

**FOR IMMEDIATE RELEASE**

SAMUDERA FY08 NET PROFIT RISES 29% TO US\$26.8M

SINGAPORE, 27 February 2009 – **Samudera Shipping Line Ltd**, today reported a net profit of US\$26.8 million for the financial year ended 31 December 2008 (FY08). This represents a 29.1% growth over the US\$20.7 million achieved in the previous year (FY07). On the back of an increase in container volume handled and selling price in its container shipping business, Group revenue rose 17.5% to US\$443.3 million in FY08, from US\$377.2 million the year before.

Financial Highlights

<i>US\$m</i>	Full Year Ended 31 Dec		Change
	2008	2007	%
Turnover	443.3	377.2	▲ 17.5
Profit from Operations	32.6	23.8	▲ 37.0
Profit before Tax	28.4	22.1	▲ 28.8
Profit after Tax	26.8	20.7	▲ 29.1
EPS (US cents)	4.83	3.79	▲ 27.4

Operations Update

Overall, container volume handled grew 5.9% to 1.51 million TEUs in FY08, from 1.42 million TEUs handled in the previous year. The Group also recorded a significant improvement in its inter-island container shipping services in Indonesia, which further contributed positively to its FY08 operational profit. A new shuttle service, namely the Yangon Express Service, was introduced in the course of the year, and China-India service was withdrawn in December 2008.

The Group incurred higher cost of services in view of higher bunker prices, charter hire rates as well as an increase in depreciation cost from new vessels delivered during the year. Despite this, gross profit for FY08 grew 24.6% to US\$52.9 million, from US\$42.5 million in FY07.



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Dividend

In line with its FY08 results, Samudera's Board has proposed a first and final cash dividend of 1.50 Singapore cents per ordinary share for FY08.

Outlook & Plans

A confluence of factors including falling demand, an oversupply of ships and credit tightening, has sent the shipping industry into a downward spiral, and against such a gloomy backdrop, demand for the Group's regional transportation services is anticipated to continue slowing down.

To mitigate the slowdown in the regional container segment, Samudera will remain open to rationalize capacity on its various services. It will however, continue to meet the needs of its customers on these rationalized trade routes, via slot exchanges and NVOCC (non vessel operating common carrier) arrangements. The Group is also well-positioned to pursue this rationalization strategy as its combination of owned and chartered-in container vessels in its fleet gives it an added flexibility to adapt quickly to changing market needs.

On a positive note, the price of bunker has fallen significantly in the last quarter of 2008, as compared to the first nine months of 2008, and bunker surcharges have thus been removed. As bunker prices are expected to remain volatile, the Group has hedged part of its bunker prices for 2009, so as to ensure some degree of stability in its vessel operating costs.

Several major main-line container shipping companies, after having laid up excess capacity, have recently announced plans to increase Asia-Europe freight rates. Any such increase in long-haul freight rates is expected to have a positive cascading effect on feeder operators such as the Group.

The Group is hopeful that demand for industrial shipping business will remain relatively stable. LNG Tangguh Towuti, a 25%-owned 145,700 CBM liquefied natural gas vessel (LNG) vessel, commenced operations in the fourth quarter of 2008. This vessel has been chartered out to BP Berau Limited for a 20-year period for the transportation of LNG from Indonesia to North Asia and North America, and is expected to provide a steady revenue stream for the Group in the future.



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Samudera expects the year ahead to be peppered with challenges, because the economic crisis affects the regions where the Group is operating but believes that it is prepared to strive through the difficult time.

Said Dhrubajyoti Das, Executive Director of the Group, "What is important for us now is to be proactive in seizing the right opportunities, in seeking innovative ways to optimize our operational efficiency, while exercising prudence in financial and cost management. We have managed to stay afloat through all the past down cycles, and we have every intention to survive this cycle too."



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About Samudera Shipping Line Ltd

Samudera Shipping Line Ltd. offers efficient and reliable container shipping services in the Middle East, Indian Sub-continent, 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, Chennai, Bangkok, Ho Chi Minh, Klang, 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/ssl>

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