

# NOTICE



## ■ Customer Advisory- Yang Ming Financial Status Update\_20170511

11 May, 2017

Dear Valued Customers:

At the December 2016 Yang Ming shareholder meeting, the company structured a recapitalization plan to raise approximately 10 Billion NT\$ (US\$330 Million) in new capital through a number of private offerings scheduled through the end of 2017. In February, Yang Ming concluded the first round of issuance, acquiring US\$54 Million in investments from various public and private entities. The company expects to announce the details and identities of the second round of investors in June when it completes that offering. Yang Ming will continue with the remaining rounds of issuance to achieve its recapitalization goal by year end.

Following a brief interruption in trading in April, as required to implement the recapitalization plan, Yang Ming stock resumed trading on May 4<sup>th</sup>, trading at twice its value before the suspension. Meanwhile, the company's 2017 first quarter results showing a net loss of US\$29 million is a marked 52% improvement from the preceding 4<sup>th</sup> quarter results of 2016. Additionally, on a year-over-year basis, Yang Ming's net loss for the 1<sup>st</sup> quarter decreased by 75% compared to the same period in 2016. At the same time, the company's 1<sup>st</sup> quarter revenue of US\$963 Million revealed an increase of 11.56% year-over-year. Volumes in the 1<sup>st</sup> quarter also rose by 14% year-over-year for a total volume of 1,128,042 TEUs.

With staunch customer support and the efforts of the company's employees worldwide, Yang Ming is continuously and steadily recovering from industry setbacks in 2016. This improvement was largely achieved through Yang Ming's efforts to increase its operational efficiency and implement cost saving measures. The recent figures clearly indicate a pattern of sustained recovery and growth. Yang Ming remains confident in the ongoing execution of its recapitalization plan and expects its 2017 revenues to continue this upward trend.

We thank you for your continued support and will remain committed to providing you with quality and dependable service

Thanks and best regards,

Yang Ming Marine Transport Corp.