



# NOL 1H2018 Report

13 September 2018

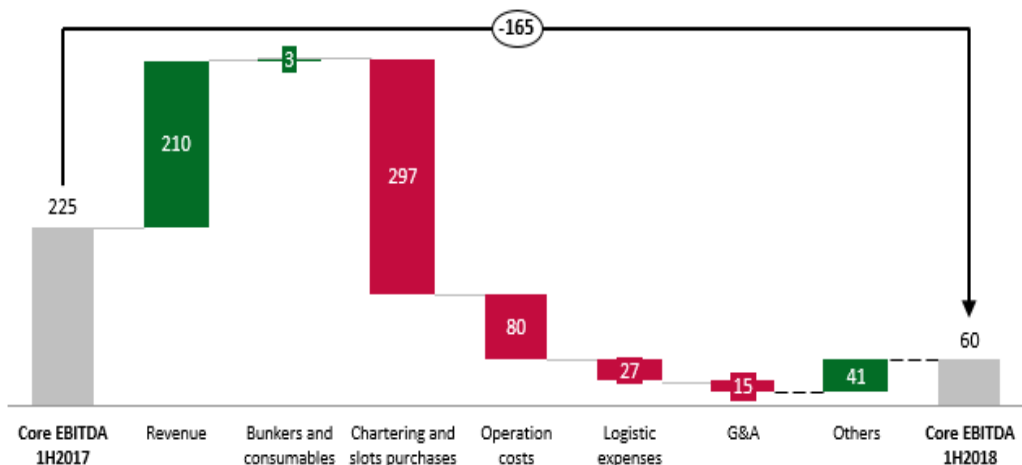
# Key 1H2018 Financial and Operational Highlights

- Volume increased to **2,644 thousand TEUs**, up 8% over 1H2017
- Revenue increased to **US\$2,981m**, up 7% over 1H2017
- Core EBITDA of **US\$60m**, a decline of US\$165m over 1H2017
- Core EBIT loss of **US\$29m**, a decline of US\$166m against 1H2017
- Net Loss after tax of **US\$57m**



# 1H2018 EBITDA Highlights

## Core EBITDA Bridge, USDm



## Comments

\* **Negative impact on EBITDA (USD -165m)** due to :

✓ **Overall Revenue increase** was mainly due to the higher volume growth in Intra-Asia and Transpacific trade.

✓ **Decrease of Bunker cost** was due to significant reduction of consumption with service reconfiguration (start up of Ocean Alliance) where APL became predominantly a slot buyer.

\* **Increase of Chartering/slot purchase cost** was due to increase of slot purchases as a result of service reconfiguration (start up of Ocean Alliance).

\* **Increase of Operation cost** (stevedoring, transportation, port and canal expenses) was mainly due to the increase in inland transportation and trucking spot rates in the US.

\* **Increase of G&A cost** was mainly due to headcount increase in Shared Service Centres to support CMA CGM Group in accounting processing work.

\* *Note: APL is the trading name of NOL Ltd*

# Key Financial Highlights

US\$m	1H18	1H17	\$m ▲ Better/(Worse)
<b>Revenue</b>	<b>2,981</b>	<b>2,774</b>	207
<b>Core EBITDA</b>	<b>60</b>	<b>225</b>	(165)
Depreciation & Amortisation	(89)	(88)	(1)
<b>Core EBIT</b>	<b>(29)</b>	<b>137</b>	(166)
• Non-recurring items (NRIs)	(1)	-	(1)
<b>EBIT</b>	<b>(30)</b>	<b>137</b>	(167)
• Finance expense net of finance income	(19)	(62)	43
• Tax	(8)	3	(11)
<b>Net (Loss)/profit to Equity holders of the Company after NRIs</b>	<b>(57)</b>	<b>78</b>	(135)
• NRIs	(1)	-	(1)
<b>Net (Loss)/profit to Equity holders of the Company before NRIs</b>	<b>(56)</b>	<b>78</b>	(134)

# Balance Sheet Highlights

US\$m	30-Jun-2018	31-Dec-2017
Total Assets	Note1 ↓ 6,976	5,721
Total Liabilities	5,732	4,421
Total Equity	1,244	1,300
Total Debt	2,399	2,193
Total Cash	193	92
Net Debt	2,206	2,101
Gearing (Gross)	1.93 x	1.69 x
Gearing (Net)	1.77 x	1.62 x

**Note1** : Net increase of total Liabilities over total Assets by US\$56m is mainly due to net increase in intercompany amounts owing to and from CMA CGM Group.

# Capital Expenditure

US\$m	1H18 Total	1H17 Total
1. Vessels	Note1 24	38
2. Equipment / Facilities	1	1
3. Drydock	6	-
4. IT	1	3
<b>Total</b>	<b>32</b>	<b>42</b>

**Note1** : Increase in vessels is mainly due to modification costs incurred.

# Liner Operational Update

Volume ('000 TEUs)	1H2018	1H2017	% ▲
Transpacific	965	936	3
Intra-Asia	970	862	13
Asia-Europe	483	461	5
Latin America	161	133	21
Transatlantic	65	48	35
<b>Total</b>	<b>2,644</b>	<b>Note1 2,440</b>	<b>8</b>

**Note1:** 1H2017 volumes has been restated to align with the new method of computing, based on voyage endings rather than laden containers.

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**THANK YOU**