

■ Yang Ming reiterates its financial recovery plan- Feb Update

16 February, 2017

Dear Valued Customer:

Yang Ming is happy to announce progress made in its efforts to strengthen the company's finances under the recovery plan outlined in the January 23, 2017 Advisory.

According to an exchange filing on February 7, 2017, Yang Ming will raise approximately NT\$1.69bn (US\$54.4m) by offering 161.33 million new shares at NT\$10.48 per share to the following six institutions and companies: The National Development Fund of the Taiwan Government¹ ["NDF"]; Taiwan Navigation Co.; Taiwan Chinachem; T3ex Global Holdings; Mercuries Life Insurance; and Superstar Investment.

The NDF will be one of Yang Ming's major subscribers in the initial portion of this private offering. The NDF was established by the Taiwan government and will hold a 6.39% stake in Yang Ming after the first round of issuance. It is expected the NDF will continue its support of Yang Ming in subsequent rounds of issuance. The total shares of government-owned Yang Ming stock, including the holdings of the Ministry of Transport and Communications, will increase to 36.62% after the completion of this first round.

These investments by the Taiwan government and the private sector demonstrate the staunch and diverse support of Yang Ming. It is expected that the company's financial recovery plan will ultimately result in a greater percentage of government-owned and controlled interest in Yang Ming.

To our valued customer, we sincerely thank you for continued support. Yang Ming remains dedicated to ensure that the delivery of your shipment is guaranteed.

Thanks and best regards,

Commercial Group
Yang Ming Marine Transport Corp.

¹ In Taiwan, the NDF is locally known as The National Development Fund of Executive Yuan.