

CMA CGM – Trying to close the deal with Belgian Albert Frère

Sources have revealed there might be issues between Mr. Jacques Saadé and Albert Frère obstructing a finalisation of their previous agreements. The problems would concern corporate governance responsibilities.

Discussion between both parties are concerning the agreement with MNP holding and FSI in respect of the injection of us dollar 500 million which would result in a participation of 30% of the present CMA-CGM group capital. The Belgian investor Albert Frère agreed to contribute us dollar 300 million of this amount.



Mr. Frère is sticking to his point of view that in relation to his investment he wants to see some compensations with veto and voting rights on a corporate governance level. Mr. Jacques Saadé maintains his determined position as before. Although both partners abstain from giving any positive or negative confirmation on the rumours started, experts believe this conflict will lead to a breach in negotiations between both partners.

Over the last two months, 7 candidate investors have called upon Mr. Jacques Saadé to become CMA CGM partners, without any results. Mr. Saadé's position remains unchanged and is backed up by the improvement and positive results of the shipping line over the last quarters. It appears that the search list for new capital and investors for troubled carrier CMA CGM is getting shorter by the day.



Hapag Lloyd – New express service between Antwerp and New York

German container carrier Hapag Lloyd has announced to start a new container service between Antwerp and New York mid September. The new service is named **AES – Atlantic Express Shuttle**. Since there are only two ports of call involved, the service will be operated by three vessels only offering a weekly departure.

The first departure will be performed by the "Valerie Schulte" having a capacity of 2.8254 TEU. The vessel is scheduled to start loading on September 13th in Antwerp at the North Sea Terminal of PSA. The estimated transit time to New York will be 9 days. In practice the 2.800 TEU capacity of the vessels will offer an average of 2.000 slots available per sailing with a calculated average weight of 14 tons per TEU.



Figures published by Container Trades Statistics have showed an increase on cargo volumes on the Trans-Atlantic trade in both directions of 15% during the first six months of 2010. Although volumes have not reached the figures of 2008, the shipping lines have been able to increase their freight levels thanks to the stoppage of some regular lines services over the last 2 years. Today eastbound tariffs are 9% higher then the average of 2008 however exports to the USA are still 21% cheaper then two years ago.

NOL – Satisfactory results

Shipping group Neptune Orient Lines has returned to profit during the 2nd quarter of 2010. They reported a positive result of us dollar 100 million. Regretfully the profit is nearly totally absorbed by the negative result of the 1st quarter of this year which amounted to us dollar 98 million. Although NOL's CEO Ron Widdows is expecting an even better performance during the 3rd quarter of 2010, he has reasonable doubts that positive results will continue in 2011.



However presently the situation looks very bright. NOL daughter APL achieved a 94% loading capacity on their vessels between April and June. For the same period a turn over increase of 53% was realised up to us dollar 2.1 milliard. And traffic volumes continue to grow. As per end of June, 1.34 million TEU were transported relating to a volume growth of 39%. Revenues increased with 51% up to us dollar 3.073 per FEU.

The Shipping Line further announced that they will continue to apply "slow steaming" for all of their vessels for economical reasons. The carrier has no anchored inactive vessels.

Hanjin – ULCS vessels due for Antwerp

Korean Shipping Line Hanjin has taken receipt of their 1st ULCS vessel of 10.000 TEU which will make regular port calls in Antwerp . Four sister Hanjin ships are due to be delivered next year by the shipping yard 'Samsung Heavy Industry'.

This new generation of ULCS vessels have a more environment friendly character and as such the CO2 emissions will be considerably less then ever before. According to Hanjin prognoses, this generation of ships will be employed on the route between Asia and Northern Europe where Hanjin is one of the partners in the CKYH-Alliance together with Cosco, K-Line and Yangming.



The NE-4 service from this venture is calling Qingdao, Shanghai, Ningbo, Hong Kong, Singapore, Port Said, Rotterdam, Hamburg, Antwerp, Port Said and back to Singapore and Hong Kong. This sailing schedule is confirming the position of Antwerp port as receivers of ULCS's vessels with capacities between 10.000 till 14.000 TEU. The CKYH-Alliance is deploying 8 loops between Asia and Europe. Five of them are calling Northern Europe whereof three are having a port call in Antwerp.

The 1st loop is Cosco with 9 vessels between 8.500 and 10.000 TEU. They are calling the Antwerp Gateway terminal at the Deurganckdock. Cosco is participating for 20% in this terminal. The 2nd loop is performed by the three other partners with 9 vessels varying between 7.400 and 8.000 TEU. Last but not least the 3rd loop is under control of Yangming and K-Line with vessels of 8.200 TEU. These services are calling the Antwerp International Terminal also at the Deurganckdock which is a partnership of PSA in cooperation with Hanjin, K-Line and Yangming.

Hapag Lloyd – Return to profitability



German container carrier Hapag Lloyd have reported their best quarterly results ever for the period between April and June of this year. They achieved an operational result of euro 226 million whereas last year for the same period a negative operational result of euro 193 million was published.

This drastic change towards a positive situation is due to the increase of freight tariffs and volumes. During the 2nd quarter of 2010, Hapag Lloyd transported 1.3 million TEU. This is 8% more then one year ago.