



บริษัท อาร์ ซี แอล จำกัด (มหาชน) Regional Container Lines Public Company Limited

Press Release for Financial Results as at 30 September 2012

RCL reported third quarter 2012 results, posting a net loss of THB 216 million versus a net gain of THB 804 million in 3Q2011. Without accounting for the gain on sales of fixed assets, the operating loss amounted to THB 256 million in 3Q2012 as compared to THB 484 million in Q32011. The nine months loss was THB 704 million as compared to a loss of THB 388 million in year 2011.

Regional Container Lines Group's Shipper Owned Container (SOC) liftings in 3Q12 increased 14% year-on-year at 300,853 TEUs. For Carrier Owned Container (COC), the liftings increased 2% year-on-year at 292,462 TEUs. The total liftings for 3Q12 therefore rose 8% year-on-year at 593,315 TEUs.

With the increase in liftings offset by lower freight rate, total turnover for the third quarter before exchange difference, gain on sale of assets and adjustment for unrealized loss on derivatives, remained relatively the same as compared to the same quarter last year at THB 3,562 million.

The cost of freight and operation in 3Q12 reduced by 4% at THB 3,470 million as compared to the same quarter the year before, mainly due to cost cutting initiatives, lower bunker cost as well as bunker consumption efficiency.

In 3Q12 the group registered a disposal gain of THB 40 million as compared to THB 1,288 million in 3Q11 when the group disposed its building in Singapore and some old containers. In addition, the group recorded a gain on exchange of THB 10 million in 3Q2012 versus a gain of THB 3 million, in the same quarter of last year.

Despite the successful implementation of freight rates increase in March, container carriers still face the challenges of uncertain trade demand, freight rate volatility, and potential vessels' impairment, if the charter hire rates continue to decline in the coming period.



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

12 November 2012

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 40 vessels with sizes ranging between 500 TEUs to 2,732 TEUs, with a fleet of 71,822 TEUs to support its own COC carriage as well. It also operates a network of 67 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 2011	Half-Year 2011	9 months 2011	Year-end 2011	1 st Quarter 2012	Half-Year 2012	9 months 2012
Freight income	113.5	227.5	343.7	447.1	103.4	218.9	332.4
Cost of freight and operations	(124.9)	(243.9)	(363.5)	(467.5)	(114.3)	(215.8)	(327.5)
Gross Profit	(11.4)	(16.4)	(19.8)	(20.4)	(10.9)	3.1	4.9
Gross Profit Margin	-10.0%	-7.2%	-5.8%	-4.6%	-10.5%	1.4%	1.5%
Other income	1.2	2.6	3.8	5.2	1.1	2.1	3.0
Adjustment for unrealised loss on derivatives	0.0	0.1	0.1	0.1	0.0	0.1	0.1
Gain on exchange	0.0	0.0	1.5	0.0	4.4	0.6	0.0
Gain on sale of assets	0.8	1.7	44.0	45.3	1.2	2.5	3.7
Reversal of loss on impairment of buildings	0.0	0.0	0.0	1.6	0.0	0.0	0.0
Total other income	2.0	4.4	49.4	52.2	6.7	5.3	6.8
Admin expenses	(10.2)	(20.5)	(31.2)	(38.9)	(9.4)	(18.4)	(26.8)
Allowance for unrealised loss from changes in the fair value of Derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loss on exchange	(0.8)	(0.9)	0.0	(4.3)	0.0	0.0	(1.0)
Loss on sale of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loss on impairment of assets	0.0	0.0	0.0	0.0	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
Loss on disposal of vessels	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total other expenses	(11.0)	(21.4)	(31.2)	(43.2)	(9.4)	(18.4)	(27.8)
Interest expenses	(2.8)	(5.6)	(8.5)	(11.3)	(2.7)	(5.3)	(7.9)
Profit / (loss) before taxation	(23.2)	(39.0)	(10.1)	(22.7)	(16.3)	(15.4)	(24.0)
Income tax	(0.2)	(0.4)	(0.5)	(0.6)	(0.1)	(0.2)	(0.3)
Profit / (loss) after taxation	(23.4)	(39.4)	(10.6)	(23.3)	(16.4)	(15.6)	(24.3)
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)
Net profit / (loss) attributable to members	(23.4)	(39.4)	(10.6)	(23.3)	(16.4)	(15.6)	(24.3)

COMPUTATION OF EBITDA

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



A. M. T. & Associates

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November 12, 2012

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

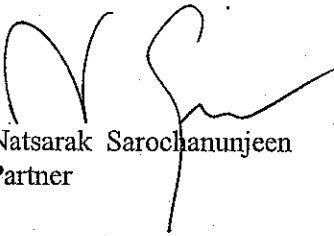
As requested, we have obtained from the management the consolidated statements of financial position as of September 30, 2012 and December 31, 2011, the related consolidated statements of income and retained earnings for the nine - month periods ended September 30, 2012 and 2011 of Regional Container 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

	30 September 2012		31 December 2011	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	4,146.0	134.5	4,589.3	144.8
Trade receivables - unrelated parties, net	2,399.4	77.8	2,429.3	76.7
Trade receivables - related parties	191.1	6.2	456.3	14.4
Material supplies	476.2	15.4	429.6	13.5
Other current assets	354.6	11.5	334.0	10.5
Total current assets	7,567.3	245.4	8,238.5	259.9
Non - current assets				
Property and premises, net	314.0	10.3	326.4	10.4
Vessels and equipment, net	16,522.1	514.3	17,275.1	528.0
Intangible assets, net	128.4	4.2	195.6	6.2
Other non - current assets	251.6	7.6	240.0	7.2
Total non - current assets	17,216.1	536.4	18,037.1	551.8
TOTAL ASSETS	24,783.4	781.8	26,275.6	811.7

See basis of preparation

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

	30 September 2012		31 December 2011	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Short - term loan from financial institution	300.0	9.7	-	-
Trade payables - unrelated parties	3,182.2	103.2	3,749.6	118.3
Trade payables - related parties	1.8	0.1	1.1	-
Current portion of long - term loans	1,114.1	36.1	1,144.0	36.1
Current portion of debentures	2,499.6	81.1	2,494.2	78.7
Short - term loan from related party	300.0	9.7	-	-
Provision for unrealised loss from changes in the fair value of derivatives	2.6	0.1	5.1	0.2
Other current liabilities	324.6	10.5	243.6	7.7
Total current liabilities	7,724.9	250.5	7,637.6	241.0
Non - current liabilities				
Long - term loans, net of current portion	5,032.2	163.1	5,767.8	181.9
Employee benefit obligation	26.6	0.9	23.2	0.8
Other non - current liabilities	6.6	0.2	6.7	0.2
Total non - current liabilities	5,065.4	164.2	5,797.7	182.9
Total liabilities	12,790.3	414.7	13,435.3	423.9
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 on issue of share	4,983.0	173.9	4,983.0	173.9
Retained earnings				
Appropriated - legal reserve	66.3	1.9	66.3	1.9
Unappropriated	6,430.5	177.0	7,135.9	201.3
Exchange differences on translating financial statement	(333.1)	(12.1)	(192.7)	(15.7)
Equity attributable to Company's shareholders	11,975.5	366.5	12,821.3	387.2
Non - controlling interests	17.6	0.6	19.0	0.6
Total shareholders' equity	11,993.1	367.1	12,840.3	387.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	24,783.4	781.8	26,275.6	811.7

See basis of preparation

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF RETAINED EARNINGS
 FOR THE NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2012 AND 2011

	2012		2011	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of periods	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 periods after adjustment	7,135.9	201.3	7,916.6	224.6
Profit (loss) attributable to equity holders of the parent	(705.4)	(24.3)	(388.5)	(10.5)
Total retained earnings - unappropriated	<u>6,430.5</u>	<u>177.0</u>	<u>7,528.1</u>	<u>214.1</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>6,496.8</u>	<u>178.9</u>	<u>7,594.4</u>	<u>216.0</u>

See basis of preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2012 AND 2011

	2012		2011	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Revenues				
Freight income	10,354.4	332.4	10,464.8	343.7
Others income				
Gain on exchange rate	37.6	-	0.7	1.6
Gain on sales of fixed assets	116.8	3.7	1,339.4	44.0
Adjustment provision for unrealised loss on derivatives	2.4	0.1	2.6	0.1
Others	59.4	1.9	95.6	3.1
Total revenues	<u>10,570.6</u>	<u>338.1</u>	<u>11,903.1</u>	<u>392.5</u>
Expenses				
Cost of freight and operations	9,200.0	295.3	10,121.6	332.5
Depreciation and amortization	1,017.5	32.2	966.8	31.1
Administrative expenses	836.4	26.8	949.7	31.1
Other expenses				
Loss on exchange rate	-	1.0	-	-
Total expenses	<u>11,053.9</u>	<u>355.3</u>	<u>12,038.1</u>	<u>394.7</u>
Share of profit from investments accounted for under equity method - associated companies	35.9	1.1	20.5	0.7
Profit (loss) before finance cost and income tax expenses	(447.4)	(16.1)	(114.5)	(1.5)
Finance cost	246.1	7.9	259.6	8.5
Profit (loss) before income tax expenses	(693.5)	(24.0)	(374.1)	(10.0)
Income tax expenses	10.6	0.3	14.0	0.5
Profit (loss) for the periods	<u>(704.1)</u>	<u>(24.3)</u>	<u>(388.1)</u>	<u>(10.5)</u>
Profit (loss) attributable to:				
Equity holders of the parent	(705.4)	(24.3)	(388.5)	(10.5)
Non - controlling interests	1.3	-	0.4	-
	<u>(704.1)</u>	<u>(24.3)</u>	<u>(388.1)</u>	<u>(10.5)</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 September 2012 and profit and loss accounts for the nine - month periods ended 30 September 2012 and 2011 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the statements of financial position as at 31 December 2011 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 September 2012 : USD 1 = Baht 30.8288

As at 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 and premises, 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 September 2012 : USD 1 = Baht 31.1519
30 September 2011 : USD 1 = Baht 30.4441