



2 September 2011

Dear Customer

Following the purchase of Loscam by the China Merchants Group last year, the Loscam Board agreed to make a substantial IT investment to upgrade Loscam's core ERP platform. This upgrade is quite significant for us as it is the first upgrade to our ERP system since it was initially implemented in 2007 and brings with it substantial system changes and benefits that we hope will provide an even better service to you.

As a result, over the past 10 months Loscam has been working to prepare itself for this ERP upgrade to ensure minimal disruption and inconvenience to customers and suppliers and we are now in a position to implement this new enhanced system.

The upgrade touches every part of our business and unfortunately, as a consequence, our ERP system will be shut down for a number of business days. Whilst we have made every effort to ensure a smooth upgrade process, as is the case with all IT projects, there is always the possibility that we may encounter some issues. To counter these issues we have put plans into place that may mitigate any of the problems that our team has foreseen.

We ask that you please note that the 'Go Live' transition has been set to occur between 9:00pm (AEST) Friday 7 October and 8:00am (AEST) Thursday 13 October.

Whilst our ERP will not be available for three business days over this period it will still be business as usual and you will still be able to trade with Loscam as you do today.

In other words, nothing will change for you:

- All your information, account details and invoicing formats will remain as is.
- We will continue to receive your issue and dehire equipment, electronic Loscam Online, HMS, ERP and 3rd party transfers' information and manual ECD transfer, issue and dehire documentation.
- We will continue to service you as we do today.

However there will be some things that will be impacted over this time period:

- Stock balances will be delayed in being updated from the Friday night until the following Thursday.
- We will need to process all weekly invoices by 6pm on the Friday night before the start of the upgrade process. As such, all transactions must be transmitted before 6pm otherwise those transactions will be processed the following week.
- Account history for enquiry purposes will still be available via Loscam Online and our customer service teams.

Australia
Indonesia
Malaysia
Philippines
Singapore
Thailand
Vietnam

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These issues will not result in you being charged any more as the delays will reflect your current trading terms.

Again, we thank you for your understanding during this process. It is the first step in us upgrading our overall IT offering. In doing this, we listened very clearly to feedback that you have given to us about our IT capabilities in the past 18 months – we hope that you will begin to notice the difference in the coming year.

Should you experience any problems during or after the upgrade process, please contact your local Loscam account manager immediately, or call your local customer service team so that we can understand your problem and respond to it quickly.

Yours sincerely



Mark Daniel
Chief Executive Officer