

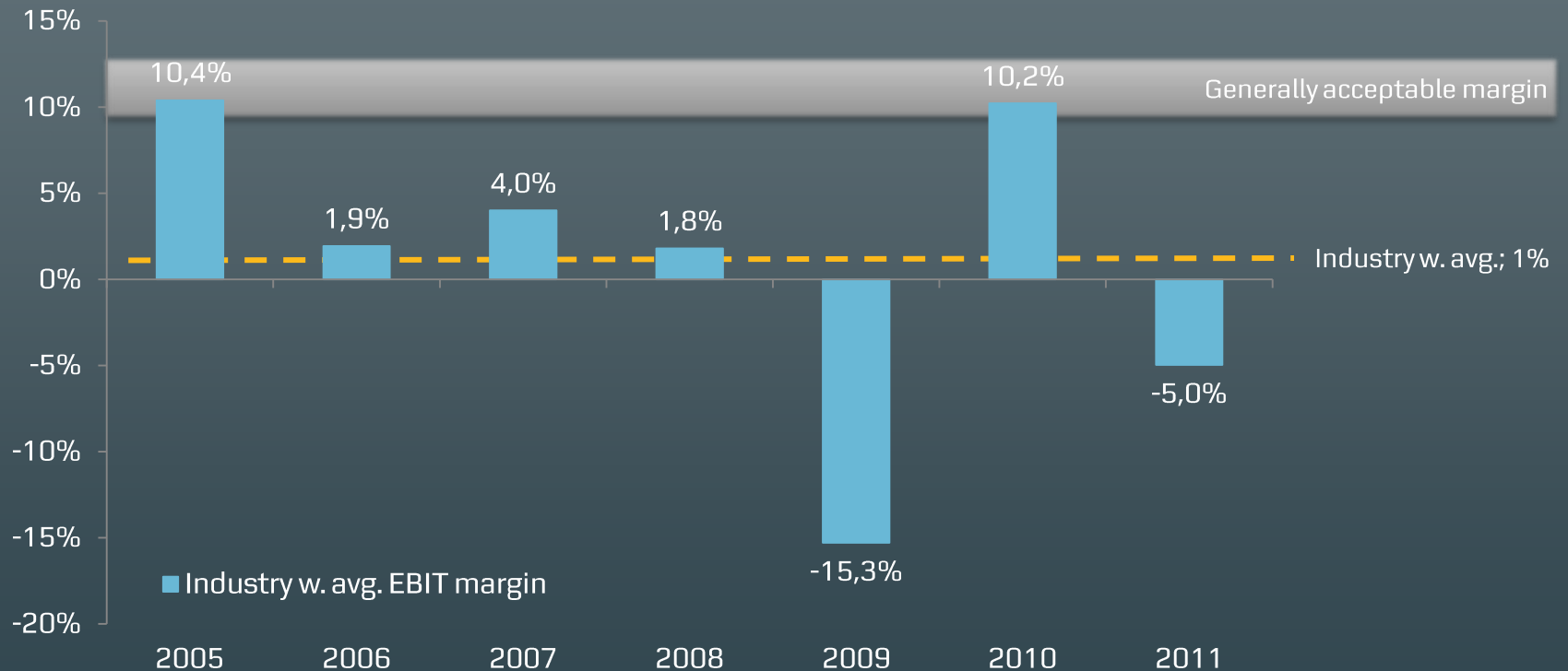
Cool Logistics, 25 September 2012  
Søren Skou, CEO Maersk Line

# The Future of Global Refrigerated Transport – the Maersk Line view



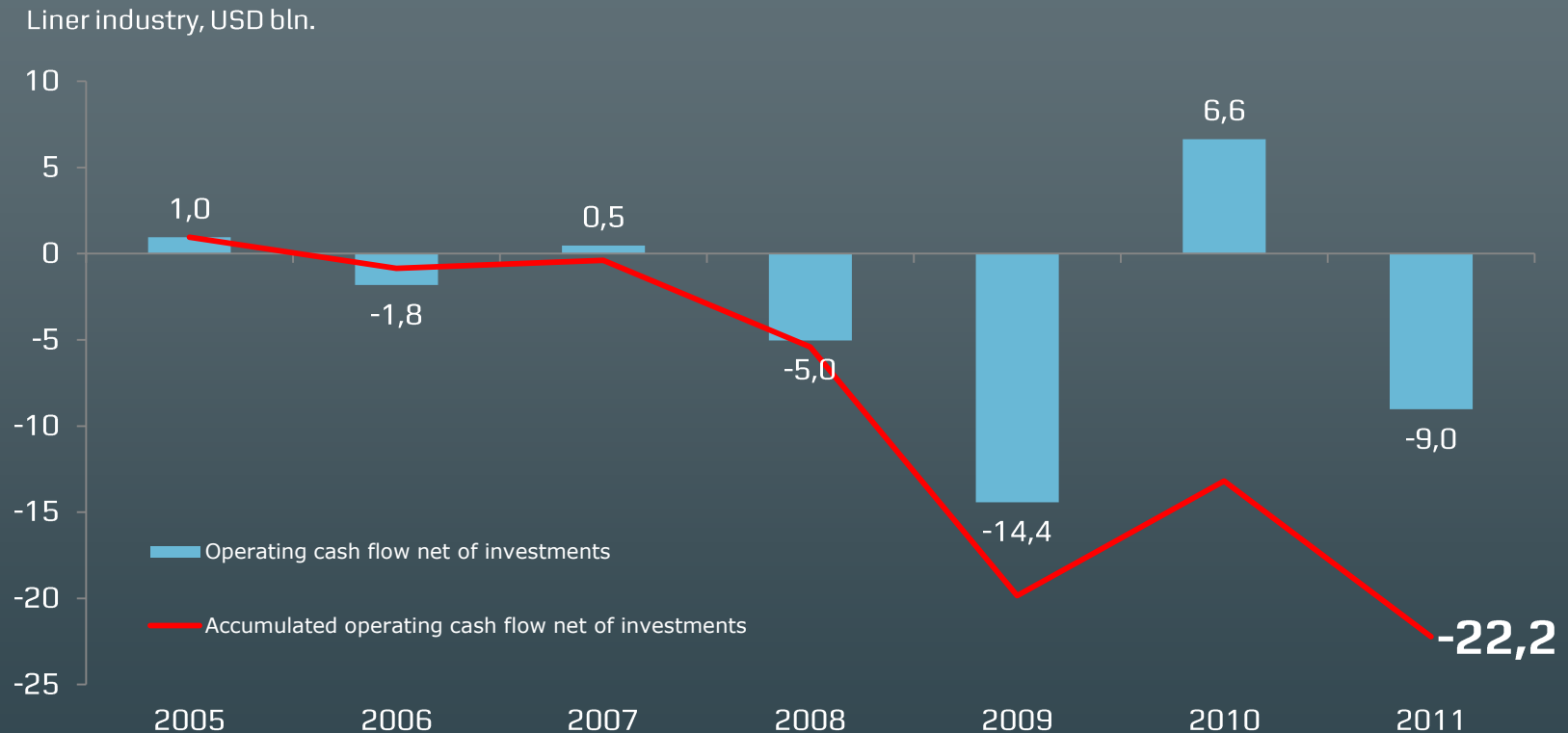
# Overall shipping industry profitability is currently too low

Weighted avg. EBIT-margin, %



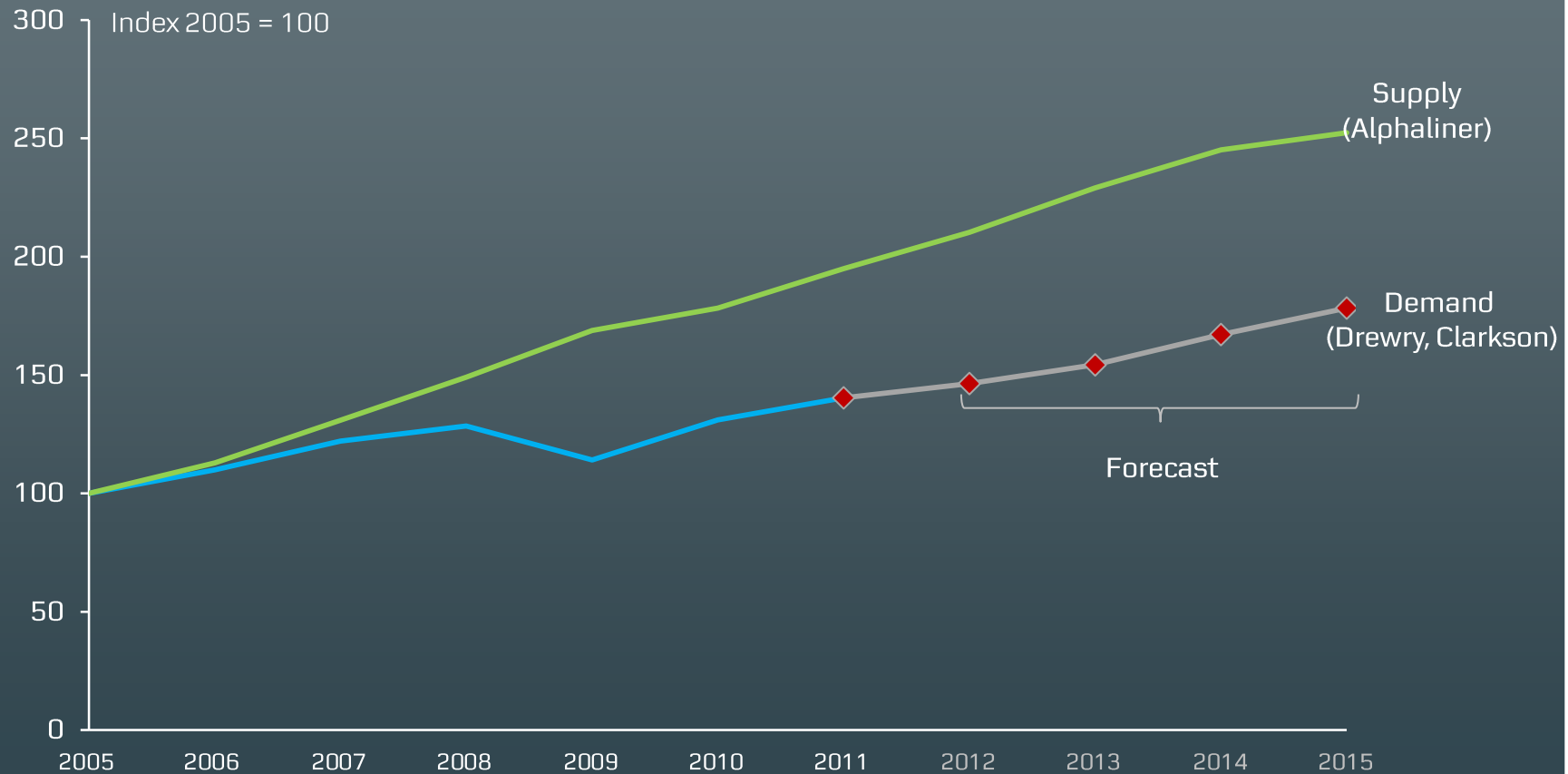
Note: TEU w. avg. of MLB, CMA CGM, APL, Hapag-Lloyd, COSCO, Hanjin, OOCL, MOL, NYK, NYK, Zim, HMM, CSCL, CSAV, Yang Ming and Wan Hai. Source: Company reports, Maersk Line analyses and estimates

# The industry has not been able to fund its own investments through earnings



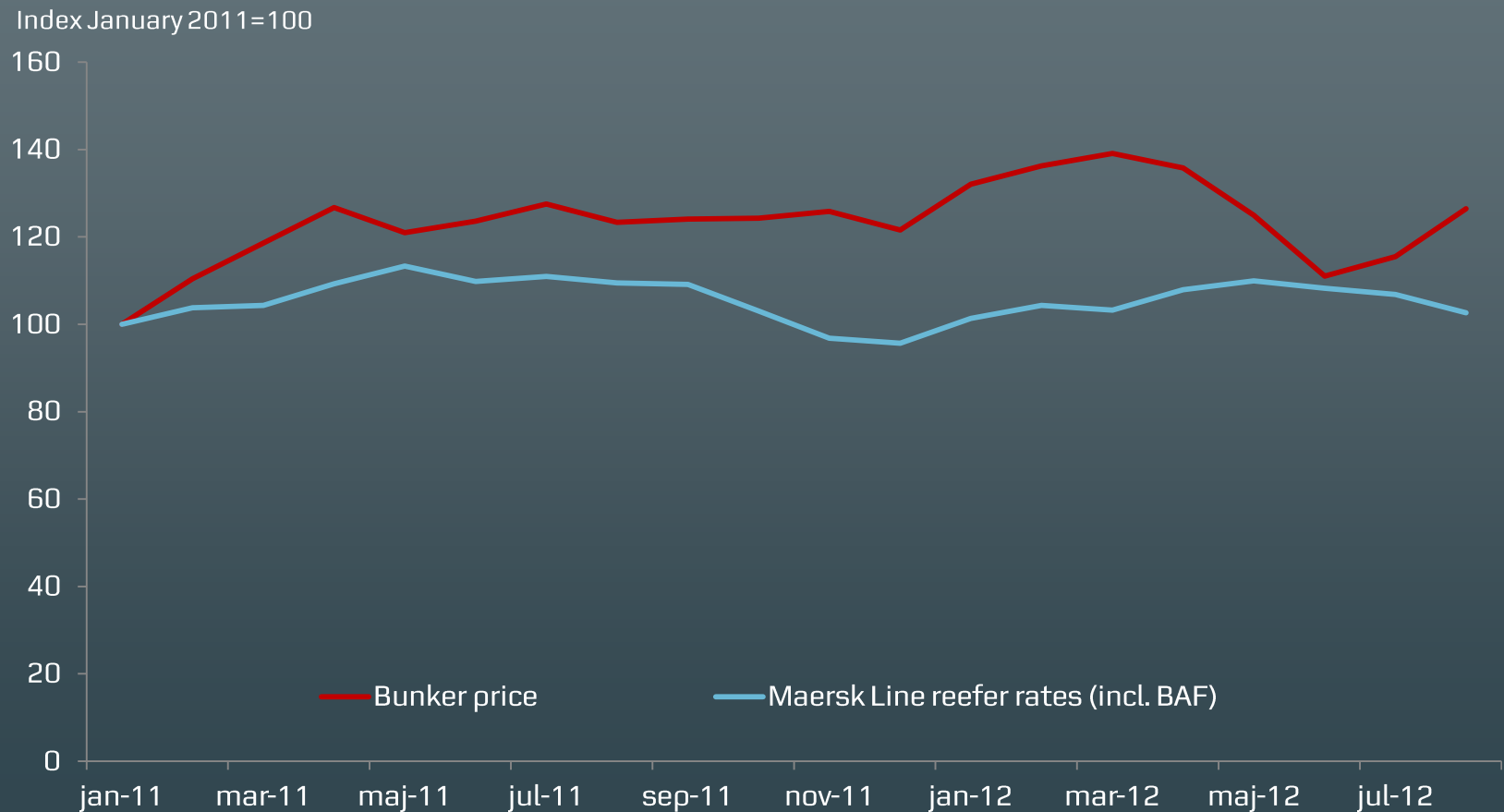
Note: Cash flow is sum of ML, APL, Hapag-Lloyd, Hanjin, CMA CGM, Zim, HMM, CSCL, COSCO, NYK, MOL, OOCL, CSAV and K Line. Source: Company reports, Maersk Line analyses and estimates

# The overall market outlook is very bleak



Source: Public corporate reports

# Within last 18 months, rates have not covered the ever rising bunker costs ...



Source: Maersk Line internal data , bunker prices for ROT 380 CST

... and during the last 7 years our reefer rates have not even covered the rate of inflation

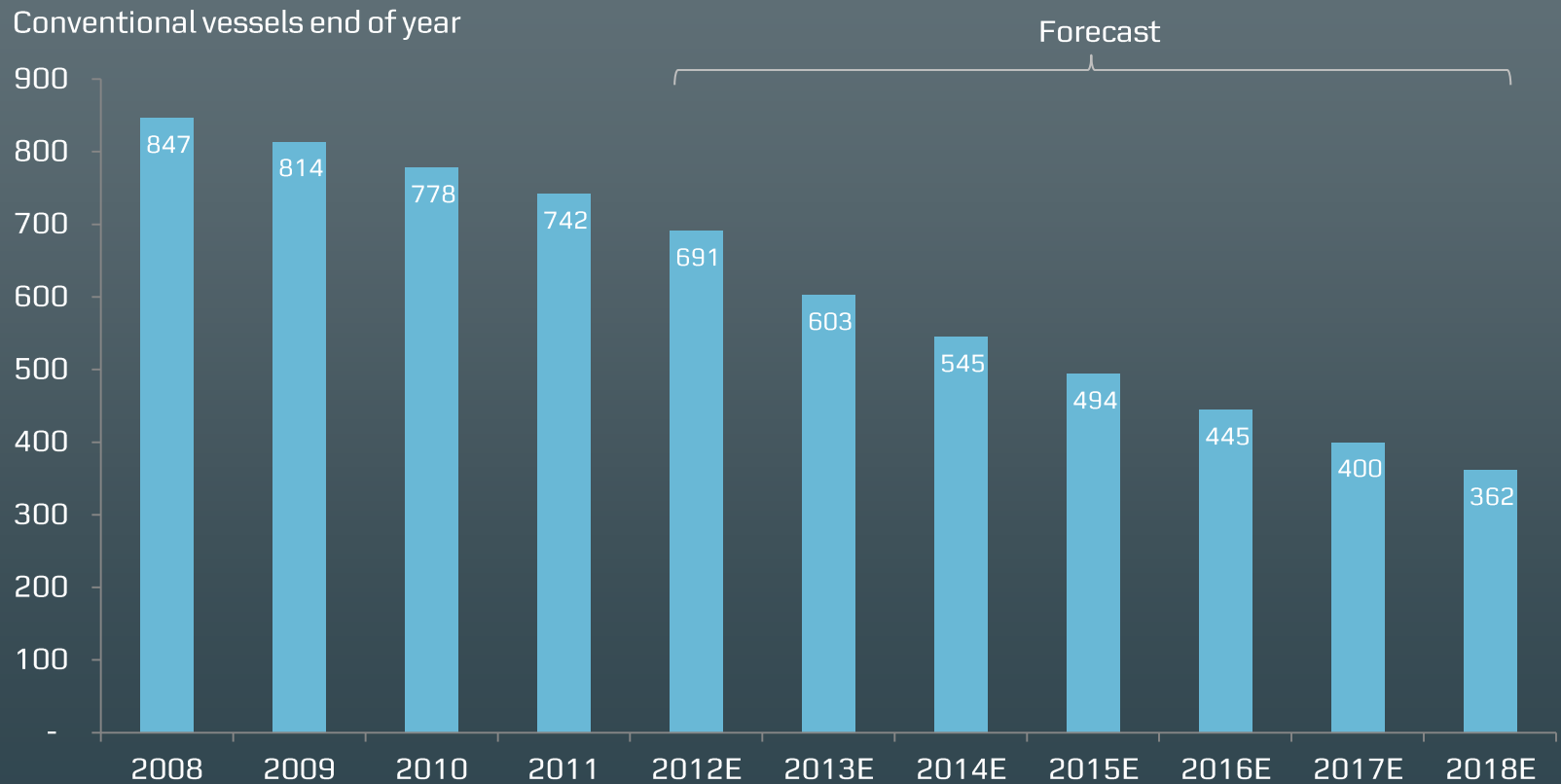


Source: Maersk Line internal data, IMF, bunker prices for ROT 380 CST

# Preparing the reefer business for the future



# Not only container carriers have problems with profitability

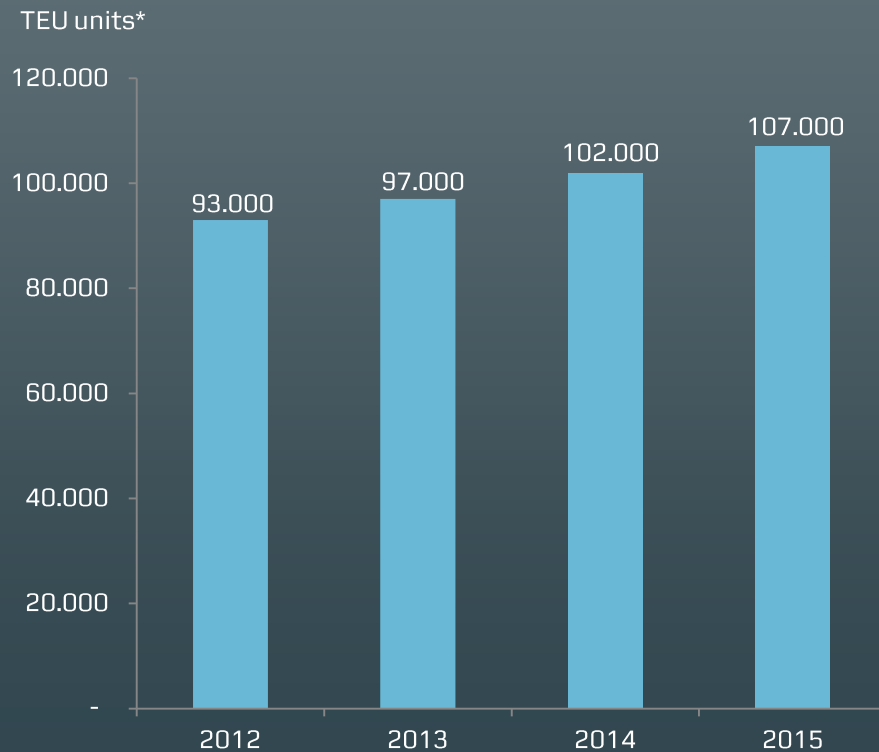


Source: Public corporate reports. Maersk Line forecast



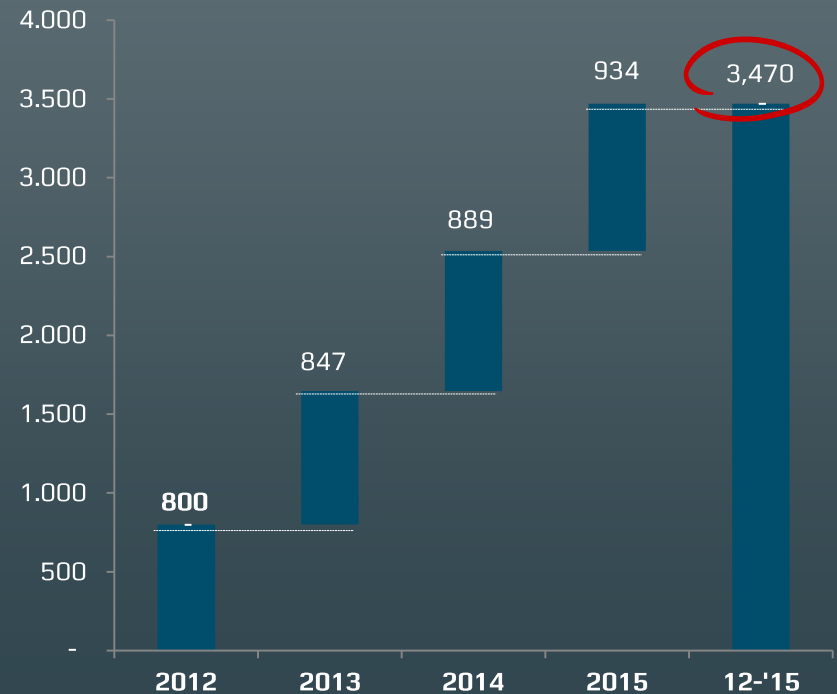
# The containerised business needs significant investments to cater for future growth

Number of new reefer containers needed to accommodate industry market growth...



... will result in an industry cash outflow of nearly USD ~3.5 bln from 2012-2015

Cash outflow, (mln. USD )



\* Forecasted reefer container capacity needed to accommodate market growth is based on 2011 industry container capacity (1,850,000 TEU) multiplied with the forecasted containerized market growth of 5% p.a. . Source: Drewry, Seabury and ML operations

# We have made important investments in our reefer technology to keep up with customer demand and reduce energy consumption

- StarLoader and AguaLife – for cargo conversion
- StarCare™ – for improvement of longer transit times for bananas
- Quest II – for reduction of the reefer energy consumption and improvement of our environmental performance

# Sustainable reefer investment is essential to meet customer needs

- We have today a unique and challenging reefer segment
- We believe Maersk Line has the best offer, when it comes to reefer scale, scope and innovative services
- We would like to further develop our product portfolio and ensure our customers can build their supply chain around a consistent reefer flow
- We need to establish a solid foundation for future investments for the benefit of our customers and ourselves

# On 1 January, 2013 we are increasing the reefer base rates by USD 1,500 per FFE

- An 30% rate increase on a global scale
- A significant short term impact on the markets and our customers – which is also we why provide an extensive notice period
- Not a decision we have taken lightly
- This will provide us with the returns we need to further invest in the reefer segment

# In brief

- Reefer business is a growth story
- Demand is outgrowing supply – and fundamentals are changing
- To keep up, to meet our customers' and consumers' future demands
- **We need to innovate - we need to invest**







Thank you



**MAERSK**  
LINE