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# China Merchant Holdings International Credential

Accenture helps implement a cost management system for China Merchant Holdings International's Shekou Container Terminals, one of China's leading ports operators.

China Merchant Holdings International is the largest public port operator in China with investments in Mainland China, Hong Kong and overseas.

In 2010, CHMI invested terminals handled 52.28 million TEUs, topping national rankings and placing CMHI at the forefront of the world's largest independent port operators.

"The port industry is sensitive to fluctuations in the economic cycle. And 2012 is slated to be a challenging year for the whole industry, given the uncertainty of the US and Europe economy. However, for us in China, we are still looking at a relatively positive growth in China, coupled with good investment opportunities in Asia and in other developing regions, such as Africa."

Accenture is a global management consulting, technology service and outsourcing company, with more than 246,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance business and governments. The company generated net revenues of US \$ 25.5 billion for the fiscal year ended Aug. 31, 2011.

Due to the economic crisis, China's ports experienced a record decline in global container traffic. And since competition intensified, cost

management became a key factor for China Merchant Holdings. Accenture was engaged to help China Merchant Holdings owned Shekou Container Terminals improve the cost management, governance capability and enhance performance management.

"CMHI is proactive in responding to the challenges. As early as back in 2007 when the economy was booming, we already began efforts to enforce cost management and re-structure our cost structure to ensure CMHI's flexibility and resilience to these economic cycles. In addition, we've focused on creating synergy and integration across our subsidiary terminals to drive better efficiency and consistence in service delivery. On a global level, CMHI has embarked on extending its footprint beyond China and now have investments in Sri Lanka, Nigeria and potentially other areas. We have been very satisfied with the growth and development of CMHI. Credit is due to our committed staff and also to Accenture for their work over the past few years. Our costs have shown significant double digit improvements and resulted in us now being one of the most competitive amongst port operators.

"Accenture's KPI project helped lay a solid foundation for CMHI to effectively manage the performance of subsidiaries in China and overseas. We are excited about the results that have given us this unique competitive advantage in the market."

"Again we'd like to extend our thanks to CMHI for this opportunity to work with them. It is Accenture's mission to help companies in their journey if transformation to high performance business. China

Merchants is a large company with a driven team who welcome positive changes. From the past projects, we are glad to see CMHI's capabilities in analytics, cost management and operations efficiency have improves significantly. The current efforts on cross-BU synergy and integration will even deliver more values that enable CMHI to focus on market expansion and overseas investment at full capacity and efficiency."

"Yes, thanks to Accenture. Their consultants are professional and understand the industry and local culture very well. They have delivered outstanding results. Case in point, their activity based costing designed for port operators was rewarded as a groundbreaking management practice on enterprise performance management among the whole China Merchants Group, and has become a reference case study for subsidiary companies to learn from. We see Accenture as a partner now and in the future and we are glad to grow with them.