



JES International Holdings Limited – 3Q2009 Press release

SGX-LISTED SHIPBUILDER JES INTERNATIONAL HOLDINGS LIMITED POSTS 3Q2009 REVENUE OF RMB 300 MILLION DESPITE WEAK OPERATING ENVIRONMENT

- *Decline in revenue largely due to delays in vessels deliveries*
- *Construction of two higher-margin 85,000 LTDW oil tankers on-track for delivery by 2011*
- *JES will continue to focus on cost-containment efforts and enhancing sales efforts to drive future performance*

RMB (Million)	3Q09	3Q08	Change (%)
Revenue	300.0	413.7	(27.5)
Cost of sales	271.3	337.7	(19.7)
Gross profit	28.7	76.0	(62.2)
Gross profit margin (%)	9.6	18.4	(47.9)
Profit attributable to equity holders	1.6	39.3	(96.0)
Fully diluted earnings per share (RMB cents)*	0.14	3.37	(96.0)
Net asset value (RMB cents)*	143.41	147.03**	(2.5)

*Based on weighted average number of ordinary shares of 1,166,028,000

**As at 31 Dec 2008

SINGAPORE, 6 November 2009 – Singapore Exchange Mainboard-listed JES International Holdings Limited (“JES” or the “Group”) (JES 国际控股有限公司), a major PRC shipbuilding group capable of producing different types of vessels, announced today its results for the July – September 2009 (“3Q09”) financial period.



Group revenue declined 27.5% to RMB 300.0 million in 3Q09 from RMB 413.7 in 3Q08, largely due to slower production progress and some delays in vessel deliveries. Bulk carriers contributed 82.6% of revenue for 3Q09, in line with the Group's strategy for the existing yard, while oil tankers and container ships contributed the remaining 17.4%.

In line with the decrease in turnover, cost of sales fell 19.7% to RMB 271.3 million in 3Q09 from RMB 337.7 million in 3Q08. Gross profit and profit attributable to equity holders decreased to RMB 28.7 million and RMB 1.6 million in 3Q09, from RMB 76.0 million and RMB 39.3 million in 2Q09, respectively.

On a nine-month basis, JES recorded a net loss of RMB 43.9 million and revenue of RMB 980.1 million for 2009, compared to a net profit of RMB 91.5 million and revenue of RMB 1,055.7 million in the same period in 2008, due to higher costs of production.

Earnings per share for the 3Q09 period was 0.14 RMB cent (based on weighted average share base of 1,166,028,000) compared to earnings per share of 3.37 RMB cents for 3Q08 (based on weighted average share base of 1,166,028,000). Net asset value per share as at 30 September 2009 were 143.41 RMB cents (based on a share base of 1,166,028,000) from 147.03 RMB cents as at 31 December 2008 (based on a share base of 1,166,028,000).

Commenting on the Group's performance in 3Q09, JES Chairman and Chief Executive Officer Mr. Jin Xin said, "JES continues to be affected by negative conditions within the shipbuilding industry brought about by the global economic downturn and the credit crunch. Due to the lack of ready financing and uncertainty surrounding the quick recovery of the shipping and seaborne logistic sector, ship owners continue to remain cautious about committing to any newbuild orders in the near term."



Despite the weaker operating performance reported for 3Q09, the Group will continue to maintain its prudent financial policies to ensure the sustainable development of the Group. As at 30 September 2009, the Group had cash and cash equivalents of approximately RMB 433.4 million, with short-term borrowings of RMB 49.0 million and no long term borrowings.

Update on New Shipyard

In 2Q09, the Group announced a delay in the scheduled completion of the new steel structure workshop for the Group's new shipyard due to the relocation of some farm houses. These issues have since been resolved and the Group expects the new drydock to be completed by early FY2010.

"Securing additional orders for our new facilities remains a key priority for the Group. In support of these business development initiatives, the Group has established sales and marketing offices in Hong Kong and Singapore, which are expected to augment JES' reach and presence regionally. In addition, we are taking active cost containment measures and will closely monitor material prices and operating expenses to contain further margin erosions," Mr. Jin added.

~ Ends ~

Issued on behalf of JES International Holdings Limited by WeR1 Consultants Pte Ltd

About JES International Holdings Limited

JES is a major PRC shipbuilding group with production facilities capable of producing different types of vessels, including non-standard vessels. Its principal products include:

- Bulk Carriers
- Crude oil tankers
- Containerships
- Ocean engineering vessels



The Group's customers include major shipowners based in Europe, Canada and Asia, including the PRC.

The Group's shipyard is located at Shiwei Port, Jingjiang City in Jiangsu Province, PRC and features a 720m-long coastline with access to deep water and stable currents. The facilities stretch over a gross land area of approximately 167,000 sq.m., including two slipways equipped with gantry cranes, two outfitting wharfs, a hull and section steel shop, a sub-assembly shop, a block assembly shop, a metal treatment shop, two paint shops, a pipe shop and an electrical shop that cover every stage of the shipbuilding process.

JES is in the course of increasing its production capacity by expanding its shipyard on the land adjacent to its existing yard through the construction of a 400m by 140m wide dry dock, a steel hull structure shop with an area approximately 130,000 sq.m. and auxiliary facilities, one 1,200 tonne and two 400 tonne gantry cranes and other lifting equipment.

Upon completion of the new yard, JES will have additional capacity to concurrently construct three bulk carriers of up to 176,000 DWT each or two crude oil tankers of up to 300,000 DWT each or very large ocean engineering vessels and offshore equipment such as oil rigs.

For more information, please contact:

Mr. Tin It Phong
Chief Financial Officer
JES International Holdings Limited

Email: itphongtin@jes-intl.com

Issued on behalf of the Group by:

WeR1 Consultants Pte Ltd
Yim Jeng Yuh: yimjy@wer1.net
Ng Chung Keat: ngck@wer1.net
Tel: 6737 4844