



# Market outlook

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## > Disclaimer

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This presentation may contain forward- looking expectations which are subject to risk and uncertainties related to i.a. economic and market conditions in relevant markets, oil prices, currency exchange fluctuations etc. Wilh. Wilhelmsen group undertake no liability and make no representation or warranty for the information and expectations given in the presentation.



## > Current market hits our shipping companies differently



**Current characteristics:**

Korean cars very competitive globally  
High vessel utilisation

**Measures taken:**

Redelivery of TC vessels  
Steering towards a balanced tonnage situation after many redeliveries  
Cost reduction initiatives (ongoing)



**Current characteristics:**

Very good cargo availability  
Stable volumes  
High vessel utilisation

**Measures taken:**

Trade pattern optimisation



**Current characteristics:**

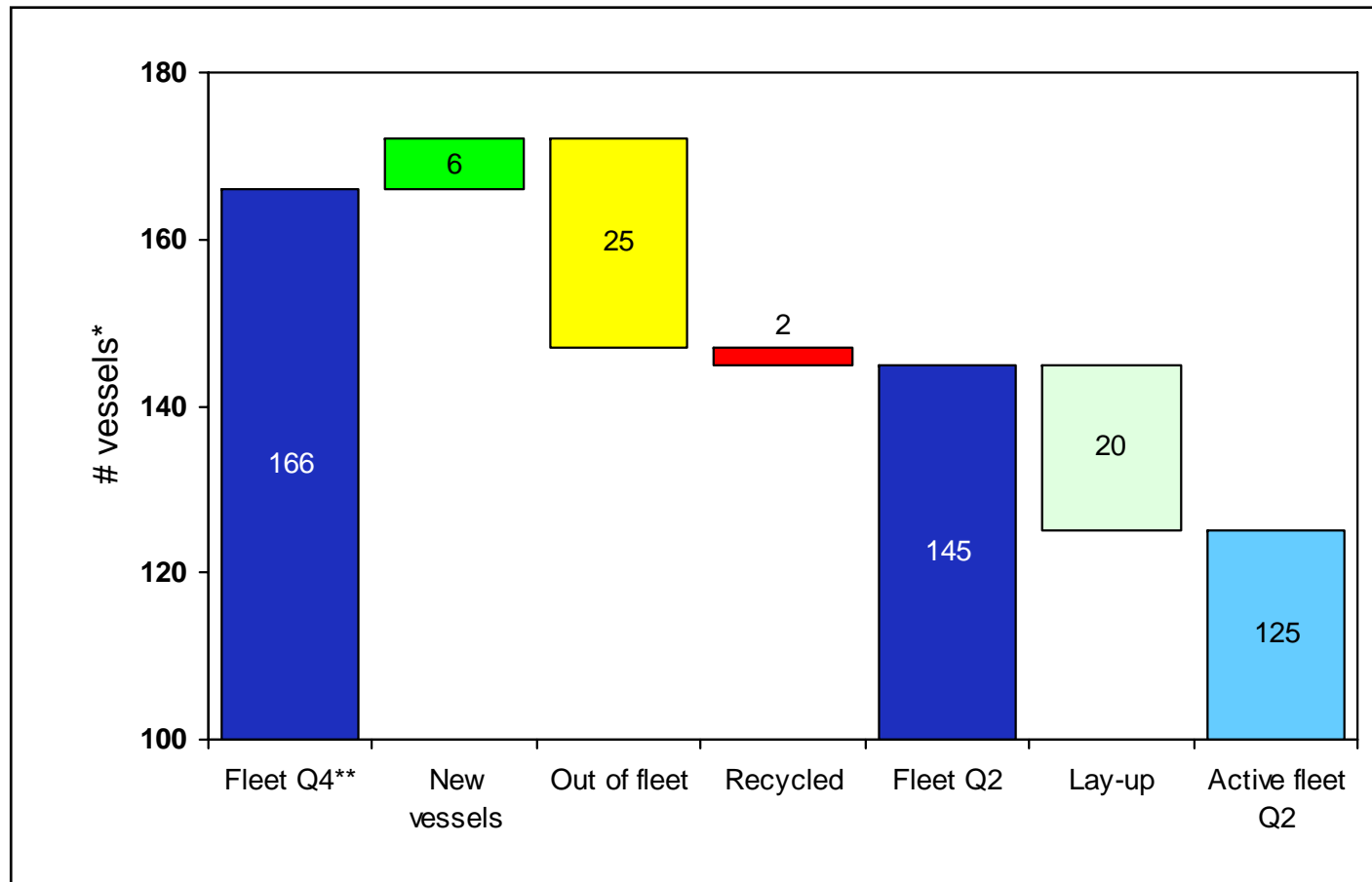
Low cargo availability in all segments  
Asian exports still very weak  
Overcapacity - low vessel utilisation

**Measures taken:**

Actively pursuing new business/trades  
Laying up and idling vessels  
Cost reduction initiatives (ongoing)



## > Fleet development since Q4 2008

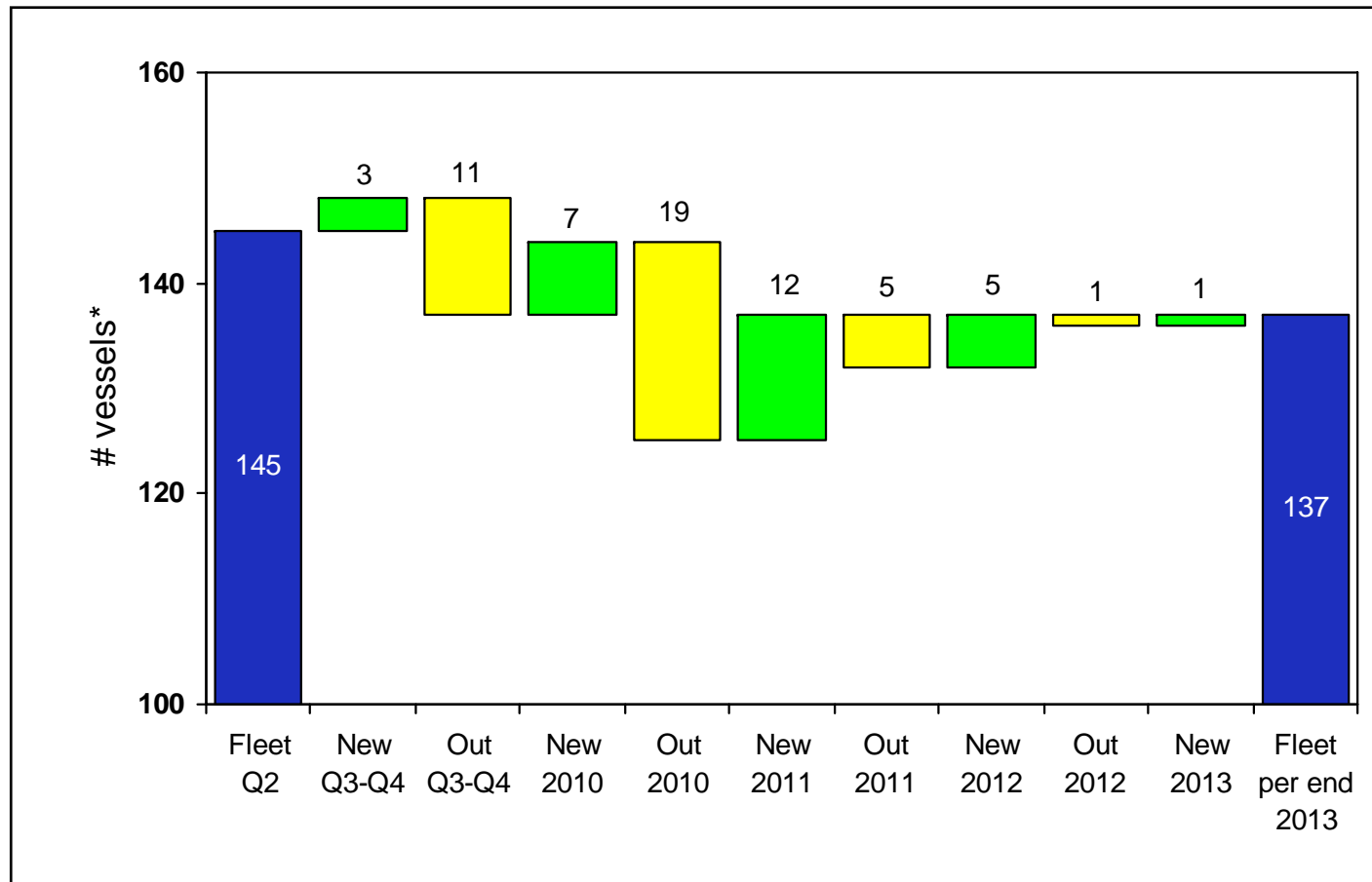


\*\* Figure not including Takayama;  
decision to recycle taken in December 2008

\* Vessels controlled by group companies



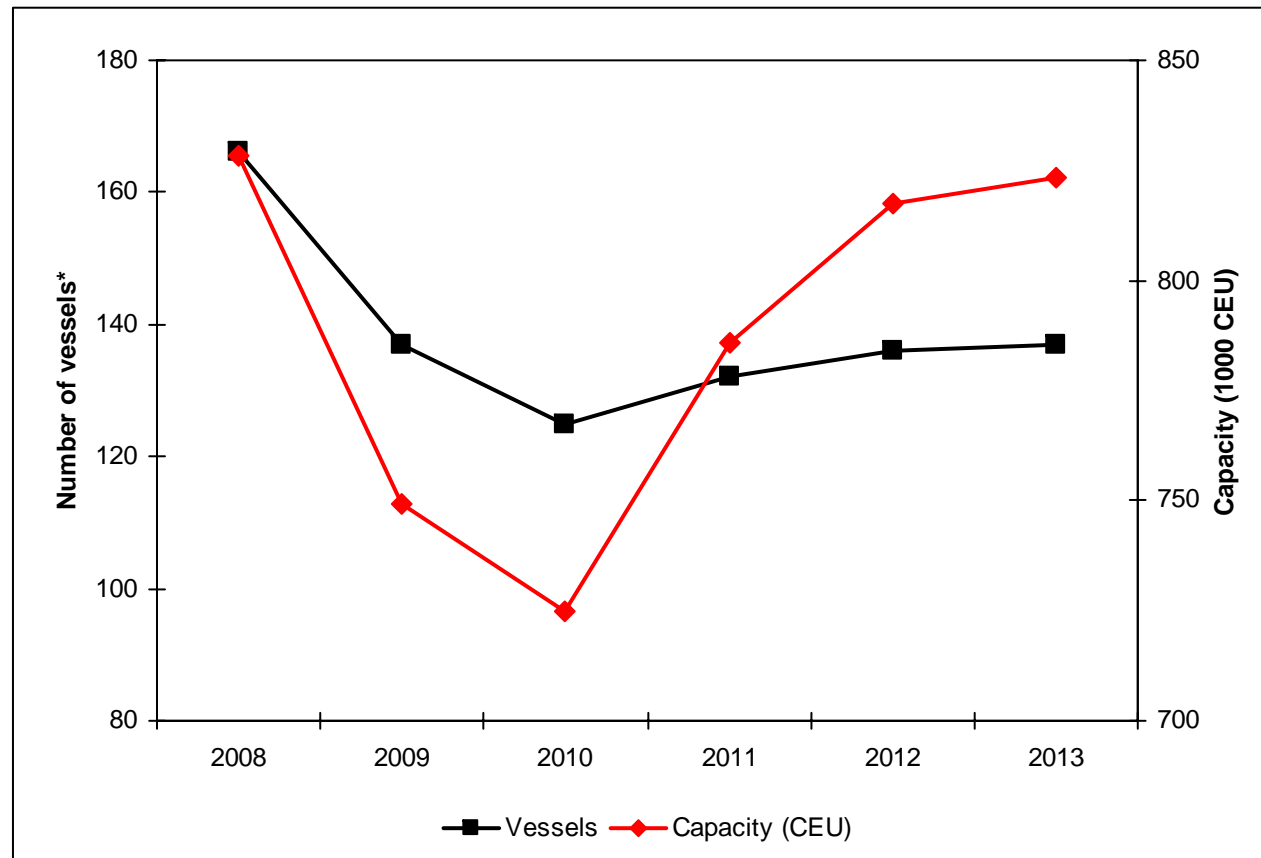
## > Planned fleet development going forward



\* Vessels controlled by group companies – per end of year



## > Planned development in number of vessels vs. capacity

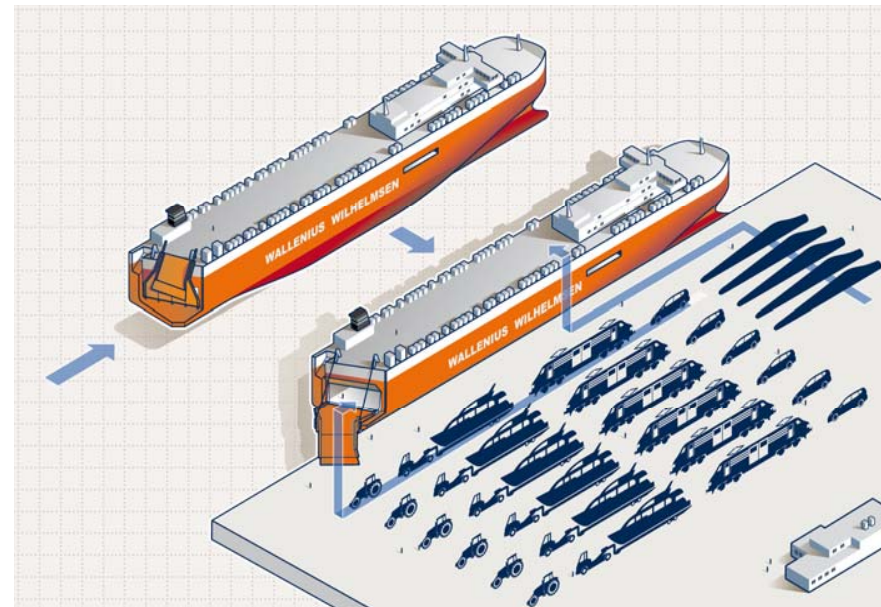


\* Vessels controlled by group companies – per end of year



## > Shipping – capacity adjustments

- Reduced volumes met through redeliveries, recycling, idling and lay-up
- Idling of vessels decreases voyage related costs
- Additional effect by lay up is the savings on operational costs
- We estimate operational savings of USD 5-6.000 per vessel per day in lay up vs. idling

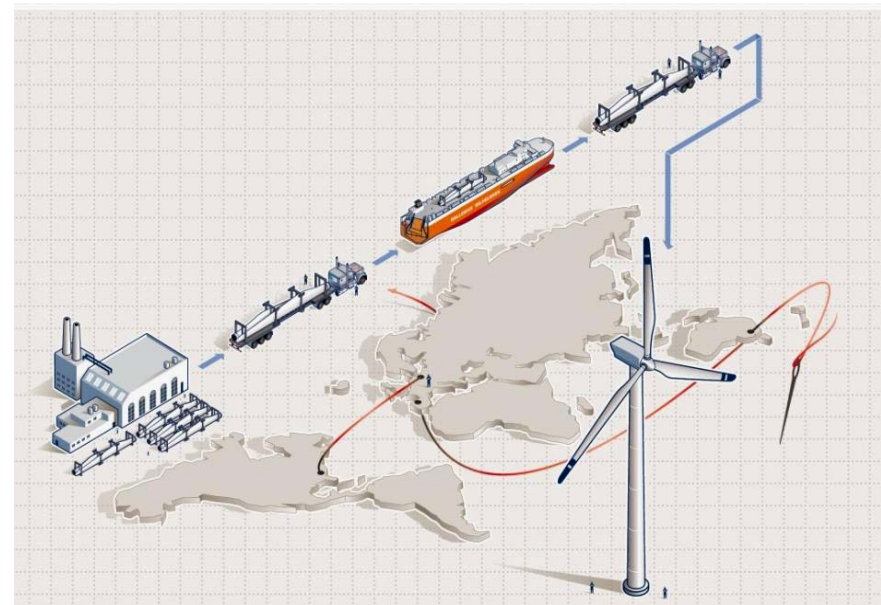


By idling and laying up vessels we increase the utilisation of the “active” fleet, and high utilisation is key to profitability.



## > Logistics – scaling operation to new volume level

- Shipping and logistics volumes are very much correlated, and when shipping volumes pick-up, logistics will follow suit
- Logistics able to scale cost to activity level to greater extent than shipping
- Structural changes in the automobile industry will drive the need for advanced logistical solutions – WW is well positioned

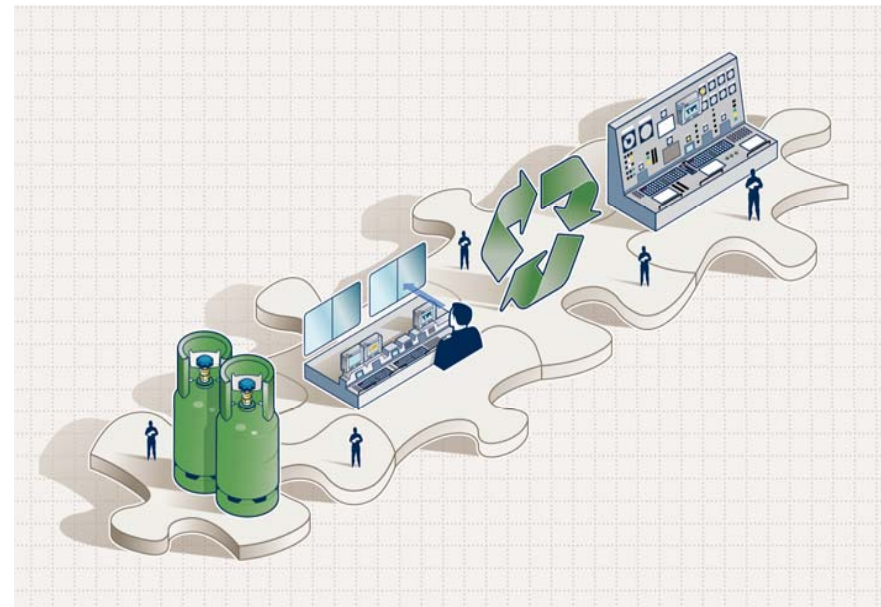


Logistics is a key component in our total offer, and increasingly important in order to defend existing contracts and gain new business.



## > Maritime Services – keeping up and steaming ahead

- Products and services to the merchant fleet holding up remarkably well – softening expected going forward
- New products and solutions well received in the market
- Newbuilding market characterised by delays and cancellations
- Scalable operation – continue to work towards keeping margins at same levels going forward



The development in the world economy and international trade is the key driver for WMS' activity level going forward.



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## > Prospects

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The global economic uncertainty and weakness continues, affecting WW's markets and the group. The car and ro-ro markets show signs of bottoming out.

The WW ASA board expects a moderate improvement in the group's operating profit in the second half of 2009 compared with the first half, however significantly lower than the same period in 2008.



Shaping the  
maritime industry

# Thank you for your attention

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