



## NOL Group reports US\$282 million third-quarter profit

*US\$421 million turnaround from 3Q 2009; revenue 55% higher*

**SINGAPORE, 19 OCTOBER 2010** – NOL Group today reported net earnings of US\$282 million for the third quarter of 2010, a US\$421 million turnaround from the US\$139 million net loss in the third quarter of 2009. NOL said revenue in the third quarter improved 55% to US\$2.4 billion.

The Group has now reported net earnings of US\$283 million through three quarters of 2010. It lost US\$530 million during the same period last year.

“Strong demand and an improved rate environment have helped us turn around our performance,” said Group CEO Ronald D. Widdows. “Our emphasis at this point is on operating efficiency and cost containment to ensure that we maintain our momentum.”

The Group’s Core EBIT (Earnings Before Interest and Taxes) for the third quarter was US\$319 million compared to a Core EBIT loss of US\$115 million in the same quarter a year ago. For the first three quarters in 2010, Core EBIT was US\$359 million compared to a Core EBIT loss of US\$468 million for the first three quarters of 2009.

### FINANCIAL PERFORMANCE

	YTD10	YTD09	Change %	3Q10	3Q09	Change %
Revenue (US\$m)	6,648	4,496	48	2,429	1,564	55
Core EBIT (US\$m)	359	(468)	nm	319	(115)	nm
Net profit/(loss) (US\$m)	283	(530)	nm	282	(139)	nm



## **BUSINESS SEGMENTS**

Third quarter revenue for APL, NOL's liner shipping business, improved 60% to US\$2.2 billion. For the first three quarters, revenue was up 51% to US\$5.9 billion.

APL's Core EBIT in the third quarter was US\$301 million following a Core EBIT loss of US\$130 million in the third quarter of 2009. Core EBIT through three quarters of 2010 was US\$314 million compared to a Core EBIT loss of US\$502 million in the same period a year ago.

Third quarter volume for the shipping business increased 12%. Through three quarters, volume was up 29%.

"Volume and rates improved across most of our major trade lanes, and our ships were full," said APL President Eng Aik Meng. "At the same time, we were well-prepared with vessel capacity and container equipment to meet our customer commitments."

APL Logistics, NOL Group's supply chain management business, reported third quarter revenue of US\$302 million, up 30% from a year ago. Through three quarters of 2010, revenue improved 31% to US\$880 million.

Core EBIT in the Logistics business was up 6% in the third quarter to US\$18 million. For the first three quarters of 2010, Core EBIT improved 10% to US\$45 million.

"Volumes increased in most of our business lines and freight rates improved in International Logistics," said APL Logistics President Jim McAdam. "The result has been a continuation of the revenue growth we've realized throughout 2010, indicating a return to pre-economic downturn levels."



## **OUTLOOK**

Following a strong third quarter performance, NOL Group is expected to remain profitable for the full year in 2010.

### **YTD 2010 OPERATING PERFORMANCE (vs. YTD 2009)**

#### **Liner Shipping**

- Revenue US\$5.9 billion, up 51%
- Core EBIT US\$314 million, compared to a loss of US\$502 million previously
- Average revenue per FEU US\$2,799, up 21%
- Volume 2 million FEUs, up 29%

#### **Logistics**

- Revenue US\$880 million, up 31%
- Core EBIT US\$45 million, up 10%
- Core EBIT Margin 5.1% compared to 6.1% previously

### **3Q10 OPERATING PERFORMANCE (vs. 3Q09)**

#### **Liner Shipping**

- Revenue US\$2.2 billion, up 60%
- Core EBIT US\$301 million, compared to a loss of US\$130 million previously
- Average revenue per FEU US\$3,120, up 41%
- Volume 655,000 FEUs, up 12%

#### **Logistics**

- Revenue US\$302 million, up 30%
- Core EBIT US\$18 million, up 6%
- Core EBIT Margin 6.0% compared to 7.3% previously



**Media Inquiries:**

Mike Zampa  
Telephone: (65) 6371 5022  
[Michael\\_zampa@nol.com.sg](mailto:Michael_zampa@nol.com.sg)

**Investor Inquiries:**

Bernie Yu  
Telephone: (65) 6371 5028  
[bernie\\_yu@nol.com.sg](mailto:bernie_yu@nol.com.sg)

**About NOL**

*Neptune Orient Lines (NOL) is a Singapore-based global container shipping and logistics company. Its container shipping arm, APL, provides world-class container shipping and terminal services and intermodal operations supported by leading-edge IT and e-commerce. Its logistics business, APL Logistics, provides international, end-to-end logistics services and solutions, employing the latest IT and data connectivity for maximum supply chain visibility and control. NOL Web site:*

[www.nol.com.sg](http://www.nol.com.sg)