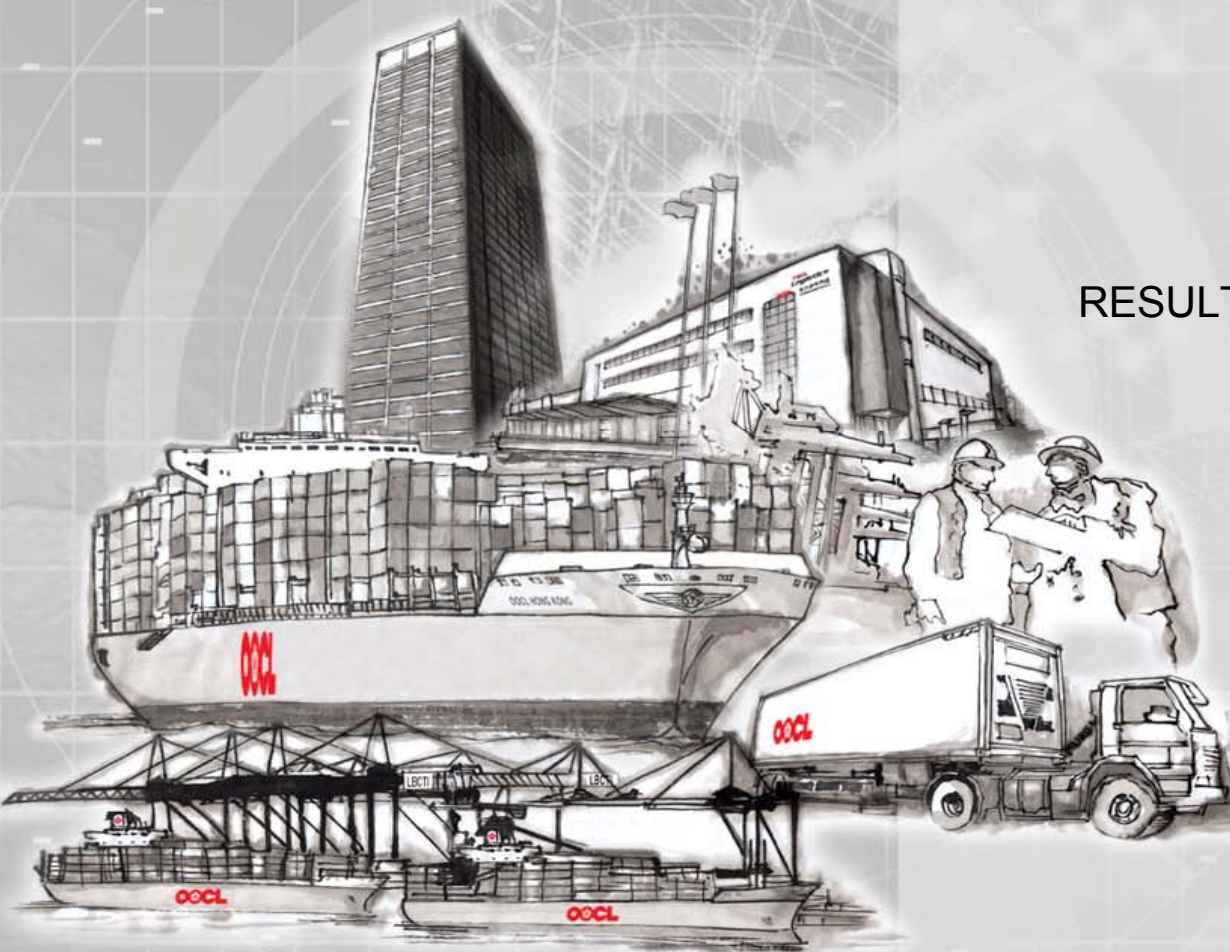


**2006**

**RESULT ANNOUNCEMENT**

**Media Presentation  
March 9<sup>th</sup> 2007**

**Orient Overseas (International) Limited**  
(Incorporated in Bermuda with Limited Liability)



# **Orient Overseas (International) Ltd**

## **2006 Annual Results**

- **Agreement concluded to dispose of Terminals Division for a consideration of US\$2.35 billion to Ontario Teachers' Pension Plan**
- **Group net profit for the year of US\$581.1 million, a decrease of 11% from US\$651.3 million reported for 2005**
- **Excluding the result of Terminals Division, net profit from continued operations was US\$528.3 million, compared with net profit of US\$615.2 million on a like basis, decreased by 14%**
- **Directors recommend a total final dividend of US92 cents (HK\$7.18) per share, comprising:**
  - **a final ordinary dividend of US12 cents (HK\$0.94) per share**
  - **a special dividend of US80 cents (HK\$6.24) per share in recognition of the disposal of the Terminals Division**



# Orient Overseas (International) Ltd

## 2006 Annual Results

### • Delivered:

- 3 new vessels of 8,036 TEU capacity (two in 2006, one in January 2007)
- 4 new vessels of 5,888 TEU capacity
- 2 new vessels of 4,500 TEU capacity

### • Ordered:

- 4 new buildings of 8,036 TEU capacity to be delivered during 2009
- 4 new buildings of 4,500 TEU capacity to be delivered during 2010

- Successfully tendered for a residential development site in Pudong Shanghai of approximately 100,000 sq m gross floor area



# Orient Overseas (International) Ltd

## 2006 Annual Results

US\$'000	2006	2005	Variance
<b>Volume (TEU)</b>	3,894,204	3,523,218	+ 10.5%
<b>Continued Operations:</b>			
<b>Turnover</b>	4,609,751	4,345,647	+ 6.1%
<b>E.B.I.T.D.A.</b>	679,404	838,531	- 19.0%
<b>Depreciation/Amortization</b>	154,465	138,102	+ 11.8%
<b>E.B.I.T.</b>	524,939	700,429	- 25.1%
<b>Finance costs</b>	71,721	55,744	+ 28.7%
<b>Profit before taxation</b>	553,218	644,685	- 14.2%
<b>Tax and minority interest</b>	25,420	29,924	- 15.1%
<b>Profit from continued operations</b>	527,798	614,761	- 14.1%
<b>Profit from discontinued operations</b>	52,805	36,093	+ 46.3%
<b>Profit attributable to shareholders</b>	580,603	650,854	- 10.8%



# Orient Overseas (International) Ltd

## 2006 Annual Results

US\$'000	2006	2005	Variance
Earning per share (US Cents)	92.8	104.0	- 10.8%
Shareholders' Funds	2,727,206	2,284,330	+ 19.4%
Net asset value per share (US\$)	4.36	3.65	+ 19.5%
Group debt	2,068,798	1,838,592	+ 12.5%
Cash and portfolio investments	1,167,924	1,286,579	- 9.2%
Net debt to equity (Ratio)	0.33	0.24	+ 37.5%



# Orient Overseas (International) Ltd Container Transport & Logistics Division 2006



# Container Transport & Logistics

## Summary of Operating Results

US\$'000	2006	2005	Variance
<b>Liftings (TEUs)</b>	<b>3,894,204</b>	3,523,218	+ 10.5%
<b>Revenue per TEU (US\$)</b>	<b>1,092</b>	1,143	- 4.5%
<b>Turnover</b>	<b>4,580,186</b>	4,322,618	+ 6.0%
<b>Cargo costs</b>	<b>(1,966,502)</b>	(1,775,698)	+ 10.7%
<b>Vessel and voyage costs</b>	<b>(1,200,279)</b>	(965,406)	+ 24.3%
<b>Equipment and repositioning costs</b>	<b>(591,643)</b>	(537,912)	+ 10.0%
<b>Gross profit</b>	<b>821,762</b>	1,043,602	- 21.3%
<b>Business and administrative expenses</b>	<b>(395,693)</b>	(415,793)	- 4.8%
<b>Other operating income, net</b>	<b>27,599</b>	26,982	+ 2.3%
	<b>453,668</b>	654,791	- 30.7%
<b>Share of results of jointly controlled entities</b>	<b>982</b>	1,392	- 29.5%
<b>Earnings before finance costs and tax</b>	<b>454,650</b>	656,183	- 30.7%



# Orient Overseas (International) Ltd

## Property Division 2006

3

- Property Development business in line with expectation
- Property Investment business produced satisfactory results



# Property Investment & Development

9

## Summary of Operating Results

<b>US\$'000</b>	<b>2006</b>	<b>2005</b>	<b>Variance</b>
<b>Rental income</b>	<b>24,132</b>	21,974	+ 9.8%
<b>Property management costs</b>	<b>(10,822)</b>	(10,443)	+ 3.6%
<b>Gross profit</b>	<b>13,310</b>	11,531	+ 15.4%
<b>Fair value gain on investment property*</b>	<b>100,000</b>	-	N/A
<b>Business and administrative expenses</b>	<b>(2,842)</b>	(3,328)	- 14.6%
<b>Profit from property investment</b>	<b>110,468</b>	8,203	+ 1246.7%
<b>Profit from property developments</b>	<b>2,791</b>	5,542	- 49.6%
<b>Earnings before finance costs and tax</b>	<b>113,259</b>	13,745	+ 724.0%

\*Revaluation of Wall Street Plaza of US\$100m



# Orient Overseas (International) Ltd

## 2007 Outlook

- *Margin is consistently under pressure due to high cargo costs and vessel operating costs related to fuel cost.*
- *Although nominal supply is forecast to exceed expected demand by a few percentage points; meaningful capacity management and unexpected demand growth in certain markets have narrowed the supply & demand gap*
- *Our current property development projects remain soundly positioned and we remain committed to building a long-term development and investment real estate business in Shanghai and beyond*



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