



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

PRESS RELEASE

FINANCIAL RESULTS AS AT 31 MARCH 2011

RCL reported weaker-than-expected first quarter 2011 results, posting a net loss at THB 714 million versus a net loss at THB 342 million in 1Q2010 due to higher unit costs, particularly bunker fuel and rising Asian currencies.

With the slower growth rate and continued downward pressure on freight rates, Regional Container Lines Group's Shipper Owned Container (SOC) liftings in 1Q11 increased only 2% year-on-year at 287,371 TEUs. For Carrier Owned Container (COC), the liftings remained around 318,534 TEUs. The total liftings for 1Q11 therefore increased 1% year-on-year at 605,905 TEUs.

From the small increase in liftings, total turnover for the first quarter before exchange difference, gain on sale of assets and investments, and adjustment for unrealized loss on derivatives, decreased by 5% at THB 3,513 million.

Conversely, the cost of freight and operation in 1Q11 increased by 4% at THB 3,816 million as compared to the same quarter the year before. The increase was partly contributed by the rising fuel cost which has been escalating since last year.

In 1Q11 the group disposed some old containers, which resulted in a disposal gain of THB 23 million as against a disposal gain of THB 26 million in 1Q10. In the same quarter, the group recorded a loss on exchange of THB 15 million in 2011 versus a gain of THB 15 million last year.

As a result of lower revenue and higher cost, the group recorded a net loss attributable to equity holders of THB 714 million for the 1Q11, versus a net loss of THB 342 million for the same quarter of 2010.

13 May 2011

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 2,732 TEUs, with a fleet of 80,797 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\$

	1 st Quarter 2010	Half-Year 2010	9 months 2010	Year-end 2010	1 st Quarter 2011
Freight income	111.4	231.2	359.8	480.3	113.5
Cost of freight and operations	(112.5)	(226.6)	(336.3)	(446.7)	(124.9)
Gross Profit	(1.1)	4.6	23.5	33.6	(11.4)
<i>Gross Profit Margin</i>	<i>-1.0%</i>	<i>2.0%</i>	<i>6.5%</i>	<i>7.0%</i>	<i>-10.0%</i>
Other income	1.1	2.4	3.6	5.1	1.2
Adjustment for unrealised loss on derivatives	0.0	0.0	0.0	0.0	0.0
Gain on exchange	0.1	1.0	0.4	0.8	0.0
Gain on sale of assets	0.8	1.2	1.7	2.6	0.8
Reversal of loss on impairment of buildings	0.0	0.0	0.0	20.6	0.0
Total other income	2.0	4.6	5.7	29.1	2.0
Admin expenses	(8.4)	(19.4)	(28.5)	(39.7)	(10.2)
Allowance for unrealised loss from changes in the fair value of Derivatives	0.0	0.0	(0.1)	0.0	0.0
Loss on exchange	0.0	0.0	0.0	0.0	(0.8)
Loss on sale of investments	(0.1)	(0.2)	0.0	0.0	0.0
Loss on impairment of assets	0.0	0.0	0.0	0.0	0.0
Loss on impairment of Vessels					
Loss on disposal of vessels	0.0	0.0	0.0	0.0	0.0
Total other expenses	(8.5)	(19.6)	(28.6)	(39.7)	(11.0)
Interest expenses	(3.2)	(6.3)	(9.4)	(12.5)	(2.8)
Profit / (loss) before taxation	(10.8)	(16.7)	(8.8)	10.5	(23.2)
Income tax	(0.1)	(0.3)	(0.4)	(0.6)	(0.2)
Profit / (loss) after taxation	(10.9)	(17.0)	(9.2)	9.9	(23.4)
Minority interest	0.0	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	(10.9)	(17.0)	(9.2)	9.9	(23.4)

COMPUTATION OF EBITDA

Profit / (loss) before taxation	(10.8)	(16.7)	(8.8)	10.5	(23.2)
Add: Impairment loss of assets	0.0	0.0	0.0	0.0	0.0
Deduct: Impairment gain	0.0	0.0	0.0	(20.6)	0.0
Less Adjustment/ Add Allowance for unrealised loss on derivatives	0.0	0.0	0.1	0.0	0.0
Less: Realised loss on derivatives	0.0	0.0	0.0	0.0	0.0
Add: Interest	3.2	6.3	9.4	12.5	2.8
EBIT	(7.6)	(10.4)	0.7	2.4	(20.4)
Add: Amortisation	0.2	0.5	0.7	0.9	0.3
Add: Depreciation	9.6	19.3	29.1	38.7	9.7
EBITDA	2.2	9.4	30.5	42.0	(10.4)



A. M. T. & Associates

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13 May 2011

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

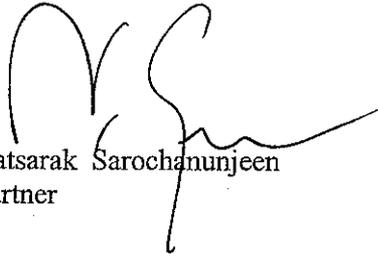
As requested, we have obtained from the management the consolidated statements of financial position as at 31 March 2011 and 31 December 2010, the related consolidated statements of income and retained earnings for the three - month periods ended 31 March 2011 and 2010 of Regional Container Lines Public 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

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

	31 March 2011		31 December 2010	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	1,638.7	54.1	2,290.2	76.0
Trade accounts receivable - unrelated parties, net	1,448.3	47.8	1,381.7	45.8
Trade accounts receivable - related parties	175.9	5.8	143.0	4.7
Material supplies	524.1	17.3	392.1	13.0
Other current assets	266.8	8.8	228.8	7.6
Total current assets	4,053.8	133.8	4,435.8	147.1
Non - current assets				
Property and premises, net	3,233.8	100.5	3,177.3	100.7
Vessels and equipment, net	17,515.1	552.5	17,701.5	560.4
Intangible assets, net	222.0	7.3	208.0	6.9
Other non - current assets	229.7	7.0	223.8	6.7
Total non - current assets	21,200.6	667.3	21,310.6	674.7
TOTAL ASSETS	25,254.4	801.1	25,746.4	821.8

See basis of preparation

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

	Note	31 March 2011		31 December 2010	
		Million	Million	Million	Million
		Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable - unrelated parties		2,552.3	84.2	2,012.6	66.7
Trade accounts payable - related parties		25.0	0.8	55.7	1.8
Current portion of finance lease creditors		6.3	0.2	8.2	0.3
Current portion of long - term loans		1,418.5	46.8	1,351.4	44.8
Provision for unrealised loss from changes in the fair value of derivatives		7.5	0.2	8.8	0.3
Other current liabilities		261.2	8.7	285.3	9.6
Total current liabilities		4,270.8	140.9	3,722.0	123.5
Non - current liabilities					
Finance lease creditors, net of current portion		0.4	-	0.5	-
Long - term loans, net of current portion		5,929.4	195.6	6,344.3	210.3
Debentures, net		2,488.7	82.1	2,486.9	82.5
Employee benefit obligations	1	23.4	0.8	-	-
Other non - current liabilities		2.6	0.1	2.5	-
Total non - current liabilities		8,444.5	278.6	8,834.2	292.8
Total liabilities		12,715.3	419.5	12,556.2	416.3
Shareholders' equity					
Share capital					
Issued and fully paid					
828,750,000 ordinary shares of Bath 1 each		828.8	25.8	828.8	25.8
Share premium		4,983.0	173.9	4,983.0	173.9
Exchange differences on translating financial statement		(557.1)	(21.7)	(643.4)	(22.0)
Retained earnings					
Appropriated - statutory reserve		66.3	1.9	66.3	1.9
Unappropriated		7,202.3	201.2	7,938.9	225.3
Equity attributable to Company's shareholders		12,523.3	381.1	13,173.6	404.9
Non - controlling interests		15.8	0.5	16.6	0.6
Total shareholders' equity		12,539.1	381.6	13,190.2	405.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		25,254.4	801.1	25,746.4	821.8

See basis of preparation and note to financial statement

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INCOME STATEMENTS

FOR THE THREE - MONTH PERIODS ENDED 31 MARCH 2011 AND 2010

	2011		2010	
	Million Baht	Million USD	Million Baht	Million USD
Revenues				
Freight income	3,481.3	113.5	3,662.7	111.4
Other income				
Gain on exchange	-	-	15.1	0.1
Gain on sales of fixed assets	23.1	0.8	26.2	0.8
Adjustment provision for unrealised loss on derivatives	1.4	-	-	-
Others	31.2	1.0	30.5	0.9
Total revenues	<u>3,537.0</u>	<u>115.3</u>	<u>3,734.5</u>	<u>113.2</u>
Expenses				
Cost of freight and operations	3,524.3	114.9	3,371.9	102.6
Depreciation and amortisation	311.6	10.0	322.2	9.9
Administrative expenses	312.1	10.2	275.5	8.4
Other expenses				
Loss on exchange	15.3	0.8	-	-
Loss on sale of investments	-	-	3.8	0.1
Adjustment provision for unrealised loss on derivatives	-	-	0.3	-
Total expenses	<u>4,163.3</u>	<u>135.9</u>	<u>3,973.7</u>	<u>121.0</u>
Share of profit (loss) from investments accounted for under equity method - associated companies	<u>5.8</u>	<u>0.2</u>	<u>5.2</u>	<u>0.2</u>
Income (loss) before finance cost and corporate income tax	(620.5)	(20.4)	(234.0)	(7.6)
Finance cost	<u>(86.1)</u>	<u>(2.8)</u>	<u>(104.1)</u>	<u>(3.2)</u>
Profit (loss) before corporate income tax	(706.6)	(23.2)	(338.1)	(10.8)
Corporate income tax	<u>(7.7)</u>	<u>(0.2)</u>	<u>(3.7)</u>	<u>(0.1)</u>
Profit (loss) for the period	<u>(714.3)</u>	<u>(23.4)</u>	<u>(341.8)</u>	<u>(10.9)</u>
Profit (loss) attributable to:				
Equity holders of the parent	(714.3)	(23.4)	(341.7)	(10.9)
Non - controlling interests	-	-	(0.1)	-
	<u>(714.3)</u>	<u>(23.4)</u>	<u>(341.8)</u>	<u>(10.9)</u>

See basis of preparation and note to financial statement

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF RETAINED EARNINGS

FOR THE THREE - MONTH PERIODS ENDED 31 MARCH 2011 AND 2010

	Note	2011		2010	
		Million	Million	Million	Million
		Baht	USD	Baht	USD
Retained earnings - unappropriated					
Balance - beginning of period		7,938.9	225.3	7,474.2	215.4
Effect of changes in accounting policy	1	(22.3)	(0.7)	-	-
Balance - beginning of period after adjustment		7,916.6	224.6	7,474.2	215.4
Profit (loss) for the period		(714.3)	(23.4)	(341.7)	(10.9)
Total retained earnings - unappropriated		7,202.3	201.2	7,132.5	204.5
Retained earnings - appropriated					
Statutory reserve		66.3	1.9	66.3	1.9
Total retained earnings - appropriated		66.3	1.9	66.3	1.9
Total retained earnings		7,268.6	203.1	7,198.8	206.4

See basis of preparation and note to financial statement

Basis of preparation

1. Thai Baht figures

The Thai Baht figures in the statements of financial position as at 31 March 2011 and profit and loss accounts for the three - month periods ended 31 March 2011 and 2010 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the statements of financial position as at 31 December 2010 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 March 2011 : USD 1 = Baht 30.2967

As of 31 December 2010 : USD 1 = Baht 30.1513

- 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, vessels and equipment, and disposals of equipment.

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 March 2011: USD 1 = Baht 30.6850

31 March 2010: USD 1 = Baht 32.8697

NOTE TO FINANCIAL STATEMENT1. Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2010 with the material changes in accounting policies from adoption of revised and newly issued financial reporting standards in the current period as stated as follow:

(a) Employee benefits

Salaries, wages, bonuses, contributions to the social security fund and provident fund and other benefits are recognized as expenses when incurred.

Severance Payment are recognized as expenses along the service period of employees. The Company's post - employment benefits obligations are estimated under the actuarial assumption. Previously, the obligations were recognized as expenses when incurred.

(b) Employee benefit obligation

The Company and its subsidiary recorded post - employment benefit obligation (not separated fund from the Company's assets) as specified in the Thai Law which estimated under the actuarial assumptions by a qualified actuary. However, the actual benefit obligation may be different from the estimate.

The Company and its subsidiary selected to recognized the said employee benefit obligation as of 31 December 2010 amounted Baht 22.25 million (the Company only, Baht 21.22 million) by adjust to the retained earnings as of 1 January 2011 in accordance with the transitional treatment of TAS 19 which had the effects on the financial statements are as follows:

	Million Baht	Million USD
- Statements of financial position as of 31 March 2011		
- Increase in employee benefit obligation	(23.42)	(0.78)
- Decrease in retained earnings as of 1 January 2011	22.25	0.74
- Statements of income for the three - month period ended 31 March 2011		
- Increase in employee benefit expenses resulting to:		
- Increase in administrative expenses	1.16	0.04
- Decrease in net profit	(1.16)	(0.04)