

Monthly Operational Update



Neptune Orient Lines Ltd
456 Alexandra Road, NOL Building
Singapore 119962

26 May 2003

NOL's operating performance for the 4 weeks (Period 4) between 05 April 2003 to 02 May 2003 is as follows:

| | Period 4, 03 | Period 4, 02 | % Change |
|---|--------------|--------------|----------|
| <u>Liner</u> | | | |
| a) Volume (FEU) | 111,700 | 118,500 | -6 |
| b) Average Freight Rate (US\$/FEU) | 2,395 | 2,000 | 20 |
| <u>Logistics</u> | | | |
| a) <u>Revenue by Biz Segments (US\$ '000)</u> | | | |
| Contract Logistics Services | 54,600 | 44,100 | 24 |
| International Services | 16,200 | 12,100 | 34 |

Note: Summation may not add up due to rounding

Liner: Volume in Period 4 was 6% lower compared to same period last year due mainly to lower volume from Latin America and Intra-Asia short sea trade. However, utilization on head-haul directions of all major trade lanes remained high.

Average freight rate was 5% higher than P3, 2003 and 20% higher than the corresponding period last year due to improvement in yield mix and further rate increases in the Asia-Europe and Trans-Atlantic trade lanes.

Logistics: Contract Logistics revenue increased 24% to US\$55m while International Services was up 34% to US\$16m as a result of increased volume.

APL Average Freight Rates (updated as at Period 4, 2003)

APL Overall Freight Rate (2000-2003)

