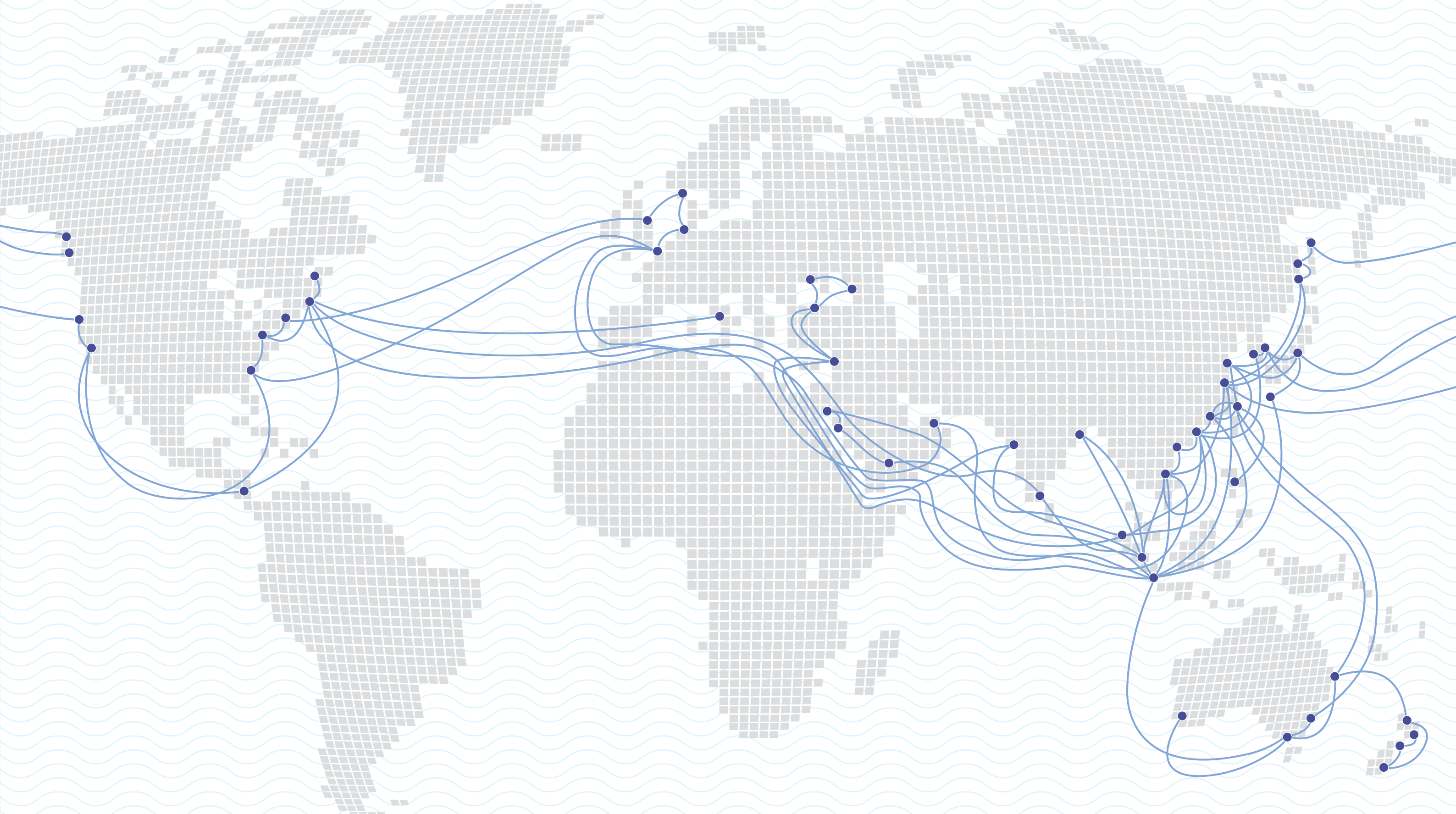

2015

Interim Report

Orient Overseas (International) Limited

(Incorporated in Bermuda with Limited Liability)
Stock code: 316

Contents

Statement to Shareholders from the Chairman

The first half of 2015 was an eventful six months for the global economic environment. Greece's ongoing challenges, and the US/Iranian nuclear negotiations acted as a backdrop to a slow but improving global economy. As at the time of writing, the Eurozone had reached a preliminary agreement with Greece, and the US and Iran had concluded their negotiations, subject to respective domestic legislative approval, paving the way for the gradual reintegration of Iran into the global economic system.

After posting a satisfactory 2.2% GDP growth for fourth quarter 2014, the US reported weaker than expected 0.2% negative GDP growth in first quarter 2015. This weakness was attributable to severe winter weather, a strong US dollar, and a slowdown in non-residential fixed asset investment, likely to be a result of a decrease in oil and gas investment. The economy, nevertheless, seemed to be in recovery mode, with the unemployment rate returning to the pre-crisis level of 5.5%, and a positive trajectory of personal consumption.

In Europe, after a very disappointing second half of last year, the economy seemed to be benefiting from the lower oil price and a weaker currency. During the first quarter of this year, led by improving consumer sentiment and industrial production, the Eurozone recorded GDP growth of 0.4%. Consensus forecasts suggest that inflationary expectations seem to have turned the corner and are beginning to show signs of improvement. Indeed, the conclusion of the third rescue package for Greece in July seems to remove another destabilizing factor for the region.

China continues its restructuring program, especially in terms of government deregulation, and in the reform of financial institutions, financial markets, and state-owned enterprises. The Chinese domestic equity markets experienced extreme volatility during the first half of the year but, at this stage, it seems that these fluctuations are detached from the underlying economy and have little contagion effect on the rest of the world.

Oil prices have remained benign since the sharp drop in third quarter 2014. Despite some upward movements of oil price in the second quarter this year, the prospect of oil reverting to the highs of 2013 and 2014 seems increasingly unlikely.

Personal consumption in the US continued to record positive year-on-year growth in 2014. Europe, facing enormous challenges within the Eurozone, recorded gains in consumption of 0.5% in the first quarter of 2015.

Global containerised trade growth, often a proxy for global consumer and industrial activities, recorded over 5.5% increase in volume in the Trans-Pacific eastbound trade for both the first half of 2015 and for full year 2014. In the meantime, Intra-Asia trade (short haul) posted a positive, if unexceptional, 2.0% volume growth during the period, while Trans-Atlantic trade posted a stronger increase of 5.3%. Aside from the disappointing Asia Europe westbound trade volume contraction of 3.3% in the first five months of 2015, container trade growth seems to have found its footing.

On the supply side, 2015 was always expected to be a year of high deliveries. It is anticipated that over 1.9 million TEU of new buildings will be delivered in 2015, representing 10.1% of existing tonnage. The delivery volume is expected to slow down to around 6% in 2016.

The industry experienced a volatile period during the first half. In the earlier months of 2015, the industry enjoyed a relative stable freight market. Through the combination of the normal seasonal cargo rush prior to Chinese New Year, capacity constraints arising from port congestion and disruptions in the US, and an improving cost structure created by lower oil prices, the industry made meaningful gains in margin performance. In the latter half of the reporting period, with idling ships reactivated and new build capacity delivering, freight rates moved rapidly downwards, forcing margins to narrow. It is likely that the industry as a whole will report mixed results for the half year.

INTERIM RESULT

Orient Overseas (International) Limited and its subsidiaries (the "Group") recorded a profit attributable to equity holders of US$238.6 million for the six month period ended 30th June 2015. The 2015 interim result represents a US$57.3 million increase in earnings compared to the same period in 2014 of US$181.3 million.

The profit attributable to equity holders for the first six months of 2015 included a fair value gain of US$9.8 million for Wall Street Plaza, whose market value was independently assessed at US$190.0 million as at 30th June 2015, and investment income of US$27.2 million in relation to our investment in Hui Xian Holdings, its primary underlying asset being Beijing Oriental Plaza.

Earnings per ordinary share for the first half of 2015 was US38.1 cents, whereas earnings per ordinary share for the first half of 2014 was US29.0 cents.

DIVIDEND

The Board of Directors is pleased to announce an interim dividend for 2015 of US9.6 cents (HK$0.749) per ordinary share. The dividend will be paid on 15th October 2015 to those ordinary shareholders whose names appear on the register on 11th September 2015.

CONTAINER TRANSPORT AND LOGISTICS

The international container transport and logistics business of the Group, trading under the "OOCL" name, reported a net profit after tax of US$183.6 million for the first six months of the year, a US$72.4 million increase from the net profit of US$111.2 million reported for the first half of 2014.

Total liftings for the first half of 2015 dropped by 2.3% compared to the corresponding period last year. Average freight revenue per TEU for the period was US$987, a 4.2% decrease compared to the 2014 first half average of US$1,030 per TEU.

OOCL continued its focus on enhancing utilisation, yield management and cost efficiency during the half year. Revenue per TEU declined year over year as supply outpaced demand. Bunker remains an important element of operating costs. The drop in bunker prices, together with ongoing cost management efforts, helped to provide lower unit costs, leading to a satisfactory margin performance.

The G6 Alliance completed its first full year of global operations, covering the three East-West trade lanes. During the period, G6 worked specifically to improve its service integrity and overall product quality. As the Alliance structure becomes more established, we anticipate that the benefits of improving Alliance performance will continue to be felt throughout 2015.

OOCL Logistics continues to be a business focus for the Group. During the half, management directed its efforts towards consolidating existing business segments, in an effort to improve margin performance. The Group expects its logistics business to achieve steady growth and become a meaningful contributor to the Group's bottom line in the future.

As part of the refleeting program, the Group committed to six 20,000 TEU class newbuilding vessels in March 2015, all to be delivered in 2017. These newbuildings will be based on the latest designs and incorporate the most up-to-date technological features. Their scale, and operating and bunker efficiency, are expected to make a positive contribution to the bottom line of the Group. During the first six months of 2015, OOCL took delivery of two newbuildings, both of which are 8,888 TEU SX Class vessels. We expect to take delivery of another two 8,888 TEU vessels in the second half of 2015, thereby completing our SX class newbuilding orders.

OTHER ACTIVITIES

The Group's investments include its long-standing ownership of Wall Street Plaza, located in New York. The property continues to have an occupancy rate of over 94%, and produces a satisfactory yield for the Group. The New York real estate market improved in the first half of 2015, and Wall Street Plaza has been re-valued upwards by US$10.0 million to US$190.0 million as at 30th June 2015.

The Group continues its investment in Beijing Oriental Plaza directly through holdings in the Hui Xian REIT and indirectly through Hui Xian Holdings Ltd., which holds units in the Hui Xian REIT. The Group's direct and indirect holdings total 4.4% of Hui Xian REIT. During the first half of 2015, Hui Xian Holdings Ltd. paid a dividend in specie of 29.63 million units of the Hui Xian REIT to the Group, resulting in US$16.8 million income to the Group for the first half of 2015. Total dividends in specie received in 2012, 2014 and 2015 represent 62.5% of the Group's interest in the Hui Xian REIT originally held by Hui Xian Holdings Ltd. upon the REIT's listing in 2011. Together with the cash dividends from Hui Xian Holdings Ltd. and the cash distributions from Hui Xian REIT, the Group posted a profit of US$27.2 million in relation to our investment in Hui Xian in the first half of 2015.

CORPORATE SOCIAL RESPONSIBILITY

Environmental care and safe operations continue to be a part of our corporate responsibility. We remain committed to strengthening our sustainability profile and aim to provide greener global supply chains with the least environmental impact on our communities.

We actively contribute to reducing our footprint in global warming, air pollution, and marine environment degradation through internal initiatives as well as participation and engagement with organisations such as the Business Environment Council, the Clean Cargo Working Group and the World Wildlife Fund. In addition, as one of the leading carriers that initiated the Fair Winds Charter in Hong Kong, we are working with other carriers and the Hong Kong Government to improve shipboard emissions during port calls. Through better shoreside and shipboard management procedures, retro fit of existing vessels and adoption of better technology for newbuilding vessels, our efforts towards reducing bunker consumption, and emission of sulphur oxides, nitrogen oxides, and carbon dioxide from our fleet will continue going forward.

I am pleased to report that OOCL was recognized for our efforts in environmental protection. During this period, we are honoured to have been recipient for Six Hong Kong Voluntary Observing Ship Awards from the Hong Kong Observatory, the 2014 Hong Kong Awards for Environmental Excellence (HKAEE) Gold Award, the "Outstanding Performance Award in Port State Control for the year of 2014" from the Hong Kong Marine Department, the "Best Green Entrepreneur Award" in the Golden Globe Tigers Awards (Green Management & Future Leadership) by the Asian Confederation of Business, World CSR, CMO Council and CMO Asia, the "Runner-up prize for the Sustainability Strategy Category" and "Runner-up prize for the Sustainability Report Category" in the ASEAN Corporate Sustainability Awards by the Academy for Professional Excellence in the first half of 2015, and the "Clean Air Leadership Award" by the Coalition for Clean Air (CCA) for the contributions of our Long Beach Container Terminal in the US.

OUTLOOK

The industry faces a large orderbook in the year 2015. Until sustainable demand growth is achieved, freight rates will continue to be under pressure. This could hardly be more evident than it was in the second quarter of this year, when demand growth was less than satisfactory in certain trade lanes, especially that of Asia Europe. Looking into the second half and into next year, the industry takes comfort that scheduled new deliveries are relatively limited in 2016, and is hopeful that cargo growth, especially in Asia Europe and Intra Asia, will recover a more favourable trajectory.

Alliance arrangements have become an industry norm. Alliance arrangements ultimately ensure competition for shippers by allowing more industry players to be able to deploy better service networks and enhance product quality. Alliances must, however, continue to evolve. More integrated alliances structures and landside cooperation will help carriers to achieve greater efficiency, provide more comprehensive products, and prevent domination by the largest carriers alone. The industry needs to work with regulators to ensure that alliance structures develop in a way that will balance the interest of all stakeholders.

The Group continues to invest into the future. Our 20,000 TEU class newbuilding vessels, investment in a new port facility redevelopment project in Long Beach, California, and continuous efforts in our IT initiatives are expected to be part of our competitive edge in the industry going forward.

The Group remains committed in its drive to deliver industry-leading operating margins. In addition, the Group is deliberate in its efforts to balance the need for a strong and liquid balance sheet, necessary in a capital intensive business, with an industry-competitive shareholder return.

The first half of 2015 was satisfactory for OOIL. The Group remains mindful and cautious, however, of the over capacity that is especially serious in 2015. The supply overhang is likely to exert pressure on freight rates in the second half of the year. During the next six months, where revenue remains uncertain given the supply and demand imbalance, cost efficiency remains the critical factor for better margin performance. The industry is hopeful that positive trade growth, especially in the Trans-Pacific and Trans-Atlantic trades, and to a degree in the Intra-Asia trade, will provide support to the underlying market.

The world economy is on a more positive trajectory now. With more sustainable recovery worldwide, a more favourable supply and demand balance in 2016, and better alliance cooperation dynamics, the container transport industry should find itself in a more positive operating environment looking into next year. My colleagues and I remain focused in ensuring that the Group is well positioned for the future and continues to be one of the highest performing container shipping companies in the industry.

C C Tung
Chairman

Hong Kong, 7th August 2015

Management Discussion and Analysis

GROUP RESULTS

For the first six months of 2015 Orient Overseas (International) Limited and its subsidiaries (the "Group") recorded a profit attributable to equity holders of US$238.6 million, compared to US$181.3 million for the corresponding period of 2014.

OOIL INTERIM RESULTS ANALYSIS

US$'000	2015	2014
Profit before tax from operating activities	215,710	143,213
Investment income from Hui Xian	27,249	41,384
Revaluation of Wall Street Plaza	9,830	9,653
Profit Before Tax for the Period Ended 30th June	252,789	194,250
Taxation	(14,146)	(13,056)
Non-controlling Interests	(11)	102
Profit Attributable to Equity Holders	238,632	181,296

The profit attributable to equity holders for the first half of 2015 included investment income of US$27.2 million from Hui Xian, and a net fair value gain of US$9.8 million on Wall Street Plaza.

Profit from operating activities for the first half of the year was US$215.7 million, as compared to US$143.2 million in the first six months of 2014. Results of the Group's operations arise from its business of container transportation and logistics conducted through the "OOCL" brand, augmented by earnings from the Group's liquidity management and investment activities at holding company level.

ORIENT OVERSEAS CONTAINER LINE

During the first half of 2015, overcapacity in the industry persisted, and was more acute due to the growing number and size of newbuildings being introduced into the market at a time when global trade growth remains limited. Compared to the first half in 2014, OOCL liner lifting dropped by 2%, load factor by 4%, and revenue by 6%. Average revenue levels in some trade lanes reached new post-Global Financial Crisis lows, with an average revenue per TEU drop of 4% in the first half.

The issues surrounding the Euro currency continued to weaken purchasing power and impede imports to Europe, while the deepening trade sanctions on Russia also hampered trade in the region. U.S. Pacific Coast imports, however, continued to fare well, in spite of the waterfront labour union contract negotiation, which impacted shipments and saw some cargo diverted to U.S. Atlantic Coast ports. Although the Trans-Pacific eastbound market volume increased by 5% in the first five months of the period, Asia-Europe westbound dipped by 3% while Trans-Atlantic eastbound dropped by 9%.

Overall, our first half year performance benefited significantly from the reduction in bunker cost and other operating costs compared to the same period last year, which helped to offset the drop in revenue and lower volumes.

Trans-Pacific Trade

The year kicked off with great challenges on the U.S. Pacific Coast, on account of the continuing labour union contract negotiations, and our having to address the effects of the resultant congestion. The disruption on the U.S. Pacific Coast led to delays and blanking of sailings, thereby impacting capacity. As a consequence, Trans-Pacific liftings decreased by 5% year-on-year, whereas the average revenue per TEU increased by 2%.

Asia-Europe Trade

Asia-Europe westbound lifting dropped 6% when compared to the same period last year, and revenue per TEU reduced 17%, due to the unfavourable supply/demand balance. There are a number of factors behind this. The introduction of new tonnage to the trade was significant, increasing supply, while demand was hindered by slow import growth in Europe, and by the ongoing combined effect in Russia of international trade sanctions and Rouble depreciation. Having said that, we saw some positive effect from the weaker Euro, in the generation of increasing European exports, which provided a boost to the backhaul eastbound trade.

Intra-Asia & Australasia Trade

Liftings were at about the same level as the first half of last year, but average revenue per TEU was 5% lower. This trade lane continued to face challenges from the result of upsized ships being cascaded from other trades, and from the low bunker price encouraging a greater market willingness to experiment with the launch of new services.

Trans-Atlantic Trade

Compared to the first half of 2014, Trans-Atlantic lifting dropped 8% but average revenue per TEU increased by 4%. While both liftings and average revenue dropped in the eastbound trade to Europe, the westbound volume drop was offset by the increase in revenue.

Logistics

Logistics profit for the first half year increased 48% over same period last year and is attributable to the business performance of our high value-added Supply Chain Management Service and strong business growth of Import/Export Services.

Logistics revenue for the first half year decreased 1.2% over the same period last year. Revenue from Import/Export Services continued to grow while Domestic Logistics Services in China and Japan dropped due to fierce competition. Revenue growth from Supply Chain Management Services was relatively flat although improvements were made in higher value added services.

The gross profit and gross profit margins of all three business units improved as we deselected the negative contribution cargo and enhanced our direct procurement cost management. With better business and administrative cost control and improved productivity and asset efficiency management, the overall net profit and net profit margin improved.

We will continue to develop new logistics products and enhance our logistics capability, quality and productivity in our primary business segments as well as building our service network and coverage in ASEAN and India Sub Continent countries.

Bunker Price

The average price of bunker recorded by OOCL in the first half of 2015 was US$352 per ton compared with US$595 per ton for the corresponding period in 2014, generating a decrease in fuel costs of 38%.

VESSELS

In the first half of 2015, the Group took delivery of its fifth and sixth 'SX' Class 8,888 TEU vessels from Hudong-Zhonghua Shipbuilding in Shanghai, namely the 'OOCL Taipei' and 'OOCL Utah'. There are two remaining vessels from this series, both of which are to be delivered in the second half of 2015.

One 8,063 TEU SX class vessel, the 2004-built 'OOCL Qingdao', was sold in March 2015 and leased back to OOCL for 3 years.

It was announced on 1st April 2015 that the Group had placed orders for six vessels of the 20,000 TEU class with Samsung Heavy Industries Co., Ltd. of South Korea. Delivery is planned to occur in 2017.

NEWBUILDING DELIVERY SCHEDULE

Shipyard	Hull No.	TEU	Date of Order	Status
Hudong-Zhonghua Shipbuilding	H1565A	8,888	2007	Delivered
Hudong-Zhonghua Shipbuilding	H1585A	8,888	2007	Delivered
Hudong-Zhonghua Shipbuilding	H1667A	8,888	2010	To be delivered
Hudong-Zhonghua Shipbuilding	H1668A	8,888	2010	To be delivered
Samsung Heavy Industries	HN2172	21,000	2015	To be delivered
Samsung Heavy Industries	HN2173	21,000	2015	To be delivered
Samsung Heavy Industries	HN2174	21,000	2015	To be delivered
Samsung Heavy Industries	HN2175	21,000	2015	To be delivered
Samsung Heavy Industries	HN2176	21,000	2015	To be delivered
Samsung Heavy Industries	HN2177	21,000	2015	To be delivered

OTHER ACTIVITIES

The other activities of the Group consist of support functions, including centralised treasury and management of the Group's liquidity and investments. The Group's investments include its long-standing ownership of Wall Street Plaza, and a 4.4% direct and indirect holdings in Hui Xian REIT, the first RMB – denominated REIT listed in Hong Kong.

Wall Street Plaza continues to record steady results and based on an independent valuation, has been re-valued upwards by US$10 million as at 30th June 2015 to reflect an assessed market value of US$190 million. After offsetting a total of US$0.2 million improvement to the building spent in the first six months of the year, the net fair value gain for the first half of 2015 was US$9.8 million.

In the first half of 2015, Hui Xian Holdings Ltd., the original developer company of Hui Xian REIT, declared a cash dividend and dividend in specie to its shareholders, of which the Group's shares amounted to US$24.7 million. In addition, the Group also received a distribution of US$2.5 million from its direct holding of Hui Xian REIT. As at 30th June 2015, the Group's total investment in Hui Xian was valued at US$137.5 million.

The investments in Wall Street Plaza and Hui Xian are both historical in nature and the Group currently has no intention of further investment in property other than as may arise in relation to the operation of our container transportation and logistics business.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30th June 2015, the Group had total liquid assets amounting US$2.8 billion and total indebtedness of US$4.2 billion. Net debt as at 30th June 2015 was therefore US$1.4 billion versus US$1.3 billion as at the 2014 year-end.

The Group continues to have sufficient borrowing capacity and remains comfortably within its target of keeping its net debt to equity ratio below 1:1.

The indebtedness of the Group mainly comprises bank loans, finance leases and other obligations which are almost exclusively denominated in US dollars. The Group's borrowings are monitored to ensure a smooth repayment schedule to maturity. The profile of the Group's long-term liabilities is set out in Note 18 to the Interim Financial Information.

The liquid assets of the Group are predominantly cash deposits placed with a variety of banks, and with tenors ranging from overnight to up to six months. We review the list of approved banks and exposure limits on each bank on a regular basis.

Given the inherently volatile nature of shipping industry earnings and experience with fluctuations in asset values, the Group maintains a portion of its liquidity reserves in a portfolio of longer tenor investments. The Group's investment portfolio of US$531.9 million as at 30th June 2015 is predominantly comprised of investment grade bonds.

CURRENCY EXPOSURE AND RELATED HEDGES

The Group's principal income is mainly comprised of freight revenues, receipts from terminal operations and rental income from investment properties, all of which are denominated in US dollars. About 60% of cost items are also US-dollar based. Certain costs, such as terminal charges, transportation charges and administrative expenses for regional offices, are expended in domestic currencies. The Group's policy is to hedge, where appropriate, the payment of certain major currencies such as the Euro, Canadian Dollars and Japanese Yen.

Over 99% of the Group's total liabilities are denominated in US dollars. Consequently, the risk of currency fluctuations affecting the Group's debt profile is effectively mitigated.

EMPLOYEE INFORMATION

As at 30th June 2015, the Group had 9,532 full-time equivalent employees. Salary and benefit levels are maintained at competitive levels and employees are rewarded on a performance-related basis within the general policy and framework of the Group's salary and discretionary bonus schemes. These schemes, based on the performance of the Company and individual employees, are regularly reviewed. Other benefits are also provided including medical insurance and retirement funds. In support of the continuous development of individual employees, training and development programmes are offered for different levels of employee. Social and recreational activities are arranged for our employees around the world.

SAFETY, SECURITY AND ENVIRONMENTAL PROTECTION

Safety and security remains a top priority in our business operations for our people, cargo, ships and facilities, both onshore and at sea. Our Group maintains the highest safety and security standards.

The Group's Corporate Security Policy guides our company in the prevention and suppression of security threats against international supply chain operations. We are committed not only to complying with rules and regulations such as the ISPS Code, but also to exceeding them by embracing industry best practices and voluntary initiatives. We participate in various national security programs, including the Customs-Trade Partnership Against Terrorism (C-TPAT) and the Authorised Economic Operator (AEO) initiatives.

We also actively collaborate with various governments and authorities worldwide in our efforts against acts that might impinge upon maritime or cargo security. In addition, our Global Data Centre maintains ISO 27001 certification in order to provide our customers and partners with quality and secure information in accordance with international standards on information security management.

To ensure everyone takes part in protecting the our assets and become more resilient against cyber attacks, we have developed new programs and initiatives such as, annual cyber security training and mandatory test for all employees, monthly knowledge and trend updates, and sophisticated monitoring and protective systems.

OOIL Group also recognizes that businesses must take responsibility for their industry's effects on the environment. OOIL proactively promotes and adopts green practices at every level of our organization.

OOCL's online Carbon Calculator is designed for our customers to measure carbon dioxide emissions in their supply chains, and it has been verified by a third party auditor for data accuracy and transparency. It is one of the first emissions calculators of its kind to offer multiple shipment searches and full intermodal emissions data. OOCL is dedicated to environmental protection and committed to data integrity standards. Each year, OOCL ensures that such standards are consistent and upheld by certifying our environmental data through independent business assurance service providers through the use of Clean Cargo Working Group (CCWG) and ISO 14064-1:2006 verification tools. This initiative ensures that OOCL's data disclosure on vessel emissions in 2014 is transparent, accurate, complete, consistent and relevant after checking for not only the carbon dioxide, sulphur oxides and Greenhouse Gas (GHG) Scope 1 emission levels of OOCL vessels, but also extending to the GHG Scope 2 level which is associated with electricity consumption of OOCL's head office in Hong Kong. Our Group Sustainability Report is now published on an annual basis. This report covers the significant environmental, economic and social aspects of the business arising from the principal activities of OOIL and its subsidiaries.

We are very pleased to have been recognized for our consistent and sustained efforts in environmental protection initiatives and safety management. In recognition of our achievements, we have been the honored recipients of:

- Six Hong Kong Voluntary Observing Ship Awards from the Hong Kong Observatory;
- 2014 Hong Kong Awards for Environmental Excellence (HKAEE) Gold Award;
- "Outstanding Performance Award in Port State Control for the year of 2014" from the Hong Kong Marine Department;
- "Best Green Entrepreneur Award" in the Golden Globe Tigers Awards (Green Management & Future Leadership) by the Asian Confederation of Business, World CSR, CMO Council and CMO Asia;
- "Runner-up prize for the Sustainability Strategy Category" and "Runner-up prize for the Sustainability Report Category" in the ASEAN Corporate Sustainability Awards by the Academy for Professional Excellence in the first half of 2015; and
- "Clean Air Leadership Award" by the Coalition for Clean Air (CCA) for the contributions made by our Long Beach Container Terminal.

OOCL continues to achieve one of the best records for the Green Flag Program organised by the Port of Long Beach and Port of Los Angeles in the United States, achieving full voluntary compliance in vessel speed reduction for our vessels. In addition, OOCL is also one of the leading carriers that voluntarily initiated and signed on to the Fair Winds Charter in Hong Kong. Under this Charter, our vessels switch to cleaner fuel of 0.5% sulphur content or less when berthed at the Hong Kong port. This year, OOCL signed the newly introduced Shenzhen Port Green Convention initiated by the Shenzhen Transportation Commission (SZMOT) to voluntarily use fuel with a sulphur content of less than 0.5% when our vessels berth at the participating ports in Shenzhen.

Through membership with organizations such as the Clean Cargo Working Group, the Business Environment Council and the World Wildlife Fund, OOIL Group is committed to playing its part in addressing climate change and environmental protection in Hong Kong and the regions in which we operate.

INTERIM DIVIDEND

The Board of Directors (the "Board") of the Company is pleased to announce an interim dividend of US9.6 cents (HK$0.749 at the exchange rate of US$1: HK$7.8) per ordinary share for the six months ended 30th June 2015 to be paid on 15th October 2015 to the shareholders of the Company whose names appear on the register of members of the Company on 11th September 2015. Shareholders should complete the dividend election form (if applicable) and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited (the "Branch Share Registrar"), not later than 4:30 p.m. on 6th October 2015.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 7th September 2015 to 11th September 2015, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, the share transfers must be accompanied with the relevant share certificates and lodged with the Branch Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 4th September 2015.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 30th June 2015, the issued share capital of the Company consisted of 625,793,297 ordinary shares (the "Shares"). The interests and short positions of the Directors and the Chief Executive of the Company in the Shares, the underlying Shares and the debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register kept by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Name	Direct interests	Other interests	Total number of Shares (Long position)	Percentage
Tung Chee Chen	–	429,950,088 *(Notes 1 and 2)*	429,950,088	68.70%
Chang Tsann Rong Ernest	612,731	–	612,731	0.098%
Chow Philip Yiu Wah	133,100	20,000 *(Note 3)*	153,100	0.024%
Simon Murray	10,000	–	10,000	0.002%
Professor Wong Yue Chim Richard	–	500 *(Note 4)*	500	0.00008%

Notes:

1. Mr. Tung Chee Chen has an interest in a trust which, through Artson Global Limited ("Artson") as trustee, holds shares of Thelma Holdings Limited ("Thelma"), which has an indirect interest in 429,950,088 Shares, in which Fortune Crest Inc. ("Fortune Crest") and Gala Way Company Inc. ("Gala Way"), wholly-owned subsidiaries of Thelma, have direct interests in 350,722,656 Shares and 79,227,432 Shares respectively. The voting rights in respect of such 429,950,088 Shares are held by Mr. Tung Chee Chen through Tung Holdings (Trustee) Inc. ("THTI").

2. Fortune Crest and Gala Way together are referred to as the controlling shareholders.

3. 20,000 Shares are held by the spouse of Mr. Chow Philip Yiu Wah.

4. 500 Shares are held by the spouse of Professor Wong Yue Chim Richard.

Save as disclosed above, as at 30th June 2015, none of the Directors or the Chief Executive of the Company had any interest or short position in the Shares, the underlying Shares and the debentures of the Company or any of its associated corporation (within the meaning of the SFO) which were required to be: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information

Save as disclosed in below section "Substantial Shareholders' Share Interest", as at 30th June 2015, none of the Directors or the Chief Executive of the Company is a director or an employee of a company which had an interest or short position in the Shares and the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

SUBSTANTIAL SHAREHOLDERS' SHARE INTEREST

As at 30th June 2015, the following persons (other than the Directors or the Chief Executive of the Company) had an interest or short position in the Shares and the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name	Nature of interest	Number of Shares interested (Long position)	Percentage
Artson Global Limited*	Trustee	429,950,088 *(Note 1)*	68.70%
Hanberry Global Limited#	Trustee	429,950,088 *(Note 2)*	68.70%
Thelma Holdings Limited*	Indirect	429,950,088 *(Note 3)*	68.70%
Tung Chee Hwa	Indirect	429,975,319 *(Note 4)*	68.70%
Archmore Investment Limited*	Beneficiary of a trust	429,950,088 *(Note 5)*	68.70%
Edgemont Holdings Limited*	Indirect	429,950,088 *(Note 6)*	68.70%
Javier Global Limited*	Indirect	429,950,088 *(Note 7)*	68.70%
Bartlock Assets Ltd.#	Beneficiary of a trust	429,950,088 *(Note 8)*	68.70%
Flowell Development Inc.	Beneficiary of a trust	429,950,088 *(Note 9)*	68.70%
Izone Capital Limited*	Beneficiary of a trust	429,950,088 *(Note 10)*	68.70%
Jeference Capital Inc.*	Beneficiary of a trust	429,950,088 *(Note 11)*	68.70%
Tung Holdings (Trustee) Inc.*	Voting	429,950,088 *(Note 12)*	68.70%
Fortune Crest Inc.*	Direct	350,722,656 *(Note 13)*	56.04%
Gala Way Company Inc.*	Direct	79,227,432 *(Note 14)*	12.66%

Notes:

1. Artson, a company which is wholly owned by Mr. Tung Chee Chen, holds 56.36% of the shares of Thelma and, accordingly, has an indirect interest in the same Shares in which Thelma has an interest.

2. Hanberry Global Limited ("Hanberry"), a company which is wholly owned by Mr. Tung Chee Hwa (brother of Mr. Tung Chee Chen, brother-in-law of Professor Roger King, and father of Mr. Tung Lieh Cheung Andrew and Mr. Tung Lieh Sing Alan), holds 43.64% of the shares of Thelma and, accordingly, has an indirect interest in the same Shares in which Thelma has an interest.

3. Thelma, a company which is owned collectively by Artson and Hanberry, has an indirect interest in the same Shares in which Fortune Crest and Gala Way, wholly-owned subsidiaries of Thelma, have an interest.

4. Mr. Tung Chee Hwa has an interest in a trust which, through Hanberry as trustee, holds shares of Thelma, which has an indirect interest in 429,950,088 Shares. Mrs. Tung Chiu Hung Ping Betty (spouse of Mr. Tung Chee Hwa, sister-in-law of Mr. Tung Chee Chen and Professor Roger King, and mother of Mr. Tung Lieh Cheung Andrew and Mr. Tung Lieh Sing Alan) owns 25,231 Shares.

5. Archmore Investment Limited ("Archmore"), a company which is wholly owned by Edgemont Holdings Limited ("Edgemont"), has an interest in a trust which, through Artson as trustee, holds shares of Thelma, which has an indirect interest in 429,950,088 Shares.

6. Edgemont has an indirect interest in the same Shares in which Archmore, a wholly-owned subsidiary of Edgemont, has an interest.

7. Javier Global Limited ("Javier"), a company which is wholly owned by Mr. Tung Chee Chen, has an indirect interest in the same Shares in which Edgemont, a wholly-owned subsidiary of Javier, has an interest.

8. Bartlock Assets Ltd., a company which is wholly owned by Mr. Tung Chee Hwa, has an interest in a trust which, through Hanberry as trustee, holds shares of Thelma, which has an indirect interest in 429,950,088 Shares.

9. Flowell Development Inc., a company which is wholly owned by Mr. Tung Chee Chen, has an interest in a trust which, through Artson as trustee, holds shares of Thelma, which has an indirect interest in 429,950,088 Shares.

10. Izone Capital Limited, a company which is wholly owned by Mr. Tung Chee Chen, has an interest in a trust which, through Artson as trustee, holds shares of Thelma, which has an indirect interest in 429,950,088 Shares.

11. Jeference Capital Inc., a company which is wholly owned by Mr. Tung Chee Chen, has an interest in a trust which, through Artson as trustee, holds shares of Thelma, which has an indirect interest in 429,950,088 Shares.

12. THTI is a company wholly owned by Mr. Tung Chee Chen.

13. Fortune Crest has a direct interest in 350,722,656 Shares.

14. Gala Way has a direct interest in 79,227,432 Shares.

* For those companies marked with "*", Mr. Tung Chee Chen is either a director of these companies or a director of a company which is a corporate director of these companies.

\# For those companies marked with "#", Mr. Tung Lieh Cheung Andrew is a director of these companies.

Save as disclosed herein, as at 30th June 2015, the Company has not been notified by any person (other than the Directors or the Chief Executive of the Company) who had an interest or short position in the Shares or the underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

As at 30th June 2015, neither the Company nor any of its subsidiaries was a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six-month period ended 30th June 2015, the Company has not redeemed any of its Shares and neither the Company nor any of its subsidiaries has purchased or sold any of the Company's Shares.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under Bermudan law in relation to the issue of new shares by the Company.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Board and management of the Company are committed to maintaining high standards of corporate governance and the Company considers that effective corporate governance makes an important contribution to corporate success and to the enhancement of shareholder value.

The Company has adopted its own corporate governance code (the "CG Code"), which in addition to applying the principles as set out in the Corporate Governance Code and Corporate Governance Report (the "SEHK Code") contained in Appendix 14 to the Listing Rules, also incorporates and conforms to local and international best practices. The CG Code sets out the corporate governance principles applied by the Company and its subsidiaries (the "Group") and is constantly reviewed to ensure transparency, accountability and independence.

Throughout the period from 1st January 2015 to 30th June 2015, the Company complied with the SEHK Code, save for the following:

- **Code Provision**

Code provision	Deviation	Considered reason for deviation
Separation of the roles of chairman and chief executive officer of a listed issuer.	Mr. TUNG Chee Chen currently assumes the roles of both Chairman and Chief Executive Officer of the Company.	The executive members of the Board currently consist of chief executive officer of the principal division of the Group and there is an effective separation of the roles between the chief executive of its principal division and the Chief Executive Officer of the Company. The Board considers that further separation of the roles of the Chief Executive Officer and Chairman would represent duplication and is not necessary for the time being.

- **Recommended Best Practices**

  - the remuneration of senior management is disclosed in bands
  - operational results are announced and published quarterly instead of financial results

Securities Transactions by Directors

The Company has adopted its own code of conduct regarding securities transactions by Directors (the "Securities Code") on terms no less exacting than the required standard set out in the Model Code contained in Appendix 10 to the Listing Rules.

All Directors have confirmed, following specific enquiry by the Company, that they have fully complied with the required standards set out in both the Securities Code and the Model Code throughout the period from 1st January 2015 to 30th June 2015.

Changes in composition of the Board and Board Committee

Mr. KWOK King Man Clement was appointed as an Independent Non-Executive Director and a member of the Audit Committee of the Company, all with effect from 2nd July 2015.

Mr. CHANG Tsann Rong Ernest will resign as an Independent Non-Executive Director and will cease as a member of the Audit Committee of the Company, all with effect from 31st August 2015.

Mr. CHOW Philip Yiu Wah will become a member of the Audit Committee of the Company with effect from 31st August 2015.

Board of Directors

The composition of the Board as at the date of this Interim Report is set out below:

Executive Directors

Mr. TUNG Chee Chen *(Chairman, President and Chief Executive Officer)*
Mr. TUNG Lieh Cheung Andrew
Mr. TUNG Lieh Sing Alan *(Acting Chief Financial Officer)*

Non-Executive Director

Professor Roger KING

Independent Non-Executive Directors

Mr. Simon MURRAY
Mr. CHANG Tsann Rong Ernest
Mr. CHOW Philip Yiu Wah
Professor WONG Yue Chim Richard
Mr. CHENG Wai Sun Edward
Mr. KWOK King Man Clement

Update on Directors' Information Under Rule 13.51B(1) of the Listing Rules

Below are the changes of Directors' information since the date of the 2014 Annual Report, required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Mr. TUNG Chee Chen, the Chairman, President and Chief Executive Officer of the Company, (i) retired as an Independent Non-Executive Director of Cathay Pacific Airways Limited^ on 20th May 2015; and (ii) ceased as a member of the Hong Kong-United States Business Council.

Mr. TUNG Lieh Cheung Andrew, an Executive Director of the Company, was appointed as an Independent Non-Executive Director of Cathay Pacific Airways Limited^ on 20th May 2015.

Mr. Simon MURRAY, an Independent Non-Executive Director of the Company, (i) retired as the Chairman and an Independent Non-Executive Director of Gulf Keystone Petroleum Ltd., a company listed in United Kingdom, on 31st March 2015, (ii) was re-designated from an Independent Non-Executive Director to a Non-Executive Director of China LNG Group Limited^ on 2nd April 2015; (iii) was appointed as an Independent Non-Executive Director of Cheung Kong Property Holdings Limited^ on 26th February 2015; (iv) was appointed as an Independent Non-Executive Director of CK Hutchison Holdings Limited^ on 9th January 2015 and resigned on 3rd June 2015; (v) resigned as an Independent Non-Executive Director of Cheung Kong (Holdings) Limited+ on 3rd June 2015; and (vi) has become the Non-Executive Chairman of General Enterprise Management Services Limited with effect from 1st July 2015.

Professor WONG Yue Chim Richard, an Independent Non-Executive Director of the Company, retired as an Independent Non-Executive Director of CK Life Sciences Int'l., (Holdings) Inc.^ on 15th May 2015.

^ currently listed on the Stock Exchange
+ previously listed on the Stock Exchange

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Report on Review of Interim Financial Information

To the Board of Directors of
Orient Overseas (International) Limited
(Incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 18 to 36, which comprises the condensed consolidated balance sheet of Orient Overseas (International) Limited (the "Company") and its subsidiaries (together, the "Group") as at 30th June 2015 and the condensed consolidated profit and loss account, the condensed consolidated statement of comprehensive income, the condensed consolidated cash flow statement and the condensed consolidated statement of changes in equity for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The Directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 7th August 2015

Condensed Consolidated Profit and Loss Account (Unaudited)

For the six months ended 30th June 2015

US$'000	Note	**2015**	2014
Revenue	5	**3,044,178**	3,237,248
Operating costs		**(2,613,174)**	(2,920,317)
Gross profit		**431,004**	316,931
Fair value gain from an investment property		**9,830**	9,653
Other operating income		**51,918**	89,824
Other operating expenses		**(221,768)**	(205,517)
Operating profit	6	**270,984**	210,891
Finance costs	8	**(30,097)**	(26,788)
Share of profits of joint ventures		**2,677**	2,467
Share of profits of associated companies		**9,225**	7,680
Profit before taxation		**252,789**	194,250
Taxation	9	**(14,146)**	(13,056)
Profit for the period		**238,643**	181,194
Profit/(loss) attributable to:			
Equity holders of the Company		**238,632**	181,296
Non-controlling interests		**11**	(102)
		238,643	181,194
Earnings per ordinary share (US cents)			
Basic and diluted	11	**38.1**	29.0

Condensed Consolidated Statement of Comprehensive Income (Unaudited)

For the six months ended 30th June 2015

US$'000	2015	2014
Profit for the period	**238,643**	181,194
Other comprehensive income:		
Item that will not be subsequently reclassified to profit or loss:		
Actuarial gains/(losses) on defined benefit schemes	**5,896**	(131)
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets		
– Change in fair value	**(18,300)**	(50,111)
Currency translation adjustments		
– Foreign subsidiaries	**(1,153)**	(1,404)
– Non-controlling interests	**–**	(52)
– Associated companies	**153**	(1,296)
– Joint ventures	**5**	(72)
Total items that may be reclassified subsequently to profit or loss	**(19,295)**	(52,935)
Other comprehensive loss for the period, net of tax	**(13,399)**	(53,066)
Total comprehensive income for the period	**225,244**	128,128
Total comprehensive income/(loss) attributable to:		
Equity holders of the Company	**225,233**	128,282
Non-controlling interests	**11**	(154)
	225,244	128,128

Condensed Consolidated Balance Sheet (Unaudited)

As at 30th June 2015

US$'000	Note	30th June 2015	31st December 2014
ASSETS			
Non-current assets			
Property, plant and equipment	12	5,891,791	5,608,929
Investment property	12	190,000	180,000
Prepayments of lease premiums	12	8,998	9,109
Joint ventures		10,214	9,011
Associated companies		149,633	152,499
Intangible assets	12	52,598	48,578
Deferred taxation assets		3,999	3,887
Pension and retirement assets		8,391	–
Derivative financial instruments	14	2,329	2,888
Restricted bank balances		73,508	54,168
Available-for-sale financial assets		138,253	139,636
Held-to-maturity investments		222,344	221,035
Other non-current assets		8,544	19,710
		6,760,602	6,449,450
Current assets			
Inventories		111,091	128,652
Debtors and prepayments	13	537,682	574,517
Amounts due from associated companies		6,937	–
Amount due from a joint venture		696	237
Held-to-maturity investments		15,001	24,792
Portfolio investments		294,557	223,423
Tax recoverable		10,775	13,010
Restricted bank balances		456	413
Cash and bank balances		2,183,584	2,165,914
		3,160,779	3,130,958
Asset held for sale		51,719	53,047
		3,212,498	3,184,005
Total assets		9,973,100	9,633,455
EQUITY			
Equity holders			
Share capital	15	62,579	62,579
Reserves	16	4,776,006	4,572,173
		4,838,585	4,634,752
Non-controlling interests		11	–
Total equity		4,838,596	4,634,752

Condensed Consolidated Balance Sheet (Unaudited)

As at 30th June 2015

US$'000	Note	30th June 2015	31st December 2014
LIABILITIES			
Non-current liabilities			
Borrowings	18	**3,840,588**	3,595,625
Deferred taxation liabilities		**57,894**	53,655
Pension and retirement liabilities		**286**	1,665
Derivative financial instrument	14	**2,322**	2,949
		3,901,090	3,653,894
Current liabilities			
Creditors and accruals	17	**837,397**	942,704
Amounts due to joint ventures		**9,308**	7,145
Borrowings	18	**381,185**	388,877
Derivative financial instrument	14	**–**	406
Current taxation		**5,524**	5,677
		1,233,414	1,344,809
Total liabilities		**5,134,504**	4,998,703
Total equity and liabilities		**9,973,100**	9,633,455

C C Tung
Alan Tung
Directors

Condensed Consolidated Cash Flow Statement (Unaudited)

For the six months ended 30th June 2015

US$'000	2015	2014
Cash flows from operating activities		
Cash generated from operations	316,771	283,834
Interest paid	(20,205)	(17,491)
Interest element of finance lease rental payments	(9,188)	(6,993)
Overseas taxes paid	(8,864)	(6,782)
Net cash from operating activities	278,514	252,568
Cash flows from investing activities		
Sale of property, plant and equipment	55,875	118,289
Sale of available-for-sale financial assets	–	37
Redemption on maturity of held-to-maturity investments	9,806	2,581
Purchase of property, plant and equipment	(246,936)	(11,161)
Addition of investment property	(170)	(347)
Purchase of held-to-maturity investments	(1,006)	(2,736)
(Increase)/decrease in portfolio investments	(69,632)	9,217
Increase in amount due from a joint venture	(459)	–
Increase in amounts due to joint ventures	2,163	3,118
Increase in restricted bank balances	(19,383)	(9,187)
Increase in bank deposits maturing more than three months from the date of placement	(334,106)	(114,963)
Increase of investment in an associated company	–	(10,296)
Increase in intangible assets	(6,098)	(6,943)
Decrease in other non-current assets	11,166	2,627
Interest received	17,892	17,878
Dividends received from portfolio investments	235	125
Distribution from available-for-sale financial assets	2,502	1,212
Dividends received from available-for-sale financial assets	7,902	7,903
Dividends received from associated companies	5,307	7,330
Dividend received from a joint venture	1,479	1,180
Net cash (used in)/from investing activities	(563,463)	15,864
Cash flows from financing activities		
Drawdown of loans	325,800	197,963
Repayment of loans	(208,464)	(350,529)
Capital element of finance lease rental payments	(125,982)	(173,755)
Dividends paid to equity holders of the Company	(21,400)	(11,795)
Net cash used in financing activities	(30,046)	(338,116)
Net decrease in cash and cash equivalents	(314,995)	(69,684)
Cash and cash equivalents at beginning of period	1,942,822	1,719,902
Currency translation adjustments	(1,440)	(2,444)
Cash and cash equivalents at end of period	1,626,387	1,647,774
Analysis of cash and cash equivalents		
Bank balances and deposits maturing within three months from the date of placement	1,626,387	1,647,893
Bank overdrafts	–	(119)
	1,626,387	1,647,774

Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the six months ended 30th June 2015

US$'000	Equity holders: Share capital	Equity holders: Reserves	Equity holders: Sub-total	Non-controlling interests	Total
Balance at 31st December 2014	**62,579**	**4,572,173**	**4,634,752**	**–**	**4,634,752**
Total comprehensive income for the period	**–**	**225,233**	**225,233**	**11**	**225,244**
Transactions with owners 2014 final dividend	**–**	**(21,400)**	**(21,400)**	**–**	**(21,400)**
Balance at 30th June 2015	**62,579**	**4,776,006**	**4,838,585**	**11**	**4,838,596**
Balance at 31st December 2013	62,579	4,408,228	4,470,807	5,817	4,476,624
Total comprehensive income/(loss) for the period	–	128,282	128,282	(154)	128,128
Transaction with owners 2013 final dividend	–	(11,795)	(11,795)	–	(11,795)
Balance at 30th June 2014	62,579	4,524,715	4,587,294	5,663	4,592,957

Notes to the Interim Financial Information

1. General Information

Orient Overseas (International) Limited (the "Company") is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal office is 33rd floor, Harbour Centre, No. 25 Harbour Road, Wanchai, Hong Kong.

The Company has its listing on the Main Board of The Stock Exchange of Hong Kong Limited.

This interim financial information was approved by the Board of Directors on 7th August 2015.

2. Basis of Preparation

The interim financial information has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). They have been prepared under the historical cost convention, as modified by the revaluation of investment property, available-for-sale financial assets, and financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss, which are carried at fair value and in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual accounts for the year ended 31st December 2014 except as disclosed below.

Change of estimated useful lives of the containers

During the period, management has reviewed the estimated useful lives of the dry and special containers. With due consideration of the standard of performance and the Group's maintenance programme over these containers, the Directors consider that it is more fair and appropriate to extend the estimated useful lives of dry and special containers from 10 years to 12 years. The revision of the estimated useful lives of the containers has the effect of reducing the depreciation charge for the six months ended 30th June 2015 by US$11.4 million.

The adoption of revised HKFRS

In 2015, the Group adopted the following amendment and improvements to existing HKFRS below, which are relevant to its operations.

Amendment and improvements to existing standards	
HKAS 19 (2011) Amendment	Defined Benefit Plans: Employee Contributions
HKFRSs	Annual Improvements 2010 – 2012 Reporting Cycle
HKFRSs	Annual Improvements 2011 – 2013 Reporting Cycle

There are no other new standards, amendments, interpretations and improvements that are effective for the first time for this interim period that would have a material impact on the Group.

New standards, amendments and improvements to existing standards that are relevant but not yet effective to the Group

New standards, amendments and improvements to existing standards		Effective for accounting periods beginning on or after
HKFRSs	Annual Improvements 2012 – 2014 Reporting Cycle	1st January 2016
HKAS 16 and HKAS 38 Amendments	Classification of Acceptable Methods of Depreciation and Amortisation	1st January 2016
HKAS 1 Amendments	Disclosure Initiative	1st January 2016
HKFRS 15	Revenue from Contracts with Customers	1st January 2017
HKFRS 9	Financial Instruments	1st January 2018

The Group has not early adopted the above standards, amendments and improvements and is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of accounts will result.

3. Financial Risk Management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the annual accounts for the year ended 31st December 2014.

3.1 Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial assets and liability that are measured at fair value at 30th June 2015:

US$'000	Level 1	Level 2	Level 3	Total
Assets				
Portfolio investments				
– Equity securities	50,869	–	–	50,869
– Debt securities	231,349	–	–	231,349
– Funds and other investments	–	12,339	–	12,339
Derivative financial instruments	–	2,329	–	2,329
Available-for-sale financial assets				
– Listed equity securities	84,325	–	–	84,325
– Other investments	–	–	53,928	53,928
Total assets	366,543	14,668	53,928	435,139
Liability				
Derivative financial instrument	–	2,322	–	2,322
Total liability	–	2,322	–	2,322

The following table presents the Group's financial assets and liability that are measured at fair value at 31st December 2014:

US$'000	Level 1	Level 2	Level 3	Total
Assets				
Portfolio investments				
– Equity securities	17,297	–	–	17,297
– Debt securities	194,436	–	–	194,436
– Funds and other investments	–	11,690	–	11,690
Derivative financial instruments	–	2,888	–	2,888
Available-for-sale financial assets				
– Listed equity securities	67,404	–	–	67,404
– Other investments	–	–	72,232	72,232
Total assets	279,137	14,578	72,232	365,947
Liability				
Derivative financial instruments	–	3,355	–	3,355
Total liability	–	3,355	–	3,355

There were no transfers among levels 1, 2 and 3 during the period.

3. Financial Risk Management (Continued)

3.1 Fair value estimation (Continued)

Specific valuation techniques used to value levels 2 and 3 financial instruments include:

- Dealer quotes.

- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

- Marketability discount rate derived from management's judgment is applied to estimate the fair value of unlisted equity security classified as available-for-sale financial asset.

There were no changes in valuation techniques during the period.

Instruments included in level 3 mainly comprise unlisted equity securities classified as available-for-sale financial assets.

The following table presents the changes in level 3 instruments:

	US$'000
Opening balance at 31st December 2014	**72,232**
Currency translation adjustments	**(4)**
Fair value change recognised in other comprehensive income	**(18,300)**
Closing balance at 30th June 2015	**53,928**

	US$'000
Opening balance at 31st December 2013	112,146
Disposals	(10)
Currency translation adjustments	2
Fair value change recognised in other comprehensive income	(45,200)
Closing balance at 30th June 2014	66,938

For level 3 instruments, the discount rate used to compute the fair value is 15%. The higher the discount rate, the lower the fair value.

3. Financial Risk Management (Continued)

3.2 Fair value of financial assets and liabilities measured at amortised cost

US$'000	Carrying amount 30th June 2015	Carrying amount 31st December 2014	Fair value 30th June 2015	Fair value 31st December 2014
Non-current bank loans	2,267,249	2,115,846	2,267,744	2,116,610
Non-current finance lease obligations	1,573,339	1,479,779	1,572,149	1,489,738
Held-to-maturity investments	237,345	245,827	251,029	260,750

The fair values of the following financial assets and liabilities approximate their carrying amounts:

- Debtors and prepayments
- Prepayment of lease premiums
- Cash and bank balances
- Restricted bank balances
- Other current financial assets
- Creditors and accruals
- Borrowings except for those disclosed above
- Other current financial liabilities

4. Critical Accounting Estimates and Judgements

Estimates and judgements used are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions applied in the preparation of the interim financial information are consistent with those used in the annual accounts for the year ended 31st December 2014.

5. Revenue

US$'000	2015	2014
Container transport and logistics	3,031,916	3,224,218
Rental income	12,262	13,030
	3,044,178	3,237,248

The principal activities of the Group are container transport and logistics.

Revenue comprises turnover which includes gross freight, charter hire, service and other income from the operation of the container transport and logistics and rental income from the investment property.

6. Operating Profit

US$'000	2015	2014
Operating profit is arrived at after crediting:		
Interest income from banks	9,059	8,895
Interest income from held-to-maturity investments	5,796	5,071
Gross rental income from an investment property	12,262	13,030
Profit on disposal of property, plant and equipment	292	4,540
Income from available-for-sale financial assets		
– Gain on disposal	–	27
– Distribution	2,502	1,212
– Dividend income	24,749	40,175
Net gain on interest rate swap contracts	489	233
Fair value gain on foreign exchange forward contract	1,818	1,568
Portfolio investment income		
– Fair value gain (realised and unrealised)	1,502	4,495
– Interest income	4,594	3,514
– Dividend income	458	213
Exchange gain	–	6,117
and after charging:		
Depreciation		
Owned assets	112,795	120,297
Leased assets	42,663	37,260
Operating lease rental expense		
Vessels and equipment	165,739	159,798
Terminals and berths	15,039	18,348
Land and buildings	15,410	14,611
Rental outgoings in respect of an investment property	7,295	7,027
Amortisation of intangible assets	2,078	4,197
Amortisation of prepayments of lease premiums	118	245
Exchange loss	1,631	–

7. Key Management Compensation

US$'000	2015	2014
Salaries and other short-term employee benefits	2,325	1,680
Pension costs – defined contribution plans	216	148
	2,541	1,828

The Group usually determines and pays discretionary bonuses to employees (including Directors) around April/May each year based on the actual financial results of the Group for the preceding year. The discretionary bonuses represent actual payments to the Directors and individuals during the current financial period in relation to performance for the preceding year.

8. Finance Costs

US$'000	2015	2014
Interest expense	(33,454)	(28,487)
Amount capitalised under assets	3,357	1,699
Net interest expense	(30,097)	(26,788)

9. Taxation

US$'000	2015	2014
Current taxation		
Hong Kong profits tax	(127)	(509)
Overseas taxation	(11,089)	(12,947)
	(11,216)	(13,456)
Deferred taxation		
Overseas taxation	(2,930)	400
	(14,146)	(13,056)

Taxation has been provided at the appropriate tax rates prevailing in the countries in which the Group operates on the estimated assessable profits for the period. These rates range from 10% to 47% (2014: 10% to 47%) and the rate applicable for Hong Kong profits tax is 16.5% (2014: 16.5%).

10. Interim Dividend

US$'000	2015	2014
Interim dividend of US9.6 cents (2014: US7.5 cents) per ordinary share	60,076	46,934

The Board of Directors proposes an interim dividend in respect of 2015 of US9.6 cents (2014: US7.5 cents) per ordinary share. This proposed dividend will be accounted for as an appropriation of retained profit for the year ending 31st December 2015.

11. Earnings Per Ordinary Share

The calculation of basic and diluted earnings per ordinary share is based on the Group's profit attributable to equity holders of the Company divided by the number of ordinary shares in issue during the period.

The basic and diluted earnings per ordinary share are the same since there are no potential dilutive shares.

US$'000	2015	2014
Number of ordinary shares in issue (thousands)	625,793	625,793
Group's profit/(loss) attributable to:		
Equity holders of the Company	238,632	181,296
Non-controlling interests	11	(102)
	238,643	181,194
Earnings per share attributable to equity holders of the Company (US cents)	38.1	29.0

12. Capital Expenditure

US$'000	Property, plant and equipment	Investment property	Prepayments of lease premiums	Intangible assets	Total
Net book amounts:					
Balance at 31st December 2014	**5,608,929**	**180,000**	**9,109**	**48,578**	**5,846,616**
Currency translation adjustments	**(176)**	**–**	**7**	**–**	**(169)**
Fair value gain	**–**	**9,830**	**–**	**–**	**9,830**
Additions	**492,751**	**170**	**–**	**6,098**	**499,019**
Disposals	**(2,536)**	**–**	**–**	**–**	**(2,536)**
Depreciation and amortisation	**(155,458)**	**–**	**(118)**	**(2,078)**	**(157,654)**
Classified as asset held for sale	**(51,719)**	**–**	**–**	**–**	**(51,719)**
Balance at 30th June 2015	**5,891,791**	**190,000**	**8,998**	**52,598**	**6,143,387**
Balance at 31st December 2013	5,320,251	170,000	9,543	42,663	5,542,457
Currency translation adjustments	(487)	–	(69)	–	(556)
Fair value gain	–	9,653	–	–	9,653
Additions	434,676	347	–	6,943	441,966
Disposals	(113,732)	–	–	–	(113,732)
Depreciation and amortisation	(157,557)	–	(245)	(4,197)	(161,999)
Balance at 30th June 2014	5,483,151	180,000	9,229	45,409	5,717,789

13. Debtors and Prepayments

US$'000	30th June 2015	31st December 2014
Trade receivables	**360,305**	378,682
Less: provision for impairment	**(10,800)**	(10,704)
Trade receivables – net	**349,505**	367,978
Other debtors	**78,778**	89,299
Other prepayments	**97,428**	106,718
Utility and other deposits	**11,971**	10,522
	537,682	574,517

Trade receivables are normally due for payment on presentation of invoices or granted with an approved credit period ranging mainly from 10 to 30 days. Debtors with overdue balances are requested to settle all outstanding balances before any further credit is granted. The ageing analysis of the Group's trade receivables, net of provision for impairment, prepared in accordance with the due dates of invoices, is as follows:

US$'000	30th June 2015	31st December 2014
Below one month	**311,250**	329,896
Two to three months	**24,445**	27,954
Four to six months	**10,567**	8,506
Over six months	**3,243**	1,622
	349,505	367,978

14. Derivative Financial Instruments

US$'000	30th June 2015	31st December 2014
Assets		
Non-current assets		
Interest rate swap contracts	2,329	2,888
Liabilities		
Non-current liability		
Foreign exchange forward contract	(2,322)	(2,949)
Current liability		
Interest rate swap contract	–	(406)
	(2,322)	(3,355)

15. Share Capital

US$'000	30th June 2015	31st December 2014
Authorised:		
900,000,000 ordinary shares of US$0.10 each	90,000	90,000
65,000,000 convertible redeemable preferred shares of US$1 each	65,000	65,000
50,000,000 redeemable preferred shares of US$1 each	50,000	50,000
	205,000	205,000
Issued and fully paid:		
625,793,297 (2014: 625,793,297) ordinary shares of US$0.10 each	62,579	62,579

16. Reserves

US$'000	Share premium	Contributed surplus	Capital redemption reserve	Available-for-sale financial assets revaluation reserve	Foreign exchange translation reserve	Retained profit	Total
Balance at 31st December 2014	172,457	88,547	4,696	69,374	61,400	4,175,699	4,572,173
Total comprehensive income/(loss) for the period	–	–	–	(18,300)	(995)	244,528	225,233
Transactions with owners							
2014 final dividend	–	–	–	–	–	(21,400)	(21,400)
Balance at 30th June 2015	172,457	88,547	4,696	51,074	60,405	4,398,827	4,776,006
Balance at 31st December 2013	172,457	88,547	4,696	111,661	64,934	3,965,933	4,408,228
Total comprehensive income/(loss) for the period	–	–	–	(50,111)	(2,772)	181,165	128,282
Transactions with owners							
2013 final dividend	–	–	–	–	–	(11,795)	(11,795)
Balance at 30th June 2014	172,457	88,547	4,696	61,550	62,162	4,135,303	4,524,715
Total comprehensive income/(loss) for the period	–	–	–	7,824	(762)	87,385	94,447
Transactions with owners							
2014 interim dividend	–	–	–	–	–	(46,989)	(46,989)
Balance at 31st December 2014	172,457	88,547	4,696	69,374	61,400	4,175,699	4,572,173

17. Creditors and Accruals

US$'000	30th June 2015	31st December 2014
Trade payables	233,174	238,149
Other creditors	106,649	114,675
Accrued expenses	434,385	509,265
Deferred revenue	63,189	80,615
	837,397	942,704

The ageing analysis of the Group's trade payables, prepared in accordance with dates of invoices, is as follows:

US$'000	30th June 2015	31st December 2014
Below one month	193,838	162,147
Two to three months	29,511	58,567
Four to six months	5,084	7,929
Over six months	4,741	9,506
	233,174	238,149

18. Borrowings

US$'000	30th June 2015	31st December 2014
Non-current		
Bank loans		
– Secured	2,166,559	2,015,399
– Unsecured	100,690	100,447
Finance lease obligations	1,573,339	1,479,779
	3,840,588	3,595,625
Current		
Bank overdrafts, unsecured	–	1
Bank loans, secured	223,047	256,389
Finance lease obligations	158,138	132,487
	381,185	388,877
Total borrowings	4,221,773	3,984,502

19. Commitments

(a) Capital commitments – Property, plant and equipment

US$'000	30th June 2015	31st December 2014
Contracted but not provided for	1,037,472	528,983
Authorised but not contracted for	79,209	82,648
	1,116,681	611,631

(b) Operating lease commitments

The future aggregate minimum lease rental expenses under non-cancellable operating leases are payable in the following years:

US$'000	Vessels and equipment	Land and buildings	Total
As at 30th June 2015			
2015/16	218,167	32,447	250,614
2016/17	124,066	27,751	151,817
2017/18	84,823	15,617	100,440
2018/19	68,138	10,941	79,079
2019/20	65,167	9,059	74,226
2020/21 onwards	99,520	39,739	139,259
	659,881	135,554	795,435
As at 31st December 2014			
2015	189,333	28,826	218,159
2016	110,329	24,262	134,591
2017	100,080	16,563	116,643
2018	70,455	6,856	77,311
2019	54,921	4,913	59,834
2020 onwards	143,044	14,436	157,480
	668,162	95,856	764,018

The Group entered into the Preferential Assignment Agreement (the "Agreement") with the City of Long Beach ("COLB") for the use of the Middle Harbor Terminal (the "Terminal") in Long Beach, California USA on 30th April 2012. The term of the Agreement is 40 years commencing on 1st July 2011. On 27th March 2013, the Group signed the First Amendment to Preferential Assignment Agreement (the "Amendment") with COLB, which has amended certain terms within Agreement and has altered the expected guaranteed minimum annual compensation to be made for the relevant period of the lease term.

The guaranteed minimum annual compensation is computed based on the guaranteed minimum annual compensation per acreage (ranging from US$180,000 to US$270,000 in the first 5 years of the lease) multiplied by the number of acreages of the Terminal delivered, which is subject to mutual agreement between the Group and COLB along the Terminal construction and based on the milestones set out in the Agreement. The construction is expected to be completed by 2019 and the estimated number of acreages of the Terminal upon completion is estimated to be approximately 304.7 acreages. As of 30th June 2015, the acreages of the Terminal available is 90.8 acres. The Group and COLB will renegotiate the guaranteed minimum annual compensation per acre every 5 years which will not be less than the highest guaranteed minimum annual compensation in the previous 5 years.

20. Segment Information

The principal activities of the Group are container transport and logistics. Container transport and logistics include global containerised shipping services in major trade lanes, covering Trans-Pacific, Trans-Atlantic, Asia/Europe, Asia/Australia and Intra-Asia trades, and integrated services over the management and control of effective storage and flow of goods. In accordance with the Group's internal financial reporting provided to the chief operating decision-makers, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are container transport and logistics and others.

Operating segments

The segment results for the six months ended 30th June 2015 are as follows:

US$'000	Container transport and logistics	Others	Elimination	Group
Revenue	**3,031,916**	**12,739**	**(477)**	**3,044,178**
Operating profit	210,466	60,518	–	270,984
Finance costs	(30,097)	–	–	(30,097)
Share of profits of joint ventures	2,677	–	–	2,677
Share of profits of associated companies	9,225	–	–	9,225
Profit before taxation	192,271	60,518	–	252,789
Taxation	(8,696)	(5,450)	–	(14,146)
Profit for the period	183,575	55,068	–	238,643
Capital expenditure	498,849	170	–	499,019
Depreciation	155,457	1	–	155,458
Amortisation	2,196	–	–	2,196

The segment results for the six months ended 30th June 2014 are as follows:

US$'000	Container transport and logistics	Others	Elimination	Group
Revenue	3,224,218	13,486	(456)	3,237,248
Operating profit	135,148	75,743	–	210,891
Finance costs	(26,788)	–	–	(26,788)
Share of profits of joint ventures	2,467	–	–	2,467
Share of profits of associated companies	7,680	–	–	7,680
Profit before taxation	118,507	75,743	–	194,250
Taxation	(7,349)	(5,707)	–	(13,056)
Profit for the period	111,158	70,036	–	181,194
Capital expenditure	441,619	347	–	441,966
Depreciation	157,557	–	–	157,557
Amortisation	4,442	–	–	4,442

20. Segment Information (Continued)

Operating segments (Continued)

The segment assets and liabilities as at 30th June 2015 are as follows:

US$'000	Container transport and logistics	Others	Group
Segment assets	7,091,430	2,714,190	9,805,620
Joint ventures	10,910	–	10,910
Associated companies	156,570	–	156,570
Total assets	7,258,910	2,714,190	9,973,100
Segment liabilities	(5,058,411)	(76,093)	(5,134,504)

The segment assets and liabilities as at 31st December 2014 are as follows:

US$'000	Container transport and logistics	Others	Group
Segment assets	6,861,002	2,610,706	9,471,708
Joint ventures	9,248	–	9,248
Associated companies	152,499	–	152,499
Total assets	7,022,749	2,610,706	9,633,455
Segment liabilities	(4,938,332)	(60,371)	(4,998,703)

The segment of "Others" primarily includes assets and liabilities of property and corporate level activities. Assets under the segment of "Others" consist primarily of investment property, available-for-sale financial assets, held-to-maturity investments and portfolio investments together with cash and bank balances that are managed at corporate level. Liabilities under the segment of "Others" primarily include creditors and accruals and deferred taxation liabilities related to corporate level activities.

20. Segment Information (Continued)

Geographical information

The Group's two reportable operating segments operate in four main geographical areas, even though they are managed on a worldwide basis. Freight revenues from container transport and logistics are analysed based on the outbound cargoes of each geographical territory.

The Group's total assets mainly include container vessels and containers which are primarily utilised across geographical markets for shipment of cargoes throughout the world. Accordingly, non-current assets by geographical areas are not presented.

US$'000	Revenue	Capital expenditure
Six months ended 30th June 2015		
Asia	**2,014,797**	**7,608**
North America	**434,351**	**22,655**
Europe	**506,067**	**119**
Australia	**88,963**	**14**
Unallocated*	**–**	**468,623**
	3,044,178	**499,019**
Six months ended 30th June 2014		
Asia	2,073,998	9,857
North America	466,873	85,795
Europe	586,050	298
Australia	110,327	9
Unallocated*	–	346,007
	3,237,248	441,966

* Unallocated capital expenditure comprises additions to vessels, dry-docking, containers and intangible assets.