

Oiltanking

connections



**Talking
numbers**



"A-grade" review

The end of a school term means report time — which is enough to set any pupil's pulse racing. We might not be at school any more, but we are no strangers to this feeling, either: although we are no longer graded, we are constantly being given appraisals, opinions and judgments.

It is not the school term that is drawing to a close, but the business year — and what a challenging one it has been! I trust you will agree that we have never entered a business year with more unknowns and uncertainties on the table than in early 2009. Indeed, we also felt the global financial crisis at Oiltanking. At times, it made our hearts beat faster and frustration levels would rise, but — knock on wood — we managed to get through it and solve the issues, with results better than we could possibly have dreamed at the beginning of the year. I feel relieved and proud that, together, we weathered the storm and that Oiltanking is still firmly established as the second-largest independent tank storage provider worldwide, and clearly on course for further growth. To put it in schooling terms, we are delighted to announce that Oiltanking has passed with flying colors and can move up to the next class.

I would like to thank all of our colleagues for these excellent grades, which were made possible through their tireless efforts and steadfast dedication. In addition, Oiltanking again received the unrelenting support of its clients and the necessary backing and cooperation from the financial sector. As the countdown towards welcoming in another year begins, we are prepared to face new challenges and eager to discover new projects. In doing so, it is highly motivating and gratifying to know that we can count on each and every one of you.

As you may have realized, the theme of this issue is finance and numbers. Once again, I hope it makes the grade. Happy reading!

Gust Spaepen
Managing Director Oiltanking GmbH

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ASIA



MIDDLE EAST



OT SPORT



Oiltanking Odfjell Singapore Pte Ltd (OOTS) signed a SGD 200 million syndicated term loan facility with DBS Bank Ltd, Calyon, and Oversea-Chinese Banking Corporation Limited as mandated lead arrangers on June 22 2009 — the largest loan ever landed by the company.

■ **Imagine the scenario:** you have plenty of ideas and ongoing expansion projects that are aimed at cementing your company’s growth and business profile. Too bad that an economical downturn hits the global market just at the same time. A lot of companies have been confronted with this problem in 2009, and Oiltanking Odfjell Singapore (OOTS) is no exception. In order to fund its 152,000 cbm expansion project on Jurong Island and refinance existing loans, OOTS needed SGD 200 million.

As the requirement was substantial, a syndicated loan facility had to be arranged. But how and where from? European and Japanese banks are traditionally active players in the syndication market in this region. However, due to the financial crisis, most of these banks prefer to focus on home ground. The DBS Bank was the only bank to

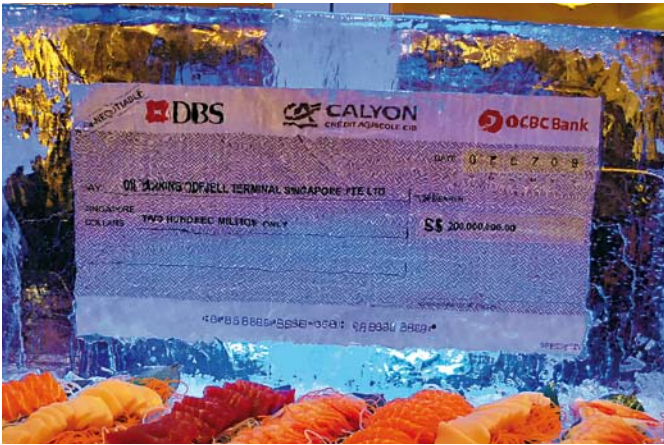
show their support from the very beginning. Therefore, together with the syndication team of the DBS Bank, OOTS started sounding out banks which were still active in evaluating new business in this climate in January 2009. From a list of 28 banks, nine were prepared to sign a confidential agreement. Eventually, the DBS Bank Ltd, Calyon, and Oversea-Chinese Banking Corporation Limited became the mandated lead arrangers for a SGD 200 million syndicated term loan facility for OOTS. The facility has a tenor of more than five years. The first loan repayment will start on December 31, 2009, whereby OOTS will use its operating cash flow to pay it back.

In the midst of the global credit crunch and the subsequent dearth of syndicated loan transactions, OOTS has emerged as one of the very few companies in Asia to have obtained

REASON TO CELEBRATE
Oiltanking Odfjell Singapore
landed its largest loan ever.

the largest loan amount the company has ever raised so far. What convinced the DBS Bank, the sole bookrunner for the loan, and the other new lenders was surely the strong management team, the stable cash flow with more than 60 percent of capacity contracted beyond 2013, and the strategic location. The loan facility can therefore be regarded as an acknowledgement of OOTS’s solid position as one of the leading independent chemical storage providers in Singapore, as well as a reaffirmation of its sound business profile and growth potential.

Of course, the last official signing procedure on June 22 was a reason to celebrate and a dinner was held on July 7, 2009. It was attended by almost 30 people who were involved in the 8-month deal: the management of OOTS and the lenders, the shareholders of OOTS and the working team. Apparently, the buffet was quite tasty and ... crunchy!



KEEP COOL A check was artfully sculptured in ice, echoing the cool calculations of the lenders and Oiltankers during their “hot” discussions in light of the current tepid economic market situation.

Sohar's fresh expansion

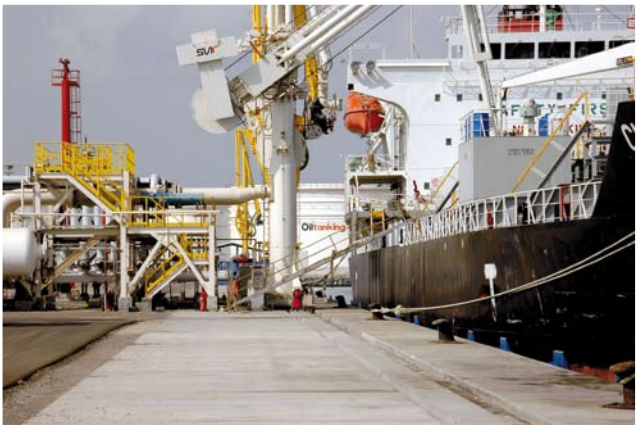


In October 2009, Oiltanking Odfjell Terminals & Co. LLC signed an EPC (Engineering, Procurement and Construction) contract with a consortium of Indian Oiltanking Engineering & Construction Services LLC and Larsen & Toubro Electromech LLC. The terminal will be expanded by 450,000 cbm, which is due for commissioning by mid-2011.

■ **The development** of the Oiltanking Odfjell Terminals & Co. LLC (OOTO) was rapid and remarkable from the very start: only in March 2009, OOTO celebrated the inauguration of the first independent bulk liquid storage terminal in the Sultanate of Oman. Then, just seven months after commissioning its first phase, OOTO signed an EPC contract with a consortium of Indian Oiltanking Engineering & Construction Services LLC and Larsen & Toubro Electromech LLC. The commissioning of the additional 450,000 cbm is scheduled for mid-2011, bringing the total terminal capacity to 1,365,000 cbm. The fact that OOTO is embarking upon another expansion project so soon shows that its strategy to develop Sohar into an international bulk liquid products hub is working. Four years ago, Sohar was relatively unknown in the bulk

liquids arena, but this has changed dramatically. The present terminal of 915,000 cbm caters for the storage and handling of petroleum products, chemicals and gasses. 35 percent of the existing facility is pipeline-linked and dedicated to Aromatics Oman Limited, whose global aromatics plant is currently being commissioned. The other 65 percent is dedicated to international traders and producers. OOTO operates six jetties of which four are capable of handling vessels up to 110,000 dwt (2 jetties can handle vessels up to 70,000 dwt). OOTO's infrastructure (pipeline systems etc.) was designed in such a way that it is able to achieve fast turnaround times for the ships calling at its berths. This capability reduces the risk of congestion and demurrage.

KEYS TO SUCCESS Oiltanking Odfjell Terminals & Co. LLC excellent strategic location for trade with India, East Africa, Europe, Asia Pacific and the USA, and the eagerness of its management.



POISED TO GET GOING Oiltanking Odfjell Oman is already discussing further expansion projects.

The global downturn has hardly affected the demand for tank capacity in Sohar and the Middle East. Due to the contango on the middle distillates and rock-bottom chemical markets, throughputs have been slower than anticipated but OOTO has shown a 100 percent commercial occupancy since it commissioned its tanks. OOTO is pleased with the progress it has made towards achieving its goal of developing Sohar as a premier liquid product hub in the Middle East, but it will not sit back and relax; there are other opportunities waiting to be developed. OOTO has secured new, long-term contracts which justify

a further major expansion of its facility. Possible future expansions of the jetty capacity are already under discussion with the port authorities. Investments in the ship-shore interface will be made in line with expansions of the tank farm and development of the new captive business at the port itself.

Oiltanking secures additional shares

A FINE SHARE OF THE BUSINESS
The Star Energy Oiltanking terminal is located in the Jebel Ali Free Zone, allowing tax and duty free operations.

During August, 2009 Oiltanking increased its shareholding in the Star Energy Oiltanking terminal at Jebel Ali, Dubai/United Arab Emirates. By doing so, it has strengthened its joint venture relationship with the Star Energy Group Ltd, United Arab Emirates, which was launched in 2004.

■ **The state-of-the-art terminal,** branded Star Energy Oiltanking, is located in the world's largest manmade harbor, and has a storage capacity in excess of 857,000 cubic meters (5.39 million barrels). It provides for a complete range of clean petroleum products and is managed according to Oiltanking's high standards.

Its strategic location and special deepwater berths make it an ideal hub for break bulk cargo, transshipments and redistribution for the Middle East, the Indian subcontinent and East Africa, not to mention the consolidation of cargoes bound for destinations further afield. Coupled with Dubai's excellent on-shore infrastructure, the terminal

delivers safe, swift and cost efficient turnarounds. The terminal has already embarked on another expansion project, namely the construction of 60,000 cbm for fuel oil. The system is to be used as storage to supply the bunker market in and around the Jebel Ali Port area.



State-of-the-art vapor recovery

On June 1, 2009, Oiltanking Amsterdam commissioned a new, state-of-the-art vapor recovery unit.

■ **In 1994,** the European Union issued The European Parliament and Council Directive 94/63/EC on the control of volatile organic compound (VOC) emissions and requested its member states to comply with it to minimize emissions. For this reason, the local Dutch authorities obligated companies in the Port of Amsterdam to reduce their emissions during ship-loading. While Oiltanking Amsterdam (OTA) obviously follows the rules, the company even strives to think one step ahead — back in 1999, when the first vapor recovery unit (VRU) was installed at their premises, for instance. As it was time to put in a new one, it was only a question of which technology would best suit the needs of the terminal. There are essentially four basic types of vapor recovery units: carbon absorption, lean oil absorption, refrigeration/condensation and membrane. Alternatively, at terminals, which load onto vessels where vapor recovery is unsafe or not technically possible, the vapors may be incinerated.

energy) and glycol cooling (i.e. more waste), the dry one has no waste. It uses absorption liquid to cool the pump housing and also direct the injection into the vapor flow. The latter solution will save 600,000 (kWh) a year compared to the wet solution. Eventually, OTA opted for the active-carbon beds with dry-screw vacuum pumps by Carbovac (France) because of their track-record and cutting-edge technology in the field.

Whilst the initial capital investment in purchasing and installing a VRU, and the cost of operating and maintaining it, is high, this is offset to some extent by the value of the product recovered. And, although the primary reason for a VRU is to reduce the possible harmful effects of petrol vapor, there are secondary benefits: using a VRU creates cleaner operating conditions and reduces the amount of potentially flammable vapor around the terminal, thus enhancing the safety for humans and the environment.

After studying the pros and cons, on June 1, 2009, Oiltanking Amsterdam commissioned its new vapor recovery unit, where the vapor is processed using active-carbon beds with dry-screw vacuum pumps. The unit can recover up to 7,500 cbm/h of vapor produced during ship-loading. The recovered product is returned to the customers pro rata. The emission rate is ≤150 mgC / cbm. Ad Overdulte, Engineering Manager OTA, explains why Oiltanking Amsterdam reached this decision: as venting was no option, a more sustainable solution had to be found. Two serious solutions involving carbon vacuum-regenerated absorption were considered: one with wet screw vacuum pumps, the other with dry screw vacuum pumps. While the wet solution needs more blowers (i.e. more



PARAGON The ultra-modern technology used by the new vapor recovery unit (VRU) at the Oiltanking terminal in Amsterdam.

Expansion of the Honau terminal



Oiltanking Germany overcame challenges related to construction and energy policy during the expansion of its Honau terminal to guarantee the supply security of the product Jet A1 for part of Germany and France.

■ **Since the beginning** in 1972, the Honau terminal has prided itself in playing a crucial role in supply safety in general and is expected to live up to its reputation in the future. How?

Initially, the Honau terminal with its tank storage capacity of 115,000 cbm was designed to be an emergency supply site for times of crisis in Germany. The location seemed ideal due to its proximity to the NATO pipeline (CEPS — Central European Pipeline System), which was planned at the same time, and the existing port of Honau, which could easily be expanded to accommodate the mineral oil trade. Customers included the German Armed Forces, the US-Army, the German Compulsory Oil Storage Association

(EBV — Erdoelbevorratungsverband), well-known oil companies and trading companies. Some of these were active in supplying the local area of Kehl, as well as trans-regionally up to the Black Forest, the area around Lake Constance and Switzerland, Austria and France. Until the beginning of the nineties, besides heating oil, diesel and petrol Jet A1 was also stored and handled in Honau. With the end of the cold war, the demand from the armies decreased and the terminal was only used for heating oil, diesel and petrol. The supply of the terminal was almost solely effected by barge via the river Rhine. However, Oiltanking Germany continued to pay for the CEPS connection and even kept it technically up-to-date, confident that it would one day receive and store Jet A1



A SIDEWAYS MOVE OF SEVEN METERS was crucial to meet the necessary safety distances during the reconstruction of the Honau terminal. The tank was jacked up on wood and, with the help of nitrogen, shifted on rails.



again. Sure enough, in December 2006 negotiations with SAGESS (Société Anonyme de Gestion des Stocks de Sécurité), the French Compulsory Oil Storage Association and the EBV regarding a long-term storage of Jet A1 at Oiltanking Honau came to a successful conclusion. The petrol stored in Honau was gradually cleared and the tanks cleaned and technically modified to such an extent that the first Jet A1 quantities for the EBV could already be pumped via pipeline to Honau in December 2007. In the first quarter of 2008, a small quantity of 10,000 cbm could also be stored for SAGESS. Due to the good contacts between Oiltanking Germany and SAGESS, both decided to dedicate even more tank storage to the French Jet A1 supply in Honau — a resolution that required the expansion of the terminal capacity.

After a long planning and approval phase, the terminal modification and the new construction activities have more or less been going according to plan since May 2009 and have even overcome a big challenge: moving an existing tank with a capacity of 20,700 cbm about seven meters horizontally to guarantee the necessary safety distance. In total, 128,000 cbm of ClassII tank storage capacity in cup tanks were added.

An existing ClassI tank was modified to allow the storage of Jet AI. In November 2009, the first quantities of Jet AI were received in the modified/new tanks.

The project will be finished in the second quarter of 2010, increasing the total storage capacity of the Honau terminal to 243,000 cbm. 141,000 cbm of this will be at the disposal of SAGESS. Moreover, in the future the terminal will be geared more towards securing the supply safety and storing a sufficient quantity of Jet AI for south-western Germany, and northern and eastern France.

We Can, We Care



The Oiltanking terminals consist of various departments, each and every one of which is crucial for a smooth and satisfactory work process. Here, we take a closer look at what goes on in “Finance” — at Oiltanking Finance in Amsterdam, The Netherlands.

SELF-CONCEPTION Colleagues from OT Finance B.V. see themselves as a service department and try to give their “clients” — all the Oiltanking companies — the best possible service. From left: Elisabeth van Hulst, Nino Schönemann, Mirjam Joerss, Simone Choi.

■ As Liza Minnelli famously sang in Cabaret, “Money makes the world go round”, but it is also an apt description of what revolves around our four colleagues working in Oiltanking Finance B.V. in Amsterdam, The Netherlands. Mirjam Joerss, finance manager, Elisabeth van Hulst, finance manager, Simone Choi, accountant, and Nino Schoenemann, managing director, have their hands full with ... money. Or, as Nino explains with a wink, “What we do is play bank.”

Oiltanking Finance B.V. is a separate company located in Amsterdam and has existed since October 2008. And, indeed, it effectively works like an in-house bank. In the past, if one of Oiltanking’s daughter companies needed money the “person in charge” would be the finance department of the Marquard & Bahls holding, working under the name of Oiltanking GmbH. It shared the functions of shareholder and credit grantor. As Oiltanking kept growing over the years, however, it began to make sense to separate these functions and outsource them.

“What we do is almost the same every day, but every time it is individual and there is no routine” explains Nino. “Besides monitoring our bank accounts closely, we raise long-term loans on the capital market and grant them to Oiltanking (OT) subsidiaries (as long as they are included in the OT group

balance sheet and therefore totally or partly consolidated). In addition, OT subsidiaries can make money investments/deposits. Most of the time, our group conditions are considerably more profitable than individual investments done locally. We can then use this liquidity to pay back bank loans. Moreover, we support all of OT’s subsidiaries during their local financing procedures and answer queries regarding the financial management, like bank conditions, payment transactions, etc.”

Being a part of the Oiltanking Group, the department is constantly in contact with other OT companies worldwide and the headquarters in Hamburg. Known to be a crucial part of Oiltanking’s long-term perspective as a whole gives special meaning to the colleagues in their day-to-day business. And, Nino adds, “getting to know so many Oiltankers from different countries and cultures, overcoming new financial challenges and knowing that one’s support is appreciated is very rewarding and enjoyable.” — So ABBA were right in singing “Money, money, money, must be funny in a rich man’s world!” There are days when working in “finance” is not all that amusing, however, admits Nino, recollecting what happened to him on a business trip to a bank in La Paz, Bolivia. When he arrived at the hotel, he could not work out why there were bottles standing at the reception. Half an hour later, however, he found out: They were oxygen bottles for tourists. Colleagues said he turned green, but soon recovered after taking a deep breath from one of the bottles ...

He and his colleagues were also a bit short of air at the beginning of the credit crisis. They had to keep the company afloat in the short term before taking out long-term loans on the US-PP (Private Placement) market in September 2009. Although the process was quite demanding too, it gave all of them a positive buzz and all turned out very well in the end. But there was no time to come up for air, as the next challenging financing projects were already waiting for them!

For a successful career in this finance department, bookkeeping knowledge is vital, although OT Finance is not a conventional accounting department. It is important to be well-versed on the valuation of derivatives and IFRS (International Financial Reporting Standard). If the job of Finance Manager seems interesting, some experience of working in a bank or corporate financing would be advantageous. However, trainees are also offered good opportunities to learn a lot within the financing world of Oiltanking. So the motto in this department is definitely not “counting beans” but gaining countless experiences, beams Nino.

The recent hike in energy costs and related electricity prices in Malta has prompted the management to conduct an internal energy review, resulting in a pilot project with energy-efficient LED (light emitting diode) streetlights from Lemnis Lighting. We spoke to Dirk Exalto, Managing Director of Oiltanking Malta, about the details.

Oiltanking Malta goes “green”

connections: Why did you initiate an energy review at the terminal?

Dirk Exalto: In Malta, as in many other places in the world, our resources have become more and more expensive. Because of global technological developments, we should always be open to better, cleaner and more cost-effective solutions. In today’s competitive environment, one has to start looking at savings to achieve a better bottom line — both environmentally and economically.

What is the energy review about?

We adopted a modular approach to make an inventory of the resources we use. By building up a database, we tried to analyze trends in the usage of water, electricity, fuel and nitrogen. ‘If you cannot measure it, you cannot improve it’.

Who benefits from the energy review?

Apart from us, we hope to share our databases with other terminals in the Oiltanking Group. Thanks to the foundation that has been laid by the HSSE (Health, Safety, Security & Environment) team in Malta, others will be able to conduct a similar energy review with a mind to making improvements on a local level that lead to cost and energy savings in the long term.

Why did you pick “light” to save money?

Amongst the inventory of high-energy consumption equipment, lighting is a very tangible and easy one to tackle. During our energy review, we discovered that our streetlights were quite heavy on electricity consumption. Streetlights may not be the highest energy consumer in a terminal, but it is an area where one can make improvements that directly contribute to the bottom line.

What led OT Malta to try out LED streetlights?

The current mercury-containing bulbs have a relatively short life-time, which increases the hours and money spent on maintenance. In addition, some of the lights will no longer be available on the Maltese market. The timing could not be better. New technology, like LED, is progressing and our streetlights are up for renewal due to ageing. As Lemnis Lighting* is a key player in LED (street) lighting, we decided to start the pilot project with their products. This would allow us to monitor the resistance of the new technology to the rather corrosive environment that we are in. At the same time, it would allow us to verify the effectiveness of the “green” light emitted by the LED



DIRK EXALTO Quite positive about the pilot project with LED streetlights.

streetlights. With expected savings of up to 70 percent in terms of consumption, this new alternative was worth exploring for the benefit our electricity bills and potentially those of other Oiltanking terminals — either for new projects or terminals where the existing streetlights are due for replacement.

How efficient and “green” are the LED streetlights?

The new concept is very green, both in terms of sustainability and in color. The unique green color makes it possible to create excellent visibility using relatively little light. The color recognition remains accurate, and this is crucial for safety.

What does the pilot project entail?

Given the present limitation in terms of certification of the LED lights, OT Malta has chosen to install 16 lights in areas that fall outside our hazardous zoning in the terminal. At

About Lemnis Lighting Lemnis Lighting, The Netherlands, has developed spectral, highly efficient, cost-effective LED light sources and is focusing on implementing the new technology in three main products: light bulbs, greenhouse lighting and streetlights. The company has supplied the first energy-efficient LED street lighting for use in residential areas. The new fittings are intended to replace the existing light sources and can be installed on the existing light masts. This light source consumes extremely low levels of power and has a long life (+/- 50,000 hours or 20 years). Initial trials in the Netherlands demonstrated the revolutionary new concept.



BEFORE AND AFTER Seen in a different light: the new LED streetlights shine bright whilst consuming less energy.



present, the LED fixtures supplied by Lemnis Lighting are not certified as “explosion proof”. The current lights on the parking area at the office, the boiler house and the fire pump house area are also not classified as such. The original light units had an energy consumption varying from 1000 Watts to 125 Watts; the new LED light units only consume 36 Watts each. In total, the expected savings are calculated to be around 15,000 kWh/annum, with a return on investment of about two years. This was sufficient for Oiltanking Malta to carry out this experiment. On initial reactions, it can be clearly seen that sufficient light levels, with less glare and better colour recognition can be achieved at a fraction of the energy consumed with the previous light units.

Will the pilot project pay off?
The full extent of the advantages is currently under evaluation. The main factor that will determine its successful implementation in the future at the terminal in Malta, and possibly other Oiltanking terminals, will be the “explosion proof” certification. Lemnis Lighting is working intensively to obtain it. Imagine the savings and benefits for the environment! No more orange skies at major industrial oil complexes. You will even be able to see the stars again.

Introducing ...

... this time with Brent Campbell, Project Manager at Oiltanking Beaumont, Texas — another colleague whose face can be seen in Oiltanking’s international advertising campaign, “We Can, We Care.”

WHAT DID YOU WANT TO BE WHEN YOU GREW UP? Like every good American boy, I wanted to be a baseball player. **HOW DID YOU FIND OUT ABOUT OILTANKING (OT)?** While I was at college, I was able to work with a contractor at Oiltanking Houston. I also had a friend who was already working for the company. **WHAT ATTRACTED YOU?** **HOW LONG HAVE YOU BEEN WORKING FOR OT?** I liked the family atmosphere. I’ve been with OT for almost 15 years now. **WHAT IS YOUR PROFESSION?** As Project Manager, I’m responsible for new construction projects at Oiltanking Beaumont. **WHAT DO YOU LIKE ABOUT YOUR JOB?** I like to see the projects develop into something that really works well. This is quite motivating. **HOW WOULD YOU DESCRIBE YOURSELF IN ONE SHORT SENTENCE?** I’m down to earth, the guy next door. **WHAT INSPIRES YOU?** The idea, that my children will have an even better lifestyle than I do. **HOW DO YOU RECHARGE YOUR BATTERY?** I go fishing with my son. **WHAT DO YOU DO IN YOUR SPARE TIME?** I like spending time outdoors, working around the house, hunting, and fishing. **THREE THINGS YOU LIKE?** Children, friends, family. **THREE THINGS YOU DISLIKE?** Lazy people, airports, terrorists. **WHAT MAKES YOU LAUGH AND WHAT MAKES YOU ANGRY?** Children make me laugh; Adults acting like children make me angry. **WHAT COULD YOU NOT LIVE WITHOUT?** My family. **WHAT WOULD YOU DO IF YOU HAD THREE MONTHS VACATION?** I would go home, turn off my cell phone and just enjoy the peace and quiet!

Brent Campbell
Project Manager, Oiltanking Beaumont

We Can, We Care

Managing several construction contractors at the same time requires good organizational skills, technical competence and excellent people skills. That is Brent. His dedication to ensure that tanks and pipelines are constructed the Oiltanking way is obvious. It is this approach that allows us to build assets that perform the services required by our customers while protecting the environment and the health of our employees and visitors.

Your reliable storage partner for liquid bulk.

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Oiltanking



Interview

with Mr. Wang Bing, Assistant President,
Bank of China Jiangsu Branch

connections: How would you describe the Chinese financial market before the recent credit crunch? Was the Chinese credit market different to others?

Mr. Wang Bing: The Chinese financial market was highly regulated before the financial crisis and continues to be so in the aftermath. The Chinese credit market operates on the traditional model of granting loans from the deposit base, and there is a huge deposit base in China.

At the corporate level of some Chinese banks, there was some exposure to US sub-prime debts and Lehman Brothers bonds etc. However, this proved insignificant and did not influence the results of the banks.

How high were the chances back then for a foreign company to obtain credit?

Credit — both then and now — is granted based on the merit of each project.

How has the crisis affected China — especially the financial market?

It certainly has had a negative impact on the Chinese economy. The Chinese economic engine is powered by three sources — government spending, domestic demand and export. Exports were certainly hit, as was Foreign Direct Investment (FDI). The fall in world trade affected the trade settlement business for most banks. Some of the banks may have been exposed to the US Lehman Brothers saga, but it was not of importance. On a positive note, most banks were able to develop their business thanks to the increase in government spending.

Following the international financial crisis, the deposit and borrowing rates have decreased this year. As a result, the margin for the banks has also declined. This should have consequences on the banks' profitability. However, due to the business increase as a result of government-directed investments, the outlook for the banks in 2009 continues to be positive.

What does this mean for banks, investors and companies doing business in China today?

The reverberations on the business community vary. The banks are continuing to grant loans based on merit, except maybe for manufacturing due to an overcapacity.

How do you see the chances for foreign companies to obtain loans in the future?

The directive from the Central Bank remains constant for the time being. Consequently, no notable change from the current status is foreseeable. However, commercial banks have been asked to grant loans by keeping the pace season by season.

What are your expectations for next year?

In 2009, the credit growth is out of proportion compared to the past. In the past, the growth rate was approximately 17%; this year it was close to 40%. Whether this will lead to inflation and more control for next year is currently under debate. My personal view is that the government will have to maintain the growth rate, so I do not expect any major shifts in policy.



The addition of 220,000 cbm storage capacity at the Oiltanking site in Ghent for its client Apetra is yet another example of Oiltanking's dedication to long-term partnerships.

■ **Apetra** (which stands for Agence de Pétrol or Petroleum Agentschap) is a limited company under public laws with a social goal, which manages the major part of Belgium's strategic stocks. As a member of the European Union, Belgium is obliged to hold ninety days' worth of its annual consumption of petroleum products as strategic stocks. This is in order to prevent the economy and its consumers from facing a shortage or total lack of motor fuels, heating oil, heavy oil or aviation fuel should the oil supply be disrupted.

In order to store its finished products and crude oil, Apetra needs a considerable amount of storage capacity. For the purpose of meeting its needs, the Oiltanking terminal in Ghent offered the company a long-term partnership and an expansion program. On September 3, 2009, tank pit 10, of which Apetra took a major share, was officially opened. However, operations

already started on August 1, 2009. The four tanks, each with a capacity of 55,000 cbm, are exclusively for Apetra to handle aviation fuel (Jet A1).

To celebrate the start of the operations, five Apetra delegates visited the Oiltanking Ghent site and showed their appreciation. The Oiltanking colleagues were also pleased — not only to welcome them as guests, but also as long-term partners. The newly built capacity for jet fuel will expand Oiltanking Ghent's total capacity to 1,006,279 cbm and strengthen its position as a major jet-fuel hub in Europe.

OSCAR

winning performance

When you hear Oiltankers talking about a possible “OSCAR”, they are not referring to the prestigious Hollywood trophy, but the likelihood that another Oiltanking (OT) terminal will be provided with the company’s standard operational IT platform called OSCAR. Even though it may still take a while for the **O**iltanking **S**ystem for **C**ompetence and **R**eporting to be introduced at all the Oiltanking terminals worldwide, one thing is for sure: the global roll-out speed is increasing fast and the system is a sure winner.

■ **Let’s start** with a flashback: Once IT solutions became available at the end of the eighties, terminals looked to replace their paper stock accounting system with the available IT resources. Since there was no fit for purpose solutions off the shelf, however, most terminal operators started to develop their own, as in the case of Oiltanking. Back in 1987, Paul Roepers, today OSCAR Global Support & Quality Assurance Manager at Oiltanking Amsterdam (OTA), built the first version of OSAS (Oiltanking Stock Accounting System). Together with Roy Senff, Operations Manager at OTA, Paul produced the functional design and developed and tested the software. The program code was successively copied and installed at various other OT terminals, where it

was adapted to suit the local needs. When Oiltanking bought the former GATX (chemical) terminal in Antwerp, it faced a software problem: Firstly, OSAS was not designed for the chemical business and, secondly, the license for the system the terminal used to rely on was soon to expire. A new platform had to be found. The system the Belgian terminals selected was based on Oracle. It was christened OSCAR and functions like OSAS at heart. Due to the tight deadline, the start-up in Antwerp was not a smooth process. On top of this, a lot of customization work had to be carried out. The roll-out continued in Ghent and other terminals soon followed suit. The roll-out process was fine-tuned over

the years and became very performant. Meanwhile, it is still being developed further to cope with the ever-changing business environment. To maintain and extend a high-level of support and software quality, a dedicated global OSCAR support team of twenty colleagues mainly located in Hamburg and Antwerp has been established. Five more colleagues are based elsewhere around the globe to support the users. This dedicated IT team works very closely with key Oiltanking users and the management at the different terminals to ensure its alignment with the business process as far as possible. The OSCAR management committee (OPMC)

meets twice a year to discuss its further development and the roll-out process, and ensure that OSCAR will continue to sustain our business processes in the years to come.

In 2010, OSCAR will be implemented in Singapore and India and the roll-out in the German profit centres finalized. By the end of 2010, 24 Oiltanking terminals will be running OSCAR. For Singapore, the pre-project planning activities started in the third quarter of 2009. While the actual project implementation on-site is due to commence in June 2010, the “Go Live” date is scheduled for the fourth quarter of 2010. Two Indian terminals will “Go Live” by mid-2010. Oiltanking plans to have all its terminals integrated by 2013.

Like in every international company, knowledge sharing and the standardization of business processes within the OT group is essential, and a standardized IT platform supporting the main processes at the terminals constitutes a major step towards realizing this important goal. Oiltanking's experience to date is great. By using

the same platform, people from different terminals speak the same language and can share experiences. Key users are actively brought together in forums and get involved in the roll-out to other terminals to encourage this knowledge-sharing process.

FOUNDING FATHER OF OSAS



Paul Roepers implemented the first version of this operational software in Amsterdam in 1987. For more than 20 years, he has been a bedrock of support, ensuring that the software continued to perform to its expectations and was adapted to meet new business needs. He now is the head of the OSCAR support team.



Complimenting compliance management

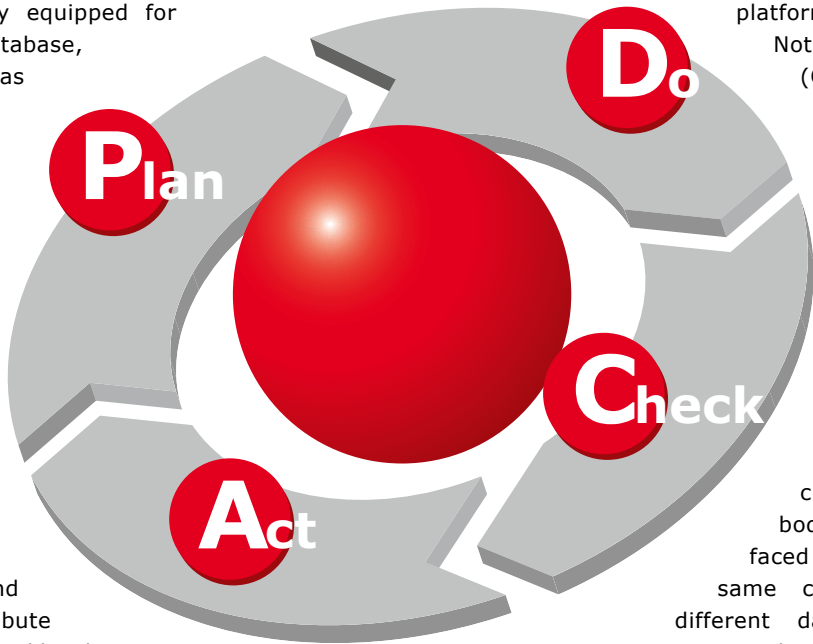
Since October 10, 2009 the Oiltanking Information Management System (OTIMS) has been in use, providing the staff of Oiltanking and Marquard & Bahls with a sound document database for compliance management.

■ **Oiltanking managers** around the globe may have different tasks depending on the specific needs of their particular location and the standards and procedures might differ. So why reinvent the wheel when knowledge can be shared? In order to support compliance management, Oiltanking invested in a Lotus-Notes-based document database solution, offering special features fully equipped for this purpose. The database, known to insiders as OTIMS (Oiltanking Information Management System), has now been in operation since October 10, 2009.

It will be used by 15 designated Oiltanking managers with a global role to store and maintain standards, process descriptions and instructions, and distribute them to the regional and local management departments in the profit centers around the globe. The system offers specific features to reduce the typical administrative workload that comes with compliance management. In addition, version control to guarantee that the latest version is always available, an approval and distribution flow, and many other features are secured. The training for authors and approvers was conducted last July. The 15 managers are to inform their preferred distribution

group. The local managers will then receive a database link via email, granting them access to the global OTIMS database. Terminals have the option of adopting the same functionality for their local requirements. Today, four terminals in the Netherlands and Belgium already have their local database and another six have expressed a serious interest. The platform is embedded in Lotus Notes, developed by QSI (Quality Systems International), distributed and tailored by Quality World Europe. Back in 2004, the Belgian profit center implemented its own version, which currently contains over 1,500 documents. The system has proven its worth in Belgium during the ever increasing number of audits from customers and governmental bodies that terminals have faced lately. By imposing the same chapter structure in the different databases based on the Deming Circle principle for continuous improvement, fellow managers can easily find their way around each other's environment, encouraging knowledge-sharing between Oiltanking terminals.

The implementation of OTIMS marks another significant leap towards increased standardization and knowledge-sharing between the Oiltanking terminals to support the company's rapid growth.



First seagoing vessel welcomed

On September 3, 2009, the Oiltanking terminal in Merak, Indonesia, successfully received and discharged the first vessel to call at its newly built terminal.



THE OIL TERMINAL provides a good alternative to the oil trading terminals in Singapore, to serve as a regional hub accommodating the international oil trade.

■ **With the successful discharge** of MT "Torm Mathilda" — the first ship to call at its jetty in Merak/Banten province, Indonesia — Oiltanking has officially started operations at its new terminal. When the Indonesian government opened up the downstream oil and gas markets in 2006, Oiltanking was ready to invest because development efforts had already begun two years previously. However, Oiltanking had to put it on hold when the start-up originally scheduled for mid-2008 was delayed for a year as it took longer than expected to obtain the necessary permits.

Oiltanking persisted to overcome the hurdles, focusing on the advantages of the site: located at the Straits of Sundra, in the Merak-Cilegon industrial area, West Java. With 21 tanks (total capacity 282,500 cbm) and two berths of up to

110,000 DWT, the terminal offers Greater Jakarta cost-effective supply solutions with congestion-free access to the region's growing highway infrastructure. The terminal also caters for superior shipping economics for breakbulk and distribution throughout Indonesia. The facility provides a good alternative to the oil-trading terminals in Singapore, which serves as a regional hub for the international oil trade. For this purpose, it was granted bonded warehouse status.

At the moment, the terminal is receiving many enquiries and is in the process of signing some new contracts, indicating the high level of interest from potential clients. Given the size and the flexibility it can provide, it will soon become a regional hub for some of these customers.

BRIGHT FUTURE AHEAD The Merak terminal has already received many customer enquiries.



Hitting the road

"If I won the lottery, I would ..." One of the most popular things people would use the much-coveted windfall for is "to go travelling". Our colleagues did not hit the jackpot but they can count themselves lucky just the same as they were able to spend their precious vacation days at interesting destinations. Come and see what places they went to!



White sandy beaches? **Leddy Evangelista**, OTPeru, found immaculate ones in Dubai, United Arab Emirates.

Amparo Gamarra, Consorcio Terminales, and her husband were over the moon on their honeymoon in Punta Sal, Peru.



Chilly in Chile! **Pedro Pablo Rodríguez**, OTPeru, had to pack warm clothes for his trip to Farallones.



Thrilling experience at the Epcot Center in Florida/USA for **Milagros López Hurtado**, Consorcio Terminales, and her family.



Chasing rainbows! **Tim Venghaus**, Oiltanking GmbH, in the West Highlands, near Ullapool.





Submerged! **Martin Itchart**, OT Brandsen, explored the underwater world at San Andres Beach, Columbia.



Still hot! Although the Batea Mahuida Volcano in Patagonia/Argentina is extinct, **Cecilia Blando**, Puerto Rosales, enjoyed the stunning landscape.

Delightful and sometimes daring destinations

1) Truly wonderful! **Jorgelinda Rashta and Fernando Vasquez**, both Consorcio Terminales, explored Eco Truly Park in Huaral, Lima/Peru. **2)** Salve, **Guillermo Salgado**, LQS! He explored the path of the Romans at the Colosseum in Rome, Italy. **3)** Skiing at its best for **Alejandro Boland**, Puerto Rosales, at La Hoya ski resort in Esquel, Argentina. **4)** Did **Marcelo Castaño**, Oiltanking Puerto Rosales, and his wife throw a coin into the Fontana di Trevi in Rome, Italy, and make a wish to return? **5)** "Riding high!" Of course, **Carlos Rivero**, Consorcio Terminales, really took immense pleasure in his camel ride in Dubai, United Arab Emirates. **6)** The valley with the most crystalline natural waters around Arequipa, Peru? **Linda Hurtado**, GMP, and her husband know it is Sabandia. **7)** Teamwork — When **Gisella Toso**, OT Peru, vacationed in Houston, Texas/USA, her OT Texas City colleague Louisa Barta, was only too happy to be her tour guide. **8)** Refreshingly different! **Ten Indian Oiltanking colleagues** from Mumbai on an office night out among the lush greenery by the waterfall at Kolad, India. **9)** This monument is all Greek to you, isn't? Actually, **Miriam**

Wilson, Oiltanking Peru, is standing in front of the Plaza Espana in Madrid/Spain. **10)** Time to unwind for **Gustavo Basile**, Puerto Rosales, and his family in Villa La Angostura, Argentina. **11)** Breathtaking! **Eloy Hernández**, Consorcio Terminales, took his family to see Machu Pichu in Cusco, Peru. **12)** This is no fairy tale! **Scooter Wilson**, OT Texas City, and his granddaughter, did indeed go to Disney World, Florida/USA. **13)** Thailand by boat! **Sven Partzsch**, OT Singapore, almost reached the Burmese border. **14)** Heaven on Earth! This is how **Roy Snehajit**, Indian Oiltanking, describes what he saw during his vacation in Kashmir, India. **15)** A visual feast! The Virgen de la Candelaria Festival in Puno took place right in front of **Priscila Fernández's** (LQS) very eyes, 3,870 meters above sea level. **16)** Frisk not at risk for **Tammy Kerr**, OT Texas City, and her five children, at the beach in Montego Bay, Jamaica. **17)** Row, row, row your boat ... **Peter von Wessel**, OT Indonesia, took the song literally with his children in Bahia, Brazil. **18)** Winter Wonderland! **Werner Pohlei**, our retired colleague from Oiltanking Deutschland, made a tour of Switzerland.



In September 2009, Oiltanking Singapore was connected to its neighbor SRC (Singapore Refining Company) by two 640 m long pipelines — strategic assets that carry advantages for both parties on Jurong Island.

■ **According** to the Maritime and Port Authority of Singapore (MPA), on average the port of Singapore attracts 140,000 vessel calls annually. Outstanding quality, efficiency and service in handling are paramount. In light of the number of vessels that regularly perform cross-harbor operations between Oiltanking Singapore (OTS) and its neighbor, the Singapore Refining Company (SRC), they came up with the idea of connecting the refinery and the terminal via pipeline to optimize their cooperation.

The construction period lasted six months — from securing the wayleave agreement from the Jurong Town Corporation (JTC, the landlord) to mechanical completion and obtaining CSC approval (Certificate of Statutory Completion). As the SRC pipeline project's construction activities were aligned with the construction schedule of OT's Phase 10, a common pipe-rack system was envisaged for both projects. This resulted in significant cost savings of approximately 80 percent of the total value of the SRC pipeline project, especially due to optimization from the point of view of both the design/construction and statutory authority permit approval. Since September 2009, the two bidirectional pipelines designed for a flow rate of almost 1,000 cbm an hour each are ready and in use: one

for gasoline, the other for diesel. Each 16"-pipeline is circa 640 m in length and runs above ground on the Jurong Island service corridor owned by JTC. The pipelines stretch from the valve manifold, (VM)-18 within Phase-7, to the SRC jetty trestle fence line, which was mutually defined as the SRC-OTS battery limit.

Sorting out the corridor proved to be one of the major challenges as the pipelines run over existing underground services (other lines and cables) in some parts of the corridor. Now they are a strategic asset, linking both the refinery and the terminal. Firstly, they serve to reduce the cost of cross-harbor chartering by Oiltanking's clients. Secondly, they greatly minimize the exposure to demurrage for clients. Thirdly, they ease jetty congestion as jetties are usually the bottleneck into and out of a marine terminal. The SRC pipelines have enhanced Oiltanking's value even further: apart from the eleven jetties, it is now connected to two refineries (Shell's Bukom refinery has been connected to OT for many years). On October 1, OTS re-opened the fuel-oil pipeline connection with its other neighbor, Power Seraya. Time will tell whether there might be other potentially advantageous projects in the pipeline for SRC and OTS.

Marine Jetty 10 in service

As the storage capacity of the Oiltanking Odfjell terminal Singapore is increasing considerably and yet more volume is expected, the infrastructure was adapted to ensure its excellent customer service also continues in the future.

■ **In recent years**, Oiltanking Odfjell terminal Singapore has expanded its storage capacity significantly with 28 new tanks. By now, the 214,455 cbm of storage capacity from 2008 have expanded by as much as 80 percent to 366,455 cbm. What is more, the company is expecting more volume due to the Shell Houdini cracker project in Singapore. Consequently, a larger supporting infrastructure had to be built to accommodate the entire additional throughput without compromising the level of service.

The fact that the only available plot of land on the waterfront was situated some distance from the new jetty did pose some challenges for the engineering and operations teams, however: in order to optimize both the existing and the new pipeline network between tank farms, pump stations and jetties, numerous lines had to be re-routed. Nevertheless, all the work was carried out in a safe and timely fashion without interrupting the service to customers. After a design and construction period of one year, the new Marine Jetty 10 was finally commissioned on August 24, 2009.

During almost ten years of chemical jetty operations in Singapore, several improvement opportunities were identified. The operations team was closely involved in the design and construction to see to it that, where possible, all the identified improvements were implemented. The result is an extremely well designed jetty that caters for increased efficiency and operability. The most prominent feature that stands out from the rest of the jetties is its multi-tier platform concept, which allows for better access and working room for operators. The new method of lifting hoses with a saddle sling on a hoist is another advantage.

Facts & figures

Maximum deadweight:	45,000 Ton
Maximum length overall (LOA):	200 m
Product lines:	21 (of which 6 double up as inter-jetty lines to Marine Jetty 11)
Propylene lines:	3 (liquid, vapor, gassing up)
Vapor lines:	2
Bunker lines:	2 (fuel oil and gas oil, both under construction)
Marpol slop line:	1
Separate sumps for rainwater and chemicals	



NEW LIFTING METHOD One of several advantages of the new marine jetty 10 in Singapore.



Kitchen confidential or: Sauerkraut cravings

■ **There are times** when everybody is home for dinner in time and there is no need to shout “dinner is ready” repeatedly (as you may have to on other days). Because today there’s something special on the menu! Neighbors may have realized it, too, as the distinctive smell — some may call it a stench — wafts through the air. Yes, it’s sauerkraut time! And in spite of the heat! “How come? Can you get it over there”, ask bewildered family members and friends back home. They simply cannot fathom how someone can develop such a craving for a particular food. Admittedly, back home sauerkraut is nothing special and for sure it won’t be served during summertime. But miles away from home it means ... a taste of home and familiarity!

It already starts when you go to the supermarket in a foreign country for the first time and see the food on display. Sometimes you see things — especially in the beginning — that you are not sure whether it is a fruit or a vegetable. Therefore, the tendency to stick to the food you are

What is life as an expat wife like? One thing is for sure: there are many new impressions and experiences that they — and indeed the whole family — have to “digest”. And this already brings us to the subject: indulge in the culinary experiences that the wives of expat colleagues have told us about – in this case, the German craving for sauerkraut.

used to (what the farmer doesn’t know he doesn’t eat ...) is understandable. Even once you have familiarized yourself with the names and overcome possible peculiar smell shocks (sometimes the eyes and nose have to investigate), it doesn’t necessarily mean you know how to prepare it: cook it, peel it or steam it ...? So you should always invest in a local cookbook or join cooking classes. Once armed with the adequate knowledge, you can try your hand at some experimental cooking. Then the new and “strange” dishes may find their way out of the kitchen and onto the table. Of course, not everything from the “experimental lab” will be a roaring success. But there is one convincing argument — the purse and the environment! Why not try fruits and vegetables from neighboring countries? They are not only healthy but also much cheaper than those that have to be imported from your home country. Or which find their way into your home through

strategic planning, i.e. asking friends and colleagues to bring them with them (and it often turns out to be a long list) ...

Over the years, you tend to make compromises. Sometimes it has to be — no not caviar — but food that you know from home. Even though the dish might taste slightly different to what you are used to, it doesn’t matter: it’s the feeling that’s important! It’s just to get a taste of home and, whilst you might feel happy abroad, sometimes you need that familiar feeling. And then the next day it’s back to the local cuisine again ...!

Mission *possible?*



Since May 10, 2009 the Oiltanking Ebytem terminal in Puerto Rosales, Argentina, has been connected to a local refinery in Bahia Blanca via a pipeline — a unique project that proved that all you need is a little bit of faith!

■ **When Oiltanking Ebytem (OTE)** commenced operations in Argentina in 1994, this very project was then proposed. However, OTE had another 12 years of waiting on the sidelines for favorable commercial conditions before they could finally start the ball rolling: a 42-km pipeline connecting the OTE terminal in Puerto Rosales to a local refinery located in Bahia Blanca, a distance of approximately 40 kilometers.

From a technical point of view, the project did not come up against any major difficulties and it was nothing that OTE had not done before — especially after the so-called TIGER project in 2001, which involved the construction of a storage terminal of 60,000 cbm and a 168-km oil pipeline.

Eventually, in October 2006 OTE signed the commercial agreement with Petrobras to supply the refinery with crude oil. This first step in the right direction was made

possible thanks to OTE's relentless efforts and conviction that "it could be done" — a motto that was to be repeated numerous times over the course of the project!

Patience and passion were needed to tolerate a waiting time of 12 years and various drawbacks

After celebrating this initial "success", it was time for the engineers to start building the oil pipeline. They had the necessary "know how" and were raring to go. Nevertheless, during the delicate process a cloud appeared: due to the local market conditions regarding pipeline constructions and the increase in the price of steel, the offers received significantly exceeded the project's budget. It began to look as if the project would have to be shelved. But it is not in OTE's nature to throw in the towel that easily and within 12 months the company was back on track and ready to get under way with building the oil pipeline.

NEVER STOP BELIEVING The pipeline project finally goes ahead despite several hiccups.



Shortly after getting the construction off the ground, the next problem loomed on the horizon: the Dirección Nacional de Vialidad (DNV — National Roads Directorate) cancelled the pre-agreements necessary to cross routes 3 and 252. With agreements pending, and the work ground to a halt, chances of continuing looked bleak. Once again, however, the project team was convinced the mission was possible and set up a renegotiation process with the DNV authorities. Soon afterwards, the activities were resumed. Many obstacles still lay ahead and unforeseen hitches emerged, such as missing equipment, claims from the construction union (UOCRA), delays from the contractor company, and so on. But after a struggle of 14 months, the project team finally achieved the goal they had been pursuing for so long.



MAKING IT POSSIBLE Fernando Plescia (Project Engineer), Hernan Menichetti (Project Mgr.), Pablo Gural (HSSE Coordinator), Martin Rissoto (E&I Engineer) and Alejandro Boland (IT&Communications Supervisor) (from left).

Since May 10, 2009 the Oil Pipeline PR has been in uninterrupted service, all the design parameters have been accomplished and, even more importantly, accident-free. All the colleagues involved in the project are

more than proud of having met their objectives. It was mainly possible because they never stopped believing. Or, as Albert Einstein once said, "In a moment of crisis, imagination is more important than knowledge."

What's the score?

Finance is closely related to numbers and mathematics. But numbers are also linked with nature and art. They not only have a material side, but also possess spiritual meaning. What are we waiting for? 1, 2, 3 ... go!

- 1 new beginning, purity, individuality**
▶ you are born to lead
- 2 balance, kindness, quiet power**
▶ you are artistically gifted, devoted
- 3 acceptance of life as it is, intuition**
▶ you are sociable and laugh life away
- 4 home, dependability, solidity**
▶ you are industrious
- 5 travel, motion**
▶ you love freedom and change
- 6 harmony, balance**
▶ you are responsible and like beautiful things
- 7 indication of a deep thinker, mystery**
▶ you are intuitive and have a rich inner life
- 8 business, success, discipline**
▶ you have materialistic tendencies and a lot of energy
- 9 governed by love, accomplishment**
▶ you are unselfish and altruistic
- 11, 22, 33** are the master numbers (and stay as they are) and have a special significance
- 11 power**
▶ you possess a special strength of character
- 22 wisdom**
▶ you have an extraordinary destiny
- 33 the master teacher**
▶ you bring no. 11 and 22 to another level

That's the spirit

Numerology is the study of numbers and their supposed influence on human affairs. Each number, date and name can be expressed in terms of numerological cardinal numbers. They have special meanings because of the special "vibes" they give off or are associated with. There is evidence that numerology was in use thousands of years ago in China, Greece, Rome, and Egypt — long before the time of Pythagoras, who is generally accepted as the "father" of numerology. The so-called "birth number" is the number which influences the characteristics associated with the person and his or her personality the most. It can be derived by adding up all the digits in your date-of-birth horizontally. The resultant single digit number is the main

influence on an individual's life, for instance his success factor and his adeptness at handling various situations. We assume that you would like to know what your number means: (e.g. date of birth: 15.12.1962 reads as $1+5+1+2+1+9+6+2 = 27$, which in turn reads as $(2+7) = 9$).

1

ONE IN A MILLION;
THE ONE AND ONLY

ALL GOOD THINGS
COME IN THREES

3

2

TWO IS COMPANY, THREE IS A CROWD; THE
EARLY BIRD CATCHES THE WORM, BUT
THE SECOND MOUSE GETS THE CHEESE!

THE FIFTH
WHEEL ON THE
WAGON.

5

7
LUCKY NUMBER SEVEN;
SEVEN-MILE BOOTS

9

DRESSED UP
TO THE NINES;
CATS HAVE
NINE LIVES;

10

NINE TIMES
OUT OF TEN

A BAKER'S DOZEN (FROM THE FORMER CUSTOM AMONG BAKERS OF ADDING AN EXTRA ROLL IN CASE 12 DID NOT WEIGH ENOUGH); 5 MINUTES TO 12

12

What fo(u)r?

In the West, the **number 4** is (if anything) associated with something positive. Seeing that four-leaf clovers are quite rare in nature, one needs luck to find one. Therefore, coming across one with four leaves brings ... luck! Then there is the saying that “four eyes are better than two”! However, in Chinese culture the number 4 has negative connotations: as it is pronounced similarly to the word “death”, the number is most unfortunate. This so-called tetraphobia (fear of number 4) can be so great that the number four is often omitted, e.g. from the floor numbers in elevators. This could happen in the Western hemisphere, too!

However, here it is the **number 13** that would be missing. According to superstition, the number 13 brings bad luck, especially on a Friday!

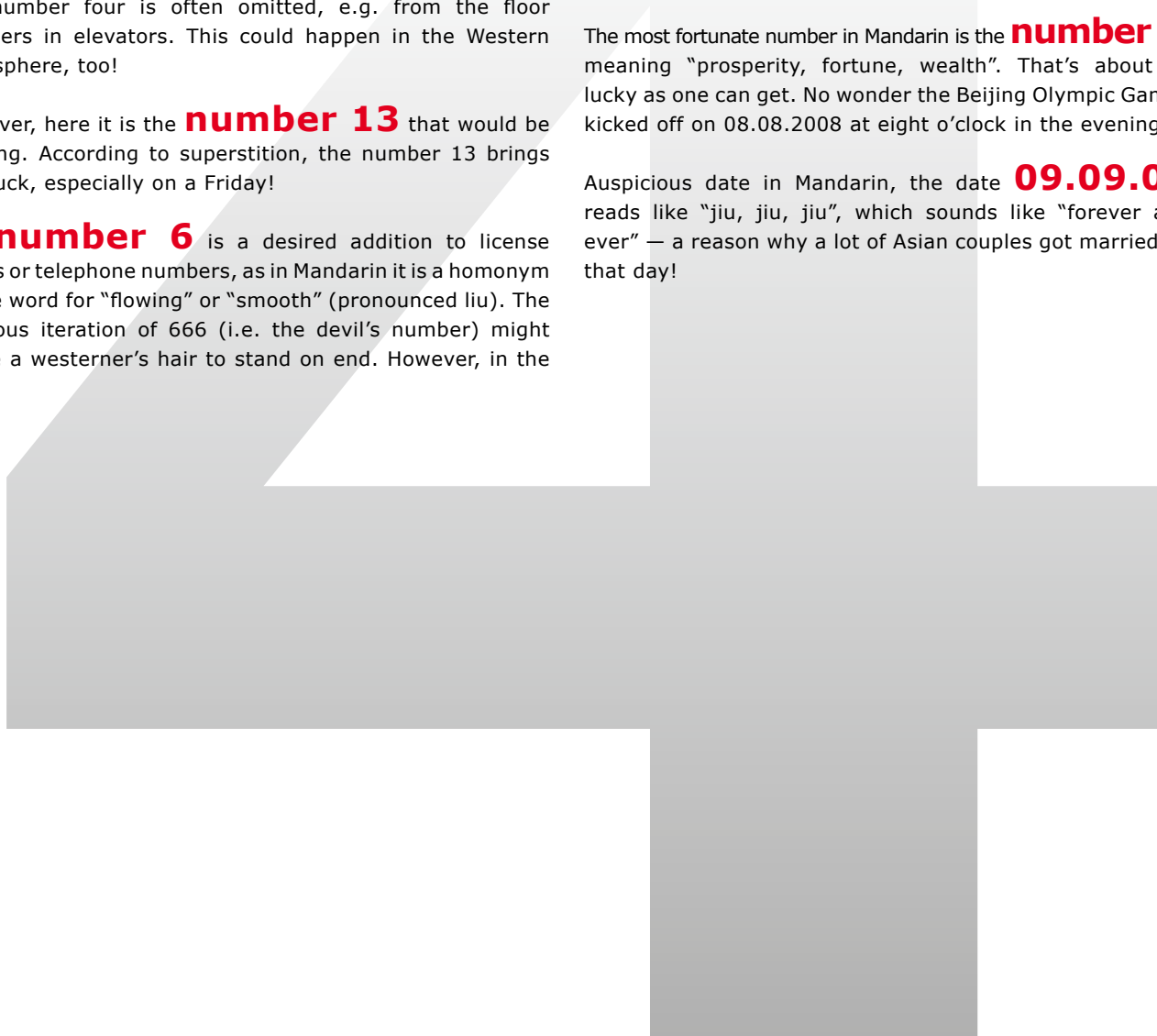
The **number 6** is a desired addition to license plates or telephone numbers, as in Mandarin it is a homonym of the word for “flowing” or “smooth” (pronounced liu). The ominous iteration of 666 (i.e. the devil’s number) might cause a westerner’s hair to stand on end. However, in the

Chinese language it is a particularly lucky number as it is believed that the more times you repeat a lucky number in quick succession, the more luck it will bring.

Luckily, we still have the “lucky” **number 7** (unless you smash a mirror, that is, which brings 7 years of bad luck!). The number has the highest probability of occurring when rolling dice. Magically, it continues to fascinate the masses and recurs in religions and science.

The most fortunate number in Mandarin is the **number 8**, meaning “prosperity, fortune, wealth”. That’s about as lucky as one can get. No wonder the Beijing Olympic Games kicked off on 08.08.2008 at eight o’clock in the evening!

Auspicious date in Mandarin, the date **09.09.09** reads like “jiu, jiu, jiu”, which sounds like “forever and ever” — a reason why a lot of Asian couples got married on that day!



Count on nature



A NAUTILUS SHELL
Its chambers are an example of the Fibonacci spiral.

■ **Let’s zero in on “zero”** — the most important of mathematical concepts. The idea of zero as a placeholder, e.g. to distinguish 405 from 45, originated in both Indian and Babylonian cultures. Three Indian mathematicians, Brahmagupta (about 628 AD), Mahavira (about 850 AD) and Bháskara (1114 to approx. 1185 AD), are credited with defining zero as a number and establishing the rules for subtracting, adding, multiplying and dividing by zero. It was Leonardo Fibonacci who introduced the concept of zero and the Hindu-

Arabic numeral system to Europe in 1200AD. He also described the Fibonacci

sequence, where each number in the sequence is the sum of the previous two (0, 1, 1, 2, 3, 5, 8, 13, ...). You understand zero? Never mind, because the Fibonacci sequence is all around you — for instance, when you look at the scales on a pineapple or the number of spirals in sunflowers or pinecones. Also, the growth of a nautilus shell is a logarithmic spiral – i.e. the spiral increases in size, but the shape remains the same.



Save up for a rainy day

FEED ME! The old custom of keeping money in containers shaped like pigs is still popular today.

■ **Aimed at promoting** a culture of saving, the Italian professor Ravizza declared the first “World Savings Day” on October 31 1924 (the last day of the “International Savings Bank Congress”) in Milan/Italy. Representatives from 29 countries wanted to raise the global awareness for the concept of saving and its relevance for both the economy and the individual. Since then, World Savings Day has usually been held on October 31 — provided that the date does not coincide with a public holiday to ensure banks are open.

Before savings are transferred to an account, people use a variety of different places to collect money or keep it safe. Popular hiding places include under the mattress, in an envelope, taped under the kitchen drawer or in plastic bags in the freezer. Also, piggy banks enjoyed and still enjoy great popularity. The name and form possibly dates back to the Middle Ages, when savings were dropped into jars made of pygg (clay). However, pigs are often associated with luck, wealth and fertility.

The sky's the limit

Two Oiltanking colleagues were part of the eight-man German-Maltese sailing team which participated in the prestigious Middle Sea Race that got underway on October 17, 2009 — a race that stretched everybody to their limits.



ON BOARD "KERISMA" The Crew and the racing boat successfully braved the unfavorable weather conditions.

■ **Five days** can be a very long time, or exactly the opposite, as Sonke Stein, General Manager Egypt, Oiltanking Middle East and Dirk Exalto, Managing Director Oiltanking Malta, found out after five testing days on Sonke's racing boat "Kerisma". It was one of the 78 yachts that took part in the traditional Middle Sea Race. 606 nautical miles in length, the regatta is a true challenge for the skippers and crews, who have to give their very best to cope with the often changing and demanding

"We had to change the sails constantly."

settings. "It is not a straight-line race from A to B, as it goes around Sicily with many twists and turns. Consequently, the circumstances might be different around every corner", explains Sonke. After the calm of last year's race, the most recent one was characterized by extremely adverse weather conditions. The yachts especially had to face a series of consecutive thunderstorms with winds of over 40 knots during the first third of the regatta through the Strait of Messina.

Unpredictable squalls — brief sudden violent windstorms — mainly headed in the direction of the yachts at high speed. "You cannot avoid them and there is only one way out: to minimize the sail surface, shut your eyes and just go through them."

Due to the weather conditions, the regatta turned into a race for the big sailing boats. But even some of them were not spared, losing sails and masts in the acute conditions. "It was one of the hardest races

"I wore my oilskins and life vest for four consecutive days, not even taking my wet boots off to sleep"



TEAM SPIRIT Sonke Stein (far right) with Dirk Exalto (far left) embracing their friends as well as the many challenges of the race.

I have ever joined in this region", said Sonke after the race — quite a statement from someone who used to be in the German national sailing team, started sailing at the age of four and for whom, now in his 8th Middle Sea Race, the event has almost become mandatory! The race, like the regattas of Newport-Bermuda, Sydney-Hobart or the Fastnet Race, is a classic middle-distance regatta where international maxi-yachts take part to break records for their owners. Amazingly, an English amateur team carried off this year's prize — a huge trophy and a Rolex watch. Sonke and his crew finished 4th in their class, 50 seconds on corrected

"Everything was soaking wet for four days in a row."



“Sailing is team sport — everybody has to do their fair share.”

time behind third place, and that after 606 nautical miles! There is no place for carelessness or personal oddities. “We’re a team and everybody lends a hand”, says skipper Sonke. Half of his crew were old friends from Hamburg, Germany; some were new friends from Malta — his adoptive country. Sonke had previously sailed with his Dutch colleague, Dirk Exalto, in Mumbai, India, and Malta. “A race like this really pushes you and your friends to your personal limits”, states Sonke. Sleep deprivation — just three hours below deck after six hours on watch duty — and the same food all the time such as canned soups and Muesli bars, are undoubtedly added challenges.

Therefore, five days in such inauspicious circumstances can seem very long indeed — sometimes almost too long. On the other hand, distracted by all the things that have to be taken care of, time flies. Sonke and Dirk will be sailing together in a couple of races next year. But first Sonke will race around Malta at the end of December, while Dirk will be busy with his own sailing boat. Whether Dirk and the rest of the crew will participate in the Midle Sea Race again next year is written in the stars, but Sonke will definitely be there!

“It was one of the hardest races I have ever sailed in this area.”



FROM MALTA TO MALTA
The course of the 606-nautical mile race stretches past unsurpassed scenery (in the background: the smoking cloud of Mount Etna).

Canteen talk



SHOW OFF All participants were awarded with a medal.



■ **What started out** as a casual statement during the usual lunch-time chit-chat at Oiltanking Amsterdam soon evolved into a serious sporting commitment. Shortly after Matthijs Post mentioned that he was going to participate in the 10-mile Dam to Dam Loop from Amsterdam to Zaandam,

an entry list appeared on the notice board. Word soon got around and a number of colleagues, including two from OT Antwerp, eagerly signed up. Family members and friends of Oiltankers even joined in and some even set up an intensive training program. However, three colleagues were unfortunately prevented from taking part due to last-minute training injuries.

On September 20 2009, a highly motivated Oiltanking team consisting of 17 members found itself running with approx. 60,000 other participants, cheered on by their colleagues along the roadside. Since the race, which incidentally is the largest running event in the Netherlands, our colleagues Matthijs Post, Dirk Huizenga and Jan Zevenbergen's girlfriend Wendolina Groen, have taken a fancy to marathons: they also entered the Amsterdam half marathon in October and are now training for the Egmond half marathon and the 10-mile race in Antwerp in spring next year. Needless to say, their sportsmanship is the talk of the canteen ...

Fancy footwork

■ **At the end of September 2009**, once again it was time for the “soccer highlight of the year”. This year, the “Oiltanking Greasers” and the “Mabanaft Pirates” met at the Oiltanking terminal in Hamburg, Germany. Unfortunately, however, the location held no home advantage for the Oiltankers and, after bringing home the cup for the last two years running, the Greasers (reluctantly) had to hand it over to the Pirates. Living up to their name, acting suddenly and unpredictably, the Pirates managed to swashbuckle their way to victory (12:1). However, the Oiltankers took it sportingly.

After the game, the cheering crowd of family members and friends celebrated with both teams. Chatting and feasting on the mouthwatering Argentinean BBQ organized and prepared by our colleagues from South America and the Hamburg terminal team, the evening once again hit the bull's eye!

FAIR PLAY ON THE TURF The “Greasers” take on the “Pirates”, demonstrating that they are no mugs when it comes to soccer.



Bringing back memories

Is it really that long ago? ... That was what we were thinking when we had a look at what was topical at Oiltanking and what hit the headlines in connections 20 years ago. See how time flies!

■ **Given the current financial crisis** and its imponderability, you might remember that the year 1989 went by without any significant market upheaval. And Oiltanking was in the position to invest 51.7 million Deutschmarks.

► In 1989, Oiltanking Amsterdam became one of the first Oiltanking terminals to build a **vacuum distillation tower**. Back then, this was regarded as a notable achievement and hailed as being far-sighted.

► **Oiltanking Houston** was able to pride itself in having increased its storage capacity to 520,000 cbm, thus becoming the largest terminal in the Oiltanking group. In the last 20 years, the terminal has more than doubled that figure! The

terminal has a record turnover of around 11 million tons, which is equal to 22 times the turnover of its capacity.

► **"The wind of change"**, or in other words the opening-up of East Germany, was palpable and carried new market opportunities for Oiltanking.

► Nobody at Oiltanking had yet referred to the **awareness of environment and safety** as "HSSE", but new regulations and requirements proved those areas were gaining in importance both internally and externally, resulting in an increased management focus and investments for Oiltanking.

I DO'S & GOO-GOO'S

Familiar calculation

"Two hearts beat as one" — let's see who has "lost" his/her heart and got married in the next issue of connections. We'll also find out when one and one makes three, or even more, as we admire the cute little additions to the Oiltanking family. We're looking forward to receiving your entries by February 1, 2010, at: connections@oiltanking.com

CUTE LITTLE (PUMP)KIN! Abby Hobson, granddaughter of Wallace Boles, Oiltanking Texas City.



In memoriam

We would like to remember a dear colleague — Don Wieland, Chief Operator and safety committee member of the Oiltanking terminal Terneuzen, the

Netherlands. He passed away after a tragic car accident on vacation in France this summer.



... and action!

Try to solve our riddle and don't miss the chance to win! Please send your entries to: connections@oiltanking.com, or contact us by post: Oiltanking GmbH, connections Team, Admiralitaetstrasse 55, 20459 Hamburg, Germany or by fax: +49(0)40 370 99 499.

CONGRATULATIONS

Quiz solution

The last answers came in thick and fast and we drew lots from a safe distance to find the winner. Our congratulations go to Franz-Josef Barth, Oiltanking Deutschland Tanklager Bendorf, who rightly calculated that the stopping distance for a car traveling at 100 km/h is 130 meters*. There can be only one winner, but hopefully your enthusiasm for solving our riddles has not screeched to a halt as the next one is already on the starting grid. Good luck!



***Stopping distance =**
braking distance
+ thinking distance:

Braking distance =
speed / 10 x speed / 10

Thinking distance =
speed / 10 x 3

NEW QUIZ

No such number?



This time we are counting on your mathematical zeal to help Uncle Scrooge open his safe. Unfortunately, he can't remember the correct combination. He can only give you some hints:

- the fifth and the third number add up to 14
- the fourth number is the second +1
- the first number is double the second number - 1
- the second and third number add up to 10
- the sum of all the numbers is 30

Could you help the poor guy to open it? By the way, in our safe is an i-pod shuffle waiting for the winner! Good luck!

NUMBERS

Sorry, wrong number!

Actually, people should be able to put two and two together and come up with their passwords — e.g. for e-mail accounts — as difficult to guess as possible. When recently several lists of passwords from Hotmail, Gmail, Yahoo Mail, and other accounts were discovered, security researcher Bogdan Calin from Acunetix conducted a statistical analysis of the list of more than 10,000 Windows Live Hotmail

passwords. He discovered that the most common password was "123456", with "123456789" in second place. In order to prevent password fishing — in short phishing — one could follow the example of one user whose password was 30 characters long! Or simply take the advice of using a combination of UpPeR- and-LoWeR case NuMbErs and LeTtErS to heart. 2 eAsY 4 U?



The art of numbers

"Painting by numbers" may awaken childhood memories of when one had to join up the figures in the right order to complete the drawing. But it is also what the contemporary interactive designer Erik Natzke chose to call one of his workshops for OFFF (International Festival for Post Digital Creation Culture) in Barcelona in 2007. Based in Illinois, USA, he is constantly trying to blur the lines between design and technology. Using Flash software for his computer-generated paintings, he very specifically controls the environment in which his creations thrive, leaving the artwork's specificities to the whim of the code. His work ethic has pushed the boundaries of possibility. Imagination, adventure and a desire to amaze, entertain and integrate the audience are the main driving forces behind his work. Named one of the Top 10 Young Designers by HOW magazine, both Natzke's commercial and personal works have received numerous awards within the fields of both design and advertising. His intriguing exhibits are admired around the globe, making him something of a "big number" himself.