



JACCAR has become a manager of diversified investments through the history of BOURBON. BOURBON, the only asset of JACCAR from 1984 to 2002, became a successful conglomerate of businesses in the sugar and food industry, retail and shopping malls as well as ship-owning and operating. Managing a portfolio of diversified investments has been at the heart of BOURBON's growth and value creation.

When BOURBON decided to focus totally on marine services to the offshore industry to become the world leader, JACCAR decided to diversify and create a new portfolio of investments, focusing on industries and emerging markets.

Today, JACCAR has decided to move from a selection of investments based on industries and geography, to an innovative re-conception of its investment platform.

From now on, we are considering the strategic positioning of each activity as a cornerstone of investment and portfolio management.

We have selected three strategic positionings to qualify key success factors for sustained profitability and value creation.

Segment A refers to strategic long-term investments. These are businesses with long-term growth potential, where accumulated experience and relative market share lead to lower costs than competitors and sustainable better margins. Localization in cost competitive countries is often a key factor. In Segment A growth, value creation and profitability go together. BOURBON is a good example in this segment.

Segment B are cycle management investments, operating in markets that are cyclical by nature and where size is irrelevant to profit. Those businesses deal mainly with commoditized products or services with continuous need but low overall growth. Operators in these businesses own assets according to the cycle, they remain active, even with little or no asset ownership, from time to time. Creating value is about managing one's position throughout the cycle. Shipping and Greenship Holdings fall into Segment B.

Segments C are called Window-of-opportunity investments. The key word is transitory. Segment C businesses enjoy transitory markets, competition, innovative conditions that create an opportunity for a new entry, within a given period of time. But when transitory conditions change, because of investment size, JACCAR value added, or profit but without value creation any more, then it is time to exit. In Segment C, true alignment of interest between investors and managers is key, since it is timely entries and exits that create value. Sinopacific shipbuilding is such a case.

At JCCAR, we recognize that there is more than one way to create value, but for us no growth is not an option.



This applies not only to the way we invest and manage our portfolio. It has to do with each and every one of us at JACCAR. We want to grow as a person, and by doing so, to create value within our family, our work place and the communities we are part of.

At JACCAR we are actors of a co-written scenario, to inspire growth and deliver value.