



บริษัท อาร์ ซี แอล จำกัด (มหาชน)

Regional Container Lines Public Company Limited

PRESS RELEASE

FINANCIAL RESULTS AS AT 31 DECEMBER 2010

Recovery in the shipping industry lost momentum in the last quarter of 2010 with both cargo volume and freight rates softening as compared to the traditionally peak season. After taking into consideration the surge in bunker prices, the performance of most container carriers for 2010 were expected to be worse than previously forecasted. Freight rates for container cargo continued to decline in the final weeks of 2010, although they recorded a level way above that in 2009. Overall market conditions were weaker towards the end of the year.

With the slower growth rate and softened freight rate, Regional Container Lines Group's Shipper Owned Container (SOC) liftings in 4Q10 increased only 3% year-on-year at 297,947 TEUs. For Carrier Owned Container (COC), the liftings remained steady at 335,700 TEUs. The total liftings for 4Q10 therefore increased 1% year-on-year at 633,647 TEUs. On the full year basis ended December 31, SOC liftings rose 6% at 1,174,270 TEUs, COC liftings improved 7% at 1,347,426 TEUs, resulting in total liftings increase of 7% at 2,521,696 TEUs.

From the small increase in liftings, total turnover for the fourth quarter before exchange difference, gain on sale of assets and investments, reversal of loss on impairment of buildings, and adjustment for unrealized loss on derivatives, decreased by a mere 0.1% at THB 3,662 million. For the full year, total turnover before exchange difference, gain on sale of assets and investments, reversal of loss on impairment of buildings, and adjustment for unrealized loss on derivatives was up by 6% at THB 15,348 million.

As a result of cost reduction initiative, the cost of freight and operation in 4Q10 reduced by 14% at THB 3,316 million as compared to the same quarter the year before. For the full year, the cost of freight and operation was lower by 8% year-on-year at THB 14,111 million.

In 4Q10 the group disposed some old containers, which resulted in a disposal gain of THB 29 million as against a disposal gain of THB 34 million in 4Q09. For the full year, the group recorded total gain on sale of assets and investments of THB 83.5 million, when compared to THB 100.5 million in 2009.

In 4Q10 the group recorded a gain on exchange of THB 41.1 million up from THB 5.6 million in the same quarter of previous year. For the full year of 2010, the group reversed the loss on exchange of THB 20.9 million in 2009 to a gain of THB 178.4 million.

Despite the small increase in liftings and softened freight rate, the group recorded a net profit attributable to equity holders at THB 643.7 million for the 4Q10, versus a net loss of THB 2,196.2 million for the same quarter of 2009. For the full year, the group recorded a net profit attributable to equity holders at THB 464.7 million, versus a net loss of THB 3,785.9 million in 2009. One contributing factor to our net profit was the reversal of loss on impairment of buildings at the amount of THB 666 million, compared to the loss on impairment of buildings at the amount of THB 775 million recorded in 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 43 vessels with sizes ranging between 500 TEUs to 2732 TEUs, with a fleet of 79,854 TEUs to support its own COC carriage as well. It also operates a network of 59 offices made up of both owned and agency offices to support its service structure. RCL is today recognized as amongst the leading SOC and Intra Asia COC operators by both peers and customers alike



QUARTERLY EARNING STATEMENTS IN US\$

	1 st Quarter	Half-Year	9 months	Year-end	1 st Quarter	Half-Year	9 months	Year-end
	2009	2009	2009	2009	2010	2010	2010	2010
Freight income	103.2	205.8	308.7	417.3	111.4	231.2	359.8	480.3
Cost of freight and operations	(114.3)	(219.9)	(331.9)	(447.6)	(112.2)	(226.6)	(336.3)	(446.7)
Gross Profit	(11.1)	(14.1)	(23.2)	(30.3)	(0.8)	4.6	23.5	33.6
Gross Profit Margin	-10.8%	-6.9%	-7.5%	-7.3%	-0.7%	2.0%	6.5%	7.0%
Other income	1.0	2.1	3.1	4.2	1.1	2.4	3.6	5.1
Adjustment for unrealised loss on derivatives	5.6	7.4	7.7	7.7	0.0	0.0	0.0	0.0
Gain on exchange	0.0	0.0	0.0	0.0	0.1	1.0	0.4	0.8
Gain on sale of assets	0.1	0.6	1.7	2.7	0.8	1.2	1.7	2.6
Reversal of loss on impairment of buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.6
Total other income	6.7	10.1	12.5	14.6	2.0	4.6	5.7	29.1
Admin expenses	(8.5)	(17.2)	(26.2)	(34.7)	(8.7)	(19.4)	(28.5)	(39.7)
Allowance for unrealised loss from changes in the fair value of Derivatives	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	0.0
Loss on exchange	(1.2)	(1.7)	(2.0)	(4.9)	0.0	0.0	0.0	0.0
Loss on sale of investments	0.0	0.0	0.0	0.0	(0.1)	(0.2)	0.0	0.0
Loss on impairment of assets	0.0	0.0	0.0	(48.0)	0.0	0.0	0.0	0.0
Loss on impairment of Vessels								
Loss on disposal of vessels	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total other expenses	(9.7)	(18.9)	(28.2)	(87.6)	(8.8)	(19.6)	(28.6)	(39.7)
Interest expenses	(2.7)	(5.3)	(8.2)	(11.6)	(3.2)	(6.3)	(9.4)	(12.5)
Profit / (loss) before taxation	(16.8)	(28.2)	(47.1)	(114.9)	(10.8)	(16.7)	(8.8)	10.5
Income tax	(0.1)	(0.3)	(0.5)	(0.9)	(0.1)	(0.3)	(0.4)	(0.6)
Profit / (loss) after taxation	(16.9)	(28.5)	(47.6)	(115.8)	(10.9)	(17.0)	(9.2)	9.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	(16.9)	(28.5)	(47.6)	(115.8)	(10.9)	(17.0)	(9.2)	9.9

COMPUTATION OF EBITDA

Profit / (loss) before taxation	(16.8)	(28.2)	(47.1)	(114.9)	(10.8)	(16.7)	(8.8)	10.5
Add: Impairment loss of assets	0.0	0.0	0.0	48.0	0.0	0.0	0.0	0.0
Deduct: Impairment gain	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(20.6)
Less Adjustment/ Add Allowance for unrealised loss on derivatives	(5.6)	(7.4)	(7.7)	(7.7)	0.0	0.0	0.1	0.0
Less: Realised loss on derivatives	(18.4)	(21.0)	(21.0)	(21.0)	0.0	0.0	0.0	0.0
Add: Interest	2.7	5.3	8.2	11.6	3.2	6.3	9.4	12.5
EBIT	(38.1)	(51.3)	(67.6)	(84.0)	(7.6)	(10.4)	0.7	2.4
Add: Amortisation	0.1	0.3	0.4	0.6	0.2	0.5	0.7	0.9
Add: Depreciation	9.7	19.4	29.4	41.3	9.6	19.3	29.1	38.7
EBITDA	(28.3)	(31.6)	(37.8)	(42.1)	2.2	9.4	30.5	42.0



A. M. T. & Associates

สำนักงาน เอ. เอ็ม. ที. แอสโซซิเอต

Accounting Management & Tax Services

491/27 Silom Plaza, Silom Road, Bangruk, Bangkok 10500, Thailand.

Tel: +66 (0) 2234-1676, 2234-1678, 2237-2132 • Fax: +66 (0) 2237-2133

25 February 2011

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

Dear Sirs,

Consolidated financial statements in United States Dollars

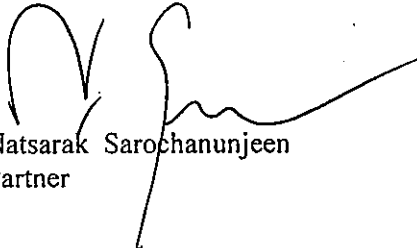
As requested, we have obtained from the management the consolidated balance sheet as at 31 December 2010 and 2009, the related consolidated statements of income and retained earnings for the years ended 31 December 2010 and 2009 of Regional Container Lines Public Company Limited and its subsidiaries ("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.

Yours faithfully,
A.M.T & ASSOCIATES


Natsarak Sarochanunjeen
Partner

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

	31 December 2010		31 December 2009	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	2,290.2	76.0	2,116.0	63.4
Trade accounts receivable - unrelated parties, net	1,381.7	45.8	1,350.4	40.5
Trade accounts receivable - related parties	143.0	4.7	8.6	0.3
Material supplies	392.1	13.0	359.9	10.8
Other current assets	228.8	7.6	302.3	9.1
Total current assets	4,435.8	147.1	4,137.2	124.1
Non - current assets				
Property and premises, net	3,177.3	100.7	2,694.0	80.9
Vessels and equipment, net	17,701.5	560.4	19,864.7	586.6
Intangible assets, net	208.0	6.9	184.8	5.5
Other non - current assets	223.8	6.7	265.1	7.8
Total non - current assets	21,310.6	674.7	23,008.6	680.8
TOTAL ASSETS	25,746.4	821.8	27,145.8	804.9

See basis of preparation

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

	Note	31 December 2010		31 December 2009	
		Million	Million	Million	Million
		Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable - unrelated parties		2,012.6	66.7	2,614.7	78.4
Trade accounts payable - related parties		55.7	1.8	35.1	1.1
Current portion of finance lease creditors		8.2	0.3	8.6	0.3
Current portion of long - term loans		1,351.4	44.8	1,353.8	40.6
Provision for unrealised loss from changes in the fair value of derivatives	1	8.8	0.3	10.5	0.3
Other current liabilities		285.3	9.6	564.5	17
Total current liabilities		3,722.0	123.5	4,587.2	137.5
Non - current liabilities					
Finance lease creditors, net of current portion		0.5	-	8.6	0.3
Long - term loans, net of current portion		6,344.3	210.3	8,516.6	255.1
Debentures, net		2,486.9	82.5	2,479.7	74.3
Other non - current liabilities		2.5	-	5.5	0.2
Total non - current liabilities		8,834.2	292.8	11,010.4	329.9
Total liabilities		12,556.2	416.3	15,597.6	467.4
Shareholders' equity					
Share capital					
Issued and fully paid					
828,750,000 ordinary shares of Baht 1 each as at 31 December 2010 and 663,000,000 ordinary shares of Baht 1 each as at 31 December 2009		828.8	25.8	663.0	20
Share premium		4,983.0	173.9	3,073.2	113.7
Translation adjustment		(643.4)	(22.0)	250.8	(14.7)
Retained earnings					
Appropriated - statutory reserve		66.3	1.9	66.3	1.9
Unappropriated		7,938.9	225.3	7,474.2	215.4
Equity attributable to Company's shareholders		13,173.6	404.9	11,527.5	336.9
Minority interest - equity attributable					
to minority shareholders of subsidiaries		16.6	0.6	20.7	0.6
Total shareholders' equity		13,190.2	405.5	11,548.2	337.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		25,746.4	821.8	27,145.8	804.9

See basis of preparation and note to financial statement

A.M.T. & ASSOCIATES

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF RETAINED EARNINGS
 FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

	2010		2009	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
Retained earnings - unappropriated				
Balance - beginning of year	7,474.2	215.4	11,260.1	331.2
Net income (loss) for the year	464.7	9.9	(3,785.9)	(115.8)
Dividend paid	-	-	-	-
Total retained earnings - unappropriated	<u>7,938.9</u>	<u>225.3</u>	<u>7,474.2</u>	<u>215.4</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>8,005.2</u>	<u>227.2</u>	<u>7,540.5</u>	<u>217.3</u>

See basis of preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 INCOME STATEMENTS
 FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

	Note	2010		2009	
		Million	Million	Million	Million
		Baht	USD	Baht	USD
Revenues					
Freight income		15,218.4	480.3	14,321.1	417.3
Other income					
Gain on exchange		178.40	0.8	-	-
Gain on sales of fixed assets		83.5	2.6	94.1	2.7
Reversal of loss on impairment of assets		665.7	20.6	-	-
Adjustment provision for unrealised loss on derivatives	1	0.7	-	265.2	7.7
Others		129.1	4.2	139.1	-
Total revenues		<u>16,275.8</u>	<u>508.5</u>	<u>14,819.5</u>	<u>431.8</u>
Expenses					
Cost of freight and operations		12,927.8	408.0	13,945.5	406.3
Depreciation		1,239.2	38.7	1,395.8	41.3
Administrative expenses		1,257.1	39.7	1,190.9	34.7
Loss on exchange		-	-	20.9	4.9
Loss on impairment of assets		-	-	1,628.0	48.0
Loss on sales of investment		0.5	-	-	-
Total expenses		<u>15,424.6</u>	<u>486.4</u>	<u>18,181.1</u>	<u>535.2</u>
Share of income (loss) from investments accounted for under equity method - associated companies		28.6	0.9	3.4	0.1
Income (loss) before finance cost and corporate income tax		879.8	23.0	(3,358.2)	(103.3)
Finance cost		(395.4)	(12.5)	(397.3)	(1)
Income (loss) before corporate income tax		484.4	10.5	(3,755.5)	(114.9)
Corporate income tax		(19.1)	(0.6)	(29.5)	(0.9)
Net income (loss) for the year		<u>465.3</u>	<u>9.9</u>	<u>(3,785.0)</u>	<u>(115.8)</u>
Net income (loss) attributable to:					
Equity holders of the parent		464.7	9.9	(3,785.9)	(115.8)
Minority interests of the subsidiaries		0.6	-	0.9	-
		<u>465.3</u>	<u>9.9</u>	<u>(3,785.0)</u>	<u>(115.8)</u>

See basis of preparation and note to financial statement

Basis of preparation**1. Thai Baht figures**

The Thai Baht figures in the balance sheet as at 31 December 2010 and 2009 and profit and loss accounts for the years then ended 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 31 December 2010: USD 1 = Baht 30.1513

As of 31 December 2009: USD 1 = Baht 33.3688

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

For the Company and its Thailand 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 :

31 December 2010: USD 1 = Baht 31.6854

31 December 2009: USD 1 = Baht 34.3225

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 2010	10.5	0.3
Increase (decrease) due to :		
- Realised loss	-	-
- Adjustment for under (over) provision	(0.7)	-
Translation adjustment	<u>(1.0)</u>	<u>-</u>
Ending balance as at 31 December 2010	<u>8.8</u>	<u>0.3</u>