

German Maritime Industry Hightech made in Germany!

25. September 2019

VSM & GeMaX Presentation

Piraeus



AGENDA

- ❖ **German Maritime Industry – brief overview**
- ❖ **Introduction of the German Shipbuilding and Ocean Industries Association (VSM)**
- ❖ **VSM structures and services**
- ❖ **German Maritime Export Initiative (GeMaX) and the GeMaX process**
- ❖ **Brief information about the finance partners / banks**
- ❖ **GeMaX business cases & benefits**
- ❖ **GeMaX task-distribution**

The German Maritime Industry

€ € €
18 billion Turnover
€ € €
600 Companies
80.000 Employees

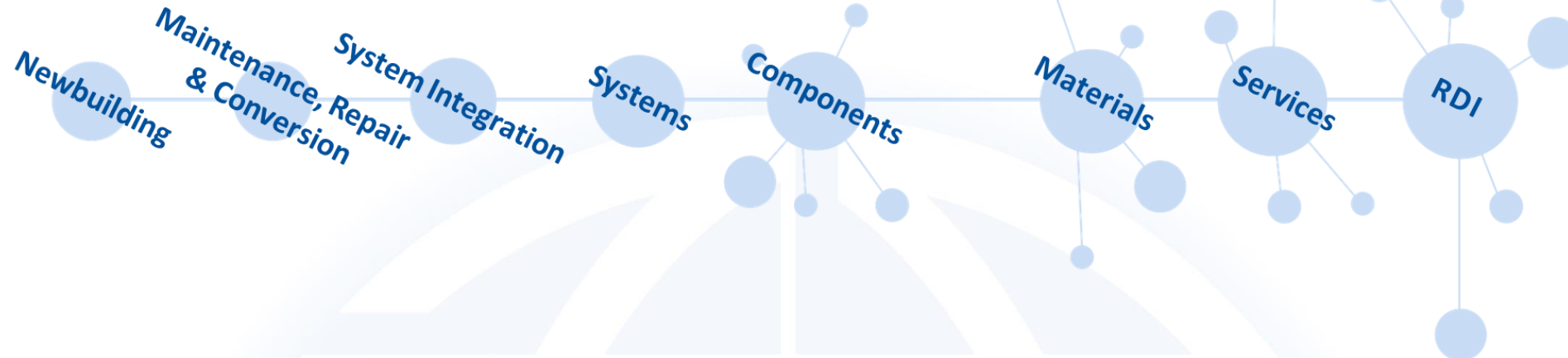


2.800 Companies

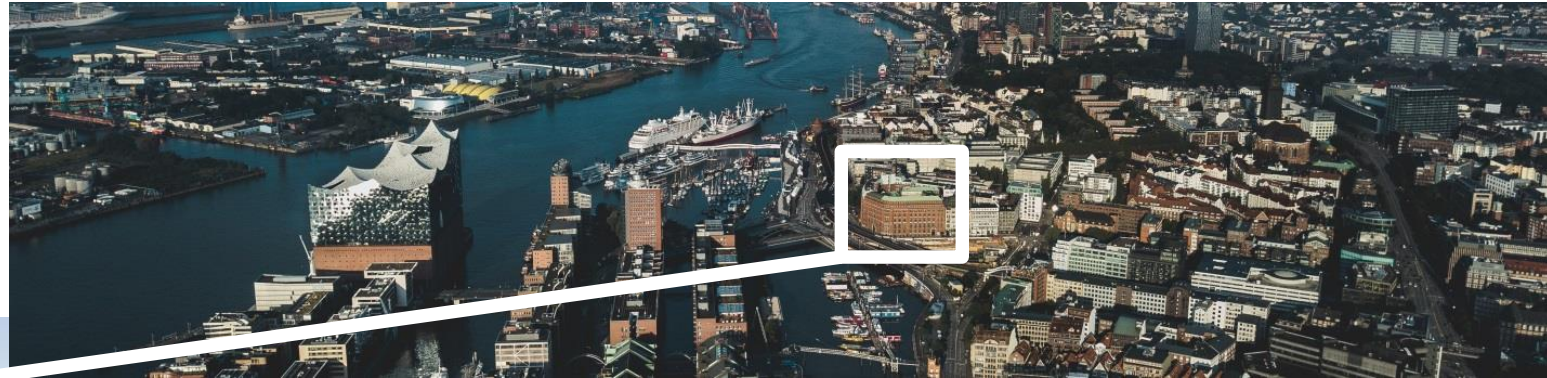
200.000 Employees



70% export ratio
>98 % regarding non-military vessels



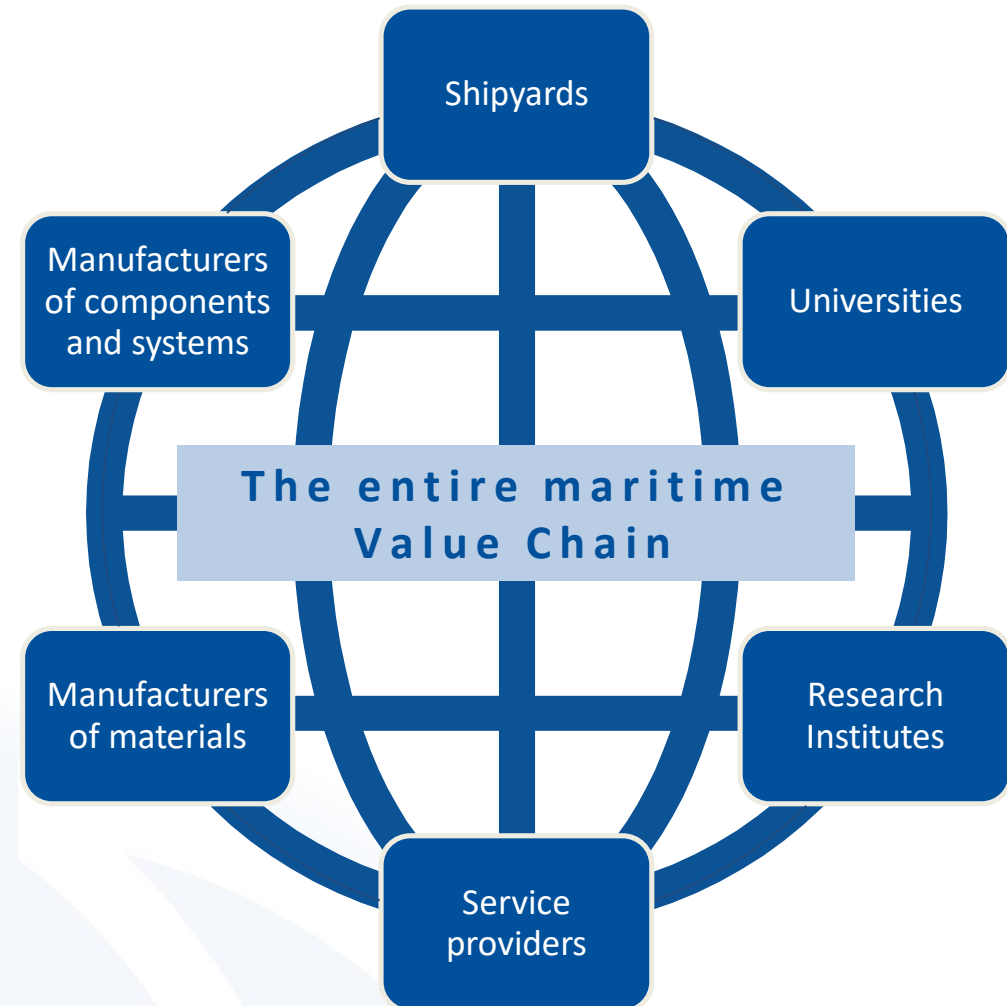
THE ASSOCIATION



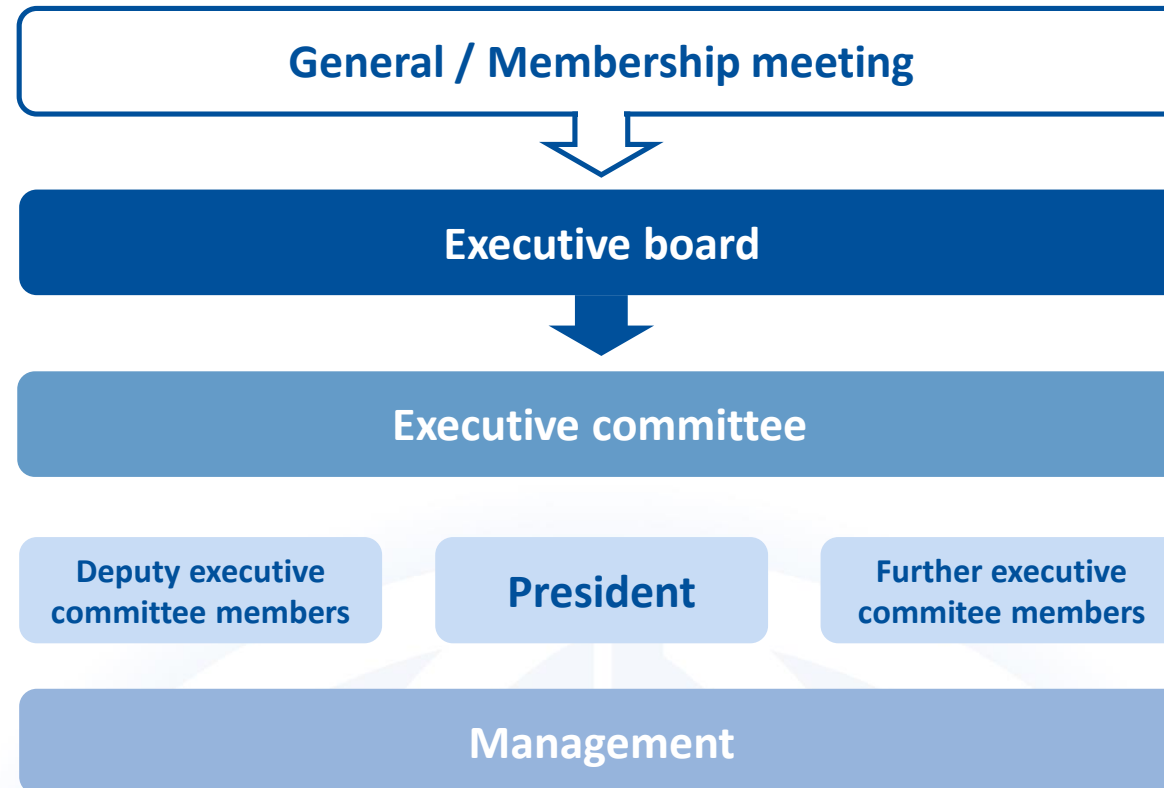
- Founded in 1884
 - Main location Hamburg
 - Representation in Berlin
 - Umbrella organization for other maritime associations
 - 600 direct and indirect members
 - Active member of the European Sea Europe Association
 - Accredited by IMO via CESA
-
- represents the entire industrial maritime value chain
 - → more than 2,800 enterprises all over Germany
 - → more than 200,000 highly skilled employees

VSM – MEMBER STRUCTURE

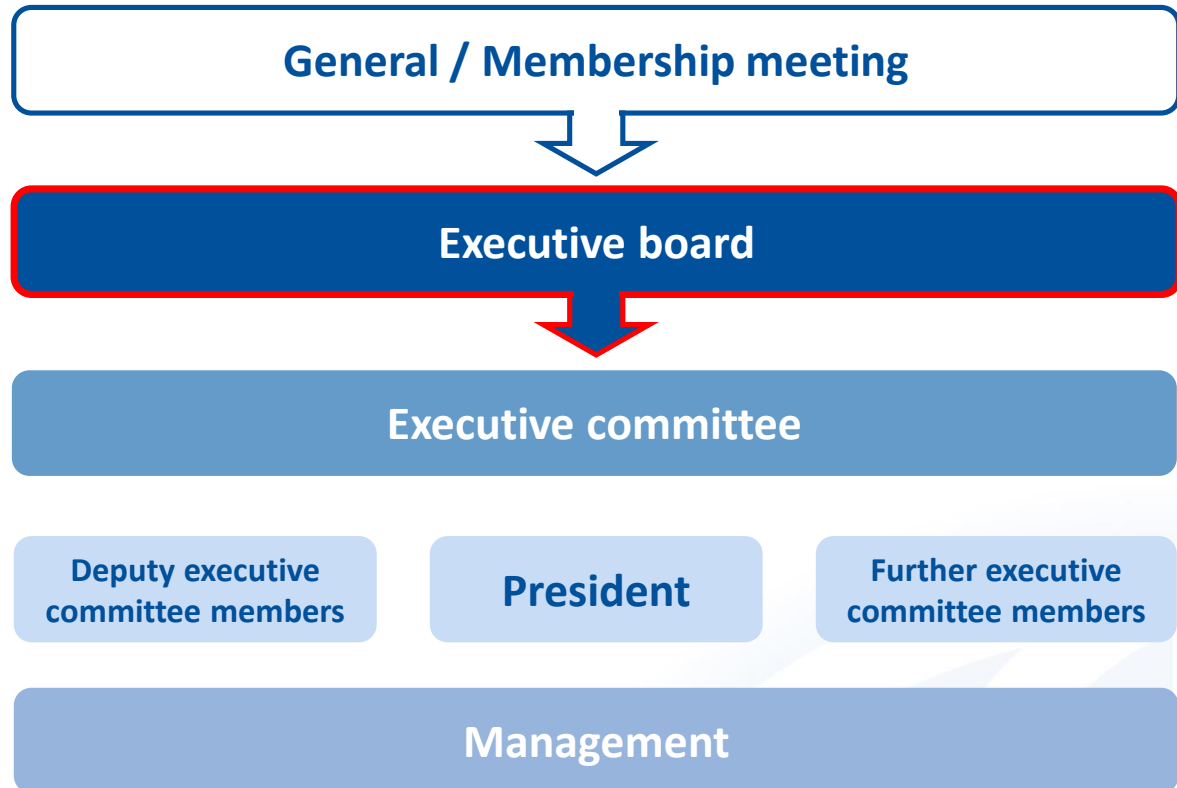
- **Shipyards** for newbuilding, repair and conversion, specialized on high-value special purpose vessels – seagoing and for inland waterway
- **Suppliers and sub-suppliers** producing all kinds of marine equipment with high quality & reliability and world wide after sales service
- **Research and testing institutes, universities, design and consulting companies**



ASSOCIATION'S STRUCTURE



ASSOCIATION'S STRUCTURE



Christian Freese

Managing director
G. THEODOR FREESE GmbH



Carsten J. Haake

Managing director / CFO
MV Werften Wismar GmbH



Dr. Thomas Kühmstedt

Business Unit Manager
Ostseestahl GmbH & Co. KG



Dr. Bertram C. Liebler

General manager
Nobiskrug GmbH



Marcus Rönner

Member of the management
Stahlbau Nord GmbH



Hans Michael Schaedla

General manager
Abeking und Rasmussen
Schiffs- und Yachtwerft SE



Torsten Schramm

President Maritime
DNV GL SE



Maik Stövhase

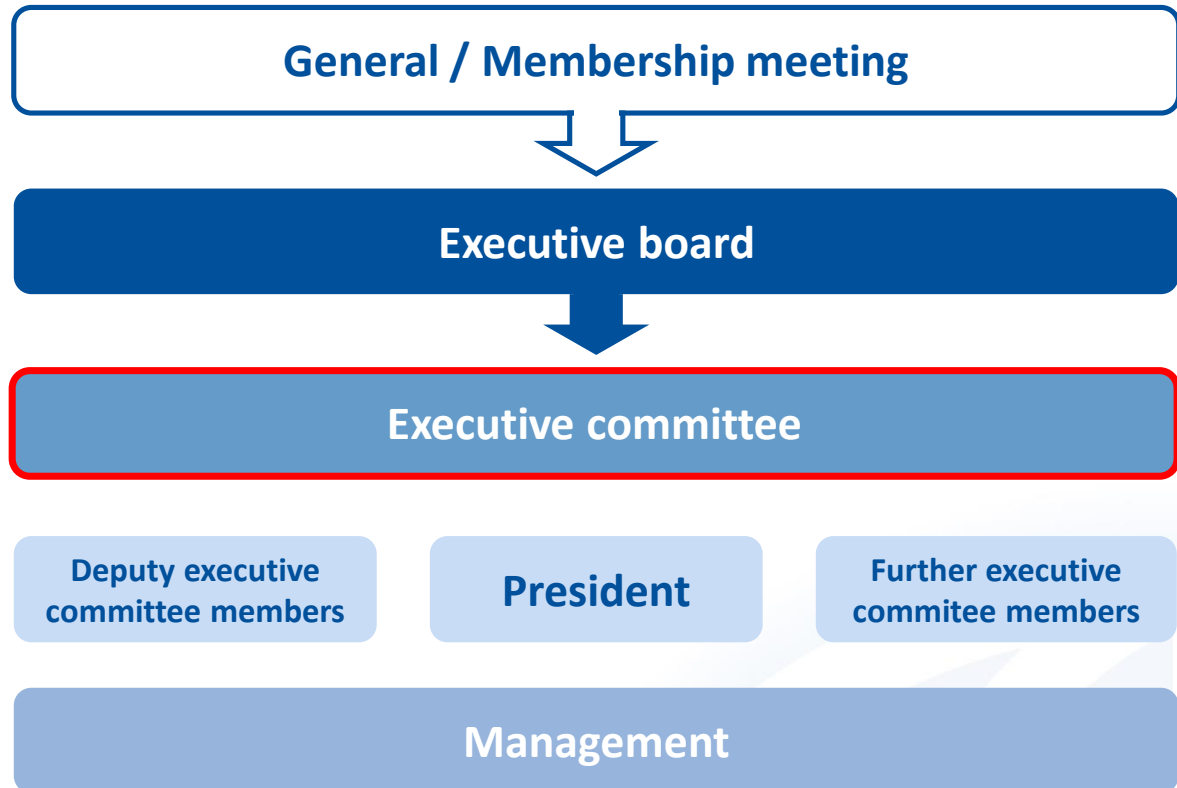
Member of the management
Wärtsilä SAM Electronics GmbH



Jürgen Trost

Managing director
KAEFER Schiffsausbau GmbH

ASSOCIATION'S STRUCTURE



Harald Fassmer
Präsident

Managing Director
Fr. Fassmer GmbH & Co.



Dr. Uwe Lauber
Stellvertretender Präsident

Chairman Executive Board
MAN Energy Solutions SE



Bernard Meyer
Stellvertretender Präsident

Managing Director
MEYER WERFT GmbH & Co. KG



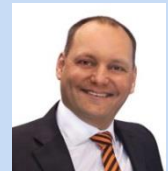
Rüdiger Pallentin

Member - Executive Board
Lloyd Werft Bremerhaven GmbH



Torsten Conradi

President
Deutscher Boots- und
Schiffbauer-Verband e.V.



Klaus Deleroi

Managing Director
REINTJES GmbH



Friedrich Lürßen

Management Spokesman
Lürssen Maritime Beteiligung
GmbH & Co. KG



Mathias Pein

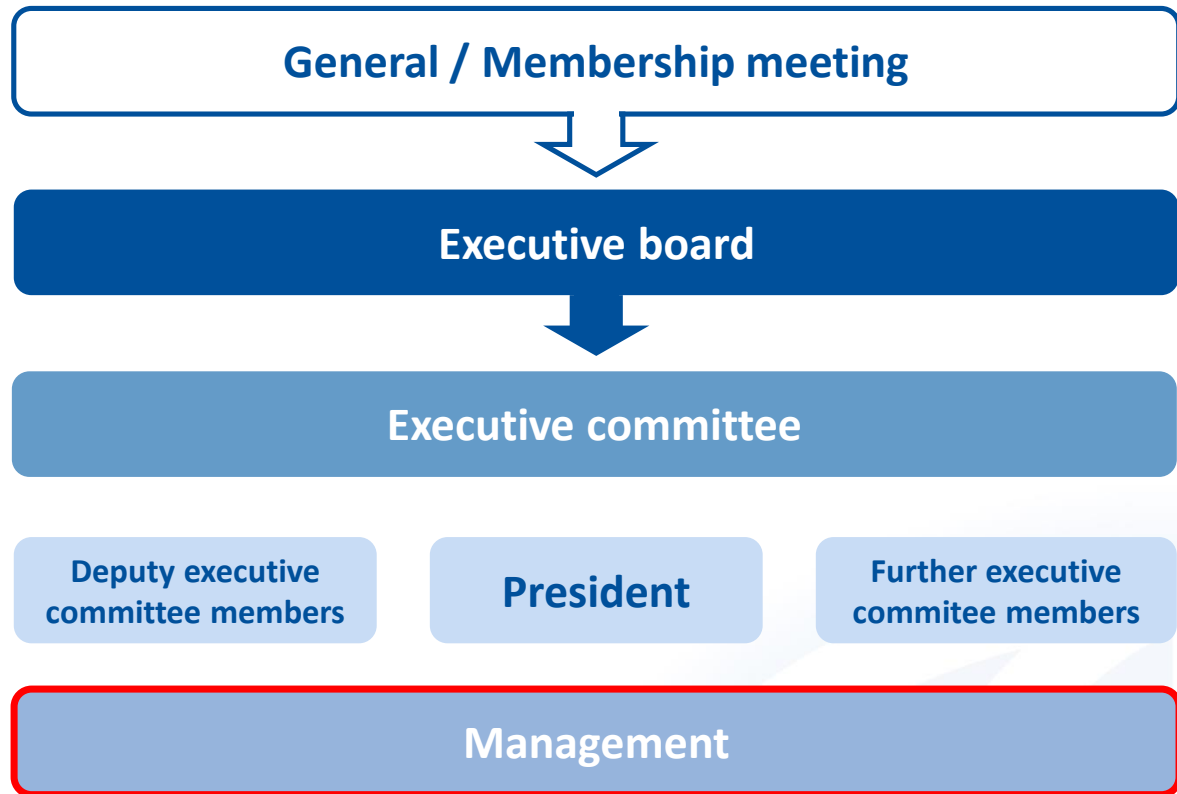
Managing Director
Otto Piening GmbH



Matthias Schulze

Executive Vice President
Siemens Marine

ASSOCIATION'S STRUCTURE



Dr. Reinhard Lügen
General Manager



Dr. Ralf Sören Marquardt
Managing Director



RA Christian A. Schilling, LL.M.
Managing Direct. & Legal Advisor

COMMITTEE STRUCTURE

Specialist communities

Coaster & inland
vessel building

Marine
technology

Shipbuilding
supply industry

Repairyards

Universities and
research institutes

Technological
services

Committees

Purchase and
Logistics

Law

Personnel and
training

Environment protect
and work safety

Finances and
taxes

Public relations

Working groups

Logistics

Shipbuilding
production

Interior design

Training issues

Industrial
Ingeneering

Implement. of
standards

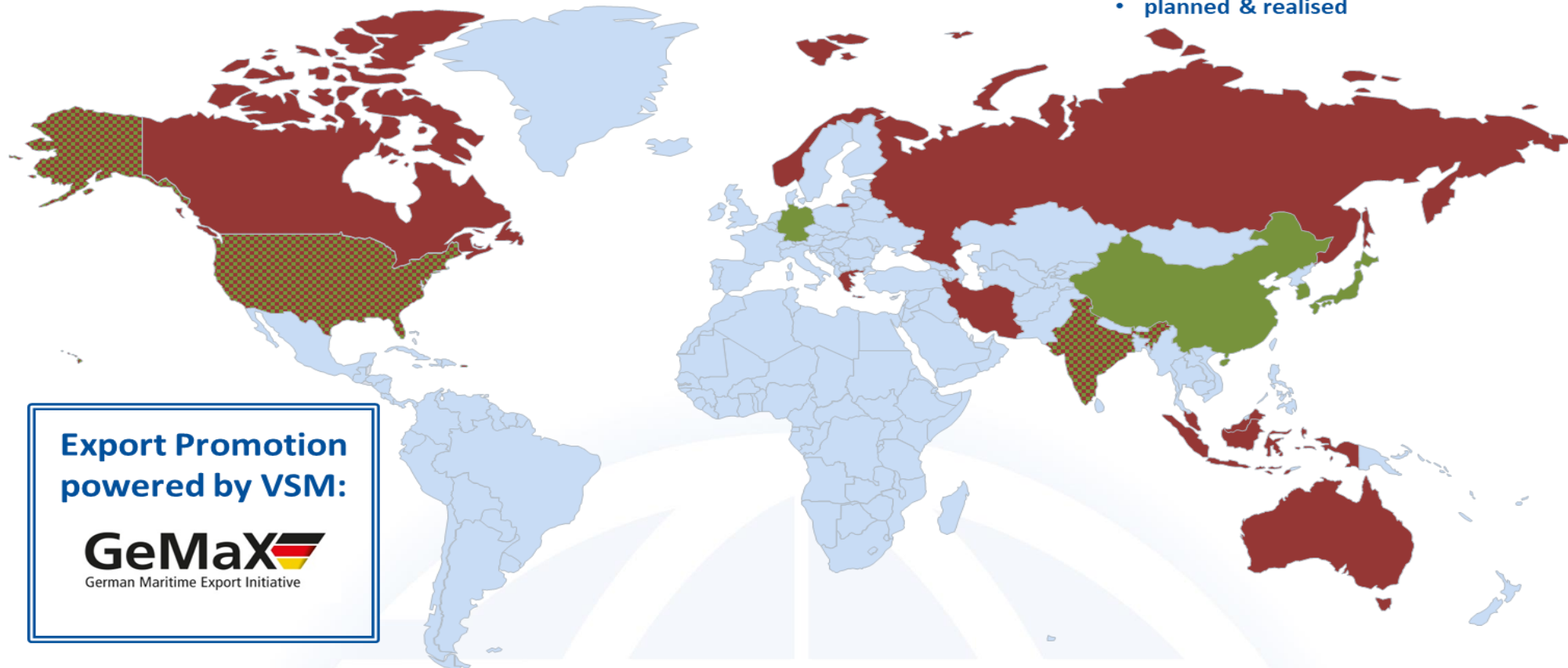
Development
of regulations

SERVICES

- **Public relation**
 - Own press work
 - Newsletter
 - Press review
 - Annual reports
 - Schiffbau Industrie
- **Lobbying**
 - Berlin office
 - Presence in Brussels
 - Close contact to representatives
- **Export promotion**
 - Trade fairs
 - Industry delegation trips
 - GeMaX
- **Internal Association Work**
 - Committee support / Structuring
 - Training offers
 - Direkt contacts
 - Mediation among members
 - Preparation of tender notices
 - Exhibition calendar
- **P + D + I**
 - Innovation promotion
 - LNG-Development program
 - R+D Program
 - R+D Research projects
- **External Association Work**
 - Member of SEA EUROPE
 - Development of IMO regulations
 - Active in OECD, WTO, JECKU
- **Veranstaltungen**
 - Parliamentary evenings
 - General meetings
 - SMM – Trade fair
 - BuyBlue

ACTIVITIES – EXPORT PROMOTION

- **Leading Industrial Fairs**
- **Industrial Delegation Trips**
 - planned & realised



Export Promotion
powered by VSM:

GeMaX
German Maritime Export Initiative

Requirements for a successful realization of a complex project



.. all adjusted exactly to the project's specific needs!

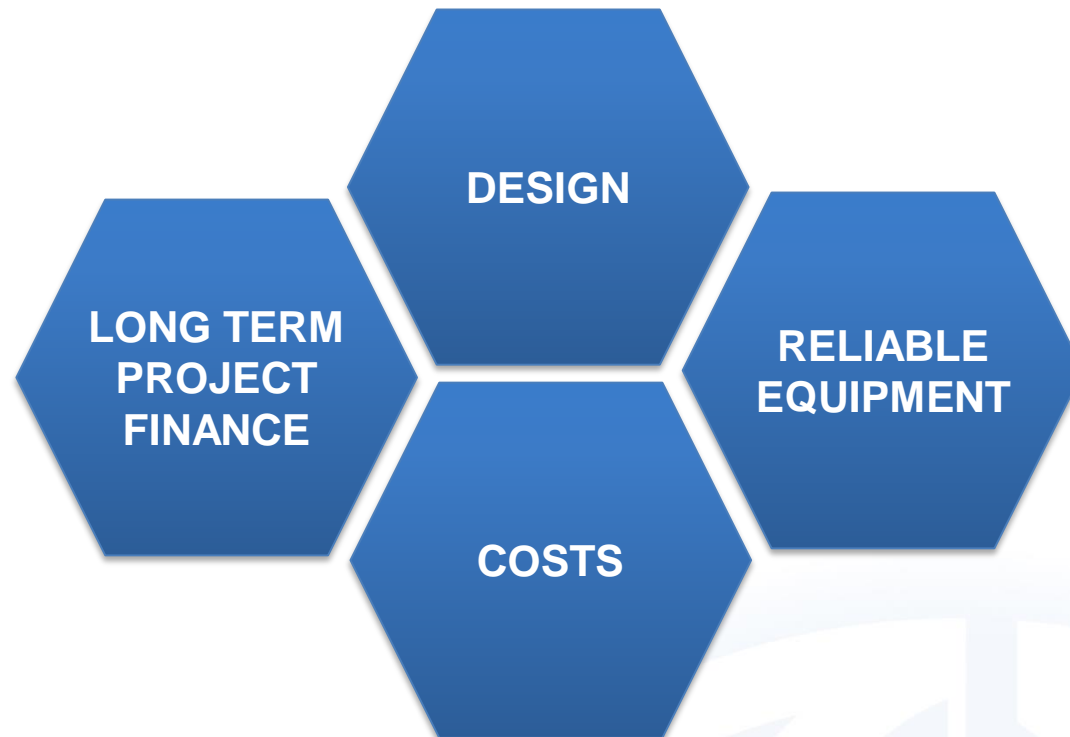
Leading companies of the German maritime value chain have joined to form GeMaX



Providing the equipment and services needed



GEMAX – SOURCING AND FINANCING ON ONE PLATFORM



and services needs

EXPORT PROMOTION - GEMAX



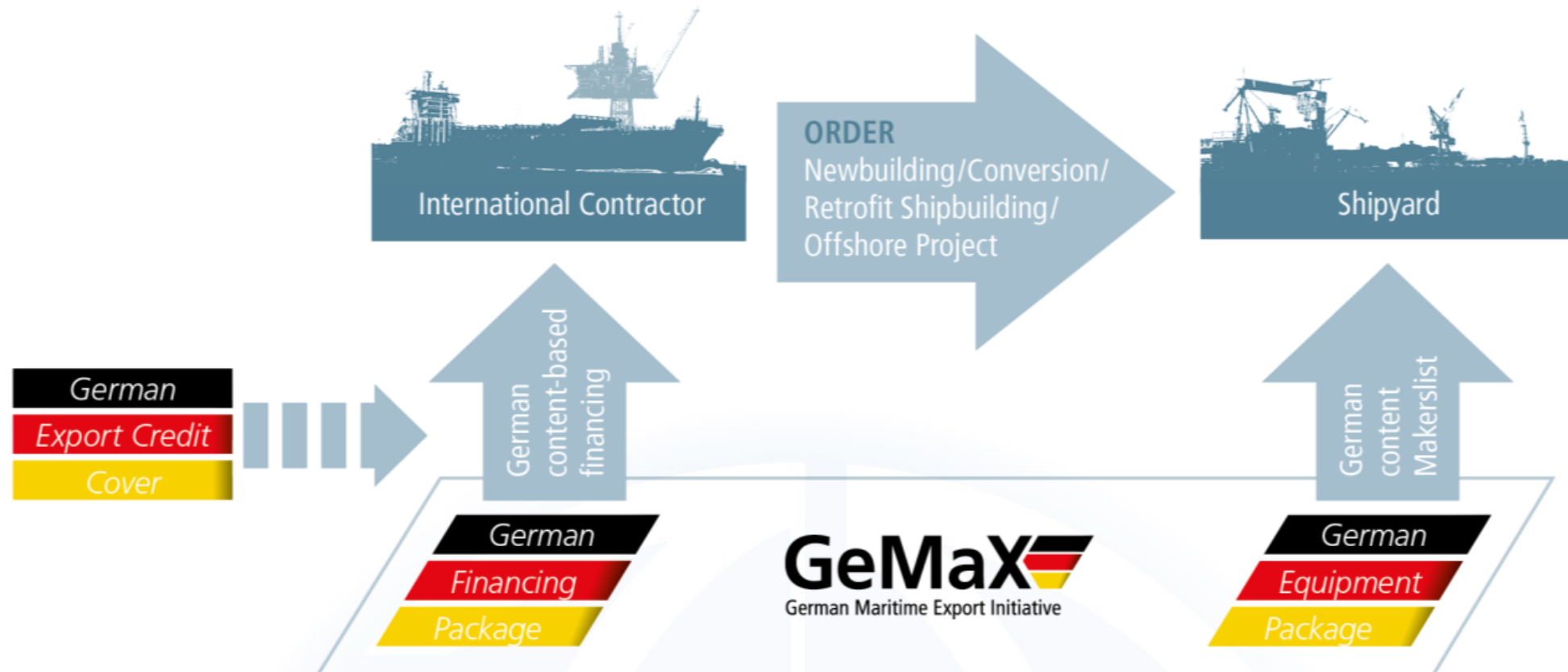
GERMAN FINANCING , DESIGN AND EQUIPMENT
FOR NEWBUILDING AND RETROFIT



SUCCESSFULLY REALIZED PROJECT

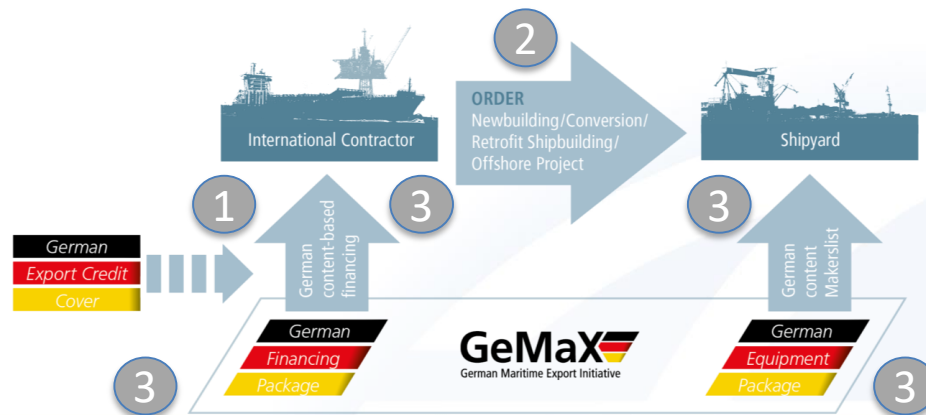


THE GEMAX PROCESS:



THE “GEMAX MAKERS LIST” AS LINK ELEMENT FOR THE REALIZATION OF THE GERMAN CONTENT VOLUME AGREED IN THE SHIPOWNER’S FINANCING CONTRACT

- 1 Shipowner & Bank discuss financing package on base of GeMaX Makerslist and agree on German content volume milestones.
- 2 Shipowner includes equipment from GeMaX Makerslist in shipbuilding contract
- 3 During procurement phase shipyard, shipowner and bank use GeMaX Makerslist to monitor progress in German content milestones fulfillment.



Makerslist proposal for container vessel

PRODUCT	MAKER
ENGINE	
Main Engine	MAN Turbo & Diesel
Main Engine Remote Control System	MAN Turbo & Diesel Wärtsilä SAM Electronics Zeppelin Power Systems GmbH & Co. KG
Power management equipment	MTU Rolls-Royce Power Systems AG Wärtsilä SAM Electronics
Turbocharger	MAN Turbo & Diesel
MGO/HFO Fuel Pumps	MAN Turbo & Diesel
LNG part dual fuel system	TGE Marine Gas Engineering GmbH MAN Turbo & Diesel (with Engine package)
Propulsion & Steering System	
Propellers	Mecklenburger Metallguss GmbH Schottel GmbH
Thrusters	Voith Turbo Schneider Propulsion GmbH & Co. KG Zeppelin Power Systems GmbH & Co. KG Schottel GmbH
Twisted Full Spade Rudder	Becker Marine Systems GmbH & Co. KG
Becker Twisted Fins	Becker Marine Systems GmbH & Co. KG
RAM type steering gear	Hatlapa MacGregor
Gear (Main Reduction)	Reintjes GmbH
Marine shaft bearings	SCHOTTEL GmbH
Stern Tube Seal	MAN Turbo & Diesel Zeppelin Power Systems GmbH & Co. KG
Gearbox	MAN Turbo & Diesel Reintjes GmbH
Ship Equipment	
HVAC System	AERIUS Marine GmbH

Active Lender in Maritime Industries

Among the Top 10 in Maritime Finance



Source: Marine Money International, June 2018

Maritime Industries

International Offices



HOW IT WORKS

YOUR ADVANTAGES OF OUR EQUIPMENT-BASED VESSEL FINANCING

You are a Vessel Owner:

- Improved financing options for your new building program

You are a Shipyard:

- Support your customer in the financing of the vessel.
- Relieve your national export credit agency (ECA) from insuring the full loan amount against credit default.
- Support the process that the equipment exporting nations share the credit risk.

You are a Supplier of Vessel Equipment:

- Offer an add on to your quality equipment: a financing package for the vessel owner if the owner\the yard\the system integrator buys your equipment



BENEFITS OF GEMAX FOR SHIPOWNERS AND OFFSHORE CONTRACTORS

- Attractive Financing Package from KfW-IPEX for long-term project financing and possible ECA financed tranche for newbuildings
- High Quality German equipment and services supply bundle
- Retrofit and conversion packages:
By bundling of several retrofit measures and applying them to a bigger number of ships you become eligible for a KfW-IPEX financing package

BENEFITS FOR SHIPYARD

- Introduce to shipowner a financing alternative which may help to realize the project
- Get support from GeMaX for sourcing



BUSINESS CASE – CONTAINER NEW BUILDING

Asset Class:	Container feeder vessel
Customer:	Ship owner – Eimskip/RAL
Shipyard Country:	China
Order Volume:	3x40 M €
German Finan. Vol.:	approx. 32 M. € / vessel
German Content:	12 M. € / vessel

GeMaX content:

- Main engine
- Deck equipment
- Ship equipment
- Steering gear
- Valves & remote Control
- Anti heeling system
- Navigation equipment
- ...



BUSINESS CASE – FERRY NEWBUILDING

Asset Class:	Fast Catamaran Ferry
Customer:	Virtu Ferries, Malta
Shipyard Country:	INCAT SY, Tasmania/Australia
Order Volume:	n.n.
Delivery:	end 2018
German Finan. Vol.:	> 50 M. \$
German Content:	13 M. \$

German Content:

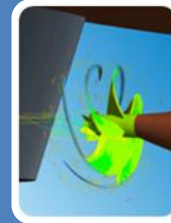
- Main Engines
- HVAC
- Shafting
- Davits
- Sewage Treatment
- Gensets
- Gearboxes
- Classification Society





GREEN SHIPPING MEASURES

- Exhaust Scrubber retrofit
- LNG/Dual Fuel retrofit
- SCR system retrofit
- Ballast water treatment
- Other alternative fuels
- Engine derating

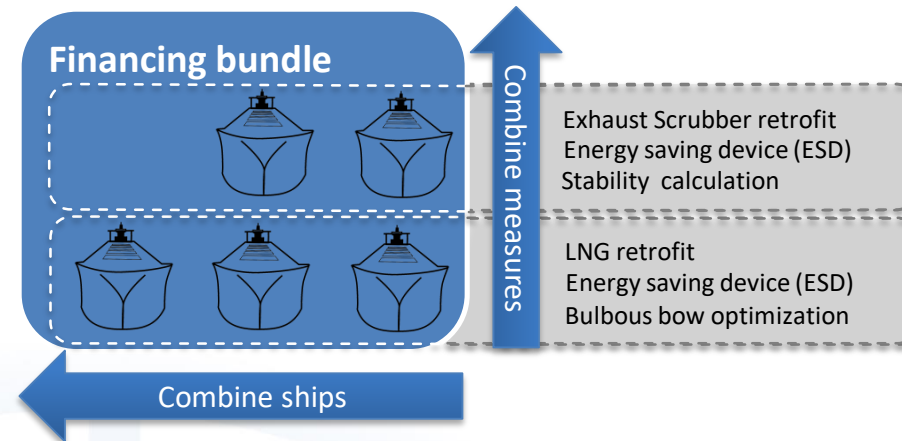


HYDRODYNAMIC OPTIMIZATION

- Bulbous bow optimization
- Manoeuvring optimization
- Energy saving devices (ESD)
- Propeller optimization
- Thruster optimization

GEMAX RETROFIT PACKAGES

COMBINING RETROFIT SOLUTIONS AND FINANCING FOR YOUR FLEET



POWER OPTIMIZATION

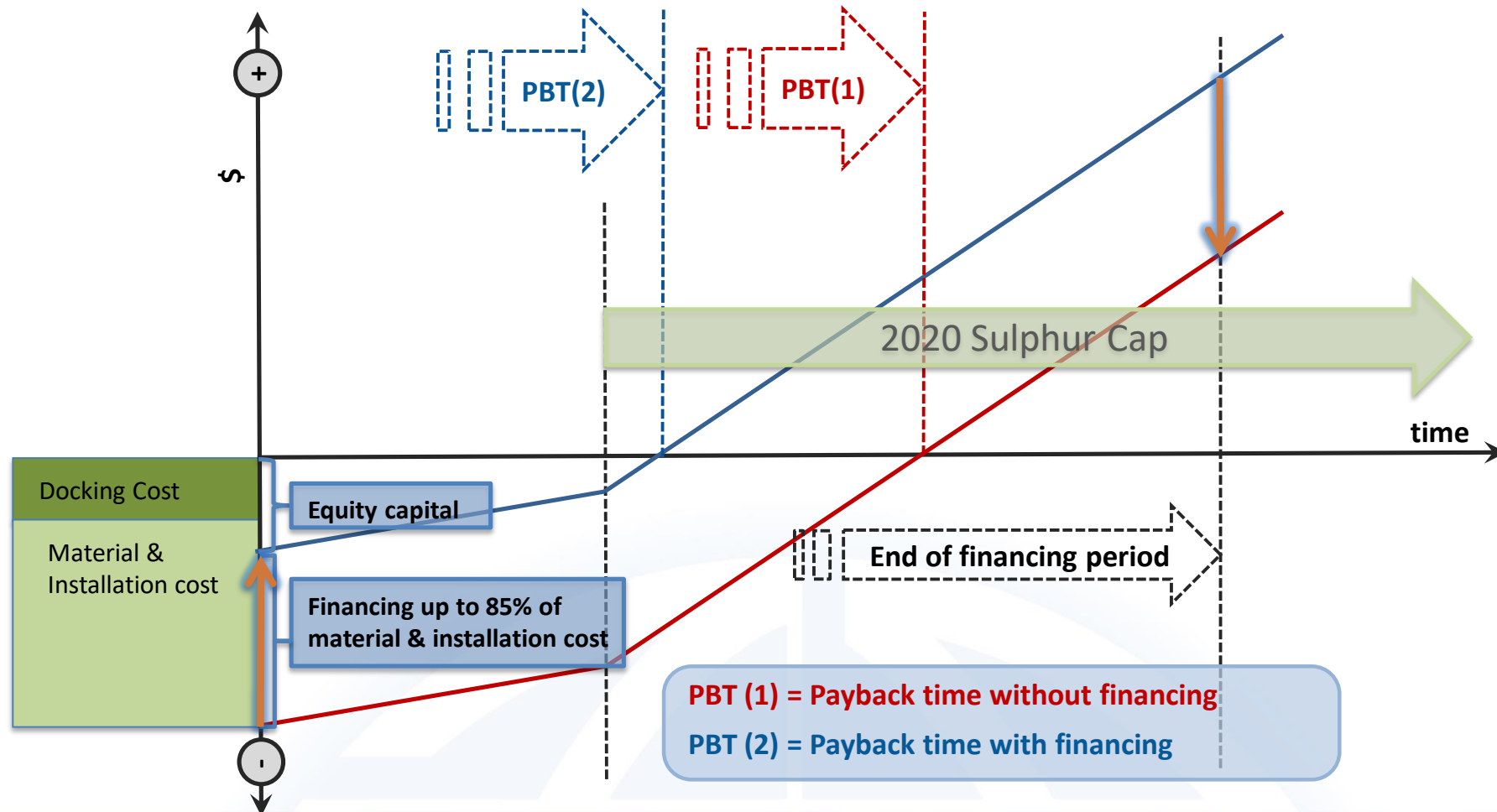
- Main and auxiliary Engine optimization
- LNG & other alternative Fuels
- Cold ironing
- LNG-in-harbor power solutions
- Peak shaving
- Electric consumption optimization



SHIP DESIGN & CONSULTANCY

- Hydrodynamic optimization calculation
- Lengthening & other hull modifications
- Project management
- Drawing review
- Evaluation of economic efficiency
- Stability calculation

MaXimize YOUR CASHFLOW WITH GEMAX EXAMPLE: FINANCED SCRUBBER RETROFIT



BUSINESS CASE – GREEN SHIP RETROFIT PACKAGE

Asset Class: Containership fleet
Customer: Shipping Line - Scandinavia

GeMaX Content:

- Propulsion System optimization
- Hullform optimization
- Energy saving devices and Propeller optimization
- Scrubber retrofit



DISTRIBUTION OF TASKS

- **Financing partners of shipowner with high rating and international prestige**
- **Worldwide presence with high expertise through local offices in all major shipbuilding centres**
- **Coordination of ECA (e.g. Euler-Hermes)**



- **Marketing platform for the initiative and their members**
- **Coordination of projects and preparing the technical documents for shipowners, banks and ECA's**
- **Support of the bank with shipbuilding expertise**

- **Host of the Initiative, providing location, infrastructure and personnel**



Extract of GeMaX-Aktivitäten 2019:

2019		
ART	DATUM	ORT
VSM & GeMaX Buy Blue Event	10.09.19	Hamburg
German Pavilion NEVA	17.-20.09.19	Russland
Leistungsschau	25.-27.09.19	Griechenl.
German Pavilion INMEX SMM India	03.-05.10.19	Indien
Geschäftsanhaltung	07.-05.10.19	Norwegen
German Pavilion Kormarine	22.-25.10.19	Korea
Geschäftsanhaltung	04.-08.11.19	Malaysia & Singapur
German Pavilion Marintec	03.-06.12.19	China

Extract of GeMaX-Aktivitäten 2020:

2020		
ART	DATUM	ORT
German Pavilion Sea Japan	11.-13.03.20	Japan
Geschäftsanbahnung	23.-27.03.20	Australien
German Pavilion Seatrade Cruise G.	21.-23.04.20	USA
German Pavilion OTC Houston	04.-07.05.20	USA
Geschäftsanbahnung	2020	Kanada
Geschäftsanbahnung	2020	Japan
Leistungsschau	2020	Italien

- The VSM organized the speed dating event BuyBlue for the second time on 10 September 2019 as part of its German Maritime Export Initiative (GeMaX).
- Venue: Hotel Empire Riverside in Hamburg
- Objective: To promote contact between German suppliers and shipyards and shipping companies
- Participants: 90 (16 buyers / 74 sellers)
- Number of one-to-one conversations: 480
- Feedback re-participation: 98%
- New edition: Planned for autumn 2021



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