

We take it personally

Presentation

February 7th 2007



Challenges that face our industry

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Globalization



Challenges that face our industry

3

- Capital Investment
Vessels, Steel prices



OOCL Services

		# GA services	# NWA services	# GA & NWA	Others
TRANSPACIFIC	FE-USEC	4		1	
	FE-USWC	5			
	Pendulum (PAX)	1			
	Sub-total	10		1	
TRANSATLANTIC	Eur-Canada				3
	Eur-USEC	1			
	Eur-Gulf	2			
	Pendulum (PAX)	1			
	Sub-total	4			3
ASIA-EUROPE	Asia-N.Europe	4	3		
	Asia-Med	1			
	Sub-total	5	3		
AUSTRALIA / NEW ZEALAND					6
INTRA-ASIA					37
INTRA-EUROPE					3
TOTAL		18	3	1	49

Updated as at January 5, 2007



Merger & Acquisition

- Maersk acquired Safmarine, Sealand and P&ONL
- Hapag Lloyd acquired CP Ships
- NOL acquired APL



Challenges that face our industry

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Supply and demand



Supply & Demand

The correct picture

- Supply & Demand balance are solid based on the research data from reputable shipping research houses such as Drewry, Clarksons & Alphaliner and loadability adjustment
- Fear over great excess of capacity against demand over the next 3 years is possibly exaggerated



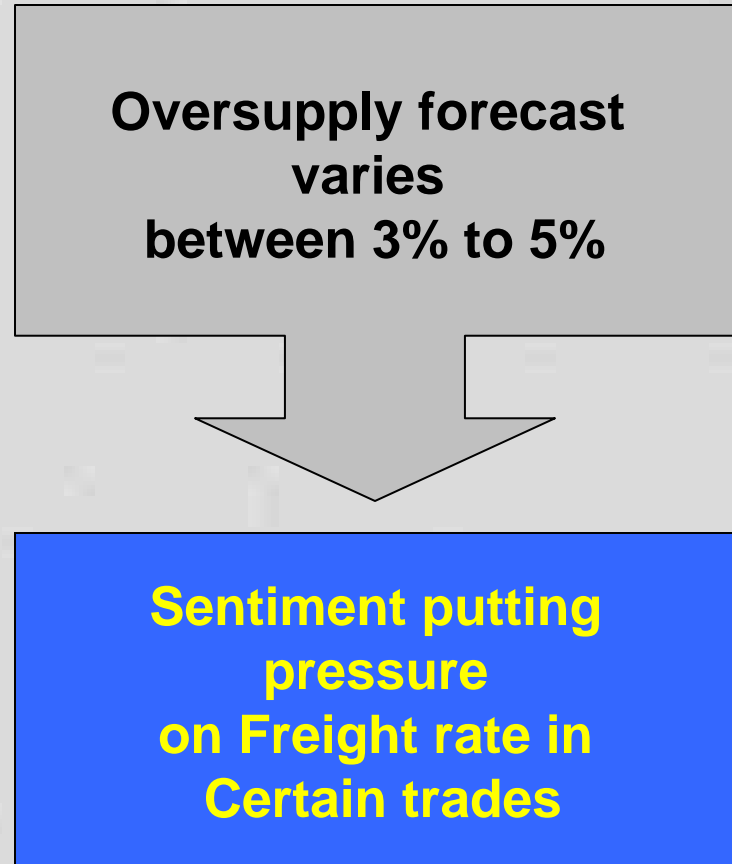
Nominal Supply and Demand Outlook

Sources: The Drewry 4Q 2006 & Clarkson Intelligence Quarterly Q4 2006

<u>2006</u>	Supply	Demand	Gap
Drewry	15.9% (+0.4%)	11.0% (+0.8%)	4.9% (-0.4%)
Clarkson	13.4% (+0.6%)	10.4% (-0.2%)	3.0% (+0.4%)

<u>2007</u>	Supply	Demand	Gap
Drewry	14.3% (+0.8%)	9.6% (0.0%)	4.7% (+0.8%)
Clarkson	11.8% (+0.1%)	10.2% (+0.2%)	1.6% (-0.1%)

<u>2008</u>	Supply	Demand	Gap
Drewry	13.7% (+0.5%)	9.3% (+0.4%)	4.4% (+0.1%)
Clarkson	-	-	-



Note: Drewry's latest forecast = Dec 06, previous= Sep 06
 Clarkson's latest forecast = Dec 06, previous= Sep 06

Updated as at January 5, 2007



Trade Capacity vs Demand Forecast 2007

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Drewry

Growth	Supply	Demand
TPT EB	n/a	9.9%
AET WB	n/a	12.1%
TAT WB	n/a	3.6%

Clarkson

Growth	Supply	Demand
TPT EB	12.0%	12.1%
AET WB	12.1%	11.6%
TAT WB	9.8%*	4.7%

Source: Drewry & Clarkson 4Q06

Updated as at January 9, 2007



Trade Imbalances

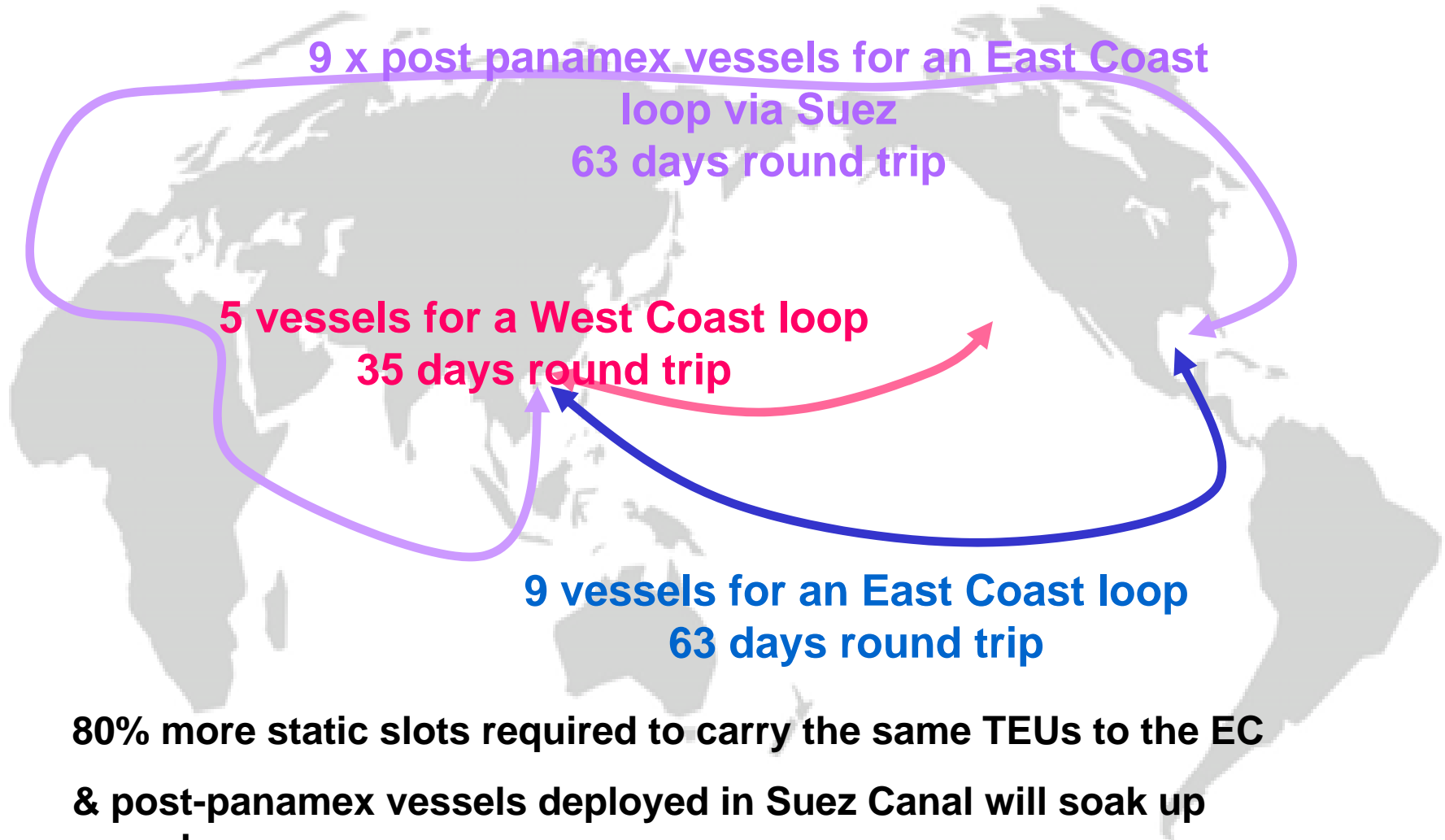
Source: JOC Actual

		1997	2005	Jan-Sep 2006
Transpacific trade	Eastbound	4.8	12.0	9.9
	Westbound	3.5	4.3	3.5
	Matchback ratio	1.4 : 1	2.8 : 1	2.8 : 1
Asia Europe Trade	Westbound	4.0	4.3	3.6
	Eastbound	2.8	2.4	1.9
	Matchback ratio	1.4 : 1	1.8 : 1	1.9 : 1
Transatlantic Trade	Westbound	2.1	1.7	1.3
	Eastbound	1.8	1.2	0.9
	Matchback ratio	1.2 : 1	1.4 : 1	1.4 : 1

Updated as at December 5, 2006



Vessel Deployment Requirement to by-pass US WC congestions



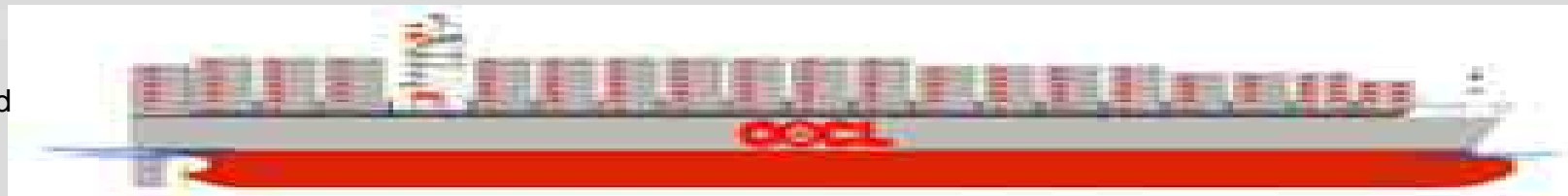
80% more static slots required to carry the same TEUs to the EC & post-panamex vessels deployed in Suez Canal will soak up vessels.



Factors affecting actual loadability

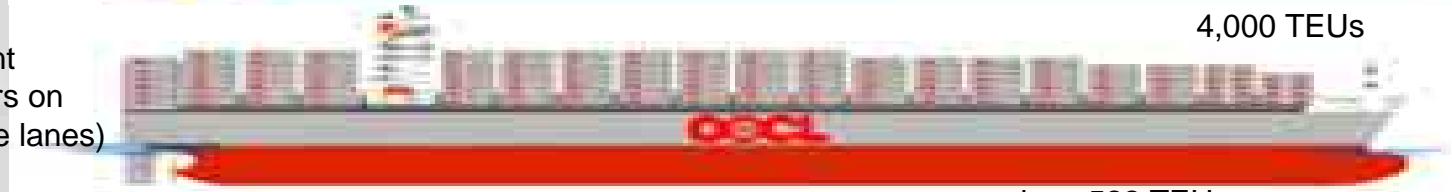
Factors

Original rated capacity



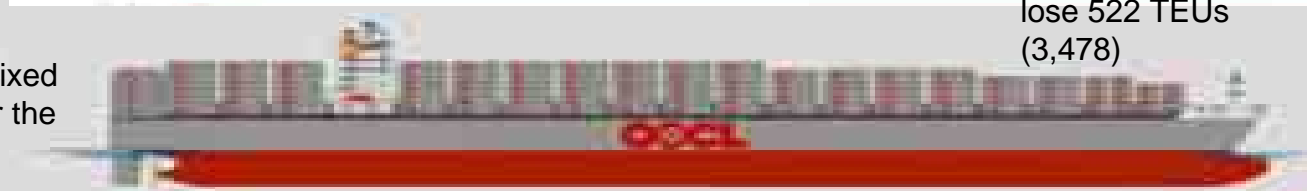
4,000 TEUs

Cargo Weight
(weight differs on
Various trade lanes)



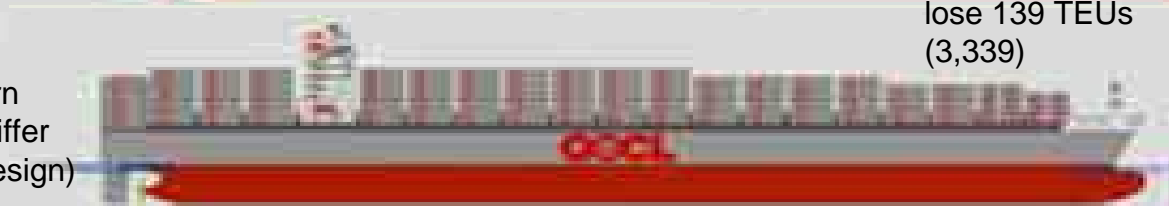
lose 522 TEUs
(3,478)

High Cube (fixed
Height under the
deck)



-15%

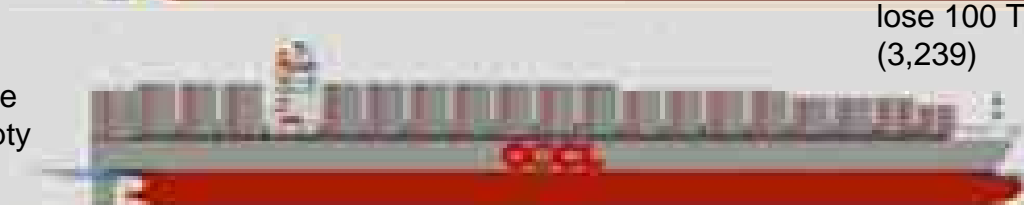
Cargo Pattern
(cargo mix differ
From ship design)



lose 139 TEUs
(3,339)

-4%

Cargo Secure
Manual (empty
Containers)



lose 100 TEUs
(3,239)

-3%

lose 100 TEUs
(3,139)

-3%

Total -25%

Updated as at December 5, 2006



Challenges that face our industry

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Port and infrastructure congestions



Challenges that face our industry

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Oil prices
Currency



Challenges that face our industry

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World Conflicts



Challenges that face our industry

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Information Technology



Challenges that face our industry

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- Globalization
- Capital Investment
- Supply and demand
- Port and infrastructure congestion
- Regulatory matters
- Oil Prices and currency factor
- Conflict of war
- Information Technology



END

