



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

PRESS RELEASE

FINANCIAL RESULTS AS AT 31 MARCH 2006

Benefited from the robust growth in PRC export, the Group's Carrier Owned Container (COC) liftings in Q106 was up 15% year-on-year at 291,108 TEUs. With higher cargo concentration in PRC today, the Shipper Owned Container (SOC) liftings only registered a modest growth of 2% year-on-year at 284,171 TEUs. Overall, total liftings of the Group was up 8% year-on-year at 575,279 TEUs.

Despite an 8% increase in liftings, total turnover for the first quarter before exchange difference was only up marginally by 2% at THB5,077 million. The freight rate for Intra-Asia trade had been under pressure since Q405 when more tonnage had phased into the main routes at the time when trade went into the traditional slow season. The freight rates for Q106 had edged down further but held steady by end of March as volume had returned very strongly.

The bunker price had escalated once again in first quarter this year as more concerns of supply surfaced and uncertainty in Iran continued to fill the headlines. The bunker cost today has now become the most significant cost element to the shipping industry. The Cost of Freight and Operation in first quarter 2006 was THB3,977 million, which represented an increase of 19% year-on-year. Other than this, the increase was in line with the improved liftings and increase in number of vessels under owned operation.

With an improvement in volume being offset by softening freight rate, coupled with the escalating bunker cost, the Group's Net Profit for Q106 had reduced by 38% at THB811.7 million year-on-year. As regional currencies strengthened against U.S. Dollar in first quarter this year, the Group recorded a Gain on Exchange of THB124.5 million against a Loss on Exchange amount to THB25.7 million in the same quarter last year.

Regional Container Lines Public Company Limited
09 May 2006



QUARTERLY EARNING STATEMENTS IN THAI BAHT *(million baht)*

	1 st Quarter 2005	Half-Year 2005	9 months 2005	Year-end 2005	1 st Quarter 2006
Freight income	4,962.2	10,622.8	16,528.4	21,480.1	5,016.9
Cost of freight and operations	(3,352.6)	(7,222.2)	(11,324.9)	(15,256.5)	(3,987.9)
Gross Profit	1,609.6	3,400.6	5,203.5	6,223.6	1,029.0
Gross Profit Margin	32.4%	32.0%	31.5%	29.0%	20.5%
Other income	38.3	86.1	142.9	191.3	60.1
Gain on exchange	0.0	0.0	0.0	0.0	124.5
Total other income	38.3	86.1	142.9	253.8	184.6
Admin expenses	(222.5)	(507.6)	(799.3)	(1,139.5)	(274.0)
Loss on exchange	(25.7)	(104.5)	(114.6)	(41.2)	0.0
Loss on impairment of fixed assets	0.0	0.0	0.0	0.0	0.0
Total other expenses	(248.2)	(612.1)	(913.9)	(1,180.7)	(274.0)
Interest expenses	(95.4)	(210.2)	(339.2)	(475.1)	(124.5)
Profit / (loss) before taxation	1,304.3	2,664.4	4,093.3	4,821.6	815.1
Income tax	(1.9)	(5.8)	(11.6)	(19.8)	(1.8)
Profit / (loss) after taxation	1,302.4	2,658.6	4,081.7	4,801.8	813.3
Minority interest	(0.7)	(1.1)	(2.5)	(1.6)	(1.6)
Net profit / (loss) attributable to members	1,301.7	2,657.5	4,079.2	4,800.2	811.7

COMPUTATION OF EBITDA

Profit / (loss) before taxation	1,304.3	2,664.4	4,093.3	4,821.6	815.1
Add: Impairment loss	0.0	0.0	0.0	0.0	0.0
Add: Interest	95.4	210.2	339.2	475.1	124.5
EBIT	1,399.7	2,874.6	4,432.5	5,296.7	939.6
Add: Amortisation	0.3	0.6	1.1	1.7	0.7
Add: Depreciation	226.7	485.2	770.6	1,066.9	290.8
EBITDA	1,626.7	3,360.4	5,204.2	6,365.3	1,231.1

Review Report of Independent Auditor

To The Board of Directors and Shareholders 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 at 31 March 2006, and the consolidated statements of earnings, changes in shareholders' equity, and cash flows, for the three-month periods ended 31 March 2006 and 2005, and the separate financial statements of Regional Container Lines Public Company Limited for the same periods. 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 issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires 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. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Regional Container Lines Public Company Limited and its subsidiaries and the separate financial statements of Regional Container Lines Public Company Limited for the year ended 31 December 2005 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 27 February 2006. The balance sheet as at 31 December 2005, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.



Vissuta Jariyathanakorn

Certified Public Accountant (Thailand) No. 3853

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		31 March 2006	31 December 2005	31 March 2006	31 December 2005
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
ASSETS					
Current assets					
Cash and cash equivalents		1,984,852	2,696,723	370,461	306,296
Short-term investments		210,235	215,192	-	-
Trade accounts receivable		1,642,242	1,845,444	-	-
Less: Allowance for doubtful accounts		(1,666)	(1,838)	-	-
Trade accounts receivable, net	2	1,640,576	1,843,606	-	-
Trade accounts receivable - related parties	2, 5	192,261	167,715	1,154,243	760,016
Material supplies		354,429	279,529	13,595	11,150
Other current assets		267,232	302,498	25,313	12,480
Total current assets		4,649,585	5,505,263	1,563,612	1,089,942
Non-current assets					
Property investments held for long-term investment		1,997	2,119	-	-
Investments accounted for under equity method	3	185,984	180,167	9,366,486	9,699,818
Other long-term investments		36,891	39,015	-	-
Property and premises, net		2,170,623	2,215,181	17,364	17,932
Vessels and equipment, net		19,608,904	20,231,805	8,292,708	6,243,109
Other non-current assets		10,868	12,948	1,285	1,517
Total non-current assets		22,015,267	22,681,235	17,677,843	15,962,376
TOTAL ASSETS		26,664,852	28,186,498	19,241,455	17,052,318

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

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	Note	CONSOLIDATED		THE COMPANY ONLY	
		31 March 2006	31 December 2005	31 March 2006	31 December 2005
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		2,003,009	2,111,362	4,440	-
Trade accounts payable - related parties	5	10,473	8,277	248,605	171,749
Current portion of finance lease creditors		65,533	67,751	-	-
Current portion of long-term loans	4	1,106,276	1,915,827	161,803	-
Current portion of debenture		769,200	576,900	769,200	576,900
Corporate income tax payable		12,653	15,583	-	-
Other current liabilities		175,235	265,974	78,049	65,998
Total current liabilities		4,142,379	4,961,674	1,262,097	814,647
Non-current liabilities					
Finance lease creditors, net of current portion		11,541	29,872	-	-
Long-term loans, net of current portion	4	6,206,537	6,929,463	1,698,929	-
Debenture, net of current portion		1,730,800	1,923,100	1,730,800	1,923,100
Total non-current liabilities		7,948,878	8,882,435	3,429,729	1,923,100
Total liabilities		12,091,257	13,844,109	4,691,826	2,737,747
Shareholders' equity					
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		1,743,050	2,319,686	1,743,050	2,319,686
Retained earnings					
Appropriated - statutory reserve		66,300	66,300	66,300	66,300
Unappropriated		9,004,089	8,192,395	9,004,089	8,192,395
Equity attributable to Company's shareholders		14,549,629	14,314,571	14,549,629	14,314,571
Minority interest - equity attributable to					
minority shareholders' of subsidiaries		23,966	27,818	-	-
Total shareholders' equity		14,573,595	14,342,389	14,549,629	14,314,571
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		26,664,852	28,186,498	19,241,455	17,052,318

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

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DIRECTORS

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(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

EARNINGS STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
Revenues				
Freight income	5,016,936	4,962,150	875,323	521,738
Gain on exchange	124,457	-	-	-
Other income	53,102	30,495	2,003	915
Share of profit from investment accounted for under equity method - subsidiaries	-	-	236,309	1,009,751
Share of profit from investment accounted for under equity method - associated companies	6,995	7,878	6,995	7,878
Total revenues	5,201,490	5,000,523	1,120,630	1,540,282
Expenses				
Cost of freight and operation	3,977,487	3,343,992	225,656	167,851
Administrative expenses	282,832	229,574	34,676	31,632
Loss on exchange	-	25,729	1,300	11,482
Directors' remuneration	1,550	1,550	1,550	1,550
Total expenses	4,261,869	3,600,845	263,182	212,515
Earnings before interest and income tax expenses	939,621	1,399,678	857,448	1,327,767
Interest expenses	(124,479)	(95,425)	(45,754)	(25,822)
Corporate income tax	(1,853)	(1,870)	-	(229)
Earnings after income tax	813,289	1,302,383	811,694	1,301,716
Net earnings - minority interest of subsidiaries	(1,595)	(667)	-	-
Net earnings for the period	811,694	1,301,716	811,694	1,301,716
				(Unit: Baht)
Basic earnings per share				
Net earnings	1.22	1.96	1.22	1.96

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

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED			Retained earnings		Minority interest of subsidiaries	Total
	Issued and paid-up share capital	Share premium	Translation adjustment	Statutory reserve	Unappropriated		
Balance - beginning of the year 2005	663,000	3,073,190	1,930,243	66,300	5,082,876	4,850	10,820,459
Translation adjustment	-	-	31,093	-	-	-	31,093
Net earnings for the period	-	-	-	-	1,301,716	-	1,301,716
Increase in minority interest	-	-	-	-	-	662	662
Balance as at 31 March 2005	663,000	3,073,190	1,961,336	66,300	6,384,592	5,512	12,153,930
Balance - beginning of the year 2006	663,000	3,073,190	2,319,686	66,300	8,192,395	27,818	14,342,389
Translation adjustment	-	-	(576,636)	-	-	-	(576,636)
Net earnings for the period	-	-	-	-	811,694	-	811,694
Decrease in minority interest	-	-	-	-	-	(3,852)	(3,852)
Balance as at 31 March 2006	663,000	3,073,190	1,743,050	66,300	9,004,089	23,966	14,573,595

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

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht)

	THE COMPANY ONLY					
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings Statutory reserve	Unappropriated	Total
Balance - beginning of the year 2005	663,000	3,073,190	1,930,243	66,300	5,082,876	10,815,609
Translation adjustment	-	-	31,093	-	-	31,093
Net earnings for the period	-	-	-	-	1,301,716	1,301,716
Balance as at 31 March 2005	663,000	3,073,190	1,961,336	66,300	6,384,592	12,148,418
Balance - beginning of the year 2006	663,000	3,073,190	2,319,686	66,300	8,192,395	14,314,571
Translation adjustment	-	-	(576,636)	-	-	(576,636)
Net earnings for the period	-	-	-	-	811,694	811,694
Balance as at 31 March 2006	663,000	3,073,190	1,743,050	66,300	9,004,089	14,549,629

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

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
Cash flows from operating activities				
Net earnings	811,694	1,301,716	811,694	1,301,716
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:				
Depreciation	290,827	226,685	101,539	77,170
Share of profit from investment accounted for under equity method - subsidiaries	-	-	(236,309)	(1,009,751)
Share of profit from investment accounted for under equity method - associated companies	(6,995)	(7,878)	(6,995)	(7,878)
Profit from disposals of investments	(5,650)	-	-	-
Profit from disposals of assets	(10,854)	-	-	-
Decrease in allowance for doubtful accounts	(172)	(36,181)	-	-
Unrealised exchange (gain) loss	(113,030)	9,409	(14,802)	(6,165)
Net earnings - minority interest of subsidiaries	1,595	667	-	-
	<u>967,415</u>	<u>1,494,418</u>	<u>655,127</u>	<u>355,092</u>
Operating assets (increase) decrease				
Trade accounts receivable	256,282	(201,207)	-	-
Trade accounts receivable - related parties	(24,546)	(30,625)	(415,887)	870,782
Material supplies	(74,900)	(15,987)	(2,445)	(4,235)
Other current assets	35,266	(11,732)	(12,833)	(3,201)
Other assets	1,789	(1,966)	(59)	(54)
Operating liabilities increase (decrease)				
Trade accounts payable	(104,996)	129,290	4,440	-
Trade accounts payable - related parties	2,196	-	80,209	62,366
Income tax payable	(2,930)	399	-	-
Other current liabilities	(96,186)	(21,802)	12,051	(4,966)
Net cash provided by operating activities	<u>959,390</u>	<u>1,340,788</u>	<u>320,603</u>	<u>1,275,784</u>

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

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2006	2005	2006	2005
Cash flows from investing activities				
Decrease in short-term investments	10,607	-	-	-
Decrease (increase) in property, premises, vessels and equipment	387,486	(1,959,659)	(2,150,570)	(987,188)
Translation adjustment	(573,212)	25,286	-	-
Net cash used in investing activities	(175,119)	(1,934,373)	(2,150,570)	(987,188)
Cash flows from financing activities				
Decrease in finance lease creditors	(20,549)	(13,819)	-	-
Increase (decrease) in long-term loans	(1,475,593)	1,359,508	1,894,132	(165,158)
Net cash provided by (used in) financing activities	(1,496,142)	1,345,689	1,894,132	(165,158)
Net increase (decrease) in cash and cash equivalents	(711,871)	752,104	64,165	123,438
Cash and cash equivalents at beginning of period	2,696,723	2,400,570	306,296	232,917
Cash and cash equivalents at end of period	1,984,852	3,152,674	370,461	356,355
Supplemental cash flow information				
Cash paid during the period for				
Interest expenses	140,912	103,030	30,657	28,987
Corporate income tax	980	1,051	-	-

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

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

1. GENERAL INFORMATION

1.1 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41 "Interim financial statements", with the Company choosing to present condensed interim financial statements. However, additional line items are presented in the balance sheets, and the related statements of earnings, changes in shareholders' equity, and cash flows, as in the annual financial statements.

These 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.

1.2 Basis of consolidation

These consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2005. During the current period, a subsidiary company in Singapore increased its investment in a subsidiary in Australia, RCL Australia Pty Ltd., from 69% to 100% of equity.

The consolidated financial statements for the three-month period ended 31 March 2006 include the financial statements of a subsidiary in the People's Republic of China. These financial statements were prepared by the management of the subsidiary, and have not been reviewed by its auditor. Assets of the subsidiary included as at 31 March 2006 amount to Baht 130 million (31 December 2005: Baht 128 million), and total revenues included for the three-month period then ended amount to Baht 25 million (31 March 2005: Baht 22 million).

(UNAUDITED BUT REVIEWED)

1.3 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 2005.

2. TRADE ACCOUNTS RECEIVABLE / TRADE ACCOUNTS RECEIVABLE - RELATED PARTIES

The balances of trade accounts receivable in the consolidated financial statements are classified by aging as follows:

(Unit: Thousand Baht)

	CONSOLIDATED	
	31 March 2006	31 December 2005
Under 90 days	1,625,136	1,822,776
91 - 180 days	14,942	15,610
Over 181 days	2,164	7,058
Total	1,642,242	1,845,444
Less: Allowance for doubtful accounts	(1,666)	(1,838)
Net	1,640,576	1,843,606

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

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
Under 90 days	192,261	167,715	869,769	760,016
91 - 180 days	-	-	284,474	-
Total	192,261	167,715	1,154,243	760,016

(UNAUDITED BUT REVIEWED)

3. INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHOD

THE COMPANY ONLY

(Unit: Million Baht)

Company's name	Share capital issued		Percentage directly		Investment			
	and fully paid		owned by the Company		Cost method		Equity method	
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2006	2005	2006	2005	2006	2005	2006	2005
		Percent	Percent					
Investments in subsidiaries								
Subsidiaries operating in Thailand								
a) Asian Bulk Shipping Co., Ltd.	Baht 25 Million	Baht 25 Million	51	51	13	13	1	1
b) RCL Logistics Co., Ltd.	Baht 5 Million	Baht 5 Million	100	100	5	5	37	37
Subsidiaries operating in Singapore								
c) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	145	145	(765)	(937)
d) Regional Container Lines Pte Ltd.	S\$ 42.5 Million	S\$ 42.5 Million	85	85	1,173	1,173	6,623	6,334
e) RCL Feeder Pte. Ltd.	S\$ 20.5 Million	S\$ 20.5 Million	98	98	430	430	2,803	3,582
f) RCL Service SA	USD 10,000	USD 10,000	49	49	2	2	40	41
g) RCL Holdings Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	108	108	145	149
h) RCL Ship Management Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	54	54	8	8
Subsidiary operating in Hong Kong								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 20 Million	100	100	217	217	227	229
Subsidiary operating in the People's Republic of China								
j) Regional Container Lines Shipping Co., Ltd.	USD 1.6 Million	USD 1.6 Million	100	100	68	68	82	97
Total investments in subsidiaries					2,215	2,215	9,201	9,541
Investment in associated company								
Associated company operating in Thailand								
k) TIPS Co., Ltd. (Port operating)	Baht 100 Million	Baht 100 Million	20	20	20	20	165	159
Total investment in associated company					20	20	165	159
Total investments accounted for under equity method					2,235	2,235	9,366	9,700

The accumulated share of the profit of the associated company, as at 31 March 2006, is calculated based on the financial statements of the associated company, which is unreviewed by that company's auditor.

(UNAUDITED BUT REVIEWED)

CONSOLIDATED

(Unit: Thousand Baht)

	<u>31 March 2006</u>	<u>31 December 2005</u>
The Company's investment in associated company	165,498	158,503
The subsidiaries' investments in associated companies	<u>20,486</u>	<u>21,664</u>
Total investments accounted for under equity method	<u>185,984</u>	<u>180,167</u>

4. LONG-TERM LOANS

During the current period, a subsidiary company in Singapore transferred a bank loan amounting to USD 49 million, or approximately Baht 1,942 million, to the Company. The loan is repayable in quarterly installments, ending in 2015, and is subject to interest at a rate based on SIBOR.

In addition, during the current period the subsidiary company made early repayment of a loan amounting to USD 21 million, or approximately Baht 876 million, to another bank.

The long-term loans are secured by the mortgage of most of the vessels of the Company and a subsidiary, and the property of subsidiaries, and guaranteed by the Company.

5. RELATED PARTY TRANSACTIONS

- a) The Company and its subsidiaries have business dealings with their customers through regional shipping agents (third parties and related companies) of which a substantial part is through their related companies. Such transactions have been determined in the ordinary course of business.
- b) In addition to the matter discussed in a), during the periods, the Company had other significant business transactions with its subsidiary company and related parties (related by way of shareholding or common shareholders and/or common directors). The transactions are summarised below:

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

For the three-month periods ended 31 March 2006 and 2005

	Consolidated		The Company Only		Pricing policy
	2006	2005	2006	2005	
Transactions with subsidiary					
Charter freight income	-	-	875	522	Cost plus a margin or at price comparable to cost
Transactions with related parties					
Commission expenses	26	32	-	-	Price approximating market price
Terminal operating services	13	12	-	-	Price approximating tariff paid
Rental expenses	1	1	1	1	Rental agreement

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

(Unit: Million Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	31 March 2006	31 December 2005	31 March 2006	31 December 2005
Trade accounts receivable - related parties				
Subsidiary				
RCL Feeder Pte. Ltd.	-	-	1,154	760
Related parties				
Ngow Hock Co., Ltd.	184	163	-	-
Songkhla Shipping Agency Co., Ltd.	8	5	-	-
	<u>192</u>	<u>168</u>	<u>1,154</u>	<u>760</u>
Trade accounts payable - related parties				
Subsidiary				
RCL Ship Management Pte. Ltd.	-	-	249	172
Related party				
RCL (Vietnam) Co., Ltd.	10	8	-	-
	<u>10</u>	<u>8</u>	<u>249</u>	<u>172</u>

6. SUBSEQUENT EVENT

On 28 April 2006, the annual general meeting of the Company's shareholders approved the payment of a dividend of Baht 1.50 per share to shareholders, or a total of approximately Baht 995 million, which will be recorded in the next quarter.

(UNAUDITED BUT REVIEWED)

7. COMMITMENTS AND CONTINGENT LIABILITIES

7.1 Commitments

- (a) As at 31 March 2006, the Company has outstanding commitments of approximately Baht 8 million (31 December 2005: Baht 9 million) in respect of lease agreements, and a subsidiary company in Singapore has outstanding commitments of USD 89 million or approximately Baht 3,473 million (31 December 2005: USD 102 million or approximately Baht 4,189 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	1,612	171	16	1,799
During 2-5 years	855	675	7	1,537
Over 5 years	-	137	-	137
Total	<u>2,467</u>	<u>983</u>	<u>23</u>	<u>3,473</u>

- (b) As at 31 March 2006, a subsidiary company in Singapore has commitments amounting to USD 29 million, or approximately Baht 1,142 million (31 December 2005: USD 39 million, or approximately Baht 1,613 million) in respect of the building of two vessels. These amounts are to be paid in 2007.

7.2 Guarantees

As at 31 March 2006, the Company has outstanding guarantees of USD 322 million and S\$ 6 million or approximately Baht 12,701 million (31 December 2005: USD 386 million and S\$ 6 million or approximately Baht 16,031 million), which were issued to secure credit lines of overseas subsidiaries from financial institutions.

7.3 Bank Guarantees

As at 31 March 2006, there were outstanding letters of guarantees for a total of approximately Baht 768 million issued by a bank to meet obligations of a subsidiary company in Singapore in respect of the building of vessels.

(UNAUDITED BUT REVIEWED)

7.4 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 258 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 287 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.

8. FINANCIAL INFORMATION BY SEGMENT

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

(Unit: Million Baht)

	CONSOLIDATED						
	For the three-month period ended 31 March 2006						
	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Freight income	909	6,029	112	50	7,100	(2,083)	5,017
Gross profit	656	283	36	31	1,006	33	1,039
Other income							53
Gain on exchange							125
Share of profit from investments accounted for under equity method - associated companies							7
Administrative expenses							(284)
Interest expenses							(124)
Corporate income tax							(2)
Minority interest							(2)
Net earnings for the period							812
Property, premises, vessels and equipment	8,313	13,442	120	11	21,886	(106)	21,780
Others							4,885
Total assets							26,665

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

CONSOLIDATED							
For the three-month period ended 31 March 2005							
	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Freight income	583	5,539	31	47	6,200	(1,238)	4,962
Gross profit	360	1,183	27	31	1,601	17	1,618
Other income							31
Share of profit from investments accounted for under equity method - associated companies							8
Administrative expenses							(231)
Loss on exchange							(26)
Interest expenses							(95)
Corporate income tax							(2)
Minority interest							(1)
Net earnings for the period							1,302

(Unit: Million Baht)

CONSOLIDATED							
As at 31 December 2005							
	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Property, premises, vessels and equipment	6,264	16,156	127	11	22,558	(111)	22,447
Others							5,739
Total assets							28,186

9. FINANCIAL INSTRUMENTS**9.1 Interest rate risk**

As at 31 March 2006, a subsidiary in Singapore has entered into period-by-period knock out swap and interest rate swap agreements covering the notional amount of USD 59.75 million (31 December 2005: USD 61.5 million). The details are below.

- For notional amount of USD 16.5 million (31 December 2005: USD 17 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 2004 to 2014.

(UNAUDITED BUT REVIEWED)

2. For notional amount of USD 24.75 million (31 December 2005: USD 25.5 million) under the period-by-period knock out swap agreement, an interest rate of LIBOR per annum is to be swapped for the various fixed interest rates stipulated in the agreement for particular periods, with the notional amount base used for determination of the interest to be amortised at a rate of USD 0.75 million per quarter over the period 2004 to 2014.
3. For notional amount of USD 18.5 million (31 December 2005: USD 19 million) under the period-by-period knock out swap agreement, an interest rate of LIBOR per annum is to be swapped for a fixed interest rate, provided that LIBOR for that period does not exceed a stipulated rate as identified in the agreement. The notional amount base used for determination of the interest is to be amortised at a rate of USD 0.5 million per quarter over the period 2005 to 2015.

9.2 Foreign currency risk

As at 31 March 2006, a subsidiary company in Singapore has entered into a forward foreign exchange contract in order to hedge the foreign currency risk. Under the contract, the subsidiary company is committed to purchase Baht 217 million (31 December 2005: Baht 242 million) at the rate of Baht 41.74 per USD 1 (31 December 2005: Baht 41.74 and Baht 41.80 per USD 1). The contract has a term of less than one year.

10. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved by the Board of Directors of the Company on 8 May 2006.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN US\$

(million US\$)

	1 st Quarter	Half-Year	9 months	Year-end	1 st Quarter
	2005	2005	2005	2005	2006
Freight income	128.3	268.4	411.4	531.8	128.4
Cost of freight and operations	(87.1)	(183.4)	(283.5)	(379.8)	(102.5)
Gross Profit	41.2	85.0	127.9	152.0	25.9
Gross Profit Margin	32.1%	31.7%	31.1%	28.6%	20.2%
Other income	1.0	2.1	3.6	4.7	1.5
Gain on exchange	0.0	0.0	0.0	0.2	0.7
Total other income	1.0	2.1	3.6	6.5	2.2
Admin expenses	(5.8)	(12.9)	(19.9)	(28.3)	(7.0)
Loss on exchange	(0.4)	(0.4)	(0.5)	0.0	0.0
Loss on impairment of fixed assets	0.0	0.0	0.0	0.0	0.0
Total other expenses	(6.2)	(13.3)	(20.4)	(28.3)	(7.0)
Interest expenses	(2.5)	(5.3)	(8.4)	(11.8)	(3.2)
Profit / (loss) before taxation	33.5	68.5	102.7	118.4	17.9
Income tax	0.0	(0.1)	(0.3)	(0.5)	(0.1)
Profit / (loss) after taxation	33.5	68.4	102.4	117.9	17.8
Minority interest	0.0	0.0	(0.1)	0.0	0.0
Net profit / (loss) attributable to members	33.5	68.4	102.3	117.9	17.8

COMPUTATION OF EBITDA

Profit / (loss) before taxation	33.5	68.5	102.7	118.4	17.9
Add: Impairment loss	0.0	0.0	0.0	0.0	0.0
Add: Interest	2.5	5.3	8.4	11.8	3.2
EBIT	36.0	73.8	111.1	130.2	21.1
Add: Amortisation	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	6.3	13.3	20.8	28.5	7.9
EBITDA	42.3	87.1	131.9	158.7	29.0

8 May 2006

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 balance sheets as at 31 March 2006 and 31 December 2005, and the statements of earnings and retained earnings for the three-month periods ended 31 March 2006 and 2005 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,
ERNST & YOUNG OFFICE LIMITED



Vissuta Jariyathanakorn
Partner

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	31 March 2006		31 December 2005	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	1,984.9	51.1	2,696.7	65.7
Short-term investment	210.2	5.4	215.2	5.2
Trade accounts receivable, net	1,640.6	42.2	1,843.6	44.9
Trade accounts receivable - related parties	192.3	5.0	167.7	4.1
Other current assets	621.6	16.0	582.1	14.2
Total current assets	4,649.6	119.7	5,505.3	134.1
Non-current assets				
Property and premises, net	2,170.6	60.5	2,215.2	59.3
Vessels and equipment, net	19,608.9	529.2	20,231.8	527.0
Other non-current assets	235.8	6.5	234.2	6.6
Total non-current assets	22,015.3	596.2	22,681.2	592.9
TOTAL ASSETS	26,664.9	715.9	28,186.5	727.0

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

	31 March 2006		31 December 2005	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Trade accounts payable	2,013.5	51.8	2,119.7	51.6
Current portion of finance lease creditors	65.5	1.7	67.8	1.7
Current portion of long-term loans	1,106.3	28.5	1,915.8	46.6
Current portion of debenture	769.2	19.8	576.9	14.1
Other current liabilities	187.9	4.9	281.4	6.9
Total current liabilities	4,142.4	106.7	4,961.6	120.9
Non-current liabilities				
Finance lease creditors, net of current portion	11.5	0.3	29.9	0.7
Long-term loans, net of current portion	6,206.5	159.7	6,929.5	168.7
Debenture, net of current portion	1,730.8	44.6	1,923.1	46.8
Total non-current liabilities	7,948.8	204.6	8,882.5	216.2
Total liabilities	12,091.2	311.3	13,844.1	337.1
Shareholders' equity				
Share capital				
Issued and fully paid				
663,000,000 ordinary shares of Baht 1 each	663.0	20.6	663.0	20.6
Share premium	3,073.2	113.7	3,073.2	113.7
Translation adjustment	1,743.1	(11.1)	2,319.7	(8.1)
Retained earnings				
Appropriated - statutory reserve	66.3	1.9	66.3	1.9
Unappropriated	9,004.1	278.9	8,192.4	261.1
Equity attributable to Company's shareholders	14,549.7	404.0	14,314.6	389.2
Minority interest - equity attributable				
to minority shareholders of subsidiaries	24.0	0.6	27.8	0.7
Total shareholders' equity	14,573.7	404.6	14,342.4	389.9
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	26,664.9	715.9	28,186.5	727.0

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

EARNINGS STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

	<u>2006</u>	<u>2006</u>	<u>2005</u>	<u>2005</u>
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Revenues				
Freight income	5,016.9	128.4	4,962.2	128.3
Gain on exchange	124.5	0.7	-	-
Other income	60.1	1.5	38.3	1.0
Total revenues	<u>5,201.5</u>	<u>130.6</u>	<u>5,000.5</u>	<u>129.3</u>
Expenses				
Cost of freight and operations	3,697.1	94.6	3,125.9	80.8
Depreciation	290.8	7.9	226.7	6.3
Administrative expenses	272.4	7.0	222.5	5.8
Loss on exchange	-	-	25.7	0.4
Directors' remuneration	1.6	-	-	-
Total expenses	<u>4,261.9</u>	<u>109.5</u>	<u>3,600.8</u>	<u>93.3</u>
Earnings before interest and income tax expenses	939.6	21.1	1,399.7	36.0
Interest expenses	(124.5)	(3.2)	(95.4)	(2.5)
Corporate income tax	(1.8)	(0.1)	(1.9)	-
Earnings after income tax	813.3	17.8	1,302.4	33.5
Net earnings - minority interest	(1.6)	-	(0.7)	-
Net earnings for the period	<u>811.7</u>	<u>17.8</u>	<u>1,301.7</u>	<u>33.5</u>

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF RETAINED EARNINGS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2006 AND 2005

	<u>2006</u>	<u>2006</u>	<u>2005</u>	<u>2005</u>
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of period	8,192.4	261.1	5,082.9	185.2
Net earnings for the period	811.7	17.8	1,301.7	33.5
Total retained earnings - unappropriated	<u>9,004.1</u>	<u>278.9</u>	<u>6,384.6</u>	<u>218.7</u>
Retained earnings - appropriated				
Statutory 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>9,070.4</u></u>	<u><u>280.8</u></u>	<u><u>6,450.9</u></u>	<u><u>220.6</u></u>

See Basis of Preparation

BASIS OF PREPARATION

1. THAI BAHT FIGURES

The Thai Baht figures in the balance sheets as at 31 March 2006 and profit and loss accounts for the three-month periods ended 31 March 2006 and 2005 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the balance sheet as at 31 December 2005 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, Hong Kong and the People's Republic of China.

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 "Translation adjustment" in the shareholders' equity.

2. USD FIGURES

2.1 The USD figures in the consolidated balance sheets were determined by translating the Thai Baht consolidated balance sheets of the Group (except for the 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 2006 : USD 1 = Baht 38.8443

As of 31 December 2005 : USD 1 = Baht 41.0786

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

For the Company and its Thailand subsidiary

USD 1 = Baht 25.5850

For its Singapore subsidiaries

USD 1 = SGD 1.4020

For its Hong Kong subsidiaries

USD 1 = HKD 7.7296

- c) Approximate rates as at the transaction dates were used for additional share capital, share premium, property, vessels and equipment, and disposals of vessels and equipment.

Any differences have been included in "Translation adjustment".

- 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 2006 :	USD 1 =	Baht 39.0878
31 March 2005 :	USD 1 =	Baht 38.6792