



扬子江船业(控股)有限公司
Yangzijiang Shipbuilding (Holdings) Ltd.

2Q2011 Results Briefing

11 August 2011



Disclaimer

The presentation is prepared by Yangzijiang Shipbuilding (Holdings) Ltd. (the "Company") and is intended solely for your personal reference and is strictly confidential. The information contained in this presentation is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. Neither the Company nor any of its affiliates, advisors or representatives make any representation regarding, and assumes no responsibility or liability whatsoever (in negligence or otherwise) for, the accuracy or completeness of, or any errors or omissions in, any information contained herein nor for any loss howsoever arising from any use of these materials. By attending this presentation, you are agreeing to be bound by the restrictions set out below. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The information contained in these materials has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. It is not the intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company's financial or trading position or prospects. The information and opinions contained in these materials are provided as at the date of this presentation and are subject to change without notice. None of the underwriters nor any of their respective affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of these materials.

In addition, the information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on a number of estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the Company and its directors. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those forecast and projected.

This presentation and such materials is not and does not constitute or form part of any offer, invitation or recommendation to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto. This document may not be used or relied upon by any other party, or for any other purpose, and may not be reproduced, disseminated or quoted without the prior written consent of the Company.

Any investment in any securities issued by the Company or its affiliates should be made solely on the basis of the final offer document issued in respect of such securities.

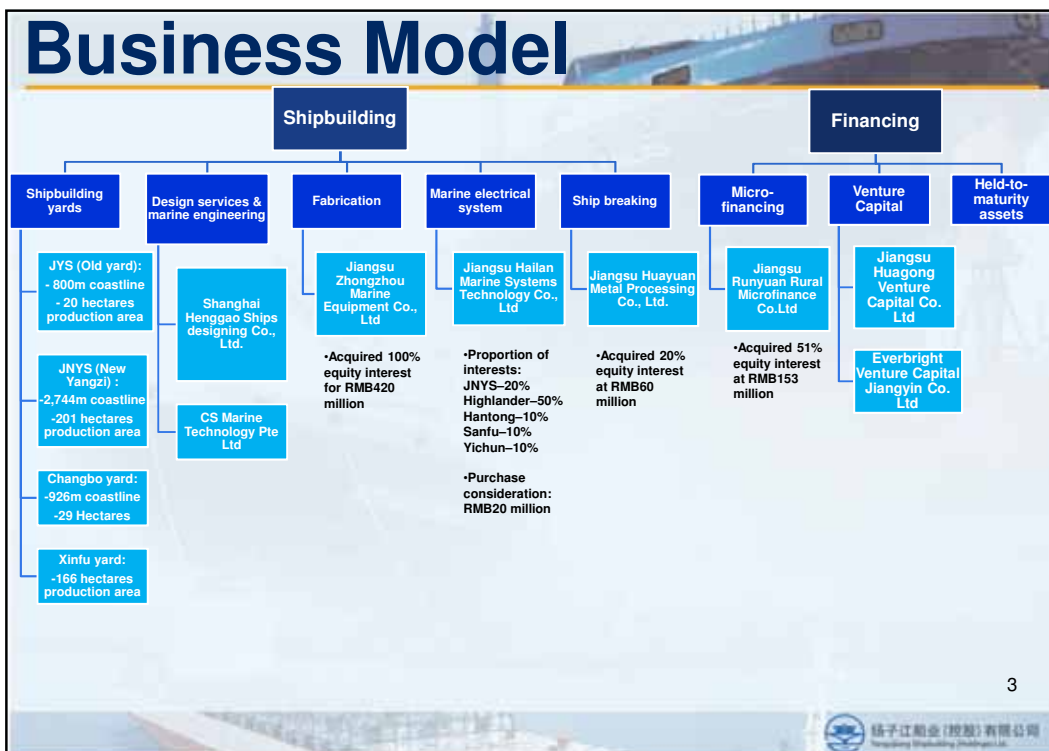
Relaying copies of this presentation to other persons in your company or elsewhere is prohibited.

These materials are not for distribution, directly or indirectly, in or into the United States, Canada or Japan.

These materials are not an offer of securities for sale into the United States, Canada or Japan. The securities may not be offered or sold in the United States under the U.S. Securities Act of 1933, as amended, unless they are registered or exempt from registration. There will be no public offer of securities in the United States.



扬子江船业(控股)有限公司
Yangzijiang Shipbuilding (Holdings) Ltd.



Excellent track record

Uncompromising Quality & Prompt Delivery

Competitive advantages

- High level of quality and well acclaimed by shipbuilding surveyors
- Repeat orders from long term clients
- Prompt in delivery of vessels
- Well managed operations – less cost overruns

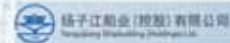
Group's niche

- Sophisticated designs = minimum modifications
- Least retrofitting of tools = significant reduction of fixed cost per vessel
- Mass production = economies of scale

Building capacity

- For JYS, it is currently 0.2 million CGT & 0.8 million CGT for JNYS
- For the Changbo yard, capacity will be ramped till 0.2 million CGT once integrated in the Group
- For Xinfu, once fully operational, it will be up to 3 million DWT

4



Quality Clients

Europe

- ◆ Hansa Shipping
- ◆ Peter Dohle
- ◆ Hammonia
- ◆ Thomas Schulte
- ◆ Perseveranza
- ◆ Canadry
- ◆ D'amato
- ◆ Carisbrooke
- ◆ Ship Finance International
- ◆ T. Klaveness Shipping

Rest of world

- ◆ Cosco
- ◆ Fujian Shipping Company
- ◆ Jiangsu Huayuan
- ◆ Rewood Ocean Shipping
- ◆ Formosa
- ◆ Nova Shipping
- ◆ Arcelor Mittal
- ◆ Seaspans Corporation

5

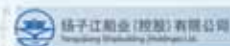


Share Information

Share price (as at close of 10 August 2011)	S\$1.16
Market capitalization	S\$4.43 billion
52 week high / low	S\$2.09 / S\$1.15
Trailing P/E	6.84
P/B	2.15
Dividend yield (gross indicated)	3.90%
Number of shares	3.84 billion
Major shareholders:	Ren Yuanlin (27.84%) Wang Dong (13.30%) Public Float (40.95%)

Source: Bloomberg (10 August 2011)

6



Results Highlight

For 2Q2011 yoy

Financial Highlights	2Q2011	2Q2010	Change	Reason/s
	RMB'000	RMB'000	%	
Revenue	3,161,869	3,073,451	2.9	Maintained total vessels delivered at 12 (including 2 from Changbo)
Gross Profit	698,803	761,071	(8.2)	Lower margins due to fewer delivery of shipbuilding contracts that were secured prior to the crisis
Gross Profit Margin	22.1%	24.8%	-	
Other Income	346,356	191,251	81.1	Increased investment in held-to-maturity products and increased in earnings from Microfinancing
Other Gains/(Losses)	228,861	13,465	1,599.7	USD/RMB and USD/SGD currency forward contracts; positive mark-to-market variation for the outstanding orders in EUR; and tax incentives
Operating Expenses	(82,553)	(48,555)	70.0	Overhead expenses incurred by new subsidiaries
Net Profit Attributable to Equity holders	963,922	800,466	20.4	8
Net Profit Margin	30.5%	26.0%	-	

扬子江船业(控股)有限公司
Yangtze Shipbuilding Holdings Ltd.

Results Highlight

For 2Q2011 qoq

Financial Highlights	2Q2011	1Q2011	Change
	RMB'000	RMB'000	%
Revenue	3,161,869	3,050,413	3.7
Gross Profit	698,803	826,595	(15.5)
Gross Profit Margin	22.1%	27.1%	-
Other Income	346,356	280,725	23.4
Other Gains/(Losses)	228,861	124,336	84.1
Operating Expenses	(82,553)	(69,418)	18.9
Net Profit Attributable to Equityholders	963,922	954,860	0.9
Net Profit Margin	30.5%	31.3%	-

9

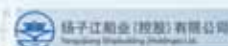
扬子江船业(控股)有限公司
Yangtze Shipbuilding Holdings Ltd.

Results Highlight

For 1H2011 yoy

Financial Highlights	1H2011	1H2010	Change
	RMB'000	RMB'000	%
Revenue	6,212,282	5,748,955	8.1
Gross Profit	1,525,398	1,383,872	10.2
Gross Profit Margin	24.6%	24.1%	-
Other Income	627,081	316,328	98.2
Other Gains/(Losses)	353,197	53,620	558.7
Operating Expenses	(151,971)	(93,327)	62.8
Net Profit Attributable to Equity holders	1,918,782	1,386,881	38.4
Net Profit Margin	30.9%	24.1%	-

10

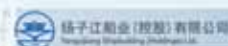


Results Highlight

Balance Sheet

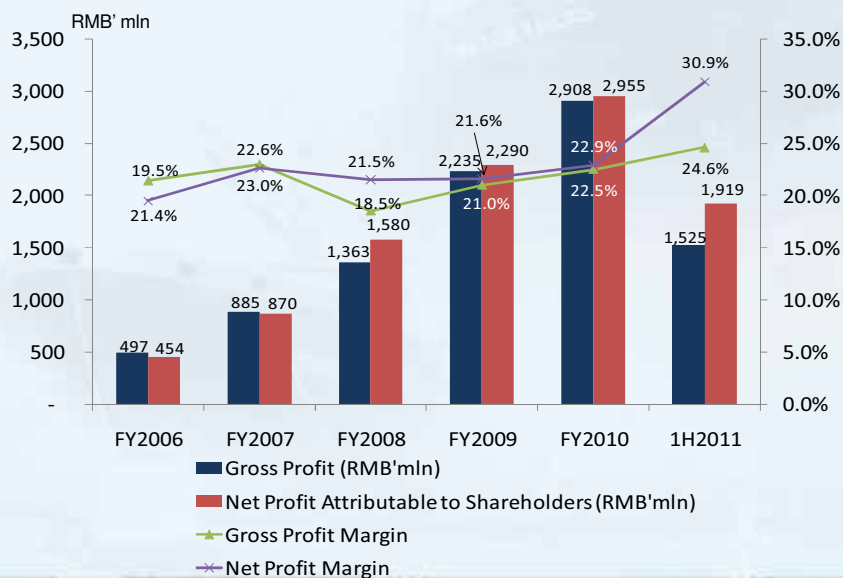
Financial Highlights	30 Jun 2011	31 Dec 2010
	RMB'000	RMB'000
Property, Plant and Equipment	2,731,349	2,629,809
Restricted Cash	4,445,902	2,204,414
Cash & Cash Equivalents	2,797,693	4,543,038
Financial Assets, Held-to-Maturity	10,015,050	8,614,741
Total Debt	4,221,681	1,226,759
Total Equity	11,463,748	10,078,477
Gross Gearing	36.8%	12.2%
Net Gearing	12.4%	Net Cash
Net Asset Value per Ordinary Share (RMB cents)	284.17	258.76

11

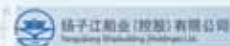


Profitability Trends

Gross Profit and Net Profit Attributable to Shareholders

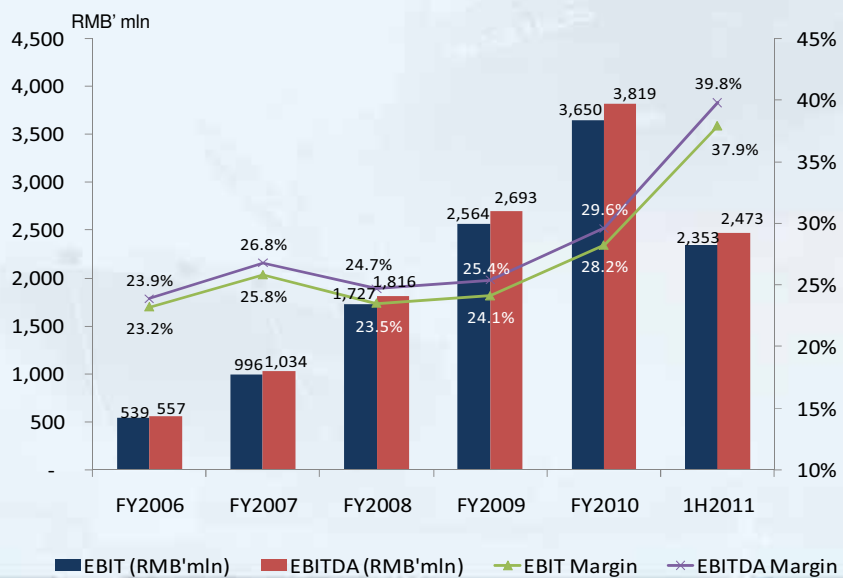


12

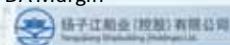


Profitability Trends

EBIT and EBITDA

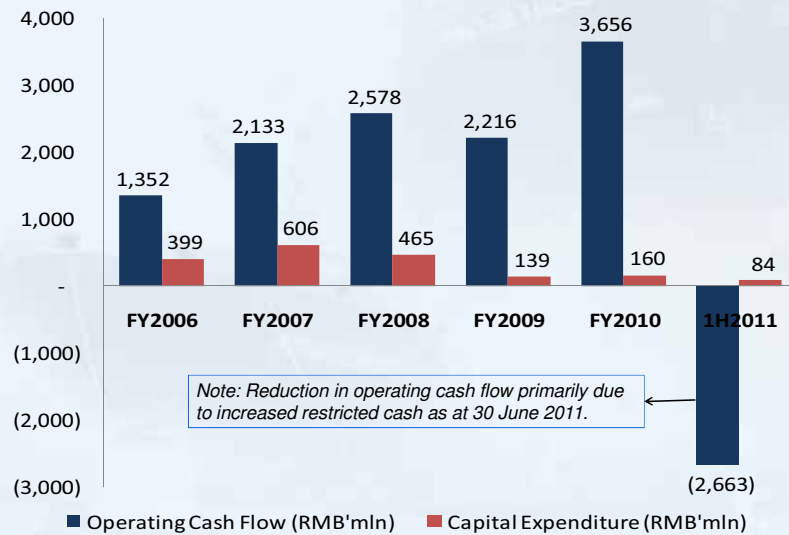


13



Strong Financial Position

Operating Cash Flow and Capital Expenditure (RMB'mln)



14

Strong Financial Position

Cash & Cash Equivalents (RMB'mln)



15

Core Investments - Shipbuilding

Core Business	Yards	CAPEX required?	Types of vessels build	Capacity / utilisation	Existing orders backlog
Shipbuilding	JYS – old yard	No	<3,000 TEU and/or <50,000 DWT	0.2 million CGT / running at full capacity	11 containers, 43 bulk carriers
	Changbo yard	RMB100 million in FY2011	Same as JYS	0.2 million CGT **	To deliver 13 existing backlogs by end 2012
	JNYS – New Yangzi	RMB 400 million (land and wharf)	>3,000 TEU and/or >50,000 DWT as well as 10,000 TEU to 30,000 TEU containerships	0.8 million CGT / running at approx. 100% capacity without land and wharf <i>(Additional 1 million DWT once land and wharf are completed by 2014)</i>	34 containers, 33 bulk carriers and 7 10,000 TEU containerships with 18 options of identical vessels
	Xinfu yard	RMB4 billion over the next 3 years	10,000 TEU to 30,000 TEU containerships	3 million DWT / capacity to come online in 2013	
Total Shipbuilding Capacity:				7.29 million DWT	

** Capacity for Changbo will only be integrated into the Group once existing backlogs are delivered
Information updated as at 30 June 2011

16

Non-Core Investments

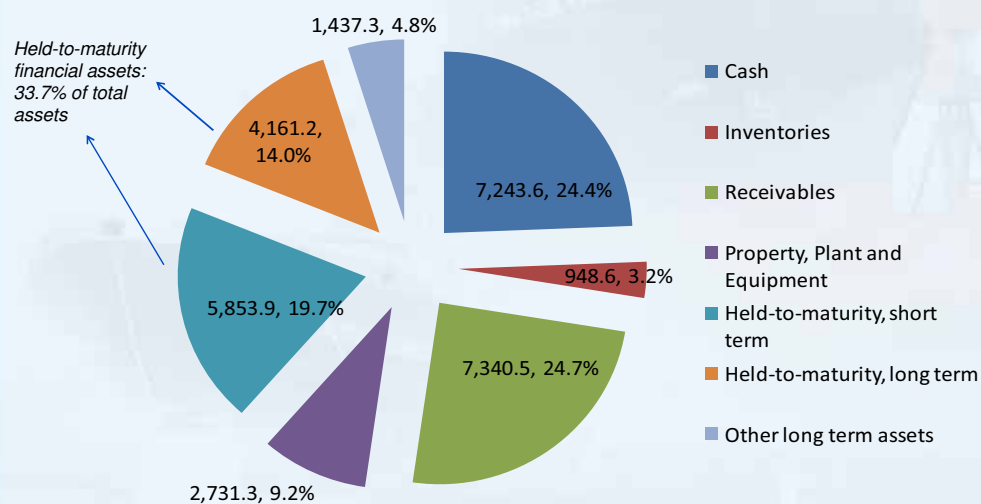
Financial Assets, Held-to-Maturity

Nature	Rationale
<ul style="list-style-type: none"> Fixed rates instruments invested by Yangzijiang Offered by Chinese banks and trust companies used in the financing of Chinese corporate and entities from diverse industries Backed by single or a group of collaterals including listed shares, land titles, corporate guarantees 	<ul style="list-style-type: none"> Better cash management Generates higher returns (10%-15%) as compared to idle cash To reserve cash required for CAPEX and working capital

17

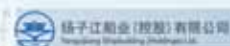
Held-to-Maturity Assets

Total Assets as at 30 June 2011



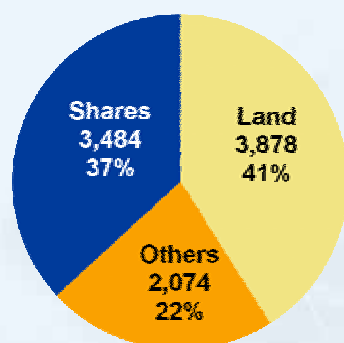
Source: Company Data

18



Held-to-Maturity Assets

Breakdown of Collateral (RMB'mln)



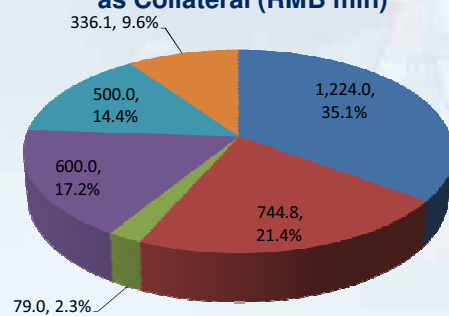
Coverage rate:

Land: 2.66

Shares: 2.71

Others: 1.00

Industry Breakdown of Shares held as Collateral (RMB'mln)



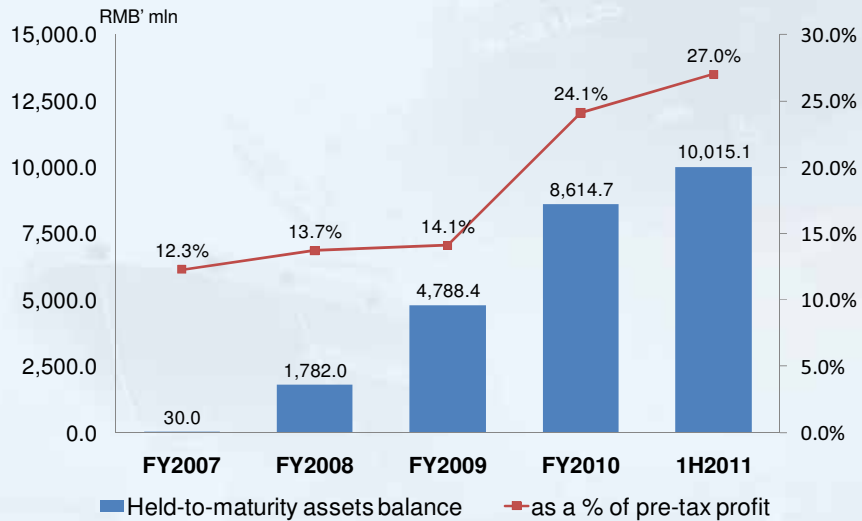
Source: Company Data

19



Held-to-Maturity Assets

Held-to-Maturity Balance and Income derived as a proportion of pre-tax profit



Source: Company Data

20



Held-to-Maturity Assets

Maturity Date of Assets

Less than 1 year (RMB'mln)	More than 1 year (RMB'mln)	Total RMB'mln)
5,853.9	4,161.2	10,015.1
58.5%	41.5%	100%

Source: Company Data

21



Non-Core Investments

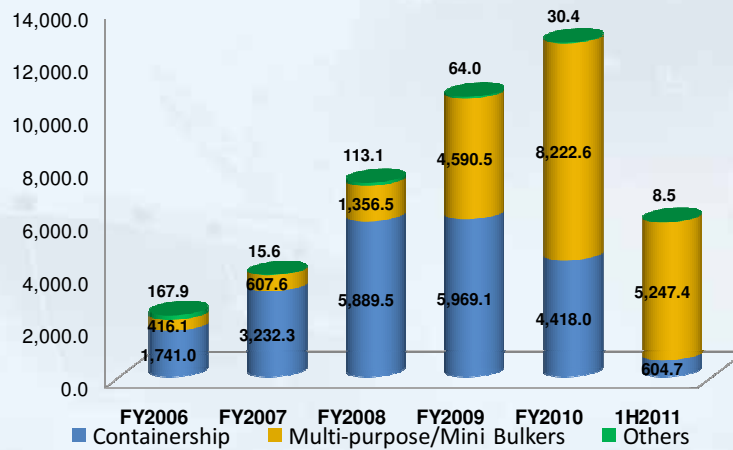
Investments	Nature	Amount invested till date	Rationale
Property	Operating lease of old yard will expire in 2013. Since yard is located in prime property area, the Group is keen to work with property developer to co-develop the land	-	<ul style="list-style-type: none"> Purely opportunistic Additional revenue stream for the Group
Financing business	<ul style="list-style-type: none"> Microfinancing – Runyuan Rural Microfinance 	RMB 153 million	<ul style="list-style-type: none"> Purely opportunistic Potential huge profits to be earned if existing banking license is sold
	<ul style="list-style-type: none"> Venture Capital <ul style="list-style-type: none"> Jiangsu Huagong Everbright Venture Capital Jiangyin Co. Ltd 	<ul style="list-style-type: none"> RMB 60 million RMB 100 million 	<ul style="list-style-type: none"> Purely opportunistic To assist local companies in China to ease financing concerns
	<ul style="list-style-type: none"> Held-to-maturity assets 	RMB 10 billion	<ul style="list-style-type: none"> Better cash management Higher returns CAPEX and working capital

22



Revenue Trend

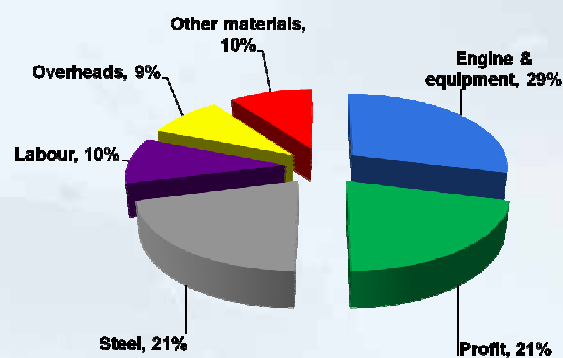
Total Revenue (RMB'mln)



24

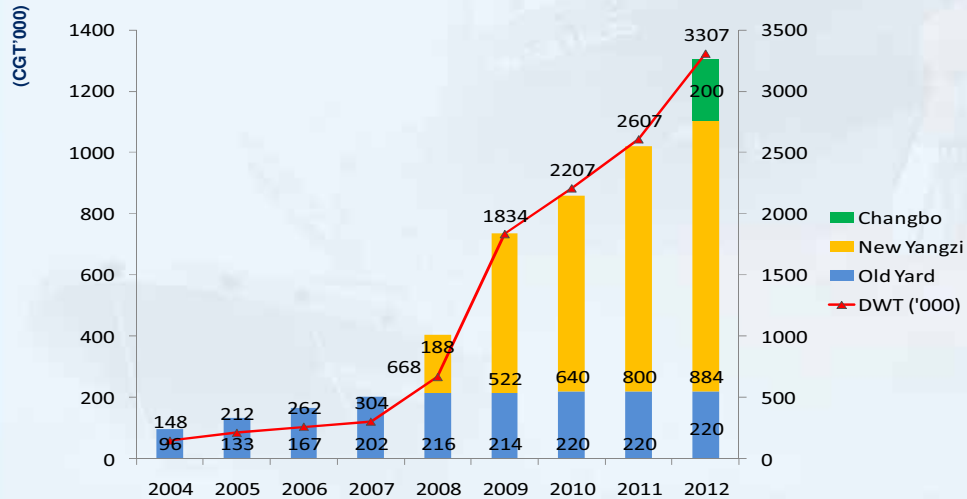
Cost Structure

Usual cost structure



25

Production Capacity



Note: Currently both New Yangzi and old yard are operating at full capacity (without the land and wharf at New Yangzi); Changbo is currently executing shipbuilding contracts secured prior to acquisition, hence only capacity freed in 2012 will be accounted for under the Group

26

New Orders

Order wins YTD worth US\$1.2 billion

- US\$512.3 mln worth of shipbuilding contracts secured in 1Q2011
- US\$700 mln contract with Seaspan for 7 10,000 TEU container ships, with options for 18 more worth US\$1.8 bln
- LOI for 8 10,000 TEU container ships worth US\$800 mln with Peter Dohle

Potential for more orders based on

- YZJ's healthy and strong execution track record
- Strong balance sheet with cash of RMB2.8b as at 30 June 2011
- Good reputation of YZJ and uncertainties on other smaller unproven yards

27

Strong Order Book

Total: 126 vessels; 2.61 million CGT @ US\$ 5.52 billion

50 containerships, 1.37 million CGT @ US\$ 3.24 billion

76 bulk carriers, 1.24 million CGT @ US\$ 2.28 billion

New Yangzi / Xinfu: - 4250 TEU (24 vessels) - 92500 DWT (19 vessels)
 - 4800 TEU (10 vessels) - 82500 DWT (6 vessels)
 - 10000 TEU (5 vessels) - 82000 DWT (2 vessels)

Old Yard / Changbo: 2500 TEU (11 vessels) 19000 DWT (2 vessels)
 45000 DWT (6 vessels) 7600 DWT (4 vessels)
 34000 DWT (8 vessels) 6250 DWT (2 vessels)
 8500 DWT (4 vessels) 47500 DWT (9 vessels)
 49500 DWT (4 vessels) 10000 DWT (4 vessels)
 47000 DWT (6 vessels)

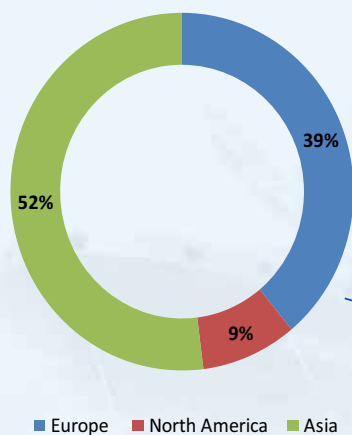
Note: Order book is as at 30 June 2011 and this does not include order book of the Changbo yard

28



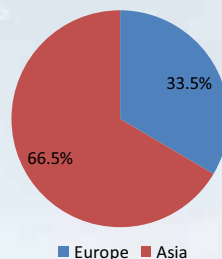
Order Book Customer Profile

Order Book by Geographical Segment

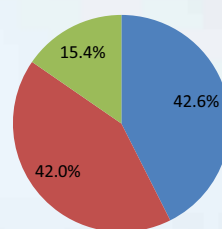


Order Book by Vessel Types

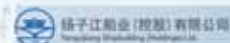
Bulk Carriers Breakdown



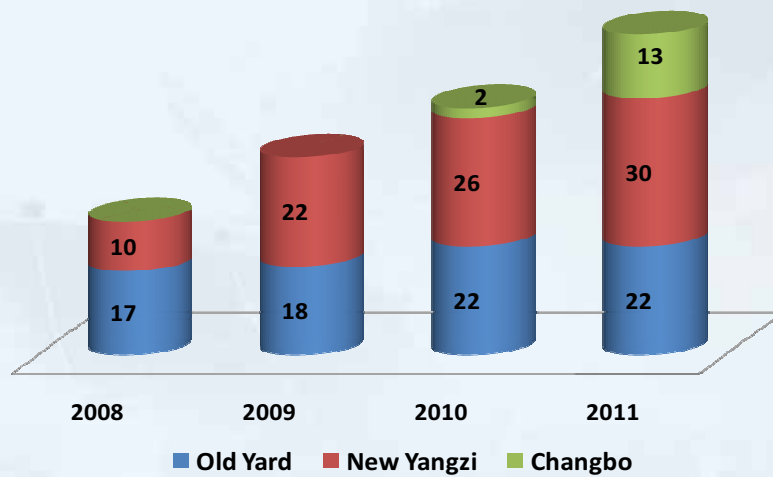
Containerships Breakdown



29



Vessel Delivery Schedule



30

扬子江船业(控股)有限公司
Yangzijiang Shipbuilding (Holdings) Ltd.



Outlook

Expand shipbuilding capacity

- **New land with wharf:**
 - 50 years of land use rights for RMB108mn
 - Able to accommodate construction /mooring of 150,000 DWT
 - Aims to increase capacity of JNYS by 1,000,000 DWT in 2014
- **Xinfu yard:**
 - Intends to invest RMB4bn over next 3 years
 - Annual capacity expected to reach 3mn DWT when fully operational

Expand product offerings

- First Chinese shipyard to win 10,000 TEU container ship order (segment traditionally dominated by Korean yards)
- Moving up the value chain to produce energy-saving 4,800 TEU and 10,000 TEU container ships
- New design reduces fuel consumption by 40%; cuts carbon emissions by 30%; and raises loading capacity by 20%

Expand into offshore marine

- Offered to acquire PPL Holdings for a total consideration of US\$116.25mn from Baker Technology Ltd.
- PPLH holds 15% stake in PPL Shipyard, which is engaged in the business of design and construction of offshore drilling rigs

32

Peer Comparison

NAME	MKT CAP (\$/mln)	P/E	NET MARGIN (%)	ROE (%)
YANGZJIANG SHIPBUILDING	4,431.8	6.85	22.87	36.40
SINGAPORE				
SEMBCORP MARINE LTD	9,003.0	10.72	18.89	38.37
KEPPEL CORP LTD	16,395.7	9.65	16.59	25.51
COSCO CORP SINGAPORE LTD	2,642.3	12.14	6.44	21.80
AVERAGE		10.84	13.97	28.56
CHINA				
GUANGZHOU SHIPYARD INTL CO-H	1,871.0	5.93	10.09	20.72
GUANGZHOU SHIPYARD INTL CO-A	1,871.0	17.75	10.09	20.72
CHINA CSSC HOLDINGS LTD-A	8,319.9	16.65	8.76	17.48
AVERAGE		13.44	9.65	19.64
KOREA				
DAEWOO SHIPBUILDING & MARINE	6,137.5	6.92	6.46	21.37
HYUNDAI MIPO DOCKYARD	2,999.0	5.73	12.14	13.30
HANJIN HEAVY INDUS & CONST	1,209.5	-	(1.88)	(2.52)
SAMSUNG HEAVY INDUSTRIES	8,674.4	8.14	6.81	26.69
STX OFFSHORE & SHIPBUILDING	1,672.4	18.83	1.91	4.64
HYUNDAI HEAVY INDUSTRIES	29,877.6	5.66	16.79	31.84
AVERAGE		9.1	7.0	15.9
TAIWAN				
CSBC CORP TAIWAN	746.7	10.47	6.51	13.53

Source: Bloomberg (10 August 2011)

33

Investment Merits

Good earnings growth

- CAGR of 60% in PATMI for FY05 – FY10
- 2Q2011 PATMI of RMB963.9m, up 20.4% yoy

Strong order book

- YTD order wins worth US\$1.2 billion (order book as at 30 June 2011)

Diversifying revenue streams

- Possible M&A
- Ship breaking /repair, more capacity and also looking towards offshore industry
- Looking towards building bigger (energy-saving) and newer generation vessels

Strong focus on execution of orders

- Low slip-up/conversion costs as mass production done
- Timely vessel delivery schedule
- Experienced management

Healthy balance sheet

- Good level of cash, M&A feasibility in case any opportunity
- Maintains net cash position gearing wise

Dividends paid

- Maintains good payout ratio
- Involves in share buy backs

34



Q&A

For more information, please contact:

Financial PR Pte Ltd

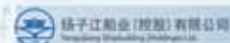
Investor Relations Consultants

Romil Singh / Kathy Zhang

romil@financialpr.com.sg

Tel: (65) 6438 2990

Fax: (65) 6438 0064





扬子江船业(控股)有限公司
Yangzijiang Shipbuilding (Holdings) Ltd.

APPENDIX



Recap of corporate developments

For 2011 YTD

- 3 August 2011: Yangzijiang receives RMB 139.5 million worth of government incentives and tax subsidies through Chinese subsidiaries
- 29 July 2011: Acquisition of 60% equity interest in CS Marine Technology Pte Ltd
- 19 July 2011: Announcement of Corporate Updates with regards to Group's share price
- 27 June 2011: Acquisition of 54.47% equity interest in Jiangsu Runzhou Heavy Industry Co., Ltd
- 23 June 2011: Yangzijiang entered into agreement with Peter Döhle and China Development Bank & also into a LOI for new orders



扬子江船业(控股)有限公司
Yangzijiang Shipbuilding (Holdings) Ltd.

Recap of corporate developments

For 2011 YTD

- 9 June 2011: Entered into shipbuilding contracts worth US\$0.7 billion with Seaspan Corporation on 8 June 2011 to build seven units of 10,000 TEU containerships with options for additional eighteen units of identical vessels to be built.
- 28 April 2011: Yangzijiang starting 2011 on a positive note with 63% increase in quarterly earnings to record high of RMB954.9 million for 1Q2011
- 11 April 2011: Entered into 6 new effective shipbuilding contracts worth US\$214.2 million
- 21 March 2011: Updates on use of IPO Proceeds and proceeds from share issuance to QD Asia Pacific Ltd
- 1 March 2011: Intends to increase equity interest in Jiangsu Xinfu from 20% to 60%
- 1 March 2011: Incorporation of Jiangsu Tianchen Marine Import and Export Co., Ltd which provides shipbuilders with services to facilitate sale and export of vessels



Recap of corporate developments

For 2011 YTD

- 1 March 2011: Subscribing of equity interest in the capital of Jiangsu Renhe New Energy Industrial Investment Centre, a 7-year VC fund
- 22 February 2011: Another year of record earnings for Yangzijiang - earnings of RMB3.0 billion for FY2010
- 31 January 2011: To establish JV with Beijing Highlander Digital Technology Co., Ltd., Jiangsu Hantong Ship Heavy Industry Co., Ltd, Taizhou Sanfu Ship Engineering Co., Ltd. and Jiangsu Yichun Group Co., Ltd to provide marine electrical systems for shipbuilding of commercial vessels and marine engineering projects
- 12 January 2011: Entered into 15 contracts worth US\$415.3 million between 1 Sept 2010 to 31 Dec 2010.
- 10 January 2011: Updates of IPO Proceeds

