



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

PRESS RELEASE

FINANCIAL RESULTS AS AT 30 JUNE 2010

Container lines continue to enjoy double digit growth in Asia to Europe trades with freight rates holding firm despite the increase of new capacity from new buildings and idle fleet. Confidence is rising in the international shipping industry that the world economy and trade are on the road to recovery, as China in particular has resumed strong maritime trade growth.

With the pick up in demand, the Group's Shipper Owned Container (SOC) liftings increased 7% in 2Q2010, y-o-y at 290,736 teus. The Group's Carrier Owned Container (COC) liftings also increased by 12% at 349,949 teus. Total liftings for 2Q2010 was 10% y-o-y increased at 640,685 teus. In comparison with the first 6 months of the previous year, SOC liftings rose 7% at 573,405 teus, COC climbed 9% at 668,197 teus, and total liftings increased by 8% at 1,241,602.

With the increase in the liftings of 10% and improved freight rates, the total revenues for the second quarter before exchange difference, gain on sales of assets and investment, and adjustment for derivatives edged up by 9% at THB3,918 million. For the first 6 months, total revenues before exchange difference, gain on sale of assets, and adjustment for derivatives was up by 5% at THB7,611 million.

As the fuel cost increased due to an increase on the consumption arising from full deployment of vessels, the total expenses in 2Q2010 was up by 3% at THB4,067 million. For the first 6 months, with the successful implementation of cost cutting initiatives despite escalating bunker cost in the second quarter, total expenses decreased by 4% y-o-y at THB8,041 million.

As a result, the Group reported 2Q2010 net loss attributable to equity holders of THB193 million versus a net loss of THB289 million in 2Q2009, an improvement of 33% y-o-y. With an improved in liftings and revenues in 2Q2010, marked by an escalated bunker cost throughout this year, the loss in 2Q2010 was narrowed by 44% as compared to the loss incurred in 1Q2010. For the first 6 months, the Group recorded a net loss attributable to equity holders at THB535 million versus a net loss of THB1,001 million for the same period in 2009, an improvement of 47% y-o-y.

Founded in 1979, RCL is a Thai based container shipping line which was public listed on the Thai Stock Exchange since 1988. Its core business is in the carriage of Shipper owned containers (or SOC) and its own Carrier owned containers (or COC) within a service network that is fully Asia centric. RCL currently owns and operates a fleet of 42 vessels with sizes ranging between 500 TEUs to 2732 TEUs, with a fleet of 74,651 TEUs to support its own COC carriage as well. It also operates a network of 59 offices made up of both owned and agency offices to support its service structure. RCL is today recognized as amongst the leading SOC and Intra Asia COC operators by both peers and customers alike


QUARTERLY EARNING STATEMENTS IN US\$
(million US\$)

	1 st Quarter	Half-Year	9 months	Year-end	1 st Quarter	Half-Year
	2009	2009	2009	2009	2010	2010
Freight income	103.2	205.8	308.7	417.3	111.4	231.2
Cost of freight and operations	(114.3)	(219.9)	(331.9)	(447.6)	(112.2)	(226.6)
Gross Profit	(11.1)	(14.1)	(23.2)	(30.3)	(0.8)	4.6
<i>Gross Profit Margin</i>	<i>-10.8%</i>	<i>-6.9%</i>	<i>-7.5%</i>	<i>-7.3%</i>	<i>-0.7%</i>	<i>2.0%</i>
Other income	1.0	2.1	3.1	4.2	1.1	2.4
Adjustment for unrealised loss on derivatives	5.6	7.4	7.7	7.7	0.0	0.0
Gain on exchange	0.0	0.0	0.0	0.0	0.1	1.0
Gain on sale of assets	0.1	0.6	1.7	2.7	0.8	1.2
Reversal of loss on impairment of buildings	0.0	0.0	0.0	0.0	0.0	0.0
Total other income	6.7	10.1	12.5	14.6	2.0	4.6
Admin expenses	(8.5)	(17.2)	(26.2)	(34.7)	(8.7)	(19.4)
Allowance for unrealised loss from changes in the fair value of Derivatives	0.0	0.0	0.0	0.0	0.0	0.0
Loss on exchange	(1.2)	(1.7)	(2.0)	(4.9)	0.0	0.0
Loss on sale of investments	0.0	0.0	0.0	0.0	(0.1)	(0.2)
Loss on impairment of assets	0.0	0.0	0.0	(48.0)	0.0	0.0
Total other expenses	(9.7)	(18.9)	(28.2)	(87.6)	(8.8)	(19.6)
Interest expenses	(2.7)	(5.3)	(8.2)	(11.6)	(3.2)	(6.3)
Profit / (loss) before taxation	(16.8)	(28.2)	(47.1)	(114.9)	(10.8)	(16.7)
Income tax	(0.1)	(0.3)	(0.5)	(0.9)	(0.1)	(0.3)
Profit / (loss) after taxation	(16.9)	(28.5)	(47.6)	(115.8)	(10.9)	(17.0)
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	(16.9)	(28.5)	(47.6)	(115.8)	(10.9)	(17.0)

COMPUTATION OF EBITDA

<i>Profit / (loss) before taxation</i>	<i>(16.8)</i>	<i>(28.2)</i>	<i>(47.1)</i>	<i>(114.9)</i>	<i>(10.8)</i>	<i>(16.7)</i>
<i>Add: Impairment loss of assets</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>48.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Deduct: Impairment gain</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
<i>Less Adjustment/ Add Allowance for unrealised loss on derivatives</i>	<i>(5.6)</i>	<i>(7.4)</i>	<i>(7.7)</i>	<i>(7.7)</i>	<i>0.0</i>	<i>0.0</i>
<i>Less: Realised loss on derivatives</i>	<i>(18.4)</i>	<i>(21.0)</i>	<i>(21.0)</i>	<i>(21.0)</i>	<i>0.0</i>	<i>0.0</i>
<i>Add: Interest</i>	<i>2.7</i>	<i>5.3</i>	<i>8.2</i>	<i>11.6</i>	<i>3.2</i>	<i>6.3</i>
EBIT	(38.1)	(51.3)	(67.6)	(84.0)	(7.6)	(10.4)
<i>Add: Amortisation</i>	<i>0.1</i>	<i>0.3</i>	<i>0.4</i>	<i>0.6</i>	<i>0.2</i>	<i>0.5</i>
<i>Add: Depreciation</i>	<i>9.7</i>	<i>19.4</i>	<i>29.4</i>	<i>41.3</i>	<i>9.6</i>	<i>19.3</i>
EBITDA	(28.3)	(31.6)	(37.8)	(42.1)	2.2	9.4



A. M. T. & Associates

สำนักงาน เอ. เอ็ม. ที. แอสโซซิเอท

Accounting Management & Tax Services
491/27 Silom Plaza, Silom Road, Bangruk, Bangkok 10500, Thailand.
Tel: +66 (0) 2234-1676, 2234-1678, 2237-2132 • Fax: +66 (0) 2237-2133

13 August 2010

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

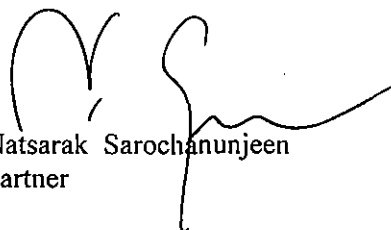
As requested, we have obtained from the management the consolidated balance sheet as at 30 June 2010 and 31 December 2009, the related consolidated statements of income and retained earnings for the six - month periods ended 30 June 2010 and 2009 of Regional Container Lines Public Company Limited and 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,
A.M.T & ASSOCIATES


Natsarak Sarochanunjeen
Partner

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

	30 June 2010		31 December 2009	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	2,955.4	91.1	2,116.0	63.4
Trade accounts receivable - unrelated parties, net	1,340.2	41.3	1,350.4	40.5
Trade accounts receivable - related parties	3.7	0.1	8.6	0.3
Material supplies	414.7	12.8	359.9	10.8
Other current assets	268.9	8.3	302.3	9.1
Total current assets	4,982.9	153.6	4,137.2	124.1
Non - current assets				
Property and premises, net	2,607.7	80.5	2,694.0	80.9
Vessels and equipment, net	18,952.4	570.5	19,864.7	586.6
Intangible assets, net	187.6	5.8	184.8	5.5
Other non - current assets	265.4	7.9	265.1	7.8
Total non - current assets	22,013.1	664.7	23,008.6	680.8
TOTAL ASSETS	26,996.0	818.3	27,145.8	804.9

See basis of preparation

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

	Note	30 June 2010		31 December 2009	
		Million	Million	Million	Million
		Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable - unrelated parties		2,607.0	80.4	2,614.7	78.4
Trade accounts payable - related parties		25.2	0.8	35.1	1.1
Current portion of finance lease creditors		8.8	0.3	8.6	0.3
Current portion of long - term loans		1,364.9	42.1	1,353.8	40.6
Provision for unrealised loss from changes in the fair value of derivatives	1	11.5	0.3	10.5	0.3
Other current liabilities		574.9	17.8	564.5	16.8
Total current liabilities		4,592.3	141.7	4,587.2	137.5
Non - current liabilities					
Finance lease creditors, net of current portion		4.6	0.1	8.6	0.3
Long - term loans, net of current portion		7,585.9	233.7	8,516.6	255.1
Debentures, net		2,483.3	76.5	2,479.7	74.3
Other non - current liabilities		2.7	0.1	5.5	0.2
Total non - current liabilities		10,076.5	310.4	11,010.4	329.9
Total liabilities		14,668.8	452.1	15,597.6	467.4
Shareholders' equity					
Share capital					
Issued and fully paid					
792,698,440 ordinary shares of Baht 1 each as at 30 June 2010 and 663,000,000 ordinary shares of Baht 1 each as at 31 December 2009					
		792.7	24.6	663.0	20.6
Share premium		4,499.9	157.7	3,073.2	113.7
Translation adjustment		8.5	(17.0)	250.8	(14.7)
Retained earnings					
Appropriated - statutory reserve					
		66.3	1.9	66.3	1.9
Unappropriated					
		6,939.5	198.4	7,474.2	215.4
Equity attributable to the parent's shareholders		12,306.9	365.6	11,527.5	336.9
Minority interest - equity attributable					
to minority shareholders of subsidiaries					
		20.3	0.6	20.7	0.6
Total shareholders' equity		12,327.2	366.2	11,548.2	337.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		26,996.0	818.3	27,145.8	804.9

See basis of preparation and note to financial statement

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INCOME STATEMENTS
FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2010 AND 2009

	Note	2010		2009	
		Million	Million	Million	Million
		Baht	USD	Baht	USD
Revenues					
Freight income		7,547.2	231.2	7,212.4	205.8
Other incomes					
Gain on exchange		54.9	1.0	-	-
Gain on sales of fixed assets		40.4	1.2	19.4	0.6
Adjustment for unrealised loss on derivatives		-	-	260.3	7.4
Others		63.6	1.9	68.1	1.9
Total revenues		<u>7,706.1</u>	<u>235.3</u>	<u>7,560.2</u>	<u>215.7</u>
Expenses					
Cost of freight and operations		6,767.6	207.3	7,026.5	200.5
Depreciation		633.4	19.3	667.7	19.4
Administrative expenses		634.9	19.4	606.7	17.2
Other expenses					
Loss on exchange		-	-	69.9	1.7
Loss on sales of investments		3.8	0.2	-	-
Adjustment for unrealised loss on derivatives	/	1.3	-	-	-
Total expenses		<u>8,041.0</u>	<u>246.2</u>	<u>8,370.8</u>	<u>238.8</u>
Share of income (loss) from investments accounted for under equity method - associated companies		<u>15.0</u>	<u>0.5</u>	<u>6.2</u>	<u>0.2</u>
Loss before finance cost and corporate income tax		<u>(319.9)</u>	<u>(10.4)</u>	<u>(804.4)</u>	<u>(22.9)</u>
Finance cost		<u>(206.0)</u>	<u>(6.3)</u>	<u>(184.6)</u>	<u>(5.3)</u>
Loss before corporate income tax		<u>(525.9)</u>	<u>(16.7)</u>	<u>(989.0)</u>	<u>(28.2)</u>
Corporate income tax		<u>(8.7)</u>	<u>(0.3)</u>	<u>(11.1)</u>	<u>(0.3)</u>
Net loss for the period		<u>(534.6)</u>	<u>(17.0)</u>	<u>(1,000.1)</u>	<u>(28.5)</u>
Net income (loss) attributable to:					
Equity holders of the parent		<u>(534.7)</u>	<u>(17.0)</u>	<u>(1,000.7)</u>	<u>(28.5)</u>
Minority interests of the subsidiaries		<u>0.1</u>	<u>-</u>	<u>0.6</u>	<u>-</u>
		<u>(534.6)</u>	<u>(17.0)</u>	<u>(1,000.1)</u>	<u>(28.5)</u>

See basis of preparation and note to financial statement

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF RETAINED EARNINGS
 FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2010 AND 2009

	2010		2009	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of period	7,474.2	215.4	11,260.1	331.2
Net loss for the period	<u>(534.7)</u>	<u>(17.0)</u>	<u>(1,000.7)</u>	<u>(28.5)</u>
Total retained earnings - unappropriated	<u>6,939.5</u>	<u>198.4</u>	<u>10,259.4</u>	<u>302.7</u>
Retained earnings - appropriated				
Statutory reserve	<u>66.3</u>	<u>1.9</u>	<u>66.3</u>	<u>1.9</u>
Total retained earnings - appropriated	<u>66.3</u>	<u>1.9</u>	<u>66.3</u>	<u>1.9</u>
Total retained earnings	<u><u>7,005.8</u></u>	<u><u>200.3</u></u>	<u><u>10,325.7</u></u>	<u><u>304.6</u></u>

See basis of preparation

Basis of preparation

1. Thai Baht figures

The Thai Baht figures in the balance sheets as at 30 June 2010 and profit and loss accounts for the six - month periods ended 30 June 2010 and 2009 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the balance sheets as at 31 December 2009 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 and Hong Kong.

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 (except for two subsidiaries in Singapore, of which the functional reporting currency in USD) using the following exchange rates :

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

As of 30 June 2010 : USD 1 = Baht 32.4440

As of 31 December 2009: USD 1 = Baht 33.3688

- 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 with functional currency reporting in Singapore dollar

USD 1 = SGD 1.4020

For its Hong Kong subsidiaries

USD 1 = HKD 7.7296

- c) Approximate rate as at the transaction dates were used for additional share capital, share premium, vessels and equipment, and disposals of 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 in USD) using the average exchange rates, which were as follows :

30 June 2010 : USD 1 = Baht 32.6493

30 June 2009 : USD 1 = Baht 35.0402

NOTE TO FINANCIAL STATEMENT1. Provision for unrealised loss from changes in the fair value of derivatives

	<u>Million Baht</u>	<u>Million USD</u>
Beginning balance as at 1 January 2010 (audited)	10.5	0.3
Decrease due to :		
- Realised loss	-	-
- Adjustment for under provision	1.3	-
Translation adjustment	<u>(0.3)</u>	<u>-</u>
End balance as at 30 June 2010 (unaudited but reviewed)	<u>11.5</u>	<u>0.3</u>