



NEPTUNE ORIENT LINES LIMITED (Reg. No. 196800632D)
Unaudited Financial Information
For the Year Ended 27 December 2013

1.(a)(i) Consolidated Income Statement

	Group			Group		
	FY 2013 US\$'000	FY 2012 US\$'000 (Restated) ¹	% Increase/ (Decrease)	Q4 2013 US\$'000	Q4 2012 US\$'000 (Restated) ¹	% Increase/ (Decrease)
Revenue	8,831,193	9,511,631	(7)	2,334,006	2,498,569	(7)
Cost of sales	(8,247,254)	(8,988,204)	(8)	(2,207,321)	(2,372,882)	(7)
Gross profit	583,939	523,427	12	126,685	125,687	1
Other gains (net)						
- Miscellaneous	224,414	14,862	1,410	6,907	6,520	6
- Finance and investment income	5,448	5,263	4	1,544	1,659	(7)
Expenses						
- Administrative	(725,498)	(684,319)	6	(201,938)	(173,066)	17
- Restructuring costs	(8,645)	(29,147)	(70)	(8,645)	-	N/M
- Finance	(45,240)	(75,272)	(40)	(28,270)	(24,037)	18
- Other operating	(58,372)	(115,349)	(49)	(16,011)	(12,666)	26
Share of results of associated companies	7,572	9,035	(16)	217	6,119	(96)
Share of results of joint ventures	545	364	50	528	413	28
Loss before income tax	(15,837)	(351,136)	(95)	(118,983)	(69,371)	72
Income tax expense	(56,131)	(55,597)	1	(16,966)	(19,938)	(15)
Net loss for the financial year/period	(71,968)	(406,733)	(82)	(135,949)	(89,309)	52
Net loss attributable to:						
Owners of the Company	(76,298)	(412,497)	(82)	(137,181)	(91,106)	51
Non-controlling interest	4,330	5,764	(25)	1,232	1,797	(31)
	(71,968)	(406,733)	(82)	(135,949)	(89,309)	52

¹ Restated for comparative purpose due to retrospective application of Amendments to FRS 19: Employee Benefits (Revised), which is effective from financial year 2013. Details of the restatement are provided in 7(a).

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

	Group			Group		
	FY 2013 US\$'000	FY 2012 US\$'000 (Restated) ¹	% Increase/ (Decrease)	Q4 2013 US\$'000	Q4 2012 US\$'000 (Restated) ¹	% Increase/ (Decrease)
(A) Other Income Including Interest Income	9,514	9,000	6	2,920	2,217	32
(B) Net Interest on Borrowings ²	(50,746)	(46,875)	8	(22,782)	(15,431)	48
(C) Depreciation and Amortisation	(317,155)	(304,263)	4	(89,139)	(81,087)	10
(D) Allowance for Doubtful Debts and Bad Debts Written Off	(11,087)	(547)	1,927	(5,580)	(1,163)	380
(E) Provision for Impairment in Value of Investments	(11)	(22)	(50)	(22)	(16)	38
(F) Foreign Exchange Gain	36,931	19,563	89	7,409	13,819	(46)
(G) Adjustment for Over/(Under) Provision for Tax in Prior Years	3,326	(610)	N/M	997	366	172
(H) Profit on Sale of Investments, Property, Plant and Equipment and Other Assets	205,708	4,469	4,503	203	3,260	(94)
(I) Impairment Loss on Assets classified as held-for-sale	(5,303)	(81,624)	(94)	-	-	0
(J) Write-off of Inventories	(123)	(67)	84	(116)	(11)	955

² Includes realised gains from financial hedging instruments.

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

	Group		Group	
	FY 2013 US\$'000	FY 2012 US\$'000 (Restated) ¹	Q4 2013 US\$'000	Q4 2012 US\$'000 (Restated) ¹
Net loss for the financial year/period	(71,968)	(406,733)	(135,949)	(89,309)
Other comprehensive income:				
<u>Items that will not be reclassified to profit or loss:</u>				
Re-measurement of net defined benefits obligations	56,291	(5,204)	56,291	(5,204)
Tax on pension re-measurement	(18,120)	1,320	(18,120)	1,320
	38,171	(3,884)	38,171	(3,884)
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Fair value (loss)/gain on cash flow hedges	(20,069)	43,515	(9,749)	(8,805)
Fair value loss/(gain) on cash flow hedges transferred to the income statement	31,069	(20,946)	11,529	993
Fair value gain/(loss) on available-for-sale financial asset	46	(16)	20	(2)
Share of other comprehensive income of associated company	2,030	(3,559)	175	(3,206)
Currency translation differences	(42,233)	5,240	(518)	1,380
Tax on fair value gain and loss	(281)	329	(103)	317
	(29,438)	24,563	1,354	(9,323)
Other comprehensive income for the financial year/period, net of tax	8,733	20,679	39,525	(13,207)
Total comprehensive income for the financial year/period	(63,235)	(386,054)	(96,424)	(102,516)
Total comprehensive income attributable to:				
Owners of the Company	(66,334)	(391,272)	(97,072)	(104,175)
Non-controlling interest	3,099	5,218	648	1,659
	(63,235)	(386,054)	(96,424)	(102,516)

N/M: Not meaningful

1.(b)(i) Statement of Financial Position

	Group					Company		
	27 Dec 2013 US\$'000	28 Dec 2012 US\$'000 (Restated) ^{3,4}	% Increase/ (Decrease)	30 Dec 2011 US\$'000 (Restated) ³	% Increase/ (Decrease)	27 Dec 2013 US\$'000	28 Dec 2012 US\$'000	% Increase/ (Decrease)
ASSETS								
Current Assets								
Cash and cash equivalents	980,993	896,978	9	227,562	294	767,481	540,332	42
Trade and other receivables ⁵	1,073,085	1,091,573	(2)	1,045,671	4	3,776,487	3,029,651	25
Available-for-sale financial assets	23,543	-	N/M	-	N/M	-	-	0
Inventories at cost	254,232	267,309	(5)	326,993	(18)	-	-	0
Derivative financial instruments	6,952	5,847	19	3,853	52	-	125	(100)
Assets classified as held-for-sale	12,297	142,501	(91)	50,225	184	-	-	0
Other current assets	115,541	119,918	(4)	111,403	8	4,308	4,924	(13)
Total current assets	2,466,643	2,524,126	(2)	1,765,707	43	4,548,276	3,575,032	27
Non-current Assets								
Investments in subsidiaries	-	-	0	-	0	1,000,605	1,000,974	(0)
Investments in associated companies	149,039	111,831	33	98,191	14	-	-	0
Investments in joint ventures	21,374	26,588	(20)	28,992	(8)	-	-	0
Available-for-sale financial asset	83	37	124	53	(30)	-	-	0
Property, plant and equipment	6,097,508	5,228,962	17	4,789,588	9	973,999	1,357,365	(28)
Investment property	-	-	0	15,862	(100)	-	-	0
Deferred charges	5,765	10,909	(47)	14,283	(24)	5,267	7,955	(34)
Intangible assets	31,245	35,947	(13)	26,676	35	2,381	1,039	129
Land use rights	855	-	N/M	-	N/M	-	-	0
Goodwill arising on consolidation	158,663	158,043	0	129,095	22	-	-	0
Deferred income tax assets	33,437	44,224	(24)	33,477	32	-	-	0
Derivative financial instruments	13,340	29,859	(55)	7,344	307	13,340	29,859	(55)
Other non-current assets	51,083	49,463	3	49,338	0	177	137	29
Total non-current assets	6,562,392	5,695,863	15	5,192,899	10	1,995,769	2,397,329	(17)
TOTAL ASSETS	9,029,035	8,219,989	10	6,958,606	18	6,544,045	5,972,361	10
LIABILITIES								
Current Liabilities								
Trade and other payables	1,252,421	1,248,523	0	1,274,431	(2)	1,222,566	1,056,283	16
Current income tax liabilities	165,409	160,795	3	114,627	40	2,202	2,365	(7)
Borrowings	599,119	429,246	40	422,095	2	50,000	-	N/M
Provisions	43,528	38,619	13	38,436	0	2,138	2,551	(16)
Deferred income	7,670	12,585	(39)	848	1,384	-	-	0
Derivative financial instruments	11,625	10,123	15	18,443	(45)	8,442	1,470	474
Other current liabilities ⁶	232,195	252,480	(8)	251,812	0	-	-	0
Total current liabilities	2,311,967	2,152,371	7	2,120,692	1	1,285,348	1,062,669	21
Non-current Liabilities								
Borrowings	4,266,827	3,546,621	20	1,931,746	84	2,179,969	2,025,120	8
Provisions	171,977	225,835	(24)	208,777	8	-	-	0
Deferred income	6,016	15,370	(61)	3,904	294	-	-	0
Deferred income tax liabilities	6,980	5,446	28	8,900	(39)	607	552	10
Derivative financial instruments	65,168	15,938	309	36,694	(57)	52,705	15,384	243
Other non-current liabilities	69,289	65,300	6	70,925	(8)	-	-	0
Total non-current liabilities	4,586,257	3,874,510	18	2,260,946	71	2,233,281	2,041,056	9
TOTAL LIABILITIES	6,898,224	6,026,881	14	4,381,638	38	3,518,629	3,103,725	13
NET ASSETS	2,130,811	2,193,108	(3)	2,576,968	(15)	3,025,416	2,868,636	5
EQUITY								
Share capital	1,830,222	1,826,723	0	1,822,117	0	1,830,222	1,826,723	0
Treasury shares	(5,216)	(5,216)	0	(5,216)	0	(5,216)	(5,216)	0
	1,825,006	1,821,507	0	1,816,901	0	1,825,006	1,821,507	0
Shares held by employee benefit trust	(6,146)	(5,320)	16	(4,716)	13	-	-	0
Treasury shares reserve	(1,195)	(1,195)	0	(1,195)	0	(1,195)	(1,195)	0
Retained earnings	288,733	373,033	(23)	785,530	(53)	1,168,368	1,019,738	15
Statutory and other reserves	(29,295)	(48,606)	(40)	(70,756)	(31)	33,237	28,586	16
Capital and reserves attributable to owners of the Company	2,077,103	2,139,419	(3)	2,525,764	(15)	3,025,416	2,868,636	5
Non-controlling interest	53,708	53,689	0	51,204	5	-	-	0
TOTAL EQUITY	2,130,811	2,193,108	(3)	2,576,968	(15)	3,025,416	2,868,636	5
Net current assets/(liabilities)⁷	154,676	371,755	(58)	(354,985)	N/M	3,262,928	2,512,363	30

³ Restated for comparative purpose due to retrospective application of Amendments to FRS 19: Employee Benefits (Revised), which is effective from financial year 2013.

Details of the restatement are provided in 7(a).

⁴ Restated due to finalisation of purchase price allocation exercise from acquisition of a subsidiary.

⁵ 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.

⁶ Other current liabilities relates to deferred revenue arising from the percentage-of-completion method for revenue recognition.

⁷ As at 30 December 2011, the Group had sufficient undrawn financing facilities committed from large reputable financial institutions to meet its commitments as well as to repay any debts as and when they fall due.

N/M: Not meaningful

1.(b)(ii) Borrowings

The Group As at 27 December 2013	Secured	Unsecured	Secured	Total
	borrowings	borrowings	finance lease	
	US\$'000	US\$'000	liabilities	US\$'000
Amount repayable in FY 2014, or on demand	141,663	448,666	8,790	599,119
Amount repayable on or before:				
FY 2015	157,744	550,571	9,360	717,675
FY 2016	169,071	444,228	10,039	623,338
FY 2017	156,240	504,630	10,516	671,386
FY 2018	145,040	-	11,188	156,228
Thereafter	1,093,600	779,352	225,248	2,098,200
	<u>1,863,358</u>	<u>2,727,447</u>	<u>275,141</u>	<u>4,865,946</u>

As at 28 December 2012	Secured	Unsecured	Secured	Total
	borrowings	borrowings	finance lease	
	US\$'000	US\$'000	liabilities	US\$'000
Amount repayable in FY 2013, or on demand	66,528	354,366	8,352	429,246
Amount repayable in:				
FY 2014	74,472	700,000	8,522	782,994
FY 2015	74,941	245,318	9,111	329,370
FY 2016	81,097	334,570	9,817	425,484
FY 2017	73,132	328,115	10,419	411,666
Thereafter	545,881	814,839	236,387	1,597,107
	<u>916,051</u>	<u>2,777,208</u>	<u>282,608</u>	<u>3,975,867</u>

The borrowings and finance lease liabilities are secured mainly on vessels.

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 As at 27 December 2013	Vessels	Containers	Terminals	Chassis	Others ⁸	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Amount repayable in FY 2014	445,690	61,544	84,966	3,412	68,168	663,780
Amount repayable in:						
FY 2015	261,868	51,429	70,501	1,038	40,896	425,732
FY 2016	161,898	15,153	70,636	-	25,743	273,430
FY 2017	122,818	6,807	70,772	-	14,114	214,511
FY 2018	116,702	5,277	62,282	-	7,459	191,720
Thereafter	323,047	9,083	535,297	-	9,129	876,556
	<u>1,432,023</u>	<u>149,293</u>	<u>894,454</u>	<u>4,450</u>	<u>165,509</u>	<u>2,645,729</u>

As at 28 December 2012	Vessels	Containers	Terminals	Chassis	Others ⁸	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Amount repayable in FY 2013	584,378	62,760	96,764	12,663	59,747	816,312
Amount repayable in:						
FY 2014	414,019	57,979	85,123	9,045	44,265	610,431
FY 2015	253,805	47,605	81,815	2,785	30,877	416,887
FY 2016	157,669	14,372	77,444	-	21,284	270,769
FY 2017	118,733	6,813	71,272	-	12,327	209,145
Thereafter	408,751	14,372	597,579	-	17,041	1,037,743
	<u>1,937,355</u>	<u>203,901</u>	<u>1,009,997</u>	<u>24,493</u>	<u>185,541</u>	<u>3,361,287</u>

⁸ Others relate mainly to warehouse space, warehouse equipment, inland container yards, housing rental, office space and land.

1.(c) Consolidated Statement of Cash Flows

	Group			
	FY 2013 US\$'000	FY 2012 US\$'000 (Restated) ⁹	Q4 2013 US\$'000	Q4 2012 US\$'000 (Restated) ⁹
Cash Flows from Operating Activities				
Loss before income tax	(15,837)	(351,136)	(118,983)	(69,371)
Adjustments for :				
Depreciation and amortisation	317,155	304,263	89,139	81,087
Fair value loss on financial instruments	4,961	912	498	1,354
Deferred charge expense	6,197	10,713	1,073	4,816
Realised foreign exchange gain arising from repayment of Singapore-dollar loan	(33,879)	-	-	-
Net interest expense	50,746	46,875	22,782	15,431
Interest income	(5,448)	(5,263)	(1,544)	(1,659)
Share-based compensation costs	4,621	4,046	1,746	1,090
Net write-off of inventories	123	67	116	11
Fair value (gain)/loss on shares held by employee benefit trust	(97)	83	(116)	(7)
Net profit on disposal of property, plant and equipment	(7,894)	(5,086)	(705)	(2,811)
Net (profit)/loss on disposal of assets classified as held-for-sale	(198,051)	572	-	(486)
Gain on re-measurement of previously held interest in joint venture	(441)	-	-	-
Net loss on disposal of subsidiaries	329	-	346	-
Net loss on disposal of other assets	349	45	156	37
Impairment loss on assets classified as held-for-sale	5,303	81,624	-	-
Net provision for/(write-back of) impairment of assets	11	(765)	22	(203)
Net provision for liabilities	24,243	43,529	12,064	3,713
Share of results of associated companies	(7,572)	(9,035)	(217)	(6,119)
Share of results of joint ventures	(545)	(364)	(528)	(413)
Unrealised currency translation (gain)/loss	(14,053)	(2,896)	(5,607)	948
Operating cash flow before working capital changes	130,221	118,184	242	27,418
Changes in operating assets and liabilities				
Receivables and other assets	41,756	(22,042)	(17,119)	164,267
Inventories	13,080	59,617	5,074	29,285
Payables	(41,503)	(63,027)	(10,288)	(117,239)
Provisions	(16,258)	(34,169)	(3,177)	(5,351)
Cash generated from/(used in) operations	127,296	58,563	(25,268)	98,380
Interest paid	(43,778)	(42,556)	(19,727)	(11,017)
Interest received	5,660	4,546	1,817	1,441
Net income tax paid	(57,608)	(33,017)	(16,579)	(9,417)
Net cash inflow/(outflow) from operating activities	31,570	(12,464)	(59,757)	79,387
Cash Flows from Investing Activities				
Investment in joint venture	-	(98)	-	-
Acquisition of subsidiaries, net of cash acquired	1,356	(33,743)	(983)	(33,743)
Investment in associated company	(25,116)	(7,649)	(11,546)	(5,183)
Proceeds from loans receivables	420	1,237	392	758
Dividends received from associated companies	1,645	850	1,645	850
Dividends received from joint ventures	748	630	748	-
Purchase of property, plant and equipment	(1,305,456)	(1,001,642)	(198,709)	(345,761)
Purchase of available-for-sale financial assets	(23,543)	-	(23,543)	-
Purchase of intangible assets	(2,521)	(7,613)	(972)	(2,902)
Proceeds from disposal of subsidiaries, net of cash disposed of	4	-	-	-
Proceeds from disposal of assets classified as held-for-sale	358,246	118,191	-	37,104
Proceeds from disposal of property, plant and equipment	84,394	31,510	18,528	12,620
Proceeds from disposal of other assets	244	304	51	134
Net cash outflow from investing activities	(909,579)	(898,023)	(214,389)	(336,123)
Cash Flows from Financing Activities				
Proceeds from borrowings	6,526,780	3,169,417	2,283,090	891,997
Net cash (outflow)/inflow contributed by employee benefit trust	(256)	469	72	443
Dividends paid to non-controlling interest	(3,041)	(2,633)	(602)	(383)
Return of capital to non-controlling interest	-	(100)	-	-
Capital contribution by non-controlling interest	6	-	6	-
Proceeds from issue of new ordinary shares	320	1,485	-	628
Repayment of borrowings	(5,560,732)	(1,581,396)	(1,883,591)	(446,259)
Payment of costs incurred in connection with long term financing	(1,053)	(7,339)	(5)	(1,325)
Net cash inflow from financing activities	962,024	1,579,903	398,970	445,101
Net increase in cash and cash equivalents	84,015	669,416	124,824	188,365
Cash and cash equivalents at beginning of financial year/period	896,978	227,562	856,169	708,613
Cash and cash equivalents at end of financial year/period	980,993	896,978	980,993	896,978

⁹ Restated for comparative purpose due to retrospective application of Amendments to FRS 19: Employee Benefits (Revised), which is effective from financial year 2013.

Details of the restatement are provided in 7(a).

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

GROUP	Capital and reserves attributable to owners of the Company							Total equity US\$'000
	Share capital	Treasury shares	Shares held by employee benefit trust	Treasury shares reserve	Retained earnings	Statutory and other reserves	Non-controlling interest	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000 (Restated) ¹⁰	US\$'000 (Restated) ¹⁰	US\$'000	
Balance at 29 December 2012								
As previously reported	1,826,723	(5,216)	(5,320)	(1,195)	345,857	50,722	53,689	2,265,260
Effect of Amendments to FRS19	-	-	-	-	27,176	(99,328)	-	(72,152)
As restated	1,826,723	(5,216)	(5,320)	(1,195)	373,033	(48,606)	53,689	2,193,108
Dividends to non-controlling interest	-	-	-	-	-	-	(2,439)	(2,439)
Employee equity compensation schemes:								
- value of employee services	-	-	-	-	-	2,875	-	2,875
- new shares issued	3,190	-	-	-	-	(2,870)	-	320
Purchase of shares by employee benefit trust	-	-	(628)	-	-	-	-	(628)
Acquisition of subsidiaries	-	-	-	-	-	-	1,041	1,041
Disposal of subsidiaries	-	-	-	-	-	-	3	3
Share of other changes in equity of associated company	-	-	-	-	-	(274)	-	(274)
Share of statutory reserves of associated company	-	-	-	-	-	30	-	30
Total comprehensive income for the financial period	-	-	-	-	60,883	(30,145)	2,451	33,189
Transfer from retained earnings to statutory reserves	-	-	-	-	(3,302)	3,302	-	-
Balance at 20 September 2013	1,829,913	(5,216)	(5,948)	(1,195)	430,614	(75,688)	54,745	2,227,225
Dividends to non-controlling interest	-	-	-	-	-	-	(602)	(602)
Employee equity compensation schemes:								
- value of employee services	-	-	-	-	-	1,746	-	1,746
- new shares issued	309	-	-	-	-	(309)	-	-
Purchase of shares by employee benefit trust	-	-	(198)	-	-	-	-	(198)
Capital contribution by non-controlling interest	-	-	-	-	-	-	6	6
Acquisition of non-controlling interest without a change in control	-	-	-	-	-	135	(1,089)	(954)
Share of statutory reserves of associated company	-	-	-	-	-	12	-	12
Total comprehensive income for the financial period	-	-	-	-	(137,181)	40,109	648	(96,424)
Transfer from retained earnings to statutory and other reserves	-	-	-	-	(4,700)	4,700	-	-
Balance at 27 December 2013	1,830,222	(5,216)	(6,146)	(1,195)	288,733	(29,295)	53,708	2,130,811

GROUP	Capital and reserves attributable to owners of the Company							Total equity US\$'000
	Share capital	Treasury shares	Shares held by employee benefit trust	Treasury shares reserve	Retained earnings	Statutory and other reserves	Non-controlling interest	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000 (Restated) ¹⁰	US\$'000 (Restated) ¹⁰	US\$'000	
Balance at 31 December 2011								
As previously reported	1,822,117	(5,216)	(4,716)	(1,195)	765,302	24,688	51,204	2,652,184
Effect of Amendments to FRS19	-	-	-	-	20,228	(95,444)	-	(75,216)
As restated	1,822,117	(5,216)	(4,716)	(1,195)	785,530	(70,756)	51,204	2,576,968
Dividends to non-controlling interest	-	-	-	-	-	-	(2,250)	(2,250)
Employee equity compensation schemes:								
- value of employee services	-	-	-	-	-	2,956	-	2,956
- new shares issued	3,510	-	-	-	-	(2,653)	-	857
Purchase of shares by employee benefit trust	-	-	(431)	-	-	-	-	(431)
Return of capital to non-controlling interest	-	-	-	-	-	-	(100)	(100)
Total comprehensive income for the financial period	-	-	-	-	(321,391)	34,294	3,559	(283,538)
Balance at 21 September 2012	1,825,627	(5,216)	(5,147)	(1,195)	464,139	(36,159)	52,413	2,294,462
Dividends to non-controlling interest	-	-	-	-	-	-	(383)	(383)
Employee equity compensation schemes:								
- value of employee services	-	-	-	-	-	1,090	-	1,090
- new shares issued	1,096	-	-	-	-	(468)	-	628
Purchase of shares by employee benefit trust	-	-	(173)	-	-	-	-	(173)
Total comprehensive income for the financial period	-	-	-	-	(91,106)	(13,069)	1,659	(102,516)
Balance at 28 December 2012	1,826,723	(5,216)	(5,320)	(1,195)	373,033	(48,606)	53,689	2,193,108

¹⁰ Restated for comparative purpose due to retrospective application of Amendments to FRS 19: Employee Benefits (Revised), which is effective from financial year 2013.

Details of the restatement are provided in 7(a).

COMPANY	Share capital	Treasury shares	Treasury shares reserves	Retained earnings	Other reserves	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 29 December 2012	1,826,723	(5,216)	(1,195)	1,019,738	28,586	2,868,636
Employee equity compensation schemes:						
- value of employee services	-	-	-	-	2,875	2,875
- new shares issued	3,190	-	-	-	(2,870)	320
Total comprehensive income for the financial period	-	-	-	149,451	5,824	155,275
Balance at 20 September 2013	1,829,913	(5,216)	(1,195)	1,169,189	34,415	3,027,106
Employee equity compensation schemes:						
- value of employee services	-	-	-	-	1,746	1,746
- new shares issued	309	-	-	-	(309)	-
Total comprehensive income for the financial period	-	-	-	(821)	(2,615)	(3,436)
Balance at 27 December 2013	1,830,222	(5,216)	(1,195)	1,168,368	33,237	3,025,416
Balance at 31 December 2011	1,822,117	(5,216)	(1,195)	1,042,122	25,983	2,883,811
Employee equity compensation schemes:						
- value of employee services	-	-	-	-	2,956	2,956
- new shares issued	3,510	-	-	-	(2,653)	857
Total comprehensive income for the financial period	-	-	-	(1,569)	600	(969)
Balance at 21 September 2012	1,825,627	(5,216)	(1,195)	1,040,553	26,886	2,886,655
Employee equity compensation schemes:						
- value of employee services	-	-	-	-	1,090	1,090
- new shares issued	1,096	-	-	-	(468)	628
Total comprehensive income for the financial period	-	-	-	(20,815)	1,078	(19,737)
Balance at 28 December 2012	1,826,723	(5,216)	(1,195)	1,019,738	28,586	2,868,636

- 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 20 September 2013, the Company's issued and paid-up capital (including treasury shares) comprised 2,591,395,779 ordinary shares. The Company's issued and paid-up capital (excluding treasury shares) comprised 2,589,669,062 ordinary shares.

During the 3 months ended 27 December 2013, the Company issued and allotted 362,667 ordinary shares upon the vesting of restricted shares granted under the NOL Restricted Share Plan 2010 ("NOL RSP 2010").

As at 27 December 2013, the Company's issued and paid-up capital (including treasury shares) comprised 2,591,758,446 ordinary shares. The Company's issued and paid-up capital (excluding treasury shares) comprised 2,590,031,729 (28 December 2012: 2,587,069,636) ordinary shares.

Share options

As at 20 September 2013, there were 36,550,492 outstanding share 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 3 months ended 27 December 2013, 62,647 share options were cancelled.

As at 27 December 2013, share options to subscribe for 36,487,845 (28 December 2012: 38,161,892) ordinary shares remain outstanding under the NOL SOP.

Restricted shares

As at 20 September 2013, there were 6,364,093 outstanding restricted shares under the NOL RSP 2010.

During the 3 months ended 27 December 2013, 362,667 restricted shares were vested and 24,334 restricted shares were cancelled.

As at 27 December 2013, 5,977,092 (28 December 2012: 3,587,426) restricted shares remain outstanding under the NOL RSP 2010.

Performance shares

As at 20 September 2013, there were 6,226,696 outstanding performance shares under the NOL Performance Share Plan 2010 ("NOL PSP 2010").

During the 3 months ended 27 December 2013, 20,000 performance shares were cancelled.

As at 27 December 2013, 6,206,696 (28 December 2012: 4,430,684) performance shares remain outstanding under the NOL PSP 2010.

Treasury shares

As at 20 September 2013, 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 restricted shares and performance shares under the NOL RSP 2010 and NOL PSP 2010 respectively.

During the 3 months ended 27 December 2013, no treasury shares were sold, transferred, disposed, cancelled and/or re-issued by the Company pursuant to the NOL SOP, NOL RSP 2010 and NOL PSP 2010.

In addition, no shares were purchased for the purposes of fulfilling the Company's obligations under the NOL SOP, NOL RSP 2010 and NOL PSP 2010.

As at 27 December 2013, there were 1,726,717 (28 December 2012: 1,726,717) treasury shares remaining that have not been re-issued.

2. Basis of Preparation

The preparation of the FY2013 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 27 December 2013 and the reported amounts of revenue and expenses during the financial year from 29 December 2012 to 27 December 2013. 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. Contingent Liability

Tax Exposures

The U.S. Internal Revenue Service ("the IRS") audited the 2005 and 2006 US federal tax returns of APL Limited, a subsidiary company within the NOL Group ("the Group") and proposed certain adjustments. APL Limited filed a protest letter with IRS on 20 September 2010 and requested for the case to be reviewed and assigned to appeals. As of 26 June 2013, APL Limited and the IRS had come to a mutual settlement of the 2005 and 2006 US federal tax returns.

In June 2011, the IRS commenced the examination of APL Limited's 2007, 2008 and 2009 US federal income tax.

Litigation and Claims

Other than those for which provisions were made in the consolidated financial statements, the Group may be liable for vessel damages, litigation and other claims initiated by third parties and/or government authorities in various jurisdictions in which the Group carries out its business operations.

Based upon information presently available and advice by the Group's legal counsel, management believes that the Group is not liable under such claims, and/or that it is not possible to estimate the amount of additional losses, if any, that might result from adverse judgments against the Group.

On 17 May 2011, NOL's office in Uxbridge, United Kingdom was visited by representatives from the European Commission ("EC"). NOL is one of several container liner companies to have been visited by the EC. The Group understands the EC is investigating whether there have been any violations of EU competition law concerning the liner shipping industry. On 22 November 2013, the EU Commission announced that they are initiating proceedings against several container liner shipping companies. NOL is not the subject of the proceedings initiated by the EU Commission.

6. 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 7(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 28 December 2012.

7.(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 29 December 2012, the Group and the Company adopted the new or revised Singapore Financial Reporting Standards ("FRS"), which are effective for the Group's financial period beginning 29 December 2012.

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

Amendments to FRS 1	: Presentation of Items of Other Comprehensive Income (Effective for annual periods beginning on or after 1 July 2012)
Amendments to FRS 19	: Employee Benefits (Revised) (Effective for annual periods beginning on or after 1 January 2013)
FRS 107	: Disclosures - Offsetting Financial Assets and Financial Liabilities (Effective for annual periods beginning on or after 1 January 2013)
FRS 113	: Fair Value Measurements (Effective for annual periods beginning on or after 1 January 2013)

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 financial position and results of the Group and the Company, except as discussed below:

Amendments to FRS 19 : Employee Benefits (Revised)

The Amendments to FRS 19 removes the corridor mechanism for defined benefit plans and no longer allows actuarial gains and losses to be recognised in profit or loss. The distinction between short-term and long-term employee benefits is based on the expected timing of settlement rather than employee entitlement.

This change in accounting policy has been applied retrospectively from 29 December 2012. Accordingly, the comparatives have been restated. The financial effects arising from the adoption of the Amendments to FRS 19 are as follows:

Consolidated Income Statement

	Group	
	FY2013 US\$'000	FY2012 US\$'000
Decrease in administrative expenses	(1,439)	(9,637)
Increase in income tax expense	821	2,689
Decrease in loss attributable to owners of the Company	(618)	(6,948)
Decrease in basic loss per share	(0.02 US cts)	(0.27 US cts)
Decrease in diluted loss per share	(0.02 US cts)	(0.27 US cts)

Consolidated Statement of Financial Position

	Group		
	27 Dec 2013 US\$'000	28 Dec 2012 US\$'000	30 Dec 2011 US\$'000
<u>Increase/(decrease) in:</u>			
Deferred income tax asset	8,554	27,494	28,862
Provisions	(4,560)	(6,118)	(5,023)
Pension liabilities, net of pension assets	46,477	105,764	109,101
Retained earnings	27,794	27,176	20,228
Other reserves	(61,157)	(99,328)	(95,444)

7.(b) Comparatives

Comparative figures have been restated due to the adoption of the Amendments to FRS 19 and change in definition of Core EBIT.

	FY 2013	FY 2012 (Restated) ¹¹	Q4 2013	Q4 2012 (Restated) ¹¹
GROUP				
Loss per ordinary share after deducting any provision for preference dividends (adjusted to exclude shares held by employee benefit trust and treasury shares)				
a) Based on the weighted average number of ordinary shares on issue	(2.95 US cts)	(15.98 US cts)	(5.31 US cts)	(3.53 US cts)
b) On a fully diluted basis (detailing any adjustments made to the earnings)	(2.95 US cts)	(15.98 US cts)	(5.31 US cts)	(3.53 US cts)

9. Net Asset Value

	Group			Company		
	27 Dec 2013 US\$	28 Dec 2012 US\$	Inc / (Dec) %	27 Dec 2013 US\$	28 Dec 2012 US\$	Inc / (Dec) %
		(Restated) ¹¹				
Net Asset Value per ordinary share based on issued share capital (adjusted to exclude treasury shares) of the issuer	0.80	0.83	(3.61)	1.17	1.11	5.41

¹¹ Restated for comparative purpose due to retrospective application of Amendments to FRS 19: Employee Benefits (Revised), which is effective from financial year 2013. Details of the restatement are provided in 7(a).

10. Review of the Performance of the Group

Income Statement:

FY 2013 vs FY 2012

NOL Group achieved revenue of US\$8.83 billion (FY 2012: US\$9.51 billion), a decrease of US\$0.68 billion. This was mainly due to decrease in Liner revenue from capacity management and lower freight rates.

The Group's cost of sales decreased by US\$0.74 billion or 8% YoY to US\$8.25 billion mainly due to operational cost efficiencies and lower bunker prices.

Other miscellaneous gains increased by US\$210 million or 1,410% YoY to US\$224 million mainly due to disposal of NOL building and property, plant and equipment.

Finance expenses decreased by US\$30 million or 40% YoY to US\$45 million mainly due to realised foreign exchange gain of US\$34 million arising from repayment of Singapore-dollar loan to the Company by a subsidiary whose functional currency is Singapore dollar and realised gains from financial hedging instruments, partially offset by higher interest expenses from higher average loan balances and interest rates.

Other operating expenses decreased by US\$57 million or 49% YoY to US\$58 million mainly due to decrease in impairment loss on obsolete vessels classified as held-for-sale, partially offset by decrease in foreign exchange gain.

Despite the Group making losses (before any capital gains), tax expense was incurred mainly due to certain entities in the Group generating tax assessable income in the jurisdictions in which they operate.

Net loss attributable to owners of the Company decreased by US\$336 million or 82% mainly due to one time gain from disposal of NOL building. Despite weak global economic conditions, the Group narrowed its net operating losses due to continued efficiency and cost management efforts.

Q4 2013 vs Q4 2012

NOL Group achieved revenue of US\$2.33 billion (Q4 2012: US\$2.50 billion), a decrease of US\$0.16 billion. This was mainly due to decrease in Liner revenue from capacity management and lower freight rates.

The Group's cost of sales decreased by US\$0.17 billion or 7% YoY to US\$2.21 billion mainly due to operational cost efficiencies and lower bunker prices.

Administrative expenses increased by US\$29 million or 17% YoY to US\$202 million mainly due to higher overhead expenses.

Net loss attributable to owners of the Company increased by US\$46 million or 51% to US\$137 million in Q4 2013 mainly due to decrease in Liner revenue from capacity management and lower freight rates.

Balance Sheet:

NOL Group's total assets increased by US\$809 million from US\$8.22 billion as at 28 December 2012 to US\$9.03 billion as at 27 December 2013. The increase in total assets was mainly due to increase in property, plant and equipment, partially offset by decrease in assets classified as held-for-sale. The increase in property, plant and equipment was mainly due to progressive payments made for the new vessels that the Group had ordered. The decrease in assets classified as held-for-sale was due to disposal of NOL building and obsolete vessels.

The Group's total liabilities increased by US\$871 million from US\$6.03 billion as at 28 December 2012 to US\$6.90 billion as at 27 December 2013. The increase in total liabilities was mainly due to increase in borrowings [see Note 1(b)(ii)] during FY 2013.

The Group's total equity decreased by US\$62 million from US\$2.19 billion as at 28 December 2012 to US\$2.13 billion as at 27 December 2013 mainly due to net loss incurred during FY 2013.

Cashflow:

NOL Group's cash and cash equivalents increased by US\$84 million from US\$0.90 billion as at 28 December 2012 to US\$0.98 billion as at 27 December 2013 mainly due to net cash inflow from financing activities of US\$962 million and net cash inflow from operations of US\$32 million, partially offset by net cash outflow from investing activities of US\$910 million. Net cash inflow from financing activities was mainly due to net proceeds from borrowings. Net cash outflow from investing activities was mainly due to progressive payments made for the new vessels that the Group had ordered, partially offset by proceeds from disposal of assets.

	FY 2013 US\$m	Q4 2013 US\$m	Q3 2013 US\$m	Q2 2013 US\$m	Q1 2013 US\$m
(a) Revenue					
Liner	7,329	1,922	1,712	1,728	1,967
Logistics	1,586	434	371	354	427
Elimination	(84)	(22)	(21)	(18)	(23)
Total	8,831	2,334	2,062	2,064	2,371
(b) Core EBIT¹²					
Liner	(231)	(101)	3	(41)	(92)
Logistics	64	19	19	10	16
Total	(167)	(82)	22	(31)	(76)
	FY 2012 US\$m	Q4 2012 US\$m	Q3 2012 US\$m	Q2 2012 US\$m	Q1 2012 US\$m
(a) Revenue					
Liner	8,054	2,089	1,961	1,994	2,010
Logistics	1,555	435	365	361	394
Elimination	(97)	(25)	(24)	(22)	(26)
Total	9,512	2,499	2,302	2,333	2,378
(b) Core EBIT¹²					
Liner	(250)	(82)	61	10	(239)
Logistics	67	26	19	9	13
Total	(183)	(56)	80	19	(226)

¹² Earnings before Net Finance, Tax and Exceptional (Non-Recurring) Items. With effect from Q3 2013, in addition to interest expense, the definition of Core EBIT has changed to exclude other finance expense and income. Comparative numbers have been restated accordingly.

(c) **Analysis by Business Units**

(i) **Liner**

FY 2013 vs FY 2012

Liner achieved FY 2013 revenue of US\$7.3 billion, a year-on-year (YoY) decrease of 9% mainly due to capacity management and lower freight rates.

Volume decreased by 2%YoY mainly due to lower volume in the Asia-Europe and Intra-Asia trades.

Cost of sales per FEU decreased by 8% YoY mainly due to operational cost efficiencies and lower bunker prices.

Capacity management and weaker freight rates dampened average revenue per FEU to US\$2,318 or 8% lower YoY.

As a result, Liner recorded a Core EBIT loss of US\$231 million in FY 2013.

Q4 2013 vs Q4 2012

Liner achieved Q4 2013 revenue of US\$1.9 billion, a year-on-year (YoY) decrease of 8% mainly due to capacity management and lower freight rates.

Volume was relatively unchanged due to higher volume in the Transpacific and Intra-Asia trades offsetting lower volumes in other trade lanes.

Cost of sales per FEU decreased by 8% YoY mainly due to operational cost efficiencies.

Capacity management and weaker freight rates reduced average revenue per FEU to US\$2,218 or 8% lower YoY.

As a result, Liner recorded a Core EBIT loss of US\$101 million in Q4 2013.

LINER FULL YEAR RESULTS 2013 and 2012

Unaudited

	FY 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Load Factors %					
Transpacific and Asia-Latin America/Mexico Eastbound	88%	89%	88%	86%	91%
Intra-Asia Westbound	96%	96%	94%	99%	93%
Asia-Europe Westbound	93%	94%	93%	90%	92%
Transatlantic Westbound	90%	98%	100%	85%	78%
Headhaul	91%	93%	91%	90%	91%
Volume ('000 FEU)					
Transpacific	855	235	201	195	224
Intra-Asia	1,296	354	282	320	340
Asia-Europe	422	112	100	101	109
Latin America	200	53	47	48	52
Transatlantic	173	46	39	41	47
Total Volume ¹³	2,946	800	669	705	772
Average Revenue/FEU (US\$/FEU)					
Transpacific	3,420	3,265	3,506	3,458	3,471
Intra-Asia	1,386	1,317	1,348	1,454	1,425
Asia-Europe	2,307	2,242	2,428	2,144	2,413
Latin America	3,339	3,105	3,211	3,448	3,591
Transatlantic	2,698	2,706	2,794	2,675	2,628
Total	2,318	2,218	2,372	2,315	2,376
	FY 2012	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Load Factors %					
Transpacific and Asia-Latin America/Mexico Eastbound	92%	91%	94%	95%	90%
Intra-Asia Westbound	95%	96%	95%	95%	96%
Asia-Europe Westbound	94%	88%	92%	95%	99%
Transatlantic Westbound	90%	90%	95%	86%	88%
Headhaul	93%	92%	94%	94%	93%
Volume ('000 FEU)					
Transpacific	857	232	207	202	216
Intra-Asia	1,313	348	297	319	349
Asia-Europe	472	118	112	110	132
Latin America	210	57	50	49	54
Transatlantic	168	47	41	40	40
Total Volume ¹³	3,020	802	707	720	791
Average Revenue/FEU (US\$/FEU)					
Transpacific	3,681	3,500	3,763	3,651	3,825
Intra-Asia	1,559	1,493	1,591	1,732	1,439
Asia-Europe	2,471	2,405	2,646	2,750	2,149
Latin America	3,524	3,533	3,568	3,596	3,405
Transatlantic	2,795	2,636	2,780	2,815	2,974
Total	2,509	2,419	2,601	2,615	2,420

¹³ Represents volume recognised from each Bill of Lading upon commencement of shipment on vessels.

(ii) **Logistics**

FY 2013 vs FY 2012

Logistics achieved FY 2013 revenue of US\$1.6 billion, increasing 2% YoY from revenue growth led by emerging markets in Asia/Middle East.

Contract Logistics achieved revenue of US\$1 billion, a 2% decrease YoY mainly due to extended customers' automotive plant shutdown and slow auto sector recovery.

International Services achieved revenue of US\$585 million, a 10% increase YoY.

Core EBIT of US\$64 million for FY 2013, a 4% decrease YoY mainly due to lower Contract Logistics contribution.

Q4 2013 vs Q4 2012

Logistics achieved Q4 2013 revenue of US\$434 million, unchanged YoY.

Contract Logistics achieved revenue of US\$275 million, a 2% decrease YoY mainly due to slow auto sector recovery.

International Services achieved revenue of US\$159 million, a 4% increase YoY.

Core EBIT of US\$19 million for Q4 2013, a 27% decrease YoY mainly due to lower Contract Logistics contribution.

LOGISTICS FULL YEAR RESULTS 2013 and 2012

Unaudited

US\$ millions

	FY 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
BY REGION					
Revenue					
Americas	993	274	226	222	271
Europe	157	43	41	34	39
Asia/Middle East	436	117	104	98	117
Total Revenue	1,586	434	371	354	427
BY BUSINESS SEGMENT					
Revenue					
Contract Logistics Services	1,001	275	228	224	274
International Services	585	159	143	130	153
Total Revenue	1,586	434	371	354	427
Operating Expenses					
Contract Logistics Services	979	272	221	220	266
International Services	543	143	131	124	145
Total Operating Expenses	1,522	415	352	344	411
Core EBIT¹⁴					
Contract Logistics Services	22	3	7	4	8
International Services	42	16	12	6	8
Total Core EBIT	64	19	19	10	16
	FY 2012	Q4 2012	Q3 2012	Q2 2012	Q1 2012
BY REGION					
Revenue					
Americas	1,025	284	230	248	263
Europe	148	42	37	35	34
Asia/Middle East	382	109	98	78	97
Total Revenue	1,555	435	365	361	394
BY BUSINESS SEGMENT					
Revenue					
Contract Logistics Services	1,022	282	232	239	269
International Services	533	153	133	122	125
Total Revenue	1,555	435	365	361	394
Operating Expenses					
Contract Logistics Services	986	267	223	232	264
International Services	502	142	123	120	117
Total Operating Expenses	1,488	409	346	352	381
Core EBIT¹⁴					
Contract Logistics Services	36	15	9	7	5
International Services	31	11	10	2	8
Total Core EBIT	67	26	19	9	13

¹⁴ Earnings before Net Finance, Tax and Exceptional (Non-Recurring) Items. With effect from Q3 2013, in addition to interest expense, the definition of Core EBIT has changed to exclude other finance expense and income. Comparative numbers have been restated accordingly.

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

The Company announced in its results announcement for the third quarter ended 20 September 2013 that "General market conditions have not improved in the third quarter, resulting in a muted peak season. Volatile freight rates and over-capacity will continue. In spite of difficult conditions, NOL has delivered better year-to-date performance through its focus on operating efficiencies. The Group remains on track to deliver a better performance than in 2012."

Notwithstanding the recent deterioration in freight rates, the current results are broadly in line with the commentary made in the results announcement for the third quarter ended 20 September 2013.

12. **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.**

Global economic growth prospects are uncertain. Conditions in the liner industry are expected to remain challenging due to continued over-supply of capacity. Liner freight rates will remain under pressure. The Group will continue its focus on managing costs and operational efficiencies with the aim to improve its financial performance in 2014.

13. **Dividend**

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

Nil

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

Nil

(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

14. **Segment Information**

Segment Reporting By Operating Segments

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

1. Liner - Global liners provide operations of container transportation, terminals and provision of other related services. 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.

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. With effect from Q3 2013, segment performance is evaluated based on earnings before net finance and tax items. Accordingly, the Group has also presented the corresponding segment information for FY2012 in the same manner.

Unallocated income statement items represent certain finance items 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 property, plant and equipment, investment property, intangible assets, goodwill arising on consolidation, inventories, receivables, operating cash and other investments and exclude fixed and demand deposits. Segment liabilities comprise primarily operating liabilities and exclude certain borrowings which are managed on a group basis and not allocated to operating segments.

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

FY 2013	Liner US\$'000	Logistics US\$'000	Elimination US\$'000	Total US\$'000
Revenue				
External sales	7,262,662	1,568,531	-	8,831,193
Inter-segment sales	66,999	16,996	(83,995)	-
Total revenue	7,329,661	1,585,527	(83,995)	8,831,193
Segment result	(72,452)	88,290	-	15,838
Share of results of associated companies	853	6,719	-	7,572
Share of results of joint ventures	624	(79)	-	545
Non-controlling interest	(850)	(3,480)	-	(4,330)
(Loss)/Earnings before net finance and tax items	(71,825)	91,450	-	19,625
Net finance expense	(31,635)	(1,852)	-	(33,487)
Income tax expense	(35,434)	(20,697)	-	(56,131)
Unallocated finance expense				(6,305)
Net loss attributable to equity holders of the Company				(76,298)
Segment assets	8,330,173	589,574	(158,386)	8,761,361
Associated companies	104,262	44,777	-	149,039
Joint ventures	20,388	986	-	21,374
Unallocated assets				97,261
Consolidated total assets				9,029,035
Segment liabilities	4,774,204	466,030	(158,386)	5,081,848
Unallocated liabilities				1,816,376
Consolidated total liabilities				6,898,224
Other segment items:				
Capital expenditures				
- property, plant & equipment	1,284,071	22,103	-	1,306,174
- intangible assets	2,294	227	-	2,521
Depreciation	315,875	9,507	-	325,382
Amortisation	(10,573)	2,346	-	(8,227)
Net provision for impairment	14,525	1,924	-	16,449
Other non-cash (gains)/expenses	(745)	6,914	-	6,169

14. Segment Information (continued)

Segment Reporting By Operating Segments (continued)

FY2012 ¹⁵	Liner US\$'000	Logistics US\$'000	Elimination US\$'000	Total US\$'000
Revenue				
External sales	7,971,449	1,540,182	-	9,511,631
Inter-segment sales	82,566	15,069	(97,635)	-
Total revenue	8,054,015	1,555,251	(97,635)	9,511,631
Segment result	(352,526)	62,000	-	(290,526)
Share of results of associated companies	2,504	6,531	-	9,035
Share of results of joint ventures	7	357	-	364
Non-controlling interest	(1,284)	(4,480)	-	(5,764)
(Loss)/Earnings before net finance and tax items	(351,299)	64,408	-	(286,891)
Net finance expense	(60,563)	(2,235)	-	(62,798)
Income tax expense	(34,054)	(21,543)	-	(55,597)
Unallocated finance expense				(7,211)
Net loss attributable to equity holders of the Company				(412,497)
Segment assets ¹⁶	7,623,416	491,460	(143,849)	7,971,027
Associated companies	73,279	38,552	-	111,831
Joint ventures	20,022	6,566	-	26,588
Unallocated assets				110,543
Consolidated total assets				8,219,989
Segment liabilities ¹⁶	4,184,401	431,155	(143,849)	4,471,707
Unallocated liabilities				1,555,174
Consolidated total liabilities				6,026,881
Other segment items:				
Capital expenditures				
- property, plant & equipment	997,657	13,086	-	1,010,743
- intangible assets	5,971	1,642	-	7,613
Depreciation	297,043	9,403	-	306,446
Amortisation	(3,420)	1,237	-	(2,183)
Net provision for impairment	81,713	774	-	82,487
Other non-cash expenses	54,927	4,423	-	59,350

¹⁵ Restated for comparative purpose due to retrospective application of Amendments to FRS 19: Employee Benefits (Revised), which is effective from financial year 2013. Details of the restatement are provided in 7(a).

¹⁶ Restated due to finalisation of purchase price allocation exercise from acquisition of a subsidiary in the Logistics segment.

Segment Reporting By Geographical Segments

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

Geographical segment	Trade Lanes
Asia/Middle East	Intra-Asia
Europe	Asia-Europe Transatlantic
Americas	Transpacific 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 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		
	FY 2013 US\$'000	FY 2012 US\$'000	% Increase/ (Decrease)	FY 2013 US\$'000	FY 2012 US\$'000 (Restated) ¹⁶	% Increase/ (Decrease)
Asia/Middle East	2,406,656	2,699,327	(11)	515,282	485,625	6
Europe	1,636,950	1,807,534	(9)	70,583	42,113	68
Americas	4,787,587	5,004,770	(4)	336,448	346,567	(3)
Subtotal	8,831,193	9,511,631		922,313	874,305	
Vessels				4,675,035	3,800,832	23
Containers				822,822	863,829	(5)
Drydocking costs				71,668	61,091	17
Total				6,491,838	5,600,057	

Non-current assets information presented above consisted mainly of property, plant and equipment, investment property, intangible assets, goodwill, and deferred charges as presented in the consolidated balance sheets.

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

Please refer to Note 10 for an analysis by business units.

16. Breakdown of sales as follows:

	Group		
	FY 2013 US\$'000	FY 2012 US\$'000	% Increase/ (Decrease)
Sales reported for the first half year	4,434,613	4,710,649	(6)
Operating profit/ (loss) after income tax before deducting non-controlling interest reported for the first half year	42,848	(368,783)	N/M
Sales reported for the second half year	4,396,580	4,800,982	(8)
Operating loss after income tax before deducting non-controlling interest reported for the second half year	(114,816)	(37,950)	203

17. Interested Person Transactions

Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual	FY 2013 US\$'000	FY 2012 US\$'000	Q4 2013 US\$'000	Q4 2012 US\$'000
Transactions for the Purchase of Goods and Services				
PSA Corporation Limited and its associates	214,829	223,901	59,737	60,454
Singapore Telecommunications Limited and its associates	308	262	100	158
Certis CISCO Security Pte. Ltd	160	230	2	77
Transactions for the Purchase of Assets				
Singapore Telecommunications Limited and its associates	-	103	-	-
Sembcorp Marine Ltd and its associates	-	6,249	-	6,249
Transactions for the Leasing-in of Assets				
Sembcorp Marine Ltd and its associates	-	2,943	-	406
Aggregate value of all transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under a shareholder's mandate pursuant to Rule 920 of the SGX-ST Listing Manual)				
	FY 2013 US\$'000	FY 2012 US\$'000	Q4 2013 US\$'000	Q4 2012 US\$'000
Interest payable on Medium Term Notes ("MTN") over the tenor of the MTNs				
FFMC Holdings Pte. Ltd. and its associates	-	3,231	-	2,015
ST Asset Management Ltd and its associates	-	1,007	-	1,007

The above relates to cumulative value of transactions (inclusive of GST) more than S\$100,000.

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

	FY 2013 US\$'000	FY 2012 US\$'000
Ordinary	Nil	Nil

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Listing Rule 704(13).

There is no person occupying any managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

LOOI LEE HWA AND WONG KIM WAH
Company Secretaries

Dated this 20 February 2014