2017 Interim Results

Orient Overseas (International) Limited

August 2017

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2017 Interim Results Highlights

US$M	1H 2017
Group Profit After Tax	53.6
Liner Logistics Segment EBIT	31.4
Liner Logistics EBIT %	1.1

Group Result Breakdown

US$M	1H 2017	1H 2016
Container Transportation and Logistics – EBIT	**31.4**	**(65.5)**
Property and Investments - EBIT		
Wall Street Plaza	33.9	13.9
Hui Xian	24.8	23.4
Interest, Investments and Others	29.1	20.3
	87.8	**57.6**
OOIL GROUP – EBIT	**119.2**	**(7.9)**
Finance Costs	**(45.0)**	**(39.6)**
Taxation	**(20.6)**	**(9.2)**
OOIL Group Profit/(Loss) After Taxation	**53.6**	**(56.7)**

Group Balance Sheet Highlights

US$M	30-Jun-2017	31-Dec-2016
Non-current Assets	6,910	6,838
Current Assets	2,783	2,566
Total Assets	9,693	9,404
Non-current Liabilities	3,664	3,572
Current Liabilities	1,437	1,313
Total Liabilities	5,101	4,885
Shareholders' Funds and Total Equity	4,592	4,519

Total Liquid Assets

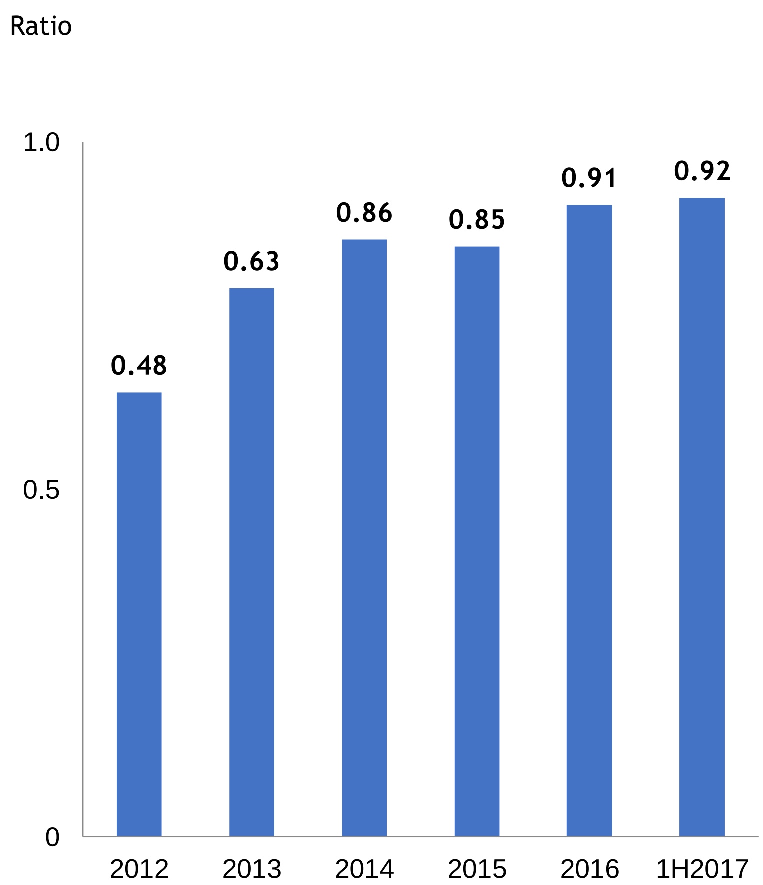
US$M	30-Jun-2017	31-Dec-2016
Cash and Bank Balances	1,754	1,627
Portfolio Investments, Equities and Bonds	567	560
Total	2,321	2,187

Net Debt Position

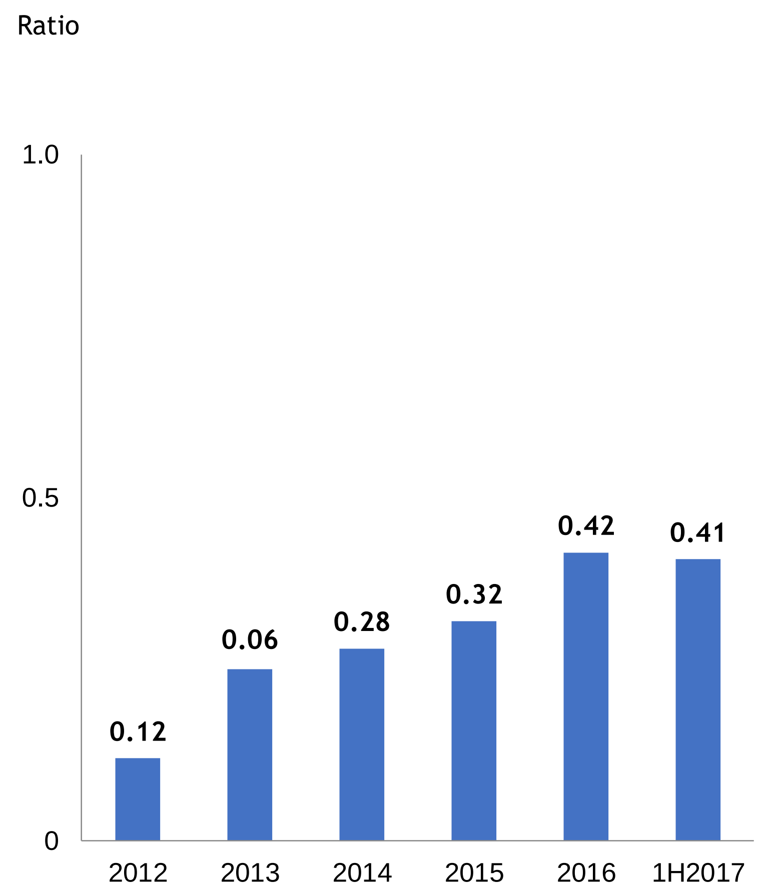
US$M	30-Jun-2017	31-Dec-2016
Liquid Assets	2,321	2,187
Debt	4,214	4,091
Net Debt	1,893	1,904

Debt-to-Equity Ratios

Gross Debt to Equity



Net Debt to Equity



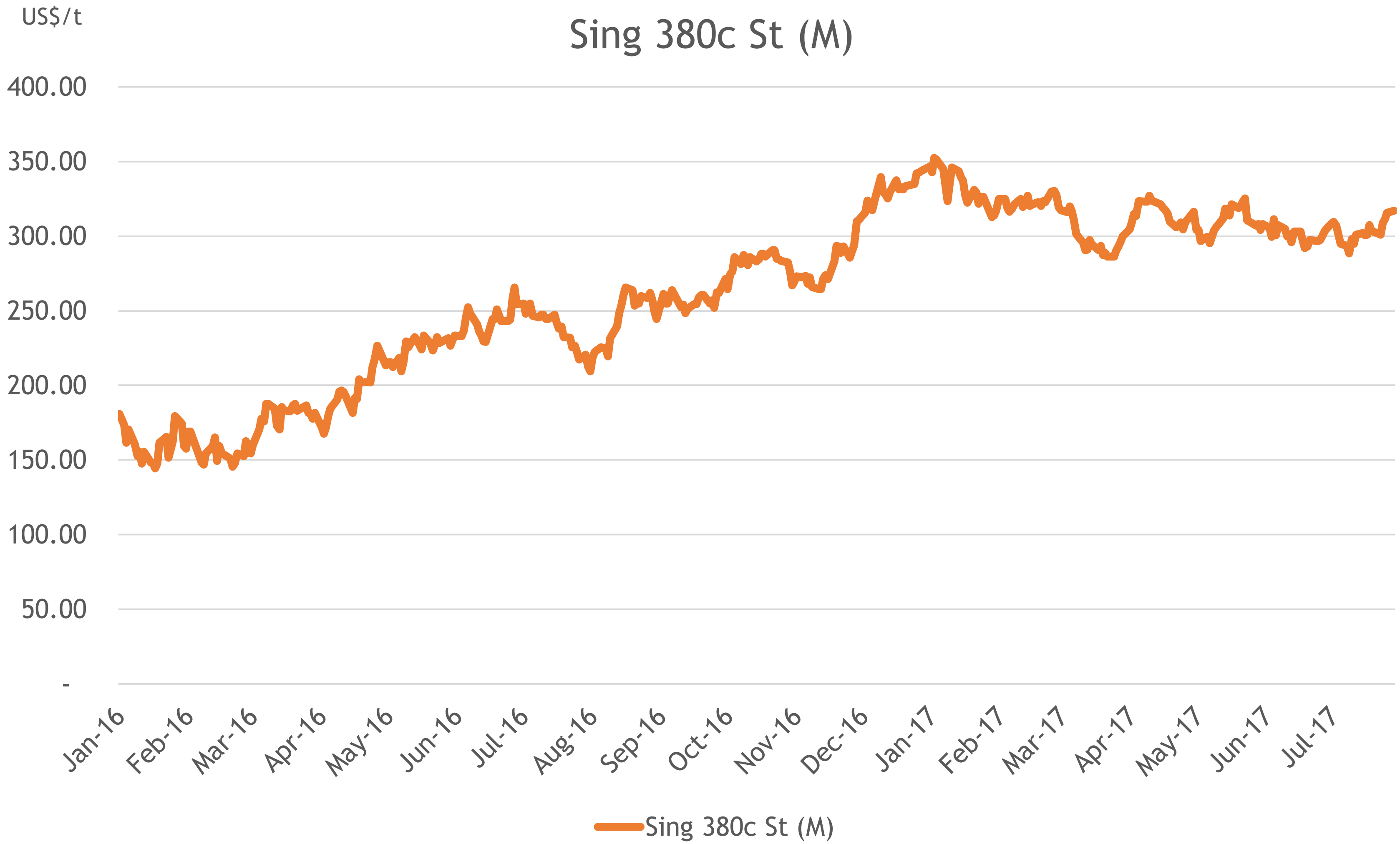
Container Transportation (excl. Logistics)

	1H 2017	1H 2016	% ▲
Liftings ('000 TEU)	3,087	2,890	7%
Revenue (US$M)	2,599	2,275	14%
Revenue Per TEU (US$)	842	787	7%
Net Operating Capacity (TEU)	671,042	594,065	13%
Load Factor (%)	85.6	84.5	1.1

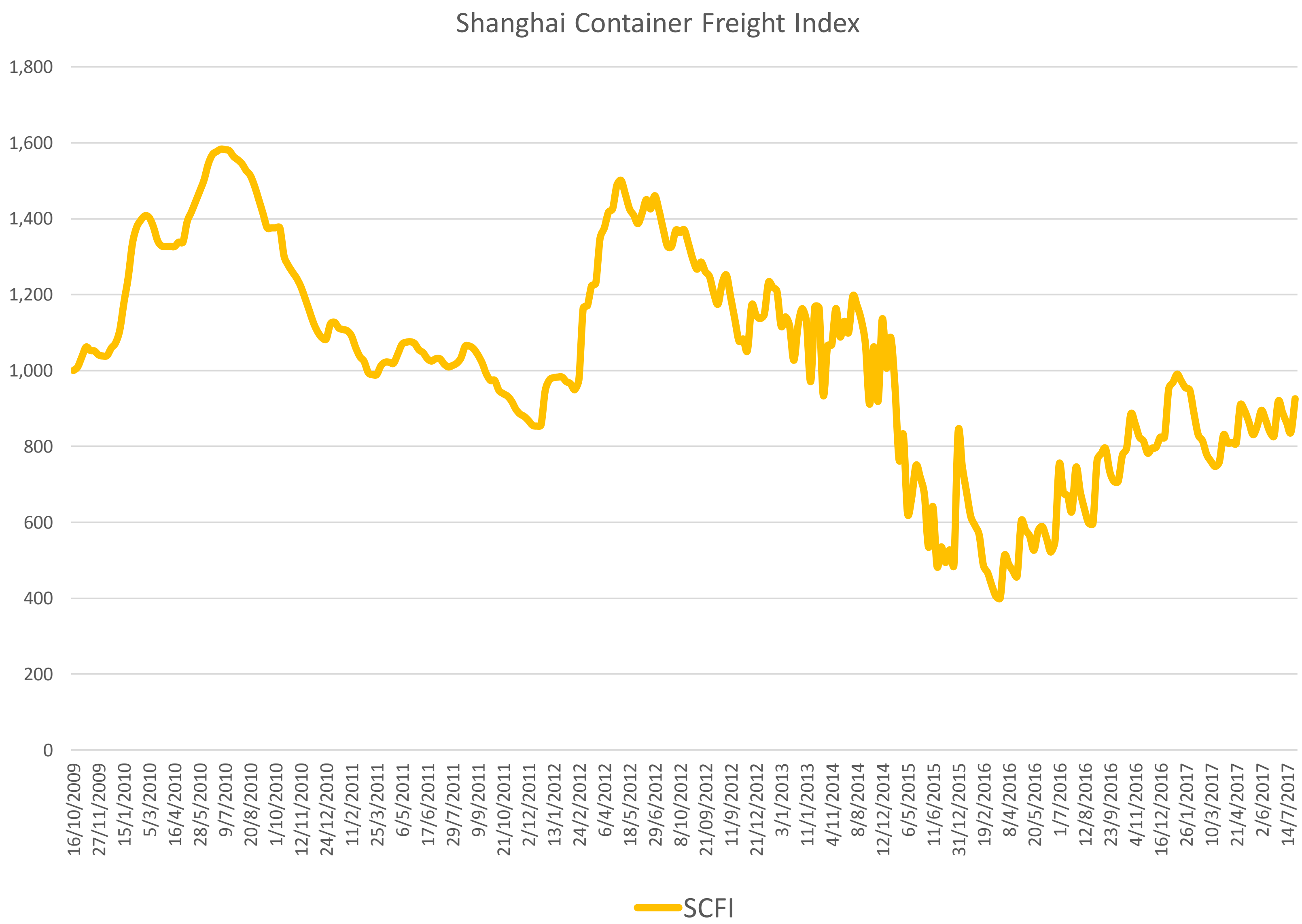
Unit Operating Cost Saving 1H 2017

Per Lifting	1H 2017 / 1H 2016 % ▲	1H 2017 Proportion
Total costs	**3%**	**100%**
Cargo costs	**-1%**	**57%**
Equipment and repo costs	**-2%**	**14%**
Vessel Voyage costs	**-4%**	**18%**
Bunker costs	**55%**	**12%**

Bunker price



SCFI


Shanghai Container Freight Index
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
16/10/2009
27/11/2009
15/1/2010
5/3/2010
16/4/2010
28/5/2010
9/7/2010
20/8/2010
1/10/2010
12/11/2010
24/12/2010
11/2/2011
25/3/2011
6/5/2011
17/6/2011
29/7/2011
9/9/2011
21/10/2011
2/12/2011
13/1/2012
24/2/2012
6/4/2012
18/5/2012
29/6/2012
8/10/2012
21/09/2012
11/9/2012
21/12/2012
3/1/2013
11/1/2013
4/11/2014
8/8/2014
12/12/2014
6/5/2015
11/6/2015
31/12/2015
19/2/2016
8/4/2016
20/5/2016
1/7/2016
12/8/2016
23/9/2016
4/11/2016
16/12/2016
26/1/2017
10/3/2017
21/4/2017
2/6/2017
14/7/2017
SCFI

Industry Development - Alliances

Ocean Alliance

OOCL
EVERGREEN
CMA CGM
NOL
COSCO SHIPPING

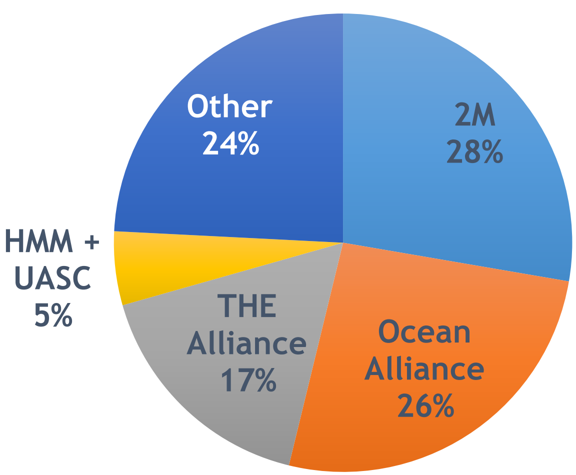
2M

MSC
MAERSK LINE
HMM[2]
HAMBURG SÜD

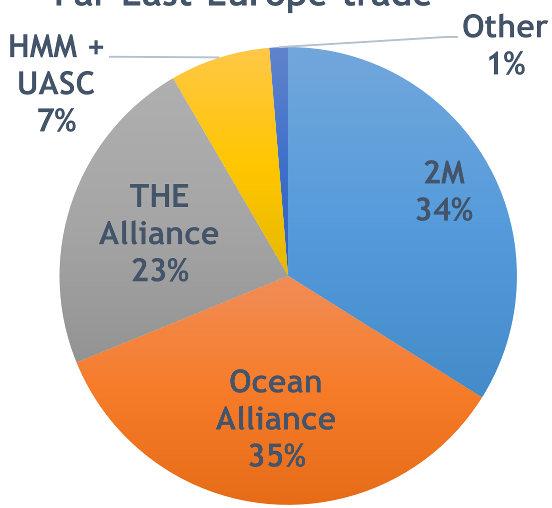
THE Alliance

NYK
MOL
K LINE
YANG MING
Hapag-Lloyd
UASC
~~HANJIN SHIPPING~~

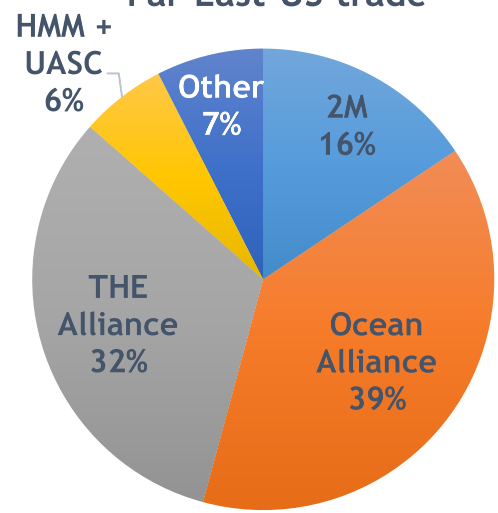
Global capacity share[1]



Far East-Europe trade[1]



Far East-US trade[1]



2M ■ Ocean Alliance ■ THE Alliance ■ HMM + UASC ■ Other

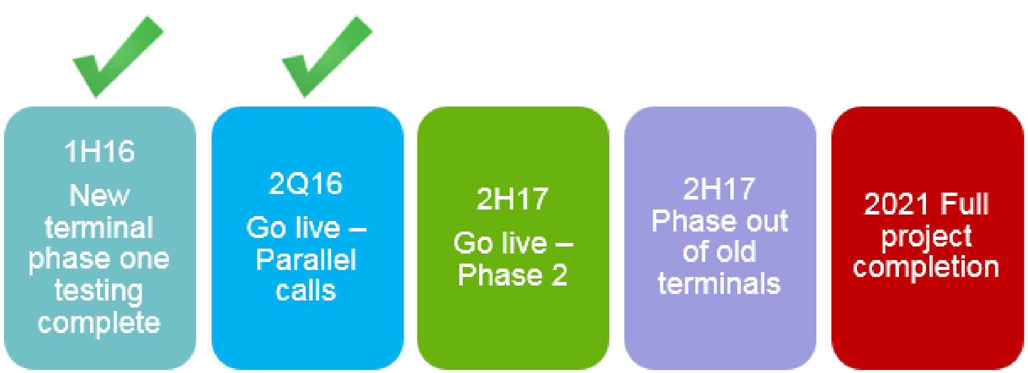
Source: Alphaliner
[1] Not pro forma for HMM joining 2M alliance, UASC merger with Hapag-Lloyd and the acquisition of Hamburg Süd by APMM
[2] HMM has signed an agreement with 2M Alliance to share surplus capacity and purchase cargo slots

Ocean Alliance

- New Alliance began operation from 1 April 2017.
- Significant volume growth.
- Binding agreement for an initial period of 5 years.
- Trade mix adjustment, and increased long-haul concentration.
- Implementation phase completed.
- Planning second year deployment.

Long Beach Container Terminal

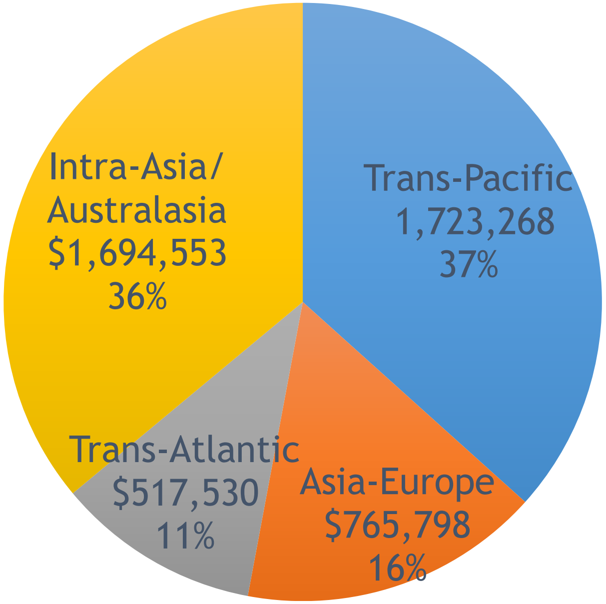
- Terminal continues to perform above expectation.
- Positive P&L impact expected to increase as terminal is further utilised.
- Over 50% of US$650m budget spent, ongoing spend flat across periods.
- Depreciation started in 2016: non-material impact in 2017.
- Strategically located core terminal for OOCL.
    - Embed long-term cost efficiencies.



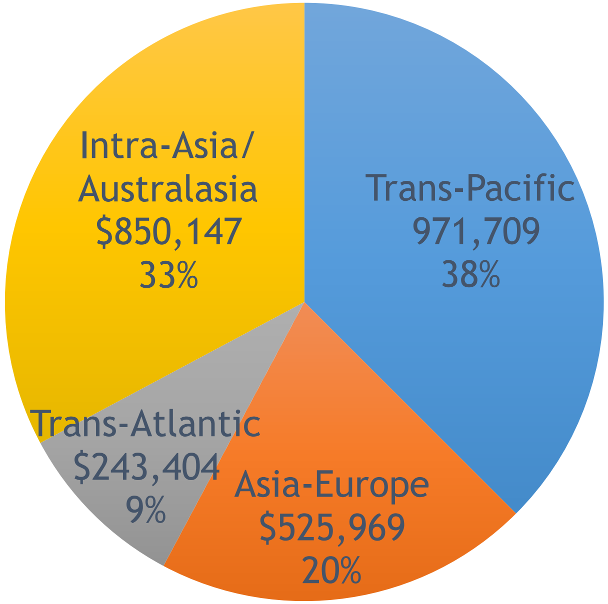
1H17 Review

- Increased liftings and improved contract and spot rates positively impacting revenues.
- Economic growth fundamentals continue to show further improvement.
- Net supply growth stabilising due to high scrapping and idling rates, and marginal slowdown in vessel deliveries.
- Bunker prices remained range-bound.

FY2016
Revenue by Trade (000's)



1H17
Revenue by Trade (000's)

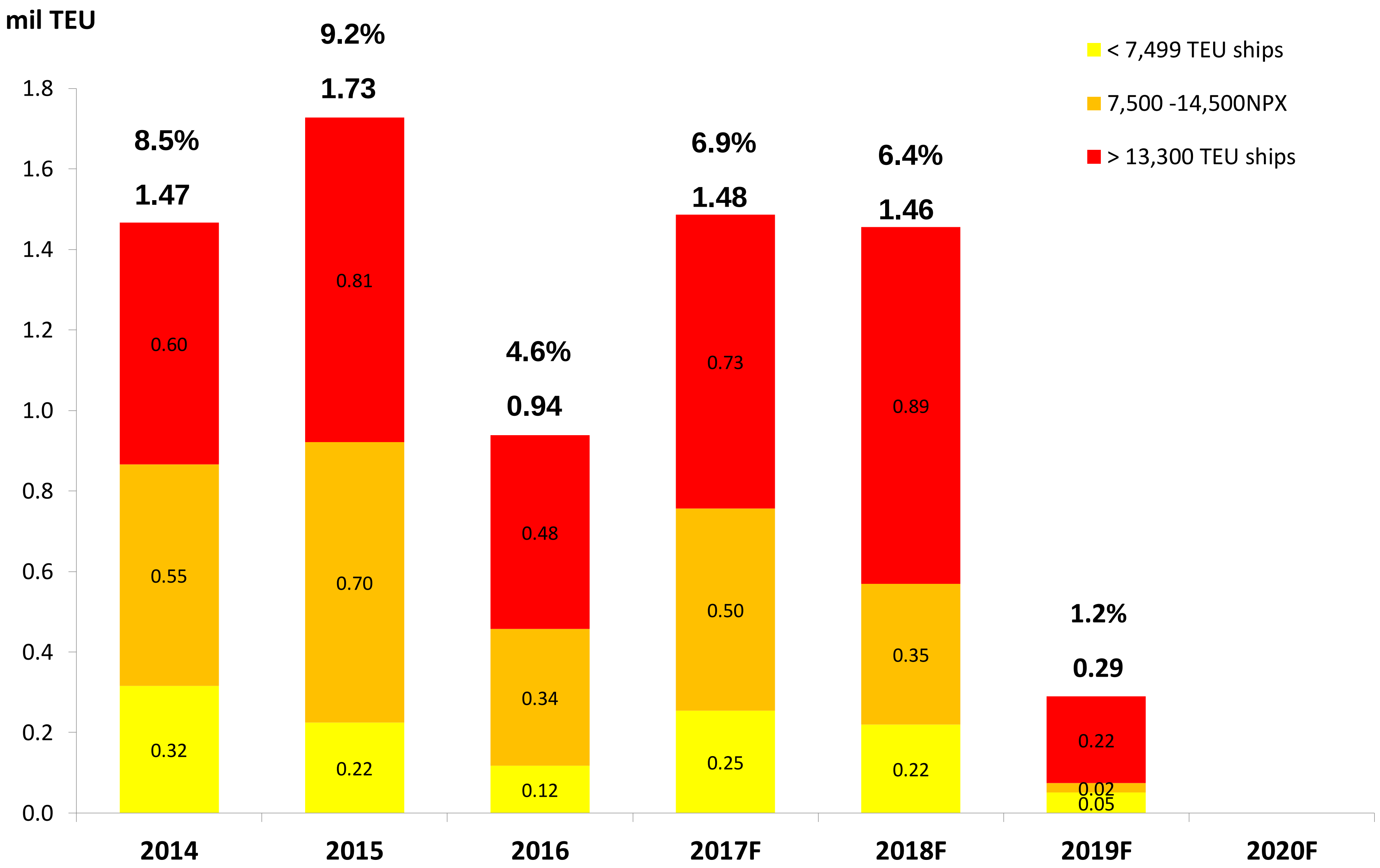


Industry Trade Volume – YTD June 2017

Trade	YTD 2017 vs 2016	YTD 2016 v 2015	YTD 2015 v 2014
Trans Pacific EB	4.9%	3.6%	4.3%
Asia Europe WB	5.2%	3.7%	(4.3%)
Intra Asia (IADA)	(5.9%)	(4.6%)	(4.0%)
Trans Atlantic WB	5.0%	3.1%	4.7%

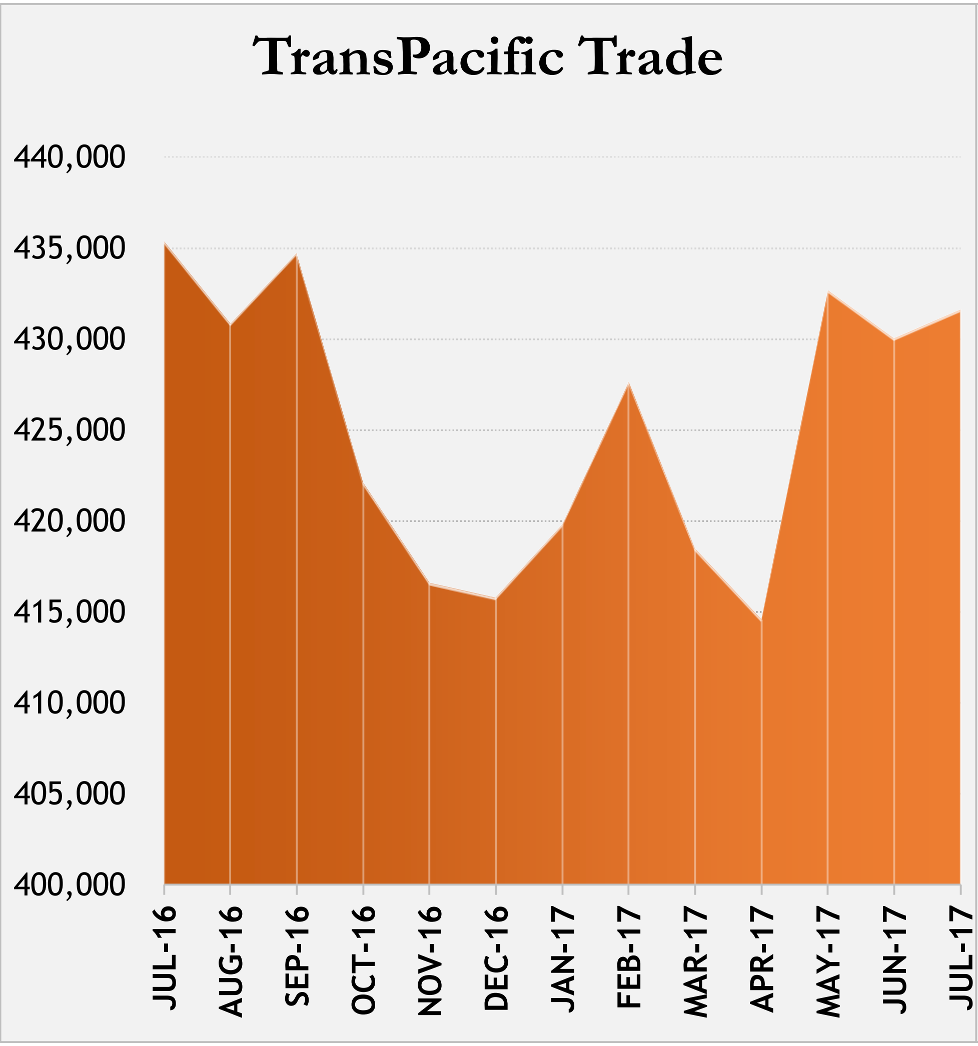
Sources: JOC, CTS, IADA

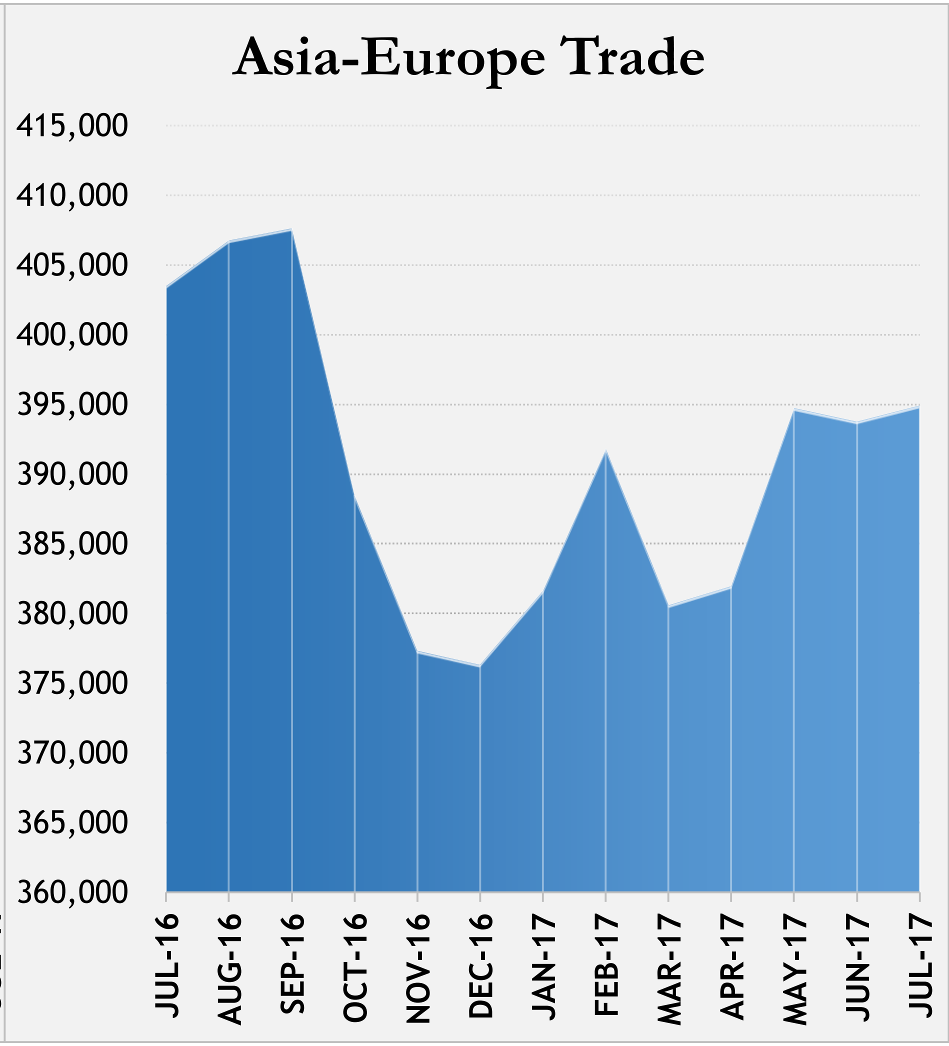
New Building Deliveries - Static Slots



Sources: Alphaliner (July 2017)

Monthly Capacity Growth





Sources: Alphaliner (July 2017)

Property Investment

- **Wall Street Plaza**
  - Fair value gain of US$27.7 million for 2017 Interim
  - Valuation of US$250 million as at 30 June 2017
  - Performance is in line with expectations
  - Vacancy rate of 1.3% as at end of 30 June 2017

- **Hui Xian**
  - US$49.9 million (Hui Xian Holding US$36.3 million/Hui Xian REIT US$13.6 million) on balance sheet as at 30 June 2017
  - US$13.3 million Dividend-in-Specie (of REIT units) and US$7.9 million Cash Dividend from Hui Xian Holdings in H1
  - Previously held 4.4% of Hui Xian REIT, now only 1.1%
  - May consider further sales

COSCO SHIPPING

OOCL

Transaction Summary

- Joint Offerors : COSCO / SIPG.
- Voluntary General Offer (VGO) to all OOIL shareholders.
- Offer Price HK$78.67 per share in cash.
- Pre Conditions:
  - Regulatory
  - Shareholders' approval

Transaction Summary

- Timing

- Post Closing
  - Retain listed status.
  - Maintain global HQ function and presence in Hong Kong.
  - Committed to the continuity and stability of management team, staff, business, and service network.
  - Retain OOCL brand.