



Courage Marine Group Limited
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For immediate release

Courage Marine maintains net cash position of US\$26.4 million in 1Q2011

- Turnover of US\$5.8 million in 1Q2011 caused by unfavorable dry bulk rates
- Strong balance sheet with cash and bank balances of US\$23.6 million

Hong Kong and Singapore, 13 May 2010 – Courage Marine Group Limited (“Courage Marine” or the “Group”), an established dry-bulk shipping company that transports raw materials for Asia’s growing energy needs, reported its financial results for the three months ended 31 March 2011 (“1Q2011”).

Financial Highlights

US\$'000	1Q2011	1Q2010	% Change
Turnover	5,815	12,853	(54.8)
Gross (loss) profit	(2,274)	3,578	NM
Other incomes	356	67	431.3%
(Loss) profit for the period	(3,693)	3,025	NM

NM: Not meaningful

Financial Review

The Group’s turnover decreased 55% in 1Q2011 to US\$5.8 million from US\$12.9 million in 1Q2010 due to poor market conditions for dry bulk rates and lower fleet utilization. The lower fleet utilization was due to the Chinese New Year holidays in February and the Japanese earthquakes, tsunami and nuclear power plant disaster in March which resulted in a temporary over-supply of vessels within the Asian region. The BDI is currently around the 1,300 level.

Other income is from bank balances, rental income and other one-off income. The Group recorded additional income of US\$71,000 in 1Q2011 mainly due to higher sundry income and interest income.

The net decrease in cash and cash equivalents of approximately US\$6.3 million to US\$23.6 million as at 31 March 2011 was due to the repayment of bank borrowings,

an increase in pledged deposits and higher trade receivables for the period. The Group maintained a net cash position gearing wise.

Looking Forward

Due to the fluctuating global economic conditions and the Japan nuclear crisis, the dry bulk market was down over the past few months and dropped sharply to around 1,000 in January 2011 and is only around 1,300 currently.

The Group expects the financial performance for 2011 to be adversely affected by the current challenging economic conditions and uncertain outlook. The Group will maintain its cost-effective structure and focus on keeping its fleet well-deployed and running efficiently.

“The dry bulk shipping sector has always been very volatile and cyclical. That’s why it has always been a priority for us to keep little or no debt on our balance sheet. We will be on the lookout for affordable second-hand ships to grow our fleet in order to take advantage of the upcycle when it comes.”

**Mr. Hsu Chih Chien, Chairman
Courage Marine Group Limited**

The Group remains cautious on the outlook for FY2011.

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Courage Marine Group Limited

Courage Marine Group, founded in June 2001, is one of Asia's younger dry bulk shipping companies. It owns and operates nine bulk carriers, deployed around Greater China, Japan, Russia, Vietnam, Indonesia, Bangladesh, and elsewhere in Asia. The vessels, totalling 576,991 deadweight tonnes, transport dry bulk commodities such as coal, sea sand, gravel, cement, clinker, iron ore, minerals and wood chips. On board to steer the group are five industry veterans with extensive hands-on experience in dry bulk shipping in Asia, particularly in Greater China.

The company brings over 150 years of combined experience, each excelling in their respective expertise to complement the others. Profitable since inception, its substantial presence in the region can capitalize on China and the Asia-Pacific's continued economic growth. The company is well positioned to take advantage of growing demand for dry bulk marine transportation services, especially coal.

For more information, please visit: www.couragemarine.com

Issued for and on behalf of Courage Marine Group Limited.

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