



Preliminary Unaudited Consolidated Financial Highlights For Half Year Period Ended 30 June 2019

2 October 2019

Note: The information presented defers from the information published by CMA CGM Group due to purchase price allocation adjustments, among others.

	1H2019	1H2018	Change
Revenue (US\$m)	3,336	2,981	+355
Core EBITDA (US\$m) ¹	77	60	+17
Core EBIT* (US\$m) ²	(119)	(29)	-90
Net loss excluding Non-Recurring Items (US\$m)	(191)	(56)	-135
Net loss including Non-Recurring Items (US\$m) ³	(198)	(57)	-141
Volume ('000 TEUs)	3,133	2,644	489
Average Revenue per TEU (US\$/TEU)	1,065	1,127	-62

**Earnings before Interest, Taxes and Non-Recurring Items*

Operations Review

For the first half of the year ended 30 June 2019, APL's revenue increased by 12% to US\$3.34 billion, versus US\$2.98 billion in 1H2018. The revenue improvement was attributed to a 18.5% volume growth from 2.64 million TEUs in 1H2018 to 3.13 million TEUs in 1H2019.

Core EBITDA rose 28% to US\$77 million amid high bunker and operational costs which was offset by reduction in chartering costs due to the implementation of IFRS16; compared to US\$60 million over the same period last year.

In line with the CMA CGM Group's strategy to capitalise on the strengths of its carrier brands in order to advance in service and operational excellence, the trade network of APL is being re-organised.

Come 1 October 2019, APL will be the sole carrier of the Group in Asia-India Subcontinent as well as Intra-Asia through the CNC brand. APL also remain a carrier on the Asia-North America, Asia-Middle East, Asia-Latin America and Asia-Red Sea trades.

Meanwhile, APL will stay focused on improving profitability through rigorous cost management and yield-focused trade strategy that encompasses network optimisation and better cargo selection.

Trade Performance

APL recorded improved volumes for most of the trade lanes it serves. Notably, the Intra-Asia trade reported a significant increase of 49.3% from 0.97 million TEUs in 1H2018 to 1.45 million TEUs in 1H2019 due largely to the integration of the CNC brand.

APL's Latin America and Trans-Pacific trades recorded volume increments of 12.4% and 1.9% respectively.

CMA CGM
GROUP

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Private company limited by shares - Status Live Company - Registration No: 199604017Z

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Service and Network Development

In the first six months of 2019, APL introduced five new service loops and enhanced five existing services.

Further diversifying its earning streams through new products and value-added services, APL unveiled the new EXX RailFlash service to deliver an express rail transfer from Los Angeles to Chicago, Memphis, Dallas and Kansas City in North America. The carrier is now also offering near real-time data of cargo movement and condition through TRAXENS that APL launched in February.

With a combined portfolio of over 80 independent services and 34 services of the OCEAN ALLIANCE, APL today offers over 120 services that call at more than 70 countries worldwide.

APL's 1H2019 Performance Review can be downloaded from [here](#). For more information on CMA CGM Group's financial performance, click [here](#).

*Note: APL is the trading name of NOL Ltd

¹Includes the reduction in charter and rental cost (US\$121 m) as a result of accounting for bareboat charters and lease rental as depreciation of right-of-use assets for operating lease contracts recognised pursuant to adoption of IFRS16 with effect from 1 January 2019.

²Includes the depreciation of right-of-use assets (US\$115 m) for operating lease contracts recognised pursuant to adoption of IFRS16 with effect from 1 January 2019.

³Includes the interest expense on lease liabilities (US\$44 m) for operating lease contracts recognised pursuant to adoption of IFRS16 with effect from 1 January 2019.