



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

PRESS RELEASE
FINANCIAL RESULTS AS AT 30 JUNE 2007

Riding on the back of an extreme robust demand in Europe and Middle East, the Group's Shipper Owned Container (SOC) liftings was up by 19% in Q207 at 351,332 TEUs. The Group's Carrier Owned Container (COC) liftings was also up by 6% in Q207 at 333,300 TEUs despite a very limited introduction of new capacity to our services. Overall, total liftings of the Group increased 12% year-on-year in Q207 at 684,632 TEUs. For the first six months, SOC liftings was up by 18% at 683,182 TEUs and COC liftings improved 7% at 644,842 TEUs. These had given rise to a total liftings increase of 12% at 1,328,024 TEUs.

Despite a the 12% increase in liftings, total turnover for the second quarter before exchange difference was down marginally by 1% at THB5,003 million. As explained previously, there are a few factors that will affect the turnover. Firstly, the Group's revenue is US dollar denominated while the reporting currency is in Thai Baht. As US dollar continued to weaken against the regional currency in Q207, Thai Baht had strengthened close to 9% against US dollar year-on-year. The Group's turnover suffered from this translation loss. Secondly, although SOC volume had out-grown COC in this quarter again, SOC revenue is lower than COC, thus there was an unfavorable freight rate mixed which impacted the average revenue per TEU. Thirdly, rate for Intra-Asia trade had been under pressure since Q405. Although the freight rates steadied since Q406, the rates in Q207 was still lower as compared to Q206.

Other Income in Q207 was up 245% at THB173 million due to a disposal gain of one of the old vessel in April at an amount of THB109 million. For the first six months, total turnover before exchange difference was down by 2% at THB9,900 million.

Contrary to the revenue situation, the strong Thai Baht at the same time provided a translation gain to the Cost of Freight and Operation when majority of the Group's US dollar expenses were being translated to Thai Baht. Even with a 12% increase in liftings, the Cost of Freight and Operation in the second quarter 2007 was THB3,932 million, a reduction of 4% year-on-year. The bunker price continued to pose concern as price moved up substantially starting in late March and was persistently high throughout Q207. Otherwise, other cost items were in line with the improved liftings and increase in number of vessels under owned operation. For the first six months, the Cost of Freight and Operation was down by 3% at THB7,807 million.

Last year, the Group enjoyed a one-time gain amounting to US dollar 1.1 million when unwinding an interest rate swap contract in Q206. As there was no unwinding activities being recorded in Q207, the Interest Expenses in Q207 was up 37% year-on-year at THB119 million. However, the actual interest expense was in line with the previous quarters.

As improvement in volume was being offset by strong Thai Baht, lower freight rate and an unfavorable freight rate mixed, the Group's Net Profit for Q207 was lowered by 6% year-on-year at THB629 million.

For the first six months of 2007, the Group's net profit was lowered by 14% at THB1,269 million. In second quarter of this year, the Group recorded a Loss on Exchange amounting to THB7.8 million against a Gain on Exchange of THB103.4 million in the same quarter last year. However, for the first half of this year, the Group recorded a Gain on Exchange of THB48.2 million against a Gain on Exchange of THB227.9 million in H106.

Regional Container Lines Public Company Limited
14 August 2007

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 2598 TEUs, with a fleet of 75,441 TEUs to support its own COC carriage as well. It also operates a network of 57 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.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN US\$ (million US\$)

	1 st Quarter	Half-Year	9 months	Year-end	1 st Quarter	Half-Year
	2006	2006	2006	2006	2007	2007
Freight income	128.4	259.5	396.5	533.9	136.1	275.2
Cost of freight and operations	(102.5)	(210.8)	(327.4)	(437.9)	(109.9)	(223.7)
Gross Profit	25.9	48.7	69.1	96.0	26.2	51.5
Gross Profit Margin	20.2%	18.8%	17.4%	18.0%	19.3%	18.7%
Other income	1.5	3.0	4.6	10.2	2.1	7.3
Gain on exchange	0.7	0.9	1.9	2.8	0.3	0.0
Reversal of loss on impairment of building	0.0	0.0	0.0	5.5	0.0	0.0
Total other income	2.2	3.9	6.5	18.5	2.4	7.3
Admin expenses	(7.0)	(14.2)	(22.8)	(30.6)	(8.3)	(16.9)
Loss on exchange	0.0	0.0	0.0	0.0	0.0	(0.4)
Total other expenses	(7.0)	(14.2)	(22.8)	(30.6)	(8.3)	(17.3)
Interest expenses	(3.2)	(5.5)	(9.1)	(12.7)	(3.6)	(7.1)
Profit / (loss) before taxation	17.9	32.9	43.7	71.2	16.7	34.4
Income tax	(0.1)	(0.2)	(0.3)	(0.5)	(0.1)	(0.2)
Profit / (loss) after taxation	17.8	32.7	43.4	70.7	16.6	34.2
Minority interest	0.0	0.0	(0.1)	0.0	0.0	0.0
Net profit / (loss) attributable to members	17.8	32.7	43.3	70.7	16.6	34.2

COMPUTATION OF EBITDA

Profit / (loss) before taxation	17.9	32.9	43.7	71.2	16.7	34.4
Add: Impairment loss	0.0	0.0	0.0	0.0	0.0	0.0
Add: Interest	3.2	5.5	9.1	12.7	3.6	7.1
EBIT	21.1	38.4	52.8	83.9	20.3	41.5
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	7.9	15.7	23.6	32.8	6.3	16.9
EBITDA	29.0	54.1	76.4	116.7	26.6	58.4

Review Report of Independent Auditor

To the Shareholders of Regional Container Lines Public Company Limited

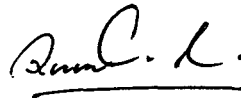
I have reviewed the accompanying consolidated balance sheet of Regional Container Lines Public Company Limited and its subsidiaries as at 30 June 2007, the related consolidated statements of income for the three-month and six-month periods ended 30 June 2007, and the consolidated statements of changes in shareholders' equity, and cash flows for the six-month period ended 30 June 2007, and the separate financial statements of Regional Container Lines Public Company Limited for the same period. 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 review.

I conducted my review 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 review, 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.

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 2006 were audited in accordance with generally accepted auditing standards by another auditor of our firm who expressed an unqualified opinion on those statements under her report dated 27 February 2007. The consolidated and separate balance sheets as at 31 December 2006, as presented herein for comparative purposes, formed an integral part of the financial statements which that auditor audited and reported on. On 1 January 2007, the Company has restated the separate balance sheet as at 31 December 2006 to reflect the change in accounting policy for recording investments in subsidiary and associated companies from the equity method to the cost method as described in Note 2 to the financial statements. In my opinion, the adjustments made for the preparation of such statements are appropriate and have been properly applied.

The consolidated statements of income for the three-month and six-month periods ended 30 June 2006, and the consolidated statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2006 of Regional Container Lines Public Company Limited and its subsidiaries and the separate financial statements of Regional Container Lines Public Company Limited, as presented herein for comparative purposes, formed an integral part of the interim financial statements which were reviewed by the aforementioned auditor who reported, under her report dated 10 August 2006, that nothing had come to her attention that caused her to believe that those financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles. On 1 January 2007, the Company has restated the separate financial statements for the period of 2006 to reflect the change in accounting policy for recording investments in subsidiary and associated companies from the equity method to the cost method as described in Note 2 to the financial statements. In my opinion, the adjustments made for the preparation of such statements are appropriate and have been properly applied.



Sumalee Reewarabandith

Certified Public Accountant (Thailand) No. 3970

Ernst & Young Office Limited

Bangkok: 10 August 2007

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2007 (Unaudited but reviewed)	31 December 2006 (Audited)	30 June 2007 (Unaudited but reviewed)	31 December 2006 (Audited) (Restated)
ASSETS					
Current assets					
Cash and cash equivalents		2,087,947	2,606,333	200,416	315,450
Short-term investments		203,843	206,483	-	-
Trade accounts receivable - unrelated parties		1,970,308	1,608,283	-	-
Less: allowance for doubtful debts		(1,676)	(1,623)	-	-
Trade accounts receivable - unrelated parties, net	3	1,968,632	1,606,660	-	-
Trade accounts receivable - related parties	3, 8	111,761	118,200	1,172,444	1,078,574
Current portion of long-term loan to related company	8	8,636	9,023	-	-
Material supplies		325,733	251,032	24,123	21,497
Other current assets		241,846	226,203	56,879	21,449
Total current assets		4,948,398	5,023,934	1,453,862	1,436,970
Non-current assets					
Property investments held for long-term investment		1,740	1,838	-	-
Investments in subsidiaries	4	-	-	2,219,830	2,219,830
Investments in associated companies	4	206,295	202,092	20,000	20,000
Other long-term investments		30,013	31,357	-	-
Long-term loan to related company, net of current portion	8	9,356	14,287	-	-
Property and premises, net		2,162,691	2,263,710	14,526	15,661
Vessels and equipment, net	5	18,041,783	18,503,061	7,814,775	8,022,585
Other non-current assets		10,918	11,963	1,728	1,285
Total non-current assets		20,462,796	21,028,308	10,070,859	10,279,361
TOTAL ASSETS		25,411,194	26,052,242	11,524,721	11,716,331

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

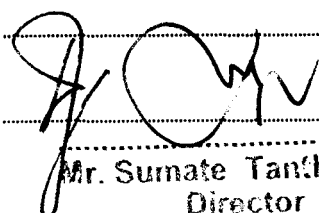
REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

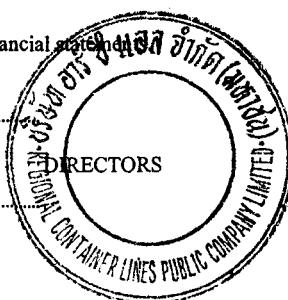
BALANCE SHEETS (Continued)

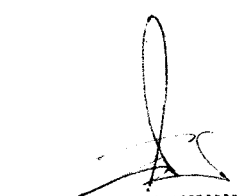
(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2007	31 December 2006	30 June 2007	31 December 2006
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Short-term loans from financial institution	6	438,000	-	438,000	-
Trade accounts payable - unrelated parties		2,253,452	2,263,715	4,123	3,749
Trade accounts payable - related parties	8	37,566	21,885	144,434	194,427
Current portion of finance lease creditors		-	26,247	-	-
Current portion of long-term loans	7	988,098	1,058,198	144,045	150,539
Current portion of debentures		769,200	769,200	769,200	769,200
Corporate income tax payable		9,901	10,409	-	-
Other current liabilities		274,267	261,124	66,502	80,653
Total current liabilities		4,770,484	4,410,778	1,566,304	1,198,568
Non-current liabilities					
Long-term loans, net of current portion	7	4,918,789	5,743,856	1,332,418	1,467,755
Debentures, net of current portion		769,300	1,153,900	769,300	1,153,900
Total non-current liabilities		5,688,089	6,897,756	2,101,718	2,621,655
Total liabilities		10,458,573	11,308,534	3,668,022	3,820,223
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		584,720	977,755	-	-
Retained earnings					
Appropriated - statutory reserve		66,300	66,300	66,300	66,300
Unappropriated		10,545,042	9,938,991	4,054,209	4,093,618
Equity attributable to Company's shareholders		14,932,252	14,719,236	7,856,699	7,896,108
Minority interest - equity attributable to					
minority shareholders' of subsidiaries		20,369	24,472	-	-
Total shareholders' equity		14,952,621	14,743,708	7,856,699	7,896,108
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		25,411,194	26,052,242	11,524,721	11,716,331

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


 Mr. Sumate Tanthuwani
 Director




 Mr. Suwat Tanthuwani
 Director

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INCOME STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006 (Restated)
Revenues					
Freight income		4,822,031	4,982,372	499,220	917,930
Gain on exchange		-	103,434	12,911	19,327
Dividend income from a subsidiary	4	-	-	32,267	-
Other income		173,385	50,297	15,325	15,745
Share of income from investment accounted for under equity method - associated companies		7,614	6,219	-	-
Total revenues		5,003,030	5,142,322	559,723	953,002
Expenses					
Cost of freight and operations		3,931,994	4,096,213	237,292	245,552
Administrative expenses	8	309,478	283,445	48,856	47,711
Loss on exchange		7,808	-	-	-
Total expenses		4,249,280	4,379,658	286,148	293,263
Income before interest and income tax expenses		753,750	762,664	273,575	659,739
Interest expense		(119,420)	(87,447)	(51,278)	(54,387)
Corporate income tax		(5,195)	(3,873)	-	-
Income after income tax		629,135	671,344	222,297	605,352
Net loss - attributable to minority interest		298	147	-	-
Net income		629,433	671,491	222,297	605,352
(Unit: Baht)					
Basic earnings per share					
Net income		0.95	1.02	0.33	0.91

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

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INCOME STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2007	2006	2007	2006 (Restated)
Revenues					
Freight income		9,643,356	9,999,308	1,222,555	1,793,253
Gain on exchange		48,225	227,891	27,132	18,027
Dividend income from a subsidiary	4	-	-	32,267	-
Other income		238,496	103,399	18,538	17,748
Share of income from investment accounted for under equity method - associated companies		17,757	13,214	-	-
Total revenues		9,947,834	10,343,812	1,300,492	1,829,028
Expenses					
Cost of freight and operations		7,807,274	8,073,700	480,943	471,208
Administrative expenses	8	616,594	567,827	91,461	83,937
Total expenses		8,423,868	8,641,527	572,404	555,145
Income before interest and income tax expenses		1,523,966	1,702,285	728,088	1,273,883
Interest expense		(247,422)	(211,926)	(104,497)	(100,141)
Corporate income tax		(8,238)	(5,726)	-	-
Income after income tax		1,268,306	1,484,633	623,591	1,173,742
Net loss (income) - attributable to minority interest		745	(1,448)	-	-
Net income		1,269,051	1,483,185	623,591	1,173,742
(Unit: Baht)					
Basic earnings per share					
Net income		1.91	2.24	0.94	1.77

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 SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

Consolidated financial statements							
Note	Issued and	Share	Translation	Retained earnings		Minority	Total
	paid-up			Statutory	Unappropriated		
	share capital	premium	adjustment	reserve		subsidiaries	
Balance as at 1 January 2006	663,000	3,073,190	2,319,686	66,300	8,192,395	27,818	14,342,389
Unrealised item in income statement -							
Translation adjustment	-	-	(752,694)	-	-	-	(752,694)
Net income for the period	-	-	-	-	1,483,185	-	1,483,185
Dividend paid	9	-	-	-	(994,500)	-	(994,500)
Decrease in minority interest		-	-	-	-	(4,231)	(4,231)
Balance as at 30 June 2006	<u>663,000</u>	<u>3,073,190</u>	<u>1,566,992</u>	<u>66,300</u>	<u>8,681,080</u>	<u>23,587</u>	<u>14,074,149</u>
Balance as at 1 January 2007	663,000	3,073,190	977,755	66,300	9,938,991	24,472	14,743,708
Unrealised item in income statement -							
Translation adjustment	-	-	(393,035)	-	-	-	(393,035)
Net income for the period	-	-	-	-	1,269,051	-	1,269,051
Dividend paid	9	-	-	-	(663,000)	-	(663,000)
Decrease in minority interest		-	-	-	-	(4,103)	(4,103)
Balance as at 30 June 2007	<u>663,000</u>	<u>3,073,190</u>	<u>584,720</u>	<u>66,300</u>	<u>10,545,042</u>	<u>20,369</u>	<u>14,952,621</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 CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Note	Separate financial statements					Total
		Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings		
					Statutory reserve	Unappropriated	
Balance as at 1 January 2006 - as previously reported		663,000	3,073,190	2,319,686	66,300	8,192,395	14,314,571
Cumulative effect of the change in accounting policy for investments in subsidiary and associated companies	2	-	-	(2,319,686)	-	(5,144,832)	(7,464,518)
Balance as at 1 January 2006 - as restated		663,000	3,073,190	-	66,300	3,047,563	6,850,053
Net income for the period		-	-	-	-	1,173,742	1,173,742
Dividend paid	9	-	-	-	-	(994,500)	(994,500)
Balance as at 30 June 2006		<u>663,000</u>	<u>3,073,190</u>	<u>-</u>	<u>66,300</u>	<u>3,226,805</u>	<u>7,029,295</u>
Balance as at 1 January 2007 - as previously reported		663,000	3,073,190	977,755	66,300	9,938,991	14,719,236
Cumulative effect of the change in accounting policy for investments in subsidiary and associated companies	2	-	-	(977,755)	-	(5,845,373)	(6,823,128)
Balance as at 1 January 2007 - as restated		663,000	3,073,190	-	66,300	4,093,618	7,896,108
Net income for the period		-	-	-	-	623,591	623,591
Dividend paid	9	-	-	-	-	(663,000)	(663,000)
Balance as at 30 June 2007		<u>663,000</u>	<u>3,073,190</u>	<u>-</u>	<u>66,300</u>	<u>4,054,209</u>	<u>7,856,699</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

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated)
Cash flows from operating activities				
Net income	1,269,051	1,483,185	623,591	1,173,742
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation	586,379	577,645	231,671	209,848
Share of income from investment accounted for under equity method - associated companies	(17,757)	(13,214)	-	-
Gain on sales of investments	(3,950)	(3,609)	-	-
Gain on sales of fixed assets	(139,123)	(19,647)	-	-
Increase (decrease) in allowance for doubtful accounts	53	(187)	-	-
Unrealised exchange gain	(58,832)	(202,005)	(46,798)	(64,634)
Net income (loss) attributable to minority interest	(745)	1,448	-	-
	<u>1,635,076</u>	<u>1,823,616</u>	<u>808,464</u>	<u>1,318,956</u>
Operating assets (increase) decrease				
Trade accounts receivable - unrelated parties	(371,405)	199,152	-	-
Trade accounts receivable - related parties	6,439	38,616	(114,534)	(51,714)
Material supplies	(74,701)	(27,622)	(2,626)	(8,075)
Other current assets	(15,643)	67,746	(35,430)	(10,670)
Other non-current assets	1,045	2,036	(443)	232
Operating liabilities increase (decrease)				
Trade accounts payable - unrelated parties	(10,263)	(125,691)	374	3,018
Trade accounts payable - related parties	16,601	11,726	(49,093)	46,478
Corporate income tax payable	(508)	(10,454)	-	-
Other current liabilities	9,785	8,233	(14,151)	3,966
Net cash provided by operating activities	<u>1,196,426</u>	<u>1,987,358</u>	<u>592,561</u>	<u>1,302,191</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 SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006 (Restated)
Cash flows from investing activities				
Decrease in short-term investments	6,590	12,891	-	-
Decrease in long-term loan to related company	5,318	-	-	-
Increase in investments in subsidiary companies	-	-	-	(4,530)
Decrease (increase) in property, premises, vessels and equipment	115,041	583,558	(22,726)	(216,300)
Dividend received from associated company	12,000	13,000	-	-
Translation adjustment	(390,039)	(745,238)	-	-
Net cash used in investing activities	<u>(251,090)</u>	<u>(135,789)</u>	<u>(22,726)</u>	<u>(220,830)</u>
Cash flows from financing activities				
Increase in short-term loans from financial institution	438,000	-	438,000	-
Decrease in finance lease creditors	(26,247)	(37,290)	-	-
Decrease in long-term loans	(827,875)	(1,746,795)	(75,269)	(82,354)
Decrease in debentures	(384,600)	(192,300)	(384,600)	(192,300)
Dividend paid	(663,000)	(994,500)	(663,000)	(994,500)
Net cash used in financing activities	<u>(1,463,722)</u>	<u>(2,970,885)</u>	<u>(684,869)</u>	<u>(1,269,154)</u>
Net decrease in cash and cash equivalents	<u>(518,386)</u>	<u>(1,119,316)</u>	<u>(115,034)</u>	<u>(187,793)</u>
Cash and cash equivalents at beginning of period	<u>2,606,333</u>	<u>2,696,723</u>	<u>315,450</u>	<u>306,296</u>
Cash and cash equivalents at end of period	<u><u>2,087,947</u></u>	<u><u>1,577,407</u></u>	<u><u>200,416</u></u>	<u><u>118,503</u></u>
Supplemental cash flow information				
Cash paid during the period for				
Interest expense	260,089	252,768	106,678	81,351
Corporate income tax	7,598	11,959	-	-
Non-cash transaction				
Transfer of vessels and long-term loan from subsidiary company	-	-	-	1,935,309

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 AND SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

1. GENERAL INFORMATION

1.1 Corporate information

Regional Container Lines Public Company Limited (“the Company”) was incorporated as a public limited company under Thai laws. The Company operates its business in Thailand and other countries in South China Sea and its principal activity is in the business of international vessel operations.

1.2 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, the Company has presented the balance sheets, and the statements of income, changes in shareholders’ equity, and cash flows in the same format as that used for 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.

1.3 Basis of consolidation

These consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2006.

(UNAUDITED BUT REVIEWED)

The consolidated financial statements for the three-month and six-month periods ended 30 June 2007 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 30 June 2007 amount to Baht 150 million (31 December 2006: Baht 150 million), and total revenues included for the three-month and six-month periods then ended amount to Baht 24 million and Baht 46 million (30 June 2006: Baht 26 million and Baht 51 million) respectively.

1.4 Adoption of new accounting standards during the period

The Federation of Accounting Professions (FAP) has issued Notification No. 9/2550 regarding Thai Accounting Standards (TAS), which was announced in the Royal Gazette. This Notification mandates the use of the following Thai Accounting Standards in 2007 in place of the previous versions, which are cancelled.

TAS 25	Cash Flow Statements
TAS 33	Borrowing Costs
TAS 44	Consolidated Financial Statements and Separate Financial Statements
TAS 45	Investments in Associates
TAS 46	Interests in Joint Ventures
TAS 49	Construction Contracts

a) Thai Accounting Standards effective in the current year

Thai Accounting Standards No. 44, 45 and 46 became effective for the financial statements for fiscal years beginning on or after 1 January 2007. During the first quarter of the current year, the Company changed its accounting policy for recording investments in subsidiary and associated companies in the separate financial statements in order to comply with the revised Thai Accounting Standards No. 44 and 45, as discussed in Note 2. However, Accounting Standard No. 46 (Revised) does not impact on the separate financial statements since the Company has no investments in joint ventures.

(UNAUDITED BUT REVIEWED)

b) Thai Accounting Standards not effective in the current year

Thai Accounting Standards No. 25, 33 and 49 will become effective for the financial statements for fiscal years beginning on or after 1 January 2008. However, Accounting Standard No. 49 has not related to the Company's business. For the two remaining Accounting Standards, the management has assessed the effect of these revised accounting standards and believes that they will not significantly impact the financial statements for the year in which they are initially applied.

1.5 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 2006, except for the change in the accounting policy for recording investments in subsidiary and associated companies in the separate financial statements from the equity method to the cost method, as described in Note 2.

2. CHANGE IN ACCOUNTING POLICY FOR RECORDING INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES IN THE SEPARATE FINANCIAL STATEMENTS

During the first quarter of the current year, the Company changed its accounting policy for recording investments in subsidiary and associated companies in the separate financial statements from the equity method to the cost method, in compliance with Accounting Standard No. 44 (Revised 2007) regarding "Consolidated Financial Statements and Separate Financial Statements" under which investments in subsidiaries, jointly controlled entities and associates are to be presented in the separate financial statements under the cost method.

In this regard, the Company has restated the previous period's separate financial statements as though the investments in the subsidiary and associated companies had originally been recorded using the cost method. The change has the effect of decreasing net income in the separate income statements for the three-month and six-month periods ended 30 June 2007 by Baht 407 million (Baht 0.62 per share) and Baht 645 million (Baht 0.97 per share), respectively (30 June 2006: decreasing by Baht 66 million (Baht 0.11 per share) and Baht 309 million (Baht 0.47 per share), respectively). The cumulative effect of the change in accounting policy has been presented under the heading of "Cumulative effect of the change in accounting policy for investments in subsidiary and associated companies" in the separate statements of changes in shareholders' equity.

(UNAUDITED BUT REVIEWED)

Such change in accounting policy affects only the accounts related to investments in subsidiary and associated companies in the Company's separate financial statements, with no effect to the consolidated financial statements.

3. TRADE ACCOUNTS RECEIVABLE

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

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2007	31 December 2006
Under 90 days	1,921,261	1,582,973
91 - 180 days	40,084	20,351
181 - 365 days	8,963	4,959
Total	1,970,308	1,608,283
Less: Allowance for doubtful accounts	(1,676)	(1,623)
Net	1,968,632	1,606,660

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
Under 90 days	111,761	118,200	498,731	871,441
91 - 180 days	-	-	617,910	207,133
181 - 365 days	-	-	55,803	-
	111,761	118,200	1,172,444	1,078,574

(UNAUDITED BUT REVIEWED)

4. INVESTMENTS IN SUBSIDIARIES / INVESTMENT IN ASSOCIATED COMPANIES

Separate financial statements in which the cost method is applied

(Unit: Million Baht)

Company's name	Share capital issued and fully paid		Percentage directly owned by the Company		Cost Method	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006	30 June 2007	31 December 2006
			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
b) RCL Logistics Co., Ltd.	Baht 5 Million	Baht 5 Million	100	100	5	5
Subsidiaries operating in Singapore						
c) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	145	145
d) Regional Container Lines Pte Ltd.	S\$ 42.5 Million	S\$ 42.5 Million	85	85	1,173	1,173
e) RCL Feeder Pte. Ltd.	S\$ 20.5 Million	S\$ 20.5 Million	98	98	430	430
f) RCL Service S.A.	USD 10,000	USD 10,000	49	49	2	2
g) RCL Holdings Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	108	108
h) RCL Shipmanagement Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	54	54
Subsidiary operating in Hong Kong						
i) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 20 Million	100	100	217	217
Subsidiary operating in the People's Republic of China						
j) Regional Container Lines Shipping Co., Ltd.	USD 1.7 Million	USD 1.7 Million	100	100	73	73
Total investments in subsidiaries					<u>2,220</u>	<u>2,220</u>
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
Total investment in associated company					<u>20</u>	<u>20</u>

(UNAUDITED BUT REVIEWED)

During the first quarter of the current year, a subsidiary company in Singapore invested an additional Baht 3 million in RCL (Korea) Limited, incorporated in Korea, increasing its investment from 85% of equity to 100% of equity.

On 25 May 2007, the annual general meeting of the shareholders of Regional Container Lines Shipping Co., Ltd. approved the payment of a dividend of 7 million Yuan Renminbi , or approximately Baht 32 million, to the shareholder.

Consolidated financial statements in which the equity method is applied

	(Unit: Thousand Baht)	
	30 June 2007	31 December 2006
The Company's investment in associated company	168,196	167,569
The subsidiaries' investments in associated companies	38,099	34,523
Total investments in associated companies accounted for under equity method	206,295	202,092

The accumulated share of the profit of the Company's associated company, as at 30 June 2007, is calculated based on the financial statements of the associated company, which were prepared by the management and unreviewed by that company's auditor.

5. VESSELS AND EQUIPMENT

During the first half year 2007, a subsidiary in Singapore purchased containers for USD 7 million, or approximately Baht 253 million, and sold old containers which had already been fully depreciated for a total of USD 1 million, or approximately Baht 30 million. Furthermore, another subsidiary in Singapore made payments for construction of two vessels totaling USD 10 million, or approximately Baht 343 million and sold a vessel for USD 4 million, or approximately Baht 149 million, with a gain on the sale of USD 3 million, or approximately Baht 109 million.

6. SHORT-TERM LOANS FROM FINANCIAL INSTITUTION

These represent unsecured short-term loans from a bank, carrying interest at a rate of 3.95 percent per annum.

(UNAUDITED BUT REVIEWED)

7. LONG-TERM LOANS

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2007	2006	2007	2006
Long-term loans	5,906,887	6,802,054	1,476,463	1,618,294
Less: Current portion	(988,098)	(1,058,198)	(144,045)	(150,539)
Long-term loans, net of current portion	<u>4,918,789</u>	<u>5,743,856</u>	<u>1,332,418</u>	<u>1,467,755</u>

Movement in the long-term loans during the six-month period ended 30 June 2007 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2007		6,802,054		1,618,294
Less: Repayment		(630,073)		(75,269)
Translation adjustment		(197,802)		-
Unrealised gain on exchange		(67,292)		(66,562)
Balance as at 30 June 2007		<u>5,906,887</u>		<u>1,476,463</u>

During the first quarter of the current year, a subsidiary company in Singapore made early repayment of a bank loan amounting to USD 4 million, or approximately Baht 129 million.

The long-term loans are secured by the mortgage of most of the yessels of the Group, and the property of subsidiaries, and guaranteed by the Company.

8. RELATED PARTY TRANSACTIONS

- a) The Group has business dealings with its customers through regional shipping agents (third parties and related companies) of which a substantial part is through its related companies, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Group and those companies.

(UNAUDITED BUT REVIEWED)

- b) In addition to the matter discussed in a), during the periods, the Group had other significant business transactions with its related parties. The transactions are summarised below.

(Unit: Million Baht)

	For the six-month periods ended 30 June				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2007	2006	2007	2006	
Transactions with subsidiary					
Charter freight income	-	-	1,223	1,793	Market price as at agreement date
Transactions with related parties					
Slot revenues	24	8	-	-	Price approximates market price
Charter freight expenses	19	-	-	-	Price approximates market price
Commission expenses	68	69	-	-	Price approximates market price
Terminal operating service	166	146	-	-	Price per tariff minus volume discount
Logistic service fees	15	9	-	-	Market price

Directors' remuneration

During the six-month period ended 30 June 2007, the Group paid remuneration to their directors totalling Baht 6.2 million (30 June 2006: Baht 8.7 million).

Directors' remuneration represents the benefits paid to the directors in accordance with Section 90 of the Public Limited Companies Act B.E. 2535, exclusive of salaries and related benefits payable to executive directors.

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 June	31 December	30 June	31 December
	2007	2006	2007	2006
<u>Trade accounts receivable - related parties</u>				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	1,172	1,079
<u>Related parties</u>				
Ngow Hock Co., Ltd.	99	103	-	-
Songkhla Shipping Agency Co., Ltd.	4	7	-	-
PT Daerah Indah Shipping	8	6	-	-
Siam Paetra International Co., Ltd.	1	2	-	-
	<u>112</u>	<u>118</u>	<u>1,172</u>	<u>1,079</u>

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2007	31 December 2006	30 June 2007	31 December 2006
<u>Long-term loan to related party</u>				
<u>Related party</u>				
PT Daerah Indah Shipping				
Long-term loan	18	23	-	-
Less: Current portion	(9)	(9)	-	-
Long-term loan, net of current portion	<u>9</u>	<u>14</u>	<u>-</u>	<u>-</u>
<u>Trade accounts payable - related parties</u>				
<u>Subsidiary</u>				
RCL Shipmanagement Pte Ltd.	-	-	144	194
<u>Related parties</u>				
RCL (Vietnam) Co., Ltd.	35	19	-	-
NH Logistics Co., Ltd.	2	2	-	-
Others	1	1	-	-
	<u>38</u>	<u>22</u>	<u>144</u>	<u>194</u>

9. DIVIDEND

On 26 April 2007, the annual general meeting of the Company's shareholders approved the payment of a dividend of Baht 1 per share (2006: Baht 1.50) to shareholders, or a total of Baht 663 million (2006: Baht 994.5 million). The dividend was paid in May 2007.

10. FINANCIAL INFORMATION BY SEGMENT

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

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

Consolidated financial statements							
For the six-month period ended 30 June 2007							
	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Revenues from external customers	78	9,345	174	46	9,643	-	9,643
Inter-segment revenues	1,223	1,409	33	58	2,723	(2,723)	-
Freight income	1,301	10,754	207	104	12,366	(2,723)	9,643
Segment gross profit	759	947	55	75	1,836	-	1,836
Other income							238
Gain on exchange							48
Share of income from investments accounted for under equity method - associated companies							18
Administrative expenses							(617)
Interest expense							(247)
Corporate income tax							(8)
Minority interest							1
Net income for the period							1,269

(Unit: Million Baht)

Consolidated financial statements							
For the six-month period ended 30 June 2006							
	Thailand	Singapore	Hong Kong	China	Total	Elimination	Grand Total
Revenues from external customers	73	9,680	195	51	9,999	-	9,999
Inter-segment revenues	1,793	2,256	37	50	4,136	(4,136)	-
Freight income	1,866	11,936	232	101	14,135	(4,136)	9,999
Segment gross profit	1,337	439	68	82	1,926	-	1,926
Other income							103
Gain on exchange							228
Share of income from investments accounted for under equity method - associated companies							13
Administrative expenses							(568)
Interest expense							(212)
Corporate income tax							(6)
Minority interest							(1)
Net income for the period							1,483

(UNAUDITED BUT REVIEWED)

11. COMMITMENTS AND CONTINGENT LIABILITIES

11.1 Commitments

- (a) As at 30 June 2007, the Company has outstanding commitments of approximately Baht 4 million (31 December 2006: Baht 4 million) in respect of lease agreements, and a subsidiary company in Singapore has outstanding commitments of USD 52 million, or approximately Baht 1,786 million (31 December 2006: USD 56 million, or approximately Baht 2,021 million) in respect of the following agreements.

	(Unit: Million Baht)			
	Charter hire	Container lease	Other rental	Total
Payment period				
Within 1 year	755	159	29	943
During 2-5 years	223	561	44	828
Over 5 years	-	15	-	15
Total	978	735	73	1,786

- (b) As at 30 June 2007, a subsidiary company in Singapore has commitments amounting to USD 52 million, or approximately Baht 1,789 million (31 December 2006: USD 20 million, or approximately Baht 707 million) in respect of the building of 4 vessels. These amounts are to be paid within 2008.

11.2 Guarantees

As at 30 June 2007, the Company has outstanding guarantee obligations of USD 362 million and S\$ 6 million, or approximately Baht 12,701 million (31 December 2006: USD 362 million and S\$ 6 million, or approximately Baht 13,274 million). These were issued to secure credit lines of overseas subsidiaries from financial institutions. The subsidiaries have utilised guarantees totalling USD 128 million, or approximately Baht 4,430 million (31 December 2006: USD 144 million, or approximately Baht 5,184 million).

(UNAUDITED BUT REVIEWED)

11.3 Bank guarantees

As at 31 December 2006, there were outstanding letters of guarantees of Baht 357 million issued by a bank in respect of the building of vessels (30 June 2007: Nil).

11.4 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 approximately Baht 241 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 approximately Baht 280 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.

12. FINANCIAL INSTRUMENTS

12.1 Interest rate risk

As at 30 June 2007, a subsidiary in Singapore has entered into a period-by-period knock out swap and interest rate swap agreement covering the notional amount of USD 14 million (31 December 2006: USD 15 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.

12.2 Foreign currency risk

As at 30 June 2007, a subsidiary company in Singapore has entered into forward foreign exchange contracts in order to hedge foreign currency risk. Under the contracts, the subsidiary company is committed to purchase JPY 1,971 million at rates of JPY 115.61 and JPY 116.56 per USD 1. The contracts mature in October 2008.

(UNAUDITED BUT REVIEWED)

12.3 Commodity price risk

As at 30 June 2007, subsidiary companies in Singapore have entered into various contracts to hedge exposure to bunker price fluctuations, covering the period from July 2007 to December 2007 and volumes of 5,000 metric tons to 10,000 metric tons per month (31 December 2006: 2,000 metric tons to 5,000 metric tons per month covering the period from January 2007 to March 2007).

13. SUBSEQUENT EVENTS

On 10 August 2007, a meeting of the Board of Directors approved the payment of an interim dividend of Baht 0.50 per share, or a total of Baht 331.5 million. The dividend will be paid in September 2007.

14. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2007.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN THAI BAHT (million baht)

	1 st Quarter 2006	Half-Year 2006	9 months 2006	Year-end 2006	1 st Quarter 2007	Half-Year 2007
Freight income	5,016.9	9,999.3	15,162.0	20,156.8	4,821.3	9,643.4
Cost of freight and operations	(3,987.9)	(8,095.2)	(12,480.4)	(16,484.2)	(3,887.4)	(7,831.2)
Gross Profit	1,029.0	1,904.1	2,681.6	3,672.6	933.9	1,812.2
Gross Profit Margin	20.5%	19.0%	17.7%	18.2%	19.4%	18.8%
Other income	60.1	116.6	176.3	385.3	75.3	256.3
Gain on exchange	124.5	227.9	297.7	471.3	56.0	48.2
Reversal of loss on impairment of building	0.0	0.0	0.0	200.5	0.0	0.0
Total other income	184.6	344.5	474.0	1,057.1	131.3	304.5
Admin expenses	(274.0)	(546.3)	(871.5)	(1,157.3)	(295.0)	(592.7)
Loss on exchange	0.0	0.0	0.0	0.0	0.0	0.0
Total other expenses	(274.0)	(546.3)	(871.5)	(1,157.3)	(295.0)	(592.7)
Interest expenses	(124.5)	(211.9)	(348.3)	(479.4)	(128.0)	(247.4)
Profit / (loss) before taxation	815.1	1,490.4	1,935.8	3,093.0	642.2	1,276.5
Income tax	(1.8)	(5.7)	(12.1)	(19.3)	(3.0)	(8.2)
Profit / (loss) after taxation	813.3	1,484.7	1,923.7	3,073.7	639.2	1,268.3
Minority interest	(1.6)	(1.5)	(1.8)	(1.1)	0.4	0.7
Net profit / (loss) attributable to members	811.7	1,483.2	1,921.9	3,072.6	639.6	1,269.0

COMPUTATION OF EBITDA

Profit / (loss) before taxation	815.1	1,490.4	1,935.8	3,093.0	642.2	1,276.5
Add: Impairment loss	0.0	0.0	0.0	0.0	0.0	0.0
Add: Interest	124.5	211.9	348.3	479.4	128.0	247.4
EBIT	939.6	1,702.3	2,284.1	3,572.4	770.2	1,523.9
Add: Amortisation	0.7	1.2	1.8	2.5	0.7	1.3
Add: Depreciation	290.8	577.6	747.8	1,189.1	296.1	586.4
EBITDA	1,231.1	2,281.1	3,033.7	4,764.0	1,066.9	2,111.6

10 August 2007

The Board of Directors
Regional Container Lines Public Company Limited
30th Floor, Panjathani Tower
127/35 Ratchadapisek Road
Yannawa District
BANGKOK 10120

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Dear Sirs,

Consolidated financial statements in United States Dollars

As requested, we have obtained from the management the consolidated balance sheets as at 30 June 2007 and 31 December 2006, and the related statements of income and retained earnings for the six-month periods ended 30 June 2007 and 2006 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:

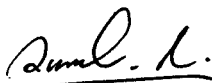
- (i) We obtained management's basis in determining exchange rates applied in the translation of financial information.
- (ii) We recomputed the translation of financial information into USD.
- (iii) We checked the casting and extension of the translated USD financial information in the statements.

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



Sumalee Reewarabandith

Partner

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

	30 June 2007		31 December 2006	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	2,087.9	60.4	2,606.3	72.2
Short-term investments	203.9	5.9	206.5	5.7
Trade accounts receivable - unrelated parties, net	1,968.6	57.0	1,606.7	44.5
Trade accounts receivable - related parties	111.8	3.2	118.2	3.3
Other current assets	576.2	16.7	486.2	13.5
Total current assets	4,948.4	143.2	5,023.9	139.2
Non-current assets				
Property and premises, net	2,162.7	65.7	2,263.7	65.9
Vessels and equipment, net	18,041.8	519.9	18,503.1	520.3
Other non-current assets	258.3	7.6	261.5	7.6
Total non-current assets	20,462.8	593.2	21,028.3	593.8
TOTAL ASSETS	25,411.2	736.4	26,052.2	733.0

See Basis of Preparation

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

	30 June 2007		31 December 2006	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Short-term loans from financial institution	438.0	12.7	-	-
Trade accounts payable - unrelated parties	2,253.4	65.2	2,263.7	62.7
Trade accounts payable - related parties	37.6	1.1	21.9	0.6
Current portion of finance lease creditors	-	-	26.2	0.7
Current portion of long-term loans	988.1	28.6	1,058.2	29.3
Current portion of debentures	769.2	22.3	769.2	21.3
Other current liabilities	284.2	8.2	271.5	7.5
Total current liabilities	4,770.5	138.1	4,410.7	122.1
Non-current liabilities				
Long-term loans, net of current portion	4,918.8	142.2	5,743.9	159.0
Debentures, net of current portion	769.3	22.3	1,153.9	32.0
Total non-current liabilities	5,688.1	164.5	6,897.8	191.0
Total liabilities	10,458.6	302.6	11,308.5	313.1
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	584.7	(15.0)	977.7	(13.7)
Retained earnings				
Appropriated - statutory reserve	66.3	1.9	66.3	1.9
Unappropriated	10,545.0	312.0	9,939.0	296.7
Equity attributable to Company's shareholders	14,932.2	433.2	14,719.2	419.2
Minority interest - equity attributable				
to minority shareholders of subsidiaries	20.4	0.6	24.5	0.7
Total shareholders' equity	14,952.6	433.8	14,743.7	419.9
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	25,411.2	736.4	26,052.2	733.0

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INCOME STATEMENTS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

	<u>2007</u>	<u>2007</u>	<u>2006</u>	<u>2006</u>
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Revenues				
Freight income	9,643.4	275.2	9,999.3	259.5
Gain on exchange	48.2	(0.4)	227.9	0.9
Other income	256.2	7.3	116.6	3.0
Total revenues	<u>9,947.8</u>	<u>282.1</u>	<u>10,343.8</u>	<u>263.4</u>
Expenses				
Cost of freight and operations	7,244.8	206.8	7,517.6	195.1
Depreciation	586.4	16.9	577.6	15.7
Administrative expenses	592.7	16.9	546.3	14.2
Total expenses	<u>8,423.9</u>	<u>240.6</u>	<u>8,641.5</u>	<u>225.0</u>
Income before interest and income tax expenses	<u>1,523.9</u>	<u>41.5</u>	<u>1,702.3</u>	<u>38.4</u>
Interest expenses	(247.4)	(7.1)	(211.9)	(5.5)
Corporate income tax	(8.2)	(0.2)	(5.7)	(0.2)
Income after income tax	<u>1,268.3</u>	<u>34.2</u>	<u>1,484.7</u>	<u>32.7</u>
Net loss (income) attributable to minority interest	0.7	-	(1.5)	-
Net income for the period	<u><u>1,269.0</u></u>	<u><u>34.2</u></u>	<u><u>1,483.2</u></u>	<u><u>32.7</u></u>

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF RETAINED EARNINGS
 FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2007 AND 2006

	<u>2007</u>	<u>2007</u>	<u>2006</u>	<u>2006</u>
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of year	9,939.0	296.7	8,192.4	261.1
Net income for the period	1,269.0	34.2	1,483.2	32.7
Dividend paid	(663.0)	(18.9)	(994.5)	(25.8)
Total retained earnings - unappropriated	<u>10,545.0</u>	<u>312.0</u>	<u>8,681.1</u>	<u>268.0</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>10,611.3</u></u>	<u><u>313.9</u></u>	<u><u>8,747.4</u></u>	<u><u>269.9</u></u>

See Basis of Preparation

BASIS OF PREPARATION

1. THAI BAHT FIGURES

The Thai Baht figures in the balance sheets as at 30 June 2007 and profit and loss accounts for the six-month periods ended 30 June 2007 and 2006 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the balance sheet as at 31 December 2006 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 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 30 June 2007 : USD 1 = Baht 34.5453

As of 31 December 2006 : USD 1 = Baht 36.0932

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

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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 rates 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 "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:

30 June 2007 : USD 1 = Baht 35.0420

30 June 2006 : USD 1 = Baht 38.5267