

SAMUDERA SHIPPING LINE LTD
(Company Registration: 199308462C)

FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2008

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 and Q3), HALF YEAR AND FULL YEAR RESULTS

1 a)(i) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

With the adoption of US Dollars as the Group's functional currency with effect from 1 January 2008 (please refer to Para 4), the Board of Directors herewith announces the unaudited results of the Group for the financial period ended 31 March 2008.

	The Group		
	Q1 2008	Q1 2007	+ / (-)
	US\$'000	US\$'000	%
Turnover	102,319	90,450	13.1
Cost of services	(90,026)	(80,009)	12.5
Gross profit	12,293	10,441	17.7
Other operating income	1,080	84	n.m
Marketing expenses	(2,264)	(1,749)	29.4
Administrative expenses	(2,353)	(1,917)	22.7
Other operating expenses	-	(838)	n.m
Profit from operations	8,756	6,021	45.4
Finance income	188	639	(70.6)
Finance expenses	(865)	(1,161)	(25.5)
Operating profit	8,079	5,499	46.9
Share of results of associated companies	56	17	n.m
Profit before tax	8,135	5,516	47.5
Tax	(462)	(266)	73.7
Profit after tax	7,673	5,250	46.2
Attributable to:			
Equity holders of the Company	7,498	5,189	44.5
Minority interests	175	61	n.m
	7,673	5,250	46.2

n.m. = not meaningful

1 a)(ii) Notes to the Income Statements

	The Group		
	Q1 2008	Q1 2007	+ / (-)
	US\$'000	US\$'000	%
(A) Depreciation	(2,923)	(2,649)	10.3
(B) Write back for doubtful trade debts	25	96	(74.0)
(C) Allowance for doubtful trade debts	(76)	(80)	(5.0)
(D) Other operating income			
- Foreign exchange gain	497	-	n.m
- Gain on disposal of fixed assets	353	1	n.m
- Unrealized gain on investment securities	97	64	51.6
- Rental Income	54	7	n.m
- Other income	79	12	n.m
	1,080	84	n.m

1 a)(ii) **Notes to the Income Statements (continued)**

(E) Other operating expenses
 - Claim expenses
 - Foreign exchange loss
 - Other expenses

The Group		
Q1 2008	Q1 2007	+ / (-)
US\$'000	US\$'000	%
-	(57)	n.m
-	(779)	n.m
-	(2)	n.m
<u>-</u>	<u>(838)</u>	n.m

1 b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	31 Mar 08 US\$'000	31 Dec 07 US\$'000	31 Mar 08 US\$'000	31 Dec 07 US\$'000
Capital and reserves attributable to equity holders of the Company				
Share capital	68,761	68,761	68,761	68,761
Translation reserve	(10,517)	(10,392)	-	-
Other reserves	(3,336)	(1,734)	-	-
Accumulated profits	166,877	159,379	123,108	119,160
	<u>221,785</u>	<u>216,014</u>	<u>191,869</u>	<u>187,921</u>
Minority interests	1,790	1,586	-	-
Total equity	223,575	217,600	191,869	187,921
Non-current assets				
Subsidiaries	-	-	54,910	54,910
Associated companies	9,425	10,867	12,312	12,312
Fixed assets	193,984	150,459	50,165	21,374
Deferred taxation	232	232	-	-
Fixed deposits	4,700	4,700	4,700	4,700
	<u>208,341</u>	<u>166,258</u>	<u>122,087</u>	<u>93,296</u>
Current assets				
Stocks	1,684	1,915	-	-
Trade debtors	60,728	53,857	49,694	44,250
Other debtors	3,577	3,670	1,062	1,314
Prepaid operating expenses	20,912	18,947	15,940	15,571
Due from subsidiaries (trade)	-	-	4,070	4,487
Due from subsidiaries (non-trade)	-	-	15,659	6,728
Due from related companies (trade)	1	24	-	1
Due from minority shareholders of a subsidiary	48	52	48	52
Investment securities	3,336	3,989	3,336	3,989
Fixed deposits	13,489	55,733	10,776	49,432
Cash and bank balances	26,343	17,421	12,915	9,613
	<u>130,118</u>	<u>155,608</u>	<u>113,500</u>	<u>135,437</u>
Current liabilities				
Trade creditors	23,194	20,523	18,220	16,249
Other creditors and liabilities	16,208	13,980	7,202	7,426
Due to subsidiaries	-	-	368	352
Due to ultimate holding company	740	200	726	192
Due to related companies (trade)	703	835	25	-
Hire purchase creditors	56	61	23	23
Bank term loans (secured)	11,109	10,712	931	886
Provision for tax	2,904	2,144	1,324	1,278
	<u>54,914</u>	<u>48,455</u>	<u>28,819</u>	<u>26,406</u>
Net current assets	75,204	107,153	84,681	109,031
Non-current liabilities				
Hire purchase creditors	104	110	77	78
Bank term loans (secured)	59,866	55,701	14,822	14,328
Net assets	223,575	217,600	191,869	187,921

1 b)(ii) The aggregate amount of the group's borrowings and debt securities

	As at 31 Mar 2008		As at 31 Dec 2007	
	Secured US\$ million	Unsecured US\$ million	Secured US\$ million	Unsecured US\$ million
Amount repayable in one year or less, or on demand	11.17	-	10.77	-
Amount repayable after one year	59.97	-	55.81	-
	<u>71.14</u>	<u>-</u>	<u>66.58</u>	<u>-</u>

Details of any collateral

The Group's borrowings are secured by means of:

- > Corporate guarantees from the Company
- > Legal mortgages over certain vessels of its subsidiaries
- > Legal charges over certain bank accounts of the subsidiaries
- > Assignment of income derived from certain charter hire contracts of the subsidiaries
- > Assignment of insurance of certain vessels of the subsidiaries
- > Legal mortgages over vessels under constructions
- > Legal mortgages over freehold properties of the Company
- > Assignment of insurance, title and interest of freehold properties of the Company

1 c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Q1 2008	Q1 2007
	US\$'000	US\$'000
Cash flows from operating activities		
Profit before tax	8,135	5,516
Adjustments:		
Depreciation of fixed assets	2,923	2,649
Gain on disposal of fixed assets	(353)	(1)
Loss on disposal of investment securities	-	1
Allowance for doubtful trade debts	76	-
Write back of allowance for doubtful trade debts	(25)	(4)
Interest expense	865	1,161
Interest income	(188)	(639)
Share of results of associated companies	(56)	(17)
Unrealised gain on investment securities	(97)	(64)
Currency realignment	835	-
Operating profit before working capital changes	<u>12,115</u>	<u>8,602</u>
(Increase) / decrease in:		
Stocks	231	101
Trade debtors	(6,922)	(4,674)
Other debtors	(456)	(628)
Advance and prepaid expenses	(1,965)	4,542
Due from related companies	22	15
Increase / (decrease) in:		
Trade creditors	2,670	1,093
Other creditors	(269)	1,382
Other liabilities	2,406	(1,375)
Due to related companies	(131)	(58)
Due to immediate holding company	540	(699)
Cash generated from operations	<u>8,241</u>	<u>8,301</u>
Interest paid	(865)	(1,161)
Income tax refund / (paid)	231	(120)
Net cash generated from operating activities	<u>7,607</u>	<u>7,020</u>
Cash flows from investing activities		
Interest income received	188	639
Proceeds from disposal of fixed assets	4,785	9
Proceeds from disposal of investment securities	750	500
Acquisition of fixed assets	(50,326)	(6,735)
Net cash used in investing activities	<u>(44,603)</u>	<u>(5,587)</u>
Cash flows from financing activities		
Repayment of hire purchase creditors	(17)	(21)
Proceeds from bank term loans	8,150	-
Repayment of bank term loans	(4,352)	(2,719)
Decrease / (increase) in pledged deposits	1,476	(854)
Decrease fixed deposits (non-current)	-	500
Net cash generated from / (used in) financing activities	<u>5,257</u>	<u>(3,094)</u>
Net decrease in cash and cash equivalents	(31,739)	(1,661)
Effect of exchange rate changes on cash and cash equivalents	(108)	1,372
Cash and cash equivalents at the beginning of the period	<u>70,332</u>	<u>63,576</u>
Cash and cash equivalents at the end of the period	<u>38,485</u>	<u>63,287</u>
Fixed deposits (current)	13,489	51,191
Cash and bank balance (current)	26,343	15,694
Less Pledged deposits	(1,347)	(3,598)
Cash and cash equivalents at the end of the period	<u>38,485</u>	<u>63,287</u>

1 d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the period ended 31 March

	Share Capital US\$'000	Capital Reserve US\$'000	Translation Reserve US\$'000	Other Reserves US\$'000	Accumulated Profits US\$'000	Minority Interests US\$'000	Total Equity US\$'000
GROUP							
Balance as at 1 Jan 2008	68,761	-	(10,392)	(1,734)	159,379	1,586	217,600
Currency translation	-	-	(125)	-	-	29	(96)
Net unrealised loss on revaluation of cash flow hedges	-	-	-	(1,602)	-	-	(1,602)
Net profit for the period	-	-	-	-	7,498	175	7,673
Balance as at 31 Mar 2008	68,761	-	(10,517)	(3,336)	166,877	1,790	223,575
Balance as at 1 Jan 2007	64,743	173	(5,156)	(342)	133,351	1,454	194,223
Currency translation	852	2	(1,078)	(3)	1,823	12	1,608
Net unrealised loss on revaluation of cash flow hedges	-	-	-	58	-	-	58
Net profit for the period	-	-	-	-	5,189	61	5,250
Balance as at 31 Mar 2007	65,595	175	(6,234)	(287)	140,363	1,527	201,139

	Share Capital US\$'000	Accumulated Profits US\$'000	Total Equity US\$'000
COMPANY			
Balance as at 1 Jan 2008	68,761	119,160	187,921
Net profit for the period	-	3,948	3,948
Balance as at 31 Mar 2008	68,761	123,108	191,869
Balance as at 1 Jan 2007	64,743	100,692	165,435
Net profit for the period	-	3,712	3,712
Currency translation	852	1,374	2,226
Balance as at 31 Mar 2007	65,595	105,778	171,373

1 d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the three months ended 31 March 2008, there was no change in the Company's share capital.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2007, except for the adoption of US Dollar as functional currency with effect from 1 January 2008 on a prospective basis. For the comparative statement of the corresponding period, the assets and liabilities are translated into US Dollar at the exchange rate ruling at the period-end date and the profit and loss account is translated at the average exchange rate applicable for the period.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the new / revised Financial Reporting Standards (FRS) that became effective for accounting periods beginning on or after 1 January 2008. The adoption of these new / revised FRS does not have any material impact to the Group financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share for the period based on net profit attributable to shareholders:

- (i) Based on weighted average number of ordinary shares in issue
- (ii) On a fully diluted basis

Group Figures	
Q1 2008	Q1 2007
US cents	US cents
1.39	0.96
1.39	0.96

Earnings per share for the quarters ended 31 Mar 08 and 31 Mar 07 is calculated based on the number of issued ordinary shares of 539,131,199.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

Net asset value backing per ordinary share based on issued share capital as at the end of the period

Group		Company	
31 Mar 08	31 Dec 07	31 Mar 08	31 Dec 07
US cents	US cents	US cents	US cents
41.14	40.07	35.59	34.86

Net asset value per ordinary share as at 31 Mar 08 and 31 Dec 2007 is calculated based on the number of issued ordinary shares of 539,131,199.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Group's turnover increased by 13.1% to US\$ 102.3m mainly due to (a) a 5.7% increase in container volume which rose to 361,000 teus in Q1 2008, (b) improvement in freight rate, (c) bunker surcharges in its Container Shipping business and (d) better utilization of its vessels in both Container and Industrial Shipping business.

However, the Group's cost of services increased by 12.5% to US\$ 90.0m which was mainly due to the increase in bunker prices. Stevedoring expenses also increased due to the strengthening of Singapore Dollar against US Dollar. About 50% of the Group's stevedoring charges is denominated in Singapore Dollar.

The Group disposed of Sinar Kintap, a coal deck ship with a carrying capacity of 8,047 dwt in Q1 2008 which resulted in a gain of US\$ 0.4m to the Group.

During Q1 2008, the Group recorded foreign exchange gain of US\$ 0.5m, compared to a loss of US\$ 0.8m in the prior year period.

The gross profit of the Group improved by 17.7% to US\$12.3m while net profit increased by 46.2% to US\$ 7.7m.

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

Not applicable.

10. 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.

The Group expects the demand for container shipping for Asia-Europe and Intra-Asia to continue to grow. The Asia-Europe cargo is the main volume served by the Group's feeder business, while Intra-Asia is the main source of the Group's liner business.

The Group took delivery of Sinar Banten, a container vessel with capacity of 1,060 teus, under long-term time charter contract in April 2008. It is one of five vessels scheduled to be delivered under long-term time charter contract in 2008. The remaining 4 vessels will be delivered in later part of the year. The Group also took delivery of Sinar Bima, an owned container vessel with a capacity of 1,100 teus in January 2008 and is scheduled to take delivery of another two owned vessels, with capacity of 1,740 teus each, in June and October of 2008 respectively. These deliveries will enable the Group to better manage its capacity and its vessel operating costs.

With these new deliveries, the Group aims to expand its container service operations by introducing additional services, which are now under study.

The Group continues to seek opportunities to acquire more container vessels suitable to its service routes.

Bunker price is anticipated to remain high and volatile. The Group will continue its efforts to manage the impact of this volatility by implementing fuel surcharges and entering into bunker price forward contract if considered appropriate.

LNG Tangguh Towuti, the 145,700-cbm LNG vessel, in which the Group holds 25% stake is scheduled to be delivered and commence operation in the fourth quarter of 2008.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared / recommended, a statement to that effect.

Not applicable.

13. Interested Person Transactions

Aggregate value of all interested person transactions conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	Q1 2008 US\$'000	Q1 2007 US\$'000
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PT. Samudera Indonesia Tbk and its subsidiary

Provision of services - Agency Commission	797	713
Provision of services - Management Fee	-	139

PT. Samudera Indonesia Ship Management

Provision of services - Ship Management Fees	165	147
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Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)

	US\$'000	US\$'000
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PT. Samudera Indonesia Tbk

Provision of services - Agency Commission	107	-
Provision of services - Office rental	35	-

PT. Panurjwan

Provision of services - Building rental	7	6
Provision of services - Charter hire	319	214

PT. Masaji Tatanan Container

Provision of services - Container depot	124	39
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PT. Prima Nur Panurjwan

Provision of services - Stevedorage	523	715
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14. Negative Assurance Confirmation Pursuant To Rule 705(4) of the Listing Manual

We, Randy Effendi and Hamdi Adnan, being two Directors of SAMUDERA SHIPPING LINE LTD (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the period 31 March 2008 to be false or misleading.

On behalf of the Board of Directors,

Randy Effendi
Chairman

Hamdi Adnan
Executive Director

BY ORDER OF THE BOARD

ANWARSYAH
Executive Director

29 April 2008