

# WW 2nd Quarter Presentation

## ➡➡ Supply and Demand Update

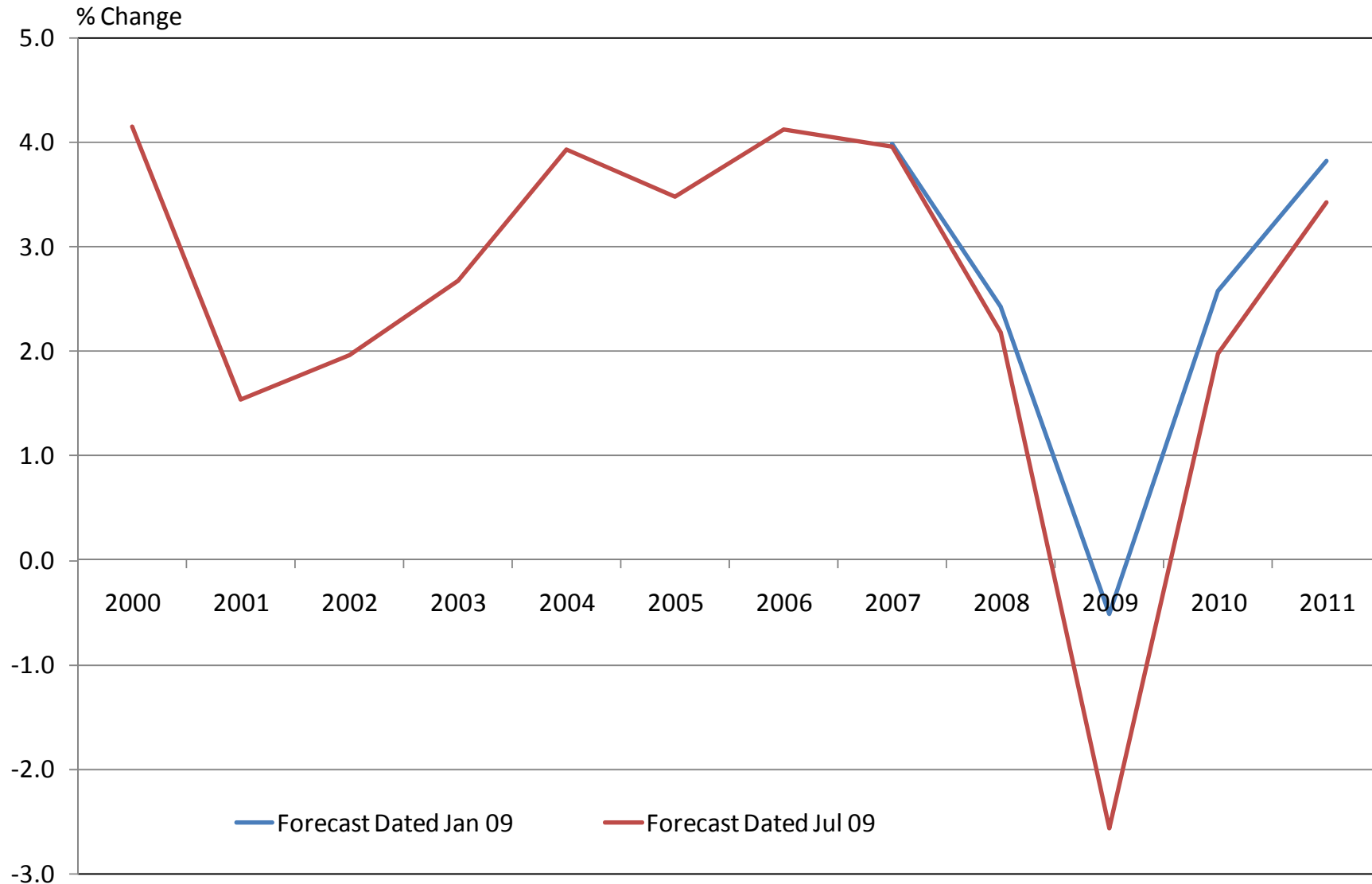


Niklas Carlén  
Vice President, Global Market Intelligence  
Wallenius Wilhelmsen Logistics  
6<sup>th</sup> August 2009

- ❖ **This presentation may contain forward- looking expectations which are subject to risk and uncertainties related to i.a. economic and market conditions in relevant markets, oil prices, currency exchange fluctuations etc. Wilh. Wilhelmsen group undertake no liability and make no representation or warranty for the information and expectations given in the presentation.**

# Global Economic Outlook – GDP % Change

## *Have We Reached the Floor?*



Source: Global Insight

# Year-to-Date Light Vehicle Sales








## 2<sup>nd</sup> Quarter Improvement



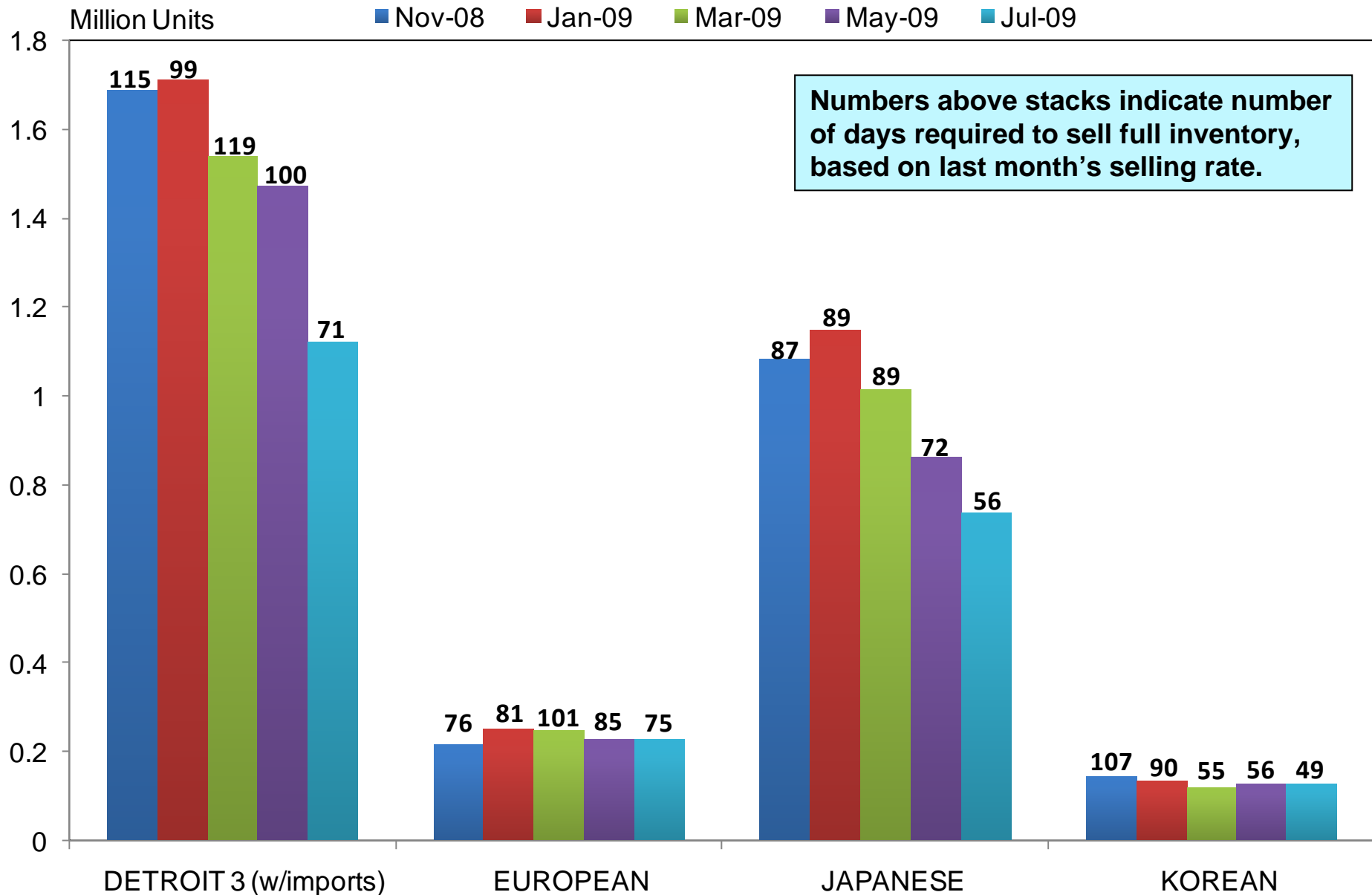
Light Vehicle Sales (Selected Markets)				Y/Y Changes		
Million Units		YTD Jun-08	YTD Jun-09	% CH	1Q09 % CH	2Q09 % CH
<b>NAFTA</b>	↓	<b>8.80</b>	<b>5.88</b>	<b>-33%</b>	<b>-36%</b>	<b>-30%</b>
USA	↓	7.41	4.81	-35%	-38%	-32%
Canada	↓	0.88	0.72	-18%	-22%	-16%
Mexico	↓	0.51	0.36	-31%	-26%	-36%
<b>EU27+EFTA</b>	↓	<b>9.49</b>	<b>8.15</b>	<b>-14%</b>	<b>-19%</b>	<b>-9%</b>
Germany	↑	1.75	2.14	23%	15%	29%
France	↓	1.38	1.32	-4%	-7%	-1%
Italy	↓	1.39	1.22	-13%	-20%	-4%
UK	↓	1.42	1.02	-28%	-32%	-24%
Spain	↓	0.81	0.49	-40%	-44%	-36%
<b>BRICs</b>	↓	<b>8.58</b>	<b>8.81</b>	<b>3%</b>	<b>-5%</b>	<b>8%</b>
Brazil	↓	1.42	1.42	0%	0%	0%
Russia	↓	1.50	0.63	-58%	-58%	-61%
India	↑	0.94	0.97	3%	0%	6%
China	↑	4.72	5.79	23%	8%	37%

Source: Compiled by WWL from various sources

# Vehicle Recycling Incentives – Selected Markets

Country	Value	Start	Duration	Details
 USA	\$3,500 – 4,500	Jul-09	4 months	Recycling of poor fuel economy vehicles < 25 years old, plus fuel efficiency requirements on new car
 France	€1,000	Jan-09	12 months	Recycling >10 years plus max emission requirements on new car
 Germany	€2,500 + tax rebate	Jan-09	12 months	Recycling >9 years plus max emission requirements on new car
 Italy	€1,500 – 3,000	Feb-09	11 months	Recycling >9 years plus max emission requirements on new car
 Spain	€10,000	Nov-08	18 months	Interest free loan. Recycling >10 years or 250,000 km. plus max emission requirements on new car (or used car up to 5 years old)
 Spain	€2,000	May-09	12 months	Fuel efficiency requirements on new car
 UK	£2,000	Apr-09	10 months	Recycling >10 years
 Brazil		Jan-09	12 months	Industrial production tax break with price savings (up to 7.5%) passed on to consumers
 Russia		Feb-09		Low cost loan scheme for cars assembled in Russia and costing under 600,000 roubles, plus higher duties on used car imports.
 India	Rp5,000			Reduction in factory gate tax for cars with 2.0+ litre engines
 China		Jan-09	12 months	Sales tax cut from 10% to 5% on cars with <1.6 litre engines
	¥5,000	Mar-09	10 months	Rural recycling of poor fuel economy vehicles, plus fuel efficiency requirements on new car. Supported by facilitation of credit.
	¥3 – 6,000	Jun-09	12 months	Recycling of high emission vehicles.

# US Dealer Inventories by Brand Nationality



Source: Automotive News

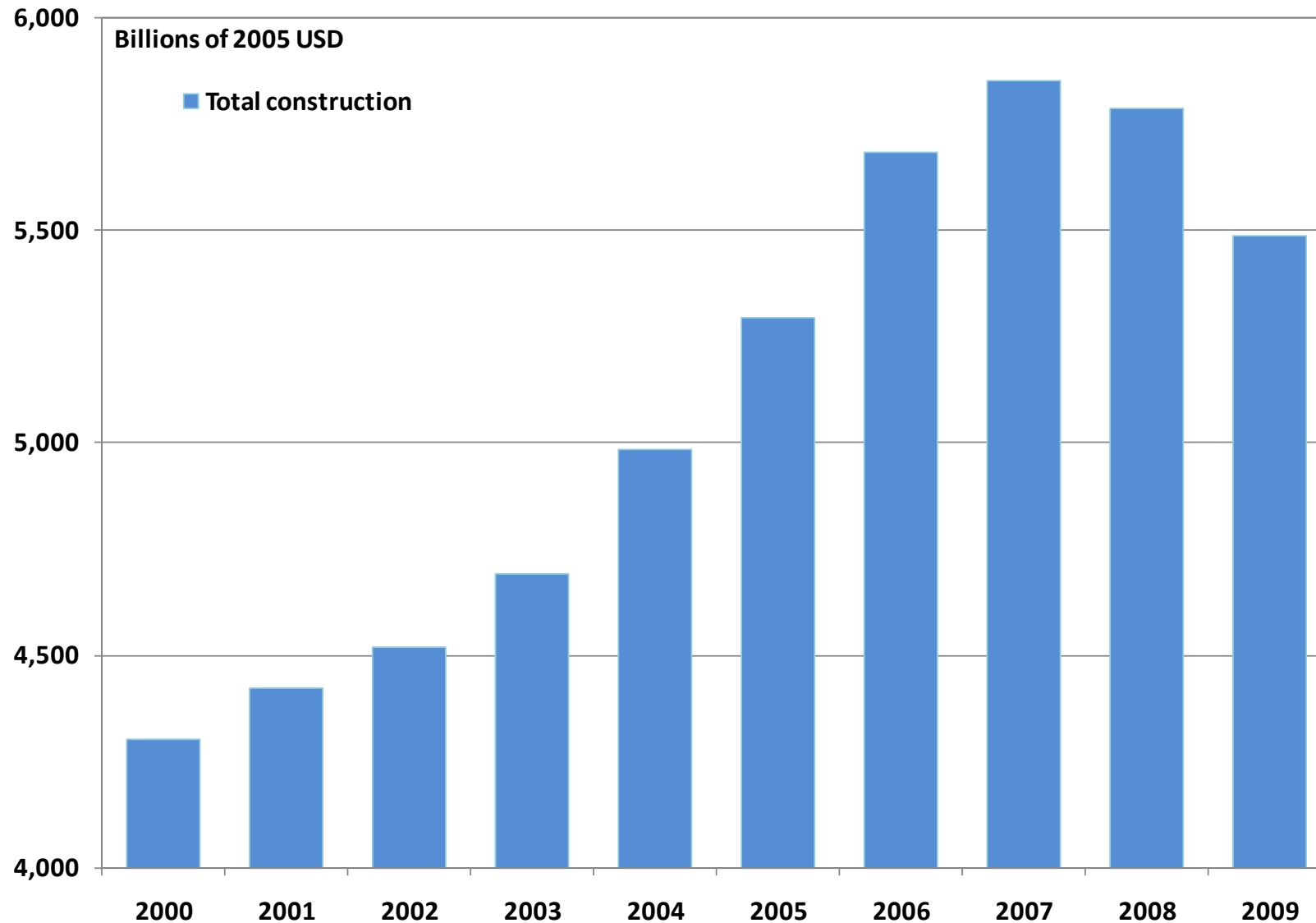
# Stimulus Packages Around the World will Gradually Boost Construction



	Total Stimulus (USD billion)	Stimulus for Construction (USD billion)
Australia	26.5	14
China	585	350
South Korea	11	10
Canada	33	16.5
Malaysia	16.3	6
Germany	65	30
France	34.5	20
Spain	14.5	10.5
UK	31	4.6
Italy	114	6.5
India	4	4
USA	787	134.8

# Global Construction Outlook

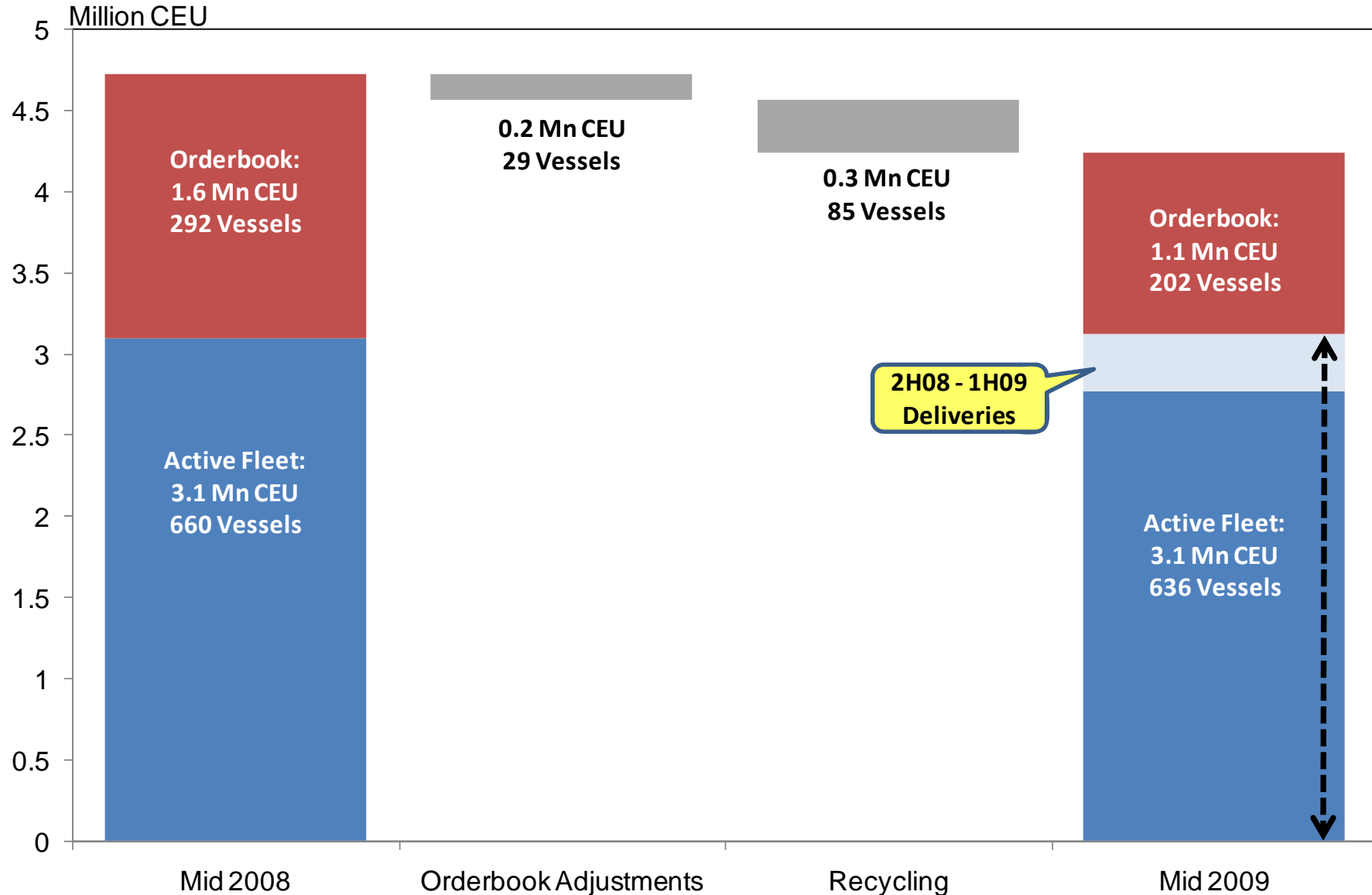
## Construction Spending to Contract by 5.2% in 2009



Source: Global Insight

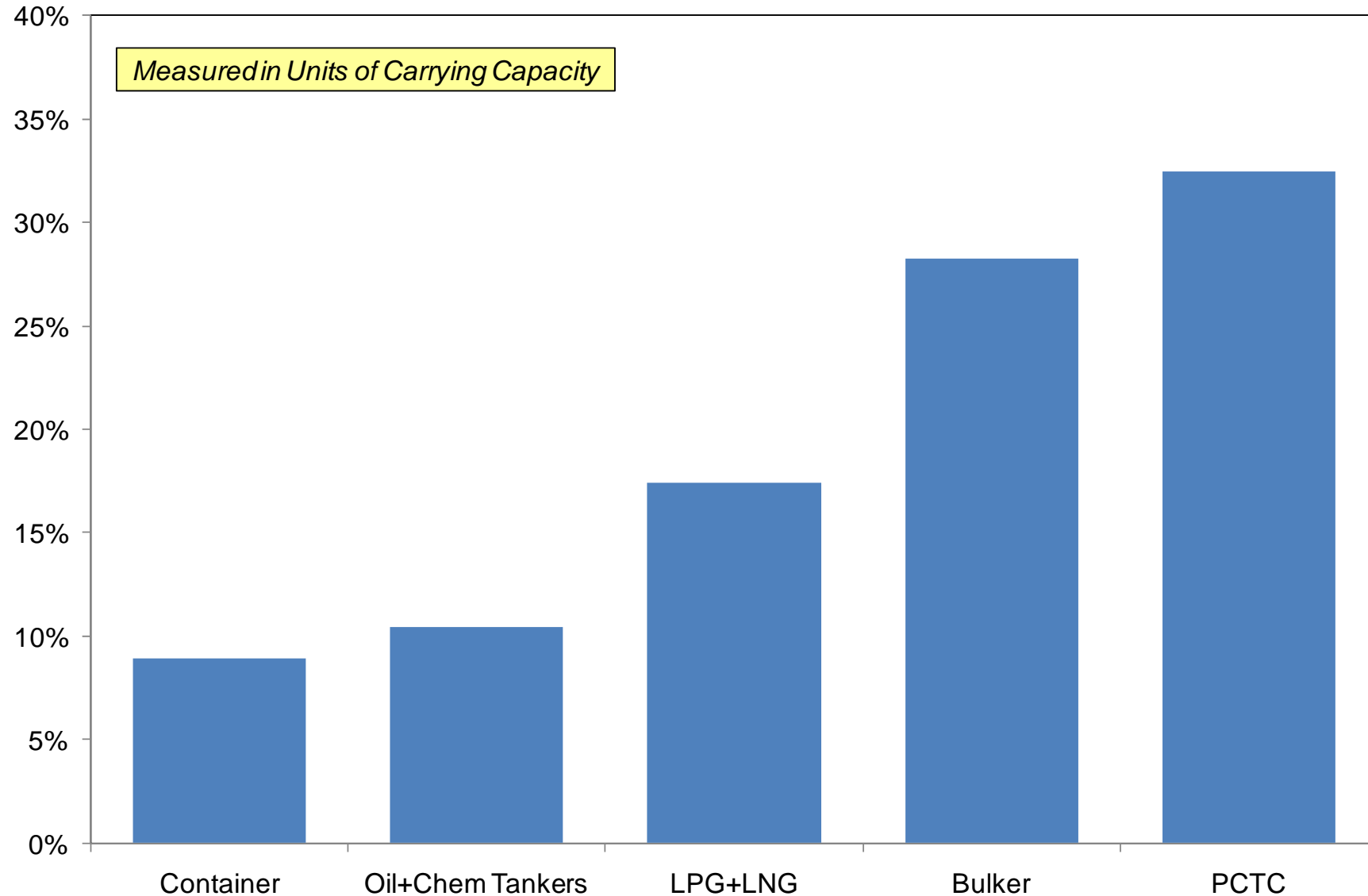
# PCTC Fleet & Orderbook Development

## Mid-2008 Vs. Mid-2009



Source: WWL

# Percent of End-2008 Fleet Aged over 20 Years Different Shipping Sectors Compared



Source: MSI / WWL

- ✦ **After successive monthly downward revisions, GDP forecasts for 2009 and 2010 have stabilised in recent months at -2.6% and +2.0% respectively.**
- ✦ **Light vehicle sales in mature markets fell sharply during 1Q09 but showed some improvement during 2Q09. BRICs doing well (except for Russia). Recycling incentives should lift sales during 2H09. Excess inventories have been worked down, and shipment volumes should improve.**
- ✦ **Stimulus packages should start to lift construction equipment sales late in 2H09 in countries where stimulus focus is on infrastructure.**
- ✦ **Demand for farm equipment is expected to remain stable during 2H09.**
- ✦ **Mining equipment demand remains soft, but positive signals emerging from dry bulk market (iron ore, coal).**
- ✦ **PCTC fleet adjustment in full swing: over 80 vessels recycled during 1H09, with more expected during 2H09. Orderbook adjustments continue to reduce forward delivery schedule.**



**Thank you!**