

PRESS RELEASE

FINANCIAL RESULTS AS AT 30 JUNE 2005

Regional Container Lines Public Company Limited had recorded another strong liftings in Q205. As global and Asian trade continue to prosper, the second quarter liftings for the Group increased 11% year-on-year to 572,383 TEUs. The first half liftings had past the million mark at 1,103,675 TEUs and which was 12% up year-on-year. With Intra-Asia freight rates holding up, the Group had turned in a record quarterly earning in second quarter. The Net Profit increased 83% year-on-year at THB1,356 million. The first half Net profit was up 146% year-on-year at THB2,658 million.

Coupled with strong liftings and improved freight rate, the turnover for the second quarter before exchange difference was up 35% at THB5,708 million compared to THB4,221 million for the same quarter in 2004. Turnover for the first 6 months was up 39% at THB10,709 million.

The Cost of Freight and Operation in second quarter 2005 was THB3,860 million which represented an increase of 23%, year-on-year. Other than the continuous increase in bunker cost this quarter, the increase was in line with the improved liftings. In this quarter, the Group took delivery of 3 new vessels. With the last of the 6 vessels that the company ordered in 2003 to be delivered this August, the new building program placed in 2003 would then be completed. With these additional owned tonnages, the Group would benefit from lower operating cost as well as additional capacity to meet the growth this year.

As regional currencies weakened further against U.S. Dollar in Q205, the Group recorded a Loss on Exchange of THB78.7 million in second quarter 2005 when compared to THB2.8 million Gain on Exchange in the same quarter last year. The first half accumulated Loss on Exchange was THB104.4 million versus THB14.7 million Gain on Exchange for the same period last year.

During second quarter of 2005, the Group paid 2004 final dividend which amounted to THB1,028 million and partially repaid its property loan in Singapore. The Group also elected to pay 1 of the 3 vessels delivered in Q205 by internal cash rather than taking up a long term loan. Consequently, the cash balance of the Group reduced from THB3,153 million in Q105 to THB1,984 million in Q205. As net operating cash inflow remained strong, the Group would continue to seek opportunities to lower the debt carrying in future.

Note :

The Group's financial numbers for 2004 were re-stated due to the fact that two Singapore subsidiaries had adopted functional currency reporting in Q404 and were required to re-state their 2004 quarterly financials. The change in accounting policy had the effect of increasing the consolidated net earnings for the Q204 by THB79 million. All above-mentioned comparative numbers were based on the re-stated numbers.

Regional Container Lines Public Company Limited
09 August 2005



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN US\$

(million US\$)

	1 st Quarter	Half-Year	9 months	Yearend	1 st Quarter	Half-Year
	2004	2004	2004	2004	2005	2005
	(Restated)	(Restated)	(Restated)			
Freight income	87.0	190.6	312.5	444.9	128.3	268.4
Cost of freight and operations	(71.3)	(149.9)	(232.9)	(322.2)	(87.1)	(183.4)
Gross Profit	15.7	40.7	79.6	122.7	41.2	85.0
Gross Profit Margin	18.0%	21.4%	25.5%	27.6%	32.1%	31.7%
Other income	0.8	1.7	2.6	3.6	1.0	2.1
Gain on exchange	0.0	0.0	0.0	0.0	0.0	0.0
Total other income	0.8	1.7	2.6	3.6	1.0	2.1
Admin expenses	(5.1)	(10.5)	(18.5)	(25.4)	(5.8)	(12.9)
Loss on exchange	(0.6)	(0.6)	(0.6)	(0.8)	(0.4)	(0.4)
Loss on sale of investments	(1.1)	(1.3)	(1.3)	(1.1)	0.0	0.0
Loss on impairment of fixed assets	0.0	0.0	0.0	(1.7)	0.0	0.0
Total other expenses	(6.8)	(12.4)	(20.4)	(29.0)	(6.2)	(13.3)
Interest expenses	(2.4)	(4.8)	(7.2)	(9.7)	(2.5)	(5.3)
Profit / (loss) before taxation	7.3	25.2	54.6	87.6	33.5	68.5
Income tax	0.0	(0.1)	(0.3)	(0.3)	0.0	(0.1)
Profit / (loss) after taxation	7.3	25.1	54.3	87.3	33.5	68.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	7.3	25.1	54.3	87.3	33.5	68.4

COMPUTATION OF EBITDA

Profit / (loss) before taxation	7.3	25.2	54.6	87.6	33.5	68.5
Add: Impairment loss	0.0	0.0	0.0	1.7	0.0	0.0
Add: Interest	2.4	4.8	7.2	9.7	2.5	5.3
EBIT	9.7	30.0	61.8	99.0	36.0	73.8
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	(4.8)	(9.6)	(14.3)	(22.5)	(6.3)	(13.3)
EBITDA	4.9	20.4	47.5	76.5	29.7	60.5

**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 2005 AND 2004**

Review 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 2005, and the consolidated statements of earnings for the three-month and six-month periods ended 30 June 2005 and 2004, changes in shareholders' equity, and cash flows for the six-month periods ended 30 June 2005 and 2004, 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 2004 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 14 February 2005. The balance sheet as at 31 December 2004, 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 Jariyathanakom
Certified Public Accountant (Thailand) No. 3853

Ernst & Young Office Limited
Bangkok 2 August 2005

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		30 June 2005 (Unaudited but reviewed)	31 December 2004 (Audited)	30 June 2005 (Unaudited but reviewed)	31 December 2004 (Audited)
ASSETS					
Current assets					
Cash and cash equivalents		1,984,387	2,400,570	7,572	232,917
Short-term investments		290,863	-	-	-
Trade accounts receivable		1,733,405	1,402,187	-	-
Less: allowance for doubtful debts		(2,261)	(38,346)	-	-
Trade accounts receivable, net	3	1,731,144	1,363,841	-	-
Trade accounts receivable - related parties	36	214,200	109,428	3,779	1,766,299
Material supplies		283,184	173,439	11,656	4,656
Other current assets		210,548	186,770	14,537	9,876
Total current assets		4,714,326	4,234,048	37,544	2,013,748
Non-current assets					
Property investments held for long-term investment		2,127	2,012	-	-
Investments accounted for under equity method	4	161,312	156,092	8,799,118	6,437,277
Other long-term investments		39,233	37,135	-	-
Property and premises, net		2,026,823	1,952,937	19,067	20,202
Vessels and equipment, net		18,863,555	14,200,202	6,793,181	5,074,497
Other non-current assets		5,965	4,130	1,509	1,536
Total non-current assets		21,099,015	16,352,508	15,612,875	11,533,512
TOTAL ASSETS		25,813,341	20,586,556	15,650,419	13,547,260

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 2005 (Unaudited but reviewed)	31 December 2004 (Audited)	30 June 2005 (Unaudited but reviewed)	31 December 2004 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		1,316,689	1,067,605	-	-
Trade accounts payable - related party	6	18,627	-	157,434	17,068
Current portion of finance lease creditors		65,160	58,943	-	-
Current portion of long-term loans	5	992,428	1,030,890	-	47,188
Current portion of debenture		192,300	-	192,300	-
Corporate income tax payable		9,912	7,837	-	-
Other current liabilities		260,019	226,394	61,940	49,425
Total current liabilities		2,855,135	2,391,669	411,674	113,681
Non-current liabilities					
Finance lease creditors, net of current portion		65,219	92,979	-	-
Long-term loans, net of current portion	5	7,626,839	4,781,449	-	117,970
Debenture, net of current portion		2,307,700	2,500,000	2,307,700	2,500,000
Total non-current liabilities		9,999,758	7,374,428	2,307,700	2,617,970
Total liabilities		12,854,893	9,766,097	2,719,374	2,731,651
Shareholders' equity					
Share capital					
Registered					
663,000,000 ordinary shares of Baht 1 each		663,000	663,000	663,000	663,000
Issued and paid-up					
663,000,000 ordinary shares of Baht 1 each		663,000	663,000	663,000	663,000
Share premium		3,073,190	3,073,190	3,073,190	3,073,190
Translation adjustment		2,415,739	1,930,243	2,415,739	1,930,243
Retained earnings					
Appropriated - statutory reserve		66,300	66,300	66,300	66,300
Unappropriated		6,712,816	5,082,876	6,712,816	5,082,876
Equity attributable to Company's shareholders		12,931,045	10,815,609	12,931,045	10,815,609
Minority interest - equity attributable to minority shareholders' of subsidiaries		27,403	4,850	-	-
Total shareholders' equity		12,958,448	10,820,459	12,931,045	10,815,609
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		25,813,341	20,586,556	15,650,419	13,547,260
		0	0	0	0

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

DIRECTORS

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

EARNINGS STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2005 AND 2004

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenues				
Freight income	5,660,677	4,186,089	856,714	309,421
Gain on exchange	-	2,753	-	78,928
Other income	39,149	25,021	1,724	2,489
Share of profit from investment accounted for under equity method - subsidiaries	-	-	785,491	555,477
Share of profit from investment accounted for under equity method - associated companies	8,605	10,054	6,554	10,054
Total revenues	<u>5,708,431</u>	<u>4,223,917</u>	<u>1,650,483</u>	<u>956,369</u>
Expenses				
Cost of freight and operation	3,859,900	3,146,002	192,574	137,926
Administrative expenses	271,559	216,586	46,592	27,483
Loss on sale of investments	-	12,342	-	12,342
Loss on exchange	78,688	-	7,528	-
Directors' remuneration	23,235	9,542	23,235	1,700
Total expenses	<u>4,233,382</u>	<u>3,384,472</u>	<u>269,929</u>	<u>179,451</u>
Earnings before interest and income tax expenses	1,475,049	839,445	1,380,554	776,918
Interest expenses	(114,799)	(97,011)	(24,931)	(37,911)
Corporate income tax	(3,967)	(2,625)	229	397
Earnings after income tax	1,356,283	739,809	1,355,852	739,404
Net earnings - minority interest of subsidiaries	(431)	(405)	-	-
Net earnings for the period	<u>1,355,852</u>	<u>739,404</u>	<u>1,355,852</u>	<u>739,404</u>
				(Unit: Baht)
Basic earnings per share				
Net earnings	<u>2.05</u>	<u>1.12</u>	<u>2.05</u>	<u>1.12</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 SIX-MONTH PERIODS ENDED 30 JUNE 2005 AND 2004

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
(Unit: Thousand Baht)				
Revenues				
Freight income	10,622,827	7,609,797	1,378,452	605,387
Gain on exchange	-	14,679	-	72,073
Other income	69,644	46,674	2,639	4,126
Share of profit from investment accounted for under equity method - subsidiaries	-	-	1,795,242	844,517
Share of profit from investment accounted for under equity method - associated companies	16,483	19,413	14,432	19,413
Total revenues	<u>10,708,954</u>	<u>7,690,563</u>	<u>3,190,765</u>	<u>1,545,516</u>
Expenses				
Cost of freight and operation	7,203,892	5,928,319	360,425	277,356
Administrative expenses	501,133	423,510	78,224	55,770
Loss on sale of investments	-	53,835	-	53,835
Loss on exchange	104,417	-	19,010	-
Directors' remuneration	24,785	10,792	24,785	2,950
Total expenses	<u>7,834,227</u>	<u>6,416,456</u>	<u>482,444</u>	<u>389,911</u>
Earnings before interest and income tax expenses	<u>2,874,727</u>	<u>1,274,107</u>	<u>2,708,321</u>	<u>1,155,605</u>
Interest expenses	(210,224)	(190,476)	(50,753)	(75,591)
Corporate income tax	(5,837)	(4,018)	-	-
Earnings after income tax	<u>2,658,666</u>	<u>1,079,613</u>	<u>2,657,568</u>	<u>1,080,014</u>
Net loss (earnings) - minority interest of subsidiaries	(1,098)	401	-	-
Net earnings for the period	<u><u>2,657,568</u></u>	<u><u>1,080,014</u></u>	<u><u>2,657,568</u></u>	<u><u>1,080,014</u></u>
(Unit: Baht)				
Basic earnings per share				
Net earnings	<u><u>4.01</u></u>	<u><u>1.63</u></u>	<u><u>4.01</u></u>	<u><u>1.63</u></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 2005 AND 2004

(Unit: Thousand Baht)

	CONSOLIDATED							
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings		Unrealised gain on changes in the value of investments	Minority interest of subsidiaries	Total
				Statutory reserve	Unappropriated			
Balance- beginning of the year 2004	663,000	3,073,190	2,138,920	66,300	2,002,317	2,847	13,367	7,959,941
Translation adjustment	-	-	143,801	-	-	-	-	143,801
Net earnings for the period	-	-	-	-	1,080,014	-	-	1,080,014
Dividend paid	-	-	-	-	(298,350)	-	-	(298,350)
Unrealised gain on changes in the value of investments	-	-	-	-	-	3,456	-	3,456
Decrease in minority interest	-	-	-	-	-	-	(9,471)	(9,471)
Balance as at 30 June 2004	<u>663,000</u>	<u>3,073,190</u>	<u>2,282,721</u>	<u>66,300</u>	<u>2,783,981</u>	<u>6,303</u>	<u>3,896</u>	<u>8,879,391</u>
Balance- beginning of the year 2005	663,000	3,073,190	1,930,243	66,300	5,082,876	-	4,850	10,820,459
Translation adjustment	-	-	485,496	-	-	-	-	485,496
Net earnings for the period	-	-	-	-	2,657,568	-	-	2,657,568
Dividend paid (Note 7)	-	-	-	-	(1,027,628)	-	-	(1,027,628)
Increase in minority interest	-	-	-	-	-	-	22,553	22,553
Balance as at 30 June 2005	<u>663,000</u>	<u>3,073,190</u>	<u>2,415,739</u>	<u>66,300</u>	<u>6,712,816</u>	<u>-</u>	<u>27,403</u>	<u>12,958,448</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 2005 AND 2004

(Unit: Thousand Baht)

	THE COMPANY ONLY						
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings Statutory reserve	Unappropriated	Unrealised gain on changes in the value of investments	Total
Balance- beginning of the year 2004	663,000	3,073,190	2,138,920	66,300	2,002,317	2,847	7,946,574
Translation adjustment	-	-	143,801	-	-	-	143,801
Net earnings for the period	-	-	-	-	1,080,014	-	1,080,014
Dividend paid	-	-	-	-	(298,350)	-	(298,350)
Unrealised gain on changes in the value of investments	-	-	-	-	-	3,456	3,456
Balance as at 30 June 2004	<u>663,000</u>	<u>3,073,190</u>	<u>2,282,721</u>	<u>66,300</u>	<u>2,783,981</u>	<u>6,303</u>	<u>8,875,495</u>
Balance- beginning of the year 2005	663,000	3,073,190	1,930,243	66,300	5,082,876	-	10,815,609
Translation adjustment	-	-	485,496	-	-	-	485,496
Net earnings for the period	-	-	-	-	2,657,568	-	2,657,568
Dividend paid (Note 7)	-	-	-	-	(1,027,628)	-	(1,027,628)
Balance as at 30 June 2005	<u>663,000</u>	<u>3,073,190</u>	<u>2,415,739</u>	<u>66,300</u>	<u>6,712,816</u>	<u>-</u>	<u>12,931,045</u>
							0

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 2005 AND 2004

	(Unit: Thousand Baht)			
	CONSOLIDATED		THE COMPANY ONLY	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Cash flows from operating activities				
Net earnings	2,657,568	1,080,014	2,657,568	1,080,014
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:				
Depreciation	485,235	344,428	172,890	127,701
Share of profit from investment accounted for under equity method - subsidiaries	-	-	(1,795,242)	(844,517)
Share of profit from investment accounted for under equity method - associated companies	(16,483)	(19,413)	(14,432)	(19,413)
Loss on sale of investments	-	53,835	-	53,835
Decrease in allowance for doubtful accounts	(36,085)	(16,400)	-	-
Unrealised exchange (gain) loss	81,293	(16,719)	2,554	(64,896)
Minority interest	1,098	(401)	-	-
	<u>3,172,626</u>	<u>1,425,344</u>	<u>1,023,338</u>	<u>332,724</u>
Operating assets (increase) decrease				
Trade accounts receivable	(386,467)	(132,906)	-	-
Trade accounts receivable - related parties	(104,772)	(63,689)	1,762,505	(117,763)
Material supplies	(109,745)	(8,511)	(7,000)	(14)
Other current assets	(23,778)	100,664	(4,661)	251
Other assets	(1,830)	52	31	200
Operating liabilities increase (decrease)				
Trade accounts payable	246,112	(58,139)	-	-
Trade accounts payable - related party	18,627	-	137,823	4,334
Income tax payable	2,075	(13,978)	-	(13,662)
Other current liabilities	55,080	35,115	12,515	(775)
Net cash provided by operating activities	<u>2,867,928</u>	<u>1,283,952</u>	<u>2,924,551</u>	<u>205,295</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 2005 AND 2004

	CONSOLIDATED		(Unit: Thousand Baht) THE COMPANY ONLY	
	2005	2004	2005	2004
Cash flows from investing activities				
Cash payment for purchases of short-term investments	(290,863)	(248,515)	-	(248,515)
Investment in subsidiary company (Note 4)	-	-	(84,671)	-
Cash received from sale of investments	-	259,342	-	259,342
Increase in property, premises, vessels and equipment	(5,222,474)	(961,834)	(1,890,439)	(121,665)
Dividend received from associated company	18,000	15,000	18,000	15,000
Translation adjustment	476,546	143,057	-	-
Net cash used in investing activities	<u>(5,018,791)</u>	<u>(792,950)</u>	<u>(1,957,110)</u>	<u>(95,838)</u>
Cash flows from financing activities				
Decrease in finance lease creditors	(21,543)	(65,943)	-	-
Increase (decrease) in long-term loans	2,783,851	(197,189)	(165,158)	(93,388)
Dividend paid	(1,027,628)	(298,350)	(1,027,628)	(298,350)
Net cash provided by (used in) financing activities	<u>1,734,680</u>	<u>(561,482)</u>	<u>(1,192,786)</u>	<u>(391,738)</u>
Net decrease in cash and cash equivalents	(416,183)	(70,480)	(225,345)	(282,281)
Cash and cash equivalents at beginning of period	2,400,570	1,927,005	232,917	334,589
Cash and cash equivalents at end of period	<u>1,984,387</u>	<u>1,856,525</u>	<u>7,572</u>	<u>52,308</u>
Supplemental cash flow information				
Cash paid during the period for				
Interest expenses	207,662	162,852	54,192	76,742
Corporate income tax	2,271	16,649	-	13,662
Non-cash transaction				
Unrealised gain on change in the value of investments	-	3,456	-	3,456

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 SIX-MONTH PERIODS ENDED 30 JUNE 2005 AND 2004

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 2004. There have been no changes in the composition of the Group during the current period except that a subsidiary company in Singapore established a 100% subsidiary in the Philippines, RCL Feeders Phils., Inc, and a subsidiary company in Hong Kong established Regional Merchants Maritime Limited and Regional Merchants International Freight Forwarding Company Limited in Hong Kong holding 80% of equity in both.

The consolidated financial statements for the three-month and six-month periods ended 30 June 2005 include the financial statements of a subsidiary in the People’s 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 June 2005 amount to Baht 116 million (31 December 2004: Baht 106 million), and total revenues included for the three-month and six-month periods then ended amount to Baht 24 million and Baht 46 million (30 June 2004: Baht 12 million and Baht 18 million) respectively.

(UNAUDITED BUT REVIEWED)

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 2004.

2 CHANGE IN ACCOUNTING ESTIMATION

During the current period, the Group decided to extend the depreciation policy adopted in the final quarter of 2004 for vessels over 20 years old to vessels that are less than 20 years old, commencing 1 January 2005. Under the revised policy, the estimated useful lives of vessels are changed from 20 years from purchase date to 25 years from construction date, and a lower residual value is assumed. This change in accounting estimation was made to better reflect the current condition and future economic benefits of the vessels. The effect of the change is to decrease net earnings of the three-month and six-month periods ended 30 June 2005 by Baht 12 million and Baht 22 million, respectively, in the separate financial statements of the Company and by Baht 29 million and Baht 56 million, respectively, in the consolidated financial statements.

3 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 June 2005	31 December 2004
Under 90 days	1,698,287	1,388,680
91 - 180 days	34,700	13,089
Over 181 days	418	418
Total	1,733,405	1,402,187
Less: Allowance for doubtful accounts	(2,261)	(38,346)
Net	1,731,144	1,363,841

(UNAUDITED BUT REVIEWED)

A part of the trade accounts receivable of subsidiaries as at 30 June 2005 and 31 December 2004 have been pledged to secure credit facilities granted by banks.

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

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	30 June 2005	31 December 2004	30 June 2005	31 December 2004
Under 90 days	214,200	109,428	3,779	301,788
91 - 180 days	-	-	-	301,655
181 - 365 days	-	-	-	591,576
Over 365 days	-	-	-	571,280
Total	<u>214,200</u>	<u>109,428</u>	<u>3,779</u>	<u>1,766,299</u>

4 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 2005	31 December 2004	30 June 2005	31 December 2004	Cost method		Equity method	
					30 June 2005	31 December 2004	30 June 2005	31 December 2004
			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	31	29
Subsidiaries operating in Singapore								
c) RCL Investment Pte. Ltd.	S\$10 Million	S\$10 Million	100	100	145	145	(980)	(1,033)
d) Regional Container Lines Pte Ltd.	S\$42.5 Million	S\$42.5 Million	85	85	1,173	1,173	5,037	3,969
e) RCL Feeder Pte Ltd.	S\$20.5 Million	S\$20.5 Million	98	98	430	430	4,143	3,052
f) RCL Service SA	USD 10,000	USD 10,000	49	49	2	2	41	39
g) RCL Holdings Ltd.	S\$0.3 Million	S\$0.3 Million	49	49	108	108	148	144
h) RCL Ship Management Pte. Ltd.	S\$0.3 Million	S\$0.3 Million	49	49	54	54	9	7

(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 June 2005	31 December 2004	30 June 2005	31 December 2004	30 June 2005	31 December 2004	30 June 2005	31 December 2004
Subsidiary operating in Hong Kong								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 4 Million	100	100	217	132	150	76
Subsidiary operating in the People's Republic of China								
j) Regional Container Lines Shipping Co., Ltd.	USD 1.24 Million	USD 1.24 Million	100	100	68	68	76	66
Total investments in subsidiaries					2,211	2,126	8,657	6,291
Investment in associated company								
Associated company operating in Thailand								
k) TIPS Co., Ltd. (Port operating)	Baht 100 Million	Baht 100 Million	20	20	20	20	142	146
Total investment in associated company					20	20	142	146
Total investments accounted for under equity method					2,231	2,146	8,799	6,437

During the current period, Regional Container Lines (H.K.) Limited increased its registered share from HK\$ 4 million to HK\$ 20 million. The Company invested in the additional shares of the subsidiary company amounting to HK\$16 million, the same as the percentage owned by the Company.

The accumulated share of the profit of the associated company, as at 30 June 2005, is calculated based on the financial statements of the associated company, which is unreviewed by that company's auditor.

CONSOLIDATED

(Unit: Thousand Baht)

	30 June 2005	31 December 2004
The Company's investment in associated company	142,357	145,925
The subsidiaries' investments in associated companies	18,955	10,167
Total investments accounted for under equity method	161,312	156,092

5 LONG-TERM LOANS

During the first six months of 2005, a subsidiary company in Singapore loaned a total of USD 89 million, or approximately Baht 3,684 million, from several banks. The loans are repayable quarterly until the year 2015 with interest rates based on LIBOR or SIBOR.

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.

6 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 subsidiary company and related parties (related by way of shareholding or common shareholders and/or common directors). The transactions are summarised below:

	(Unit: Million Baht)				Pricing policy
	For the six-month periods ended 30 June 2005 and 2004				
	Consolidated		The Company Only		
	2005	2004	2005	2004	
Transactions with subsidiary					
Charter freight income	-	-	1,378	605	Cost plus a margin
Transactions with related parties					
Commission expenses	65	48	-	-	A price approximating market price
Terminal operating services	24	20	-	-	A price approximating tariff
Rental expenses	2	2	2	2	Rental agreement

(UNAUDITED BUT REVIEWED)

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

	CONSOLIDATED		(Unit: Million Baht) THE COMPANY ONLY	
	30 June 2005	31 December 2004	30 June 2005	31 December 2004
<u>Trade accounts receivable- related parties</u>				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	4	1,766
<u>Related companies</u>				
Ngow Hock Co., Ltd.	198	85	-	-
Songkhla Shipping Agency Co., Ltd.	16	24	-	-
	<u>214</u>	<u>109</u>	<u>4</u>	<u>1,766</u>
<u>Trade accounts payable- related party</u>				
<u>Subsidiary</u>				
RCL Ship Management Pte. Ltd.	-	-	157	17
<u>Related company</u>				
RCL (Vietnam) Co., Ltd.	19	-	-	-
	<u>19</u>	<u>-</u>	<u>157</u>	<u>17</u>

7. DIVIDEND

On 29 April 2005, the annual general meeting of the Company's shareholders approved the payment of the dividend of Baht 1.55 per share to the shareholders, or a total of Baht 1,028 million. The dividend was paid in May 2005.

8. COMMITMENT

8.1 Commitments

- (a) As at 30 June 2005, the Company had outstanding commitments of approximately Baht 11 million (31 December 2004: Baht 14 million) in respect of lease agreements, and a subsidiary company in Singapore had outstanding commitments of approximately Baht 4,989 million (31 December 2004: Baht 5,207 million) in respect of the following agreements.

Payment period	(Unit: Million Baht)			
	Rental	Charter hire	Container lease	Total
Within 1 year	27	1,863	182	2,072
During 2-5 years	17	1,900	727	2,644
Over 5 years	-	-	273	273
Total	<u>44</u>	<u>3,763</u>	<u>1,182</u>	<u>4,989</u>

(UNAUDITED BUT REVIEWED)

- (b) As at 30 June 2005, the Group had the commitment amounting to USD 21 million, or approximately Baht 860 million (31 December 2004: USD 134 million or approximately Baht 5,263 million), in respect of the building of a vessel (31 December 2004: six vessels). These amounts are to be paid in August 2005.
- (c) As at 30 June 2005, the subsidiaries in Singapore had the commitment amounting to USD 0.3 million, or approximately Baht 12 million in respect of the purchasing assets.

82 Guarantees

As at 30 June 2005, the Company had outstanding guarantees of Baht 16,506 million (31 December 2004: Baht 15,632 million), which had been issued to secure credit lines of the overseas subsidiaries from financial institutions.

83 Bank Guarantees

As at 30 June 2005, there were outstanding bank guarantees of approximately Baht 1 million (31 December 2004: Baht 2 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.

84 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 278 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 156 million, for illegal termination of an agency agreement. The management of subsidiary believe 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.

(UNAUDITED BUT REVIEWED)

9 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, The People's Republic of China, Taiwan and other countries around the South China Sea. Financial information of the Company and its subsidiaries presented by geographical segment are as follows:

(Unit: Million Baht)

	CONSOLIDATED						
	For the six-month period ended 30 June 2005						
	<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	1,484	12,076	73	103	13,736	(3,113)	10,623
Gross profit	1,028	2,230	62	68	3,388	31	3,419
Other income							70
Share of profit from investments accounted for under equity method - associated companies							16
Administrative expenses							(526)
Loss on exchange							(104)
Interest expenses							(210)
Corporate income tax							(6)
Minority interest							(1)
Net earnings for the period							2,658
Property, premises, vessels and equipment	6,814	14,032	72	11	20,929	(39)	20,890
Others							4,923
Total assets							25,813

	CONSOLIDATED						
	For the six-month period ended 30 June 2004						
	<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	667	8,206	61	56	8,990	(1,380)	7,610
Gross profit	341	1,226	48	55	1,670	11	1,681
Gain on exchange							15
Other income							47
Share of profit from investments accounted for under equity method - associated companies							19
Administrative expenses							(434)
Loss on sale of investments							(54)
Interest expenses							(190)
Corporate income tax							(4)
Net earnings for the period							1,080

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

	CONSOLIDATED						
	As at 31 December 2004						
	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Property, premises, vessels and equipment	<u>5,097</u>	<u>11,021</u>	<u>69</u>	<u>12</u>	<u>16,199</u>	<u>(46)</u>	16,153
Others							<u>4,434</u>
Total assets							<u>20,587</u>

10 INTEREST RATE RISK

As at 30 June 2005, a subsidiary in Singapore has entered into period-by-period knock out swap and interest rate swap agreements covering the notional amount of USD 65 million (31 December 2004: USD 60 million). The details are below.

1. For notional amount of USD 18 million (31 December 2004: USD 19 million), an interest rate of LIBOR is to be swapped for a fixed interest rate, with the notional amount base used for determination of the interest to be amortised at a rate of USD 0.5 million per quarter over the period 2004 to 2014.
2. For notional amount of USD 27 million (31 December 2004: USD 28.5 million) under the period-by-period knock out swap agreement, an interest rate of LIBOR per annum is to be swapped for the various fixed interest rates stipulated in the agreement for particular periods, with the notional amount base used for determination of the interest to be amortised at a rate of USD 0.75 million per quarter over the period 2004 to 2014.
3. For notional amount of USD 20 million under the period-by-period knock out swap agreement, an interest rate of LIBOR per annum is to be swapped for a fixed interest rate, provided that LIBOR for that period does not exceed a stipulated rate as identified in the agreement. The notional amount base used for determination of the interest is to be amortised at a rate of USD 0.5 million per quarter over the period 2005 to 2015.

11. 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 THAI BAHT

(million baht)

	1 st Quarter 2004 (Restated)	Half-Year 2004 (Restated)	9 months 2004 (Restated)	Yearend 2004	1 st Quarter 2005	Half-Year 2005
Freight income	3,423.7	7,609.8	12,638.6	17,933.0	4,962.2	10,622.8
Cost of freight and operations	(2,789.6)	(5,943.3)	(9,358.2)	(12,906.1)	(3,352.6)	(7,222.2)
Gross Profit	634.1	1,666.5	3,280.4	5,026.9	1,609.6	3,400.6
Gross Profit Margin	18.5%	21.9%	26.0%	28.0%	32.4%	32.0%
Other income	31.0	66.1	106.1	145.3	38.3	86.1
Gain on exchange	11.9	14.7	60.7	33.7	0.0	0.0
Total other income	42.9	80.8	166.8	179.0	38.3	86.1
Admin expenses	(200.8)	(419.4)	(747.1)	(1,021.4)	(222.5)	(507.6)
Loss on exchange	0.0	0.0	0.0	0.0	(25.7)	(104.5)
Loss on sale of investments	(41.5)	(53.8)	(52.6)	(44.0)	0.0	0.0
Loss on impairment of fixed assets	0.0	0.0	0.0	(58.0)	0.0	0.0
Total other expenses	(242.3)	(473.2)	(799.7)	(1,123.4)	(248.2)	(612.1)
Interest expenses	(93.4)	(190.5)	(291.7)	(390.9)	(95.4)	(210.2)
Profit / (loss) before taxation	341.3	1,083.6	2,355.8	3,691.6	1,304.3	2,664.4
Income tax	(1.4)	(4.0)	(12.2)	(13.9)	(1.9)	(5.8)
Profit / (loss) after taxation	339.9	1,079.6	2,343.6	3,677.7	1,302.4	2,658.6
Minority interest	0.8	0.4	0.1	(0.4)	(0.7)	(1.1)
Net profit / (loss) attributable to members	340.7	1,080.0	2,343.7	3,677.3	1,301.7	2,657.5

COMPUTATION OF EBITDA

Profit / (loss) before taxation	341.3	1,083.6	2,355.8	3,691.6	1,304.3	2,664.4
Add: Impairment loss	0.0	0.0	0.0	58.0	0.0	0.0
Add: Interest	93.4	190.5	291.7	390.9	95.4	210.2
EBIT	434.7	1,274.1	2,647.5	4,140.5	1,399.7	2,874.6
Add: Amortisation	0.2	0.5	0.8	1.5	0.3	0.6
Add: Depreciation	169.2	344.4	516.0	823.2	226.7	485.2
EBITDA	604.1	1,619.0	3,164.3	4,965.2	1,626.7	3,360.4

5 August 2005

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 June 2005 and 31 December 2004, and the statements of earnings and retained earnings for the six-month periods ended 30 June 2005 and 2004 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 Jariyathanakom
Partner

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

	30 June 2005		31 December 2004	
	Million Baht	Million USD	Million Baht	Million USD
ASSETS				
Current assets				
Cash and cash equivalents	1,984.4	48.0	2,400.6	61.4
Short-term investments	290.9	7.0	-	-
Trade accounts receivable, net	1,731.1	41.9	1,363.8	34.9
Trade accounts receivable - related parties	214.2	5.2	109.4	2.8
Other current assets	493.7	12.0	360.2	9.2
Total current assets	<u>4,714.3</u>	<u>114.1</u>	<u>4,234.0</u>	<u>108.3</u>
Non-current assets				
Property and premises, net	2,026.8	54.8	1,952.9	55.0
Vessels and equipment, net	18,863.6	495.8	14,200.2	393.8
Other non-current assets	208.6	5.9	199.4	5.7
Total non-current assets	<u>21,099.0</u>	<u>556.5</u>	<u>16,352.5</u>	<u>454.5</u>
TOTAL ASSETS	<u><u>25,813.3</u></u>	<u><u>670.6</u></u>	<u><u>20,586.5</u></u>	<u><u>562.8</u></u>

See Basis of Preparation

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

	30 June 2005		31 December 2004	
	Million Baht	Million USD	Million Baht	Million USD
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Trade accounts payable	1,316.7	31.9	1,067.6	27.3
Trade accounts payable - related parties	18.6	0.4	-	-
Current portion of finance lease creditors	65.2	1.6	58.9	1.5
Current portion of long-term loans	992.4	24.0	1,030.9	26.4
Current portion of debenture	192.3	4.7	-	-
Other current liabilities	269.9	6.5	234.2	6.0
Total current liabilities	2,855.1	69.1	2,391.6	61.2
Non-current liabilities				
Finance lease creditors, net of current portion	65.2	1.6	93.0	2.4
Long-term loans, net of current portion	7,626.8	184.6	4,781.5	122.3
Debenture	2,307.7	55.8	2,500.0	63.9
Total non-current liabilities	9,999.7	242.0	7,374.5	188.6
Total liabilities	12,854.8	311.1	9,766.1	249.8
Shareholders' equity				
Share capital				
Issued and fully paid				
663,000,000 ordinary shares of Baht 1 each	663.0	20.6	663.0	20.6
Share premium	3,073.2	113.7	3,073.2	113.7
Translation adjustment	2,415.8	(5.0)	1,930.2	(8.5)
Retained earnings				
Appropriated - statutory reserve	66.3	1.9	66.3	1.9
Unappropriated	6,712.8	227.6	5,082.9	185.2
Equity attributable to Company's shareholders	12,931.1	358.8	10,815.6	312.9
Minority interest - equity attributable				
to minority shareholders of subsidiaries	27.4	0.7	4.8	0.1
Total shareholders' equity	12,958.5	359.5	10,820.4	313.0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	25,813.3	670.6	20,586.5	562.8
	0.0	0.0	0.0	0.0

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF EARNINGS AND RETAINED EARNINGS
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2005 AND 2004

	2005 Million Baht	2005 Million USD	2004 Million Baht	2004 Million USD
EARNINGS				
Revenues				
Freight income	10,622.8	268.4	7,609.8	190.6
Gain on exchange	-	-	14.7	-
Other income	86.1	2.1	66.1	1.7
Total revenues	<u>10,708.9</u>	<u>270.5</u>	<u>7,690.6</u>	<u>192.3</u>
Expenses				
Cost of freight and operations	6,736.4	170.2	5,598.9	140.3
Depreciation	485.2	13.3	344.4	9.6
Administrative expenses	508.2	12.8	419.4	10.5
Loss on sale of investments	-	-	53.8	1.3
Loss on exchange	104.5	0.4	-	0.6
Total expenses	<u>7,834.3</u>	<u>196.7</u>	<u>6,416.5</u>	<u>162.3</u>
Earnings before interest and income tax expenses	<u>2,874.6</u>	<u>73.8</u>	<u>1,274.1</u>	<u>30.0</u>
Interest expenses	(210.2)	(5.3)	(190.5)	(4.8)
Corporate income tax	(5.8)	(0.1)	(4.0)	(0.1)
Earnings after income tax	<u>2,658.6</u>	<u>68.4</u>	<u>1,079.6</u>	<u>25.1</u>
Net loss - minority interest	(1.1)	-	0.4	-
Net earnings for the period	<u>2,657.5</u>	<u>68.4</u>	<u>1,080.0</u>	<u>25.1</u>
RETAINED EARNINGS				
Retained earnings - unappropriated				
Balance - beginning of period	5,082.9	185.2	2,002.3	112.5
Net earnings for the period	2,657.5	68.4	1,080.0	25.1
Dividend paid	(1,027.6)	(26.0)	(298.4)	(7.4)
Total retained earnings - unappropriated	<u>6,712.8</u>	<u>227.6</u>	<u>2,783.9</u>	<u>130.2</u>
Retained earnings - appropriated				
Statutory reserve	66.3	1.9	66.3	1.9
Total retained earnings - appropriated	<u>66.3</u>	<u>1.9</u>	<u>66.3</u>	<u>1.9</u>
Total retained earnings	<u>6,779.1</u>	<u>229.5</u>	<u>2,850.2</u>	<u>132.1</u>

See Basis of Preparation

BASIS OF PREPARATION

1 THAI BAHT FIGURES

The Thai Baht figures in the balance sheets as at 30 June 2005 and profit and loss accounts for the six-month periods ended 30 June 2005 and 2004 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the balance sheet as at 31 December 2004 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 USDFIGURES

2.1 The USD figures in the consolidated balance sheets were determined by translating the Thai Baht consolidated balance sheets of the Group (except for the two subsidiaries in Singapore, of which the functional reporting currency is USD) using the following exchange rates:

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

As of 30 June 2005 : USD 1 = Baht 41.3158

As of 31 December 2004 : USD 1 = Baht 39.1086

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 (except for the two subsidiaries in Singapore, of which the functional reporting currency is USD) using the average exchange rates, which were as follows:

30 June 2005 :	USD 1 =	Baht 39.5810
30 June 2004 :	USD 1 =	Baht 39.9197