



Yangzijiang Shipbuilding (Holdings) Ltd
 4 Robinson Road
 #04-01 House of Eden
 Singapore 048543
 (Co. Reg. No. 200517636Z)

MEDIA RELEASE – FOR IMMEDIATE RELEASE

Yangzijiang registers 21% growth in earnings to RMB586.4 million in 1Q2010

- Achieved against a 28% increase in revenue to RMB2,675.5 million as comparatively more vessels delivered in 1Q2010
- Robust net operating cash flow of RMB1,625.6 million
- Order book comprising 125 vessels worth USD5.45 billion

SINGAPORE – 28 April 2010 – Yangzijiang Shipbuilding (Holdings) Limited (“Yangzijiang” or “the Group” or “扬子江船业控股有限公司”), one of PRC’s leading and most enterprising shipbuilder listed on the SGX Main Board, is pleased to kick-start 2010 with another set of good results for the three months that ended 31 March 2010 (“1Q2010”). The Group recorded quarterly earnings of RMB586.4 million for 1Q2010, an increase of 21% year-on-year.

Financial Highlights	1Q2010	1Q2009	chg
	RMB'000	RMB'000	%
Revenue	2,675,504	2,090,159	28
Gross Profit	622,801	424,506	47
Gross Profit Margin	23.3%	20.3%	-
Operating Expenses	(44,772)	(46,588)	(4)
Other Income	125,077	39,693	215
Other Gains	40,155	97,258	(59)
Net Profit Attributable to Equity Holders	586,415	483,271	21
Net Profit Margin	21.9%	23.1 %	-

The Group's turnover for 1Q2010 increased by 28% to RMB2,675.5 million as the Group increased productivity and delivered more vessels in 1Q2010. In 1Q2010, the Group delivered 10 vessels as compared with 6 delivered in 1Q2009.

Gross profit for the Group increased by 47% to RMB622.8 million for 1Q2010 and the gross profit margin improved from 20.3% in 1Q2009 to 23.3% in 1Q2010. This was mainly due to the higher profit recognition for two high margin vessels delivered in 1Q2010.

Other income (that comprises mainly interest income from held-to-maturity investments and bank balances) increased by 215% to RMB125.1 million in 1Q2010. The increase was a result of higher average cash balance in 1Q2010 as compared to 1Q2009, and increased investment in held-to maturity financial assets.

Other gains (that comprises mainly of foreign exchange related gains) registered a 59% decline to RMB40.2 million for 1Q2010. This was mainly due to less favorable rates for forward contracts delivered in 1Q2010 in comparison to 1Q2009, and the negative mark to market variation for the outstanding orders, which was recognized separately as a derivative in accordance with the Financial Reporting Standards.

Despite increased production activities, the Group maintained the operating expenses at the level of about 2% of the revenue. The effective tax rate for the Group increased to 20.1% in 1Q2010 from 5.7% in 1Q2009 mainly due to the 12.5% tax rate applied to the Group's new yard from 2010 onwards (which enjoyed tax exemption for profit generated in FY2009), and the full provision of 5% withholding tax over the Group's Chinese subsidiaries' earnings in 1Q2010 according to the new income tax regulations.

As a result, the net profit attributable to equity holders increased by 21% to RMB586.4 million for 1Q2010 and basic earnings per share increased from 13.23 to 16.05 RMB cents.

Balance Sheet (RMB'000)	31 Mar 2010	31 Dec 2009
Property, Plant and Equipment	1,935,390	1,966,580
Restricted Cash	2,639,776	2,979,646
Cash & Cash Equivalents	5,118,712	3,806,955
Total Debt	1,202,285	907,077
Total Equity	6,896,567	6,310,304
Gross Gearing	17.4%	14.4%
Net Gearing	Net Cash	Net Cash

With increased profitability in 1Q2010 and comparatively better working capital movements, the net cash generated from operating activities was at a commanding

figure of RMB1,625.6 million. The cash and cash equivalents stood at RMB5,118.7 million as at 31 March 2010 with the Group maintaining a net cash position.

OUTLOOK/ FUTURE PLANS

The Group continued to receive new orders and secured year-to-date shipbuilding contracts to build six 45,000 DWT Multi-purpose Bulkers and one 92,500 DWT Multi-purpose Bulker with an aggregate value of USD196 million and deliveries going up to 2012. The Group also accommodated requests from ship owner to change 2 of the 2,500 TEU vessels to 4 of the 34,000 DWT Multi-purpose Bulkers. With these new contracts and the changes in vessel type, the total order book stands at USD5.45 billion as of today comprising 125 vessels. The Group has not witnessed any cancellation of order so far and does not expect any cancellation in respect to its existing contracts. The Group would be delivering a total of 48 vessels as per schedule in whole of 2009.

“We are pleased with the quarterly set of results and the growth registered with more vessels being delivered. We have not had any cancellation of order and we would try and ensure that going forward as well. We managed to secure some new build orders so far this year. Though nowhere near the previous industry peaks, yet these orders do indicate that the sluggish industry outlook is fading out slowly.

Our intention since a while has been to diversify the revenue streams to complement our existing shipbuilding business and we aim to achieve this by recent diversification in the ship breaking and ship repair segments. Also, we want to be part of the robust offshore oil and gas market. We feel that these new segments would help us to gain the necessary diversification.”

Mr Ren Yuanlin (任元林), Executive Chairman, Yangzijiang

Moving forward, the Group will closely monitor the financial health of all its customers. With a commanding cash position and a sizeable order book, the Board remains confident of continued growth and profitability for FY2010.

--The End--

ABOUT YANGZIJIANG SHIPBUILDING (HOLDINGS) LIMITED (Bloomberg Ticker: YZJ SP)

Yangzijiang Shipbuilding (Holdings) Limited is the largest non-state-owned publicly listed shipbuilder by virtue of manufacturing capability in the PRC. The core business is shipbuilding of commercial vessels ranging from containerships, bulk cargo carriers and multi-purpose cargo vessels. The Group owns two shipbuilding bases across the Yangtze River, across each other.

Located in Jiangyin city in the Jiangsu province of PRC, the old shipyard spans approximately 800 metres of deep-water coastline and covers an area of approximately 200,000 square metres (excluding the coastal area).

The new shipyard is located in Jingjiang city and has 1,940 metres of deep-water coastline, a production area of 1,508,857 square metres and a dry dock that can accommodate two 100,000 DWT vessels and two half 100,000 DWT vessels at one time.

For more information please visit the website at: www.yzship.com

Issued for and on behalf of Yangzijiang Shipbuilding (Holdings) Limited

By Financial PR Pte Ltd

For more information, please contact:

Romil SINGH / Kathy ZHANG

romil@financialpr.com.sg

Tel: (65) 6438 2990, Fax: (65) 6438 0064