

JOC Container Trade Europe

Containerized Shipping Market: Analyzing the Outlook

Rolf Habben Jansen, CEO

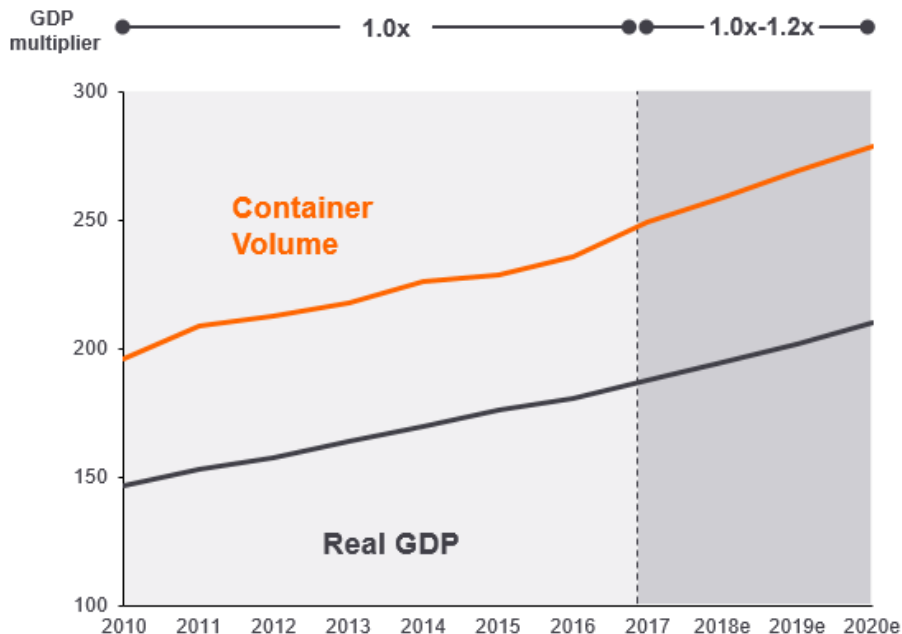
Hamburg – 17 September 2019



There are a number of reasons to remain cautiously optimistic

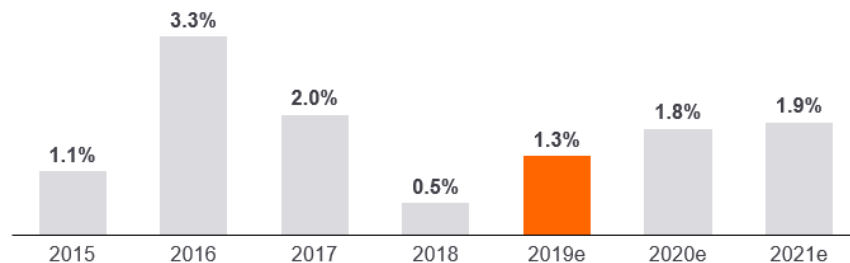
Global Container Volume & Real GDP muted but growing

Year 2000 = Indexed 100

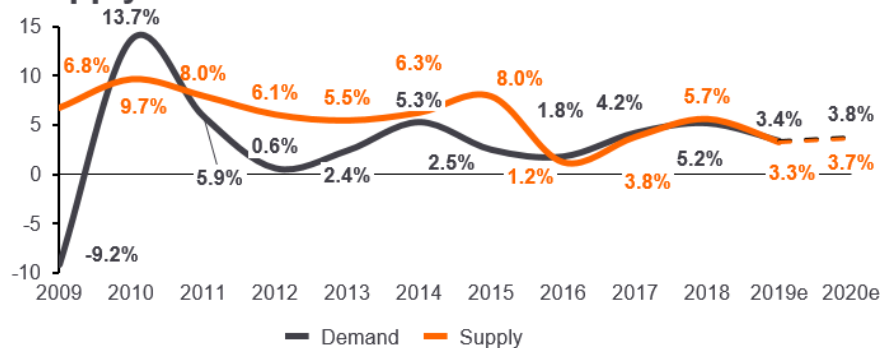


Scrapping up

[% of world fleet]



Supply and demand balanced



IMO 2020 is challenging but manageable, and there will be a few bumps



- We will begin the operational fleet conversion to low sulphur fuel in Q4 2019
- We expect higher costs for low sulphur fuel of around USD 250/tonne
- Our Marine Fuel Recovery (MFR) is well accepted in the market and by our customers



- Hapag-Lloyd first in world to convert a large container ship to LNG
- Additional costs of around USD 25 to 30 million per ship for LNG conversion and newbuilds
- 16 additional LNG ready vessels in our fleet, which could be converted after a successful pilot refitting of the “Sajir”



- Hapag-Lloyd retrofits ten vessels of its own fleet with Exhaust Gas Cleaning Systems
- Estimated installation cost USD 7 to 10 million per ship
- Lower capital investment than LNG – but short term solution only due to environmental reasons

Finally, we need to improve quality – which includes but is much more than schedule reliability!

Quality Promises in 5 categories



Responsive service

By accessible sales and customer service experts



Timely and accurate documentation

On-time and accurate documentation prevents disruptions in the supply chain and reduces costs



Booked and loaded as agreed

We need to provide agreed space on vessels and honour volume agreements



Reliable transport

Customers need to receive their containers on time and require full visibility



Issue resolution

Solve issues quickly and efficiently

Thank you very much!

