

Liner Logistics

Tony Paragalli
Wallenius Wilhelmsen

TONY PARAGALLI

General Manager, Wallenius Wilhelmsen Solutions – Oceania

Wallenius Wilhelmsen Solutions are a strategic business of Wallenius Wilhelmsen Lines, responsible for the movement of automotive, agricultural and industrial equipment from point of manufacture through to dealer on a global basis. Wallenius Wilhelmsen Solutions in Oceania provide multi-modal supply chain logistics services to clients in Australia, New Zealand and the Pacific Islands. Wallenius Wilhelmsen Solutions have replicated business units in Europe, Asia and the Americas.

In addition to the development of Wallenius Wilhelmsen Solutions, Wallenius Wilhelmsen Lines has acquired ownership in a number of inland logistics subsidiaries located in various parts of the world. Providing storage, pre-delivery and distribution services to both "Automotive" and "High & Heavy" clients, the Wallenius Wilhelmsen subsidiary companies provide complimentary inland integration to the shipping competencies of Wallenius Wilhelmsen Lines.

These subsidiary companies include:

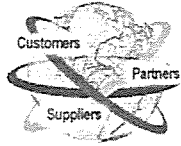
- Groupe CAT, Europe;
- Richard Lawson, UK;
- Pacific Vehicle Processors & Atlantic Vehicle Processors, USA;
- Oceania Vehicle Processors, Oceania;
- 2w Logistics, Thailand

Directorships

- **Director - Wallenius Wilhelmsen Solutions**
- **Director - Ag-ready Services P/L:** Ag-ready Services provide a unique service in the assembly and preparation of Agricultural and High and Heavy equipment, prior to products being delivered to dealer.

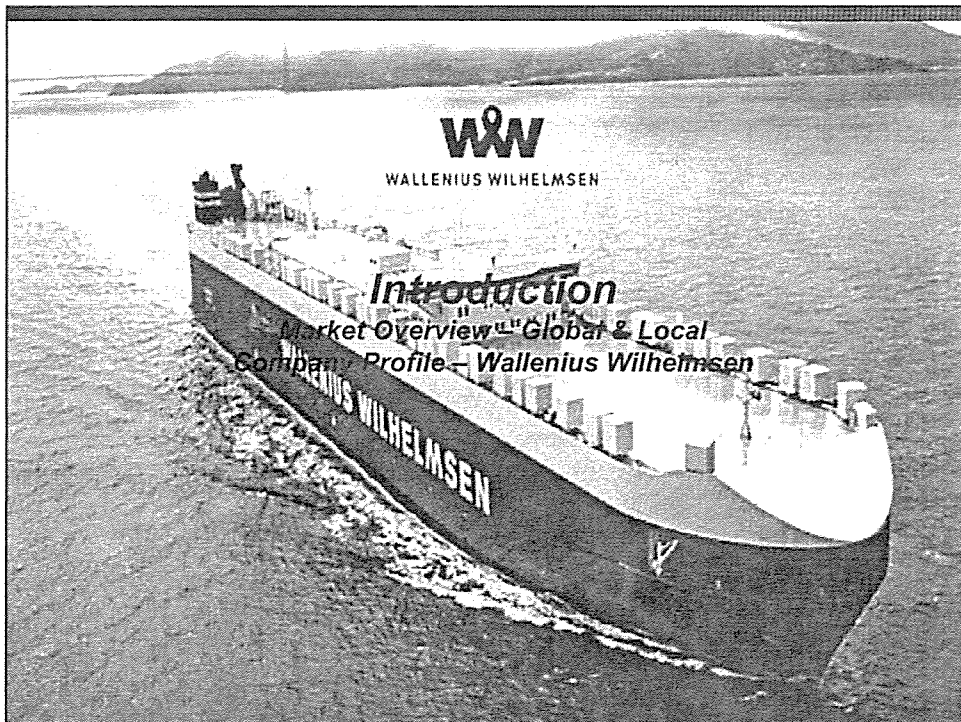
Experience

In more than 15 years of service to Wallenius Wilhelmsen, Tony's roles have included responsibilities as Commercial Manager for Motor Vehicles in Oceania, General Manager Southern Region and General Manager of Oceania Vehicle Processors.



Liner Logistics

*Presented by Tony Paragalli
General Manager Wallenius Wilhelmsen Solutions
Oceania*

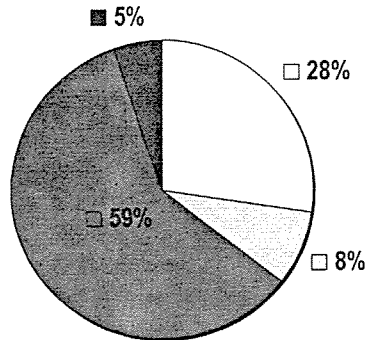




Logistics Activity – Global Market

The key components of logistics represent about 10 % of world GDP, or about US\$ 4.0 trillion

- Inventory Carrying
- Warehousing
- Transport
- Order Entry/Admin



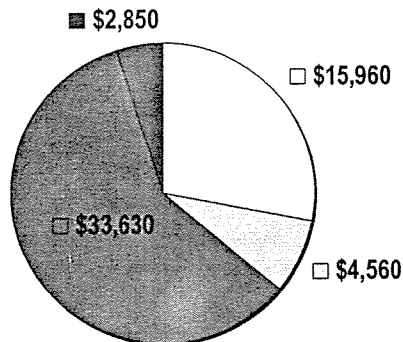
Source: A. T. Kearney



Logistics Activity – Australian Expenditure

The key components of logistics conservatively represent about 9 % of Australian GDP, or about AUD\$ 57 Billion

- Inventory Carrying
- Warehousing
- Transport
- Order Entry/Admin

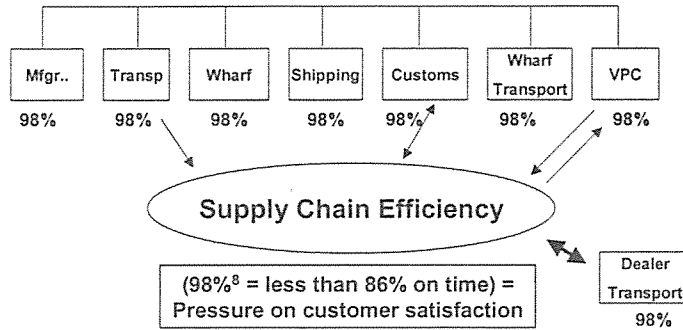


Source: A. T. Kearney



Logistics Performance

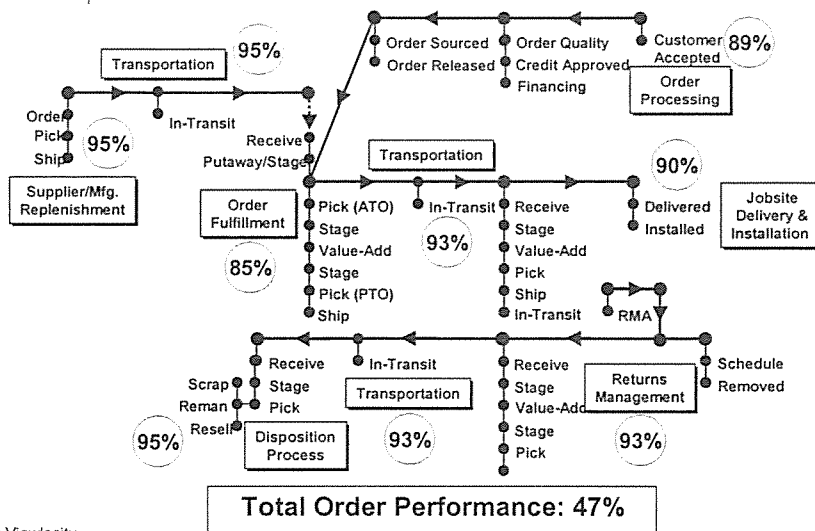
"Overall logistics efficiency is negatively compounded along the logistics chain"




Courtesy: A.R Nelson




Supply Chains have room for improvement



Source: Viewlocity

| W&W SOLUTIONS | |  | |
|---|---|--|--|
| Supply Chain Services Provider Capabilities | | | |
| <i>A focus on value leads supply chain players – service providers and their customers – to seek for opportunities beyond cost and efficiencies</i> | | | |
| Types | Key Characteristics | Examples | |
| 3PL | <ul style="list-style-type: none"> • Integrated Warehousing and Distribution • IT infrastructure provision and support • Localized data tracking • Asset owner and asset buyer • WMS systems | TNT Schenker WW Solutions / Toll | |
| Lead Logistics Provider (LLP) | <ul style="list-style-type: none"> • Experienced Logisticians • Optimization engines • Decision support • Manage multiple 3PL's • Continuous improvement | Exel/Ford TNT WWS | |
| Prime Asset Provider | <ul style="list-style-type: none"> • Transportation Asset provider, any mode • Warehouse, Cross Dock, Property Facility • Manufacturing (outsourcing) • Packaging Products | Lufthansa Cargo P&O, Patrick | |
| 4PL | <ul style="list-style-type: none"> • Supply Chain Visionary • Supply Chain Planner and Optimizer • Deal Shaper and Maker • Supply Chain Re-engineers • Project Management • Service, System and information integrator • Continuous innovation | UPS/Compaq Exel/Samsung Danzas/Ericsson Vector | |

| W&W SOLUTIONS | |  | | | | |
|--|------------|--|-----|--------|-----|-----|
| Liner Companies with Logistics Strategies | | | | | | |
| Logistics Attribute | Maersk Log | APL Log | NYK | K-Line | P&O | WWL |
| Parent Company Support | X | X | X | X | X | X |
| Logistics Vision | X | X | X | X | X | X |
| Current Financial | X | X | X | X | X | X |
| Marketing Strat | X | X | X | X | X | X |
| Operating Strat | X | X | X | X | X | X |



Automotive Supply Chain Participation

| | Transport | Ocean | Stevedoring | VPC | Ex. Plant | Dealer Retail |
|----------------|-----------|-------|-------------|-----|-----------|---------------|
| Toll | X | | X | X | X | |
| NYK | X | X | X | X | X | |
| WWL | X | X | X | X | | |
| MOL (Patricks) | | X | | X | | |
| Patricks | X | | X | X | X | |
| K-Line | | X | | X | | |
| TNT | X | | | X | X | |
| Inchcape | | | | X | | X |
| P&O Ports | | | X | X | | |

Shareholders in Prix-Car Future Opportunity Mazda in Sydney Car Compounds Australia



Automotive & Ro/Ro Logistics

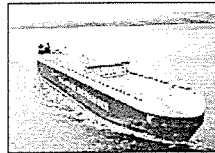




Wallenius Wilhelmsen

"Help our customers succeed through innovative transportation and logistics solutions"

- ❖ Wallenius Wilhelmsen is the world's largest specialised provider of Roll on/ Roll off services;
- ❖ Wallenius Wilhelmsen vessels carry up to 6,000 motor vehicles;
- ❖ Global service network and support;
- ❖ Specialists in automotive transport;
- ❖ Strategic focus on developing land-based facilities and services to support its customers;
- ❖ Over 3,000 employees globally;
- ❖ Fleet consists of over 70 specialised vessels;
- ❖ 1.8 Million vehicles carried through ocean network;
- ❖ 1.4 Million vehicles handled on land.



Wallenius Lines AB

Wilhelmsen Lines AS

Wallenius Wilhelmsen Lines AS

OCEAN SERVICES

INLAND SERVICES

LOGISTICS SERVICES

Wallenius Wilhelmsen Lines
UECC

Pacific Vehicle Processing
Atlantic Vehicle Processing
Oceania Vehicle Processing
Lawson Autologistics
Southampton Terminal
Zeebrugge Terminal
Mid-Atlantic Terminal

WW Solutions
C.A.T. Group
RL Autocare
Barber Marine
Consultants

WW Solutions



Inland
Services



Port
Processing



Terminal
Management



Carrier
Management



Local
Distribution



Contracting Challenges

- Insurance
- Liabilities
- Sub-Contractor Management
- Service Levels

