



**YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.**  
 (Company Registration No. 200517636Z)  
 (Incorporated in the Republic of Singapore on 21 December 2005)

**UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 30 SEPT 2008**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a)(i) 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			
	3rd Quarter				January - September			
	3Q 2008	% of	3Q 2007	+ / (-) %	9M 2008	% of	9M 2007	+ / (-) %
RMB'000	Revenue	RMB'000	Variance	RMB'000	Revenue	RMB'000	Variance	
Revenue	2,023,895	100%	884,042	129%	5,490,608	100%	2,300,459	139%
Cost of sales	(1,558,252)	-77%	(648,731)	140%	(4,365,704)	-80%	(1,724,828)	153%
Gross profit	465,643	23%	235,311	98%	1,124,904	20%	575,631	95%
Other income	50,311	2%	55,230	-9%	110,419	2%	87,933	26%
Other gains, net	30,825	2%	28,771	7%	201,084	4%	70,037	187%
Expenses								
- Administrative	(41,911)	-2%	(62,401)	-33%	(122,389)	-2%	(96,463)	27%
- Finance	(8,147)	-0.4%	(742)	998%	(11,577)	-0.2%	(5,538)	109%
Share of results of associated companies <sup>#</sup>	(2,039)	-0.1%	-		(2,866)	-0.05%	-	
Profit before income tax	494,682	24%	256,169	93%	1,299,575	24%	631,600	106%
Income tax expense	(19,423)	-1%	(27,310)	-29%	(70,429)	-1%	(68,192)	3%
<b>Net profit</b>	<b>475,259</b>	<b>23%</b>	<b>228,859</b>	<b>108%</b>	<b>1,229,146</b>	<b>22%</b>	<b>563,408</b>	<b>118%</b>
<b>Attributable to:</b>								
Equity holders of the Company								
Minority interest	475,260		224,715		1,184,685		554,098	
	(1)		4,144		44,461		9,310	
	<b>475,259</b>		<b>228,859</b>		<b>1,229,146</b>		<b>563,408</b>	

<sup>#</sup> Share of results of associated companies is after tax and minority interest

**1(a)(ii) Profit after taxation is arrived at:**

	The Group		+ / (-) % Variance %
	3rd Quarter		
	3Q 2008 RMB'000	3Q 2007 RMB'000	
<b>After charging:</b>			
Depreciation and amortization	22,430	8,277	171%
Finance costs - Interest on borrowings	8,147	742	999%
Loss on disposal of property, plant and equipment	177	-	n.m.
<b>After crediting:</b>			
Interest income	50,211	55,228	-37%
Foreign exchange related gains/(losses), net	16,688	29,194	-43%
Gain on disposal of financial assets, available-for-sale	6,631	8,223	n.m.
Gain on disposal of scrap raw materials	8,844	-	n.m.

n.m. denotes not meaningful

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

	<u>The Group</u>		<u>The Company</u>	
	As at 30 Sep 2008 RMB'000	As at 31 Dec 2007 RMB'000	As at 30 Sep 2008 RMB'000	As at 31 Dec 2007 RMB'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1,510,341	1,230,089	-	-
Land use rights	192,268	245,670	-	-
Intangible assets	442	536	-	-
Investment in an associate	132,134	54,600	120,000	-
Investment in subsidiaries	-	-	3,848,084	788,071
Deferred income tax assets	13,408	8,610	-	-
	<u>1,848,593</u>	<u>1,539,505</u>	<u>3,968,084</u>	<u>788,071</u>
<b>Current assets</b>				
Inventories	1,049,980	413,149	-	-
Due from customers for contract works	604,554	197,912	-	-
Accounts receivable	56,257	598,979	-	-
Other receivables, prepayments and other current assets	5,170,795	4,151,415	691,724	1,182,331
Derivative financial instruments	78,840	-	-	-
Available for sale financial assets	62,082	104,970	-	-
Held-to-maturity investments	2,750,000	30,000	-	-
Loan receivables from third parties	200,000	654,000	-	-
Restricted cash	2,330,999	2,362,621	-	303,108
Cash and cash equivalents	2,735,540	4,438,757	80,551	1,544,961
	<u>15,039,047</u>	<u>12,951,803</u>	<u>772,275</u>	<u>3,030,400</u>
<b>Total assets</b>	<u>16,887,640</u>	<u>14,491,308</u>	<u>4,740,359</u>	<u>3,818,471</u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	3,337,159	3,337,159	3,301,942	3,301,942
Shares to be issued	1,528,815	-	1,528,815	-
Treasury shares	(364,031)	-	(364,031)	-
Other reserves	(2,273,188)	(12,182)	-	-
Retained earnings	1,648,403	854,247	230,563	491,177
	<u>3,877,158</u>	<u>4,179,224</u>	<u>4,697,289</u>	<u>3,793,119</u>
<b>Minority interest</b>	1,283	128,348	-	-
<b>Total equity</b>	<u>3,878,441</u>	<u>4,307,572</u>	<u>4,697,289</u>	<u>3,793,119</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Deferred income tax liabilities	695	1,168	-	-
	<u>695</u>	<u>1,168</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>				
Due to customers for contract works	9,682,775	8,055,848	-	-
Advances received on construction contracts	1,930,536	1,296,825	-	-
Accounts and bills payable	520,893	319,966	-	-
Accrual, other payables and other current liabilities	292,894	369,238	43,070	23,961
Current income tax liabilities	76,418	112,249	-	1,391
Borrowings	504,988	28,442	-	-
	<u>13,008,504</u>	<u>10,182,568</u>	<u>43,070</u>	<u>25,352</u>
<b>Total liabilities</b>	<u>13,009,199</u>	<u>10,183,736</u>	<u>43,070</u>	<u>25,352</u>
<b>Total equity and liabilities</b>	<u>16,887,640</u>	<u>14,491,308</u>	<u>4,740,359</u>	<u>3,818,471</u>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

<b>As at</b>		<b>As at</b>	
<b>30 September 2008</b>		<b>31 December 2007</b>	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
504,988	-	-	28,442

**Amount repayable after one year**

None.

**Details of any collateral**

The short-term borrowings from the bank are secured by the same amount of restricted cash in the designated bank accounts under the name of the Group as collateral deposits.

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

	<b>The Group</b>	
	3rd Quarter	
	3Q 2008	3Q 2007
	RMB '000	RMB '000
<b>Cash flows from operating activities</b>		
Net profit	475,259	228,859
Adjustments for:		
Income Tax	19,423	27,310
Share of results of associated companies	2,039	-
Depreciation on property, plant and equipment	21,397	8,138
Amortisation of land use rights	995	-
Amortisation of intangible asset	38	139
Loss on disposal of property, plant and equipment	177	-
Gain on disposal of financial assets, available-for-sale	(6,631)	-
Fair Value gain on forward currency contract not qualifying as hedge	-	(29,967)
Interest expense	8,147	742
Interest income	(50,211)	(55,230)
Unrealized translation gain	-	561
Operating cash flow before working capital change	470,633	180,552
Change in operating assets and liabilities:		
Inventories	(147,553)	(215,982)
Due from / (to) customers for contract works	85,640	876,192
Trade receivable, net	(38,651)	72,516
Other receivables, prepayment and other current assets	(71,824)	(242,721)
Trade and bills payable	87,177	399,143
Accruals, other payables and other current liabilities	238,794	179,575
Restricted cash	1,785,735	(441,742)
Cash generated from operations	2,409,951	807,533
Interest paid	(8,147)	(742)
Income taxes paid	(23,999)	(9,383)
<b>Net cash provided by operating activities</b>	<b>2,377,805</b>	<b>797,408</b>
<b>Cash flows from investing activities</b>		
Proceeds from sales of financial assets, available-for-sale	56,631	-
Proceeds from redemption of financial assets, held-to-maturity upon maturity	20,000	-
Interest received	50,211	55,230
Loans repayments received from third parties	370,000	19,237
Purchase of property, plant and equipment	(89,429)	(285,630)
Purchase of financial assets, held-to-maturity	(2,750,000)	-
Acquisition of equity interest in existing subsidiary from minority shareholder	(464,816)	(389,093)
Acquisition of associate, net of cash acquired	-	(40,830)
<b>Net cash used in investing activities</b>	<b>(2,807,403)</b>	<b>(641,086)</b>
<b>Cash flows from financing activities</b>		
Proceeds from / (repayments of) borrowings	93,551	(92)
Repayment of related parties loans	-	(74)
Purchase of treasury shares	(289,300)	-
<b>Net cash used in financing activities</b>	<b>(195,749)</b>	<b>(166)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(625,347)</b>	<b>156,156</b>
Cash and cash equivalents at the beginning of the period	3,360,887	3,296,854
<b>Cash and cash equivalents at the end of the period</b>	<b>2,735,540</b>	<b>3,453,010</b>

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

## THE GROUP

	Attributable to equity holders of the Company						Total equity RMB'000
	<u>Share capital</u>	<u>Shares to be issued</u>	<u>Treasury Shares</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Minority interest</u>	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Balance at 1 July 2008	3,337,159	1,528,815	(74,731)	(2,222,617)	1,224,135	1,608	3,794,369
Fair Value changes on available for sales	-	-	-	(2,932)	-	(324)	(3,256)
Fair Value changes on cash flow hedges	-	-	-	(98,631)	-	-	(98,631)
Net profit for 3rd quarter FY2008	-	-	-	-	475,260	(1)	475,259
Total Recognised gains /(losses) for 3rd quarter FY2008	-	-	-	(101,563)	475,260	(325)	373,372
Repurchase of shares and held as treasury shares <sup>(1)</sup>	-	-	(289,300)	-	-	-	(289,300)
Profit appropriation <sup>(2)</sup>	-	-	-	50,992	(50,992)	-	-
Balance at 30 September 2008	3,337,159	1,528,815	(364,031)	(2,273,188)	1,648,403	1,283	3,878,441
Balance at 1 July 2007	3,359,389	-	-	(158,629)	506,894	262,719	3,970,373
Net profit for 3rd quarter FY2007	-	-	-	-	224,714	4,144	228,858
Total Recognised gains for 3rd quarter FY2007	-	-	-	-	224,714	4,144	228,858
Acquisition of subsidiary	-	-	-	(127,221)	-	(131,860)	(259,081)
Currency translation difference	-	-	-	72,023	-	-	72,023
Profit appropriation <sup>(2)</sup>	-	-	-	20,999	(20,999)	-	-
Balance at 30 September 2007	3,359,389	-	-	(192,828)	710,609	135,003	4,012,173

## THE COMPANY

	Attributable to equity holders of the Company					Total equity RMB'000
	Share capital	Shares to be issued	Treasury Shares	Other reserves	Retained earnings	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Balance at 1 July 2008	3,301,942	1,528,815	(74,731)	-	239,520	4,995,546
Net loss for 3rd quarter FY2008	-	-	-	-	(8,957)	(8,957)
Total Recognised losses for 3rd quarter FY2008	-	-	-	-	(8,957)	(8,957)
Repurchase of shares and held as treasury shares <sup>(1)</sup>	-	-	(289,300)	-	-	(289,300)
Balance at 30 September 2008	3,301,942	1,528,815	(364,031)	-	230,563	4,697,289
Balance at 1 July 2007	3,324,171	-	-	(81,206)	(2,007)	3,240,958
Net profit for 3rd quarter FY2007	-	-	-	-	(9,504)	(9,504)
Total Recognised losses for 3rd quarter FY2007	-	-	-	-	(9,504)	(9,504)
Currency translation difference	-	-	-	72,022	-	72,022
Balance at 30 September 2007	3,324,171	-	-	(9,184)	(11,511)	3,303,476

### Notes:

- (1) Pursuant to the share purchase mandate ("Share Purchase Mandate") approved by shareholders on 25<sup>th</sup> April 2008, the Company purchased a total of 95,677,000 shares through on-market purchase during 3<sup>rd</sup> quarter 2008. The total amount paid to acquire shares pursuant to the Share Purchase Mandate was SGD 58.9 million (RMB 289.3 million) and the shares are held as "Treasury Shares".
- (2) This represents amounts set aside for reserve fund and enterprise expansion fund in compliance with local laws in the PRC where subsidiaries of the Group operate. The reserve fund can only be used, upon approval by the relevant authority, to offset prior year's losses or to increase capital while the enterprise expansion fund can only be used to increase capital upon approval by the relevant authority.

- 1(d)(ii) **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 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.**

Share buy-backs

Pursuant to a share purchase mandate ("Share Purchase Mandate") approved by shareholders on 25<sup>th</sup> April 2008, the Company purchased a total of 95,677,000 shares by way of open market purchases during the period July to September 2008. The total amount paid to acquire shares pursuant to the Share Purchase Mandate was SGD58.9 million and has been deducted from shareholders' equity. The repurchased shares are held as "Treasury Shares".

Issue of shares as consideration for acquisition

With the completion of the acquisition of 24.81% equity in JNYS during April 2008, the Company shall allot and issue 352,625,000 new ordinary shares to Hong Kong Hengyuan Investment Limited within twelve months from Completion, amounting to RMB 1,529 million based on an estimated consideration value of SGD 0.854375 per Share and is classified as "shares to be issued" within equity.

There were no other changes in company's share capital since end of the 2QFY2008 reported on.

There were no shares to be issued on conversion as at end of 30 September 2008 and 30 December 2007.

- 1(d)(iii) **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.**

	Number of Shares ('000)	
	As at 30 September 08	As at 31 December 07
Issued shares at the end of periods	3,300,897	3,300,897
Treasury shares at the end of periods	(110,277)	-
Net issued shares at the end of periods	3,190,620	3,300,897

- 1(d)(iv) **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.**

	Number of Shares ('000)	RMB '000
Total number of treasury shares		
Balance as at 1 July 2008	14,600	74,731
Repurchased during 3rd Quarter FY2008	95,677	289,300
Balance as at 30 Sept 2008	110,277	364,031

2. **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not audited or reviewed.



4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

There are no changes in accounting policies and methods of computation.

5. **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.**

Refer to item 4 above.

6. **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	
	3QFY2008	3QFY2007
(a) Based on weighted average number of ordinary shares in issue (RMB cents)	14.46	7.64
Weighted average number of Ordinary shares	3,286,974,827	2,939,863,567
(b) On fully diluted basis (RMB cents)	13.06	N.A.

The fully diluted earning per share is arrived at after taking into consideration the Consideration Shares to be issued within twelve months from the completion of the acquisition of an additional 24.81% equity in Jiangsu New Yangzi Shipbuilding Co., Ltd ("JNYS").

7. **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	
	30 Sept 08	31 Dec 07	30 Sept 08	31 Dec 07
Net asset value per ordinary share (RMB cents) based on issued share capital excluding treasury shares	121.25	126.61	147.22	114.91

The Group's and the company's net assets value per ordinary share as at 30 September 2008 and 31 December 2007 have been computed based on the share capital of 3,190,620,000 shares and 3,300,897,000 shares respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

## Income statement review

### Revenue

The Group achieved a revenue of RMB2,024 million in 3QFY2008, a 129 percent increase from RMB 884 million in 3Q FY2007, and a 14.2 percent increase from RMB1,773 million in 2QFY2008, driven by increased production capacity of JNYS. During the third quarter, 7 vessels were delivered according to schedule, as compared to 6 vessels delivered in the second quarter 2008 and 5 vessels delivered in first quarter 2008. As at end of the third quarter, 22 vessels were under different stages of construction.

Type of Vessel	Revenue	
	3Q 2008 RMB'000	3Q 2007 RMB'000
<u>Containerships</u>		
2500TEU	754,619	520,660
1350TEU	271,238	235,967
4250TEU	695,608	-
	1,721,465	756,627
<u>Multi purpose cargo</u>		
13000DWT	43,445	77,663
7600DWT	159,411	49,752
92500DWT	99,574	-
	302,430	127,415
Total	2,023,895	884,042

### Cost of Sales

Our cost of sales comprises mainly steel, equipment, labor and outsourcing costs. It increased by 6.1 percent to RMB1,558 million in 3QFY2008 from RMB1,469 million in 2QFY2008 as a result of higher volume of shipbuilding activities.

### Gross Profit

Gross profit rose to RMB466 million in 3QFY2008 from RMB235 million in 3QFY2007. Gross profit margin improved to 23 percent in 3QFY2008 from 17 percent in 2QFY2008 mainly due to the construction of larger vessels which command higher margins.

### Other income and gains

Other income and gains, which mainly include interest income, income derived from held-to-maturity treasury products, exchange gains, gains on disposal of financial assets, and scrap raw materials. Increase in other gains was mainly due to the Group's efforts on better managing its currency risk, and the effectiveness of the Group's treasury function. The exchange gain was the result of the down payment in USD received from customers and the immediate conversion into RMB. As the corresponding revenue will be only recognized in a later stage based on the percentage of completion, and due to the weakening of the USD against RMB, this has given rise to the above exchange gain.

### Expenses

Despite higher production activities, the Group managed to control its overhead and administrative expenses at RMB 42 million, as compared to RMB 46 million in 2QFY2008.

### Share of results of associated companies

It represents the share of results from Group's associated companies, Shanghai Hengao Ships Designing Co, Ltd and Yangzhou Huangzhou Deck Material Co., Ltd ("YHDM"), whereby these companies commenced operations in 2<sup>nd</sup> quarter 2008.

### Corporate Income Tax

Our effective tax rate was further decreased to 3.9 percent in the 3<sup>rd</sup> quarter 2008 from 5.3 percent in 2<sup>nd</sup> quarter 2008 was in line with greater profit contribution from JNYS. JNYS currently enjoys tax exempted status as it is classified as a foreign owned enterprise.

## Balance sheet review

### Non-current Assets

Property, Plants & equipments increased to RMB1,510 million as at 30 June 2008 from RMB 1,442 million as at 30 June 2008, mainly due to our continual expansion of JNYS.

### Current Assets

Inventories, including raw materials such as steel, parts & other miscellaneous shipbuilding material, rose to RMB 1,050 million as at 30 September 2008 from RMB 902 million as at 30 June 2008 in anticipation of more production activities in the coming months.

Increase of other receivable to RMB 5,171 million as at 30 September 2008 from RMB 5,099 million as at 30 June 2008 was mainly due to increased input tax receivable from relevant tax authorities, which are in line with our production activities.

Held-to-maturity Investment of RMB 2,750 million consists of treasury products which are principle protected by China banks and will be matured within the next 12 months.

Derivative financial instruments of RMB 79 million as at 30 September 2008 records the Group's mark to market value of the Group's foreign currency forward contracts which hedges our forward USD receipts in 2008.

The reduction of "Restricted cash" to RMB 2,331 million at 30 September 2008 from RMB 4,117 million as at 30 June 2008 was mainly due to RMB1,500 million investment in treasury products, which are principal protected by China banks.

### Current Liabilities

Accrual, other payables and other current liabilities decreased by RMB 490 million to RMB 293 million as at 30 September 2008 from RMB 783 million as at 30 June 2008 mainly due to the settlement of cash consideration of SGD 93 million (approximately RMB 465 million) payable to the vendor for the acquisition of JNYS.

### Equity

The change of "Total equity attributable to equity holders" to RMB 3,877 million as at 30 September 2008 from RMB 3,793 million as at 30 June 2008 was mainly a result of profits earned and change in fair value reserve in the 3Q FY2008.

The increase in other reserve was due to the changes in the fair value of outstanding currency forward contracts consequent to a rise in RMB against USD. The corresponding amount is classified as a current asset "Derivative financial instruments".

## Cash flows review

In 3Q FY2008, the Group recorded a net decrease in cash and cash equivalents of RMB 625 million from its positive net cash provided by operating activities are mainly due to the following events:-

1. The settlement of cash consideration of SGD 93 million (approximately RMB 465 million) payable to the vendor for the acquisition of JNYS;
2. The outflow of RMB 2,750 million for investing in treasury products which are principal protected by China banks in 3<sup>rd</sup> quarter; and
3. The outflow of RMB 289 million for the repurchase of shares from the open market.

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

The 3QFY2008 financial results are in line with the prospect statement made in 1QFY2008 announcement dated 28<sup>th</sup> April 2008.

**10. 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.**

In 3QFY2008, the Group secured shipbuilding contracts to build six (6) vessels with an aggregate contract value of USD 81 million. With these new contracts the Group's total order's book stands at 164 vessels with a total value of USD 7.3 billion as at 30 September 2008.

The Group's policy of requiring upfront payment of no less than 20% of the contract value, plus a banker's guarantee of a further 20% of the contract value from customers prior to effecting the orders, will largely mitigate the impact of any adverse effect of order cancellation by its customers; notwithstanding, the Group will continue to closely monitor the financial status of its customers and their financing resources. As at the announcement date, there are no order cancellations from any customer.

On the operational front, out of the total 27 scheduled deliveries for 2008, the Group delivered 18 vessels in the first 9 months of 2008 and a further 3 vessels in the month of Oct 2008. All the vessels were delivered between one to six months ahead of the contractual delivery deadlines. The Group expects to achieve on time delivery for the remaining vessels scheduled for delivery in 2008.

In the month of October 2008, the Group successfully launched its first 92,500DWT bulk carrier, as well as its maiden 4,250TEU containership, marking another significant milestone in the Group's strategy of building larger and more sophisticated vessels.

With its cash holdings and strong liquidity, the Group would be able to to navigate through the current uncertain climate and participate in M&A opportunities that were not available previously.

## 11. Dividend

### (a) *Current Financial Period Reported On*

Name of Dividend	Interim Dividend
Dividend Type	Cash
Dividend Rate	One Singapore cent per share
Tax rate	Tax exempt (One-tier)

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

None

### (c) *Whether the dividend is before tax, net of tax or tax exempt*

Details on payment of dividend and related books closure date will be announced in due course.

### (d) *Date payable*

To be announced in due course.

### (e) *Books closure date*

Not applicable.

## 12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the period under review.

## 13. Interested Person Transactions

None

**14. CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL**

We, Ren Yuanlin and Wang Dong, being two of the Directors of Yangzijiang Shipbuilding (Holdings) Ltd. (the "Company"), do hereby confirm on behalf of the Board of Directors of the company (the "Board") that, to the best of their knowledge, nothing has come to the attention of the Board which may render the financial statements for the period ended 30 September 2008 to be false or misleading, in all material respects.

On behalf of the Board of Directors



Ren Yuanlin  
Executive Chairman



Wang Dong  
Executive Director

UBS AG, acting through its business group, UBS Investment Bank, acted as the Global Co-ordinator and Sole Bookrunner for the initial public offering of the shares of the Company.