



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

## PRESS RELEASE

### FINANCIAL RESULTS AS AT 31 MARCH 2010

Container shipping has recovered from the global turmoil last year as the global trade improved with major forecast world economy GDP growth of 3.4-3.5%, China and India GDP growth of 9.3% and 7% respectively.

Based on WTO's estimate of 9.5% rebound in world trade, container trade growth will exceed 10% according to Alphaliner estimates. However, the recovery in the container trades is very uneven, with North America and Europe lagging behind while China and India subcontinent lead the way as volumes return to 2008 level. Transpacific rates and container traffic are at or close to peak 2008. Despite the successful rate negotiation on the transpacific route, the Fareast-Europe rates have started to show signs of cooling down with major capacity influx. New services launched on the Asia-Europe sector will add about 22,000 teu per week to the trade, representing 7% of total route capacity. This could reverse the trend of rising freight rates observed since 4Q2009.

With the pick up in demand, the Group's Shipper Owned Container (SOC) liftings increased 8% in 1Q2010, year-on year at 282,669 teus. The Group's Carrier Owned Container (COC) liftings also increased by 7% at 318,248 teus. Total lifings for 1Q2010 was 7% y-o-y increased at 600,917 teus.

Although there was improvement in the liftings of 7%, the rates could not be increased as some carriers started competing for market share. Total revenues before exchange difference, gain on sales of assets and adjustment for derivatives was down slightly by 0.2% at THB3,693 million.

With the series of cost-cutting, the total expenses in 1Q2010 was down by 12% at THB3,974 million, however it was not enough for breakeven as fuel price increased 10% y-o-y with an increase on the consumption as the liftings increased.

As a result, the Group reported 1Q2010 net loss of THB342 million compared with net loss of THB711 million in 1Q2009.

*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*



## REGIONAL CONTAINER LINES GROUP

### QUARTERLY EARNING STATEMENTS IN THAI BAHT

(million Baht)

	1 <sup>st</sup> Quarter 2009	Half-Year 2009	9 months 2009	Year-end 2009	1 <sup>st</sup> Quarter 2010
Freight income	3,664.4	7,212.4	10,695.0	14,321.1	3,662.7
Cost of freight and operations	(4,048.0)	(7,694.2)	(11,486.1)	(15,341.3)	(3,686.3)
<b>Gross Profit</b>	<b>(383.6)</b>	<b>(481.8)</b>	<b>(791.1)</b>	<b>(1,020.2)</b>	<b>(23.6)</b>
<i>Gross Profit Margin</i>	<i>-10.5%</i>	<i>-6.7%</i>	<i>-7.4%</i>	<i>-7.1%</i>	<i>-0.6%</i>
Other income	36.7	74.3	108.7	142.5	35.7
Adjustment for unrealised loss on derivatives	197.8	260.3	267.6	265.2	0.0
Gain on exchange	0.0	0.0	0.0	0.0	15.1
Gain on sale of assets	4.0	19.4	60.6	94.1	26.2
Reversal of loss on impairment of assets	0.0	0.0	0.0	0.0	0.0
Total other income	238.5	354.0	436.9	501.8	77.0
Admin expenses	(301.6)	(606.7)	(906.3)	(1,190.9)	(283.3)
Allowance for unrealised loss from changes in the fair value of Derivatives	0.0	0.0	0.0	0.0	(0.3)
Loss on exchange	(164.7)	(69.9)	(26.5)	(20.9)	0.0
Loss on sale of investments	0.0	0.0	0.0	0.0	(3.8)
Loss on impairment of buildings	0.0	0.0	0.0	(1,628.0)	0.0
Total other expenses	(466.3)	(676.6)	(932.8)	(2,839.8)	(287.4)
Interest expenses	(96.0)	(184.6)	(284.3)	(397.3)	(104.1)
Profit / (loss) before taxation	(707.4)	(989.0)	(1,571.3)	(3,755.5)	(338.1)
Income tax	(3.6)	(11.1)	(17.8)	(29.5)	(3.7)
Profit / (loss) after taxation	(711.0)	(1,000.1)	(1,589.1)	(3,785.0)	(341.8)
Minority interest	(0.3)	(0.6)	(0.6)	(0.9)	0.1
<b>Net profit / (loss) attributable to members</b>	<b>(711.3)</b>	<b>(1,000.7)</b>	<b>(1,589.7)</b>	<b>(3,785.9)</b>	<b>(341.7)</b>

### COMPUTATION OF EBITDA

Profit / (loss) before taxation	(707.4)	(989.0)	(1,571.3)	(3,755.5)	(338.1)
Add: Impairment loss of assets	0.0	0.0	0.0	1,628.0	0.0
Deduct: Impairment gain	0.0	0.0	0.0	0.0	0.0
Less Adjustment/ Add Allowance for unrealised loss on derivatives	(197.8)	(260.3)	(267.6)	(265.2)	0.3
Less: Realised loss on derivatives	(653.8)	(736.5)	(728.3)	(732.3)	0.0
Add: Interest	96.0	184.6	284.3	397.3	104.1
<b>EBIT</b>	<b>(1,463.0)</b>	<b>(1,801.2)</b>	<b>(2,282.9)</b>	<b>(2,727.7)</b>	<b>(233.7)</b>
Add: Amortisation	5.1	10.0	14.3	19.0	7.8
Add: Depreciation	335.7	667.7	1,004.2	1,395.8	314.4
<b>EBITDA</b>	<b>(1,122.2)</b>	<b>(1,123.5)</b>	<b>(1,264.4)</b>	<b>(1,312.9)</b>	<b>88.5</b>

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES  
THAILAND

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INTERIM FINANCIAL STATEMENTS  
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2010  
AND  
REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT

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EXPRESSED IN  
THAI BAHT

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## A. M. T. & Associates

สำนักงาน เอ. เอ็ม. ที. แอสโซซิเอต

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### REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

To the shareholders and Board of Directors 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 of March 31, 2010, and the related consolidated statements of changes in shareholders' equity, income and cash flows for the three - month periods ended March 31, 2010 and 2009. I have also reviewed the separate financial statements of Regional Container Lines Public Company Limited for the same period. 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 report on these financial statements based on my review. As described in note 1.3 to the interim financial statements, I have not reviewed the interim financial statements of overseas subsidiaries which were included in the consolidated interim financial statements for the three - month period ended March 31, 2010 and 2009. The interim financial statements of those subsidiaries reflect total assets as of March 31, 2010 and 2009 of Baht 14,353 million and Baht 17,213 million, respectively and total revenues for the three - month period ended March 31, 2010 and 2009 of Baht 3,532 million and Baht 3,149 million, respectively. The interim financial statements of the overseas subsidiaries have been reviewed by other auditors from same audit firm whose reports have been furnished to me, and my report, insofar as it relates to the amounts for the overseas subsidiaries included in the consolidated interim financial statements for the three - month period ended March 31, 2010 and 2009, are based solely on the reports of the said auditors.

I conducted my review in accordance with the standards on auditing applicable to review engagements. These standards require 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 in accordance with generally accepted auditing standards, and accordingly, I do not express an audit opinion.

Based on my review and the reports of the other auditors as referred to in the first paragraph, nothing has come to my attention that causes me to believe that the consolidated and separate interim financial statements for the three - month period ended March 31, 2010 and 2009 are not presented fairly, in all material respects, in conformity with generally accepted accounting principles.

The consolidated and separate balance sheets as of December 31, 2009, presented herein for comparison, have been derived from such financial statements, which I have audited and reported in accordance with generally accepted auditing standards and expressed an unqualified opinion in my report dated February 26, 2010. I have not performed any other audit procedures subsequent to such report date.



(NATSARAK SAROCHANUNJEEN)  
C.P.A (THAILAND)  
Registration No. 4563

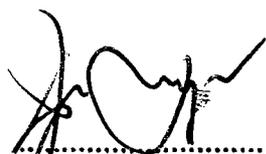
A.M.T. & ASSOCIATES  
Bangkok, Thailand  
May 14, 2010.

## Regional Container Lines Public Company Limited and its subsidiaries

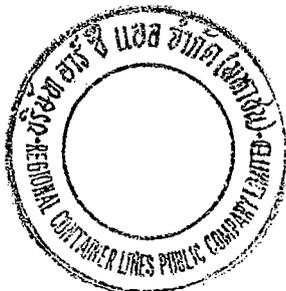
## Balance sheets

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	1,649,532	2,115,961	59,901	181,052
Trade accounts receivable - unrelated parties	1,508,970	1,361,470	-	-
Less: allowance for doubtful accounts	(13,973)	(11,063)	-	-
Trade accounts receivable - unrelated parties, net	2	1,494,997	-	-
Trade accounts receivable - related parties	2, 10	8,796	208,848	275,692
Material supplies	418,092	359,860	15,525	18,080
Other current assets	300,301	302,347	52,463	48,097
<b>Total current assets</b>	<b>3,871,718</b>	<b>4,137,230</b>	<b>336,737</b>	<b>522,921</b>
<b>Non-current assets</b>				
Property investments held for				
long-term investment	4,474	1,648	-	-
Investments in subsidiaries	3	-	5,405,960	5,405,960
Investments in associated companies	4	197,678	20,000	20,000
Other long-term investments	10,938	11,274	-	-
Property and premises, net	5.1	2,610,858	8,289	8,850
Vessels and equipment, net	5.2	19,174,908	5,870,242	5,920,708
Intangible assets, net	6	185,905	-	-
Other non-current assets	52,453	54,998	2,145	2,145
<b>Total non-current assets</b>	<b>22,237,214</b>	<b>23,008,535</b>	<b>11,306,636</b>	<b>11,357,663</b>
<b>Total assets</b>	<b>26,108,932</b>	<b>27,145,765</b>	<b>11,643,373</b>	<b>11,880,584</b>



**Mr. Sumate Tanthuanit**  
Director




**Mr. Tuangrat Kirtiputra**  
Director

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

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Balance sheets (continued)**

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
	2,847,037	2,614,712	113,363	4,830
Trade accounts payable - unrelated parties				
Trade accounts payable - related parties	10	41,418	35,068	38,886
Current portion of finance lease creditors		8,800	8,623	-
Current portion of long-term loans	8	1,337,709	1,353,776	135,149
Corporate income tax payable		14,926	21,042	4,167
Provision for unrealised loss from changes in the fair value of derivatives	7	10,498	10,511	-
Other current liabilities		553,439	543,435	58,558
<b>Total current liabilities</b>		<b>4,813,827</b>	<b>4,587,167</b>	<b>350,123</b>
<b>Non-current liabilities</b>				
Finance lease creditors, net of current portion		6,950	8,563	-
Long-term loans, net of current portion	8	7,851,685	8,516,638	878,468
Debentures, net	9	2,481,475	2,479,663	2,481,475
Other non-current liabilities		4,031	5,526	-
<b>Total non-current liabilities</b>		<b>10,344,141</b>	<b>11,010,390</b>	<b>3,359,943</b>
<b>Total liabilities</b>		<b>15,157,968</b>	<b>15,597,557</b>	<b>3,710,066</b>



**Mr. Sumate Tanthuwani**  
**Director**

**Ms. Tuangrat Kirtiputra**  
**Director**

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## Regional Container Lines Public Company Limited and its subsidiaries

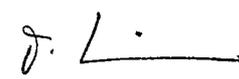
## Balance sheets (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)
<b>Shareholders' equity</b>				
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	(3,930)	250,751	-	-
Retained earnings				
Appropriated - statutory reserve	66,300	66,300	66,300	66,300
Unappropriated	7,132,530	7,474,224	4,130,817	4,258,752
Equity attributable to Company's shareholders	10,931,090	11,527,465	7,933,307	8,061,242
Minority interest - equity attributable to minority shareholders' of subsidiaries	19,874	20,743	-	-
<b>Total shareholders' equity</b>	<b>10,950,964</b>	<b>11,548,208</b>	<b>7,933,307</b>	<b>8,061,242</b>
<b>Total liabilities and shareholders' equity</b>	<b>26,108,932</b>	<b>27,145,765</b>	<b>11,643,373</b>	<b>11,880,584</b>



  
 .....  
**Mr. Sumate Tanthuwarnit**  
**Director**

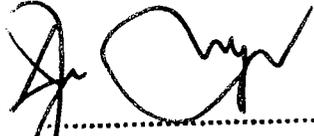
  
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**Ms. Tuangrat Kirtiputra**  
**Director**

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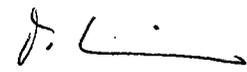
**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of changes in shareholders' equity**  
**For the three - month periods ended 31 March 2010 and 2009**

(Unit: Thousand Baht)

	Consolidated financial statements					Total equity attributable to the parent's shareholders	Minority interest - equity attributable to minority shareholders of subsidiaries	Total
	Equity attributable to the parent's share holders							
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings				
			Statutory reserve	Unappropriated				
<b>Balance as at 31 December 2008</b>	663,000	3,073,190	640,611	66,300	11,260,093	15,703,194	28,018	15,731,212
Income (expenses) recognised directly in equity:								
Translation adjustment	-	-	198,830	-	-	198,830	429	199,259
Net income and expenses recognised in equity	663,000	3,073,190	839,441	66,300	11,260,093	15,902,024	28,447	15,930,471
Net income (loss) for the period	-	-	-	-	(711,327)	(711,327)	349	(710,978)
<b>Balance as at 31 March 2009</b>	<u>663,000</u>	<u>3,073,190</u>	<u>839,441</u>	<u>66,300</u>	<u>10,548,766</u>	<u>15,190,697</u>	<u>28,796</u>	<u>15,219,493</u>

  
 .....  
**Mr. Sumate Tanthuwant**  
**Director**



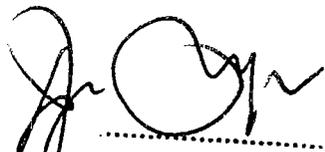
  
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**Ms. Tuangrat Kirtiputra**  
**Director**

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**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of changes in shareholders' equity (continued)**  
**For the three - month periods ended 31 March 2010 and 2009**

(Unit: Thousand Baht)

	Consolidated financial statements						Minority interest - equity attributable to minority shareholders of subsidiaries	Total
	Equity attributable to the parent's share holders					Total equity attributable to the parent's shareholders		
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings Statutory reserve	Unappropriated			
<b>Balance as at 31 December 2009</b>	663,000	3,073,190	250,751	66,300	7,474,224	11,527,465	20,743	11,548,208
Income (expenses) recognised directly in equity:								
Translation adjustment	-	-	(254,681)	-	-	(254,681)	(722)	(255,403)
Net income and expenses recognised in equity	663,000	3,073,190	(3,930)	66,300	7,474,224	11,272,784	20,021	11,292,805
Net income (loss) for the period	-	-	-	-	(341,694)	(341,694)	(147)	(341,841)
<b>Balance as at 31 March 2010</b>	<u>663,000</u>	<u>3,073,190</u>	<u>(3,930)</u>	<u>66,300</u>	<u>7,132,530</u>	<u>10,931,090</u>	<u>19,874</u>	<u>10,950,964</u>

  
 .....  
**Mr. Sumate Tanthuwant**  
**Director**



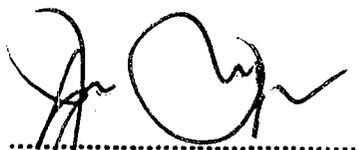
  
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**Ms. Tuangrat Kirtiputra**  
**Director**

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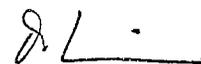
**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of changes in shareholders' equity (continued)**  
**For the three - month periods ended 31 March 2010 and 2009**

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings		Total
			Statutory reserve	Unappropriated	
<b>Balance as at 31 December 2008</b>	663,000	3,073,190	66,300	4,214,489	8,016,979
Net income (loss) for the period	-	-	-	25,272	25,272
<b>Balance as at 31 March 2009</b>	663,000	3,073,190	66,300	4,239,761	8,042,251
<b>Balance as at 31 December 2009</b>	663,000	3,073,190	66,300	4,258,752	8,061,242
Net income (loss) for the period	-	-	-	(127,935)	(127,935)
<b>Balance as at 31 March 2010</b>	663,000	3,073,190	66,300	4,130,817	7,933,307

  
 .....  
**Mr. Sumate Tanthuwant**  
**Director**



  
 .....  
**Ms. Tuangrat Kirtiputra**  
**Director**

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

## Regional Container Lines Public Company Limited and its subsidiaries

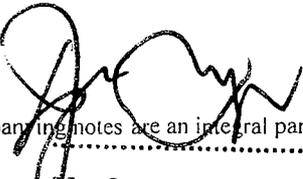
## Income statements

For the three - month periods ended 31 March 2010 and 2009

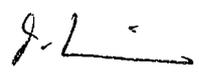
(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Revenues</b>					
Freight income		3,662,695	3,664,395	110,259	333,428
Other incomes					
Gain on exchange		15,090	-	31,938	14,044
Gain on sales of fixed assets	5.2	26,187	4,043	-	-
Interest income		648	5,137	320	6,219
Adjustment for unrealised loss on derivatives		-	197,848	-	-
Others		29,877	29,725	-	-
<b>Total revenues</b>		<b>3,734,497</b>	<b>3,901,148</b>	<b>142,517</b>	<b>353,691</b>
<b>Expenses</b>					
Cost of freight and operations		3,670,162	4,028,434	182,787	247,231
Administrative expenses		287,290	305,641	41,941	43,171
Management benefit expenses	11	12,165	15,463	2,343	2,613
Other expenses					
Loss on exchange		-	164,689	-	-
Loss on sale of investments		3,805	-	-	-
Adjustment for unrealised loss on derivatives	7	304	-	-	-
<b>Total expenses</b>	12	<b>3,973,726</b>	<b>4,514,227</b>	<b>227,071</b>	<b>293,015</b>
Share of income from investment accounted for under equity method - associated companies		5,263	1,788	-	-
<b>Income (loss) before finance cost and corporate income tax</b>		<b>(233,966)</b>	<b>(611,291)</b>	<b>(84,554)</b>	<b>60,676</b>
Finance cost		(104,128)	(96,073)	(43,381)	(33,856)
<b>Income (loss) before corporate income tax</b>		<b>(338,094)</b>	<b>(707,364)</b>	<b>(127,935)</b>	<b>26,820</b>
Corporate income tax		(3,747)	(3,614)	-	(1,548)
<b>Net income (loss) for the period</b>		<b>(341,841)</b>	<b>(710,978)</b>	<b>(127,935)</b>	<b>25,272</b>
<b>Net income (loss) attributable to:</b>					
Equity holders of the parent		(341,694)	(711,327)	(127,935)	25,272
Minority interests of the subsidiaries		(147)	349		
		<b>(341,841)</b>	<b>(710,978)</b>		
(Unit: Baht)					
<b>Basic earnings (loss) per share</b>					
Net income (loss) attributable to equity holders of the parent		(0.52)	(1.07)	(0.19)	0.04
The weighted average number of ordinary shares (share)		663,000,000	663,000,000	663,000,000	663,000,000

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

  
**Mr. Sumate Tanthuwani**  
 Director



  
**Mr. Tuangrat Kirtiputra**  
 Director

## Regional Container Lines Public Company Limited and its subsidiaries

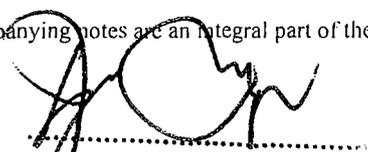
## Statements of cash flows

For the three - month periods ended 31 March 2010 and 2009

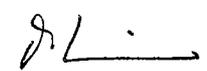
(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Cash flows from operating activities</b>				
Net income (loss) before corporate income tax	(338,094)	(707,364)	(127,935)	26,820
Adjustments to reconcile net income (loss) before corporate income tax to net cash provided by (used in) operating activities:				
Depreciation	314,368	335,666	91,790	118,177
Amortisation	7,807	5,061	-	-
Loss (gain) on sales of fixed assets	(26,187)	(4,043)	-	-
Loss (gain) on sales of investments	3,805	-	-	-
Increase (decrease) in allowance for doubtful accounts	2,910	11,512	-	-
Increase (decrease) in adjustment for unrealised loss on derivatives	304	(197,848)	-	-
Unrealised loss (gain) on exchange rate	2,639	141,773	(30,175)	(1,891)
Share of loss (income) from investment accounted for under equity method - associated companies	(5,263)	(1,788)	-	-
Interest income	(648)	(5,137)	(320)	(6,219)
Finance cost	104,128	96,073	43,381	33,856
Income from operating activities before changes in operating assets and liabilities	65,769	(326,095)	(23,259)	170,743
Operating assets (increase) decrease				
Trade accounts receivable - unrelated parties	(184,547)	56,442	-	188
Trade accounts receivable - related parties	(141)	33,164	62,606	(130,543)
Material supplies	(58,232)	79,348	2,555	190
Other current assets	2,056	(66,036)	(4,366)	(8,579)
Other non-current assets	2,540	(24,108)	-	-
Operating liabilities increase (decrease)				
Trade accounts payable - unrelated parties	232,325	(18,059)	108,533	(781)
Trade accounts payable - related parties	9,912	4,523	(144,826)	(37,403)
Provision for unrealised loss from changes in the fair value of derivatives	-	(653,769)	-	-
Other current liabilities	28,818	2,593	(4,483)	5,156
Other non-current liabilities	(1,495)	(1,284)	-	-
Cash from operating activities	97,005	(913,281)	(3,240)	(1,029)
Cash paid for corporate income tax	(9,863)	(835)	-	-
Net cash provided by (used in) operating activities	87,142	(914,116)	(3,240)	(1,029)

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

  
**Mr. Sumate Tanthuwant**  
 Director



  
 .....  
**Ms. Tuangrat Kirtiputra**  
 Director

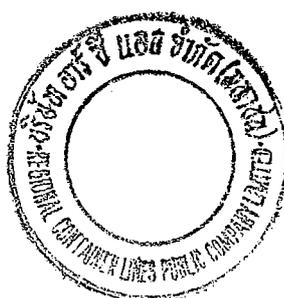
## Regional Container Lines Public Company Limited and its subsidiaries

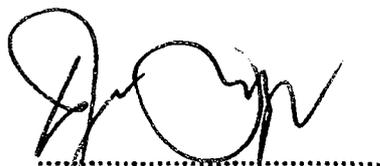
## Statements of cash flows (continued)

For the three - month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Cash flows from investing activities</b>				
Decrease (increase) in current investments	(3,805)	-	-	-
Decrease (increase) in property, premises, vessels and equipment	(6,071)	3,495	(40,763)	(1,302)
Decrease (increase) in deposit for purchasing vessels	-	2,792	-	-
Decrease (increase) in intangible assets	(14,549)	(21,380)	-	-
Provision for unrealised loss from changes in the fair value of derivatives	(317)	-	-	-
Interest received	638	7,970	320	12,419
<b>Net cash provided by (used in) investing activities</b>	<b>(24,104)</b>	<b>(7,123)</b>	<b>(40,443)</b>	<b>11,117</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in finance lease creditors	(1,436)	(2,531)	-	-
Increase (decrease) in long - term loans	(387,901)	(477,574)	(34,815)	(36,442)
Increase (decrease) in debentures	1,812	(192,325)	1,812	(192,325)
Finance cost paid	(123,664)	(145,866)	(44,465)	(35,863)
<b>Net cash provided by (used in) financing activities</b>	<b>(511,189)</b>	<b>(818,296)</b>	<b>(77,468)</b>	<b>(264,630)</b>
Translation adjustment	(18,278)	142,016	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(466,429)</b>	<b>(1,597,519)</b>	<b>(121,151)</b>	<b>(254,542)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,115,961</b>	<b>3,437,169</b>	<b>181,052</b>	<b>749,697</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,649,532</b>	<b>1,839,650</b>	<b>59,901</b>	<b>495,155</b>



  
 .....  
**Mr. Sumate Tanthuwant**  
**Director**

  
 .....  
**Ms. Tuangrat Kirtiputra**  
**Director**

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Notes to interim financial statements**  
**For the three - month period ended 31 March 2010**

**1. General information**

**1.1 Corporate information**

Regional Container Lines Public Company Limited (“the Company”) was incorporated as a public limited company under Thai laws. The Company operates its business in Thailand and other countries in South China Sea and its principal activity is in the business of international vessel operations.

**1.2 Basis for the preparation of the interim financial statements**

These interim financial statements are prepared in accordance with Accounting Standard No. 41 (revised 2007) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and the statements of income, changes in shareholders’ equity and cash flows in the same format as that used for the annual financial statements.

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

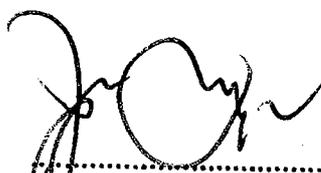
**1.3 Basis of consolidation**

These consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2009.

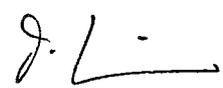
The consolidated financial statements for the three - month period ended 31 March 2010 and 2009 include the financial statements of the overseas subsidiaries which have been reviewed by their auditors. The financial statements of those subsidiaries reflect total assets as of 31 March 2010 and 2009 of Baht 14,353 million and Baht 17,213 million, respectively and total revenues for the three - month periods ended 31 March 2010 and 2009 of Baht 3,532 million and Baht 3,149 million, respectively.

**1.4 Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2009.

  
.....  
**Mr. Sumate Tanthuwarnit**  
**Director**



  
.....  
**Ms. Tuangrat Kirtiputra**  
**Director**

2. Trade accounts receivable

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

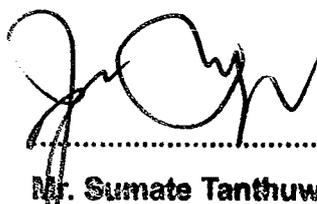
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
Under 90 days	1,429,319	1,285,961	-	-
91 - 180 days	54,664	62,157	-	-
181 - 365 days	16,278	5,063	-	-
Over 365 days	8,709	8,289	-	-
Total	1,508,970	1,361,470	-	-
<u>Less</u> Allowance for doubtful accounts	<u>(13,973)</u>	<u>(11,063)</u>	-	-
Net	<u>1,494,997</u>	<u>1,350,407</u>	-	-

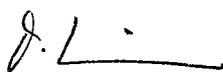
The balances of trade accounts receivable - related parties are classified by aging as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
Under 90 days	8,796	8,655	110,624	264,126
91 - 180 days	-	-	98,224	11,566
181 - 365 days	-	-	-	-
Over 365 days	-	-	-	-
Total	<u>8,796</u>	<u>8,655</u>	<u>208,848</u>	<u>275,692</u>

  
 .....  
**Mr. Sumate Tanthuwant**  
 Director



  
 .....  
**Ms. Tuangrat Kirtiputra**  
 Director

3. Investments in subsidiaries

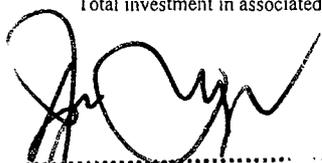
(Unit: Million Baht)

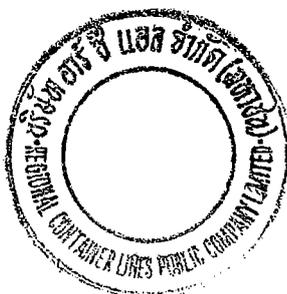
Company's name	Separate financial statements							
	Paid - up capital		Percentage directly owned by the Company				Dividend for the three - month periods ended	
	31	31	by the Company		Cost		for the three - month periods ended	
	March	December	March	December	March	December	March	March
2010	2009	2010	2009	2010	2009	2010	2009	
		Percent	Percent					
<u>Subsidiaries operating in Thailand</u>								
a) Asian Bulk Shipping Co., Ltd.	Baht 25 Million	Baht 25 Million	51	51	13	13	-	-
b) RCL Logistics Co., Ltd.	Baht 5 Million	Baht 5 Million	100	100	5	5	-	-
<u>Subsidiaries operating in Singapore</u>								
c) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	145	145	-	-
d) Regional Container Lines Pte. Ltd.	S\$ 81.4 Million	S\$ 81.4 Million	100	100	3,767	3,767	-	-
e) RCL Feeder Pte. Ltd.	USD 32.7 Million	USD 32.7 Million	98	98	1,095	1,095	-	-
f) RCL Service S.A.	USD 10,000	USD 10,000	49	49	2	2	-	-
g) RCL Holdings Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	108	108	-	-
h) RCL Shipmanagement Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	54	54	-	-
<u>Subsidiary operating in Hong Kong</u>								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 20 Million	100	100	217	217	-	-
Total investments in subsidiaries					5,406	5,406	-	-

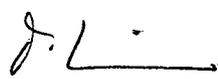
4. Investments in associated companies

(Unit: Million Baht)

Company's name	Separate financial statements									
	Paid - up capital		Percentage directly owned by the Company				Dividend for the three - month periods ended			
	31	31	by the Company		Cost method		Equity method			
	March	December	March	December	March	December	March	December		
2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	
		Percent	Percent							
<u>Investment in associated company of the Company</u>										
<u>Associated company operating in Thailand</u>										
TIPS Co., Ltd. (Port operating)	100 Million Baht	100 Million Baht	20	20	20	20	169	164	-	-
Total investment in associated company					20	20	169	164	-	-

  
 Mr. Sumate Tanthuanit  
 Director



  
 Ms. Tuangrat Kirtiputra  
 Director

The accumulated share of the profit of the Company's associated company, as at 31 March 2010, is calculated based on the financial statements of the associated company, which were prepared by the management and unreviewed by that company's auditor.

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 March 2010	31 December 2009
The Company's investment in associated company	169,098	163,782
The subsidiaries' investments in associated companies	28,580	33,376
Total investments in associated companies accounted for under equity method	<u>197,678</u>	<u>197,158</u>

5. Property, premises, vessels and equipment, net5.1 Property and premises, net

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2009 (audited)	2,693,964	8,850
<u>Add</u> Acquisitions during period - at cost	1,865	-
<u>Less</u> Depreciation for the period	(6,919)	(561)
Translation adjustment	(78,052)	-
Net book value as at 31 March 2010 (unaudited but reviewed)	<u>2,610,858</u>	<u>8,289</u>

The subsidiaries have mortgaged the above properties to secure credit facilities.

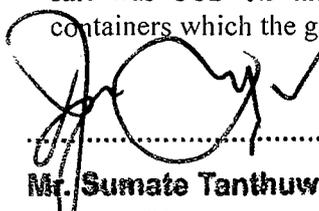
5.2 Vessels and equipment, net

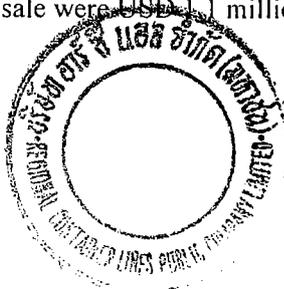
(Unit: Thousand Baht)

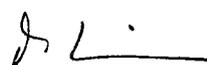
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2009 (audited)	19,864,716	5,920,708
<u>Add</u> Acquisitions during period - at cost	73,753	40,763
<u>Less</u> Sale during period - at net book value	(43,360)	-
Depreciation for the period	(307,449)	(91,229)
Translation adjustment	(412,752)	-
Net book value as at 31 March 2010 (unaudited but reviewed)	<u>19,174,908</u>	<u>5,870,242</u>

The Group has mortgaged most of their vessels to secure credit facilities granted to the Group.

During the first quarter of 2010, a subsidiary in Singapore sold a vessel which the loss on the sale was USD 0.3 million (approximately Baht 9 million). And a subsidiary in Singapore sold containers which the gain on the sale were USD 1.1 million (approximately Baht 34.6 million).

  
.....  
**Mr. Sumate Tanthuanit**  
Director



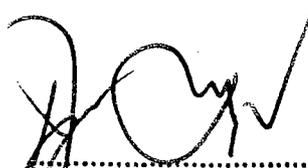
  
.....  
**Mr. Tuangrat Kirtiputra**  
Director

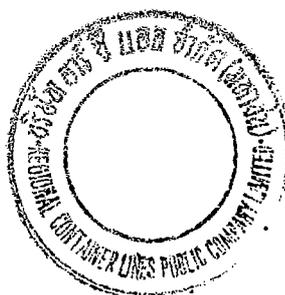
6. Intangible assets, net

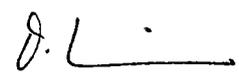
	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<u>Computer software</u>		
Net book value as at 31 December 2009 (audited)	184,777	-
<u>Add</u> Increased during period - at cost	14,513	-
<u>Less</u> Amortisation for the period	(7,770)	-
Translation adjustment	(5,615)	-
Net book value as at 31 March 2010 (unaudited but reviewed)	185,905	-

7. Provision for unrealised loss from changes in the fair value of derivatives

		(Unit: Thousand Baht)	
	Note	Consolidated financial statements	Separate financial statements
Beginning balance as at 1 January 2010 (audited)		10,511	-
Decrease due to :			
- Realised loss		-	-
- Adjustment for under provision		304	-
Translation adjustment		(317)	-
End balance as at 31 March 2010 (unaudited but reviewed)	15.1 and 15.3	10,498	-

  
 .....  
**Mr. Sumate Tanthuwant**  
**Director**



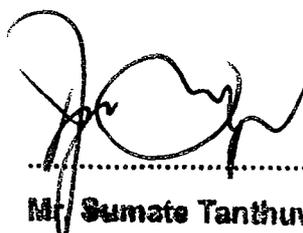
  
 .....  
**Ms. Tuangrat Kirtiputra**  
**Director**

8. Long - term loans

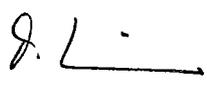
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2010	2009	2010	2009
<u>Loans of the Company</u>				
1) USD 31.2 million loan (2009: USD 32.2 million), repayable quarterly until the year 2015.	1,013,617	1,079,283	1,013,617	1,079,283
<u>Loans of the Singaporean subsidiaries</u>				
2) USD 3.9 million loan (2009: USD 4.1 million), repayable quarterly until the year 2014.	126,696	137,266	-	-
3) USD 28.8 million loan (2009: USD 29.8 million), repayable quarterly until the year 2015.	932,351	994,390	-	-
4) USD 31.7 million loan (2009: USD 32.5 million), repayable quarterly until the year 2017.	1,026,234	1,085,598	-	-
5) USD 31.2 million loan (2009: USD 31.8 million), repayable quarterly until the year 2018.	1,010,047	1,061,128	-	-
6) USD 45.6 million loan (2009: USD 48.2 million), repayable semi - annually until the year 2018.	1,474,927	1,609,711	-	-
7) USD 19.7 million loan (2009: USD 20.2 million), repayable quarterly until the year 2018	638,024	672,938	-	-
8) USD 20.4 million loan (2009: USD 21.6 million), repayable quarterly until the year 2014	660,415	720,766	-	-
9) USD 14.9 million loan (2009: USD 15.8 million), repayable quarterly until the year 2014	481,553	525,558	-	-
10) USD 31.5 million loan (2009: USD 33.3 million), repayable quarterly until the year 2012	1,019,759	1,109,513	-	-
11) USD 24.9 million loan (2009: USD 26.2 million), repayable semi - annually until the year 2018	805,771	874,263	-	-
Total	9,189,394	9,870,414	1,013,617	1,079,283
<u>Less Current portion</u>	<u>(1,337,709)</u>	<u>(1,353,776)</u>	<u>(135,149)</u>	<u>(139,262)</u>
Long - term loans, net of current portion	<u>7,851,685</u>	<u>8,516,638</u>	<u>878,468</u>	<u>940,021</u>

The above loans carry interest at rates based on LIBOR or SIBOR.

  
 .....  
**Mr. Sumate Tanthuwant**  
 Director



  
 .....  
**Ms. Tuangrat Kirtiputra**  
 Director

Movements in the long - term loans during the three - month period ended 31 March 2010 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Beginning balance as at 1 January 2010 (audited)	9,870,414	1,079,283
<u>Add</u> Borrowings	-	-
<u>Less</u> Repayments	(387,901)	(34,815)
Translation adjustment	(262,268)	-
Unrealised gain on exchange	(30,851)	(30,851)
End balance as at 31 March 2010 (unaudited but reviewed)	9,189,394	1,013,617

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

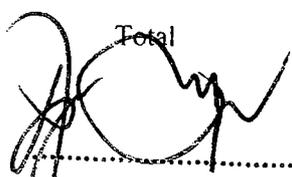
The loan agreements contain certain covenants and restrictions pertaining to matters such as the maintenance of financial ratios and shareholding structure.

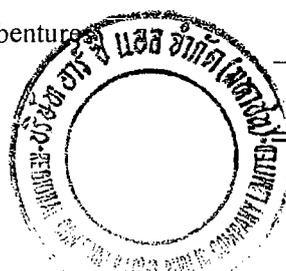
#### 9. Debentures, net

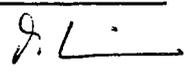
In October 2009, the Company issued and offered 2.5 million units of unsecured and unsubordinated debentures with a par value of Baht 1,000 each, or a total Baht 2,500 million, to be used for the repayment of outstanding bank loans, and working capital requirement. The maturity period of the debentures is 3 years, with the redemption date being 22 October 2012. The debenture holders are entitled to receive interest at a rate of 5.90 percent per annum. Such interest is payable quarterly in January, April, July and October of every year. 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.

Balance of Debentures consisted of the following:

	(Unit: Thousand Baht)	
	31 March 2010	31 December 2009
Debentures	2,500,000	2,500,000
<u>Less</u> Deferred cost of issuing debentures	(21,747)	(21,747)
<u>Add</u> Accumulated amortisation of deferred cost of issuing debentures	3,222	1,410
Total	2,481,475	2,479,663

  
.....  
**Mr. Sumate Tanthuanit**  
Director



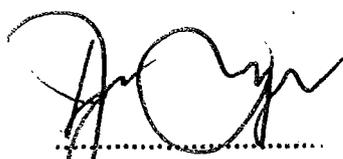
  
.....  
**Mr. Tuangrat Kirtiputra**  
Director

10. Related party transactions

- a) The Group has business dealings with its customers through regional shipping agents (third parties and related companies) of which a substantial part is through its related companies, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Group and those companies.
- b) In addition to the matter discussed in a), during the periods, the Group had other significant business transactions with its related parties. The transactions are summarised below.

(Unit: Million Baht)

	For the three - month periods ended 31 March				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2010	2009	2010	2009	
<b><u>Transactions with subsidiary</u></b>					
Charter freight income	-	-	110	333	Market price as at agreement date
Expenses related to cost of freight and operations advanced by a subsidiary	-	-	88	381	Actual payment
Ship management fee	-	-	2	2	Price approximates market price
<b><u>Transactions with related parties</u></b>					
Slot revenues	11	11	-	-	Price approximates market price
Commission expenses	27	29	-	-	Price approximates market price
Terminal operating service	82	51	-	-	Price per tariff minus volume discount
Logistic service fees	10	6	-	-	Price approximates market price



**Mr. Sumate Tanthuanit**  
Director




**Ms. Tuangrat Kirtiputra**  
Director

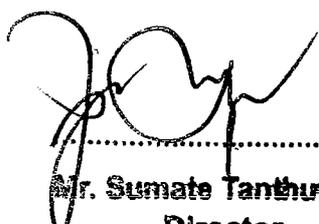
The outstanding balances of the above transactions have been presented in the balance sheets as follows:

(Unit: Million Baht)

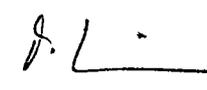
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
<u>Trade accounts receivable - related parties</u>				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	209	276
<u>Related parties</u>				
Siam Paetra International Co., Ltd.	9	9	-	-
	<u>9</u>	<u>9</u>	<u>209</u>	<u>276</u>
<u>Trade accounts payable - related parties</u>				
<u>Subsidiary</u>				
RCL Shipmanagement Pte. Ltd.	-	-	39	187
<u>Related parties</u>				
RCL (Vietnam) Co., Ltd.	35	30	-	-
Others	6	5	-	-
	<u>41</u>	<u>35</u>	<u>39</u>	<u>187</u>

#### 11. Management benefit expenses

Management benefit expenses consist of salary, bonus and other benefits of executive directors and the Group Management Team.

  
 .....  
**Mr. Sumate Tanthuwant**  
**Director**



  
 .....  
**Ms. Tuangrat Kirtiputra**  
**Director**

12. Expenses by nature

Significant expenses by nature for the period ended 31 March 2010 and 2009 are as follow:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Salary and wages and other employee benefits	321	355	73	94
Management benefit expenses	12	15	2	3
Depreciations	314	336	92	118
Amortisations	8	5	-	-
Loss on exchange rate	-	165	-	-

13. Financial information by segment

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

(Unit: Million Baht)

	Consolidated financial statements					
	For the three - month period ended 31 March 2010					
	Thailand	Singapore	Hong Kong	Total	Elimination	Grand Total
Revenues from external customers	65	3,499	99	3,663	-	3,663
Inter - segment revenues	110	307	10	427	(427)	-
Freight income	175	3,806	109	4,090	(427)	3,663
Segment gross profit (loss)	(65)	35	23	(7)	-	(7)
Gain on exchange						15
Gain on sales of assets						26
Other incomes						31
Share of income from investments accounted for under equity method - associated companies						5
Administrative expenses						(287)
Management benefit expenses						(12)
Other expenses						(4)
Finance cost						(104)
Corporate income tax						(4)
Net loss for the period						(341)



**Ms. Sumate Tanthuwarnit**  
Director

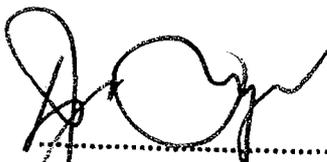
**Ms. Tuangrat Kirtiputra**  
Director

(Unit: Million Baht)

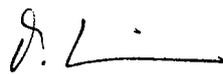
Consolidated financial statements						
For the three - month period ended 31 March 2009						
	Thailand	Singapore	Hong Kong	Total	Elimination	Grand Total
Revenues from external customers	37	3,574	53	3,664	-	3,664
Inter - segment revenues	333	541	12	886	(886)	-
Freight income	370	4,115	65	4,550	(886)	3,664
Segment gross profit (loss)	96	(484)	24	(364)	-	(364)
Gain on sales of assets						4
Adjustment for unrealised loss on derivative						198
Other income						35
Share of income from investments accounted for under equity method - associated companies						2
Administrative expenses						(306)
Management benefit expenses						(15)
Loss on exchange						(165)
Finance cost						(96)
Corporate income tax						(4)
Net loss for the period						(711)

(Unit: Million Baht)

Consolidated financial statements											
Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Property, premises,											
vessels and equipment											
5,883	5,934	15,749	16,466	124	130	21,756	22,530	30	28	21,786	22,558
Others											
										4,323	4,588
Total assets											
										26,109	27,146



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**Mr. Sumate Tanthuanit**  
Director

.....  
**Ms. Tuangrat Kirtiputra**  
Director

14. Commitments and contingent liabilities14.1 Commitments

- (a) As at 31 March 2010, the Company has outstanding commitments of approximately Baht 6 million (31 December 2009: Baht 8 million) in respect of lease agreements, and a subsidiary in Singapore has outstanding commitments of USD 90 million or approximately Baht 2,926 million (31 December 2009: USD 111 million or approximately Baht 3,694 million) in respect of the following agreements.

(Unit: Million Baht)

	<u>Charter hire</u>	<u>Container lease</u>	<u>Other rental</u>	<u>Total</u>
Payment period				
Within 1 year	346	142	48	536
During 2 - 5 years	975	136	64	1,175
Over than 5 years	1,215	-	-	1,215
Total	<u>2,536</u>	<u>278</u>	<u>112</u>	<u>2,926</u>

- (b) As at 31 March 2010, a subsidiary in Singapore has commitments amounting to USD 44 million, or approximately Baht 1,422 million (31 December 2009: USD 44 million, or approximately Baht 1,466 million) in respect of the building of 2 vessels (31 December 2009: 2 vessels). These vessels will be delivered in April 2011.

In addition, another subsidiary in Singapore has commitments amounting to USD 0.6 million, or approximately Baht 20 million in respect of software royalty agreements (31 December 2009: USD 0.6 million, or approximately Baht 21 million); and Baht 66 million in respect of a software implementation agreement (31 December 2009: Baht 76 million)

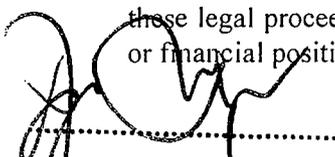
14.2 Guarantees

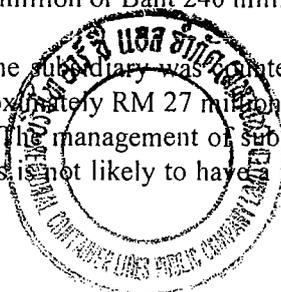
As at 31 March 2010, the Company has guarantee obligations of USD 570 million and S\$ 6 million, or approximately Baht 18,674 million (31 December 2009: USD 570 million and S\$ 6 million, or approximately Baht 19,242 million). These guarantees were issued to secure credit lines of overseas subsidiaries from financial institutions. The subsidiaries have outstanding guarantees totalling USD 335 million and S\$ 1 million, or approximately Baht 10,864 million (31 December 2009: USD 344 million and S\$ 0.5 million, or approximately Baht 11,491 million).

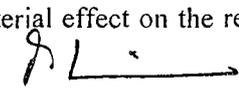
14.3 Litigation

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 240 million. The case is being heard by the court.

In June 2000, the subsidiary was counter-sued by the associated company, claiming compensation of approximately RM 27 million or Baht 271 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.

  
 Mr. Sumate Tanthuwant  
 Director



  
 Ms. Tuangrat Kirtiputra  
 Director

15. Financial instruments15.1 Interest rate risk

As at 31 March 2010, a subsidiary in Singapore had a period - by - period knock out swap and interest rate swap agreement covering the notional amount of USD 8.5 million (31 December 2009: USD 9 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 from 2004 to 2014.

As at 31 March 2010, a subsidiary company had unrealised losses from changes in the fair value of derivatives of USD 0.3 million, or approximately Baht 10 million (31 December 2009: USD 0.3 million, or approximately Baht 11 million). The Group recorded allowance for the loss in the income statement.

15.2 Foreign currency risk

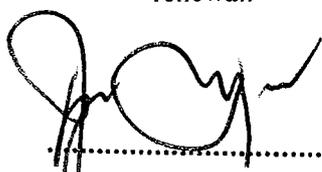
The Group business spans across the Asian region and, as a result, is exposed to foreign currency exchange rates. For that reason, the freight charges are priced in US dollars and payable in local currency equivalents, a natural foreign currency hedge is created by matching the currency of income flow (linked to US dollars) to the currency of indebtedness. This mechanism functions as a key factor for the Group's ability to manage its foreign exchange exposures. Most of the loans extended to the Group, are thus denominated in currencies similar to that of its income flow. In addition, the Group uses derivative instruments, as and when it considers appropriate, to manage such risks. The Group does not use foreign currency forward contracts or purchased currency options for trading purposes.

In addition to foreign currency transactional exposures, the Group is also exposed to foreign exchange movements on its net investment in foreign subsidiaries. As at 31 March 2010 and 31 December 2009, the Group does not hedge such exposures to foreign movement risk as it is minimal.

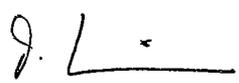
Whenever possible, it is the Group's policy to negotiate the terms of the hedged derivatives to match the terms of the hedged financial assets or liabilities item to maximise hedge effectiveness.

15.3 Commodity price risk

Since year 2008, a subsidiary in Singapore had entered into various contracts to hedge exposure to bunker price fluctuations, accordingly the subsidiary had provided provision for the estimated loss totalling USD 28.5 million (approximately Baht 992 million) and had recorded in the income statement for the year 2008, however, the actual loss from January 2009 to June 2009 was amounted USD 21.1 million (approximately Baht 728 million) effecting the subsidiary to record the gain adjustment in the first half of year 2009 for the over provision in year 2008 in the amount of USD 7.4 million (approximately Baht 265 million). Those contracts have been expired in June 2009 and the Group has not made any renewal.

  
.....  
**Mr. Sumate Tanthuwani**  
Director



  
.....  
**Ms. Tuangrat Kirtiputra**  
Director

16. Subsequence eventsThe Company:

At the shareholders' meeting held on 30 April 2010, the shareholders approved the following:

- Approved the increase of the Company's registered share capital from Baht 663.0 million (663 million ordinary shares at the par value of Baht 1.0 each) to Baht 828,750 million (828,750 million ordinary shares at the par value of Baht 10 each) for the purpose of enhancing the Company's financial liquidity and working capital, and supporting the Company's business expansion.

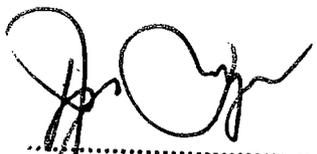
- Approved the allotment of 165,750,000 new ordinary shares at the par value of Baht 1.0 each, by the rights issue to the existing shareholders of the Company. The subscription ratio will be 4 existing shares to 1 new share at the offering price of Baht 12.0 each with the subscription period being 31<sup>st</sup> May - 4<sup>th</sup> June 2010. The Board of Directors or its designated person has been authorized to determine all other condition and details relating to the rights issue. If there are remaining shares from the rights issue, the Company may offer such shares in one or several tranches from time to time at the same offering price as for the rights issue or at a higher price by way of private placement.

17. Reclassification

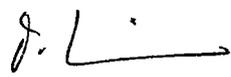
Certain amounts in the prior periods' financial statements, presented herein for comparative purposes, have been reclassified to conform to the current period's classifications, with no effect on previously reported net income or shareholders' equity.

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 May 2010.



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**Mr. Sumate Tanthuanit**  
**Director**



.....  
**Ms. Tuangrat Kirtiputra**  
**Director**