



NEPTUNE ORIENT LINES LIMITED (Reg. No. 196800632D)  
Unaudited Financial Information  
For the Financial Year Ended 25 December 2009

## 1.(a)(i) Consolidated Income Statement

|  | Group            |                  | % Increase/<br>(Decrease) |
|--|------------------|------------------|---------------------------|
|  | 2009<br>US\$'000 | 2008<br>US\$'000 |                           |
| Revenue  | 6,515,578        | 9,285,125        | (30)                      |
| Cost of sales  | (6,535,951)      | (8,328,979)      | (22)                      |
| Gross (loss)/profit  | (20,373)         | 956,146          | N/M                       |
| Other gains (net)  |                  |                  |                           |
| - Miscellaneous  | 10,614           | 39,807           | (73)                      |
| - Finance and investment income                              | 7,189            | 13,096           | (45)                      |
| Expenses   |                  |                  |                           |
| - Administrative   | (611,712)        | (694,182)        | (12)                      |
| - Expenses written back/(Expenses) relating to restructuring | 4,730            | (71,684)         | N/M                       |
| - Finance  | (59,265)         | (34,946)         | 70                        |
| - Other operating  | (34,730)         | (79,041)         | (56)                      |
| Share of results of associated companies                     | 3,255            | 3,799            | (14)                      |
| Share of results of joint ventures                           | 165              | 4,194            | (96)                      |
| (Loss)/profit before income tax                              | (700,127)        | 137,189          | N/M                       |
| Income tax expense   | (38,977)         | (48,926)         | (20)                      |
| Net (loss)/profit for the financial year                     | (739,104)        | 88,263           | N/M                       |
| Net (loss)/profit attributable to:                           |                  |                  |                           |
| Equity holders of the Company                                | (740,809)        | 83,114           | N/M                       |
| Minority interest  | 1,705            | 5,149            | (67)                      |
|  | (739,104)        | 88,263           | N/M                       |

## 1.(a)(ii) Notes to the Consolidated Income Statement

|  | Group            |                  | % Increase/<br>(Decrease) |
|--|------------------|------------------|---------------------------|
|  | 2009<br>US\$'000 | 2008<br>US\$'000 |                           |
| (A) Investment Income  | -                | 38               | (100)                     |
| (B) Other Income Including Interest Income   | 16,831           | 15,463           | 9                         |
| (C) Interest on Borrowings   | (42,579)         | (27,986)         | 52                        |
| (D) Depreciation and Amortisation  | (286,216)        | (263,022)        | 9                         |
| (E) Allowance for Doubtful Debts and Bad Debts Written Off                                 | (7,515)          | (10,747)         | (30)                      |
| (F) Write-back of/(Provision for) Impairment in Value of Investments                       | 10               | (36)             | N/M                       |
| (G) Foreign Exchange Gain/(Loss)   | 8,121            | (22,457)         | N/M                       |
| (H) Adjustment for Under Provision for Tax in Prior Years                                  | (4,094)          | (8,476)          | (52)                      |
| (I) Profit on Sale of Investments, Property, Plant and Equipment and Investment Properties | 576              | 28,318           | (98)                      |
| (J) Write-off of Inventories   | (971)            | (360)            | 170                       |

## 1.(a)(iii) Consolidated Statement of Comprehensive Income

|   | Group            |                  |
|---|------------------|------------------|
|   | 2009<br>US\$'000 | 2008<br>US\$'000 |
| Net (loss)/profit for the financial year  | (739,104)        | 88,263           |
| Other comprehensive income/(loss):  |                  |                  |
| Fair value gains/(losses) on cash flow hedges                                     | 259,111          | (198,289)        |
| Fair value (gains)/losses on cash flow hedges transferred to the income statement | (118,756)        | 55,488           |
| Fair value losses on available-for-sale financial asset                           | (61)             | (55)             |
| Currency translation differences  | 4,536            | (2,498)          |
| Tax on fair value gains and losses  | 1,348            | (843)            |
| Other comprehensive income/(loss) for the financial year, net of tax              | 146,178          | (146,197)        |
| Total comprehensive loss for the financial year                                   | (592,926)        | (57,934)         |
| Total comprehensive (loss)/income attributable to:                                |                  |                  |
| Equity holders of the Company   | (594,923)        | (62,358)         |
| Minority interest   | 1,997            | 4,424            |
|   | (592,926)        | (57,934)         |

N/M: Not meaningful

## 1.(b)(i) Balance Sheets

|  | Group                   |                         |                           | Company                 |                         |                           |
|--|-------------------------|-------------------------|---------------------------|-------------------------|-------------------------|---------------------------|
|  | 25 Dec 2009<br>US\$'000 | 26 Dec 2008<br>US\$'000 | % Increase/<br>(Decrease) | 25 Dec 2009<br>US\$'000 | 26 Dec 2008<br>US\$'000 | % Increase/<br>(Decrease) |
| <b>ASSETS</b>  |                         |                         |                           |                         |                         |                           |
| <b>Current Assets</b>  |                         |                         |                           |                         |                         |                           |
| Cash and cash equivalents  | 333,048                 | 429,219                 | (22)                      | 17,044                  | 15,760                  | 8                         |
| Trade and other receivables <sup>1</sup>                           | 814,718                 | 828,706                 | (2)                       | 1,620,619               | 594,207                 | 173                       |
| Inventories at cost  | 197,208                 | 159,015                 | 24                        | -                       | -                       | 0                         |
| Derivative financial instruments                                   | 88,681                  | 11,293                  | 685                       | 2,603                   | 5,473                   | (52)                      |
| Other current assets   | 70,468                  | 62,296                  | 13                        | 2,191                   | 1,669                   | 31                        |
| <b>Total current assets</b>  | <b>1,504,123</b>        | <b>1,490,529</b>        | <b>1</b>                  | <b>1,642,457</b>        | <b>617,109</b>          | <b>166</b>                |
| <b>Non-current Assets</b>  |                         |                         |                           |                         |                         |                           |
| Investments in subsidiaries  | -                       | -                       | 0                         | 994,695                 | 994,695                 | 0                         |
| Investments in associated companies                                | 40,216                  | 29,018                  | 39                        | 1                       | 1                       | 0                         |
| Investments in joint ventures                                      | 27,107                  | 27,287                  | (1)                       | -                       | -                       | 0                         |
| Available-for-sale financial asset                                 | 31                      | 92                      | (66)                      | -                       | -                       | 0                         |
| Property, plant and equipment                                      | 3,509,266               | 3,642,636               | (4)                       | 455,066                 | 458,519                 | (1)                       |
| Investment properties  | 9,230                   | 9,047                   | 2                         | -                       | -                       | 0                         |
| Deferred charges   | 9,268                   | 3,245                   | 186                       | 35                      | 45                      | (22)                      |
| Intangible assets  | 29,142                  | 29,229                  | (0)                       | 78                      | 107                     | (27)                      |
| Goodwill arising on consolidation                                  | 129,095                 | 129,095                 | 0                         | -                       | -                       | 0                         |
| Deferred income tax assets   | 5,177                   | 3,683                   | 41                        | -                       | -                       | 0                         |
| Derivative financial instruments                                   | 670                     | -                       | N/M                       | -                       | -                       | 0                         |
| Other non-current assets   | 77,225                  | 80,730                  | (4)                       | 1,719                   | 2,295                   | (25)                      |
| <b>Total non-current assets</b>                                    | <b>3,836,427</b>        | <b>3,954,062</b>        | <b>(3)</b>                | <b>1,451,594</b>        | <b>1,455,662</b>        | <b>(0)</b>                |
| <b>TOTAL ASSETS</b>  | <b>5,340,550</b>        | <b>5,444,591</b>        | <b>(2)</b>                | <b>3,094,051</b>        | <b>2,072,771</b>        | <b>49</b>                 |
| <b>LIABILITIES</b>   |                         |                         |                           |                         |                         |                           |
| <b>Current Liabilities</b>   |                         |                         |                           |                         |                         |                           |
| Trade and other payables   | 1,009,918               | 1,066,478               | (5)                       | 129,833                 | 131,880                 | (2)                       |
| Current income tax liabilities                                     | 42,498                  | 35,283                  | 20                        | 17,088                  | 19,641                  | (13)                      |
| Borrowings   | 20,975                  | 85,383                  | (75)                      | 710                     | 61,126                  | (99)                      |
| Provisions   | 76,354                  | 100,933                 | (24)                      | 9                       | 330                     | (97)                      |
| Deferred income  | 333                     | -                       | N/M                       | -                       | -                       | 0                         |
| Derivative financial instruments                                   | 9,744                   | 94,739                  | (90)                      | 2,603                   | 5,473                   | (52)                      |
| Other current liabilities <sup>2</sup>                             | 198,368                 | 170,761                 | 16                        | -                       | -                       | 0                         |
| <b>Total current liabilities</b>                                   | <b>1,358,190</b>        | <b>1,553,577</b>        | <b>(13)</b>               | <b>150,243</b>          | <b>218,450</b>          | <b>(31)</b>               |
| <b>Non-current Liabilities</b>                                     |                         |                         |                           |                         |                         |                           |
| Borrowings   | 918,831                 | 1,159,262               | (21)                      | -                       | 31,580                  | (100)                     |
| Provisions   | 126,047                 | 127,308                 | (1)                       | -                       | -                       | 0                         |
| Deferred income  | 659                     | -                       | N/M                       | -                       | -                       | 0                         |
| Deferred income tax liabilities                                    | 25,155                  | 24,972                  | 1                         | 10,939                  | 11,449                  | (4)                       |
| Other non-current liabilities                                      | 71,478                  | 74,881                  | (5)                       | -                       | -                       | 0                         |
| <b>Total non-current liabilities</b>                               | <b>1,142,170</b>        | <b>1,386,423</b>        | <b>(18)</b>               | <b>10,939</b>           | <b>43,029</b>           | <b>(75)</b>               |
| <b>TOTAL LIABILITIES</b>   | <b>2,500,360</b>        | <b>2,940,000</b>        | <b>(15)</b>               | <b>161,182</b>          | <b>261,479</b>          | <b>(38)</b>               |
| <b>NET ASSETS</b>  | <b>2,840,190</b>        | <b>2,504,591</b>        | <b>13</b>                 | <b>2,932,869</b>        | <b>1,811,292</b>        | <b>62</b>                 |
| <b>EQUITY</b>  |                         |                         |                           |                         |                         |                           |
| Share capital  | 1,815,479               | 845,379                 | 115                       | 1,815,479               | 845,379                 | 115                       |
| Treasury shares  | (5,216)                 | (5,216)                 | 0                         | (5,216)                 | (5,216)                 | 0                         |
|  | 1,810,263               | 840,163                 | 115                       | 1,810,263               | 840,163                 | 115                       |
| Shares held by employee benefit trust                              | (2,989)                 | (1,413)                 | 112                       | -                       | -                       | 0                         |
| Treasury shares reserve  | (1,195)                 | (1,195)                 | 0                         | (1,195)                 | (1,195)                 | 0                         |
| Retained earnings  | 877,807                 | 1,657,862               | (47)                      | 1,085,061               | 935,304                 | 16                        |
| Other reserves   | 112,733                 | (34,873)                | N/M                       | 38,740                  | 37,020                  | 5                         |
| Capital and reserves attributable to equity holders of the Company | 2,796,619               | 2,460,544               | 14                        | 2,932,869               | 1,811,292               | 62                        |
| Minority interest  | 43,571                  | 44,047                  | (1)                       | -                       | -                       | 0                         |
| <b>TOTAL EQUITY</b>  | <b>2,840,190</b>        | <b>2,504,591</b>        | <b>13</b>                 | <b>2,932,869</b>        | <b>1,811,292</b>        | <b>62</b>                 |
| <b>Net current assets/(liabilities)</b>                            | <b>145,933</b>          | <b>(63,048)</b>         | <b>N/M</b>                | <b>1,492,214</b>        | <b>398,659</b>          | <b>274</b>                |

<sup>1</sup> Trade receivables include the full freight revenue for voyages, which corresponds to the contractual rights stipulated in the standard Bill of Lading and is inclusive of the freight charges collectable at destination for Free on Board shipments.

<sup>2</sup> Other current liabilities relates to deferred revenue arising from the percentage-of-completion method for revenue recognition.

Certain comparative items have been reclassified to conform with current year's presentation. For the financial year ended 26 December 2008, unsecured bank loans of US\$382 million and US\$32 million for the Group and the Company respectively have been reclassified from current liabilities to non-current liabilities, after taking into consideration the expected timing of repayments as well as the contractual final maturity dates of the borrowings.

N/M: Not meaningful

1.(b)(ii) Borrowings

| The Group<br>As at 25 December 2009       | Secured<br>bank<br>loans<br>US\$'000 | Unsecured<br>bank<br>loans<br>US\$'000 | Secured<br>finance lease<br>liabilities<br>US\$'000 | Total<br>US\$'000 |
|---|--------------------------------------|--|---|-------------------|
| Amount repayable in FY 2010, or on demand | 11,485                               | 1,176                                  | 8,314   | 20,975            |
| Amount repayable in :                     |                                      |  |   |                   |
| FY 2011                                   | 11,044                               | -                                      | 8,260   | 19,304            |
| FY 2012                                   | 12,031                               | -                                      | 7,559   | 19,590            |
| FY 2013                                   | 13,058                               | 400,000                                | 8,006   | 421,064           |
| FY 2014                                   | 12,422                               | 30,000                                 | 8,514   | 50,936            |
| Thereafter                                | 46,986                               | 95,064                                 | 265,887   | 407,937           |
|   | <b>107,026</b>                       | <b>526,240</b>                         | <b>306,540</b>                                      | <b>939,806</b>    |

| The Group<br>As at 26 December 2008       | Secured<br>bank<br>loans<br>US\$'000 | Unsecured<br>bank<br>loans<br>US\$'000 | Secured<br>finance lease<br>liabilities<br>US\$'000 | Total<br>US\$'000 |
|---|--------------------------------------|--|---|-------------------|
| Amount repayable in FY 2009, or on demand | 6,507                                | 74,087                                 | 4,789   | 85,383            |
| Amount repayable in :                     |                                      |  |   |                   |
| FY 2010                                   | 11,359                               | -                                      | 5,097   | 16,456            |
| FY 2011                                   | 10,915                               | -                                      | 5,405   | 16,320            |
| FY 2012                                   | 11,883                               | 21,780                                 | 5,715   | 39,378            |
| FY 2013                                   | 12,890                               | 409,800                                | 6,051   | 428,741           |
| Thereafter                                | 58,819                               | 394,349                                | 205,199   | 658,367           |
|   | <b>112,373</b>                       | <b>900,016</b>                         | <b>232,256</b>                                      | <b>1,244,645</b>  |

The bank loans are secured mainly on vessels, and the finance lease liabilities are secured mainly on vessels, equipment and motor vehicles. The classification of borrowings takes into consideration the expected timing of repayments assessed at each reporting period as well as the contractual final maturity dates of the borrowings. Accordingly, for the financial year ended 26 December 2008, unsecured bank loans of US\$382 million have been reclassified from "Amount repayable in FY 2009, or on demand" to "Amount repayable in FY 2012, FY 2013 and Thereafter".

1.(b)(iii) Operating Lease Commitments

The future aggregate minimum lease payable under non-cancellable operating leases of the Group are as follows:

| The Group<br>As at 25 December 2009 | Vessels<br>US\$'000 | Containers<br>US\$'000 | Terminals<br>US\$'000 | Chassis<br>US\$'000 | Others<br>US\$'000 | Total<br>US\$'000 |
|-------------------------------------|---------------------|------------------------|-----------------------|---------------------|--------------------|-------------------|
| Amount repayable in FY 2010         | 760,057             | 410                    | 87,531                | 27,064              | 56,500             | 931,562           |
| Amount repayable in :               |                     |                        |                       |                     |                    |                   |
| FY 2011                             | 648,647             | -                      | 87,714                | 21,698              | 43,559             | 801,618           |
| FY 2012                             | 583,427             | -                      | 84,504                | 17,992              | 35,924             | 721,847           |
| FY 2013                             | 493,348             | -                      | 80,352                | 13,324              | 26,697             | 613,721           |
| FY 2014                             | 388,270             | -                      | 80,199                | 9,471               | 17,434             | 495,374           |
| Thereafter                          | 892,023             | -                      | 815,612               | 2,938               | 23,671             | 1,734,244         |
|                                     | <b>3,765,772</b>    | <b>410</b>             | <b>1,235,912</b>      | <b>92,487</b>       | <b>203,785</b>     | <b>5,298,366</b>  |

| The Group<br>As at 26 December 2008 | Vessels<br>US\$'000 | Containers<br>US\$'000 | Terminals<br>US\$'000 | Chassis<br>US\$'000 | Others<br>US\$'000 | Total<br>US\$'000 |
|-------------------------------------|---------------------|------------------------|-----------------------|---------------------|--------------------|-------------------|
| Amount repayable in FY 2009         | 723,461             | 12,810                 | 90,066                | 23,786              | 69,652             | 919,775           |
| Amount repayable in :               |                     |                        |                       |                     |                    |                   |
| FY 2010                             | 726,817             | 501                    | 88,548                | 17,937              | 46,548             | 880,351           |
| FY 2011                             | 648,565             | -                      | 88,646                | 16,322              | 34,895             | 788,428           |
| FY 2012                             | 583,345             | -                      | 84,462                | 13,580              | 26,588             | 707,975           |
| FY 2013                             | 493,267             | -                      | 80,245                | 11,062              | 20,513             | 605,087           |
| Thereafter                          | 1,242,869           | -                      | 895,318               | 12,390              | 28,065             | 2,178,642         |
|                                     | <b>4,418,324</b>    | <b>13,311</b>          | <b>1,327,285</b>      | <b>95,077</b>       | <b>226,261</b>     | <b>6,080,258</b>  |

## 1.(c) Consolidated Cash Flow Statement

|  | Group            |                  |
|--|------------------|------------------|
|  | 2009<br>US\$'000 | 2008<br>US\$'000 |
| <b>Cash Flows from Operating Activities</b>  |                  |                  |
| (Loss)/profit before income tax  | (700,127)        | 137,189          |
| Adjustments for :  |                  |                  |
| Depreciation and amortisation  | 286,216          | 263,022          |
| Fair value losses on hedges  | 84,033           | 8,719            |
| Interest expense   | 42,579           | 27,986           |
| Interest income  | (7,189)          | (9,019)          |
| Investment income  | -                | (38)             |
| Share-based compensation costs   | 6,335            | 11,737           |
| Fair value losses/(gains) on shares held by employee benefit trust   | 533              | (2,030)          |
| Net write-off of inventories   | 971              | 360              |
| Net profit on disposal of property, plant and equipment  | (464)            | (24,892)         |
| Net profit on disposal of other assets   | (112)            | (3,426)          |
| Net provision/(write-back) for impairment of assets  | 38               | (591)            |
| Net provision for liabilities  | 19,364           | 99,234           |
| Share of results of associated companies   | (3,255)          | (3,799)          |
| Share of results of joint ventures   | (165)            | (4,194)          |
| Unrealised translation losses/(gains)  | 1,909            | (1,407)          |
| <b>Operating cash flow before working capital changes</b>  | <b>(269,334)</b> | <b>498,851</b>   |
| <b>Changes in operating assets and liabilities</b>   |                  |                  |
| Receivables and other current assets   | (107,116)        | 202,799          |
| Inventories  | (39,164)         | 1,751            |
| Payables   | (74,956)         | (155,486)        |
| <b>Cash (used in)/generated from operations</b>  | <b>(490,570)</b> | <b>547,915</b>   |
| Interest paid  | (50,222)         | (21,434)         |
| Interest received  | 7,108            | 11,125           |
| Net income tax paid  | (16,868)         | (37,843)         |
| <b>Net cash (outflow)/inflow from operating activities</b>   | <b>(550,552)</b> | <b>499,763</b>   |
| <b>Cash Flows from Investing Activities</b>  |                  |                  |
| Acquisition of additional interests in subsidiaries  | -                | (8,603)          |
| Investment in an associated company  | (7,573)          | (10,394)         |
| Net proceeds from loans receivable   | 434              | 1,068            |
| Investment income received   | -                | 38               |
| Dividends received from an associated company  | 442              | 437              |
| Dividends received from joint ventures   | 140              | 1,360            |
| Purchase of property, plant and equipment  | (89,051)         | (879,049)        |
| Purchase of intangible assets  | (4,159)          | (2,975)          |
| Proceeds from disposal of property, plant and equipment  | 26,755           | 49,351           |
| Proceeds from disposal of other assets   | 17               | 4,374            |
| <b>Net cash inflow (net of transaction costs) from disposal of subsidiaries, net of cash disposed</b> <sup>3</sup> | <b>-</b>         | <b>1,338</b>     |
| <b>Net cash outflow from investing activities</b>  | <b>(72,995)</b>  | <b>(843,055)</b> |
| <b>Cash Flows from Financing Activities</b>  |                  |                  |
| Proceeds from borrowings   | 563,400          | 779,323          |
| Net cash (outflow)/inflow contributed by employee benefit trust  | (520)            | 321              |
| Dividends paid to equity holders   | (39,246)         | (151,277)        |
| Dividends paid to minority interest  | (2,473)          | (4,834)          |
| Net proceeds from issue of new ordinary shares under the Rights Issue  | 965,241          | -                |
| Proceeds from issue of new ordinary shares   | 244              | 1,904            |
| Proceeds from re-issuance of treasury shares   | -                | 27               |
| Purchase of treasury shares  | -                | (621)            |
| Repayment of borrowings  | (951,290)        | (356,526)        |
| Payment of costs incurred in connection with long term financing   | (7,980)          | (171)            |
| <b>Net cash inflow from financing activities</b>   | <b>527,376</b>   | <b>268,146</b>   |
| <b>Net decrease in cash and cash equivalents</b>   | <b>(96,171)</b>  | <b>(75,146)</b>  |
| <b>Cash and cash equivalents at beginning of financial year</b>  | <b>429,219</b>   | <b>504,365</b>   |
| <b>Cash and cash equivalents at end of financial year</b>  | <b>333,048</b>   | <b>429,219</b>   |

<sup>3</sup> Summary of Effect of Disposal of Subsidiaries on the Group's Cash Flow

|   | Group            |                  |
|---|------------------|------------------|
|   | 2009<br>US\$'000 | 2008<br>US\$'000 |
| <b>Net assets disposed :</b>  |                  |                  |
| Non-current assets  | -                | 4,405            |
| Current assets  | -                | 1,054            |
| Current liabilities   | -                | (2,917)          |
| Non-current liabilities   | -                | (2,501)          |
| <b>Net attributable assets disposed</b>   | <b>-</b>         | <b>41</b>        |
| Less: Minority interest   | -                | 120              |
| Add : Foreign currency translation reserve  | (110)            | (312)            |
|   | (110)            | (151)            |
| <b>Net profit on disposal of subsidiaries</b>   | <b>110</b>       | <b>2,292</b>     |
| <b>Net proceeds from disposal of subsidiaries</b>   | <b>-</b>         | <b>2,141</b>     |
| Less : Cash of subsidiaries disposed  | -                | (803)            |
| <b>Net cash inflow (net of transaction costs) from disposal of subsidiaries, net of cash disposed</b> | <b>-</b>         | <b>1,338</b>     |

## 1.(d)(i) Statement of Changes in Equity

## Capital and reserves attributable to equity holders of the Company

| GROUP  | Share capital | Treasury shares | Shares held<br>by employee<br>benefit trust | Treasury<br>shares reserve | Retained<br>earnings | Other<br>reserves | Minority<br>interest | Total equity |
|--|---------------|-----------------|---|----------------------------|----------------------|-------------------|----------------------|--------------|
|  | US\$'000      | US\$'000        | US\$'000                                    | US\$'000                   | US\$'000             | US\$'000          | US\$'000             | US\$'000     |
| Balance at 27 December 2008                              | 845,379       | (5,216)         | (1,413)                                     | (1,195)                    | 1,657,862            | (34,873)          | 44,047               | 2,504,591    |
| Issue of shares  | 988,241       | -               | -   | -                          | -                    | -                 | -                    | 988,241      |
| Share issues expenses                                    | (23,000)      | -               | -   | -                          | -                    | -                 | -                    | (23,000)     |
| Dividends to equity holders                              | -             | -               | -   | -                          | (39,246)             | -                 | -                    | (39,246)     |
| Dividends to minority interest                           | -             | -               | -   | -                          | -                    | -                 | (2,473)              | (2,473)      |
| Employee equity compensation schemes:                    |               |                 |   |                            |                      |                   |                      |              |
| - value of employee services                             | -             | -               | -   | -                          | -                    | 6,335             | -                    | 6,335        |
| - new shares issued                                      | 4,859         | -               | -   | -                          | -                    | (4,615)           | -                    | 244          |
| Purchase of shares by employee benefit trust             | -             | -               | (1,566)                                     | -                          | -                    | -                 | -                    | (1,566)      |
| Sale of nil-paid rights by employee benefit trust        | -             | -               | 225   | -                          | -                    | -                 | -                    | 225          |
| Purchase of Rights Shares by employee benefit trust      | -             | -               | (235)                                       | -                          | -                    | -                 | -                    | (235)        |
| Total comprehensive (loss)/income for the financial year | -             | -               | -   | -                          | (740,809)            | 145,886           | 1,997                | (592,926)    |
| Balance at 25 December 2009                              | 1,815,479     | (5,216)         | (2,989)                                     | (1,195)                    | 877,807              | 112,733           | 43,571               | 2,840,190    |

## Capital and reserves attributable to equity holders of the Company

| GROUP  | Share capital | Treasury shares | Shares held<br>by employee<br>benefit trust | Treasury<br>shares reserve | Retained<br>earnings | Other<br>reserves | Minority<br>interest | Total equity |
|--|---------------|-----------------|---|----------------------------|----------------------|-------------------|----------------------|--------------|
|  | US\$'000      | US\$'000        | US\$'000                                    | US\$'000                   | US\$'000             | US\$'000          | US\$'000             | US\$'000     |
| Balance at 29 December 2007                              | 840,738       | (6,926)         | (610)                                       | (78)                       | 1,726,025            | 102,769           | 45,299               | 2,707,217    |
| Dividends to equity holders                              | -             | -               | -   | -                          | (151,277)            | -                 | -                    | (151,277)    |
| Dividends to minority interest                           | -             | -               | -   | -                          | -                    | -                 | (4,834)              | (4,834)      |
| Acquisition of additional interests in subsidiaries      | -             | -               | -   | -                          | -                    | -                 | (962)                | (962)        |
| Disposal of subsidiaries                                 | -             | -               | -   | -                          | -                    | -                 | 120                  | 120          |
| Employee equity compensation schemes:                    |               |                 |   |                            |                      |                   |                      |              |
| - value of employee services                             | -             | -               | -   | -                          | -                    | 11,737            | -                    | 11,737       |
| - new shares issued                                      | 4,641         | -               | -   | -                          | -                    | (2,737)           | -                    | 1,904        |
| - treasury shares re-issued                              | -             | 2,331           | -   | (1,117)                    | -                    | (1,187)           | -                    | 27           |
| Purchase of treasury shares                              | -             | (621)           | -   | -                          | -                    | -                 | -                    | (621)        |
| Purchase of shares by employee benefit trust             | -             | -               | (786)                                       | -                          | -                    | -                 | -                    | (786)        |
| Total comprehensive (loss)/income for the financial year | -             | -               | (17)  | -                          | 83,114               | (145,455)         | 4,424                | (57,934)     |
| Balance at 26 December 2008                              | 845,379       | (5,216)         | (1,413)                                     | (1,195)                    | 1,657,862            | (34,873)          | 44,047               | 2,504,591    |

1.(d)(i) Statement of Changes in Equity (continued)

| COMPANY   | Share capital<br>US\$'000 | Treasury shares<br>US\$'000 | Treasury shares<br>reserves<br>US\$'000 | Retained<br>earnings<br>US\$'000 | Other<br>reserves<br>US\$'000 | Total equity<br>US\$'000 |
|---|---------------------------|-----------------------------|---|----------------------------------|-------------------------------|--------------------------|
| Balance at 27 December 2008                       | 845,379                   | (5,216)                     | (1,195)                                 | 935,304                          | 37,020                        | 1,811,292                |
| Issue of shares                                   | 988,241                   | -                           | -                                       | -                                | -                             | 988,241                  |
| Share issues expenses                             | (23,000)                  | -                           | -                                       | -                                | -                             | (23,000)                 |
| Dividends to equity holders                       | -                         | -                           | -                                       | (39,246)                         | -                             | (39,246)                 |
| Employee equity compensation schemes:             |                           |                             |   |                                  |                               |                          |
| - value of employee services                      | -                         | -                           | -                                       | -                                | 6,335                         | 6,335                    |
| - new shares issued                               | 4,859                     | -                           | -                                       | -                                | (4,615)                       | 244                      |
| Total comprehensive income for the financial year | -                         | -                           | -                                       | 189,003                          | -                             | 189,003                  |
| Balance at 25 December 2009                       | 1,815,479                 | (5,216)                     | (1,195)                                 | 1,085,061                        | 38,740                        | 2,932,869                |

| COMPANY  | Share capital<br>US\$'000 | Treasury shares<br>US\$'000 | Treasury shares<br>reserves<br>US\$'000 | Retained<br>earnings<br>US\$'000 | Other<br>reserves<br>US\$'000 | Total equity<br>US\$'000 |
|--|---------------------------|-----------------------------|---|----------------------------------|-------------------------------|--------------------------|
| Balance at 29 December 2007                              | 840,738                   | (6,926)                     | (78)                                    | 918,017                          | 29,266                        | 1,781,017                |
| Dividends to equity holders                              | -                         | -                           | -                                       | (151,277)                        | -                             | (151,277)                |
| Employee equity compensation schemes:                    |                           |                             |   |                                  |                               |                          |
| - value of employee services                             | -                         | -                           | -                                       | -                                | 11,737                        | 11,737                   |
| - new shares issued                                      | 4,641                     | -                           | -                                       | -                                | (2,737)                       | 1,904                    |
| - treasury shares re-issued                              | -                         | 2,331                       | (1,117)                                 | -                                | (1,187)                       | 27                       |
| Purchase of treasury shares                              | -                         | (621)                       | -                                       | -                                | -                             | (621)                    |
| Total comprehensive income/(loss) for the financial year | -                         | -                           | -                                       | 168,564                          | (59)                          | 168,505                  |
| Balance at 26 December 2008                              | 845,379                   | (5,216)                     | (1,195)                                 | 935,304                          | 37,020                        | 1,811,292                |

1.(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Issued and paid up capital

As at 25 December 2009, the Company's issued and paid-up capital (including treasury shares) comprised 2,580,624,970 (26 December 2008: 1,472,706,789) ordinary shares. The Company's issued and paid-up capital (excluding treasury shares) comprised 2,578,898,253 (26 December 2008: 1,470,980,072) ordinary shares.

Renounceable underwritten rights issue

On 2 June 2009, the Company announced a proposed renounceable underwritten rights issue (the "Rights Issue"), pursuant to which 1,105,135,048 new ordinary shares in the capital of the Company (the "Rights Shares") were issued at an issue price of S\$1.30 for each Rights Share, on the basis of three Rights Shares for every four existing ordinary shares of the Company held by shareholders as at the books closure date (19 June 2009). The Rights Shares were allotted and issued on 16 July 2009.

Share options

As at 26 December 2008, there were 35,512,201 outstanding options to subscribe for unissued ordinary shares exercisable at any time during the exercise periods under the NOL Share Option Plan ("NOL SOP").

During the financial year, 71,000 and 249,807 share options were exercised to take up unissued shares of the Company at the subscription price of S\$1.15 per share and S\$1.05 per share respectively and 4,122,623 options were cancelled.

An additional 1,941,701 share options were granted under the NOL SOP as a result of the Rights Issue.

In addition, the Company granted 17,438,000 new options to subscribe for unissued ordinary shares exercisable at any time during the exercise periods under the NOL SOP.

As at 25 December 2009, options to subscribe for 50,448,472 ordinary shares remain outstanding under the NOL SOP.

Performance shares

As at 26 December 2008, there were 4,420,704 outstanding performance shares under the NOL Performance Share Plan ("NOL PSP").

During the financial year, 2,462,326 performance shares were vested on 2 January 2009 and 130,668 were cancelled.

An additional 127,941 shares were awarded under the NOL PSP to holders of the outstanding awards as a result of the Rights Issue.

As at 25 December 2009, 1,955,651 performance shares remain outstanding under the NOL PSP.

Treasury shares

As at 26 December 2008, there were 1,726,717 treasury shares that may be re-issued upon the exercise of options under the NOL SOP and the vesting of performance shares under the NOL PSP.

During the financial year, no treasury shares were re-issued by the Company pursuant to the NOL SOP and NOL PSP.

In addition, no shares were purchased for the purposes of fulfilling the Company's obligations under the NOL SOP and NOL PSP.

As at 25 December 2009, there were 1,726,717 treasury shares remaining that have not been re-issued.

2. Basis of Preparation

The preparation of the FY 2009 financial information in conformity with Singapore Financial Reporting Standards requires management to exercise its judgement in the process of applying the Neptune Orient Lines Limited Group's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities as at 25 December 2009 and the reported amounts of revenue and expenses during the financial period from 27 December 2008 to 25 December 2009. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Audit or Review of Figures

The figures have not been audited or reviewed by our auditors.

4. Auditors' Report (including any qualifications or emphasis of matter)

N.A.

5. Accounting Policies

Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed under Note 6(a), the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the audited financial statements as at 26 December 2008.

6.(a) If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, to disclose what has changed, as well as the reasons for, and the effect of, the change.

On 27 December 2008, the Group and the Company early adopted the new or revised Singapore Financial Reporting Standards ("FRS"), which are effective for the financial period beginning on or after 1 January 2009.

The following are the new or revised FRS that are relevant to the Group and the Company:

|                       |  |
|-----------------------|--|
| FRS 1 (revised)       | Presentation of Financial Statements   |
| FRS 23 (revised)      | Borrowing Costs  |
| Amendments to FRS 102 | Share-based Payment: Vesting conditions and cancellations                              |
| Amendments to FRS 107 | Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments |
| FRS 108               | Operating Segments   |

The adoption of the above FRS did not result in substantial changes to the Group's accounting policies and did not have any significant impact on the Group and the Company, except as discussed below:

1) FRS 1 (revised) Presentation of Financial Statements

The Group elected to early adopt FRS 1, which is mandatory for application for annual periods beginning on or after 1 January 2009.

The revised standard requires:

- All changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income;
- Components of comprehensive income to be excluded from statement of changes in equity;
- Items of income and expenses and components of other comprehensive income to be presented either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income);
- Presentation of restated balance sheet as at the beginning of the comparative period when entities make restatements or reclassifications of comparative information.

The Group has elected to present items of income and expenses and components of other comprehensive income in two separate statements (a consolidated income statement followed by a consolidated statement of comprehensive income). Certain comparative items have been reclassified to conform with the current year's presentation.

2) Amendments to FRS 107 Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments

The Group elected to early adopt Amendments to FRS 107, which is mandatory for application for annual periods beginning on or after 1 January 2009.

The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the Group.

The required disclosures will be made accordingly in the full year financial statements of the Group and the Company.

3) FRS 108 Operating Segments

The Group elected to early adopt FRS 108, which is mandatory for application for annual periods beginning on or after 1 January 2009.

FRS 108 replaces FRS 14 Segment reporting, and requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. Segment revenue, segment profits and segment assets are also measured on a basis that is consistent with internal reporting.

The required disclosures have been made accordingly under Note 13 and will also be made in the full year financial statements of the Group and the Company.

6.(b) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

|  | 2009           | 2008<br>(Restated) <sup>4</sup> |
|--|----------------|---------------------------------|
| <b>GROUP</b>   |                |                                 |
| <b>(Loss)/earnings per ordinary share after deducting any provision for preference dividends (adjusted to exclude shares held by employee benefit trust and treasury shares)</b> |                |                                 |
| <b>a) Based on the weighted average number of ordinary shares on issue</b>   | (36.12) US cts | 5.11 US cts                     |
| <b>b) On a fully diluted basis (detailing any adjustments made to the earnings)</b>  | (36.12) US cts | 5.08 US cts                     |

<sup>4</sup> Restated for effects of the Rights Issue.

8. Net Asset Value

|   | Group               |                     |                  | Company             |                     |                  |
|---|---------------------|---------------------|------------------|---------------------|---------------------|------------------|
|   | 25 Dec 2009<br>US\$ | 26 Dec 2008<br>US\$ | Inc / (Dec)<br>% | 25 Dec 2009<br>US\$ | 26 Dec 2008<br>US\$ | Inc / (Dec)<br>% |
| <b>Net Asset Value per ordinary share based on issued share capital (adjusted to exclude treasury shares) of the issuer</b> | 1.08 <sup>5</sup>   | 1.67                | (35.33)          | 1.14 <sup>5</sup>   | 1.23                | (7.32)           |

<sup>5</sup> Net Asset Value as at 25 December 2009 computed on larger share base after the Rights Issue.

9. **Review of the Performance of the Group**

Income Statement:

FY 2009 vs FY 2008

NOL Group achieved revenue of US\$6.52 billion (FY 2008: US\$9.29 billion), a decrease of US\$2.77 billion or 30% year-on-year (YoY). The decrease in revenue is a result of the global recession which impacted volume and revenue across all the business units. Container Shipping was the largest contributor to the revenue decline as lower volumes were compounded by a drastic decline in freight rates.

The Group's cost of sales decreased by US\$1.79 billion or 22% YoY to US\$6.54 billion mainly due to lower variable costs associated with lower volumes, lower bunker costs and successful cost management initiatives.

Miscellaneous income declined by US\$29 million or 73% YoY to US\$11 million mainly due to lesser sales of property, plant and equipment resulting in decrease in profits on disposal of property, plant and equipment.

Finance and investment income decreased by US\$6 million or 45% YoY to US\$7 million mainly due to gain in FY 2008 arising from forward contracts entered into for hedging of payments of dividend.

Administrative expenses declined by US\$82 million or 12% YoY to US\$612 million mainly due to costs savings associated with restructuring.

Finance expenses increased by US\$24 million or 70% YoY to US\$59 million mainly due to higher interest expense from higher average loan balance.

Other operating expenses declined by US\$44 million or 56% YoY to US\$35 million mainly due to foreign exchange gains in FY 2009 as compared to foreign exchange losses in FY 2008, both arising mainly from revaluation of non-USD denominated balance sheet items.

The Group recorded net loss attributable to shareholders of US\$741 million in FY 2009 compared to a profit of US\$83 million in FY 2008. Losses in FY 2009 was due mainly to losses incurred in the container shipping division which experienced significant decline in revenue as a result of lower volumes and deteriorating freight rates. Active cost management had achieved some mitigation in costs but was not enough to compensate for the decline in revenue.

Balance Sheet:

NOL Group's total assets decreased by US\$0.10 billion from US\$5.44 billion as at 26 December 2008 to US\$5.34 billion as at 25 December 2009. The decrease in total assets was mainly due to decrease in cash and cash equivalents (refer to below explanation on factors contributing to decrease in cash and cash equivalents).

The Group's total liabilities decreased by US\$0.44 billion from US\$2.94 billion as at 26 December 2008 to US\$2.50 billion as at 25 December 2009. The decrease in total liabilities was mainly due to net repayment of borrowings using net proceeds from the Rights Issue.

The Group's total equity increased by US\$0.34 billion from US\$2.50 billion as at 26 December 2008 to US\$2.84 billion as at 25 December 2009 mainly due to increase in share capital arising from issuance of new shares under the Rights Issue and net increase in other reserves arising from revaluation of derivative financial instruments, partially offset by losses incurred during FY 2009.

Cashflow:

NOL Group's cash and cash equivalents decreased by US\$96 million from US\$429 million as at 26 December 2008 to US\$333 million as at 25 December 2009 mainly due to net cash outflow from operations of US\$550 million and net cash outflow from investing activities of US\$73 million, partially offset by net cash inflow from financing activities of US\$527 million. Net cash outflow from operations was mainly due to losses incurred during FY 2009. The net cash outflow from investing activities was mainly due to purchase of property, plant and equipment. The net cash inflow from financing activities was mainly due to net proceeds from the Rights Issue of US\$965 million, partially offset by net repayment of borrowings of US\$388 million.

|                    | FY 2009<br>US\$m | Q4 2009<br>US\$m | Q3 2009<br>US\$m | Q2 2009<br>US\$m | Q1 2009<br>US\$m |
|--------------------|------------------|------------------|------------------|------------------|------------------|
| <b>(a) Revenue</b> |                  |                  |                  |                  |                  |
| Container Shipping | 5,485            | 1,696            | 1,312            | 1,183            | 1,294            |
| Logistics          | 976              | 306              | 234              | 195              | 241              |
| Terminals          | 503              | 168              | 123              | 100              | 112              |
| Others             | 8                | 2                | 2                | 2                | 2                |
| Elimination        | (456)            | (151)            | (107)            | (92)             | (106)            |
| <b>Total</b>       | <b>6,516</b>     | <b>2,021</b>     | <b>1,564</b>     | <b>1,388</b>     | <b>1,543</b>     |
| <b>(b) EBIT</b>    |                  |                  |                  |                  |                  |
| Container Shipping | (739)            | (220)            | (143)            | (140)            | (236)            |
| Logistics          | 54               | 13               | 17               | 10               | 14               |
| Terminals          | 33               | 18               | 8                | 3                | 4                |
| Others             | (7)              | (2)              | -                | (2)              | (3)              |
| <b>Total</b>       | <b>(659)</b>     | <b>(191)</b>     | <b>(118)</b>     | <b>(129)</b>     | <b>(221)</b>     |
|                    | FY 2008<br>US\$m | Q4 2008<br>US\$m | Q3 2008<br>US\$m | Q2 2008<br>US\$m | Q1 2008<br>US\$m |
| <b>(a) Revenue</b> |                  |                  |                  |                  |                  |
| Container Shipping | 7,945            | 1,964            | 2,038            | 1,924            | 2,019            |
| Logistics          | 1,324            | 328              | 315              | 318              | 363              |
| Terminals          | 577              | 148              | 146              | 138              | 145              |
| Others             | 13               | 3                | 4                | 3                | 3                |
| Elimination        | (574)            | (154)            | (150)            | (147)            | (123)            |
| <b>Total</b>       | <b>9,285</b>     | <b>2,289</b>     | <b>2,353</b>     | <b>2,236</b>     | <b>2,407</b>     |
| <b>(b) EBIT</b>    |                  |                  |                  |                  |                  |
| Container Shipping | 34               | (143)            | 9                | 60               | 108              |
| Logistics          | 53               | 6                | 17               | 13               | 17               |
| Terminals          | 65               | 11               | 23               | 19               | 12               |
| Others             | 8                | 5                | 3                | -                | -                |
| <b>Total</b>       | <b>160</b>       | <b>(121)</b>     | <b>52</b>        | <b>92</b>        | <b>137</b>       |

(c) **Analysis by Business Units**

(i) **Container Shipping**

FY 2009 vs FY 2008

Container Shipping achieved FY 2009 revenue of US\$5.5 billion, a year-on-year (YoY) decrease of 31% mainly due to lower volumes transported, coupled with freight rate deterioration across all major trade lanes.

Volume declined by 7% YoY due to a decline in volumes in Europe and Americas trade, partially offset by growth in Asia/Middle East trade.

Average revenue per FEU fell by 25% YoY mainly due to lower bunker recovery and freight rate deterioration across all major trade lanes.

The continued depressed trading conditions arising from the decline in global demand coupled with an industry capacity overhang resulted in significant EBIT loss of US\$739 million in FY 2009.

Q4 2009 vs Q4 2008

Container Shipping achieved Q4 2009 revenue of US\$1.7 billion, a year-on-year (YoY) decrease of 14% mainly due to the freight rate deterioration across all major trade lanes partially offset by YoY volume growth.

Volume grew by 28% YoY mainly driven by stronger demand for our services on the Transpacific and Intra-Asia trades as compared to prior year.

Q4 2009 average revenue per FEU fell by 28% YoY mainly due to lower bunker recovery and freight rate deterioration across all major trade lanes.

Q4 2009 achieved utilisation rate of 93%.

The continued depressed trading conditions arising from the decline in global demand coupled with an industry capacity overhang resulted in Q4 2009 recording EBIT loss of US\$220 million.

**CONTAINER SHIPPING FULL YEAR RESULTS 2009 and 2008**

*Unaudited*

|                                     | <b>FY 2009</b> | <b>Q4 2009</b> | <b>Q3 2009</b> | <b>Q2 2009</b> | <b>Q1 2009</b> |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Load Factors %</b>               |                |                |                |                |                |
| Transpacific Eastbound              | 84%            | 90%            | 87%            | 77%            | 77%            |
| Asia-Europe Westbound               | 99%            | 100%           | 100%           | 100%           | 92%            |
| Transatlantic Westbound             | 81%            | 96%            | 86%            | 73%            | 67%            |
| Intra-Asia Westbound                | 91%            | 93%            | 94%            | 94%            | 83%            |
| Asia-Latin America/Mexico Eastbound | 95%            | 96%            | 100%           | 92%            | 69%            |
| <b>Headhaul</b>                     | <b>89%</b>     | <b>93%</b>     | <b>93%</b>     | <b>87%</b>     | <b>80%</b>     |
| <b>Volume ('000 FEU)</b>            |                |                |                |                |                |
| <u>Americas</u>                     |                |                |                |                |                |
| Transpacific                        | 738            | 247            | 189            | 151            | 151            |
| Latin America                       | 177            | 55             | 45             | 38             | 39             |
|                                     | 915            | 302            | 234            | 189            | 190            |
| <u>Europe</u>                       |                |                |                |                |                |
| Asia-Europe                         | 357            | 101            | 88             | 84             | 84             |
| Transatlantic                       | 120            | 37             | 29             | 26             | 28             |
|                                     | 477            | 138            | 117            | 110            | 112            |
| <u>Asia/Middle East</u>             |                |                |                |                |                |
| Intra-Asia                          | 897            | 293            | 235            | 190            | 179            |
| <b>Total Volume <sup>6</sup></b>    | <b>2,289</b>   | <b>733</b>     | <b>586</b>     | <b>489</b>     | <b>481</b>     |
|                                     | <b>FY 2008</b> | <b>Q4 2008</b> | <b>Q3 2008</b> | <b>Q2 2008</b> | <b>Q1 2008</b> |
| <b>Load Factors %</b>               |                |                |                |                |                |
| Transpacific Eastbound              | 88%            | 81%            | 90%            | 90%            | 95%            |
| Asia-Europe Westbound               | 90%            | 80%            | 93%            | 93%            | 97%            |
| Transatlantic Westbound             | 84%            | 77%            | 84%            | 89%            | 87%            |
| Intra-Asia Westbound                | 91%            | 91%            | 88%            | 88%            | 95%            |
| Asia-Latin America/Mexico Eastbound | 94%            | 80%            | 100%           | 100%           | 89%            |
| <b>Headhaul</b>                     | <b>89%</b>     | <b>83%</b>     | <b>90%</b>     | <b>90%</b>     | <b>95%</b>     |
| <b>Volume ('000 FEU)</b>            |                |                |                |                |                |
| <u>Americas</u>                     |                |                |                |                |                |
| Transpacific                        | 825            | 183            | 209            | 201            | 232            |
| Latin America                       | 199            | 46             | 50             | 51             | 52             |
|                                     | 1,024          | 229            | 259            | 252            | 284            |
| <u>Europe</u>                       |                |                |                |                |                |
| Asia-Europe                         | 442            | 100            | 111            | 113            | 118            |
| Transatlantic                       | 147            | 35             | 36             | 35             | 41             |
|                                     | 589            | 135            | 147            | 148            | 159            |
| <u>Asia/Middle East</u>             |                |                |                |                |                |
| Intra-Asia                          | 852            | 210            | 216            | 206            | 220            |
| <b>Total Volume <sup>6</sup></b>    | <b>2,465</b>   | <b>574</b>     | <b>622</b>     | <b>606</b>     | <b>663</b>     |

<sup>6</sup> Represents volume recognised from each Bill of Lading upon commencement of shipment on vessels.

## (c) Analysis by Business Units (continued)

## CONTAINER SHIPPING FULL YEAR RESULTS 2009 and 2008 (continued)

Unaudited

|                                     | FY 2009      | Q4 2009      | Q3 2009      | Q2 2009      | Q1 2009      |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Operating Expenses (US\$m)</b>   |              |              |              |              |              |
| <u>Americas</u>                     |              |              |              |              |              |
| Transpacific                        | 2,777        | 877          | 674          | 562          | 664          |
| Latin America                       | 609          | 186          | 135          | 134          | 154          |
|                                     | 3,386        | 1,063        | 809          | 696          | 818          |
| <u>Europe</u>                       |              |              |              |              |              |
| Asia-Europe                         | 960          | 279          | 211          | 214          | 256          |
| Transatlantic                       | 403          | 113          | 89           | 88           | 113          |
|                                     | 1,363        | 392          | 300          | 302          | 369          |
| <u>Asia/Middle East</u>             |              |              |              |              |              |
| Intra-Asia                          | 1,475        | 461          | 346          | 325          | 343          |
| <b>Total Operating Expenses</b>     | <b>6,224</b> | <b>1,916</b> | <b>1,455</b> | <b>1,323</b> | <b>1,530</b> |
| <b>Analysis of Expenses (US\$m)</b> |              |              |              |              |              |
| Operating Cost                      | 5,565        | 1,732        | 1,301        | 1,171        | 1,361        |
| General and Administrative          | 410          | 117          | 97           | 94           | 102          |
| Depreciation and Amortisation       | 249          | 67           | 57           | 58           | 67           |
| Others <sup>7</sup>                 | -            | -            | -            | -            | -            |
| <b>Total Operating Expenses</b>     | <b>6,224</b> | <b>1,916</b> | <b>1,455</b> | <b>1,323</b> | <b>1,530</b> |
|                                     | FY 2008      | Q4 2008      | Q3 2008      | Q2 2008      | Q1 2008      |
| <b>Operating Expenses (US\$m)</b>   |              |              |              |              |              |
| <u>Americas</u>                     |              |              |              |              |              |
| Transpacific                        | 3,414        | 907          | 880          | 781          | 846          |
| Latin America                       | 789          | 210          | 198          | 187          | 194          |
|                                     | 4,203        | 1,117        | 1,078        | 968          | 1,040        |
| <u>Europe</u>                       |              |              |              |              |              |
| Asia-Europe                         | 1,572        | 402          | 413          | 378          | 379          |
| Transatlantic                       | 499          | 135          | 124          | 127          | 113          |
|                                     | 2,071        | 537          | 537          | 505          | 492          |
| <u>Asia/Middle East</u>             |              |              |              |              |              |
| Intra-Asia                          | 1,637        | 453          | 414          | 391          | 379          |
| <b>Total Operating Expenses</b>     | <b>7,911</b> | <b>2,107</b> | <b>2,029</b> | <b>1,864</b> | <b>1,911</b> |
| <b>Analysis of Expenses (US\$m)</b> |              |              |              |              |              |
| Operating Cost                      | 7,148        | 1,882        | 1,854        | 1,683        | 1,729        |
| General and Administrative          | 536          | 160          | 122          | 129          | 125          |
| Depreciation and Amortisation       | 226          | 65           | 53           | 52           | 56           |
| Others <sup>7</sup>                 | 1            | -            | -            | -            | 1            |
| <b>Total Operating Expenses</b>     | <b>7,911</b> | <b>2,107</b> | <b>2,029</b> | <b>1,864</b> | <b>1,911</b> |

<sup>7</sup> Others consists of minority interest and share of results of associated companies and joint ventures.

## (ii) Logistics

## FY 2009 vs FY 2008

Logistics achieved FY 2009 revenue of US\$976 million, a year-on-year (YoY) decrease of 26% due to lower volumes across the various Logistics' services, coupled with lower freight rates in the forwarding business segment.

International Services achieved revenue of US\$364 million, a YoY decrease of 29% due to a combination of lower shipment volume and lower freight rates in the forwarding business segment.

Contract Logistics achieved revenue of US\$612 million, a YoY decrease of 24% due to lower volumes across various business units, particularly in the business areas that service the automotive sector and related trucking services.

Logistics achieved EBIT of US\$54 million for FY 2009, an improvement of US\$1 million YoY, mainly due to active cost management measures which reduced operating cost and general and administrative expenses by 29% and 20% respectively, partially offset by lower volumes and revenue.

## Q4 2009 vs Q4 2008

Logistics achieved Q4 2009 revenue of US\$306 million, a year-on-year (YoY) decrease of 7% due to lower volumes across the various Logistics' services, coupled with lower freight rates in the forwarding business segment.

International Services achieved revenue of US\$107 million, a YoY decrease of 12% mainly due to lower freight rates in the forwarding business segment offset by higher volumes as compared to prior year.

Contract Logistics achieved revenue of US\$199 million, a YoY decrease of 3% mainly due to lower volumes.

Logistics achieved EBIT of US\$13 million, an improvement of US\$7 million YoY. This was mainly due to costs associated with the restructuring exercise in Q4 2008.

## (c) Analysis by Business Units (continued)

## LOGISTICS FULL YEAR RESULTS 2009 and 2008

Unaudited

US\$ millions

|                                 | FY 2009        | Q4 2009        | Q3 2009        | Q2 2009        | Q1 2009        |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>BY REGION</b>                |                |                |                |                |                |
| <b>Revenue</b>                  |                |                |                |                |                |
| Americas                        | 638            | 202            | 149            | 126            | 161            |
| Europe                          | 99             | 35             | 23             | 17             | 24             |
| Asia/Middle East                | 239            | 69             | 62             | 52             | 56             |
| <b>Total Revenue</b>            | <b>976</b>     | <b>306</b>     | <b>234</b>     | <b>195</b>     | <b>241</b>     |
| <b>BY BUSINESS SEGMENT</b>      |                |                |                |                |                |
| <b>Revenue</b>                  |                |                |                |                |                |
| Contract Logistics Services     | 612            | 199            | 142            | 121            | 150            |
| International Services          | 364            | 107            | 92             | 74             | 91             |
| <b>Total Revenue</b>            | <b>976</b>     | <b>306</b>     | <b>234</b>     | <b>195</b>     | <b>241</b>     |
| <b>Operating Expenses</b>       |                |                |                |                |                |
| Contract Logistics Services     | 593            | 194            | 136            | 118            | 145            |
| International Services          | 329            | 99             | 81             | 67             | 82             |
| <b>Total Operating Expenses</b> | <b>922</b>     | <b>293</b>     | <b>217</b>     | <b>185</b>     | <b>227</b>     |
| <b>EBIT</b>                     |                |                |                |                |                |
| Contract Logistics Services     | 19             | 5              | 6              | 3              | 5              |
| International Services          | 35             | 8              | 11             | 7              | 9              |
| <b>Total EBIT</b>               | <b>54</b>      | <b>13</b>      | <b>17</b>      | <b>10</b>      | <b>14</b>      |
| <b>Analysis of Expenses</b>     |                |                |                |                |                |
| Operating Cost                  | 769            | 248            | 181            | 152            | 188            |
| General and Administrative      | 144            | 43             | 34             | 31             | 36             |
| Depreciation and Amortisation   | 11             | 3              | 3              | 2              | 3              |
| Others <sup>8</sup>             | (2)            | (1)            | (1)            | -              | -              |
| <b>Total Operating Expenses</b> | <b>922</b>     | <b>293</b>     | <b>217</b>     | <b>185</b>     | <b>227</b>     |
|                                 | <b>FY 2008</b> | <b>Q4 2008</b> | <b>Q3 2008</b> | <b>Q2 2008</b> | <b>Q1 2008</b> |
| <b>BY REGION</b>                |                |                |                |                |                |
| <b>Revenue</b>                  |                |                |                |                |                |
| Americas                        | 825            | 213            | 196            | 198            | 218            |
| Europe                          | 178            | 38             | 40             | 44             | 56             |
| Asia/Middle East                | 321            | 77             | 79             | 76             | 89             |
| <b>Total Revenue</b>            | <b>1,324</b>   | <b>328</b>     | <b>315</b>     | <b>318</b>     | <b>363</b>     |
| <b>BY BUSINESS SEGMENT</b>      |                |                |                |                |                |
| <b>Revenue</b>                  |                |                |                |                |                |
| Contract Logistics Services     | 808            | 206            | 189            | 196            | 217            |
| International Services          | 516            | 122            | 126            | 122            | 146            |
| <b>Total Revenue</b>            | <b>1,324</b>   | <b>328</b>     | <b>315</b>     | <b>318</b>     | <b>363</b>     |
| <b>Operating Expenses</b>       |                |                |                |                |                |
| Contract Logistics Services     | 783            | 204            | 183            | 187            | 209            |
| International Services          | 488            | 118            | 115            | 118            | 137            |
| <b>Total Operating Expenses</b> | <b>1,271</b>   | <b>322</b>     | <b>298</b>     | <b>305</b>     | <b>346</b>     |
| <b>EBIT</b>                     |                |                |                |                |                |
| Contract Logistics Services     | 25             | 2              | 6              | 9              | 8              |
| International Services          | 28             | 4              | 11             | 4              | 9              |
| <b>Total EBIT</b>               | <b>53</b>      | <b>6</b>       | <b>17</b>      | <b>13</b>      | <b>17</b>      |
| <b>Analysis of Expenses</b>     |                |                |                |                |                |
| Operating Cost                  | 1,081          | 267            | 256            | 261            | 297            |
| General and Administrative      | 180            | 53             | 38             | 43             | 46             |
| Depreciation and Amortisation   | 10             | 2              | 3              | 2              | 3              |
| Others <sup>8</sup>             | -              | -              | 1              | (1)            | -              |
| <b>Total Operating Expenses</b> | <b>1,271</b>   | <b>322</b>     | <b>298</b>     | <b>305</b>     | <b>346</b>     |

<sup>8</sup> Others consists of minority interest and share of results of associated companies and joint ventures.

## (iii) Terminals

## FY 2009 vs FY 2008

Terminals achieved FY 2009 revenue of US\$503 million, a year-on-year (YoY) decrease of 13% due to lower overall volume throughput.

FY 2009 recorded volume throughput of approximately 1.9 million lifts, a decline of 12% YoY.

Terminals achieved a EBIT of US\$33 million for FY 2009, a YoY decrease of 49% mainly due to lower volumes lifted and changes in trade mix. The impact from lower volume and revenue was partially offset by cost mitigation initiatives.

## Q4 2009 vs Q4 2008

Terminals achieved Q4 2009 revenue of US\$168 million, a year-on-year (YoY) increase of 14% due to higher volume throughput.

Volume throughput in Q4 2009 grew by 18% YoY in-line with improved Container Shipping volumes.

Terminals achieved EBIT of US\$18 million in Q4 2009, a YoY increase of 64% mainly due to higher volumes lifted in Q4 2009 and costs associated with the restructuring exercise in Q4 2008.

(c) Analysis by Business Units (continued)

TERMINALS FULL YEAR RESULTS 2009 and 2008

Unaudited

|                                     | FY 2009      | Q4 2009    | Q3 2009    | Q2 2009    | Q1 2009    |
|-------------------------------------|--------------|------------|------------|------------|------------|
| <b>Total Volume ('000 Lifts)</b>    | <b>1,946</b> | <b>641</b> | <b>482</b> | <b>394</b> | <b>429</b> |
| <b>Analysis of Expenses (US\$m)</b> |              |            |            |            |            |
| Operating Cost                      | 409          | 134        | 101        | 81         | 93         |
| General and Administrative          | 40           | 10         | 9          | 10         | 11         |
| Depreciation and Amortisation       | 21           | 6          | 5          | 5          | 5          |
| Others <sup>9</sup>                 | -            | -          | -          | 1          | (1)        |
| <b>Total Operating Expenses</b>     | <b>470</b>   | <b>150</b> | <b>115</b> | <b>97</b>  | <b>108</b> |
|                                     | FY 2008      | Q4 2008    | Q3 2008    | Q2 2008    | Q1 2008    |
| <b>Total Volume ('000 Lifts)</b>    | <b>2,215</b> | <b>545</b> | <b>557</b> | <b>544</b> | <b>569</b> |
| <b>Analysis of Expenses (US\$m)</b> |              |            |            |            |            |
| Operating Cost                      | 443          | 114        | 109        | 104        | 116        |
| General and Administrative          | 54           | 19         | 11         | 12         | 12         |
| Depreciation and Amortisation       | 21           | 7          | 4          | 4          | 6          |
| Others <sup>9</sup>                 | (6)          | (3)        | (1)        | (1)        | (1)        |
| <b>Total Operating Expenses</b>     | <b>512</b>   | <b>137</b> | <b>123</b> | <b>119</b> | <b>133</b> |

<sup>9</sup> Others consists of minority interest and share of results of associated companies and joint ventures.

10. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

N.A.

11. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

At our 3Q09 results announcement, NOL indicated continuing losses in the first half of 2010. In early 2010, there have been improvements in volumes and asset utilisation in NOL's principal markets. In addition, freight rates have stabilised and trended upwards in some trades. If these conditions continue, better business performance is possible. However, significant risks remain – particularly the sustainability of demand and higher fuel costs. The Group will continue to pursue strategies which reflect the current operating environment, including the achievement of cost savings and improved asset utilisation, yields and productivity.

12. Dividend

(a) Any dividend recommended for the current financial period reported on?

Nil

(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

| Name of dividend          | Interim               | Final                 |
|---------------------------|-----------------------|-----------------------|
| Dividend Type             | Cash                  | Cash                  |
| Dividend Amount per share | 4.00 Singapore cents  | 4.00 Singapore cents  |
| Tax Rate                  | Tax Exempt (One-tier) | Tax Exempt (One-tier) |
| Payment Date              | 5 September 2008      | 5 May 2009            |

(c) Date payable

N.A.

(d) Books closure date

N.A.

(e) If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the current financial year.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

13. Segment Information  
Segment Reporting By Operating Segments

For management purposes, the Group is organised into business units based on their services, and has three reportable operating segments as follows:

1. Container Shipping - Global container transportation operations. It offers container shipping services in major trade lanes such as Transpacific, Intra-Asia, Transatlantic, Latin America and Asia-Europe.
2. Logistics - Global logistics provider with a comprehensive network of facilities and services to support the global supply chain management needs of customers. The range of services include consolidation, warehousing, global freight management (ocean, air, truck and rail), domestic distribution networks, international deconsolidation and information technologies that provide timely and accurate information to effectively manage supply chain activities.
3. Terminals - Operation of container terminals and provision of other related services. The segment information on Terminals has been prepared as if the Terminals unit of the Group operates as a separate business and charges are at arm's length. In practice, terminal handling forms an integral part of shipping.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

The terms of inter-segment sales are established by negotiation between the various business units.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on earnings before interest and tax.

Unallocated income statement items represent income tax expense or credit and interest expense, which are managed on a group basis and are not allocated to operating segments. However, costs are sometimes incurred at the enterprise level on behalf of a segment. Such costs are segment expenses if they relate to the segment's operating activities and they can be directly attributed or allocated to the segment on a reasonable basis.

Segment assets comprise primarily of property, plant and equipment, investment properties, intangible assets, goodwill arising on consolidation, inventories, receivables, operating cash and other investments and exclude fixed and demand deposits and deferred income tax assets. Segment liabilities comprise primarily of operating liabilities and exclude items such as income tax liabilities and borrowings.

Capital expenditure comprises additions to property, plant and equipment and intangible assets, excluding those acquired through business combinations and finance leases.

13. Segment Information (continued)  
Segment Reporting By Operating Segments (continued)

|  | Container<br>Shipping<br>US\$'000 | Logistics<br>US\$'000 | Terminals<br>US\$'000 | Others<br>US\$'000 | Elimination<br>US\$'000 | Total<br>US\$'000 |
|--|-----------------------------------|-----------------------|-----------------------|--------------------|-------------------------|-------------------|
| <b>2009</b>  |                                   |                       |                       |                    |                         |                   |
| Revenue  |                                   |                       |                       |                    |                         |                   |
| External sales   | 5,418,625                         | 963,708               | 133,245               | -                  | -                       | 6,515,578         |
| Inter-segment sales                                      | 66,305                            | 12,431                | 370,178               | 8,327              | (457,241)               | -                 |
| <b>Total revenue</b>                                     | <b>5,484,930</b>                  | <b>976,139</b>        | <b>503,423</b>        | <b>8,327</b>       | <b>(457,241)</b>        | <b>6,515,578</b>  |
| Segment result   | (743,870)                         | 50,129                | 32,795                | (7,211)            | -                       | (668,157)         |
| Interest income  | 4,849                             | 1,153                 | -                     | 1,187              | -                       | 7,189             |
| Share of results of associated companies                 | -                                 | 3,328                 | (73)                  | -                  | -                       | 3,255             |
| Share of results of joint ventures                       | -                                 | 340                   | (175)                 | -                  | -                       | 165               |
| Minority interest  | (340)                             | (1,398)               | 33                    | -                  | -                       | (1,705)           |
| Earnings before interest and tax                         | (739,361)                         | 53,552                | 32,580                | (6,024)            | -                       | (659,253)         |
| Interest expense   |                                   |                       |                       |                    |                         | (42,579)          |
| Income tax expense                                       |                                   |                       |                       |                    |                         | (38,977)          |
| Net loss attributable to equity holders of the Company   |                                   |                       |                       |                    |                         | (740,809)         |
| Segment assets   | 4,103,451                         | 256,468               | 182,801               | 1,986,598          | (1,404,902)             | 5,124,416         |
| Associated companies                                     | -                                 | 18,166                | 22,050                | -                  | -                       | 40,216            |
| Joint ventures   | -                                 | 5,203                 | 21,904                | -                  | -                       | 27,107            |
| Unallocated assets                                       |                                   |                       |                       |                    |                         | 148,811           |
| <b>Consolidated total assets</b>                         |                                   |                       |                       |                    |                         | <b>5,340,550</b>  |
| Segment liabilities                                      | 2,418,840                         | 264,604               | 144,381               | 69,978             | (1,404,902)             | 1,492,901         |
| Unallocated liabilities                                  |                                   |                       |                       |                    |                         | 1,007,459         |
| <b>Consolidated total liabilities</b>                    |                                   |                       |                       |                    |                         | <b>2,500,360</b>  |
| Other segment items:                                     |                                   |                       |                       |                    |                         |                   |
| Capital expenditures                                     |                                   |                       |                       |                    |                         |                   |
| - property, plant & equipment                            | 64,179                            | 8,200                 | 11,169                | 5,503              | -                       | 89,051            |
| - intangible assets                                      | 2,368                             | 1,791                 | -                     | -                  | -                       | 4,159             |
| Depreciation   | 245,795                           | 8,855                 | 20,556                | 4,905              | -                       | 280,111           |
| Amortisation   | 3,623                             | 2,443                 | -                     | 39                 | -                       | 6,105             |
| Net provision for/(write-back of) impairment             | 7,876                             | (1,301)               | 545                   | (256)              | -                       | 6,864             |
| Other non-cash expenses                                  | 104,505                           | 474                   | 5,252                 | 1,937              | -                       | 112,168           |
| <b>2008</b>  |                                   |                       |                       |                    |                         |                   |
| Revenue  |                                   |                       |                       |                    |                         |                   |
| External sales   | 7,804,563                         | 1,308,134             | 169,799               | 2,629              | -                       | 9,285,125         |
| Inter-segment sales                                      | 140,300                           | 15,961                | 407,089               | 10,352             | (573,702)               | -                 |
| <b>Total revenue</b>                                     | <b>7,944,863</b>                  | <b>1,324,095</b>      | <b>576,888</b>        | <b>12,981</b>      | <b>(573,702)</b>        | <b>9,285,125</b>  |
| Segment result   | 31,148                            | 50,443                | 60,401                | 6,171              | -                       | 148,163           |
| Interest income  | 3,992                             | 3,154                 | 596                   | 1,277              | -                       | 9,019             |
| Share of results of associated companies                 | -                                 | 3,719                 | 71                    | 9                  | -                       | 3,799             |
| Share of results of joint ventures                       | -                                 | (1,606)               | 5,800                 | -                  | -                       | 4,194             |
| Minority interest  | (670)                             | (2,463)               | (1,711)               | (305)              | -                       | (5,149)           |
| Earnings before interest and tax                         | 34,470                            | 53,247                | 65,157                | 7,152              | -                       | 160,026           |
| Interest expense   |                                   |                       |                       |                    |                         | (27,986)          |
| Income tax expense                                       |                                   |                       |                       |                    |                         | (48,926)          |
| Net profit attributable to equity holders of the Company |                                   |                       |                       |                    |                         | 83,114            |
| Segment assets   | 3,984,954                         | 266,682               | 193,153               | 945,066            | (363,060)               | 5,026,795         |
| Associated companies                                     | -                                 | 15,046                | 13,972                | -                  | -                       | 29,018            |
| Joint ventures   | -                                 | 5,208                 | 22,079                | -                  | -                       | 27,287            |
| Unallocated assets                                       |                                   |                       |                       |                    |                         | 361,491           |
| <b>Consolidated total assets</b>                         |                                   |                       |                       |                    |                         | <b>5,444,591</b>  |
| Segment liabilities                                      | 1,487,610                         | 306,052               | 146,924               | 57,574             | (363,060)               | 1,635,100         |
| Unallocated liabilities                                  |                                   |                       |                       |                    |                         | 1,304,900         |
| <b>Consolidated total liabilities</b>                    |                                   |                       |                       |                    |                         | <b>2,940,000</b>  |
| Other segment items:                                     |                                   |                       |                       |                    |                         |                   |
| Capital expenditures                                     |                                   |                       |                       |                    |                         |                   |
| - property, plant & equipment                            | 641,070                           | 18,773                | 26,017                | 193,189            | -                       | 879,049           |
| - intangible assets                                      | 2,227                             | 746                   | -                     | 2                  | -                       | 2,975             |
| Depreciation   | 227,460                           | 8,325                 | 20,552                | 6,200              | -                       | 262,537           |
| Amortisation   | (1,682)                           | 2,126                 | -                     | 41                 | -                       | 485               |
| Net provision for impairment                             | 6,930                             | 2,047                 | 265                   | 628                | -                       | 9,870             |
| Other non-cash expenses                                  | 84,709                            | 15,235                | 12,484                | 332                | -                       | 112,760           |

13. Segment Information (continued)

Segment Reporting By Geographical Segments

In respect of container shipping activities which covers the world's major shipping lanes, the geographical segment of external sales are reported as follows:

| <u>Geographical segment</u> | <u>Trade Lanes</u>            |
|-----------------------------|-------------------------------|
| Asia/Middle East            | Intra-Asia                    |
| Europe                      | Asia-Europe<br>Transatlantic  |
| Americas                    | Transpacific<br>Latin America |

In respect of logistics activities, the geographical segments of external sales are reported based on the country where the services were significantly performed.

In respect of terminals services, the geographical segments of external sales are reported based on the country where the services are performed.

In respect of other activities, the geographical segments of external sales are reported based on the country of domicile of customers.

The Directors of the Company consider that the nature of the Group's business precludes a meaningful allocation of vessels, drydocking costs and containers to specific geographical segments as defined under FRS 108 Operating Segments. These vessels, together with the related drydocking costs, and containers are primarily utilised across geographic markets for shipment of cargoes throughout the world. This is in line with the industry practice.

|                  | Sales            |                  |                           | Non-current Assets |                  |                           |
|------------------|------------------|------------------|---------------------------|--------------------|------------------|---------------------------|
|                  | 2009<br>US\$'000 | 2008<br>US\$'000 | % Increase/<br>(Decrease) | 2009<br>US\$'000   | 2008<br>US\$'000 | % Increase/<br>(Decrease) |
| Asia/Middle East | 1,600,680        | 2,134,557        | (25)                      | 445,720            | 390,755          | 14                        |
| Europe           | 1,189,131        | 2,088,235        | (43)                      | 31,040             | 31,776           | (2)                       |
| Americas         | 3,725,767        | 5,062,333        | (26)                      | 279,371            | 309,749          | (10)                      |
| <b>Subtotal</b>  | <b>6,515,578</b> | <b>9,285,125</b> |                           | <b>756,131</b>     | <b>732,280</b>   |                           |
| Vessels          | -                | -                | 0                         | 1,994,821          | 2,031,906        | (2)                       |
| Containers       | -                | -                | 0                         | 985,042            | 1,068,333        | (8)                       |
| Drydocking costs | -                | -                | 0                         | 48,632             | 67,374           | (28)                      |
| <b>Total</b>     | <b>6,515,578</b> | <b>9,285,125</b> |                           | <b>3,784,626</b>   | <b>3,899,893</b> |                           |

14. Factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Note 9 for an analysis by business units.

15. Breakdown of sales as follows:

|   | 2009<br>US\$'000 | Group<br>2008<br>US\$'000 | % Increase/<br>(Decrease) |
|---|------------------|---------------------------|---------------------------|
| Sales reported for the first half year  | 2,931,209        | 4,642,536                 | (37)                      |
| Operating (losses)/gains after income tax before deducting minority interest reported for the first half year | (390,457)        | 199,771                   | N/M                       |
| Sales reported for the second half year   | 3,584,369        | 4,642,589                 | (23)                      |
| Operating losses after income tax before deducting minority interest reported for the second half year        | (348,647)        | (111,508)                 | 213                       |

N/M: Not meaningful

16. Interested Person Transactions

Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual

|   | 2009<br>US\$'000 | 2008<br>US\$'000 |
|---|------------------|------------------|
| <b>Transactions for the Purchase of Goods and Services</b>        |                  |                  |
| Certis CISCO Security Pte Ltd and its associates                  | 106              | -                |
| Keppel Telecommunications & Transportation Ltd and its associates | -                | 156              |
| PSA Corporation Limited and its associates                        | 151,397          | 169,499          |
| Sembcorp Marine Ltd and its associates                            | 112              | 25,811           |
| Singapore Petroleum Company Limited and its associates            | 6,709            | 17,767           |
| Singapore Technologies Engineering Ltd and its associates         | 169              | -                |
| <b>Transactions for the Leasing-in of Assets</b>                  |                  |                  |
| Sembcorp Marine Ltd and its associates                            | 3,046            | 3,677            |
| <b>Transactions for the Sale of Goods and Services</b>            |                  |                  |
| Sembcorp Marine Ltd and its associates                            | 378              | 194              |

The above relates to cumulative value of transactions (inclusive of GST) more than S\$100K.

17. A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous year as follows:-

|              | 2009<br>US\$'000 | 2008<br>US\$'000 |
|--------------|------------------|------------------|
| Ordinary     | -                | 81,764           |
| Preference   | -                | -                |
| <b>Total</b> | <b>-</b>         | <b>81,764</b>    |

BY ORDER OF THE BOARD

WONG KIM WAH  
Company Secretary

Dated this 11 February 2010