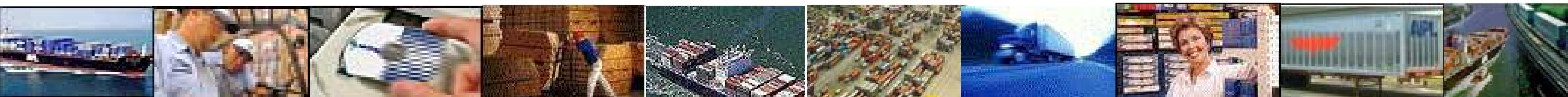


FY03 Performance Review
&
2004 Outlook

24 February 2004

Contents of Presentation

1. ***FY03 Group Financial Performance***
2. ***Business Segment Review***
3. ***Group Outlook for 2004***

Forward Looking Statements

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

Contents of Presentation

1. ***FY03 Group Financial Performance***

Presented by:
NOL Group CFO, Mr. Lim How Teck

FY03 Financials

Financial Highlights (US$)

	4Q03	4Q02	Change	FY03*	FY02	Change
➢Turnover	$1,547 m	$1,300 m	19%	$5,523 m	$4,642 m	19%
➢Core EBITDA	$252 m	$81 m	211%	$753 m	$236 m	219%
• Depreciation & Amortisation**	($72 m)	($95 m)		($288 m)	($320 m)	
➢Core EBIT	$180 m	($14 m)	n.m.	$465 m	($84 m)	n.m.
• Net Interest Expense	($25 m)	($40 m)		($108 m)	($127 m)	
• Tax	($7 m)	$6 m		($22 m)	($10 m)	
➢Profit/(Loss) before EI***	$148 m	($48 m)	n.m.	$335 m	($221 m)	n.m.
• Exceptional Items	($14 m)	($98 m)		$94 m	($109 m)	
➢Net Profit/(Loss)	$134 m	($146 m)	n.m.	$429 m	($330 m)	n.m.

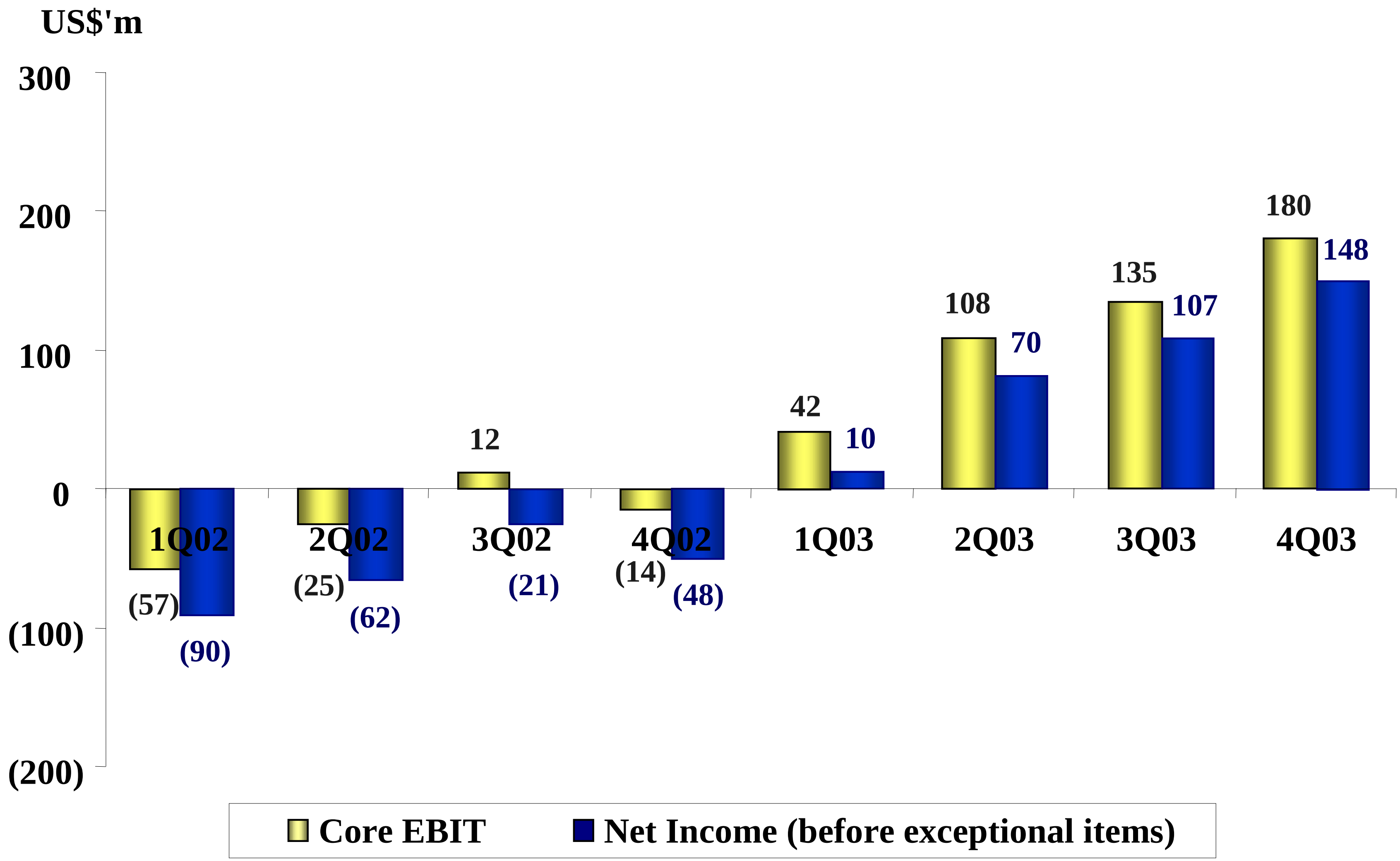
** NOL's full year results is to 26 December 2003*

*** Part of the amortisation has been classified under exceptional items - US$2m in 4Q02; US$3m in YTD03 & US$7m in YTD02*

**** EI = Exceptional Items*

NOL Group's Quarterly Trend

NOL Group's Core EBIT and Net Income – 2002 & 2003



Exceptional Items (US$)

	4Q03	4Q02	FY03	FY02
1. Gain/(Loss) from asset disposals	$4 m	($14 m)	$153 m	($13 m)
2. Provisions for diminution in assets	($4 m)	($16 m)	($48 m)	($23 m)
3. Restructuring & severance costs	($8 m)	($36 m)	($8 m)	($36 m)
4. Write-down of assets	($6 m)	($12 m)	($8 m)	($12 m)
5. Additional write-down of goodwill	-	($12 m)	($3 m)	($17 m)
6. Others	-	($8 m)	$8 m	($8 m)
Total	**($14 m)**	**($98 m)**	**$94 m**	**($109 m)**

NOL Group Balance Sheet (US$)

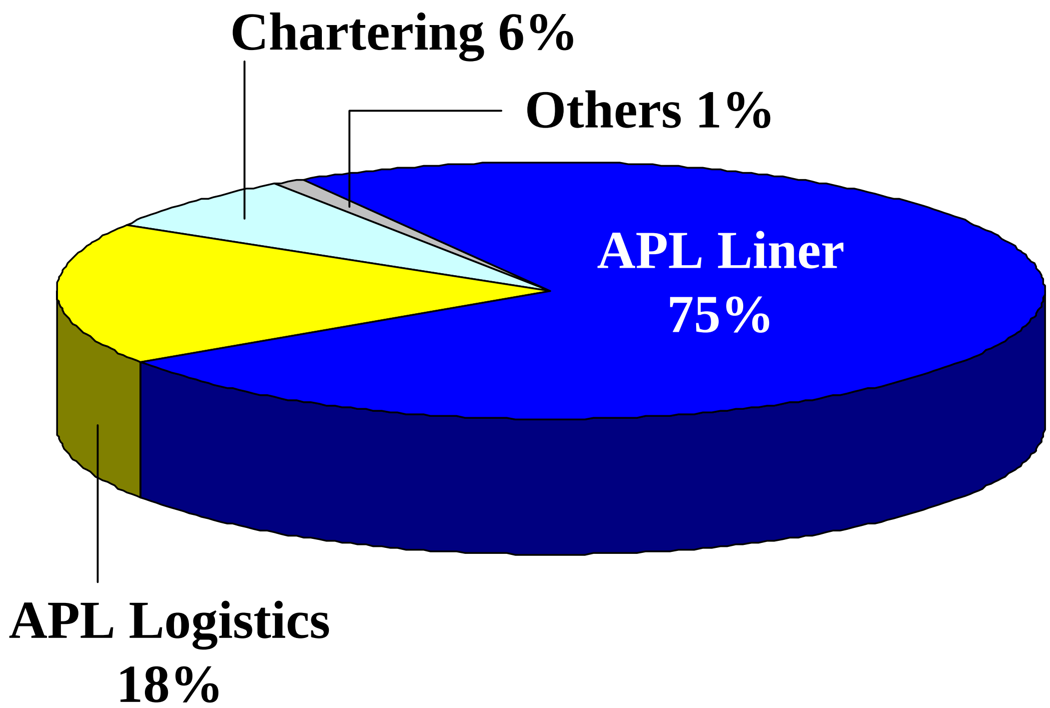
FY03 Financials

	26 Dec'03	27 Dec'02
Total Assets	$4,064 m	$4,769 m
Total Liabilities	$2,760 m	$4,213 m
Total Equity	$1,304 m	$556 m

	26 Dec'03	27 Dec'02
Total Debt	$1,252 m	$2,814 m
Gearing (Gross)	0.96	5.06
Gearing (Net)	0.54	4.46

Turnover by Business Units

FY03 Total Turnover : US$5,523 million, up 19%



<u>FY02 Turnover Breakdown</u>:
Total : US$4,642 m

APL Liner	:	**74%**
APL Logistics	:	**18%**
Chartering	:	**7%**
Others	:	**1%**

Turnover by Business Units (US$)

	4Q03	4Q02	Change	FY03	FY02	Change
APL Liner	$1,228 m	$945 m	30%	$4,180 m	$3,443 m	21%
APL Logistics	$286 m	$240 m	19%	$975 m	$813 m	20%
Chartering*	$15 m	$108 m	(86%)	$317 m	$349 m	(9%)
Others	$39 m	$42 m	(7%)	$161 m	$163 m	(1%)
Interco Elimination	($21 m)	($35 m)	40%	($110 m)	($126 m)	13%
Total Turnover	$1,547 m	$1,300 m	19%	$5,523 m	$4,642 m	19%

** AET was sold on 22 July 2003*

FY03 Financials

Core EBIT by Business Units (US$)

	4Q03	4Q02	Change	FY03	FY02	Change
APL Liner	$179 m	($8 m)	n.m.	$406 m	($72 m)	n.m.
APL Logistics	$4 m	($16 m)	n.m.	$7 m	($27 m)	n.m.
Chartering*	$2 m	($3 m)	n.m.	$75 m	$9 m	733%
Others	($5 m)	$13 m	n.m.	($23 m)	$6 m	n.m.
Total Core EBIT	$180 m	($14 m)	n.m.	$465 m	($84 m)	n.m.

** AET was sold on 22 July 2003*

NOL Group: Capital Expenditure (US$)

	FY03	FY04 Outlook
1. Vessels	**$219 m**	**$7 m**
i) Containerships	*$56 m*	*$7 m*
ii) Tankers	*$163 m*	-
2. Equipment	**$52 m**	**$118 m**
3. Drydock	**$30 m**	**$15 m**
4. IT	**$13 m**	**$28 m**
5. Others	**$8 m**	**$36 m**
Total	**$322 m**	**$204 m**

Contents of Presentation

2. Business Segment Review

- **Chartering**
- **APL Liner**
- **APL Logistics**

Presented by:

NOL Group CFO, Mr. Lim How Teck

Chartering: Profit & Loss Summary (US$)

	4Q03 *	4Q02	Change	FY03 *	FY02	Change
➢Turnover	$15 m	$108 m	(86%)	$317 m	$349 m	(9%)
➢Core EBITDA	$4 m	$14 m	(71%)	$114 m	$68 m	68%
• Depreciation & Amortisation	($2 m)	($17 m)		($39 m)	($59 m)	
➢Core EBIT	$2 m	($3 m)	n.m.	$75 m	$9 m	733%

** AET was sold on 22 July 2003*

Chartering: FY03 Performance Summary

➢ **Average TCE rates per day (US$) :**

Tankers	4Q03	4Q02	Change	FY03	FY02	Change
Product	$14,200	$15,600	(9%)	$19,400	$13,700	42%

➢ **Oil demand in Asia led the improvement in charter rates in 2003.**

➢ **NOL Group has effectively made an exit from the Chartering business following the proposed sale of Neptune Associated Shipping (NAS) announced on 17 February 2004.**

Contents of Presentation

2. Business Segment Review

- Chartering
- APL Liner
- APL Logistics

Presented by:

APL CEO, Mr. Ronald Widdows

APL Liner: Profit & Loss Summary (US$)

	4Q03	4Q02	Change	FY03	FY02	Change
➢Turnover	$1,228 m	$945 m	30%	$4,180 m	$3,443 m	21%
➢Core EBITDA	$235 m	$57 m	312%	$607 m	$135 m	350%
• Depreciation & Amortisation	($56 m)	($65 m)		($201 m)	($207 m)	
➢Core EBIT	$179 m	($8 m)	n.m.	$406 m	($72 m)	n.m.

FY03 Financials

APL Liner: Volume Handled ('000 FEUs)

Region	4Q03	4Q02	Change	FY03	FY02	Change
• Americas	197	192	3%	722	718	1%
Trans-Pacific[1]	*164*	*162*	*1%*	*603*	*600*	*1%*
Latin America	*33*	*30*	*10%*	*119*	*118*	*1%*
• Europe	108	98	10%	401	361	11%
Asia Europe[2]	*83*	*74*	*12%*	*300*	*278*	*8%*
Transatlantic[3]	*25*	*24*	*4%*	*101*	*83*	*22%*
• Asia/Middle East*	114	99	15%	393	421	(7%)
Total	419	389	8%	1,516	1,500	1%

Growth in Key Headhaul Volumes in 2003:	
1. Trans-Pacific Eastbound	*7%*
2. Asia Europe Westbound	*11%*
3. Transatlantic Westbound	*15%*

* ***Some equipment reallocated to higher yield Trans-Pacific EB and Asia Europe WB trades due to industry-wide equipment shortage, resulting in Intra-Asia short-sea (East Asia) constraints***

APL Liner : Trade Imbalance

Full Backhaul for every 10 FEUs Full Headhaul

Trade	FY01	FY02	FY03	P12, 03/P1, 04
• Trans-Pacific	7	6	5*	6
• Latin America	5	7	7	8
• Asia Europe	8	8	7	8
• Transatlantic	6	7	8	8

** Reduced Trans-Pacific Westbound volume by design to focus on high-yield cargo*

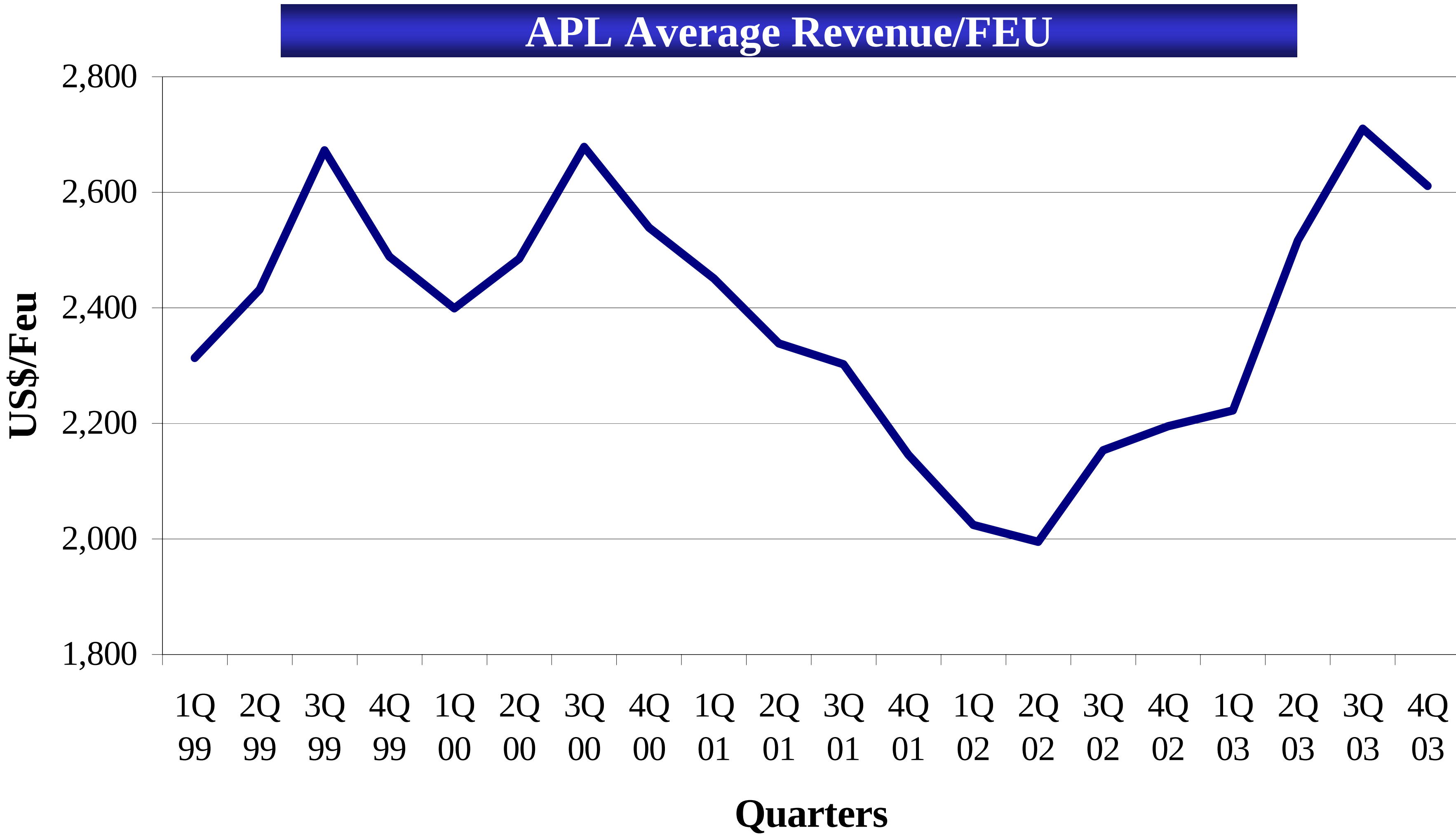
APL Liner: Average Freight Rates (US$/FEU)*

Region	4Q03	4Q02	Change	FY03	FY02	Change
• Americas	$3,200	$2,609	23%	$3,091	$2,608	19%
• Europe	$2,508	$2,083	20%	$2,378	$1,888	26%
• Asia/Middle East	$1,701	$1,496	14%	$1,586	$1,389	14%
Total	$2,611	$2,194	19%	$2,512	$2,092	20%

** Reflects both Eastbound and Westbound blended rates for all trades touching major geographies*

APL Liner: Rates Development

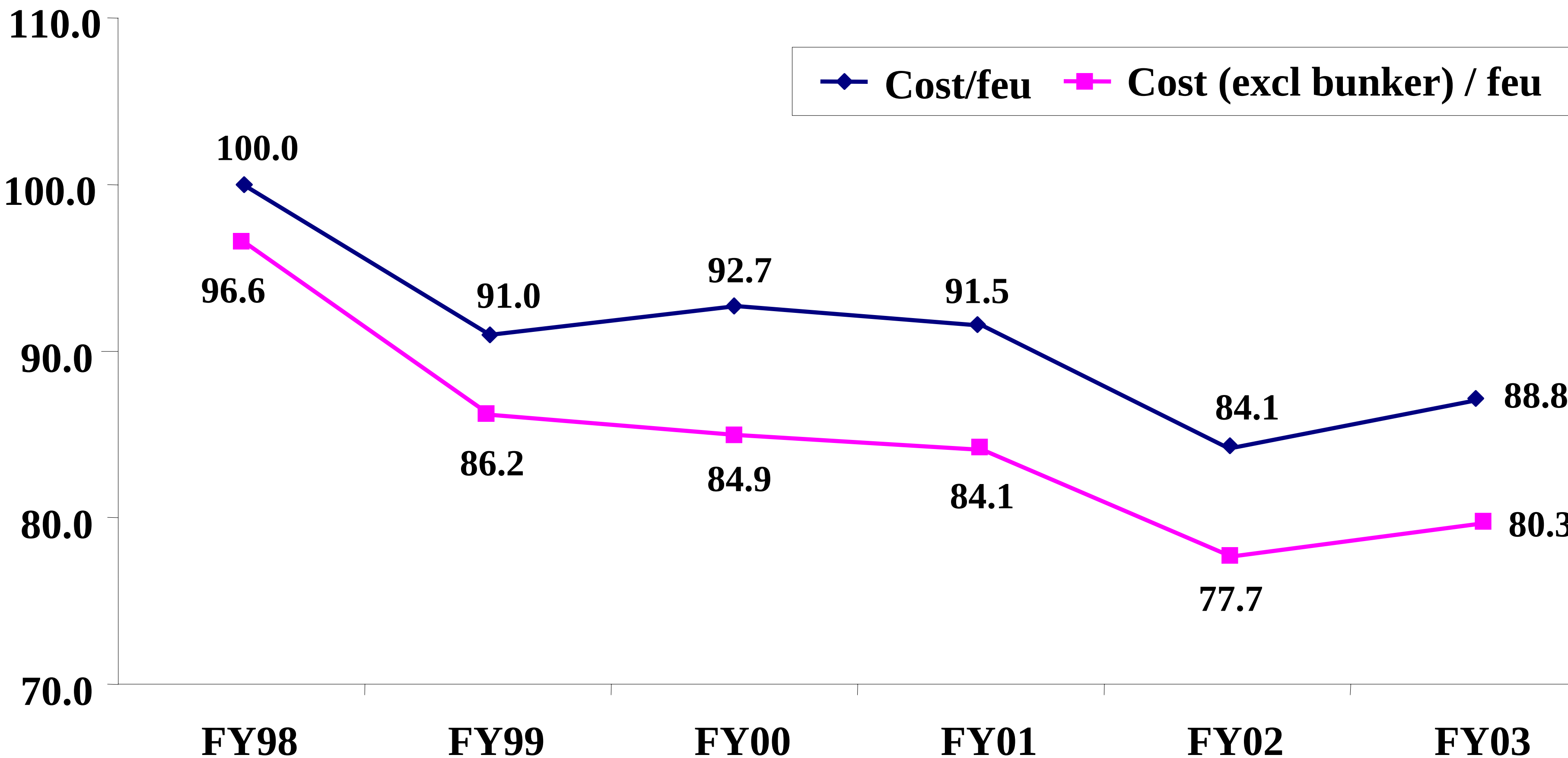
In 4Q03, APL capitalised on the traditional Trans-Pacific off-peak season to increase volumes in TP and AE backhauls and Intra-Asia volumes, resulting in a lower blended average revenue per FEU at higher contribution



Operations Review

APL Liner: Cost / FEU (Indexed)

Higher cost per FEU as a result of reallocation of equipment from short-sea to the more profitable long-sea routes and increased inland cargo



APL Liner: FY03 Performance Summary

- **Robust demand in all key trades, with high headhaul utilisation producing 10% y-o-y growth in headhaul volumes.**
- **Industry's supply/demand balance and carriers resolve led to successful general rate recovery, resulting in the dramatic increase in turnover and net income.**
- **Significant core EBIT turnaround of US$478m from a year ago, contributed mainly by rate recovery, yield management and tight control of network/capacity.**
- **Achieved the targeted cost savings which off-set the higher costs of bunker and equipment costs associated with increasing trade imbalances generated by strategy to grow headhaul in the Trans-Pacific and Asia Europe trades.**

APL Liner: FY03 Performance Summary

Trade Review:

- Trans-Pacific headhaul volumes maximised (7% increase y-o-y) with APL's focus on higher-yield cargo. As a result of our strategy, low yield Westbound volume decreased by 11% as equipment was quickly repositioned empty back to demand locations in Asia.
- Unfavourable economic conditions in the Latin America region resulted in flat growth in volume and rates in that market.
- Asia Europe trade recorded strong performance with consistently high utilisation attained throughout the year, achieving 11% y-o-y growth in headhaul volumes.

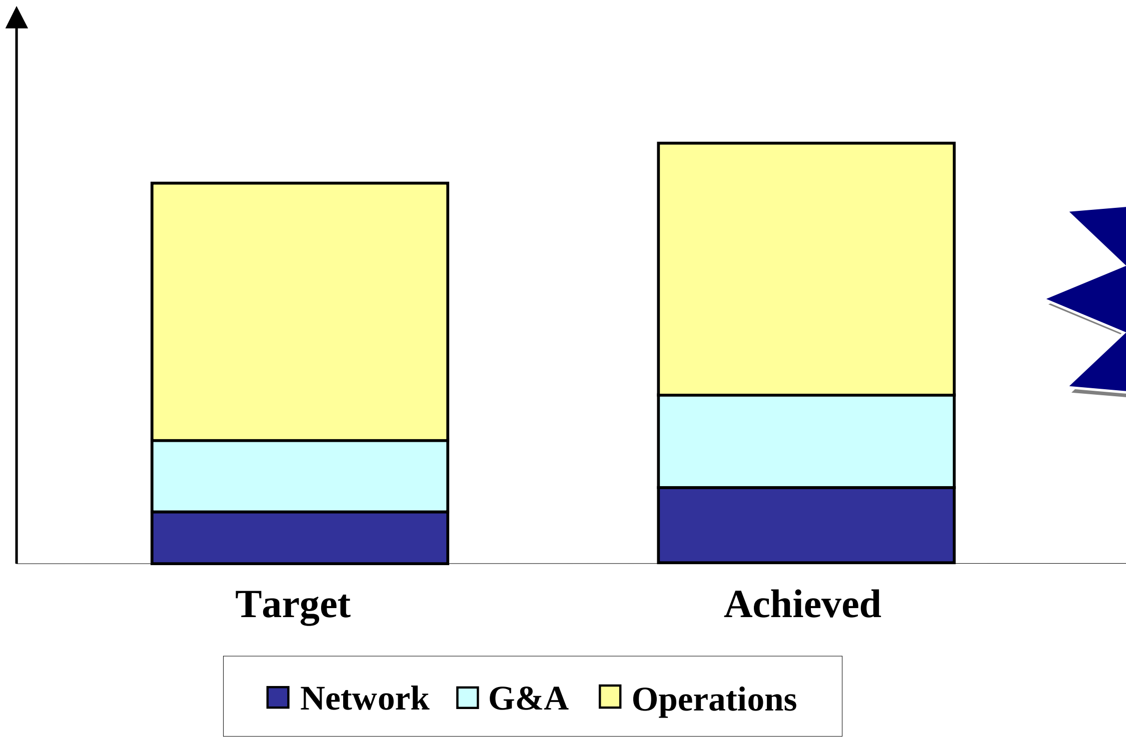
APL Liner: FY03 Performance Summary

Trade Review (continued):

- Healthy volume growth in Transatlantic and stability in the trade enabled freight rates to recover.
- Intra-Asia trade was driven by strong demand in the long-haul volume into the Middle East and India Sub-Continental regions. Short-sea volume was impacted by our strategy to reallocate equipment and capacity to the more profitable trades producing the best contribution.
- Both U.S. Government and Reefer trades also performed better than plan.

Operations Review

APL Liner: Cost Savings Achieved



2003 Cost Savings:

US$163m

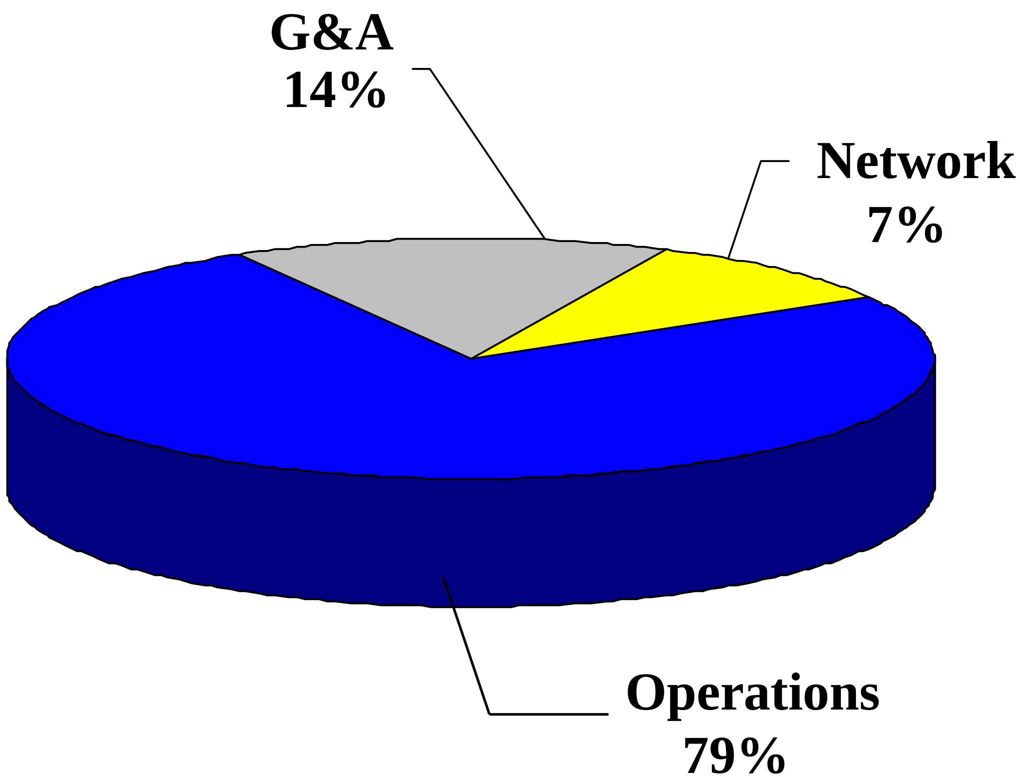
Exceeded the Targeted Cost Savings for FY03 through:

- ✓ *Contract re-negotiations to further lower costs*
- ✓ *Improvements in operational efficiencies*
- ✓ *Rationalisation and reconfiguration of networks*
- ✓ *Cutback on G&A spending*

APL Liner: FY04 Cost Savings Target

Target:

+US$100m



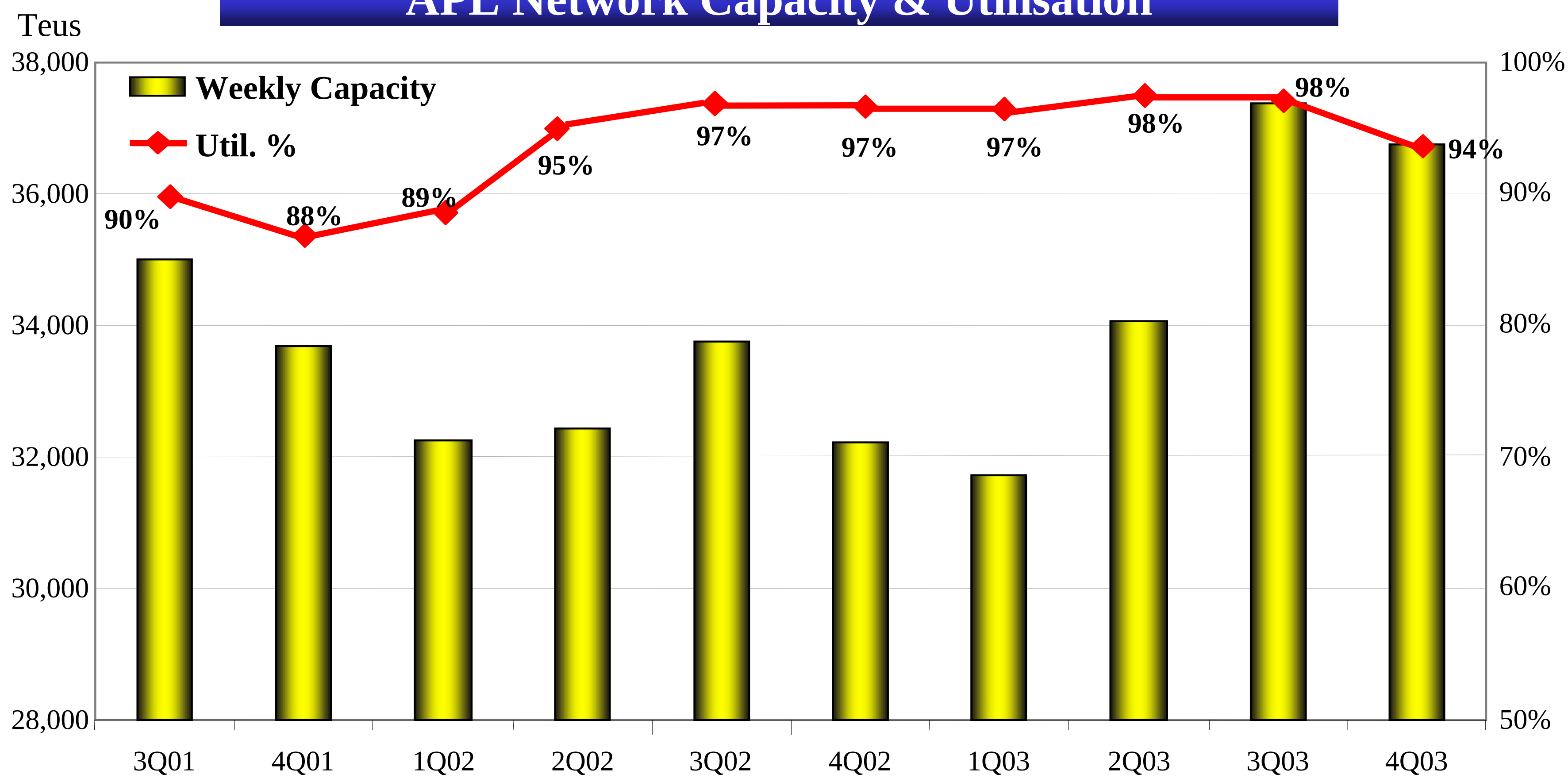
Cost Savings Target to be achieved through:

- ✓ *Network initiatives*
- ✓ *Terminal lease initiatives*
- ✓ *Operational efficiencies initiatives*
- ✓ *Balance improvement initiatives*
- ✓ *Tight control on G&A spending*

APL Liner: Network Capacity & Utilisation

Flexing capacity as market demand changed throughout 2003 while maximising headhaul volumes contributed to high levels of utilisation/cost control

APL Network Capacity & Utilisation



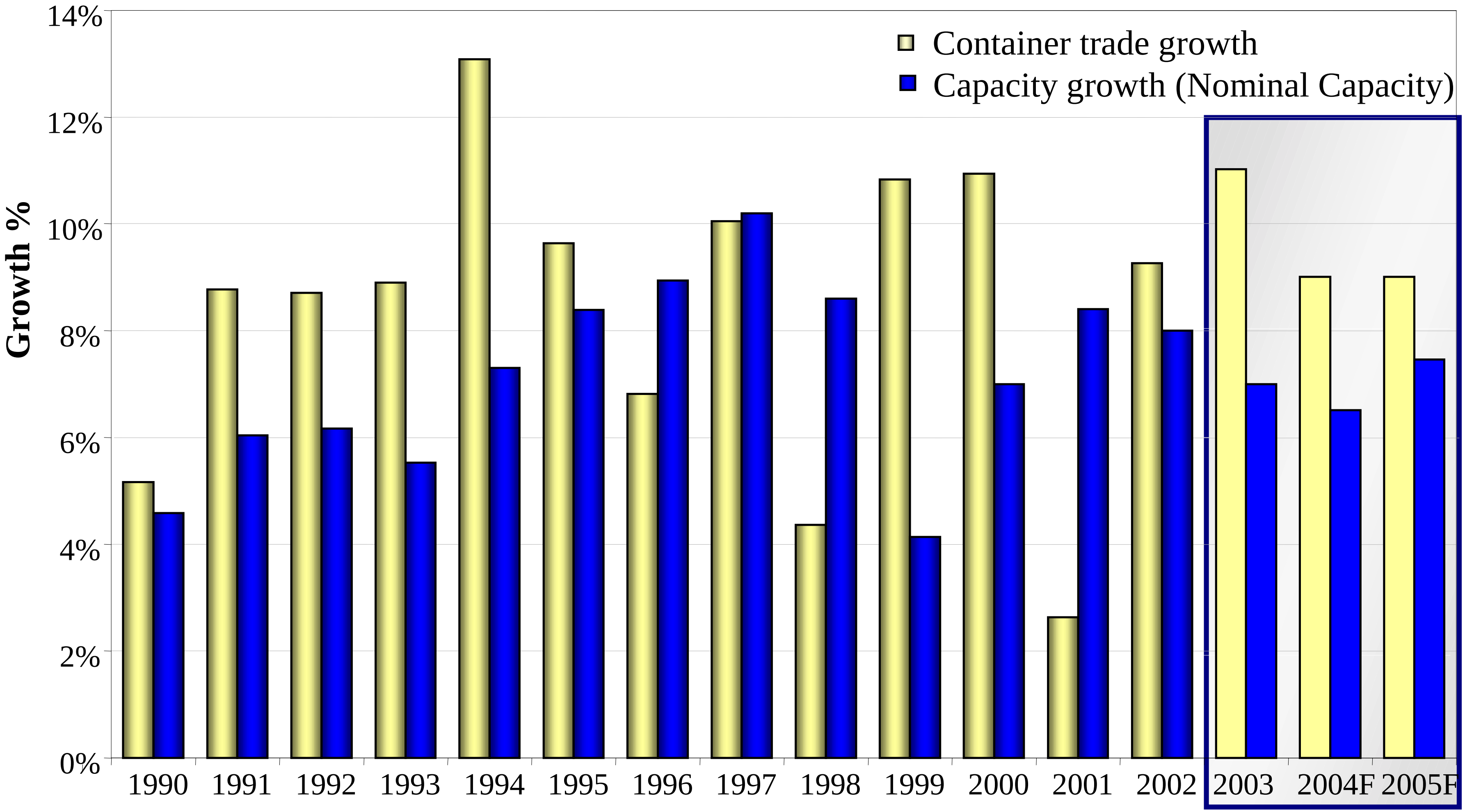
1) Figures based on headhaul leg of main linehaul services

2) Successful in managing capacity at high utilisation levels since 2Q02

APL Liner: Global Demand & Supply

Demand growth projection continues to be strong in the next few years, while global supply growth is constrained by shipyard space availability

Container Trade - Demand and Supply 1990-2005F



Source : Clarksons / Drewry / MDS / NOL SPD

APL Liner: Current Year's Prospects

- **Firm outlook for the container industry in 2004 with supply/demand in relative balance, driven by US-led recovery and continued growth of Asian exports, particularly China.**
- **Volumes will increase and rates in key trades are projected to recover further this year due to favourable economic conditions and supply constraints.**
- **Capacity will grow through up-sizing of vessels, adding incremental tonnage conservatively and acquiring slots in partnership with other carriers.**
- **Cost-savings and yield management initiatives continue to play an important role in delivering positive returns to the company.**

APL Liner: Current Year's Prospects

- **Based on current forecast of market conditions, APL expects to continue to perform better this year through:**
  - *Achievement of further rate recovery in 2004 on growing volumes*
  - *continuing efforts to enhance yield management and cost controls*
- **1Q04 performance reflects the growth and profit momentum of 2003 and this momentum is expected to carry through the rest of the year.**
- **Risks include an unexpected global economic slowdown, ongoing threat of terrorism and the unstable currency regimes in several countries.**

Contents of Presentation

2. Business Segment Review

- **Chartering**
- **APL Liner**
- **APL Logistics**

Presented by:

APLL CEO, Mr. Hans Hickler

APL Logistics: Profit & Loss Summary (US$)

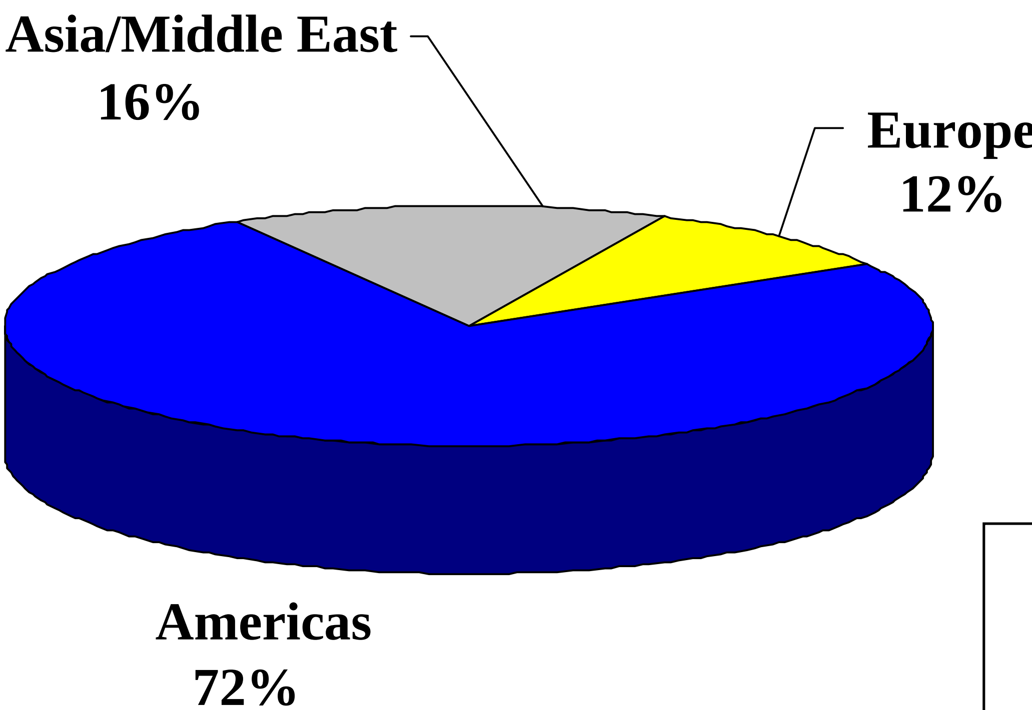
FY03 Financials

	4Q03	4Q02	Change	FY03	FY02	Change
➢Turnover	$286 m	$240 m	19%	$975 m	$813 m	20%
➢Core EBITDA	$12 m	($6 m)	n.m.	$36 m	$10 m	260%
• Depreciation & Amortisation	($8 m)	($10 m)		($29 m)	($37 m)	
➢Core EBIT	$4 m	($16 m)	n.m.	$7 m	($27 m)	n.m.

Operations Review

APL Logistics: Turnover Breakdown

FY03 Turnover by Region : US$975m, up 20%



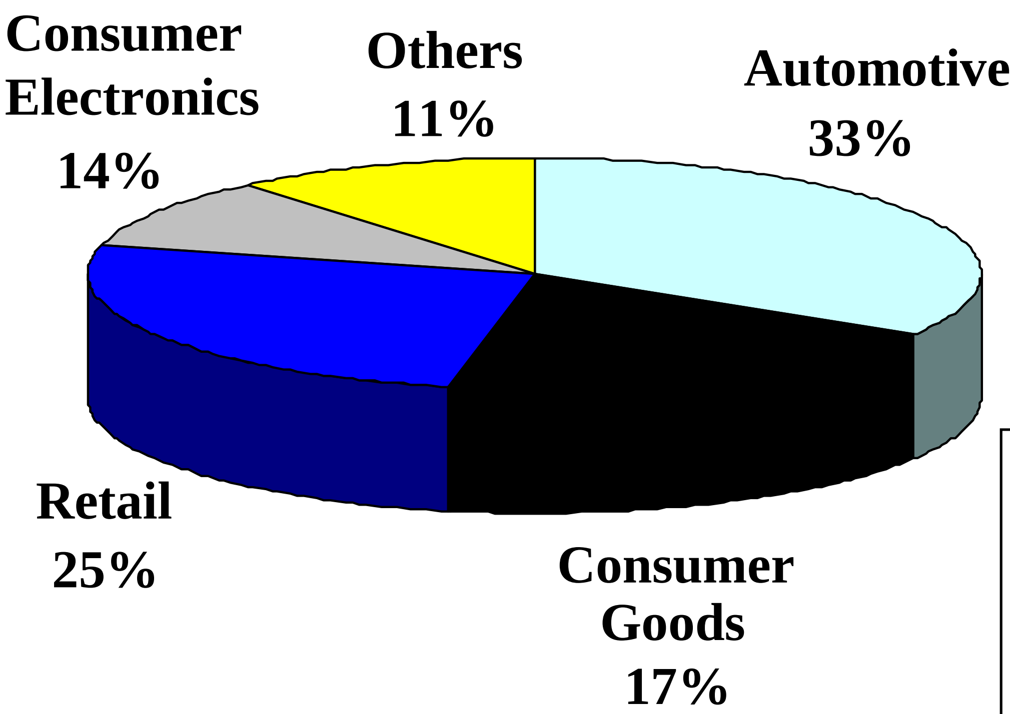
<u>FY02 Breakdown</u> :
Turnover = US$813m

Americas	:	76%
Asia/Middle East	:	15%
Europe	:	9%

Operations Review

APL Logistics: Turnover Breakdown

FY03 Turnover by Customer Segment : US$975m



<u>FY02 Breakdown</u> :
Turnover = US$813m

Automotive	:	32%
Consumer Goods	:	20%
Retail	:	27%
Consumer Electronics	:	11%
Others	:	10%

APL Logistics: FY03 Performance Summary

- **Improvement in revenue in all three regions:**
  - *Americas' Contract Logistics operations*
  - *Europe's forwarding operations*
  - *Asia's consolidation business*
- **Positive core EBIT growth of US$34m y-o-y as a result of:**
  - *Increase in revenue*
  - *Operational improvements in Contract Logistics and International Services operations*
  - *Improved pricing disciplines*
- **New Organisational Structure:**
  - *De-layering of regional organisation*
  - *New talent*
  - *Migration to line of business structure*

APL Logistics: Current Year's Prospects

- **Leverage its operational achievement and continue to focus in improving performance through:**
  - *Aggressive revenue growth by targeting new customers and expanding scope of services/solutions to current customers*
  - *Continued improvement in operating efficiencies*
  - *Yield management*

Contents of Presentation

3. Group Outlook for 2004

Presented by:

NOL Group CEO, Mr. David Lim

NOL Group: Current Year's Prospects

- **Barring unforeseen circumstances, Group expects to continue to perform better through:**
  - *Continue maximising yield and optimising trade mix*
  - *Focus on cost cutting measures*
- **Strong Balance Sheet, as a result of:**
  - *Improved operations in Liner and Logistics*
  - *Sale of tanker unit*
  - *Share Placement in November 2003*
- **Explore opportunities to:**
  - *Strengthen core capabilities*
  - *Extend business competencies to new markets*
  - *Enhance service offerings to customers*

End of Presentation

Thank You