



บริษัท อาร์ ซี แอล จำกัด (มหาชน)
Regional Container Lines Public Company Limited

PRESS RELEASE
FINANCIAL RESULTS AS AT 2ND QUARTER OF YEAR 2002

As Thai Baht and Singapore Dollar strengthened against US dollar in the second quarter of year 2002, the net profit of Regional Container Lines Public Company Limited had recorded a 284% increase over the same quarter last year at THB634 million. The first half net profit of 2002 stood at THB900 million and which is THB833 million higher than previous year when the Group was only recording a net profit of THB67 million in the first half of 2001.

In 2Q2002, the Group recorded an unrealized exchange gain of THB422 million while an unrealized exchange loss of THB185 million was being recorded for the same quarter last year.

Besides the unrealized exchange gain from the Group's US\$ denominated debt; the Group also recorded lower operating expenses in 2Q2002 when comparing to the same quarter last year. Total expenses before exchange loss, tax and loss on disposal of vessel was down by 9% at THB2.7 billion. The savings were mainly due to higher efficiency achieved of our tonnage through the slot exchange program & faster equipment turnaround and cost reduction at all levels of operation activities. In 2Q2002, to improve the overall fleet efficiency, the Group had disposed a 21 years old vessel and suffered a book loss of THB48 million on loss of disposal.

The Group's turnover for the second quarter was down by 13% at THB3.11 billion compared to THB3.56 billion for the same quarter last year. The reduction in turnover was partly due to the weakening of US\$ against the regional currencies as the Group income is US\$ based and partly due to the freight rate erosion being carried forward from second half of 2001. From a quarter to quarter basis, 2Q2002 turnover is 4% up against 1Q2002 and which had shown clear signs that the freight rate erosion had been stabilized.

Regional Container Lines PLC
August 13, 2002

2001-1H2002 Earnings Statement in Baht

all figures base on financial statements reported to SET

(million baht)	1st Quarter	Half-Year	9 months	Yearend	1st Quarter	Half-Year
	2001	2001	2001	2001	2002	2002
Freight income	3,346.96	6,879.86	10,212.99	13,415.65	2,968.42	6,053.42
Total revenues	3,374.54	6,934.67	10,294.86	13,523.60	2,993.67	6,106.74
Cost of freight and operations	2,691.53	5,467.03	8,257.83	10,982.05	2,468.03	4,987.76
Gross profit	683.00	1,467.65	2,037.03	2,541.55	525.64	1,118.98
Administrative expenses	193.54	400.59	594.68	826.92	176.42	418.45
EBIT before Fx and Impairment	489.46	1,067.05	1,442.35	1,714.63	349.22	700.53
Depreciation	179.02	370.75	572.17	756.68	184.65	321.61
Amortization	5.96	11.92	15.21	15.21	0.00	0.00
EBITDA before Fx and Impairment	674.44	1,449.72	2,029.73	2,486.53	533.87	1,022.14
Interest expense	219.69	444.83	641.53	818.98	142.87	281.09
Earnings before tax, Fx and Impairment	269.77	622.23	800.82	895.66	206.35	419.44
Taxes paid	1.99	2.24	4.37	8.57	1.15	3.07
Net earnings before realised Fx and Impairment	267.78	619.98	796.45	887.09	205.20	416.37
Foreign exchange gain (loss)	(365.19)	(550.18)	(207.30)	(804.41)	60.05	482.14
: Unrealised Fx gain (loss)	(365.35)	(525.05)	(176.50)	(729.45)	58.42	465.92
: Realised Fx gain (loss)	0.16	(25.13)	(30.80)	(74.96)	1.64	16.23
Net earnings after realised Fx gain (loss)						
<i>but before Impairment costs</i>	267.94	594.85	765.64	812.13	206.84	432.59
Loss on impairment of assets	0.00	0.00	0.00	383.33	0.00	0.00
Minority interest	0.84	2.66	1.35	(3.04)	(0.91)	(1.87)
Net earnings for the period	(98.25)	67.14	587.80	(297.61)	266.16	900.38
EXCHANGE RATE : AVERAGE RATE FOR EARNING STATEMENTS						
THB : 1 USD	44.4436	44.4185	44.5357	44.4829	43.7416	43.0783
THB : 1 SGD	24.9051	25.8256	24.9867	24.7774	23.8154	23.7783
SGD : 1 USD	1.7663	1.7950	1.7886	1.7953	1.8367	1.8117

2001-1H2002 Earnings Statement in US\$

	1st Quarter	Half-Year	9 months	Yearend	1st Quarter	Half - Year
(million US\$)	2001	2001	2001	2001	2002	2002
Freight income	77.1	154.9	229.3	301.6	67.9	140.5
Total revenues	77.7	156.1	231.2	304.0	68.5	141.8
Cost of freight & operations	63.2	125.6	189.3	251.8	57.9	118.4
Gross profit	14.5	30.5	41.9	52.2	10.6	23.4
Administrative expenses	4.4	9.0	13.4	18.6	3.8	9.8
EBIT before Fx and Impairment	10.1	21.5	28.5	33.6	6.8	13.6
Depreciation & Armortisation	5.2	10.7	16.3	21.9	5.5	9.7
EBITDA before Fx and Impairment	15.3	32.2	44.8	55.5	12.3	23.3
Interest expenses	5.1	10.0	14.4	18.4	3.3	6.5
Earnings before income tax	5.0	11.5	14.1	15.2	3.5	7.1
Taxes	0.0	0.1	0.1	0.1	0.0	0.1
Net earnings (before FX account)	5.0	11.4	14.0	15.1	3.5	7.0
Foreign exchange accounts						
: FX gain	0.0	0.0	0.0	0.0	0.0	0.4
: Fx loss	0.0	0.6	0.7	1.7	0.0	0.0
Net earnings after Fx but before Impairm	5.0	10.8	13.3	13.4	3.5	7.4
Loss on impairment of assets	0.0	0.0	0.0	10.3	0.0	0.0
Minority interest	0.0	0.1	0.0	0.0	0.0	0.0
Net earnings for the year	5.0	10.7	13.3	3.1	3.5	7.4

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
REPORT AND INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH
AND SIX-MONTH PERIODS ENDED 30 JUNE 2002

Report of Independent Auditor

To The Board of Directors and Shareholders of
Regional Container Lines Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Regional Container Lines Public Company Limited and its subsidiaries as at 30 June 2002, and the related consolidated statements of earnings for the three-month and six-month periods ended 30 June 2002, changes in shareholders' equity, and cash flows for the six-month period ended 30 June 2002, and the separate financial statements of Regional Container Lines Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review.

I conducted my review in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my review, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated financial statements of Regional Container Lines Public Company Limited and its subsidiaries and the separate financial statements of Regional Container Lines Public Company Limited for the year ended 31 December 2001, were audited in accordance with generally accepted auditing standards by another auditor of our firm, who expressed an unqualified opinion on those statements under his report dated 18 February 2002. The balance sheet as at 31 December 2001, as presented herein for comparative purposes, formed an integral part of the financial statements which have been audited and reported on by that auditor.

The consolidated statements of earnings for the three-month and six-month periods ended 30 June 2001, changes in shareholders' equity and cash flows for the six-month period ended 30 June 2001 of Regional Container Lines Public Company Limited and its subsidiaries and the separate financial statements of Regional Container Lines Public Company Limited, as presented herein for comparative purposes, formed an integral part of the interim financial statements which were reviewed by the aforementioned auditor who reported, under his report dated 3 August 2001, that nothing had come to his attention that caused him to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Vissuta Jariyathanakorn
Certified Public Accountant (Thailand) No. 3853

Ernst & Young Office Limited
Bangkok : 2 August 2002

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY		
	Note	30 June 2002 (Unaudited but reviewed)	31 December 2001 (Audited)	30 June 2002 (Unaudited but reviewed)	31 December 20 (Audited)
ASSETS					
Current assets					
Cash and cash equivalents		1,738,812	857,532	1,079,321	67,375
Trade accounts receivable		2,247,226	2,093,033	-	55
Less : allowance for doubtful accounts		(36,565)	(40,761)	-	-
Trade accounts receivable, net	2	2,210,661	2,052,272	-	55
Trade accounts receivable - related pa	2,5	12,003	12,344	1,977,783	2,126,719
Material supplies		135,136	93,930	4,701	4,471
Other current assets		137,417	129,913	36,427	38,859
Total current assets		4,234,029	3,145,991	3,098,232	2,237,479
Non-current assets					
Property investments held for long-term investme		3,733	3,974	-	-
Investments accounted for under equit	3	103,431	98,508	1,264,519	411,430
Other long-term investments		32,277	35,838	-	-
Property and premises, net		2,572,519	2,620,159	25,879	27,014
Vessels and equipment, net		11,988,166	12,482,570	5,084,962	5,207,276
Other non-current assets		19,700	34,694	16,178	30,662
Total non-current assets		14,719,826	15,275,743	6,391,538	5,676,382
TOTAL ASSETS		18,953,855	18,421,734	9,489,770	7,913,861

The accompanying notes are an integral part of the financial statements.

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit : Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		30 June 2002	31 December 2001	30 June 2002	31 December 2001
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		1,321,184	1,433,518	-	1,460
Trade accounts payable - related parties	5	-	10,434	103,871	297,572
Current portion of finance lease creditors		168,082	183,762	-	-
Current portion of long-term loans	4	1,655,928	1,718,320	543,860	489,844
Promissory notes	6	1,000,000	-	1,000,000	-
Other current liabilities		188,788	151,754	41,869	49,968
Total current liabilities		<u>4,333,982</u>	<u>3,497,788</u>	<u>1,689,600</u>	<u>838,844</u>
Non-current liabilities					
Finance lease creditors, net of current portion		368,365	476,204	-	-
Long-term loans, net of current portion	4	7,192,778	8,376,012	766,864	1,031,695
Debentures		1,000,000	1,000,000	1,000,000	1,000,000
Total non-current liabilities		<u>8,561,143</u>	<u>9,852,216</u>	<u>1,766,864</u>	<u>2,031,695</u>
Total liabilities		<u>12,895,125</u>	<u>13,350,004</u>	<u>3,456,464</u>	<u>2,870,539</u>
Shareholders' equity					
Share capital					
Registered					
66,300,000 ordinary shares of Baht 10 each		<u>663,000</u>	<u>663,000</u>	<u>663,000</u>	<u>663,000</u>
Issued and paid-up					
66,300,000 ordinary shares of Baht 10 each					
(31 December 2001 : 63,666,287 ordinary shares					
of Baht 10 each)	7	663,000	636,663	663,000	636,663
Share premium		3,073,190	2,986,278	3,073,190	2,986,278
Translation adjustment		724,815	748,462	724,815	748,462
Retained earnings					
Appropriated - statutory reserve		63,666	63,666	63,666	63,666
Unappropriated		1,508,635	608,253	1,508,635	608,253
Equity attributable to Company's shareholders		<u>6,033,306</u>	<u>5,043,322</u>	<u>6,033,306</u>	<u>5,043,322</u>
Minority interest - equity attributable to					
minority shareholders' of subsidiaries		<u>25,424</u>	<u>28,408</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>6,058,730</u>	<u>5,071,730</u>	<u>6,033,306</u>	<u>5,043,322</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>18,953,855</u>	<u>18,421,734</u>	<u>9,489,770</u>	<u>7,913,861</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

EARNINGS STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2002 AND 2001

(Unit : Thousand Baht)

	<u>CONSOLIDATED</u>		<u>THE COMPANY ONLY</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Revenues				
Freight income	3,084,992	3,532,903	209,893	639,903
Share of profit from investment accounted for under equity method - subsidiaries	-	-	638,474	24,723
Share of profit from investment accounted for under equity method - associated companies	5,743	4,739	5,743	4,739
Gain on exchange	422,090	-	-	-
Other income	22,336	22,497	865	776
Total revenues	<u>3,535,161</u>	<u>3,560,139</u>	<u>854,975</u>	<u>670,141</u>
Expenses				
Cost of freight and operation	2,519,729	2,775,497	142,729	443,663
Administrative expenses	193,577	207,050	24,131	18,625
Loss on disposal of vessel	48,462	-	-	-
Loss on exchange	-	184,993	20,910	573
Total expenses	<u>2,761,768</u>	<u>3,167,540</u>	<u>187,770</u>	<u>462,861</u>
Earnings before interest and income tax expenses	773,393	392,599	667,205	207,280
Interest expenses	(138,221)	(225,137)	(33,154)	(41,737)
Corporate income tax	(1,917)	(253)	171	(160)
Earnings after income tax	633,255	167,209	634,222	165,383
Net loss (earnings) - minority interest of subsidiaries	967	(1,826)	-	-
Net earnings for the period	<u>634,222</u>	<u>165,383</u>	<u>634,222</u>	<u>165,383</u>

(Unit : Baht)

Basic earnings per share

Net earnings	<u>9.61</u>	<u>2.60</u>	<u>9.61</u>	<u>2.60</u>
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Weighted average number of shares (Thousand s	<u>65,982</u>	<u>63,666</u>	<u>65,982</u>	<u>63,666</u>
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The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

EARNINGS STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2002 AND 2001

(Unit : Thousand Baht)

	<u>CONSOLIDATED</u>		<u>THE COMPANY ONLY</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Revenues				
Freight income	6,053,416	6,879,859	423,898	1,304,299
Share of profit from investment accounted for under equity method - subsidiaries	-	-	871,405	-
Share of profit from investment accounted for under equity method - associated companies	12,331	5,818	12,331	5,818
Gain on exchange	482,143	-	-	-
Other income	40,990	48,998	1,453	4,495
Total revenues	<u>6,588,880</u>	<u>6,934,675</u>	<u>1,309,087</u>	<u>1,314,612</u>
Expenses				
Cost of freight and operation	4,987,757	5,467,030	273,402	888,868
Administrative expenses	369,992	400,593	42,327	37,651
Loss on disposal of vessel	48,462	-	-	-
Share of loss from investment accounted for under equity method - subsidiaries	-	-	-	225,926
Loss on exchange	-	550,183	26,777	8,008
Total expenses	<u>5,406,211</u>	<u>6,417,806</u>	<u>342,506</u>	<u>1,160,453</u>
Earnings before interest and income tax expenses	1,182,669	516,869	966,581	154,159
Interest expenses	(281,091)	(444,826)	(66,195)	(85,871)
Corporate income tax	(3,070)	(2,242)	(4)	(1,150)
Earnings after income tax	898,508	69,801	900,382	67,138
Net loss (earnings) - minority interest of subsidiaries	1,874	(2,663)	-	-
Net earnings for the period	<u>900,382</u>	<u>67,138</u>	<u>900,382</u>	<u>67,138</u>

(Unit : Baht)

Basic earnings per share

Net earnings	<u>13.89</u>	<u>1.05</u>	<u>13.89</u>	<u>1.05</u>
Weighted average number of shares (Thousand s	<u>64,830</u>	<u>63,666</u>	<u>64,830</u>	<u>63,666</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2002 AND 2001

(Unit : Thousand Baht)

	CONSOLIDATED						
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings Statutory reserve	Unappropriatesubsidiaries	Minority interest of	Total
Balance - beginning of the y	636,663	2,986,278	760,059	63,666	905,863	31,245	5,383,774
Translation adjustment	-	-	1,619	-	-	-	1,619
Net earnings for the period	-	-	-	-	67,138	-	67,138
Increase in minority interest	-	-	-	-	-	3,676	3,676
Balance - end of the period	<u>636,663</u>	<u>2,986,278</u>	<u>761,678</u>	<u>63,666</u>	<u>973,001</u>	<u>34,921</u>	<u>5,456,207</u>
Balance - beginning of the y	636,663	2,986,278	748,462	63,666	608,253	28,408	5,071,730
Ordinary share increase	26,337	86,912	-	-	-	-	113,249
Translation adjustment	-	-	(23,647)	-	-	-	(23,647)
Net earnings for the period	-	-	-	-	900,382	-	900,382
Decrease in minority interes	-	-	-	-	-	(2,984)	(2,984)
Balance - end of the period	<u>663,000</u>	<u>3,073,190</u>	<u>724,815</u>	<u>63,666</u>	<u>1,508,635</u>	<u>25,424</u>	<u>6,058,730</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2002 AND 2001

(Unit : Thousand Baht)

THE COMPANY ONLY

	Issued and		Translation	Retained earnings		
	paid-up	Share		Statutory	Unappropriated	Total
	share capital	premium	adjustment	reserve		
Balance - beginning of the year 2001	636,663	2,986,278	760,059	63,666	905,863	5,352,529
Translation adjustment	-	-	1,619	-	-	1,619
Net earnings for the period	-	-	-	-	67,138	67,138
Balance - end of the period	<u>636,663</u>	<u>2,986,278</u>	<u>761,678</u>	<u>63,666</u>	<u>973,001</u>	<u>5,421,286</u>
Balance - beginning of the year 2002	636,663	2,986,278	748,462	63,666	608,253	5,043,322
Ordinary share increase	26,337	86,912	-	-	-	113,249
Translation adjustment	-	-	(23,647)	-	-	(23,647)
Net earnings for the period	-	-	-	-	900,382	900,382
Balance - end of the period	<u>663,000</u>	<u>3,073,190</u>	<u>724,815</u>	<u>63,666</u>	<u>1,508,635</u>	<u>6,033,306</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2002 AND 2001

(Unit : Thousand Baht)

	<u>CONSOLIDATED</u>		<u>THE COMPANY ONLY</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Cash flows from operating activities				
Net earnings	900,382	67,138	900,382	67,138
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities :-				
Depreciation	321,610	370,750	121,275	118,132
Share of (profit) loss from investment accounted for under equity method - subsidiaries	-	-	(871,405)	225,926
Share of profit from investment accounted for under equity method - associated companies	(12,331)	(5,818)	(12,331)	(5,818)
Loss on short-term investment revaluation	-	228	-	228
Loss on disposal of fixed assets	48,462	137	-	143
Decrease in allowance for doubtful accounts	(4,196)	(8,567)	-	-
Amortisation of excess of cost of investments over net book value of the subsidiaries	-	11,923	-	-
Unrealised exchange (gain) loss	(465,916)	525,049	29,833	8,895
Minority interest	(1,874)	2,663	-	-
	<u>786,137</u>	<u>963,503</u>	<u>167,754</u>	<u>414,644</u>
Operating assets (increase) decrease				
Trade accounts receivable	(161,679)	(660,305)	55	(31,135)
Trade accounts receivable - related parties	341	(26,945)	47,909	(419,214)
Material supplies	(41,206)	13,516	(230)	1,420
Other current assets	(7,630)	(145,827)	2,306	(15,020)
Other assets	14,994	(15,827)	14,484	(11,288)
Operating liabilities increase (decrease)				
Trade accounts payable	(112,334)	25,970	(1,460)	(4,858)
Trade accounts payable - related parties	(10,434)	(68,404)	(192,593)	128,335
Finance lease creditors	(96,640)	329,778	-	-
Other current liabilities	35,924	(19,470)	(8,099)	(14,413)
Net cash provided by operating activities	<u>407,473</u>	<u>395,989</u>	<u>30,126</u>	<u>48,471</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2002 AND 2001

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Cash flows from investing activities				
Decrease (increase) in property, premises, vessels and equipment	171,972	(357,615)	2,174	(5,144)
Decrease (increase) in investments accounted for under equity method	408	218	-	(44,488)
Decrease in property investments held for long-term investments	241	24,422	-	-
Dividend received from associated company	7,000	7,000	7,000	7,000
Decrease in other long-term investments	3,561	-	-	-
Decrease in translation adjustment	(23,647)	(4,587)	-	-
Net cash provided by (used in) investing activities	<u>159,535</u>	<u>(330,562)</u>	<u>9,174</u>	<u>(42,632)</u>
Cash flows from financing activities				
Increase in short-term loans from financial institutions	-	(19,769)	-	-
Issuance of promissory notes	1,000,000	-	1,000,000	-
Decrease in long-term loans	(798,977)	(700,258)	(140,603)	(138,444)
Cash received from capital increase	113,249	-	113,249	-
Net cash provided by (used in) financing activities	<u>314,272</u>	<u>(720,027)</u>	<u>972,646</u>	<u>(138,444)</u>
Net increase (decrease) in cash and cash equivalents	881,280	(654,600)	1,011,946	(132,605)
Cash and cash equivalents at beginning of period	857,532	1,228,280	67,375	238,318
Cash and cash equivalents at end of period	<u>1,738,812</u>	<u>573,680</u>	<u>1,079,321</u>	<u>105,713</u>
Supplemental cash flow information :-				
Cash paid during the period for :-				
Interest expenses	234,937	480,141	69,524	91,820
Corporate income tax	1,104	5,422	838	245

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1 Going concern issue

Although the economic crisis in Thailand and other countries in South East Asia, which occurred in mid 1997, has eased to a certain extent, its remaining adverse effects are expected to continue to impact on the business environment. However, the accompanying financial statements have been prepared on the going concern basis assuming that the realisation of assets and settlement of liabilities and obligations will occur in the ordinary course of business of the Company and its subsidiaries.

1.2 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41 "Interim financial statements", with the Company choosing to present condensed interim financial statements. However, additional line items are presented in the balance sheets, and the related statements of earnings, changes in shareholders' equity, and cash flows, as in the annual financial statements.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

1.3 Basis of consolidation

These consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2001. There have been no changes in the composition of the Group during the current period.

(UNAUDITED BUT REVIEWED)

The consolidated financial statements for the three-month and six-month periods ended 30 June 2002 include the financial statements of an overseas subsidiary. These financial statements were prepared by the management of the subsidiary, and have not been reviewed by its auditor. Assets of the subsidiary included at 30 June 2002 amount to Baht 65 million, and total revenues included for the three-month and six-month periods then ended amount to Baht 14 million and Baht 24 million, respectively.

1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2001, except that during the current quarter, a Singaporean subsidiary revised the estimated useful life of its containers from 6 years to 10 years to reflect a more realistic period over which the containers are expected to be used by the subsidiary. The change had the effect of increasing consolidated earnings for the three-month and six-month periods ended 30 June 2002 by Baht 20 million and Baht 39 million, respectively.

2. TRADE ACCOUNTS RECEIVABLE/TRADE ACCOUNTS RECEIVABLE - RELATED PARTIES

The balances of trade accounts receivable are classified by aging as follows :-

	(Unit : Thousand Baht)			
	CONSOLIDATED		THE COMPANY ONLY	
	30 June 2002	31 December 2001	30 June 2002	31 December 2001
Under 90 days	2,190,879	2,046,145	-	55
91 - 180 days	47,070	25,268	-	-
181 - 365 days	6,002	12,840	-	-
Over 365 days	3,276	8,780	-	-
Total	2,247,227	2,093,033	-	55
Less : Allowance for doubtful accounts	(36,566)	(40,761)	-	-
Net	<u>2,210,661</u>	<u>2,052,272</u>	<u>-</u>	<u>55</u>

A part of trade accounts receivable of subsidiaries as at 30 June 2002 and 31 December 2001 have been pledged to secure credit facilities granted by banks.

(UNAUDITED BUT REVIEWED)

The balances of trade accounts receivable - related parties are classified by aging as follows :-

(Unit : Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	30 June	31 December	30 June	31 December
	2002	2001	2002	2001
Under 90 days	-	-	203,894	229,728
91 - 180 days	-	-	203,021	295,144
181 - 365 days	-	-	515,750	361,237
Over 365 days	-	-	1,055,118	1,240,610
	-	-	1,977,783	2,126,719
Trade accounts receivable				
- related parties of overseas subsidiaries	12,003	12,344	-	-
Total	12,003	12,344	1,977,783	2,126,719

3. INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHOD

The Company Only

(Unit : Million Baht)

Company's name	Share capital issued and fully paid		Percentage directly owned by the Company		Investment			
	30 June	31 December	30 June	31 December	Cost method		Equity method	
	2002	2001	2002	2001	2002	2001	2002	2001
			Percent	Percent				

Investments in subsidiaries

Subsidiaries operating in Thailand

a) Asian Bulk Shipping Co., Ltd.	Baht 25 Million	Baht 25 Million	51	51	13	13	2	2
b) RCL Logistics Co., Ltd.	Baht 1 Million	Baht 1 Million	100	100	1	1	9	3

Subsidiaries operating in Singapore

c) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	145	145	(1,222)	(1,399)
d) Regional Container Lines Pte Ltd.	S\$ 42.5 Million	S\$ 42.5 Million	85	85	1,173	1,173	2,595	2,437
e) RCL Feeder Pte Ltd.	S\$ 20.5 Million	S\$ 20.5 Million	98	98	430	430	(496)	(1,030)
f) RCL Service SA	USD 10,000	USD 10,000	49	49	2	2	31	16
g) RCL Holdings Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	108	108	142	144
h) RCL Ship Management Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	54	54	8	8

(UNAUDITED BUT REVIEWED)

(Unit : Million Baht)

Company's name	Share capital issued and fully paid		Percentage directly owned by the Company		Investment			
	30 June 2002	31 December 2001	30 June 2002	31 December 2001	Cost method		Equity method	
			Percent	Percent	30 June 2002	31 December 2001	30 June 2002	31 December 2001
<u>Subsidiary operating in Hong Kong</u>								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 4 Million	HK\$ 4 Million	100	100	132	132	93	125
<u>Subsidiary operating in the People's Republic of China</u>								
j) Regional Container Lines Shipping Co.,Ltd.	USD 1 Million	USD 1 Million	100	100	44	44	27	35
Total investments in subsidiaries					2,102	2,102	1,189	341
<u>Investment in associated company</u>								
<u>Associated company operating in Thailand</u>								
i) TIPS Co., Ltd. (Port operating)	Baht 100 Million	Baht 100 Million	20	20	20	20	76	70
Total investment in associated company					20	20	76	70
Total investments accounted for under equity method					2,122	2,122	1,265	411

The accumulated shares of the profit of the associated company, as at 30 June 2002 and 31 December 2001, are calculated from the financial statements of the associated company, which were unreviewed/unaudited by that company's auditor.

CONSOLIDATED

(Unit : Thousand Baht)

	30 June 2002	31 December 2001
The Company's investment in associated company	75,589	70,257
The subsidiaries' investments in associated companies	27,842	28,251
Total investments accounted for under equity method	<u>103,431</u>	<u>98,508</u>

4. LONG-TERM LOANS

These loans have been secured by the mortgage of most of the vessels of the Company and the subsidiaries, and the property of the subsidiaries, and are guaranteed by the Company.

During the current quarter, the Company refinanced Baht 97.3 million loan at interest rate of 8.5% per annum with USD 2.27 million loan at interest rate of LIBOR + 2.5% per annum.

5. RELATED PARTY TRANSACTIONS

- a) The Company and its subsidiaries have business dealings with their customers through regional shipping agents (third parties and related parties) of which a substantial part is through their related companies. Such transactions have been determined in the ordinary course of business.
- b) In addition to the matter discussed in a), during the periods, the Company had other significant business transactions with its subsidiary, associated and related companies (related by way of shareholding or common shareholders and/or common directors). Such transactions, which have been concluded on the terms and basis as determined between the Company and those companies, are charged for prices approximating market prices, except for charter hire fees, which are determined at cost plus a margin or at prices comparable to cost. The transactions are summarised below :-

(Unit : Million Baht)

	For the six-month periods ended 30 June 2002 and 2001			
	CONSOLIDATED		THE COMPANY ONLY	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
<u>Transactions with subsidiaries :</u>				
Charter freight income	-	-	424	332
Container pooling expenses	-	-	-	128
<u>Transactions with related parties :</u>				
Commission expenses	-	15	-	15

(UNAUDITED BUT REVIEWED)

The outstanding balances of the above transactions have been presented in the balance sheets as follows :-

(Unit : Million Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	30 June 2002	31 December 2001	30 June 2002	31 December 2001
<u>Trade accounts receivable - related parties</u>				
<u>Subsidiaries</u>				
RCL Service SA	-	-	629	770
RCL Feeder Pte Ltd.	-	-	1,349	1,357
<u>Related parties</u>				
Others	12	12	-	-
	<u>12</u>	<u>12</u>	<u>1,978</u>	<u>2,127</u>
<u>Trade accounts payable - related parties</u>				
<u>Subsidiaries</u>				
RCL Ship Management Pte Ltd	-	-	104	298
<u>Related parties</u>				
Others	-	10	-	-
	<u>-</u>	<u>10</u>	<u>104</u>	<u>298</u>

6. PROMISSORY NOTES

During the period, the Company issued Baht 1,000 million of negotiable one-year promissory notes, bearing interest at rates of 4.5 per annum, payable quarterly.

7. SHARE CAPITAL

On 2 April 2002, the Company's board of directors approved the allocation of an additional 2,633,713 shares with a par value of Baht 10 each to a security company, at a price of Baht 43 per share.

(UNAUDITED BUT REVIEWED)

8. THE COMPANY'S CORPORATE INCOME TAX

The Company's operating results for the six-month period ended 30 June 2002 can be divided into BOI promoted activities and non-BOI promoted activities as follows :-

(Unit : Baht)

	THE COMPANY ONLY			Total
	For the six-month period ended 30 June 2002			
	Tax payer number			
	3101120028	3105114177	Total	
	BOI Promoted	NON-BOI Promoted	BOI Promoted	
Revenues				
Freight income	283,462,212	882,270	139,553,021	423,897,503
Share of profit from investment accounted for under equity method – subsidiaries	-	871,404,904	-	871,404,904
Share of profit from investment accounted for under equity method - associated companies	-	12,331,255	-	12,331,255
Gain on exchange	-	-	15,263,212	15,263,212
Other income	221,912	1,230,010	1,151	1,453,073
Total revenues	<u>283,684,124</u>	<u>885,848,439</u>	<u>154,817,384</u>	<u>1,324,349,947</u>
Expenses				
Cost of freight and operations	182,454,908	874,380	90,072,613	273,401,901
Administrative expenses	28,371,093	793,329	13,162,640	42,327,062
Loss on exchange	42,039,894	-	-	42,039,894
Interest expenses	20,769,731	463,915	44,961,618	66,195,264
Total expenses	<u>273,635,626</u>	<u>2,131,624</u>	<u>148,196,871</u>	<u>423,964,121</u>
Earnings before income tax	10,048,498	883,716,815	6,620,513	900,385,826
Corporate income tax	-	(3,281)	-	(3,281)
Net earnings for the period	<u>10,048,498</u>	<u>883,713,534</u>	<u>6,620,513</u>	<u>900,382,545</u>

9. BANK GUARANTEES

As at 30 June 2002, there were outstanding bank guarantees of approximately Baht 53 million (31 December 2001 : Baht 49 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business of the Company and its subsidiaries.

(UNAUDITED BUT REVIEWED)

10. COMMITMENT

As at 30 June 2002, overseas subsidiaries had outstanding commitments in respect of lease agreements payable of approximately Baht 42 million (31 December 2001 : Baht 55 million).

11. FINANCIAL INFORMATION BY SEGMENT

The Company's and its subsidiaries' operations involve mainly a single industry segment, the business of feeder and vessel operations, and are carried on in geographic area in Thailand, Singapore, Hong Kong, Taiwan and other countries around the South China Sea. Financial information of the Company and its subsidiaries presented by geographical segment are as follows :-

(Million Baht)

	CONSOLIDATED						
	For the six-month period ended 30 June 2002						
	<u>Thailand</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>China</u>	<u>Total</u>	<u>Elimination</u>	<u>Grand Total</u>
Freight income	485	6,560	53	24	7,122	(1,069)	6,053
Gross profit	161	832	52	15	1,060	6	1,066
Other income							41
Share of profit from investments accounted for under equity method - associated companies							12
Gain on exchange							482
Administrative expenses							(370)
Loss on disposal of vessel							(49)
Interest expenses							(281)
Corporate income tax							(3)
Minority interest							2
Net earnings for the period							900
Property, premises, vessels and equipment	5,114	9,399	82	4	14,599	(38)	14,561
Others							4,393
Total assets							18,954

(UNAUDITED BUT REVIEWED)

(Unit : Million Baht)

CONSOLIDATED							
For the six-month period ended 30 June 2001							
	<u>Thailand</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>China</u>	<u>Total</u>	<u>Elimination</u>	<u>Grand Total</u>
Freight income	<u>1,306</u>	<u>6,568</u>	<u>153</u>	<u>18</u>	<u>8,045</u>	<u>(1,165)</u>	<u>6,880</u>
Gross profit	<u>417</u>	<u>886</u>	<u>69</u>	<u>11</u>	<u>1,383</u>	<u>30</u>	<u>1,413</u>
Other income							49
Share of profit from investments accounted for under equity method - associated companies							6
Administrative expenses							(401)
Interest expenses							(445)
Loss on exchange							(550)
Corporate income tax							(2)
Minority interest							(3)
Net earnings for the period							<u>67</u>

(Million Baht)

CONSOLIDATED							
As at 31 December 2001							
	<u>Thailand</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>China</u>	<u>Total</u>	<u>Elimination</u>	<u>Grand Total</u>
Property, premises, vessels and equipment	<u>5,235</u>	<u>9,814</u>	<u>89</u>	<u>5</u>	<u>15,143</u>	<u>(40)</u>	<u>15,103</u>
Others							<u>3,319</u>
Total assets							<u>18,422</u>

12. RECLASSIFICATION OF ACCOUNTS

Certain amounts in the financial statements for the three-month and six-month periods ended 30 June 2001 have been reclassified to conform to the current period classification, with no effect on previously reported net earnings or shareholders' equity.

13. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved by the directors of the Company.