

Third Quarter Financial Statement for the Period Ended 31 March 2005

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

**1(a) An income statement (for the group) together with a comparative statement for the
corresponding period of the immediately preceding financial year.**

	Group \$'000			Group \$'000		
	3rdQ ended 31/03/05	3rdQ ended 31/03/04	% Increase / (Decrease)	9 Mths ended 31/03/05	9 Mths ended 31/03/04	% Increase / (Decrease)
Charter income	13,078	8,504	54	37,032	34,310	8
Shipbuilding and shiprepair income	3,608	8,711	(59)	53,181	16,991	213
Other income including interest income	736	438	68	1,626	1,023	59
Total revenues	17,422	17,653	(1)	91,839	52,324	76
Changes in work-in-progress	46,553	37,866	23	49,270	78,285	(37)
Vessel materials and consumables used	(35,617)	(27,947)	27	(55,406)	(54,987)	1
Subcontractors' costs	(9,378)	(12,226)	(23)	(23,027)	(27,929)	(18)
Salaries and employee benefits	(6,354)	(9,002)	(29)	(17,344)	(18,012)	(4)
Depreciation of fixed assets	(3,857)	(2,862)	35	(11,237)	(9,967)	13
Foreign exchange gain / (loss)	840	(832)	(201)	(2,211)	(446)	396
Other operating incomes	15,658	8,592	82	19,910	14,664	36
Total costs and expenses	7,845	(6,411)	(222)	(40,045)	(18,392)	118
Profit from operating activities	25,267	11,242	125	51,794	33,932	53
Finance costs	(1,343)	(830)	62	(3,626)	(2,253)	61
Share of (losses) / profits of associated companies	(408)	1,735	(123)	19,785	4,976	298
Profit before taxation and minority interests	23,516	12,147	94	67,953	36,655	85
Taxation	(2,908)	(1,535)	89	(4,333)	(1,829)	137
Profit after taxation and before minority interests	20,608	10,612	94	63,620	34,826	83
Minority interests	(767)	(49)	1,466	(779)	0	NM
Net profit attributable to shareholders	19,841	10,563	88	62,841	34,826	80

NM: Not Meaningful

Profit before taxation and minority interests was stated after crediting / (charging) :-

	Group \$'000		Group \$'000	
	3rdQ ended 31/03/05	3rdQ ended 31/03/04	9 Mths ended 31/03/05	9 Mths ended 31/03/04
Gain on disposal of fixed assets	19,037	7,363	33,422	23,151
(Provision) / writeback of provision for doubtful debts	(9)	119	(250)	(268)
Amortisation of goodwill	0	0	0	(36)

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.

	Note	Group		Company	
		31/03/05	30/06/04	31/03/05	30/06/04
		\$'000	\$'000	\$'000	\$'000
Fixed assets		189,627	184,993	0	0
Investments					
Subsidiary companies		(0)	0	38,289	38,228
Associated companies	1	28,277	9,744	174	174
Other investments		503	503	376	376
Current assets					
Stocks and work-in-progress	2	161,997	126,537	0	0
Trade debtors	3	12,492	9,753	4	9
Other debtors		15,547	16,493	16,079	14,198
Amounts due from subsidiary companies		(0)	0	93,662	107,195
Fixed deposits		57,126	26,482	9,703	0
Cash and bank balances		8,719	12,546	951	375
		255,881	191,811	120,399	121,777
Current liabilities					
Trade creditors and accruals		37,648	38,131	264	270
Other creditors	4	47,948	2,672	26,226	2
Amounts due to subsidiary companies		0	0	0	17,231
Bank term loans	5	130,000	139,509	13,200	13,400
Provision for taxation		6,220	3,987	148	115
		221,816	184,299	39,838	31,018
Net current assets		34,065	7,512	80,561	90,759
Non-current liabilities					
Bank term loans	5	20,300	0	0	0
Deferred taxation		38	38	0	0
		20,338	38	0	0
		232,134	202,714	119,400	129,537
Share capital and reserves					
Share capital		75,235	74,589	75,235	74,589
Share premium		28,239	24,578	28,239	24,578
Capital redemption reserve		333	333	333	333
Foreign currency translation		(311)	(50)	0	0
Revenue reserve		128,419	103,027	15,593	30,037
Shareholders' funds		231,915	202,477	119,400	129,537
Minority interests		219	237	0	0
		232,134	202,714	119,400	129,537

Note

1. The increase in investments in associated companies is mainly contributed by 50% owned Jaya-TDS Shipping Ltd in the previous quarter following significant gains from the disposal of its two vessels.
2. The increase in stocks and work-in-progress was mainly due to increased shipbuilding projects in the shipbuilding division.

3. The increase in trade debtors was due to longer credit terms extended to some of the Group's chartering customers in the Middle-East region.
4. Other creditors of \$47,948K, included an advance of US\$16,000K (equivalent to S\$26,224K) from associate Jaya-TDS Shipping Ltd which is a return of shareholders' funds pending the completion of a voluntary shareholders' liquidation exercise being undertaken by this associate. Also included is an advance from 40% owned associate Alam Maritim (M) Sdn Bhd amounting to \$18,115k. This represents the substantial amount of the consideration received by the Company for the disposal of its 40% stake in the associate, which was received in the 3rd Quarter. This transaction has since been completed on the 28 April 2005 and will be reported in the 4th Quarter.
5. Higher term loans were utilised for working capital requirements in view of increased shipbuilding projects.

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

Amount repayable in one year or less, or on demand

As at 31/03/05		As at 30/06/04	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
0	130,000	1,171	138,338

Amount repayable after one year

As at 31/03/05		As at 30/06/04	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
0	20,300	0	0

Details of any collateral

Term loan of \$1,171,000 (30/6/2004) is secured by way of legal mortgage on a vessel and the assignment of its charter earnings.

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

	Group \$'000	
	3rdQ ended 31/03/05	3rdQ ended 31/03/04
Cash flow from operating activities		
Profit before taxation	23,516	12,147
Adjustments for :-		
Depreciation of fixed assets	3,857	2,862
Gain on disposal of fixed assets	(19,037)	(7,363)
Share of losses / (profits) of associated companies	408	(1,735)
Interest expenses	1,343	830
Interest income	(614)	(250)
Foreign currency translation	82	0
Operating cash flow before reinvestment in working capital	9,555	6,491
Decrease in debtors	708	1,949
Increase in stocks and work-in-progress	(45,187)	(29,553)
Decrease in creditors	(7,713)	(3,403)
Cash used in operations	(42,637)	(24,516)
Interest received	610	244
Interest paid	(1,229)	(779)
Income tax paid	(498)	(987)
Net cash used in operating activities	(43,754)	(26,038)
Cash flow from investing activities		
Purchase of fixed assets	(5,726)	(8,938)
Proceeds from disposal of fixed assets	52,430	23,747
Purchase of shares in an associated company	0	(46)
Advance from an associated company	18,115	0
Dividend received from an associated company	0	200
Repayment from/ (loans to) associated companies	190	(6,829)
Net cash generated from investing activities	65,009	8,134
Cash flow from financing activities		
Bank term loans obtained	21,379	32,242
Repayment of bank term loans	(48,904)	(8,967)
Dividends paid	(18,654)	(11,177)
Repayment to minority shareholders of subsidiary companies	(4)	0
Proceeds from issuance of new ordinary shares	3,773	1,280
Dividends paid to minority shareholders of subsidiary companies	(797)	0
Net cash (used in) / generated from financing activities	(43,207)	13,378
Net decrease in cash and cash equivalents	(21,952)	(4,526)
Cash and cash equivalents at beginning of period	87,797	54,207
Cash and cash equivalents at end of period	65,845	49,681

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital \$'000	Share premium \$'000	Transferable subscription Rights \$'000	Capital redemption reserve \$'000	Foreign currency translation \$'000	Revenue reserve \$'000	Total \$'000
Balance at 01.01.2004	73,967	23,770	1,464	333	0	90,785	190,319
Issuance of shares under ESOS *	558	722	0	0	0		1,280
Dividends on ordinary shares	0	0	0	0	0	(11,177)	(11,177)
Foreign exchange translation adjustment	0	0	0	0	0		0
Net profit attributable to shareholders	0	0	0	0	0	10,563	10,563
Balance at 31.03.2004	74,525	24,492	1,464	333	0	90,171	190,985

Balance at 01.01.2005	74,669	25,032	0	333	(313)	127,232	226,953
Issuance of shares under ESOS *	566	3,207	0	0	0	0	3,773
Dividends on ordinary shares	0	0	0	0	0	(18,654)	(18,654)
Foreign currency translation adjustment	0	0	0	0	2	0	2
Net profit attributable to shareholders	0	0	0	0	0	19,841	19,841
Balance at 31.03.2005	75,235	28,239	0	333	(311)	128,419	231,915

Company	Share capital \$'000	Share premium \$'000	Transferable subscription Rights \$'000	Capital redemption reserve \$'000	Foreign currency translation \$'000	Revenue reserve \$'000	Total \$'000
Balance at 01.01.2004	73,967	23,770	1,464	333	0	18,874	118,408
Issuance of shares under ESOS *	558	722	0	0	0	0	1,280
Dividends on ordinary shares	0	0	0	0	0	(11,177)	(11,177)
Net profit attributable to shareholders	0	0	0	0	0	2,182	2,182
Balance at 31.03.2004	74,525	24,492	1,464	333	0	9,879	110,693
Balance at 01.01.2005	74,669	25,032	0	333	0	57,831	157,865
Issuance of shares under ESOS *	566	3,207	0	0	0	0	3,773
Dividends on ordinary shares	0	0	0	0	0	(18,654)	(18,654)
Net profit attributable to shareholders	0	0	0	0	0	(23,584)	(23,584)
Balance at 31.03.2005	75,235	28,239	0	333	0	15,593	119,400

*ESOS : Jaya Employees' Share Option Scheme

- 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.

	Ordinary Shares \$0.10	Jaya Employees' Share Option Scheme ("ESOS")
Balance as at 31.12.04	746,686,585	18,251,500
No. of ESOS exercised	5,662,000	(5,662,000)
No. of ESOS cancelled / reinstated	0	140,000
Balance as at 31.03.05	752,348,585	12,729,500

The total number of shares that may be issued on exercise of all outstanding share options granted under the Jaya Employees' Share Option Scheme ("ESOS") are as follows:-

ESOS Grant Number	Exercise Period	Exercise Price	ESOS outstanding as at 31/03/05	ESOS Outstanding as at 31/03/04
6	15.12.01 to 14.12.10	\$0.151	1,500	1,500
7	14.12.02 to 13.12.11	\$0.159	0	440,000
8	10.12.03 to 09.12.07	\$0.231	0	400,000
8	10.12.03 to 09.12.12	\$0.231	105,000	1,161,000
9	10.12.04 to 09.12.08	\$0.769	225,000	675,000
9	10.12.04 to 09.12.13	\$0.769	3,738,000	8,689,500
10	06.12.05 to 06.12.09	\$1.020	600,000	0
10	06.12.05 to 06.12.14	\$1.020	8,060,000	0
			12,729,500	11,367,000

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.

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

Not applicable.

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

Yes.

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.

Not applicable.

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.

	Group	
	3rdQ ended 31/03/05	3rdQ ended 31/03/04

Earnings per ordinary share of the group, after deducting any provision for preference dividends (in cents): -

(a) Based on weighted average number of ordinary shares on issue; and	2.66	1.43
(b) On a fully diluted basis	2.65	1.42

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Company		Group	
	31/03/05	30/06/04	31/03/05	30/06/04

Net asset value per ordinary share based on issued share capital at the end of (in cents) :	15.87	17.37	30.83	27.15
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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.

Group Revenue	\$'000 3rdQ FY05	\$'000 3rdQ FY04	% Increase / (Decrease)
Offshore Shipping	12,581	5,974	111
Conventional Shipping	497	2,530	(80)
Shipbuilding	3,608	8,711	(59)
Others including interest income	736	438	68
Total Group	17,422	17,653	(1)

The Group's revenue for the quarter under review was marginally lower than the corresponding quarter a year ago. The Offshore Shipping Division recorded a 111% increase in revenue while the Shipbuilding and Conventional Shipping Divisions recorded lower revenues.

The increase in the Offshore Shipping revenue resulted mainly from a higher fleet utilisation of 76% as against 63% recorded for the previous corresponding quarter. Other contributing factors included the slightly larger fleet size of 33 vessels as at the end of the quarter which was two more than a year ago. The average size of its motorised vessels increased to 3,388 bhp (brake horsepower) from 2,793 bhp a year ago and this had provided the Division with a correspondingly higher charter revenue earning power.

The lower revenue of the Conventional Shipping Division resulted from the continuing scaling down of this division. As at the end of the quarter, the division has only one remaining vessel compared to five vessels a year ago.

The Shipbuilding Division revenue was lower as it was not working on vessels for external customers whereas during the previous corresponding quarter, it was working on two vessels which were sold to associate companies.

Net Profit attributable to shareholders	\$'000 3rdQ FY05	\$'000 3rdQ FY04	% Increase / (Decrease)
Offshore Shipping	18,860	7,340	157
Conventional Shipping	2,371	261	808
Shipbuilding	567	1,518	(63)
Other Incomes / (Expenses)	(1,825)	(291)	527
Share of profits of associates	(132)	1,735	(108)
Total Group	19,841	10,563	88

The Group recorded a Net Profit attributable to Shareholders of \$19.8 million or 2.66 cents per share for the quarter under review. This is an improvement of 88% over the previous corresponding quarter which had recorded \$10.6 million or 1.43 cents per share.

Of the \$19.8 million net profit, the Offshore Shipping Division provided the largest contribution of \$18.9 million which was 157% higher than the previous corresponding quarter. The Conventional Shipping Division recorded a higher profit of \$2.4 million against a profit of \$0.3 million in the previous corresponding quarter mainly due to the gain on the disposal of one vessel during the quarter. The Shipbuilding Division recorded a profit of \$0.6 million against a profit of \$1.5 million in the previous corresponding quarter. This profit came largely from ship repair and modification works carried out for external customers. Its profit for the quarter was lower as it was not working on new buildings for external parties but was kept busy working on vessels which were meant for the Group's internal fleet.

The Group recorded a share of loss of its associated companies amounting to \$0.1 million. The Group's 40%-owned Alam Maritim Sdn Bhd contributed a profit of \$0.2 million and its two joint venture companies in Qatar contributed a total of \$0.6 million. These profit contributions were however offset by a share of loss amounting to \$0.9 of Jaya – TDS Shipping Ltd.

The Group's balance sheet remained healthy as at the end of the quarter with Shareholders' Funds increased to \$231.9 million from \$202.5 million as at 30 June 2004. It continued to fund its on-going new building programme through internal cash flows generated from its chartering operations and vessel sales as well as external borrowings. The Group maintained a comfortable net gearing ratio of 0.36 as at the end of the quarter compared against 0.50 as at 30 June 2004.

RESULTS FOR THE FIRST NINE MONTHS ENDED 31 MARCH 2005.

Group Revenue	\$'000 9 mths FY05	\$'000 9 mths FY04	% Increase / (Decrease)
Offshore Shipping	33,533	25,943	29
Conventional Shipping	3,499	8,367	(58)
Shipbuilding	53,181	16,991	213
Others including interest income	1,626	1,023	59
Total Group	91,839	52,324	76

Net Profit attributable to shareholders	\$'000 9 mths FY05	\$'000 9 mths FY04	% Increase / (Decrease)
Offshore Shipping	32,670	25,890	26
Conventional Shipping	9,270	2,692	244
Shipbuilding	3,746	1,763	112
Other Incomes / (Expenses)	(2,711)	(495)	448
Share of profits of associates	19,866	4,976	299
Total Group	62,841	34,826	80

For the first nine months ended 31 March 2005, the Group recorded a Total Revenue of \$91.8 million against \$52.3 million in the previous corresponding period. The increase came mainly from the Shipbuilding Division which had during the 1st Quarter completed three vessels for external customers. Higher revenue was also recorded for the Offshore Shipping Division due to the progressive additions of the bigger vessels into the fleet during the period. The decrease in Conventional Shipping Division revenue corresponded with its much reduced fleet size.

Profit attributable to shareholders for the nine months rose to \$62.8 million as compared to \$34.8 million in the previous corresponding period. The Offshore Shipping Division provided the highest contribution of \$32.7 million (previous corresponding period \$25.9 million) due to higher disposal gains and higher fleet utilisation rates. The Conventional Shipping Division contributed \$9.3 million (vs \$2.6 million) while the Shipbuilding Division's contribution was \$3.7million (vs \$1.8 million). The share of profits of associated companies amounted to \$19.9 million (vs \$5.0 million).

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

The results of the Group for the quarter under review are consistent with the prospect statement previously disclosed to shareholders.

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.

The offshore shipping sector is expected to remain active, with its underlying support factors remaining steadfast. These being the high price of crude oil and the continuing shortage of offshore support vessels in the small to medium size categories. Compounding the vessel shortage is the tight capacity situation at shipyards which are into the building of such offshore support vessels. This has impeded the pace of the renewal process desired by fleet owners and operators the world over. Customer demand for both chartering and outright purchase requirements for such vessels should remain encouraging. The Group is well placed to take advantage of this strong market demand as it has an on-going newbuilding programme with over 30 vessels under construction at this point, the majority of which are due for completion in the next financial year.

For the remaining quarter as well as the next financial year, the Directors remain positive about the Group's performance in both its ship chartering and ship sale operations. The sale of vessels, both newbuildings and from its existing fleet, while remaining a basic business strategy is likely to be moderated as the Group seeks to expedite the enlargement of its fleet size for its chartering operations. The Group will also not, in the next financial year, have the benefit of its two associates Jaya-TDS Shipping Ltd and Alam Maritim (M) Sdn Bhd both of which had contributed significantly during the current year under review. The Directors are comfortable that the Group will continue to perform satisfactorily as it is being positioned for continual growth in the long term.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

<Place tabulat results and/or notes here>

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

15. A breakdown of sales.

16. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year.

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	0	0
Preference		
Total:		

17. INTERESTED PERSON TRANSACTIONS

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Sime Darby Bhd Group of Companies	\$7,094,032	Nil

BY ORDER OF THE BOARD

Shirley Lim
Company Secretary
12/05/2005