



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

PRESS RELEASE
FINANCIAL RESULTS AS AT 3rd QUARTER OF YEAR 2003

With buoyant economic growth in Asia Pacific and India this year, the total lifting of Regional Container Lines Public Company Limited had improved continuously. In 3Q2003, the Company's lifting has increased by 5% comparing to the same quarter last year. The turnover before exchange difference of the Group in third quarter of 2003 stood at THB3.39 billion and which was up by 7% comparing to the same quarter last year. During the third quarter of this year, the regional currencies had appreciated substantially against the US Dollar. Since the Group's revenue is US Dollar based, the turnover had suffered a 4% translation loss in this quarter. Without this translation loss, the turnover would be 11% up prior to exchange difference. The improvement was mainly due to general rate restoration across the board as well as certain peak season surcharge being introduced in specific trade route such as Australia and India. The year-to-date turnover in 2003 was also up by 7% at THB9.9 billion comparing to the same period last year.

The Cost of Freight and Operation for the third quarter was up by 5% at THB2.76 billion compared to THB2.63 billion for the same quarter last year and which was in line with the increase in lifting. For the first nine-month period this year, the Cost of Freight and Operation was up by 6% at THB8.06 billion comparing to the same period last year. As total lifting for the first nine-month period increased by 8%, the increase was in line with the increase in production and in fact showing cost savings being achieved by the Company on its terminal handling and other operation expenses.

As regional currencies against US Dollar appreciated at end of September, the Group has recorded a gain on exchange of THB32.9 million versus a gain of THB84.4 million for the same quarter last year when its US Dollar denominated debt was revalued. The consolidated net profit before exchange difference or normalized profit in 3Q2003 was THB244 million which had increased 130% compared to THB106 million in 3Q2002. The increase was due partly to rate restoration and also the continued effort in cost cuttings. After taking the exchange difference into account, the third quarter net profit of 3Q2003 stood at THB277 million and which represented a 45% improvement comparing same quarter last year.

The consolidated net profit before unrealized exchange differences for nine-month ending 30 September 2003 was THB806 million compared to THB524 million for year 2002 representing 54% increase. The Group recorded an unrealized exchange loss of THB143 million for the first 9 months this year compared to unrealized exchange gain of THB567 million for the same period in 2002. The consolidated net profit for the first 9 months in 2003 was THB664 million compared to THB1,090 million for the same period in 2002.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN US\$

(million US\$)

	1 st Quarter	Half-Year	9 months	Yearend	1 st Quarter	Half-Year	9 months
	2002	2002	2002	2002	2003	2003	2003
Freight income	67.9	140.5	214.4	287.6	73.4	149.4	230.7
Cost of freight and operations (excl. depreciation)	(52.4)	(108.7)	(167.0)	(222.7)	(57.2)	(117.7)	(181.2)
Gross Profit	15.5	31.8	47.4	64.9	16.2	31.7	49.5
<i>Gross Profit Margin</i>	<i>22.8%</i>	<i>22.6%</i>	<i>22.1%</i>	<i>22.6%</i>	<i>22.1%</i>	<i>21.2%</i>	<i>21.5%</i>
Other income	0.6	1.3	1.7	2.4	2.8	3.9	5.0
Gain on exchange	0.0	0.4	3.2	2.4	0.0	0.0	0.0
Total other income	0.6	1.7	4.9	4.8	2.8	3.9	5.0
Admin expenses	(3.8)	(8.2)	(14.1)	(18.6)	(4.5)	(9.3)	(15.5)
Depreciation	(5.5)	(9.7)	(14.4)	(19.2)	(4.7)	(9.4)	(14.1)
Loss on exchange	0.0	0.0	0.0	0.0	(0.1)	(0.5)	(0.8)
Loss on impairment of fixed assets	0.0	0.0	0.0	(5.5)	0.0	0.0	0.0
Loss on disposal of vessels	0.0	(1.6)	(1.6)	(1.6)	0.0	0.0	0.0
Total other expenses	(9.3)	(19.5)	(30.1)	(44.9)	(9.3)	(19.2)	(30.4)
Interest expenses	(3.3)	(6.5)	(10.4)	(13.5)	(2.8)	(5.5)	(8.4)
Profit / (loss) before taxation	3.5	7.5	11.8	11.3	6.9	10.9	15.7
Income tax	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)
Profit / (loss) after taxation	3.5	7.4	11.7	11.2	6.8	10.8	15.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	3.5	7.4	11.7	11.2	6.8	10.8	15.5

COMPUTATION OF EBITDA

Profit / (loss) before taxation	3.5	7.5	11.8	11.3	6.9	10.9	15.7
Add: Impairment loss	0.0	0.0	0.0	5.5	0.0	0.0	0.0
Add: Interest	3.3	6.5	10.4	13.5	2.8	5.5	8.4
EBIT	6.8	14.0	22.2	30.3	9.7	16.4	24.1
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	5.5	9.7	14.4	19.2	4.7	9.4	14.1
EBITDA	12.3	23.7	36.6	49.5	14.4	25.8	38.2



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN THAI BAHT

(million baht)

	1 st Quarter	Half-Year	9 months	Yearend	1 st Quarter	Half-Year	9 months
	2002	2002	2002	2002	2003	2003	2003
Freight income	2,968.4	6,053.4	9,198.0	12,366.8	3,142.1	6,347.5	9,693.1
Cost of freight and operations (excl. depreciation)	(2,291.5)	(4,682.2)	(7,164.3)	(9,577.2)	(2,446.5)	(5,000.3)	(7,615.6)
Gross Profit	676.9	1,371.2	2,033.7	2,789.6	695.6	1,347.2	2,077.5
Gross Profit Margin	22.8%	22.7%	22.1%	22.6%	22.1%	21.2%	21.4%
Other income	25.2	53.4	71.3	102.0	118.8	165.7	209.0
Gain on exchange	60.1	482.1	566.8	611.9	0.0	0.0	0.0
Total other income	85.3	535.5	638.1	713.9	118.8	165.7	209.0
Admin expenses	(168.3)	(354.0)	(603.2)	(797.7)	(194.4)	(394.3)	(649.1)
Depreciation	(184.6)	(321.6)	(480.0)	(641.1)	(158.5)	(316.7)	(472.0)
Loss on exchange	0.0	0.0	0.0	0.0	(101.3)	(175.7)	(142.7)
Loss on impairment of fixed assets	0.0	0.0	0.0	(203.1)	0.0	0.0	0.0
Loss on disposal of vessels	0.0	(48.5)	(48.7)	(48.9)	0.0	0.0	0.0
Total other expenses	(352.9)	(724.1)	(1,131.9)	(1,690.8)	(454.2)	(886.7)	(1,263.8)
Interest expenses	(142.9)	(281.1)	(445.7)	(581.7)	(117.9)	(234.5)	(352.5)
Profit / (loss) before taxation	266.4	901.5	1,094.2	1,231.0	242.3	391.7	670.2
Income tax	(1.2)	(3.1)	(5.5)	(6.4)	(4.1)	(5.3)	(7.3)
Profit / (loss) after taxation	265.2	898.4	1,088.7	1,224.6	238.2	386.4	662.9
Minority interest	0.9	1.9	2.0	2.0	0.5	0.6	0.6
Net profit / (loss) attributable to members	266.1	900.3	1,090.7	1,226.6	238.7	387.0	663.5

COMPUTATION OF EBITDA

Profit / (loss) before taxation	266.4	901.5	1,094.2	1,231.0	242.3	391.7	670.2
Add: Impairment loss	0.0	0.0	0.0	203.1	0.0	0.0	0.0
Add: Interest	142.9	281.1	445.7	581.7	117.9	234.5	352.5
EBIT	409.3	1,182.6	1,539.9	2,015.8	360.2	626.2	1,022.7
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	184.6	321.6	480.0	641.1	158.5	316.7	472.0
EBITDA	593.9	1,504.2	2,019.9	2,656.9	518.7	942.9	1,494.7

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
REPORT AND INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED
30 SEPTEMBER 2003 AND 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 September 2003, and the consolidated statements of earnings for the three-month and nine-month periods ended 30 September 2003 and 2002, changes in shareholders' equity, and cash flows for the nine-month periods ended 30 September 2003 and 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 reviews.

I conducted my reviews 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 reviews, 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.

I have previously audited 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 2002 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 14 February 2003. The balance sheet as at 31 December 2002, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Vissuta Jariyathanakorn
Certified Public Accountant (Thailand) No. 3853

Ernst & Young Office Limited
Bangkok: 31 October 2003

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>Note</u> 30 September 2003	31 December 2002	30 September 2003	31 December 2002
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
ASSETS				
Current assets				
Cash and cash equivalents	1,641,208	1,487,596	43,428	265,235
Short-term investments in available-for-sale securities - Unit trusts	1,296,561	-	1,296,561	-
Trade accounts receivable	1,319,790	1,866,758	-	-
Less : allowance for doubtful accounts	(62,982)	(25,488)	-	-
Trade accounts receivable, net	2 1,256,808	1,841,270	-	-
Trade accounts receivable - related parties 2,5	-	-	2,269,827	2,159,446
Material supplies	126,446	124,401	5,324	5,479
Other current assets	203,502	160,381	35,091	39,571
Total current assets	4,524,525	3,613,648	3,650,231	2,469,731
Non-current assets				
Property investments held for long-term investment	2,065	2,216	-	-
Investments accounted for under equity method 3	115,803	97,871	2,142,795	1,553,724
Other long-term investments	34,480	33,803	-	-
Property and premises, net	2,319,195	2,498,140	23,041	24,743
Vessels and equipment, net	11,316,292	12,116,186	5,030,267	5,092,664
Other non-current assets	3,813	3,669	1,688	1,489
Total non-current assets	13,791,648	14,751,885	7,197,791	6,672,620
TOTAL ASSETS	18,316,173	18,365,533	10,848,022	9,142,351

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)

	CONSOLIDATED		THE COMPANY ONLY		
	Note	30 September 2003 (Unaudited but reviewed)	31 December 2002 (Audited)	30 September 2003 (Unaudited but reviewed)	31 December 2002 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Promissory notes		-	1,000,000	-	1,000,000
Trade accounts payable		1,061,943	1,183,890	-	-
Trade accounts payable - related parties	5	-	-	22,188	31,047
Current portion of finance lease creditors		138,487	162,883	-	-
Current portion of long-term loans	4	1,088,723	1,150,751	187,970	198,642
Other current liabilities		210,220	185,744	69,159	53,328
Total current liabilities		2,499,373	3,683,268	279,317	1,283,017
Non-current liabilities					
Finance lease creditors, net of current portion		178,725	301,733	-	-
Long-term loans, net of current portion	4	5,419,671	7,066,579	374,808	571,592
Debentures	6	3,500,000	1,000,000	3,500,000	1,000,000
Total non-current liabilities		9,098,396	8,368,312	3,874,808	1,571,592
Total liabilities		11,597,769	12,051,580	4,154,125	2,854,609
Shareholders' equity					
Share capital	7				
Registered					
663,000,000 ordinary shares of Baht 1 each					
(2002: 66,300,000 ordinary shares of Baht 10 e		663,000	663,000	663,000	663,000
Issued and paid-up					
663,000,000 ordinary shares of Baht 1 each					
(2002: 66,300,000 ordinary shares of Baht 10 e		663,000	663,000	663,000	663,000
Share premium		3,073,190	3,073,190	3,073,190	3,073,190
Translation adjustment		659,574	785,660	659,574	785,660
Retained earnings					
Appropriated - statutory reserve		66,300	66,300	66,300	66,300
Unappropriated		2,230,580	1,699,592	2,230,580	1,699,592
Unrealised gain on changes in the value of investmer		1,253	-	1,253	-
Equity attributable to Company's shareholders		6,693,897	6,287,742	6,693,897	6,287,742
Minority interest - equity attributable to					
minority shareholders' of subsidiaries		24,507	26,211	-	-
Total shareholders' equity		6,718,404	6,313,953	6,693,897	6,287,742
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		18,316,173	18,365,533	10,848,022	9,142,351

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 SEPTEMBER 2003 AND 2002

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
Revenues					
Freight income		3,345,600	3,144,631	227,721	204,570
Share of profit from investment accounted for under equity method - subsidiaries		-	-	330,370	28,967
Share of profit from investment accounted for under equity method - associated companies		10,143	5,497	10,143	5,497
Gain on exchange		32,988	84,459	-	144,526
Other income		33,103	12,376	7,233	2,927
Total revenues		<u>3,421,834</u>	<u>3,246,963</u>	<u>575,467</u>	<u>386,487</u>
Expenses					
Cost of freight and operation		2,763,438	2,631,877	135,605	132,687
Administrative expenses		261,915	257,864	29,054	21,451
Loss on exchange		-	-	85,939	-
Total expenses		<u>3,025,353</u>	<u>2,889,741</u>	<u>250,598</u>	<u>154,138</u>
Earnings before interest and income tax expenses		396,481	357,222	324,869	232,349
Interest expenses		(118,059)	(164,623)	(46,686)	(41,640)
Corporate income tax		(1,892)	(2,390)	(1,624)	(353)
Earnings after income tax		276,530	190,209	276,559	190,356
Net loss - minority interest of subsidiaries		29	147	-	-
Net earnings for the period		<u>276,559</u>	<u>190,356</u>	<u>276,559</u>	<u>190,356</u>

(Unit: Baht)

Basic earnings per share

Net earnings		<u>0.42</u>	<u>0.29</u>	<u>0.42</u>	<u>0.29</u>
Weighted average number of shares (thousa 1.3		<u>663,000</u>	<u>663,000</u>	<u>663,000</u>	<u>663,000</u>

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

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
EARNINGS STATEMENTS
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		2003	2002	2003	2002
Revenues					
Freight income		9,693,125	9,198,046	642,018	628,468
Share of profit from investment accounted for under equity method - subsidiaries		-	-	696,581	900,372
Share of profit from investment accounted for under equity method - associated companies		28,577	17,828	28,577	17,828
Gain on exchange		-	566,601	-	117,749
Input tax refund		85,384	-	85,384	-
Other income		95,002	53,368	11,325	4,380
Total revenues		<u>9,902,088</u>	<u>9,835,843</u>	<u>1,463,885</u>	<u>1,668,797</u>
Expenses					
Cost of freight and operation		8,065,040	7,619,634	451,971	406,088
Administrative expenses		671,622	627,856	98,556	63,779
Loss on disposal of vessel		-	48,462	-	-
Loss on exchange		142,747	-	128,542	-
Total expenses		<u>8,879,409</u>	<u>8,295,952</u>	<u>679,069</u>	<u>469,867</u>
Earnings before interest and income tax expenses		1,022,679	1,539,891	784,816	1,198,930
Interest expenses		(352,532)	(445,713)	(118,505)	(107,835)
Corporate income tax		(7,243)	(5,460)	(2,723)	(357)
Earnings after income tax		662,904	1,088,718	663,588	1,090,738
Net loss - minority interest of subsidiaries		684	2,020	-	-
Net earnings for the period		<u>663,588</u>	<u>1,090,738</u>	<u>663,588</u>	<u>1,090,738</u>

(Unit: Baht)

Basic earnings per share

Net earnings		<u>1.00</u>	<u>1.67</u>	<u>1.00</u>	<u>1.67</u>
Weighted average number of shares (thousa 1.3		<u>663,000</u>	<u>653,256</u>	<u>663,000</u>	<u>653,256</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit: Thousand Baht)

CONSOLIDATED

	Issued and paid-up share	Share premium capita	Translation adjustment	Retained earnings		Unrealised gain on changes in the value of investments	Minority interest of subsidiaries	Total
				Statutory reserve	Inappropriate			
Balance - beginning of the year	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	-	-	17,852	-	-	-	-	17,852
Net earnings for the period	-	-	-	-	1,090,738	-	-	1,090,738
Dividend paid	-	-	-	-	(132,600)	-	-	(132,600)
Decrease in minority interest	-	-	-	-	-	-	(2,241)	(2,241)
Balance as at 30 September 2002	<u>663,000</u>	<u>3,073,190</u>	<u>766,314</u>	<u>63,666</u>	<u>1,566,391</u>	<u>-</u>	<u>26,167</u>	<u>6,158,728</u>
Balance - beginning of the year	663,000	3,073,190	785,660	66,300	1,699,592	-	26,211	6,313,953
Translation adjustment	-	-	(126,086)	-	-	-	-	(126,086)
Net earnings for the period	-	-	-	-	663,588	-	-	663,588
Dividend paid (Note 8)	-	-	-	-	(132,600)	-	-	(132,600)
Unrealised gain on changes in the value of investments	-	-	-	-	-	1,253	-	1,253
Decrease in minority interest	-	-	-	-	-	-	(1,704)	(1,704)
Balance as at 30 September 2003	<u>663,000</u>	<u>3,073,190</u>	<u>659,574</u>	<u>66,300</u>	<u>2,230,580</u>	<u>1,253</u>	<u>24,507</u>	<u>6,718,404</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit: Thousand Baht)

THE COMPANY ONLY

	Issued and		Translation	Retained earnings		Unrealised	Total
	paid-up	Share		Statutory	Inappropriate	gain on changes	
	share capital	premium	adjustment	reserve	investments	in the value of	
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	-	-	17,852	-	-	-	17,852
Net earnings for the period	-	-	-	-	1,090,738	-	1,090,738
Dividend paid	-	-	-	-	(132,600)	-	(132,600)
Balance as at 30 September 2002	<u>663,000</u>	<u>3,073,190</u>	<u>766,314</u>	<u>63,666</u>	<u>1,566,391</u>	<u>-</u>	<u>6,132,561</u>
Balance - beginning of the year 2003	663,000	3,073,190	785,660	66,300	1,699,592	-	6,287,742
Translation adjustment	-	-	(126,086)	-	-	-	(126,086)
Net earnings for the period	-	-	-	-	663,588	-	663,588
Dividend paid (Note 8)	-	-	-	-	(132,600)	-	(132,600)
Unrealised gain on changes in the value of investments	-	-	-	-	-	1,253	1,253
Balance as at 30 September 2003	<u>663,000</u>	<u>3,073,190</u>	<u>659,574</u>	<u>66,300</u>	<u>2,230,580</u>	<u>1,253</u>	<u>6,693,897</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit: Thousand Baht)

	<u>CONSOLIDATED</u>		<u>THE COMPANY ONLY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Cash flows from operating activities				
Net earnings	663,588	1,090,738	663,588	1,090,738
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities :-				
Depreciation	471,986	480,035	191,554	181,894
Share of profit from investment accounted for under equity method - subsidiaries	-	-	(696,581)	(900,372)
Share of profit from investment accounted for under equity method - associated companies	(28,577)	(17,828)	(28,577)	(17,828)
Loss on disposal of fixed assets	-	48,462	-	-
Increase (decrease) in allowance for doubtful accounts	37,494	(2,856)	-	-
Unrealised exchange (gain) loss	108,740	(428,225)	126,172	1,860
Minority interest	(684)	(2,020)	-	-
	<u>1,252,547</u>	<u>1,168,306</u>	<u>256,156</u>	<u>356,292</u>
Operating assets (increase) decrease				
Trade accounts receivable	371,045	75,207	-	55
Trade accounts receivable - related parties	-	12,344	(272,975)	(18,944)
Material supplies	(2,045)	(59,293)	155	(697)
Other current assets	(43,241)	(65,251)	4,360	(3,851)
Other assets	(144)	22,229	(199)	21,623
Operating liabilities increase (decrease)				
Trade accounts payable	(121,947)	(197,725)	-	(1,460)
Trade accounts payable - related parties	-	(10,434)	(9,142)	(272,830)
Finance lease creditors	(145,940)	(124,975)	-	-
Other current liabilities	23,456	52,668	15,831	14,449
Net cash provided by (used in) operating activities	<u>1,333,731</u>	<u>873,076</u>	<u>(5,814)</u>	<u>94,637</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 NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

(Unit: Thousand Baht)

	<u>CONSOLIDATED</u>		<u>THE COMPANY ONLY</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Cash flows from investing activities				
Purchases of short-term investments in available-for-sale securities - Unit trusts	(1,295,308)	-	(1,295,308)	-
Decrease (increase) in property, premises, vessels and equipment	506,853	(226,389)	(127,455)	(128,373)
Decrease in investments accounted for under equity method	645	19,119	-	-
Dividend received from associated company	10,000	7,000	10,000	7,000
Decrease (increase) in other long-term investments	(677)	2,505	-	-
Increase (decrease) in translation adjustment	(125,935)	17,852	-	-
Net cash used in investing activities	<u>(904,422)</u>	<u>(179,913)</u>	<u>(1,412,763)</u>	<u>(121,373)</u>
Cash flows from financing activities				
Increase (decrease) in promissory notes	(1,000,000)	1,000,000	(1,000,000)	1,000,000
Decrease in long-term loans	(1,643,097)	(1,290,503)	(170,630)	(710,527)
Cash received from debentures	2,500,000	-	2,500,000	-
Cash received from capital increase	-	113,249	-	113,249
Dividend paid	(132,600)	-	(132,600)	-
Net cash provided by (used in) financing activities	<u>(275,697)</u>	<u>(177,254)</u>	<u>1,196,770</u>	<u>402,722</u>
Net increase (decrease) in cash and cash equivalents	153,612	515,909	(221,807)	375,986
Cash and cash equivalents at beginning of period	1,487,596	857,532	265,235	67,375
Cash and cash equivalents at end of period	<u>1,641,208</u>	<u>1,373,441</u>	<u>43,428</u>	<u>443,361</u>
Supplemental cash flow information :-				
Cash paid during the period for :-				
Interest expenses	240,649	335,504	98,821	91,992
Corporate income tax	11,910	1,205	1,008	838

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

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

1. GENERAL INFORMATION

1.1 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.

1.2 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 2002. There have been no changes in the composition of the Group during the current period.

The consolidated financial statements for the three-month and nine-month periods ended 30 September 2003 include the financial statements of a subsidiary in the Peoples' Republic of China. These financial statements were prepared by the management of the subsidiary, and have not been reviewed by its auditor. Assets of the subsidiary included as at 30 September 2003 amount to Baht 80 million (31 December 2003: Baht 75 million), and total revenues included for the three-month and nine-month periods then ended amount to Baht 19 million and Baht 54 million (30 September 2002: Baht 2 million and Baht 26 million) respectively.

1.3 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 2002, with the following additional accounting policies disclosed: -

Investments in available-for-sale securities

Investments in available-for-sale securities are determined at fair value. Changes in the value of securities are recorded as a separate item in shareholders' equity until the securities are sold, when the changes are included in determining earnings.

The fair value of unit trusts is their net asset value.

Basic earnings per share

Basic earnings per share is calculated by dividing net earnings for the period by the number of ordinary shares in issue during the period, after adjusting the number of shares as if the change in the par value of the shares discussed in Note 7 had been made since the beginning of the reported period.

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

The balances of trade accounts receivable in the consolidated financial statements are classified by aging as follows: -

(Unit: Thousand Baht)

	CONSOLIDATED	
	30 September 2003	31 December 2002
Under 90 days	1,228,674	1,849,145
91 - 180 days	67,577	13,288
181 - 365 days	6,380	2,912
Over 365 days	<u>17,159</u>	<u>1,413</u>
Total	1,319,790	1,866,758
Less : Allowance for doubtful accounts	<u>(62,982)</u>	<u>(25,488)</u>
Net	<u><u>1,256,808</u></u>	<u><u>1,841,270</u></u>

(UNAUDITED BUT REVIEWED)

A part of the trade accounts receivable of subsidiaries as at 30 September 2003 and 31 December 2002 have been pledged to secure credit facilities granted by banks.

The balances of trade accounts receivable - related parties in the Company's financial statements are classified by aging as follows: -

(Unit: Thousand Baht)

THE COMPANY ONLY

	30 September	31 December
	2003	2002
Under 90 days	221,464	192,549
91 - 180 days	210,226	212,062
181 - 365 days	356,743	422,745
Over 365 days	1,481,394	1,332,090
Total	<u>2,269,827</u>	<u>2,159,446</u>

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 September 2003	31 December 2002	30 September 2003	31 December 2002	Cost method		Equity method	
					Percent	Percent	30 September 2003	31 December 2002
<u>Investments in subsidiaries</u>								
<u>Subsidiaries operating in Thailand</u>								
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	20	14
<u>Subsidiaries operating in Singapore</u>								
c) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	145	145	(1,227)	(1,378)
d) Regional Container Lines Pte Ltd.	S\$ 42.5 Million	S\$ 42.5 Million	85	85	1,173	1,173	2,764	2,826
e) RCL Feeder Pte Ltd.	S\$ 20.5 Million	S\$ 20.5 Million	98	98	430	430	181	(312)
f) RCL Service SA	USD 10,000	USD 10,000	49	49	2	2	36	38
g) RCL Holdings Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	108	108	140	150
h) RCL Ship Management Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	54	54	7	7
<u>Subsidiary operating in Hong Kong</u>								
i) Regional Container Lines (H.K.) Ltd	HK\$ 4 Million	HK\$ 4 Million	100	100	132	132	69	69
<u>Subsidiary operating in the People's Republic of China</u>								
j) Regional Container Lines Shipping Co.,Ltd.	USD 1.24 Million	USD 1.24 Million	100	100	54	54	44	49
Total investments in subsidiaries					<u>2,112</u>	<u>2,112</u>	<u>2,036</u>	<u>1,465</u>

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

Company's name	Share capital issued and fully paid		Percentage directly owned by the Company		Investment			
					Cost method		Equity method	
	30 September 2003	31 December 2002	30 September 2003	31 December 2002	30 September 2003	31 December 2002	30 September 2003	31 December 2002
			Percent	Percent				
<u>Investment in associated company</u>								
Associated company operating in Thailand								
k) TIPS Co., Ltd. (Port operating)	Baht 100 Million	Baht 100 Million	20	20	<u>20</u>	<u>20</u>	<u>107</u>	<u>89</u>
Total investment in associated company					<u>20</u>	<u>20</u>	<u>107</u>	<u>89</u>
Total investments accounted for under equity method					<u>2,132</u>	<u>2,132</u>	<u>2,143</u>	<u>1,554</u>

The accumulated share of the profit of the associated company, as at 30 September, is calculated based on the financial statements of the associated company, which are unreviewed by that company's auditor.

CONSOLIDATED

(Unit: Thousand Baht)

	30 September 2003	31 December 2002
The Company's investment in associated company	107,147	88,570
The subsidiaries' investments in associated companies	<u>8,656</u>	<u>9,301</u>
Total investments accounted for under equity method	<u>115,803</u>	<u>97,871</u>

4. LONG-TERM LOANS

The long-term 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.

As at 30 September 2003 a subsidiary in Singapore has entered period by period knock out swap and interest rate swap agreements for loans amounting to USD 40 million (31 December 2002: USD 62.5 million), to exchange fixed interest rates of 4.98-5.35% per annum (31 December 2002: 4.98-5.35% per annum) to an interest rate of LIBOR per annum, which is currently in the range of 1.19-1.32% per annum (31 December 2002: 1.75-3.54% per annum).

(UNAUDITED BUT REVIEWED)

5. RELATED PARTY TRANSACTIONS

- a) The Company and its subsidiaries have business dealings with their customers through regional shipping agents (third parties and related companies) 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 subsidiaries. The transactions are summarised below: -

(Unit: Million Baht)

	For the nine-month periods ended		Pricing policy
	30 September		
<u>The Company Only</u>	<u>2003</u>	<u>2002</u>	
<u>Transactions with subsidiaries:</u>			
Charter freight income	640	627	Cost plus a margin

As at 30 September 2003 and 31 December 2002, the Company has the following balances with its subsidiaries: -

(Unit: Million Baht)

	<u>30 September 2003</u>	<u>31 December 2002</u>
<u>Trade accounts receivable - related parties</u>		
<u>Subsidiaries</u>		
RCL Service SA	474	587
RCL Feeder Pte Ltd.	<u>1,796</u>	<u>1,572</u>
	<u>2,270</u>	<u>2,159</u>
<u>Trade accounts payable - related parties</u>		
<u>Subsidiaries</u>		
RCL Ship Management Pte Ltd.	<u>22</u>	<u>31</u>
	<u>22</u>	<u>31</u>

6. DEBENTURES

During the period, the Company issued and offered 2.5 million units of unsecured and unsubordinated debentures with a par value of Baht 1,000 each, or a total Baht 2,500 million, to be used for the repayment of outstanding promissory notes and debentures of the Company, and for the long-term expansion of business. The maturity period of the debentures is 6 years, with the redemption date being 5 June 2009. The debenture holders are entitled to receive interest at a rate of 4 percent per annum for the first three years, and at MLR - 1.75 percent for the following three years. Such interest is payable quarterly. The terms and conditions of the debenture holders' rights contain certain covenants, and restrictions pertaining to matters such as the maintenance of a certain debt to equity ratio, the payment of dividends, the maintenance of financial ratios, and the assumption of guarantees or commitments.

7. SHARE CAPITAL

On 8 September 2003, a resolution of an extraordinary general meeting of the Company's shareholders authorised to change the par value of the Company's shares from Baht 10 per share to Baht 1 per share. As a result, the Company's share capital of Baht 663 million comprises 663 million shares of Baht 1 each.

8. DIVIDEND

On 23 September 2002, a Board of Directors meeting approved the payment of an interim dividend of Baht 2 per share to the holders of the Company's 66,300,000 ordinary shares, or a total of Baht 132.6 million. The dividend was paid in October 2002.

On 28 April 2003, a meeting of the shareholders approved the payment of the above interim dividend and also approved the payment of an additional dividend of Baht 2 per share to the shareholders, or a total of Baht 132.6 million. The dividend was paid in May 2003.

9. BANK GUARANTEES

As at 30 September 2003, there were outstanding bank guarantees of approximately Baht 30 million (31 December 2002: Baht 32 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.

10. COMMITMENT

As at 30 September 2003, the Company and its overseas subsidiaries had outstanding commitments of approximately Baht 80 million (31 December 2002: Baht 28 million) in respect of lease agreements.

In addition, as at 30 September 2003, the Company had a commitment amounting to USD 57 million or approximately Baht 2,455 million in respect of shipbuilding agreements for two vessels.

11. LITIGATION

In June 2000, a subsidiary in Singapore filed a petition to wind up an associated company in Malaysia and another petition to recover an outstanding agency balance of approximately RM 25 million or Baht 290 million. The case is under consideration of the court.

In June 2000, the subsidiary was counter-sued by the associated company, claiming compensation of approximately RM 14 million, or Baht 163 million, for illegal termination of an agency agreement. The management of subsidiary believes that the ultimate resolution of these legal proceedings is not likely to have a material effect on the results of its operations, or financial position.

12. 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: -

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

CONSOLIDATED

For the nine-month period ended 30 September 2003

	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Freight income	732	10,415	86	54	11,287	(1,594)	9,693
Gross profit	204	1,267	71	54	1,596	32	1,628
Other income							180
Share of profit from investments accounted for under equity method - associated companies							29
Administrative expenses							(672)
Loss on exchange							(143)
Interest expenses							(353)
Corporate income tax							(7)
Minority interest							1
Net earnings for the period							663
Property, premises, vessels and equipment	5,056	8,565	61	6	13,688	(53)	13,635
Others							4,681
Total assets							18,316

CONSOLIDATED

For the nine-month period ended 30 September 2002

	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Freight income	725	9,941	83	26	10,775	(1,577)	9,198
Gross profit	239	1,219	81	26	1,565	13	1,578
Other income							53
Share of profit from investments accounted for under equity method - associated companies							18
Gain on exchange							567
Administrative expenses							(628)
Loss on disposal of vessel							(49)
Interest expenses							(446)
Corporate income tax							(5)
Minority interest							2
Net earnings for the period							1,090

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

	As at 31 December 2002						
	<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>5,121</u>	<u>9,487</u>	<u>66</u>	<u>3</u>	<u>14,677</u>	<u>(63)</u>	14,614
Others							<u>3,752</u>
Total assets							<u>18,366</u>

13. APPROVAL OF INTERIM FINANCIAL STATEMENTS

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



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN US\$

(million US\$)

	1 st Quarter	Half-Year	9 months	Yearend	1 st Quarter	Half-Year	9 months
	2002	2002	2002	2002	2003	2003	2003
Freight income	67.9	140.5	214.4	287.6	73.4	149.4	230.7
Cost of freight and operations (excl. depreciation)	(52.4)	(108.7)	(167.0)	(222.7)	(57.2)	(117.7)	(181.2)
Gross Profit	15.5	31.8	47.4	64.9	16.2	31.7	49.5
<i>Gross Profit Margin</i>	<i>22.8%</i>	<i>22.6%</i>	<i>22.1%</i>	<i>22.6%</i>	<i>22.1%</i>	<i>21.2%</i>	<i>21.5%</i>
Other income	0.6	1.3	1.7	2.4	2.8	3.9	5.0
Gain on exchange	0.0	0.4	3.2	2.4	0.0	0.0	0.0
Total other income	0.6	1.7	4.9	4.8	2.8	3.9	5.0
Admin expenses	(3.8)	(8.2)	(14.1)	(18.6)	(4.5)	(9.3)	(15.5)
Depreciation	(5.5)	(9.7)	(14.4)	(19.2)	(4.7)	(9.4)	(14.1)
Loss on exchange	0.0	0.0	0.0	0.0	(0.1)	(0.5)	(0.8)
Loss on impairment of fixed assets	0.0	0.0	0.0	(5.5)	0.0	0.0	0.0
Loss on disposal of vessels	0.0	(1.6)	(1.6)	(1.6)	0.0	0.0	0.0
Total other expenses	(9.3)	(19.5)	(30.1)	(44.9)	(9.3)	(19.2)	(30.4)
Interest expenses	(3.3)	(6.5)	(10.4)	(13.5)	(2.8)	(5.5)	(8.4)
Profit / (loss) before taxation	3.5	7.5	11.8	11.3	6.9	10.9	15.7
Income tax	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)
Profit / (loss) after taxation	3.5	7.4	11.7	11.2	6.8	10.8	15.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	3.5	7.4	11.7	11.2	6.8	10.8	15.5

COMPUTATION OF EBITDA

Profit / (loss) before taxation	3.5	7.5	11.8	11.3	6.9	10.9	15.7
Add: Impairment loss	0.0	0.0	0.0	5.5	0.0	0.0	0.0
Add: Interest	3.3	6.5	10.4	13.5	2.8	5.5	8.4
EBIT	6.8	14.0	22.2	30.3	9.7	16.4	24.1
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	5.5	9.7	14.4	19.2	4.7	9.4	14.1
EBITDA	12.3	23.7	36.6	49.5	14.4	25.8	38.2



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

PRESS RELEASE
FINANCIAL RESULTS AS AT 3rd QUARTER OF YEAR 2003

With buoyant economic growth in Asia Pacific and India this year, the total lifting of Regional Container Lines Public Company Limited had improved continuously. In 3Q2003, the Company's lifting has increased by 5% comparing to the same quarter last year. The turnover before exchange difference of the Group in third quarter of 2003 stood at THB3.39 billion and which was up by 7% comparing to the same quarter last year. During the third quarter of this year, the regional currencies had appreciated substantially against the US Dollar. Since the Group's revenue is US Dollar based, the turnover had suffered a 4% translation loss in this quarter. Without this translation loss, the turnover would be 11% up prior to exchange difference. The improvement was mainly due to general rate restoration across the board as well as certain peak season surcharge being introduced in specific trade route such as Australia and India. The year-to-date turnover in 2003 was also up by 7% at THB9.9 billion comparing to the same period last year.

The Cost of Freight and Operation for the third quarter was up by 5% at THB2.76 billion compared to THB2.63 billion for the same quarter last year and which was in line with the increase in lifting. For the first nine-month period this year, the Cost of Freight and Operation was up by 6% at THB8.06 billion comparing to the same period last year. As total lifting for the first nine-month period increased by 8%, the increase was in line with the increase in production and in fact showing cost savings being achieved by the Company on its terminal handling and other operation expenses.

As regional currencies against US Dollar appreciated at end of September, the Group has recorded a gain on exchange of THB32.9 million versus a gain of THB84.4 million for the same quarter last year when its US Dollar denominated debt was revalued. The consolidated net profit before exchange difference or normalized profit in 3Q2003 was THB244 million which had increased 130% compared to THB106 million in 3Q2002. The increase was due partly to rate restoration and also the continued effort in cost cuttings. After taking the exchange difference into account, the third quarter net profit of 3Q2003 stood at THB277 million and which represented a 45% improvement comparing same quarter last year.

The consolidated net profit before unrealized exchange differences for nine-month ending 30 September 2003 was THB806 million compared to THB524 million for year 2002 representing 54% increase. The Group recorded an unrealized exchange loss of THB143 million for the first 9 months this year compared to unrealized exchange gain of THB567 million for the same period in 2002. The consolidated net profit for the first 9 months in 2003 was THB664 million compared to THB1,090 million for the same period in 2002.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN THAI BAHT

(million baht)

	1 st Quarter	Half-Year	9 months	Yearend	1 st Quarter	Half-Year	9 months
	2002	2002	2002	2002	2003	2003	2003
Freight income	2,968.4	6,053.4	9,198.0	12,366.8	3,142.1	6,347.5	9,693.1
Cost of freight and operations (excl. depreciation)	(2,291.5)	(4,682.2)	(7,164.3)	(9,577.2)	(2,446.5)	(5,000.3)	(7,615.6)
Gross Profit	676.9	1,371.2	2,033.7	2,789.6	695.6	1,347.2	2,077.5
Gross Profit Margin	22.8%	22.7%	22.1%	22.6%	22.1%	21.2%	21.4%
Other income	25.2	53.4	71.3	102.0	118.8	165.7	209.0
Gain on exchange	60.1	482.1	566.8	611.9	0.0	0.0	0.0
Total other income	85.3	535.5	638.1	713.9	118.8	165.7	209.0
Admin expenses	(168.3)	(354.0)	(603.2)	(797.7)	(194.4)	(394.3)	(649.1)
Depreciation	(184.6)	(321.6)	(480.0)	(641.1)	(158.5)	(316.7)	(472.0)
Loss on exchange	0.0	0.0	0.0	0.0	(101.3)	(175.7)	(142.7)
Loss on impairment of fixed assets	0.0	0.0	0.0	(203.1)	0.0	0.0	0.0
Loss on disposal of vessels	0.0	(48.5)	(48.7)	(48.9)	0.0	0.0	0.0
Total other expenses	(352.9)	(724.1)	(1,131.9)	(1,690.8)	(454.2)	(886.7)	(1,263.8)
Interest expenses	(142.9)	(281.1)	(445.7)	(581.7)	(117.9)	(234.5)	(352.5)
Profit / (loss) before taxation	266.4	901.5	1,094.2	1,231.0	242.3	391.7	670.2
Income tax	(1.2)	(3.1)	(5.5)	(6.4)	(4.1)	(5.3)	(7.3)
Profit / (loss) after taxation	265.2	898.4	1,088.7	1,224.6	238.2	386.4	662.9
Minority interest	0.9	1.9	2.0	2.0	0.5	0.6	0.6
Net profit / (loss) attributable to members	266.1	900.3	1,090.7	1,226.6	238.7	387.0	663.5

COMPUTATION OF EBITDA

Profit / (loss) before taxation	266.4	901.5	1,094.2	1,231.0	242.3	391.7	670.2
Add: Impairment loss	0.0	0.0	0.0	203.1	0.0	0.0	0.0
Add: Interest	142.9	281.1	445.7	581.7	117.9	234.5	352.5
EBIT	409.3	1,182.6	1,539.9	2,015.8	360.2	626.2	1,022.7
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	184.6	321.6	480.0	641.1	158.5	316.7	472.0
EBITDA	593.9	1,504.2	2,019.9	2,656.9	518.7	942.9	1,494.7

5 November 2003

The Board of Directors
Regional Container Lines Public Company Limited
30th Floor, Panjathani Tower
127/35 Ratchadapisek Road
Yannawa District
BANGKOK 10120

Dear Sirs,

Consolidated financial statements in United States Dollars

As requested, we have obtained from the management the consolidated balance sheets as at 30 September 2003 and 31 December 2002, and the statements of earnings and retained earnings for the nine-month periods ended 30 September 2003 and 2002 of Regional Container Lines Public Company Limited and its subsidiaries ("the Group") in United States Dollars ("USD") and performed the following procedures as agreed upon: -

- (i) We obtained management's basis in determining exchange rates applied in the translation of financial information.
- (ii) We recomputed the translation of financial information into USD.
- (iii) We checked the casting and extension of the translated USD financial information in the statements.

The above procedures do not constitute either an audit or a review in accordance with Thai generally accepted auditing standards and the basis of translation is not necessarily in compliance with Thai generally accepted accounting principles. We therefore cannot give any assurance on the basis of these procedures.

The above procedures were performed solely to assist you in the preparation of the financial information in USD for presentation to your bankers for the purpose of their facilities review, and are not to be referred to for any other purposes or distributed to any other parties without our prior consent.

Yours faithfully,
ERNST & YOUNG OFFICE LIMITED

Vissuta Jariyathanakorn
Partner

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	30 September 2003		31 December 2002	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	1,641.2	41.0	1,487.6	34.4
Short-term investment in available-for-sale securities - Unit trusts	1,296.6	32.4	-	-
Trade accounts receivable, net	1,256.8	31.4	1,841.3	42.6
Other current assets	329.9	8.3	284.8	6.6
Total current assets	4,524.5	113.1	3,613.7	83.6
Non-current assets				
Property and premises, net	2,319.2	66.9	2,498.1	67.1
Vessels and equipment, net	11,316.3	349.8	12,116.2	360.2
Other non-current assets	156.1	4.8	137.6	4.3
Total non-current assets	13,791.6	421.5	14,751.9	431.6
TOTAL ASSETS	18,316.1	534.6	18,365.6	515.2

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

	30 September 2003		31 December 2002	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Promissory notes	-	-	1,000.0	23.1
Trade accounts payable	1,061.9	26.6	1,183.9	27.4
Current portion of finance lease creditors	138.5	3.5	162.9	3.7
Current portion of long-term loans	1,088.7	27.2	1,150.8	26.6
Other current liabilities	210.2	5.2	185.7	4.3
Total current liabilities	2,499.3	62.5	3,683.3	85.1
Non-current liabilities				
Finance lease creditors, net of current portion	178.7	4.5	301.7	6.9
Long-term loans, net of current portion	5,419.7	135.5	7,066.6	163.5
Debentures	3,500.0	87.5	1,000.0	23.1
Total non-current liabilities	9,098.4	227.5	8,368.3	193.5
Total liabilities	11,597.7	290.0	12,051.6	278.6
Shareholders' equity				
Share capital				
Issued and fully paid				
663,000,000 ordinary shares of Baht 1 each				
(2002: 66,300,000 ordinary shares of Baht 10 each)	663.0	20.6	663.0	20.6
Share premium	3,073.2	113.7	3,073.2	113.7
Translation adjustment	659.6	(6.5)	785.6	(2.1)
Retained earnings				
Appropriated - statutory reserve	66.3	1.9	66.3	1.9
Unappropriated	2,230.6	114.3	1,699.7	101.9
Unrealised gain on changes in the value of investments	1.2	-	-	-
Equity attributable to Company's shareholders	6,693.9	244.0	6,287.8	236.0
Minority interest - equity attributable				
to minority shareholders of subsidiaries	24.5	0.6	26.2	0.6
Total shareholders' equity	6,718.4	244.6	6,314.0	236.6
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	18,316.1	534.6	18,365.6	515.2

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF EARNINGS AND RETAINED EARNINGS
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2003 AND 2002

	<u>2003</u>	<u>2003</u>	<u>2002</u>	<u>2002</u>
	Million	Million	Million	Million
	Baht	USD	Baht	USD
EARNINGS				
Revenues				
Freight income	9,693.1	230.7	9,198.0	214.4
Gain on exchange	-	-	566.8	3.2
Other income	209.0	5.0	71.3	1.7
Total revenues	<u>9,902.1</u>	<u>235.7</u>	<u>9,836.1</u>	<u>219.3</u>
Expenses				
Cost of freight and operations	7,615.6	181.2	7,164.3	167.0
Depreciation	472.0	14.1	480.0	14.4
Administrative expenses	649.1	15.5	603.2	14.1
Loss on disposal of fixed assets	-	-	48.7	1.6
Loss on exchange	142.7	0.8	-	-
Total expenses	<u>8,879.4</u>	<u>211.6</u>	<u>8,296.2</u>	<u>197.1</u>
Earnings before interest and income tax expenses	1,022.7	24.1	1,539.9	22.2
Interest expenses	(352.5)	(8.4)	(445.7)	(10.4)
Corporate income tax	(7.3)	(0.2)	(5.5)	(0.1)
Earnings after income tax	662.9	15.5	1,088.7	11.7
Net loss - minority interest	0.6	-	2.0	-
Net earnings for the period	<u>663.5</u>	<u>15.5</u>	<u>1,090.7</u>	<u>11.7</u>
RETAINED EARNINGS				
Retained earnings - unappropriated				
Balance - beginning of period	1,699.7	101.9	608.3	93.8
Net earnings for the period	663.5	15.5	1,090.7	11.7
Dividend paid	(132.6)	(3.1)	(132.6)	(3.1)
Total retained earnings - unappropriated	<u>2,230.6</u>	<u>114.3</u>	<u>1,566.4</u>	<u>102.4</u>
Retained earnings - appropriated				
Statutory reserve	66.3	1.9	63.7	1.9
Total retained earnings - appropriated	<u>66.3</u>	<u>1.9</u>	<u>63.7</u>	<u>1.9</u>
Total retained earnings	<u>2,296.9</u>	<u>116.2</u>	<u>1,630.1</u>	<u>104.3</u>

See Basis of Preparation

BASIS OF PREPARATION

1. THAI BAHT FIGURES

The Thai Baht figures in the balance sheet as at 30 September 2003 and profit and loss accounts for the nine-month periods ended 30 September 2003 and 2002 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the balance sheet as at 31 December 2002 were extracted from the audited consolidated financial statements. The consolidated financial statements included the financial statements of Regional Container Lines Public Company Limited (hereinafter called “the Company”) and its subsidiaries in Thailand, Singapore, Hong Kong and the People’s Republic of China.

For consolidation purposes, foreign currency financial statements of the subsidiaries were translated into Thai Baht at the closing exchange rates as to assets and liabilities, and at the average rates as to revenues and expenses. The resultant difference has been presented under the caption of “Translation adjustment” in the shareholders’ equity.

2. USD FIGURES

2.1 The USD figures in the consolidated balance sheets were determined by translating the Thai Baht consolidated balance sheets of the Group using the following exchange rates: -

- a) For assets and liabilities, we used the following approximate rates :-

As of 30 September 2003: USD 1 = Baht 39.9970

As of 31 December 2002: USD 1 = Baht 43.1993

- b) The approximate rates as of 1 January 1997 were used for brought-forward balances of share capital, share premium, investments, property, vessels and equipment:-

For the Company and its Thailand subsidiary

USD 1 = Baht 25.5850

For its Singapore subsidiaries

USD 1 = SGD 1.4020

For its Hong Kong subsidiaries

USD 1 = HKD 7.7296

- c) Approximate rates as at the transaction dates were used for additional share capital, share premium, property, vessels and equipment, and disposals of vessels and equipment.

Any differences have been included in "Translation adjustment".

- 2.2 The USD figures in the consolidated profit and loss accounts were determined by translating the Thai Baht consolidated profit and loss accounts of the Group using the average exchange rates, which were as follows: -

30 September 2003: USD 1 = Baht 42.0124

30 September 2002: USD 1 = Baht 42.8976