



AAPA Seminar 2016 Breakbulk – Bulk Presentation



Grieg Star Shipping



Grieg Star Shipping's break bulk fleet consists of 31 specialized Open Hatch vessels tailor made for the carriage of wood pulp, rolled paper and other forestry cargoes.

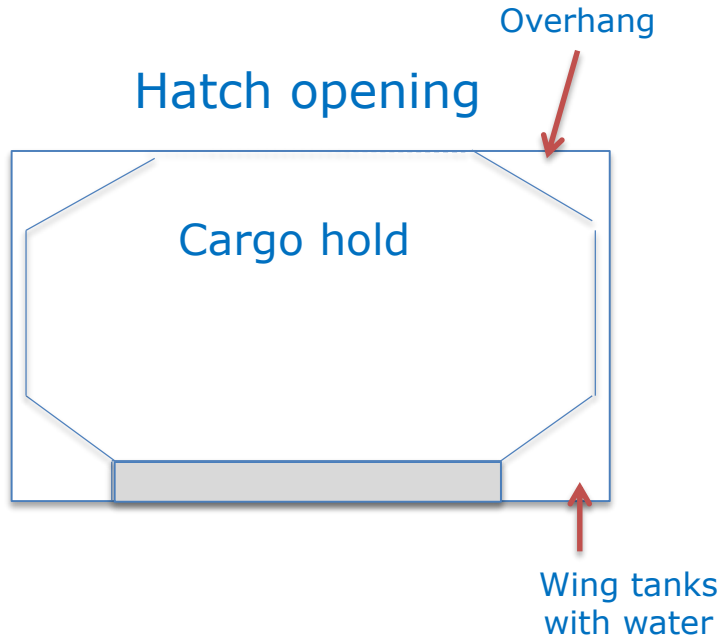
In addition we carry a wide range of various steel products, other unitized cargoes, project cargoes and containers.

Gantry Crane Vessels

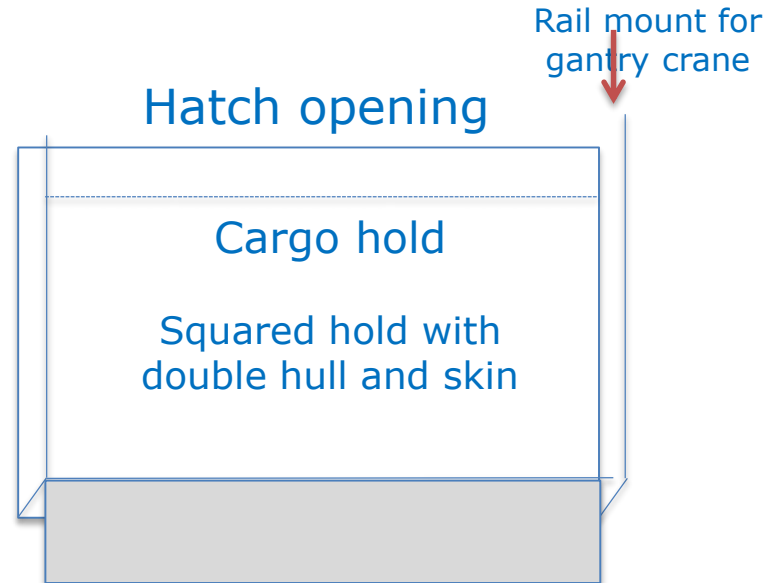


Gantry Cranes with rain protection and sill beam curtains secures an "all weather" operation

Specialized Vessels

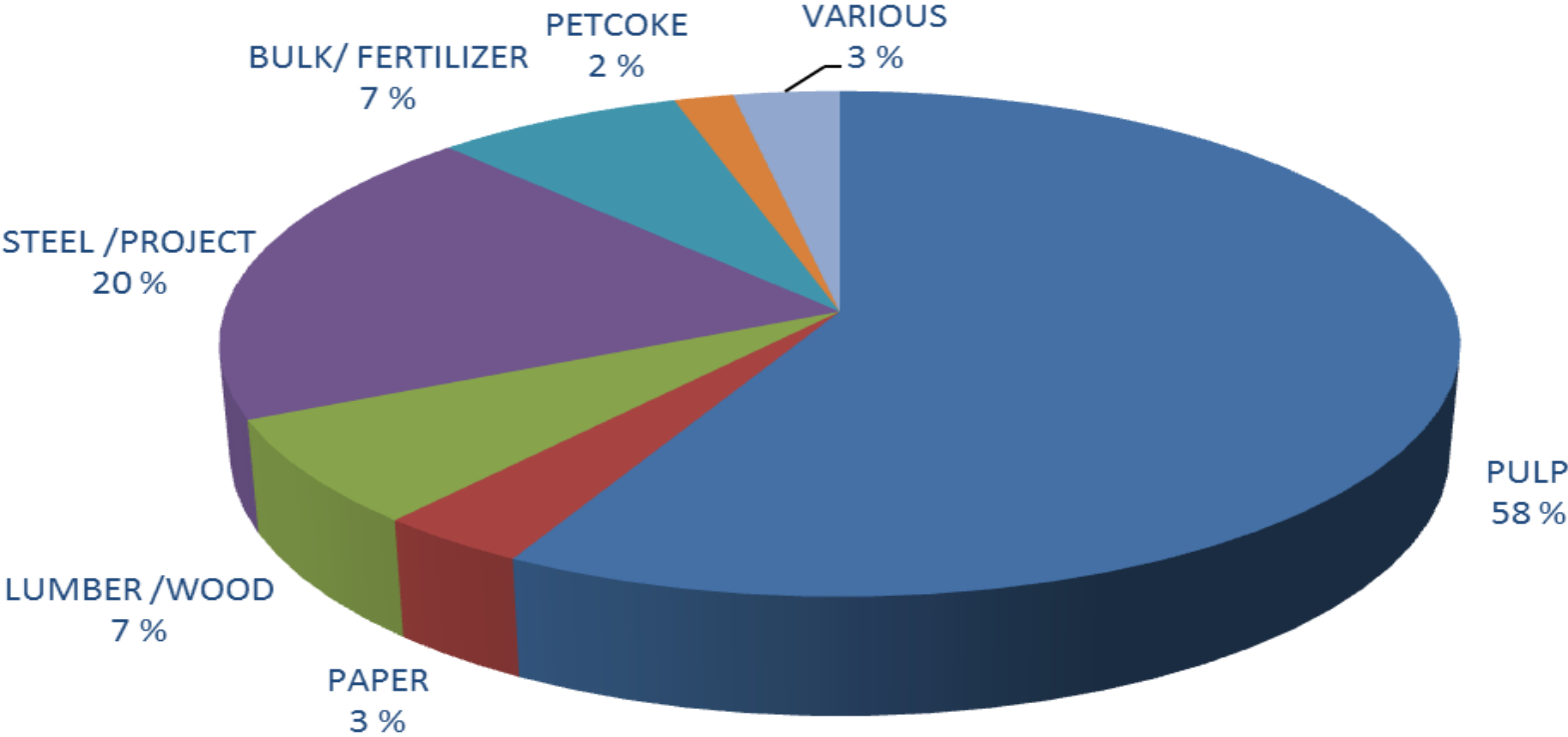


**General Purpose
Carrier**



**Open Hatch General
Cargo Carrier**

2015 Cargo Composition – Open Hatch



Wind Energy



Windmill towers



Windmill Blades

Project Cargoes



Grieg Star Bulk



Grieg Star Bulk



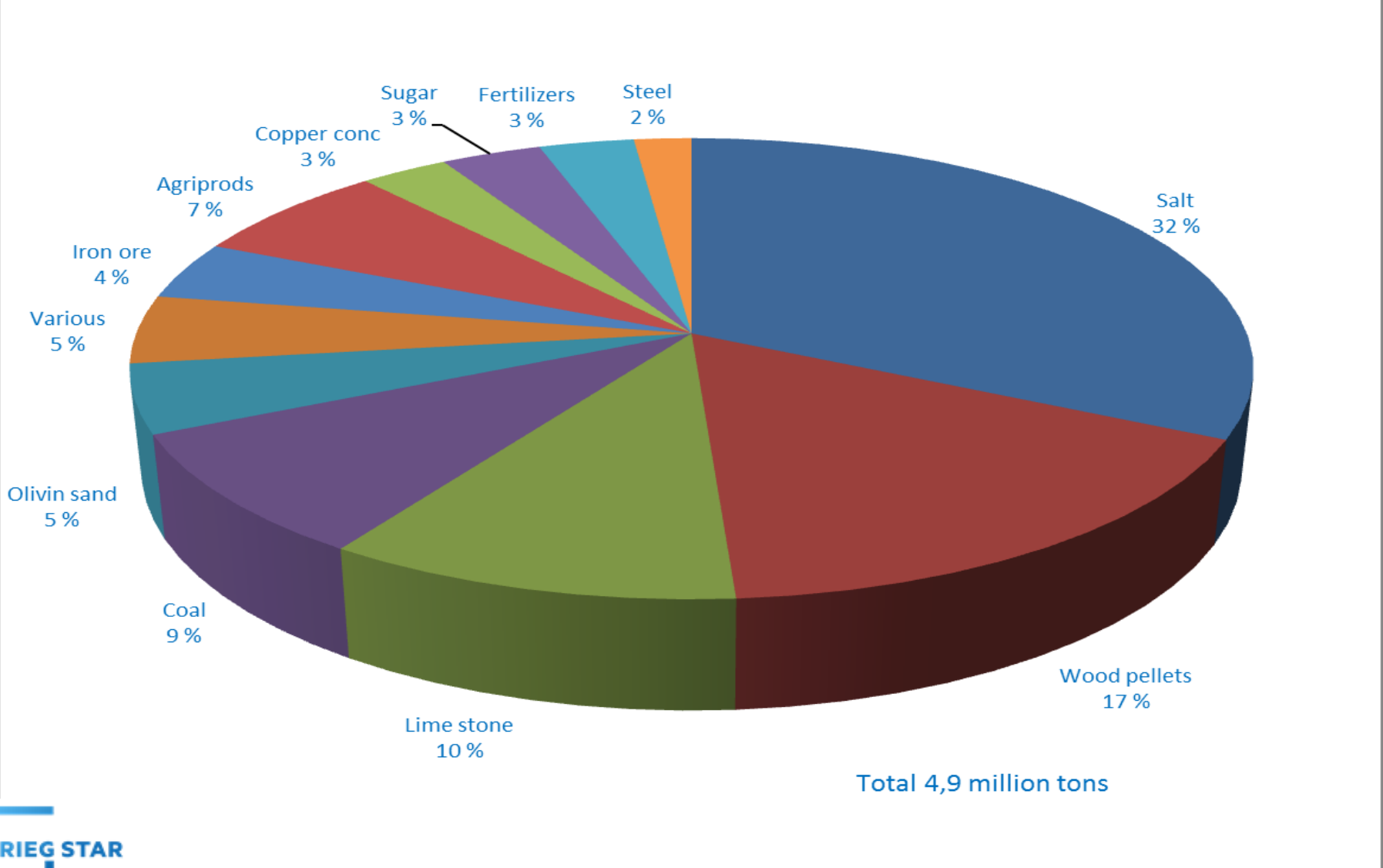
Grieg Star Bulk is an owner and operator of modern dry bulk ships in the Handysize & Supramax segment.

We operate a fleet of around 22-27 ships ranging from 25-65,000 mt deadweight, all equipped with cranes and grabs. All eco design ships in terms of fuel efficiency and low emissions.

Transporting various bulk commodities
grains, coal, ores, salt, concentrates,
fertilizers, steels, limestone, bauxite,
cement, pellets



Cargo Composition 2015 - Grieg Bulk



Challenges

Freight Future Agreements (FFA) Average of the 4 primary trade lanes for Coal
(Brazil/Australia/China/Transatlantic – Pacific). Steam coal rates Brazil – China Usd 7.80/mt!!

Capesize Market

June - \$ 5130

Q3 – \$ 6203

Q4 – \$ 8230

2017 - \$ 7145

2018 - \$ 8640

Panamax Market

(Transatlantic round trip/Transpacific/Europe-Brazil-Far East/Asia-Australia-Europe)

Q3 - \$ 5100

Q4 - \$ 5650

2017 - \$ 5500

2018 - \$ 6700

2019 - \$ 7400

2020 - \$ 7950

Challenges

Freight Future Agreements (FFA) Trading lanes U.S./Europe/Asia/West Africa/Nopac

Supramax Market

Q3 – \$ 6203
2017 - \$ 5560
2018 - \$ 6770
2019 - \$ 7335

Handysize Market

Q3 - \$ 4611
Q4 - \$ 4944
Q1 2017 - \$ 4688
2017 - \$ 4881
2018 - \$ 5456

Challenges

Containers

Containers

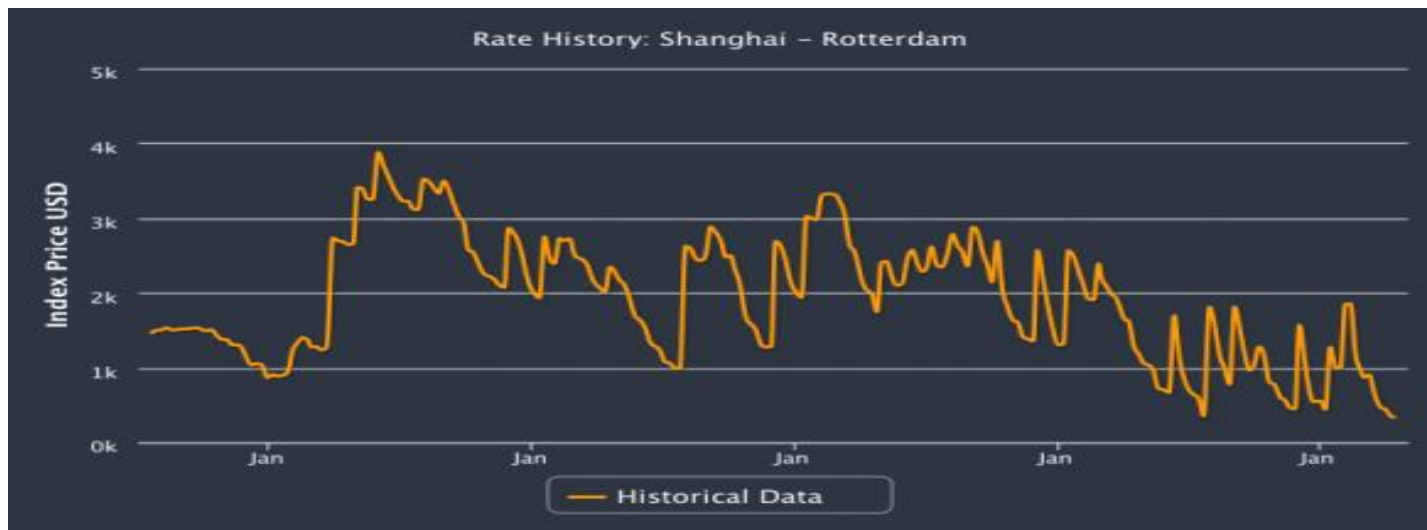
Containers



Challenges

Containers:

- Continue to build mega 18000+ TEU vessels
- Container freight rates fell to a record low on Shanghai-Rotterdam route on March 10, 2016.
- Recently concluded contract rates Usd 750/FEU Asia – Uswc and Usd 1500 Asia – Usec
- Rates Savannah – China and Savannah – Rotterdam = Usd 350/container !!
- Analysts predict Container Carriers will lose Usd 6-10 Billion in 2016

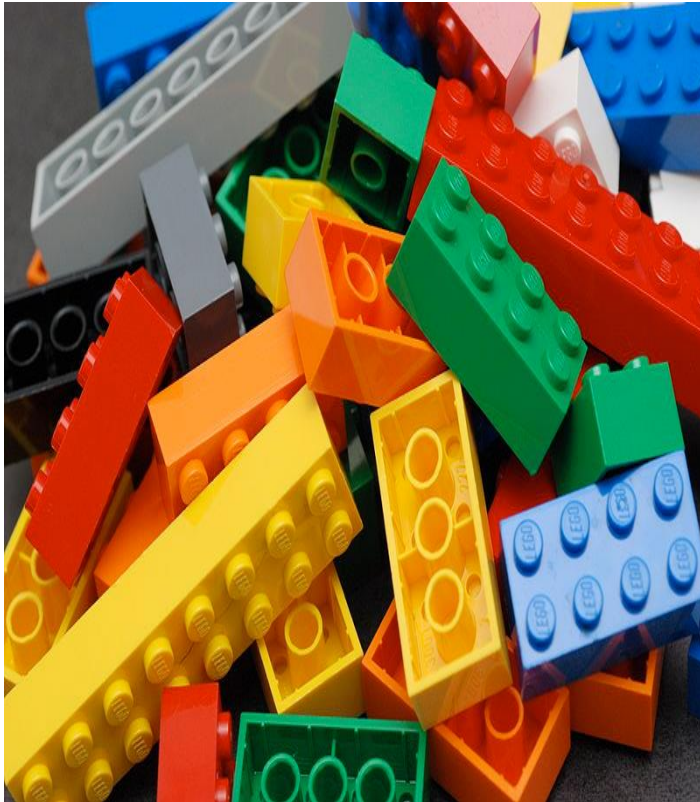


Opportunities

Forest Products – Pulp

- 6 million mt new eucalyptus woodpulp production already or coming on line in South America with further expansion confirmed.
- 2.3 million mt woodpulp ex Sumatra, Indonesia to commence 2016
- Sun Paper considering project in Arkansas with production at 700,000 mt/year
- 500,000 mt new fluff pulp projects in U.S.

Opportunities Synthetic Resin



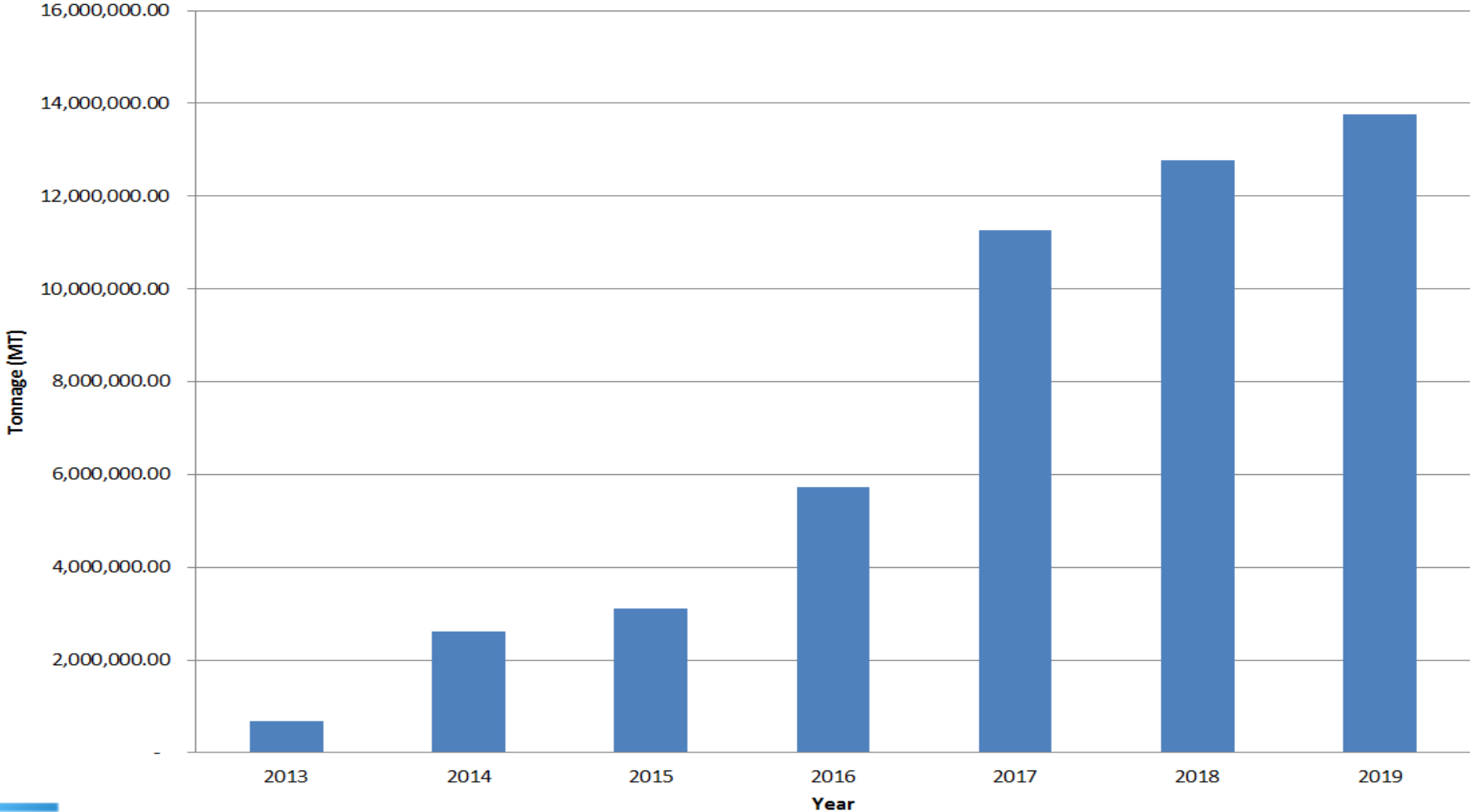
Opportunities

Synthetic Resin

- Essentially plastic pellets, they are used in the manufacture of irrigation pipes, bottles, medical equipment, synthetic turf, car parts, marine supplies and toys.
- Divided into three main categories:
 1. Polyethylene (the main growth area)
 2. Polypropylene
 3. Polyvinyl Chloride
- North American manufacturers have an inexpensive source of ethane, the raw material. Thus companies are investing in excess of \$100 billion in future production capacity.
- Total North American production is 34 million MT per year.
- An additional 14 million MT expected online by 2019.
- Very little increased North American consumption.

Opportunities Synthetic Resin

Year over Year Growth



Conclusion

- Increased scrapping of vessels will improve all segments of Shipping to improve
- Delivery of new build vessels are expected to decline significantly over the next 3 years
- Improved balance of supply and demand will assist with rise in freight rates world wide
- Container rates **“Hopefully”** have reached rock bottom
- Better rationalization moving forward when establishing rates short/long term
- Consolidation of Carriers expected to continue

**To Be the Best You Must Be Able to Handle the Worst
As Only The Strong Will Survive**

Thank you

