

1Q 2008 Performance Review

14 May 2008



Forward Looking Statements

The following presentation includes forward-looking statements, which involve known and unknown risks and uncertainties, that could cause actual results or performance to differ. Forward looking information is based on current views and assumptions of management, including, but not limited to, prevailing economic and market conditions. Such statements are not, and should not be interpreted as a forecast or projection of future performance.

1. 1Q 2008 Financial Highlights



By Thomas Held
Group President & CEO



Group Financial Highlights

US\$m	1Q08	1Q07	▲ %
Revenue	2,407	1,897	27
EBIT	137	64	114
Net profit	121	43	183
Basic EPS (US cents)	8.22	2.93	181

Group Outlook

Going forward, the business environment is expected to remain challenging with cost pressures impacted by escalating fuel prices. Whilst there remains uncertainty on the economic outlook, support within the Asia region continues. The Group will continue to focus on optimising asset utilisation, yield and cost management.

2. 1Q 2008 Financial Performance



By Cedric Foo
Group Deputy President &
CFO

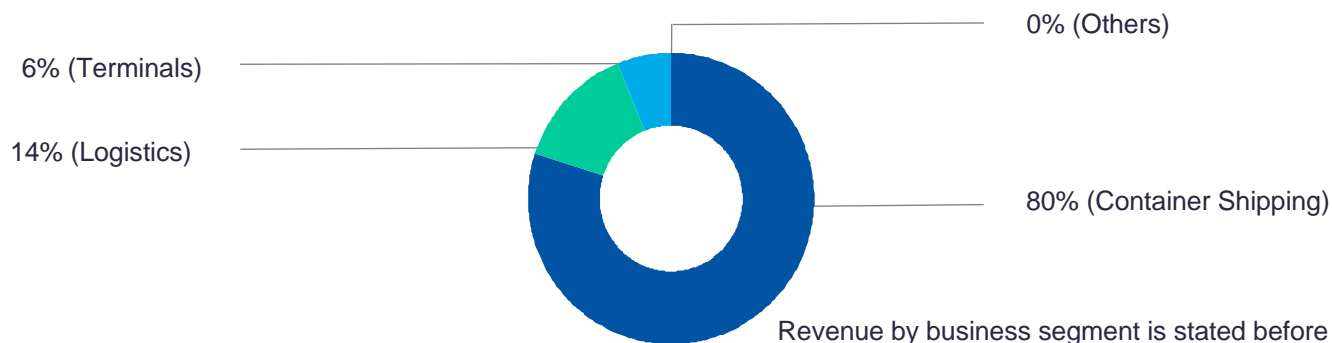


Group Financial Highlights

US\$m	1Q08	1Q07	▲ %
Revenue	2,407	1,897	27
EBITDA	203	129	57
• Depreciation & Amortisation	(66)	(65)	1
EBIT	137	64	114
• Gross Interest Expense	(5)	(12)	(57)
• Tax	(11)	(9)	26
Net profit to equity holders	121	43	183

Group Revenue Breakdown

US\$m	1Q08	1Q07	▲ %
Container Shipping	2,019	1,522	33
Logistics	363	325	12
Terminals	145	155	(6)
Others/Elimination	(120)	(105)	14
Total	2,407	1,897	27



Group EBIT Breakdown

US\$m	1Q08	1Q07	▲%
Container Shipping	108	28	286
Logistics	17	12	42
Terminals	12	21	(43)
Total	137	61¹	125

¹ The Group's EBIT for 1Q07 was US\$64 million, which included US\$3 million from non-core businesses.

Balance Sheet Highlights

US\$m	4 Apr '08	28 Dec '07
Total Assets	5,244	5,009
Total Liabilities	2,449	2,301
Total Equity	2,795	2,708
Total Debt	636	592
Total Cash	244	504
Net Debt	392	88
Gearing (Gross)	0.23 x	0.22 x
Gearing (Net)	0.14 x	0.03 x
NAV per share (US\$)	1.87	1.81
(S\$)	2.59	2.63

Cash Flow Highlights

US\$m	1Q08	1Q07
Cash & Cash Equivalents - Beginning	504	694
<i>Cash Inflow/(outflow)</i>		
Operating Activities	213	103
Investing/Capex Activities	(515)	(119)
Financing Activities	42	(42)
Cash & Cash Equivalents – Closing	244	636

Capital Expenditure

US\$m	1Q08 Actual	2007 Actual
1. Vessels	234	386
2. Equipment / Facilities	284	447
3. Drydock	11	43
4. IT	3	15
5. Others	3	22
Total	535	913

Appendix

Group Fuel and Currency Exposures

Bunker

- The Group continues to recover part of its fuel price increases from customers through bunker adjustment factors.
- The Group also maintains a policy of hedging bunker exposures.

Foreign exchange

- Major foreign currency exposures are in Euro, Japanese Yen, Chinese Yuan, S\$, Korean Won, Canadian \$, British Pound, A\$, Indian Rupee and Taiwan Dollar.
- The Group maintains a policy of hedging foreign exchange exposures.

Operating Performance Container Shipping



Container Shipping 1Q 2008 Highlights

- Revenue increased by 33% year-on-year (YoY) to US\$2.0 billion due to higher volumes and improved freight rate environment in key trade lanes.
 - Volume grew by 14% YoY, driven mainly by the Transpacific, particularly the backhaul, and Intra-Asia trade lanes.
 - 1Q 08 average revenue per FEU was 16% higher YoY as freight rates improved in key trade lanes, particularly Asia-Europe and Intra-Asia.
 - In 1Q 2008, average capacity was reduced as part of the seasonal capacity adjustments while utilisation was maintained at a strong level of 95%.
- EBIT increased by 286% YoY to US\$108 million and EBIT margins rose to 5.3% from 1.8% due to rate restoration in key trades, improved volumes and yield management.
 - Higher bunker prices continue to put pressure on cost, even though bunker recovery in certain trade lanes and a continued conservative hedging policy has helped to minimise the impact of rising bunker prices.

Container Shipping Profit & Loss Summary

US\$m	1Q08	1Q07	▲ %
Revenue	2,019	1,522	33
EBITDA	164	84	95
• Depreciation & Amortisation	(56)	(56)	-
EBIT	108	28	286
EBIT Margin	5.3%	1.8%	

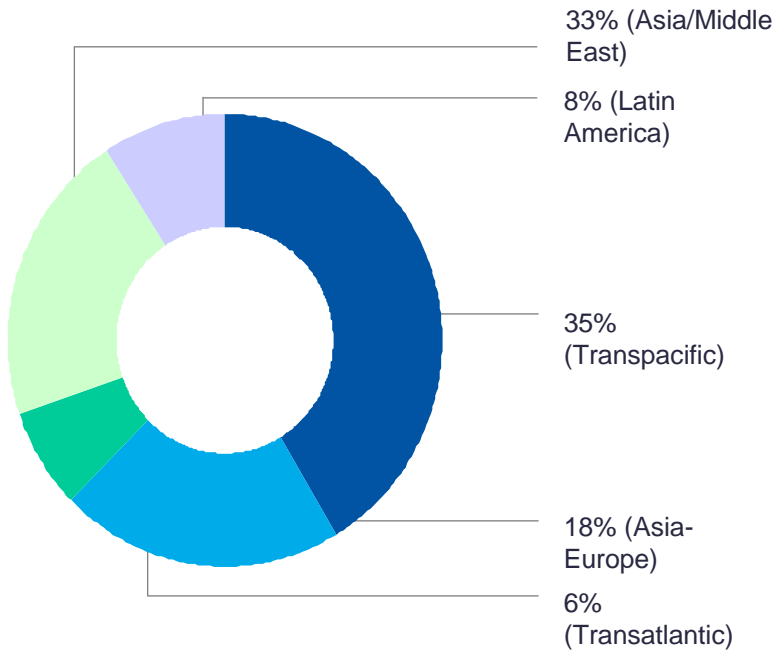
Container Shipping Volume



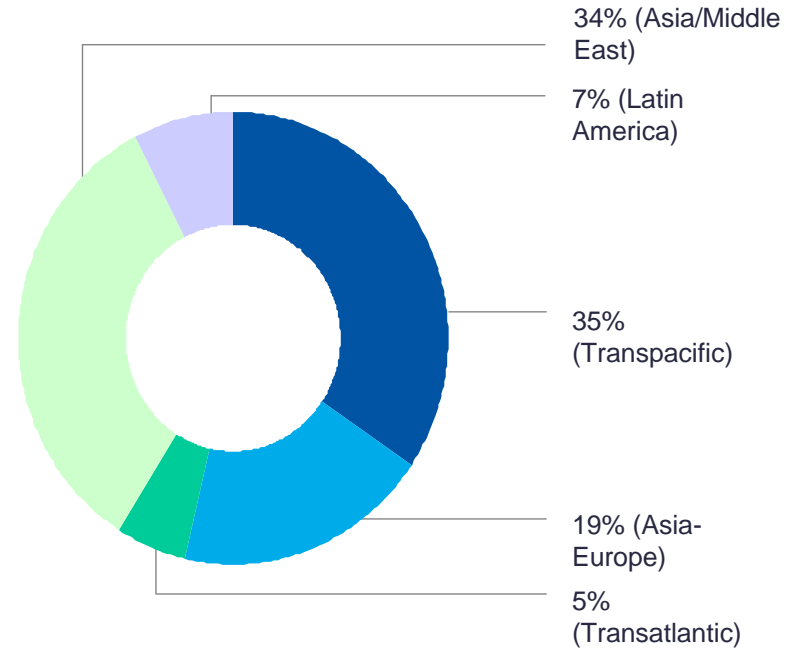
Volume ('000 FEUs)	1Q08	1Q07	▲%
Americas	284	243	17
Transpacific	232	200	16
Latin America	52	43	21
Europe	159	143	11
Asia-Europe	118	112	5
Transatlantic	41	31	32
Asia/Middle East	220	196	12
Total	663	582	14

Container Shipping : Volume Mix

- Transpacific East Coast trade growing as a proportion of total Transpacific volume
- Trade volume mix continues to be managed to maximise yields



1Q 2008 Volume breakdown



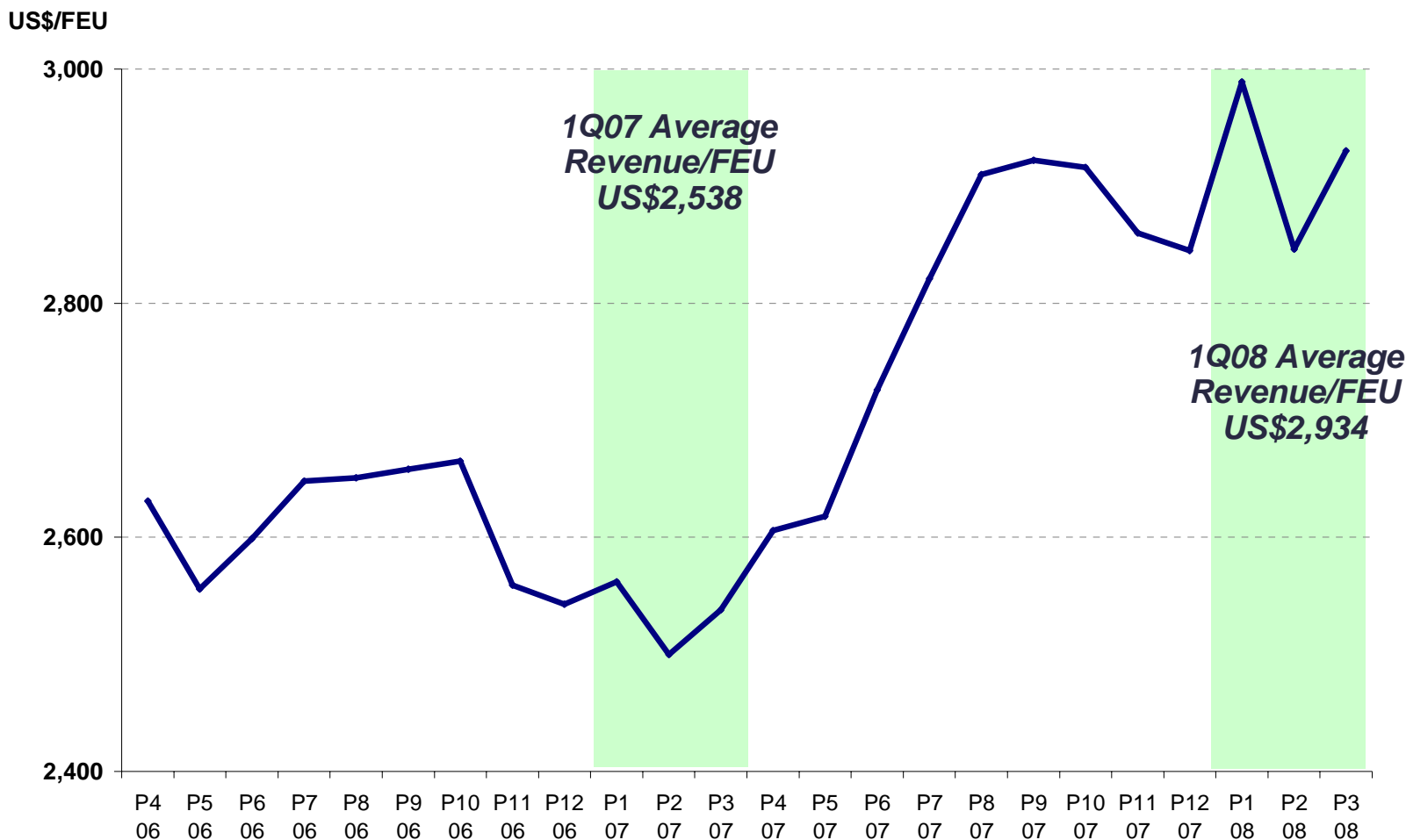
1Q 2007 Volume breakdown

Container Shipping Average Revenue/FEU

US\$/FEU	1Q08	1Q07	▲ %
Americas	3,486	3,261	7
Europe	3,216	2,566	25
Asia/Middle East	2,014	1,618	24
Total	2,934	2,538	16

Container Shipping Average Revenue/FEU Trend

Higher average revenue/FEU was achieved in 1Q08 due to the improved rate environment in selected key trades as compared to prior year.



Container Shipping : Americas



	1Q08	1Q07	▲%
Total Volumes ('000 FEU)	284	243	17
▪ Transpacific	232	200	16
▪ Latin America	52	43	21
Average Revenue (US\$/FEU)	3,486	3,261	7

- **Transpacific** : US economic uncertainties arising from the weak housing market and sub-prime issues resulted in slower headhaul volume growth. However, weaker US dollar and improved utilisation has generated significant improvement in backhaul volume and rates.
- **Latin America** : Improvements in volume from continued healthy demand conditions in the trade lane.

Container Shipping : Europe



	1Q08	1Q07	▲%
Total Volumes ('000 FEU)	159	143	11
▪ Asia-Europe	118	112	5
▪ Transatlantic	41	31	32
Average Revenue (US\$/FEU)	3,216	2,566	25

- **Asia-Europe** : Demand remain stable with significant freight rate improvement achieved in 2007 still maintained. Volume growth was limited due to capacity constraints.
- **Transatlantic** : The Transatlantic route continue to grow with increase in volume on both eastbound and westbound routes.

Container Shipping : Asia/Middle East

	1Q08	1Q07	▲%
Total Volumes ('000 FEU)	220	196	12
Average Revenue (US\$/FEU)	2,014	1,618	24

- Asia/Middle East:** Robust demand conditions in 2007 continued to support volumes in 1Q08 in a typically softer season. Overall, average freight rate improvement achieved in prior year remain stable.

Container Shipping Trade Imbalance

Improvement in the Transpacific imbalance was due to greater demand for US products as a result of the weaker US dollar.

No. of FEUs that are full backhaul for every 10 FEUs full headhaul

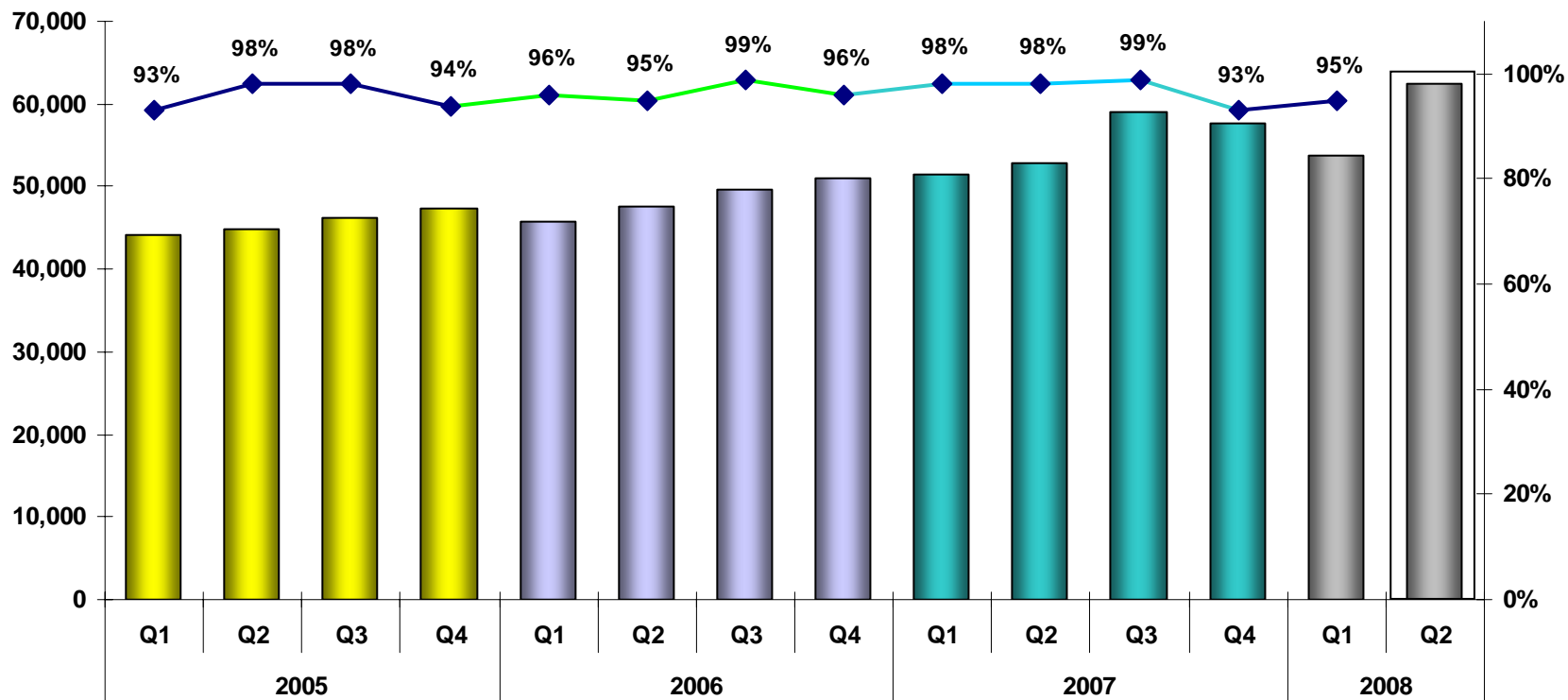
Trade	2006	2007	1Q08
• Transpacific	5	6	7
• Asia-Europe	7	7	7
• Transatlantic	10	10	10

Container Shipping Network Capacity & Utilisation

For 1Q 2008, average container shipping capacity was reduced by 6% from previous quarter as part of the seasonal capacity adjustments. During this period, headhaul utilisation maintained at a high level of 95%.

Average Capacity (weekly TEUs)

Utilisation %

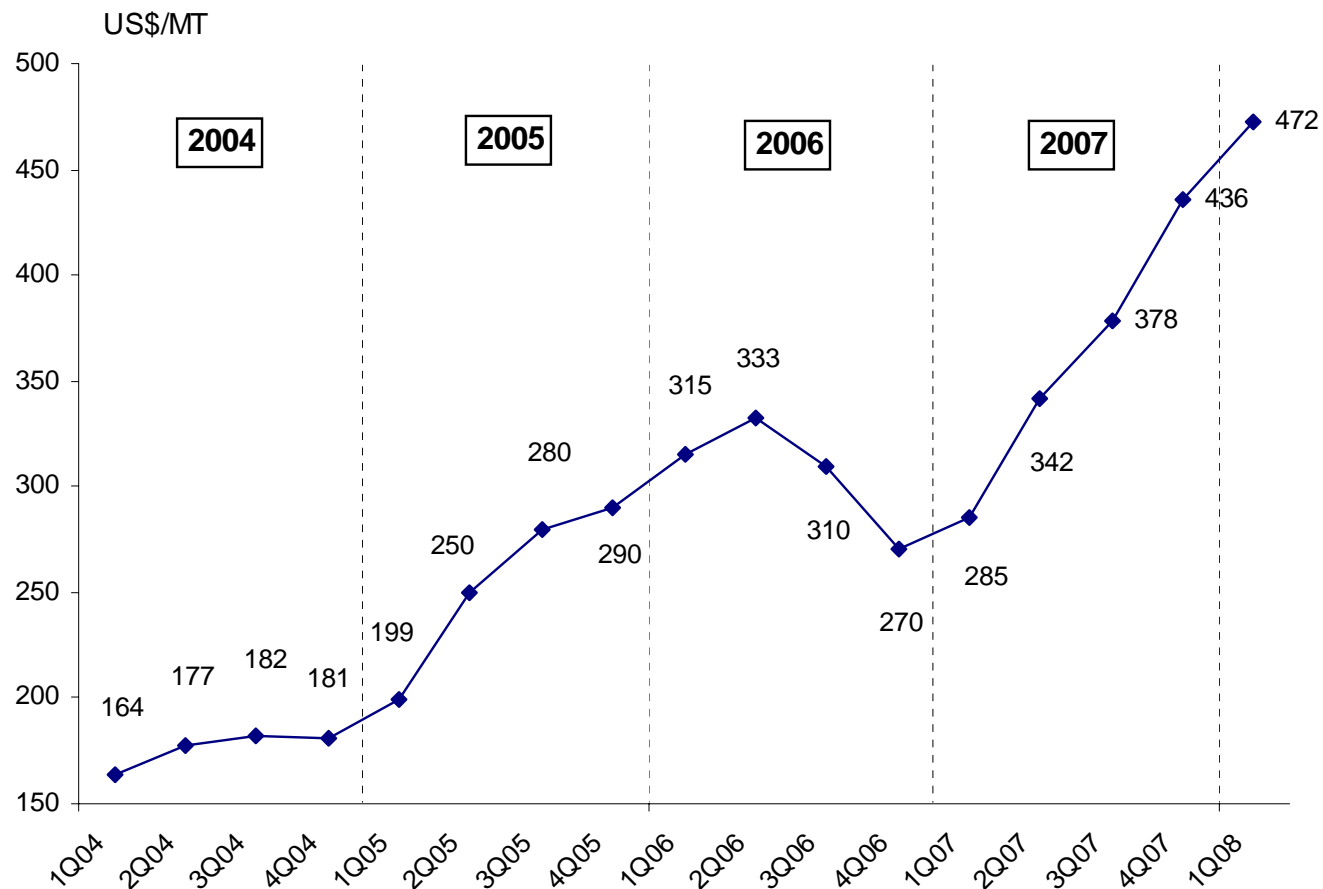


Note: Figures are based on the headhaul leg of main linehaul services
The capacity figures takes into account "winter program" initiations.



Industry Bunker Price (Quarterly Average)

Rising bunker prices have added significant costs over the last four years.



Source: Platts (High Sulphur Fuel Oil SIN 380cst Grade)

Operating Performance Logistics



Logistics 1Q 2008 Highlights



- Logistics recorded revenue of US\$363 million, an increase of US\$38 million or 12% year-on-year (YoY) due to higher volume and rates in the International Services division and improved volumes in Contract Logistics.
- Logistics EBIT grew by US\$5 million or 42% YoY to US\$17 million in 1Q 2008 mainly due to revenue derived from higher volumes and continued cost management efforts in Contract Logistics.

Logistics Profit & Loss Summary



US\$m	1Q08	1Q07	▲ %
Revenue	363	325	12
EBITDA	20	15	33
• Depreciation & Amortisation	(3)	(3)	-
EBIT	17	12	42
EBIT Margin	4.7%	3.7%	

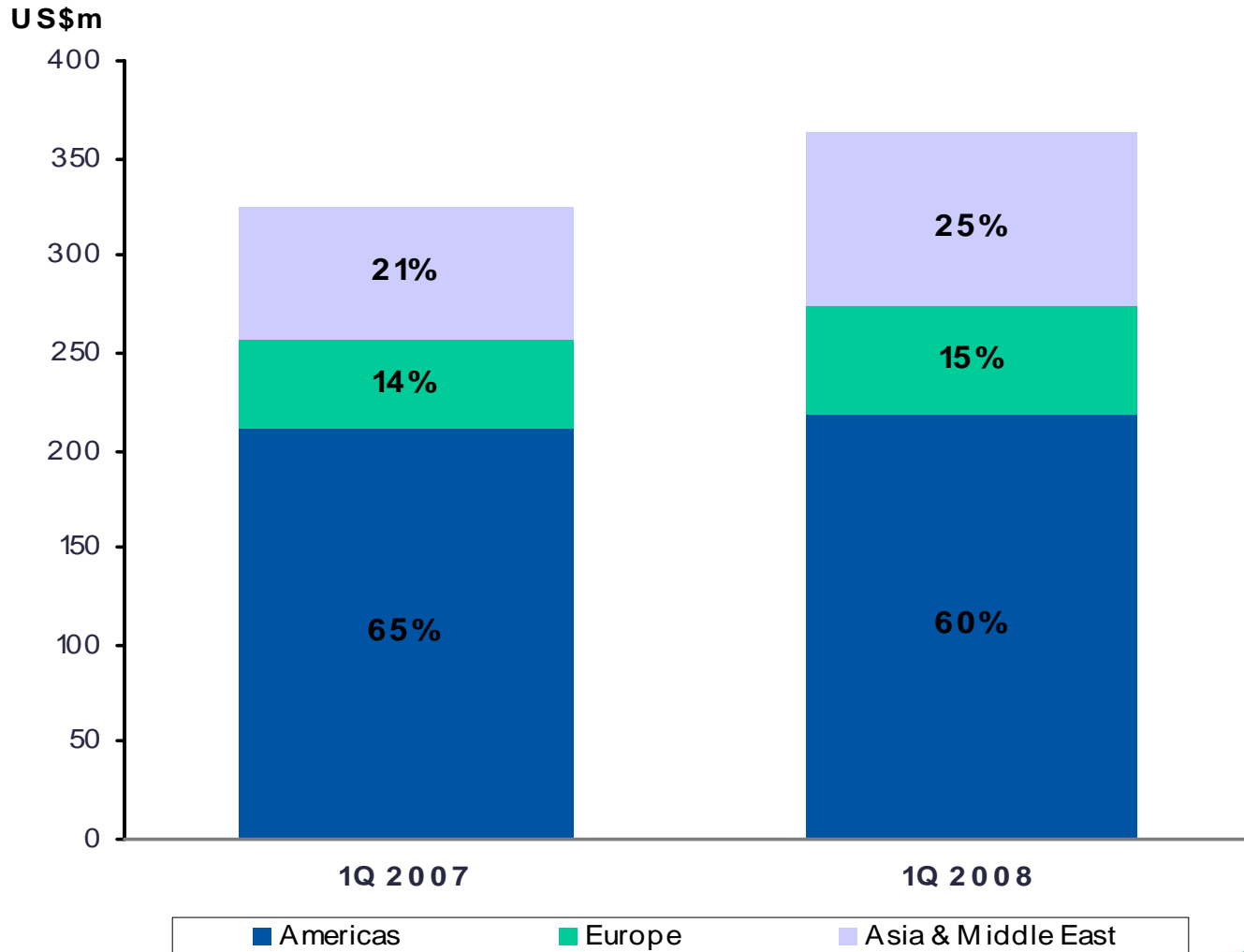
Performance Breakdown



Business Segment	1Q08	1Q07	▲%
Revenue	363	325	12
• Contract Logistics	217	211	3
• International Services	146	114	28
EBIT	17	12	42
• Contract Logistics	8	6	33
• International Services	9	6	50
EBIT Margin	4.7%	3.7%	
• Contract Logistics	3.7%	2.8%	
• International Services	6.2%	5.3%	

Logistics' Revenue Trend – By Region

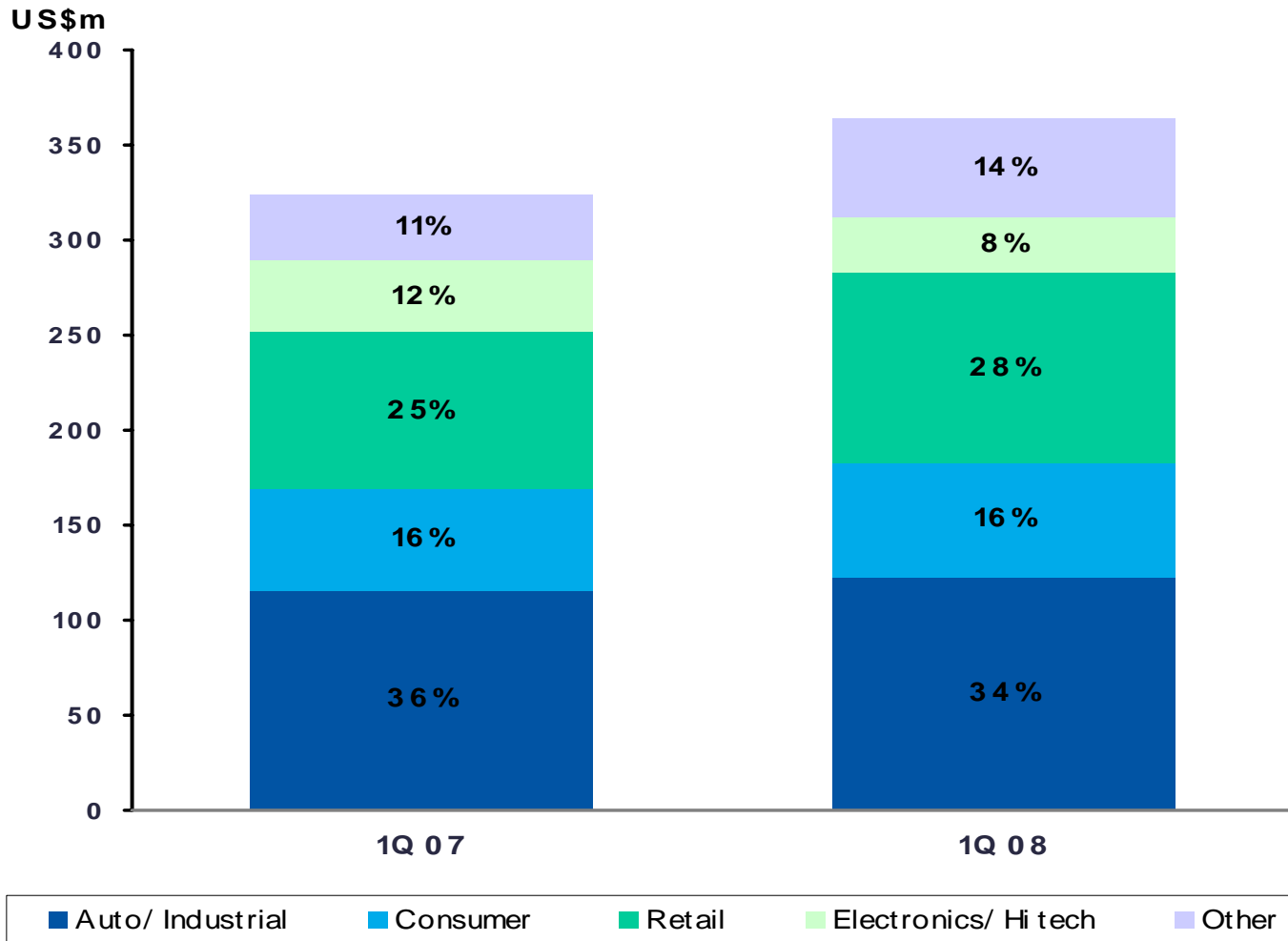
Growth in the Asia/Middle East and Europe region has resulted in greater contribution to overall revenue and accounting for 25% and 15% respectively in 1Q 2008.



Logistics' Revenue Trend – By Customer Segment



Revenue growth driven by Retail and Consumer verticals.



Operating Performance Terminals



Terminals 1Q 2008 Highlights



- Slower Transpacific trade growth combined with industry-wide seasonal capacity withdrawal from Transpacific route reduced total volume throughput by 11% year-on-year (YoY). As a result, Terminals recorded revenue of US\$145 million, a decrease of US\$10 million or 6% YoY. However, the decrease in volume was partially offset by improved trade mix and higher average revenue per lift.
- Lower volumes achieved resulted in a decrease of Terminals EBIT by US\$9 million or 43% YoY to US\$12 million.

Terminals Profit & Loss Summary



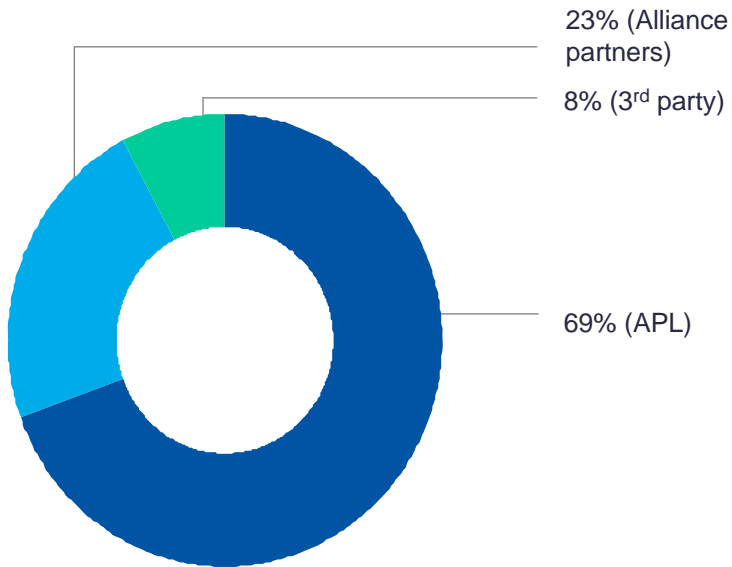
US\$m	1Q08	1Q07	▲%
Revenue	145	155	(6)
EBITDA	18	26	(31)
• Depreciation & Amortisation	(6)	(5)	20
EBIT ¹	12	21	(43)
EBIT Margin	8.3%	13.5%	
Volume ('000 lifts)	569	638	(11)
Average Revenue (US\$/Lift)	256	242	6

¹ Includes share of results from a joint venture.

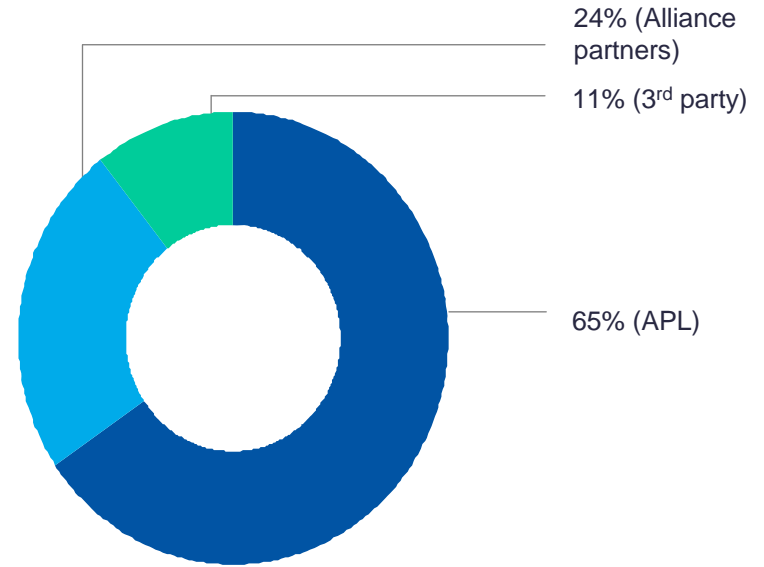
Terminals : Volume Mix



Overall industry container shipping seasonal capacity reduction on the Transpacific has resulted in lower proportion of 3rd party volumes in 1Q 2008.



1Q 2008 Volume breakdown



1Q 2007 Volume breakdown

**End of Presentation
Thank You**

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