

Monthly Operational Update



Neptune Orient Lines Ltd
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NOL's operating performance for the 4 weeks (Period 7) from 28 June 2003 to 25 July 2003 is as follows:

	Period 7, 03	Period 7, 02	% Change
<u>Liner</u>			
a) Volume (FEU)	119,000	121,800	-2
b) Average Freight Rate (US\$/FEU)	2,664	2,095	27
<u>Logistics</u>			
a) <u>Revenue by Biz Segments (US\$ '000)</u>			
Contract Logistics Services	52,100	44,200	18
International Services	22,700	17,900	27

Note: Summation may not add up due to rounding

Liner: With continued rate recovery in the Asia-Europe trade and the introduction of peak season surcharges in the Trans-Pacific, APL's average freight rate improved 3% (on the previous period) to US\$2,664. This represents a 27% increase on P7 2002.

Demand for capacity remains strong and APL achieved high vessel utilisation on the headhaul legs of all key trade routes, with volume growth in the strong revenue-generating Trans-Pacific eastbound and Asia-Europe westbound trades. There was a slight drop in overall cargo volumes year-on-year as a result of APL's ongoing yield management focus, particularly affecting Intra-Asia short sea and westbound Trans-Pacific as equipment has been moved to the higher yield trade routes.

Logistics: APL Logistics reported robust growth in both its contract logistics and international services, with 18% and 27% increases in revenues respectively, compared with the same time last year. Overall company revenues were up 20% on P7 2002.

APL Average Freight Rates (updated as at Period 7, 2003)

APL Overall Freight Rate (2000-2003)

