2009
	\$'000	\$'000	\$'000	\$'000
Interest income on deposits with banks	121	124	496	504
Interest income on security notes	1	-	3	-
Interest income on equity linked notes	-	-	-	94
Dividend income from quoted equity securities	13	16	92	487
Net change in fair value of disposed / outstanding financial assets held-for-trading	4	(128)	1,131	(7,739)
	139	12	1,722	(6,654)

Note (iii) Taxation

The income tax expense on the results of the Group for the financial year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit before taxation, due to the following factors:

	Q4 2010	Q4 2009	FY2010	FY2009
	\$'000	\$'000	\$'000	\$'000
Profit / (loss) before taxation	63	1,162	4,022	(3,536)
Tax calculated using Singapore tax rate of 17% (2009: 17%)	11	198	684	(601)
Singapore statutory stepped income exemption	(5)	(3)	(20)	(8)
Income not subject to tax	(109)	(301)	(931)	(1,208)
Expenses not deductible for tax purposes	7	(36)	62	51
Utilisation of previously unrecognised tax losses	4	1	-	-
Over provision in prior years	-	-	(87)	(49)
Reversal of deferred tax asset	9	-	9	-
Tax benefit on tax losses not recognised	103	149	224	1,778
	20	8	(59)	(37)

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2. Consolidated Statement of Comprehensive Income for the year ended 31 March 2010

	FY2010	FY2009
	\$'000	\$'000
Profit / (loss) for the year	4,081	(3,499)
Currency translation:		
- Foreign Operations	(1,749)	1,451
- Realisation of currency translation reserve upon liquidation of subsidiaries	-	(618)
Net change in currency translation reserve	(1,749)	833
Net change in fair value of available-for-sale financial assets	3	(5)
Tax effect on other comprehensive income	-	-
Other comprehensive income for the year, net of tax	(1,746)	828
Total comprehensive income / (loss)	2,335	(2,671)
Total comprehensive income / (loss) attributable to:		
Owners of the Company	2,335	(2,671)

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

	The Group		The Company	
	31.3.2010	31.3.2009	31.3.2010	31.3.2009
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	8,706	18,030	-	-
Investment properties	159	295	-	-
Subsidiaries	-	-	31,796	33,165
Associated company	3,993	3,446	-	-
Available-for-sale financial assets	9	6	-	-
Other assets	298	329	-	-
	13,165	22,106	31,796	33,165
Current assets				
Inventories	55	244	-	-
Trade and other receivables	1,153	1,209	36,342	22,237
Financial assets held-for-trading	1,361	1,997	-	-
Cash and cash equivalents	54,039	46,547	17,700	25,075
	56,608	49,997	54,042	47,312
Less:				
Current liabilities				
Trade and other payables	1,524	1,837	28,901	27,712
Current tax payable	19	6	13	2
	1,543	1,843	28,914	27,714
Net current assets	55,065	48,154	25,128	19,598
Non-current liability				
Deferred tax liability	1	6	1	6
Net assets	68,229	70,254	56,923	52,757
Equity attributable to owners of the Company				
Share capital	44,347	44,347	44,347	44,347
Other reserves	(5,072)	(3,326)	-	-
Retained earnings	28,954	29,233	12,576	8,410
Total equity	68,229	70,254	56,923	52,757

3(b). Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.3.2010		As at 31.3.2009	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 31.3.2010		As at 31.3.2009	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral : Not applicable

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

	FY2010	FY2009
	\$'000	\$'000
Operating activities		
Profit / (loss) before taxation	4,022	(3,536)
Adjustments for:		
Depreciation expense on property, plant and equipment	2,140	2,520
Depreciation expense on investment properties	5	4
Loss on disposal of property, plant and equipment	314	30
Gain on disposal of an investment property	(1,053)	(1,307)
Realisation of currency translation reserve upon liquidation of subsidiaries	-	(618)
Interest income	(499)	(598)
Dividend income	(92)	(487)
Net change in fair value of disposed / outstanding financial assets held-for-trading	(1,131)	7,739
Net change in fair value of foreign exchange options	-	(809)
Share of results of associated company (net of tax)	(828)	(870)
	2,878	2,068
Changes in working capital:		
Inventories	170	(87)
Trade and other receivables	(4)	(531)
Trade and other payables	(233)	(404)
Cash generated from operations	2,811	1,046
Income taxes refunded	80	49
Cash flows from operating activities	2,891	1,095
Investing activities		
Purchase of property, plant and equipment	(42)	(810)
Payments for drydocking expenditure	-	(3,120)
Purchase of financial assets held-for-trading	(251)	-
Interest received	498	606
Dividends received from quoted equity securities	88	487
Proceeds from maturity of financial assets held-for-trading	250	2,143
Proceeds from sale of financial assets held-for-trading	1,685	12,859
Proceeds from sale of an investment property	1,184	1,430
Proceeds from sale of property, plant and equipment	5,661	-
Cash flows from investing activities	9,073	13,595
Financing activity		
Dividends paid	(4,360)	(8,720)
Cash flows from financing activity	(4,360)	(8,720)
Change in cash and cash equivalents	7,604	5,970
Cash and cash equivalents at beginning of the year	46,547	40,547
Effects of exchange rate fluctuations on cash and cash equivalents	(112)	30
Cash and cash equivalents at end of the year	54,039	46,547

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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.

5(a)(i). The Group

Consolidated Statement of Changes in Equity for the year ended 31 March 2010

	Share capital	Fair value reserve	Currency translation reserve	Retained earnings	Total attributable to owners of the Company
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2009	44,347	2	(3,328)	29,233	70,254
Total comprehensive income / (loss)	-	3	(1,749)	4,081	2,335
Distributions to owners					
Dividends	-	-	-	(4,360)	(4,360)
Balance at 31 March 2010	44,347	5	(5,077)	28,954	68,229
Balance at 1 April 2008	44,347	7	(4,161)	41,452	81,645
Total comprehensive income / (loss)	-	(5)	833	(3,499)	(2,671)
Distributions to owners					
Dividends	-	-	-	(8,720)	(8,720)
Balance at 31 March 2009	44,347	2	(3,328)	29,233	70,254

5(a)(ii). The Company

Statement of Changes in Equity for the year ended 31 March 2010

	Share capital	Retained earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 April 2009	44,347	8,410	52,757
Total comprehensive income	-	8,526	8,526
Distributions to owners			
Dividends	-	(4,360)	(4,360)
Balance at 31 March 2010	44,347	12,576	56,923
Balance at 1 April 2008	44,347	13,757	58,104
Total comprehensive income	-	3,373	3,373
Distributions to owners			
Dividends	-	(8,720)	(8,720)
Balance at 31 March 2009	44,347	8,410	52,757

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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.

Nil

- 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.

	As at 31.3.2010	As at 31.3.2009
Total number of issued shares (excluding treasury shares)	436,016,591	436,016,591

There were no shares held as treasury shares as at 31 March 2010 and 31 March 2009.

- 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.

Except as disclosed in item 9 below, the Group has applied the same accounting policies and methods of computation in the current reporting period's financial statements as compared with the audited financial statements for the financial year ended 31 March 2009.

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.

Starting as of 1 April 2009 on adoption of new/revised FRSs, the Group has changed its accounting policies in the following areas:

FRS 1 (revised 2008)	<i>Presentation of Financial Statements</i>
FRS 107	<i>Improving Disclosures about Financial Instruments</i>
FRS 108	<i>Operating Segments</i>

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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. (continued)**

Presentation of financial statements

The Group has applied revised FRS 1 *Presentation of Financial Statements (2008)*, which became effective as of 1 January 2009. As a result, the Group presents on the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income.

Comparative information has been re-presented so that it also conforms to the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

Improving disclosures about financial instruments

The Group has adopted FRS 107 *Improving Disclosures about Financial Instruments*, which requires enhanced disclosures about fair value measurements and liquidity risk, in particular, disclosure of fair value measurements by level of a fair value measurement hierarchy.

The adoption of this amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the Group.

Determination of operating segments

The Group has determined and presented operating segments based on the same segment information used by management internally for managing the Group's operations. This change in accounting policy is due to the adoption of FRS 108 *Operating Segments*.

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Unallocated items comprise mainly corporate assets and liabilities, income tax assets and liabilities and their related income and expense.

The Group has determined that the reportable operating segment is the same as the business segment previously identified under FRS 14 *Segment Reporting*.

Since the change in accounting policy only impacts presentation and disclosures aspects, there is no impact on the earnings per share.

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.**

	The Group	
	FY2010	FY2009
	Cents	Cents
Earnings / (loss) per ordinary share based on:-		
(i) the weighted average number of ordinary shares in issue	0.9	(0.8)
(ii) fully diluted basis	0.9	(0.8)

The weighted average number of ordinary shares in issue and on a fully diluted basis for both years are 436,016,591 ordinary shares as there are no new issues or outstanding share options.

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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 year

	The Group		The Company	
	31.3.2010	31.3.2009	31.3.2010	31.3.2009
Net asset value per ordinary share based on the total number of issued shares as at the end of the year reported on	\$0.16	\$0.16	\$0.13	\$0.12

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

REVENUE

	Q4 2010	Q4 2009	Unfavourable variance	FY2010	FY2009	Unfavourable variance
	\$'000	\$'000	%	\$'000	\$'000	%
Ship owning & management	1,877	3,280	(42.8)	11,356	11,735	(3.2)

The Group's revenue for Q4 2010 decreased by approximately \$1.4 million (42.8%) compared to Q4 2009 due to the sale of a vessel in December 2009.

The unfavourable variance of the Group's revenue for FY2010 of approximately \$0.4 million (3.2%) compared to FY2009 due to the sale of a vessel in December 2009, was partially offset by favourable variance from another vessel.

PROFIT / (LOSS) ATTRIBUTABLE TO OWNERS

	Q4 2010	Q4 2009	Favourable / (unfavourable) variance	FY2010	FY2009	Favourable / (unfavourable) variance
	\$'000	\$'000	%	\$'000	\$'000	%
Ship owning & management	(42)	296	(114.2)	1,890	250	656.0
Unallocated items ^(a)	85	240	(64.6)	1,452	(5,674)	125.6
Net profit / (loss) before other gains	43	536	(92.0)	3,342	(5,424)	161.6
Other gains ^(b)	-	618	NM	739	1,925	(61.6)
Net profit/(loss) for the year	43	1,154	(96.3)	4,081	(3,499)	216.6

NM: Not meaningful

^(a) Unallocated items refer to net finance income / (expense), exchange differences and taxation.

^(b) Refer to item 1, note (i) for details.

Ship owning and management's unfavourable variance in net profit of approximately \$0.3 million (114.2%) in Q4 2010 compared to Q4 2009 was mainly due to the disposal of a vessel in December 2009.

Ship owning and management's FY2010 net profit of approximately \$1.9 million is approximately \$1.6 million (656%) higher than FY2009's. FY2009's lower net profit was due to the off-hire of a vessel for dry-docking and repair of its main engine. This accounted for part of the favourable variance. Other contributing factors due to higher charter rate for a vessel and lower administrative costs was partially offset by loss of income on disposal of a vessel. Lower vessel operating costs and depreciation charge were mainly due to the disposal of a vessel.

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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)

Unallocated items' favourable variance in net profit of approximately \$7.1 million (125.6%) in FY2010 compared to FY2009 may be summarised as follows:

	Favourable / (unfavourable) variance
	\$'m
• Positive change in fair value of short-term investments	8.9
• Lower investment income as funds placed on short-term investments was lower than previous financial year	(0.5)
• Unfavourable variance in exchange differences due to weakening of the United States dollar against Singapore dollar	(1.3)
	<hr/> 7.1 <hr/>

BALANCE SHEET

The decrease in property, plant and equipment was due to the disposal of a vessel, the translation differences of certain property, plant and equipment that are denominated in US dollar functional currency and depreciation charge for the year.

The increase in cash and cash equivalents due to cash inflow from operating activities and proceeds from the sale of financial assets held-for-trading, an investment property and a vessel was partially offset by dividends paid in August 2009.

CASH FLOW STATEMENT

The increase in cash flows from operating activities compared to FY2009 was mainly due to lower vessel operating and administrative costs.

The decrease in cash flows from investing activities compared to FY2009, mainly due to decrease in sale of financial assets held-for-trading was partially offset by proceeds from sale of a vessel.

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

Not applicable

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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 has taken delivery of a 11 year old RORO vessel on 23 April 2010. The vessel is on a long-term charter to a blue chip operator, with charter revenue of approximately US\$10 million per annum.

We are currently evaluating the acquisition of additional vessels to increase the steady stream of income for the Group.

15. **Dividends**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of dividend	Proposed final dividend
Dividend type	Cash
Dividend amount per ordinary share	1.0 cent
Tax rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	Final dividend
Dividend type	Cash
Dividend amount per ordinary share	1.0 cent
Tax rate	One-tier tax exempt

(c) Date payable

Date payable for the proposed final dividend of 1 cent per share will be announced at a later date.

(d) Books closure date

Books closure date for the proposed final dividend of 1 cent per share will be announced at a later date.

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

Not applicable

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PART II ADDITIONAL INFORMATION**17. 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**a) Operating segments

The Group is principally engaged in ship owning and ship management. The assets, liabilities and capital expenditure of the Group are employed in this sole operating segment.

b) Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the country of domicile of the customers.

	FY2010	FY2009
	\$'000	\$'000
<u>Revenue</u>		
Singapore	255	170
Japan	11,101	11,565
	<u>11,356</u>	<u>11,735</u>

c) Information about major customers

Revenue from one major customer amounted to \$11,101,000 (2009: \$11,565,000) arising from chartering of vessels.

18. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

See comments under item 12.

19. A breakdown of sales and operating profit.

	2010	2009	Favourable/ (unfavourable) variance
	\$'000	\$'000	%
(a) Sales reported for first half year	6,148	5,276	16.5
(b) Operating profit / (loss) after taxation before deducting minority interests reported for first half year:			
Before other gains	2,194	(1,598)	237.3
After other gains	2,194	(1,598)	237.3
(c) Sales reported for second half year	5,208	6,459	(19.4)
(d) Operating profit / (loss) after taxation before deducting minority interests reported for second half year:			
Before other gains	1,148	(3,826)	130.0
After other gains	1,887	(1,901)	199.3

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20. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
Ordinary – Final dividend	4,360	4,360
Preference	-	-
Total	4,360	4,360

21. Interested person transactions (IPT)

Name of interested person	FY2010 Aggregate value of all IPT during the financial year under review (excluding transactions less than \$100,000)	FY2009 Aggregate value of all IPT during the financial year under review (excluding transactions less than \$100,000)
Paid to a subsidiary of Stamford Land Corporation Ltd - Rental expense	\$239,000	\$245,000

Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions below \$100,000) is nil for both FY2010 and FY2009.

22. Capital commitment

On 10 March 2010, a wholly-owned subsidiary of the Group entered into a Memorandum of Agreement to purchase a vessel for US\$50,000,000 (2009: Nil).

On 31 March 2010, the aforementioned subsidiary accepted bank facilities comprising bank loan facilities (bearing floating interest rates) of up to US\$35,000,000 to finance the purchase of the vessel, interest rate swap facility of up to US\$35,000,000 and foreign exchange facility of up to US\$10,000,000.

The subsidiary took delivery of the vessel on 23 April 2010.

BY ORDER OF THE BOARDChristina Chew Heng Siang
Company Secretary

26 May 2010

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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 year ended 31 March 2010 to be false or misleading.

On behalf of the Board of Directors

Ow Chio Kiat
Director

Ow Cheo Guan
Director

26 May 2010