



NEPTUNE ORIENT LINES LIMITED (Reg. No. 196800632D)
 Unaudited Quarterly Financial Information
 For the 1st Quarter Ended 4 April 2014

1.(a)(i) Consolidated Income Statement

	Group		
	Q1 2014 US\$'000	Q1 2013 US\$'000	% Increase/ (Decrease)
Revenue	2,279,234	2,371,052	(4)
Cost of sales	(2,169,663)	(2,255,727)	(4)
Gross profit	109,571	115,325	(5)
Other gains (net)			
- Miscellaneous	6,759	201,173	(97)
- Finance and investment income	1,453	1,342	8
Expenses			
- Administrative: IT	(34,105)	(35,232)	(3)
- Administrative: non-IT	(150,385)	(148,124)	2
- Finance	(32,879)	(25,414)	29
- Other operating	3,062	(18,851)	N/M
Share of results of associated companies	1,913	2,414	(21)
Share of results of joint ventures	(70)	(160)	(56)
(Loss)/profit before income tax	(94,681)	92,473	N/M
Income tax expense	(1,306)	(15,945)	(92)
Net (loss)/profit for the financial period	(95,987)	76,528	N/M
Net (loss)/profit attributable to:			
Owners of the Company	(97,936)	75,509	N/M
Non-controlling interest	1,949	1,019	91
	(95,987)	76,528	N/M

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

	Group		
	Q1 2014 US\$'000	Q1 2013 US\$'000	% Increase/ (Decrease)
(A) Other Income Including Interest Income	3,349	2,433	38
(B) Net Interest on Borrowings	(26,668)	(15,852)	68
(C) Depreciation and Amortisation	(97,384)	(81,359)	20
(D) Allowance for Doubtful Debts and Bad Debts Written Back/(Off)	475	(3,002)	N/M
(E) Write-back of Provision for Impairment in Value of Investments	-	11	(100)
(F) Foreign Exchange Gain/(Loss)	15,958	(2,343)	N/M
(G) Adjustment for Over Provision for Tax in Prior Years	13,966	808	1,628
(H) Profit on Sale of Investments, Property, Plant and Equipment and Other Assets	2,123	196,192	(99)
(I) Impairment Loss on Assets classified as held-for-sale	-	(3,700)	(100)
(J) Write-Back/(Write-Off) of Inventories	43	(11)	N/M

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

	Group	
	Q1 2014 US\$'000	Q1 2013 US\$'000
Net (loss)/profit for the financial period	(95,987)	76,528
Other comprehensive income:		
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Fair value loss on cash flow hedges	(6,900)	(11,653)
Fair value (gain)/loss on cash flow hedges transferred to the income statement	(2,388)	7,812
Fair value gain on available-for-sale financial asset	13	11
Share of other comprehensive income of associated company	-	88
Currency translation differences	(1,657)	(2,540)
Tax on fair value gain and loss	134	362
Other comprehensive income for the financial period, net of tax	(10,798)	(5,920)
Total comprehensive income for the financial period	(106,785)	70,608
Total comprehensive income attributable to:		
Owners of the Company	(108,863)	69,498
Non-controlling interest	2,078	1,110
	(106,785)	70,608

N/M: Not meaningful

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

	Group			Company		
	4 Apr 2014 US\$'000	27 Dec 2013 US\$'000	% Increase/ (Decrease)	4 Apr 2014 US\$'000	27 Dec 2013 US\$'000	% Increase/ (Decrease)
ASSETS						
Current Assets						
Cash and cash equivalents	605,446	980,993	(38)	61,211	767,481	(92)
Trade and other receivables ¹	1,108,452	1,073,085	3	4,843,400	3,776,487	28
Available-for-sale financial assets	21,674	23,543	(8)	-	-	0
Inventories at cost	247,246	254,232	(3)	-	-	0
Derivative financial instruments	3,489	6,952	(50)	1,111	-	N/M
Assets classified as held-for-sale	8,300	12,297	(33)	-	-	0
Other current assets	126,400	115,541	9	5,231	4,308	21
Total current assets	2,121,007	2,466,643	(14)	4,910,953	4,548,276	8
Non-current Assets						
Investments in subsidiaries	-	-	0	1,000,555	1,000,605	(0)
Investments in associated companies	163,114	149,039	9	-	-	0
Investments in joint ventures	20,535	21,374	(4)	-	-	0
Available-for-sale financial asset	90	83	8	-	-	0
Property, plant and equipment	6,247,014	6,097,508	2	361,366	973,999	(63)
Deferred charges	6,844	5,765	19	6,704	5,267	27
Intangible assets	30,975	31,245	(1)	2,394	2,381	1
Land use rights	838	855	(2)	-	-	0
Goodwill arising on consolidation	158,043	158,663	(0)	-	-	0
Deferred income tax assets	30,175	33,437	(10)	-	-	0
Derivative financial instruments	12,525	13,340	(6)	12,525	13,340	(6)
Other non-current assets	50,841	51,083	(0)	179	177	1
Total non-current assets	6,720,994	6,562,392	2	1,383,723	1,995,769	(31)
TOTAL ASSETS	8,842,001	9,029,035	(2)	6,294,676	6,544,045	(4)
LIABILITIES						
Current Liabilities						
Trade and other payables	1,311,877	1,252,421	5	1,319,935	1,222,566	8
Current income tax liabilities	149,029	165,409	(10)	2,676	2,202	22
Borrowings	282,391	599,119	(53)	-	50,000	(100)
Provisions	44,019	43,528	1	2,125	2,138	(1)
Deferred income	6,739	7,670	(12)	-	-	0
Derivative financial instruments	3,204	11,625	(72)	-	8,442	(100)
Other current liabilities ²	255,496	232,195	10	-	-	0
Total current liabilities	2,052,755	2,311,967	(11)	1,324,736	1,285,348	3
Non-current Liabilities						
Borrowings	4,437,169	4,266,827	4	1,905,379	2,179,969	(13)
Provisions	173,424	171,977	1	-	-	0
Deferred income	4,282	6,016	(29)	-	-	0
Deferred income tax liabilities	7,288	6,980	4	606	607	(0)
Derivative financial instruments	72,589	65,168	11	54,003	52,705	2
Other non-current liabilities	68,745	69,289	(1)	-	-	0
Total non-current liabilities	4,763,497	4,586,257	4	1,959,988	2,233,281	(12)
TOTAL LIABILITIES	6,816,252	6,898,224	(1)	3,284,724	3,518,629	(7)
NET ASSETS	2,025,749	2,130,811	(5)	3,009,952	3,025,416	(1)
EQUITY						
Share capital	1,833,472	1,830,222	0	1,833,472	1,830,222	0
Treasury shares	(5,216)	(5,216)	0	(5,216)	(5,216)	0
	1,828,256	1,825,006	0	1,828,256	1,825,006	0
Shares held by employee benefit trust	(5,946)	(6,146)	(3)	-	-	0
Treasury shares reserve	(1,195)	(1,195)	0	(1,195)	(1,195)	0
Retained earnings	190,797	288,733	(34)	1,156,125	1,168,368	(1)
Statutory and other reserves	(41,949)	(29,295)	43	26,766	33,237	(19)
Capital and reserves attributable to owners of the Company	1,969,963	2,077,103	(5)	3,009,952	3,025,416	(1)
Non-controlling interest	55,786	53,708	4	-	-	0
TOTAL EQUITY	2,025,749	2,130,811	(5)	3,009,952	3,025,416	(1)
Net current assets	68,252	154,676	(56)	3,586,217	3,262,928	10

¹ 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.

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

N/M: Not meaningful

1.(b)(ii) Borrowings

The Group As at 4 April 2014	Secured	Unsecured	Secured	Total
	borrowings	borrowings	finance lease	
	US\$'000	US\$'000	liabilities	US\$'000
Amount repayable on or before 3 April 2015, or on demand	170,705	102,225	9,461	282,391
Amount repayable on or before:				
1 Apr 2016	187,223	664,267	10,111	861,601
7 Apr 2017	203,132	168,772	10,651	382,555
6 Apr 2018	190,744	388,923	11,203	590,870
5 Apr 2019	182,571	-	11,835	194,406
Thereafter	1,402,734	782,545	222,458	2,407,737
	2,337,109	2,106,732	275,719	4,719,560

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
	1,863,358	2,727,447	275,141	4,865,946

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 4 April 2014	Vessels	Containers	Terminals	Chassis	Others ³	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable for the remainder of FY 2014	298,769	44,683	59,180	2,308	42,939	447,879
Amount repayable in:						
FY 2015	261,868	51,456	73,944	1,012	42,103	430,383
FY 2016	161,898	15,152	70,546	-	27,511	275,107
FY 2017	122,818	6,806	70,681	-	14,492	214,797
FY 2018	116,626	5,277	62,282	-	7,639	191,824
Thereafter	323,123	9,084	535,296	-	9,192	876,695
	1,285,102	132,458	871,929	3,320	143,876	2,436,685

As at 27 December 2013	Vessels	Containers	Terminals	Chassis	Others ³	Total
	US\$'000	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
	1,432,023	149,293	894,454	4,450	165,509	2,645,729

³ 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	
	Q1 2014 US\$'000	Q1 2013 US\$'000
Cash Flows from Operating Activities		
(Loss)/Profit before income tax	(94,681)	92,473
Adjustments for :		
Depreciation and amortisation	97,384	81,359
Fair value loss on financial instruments	8,483	78
Deferred charge expense	792	2,053
Net interest expense	26,668	15,852
Interest income	(1,453)	(1,342)
Share-based compensation costs	1,502	1,782
Net (write-back)/write-off of inventories	(43)	11
Fair value (gain)/loss on shares held by employee benefit trust	(486)	54
Net (profit)/loss on disposal of property, plant and equipment	(15)	1,804
Net profit on disposal of assets classified as held-for-sale	(2,108)	(198,036)
Net loss on disposal of other assets	-	40
Gain on re-measurement of previously held interest in joint venture	-	(441)
Impairment loss on assets classified as held-for-sale	-	3,700
Net provision for/(write-back of) impairment of assets	620	(11)
Net provision for liabilities	7,871	5,174
Share of results of associated companies	(1,913)	(2,414)
Share of results of joint ventures	70	160
Unrealised currency translation gain	(7,795)	(537)
Operating cash flow before working capital changes	34,896	1,759
Changes in operating assets and liabilities		
Receivables and other assets	(37,739)	(65,703)
Inventories	7,029	(4,564)
Payables	69,508	125,571
Provisions	(6,227)	(10,564)
Cash generated from operations	67,467	46,499
Interest paid	(20,340)	(17,659)
Interest received	1,282	1,523
Net income tax paid	(12,882)	(15,849)
Net cash inflow from operating activities	35,527	14,514
Cash Flows from Investing Activities		
Acquisition of subsidiaries, net of cash acquired	-	2,339
Investment in associated company	(13,715)	(4,711)
Proceeds/(repayment) from loans receivables	35	(5)
Dividends received from joint venture	25	-
Purchase of property, plant and equipment	(246,803)	(384,551)
Purchase of intangible assets	(1,051)	(835)
Proceeds from disposal of assets classified as held-for-sale	6,105	323,425
Proceeds from disposal of property, plant and equipment	1,480	16,358
Proceeds from disposal of other assets	1,875	29
Net cash outflow from investing activities	(252,049)	(47,951)
Cash Flows from Financing Activities		
Proceeds from borrowings	1,352,480	1,441,369
Net cash (outflow)/inflow contributed by employee benefit trust	(30)	22
Dividends paid to non-controlling interest	-	(2,378)
Proceeds from issue of new ordinary shares	-	176
Repayment of borrowings	(1,509,604)	(992,152)
Payment of costs incurred in connection with long term financing	(1,871)	(1,012)
Net cash (outflow)/inflow from financing activities	(159,025)	446,025
Net (decrease)/increase in cash and cash equivalents	(375,547)	412,588
Cash and cash equivalents at beginning of financial period	980,993	896,978
Cash and cash equivalents at end of financial period	605,446	1,309,566

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

GROUP	Capital and reserves attributable to owners of the Company							
	Share capital	Treasury shares	Shares held by employee benefit trust	Treasury shares reserve	Retained earnings	Statutory and other reserves	Non-controlling interest	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 28 December 2013	1,830,222	(5,216)	(6,146)	(1,195)	288,733	(29,295)	53,708	2,130,811
Employee equity compensation schemes:								
- value of employee services	-	-	-	-	-	1,502	-	1,502
- new shares issued	3,250	-	-	-	-	(3,250)	-	-
Sale of shares by employee benefit trust	-	-	200	-	-	-	-	200
Share of statutory reserves of associated company	-	-	-	-	-	21	-	21
Total comprehensive income for the financial period	-	-	-	-	(97,936)	(10,927)	2,078	(106,785)
Balance at 4 April 2014	1,833,472	(5,216)	(5,946)	(1,195)	190,797	(41,949)	55,786	2,025,749
GROUP	Capital and reserves attributable to owners of the Company							
	Share capital	Treasury shares	Shares held by employee benefit trust	Treasury shares reserve	Retained earnings	Statutory and other reserves	Non-controlling interest	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 29 December 2012	1,826,723	(5,216)	(5,320)	(1,195)	373,033	(48,606)	53,689	2,193,108
Dividends to non-controlling interest	-	-	-	-	-	-	(2,378)	(2,378)
Employee equity compensation schemes:								
- value of employee services	-	-	-	-	-	1,782	-	1,782
- new shares issued	3,003	-	-	-	-	(2,827)	-	176
Sale of shares by employee benefit trust	-	-	70	-	-	-	-	70
Acquisition of subsidiaries	-	-	-	-	-	-	1,041	1,041
Share of other changes in equity of associated company	-	-	-	-	-	(274)	-	(274)
Total comprehensive income for the financial period	-	-	-	-	75,509	(6,011)	1,110	70,608
Transfer from retained earnings to statutory reserves	-	-	-	-	(3,135)	3,135	-	-
Balance at 5 April 2013	1,829,726	(5,216)	(5,250)	(1,195)	445,407	(52,801)	53,462	2,264,133

7. 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 8(a), the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 27 December 2013.

8.(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 28 December 2013, 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 28 December 2013.

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

FRS 32	: Offsetting Financial Assets and Financial Liabilities (Effective for annual periods beginning on or after 1 January 2014)
FRS 39	: Novation of Derivatives and Continuation of Hedge Accounting (Effective for annual periods beginning on or after 1 January 2014)
FRS 110 and FRS 27	: Consolidated Financial Statements and Separate Financial Statements (Revised) (Effective for annual periods beginning on or after 1 January 2014)
FRS 111 and FRS 28	: Joint Arrangement and Investment in Associates and Joint Ventures (Revised) (Effective for annual periods beginning on or after 1 January 2014)
FRS 112	: Disclosure of Interests in Other Entities (Effective for annual periods beginning on or after 1 January 2014)
Amendments to FRS36	: Recoverable Amount Disclosures for Non-financial Assets

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.

8.(b) Comparatives

Comparative figures have been restated due to the change in definition of Core EBIT.

9.

GROUP

(Loss)/Earnings per ordinary share after deducting any provision for preference dividends (adjusted to exclude shares held by employee benefit trust and treasury shares)

	Q1 2014	Q1 2013
a) Based on the weighted average number of ordinary shares on issue	(3.79 US cts)	2.92 US cts
b) On a fully diluted basis (detailing any adjustments made to the earnings)	(3.79 US cts)	2.91 US cts

10. Net Asset Value

	Group			Company		
	4 Apr 2014 US\$	27 Dec 2013 US\$	Inc / (Dec) %	4 Apr 2014 US\$	27 Dec 2013 US\$	Inc / (Dec) %
Net Asset Value per ordinary share based on issued share capital (adjusted to exclude treasury shares) of the issuer	0.76	0.80	(5.00)	1.16	1.17	(0.85)

11. Review of the Performance of the Group

Income Statement:

NOL Group achieved revenue of US\$2.28 billion (Q1 2013: US\$2.37 billion), a decrease of US\$0.09 billion. This was mainly due to decrease in Liner revenue from lower freight rates.

The Group's cost of sales decreased by US\$0.09 billion or 4% YoY to US\$2.17 billion mainly due to operational cost efficiencies.

Other miscellaneous gains decreased by US\$194 million or 97% YoY to US\$7 million mainly due to disposal of NOL building in Q1 2013.

Finance expenses increased by US\$7 million or 29% YoY to US\$33 million mainly due to higher interest expenses from higher average loan balances and interest rates.

The Group recorded other operating gains of US\$3 million in Q1 2014 compared to other operating expenses of US\$19 million in Q1 2013 mainly due to increase 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.

The Group recorded net loss attributable to owners of the Company of US\$98 million in Q1 2014 compared to net profit of US\$76 million in Q1 2013 mainly due to one time gain from disposal of NOL building in Q1 2013. Despite weak global economic conditions, the Group narrowed its net operating losses due to continued efficiency and cost management efforts.

Balance Sheet:

NOL Group's total assets decreased by US\$187 million from US\$9.03 billion as at 27 December 2013 to US\$8.84 billion as at 4 April 2014. The decrease in total assets was mainly due to decrease in cash and cash equivalents, partially offset by increase in property, plant and equipment. Please refer to the explanation below for the decrease in cash and cash equivalents. The increase in property, plant and equipment was mainly due to progressive payments made for previously ordered new vessels.

The Group's total liabilities decreased by US\$82 million from US\$6.90 billion as at 27 December 2013 to US\$6.82 billion as at 4 April 2014. The decrease in total liabilities was mainly due to decrease in borrowings [see Note 1(b)(ii)] during the quarter.

The Group's total equity decreased by US\$105 million from US\$2.13 billion as at 27 December 2013 to US\$2.03 billion as at 4 April 2014 mainly due to net loss incurred during the quarter.

Cashflow:

NOL Group's cash and cash equivalents decreased by US\$376 million from US\$0.98 billion as at 27 December 2013 to US\$0.61 billion as at 4 April 2014 mainly due to net cash outflow from investing activities of US\$252 million and net cash outflow from financing activities of US\$159 million, partially offset by net cash inflow from operating activities of US\$35 million. Net cash outflow from investing activities was mainly due to progressive payments made for previously ordered new vessels. Net cash outflow from financing activities was mainly due to net repayment of borrowings.

	Q1 2014 US\$m	Q1 2013 US\$m
(a) Revenue		
Liner	1,878	1,967
Logistics	423	427
Elimination	(22)	(23)
Total	2,279	2,371
(b) Core EBIT ⁴		
Liner	(83)	(92)
Logistics	18	16
Total	(65)	(76)

⁴ 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**

Liner achieved Q1 2014 revenue of US\$1.9 billion, a year-on-year (YoY) decrease of 5% mainly due to lower freight rates.

Volume increased by 2%YoY mainly due to higher volume in the Asia-Europe trade lane.

Liner maintained high utilisation rate >90% through strict capacity management.

Cost of sales per FEU decreased by 6% YoY mainly due to operational cost efficiencies.

Weaker freight rates, mainly in the Transpacific and Intra-Asia trade lanes, lowered average revenue per FEU to US\$2,233 or 6% lower YoY.

As a result, Liner reduced its Core EBIT loss by 10% YoY to US\$83 million in Q1 2014.

LINER Q1 RESULTS 2014 and 2013

Unaudited

	Q1 2014	Q1 2013
Load Factors %		
Transpacific and Asia-Latin America/Mexico Eastbound	92%	91%
Intra-Asia Westbound	96%	93%
Asia-Europe Westbound	98%	92%
Transatlantic Westbound	93%	78%
Headhaul	95%	91%
Volume ('000 FEU)		
Transpacific	224	224
Intra-Asia	344	340
Asia-Europe	119	109
Latin America	53	52
Transatlantic	45	47
Total Volume ⁵	785	772
Average Revenue/FEU (US\$/FEU)		
Transpacific	3,292	3,471
Intra-Asia	1,264	1,425
Asia-Europe	2,410	2,413
Latin America	3,271	3,591
Transatlantic	2,689	2,628
Total	2,233	2,376

⁵ Represents volume recognised from each Bill of Lading upon commencement of shipment on vessels.

(ii) **Logistics**

Logistics achieved Q1 2014 revenue of US\$423 million, decreasing 1% YoY, partly due to severe weather conditions affecting goods transportation in North America.

Contract Logistics achieved revenue of US\$271 million, a 1% decrease YoY.

International Services achieved revenue of US\$152 million, marginally lower YoY.

Firmer margins and cost discipline helped Logistics achieve Core EBIT of US\$18 million for Q1 2014, a 13% increase YoY.

LOGISTICS Q1 RESULTS 2014 and 2013

Unaudited

US\$ millions

	Q1 2014	Q1 2013
BY REGION		
Revenue		
Americas	262	271
Europe	44	39
Asia/Middle East	117	117
Total Revenue	423	427
BY BUSINESS SEGMENT		
Revenue		
Contract Logistics Services	271	274
International Services	152	153
Total Revenue	423	427
Operating Expenses		
Contract Logistics Services	262	266
International Services	143	145
Total Operating Expenses	405	411
Core EBIT ⁶		
Contract Logistics Services	9	8
International Services	9	8
Total Core EBIT	18	16

⁶ 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.

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

Not applicable as no forecast or prospect statement has been previously made.

13. **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 prospects and trading conditions remain uncertain. Oversupply of shipping capacity will continue to exert pressure on liner freight rates. The Group aims to improve its financial performance in 2014, through its continued focus on cost discipline and drive for operational efficiency.

14. **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 period.

15. **Interested Person Transactions**

Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual	Q1 2014 US\$'000	Q1 2013 US\$'000
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Transactions for the Purchase of Goods and Services

PSA Corporation Limited and its associates

61,767

52,821

Singapore Telecommunications Limited and its associates

99

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

BY ORDER OF THE BOARD

LOOI LEE HWA AND WONG KIM WAH

Company Secretaries

Dated this 14 May 2014