

**PRESS RELEASE**

**SAMUDERA REPORTS 94% SURGE IN NET EARNINGS TO S\$31.3M**

**SINGAPORE, February 28, 2008** – Leading regional container shipping line, **Samudera Shipping Line Ltd**, (“Samudera” or the “Group”), today reported a 94.2% surge in net profit to S\$31.3m for the full year ended 31 December 2007 (“FY07”), despite a 12.4% decline in revenue to S\$569.6m.

**Performance highlights:**

S\$'m	Jan - Dec ( FY )			Oct - Dec ( 4Q )		
	2007	2006	Change %	2007	2006	Change %
<b>Turnover</b>	569.6	650.0	(12.4)	142.3	144.1	(1.3)
<b>Gross Profit</b>	64.1	49.4	29.8	17.9	11.2	60.0
<b>Profit from Operations</b>	36.0	19.7	83.0	8.5	3.9	116.9
<b>Profit before Tax</b>	33.3	19.3	72.4	7.9	2.9	175.4
<b>Profit after Tax</b>	31.3	16.1	94.2	7.2	1.6	343.5
<b>EPS (Sgp cents)</b>	5.73	2.90	97.6	1.3	0.3	343.3

**Performance Review**

Boosted by full year contribution from two chemical tankers and two coal deck ships that were deployed in second half 2006, revenue from the industrial shipping business increased 16.7% to S\$62.8m in 2007, from S\$53.9m in 2006.

The rise in industrial shipping revenue was however, eroded by a 15.5% decline in container shipping revenue to S\$495.1m in 2007, compared to S\$586.3m in 2006. This was due to a 0.5% decline in container volume handled by the Group to 1,423,000 TEUS (twenty-foot equivalent units), changes in container volume mix from long route cargo to short route cargo and the impact of a weaker US dollar.

While there was a general increase in container volume handled, a deliberate initiative to discontinue its loss-making China-India-Middle East service, and reduce the number of vessels deployed on the China-India service from three to one resulted in a net decline in volume. Nevertheless, this restructuring effort, together with the US dollar depreciation, had the effect of significantly reducing vessel related costs, and improving the Group's bottom-line substantially.

### **Outlook**

Demand in container shipping is expected to continue to grow in Asia driven by Asia-Europe and Intra-Asia trades. Major part of the Group's feeder volume is through the hub port of Singapore, which serves as a primary transshipment hub for Asia-Europe Trade, while the Group's lines services are engaged in the Intra-Asia trade. The Group is well positioned to benefit from the continuing strong demand from these two trade lanes.

The Group took delivery of one 1,100-teu container vessel in January 2008 and is scheduled to take delivery of two 1,740-teu container vessels in second half of 2008. In addition to these owned vessels, the Group is also scheduled to take delivery of five container vessels with a capacity of 1,060 teus to 1,700 teus under long-term time charter contract, of which two will be delivered in first half of 2008 while the remaining in second half of 2008. These deliveries will enable the Group to better manage its capacity and its vessel operating costs.

The Group expects various segments within Industrial Shipping to continue to present opportunities for further investment and growth. LNG Tangguh Towuti, the 145,700-cbm LNG vessel, in which the Group holds 25% stake, is scheduled to be delivered and commence operation in the fourth quarter of 2008. This LNG vessel will be employed under a 20-year long-term time charter contract with BP Berau Limited, the representative of Tangguh Production Sharing Contractors which consist of BP Berau Limited and nine other world class Oil and Gas companies. The Group has also entered into new building contract for two 57,700 dwt bulk carriers to be delivered in 2011, and will seek optimal employment opportunities for these two bulk carriers. It will continue to explore other opportunities to invest in suitable vessels within various segments of Industrial Shipping.

Having established its own offices in Ho Chi Minh, Kolkata and Madras in 2007, the Group is looking forward to using them as a platform for strengthening its logistics and other business division, thereby reinforcing its position in the region.



**SAMUDERA SHIPPING LINE LTD**

Company Registration No.: 199308462C

The proportion of revenue collection in US Dollar has increased significantly and the Company expects the same will continue in 2008. The Company therefore decides to adopt US Dollar as its functional currency with effect from 1 January 2008.

***About Samudera Shipping Line Ltd***

*Samudera Shipping Line Ltd. offers efficient and reliable container shipping services in the Middle East, Indian Sub-continent, South and West Africa, South East Asia, Indo-China and the Far East markets. The Company's container shipping business can be traced back to 1988 when its' parent company started a feeder service between Jakarta and Singapore. From that humble beginning, Samudera has since developed an extensive network of container shipping services, with offices currently based in Dubai, Mumbai, Kolkata, Bangkok, Ho Chi Minh, Kuala Lumpur, Jakarta, Shanghai, and Singapore. The Group is also engaged in industrial shipping for the transportation of liquid and dry bulk cargo. Samudera was listed on the Singapore Exchange in October 1997, and has established for itself a well-respected and well-recognized brand name. For more information, please visit <http://www.samudera.com/ss/>*

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