

# Customer Advisory: Liner shipping alliance developments

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21 April 2016

NYK Line acknowledges the announcement by CMA CGM, China Cosco Shipping, Evergreen Line and OOCL that they will form a new liner shipping alliance upon the cessation of the existing O3 and CHKYE alliance agreements at the end of March 2017.

We wish to reassure our customers that this is an expected development in the context of the alliance realignment activity which results from the recent mergers and acquisitions in our industry.

This development in no way disadvantages NYK Line nor hampers our ability to deliver a full range of competitive products to our customers in either the short or long term.

The G6 Alliance and its existing product portfolio will continue to operate until the official dissolution of the alliance in March/April 2017.

Negotiations relating to our future alliance position are on-going. NYK Line views the opportunity to review and adjust our alliance agreements as a constructive development and we are absolutely confident of a positive outcome. Transition, when it occurs, will be well planned, smooth and of minimal impact to our customers.

The NYK Group remains committed to its long standing involvement in liner shipping. The strength of this unwavering commitment is evidenced by our investment in new state of the art ULCS (14,000 teu) vessels which will be added to our fleet over the course of the next few years, extensive investments in new technology, container equipment and cost optimization initiatives across our liner business.

Further information on a future alliance and products will be made available to our customers as soon as it becomes available. We fully appreciate the interest in these developments and the need for product detail awareness in order to facilitate longer term supply chain planning.

NYK Line looks forward to continuing to drive innovation in our industry and to provide a broad portfolio of liner services far into the future.

We wish to thank all our loyal, highly valued customers for their continued support!

Yours faithfully,

NYK Global Liner Management Division

## About NYK

Nippon Yusen Kabushiki Kaisha is one of the world's leading transportation companies. At the end of March 2015, the NYK Group was operating 869 major ocean vessels, as well as fleets of planes and trucks. The company's shipping fleet includes 408 bulk carriers, 123 car carriers, 104 containerships (including semi-containerships), 69 LNG carriers (including those owned by equity method affiliates), 68 tankers, 48 wood-chip carriers, one cruise ship, and 48 other ships (including multipurpose and project cargo). NYK's revenue in fiscal 2014 exceeded \$24 billion, and as a group NYK employs about 55,600 people worldwide. NYK is based in Tokyo and has regional headquarters in London, New York, Singapore, Hong Kong, Shanghai, Sydney, and Sao Paulo.