

Monthly Operational Update



Neptune Orient Lines Ltd
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1 March 2004

NOL's operating performance for the 6 weeks (Period 1) from 27 December 2003 to 6 February 2004 is as follows:

	Period 1, 04	Period 1, 03	% Change
<u>Liner</u>			
a) Volume (FEU)	173,300	165,000	5
b) Average Revenue Per FEU (US\$/FEU)	2,564	2,212	16
<u>Logistics</u>			
a) <u>Revenue by Biz Segments (US\$ '000)</u>			
Contract Logistics Services	77,100	65,600	18
International Services	27,500	22,000	25

Note: Summation may not add up due to rounding

Liner: Asia Europe, Trans-Pacific and Intra-Asia long-haul volumes continued to be strong, due in part to early Lunar New Year. Given that there was carry-over of delayed volumes in P1, 2003 from the US West Coast labour dispute in late 2002, P1, 2004 volumes were considerably stronger than prior years. We also continue to increase volumes in the ASEU and TP backhaul, thus improving equipment balance.

Even with increase in lower-rated volumes in the backhaul and Intra-Asia trades (which contributes to lower revenue per feu but improved yield contribution), average revenue per feu increased slightly in P1, 2004 as compared to prior period, driven by the January increase in ASEU rates.

Vessel utilisation on main East-West trades also remains very strong.

Logistics: Overall Logistics revenue grew by 19% to US\$105m. Growth occurred in all regions and across all services. International Services revenue growth was largely the result of strong new business signed and implemented in the second half of 2003. Growth in Contract Logistics was primarily related to higher volumes and expansion with existing customers.

APL Average Freight Rates (updated as at Period 1, 2004)

APL Overall Freight Rate (2000-2004)

