CONTAINER TRAFFIC TRENDS & LOGISTICS OPPORTUNITIES

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HULL BLYTH NIGERIA LTD – AS AGENTS TO UASC

AWARDS FOR UASC

- *SHIPPING COMPANY OF THE YEAR (**SEATRADE**)*
- *DEAL OF THE YEAR (**SEATRADE**)*
- *SHIP OWNER/OPERATOR OF THE YEAR (**SEATRADE**)*
- *BEST SCHEDULE RELIABILITY (**LLOYD'S LIST**)*

EUROPEAN SURVEY - 2013

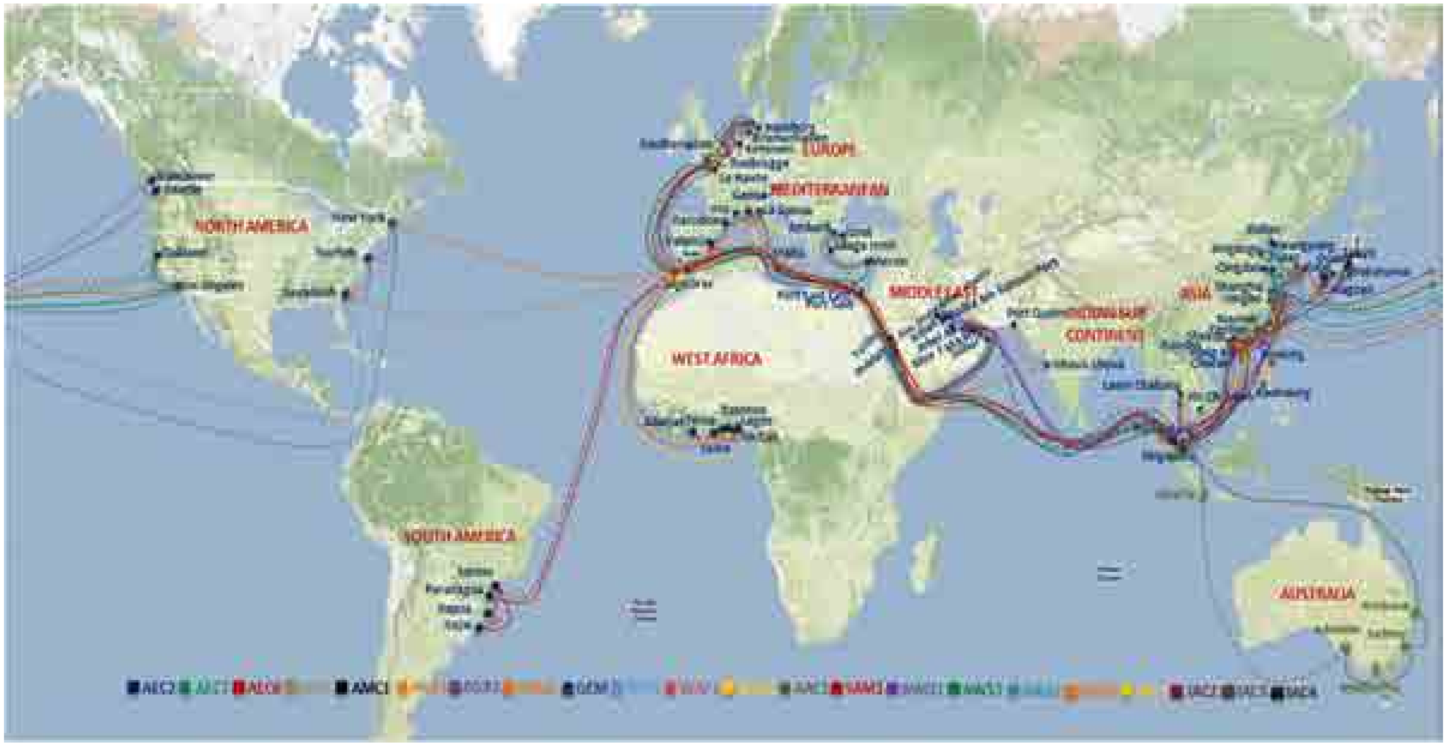
Figure 1: **Panellist scorecard: hits and misses**

Please rate your carriers on:	Best	Score	Previous	Worst	Score	Previous
Accuracy of Invoices	UASC	8.0	8.2	Maersk Line	4.5	5.5
Timely bills of lading	HMM	7.8	8.6	Yang Ming	6.0	7.7
Ease of contact	UASC	8.2	NA	Maersk Line	5.0	NA
E-commerce performance	Hapag-Lloyd	6.5	NA	Coscon	4.0	NA
Communication on freight rate changes	Zim	7.8	NA	Maersk Line	5.2	NA
Notification on schedule changes	HMM	7.2	6.2	MSC	4.7	5.3
On-time shipments	UASC	7.4	7.6	MSC	5.4	6.0
Container Availability	Coscon	8.7	7.0	Yang Ming	5.0	7.2
Sufficient slot availability	UASC	7.8	7.6	Yang Ming	5.0	6.8
Overall performance	UASC	7.6	8.0	Yang Ming	5.0	7.2

Note: N/E = New entry

- *LEADING IN 4 CATEGORIES*
- *BEST IN OVERALL PERFORMANCE*
- *CONTINUING TO RESTRUCTURE*

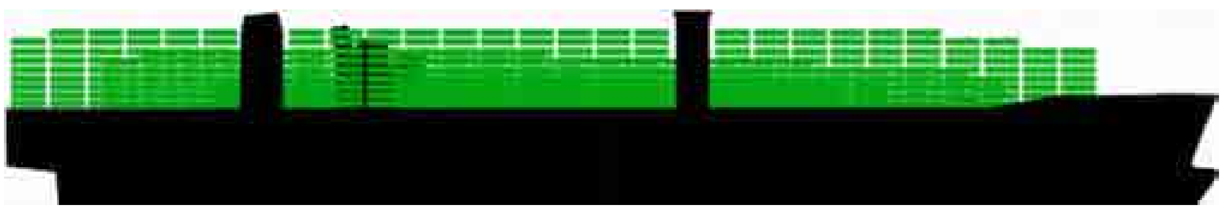
WORLD WIDE NETWORK



- 52 CONTAINER VESSELS
- TOTAL CAPACITY OF ABOUT 452,725 TEU
- 22 DIVERSE SERVICES

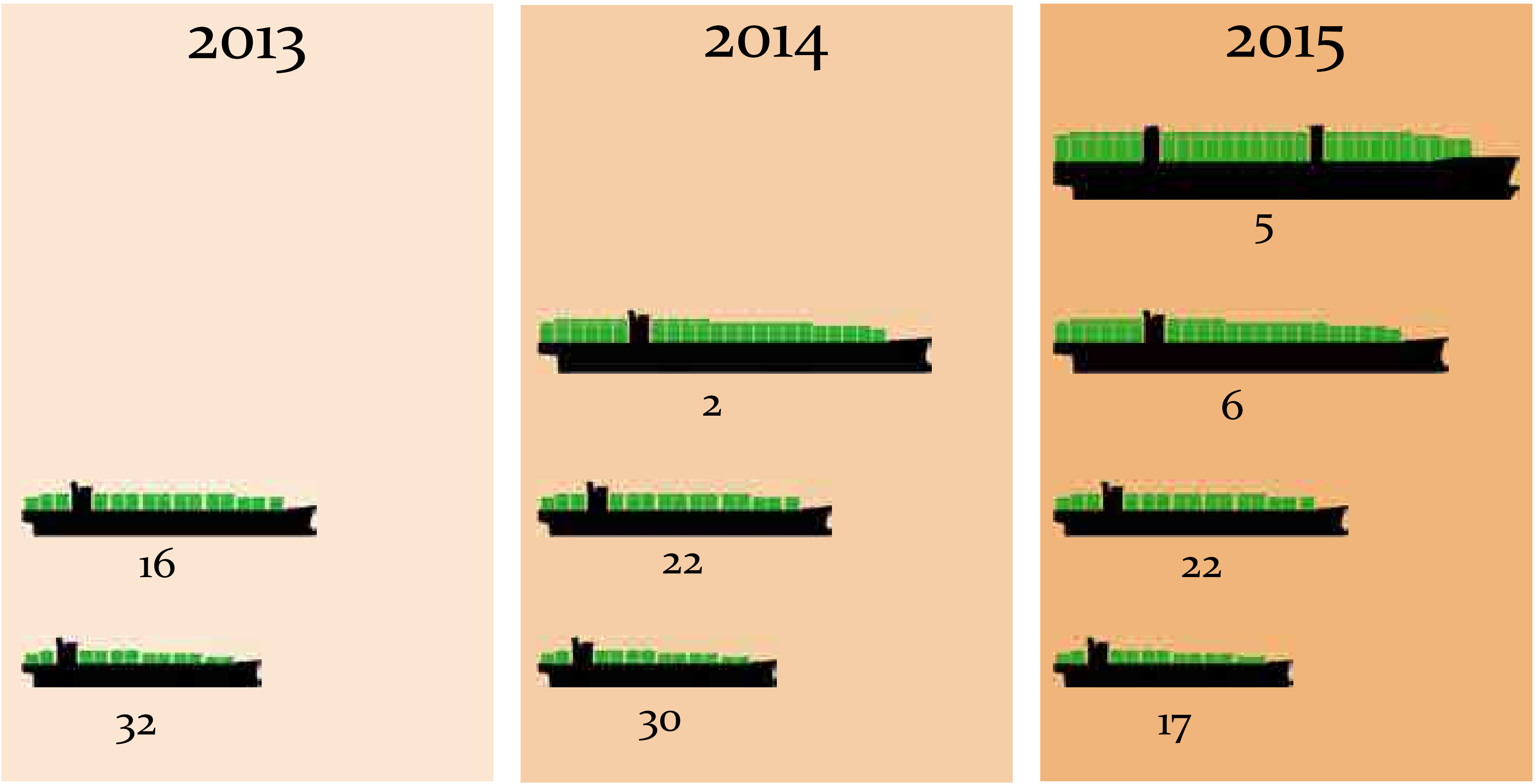
1. VESSEL EVOLUTION

ECONOMICS OF SCALE



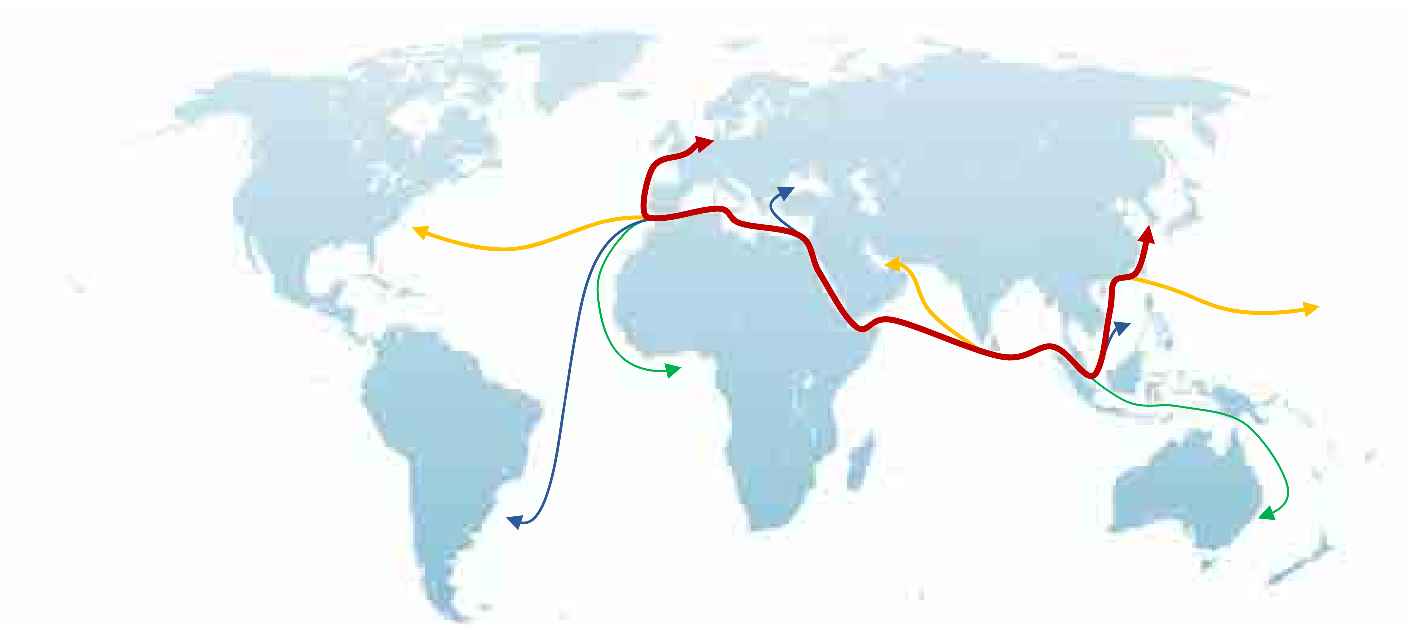
- *18,000 TEU CAPACITY*
- *REDUCTION OF CONTAINER SLOT COST*
- *REDUCTION IN FREIGHT*

PLANNED GROWTH



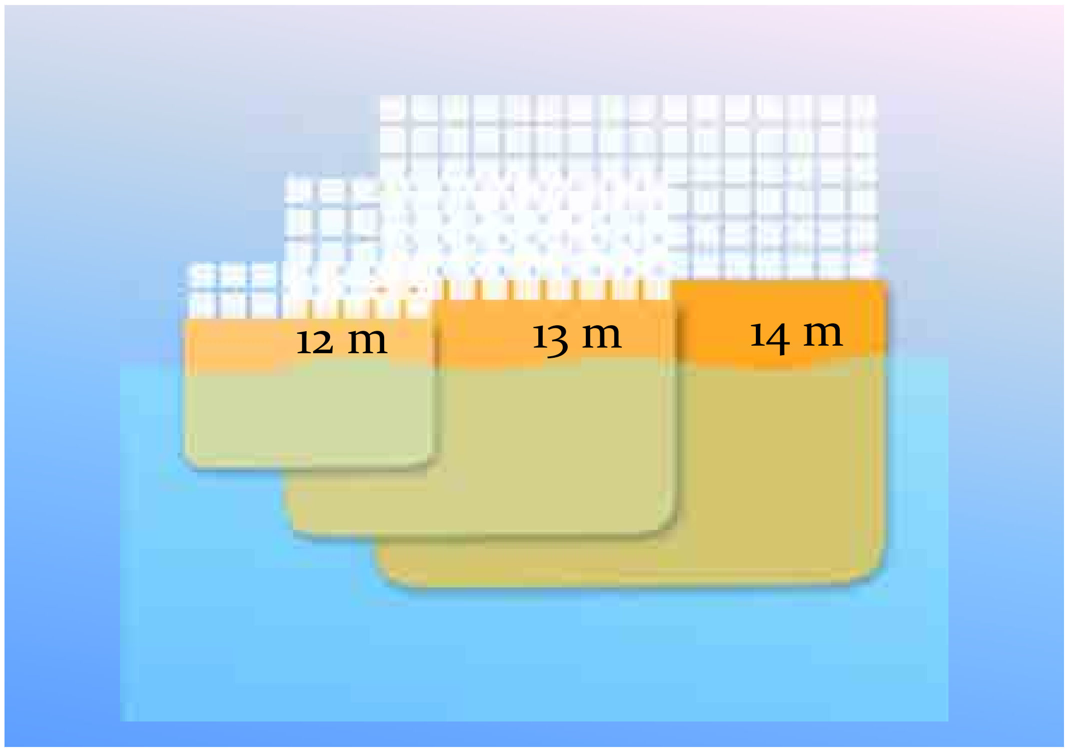
- *GROWTH IN THE* ***SUPER CARRIER SECTOR***
- *REDUCTION OF SMALLER VESSELS*
- *VESSELS CASCADE*

CASCADING TRADE ROUTES



- EUROPE – ASIA TRADE ROUTE
- DOWNWARD PRESSURE ON FREIGHT RATES
- CASCADING LARGER VESSELS INTO MINOR ROUTES

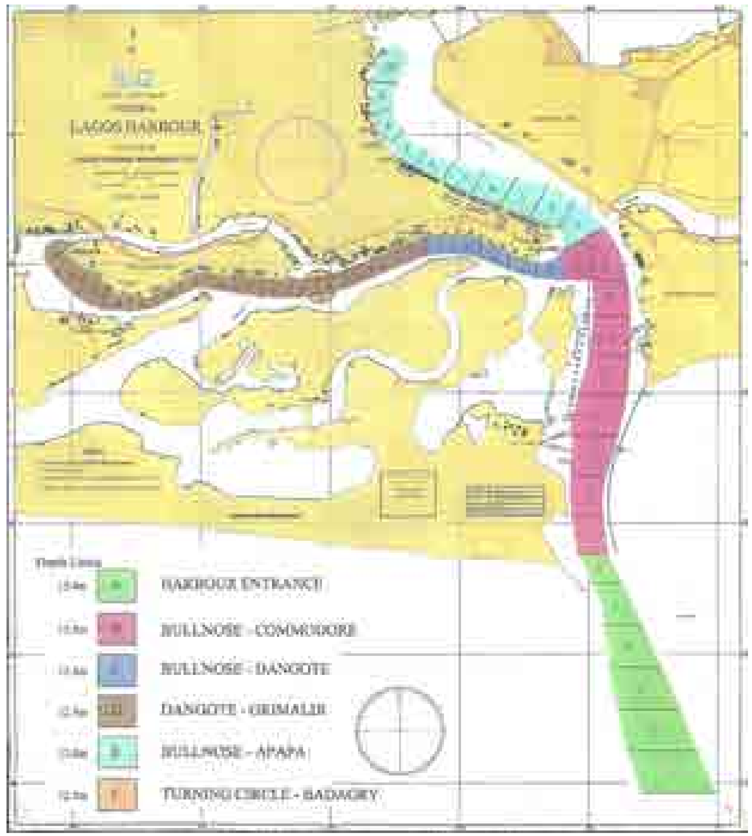
DRAFT INCREASE IN AFRICA



- *VESSEL SIZE WILL INCREASE*
- *THIS WILL CASCADE TO AFRICAN PORTS*
- *PORT WILL NEED TO ADJUST*

2. PORT EXPANSION

LAGOS HARBOUR DRAFT



- *APAPA MAX DRAFT* ***12.0M***
- *TIN CAN ISLAND MAX DRAFT* ***11.5M***
- *WITH ONE METER CLEARANCE*

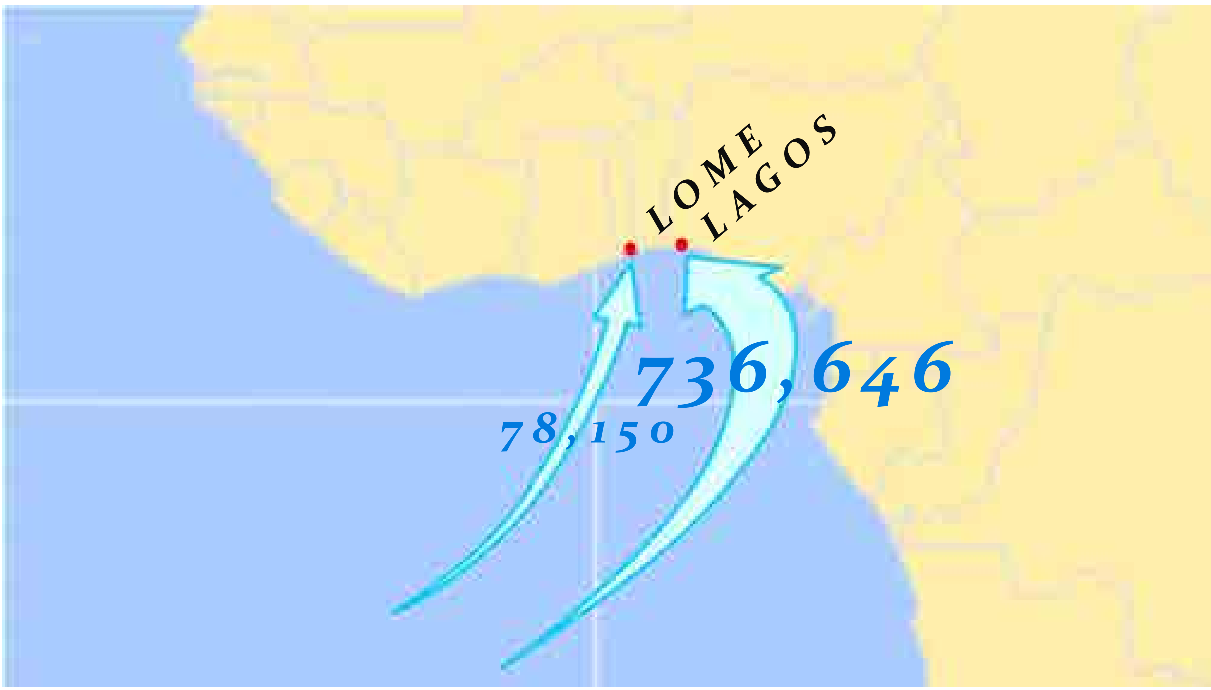
NIGERIAN PORT PROJECTS

- *BADAGRY PORT*
- *LEKKI PORT*
- *BOTH PROJECTS ARE BEHIND SCHEDULE*

LOME CONTAINER TERMINAL

- FULLY OPERATIONAL IN 2015
- NATURAL WATER DEPTH OF 15.5M
- MAXIMUM VESSEL SIZE 14,000 TEU

CHANGE TRADE ROUTES



- LAGOS IMPORT VOLUME 736,646 TEU
- LOME IMPORT VOLUME 78,150 TEU
- 2013 IMPORT VOLUMES

CHANGE TRADE ROUTES

- *RE-ROUTING TO HUB PORTS*
- *INCREASE LOME'S VOLUMES BY ABOUT 300%*
- *INCREASE IN TRANSIT VS REDUCTION IN COST*

3. *HINTERLAND*

PORT ARTERIES

- *TWO OF THE LARGEST PORTS IN WEST AFRICA*
- *BOTH PORTS **736,646** TEU IN **2013***
- *BUT ONLY TWO ARTERIES*

PORT ARTERIES

- *TWO OF THE LARGEST PORTS IN WEST AFRICA*
- *BOTH PORTS 736,646 TEU IN 2013*
- *BUT ONLY TWO ARTERIES*

ROAD CONGESTION

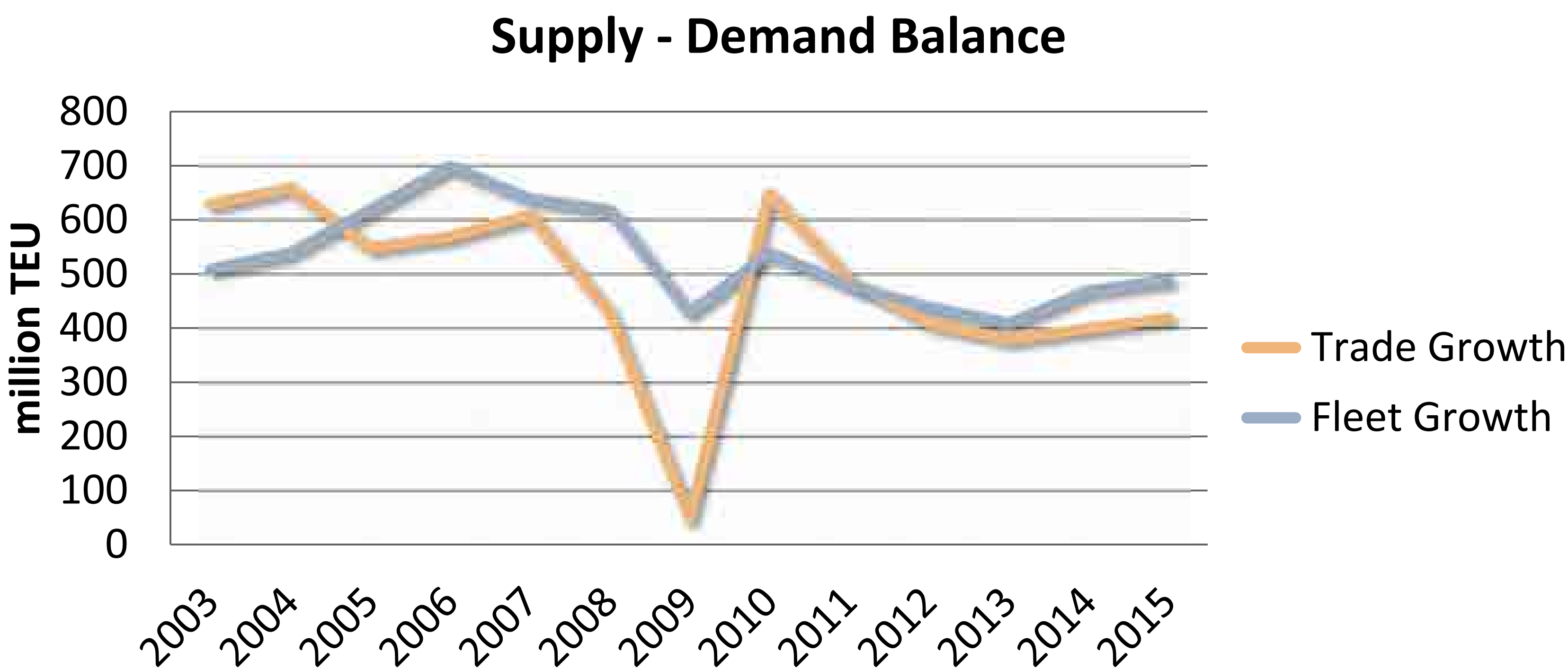
- TWO ARTERIES FOR TWO BIG PORTS
- CAUSES CONGESTION
- INCREASE IN TRANSIT TIME AND COST

SPLIT CAPACITY

- *33% FEEDER OR BARGE*
- *33% RAILROAD*
- *33% ROAD*

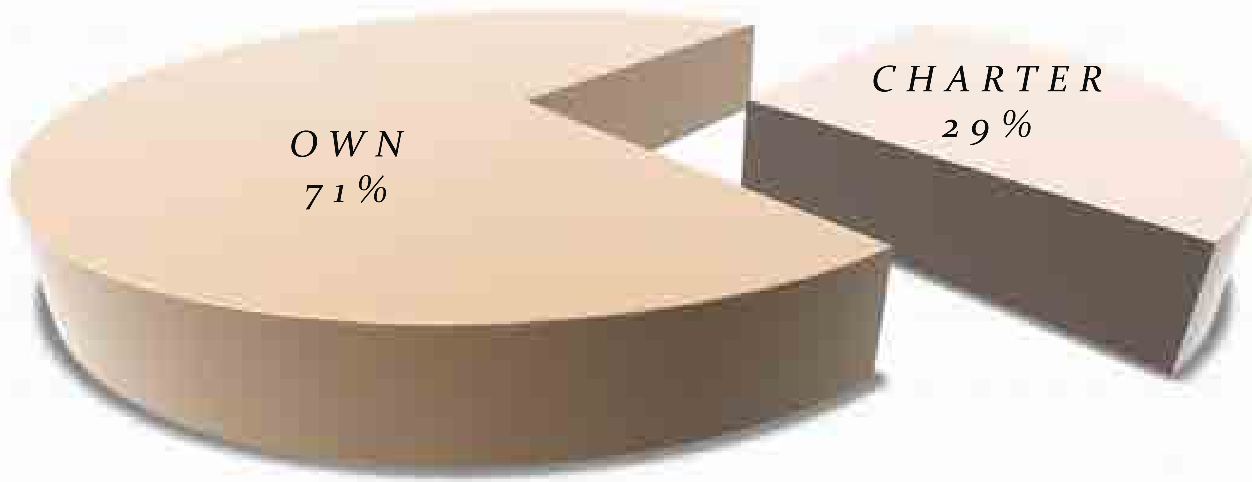
4. TRADE ADVANTAGE

GROWTH VESSEL & TRADE



- *POSITIVE TRADE GROWTH*
- *SUPERIOR FLEET GROWTH*
- *FLEET GROWTH OUTPACE TRADE GROWTH*

VESSEL OWNERSHIP



- UASC OWNS 71% OF IT'S FLEET
- HIGH CHARTERED IN RATIO IS CUMBERSOME IN LOW FREIGHT MARKET

5. *MAKING FRIENDS*

MORE PARTNERSHIPS

GRAND ALLIANCE

CKYHE ALLIANCE

G6

P3

- *KEY DRIVER OF CONSOLIDATION*
- *NEW ALLIANCES*
- *NEW MERGERS AND ACQUISITIONS*

MORE PARTNERSHIPS

CKYHEU ?

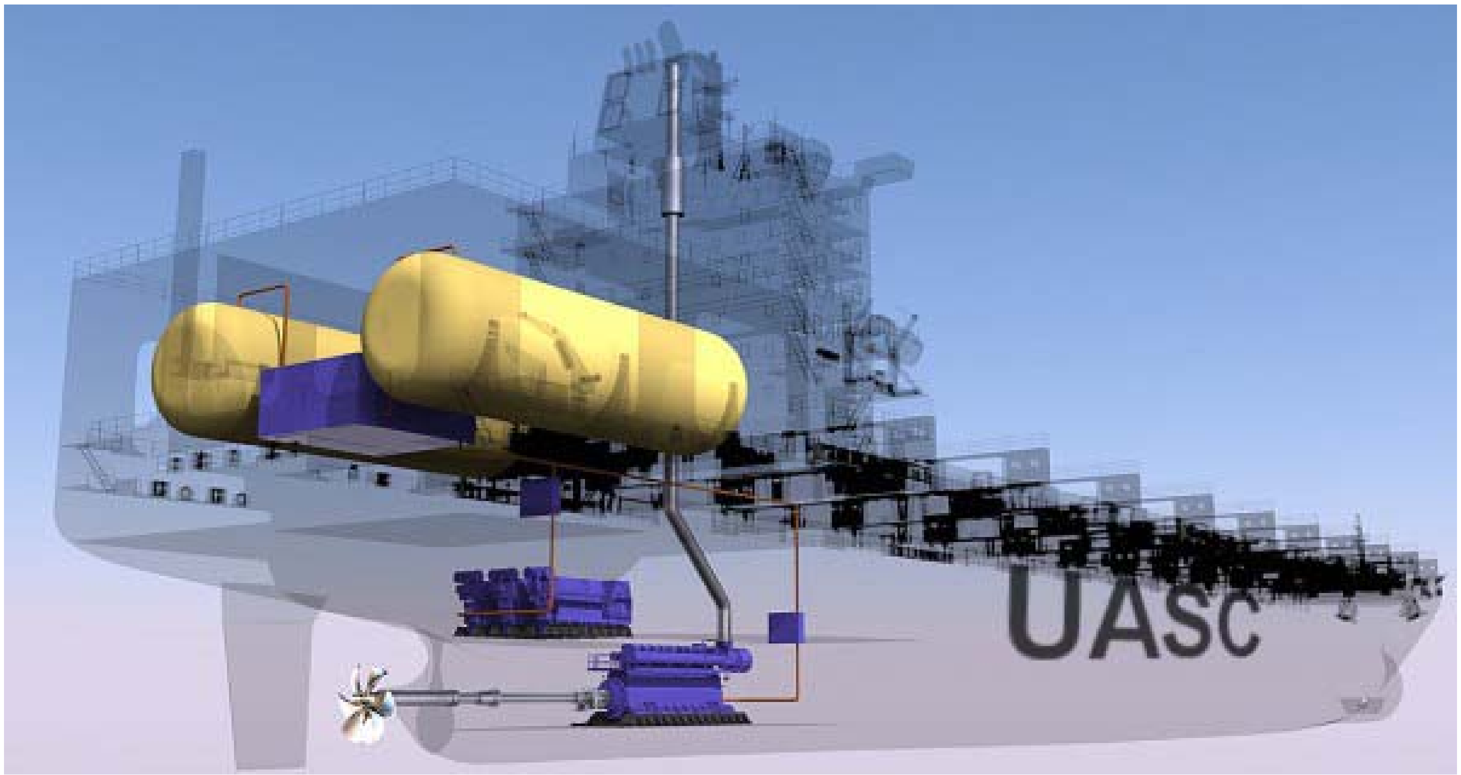
- NEGOTIATIONS WITH UASC
- EUROPE – ASIA TRADE WILL BECOME AN ALLIANCE TRADE ROUTE

6. NEW RULES

LOW SULPHUR

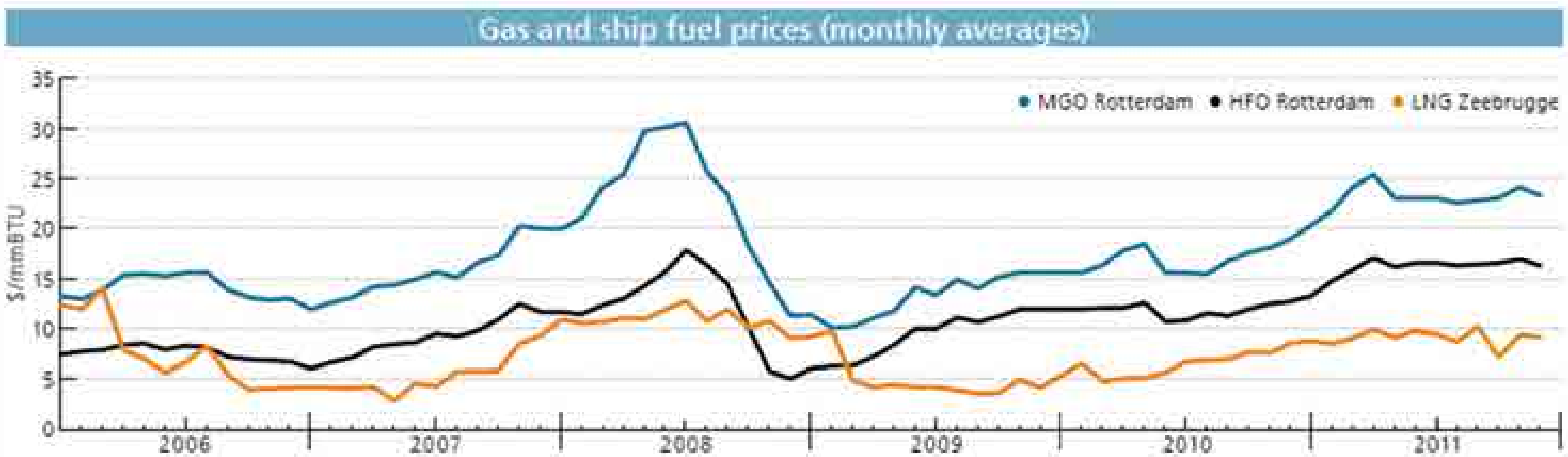
- 2015 REGULATIONS
- 0.1% SULPHUR LIMIT WITHIN EUROPE
- LNG IS LOGICAL ALTERNATIVE FUEL

PREPARED *FOR THE FUTURE*



- *UASC WILL BE FIRST FOR LNG-READINESS*
- *FIRST VESSEL IN 2014*
- *IMPROVE COMPETITIVENESS*

LNG COMPETITIVENESS



- *70% LESS EXPENSIVE THAN MGO*
- *LOW SULPHUR EMISSIONS*
- *UASC PLANS TO DEVELOP LNG BUNKER STATIONS*

EKO ONI BAJE

LAGOS MUST PROSPER

MARKUS F. BRINKMANN

GENERAL MANAGER

HULL BLYTH NIGERIA LTD *– AS AGENTS TO* ***UASC***