



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

Press Release for Financial Results as at 30 June 2013

RCL reported second quarter 2013 results, posting a net loss of THB 132 million versus a net gain of THB 5 million in 2Q2012. Continued over-capacity and volatile freight rate have contributed to the operating loss of THB 165 million in 2Q2013, before a gain on sales of fixed assets.

Regional Container Lines Group's Shipper Owned Container (SOC) liftings in 2Q2013 declined 6% year-on-year to 254,818 TEUs. For Carrier Owned Container (COC), the liftings declined 4% year-on-year to 273,534 TEUs. The total liftings for 2Q2013 therefore declined 5% year-on-year to 528,352 TEUs.

As a result of the volatile freight rate, total turnover for the second quarter before exchange difference, gain on sale of assets and adjustment for unrealized loss on derivatives, decreased by 12% Y-O-Y to THB 3,203 million.

The cost of freight and operation in 2Q2013 reduced by 2% to THB 3,128 million as compared to the same quarter the year before, mainly due to the decline in bunker cost.

In 2Q2013 the group disposed some old containers, which translated to a disposal gain of THB 35 million as compared with a disposal gain of THB 38 million in 2Q2012. In addition, the group recorded a gain on exchange of THB 54 million in 2Q2013 versus a loss of THB 125 million, in the same quarter of last year.

13 August 2013

Founded in 1979, RCL is a Thai based container shipping line. Listed on the Thai Stock Exchange since 1988, its core business is in the carriage of Shipper owned containers (SOC) and its own Carrier container containers (COC) in a service network that is fully Asia centric. RCL currently owns and operates a fleet of 47 vessels with sizes ranging between 500 TEUs to 3316 TEUs. It also has a fleet of 73,070 TEUs to support its own COC carriage as well. RCL operates a network of 68 offices made up of both owned and agency partner offices to support its operations. Today, RCL is recognised as amongst the leading SOC and Intra Asian operator 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	1st Quarter	Half-Year
	2011	2011	2011	2011	2012	2012	2012	2012	2013	2013
Freight income	113.5	227.5	343.7	447.1	103.4	218.9	332.4	436.6	100.9	207.8
Cost of freight and operations	(124.9)	(243.9)	(363.5)	(467.5)	(114.3)	(215.8)	(327.5)	(429.3)	(103.2)	(207.5)
Gross Profit	(11.4)	(16.4)	(19.8)	(20.4)	(10.9)	3.1	4.9	7.3	(2.3)	0.3
Gross Profit Margin	-10.0%	-7.2%	-5.8%	-4.6%	-10.5%	1.4%	1.5%	1.7%	-2.3%	0.1%
Other income	1.2	2.6	3.8	5.2	1.1	2.1	3.0	4.0	0.6	1.0
Adjustment for unrealised loss on derivatives	0.0	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.0	0.0
Gain on exchange	0.0	0.0	1.5	0.0	4.4	0.6	0.0	0.3	0.1	1.0
Gain on sale of assets	0.8	1.7	44.0	45.3	1.2	2.5	3.7	9.4	1.3	2.4
Reversal of loss on impairment of buildings	0.0	0.0	0.0	1.6	0.0	0.0	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	2.0	4.4
Admin expenses	(10.2)	(20.5)	(31.2)	(38.9)	(9.4)	(18.4)	(26.8)	(37.9)	(9.3)	(18.1)
Loss on exchange	(0.8)	(0.9)	0.0	(4.3)	0.0	0.0	(1.0)	0.0	0.0	0.0
Loss on impairment of Vessels	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(24.1)	0.0	0.0
Provision for loss under onerous contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(11.2)	0.0	0.0
Total other expenses	(11.0)	(21.4)	(31.2)	(43.2)	(9.4)	(18.4)	(27.8)	(73.2)	(9.3)	(18.1)
Interest expenses	(2.8)	(5.6)	(8.5)	(11.3)	(2.7)	(5.3)	(7.9)	(9.7)	(1.3)	(2.7)
Profit / (loss) before taxation	(23.2)	(39.0)	(10.1)	(22.7)	(16.3)	(15.4)	(24.0)	(61.8)	(10.9)	(16.1)
Income tax	(0.2)	(0.4)	(0.5)	(0.6)	(0.1)	(0.2)	(0.3)	(0.6)	0.0	0.1
Profit / (loss) after taxation	(23.4)	(39.4)	(10.6)	(23.3)	(16.4)	(15.6)	(24.3)	(62.4)	(10.9)	(16.0)
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.1)	0.0	0.0
Net profit / (loss) attributable to members	(23.4)	(39.4)	(10.6)	(23.3)	(16.4)	(15.6)	(24.4)	(62.5)	(10.9)	(16.0)

COMPUTATION OF EBITDA

Profit / (loss) before taxation	(23.2)	(39.0)	(10.1)	(22.7)	(16.3)	(15.4)	(24.0)	(61.8)	(10.9)	(16.1)
Add: Impairment loss of assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.1	0.0	0.0
Add: Provision for loss under onerous contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.2	0.0	0.0
Deduct: Impairment gain	0.0	0.0	0.0	(1.6)	0.0	0.0	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)	0.0	0.0
Add: Interest	2.8	5.6	8.5	11.3	2.7	5.3	7.9	9.7	1.3	2.7
EBIT	(20.4)	(33.5)	(1.7)	(13.1)	(13.6)	(10.1)	(16.2)	(16.9)	(9.6)	(13.4)
Add: Amortisation	0.3	0.6	1.3	2.0	0.7	1.4	2.2	2.9	0.6	1.2
Add: Depreciation	9.7	19.7	29.8	39.7	9.8	19.8	30.0	40.3	9.5	19.3
EBITDA	(10.4)	(13.2)	29.4	28.6	(3.1)	11.1	16.0	26.3	0.5	7.1



A. M. T. & Associates

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August 13, 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 of June 30, 2013, the related consolidated statements of income and retained earnings for the six - month period ended June 30, 2013 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.

The consolidated statements of financial position as of December 31, 2012 and the related consolidated statements of income and retained earnings for the six - month period ended June 30, 2012 of Regional Container Lines Public Company Limited and its subsidiaries ("the Group") in United States Dollars ("USD"), presented herein for comparison, were performed by another auditor under her report dated March 1, 2013 and August 10, 2012, respectively.

Yours faithfully,
A.M.T. & ASSOCIATES

Chaiyuth Angsuwithaya
Partner

A.M.T. & ASSOCIATES

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

	30 June 2013		31 December 2012	
	Million Baht	Million USD	Million Baht	Million USD
	<u>ASSETS</u>			
Current assets				
Cash and cash equivalents	1,850.8	59.4	2,101.1	68.6
Trade receivables - unrelated parties, net	1,904.9	61.1	2,095.2	68.4
Trade receivables - related parties	36.9	1.2	21.6	0.7
Material supplies	434.8	14.0	464.7	15.2
Other current assets	230.7	7.4	228.6	7.4
Total current assets	4,458.1	143.1	4,911.2	160.3
Non - current assets				
Property and premises, net	302.0	10.0	309.4	10.2
Vessels and equipment, net	15,708.9	486.1	15,650.0	488.5
Intangible assets, net	69.2	2.2	105.6	3.4
Other non - current assets	261.5	7.9	259.1	7.9
Total non - current assets	16,341.6	506.2	16,324.1	510.0
TOTAL ASSETS	20,799.7	649.3	21,235.3	670.3

See basis of preparation

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

	30 June 2013		31 December 2012	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>				
Current liabilities				
Short - term loan from financial institution	451.1	14.5	300.0	9.8
Trade payables - unrelated parties	2,939.9	94.3	3,161.8	103.2
Trade payables - related parties	157.6	5.1	80.9	2.6
Current portion of long - term loans	1,199.6	38.5	1,121.1	36.6
Short - term loan from related party	300.0	9.6	300.0	9.8
Provision for onerous contracts	348.1	11.2	342.2	11.2
Provision for unrealised loss from changes in the fair value of derivatives	0.8	-	1.9	0.1
Other current liabilities	192.5	6.2	179.0	5.8
Total current liabilities	5,589.6	179.4	5,486.9	179.1
Non - current liabilities				
Long - term loans, net of current portion	4,901.3	157.2	4,982.1	162.5
Employee benefit obligation	29.3	0.9	27.8	0.9
Other non - current liabilities	6.1	0.2	6.3	0.2
Total non - current liabilities	4,936.7	158.3	5,016.2	163.6
Total liabilities	10,526.3	337.7	10,503.1	342.7
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	4,715.7	122.8	5,206.8	138.8
Exchange differences on translating financial statement	(340.7)	(13.4)	(370.3)	(13.4)
Equity attributable to Company's shareholders	10,253.1	311.0	10,714.6	327.0
Non - controlling interests	20.3	0.6	17.6	0.6
Total shareholders' equity	10,273.4	311.6	10,732.2	327.6
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	20,799.7	649.3	21,235.3	670.3

See basis of preparation

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF RETAINED EARNINGS

FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2013 AND 2012

	2013		2012	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of period	5,206.8	138.8	7,136.0	201.3
Effect of changes in accounting policy	-	-	-	-
Balance - beginning of period after adjustment	5,206.8	138.8	7,136.0	201.3
Profit (loss) for the period attributable to equity holders of the parent	(491.1)	(16.0)	(489.1)	(15.6)
Total retained earnings - unappropriated	4,715.7	122.8	6,646.9	185.7
Retained earnings - appropriated				
Legal reserve	66.3	1.9	66.3	1.9
Total retained earnings - appropriated	66.3	1.9	66.3	1.9
Total retained earnings	4,782.0	124.7	6,713.2	187.6

See basis of preparation

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2013 AND 2012

	2013		2012	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Revenues				
Freight income	6,206.2	207.8	6,807.4	218.9
Other income				
Gain on exchange rate	34.8	1.0	27.2	0.6
Gain on sales of assets	70.7	2.4	77.1	2.5
Adjustment provision for unrealised loss on derivatives	1.1	-	1.7	0.1
Others	10.1	0.3	44.0	1.4
Total revenues	<u>6,322.9</u>	<u>211.5</u>	<u>6,957.4</u>	<u>223.5</u>
Expenses				
Cost of freight and operations	5,628.9	188.5	6,050.8	194.6
Depreciation and amortisation	632.3	20.5	669.8	21.2
Administrative expenses	493.9	16.5	572.3	18.4
Finance cost	80.7	2.7	165.3	5.3
Total expenses	<u>6,835.8</u>	<u>228.2</u>	<u>7,458.2</u>	<u>239.5</u>
Share of profit (loss) from investments accounted for under equity method - associated companies	<u>20.3</u>	<u>0.7</u>	<u>19.5</u>	<u>0.6</u>
Profit (loss) before tax expenses	<u>(492.6)</u>	<u>(16.0)</u>	<u>(481.3)</u>	<u>(15.4)</u>
Tax expenses (income)	<u>(1.9)</u>	<u>-</u>	<u>7.1</u>	<u>0.2</u>
Profit (loss) for the periods	<u>(490.7)</u>	<u>(16.0)</u>	<u>(488.4)</u>	<u>(15.6)</u>
Profit (loss) for the periods attributable to:				
Equity holders of the parent	<u>(491.1)</u>	<u>(16.0)</u>	<u>(489.1)</u>	<u>(15.6)</u>
Non - controlling interests	<u>0.4</u>	<u>-</u>	<u>0.7</u>	<u>-</u>
	<u>(490.7)</u>	<u>(16.0)</u>	<u>(488.4)</u>	<u>(15.6)</u>

See basis of preparation

Basis of preparation

1. Thai Baht figures

The Thai Baht figures in the statements of financial position as at 30 June 2013 and profit and loss accounts for the six - month periods ended 30 June 2013 and 2012 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the statements of financial position as at 31 December 2012 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 at 30 June 2013 : USD 1 = Baht 30.1600

As at 31 December 2012 : USD 1 = Baht 30.6316

- 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:

30 June 2013 : USD 1 = Baht 29.8677
30 June 2012 : USD 1 = Baht 31.0977