

Bank of America Merrill Lynch and Taiwan Stock Exchange

“Taiwan, Technology and Beyond” Conference

U-Ming Marine Transportation Corp.

President

C.K. Ong

■ **A member of Far Eastern Group**

■ **TSEC code: 2606**

2011/3/15-2011/3/17

Disclaimer:

- This presentation may contain statements that express management's expectations about future events or results rather than historical facts.
- These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected in forward-looking statements, and U-Ming cannot give assurance that such statements will prove correct.
- For additional information on factors that could cause U-Ming's actual results to differ from expectations reflected in forward-looking statements, please see U-Ming's reports filed with the U-Ming Marine Transportation Corp. and Taiwan Stock Exchange Corp.

A. About U-Ming

- Where are we now?
- What have we done to achieve today's position ?
- Where are we heading for

B. Macroeconomics

C. Dry Bulk Industry Outlook

- Demand
- Supply
- Port Congestion
- Conclusion

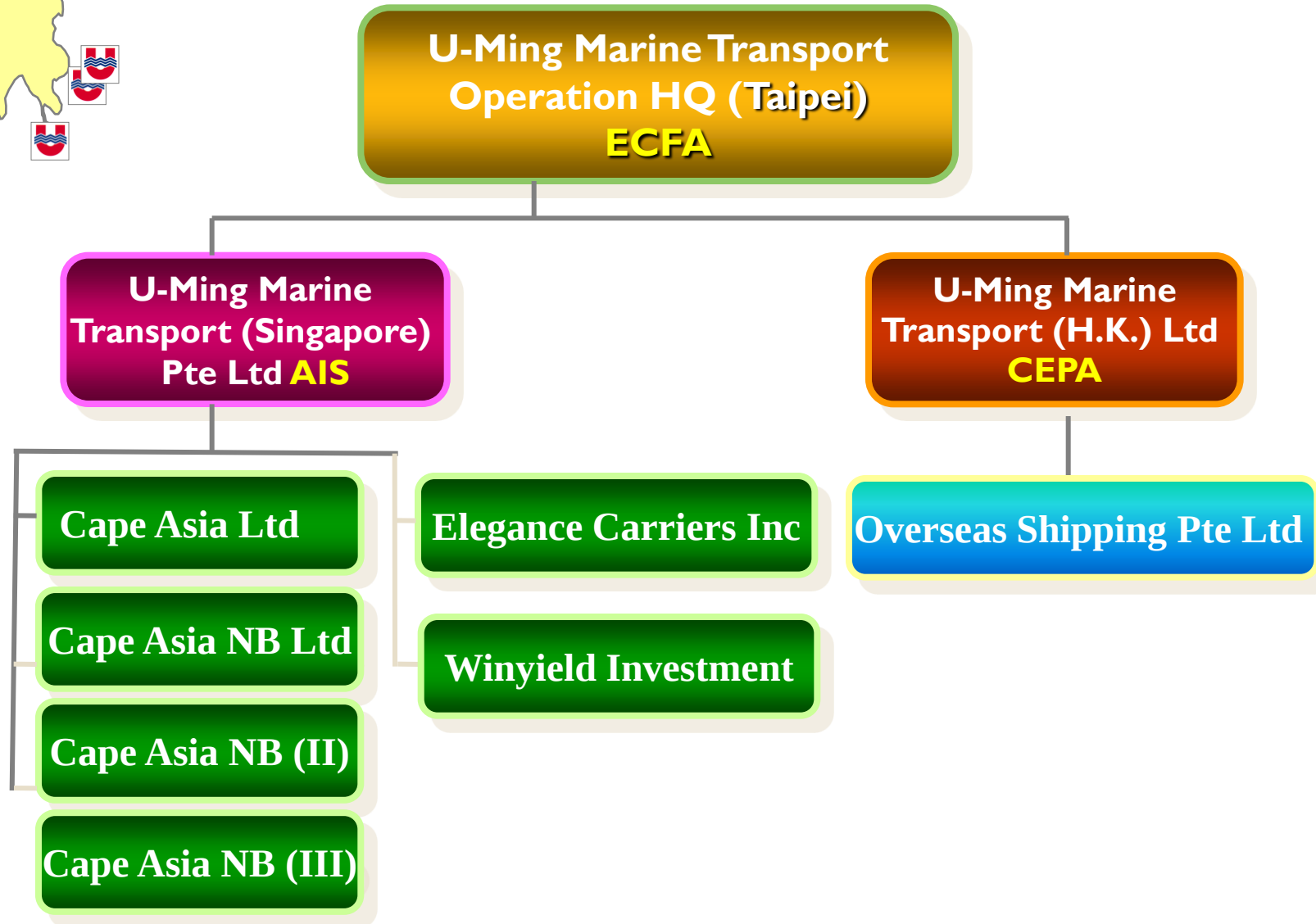
D. Our strategies

E. Q&A



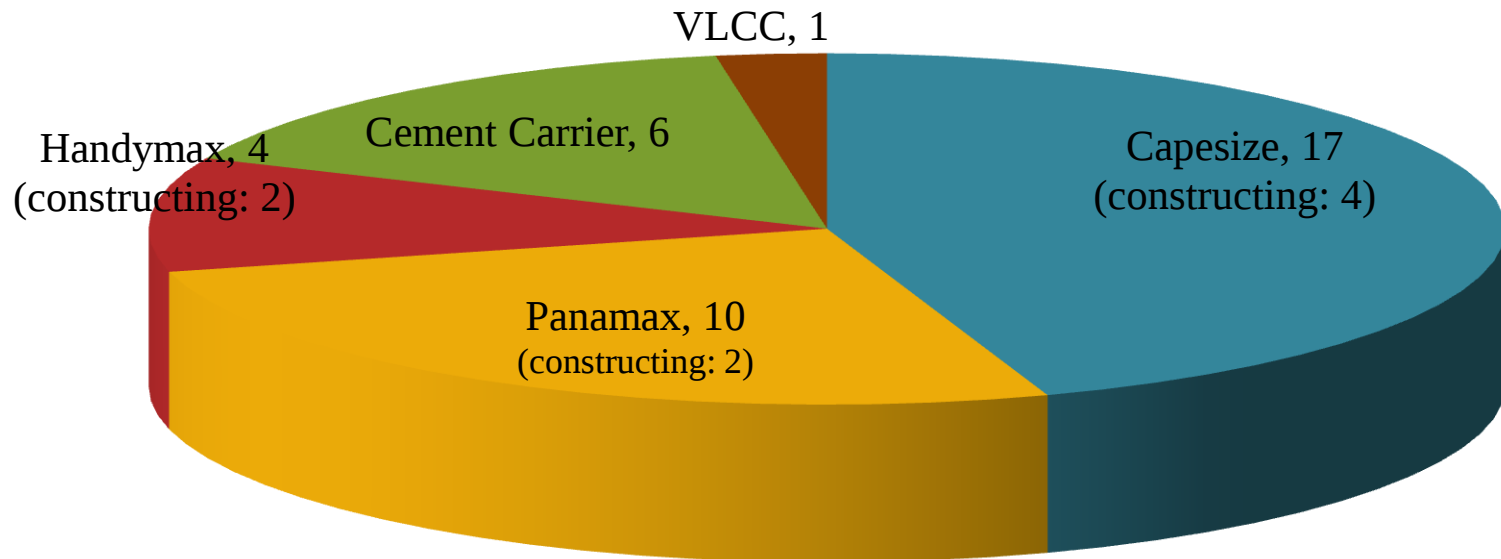
關於裕民

公司全球組織架構圖



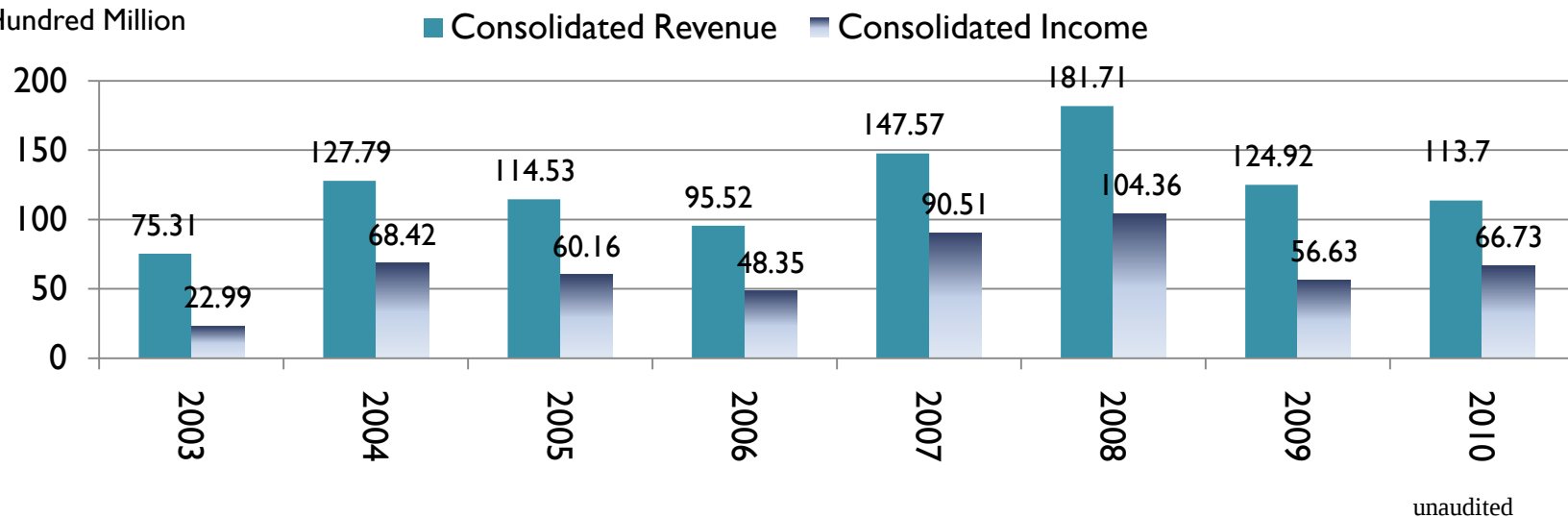
船隊資訊

38ships ,about 4.35 million tons in deadweight .(including JV owned)

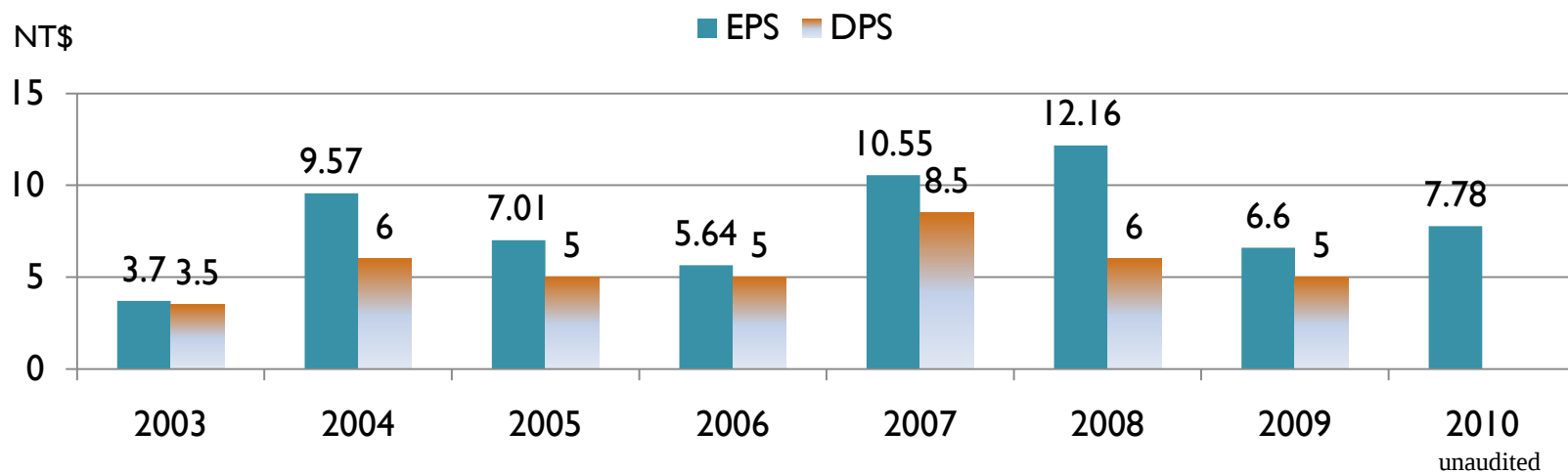


財務資料—營收與獲利

Hundred Million



NT\$





目前的經營環境

風險管理得宜度過金融危機

Prudent management

Resist temptation for over expansion while asset price sky rocketing

opportunities

Proactive Risk management

Finance Risk

Future Market Risk

Credit Risk

Funding & Exchange Risk

Counter Party Risk

財務風險管理

1 Reduce CAPEX before financial crisis and placed new orders at right time



◆ Newbuildings

- Supramax *2 (2012)
- Capesize*5(2011-2013)
- Kamsarmax*2(2012)
- Capex have been prepared

◆ Cash

- About 650 million USD in hand, (over 2.6 times of capital stock)

2

Well manage long(short)-term funds and loans

>> Lower the interest expense of domestic loans and increasing overseas earnings

3

Decrease outstanding days of accounts receivable

>> Lifting turnover rate

客戶風險管理

- **Raise the portion of long-term contracts at the zenith to increase operating profit**

Long-term contract	2011	2012	2013
Ratio	45%	20%	10%

- **Discreetly to choose reliable business partners:**
- **BHPB, Rio Tinto, Tenaga Nasional, Taiwan power Company**

高競爭力的公司

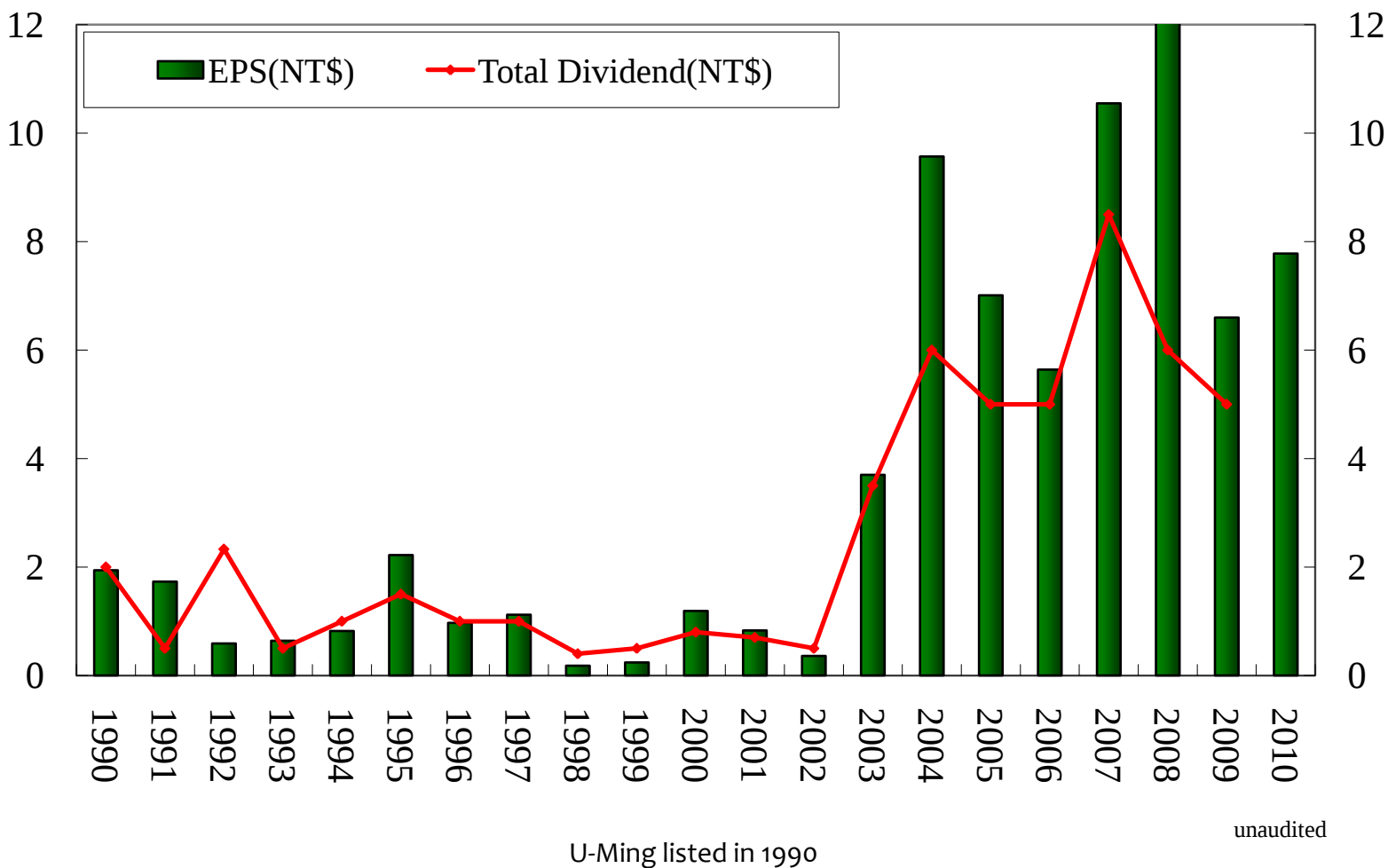
A highly competitive, profitable and stable company

NT\$

	2003	2004	2005	2006	2007	2008	2009	2010 (unaudited)
EPS	3.7	9.57	7.01	5.64	10.55	12.16	6.6	7.78
DPS	3.5	6.0	5.0	5.0	8.5	6.0	5	-
CPS	3.8	7.38	8.69	11.12	20.02	25.54	25.91	23.57
Dividend Yield	18%	13%	11%	10%	10%	12%	8.6%	-
ROE	23.7%	52%	34.7%	24.4%	40.03%	40.45%	20.61%	23.88%
P/E Ratio	5.24	4.93	6.30	6.42	7.41	5.96	8.79	8.10
EBITDA %	53.1	68.38	68.45	72.13	76.13%	70.07%	63%	76.81%
L/A Ratio	43%	29%	23%	26%	31%	34%	39%	41%
Economic Value Added	1,380 m	5,599 m	4,512 m	3,010 m	6,657 m	7,790m	2,697m	3,618m

上市後沒有虧損紀錄

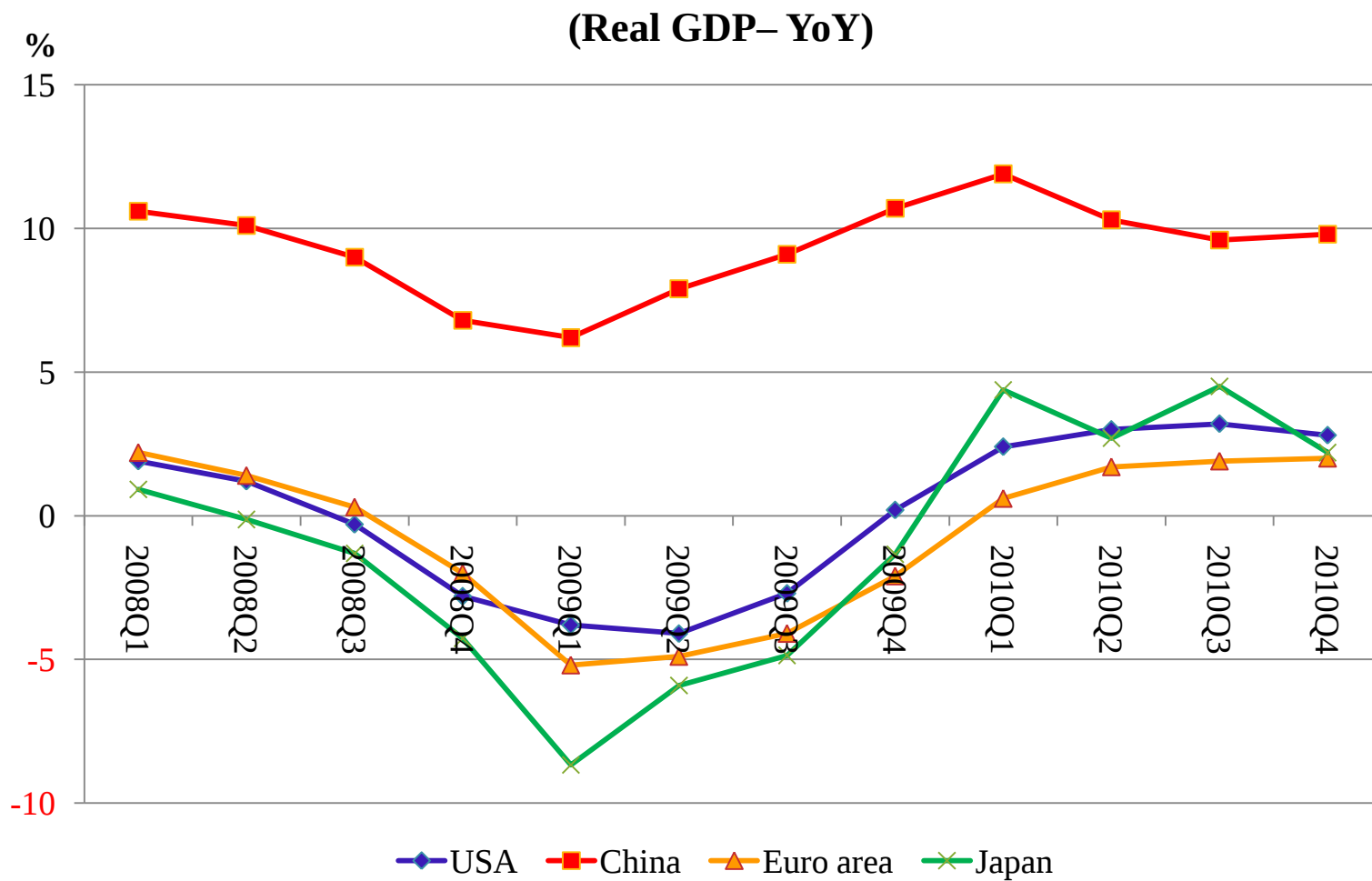
Good track record since the IPO



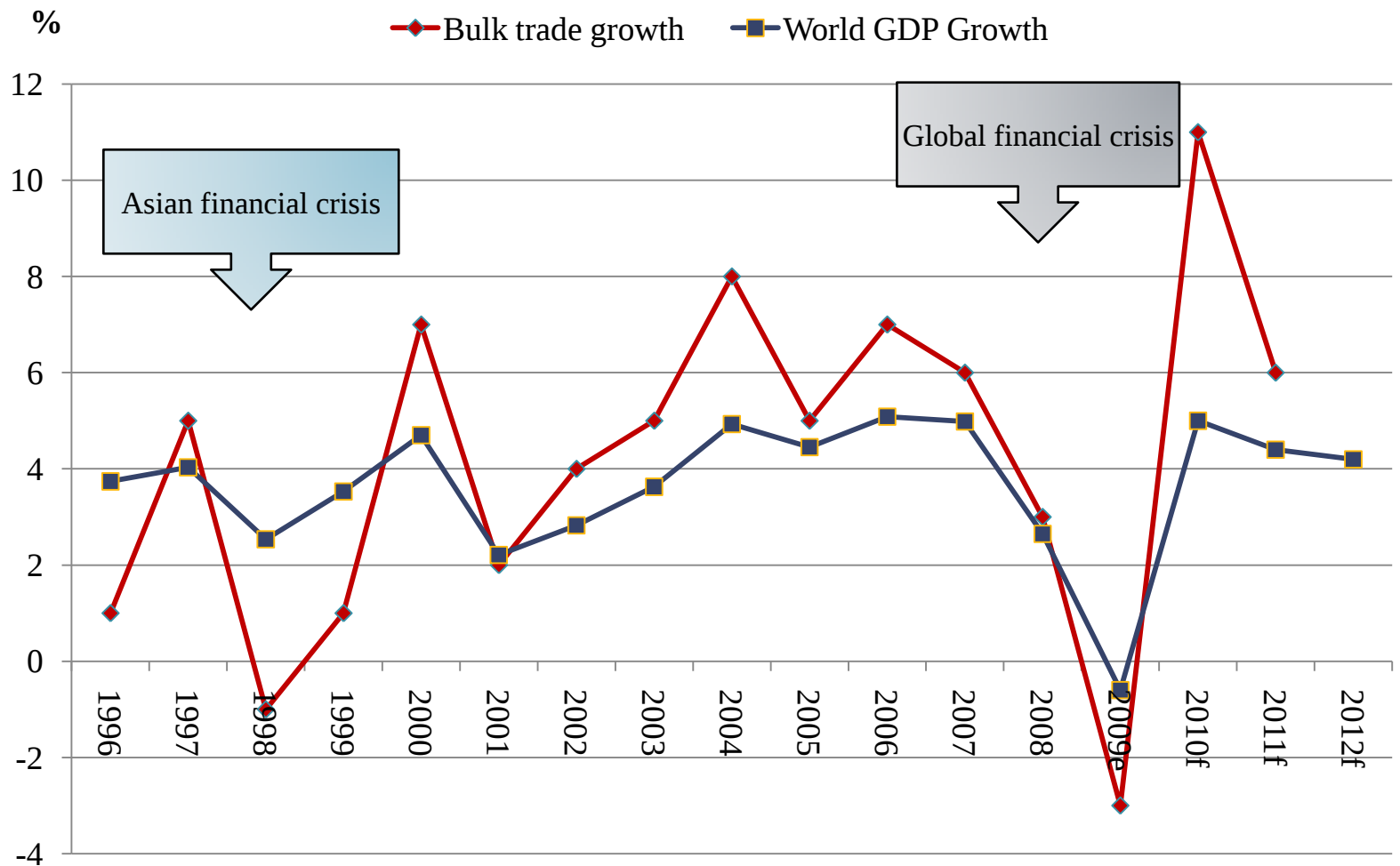


總體經濟面

全球經濟回顧



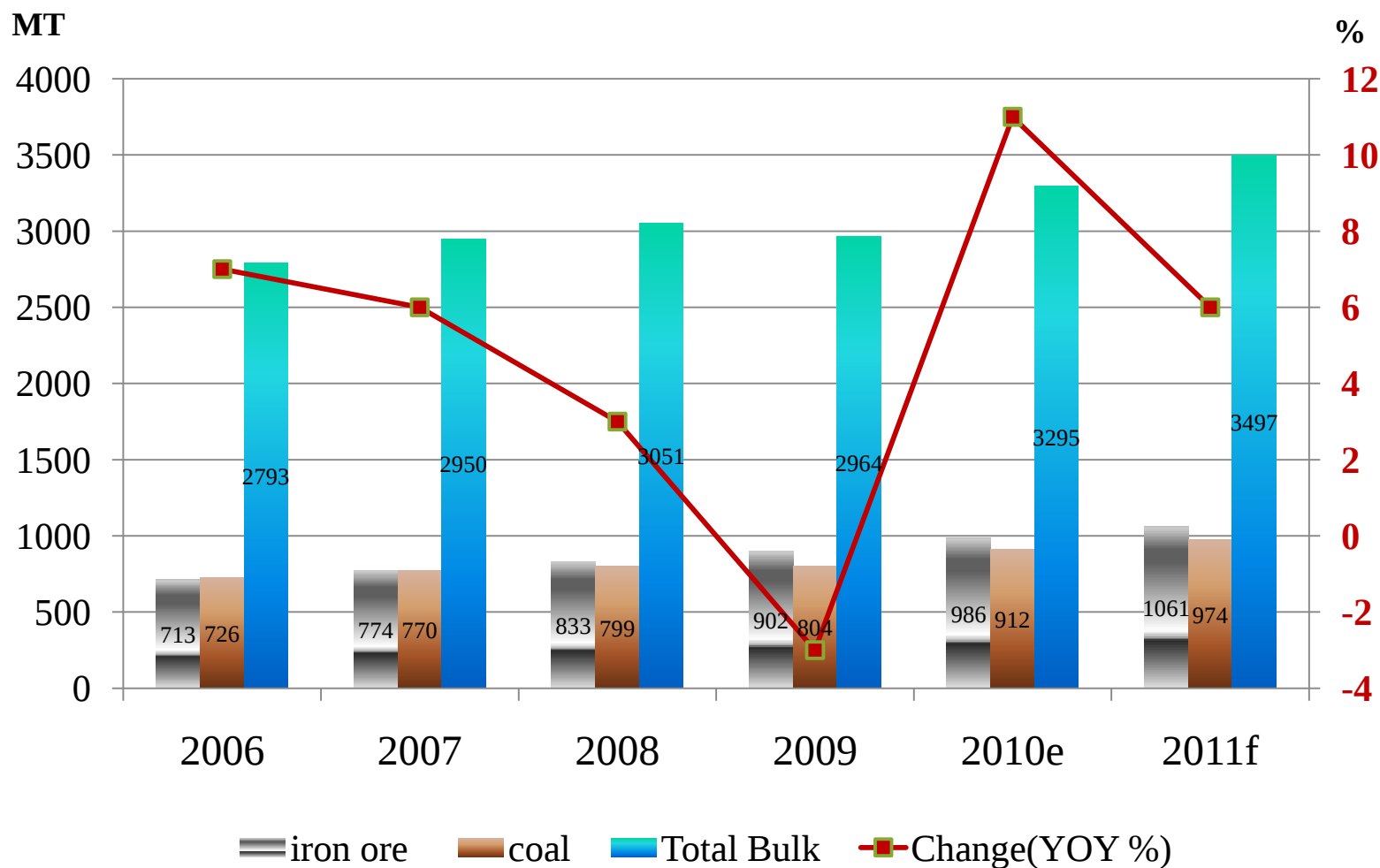
經濟成長與散裝航運





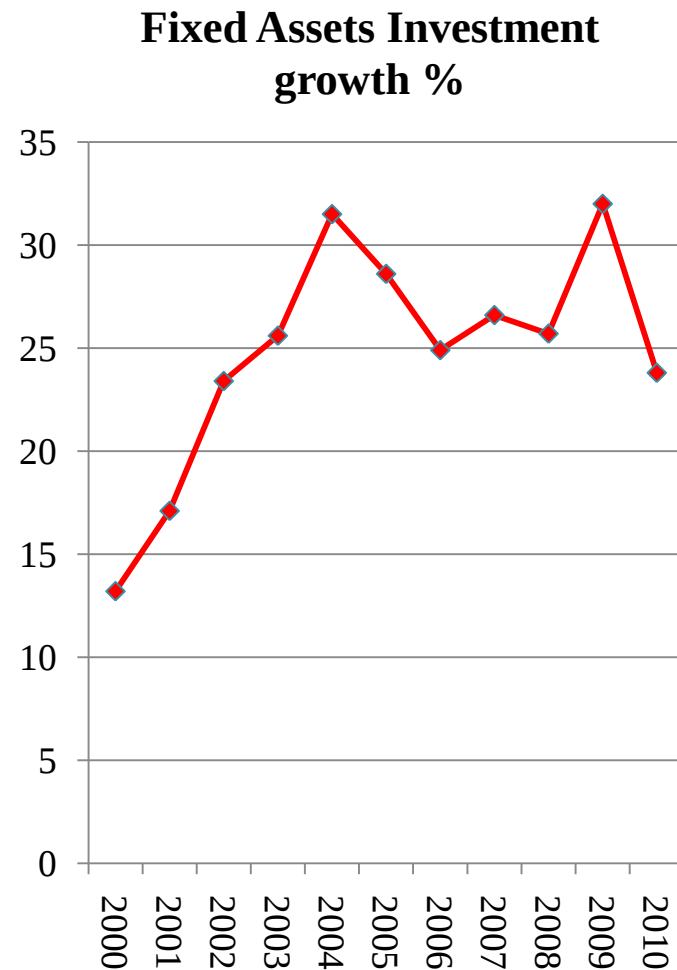
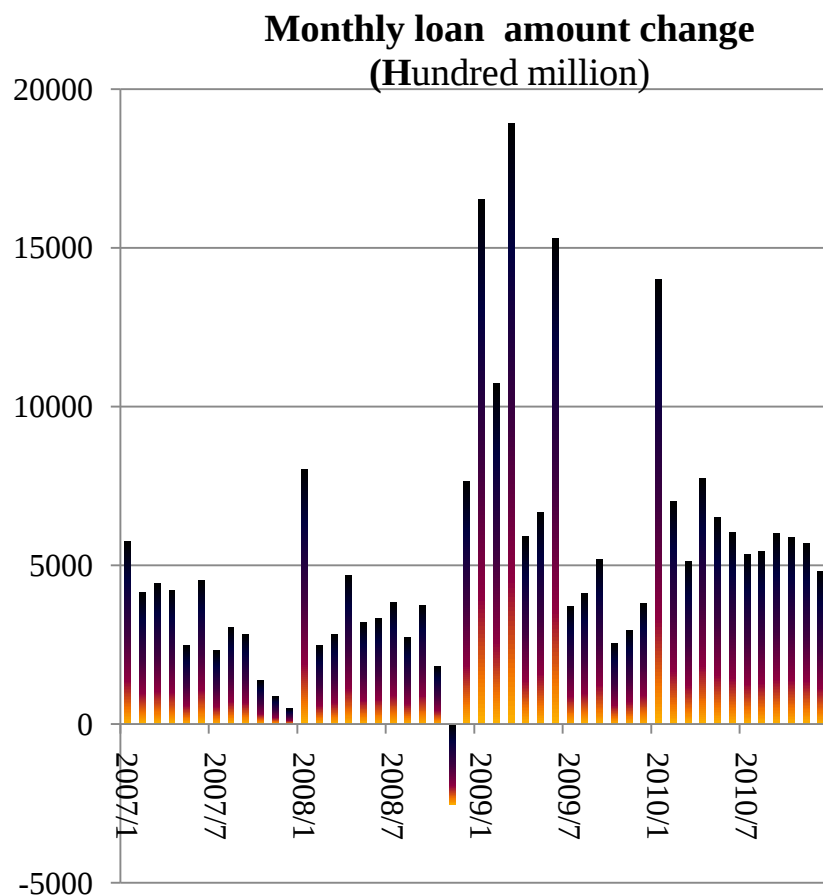
散裝航運展望

Clarkson – 散裝航運預測



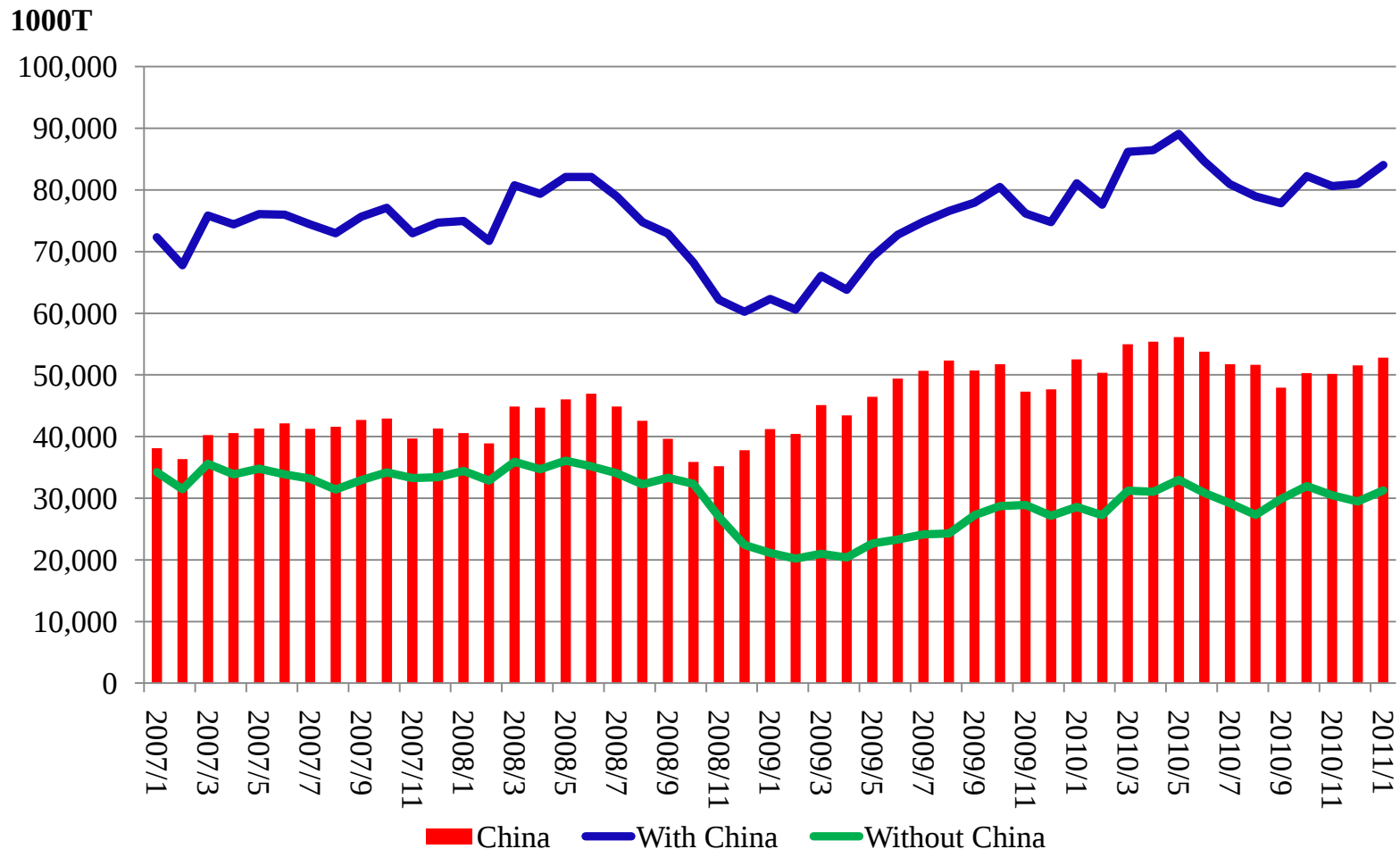
中國擴大貸款及內需

In 2009, boosting loans to a record 9.59 trillion Yuan (\$US1.4 trillion)
2010 : 7.95 trillion Yuan

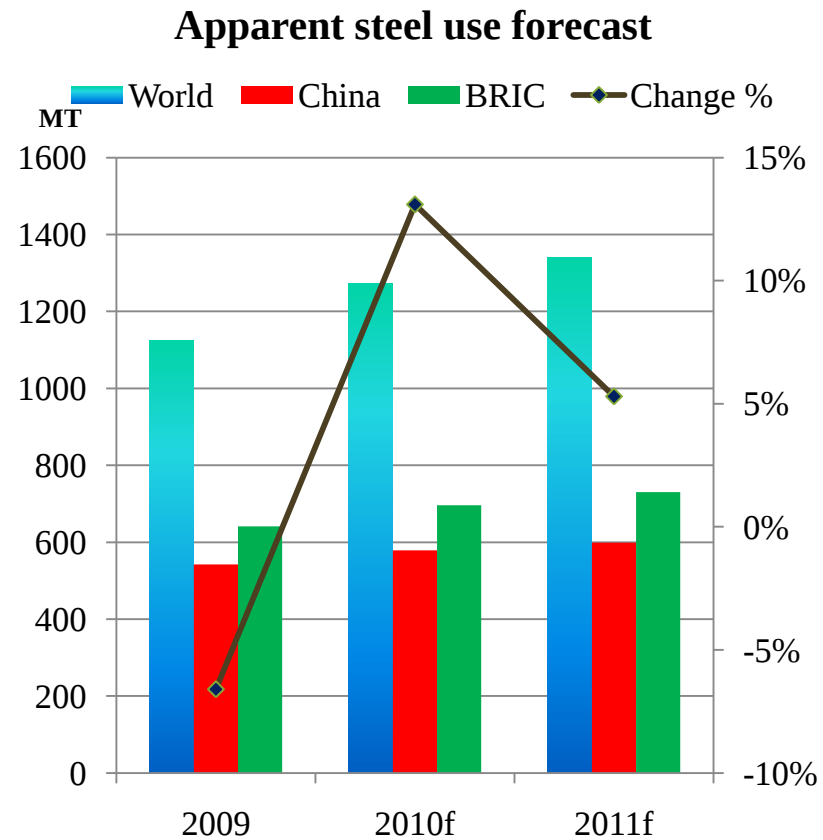
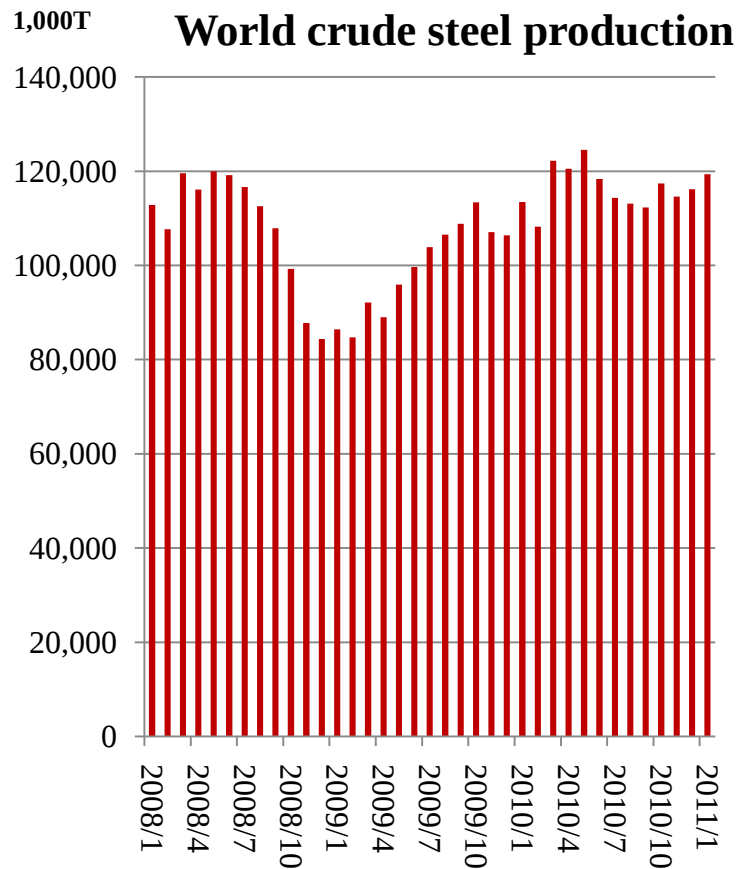


主要鐵礦進口地區之粗鋼產量

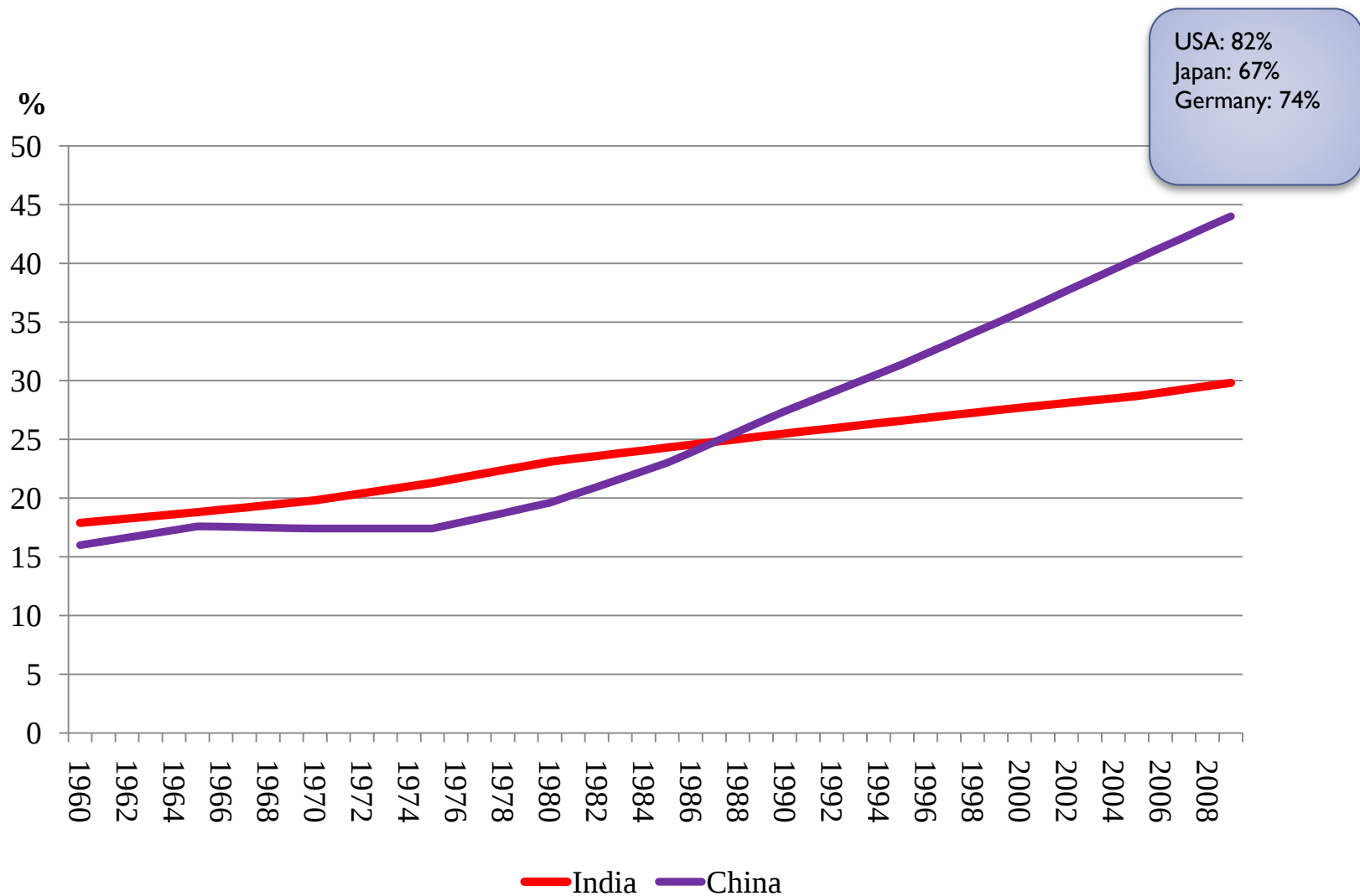
EU27+NEASIAN Crude steel production



全球鋼鐵展望

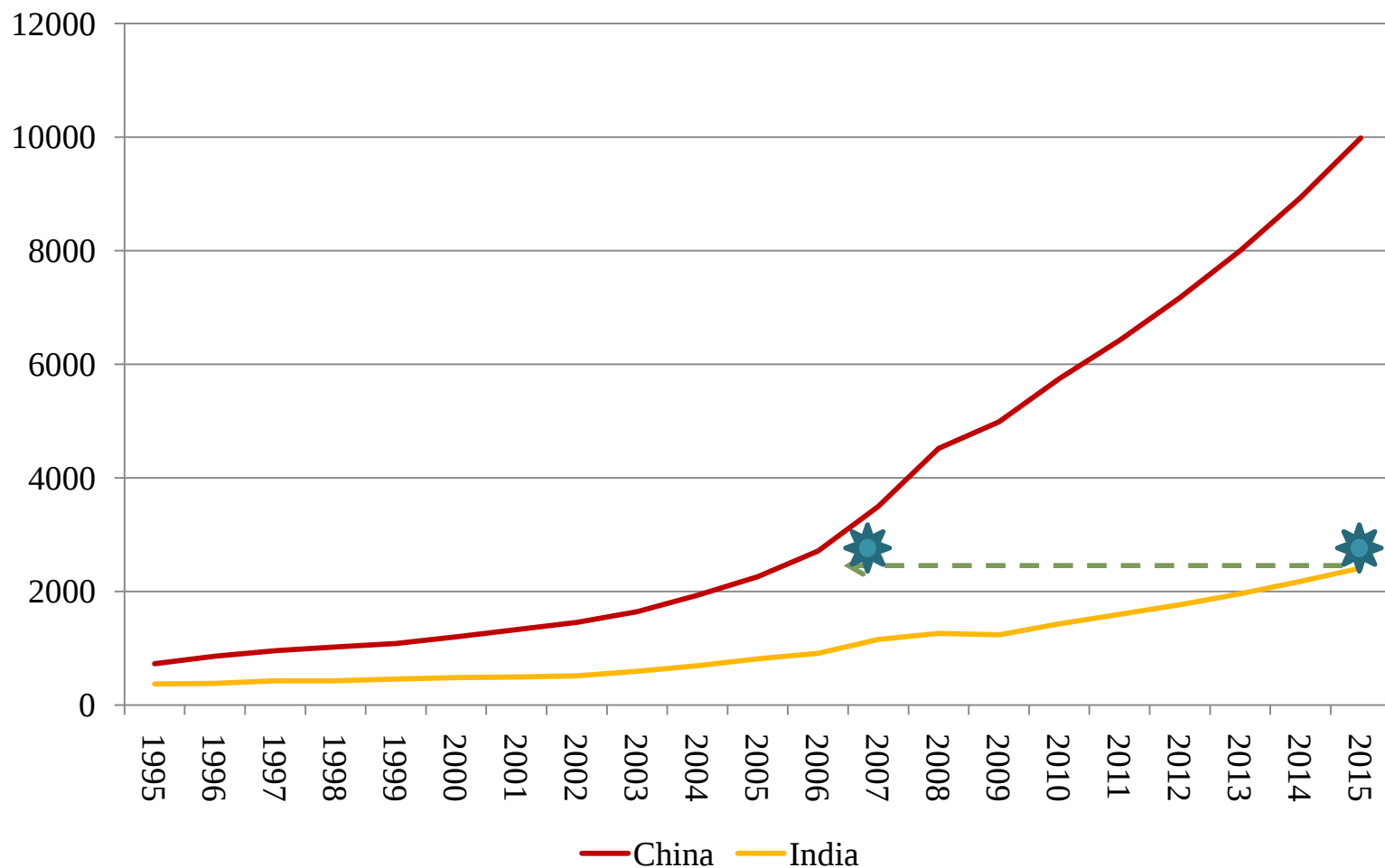


中印城市化進程



中印之經濟起飛

Gross domestic product, current prices (USD Billions)



經濟成長與鋼鐵消費量

China steel demand to increase in new round of economic growth by:

A. Develop low carbon economy

- Electrified railway, high speed railway and underground railway

B. Auto industry

C. Real estate property market

D. Delivery pipe line

2009—China
GDP :
US\$3,735/pc

-Steel
consumption
:422.1kg/pc

2009—India -GDP:
US\$1,032/pc
-steel consumption:
49.8kg/pc

1960'

-GDP exceed
US\$3,000/pc
-Steel consumption
exceed 350kg/pc

1977'

-GDP exceed
US\$6,000/pc
-Steel consumption
exceed 450kg/pc

1982'

-GDP exceed
US\$10,000/pc
-Steel consumption
exceed 550kg/pc

1988'

-GDP exceed
US\$15,000/pc
-Steel consumption
exceed 650kg/pc

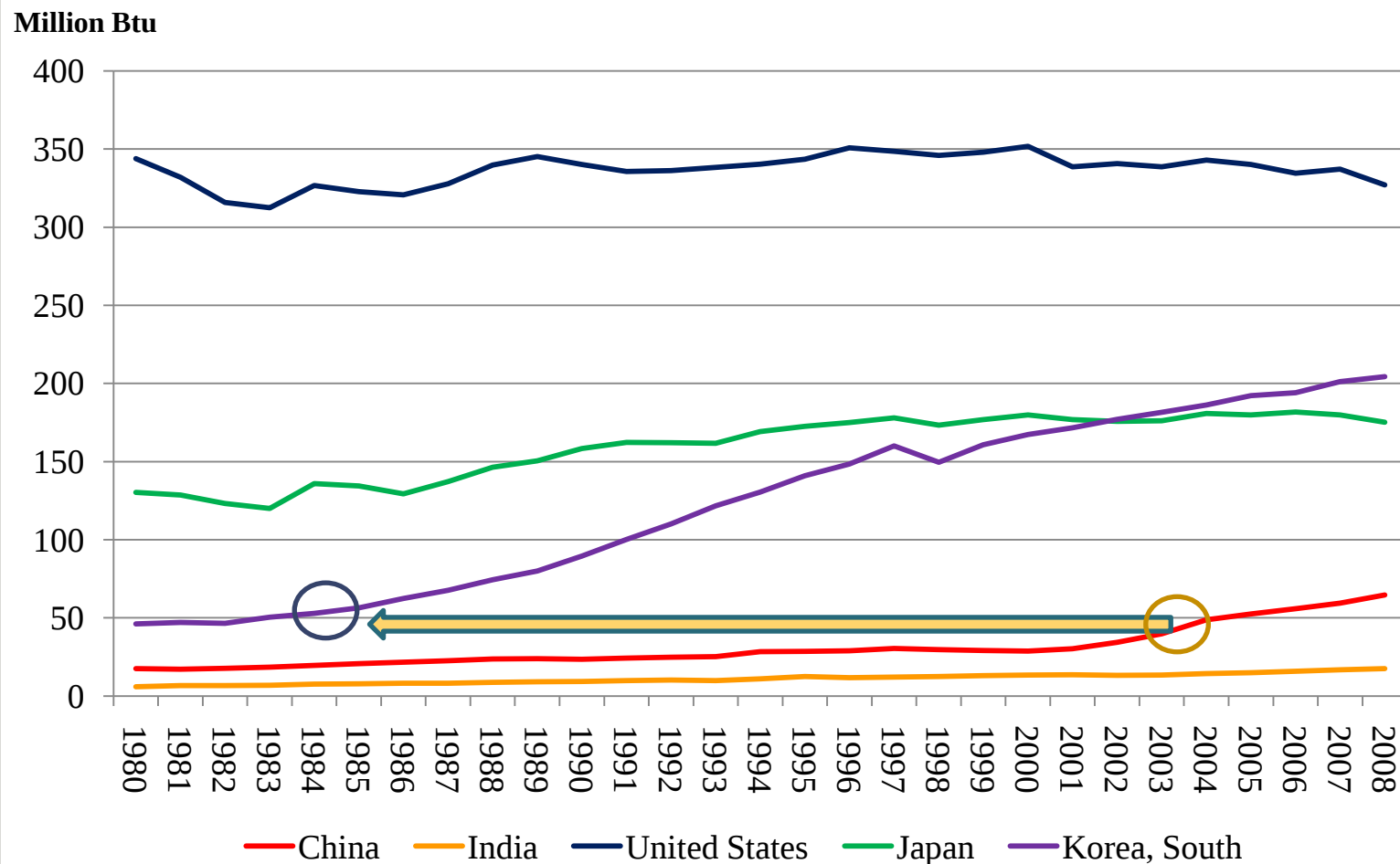
Japan

Korea

2004'

-GDP exceed US\$15,000/pc
-Steel consumption exceed
1021kg/pc

國民平均耗能比較



大型基礎建設案

■ China

- HK-Zhuhai-Macao bridge
- South-North Water Line
- High Speed railway
- Smart grid

■ USA

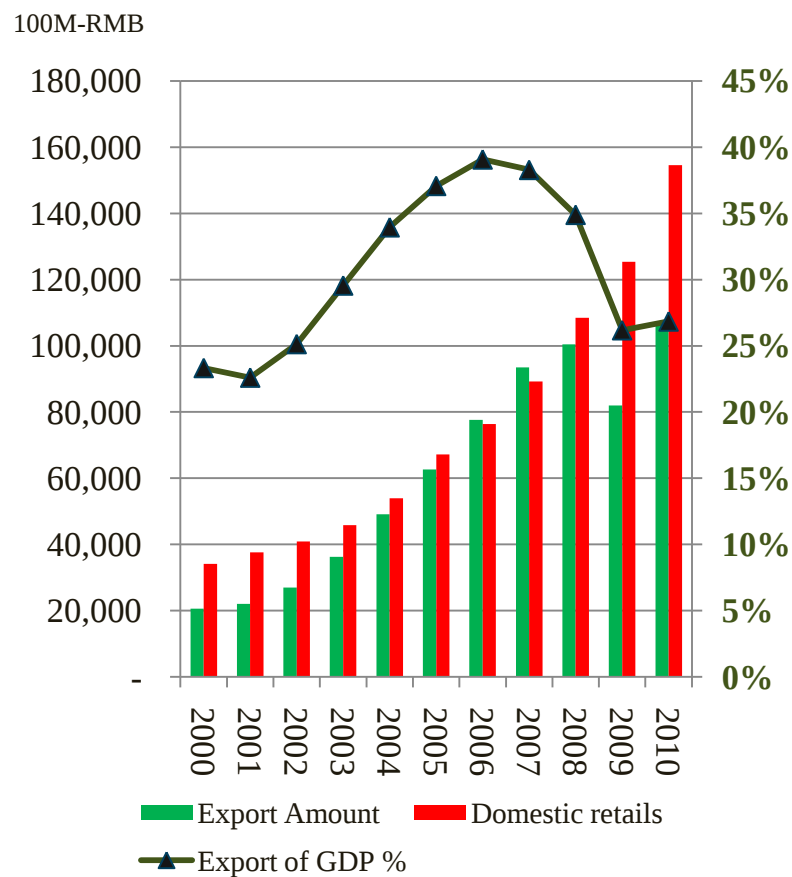
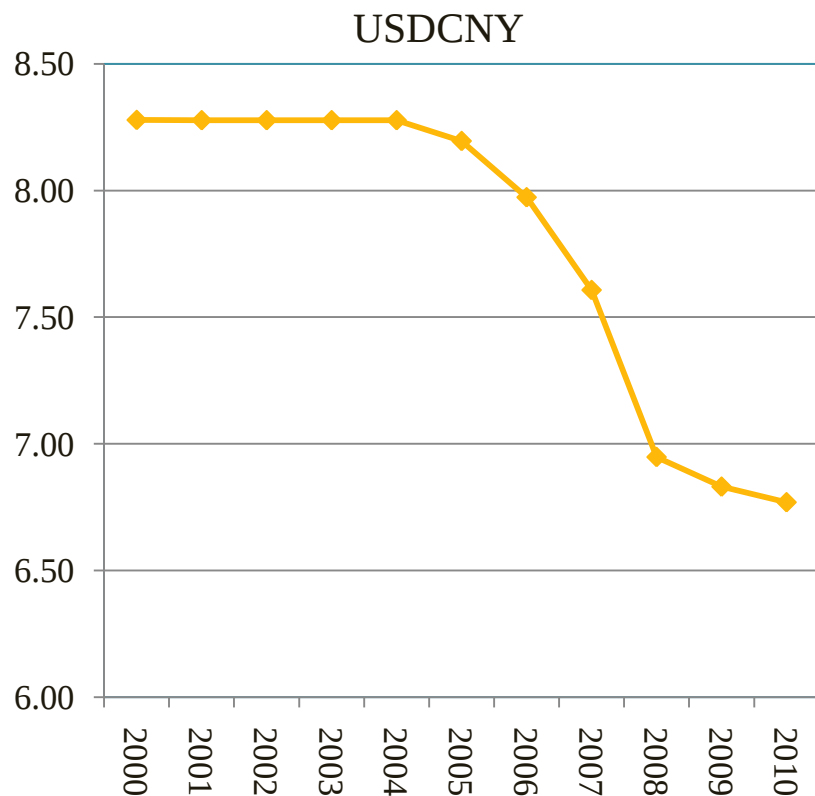
- High Speed railway
- Smart grid

■ Trans-Asian railway

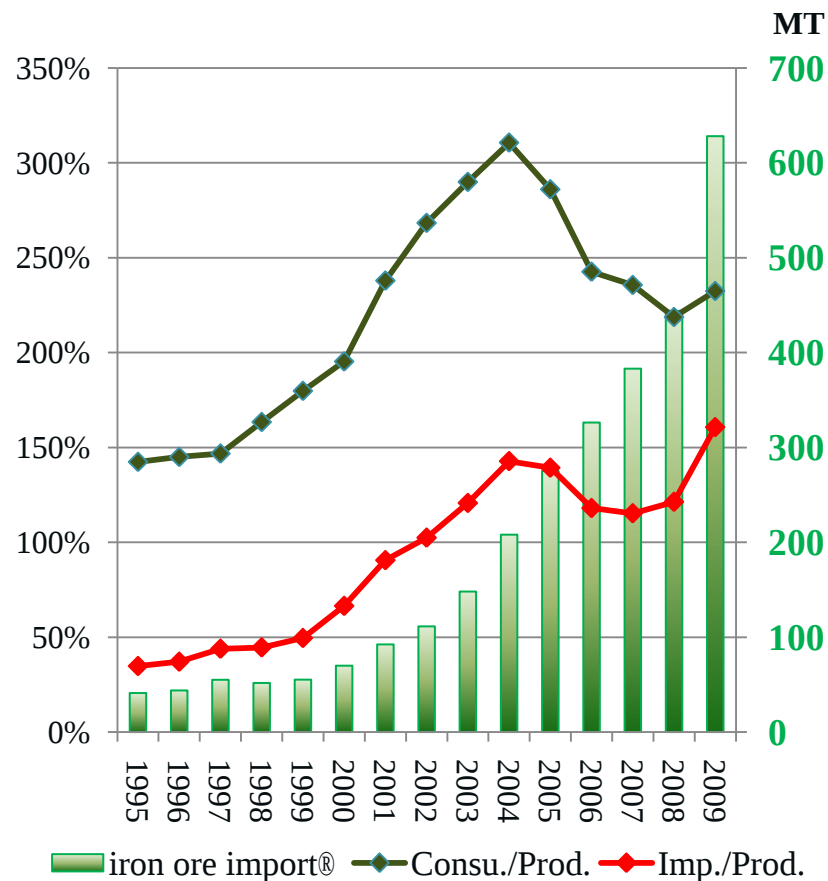
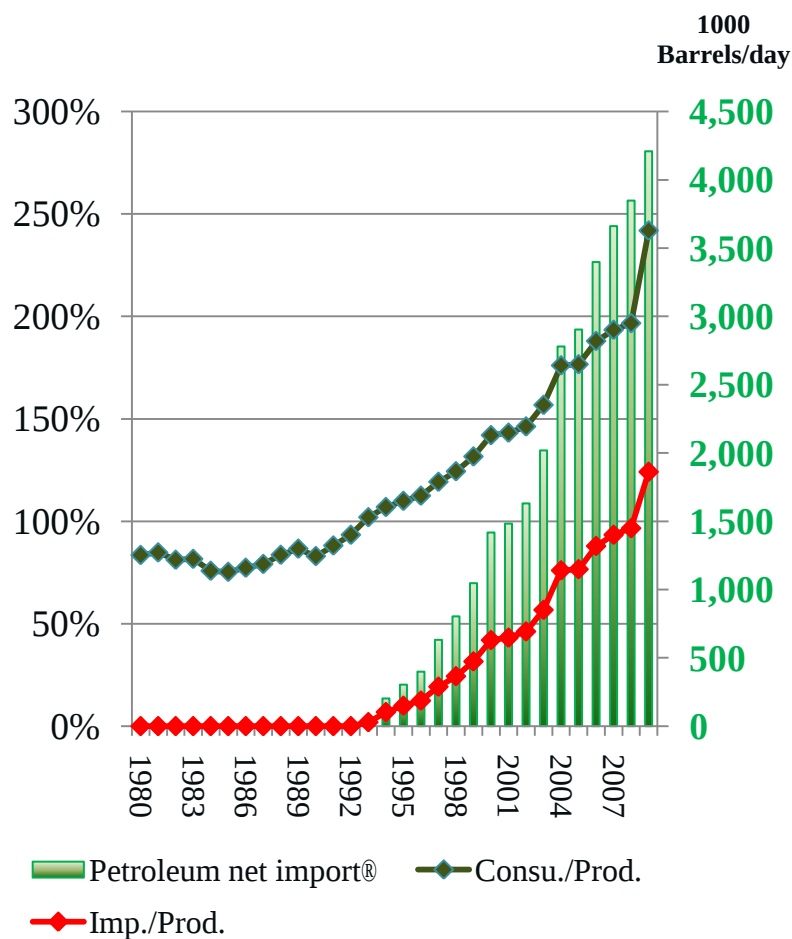
■ UK: 2012 Olympic

人民幣升值有利進口：

1. Encourage domestic demand
2. Discourage exports
3. Encourage imports

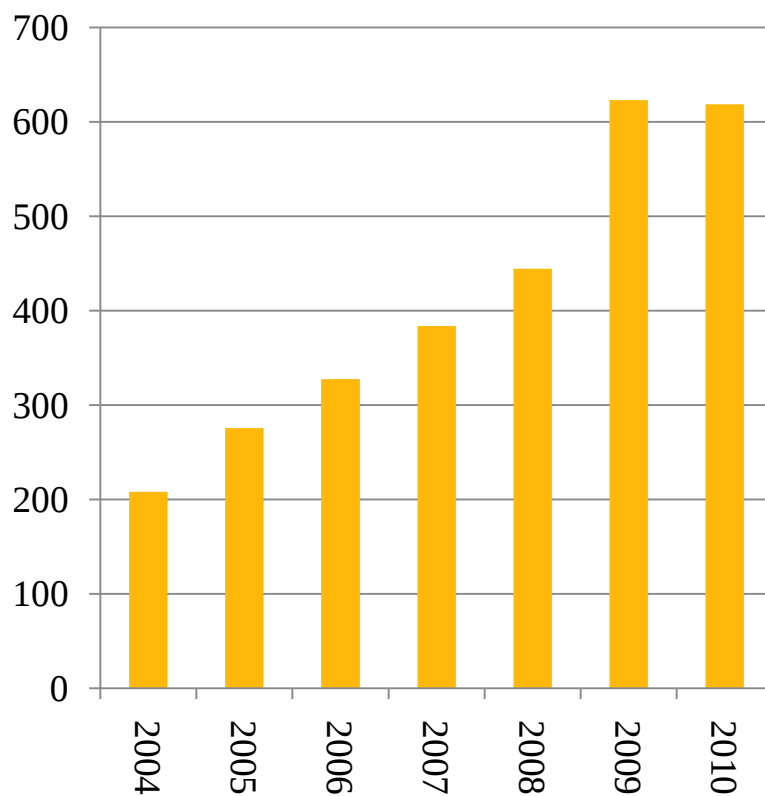


中國石油與鐵礦產量不足與進口

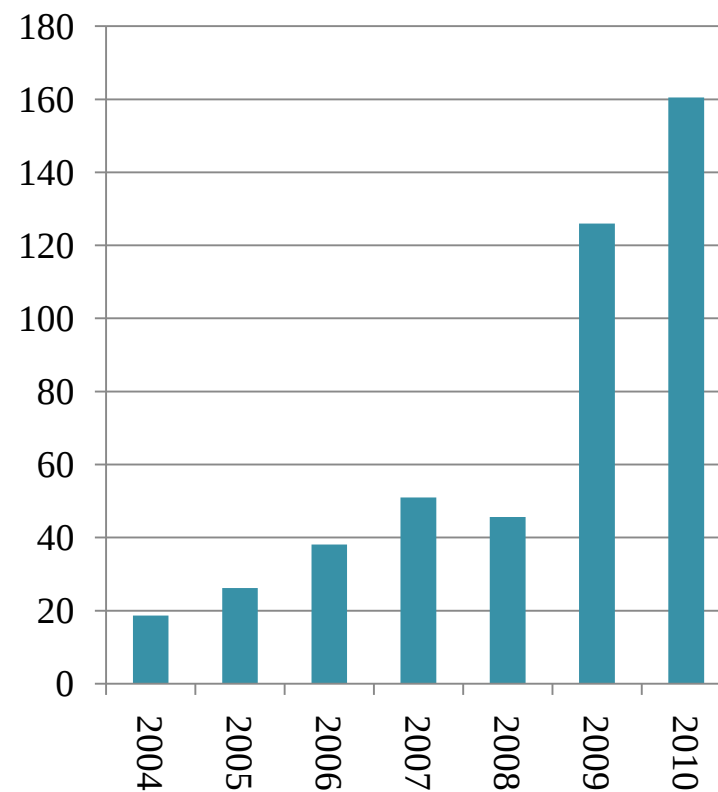


中國煤鐵進口量

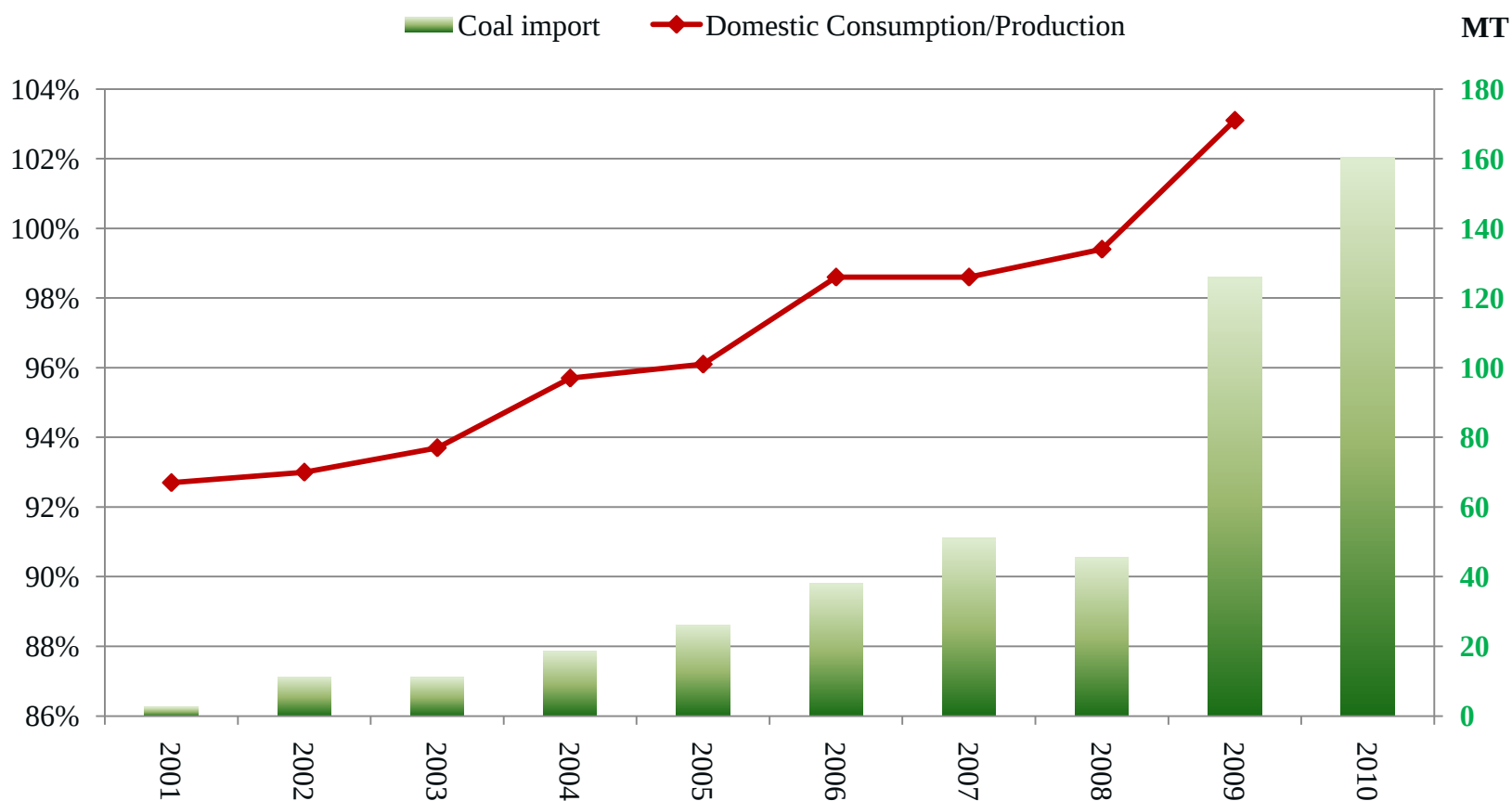
PRC-iron ore import (MT)



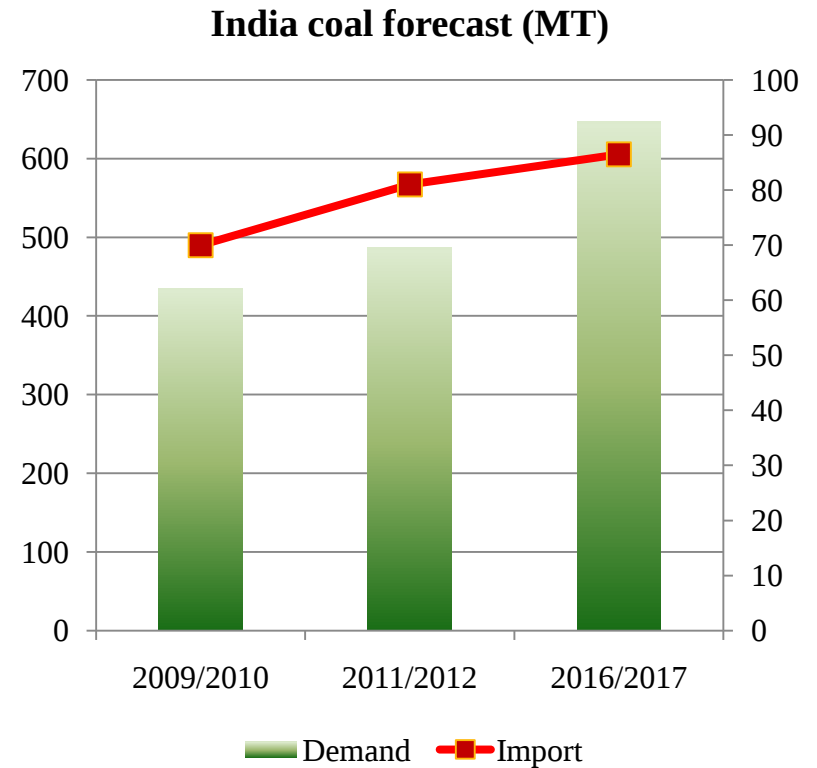
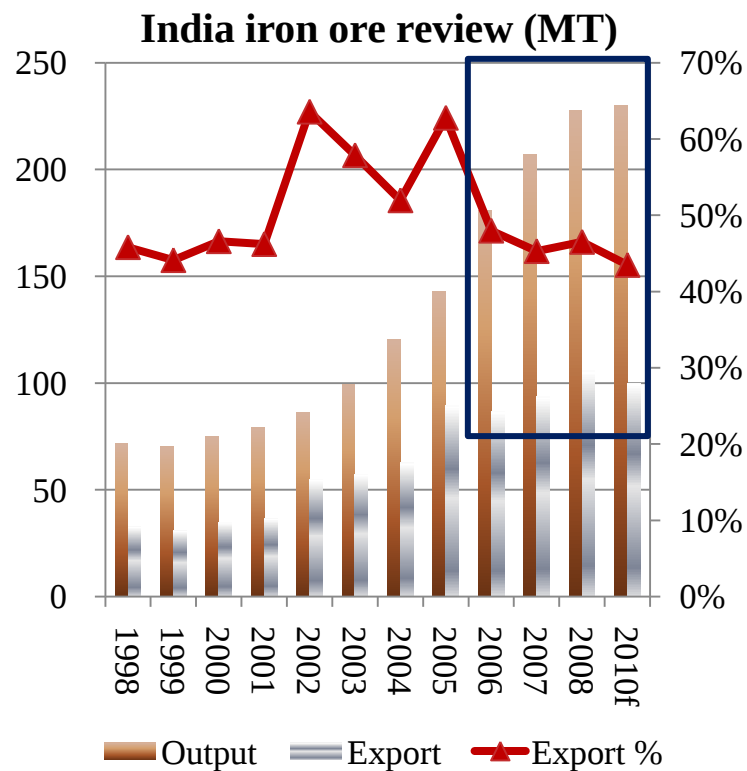
PRC- coal import (MT)



中國成為煤炭之淨進口國

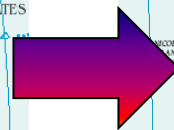


印度之煤、鐵



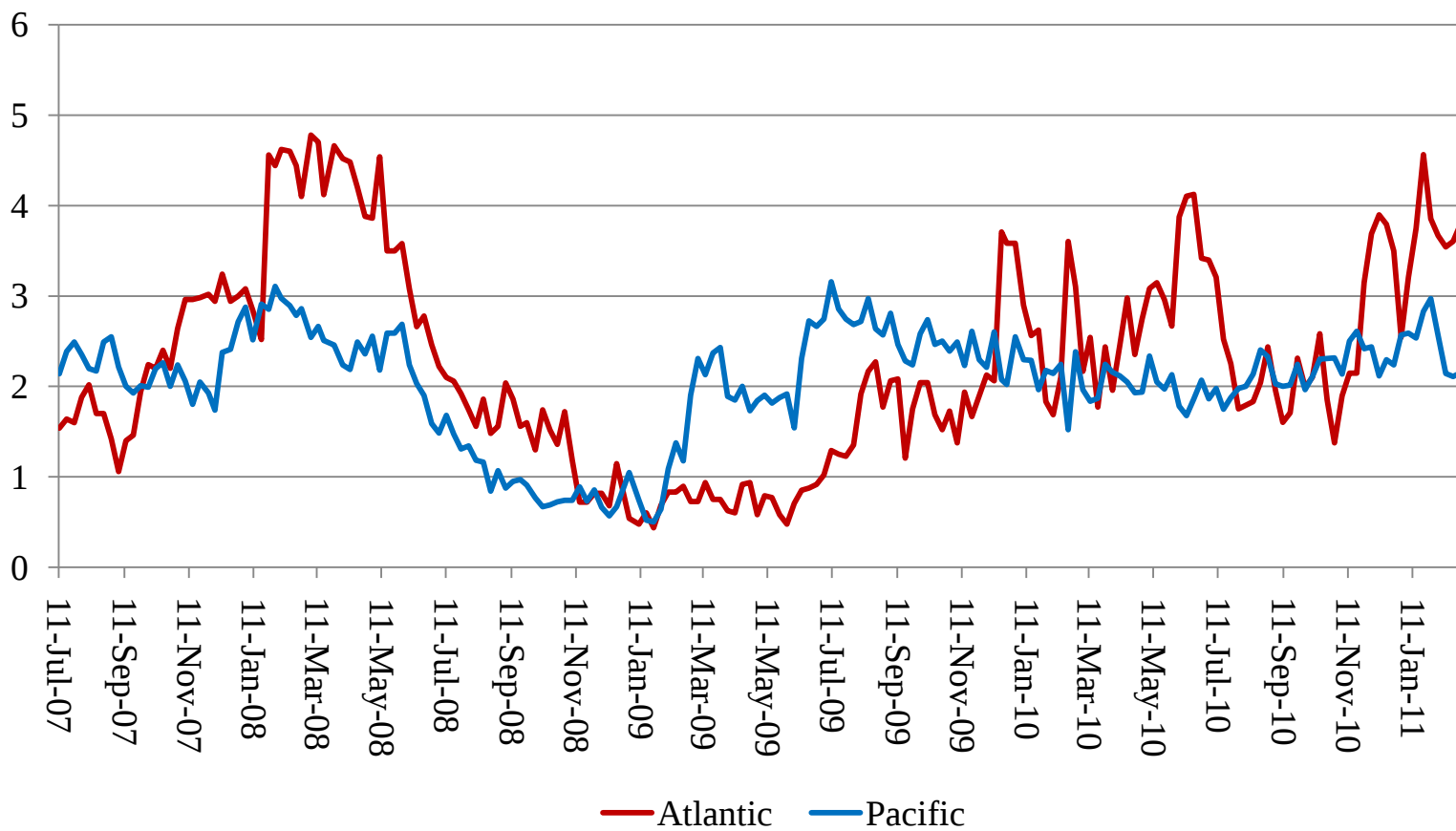
India's domestic steel capacity will touch 124MT by 2011/12 from the present about 57 MT
 -- according to India Ministry of Steel estimates

煤炭海運路線拉長



塞港

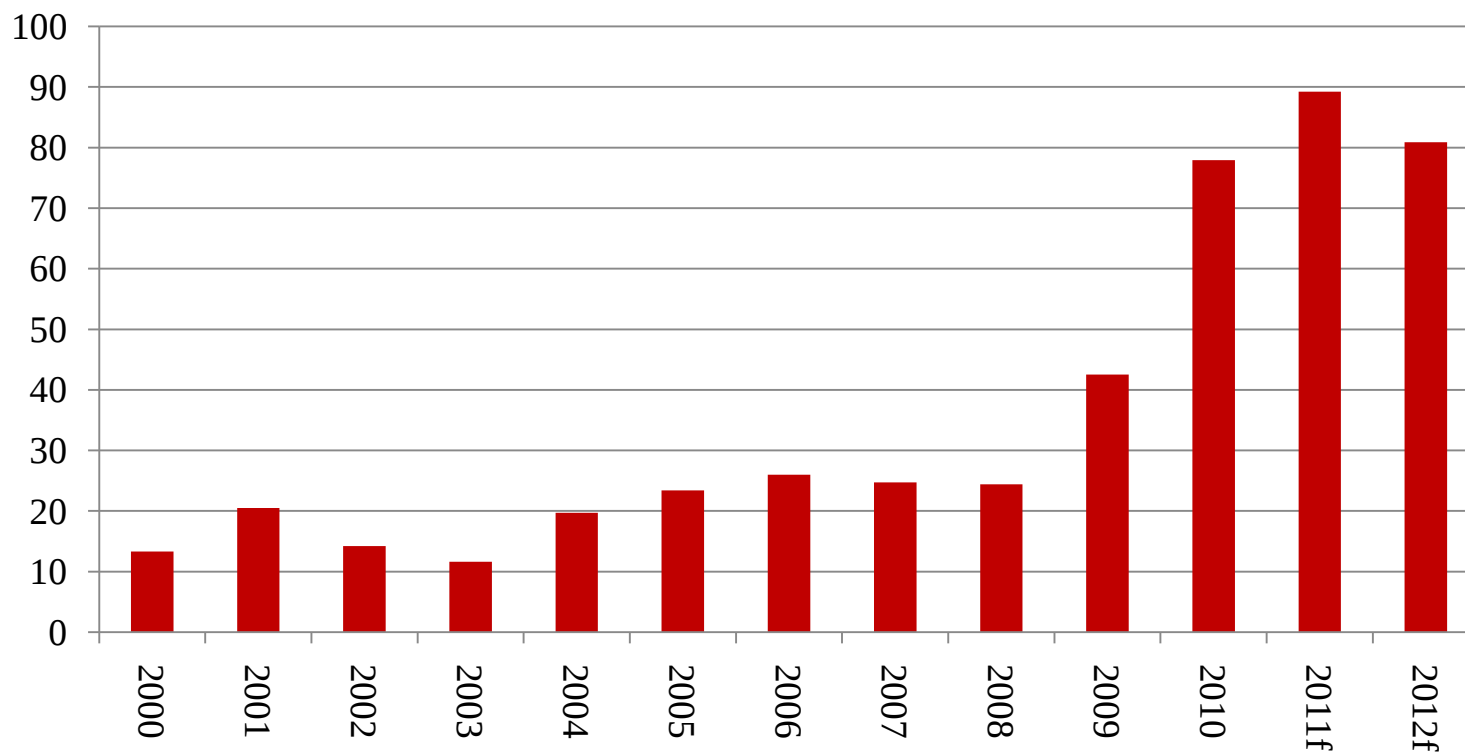
Avg days



交船展望

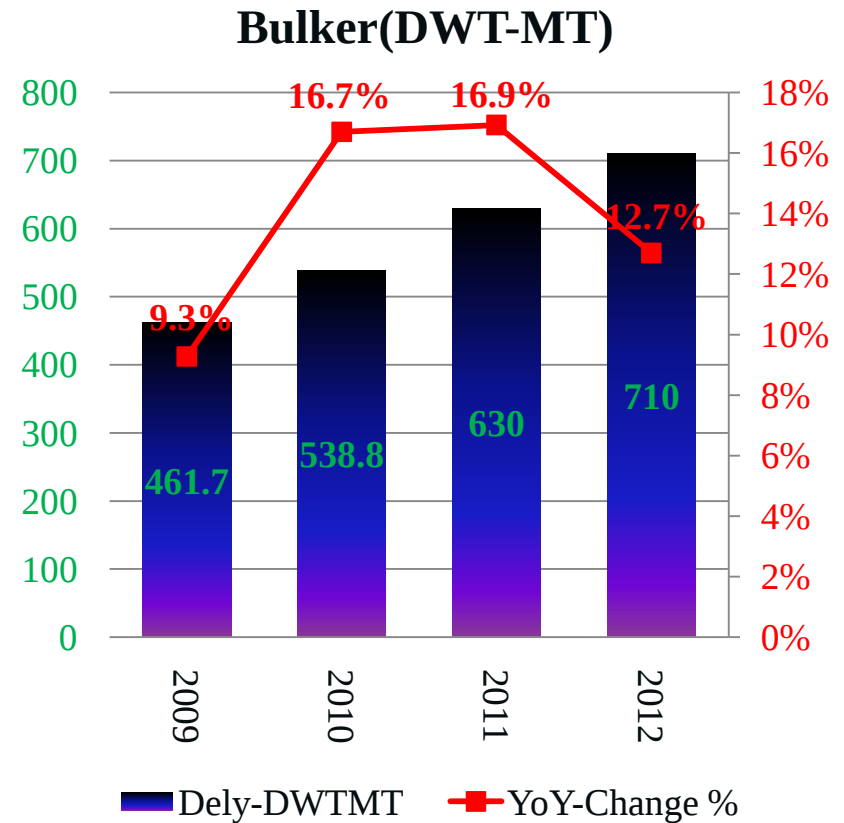
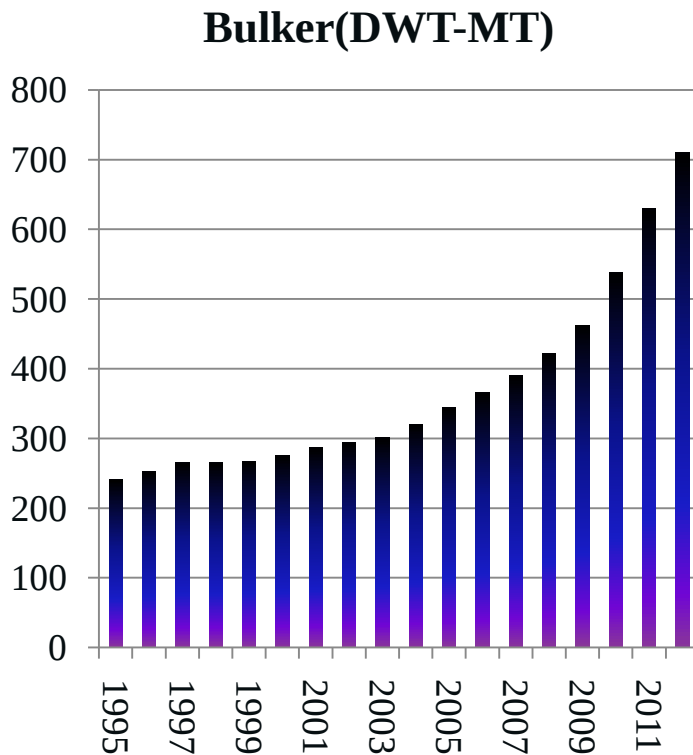
DWT-MT

Bulker Delivery



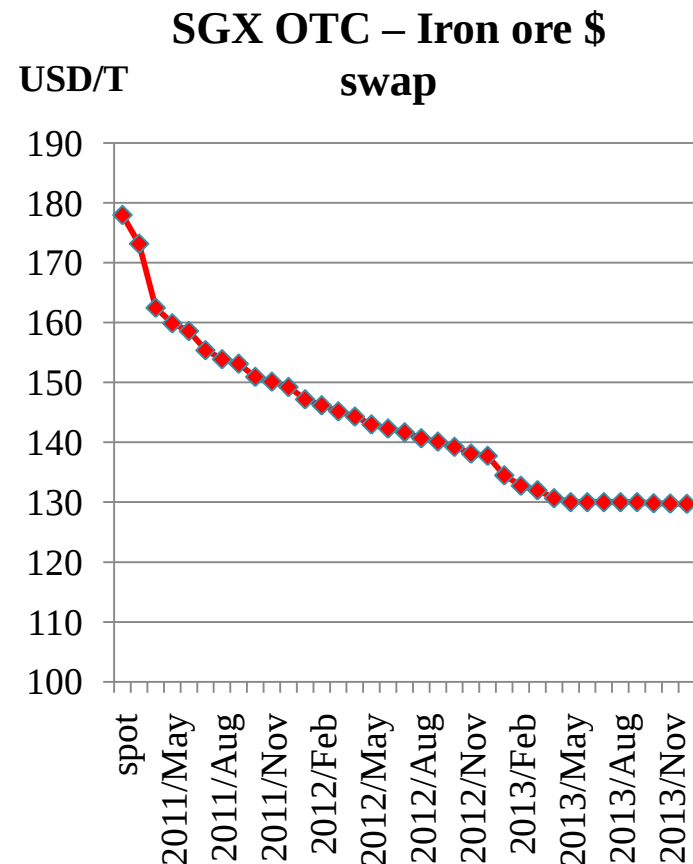
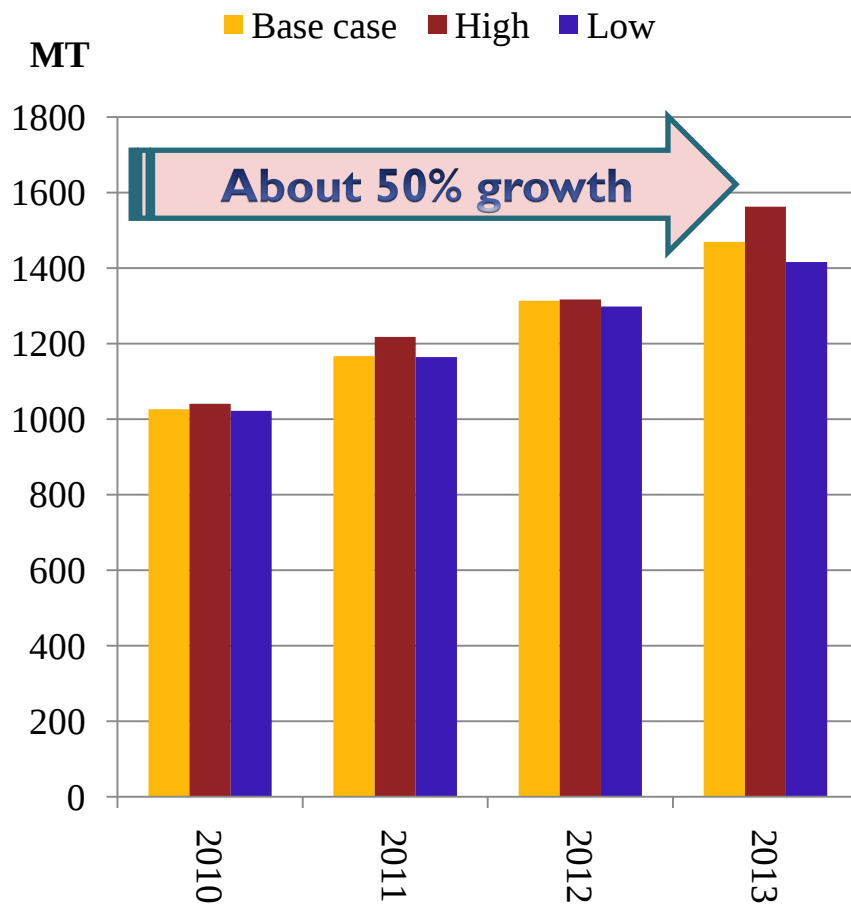
散裝航運噸位展望

Bulkers tonnage development—w/o scrap (by DWT-MT)



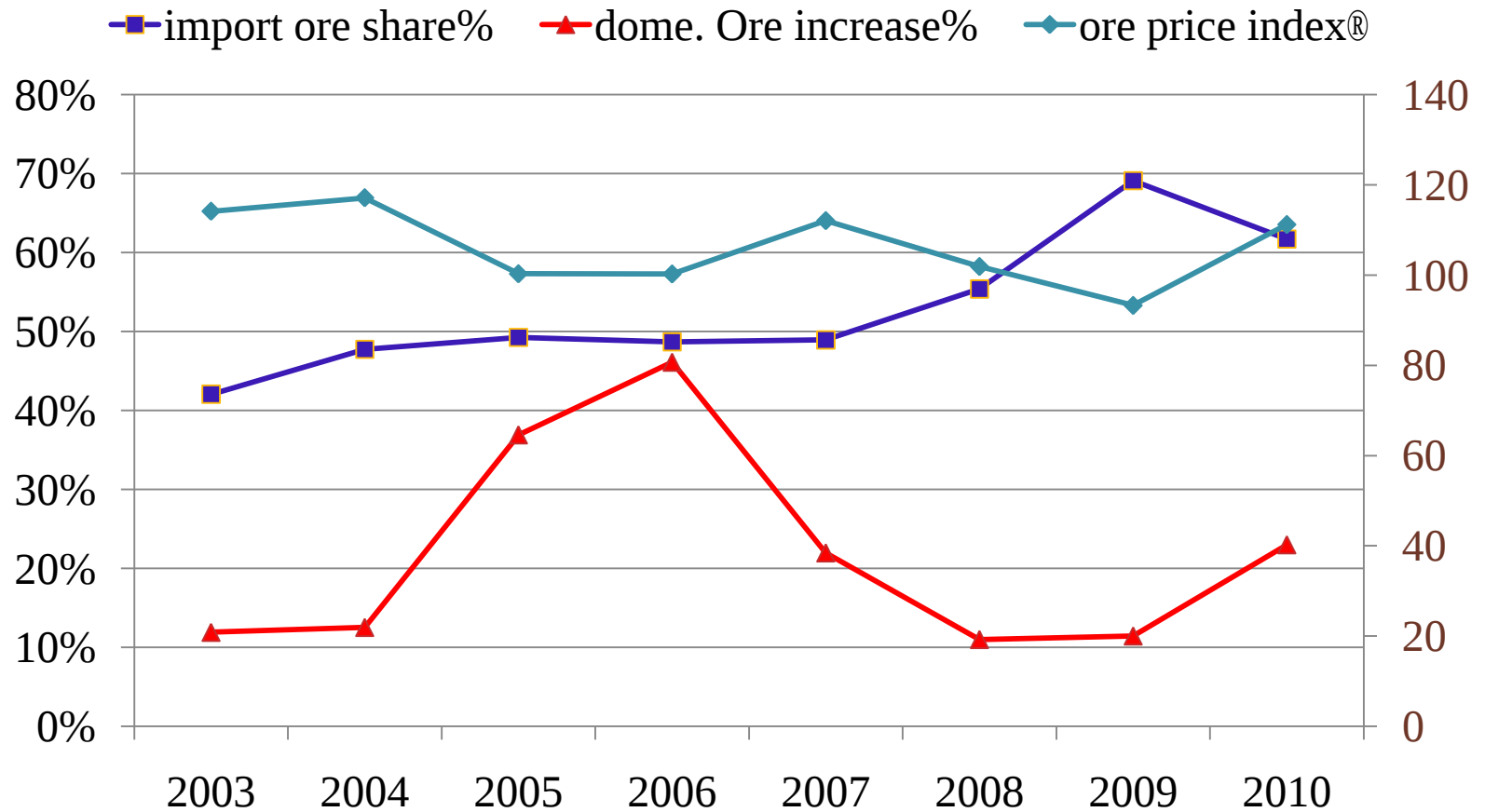
全球鐵礦供應展望(隨著產量增加價格將下滑)

Global iron ore capacities and price forecast



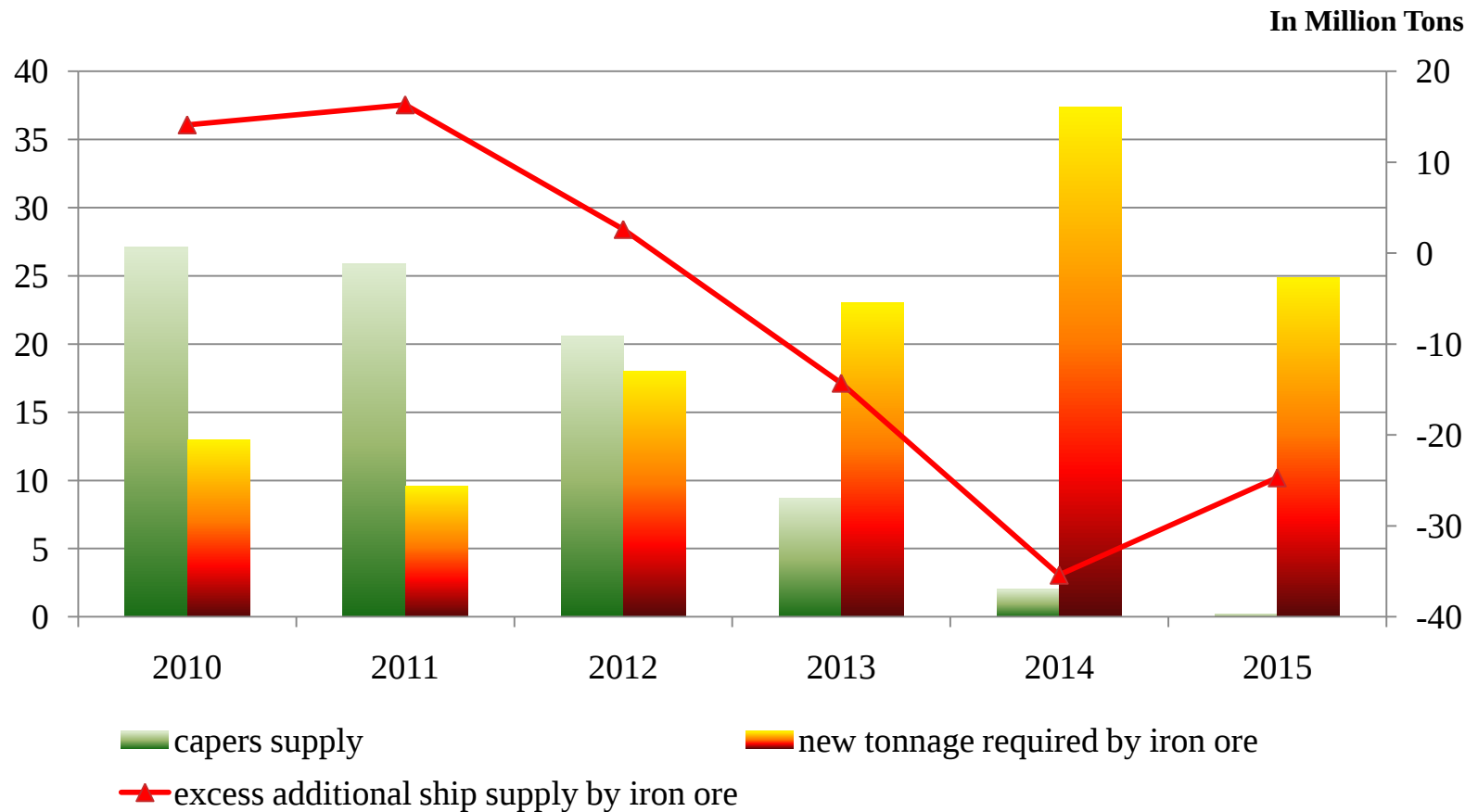
中國鐵礦: 價格與國內外礦比重之分析

China ore : share and price



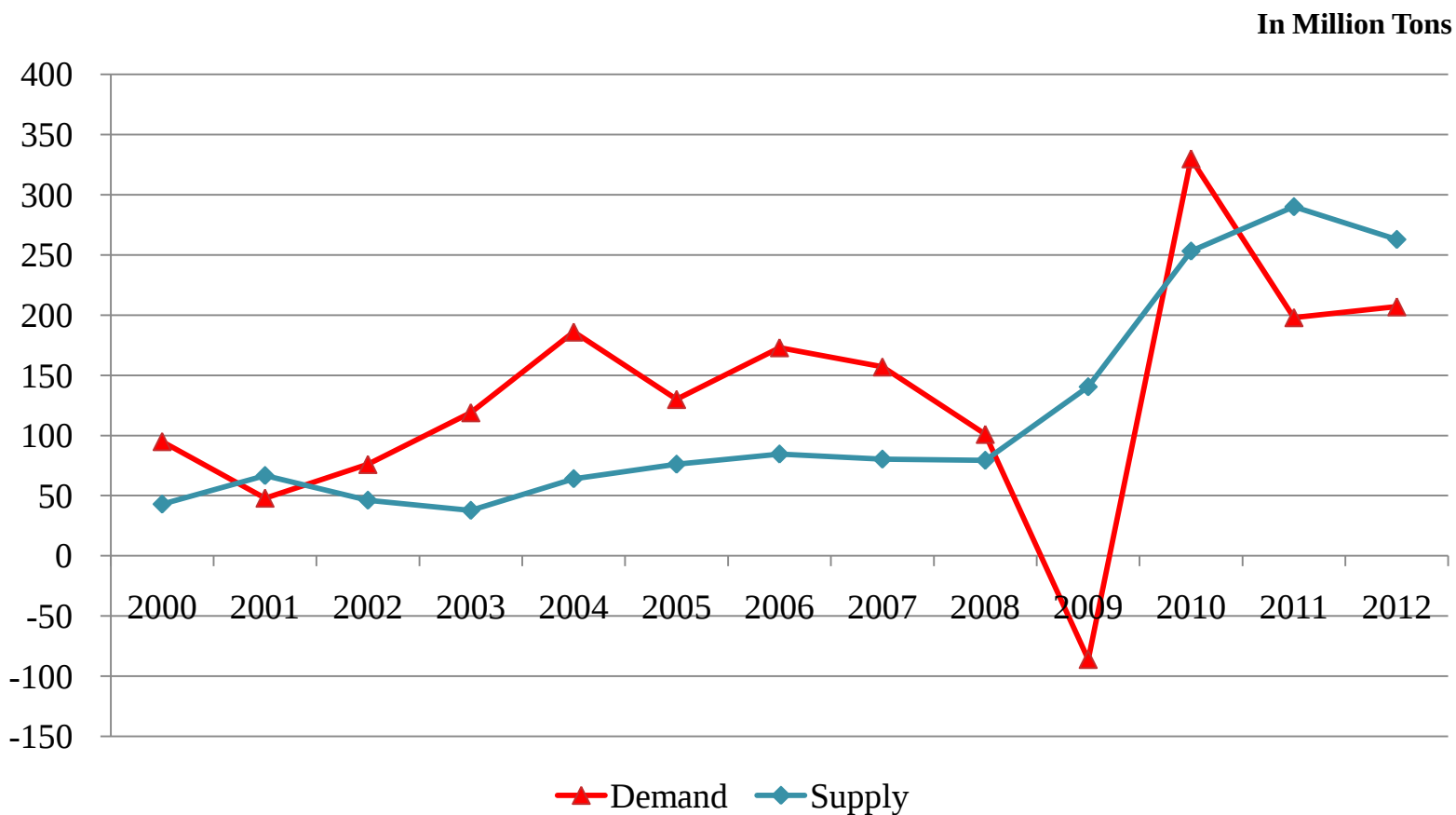
供需分析: 鐵礦與海岬型船

supply and demand (iron ore and capers)



散裝航運供需分析

Supply and Demand





結論： **Conclusion**

長期展望良好

Over all outlook in long term: Bullish ;

但未來2-3年較為艱困

Next 2 to 3 years: Tough



我們的策略

Our Strategies

包括內部提高船隊數及對外擇優購併

Future Approach

Broaden existing
fleet size

3-5 year old ships

Existing orders or
fresh orders

Mergers &
Acquisitions

Buy share of existing
listed company with
asset that meet our
requirements

Outright acquisitions
of company with
asset that meet our
requirements



提問時間

Questions and Answers