

**BERMUDA CONTAINER LINE LTD.**Container and Breakbulk
Service from New YorkPAR LA VILLE PLACE
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Email: bcl@csn.bm**Interim Report to Shareholders for the Six Months Ended June 30, 2008**
(unaudited)

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Revenue	\$17,579,756	\$17,419,711	\$16,609,225
Expenses	\$16,050,939	\$15,428,973	\$14,569,347
Net earnings for the Period	\$ 1,528,817	\$ 1,990,738	\$ 2,039,878
Net earnings per share	\$ 0.51	0.66	0.67
Dividends per share	\$ 0.28	0.26	0.26

Bermuda Container Line's net earnings for the first six months of 2008 decreased by \$462,000 or 23% over the comparable period in 2007. This decline in net earnings was due to poor investment income. Investment income went from a healthy return in 2007 to an actual investment loss, \$132,500, in the first half of 2008. Due to the turmoil in world financial markets the BCL investment portfolio was liquidated during the second quarter and all funds are now held in a diversified portfolio of AAA money market funds and short-term deposits.

Operating earnings from the BCL service improved in 2008 over 2007 but the 2007 operating earnings were negatively impacted by the additional and unexpected costs of the "Oleander" dry-docking. Operating earnings in 2008 are below the figure for the first half of 2006. Cargo volume on the BCL service for the first half of 2008 was flat compared to the same period in 2007.

The SISL service from Florida experienced a healthy growth in cargo volume but the increased revenue generated by this additional volume was off-set by higher costs, particularly fuel costs, so that the earnings from this service in the first half of 2008 were comparable to 2007.

Consolidated gross fuel costs for Bermuda Container Line Ltd. were up \$729,000 or 74% in the first half of 2008 compared to 2007!

Cargo volumes for both the BCL service and the SISL service in the third quarter are down, undoubtedly in response to the uncertain economic conditions.

Hamilton, Bermuda
23rd September, 2008