

Loscam

Same Directions – New Owners

- Great Future

July 2010

Strictly Private and Confidential

LOSCAM

www.loscam.com

Introduction

- The six-month sale process for Loscam has successfully concluded, with Hong Kong-based China Merchants Group acquiring the business.
- Under the new ownership, the values and culture of Loscam will be retained and the business will continue to be run by the same management team with the same values and customer-centric approach as before.
- Quite genuinely, it will remain “business as usual” for Loscam and our customers.
- China Merchants Group is a good strategic fit with Loscam and Loscam will benefit considerably as a result of synergies with other China Merchants Group businesses, and through their experience in China.
- These are expected to result in the acceleration of our overall growth plans and our ability to meet customer needs.
- Through China Merchants Group’s sister companies, we will also have access to knowledge and information we would not have had previously.
- An overview of CMG is provided for your information.

China Merchants Group Summary

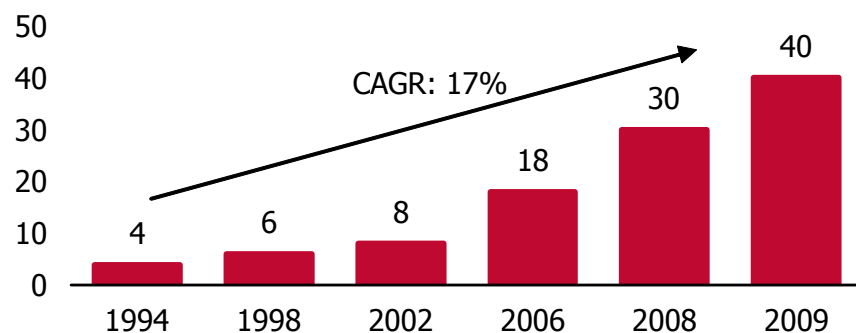
- CMG founded in 1872, is the oldest mainland China enterprise operating in Hong Kong.
- China Merchants Group is the top 10 state-owned enterprise in the PRC and a diversified conglomerate with a focus in three core business segments:
Transportation & related infrastructure,
Property development & management,
Financial investment & asset management.
- In 2009, the group's consolidated total assets amount to over US\$39 billion and total assets under management are US\$335 billion.



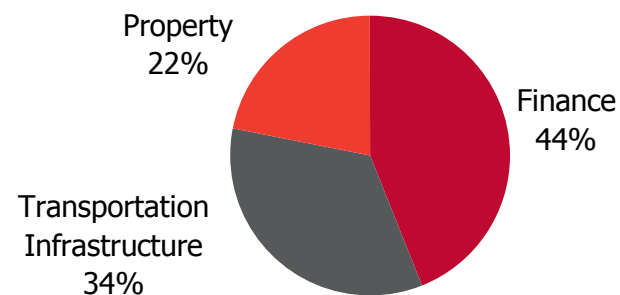
China Merchants Group Financial Summary

Total assets

(US\$ in billions)

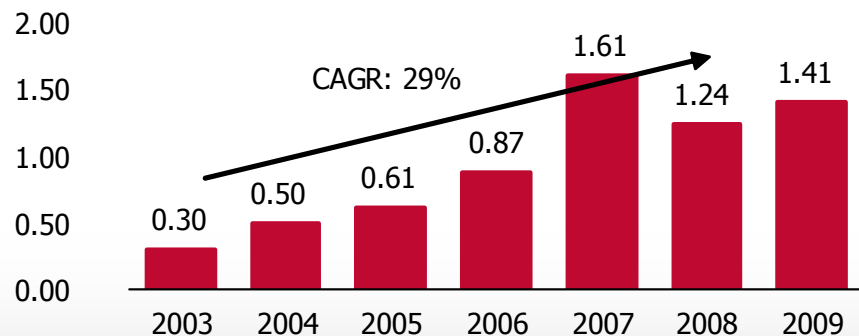


2009 asset portfolio by business sector

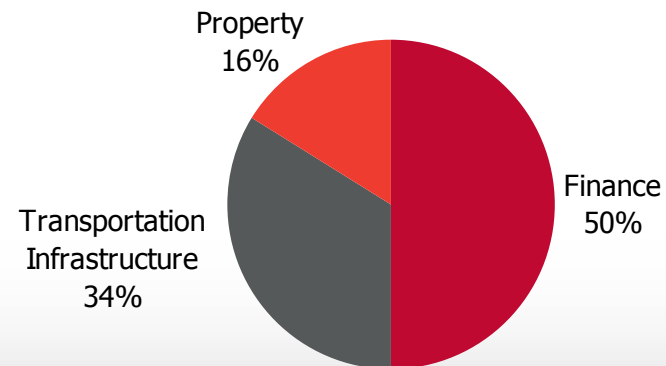


Net profit

(US\$ in billions)



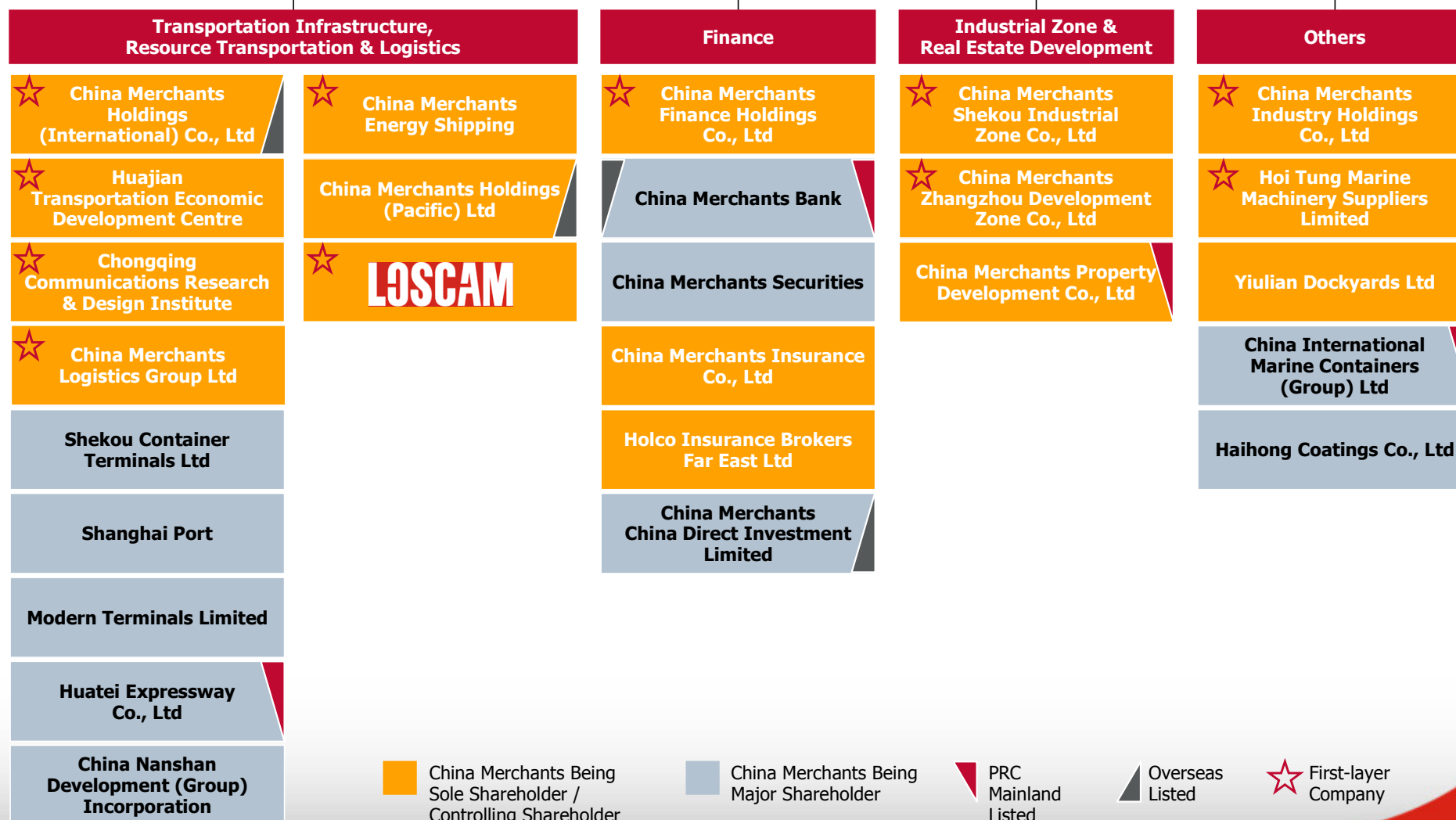
2009 profit contribution by business sector



China Merchants Group Structure

China Merchants Group

<http://www.cmhk.com/en/>



China Merchants Being Sole Shareholder / Controlling Shareholder

China Merchants Being Major Shareholder

PRC Mainland Listed

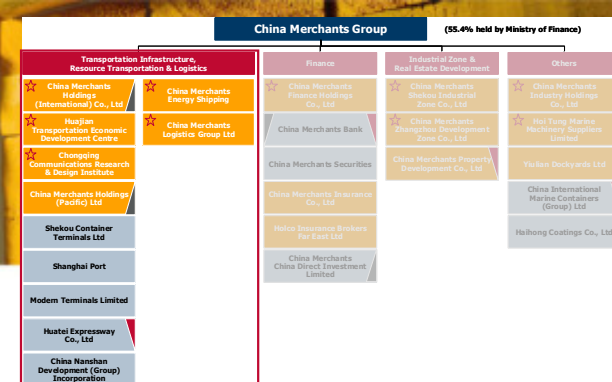
Overseas Listed

First-layer Company

Transportation Infrastructure and Logistics

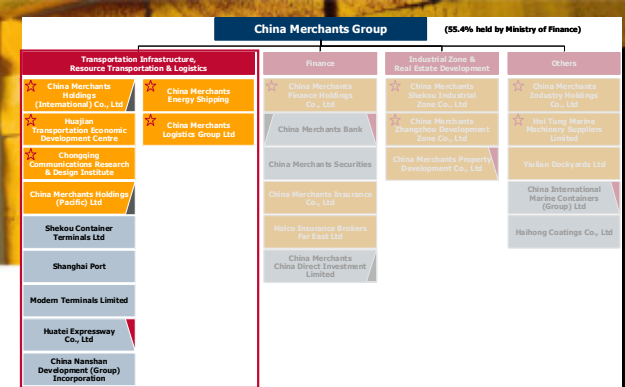
China Merchants is presently a major investor in and operator of transportation infrastructure in mainland China and Hong Kong

- **Port Operations;** China Merchants Holdings (International) is China's leading operator of public ports with operations spanning container terminals, bulk and general cargo terminals, port transportation, airport cargo handling
- **Logistics;** China Merchants Logistics Group is ranked as the No.4 logistics provider in China according to World Bank Lab and provides a broad scope of logistics services including warehousing, trucking, freight forwarding and cold chain logistics
- **Marine Container Manufacture;** China International Marine Container Group is the world leader in manufacturing and supplying marine containers, trailers, tank equipment and airport equipment
- **Energy Shipping** services include coastal, shipping moving freight between mainland ports and to Hong Kong. Also operates international shipping services for containers and gas/oil tankers
- **Toll road and bridge investor and operator;** China Merchants operates over 5,400 kilometres of expressways out of 6,100 kilometres of China's total, occupying 8.35% in China's highway market.



Port Operations

China Merchants Holdings (International) Company Limited ("CMHI") is China's leading port operator



Region	Ports
Tianjin	Tianji
Qingdao	Qingdao (Qianwan)
Shanghai	SIPG
Ningbo	Ningbo Daxie
Hong Kong	MTL CMCS
Shenzhen	CMPS SCT I SCT II SCT III Mawan Port Project Chiwan Wharf CCT

Total 2009 PRC and Hong Kong throughput: 140 million TEUs

3 Regional Delta & North Bay / xiamen Bay
Accounting for 80% of total PRC and Hong Kong throughput

CMHI handled a total throughput of 53.1 million TEUs in 2009 (32% of PRC)

...Accomplished its strategic network of investing in China's container terminal hubs: 3+2 hubs



Shanghai Port



Hong Kong Modern Terminals



Qingdao Port



Shekou Port



Ben Dinh Sao Mai Vietnam

Logistics

China Merchants Group		(55.4% held by Ministry of Finance)	
Transportation Infrastructure, Resource Transportation & Logistics	Finance	Industrial Zone & Real Estate Development	Others
China Merchants Holdings (International) Co., Ltd	China Merchants Finance Holdings Co., Ltd	China Merchants Shengrong Industrial Zone Co., Ltd	China Merchants Industry Holdings Co., Ltd
Huajian Transportation Economic Development Centre	China Merchants Energy Shipping	China Merchants Zhongzhou Development Zone Co., Ltd	Hai Yung Marine Machinery Supplies Limited
Chongqing Communications Research & Design Institute	China Merchants Bank	China Merchants Property Development Co., Ltd	Yanban Dockyards Ltd
China Merchants Holdings (Pacific) Ltd	China Merchants Securities		China International Marine Containers (Group) Ltd
Shexou Container Terminals Ltd	China Merchants Insurance Co., Ltd		Haihong Coatings Co., Ltd
Shanghai Port	Holice Insurance Brokers (Group) Ltd		
Modem Terminals Limited	China Merchants China Direct Investment Limited		
Huabei Expressway Co., Ltd			
China Nanshan Development (Group) Incorporation			

Leading provider of 3PL services in China

- Assets and services include;
 - Network of logistics terminals covering all major provinces in China
 - 500 Self-owned and 2700 outsourcing trucks
 - own 400,000m² and totally manage 1,000,000m² of warehouse facilities
 - 400,000 pallets in operation
 - 22 large distribution centers
 - Cold chain logistics
 - Freight forwarding
 - Gas/oil tanker fleet
 - IT integration team
- Strong growth trajectory;
 - Expect an additional 1,000,000m² of warehouses to open in next three years
- Leverages CMG's Logistics Park business;
 - Shenzhen, Tianjin, Guangzhou, Kunshan, Shanghai, Qingdao

Logistics network in China



Logistics (cont.)

China Merchants Group		(\$5.4% held by Ministry of Finance)	
Transportation Infrastructure, Resource Transportation & Logistics	Finance	Industrial Zone & Real Estate Development	Others
China Merchants Holdings (International) Co., Ltd	China Merchants Finance Holdings Co., Ltd	China Merchants Shenghai Industrial Zone Co., Ltd	China Merchants Industry Holdings Co., Ltd
Huajian Transportation Economic Development Centre	China Merchants Energy Shipping	China Merchants Zhongzhou Development Zone Co., Ltd	Hai Yung Marine Machinery Supplies Limited
Chongqing Communications Research & Design Institute	China Merchants Logistics Group Ltd	China Merchants Property Development Co., Ltd	Yuehai Dockyards Ltd
China Merchants Holdings (Pacific) Ltd	China Merchants Bank		China International Marine Containers (Group) Ltd
Shekou Container Terminals Ltd	China Merchants Securities		Haihong Coatings Co., Ltd
Shanghai Port	China Merchants Insurance Co., Ltd		
Modern Terminals Limited	Holice Insurance Brokers (Group) Ltd		
Huatai Expressway Co., Ltd	China Merchants China Direct Investment Limited		
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Complementary customer base

Class A international freight forwarding

Rail freight forwarding

Air-freight forwarding

Petroleum and chemical



ExxonMobil Chemical

BASF
The Chemical Company



Manufacturing



Retail

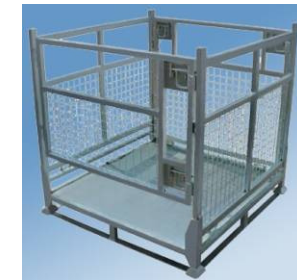


Marine Container Manufacture

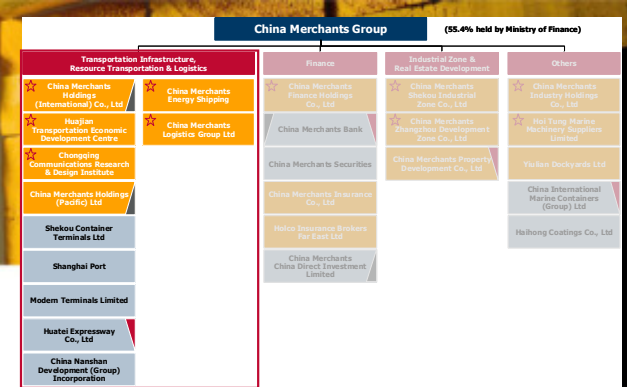
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Huajun Transportation Economic Development Centre	China Merchants Energy Shipping	China Merchants Shanghai Development Zone Co., Ltd	Hoi Tung Marine Machinery Suppliers Limited	
Chongqing Communications Research & Design Institute	China Merchants Logistics Group Ltd	China Merchants Property Development Co., Ltd	Yuhan Dockyards Ltd	
China Merchants Holdings (Pacific) Ltd	China Merchants Bank		China International Marine Containers (Group) Ltd	
Shexou Container Terminals Ltd	China Merchants Securities		Haihong Coatings Co., Ltd	
Shanghai Port	China Merchants Insurance Co., Ltd			
Modern Terminals Limited	Holice Insurance Brokers (P.R.C.) Ltd			
Huabei Expressway Co., Ltd	China Merchants China Direct Investment Limited			
China Nanshan Development (Group) Incorporation				

Leading global provider of marine containers

- No. 1 manufacturer and seller in the container business, with over 50% market share in the global container and reefer container industry
- The container products range from dry vans, reefers to tanks and various special containers
- No.1 global manufacturer of airport boarding tunnels
- The largest Chinese road transportation manufacturer with production capacity and scale ranked No.1
- Also, a large manufacturer of logistics equipment, such as steel pallet boxes
- Successfully penetrating into markets in Europe, America, Africa and Asia



Energy Shipping



One of Asia's largest shipping companies and China's largest energy shipping fleet

Current capacity

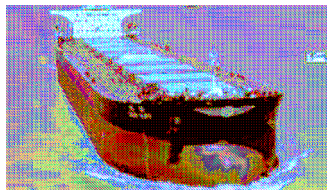
Plans in 2011



Oil tanker fleet

- 10 VLCC, 1 SUEZMAX, and 6 AFRAMAX
- Total DWT 3.7 million
- Top 20 global oil tanker fleet operators

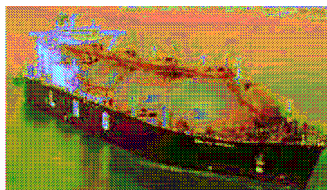
- Five 300,000-ton oil tanker vessels and two 11,000-ton Aframax to be procured
- Total DWT of 4.7 million



Bulk carrier fleet

- 12 Handymax vessels ranging from 42k to 49k DWT, 2 Panamax vessels and 1 Capesize bulk carrier
- Total DWT of 880,000
- Covering markets in Europe, America, Asia

- In total, a fleet of 21 bulk carriers will be in service
- Total DWT of 1.96 million



LNG fleet

- First LNG vessel fleet operator in China
- Total DWT of 420,000 in operation

- 2 more LNG vessels will be added in 2011

Leading in energy shipping

- Full Range of Business: transportation of oil, bulk cargos and LNG
- Large Capacity of Oil Tanker Fleet: No. 1 in ocean energy shipping in China, accounting for 28% of this market segment in China
- Strategic Cooperation with the leading Chinese oil companies:
 - Partnering with China Petroleum Chemical Corporation (CPC), Sinochem Group, China National Offshore Oil Corporation (CNOOC), etc.
 - China LNG Transport (Holdings) Co., Ltd. ("CLNG"), the first LNG transportation company in China, was formed as a joint venture between CMG's Hong Kong Ming Wah Shipping Company and COSCO's Dalian Ocean Shipping Company

For Enquiries

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