



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

## Regional Container Lines Public Company Limited

### PRESS RELEASE

### FINANCIAL RESULTS AS AT 30 SEPTEMBER 2009

The earlier anticipated recovery that started in the second quarter has kept its momentum in quarter 3.

From the shipping perspective, although demand in the USA and Europe has not bounced back to level enjoyed in 2008, volume did however improved and rates held at a better level than previous quarter. The Intra-Asia trade, with stronger consumer confidence, saw an improvement in the volume as compared to the first half of this year. Recently, there were some signs that both the freight rates and volume had bottomed due to the common approach by the industry to look for additional revenue in the light of rising cost such as bunkers and the continuous weakening of the US dollar. Shipping lines were rolling out rate recovery and implemented the peak season surcharge in certain areas as planned.

The Group's Shipper Owned Container (SOC) liftings in Q309 declined by 30% year-on-year at 282,303 TEUs. This was partially due to lower East West Trade volume and reduction in the tonnage deployed, as the Group returned more time-chartered vessels. With stronger recovery in the Intra-Asia trades, the Group's Carrier Owned Container (COC) liftings reduced only by 14%, at 312,248 TEUs. Overall, in Q309, total liftings of the Group recorded a 22% decline year-on-year at 594,551 TEUs. In comparison with the first nine months of the previous year, SOC liftings dropped 30% at 816,486 TEUs, COC slipped 12% at 923,790 TEUs and total liftings declined by 21% at 1,740,276 TEUs.

With 22% reduction in liftings, total turnover for the third quarter before exchange difference, gain on sale of assets, and adjustment for unrealized loss on derivatives was down by 33% at THB5,267 million. The decline in turnover was mainly due to the decrease in liftings as well as lower freight rates in Q309 compared to last year. For the first 9 months, total turnover before exchange difference, gain on sale of assets, and adjustment for unrealized loss on derivatives was down by 28% at THB10,795 million.

The Group returned one expensive time-chartered vessels in September and successfully negotiated tariff reduction with a number of vendors. Although bunker price had picked up substantially since March, overall, the price was still lower than that of 2008. With the successful implementation of these cost reduction initiative as well as lower bunker cost, the Cost of Freight and Operation in Q309 reduced by 26% at THB3,774 million as compared to the same quarter last year. For the first nine months, the Cost of Freight and Operation decreased by 18% year-on-year at THB11,430 million.

In Q309, the Group disposed two condominium units and some containers to record a disposal gain of THB41.2 million. In the first nine months, the Group recorded a total disposal gain of THB60.6 million as compared to THB856.0 million in 2008.

In Q309, the Group recorded a Gain on Exchange of THB43.4 million against a Loss on Exchange of THB142.0 million in the same quarter last year. For the same period,

the Group recorded a Loss on Exchange of THB26.5 million versus a Gain on Exchange of THB74.2 million in 2008.

With reduction in liftings compared to same quarter of 2008 and lower freight rates in this quarter, the Group recorded a Net Loss attributable to equity holders at THB589.0 million for Q309 versus a Net Loss of THB440.5 million for the same quarter last year. For the first 9 months, the Group recorded a Net Loss attributable to equity holders at THB1,589.6 million versus a Net Profit of THB772.4 million for the same period in 2008.

## Regional Container Lines Public Company Limited

13 November 2009

*Founded in 1979, RCL is a Thai based container shipping line which was public listed on the Thai Stock Exchange since 1988. Its core business is in the carriage of Shipper owned containers (or SOC) and its own Carrier owned containers (or COC) within a service network that is fully Asia centric. RCL currently owns and operates a fleet of 40 vessels with sizes ranging between 500 TEUs to 2732 TEUs, with a fleet of 72434 TEUs to support its own COC carriage as well. It also operates a network of 58 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\$

	1 <sup>st</sup> Quarter	Half-Year	9 months	Year-end	1 <sup>st</sup> Quarter	Half-Year	9 months
	2008	2008	2008	2008	2009	2009	2009
Freight income	144.8	298.8	452.5	584.1	103.2	205.8	308.7
Cost of freight and operations	(127.7)	(271.7)	(423.2)	(562.2)	(114.3)	(219.9)	(331.9)
<b>Gross Profit</b>	<b>17.1</b>	<b>27.1</b>	<b>29.3</b>	<b>21.9</b>	<b>(11.1)</b>	<b>(14.1)</b>	<b>(23.2)</b>
<b>Gross Profit Margin</b>	<b>11.8%</b>	<b>9.1%</b>	<b>6.5%</b>	<b>3.7%</b>	<b>-10.8%</b>	<b>-6.9%</b>	<b>-7.5%</b>
Other income	2.1	3.7	5.6	8.1	1.0	2.1	3.1
Gain on exchange	0.9	0.7	1.0	3.7	0.0	0.0	0.0
Gain on sale of assets	4.6	25.7	26.0	29.4	0.1	0.6	1.7
Reversal of loss on impairment of buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total other income	7.6	30.1	32.6	41.2	1.1	2.7	4.8
Admin expenses	(10.3)	(20.0)	(31.2)	(38.1)	(8.5)	(17.2)	(26.2)
Adjustment for unrealised loss on derivatives	0.0	0.0	0.0	(28.9)	5.6	7.4	7.7
Loss on exchange	0.0	0.0	0.0	0.0	(1.2)	(1.7)	(2.0)
Loss on sale of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loss on impairment of fixed assets	0.0	0.0	0.0	(5.5)	0.0	0.0	0.0
Loss on disposal of vessels	0.0			0.0	0.0	0.0	0.0
Total other expenses	(10.3)	(20.0)	(31.2)	(72.5)	(4.1)	(11.5)	(20.5)
Interest expenses	(3.0)	(5.5)	(8.2)	(11.7)	(2.7)	(5.3)	(8.2)
Profit / (loss) before taxation	11.4	31.7	22.5	(21.1)	(16.8)	(28.2)	(47.1)
Income tax	(0.1)	(0.2)	(0.3)	(0.5)	(0.1)	(0.3)	(0.5)
Profit / (loss) after taxation	11.3	31.5	22.2	(21.6)	(16.9)	(28.5)	(47.6)
Minority interest	0.0	(0.1)	(0.1)	(0.1)	0.0	0.0	0.0
<b>Net profit / (loss) attributable to members</b>	<b>11.3</b>	<b>31.4</b>	<b>22.1</b>	<b>(21.7)</b>	<b>(16.9)</b>	<b>(28.5)</b>	<b>(47.6)</b>

### COMPUTATION OF EBITDA

Profit / (loss) before taxation	11.4	31.7	22.5	(21.1)	(16.8)	(28.2)	(47.1)
Add: Impairment loss	0.0	0.0	0.0	5.5	0.0	0.0	0.0
Deduct: Impairment gain	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Add: Adjustment for unrealised loss on derivatives	0.0	0.0	0.0	28.9	(5.6)	(7.4)	(7.7)
Less: Realised loss on derivatives	0.0	0.0	0.0	0.0	(18.4)	(21.0)	(21.0)
Add: Interest	3.0	5.5	8.2	11.7	2.7	5.3	8.2
<b>EBIT</b>	<b>14.4</b>	<b>37.2</b>	<b>30.7</b>	<b>25.0</b>	<b>(38.1)</b>	<b>(51.3)</b>	<b>(67.6)</b>
Add: Amortisation	0.2	0.3	0.5	0.6	0.1	0.3	0.4
Add: Depreciation	9.3	18.4	27.4	35.4	9.7	19.4	29.4
<b>EBITDA</b>	<b>23.9</b>	<b>55.9</b>	<b>58.6</b>	<b>61.0</b>	<b>(28.3)</b>	<b>(31.6)</b>	<b>(37.8)</b>



**A. M. T. & Associates**

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13 November 2009

The Board of Directors  
Regional Container Lines Public Company Limited  
30<sup>th</sup> 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 sheet as at 30 September 2009, the related consolidated statements of income and retained earnings for the nine - month period ended 30 September 2009 of Regional Container Lines Public Company Limited and its subsidiaries ("the Group") in United States Dollars ("USD") and performed the following procedures as agreed upon:

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

The above procedures do not constitute either an audit or a review in accordance with Thai generally accepted auditing standards and the basis of translation is not necessarily in compliance with Thai generally accepted accounting principles. We therefore cannot give any assurance on the basis of these procedures.

The above procedures were performed solely to assist you in the preparation of the financial information in USD for presentation to your bankers for the purpose of their facilities review, and are not to be referred to for any other purposes or distributed to any other parties without our prior consent.

The consolidated balance sheet as at 31 December 2008 and the related consolidated statements of income and retained earnings for the nine - month period ended 30 September 2008 of Regional Container Lines Public Company Limited and its subsidiaries ("the Group") in United States Dollars ("USD"), presented herein for comparison, were performed by another auditor under her report dated 27 February 2009 and 7 November 2008, respectively.

Yours faithfully,  
A.M.T & ASSOCIATES

  
Natsarak Sarochanunjeen  
Partner

## REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## BALANCE SHEETS

	30 September 2009		31 December 2008	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	1,625.8	48.4	3,437.2	98.4
Trade accounts receivable - unrelated parties, net	1,100.9	32.8	1,722.6	49.3
Trade accounts receivable - related parties	52.5	1.6	85.0	2.4
Material supplies	318.4	9.5	354.9	10.2
Other current assets	350.4	10.4	259.6	7.4
Total current assets	<u>3,448.0</u>	<u>102.7</u>	<u>5,859.3</u>	<u>167.7</u>
Non-current assets				
Property and premises, net	3,475.7	104.3	3,643.3	106.2
Vessels and equipment, net	21,139.5	622.4	20,536.7	589.0
Deposit for purchase vessels	-	-	234.1	6.7
Intangible assets, net	165.6	4.9	105.7	3.0
Other non - current assets	274.4	8.2	292.7	8.4
Total non - current assets	<u>25,055.2</u>	<u>739.8</u>	<u>24,812.5</u>	<u>713.3</u>
TOTAL ASSETS	<u><u>28,503.2</u></u>	<u><u>842.5</u></u>	<u><u>30,671.8</u></u>	<u><u>881.0</u></u>

*See basis of preparation*

## REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## BALANCE SHEETS (CONTINUED)

	Note	30 September 2009		31 December 2008	
		Million	Million	Million	Million
		Baht	USD	Baht	USD
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Trade accounts payable - unrelated parties		2,300.9	68.6	2,498.0	71.5
Trade accounts payable - related parties		40.7	1.2	46.4	1.3
Current portion of finance lease creditors		8.7	0.3	9.0	0.3
Current portion of long - term loans		2,936.3	87.5	2,098.3	60.0
Current portion of debentures		-	-	384.7	11.0
Provision for unrealised loss from changes in the fair value of derivatives	1	12.0	0.3	1,008.0	28.9
Other current liabilities		542.0	16.2	267.9	7.6
<b>Total current liabilities</b>		<b>5,840.6</b>	<b>174.1</b>	<b>6,312.3</b>	<b>180.6</b>
<b>Non - current liabilities</b>					
Finance lease creditors, net of current portion		10.2	0.3	18.1	0.5
Long - term loans, net of current portion		8,857.3	263.8	8,598.6	246.0
Other non - current liabilities		6.9	0.2	11.6	0.3
<b>Total non - current liabilities</b>		<b>8,874.4</b>	<b>264.3</b>	<b>8,628.3</b>	<b>246.8</b>
<b>Total liabilities</b>		<b>14,715.0</b>	<b>438.4</b>	<b>14,940.6</b>	<b>427.4</b>
<b>Shareholders' equity</b>					
<b>Share capital</b>					
<b>Issued and fully paid</b>					
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		294.8	(16.3)	640.6	(14.6)
<b>Retained earnings</b>					
Appropriated - statutory reserve		66.3	1.9	66.3	1.9
Unappropriated		9,670.4	283.6	11,260.1	331.2
<b>Equity attributable to Company's shareholders</b>		<b>13,767.7</b>	<b>403.5</b>	<b>15,703.2</b>	<b>452.8</b>
<b>Minority interest - equity attributable</b>					
to minority shareholders of subsidiaries		20.5	0.6	28.0	0.8
<b>Total shareholders' equity</b>		<b>13,788.2</b>	<b>404.1</b>	<b>15,731.2</b>	<b>453.6</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>28,503.2</b>	<b>842.5</b>	<b>30,671.8</b>	<b>881.0</b>
		-	-	-	-

See basis of preparation and note to financial statement

## REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## INCOME STATEMENTS

FOR THE NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2009 AND 2008

	Note	2009		2008	
		Million Baht	Million USD	Million Baht	Million USD
Revenues					
Freight income		10,695.0	308.7	14,877.7	452.5
Other income					
Gain on exchange		-	-	74.2	1.0
Gain on sale of assets		60.6	1.7	856.0	26.0
Adjustment for unrealised loss on derivatives	1	267.6	7.7	-	-
Others		99.7	2.8	158.7	4.8
Total revenues		<u>11,122.9</u>	<u>320.9</u>	<u>15,966.6</u>	<u>484.3</u>
Expenses					
Cost of freight and operations		10,481.9	302.5	13,013.1	395.8
Depreciation		1,004.2	29.4	899.3	27.4
Administrative expenses		906.3	26.2	1,025.4	31.2
Loss on exchange		26.5	2.0	-	-
Total expenses		<u>12,418.9</u>	<u>360.1</u>	<u>14,937.8</u>	<u>454.4</u>
Income (loss) before finance cost and corporate income tax		(1,296.0)	(39.2)	1,028.8	29.9
Finance cost		(284.3)	(8.2)	(269.8)	(8.2)
Share of income from investments accounted for					
under equity method - associated companies		9.0	0.3	27.6	0.8
Income (loss) before corporate income tax		(1,571.3)	(47.1)	786.6	22.5
Corporate income tax		(17.8)	(0.5)	(11.0)	(0.3)
Net income (loss) for the period		<u>(1,589.1)</u>	<u>(47.6)</u>	<u>775.6</u>	<u>22.2</u>
Net income (loss) attributable to:					
Equity holders of the parent		(1,589.7)	(47.6)	772.4	22.1
Minority interests of the subsidiaries		0.6	-	3.2	0.1
		<u>(1,589.1)</u>	<u>(47.6)</u>	<u>775.6</u>	<u>22.2</u>

*See basis of preparation and note to financial statement*

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENTS OF RETAINED EARNINGS  
 FOR THE NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2009 AND 2008

	2009		2008	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of period	11,260.1	331.2	12,760.1	373.4
Net income (loss) for the period	(1,589.7)	(47.6)	772.4	22.1
Dividend paid	-	-	(663.0)	(20.5)
Total retained earnings - unappropriated	<u>9,670.4</u>	<u>283.6</u>	<u>12,869.5</u>	<u>375.0</u>
Retained earnings - appropriated				
Statutory reserve	<u>66.3</u>	<u>1.9</u>	<u>66.3</u>	<u>1.9</u>
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>9,736.7</u></u>	<u><u>285.5</u></u>	<u><u>12,935.8</u></u>	<u><u>376.9</u></u>

*See basis of preparation*

## Basis of preparation

### 1. Thai Baht figures

The Thai Baht figures in the balance sheet as at 30 September 2009 and profit and loss accounts for the nine - month periods ended 30 September 2009 and 2008 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the balance sheet as at 31 December 2008 were extracted from the audited consolidated financial statements. The consolidated financial statements included the financial statements of Regional Container Lines Public Company Limited (hereinafter called "the Company") and its subsidiaries in Thailand, Singapore and Hong Kong.

For consolidation purposes, foreign currency financial statements of the subsidiaries were translated into Thai Baht at the closing exchange rates as to assets and liabilities, and at the average rates as to revenues and expenses. The resultant difference has been presented under the caption of "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 September 2009: USD 1 = Baht 33.5595

As of 31 December 2008: USD 1 = Baht 34.9438

b) The approximate rate as of January 1997 was 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 with functional currency reporting in Singapore dollar*

USD 1 = SGD 1.4020

*For its Hong Kong subsidiaries*

USD 1 = HKD 7.7296

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

Any differences have been included in "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 September 2009: USD 1 = Baht 34.6507

30 September 2008: USD 1 = Baht 32.8799

NOTE TO FINANCIAL STATEMENT1. Provision for unrealised loss from changes in the fair value of derivatives

	<u>Million Baht</u>	<u>Million USD</u>
Beginning balance as at 1 January 2009 (audited)	1,008.0	28.9
Decrease due to :		
- Realised loss	(728.3)	(20.8)
- Adjustment for over provision	(267.6)	(7.7)
End balance as at 30 September 2009 (unaudited but reviewed)	<u>12.1</u>	<u>0.4</u>