



Gene Seroka – APL President, Americas

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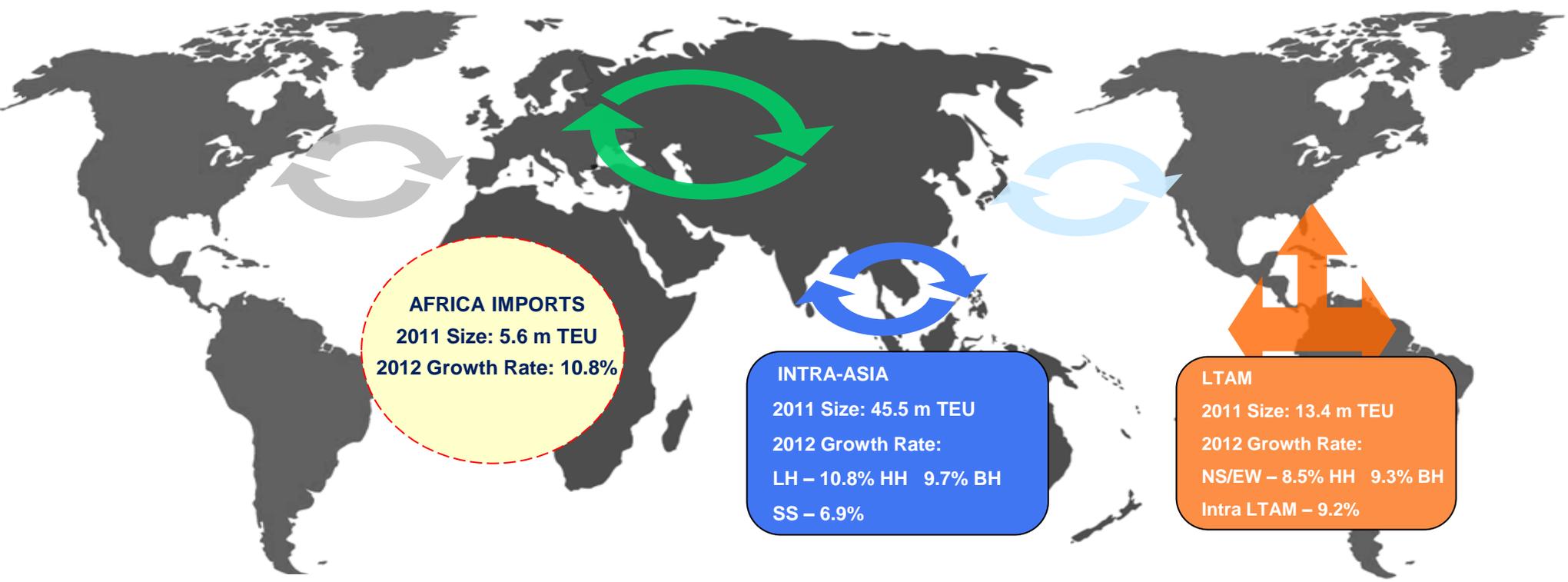
Economic Trends

Global Demand for Key Markets & Trades

TRANSATLANTIC
 2011 Size: 6.1 m TEU
 2012 Growth Rate:
 2.8% HH -3.1% BH

ASIA - EUROPE
 2011 Size: 23.2 m TEU
 2012 Growth Rate:
 -2.0% HH 1.0% BH

TRANSPACIFIC
 2011 Size: 20.8 m TEU
 2012 Growth Rate:
 3.0% HH 3.1% BH



AFRICA IMPORTS
 2011 Size: 5.6 m TEU
 2012 Growth Rate: 10.8%

INTRA-ASIA
 2011 Size: 45.5 m TEU
 2012 Growth Rate:
 LH – 10.8% HH 9.7% BH
 SS – 6.9%

LTAM
 2011 Size: 13.4 m TEU
 2012 Growth Rate:
 NS/EW – 8.5% HH 9.3% BH
 Intra LTAM – 9.2%

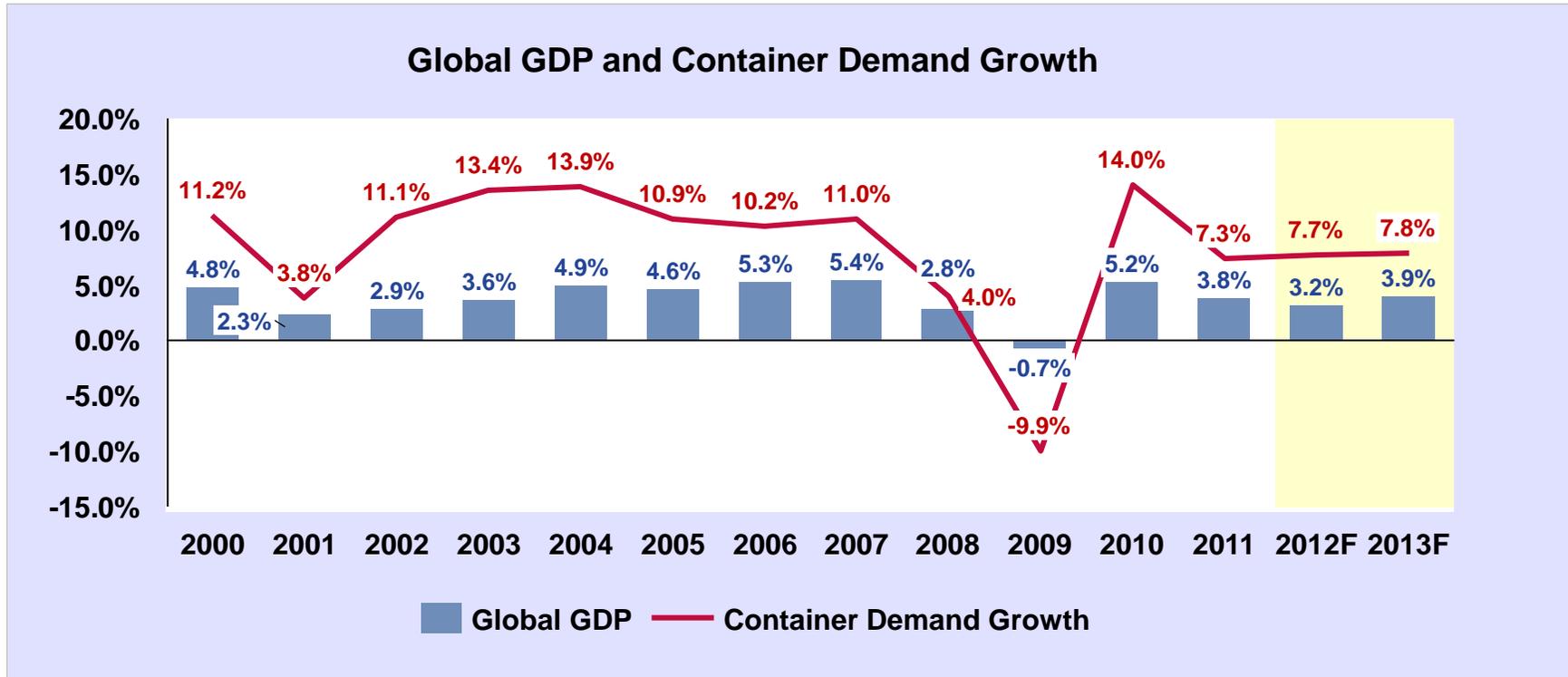
Notes

World trade is forecasted to be 187.8 MTEU by 2017. Remaining volume unaccounted in the map primarily include Africa exports and Central Asia total trade

Source: Seabury, GPS, Drewry



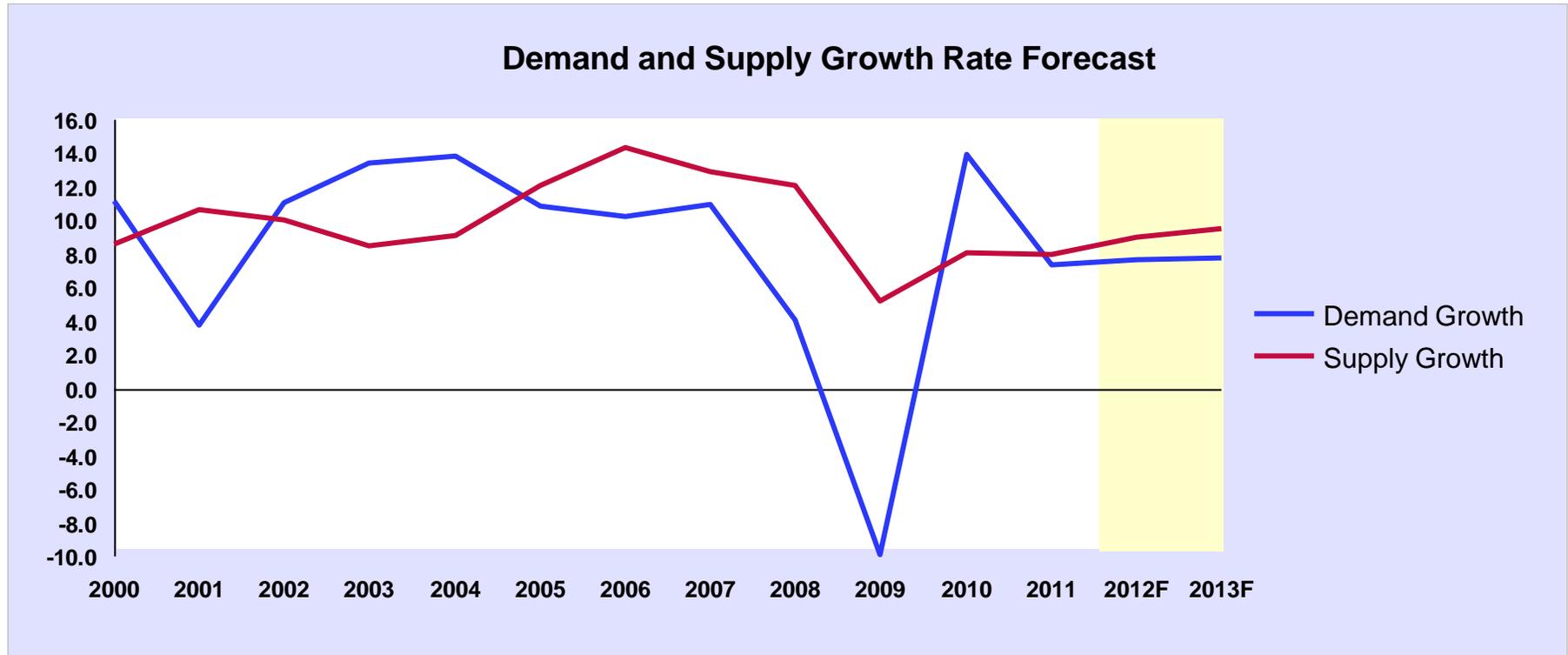
Containerized trade has continued to grow in 2012 but at a more moderate pace



Note: EIU data forecasts used for 2012 and 2013

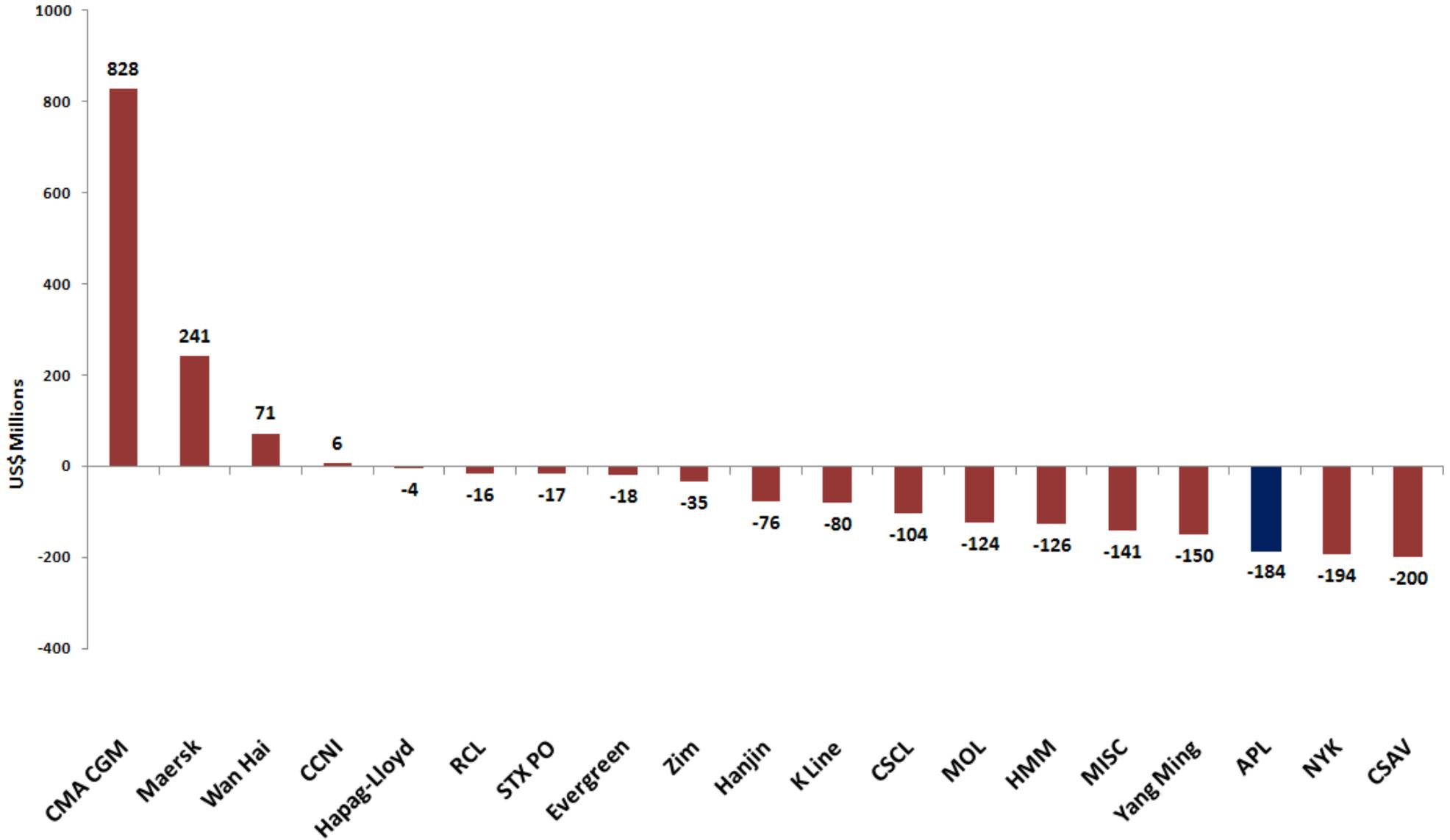
Source: Drewry, Seabury, Clarksons, IMF WEO Sep2011/Jan 2012, EIU Global Forecasting

Oversupply will extend into 2013 due to orders of >8,000 TEU vessels during 2010 and 2011



Source: Alphaliner, Drewry, Clarksons, Seabury, MDS

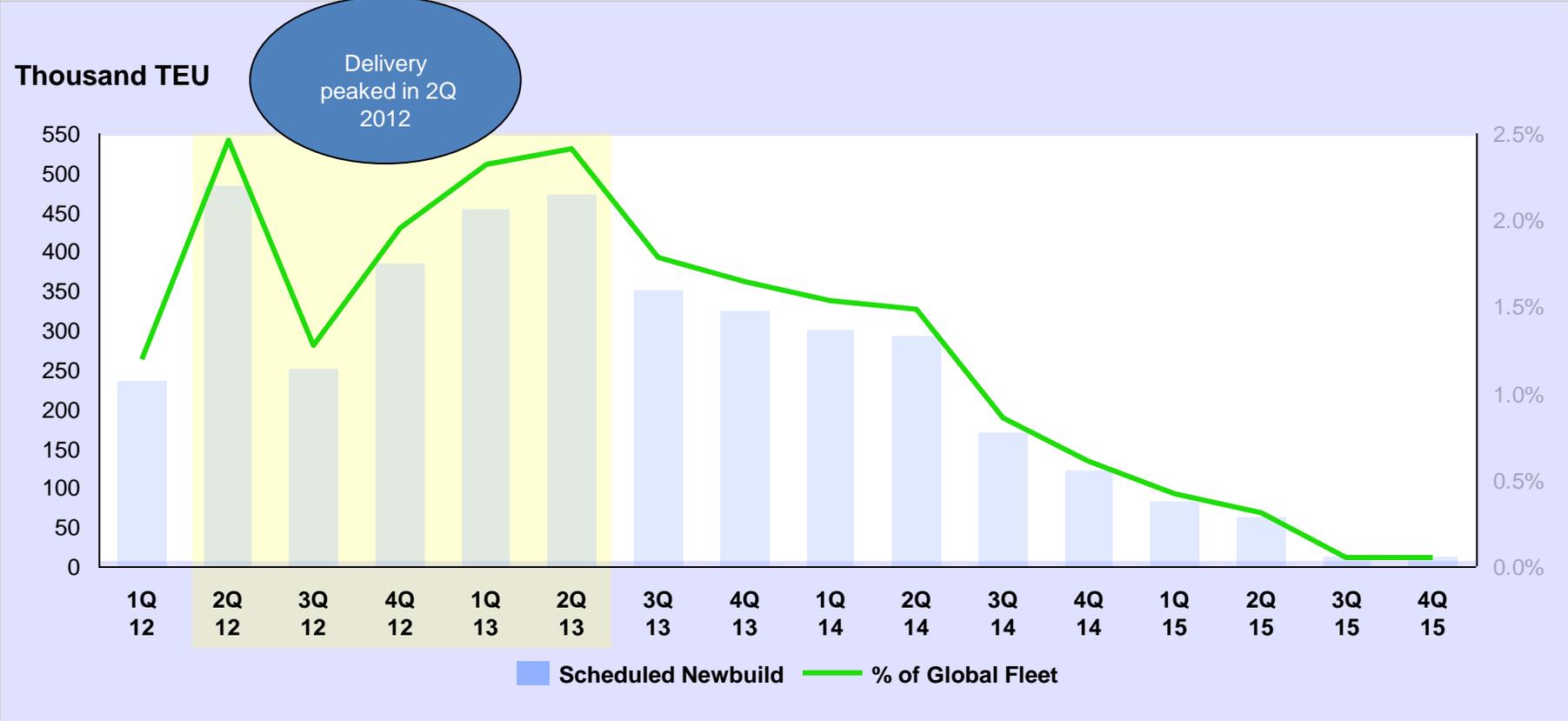
Cumulative Operating Earnings by Carrier: Jan-Sep 2012



Source: Alphaliner



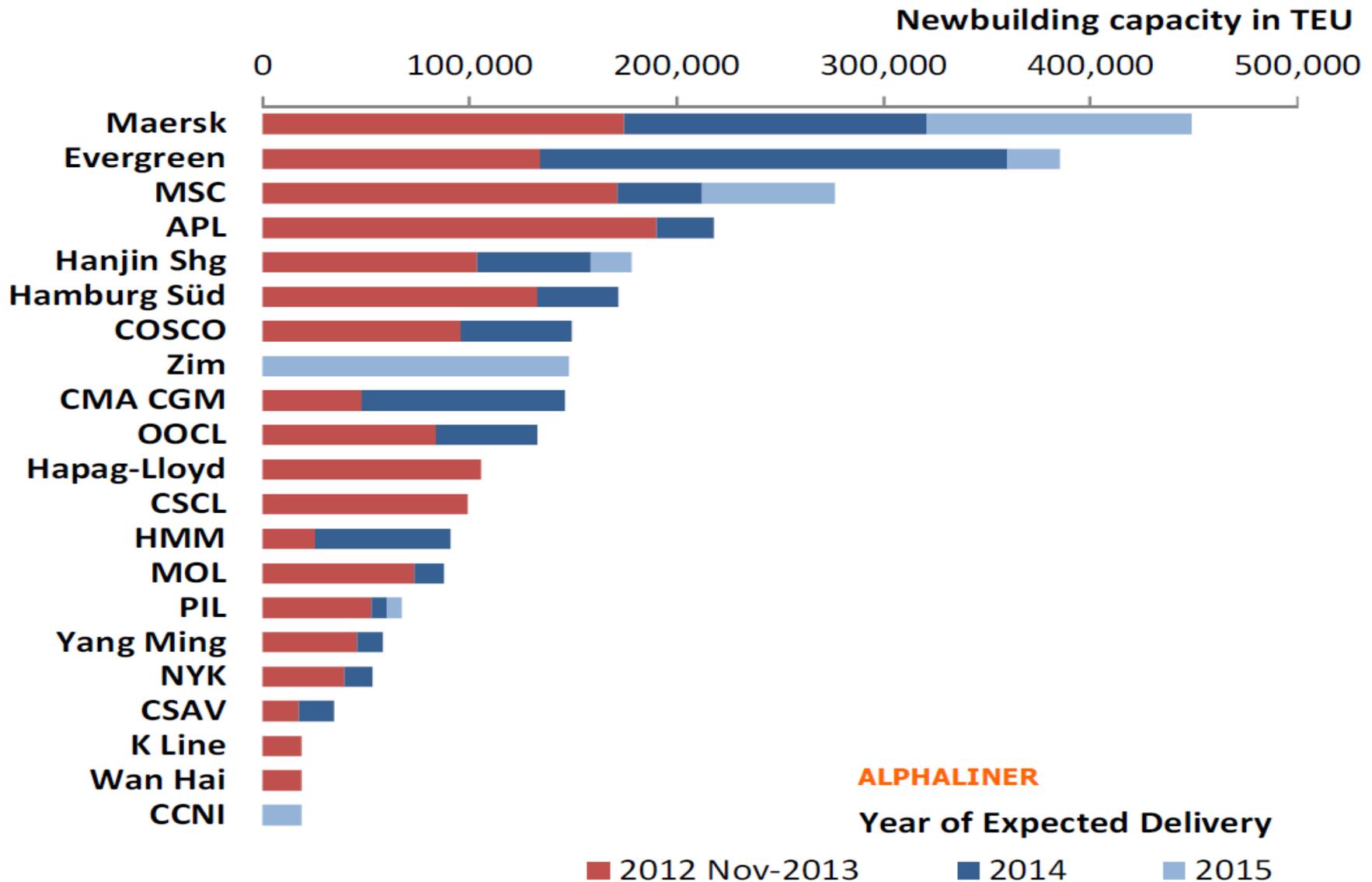
Lack of recent newbuild orders will result in diminishing deliveries from 2H 2013



Source: MDS March 2012

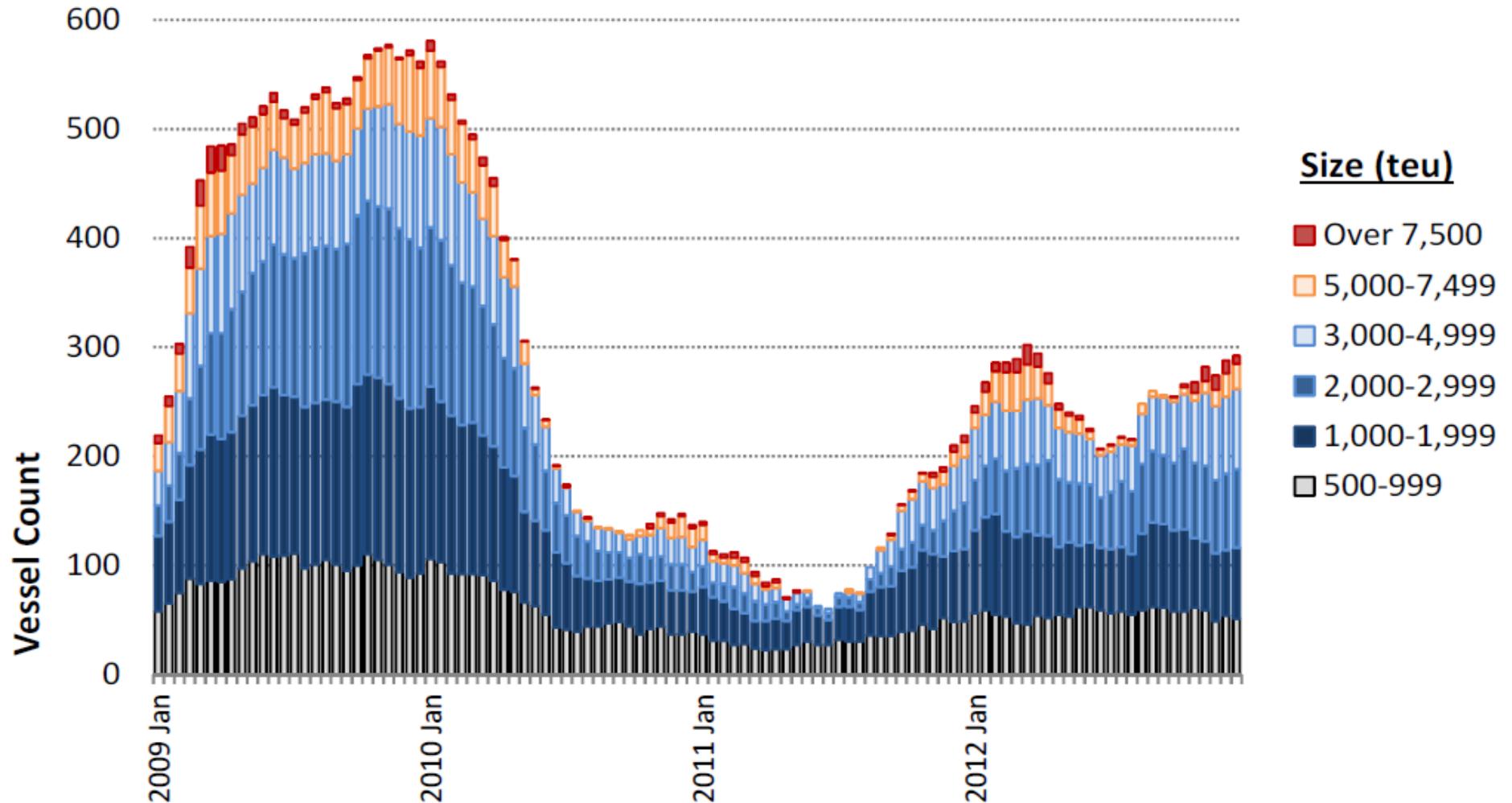


Vessel Delivery by Carrier



Challenging container shipping environment is forcing liners to manage capacity

Idle containership (units idle breakdown by size range)



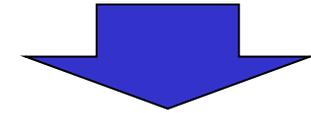
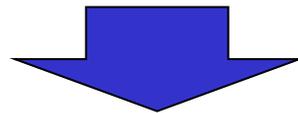
Source: Alphaliner



Market Dynamics

Market Dynamics

Significant industry losses have forced carriers to drastically reduce costs



The formation of super consortia is enabling carriers to operate bigger ships at reduced slot costs

- MSC and CMA
- G6
- Evergreen, CHKY, China Shipping, Zim

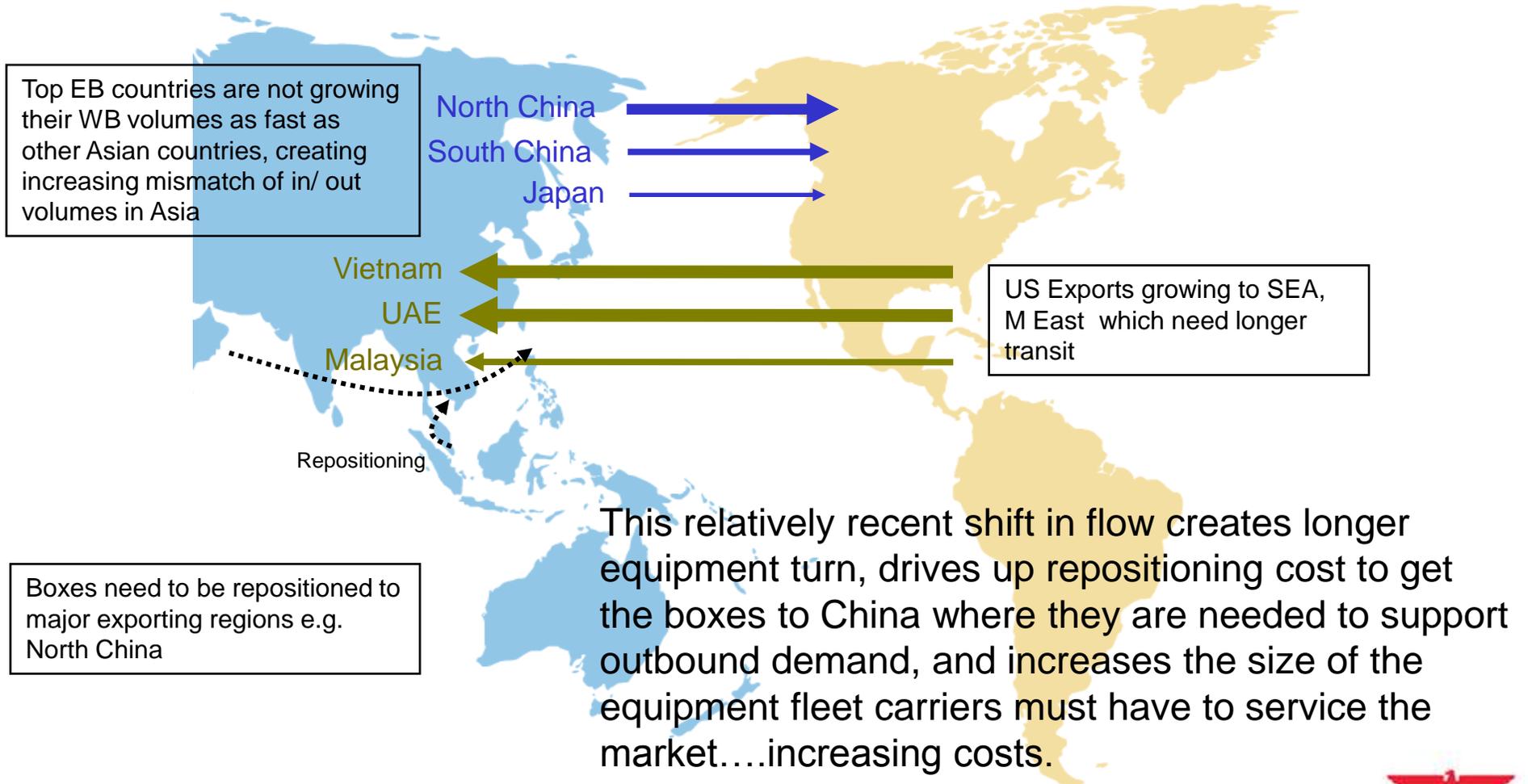
Ambitious cost savings goals have been announced

	USD500 million
	USD400 million
	USD350 million
	USD300 million

Carriers are more conscious of equipment matchback opportunities in order to reduce repositioning costs

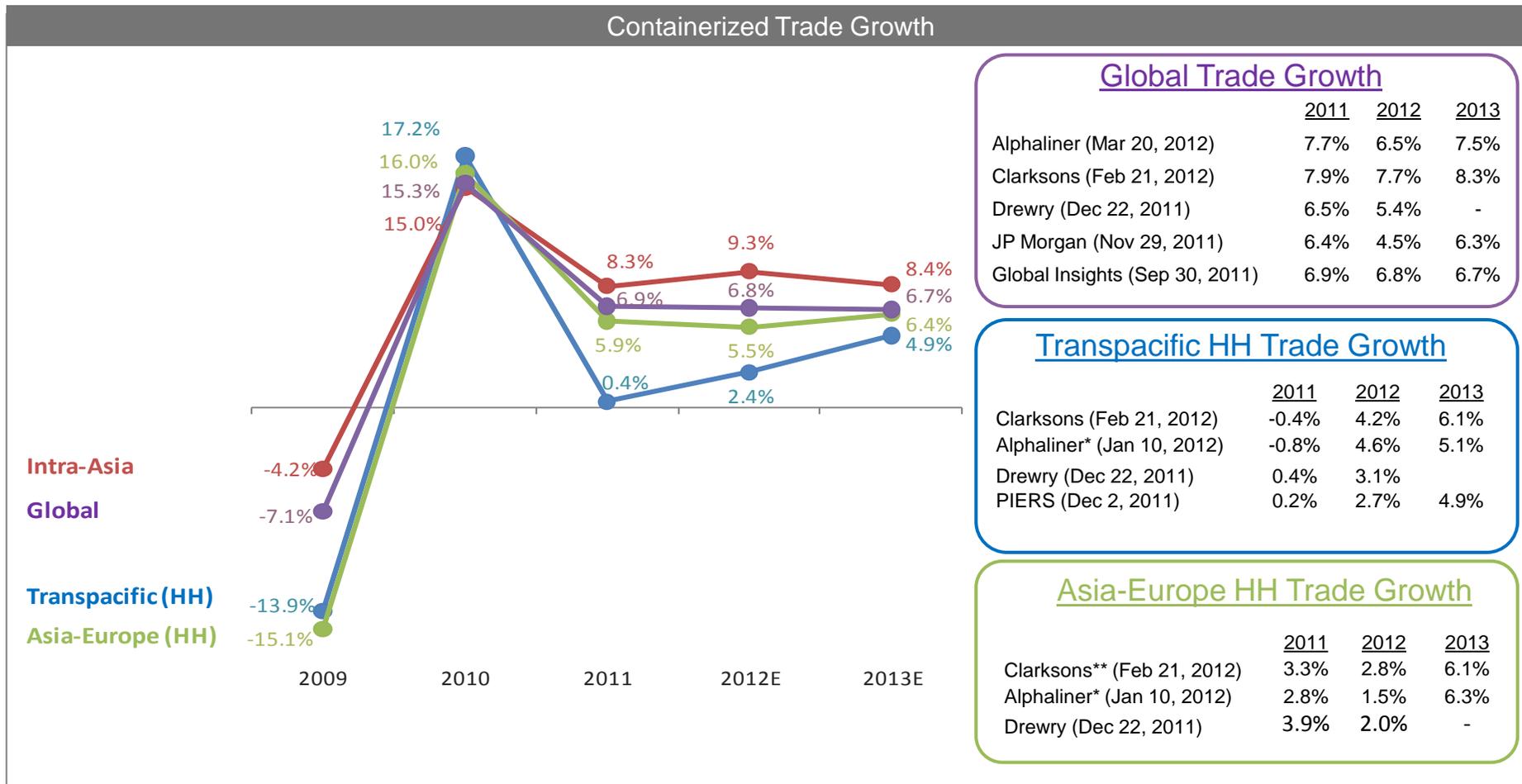
Trade flows to/from Asia have shifted significantly....

Shifting pattern in Asia is producing a significant increase in equipment repositioning as inbound flows are growing in countries other than China where the outbound demand is highest....



World Containerized Trade Outlook

World containerized trade estimated to have moderate growth this year. TP growth is expected to pick up in 2013



• Source: Equity analysts, shipping consultants and SLM estimates

Note: *Alphaliner TP is FE-US, ASEU is FE-Europe
**Clarksons' growth is Far East to Europe



Panama Canal Expansion: Update

- Larger vessels with increased deadweight
- Provide the capability to serve USEC from Asia
- Post Panamax trade patterns expected to shift, benefiting Atlantic Coast Ports
- Upgraded infrastructure is required to increase capacity and efficiently move products for global import and export customers



Building a Sustainable Organization

NOL Efficiency Leadership Program – Gaining the Edge

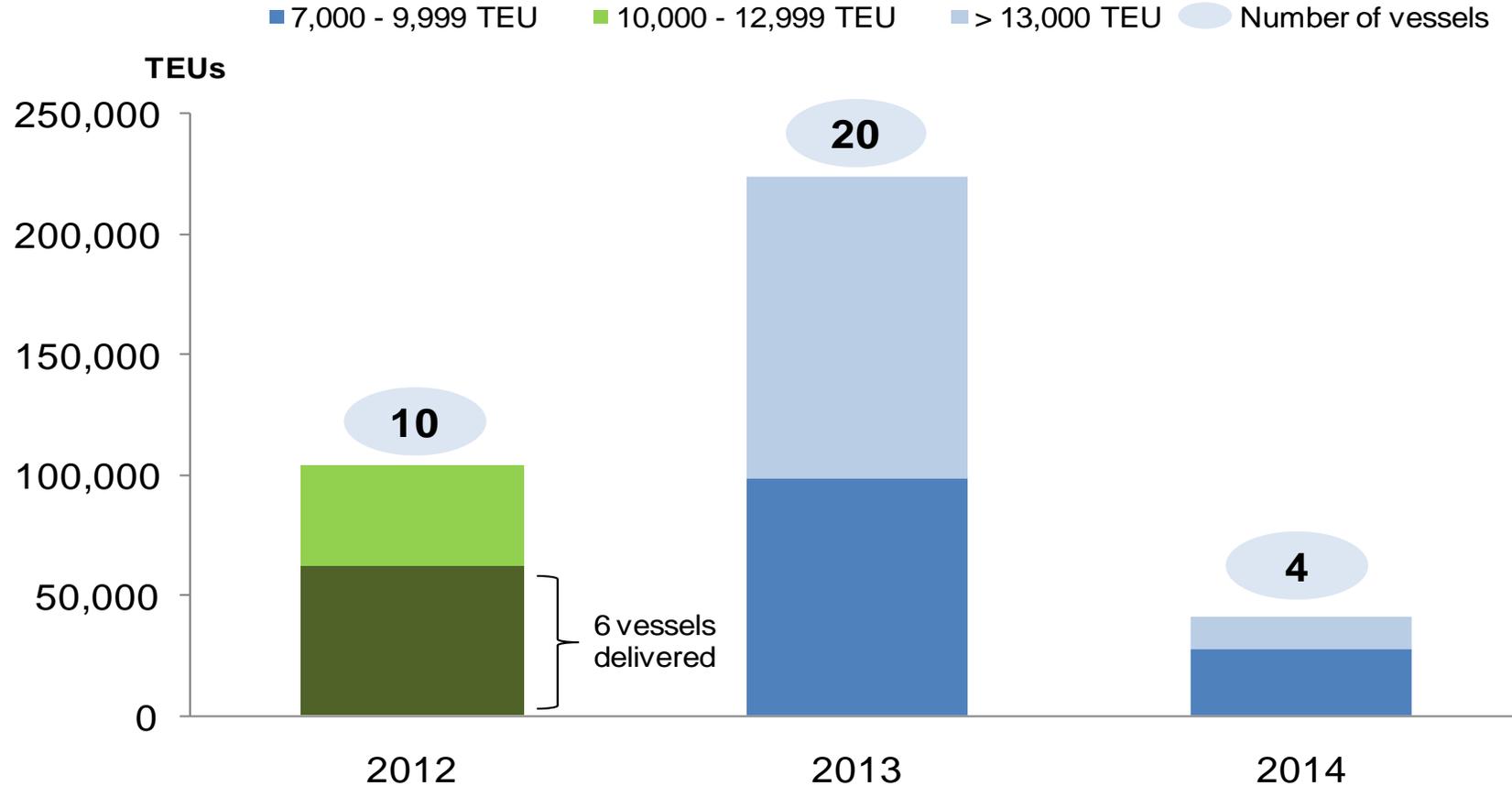
• Q4 2011 through 2012

• \$500 Million Goal



Fleet Renewal

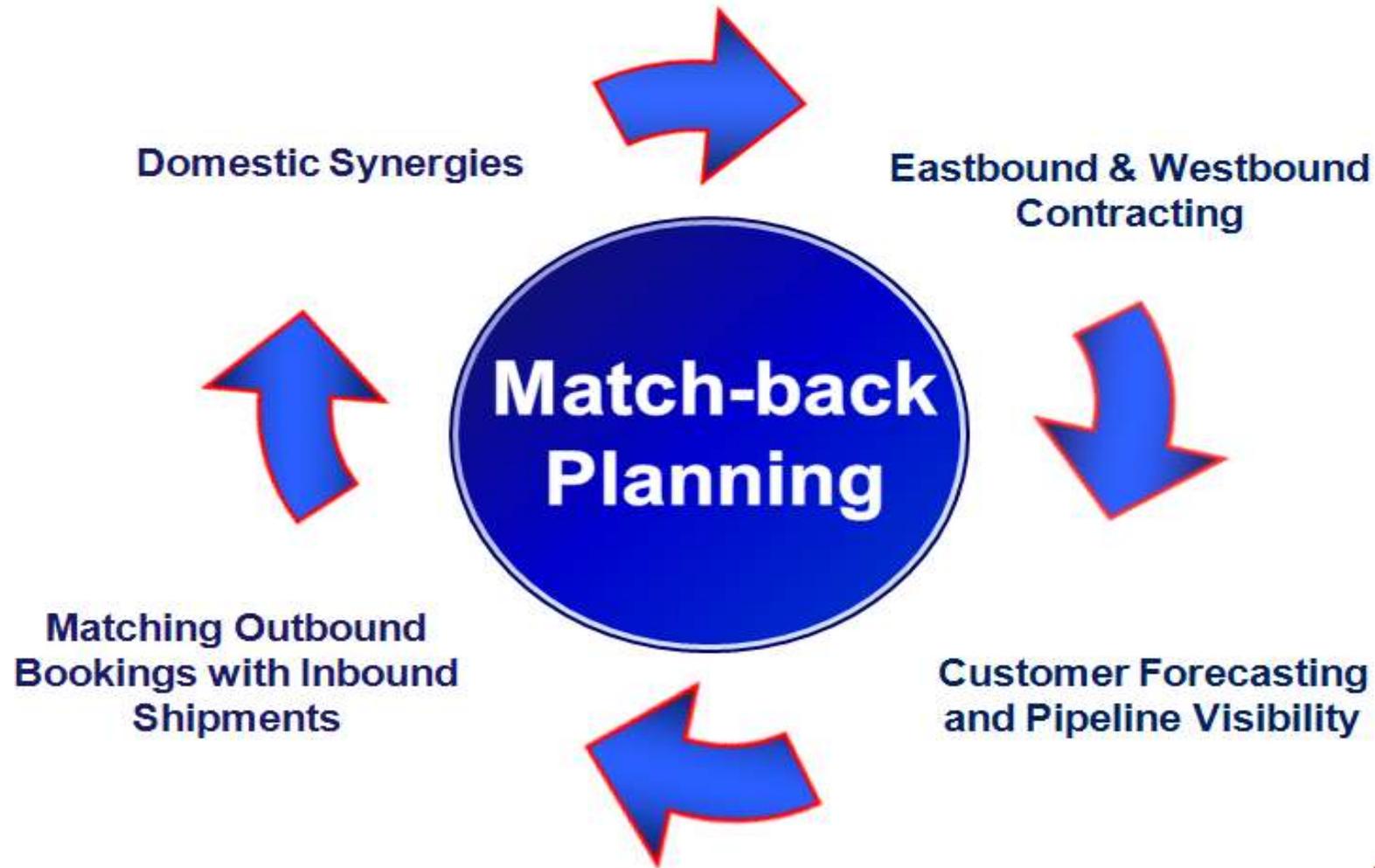
Building a modern and cost-competitive fleet, six 10,000 TEU vessels already delivered in 2012



Note: 5 out of the 10 x 14,000 TEU vessels for delivery between 2013 and 2014 will be chartered out to MOL



Managing Match-back Opportunities



Service Options: Investing in our Network



- **New CGG Facility**

- 43 Acres
- Container Capacity: 1,600 Stalls, 400 Decked
- Gates: 4 Inbound/3 Outbound
- M&R: 19,000 Sq. Ft. Shop
10 Bay Chassis/ Container Repair
- 700 Gate moves daily

- **Fleet Expansion**

- 34 Vessels ordered
- Delivery between Q4 2011 and 2014
- Best fuel efficiency in the industry
- 10x14,000 TEU Vessels

- **Productivity Improvements at GGS**

- Crane Backreach
- Opens up more traffic lanes “under the hook”
- Better traffic flow, increased efficiency
- Future growth
- Increased safety

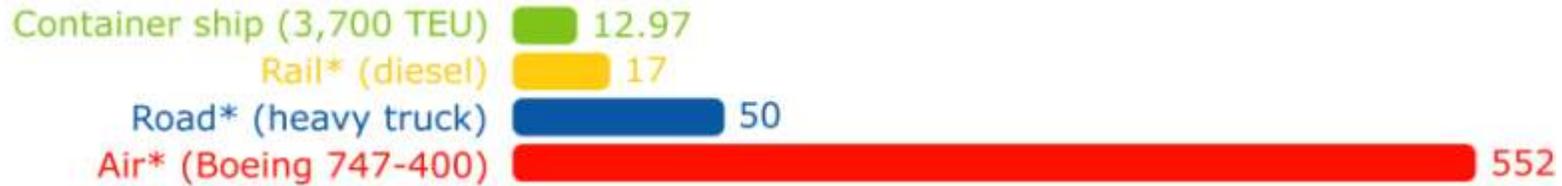
APL's Carbon Reduction Statement

APL's 2015 goal is to reduce greenhouse gas emissions associated with cargo transportation and handling to 30% below 2009 emissions levels.



Container Shipping & Emissions

CO₂ emissions (grammes) to carry 1 ton of cargo 1km



*Source: The Network for Transport and the Environment

Energy used (kilowatts) to carry 1 ton of cargo 1km



*Source: The Network for Transport and the Environment

Shipping is the most environmental friendly and energy efficient form of transportation

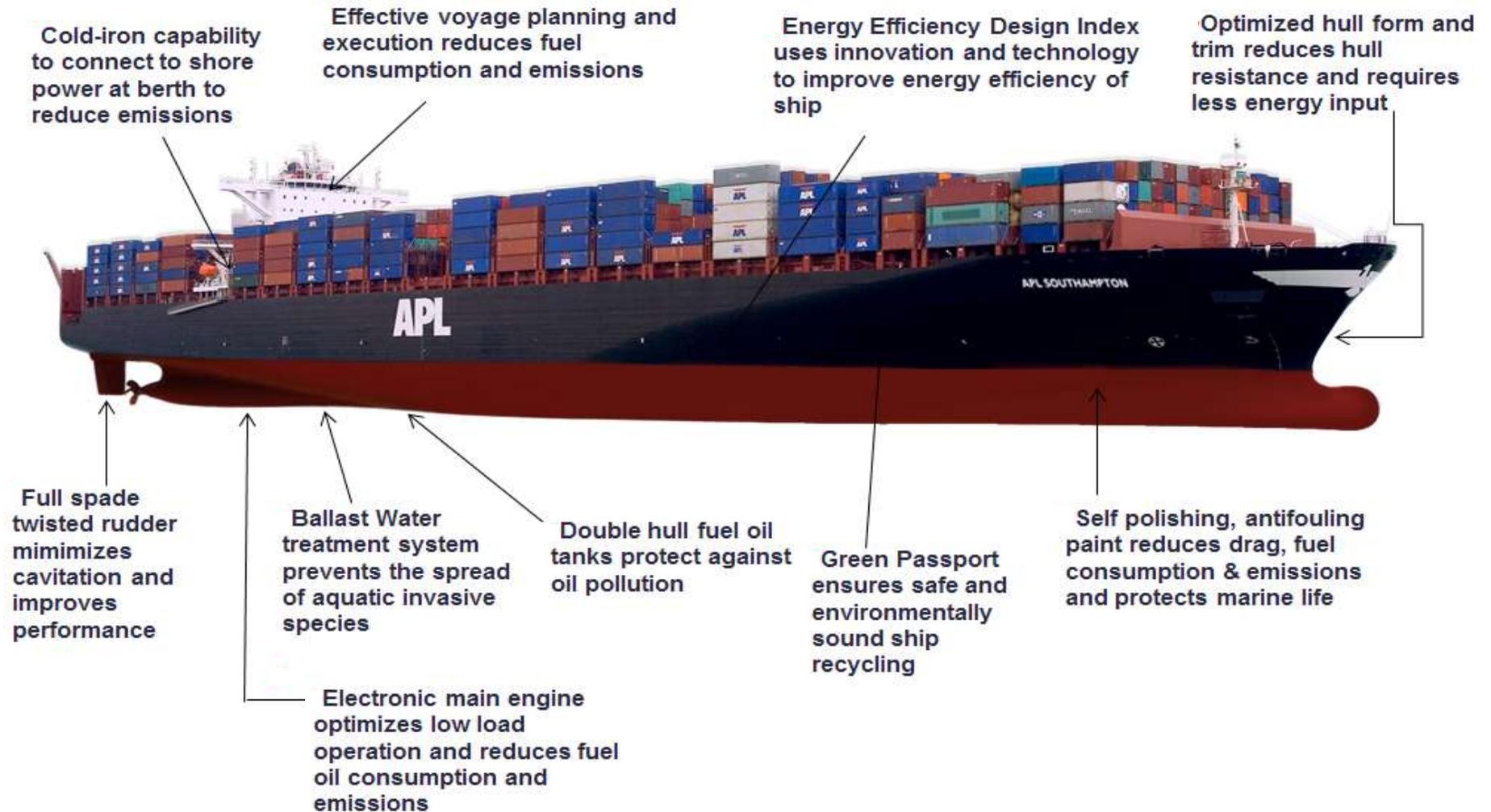
Continued Environmental Initiatives



Eco-responsible operations for a sustainable future

- Enforcement of Emission Control Area (ECA)
- Speed Optimization, schedule, weather routing and best practices to reduce CO₂ emissions
- Low Sulphur Fuel
- Cold Ironing
- Seawater Scrubber
- Ballast Water Treatment
- Environmentally friendly paint on ship hulls
- Voluntary Speed Reduction in Southern California waters to reduce emissions
- Eliminating drayage thru on-dock rail
- Received Premier Marine Environment Award

APL New Builds - Environmental Features



Integrated Partnerships

Integrated Partnerships



Thank You

