



Year-on-year
Profit
Contribution
Increased



30.4%

OPERATIONAL REVIEW

CONTAINER MANUFACTURING

The demand for new dry containers was very strong in the first half of 2011 and most container shipping lines confirmed their container purchasing and leasing plans for the year. In the first half of 2011, the sale of dry containers grew rapidly and the price was maintained at a high level, but the demand for containers slowed in the second half of the year as the Eurozone sovereign debt crisis intensified and the shipping market turned weaker.

The Group holds a 21.8% equity stake in CIMC, the world's largest container manufacturer. Although the demand for containers slowed down in the second half of the year, supported by the stability in CIMC's vehicles business and the sustainable growth in its energy, chemical and liquid food equipment manufacturing business, the overall performance of CIMC was satisfactory in 2011. CIMC's profit contribution to the Group increased by 30.4% to US\$119,799,000 (2010: US\$91,871,000) in 2011.