



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

Press Release for Financial Results as at 31 December 2012

In a traditionally low season, RCL reported fourth quarter 2012 results, posting a net loss at THB 1,223 million, after provisions of loss in both vessel impairment of THB 750 million and onerous contract for the amount of THB 347 million. The company's loss was THB 392 million in 4Q2011. Continued over-capacity has contributed to the operating loss of THB 1,404 million in 4Q2012, before a gain on sales of fixed assets. After taking into consideration the gain from sales of assets in 4Q2012, the twelve months loss was THB 1,927 million as compared with the loss of THB 780 million in 2011.

Regional Container Lines Group's Shipper Owned Container (SOC) liftings in 4Q12 increased 4% year-on-year at 279,684 TEUs. For Carrier Owned Container (COC), the liftings declined 6% year-on-year at 272,156 TEUs. The total liftings for 4Q12 therefore decreased 2% year-on-year at 551,840 TEUs. On the full year basis ended December 31, SOC liftings remain steady at 1,119,228 TEUs, however COC liftings reduced by 9% at 1,114,414 TEUs, resulting in a decrease in total liftings of 4% at 2,233,642 TEUs.

As a result of the decline in liftings, total turnover for the fourth quarter before exchange difference, reversal of loss on impairment of building, gain on sale of assets and adjustment for unrealized loss on derivatives, decreased by 1% Y-O-Y at THB 3,213 million.

The cost of freight and operation in 4Q12 reduced by 0.1% at THB 3,213 million as compared to the same quarter the year before, mainly due to the decline in liftings.

In 4Q12 the group disposed off some old containers and a vessel, which translated to a disposal gain of THB 181 million as against a disposal gain of THB 46 million in 4Q11. In addition, the group recorded a gain on exchange of THB 9 million in 2012 versus a loss of THB 169 million last year.

Despite the improved capacity disciplines led by major global carriers/alliances, the industry remains in a significantly over supply situation, as global fleet delivery appears set to increase by 8.2% in 2013 from 6.4% in 2012.

1 March 2013

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 41 vessels with sizes ranging between 500 TEUs to 2,732 TEUs, with a fleet of 68,881 TEUs to support its own COC carriage as well. It also operates a network of 68 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\$

	1 st Quarter	Half-Year	9 months	Year-end	1 st Quarter	Half-Year	9 months	Year-end
	2011	2011	2011	2011	2012	2012	2012	2012
Freight income	113.5	227.5	343.7	447.1	103.4	218.9	332.4	436.6
Cost of freight and operations	(124.9)	(243.9)	(363.5)	(467.5)	(114.3)	(215.8)	(327.5)	(429.3)
Gross Profit	(11.4)	(16.4)	(19.8)	(20.4)	(10.9)	3.1	4.9	7.3
Gross Profit Margin	-10.0%	-7.2%	-5.8%	-4.6%	-10.5%	1.4%	1.5%	1.7%
Other income	1.2	2.6	3.8	5.2	1.1	2.1	3.0	4.0
Adjustment for unrealised loss on derivatives	0.0	0.1	0.1	0.1	0.0	0.1	0.1	0.1
Gain on exchange	0.0	0.0	1.5	0.0	4.4	0.6	0.0	0.3
Gain on sale of assets	0.8	1.7	44.0	45.3	1.2	2.5	3.7	9.4
Reversal of loss on impairment of buildings	0.0	0.0	0.0	1.6	0.0	0.0	0.0	0.0
Total other income	2.0	4.4	49.4	52.2	6.7	5.3	6.8	13.8
Admin expenses	(10.2)	(20.5)	(31.2)	(38.9)	(9.4)	(18.4)	(26.8)	(37.9)
Allowance for unrealised loss from changes in the fair value of Derivatives								
Loss on exchange	(0.8)	(0.9)	0.0	(4.3)	0.0	0.0	(1.0)	0.0
Loss on impairment of Vessels	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(24.1)
Provision for loss under onerous contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(11.2)
Total other expenses	(11.0)	(21.4)	(31.2)	(43.2)	(9.4)	(18.4)	(27.8)	(73.2)
Interest expenses	(2.8)	(5.6)	(8.5)	(11.3)	(2.7)	(5.3)	(7.9)	(9.7)
Profit / (loss) before taxation	(23.2)	(39.0)	(10.1)	(22.7)	(16.3)	(15.4)	(24.0)	(61.8)
Income tax	(0.2)	(0.4)	(0.5)	(0.6)	(0.1)	(0.2)	(0.3)	(0.6)
Profit / (loss) after taxation	(23.4)	(39.4)	(10.6)	(23.3)	(16.4)	(15.6)	(24.3)	(62.4)
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.1)
Net profit / (loss) attributable to members	(23.4)	(39.4)	(10.6)	(23.3)	(16.4)	(15.6)	(24.4)	(62.5)

COMPUTATION OF EBITDA

Profit / (loss) before taxation	(23.2)	(39.0)	(10.1)	(22.7)	(16.3)	(15.4)	(24.0)	(61.8)
Add: Impairment loss of assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.1
Add: Provision for loss under onerous contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.2
Deduct: Impairment gain	0.0	0.0	0.0	(1.6)	0.0	0.0	0.0	0.0
Less Adjustment/ Add Allowance for unrealised loss on derivative	0.0	(0.1)	(0.1)	(0.1)	0.0	(0.1)	(0.1)	(0.1)
Add: Interest	2.8	5.6	8.5	11.3	2.7	5.3	7.9	9.7
EBIT	(20.4)	(33.5)	(1.7)	(13.1)	(13.6)	(10.1)	(16.2)	(16.9)
Add: Amortisation	0.3	0.6	1.3	2.0	0.7	1.4	2.2	2.9
Add: Depreciation	9.7	19.7	29.8	39.7	9.8	19.8	30.0	40.3
EBITDA	(10.4)	(13.2)	29.4	28.6	(3.1)	11.1	16.0	26.3



A. M. T. & Associates

สำนักงาน เอ. เอ็ม. ที. แอสโซซิเอต

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

March 1, 2013

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 statements of financial position as at December 31, 2012 and 2011, the related consolidated statements of income and retained earnings for the years ended December 31, 2012 and 2011 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
STATEMENTS OF FINANCIAL POSITION

	31 December 2012		31 December 2011	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	2,101.1	68.6	4,589.3	144.8
Trade receivables - unrelated parties, net	2,095.2	68.4	2,435.7	76.9
Trade receivables - related parties	21.6	0.7	456.3	14.4
Material supplies	464.7	15.2	429.5	13.5
Other current assets	228.6	7.4	298.5	9.4
Total current assets	4,911.2	160.3	8,209.3	259.0
Non - current assets				
Property and premises, net	309.4	10.2	326.4	10.4
Vessels and equipment, net	15,650.0	488.5	17,275.1	528.0
Intangible assets, net	105.6	3.4	195.6	6.2
Other non - current assets	259.1	7.9	239.9	7.2
Total non - current assets	16,324.1	510.0	18,037.0	551.8
TOTAL ASSETS	21,235.3	670.3	26,246.3	810.8

See basis of preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)

	31 December 2012		31 December 2011	
	Million Baht	Million USD	Million Baht	Million USD
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Short - term loan from financial institution	300.0	9.8	-	-
Trade payables - unrelated parties	3,161.8	103.2	3,724.6	117.5
Trade payables - related parties	80.9	2.6	1.1	-
Current portion of long - term loans	1,121.1	36.6	1,144.0	36.1
Current portion of debentures	-	-	2,494.2	78.7
Short - term loan from related party	300.0	9.8	-	-
Provision for onerous contracts	342.2	11.2	-	-
Provision for unrealised loss from changes in the fair value of derivatives	1.9	0.1	5.1	0.2
Other current liabilities	179.0	5.8	239.3	7.6
Total current liabilities	5,486.9	179.1	7,608.3	240.1
Non - current liabilities				
Long - term loans, net of current portion	4,982.1	162.5	5,767.8	181.9
Employee benefit obligation	27.8	0.9	23.2	0.8
Other non - current liabilities	6.3	0.2	6.7	0.2
Total non - current liabilities	5,016.2	163.6	5,797.7	182.9
Total liabilities	10,503.1	342.7	13,406.0	423.0
Shareholders' equity				
Share capital				
Issued and fully paid up				
828,750,000 ordinary shares of Baht 1 each	828.8	25.8	828.8	25.8
Share premium	4,983.0	173.9	4,983.0	173.9
Retained earnings				
Appropriated - legal reserve	66.3	1.9	66.3	1.9
Unappropriated	5,206.8	138.8	7,135.9	201.3
Exchange differences on translating financial statement	(370.3)	(13.4)	(192.7)	(15.7)
Equity attributable to Company's shareholders	10,714.6	327.0	12,821.3	387.2
Non - controlling interests	17.6	0.6	19.0	0.6
Total shareholders' equity	10,732.2	327.6	12,840.3	387.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	21,235.3	670.3	26,246.3	810.8

See basis of preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF RETAINED EARNINGS
 FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

	2012		2011	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of year	7,135.9	201.3	7,938.9	225.3
Effect of changes in accounting policy - employee benefit obligation	-	-	(22.3)	(0.7)
Balance - beginning of year after adjustment	7,135.9	201.3	7,916.6	224.6
Profit (loss) attributable to equity holders of the parent for the year	(1,929.1)	(62.5)	(780.7)	(23.3)
Total retained earnings - unappropriated	<u>5,206.8</u>	<u>138.8</u>	<u>7,135.9</u>	<u>201.3</u>
Retained earnings - appropriated				
Legal 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><u>5,273.1</u></u>	<u><u>140.7</u></u>	<u><u>7,202.2</u></u>	<u><u>203.2</u></u>

See basis of preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

	2012		2011	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Revenues				
Freight income	13,547.9	436.6	13,684.2	447.1
Other income				
Gain on exchange rate	46.7	0.3	-	-
Gain on sales of fixed assets	292.0	9.4	1,386.8	45.3
Reversal of loss on impairment of assets	-	-	49.6	1.6
Adjustment provision for unrealised loss on derivatives	3.1	0.1	4.0	0.1
Others	79.1	2.6	124.4	4.1
Total revenues	<u>13,968.8</u>	<u>449.0</u>	<u>15,249.0</u>	<u>498.2</u>
Expenses				
Cost of freight and operations	12,087.2	389.5	13,031.2	425.8
Depreciation and amortisation	1,365.2	43.2	1,303.3	41.7
Administrative expenses	1,070.0	34.5	1,189.5	38.9
Other expenses				
Loss on exchange rate	-	-	170.3	4.3
Loss on impairment of assets	750.0	24.1	-	-
Provision for loss under onerous contracts	346.6	11.2	-	-
Total expenses	<u>15,619.0</u>	<u>502.5</u>	<u>15,694.3</u>	<u>510.7</u>
Share of profit from investments accounted for under equity method - associated companies	44.1	1.4	32.7	1.1
Profit (loss) before finance cost and income tax expense	(1,606.1)	(52.1)	(412.6)	(11.4)
Finance cost	303.2	9.7	347.4	11.3
Profit (loss) before income tax expense	(1,909.3)	(61.8)	(760.0)	(22.7)
Income tax expense	18.3	0.6	19.9	0.6
Profit (loss) for the year	<u>(1,927.6)</u>	<u>(62.4)</u>	<u>(779.9)</u>	<u>(23.3)</u>
Profit (loss) attributable to:				
Equity holders of the parent	(1,929.1)	(62.5)	(780.7)	(23.3)
Non - controlling interests	1.5	0.1	0.8	-
	<u>(1,927.6)</u>	<u>(62.4)</u>	<u>(779.9)</u>	<u>(23.3)</u>

See basis of preparation

Basis of preparation**1. Thai Baht figures**

The Thai Baht figures in the statements of financial position as at 31 December 2012 and 2011 and profit and loss accounts for the years then ended 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 "Exchange differences on translating financial statement" in the shareholders' equity.

2. USD figures

2.1 The USD figures in the consolidated statements of financial position were determined by translating the Thai Baht consolidated statements of financial position 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 31 December 2012 : USD 1 = Baht 30.6316

As of 31 December 2011 : USD 1 = Baht 31.6912

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

For the Company and its Thailand subsidiaries

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, property and premises, vessels and equipment and intangible assets and disposals of property and premises, vessels and equipment and intangible assets.

Any differences have been included in "Exchange differences on translating financial statement".

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:

31 December 2012 : USD 1 = Baht 31.0325

31 December 2011 : USD 1 = Baht 30.6069