



Orient Overseas (International) Ltd

1999 Annual Results



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- Growth of turnover by 16.7% to US\$2.14 billion
- Operating profit before financing increased by US\$62.9 million to US\$111.2 million
- Profit after taxation of US\$62.3 million against US\$0.2 million of 1998
- Earnings per share of US12.0 cents compared with loss per share of US0.6 cent in 1998
- Final dividend of US3 cents per ordinary share (1998 : Nil)
- Mainframe computer replaced by object oriented technology allowing integration of Information Technology and E-commerce
- Two new 5,500 TEU vessels delivered in 1999 and another four scheduled to arrive in 2000
- Agreed to time-charter two new 5,500-TEU vessels to be delivered in 2000 and 2001
- Charter of four new 2,600-TEU vessels under negotiation
- Shanghai and Hangzhou housing projects progressing well



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1999 Annual Result Highlight

US\$'000	1999	1998	Variance
● Turnover	2,139,071	1,832,764	306,307
● Gross profit	401,412	255,758	145,654
● Profit before financing	111,224	48,327	62,897
● Net finance expense	35,256	42,911	(7,655)
● Profit before taxation	75,001	3,674	71,327
● Profit after taxation	62,283	170	62,113
● Shareholders' funds	701,623	656,326	45,297
● Earnings/(loss) per share (US Cents)	12.0	(0.6)	12.6
● Net asset value per share (US\$)	1.36	1.27	0.09
● Net debt to equity (Ratio)	0.4	0.6	(0.2)



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2000 Outlook

- General positive trade outlook unless excesses in the US economy trigger harsh correction or slowing of the economy more than expected
- Moderate addition of new vessel capacity in 2000 but stronger in 2001 and 2002
- Freight-rate increase on cargoes outbound from Asia to Europe and North America in the same magnitudes as 1999 unlikely but stabilisation at current level expected
- Possible improvements in return lanes from Europe and North America to Asia as well as the North Atlantic trade
- Stable to moderate growth in Intra-Asia trade anticipated
- Container terminals remain in good shape
- Property projects in Shanghai and Hangzhou start generating revenues and profits in 2000