



International Shipping & Bunker Conference
ATHENS

3rd June, 2003

Evolution of Greek Shipping
"Challenges and Opportunities"

A keynote address

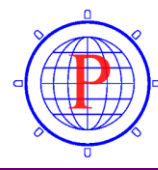
by

Ted Petropoulos

MD

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Evolution of Greek Shipping



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- According to the latest *Petrofin Research* © in 2003 there are 729 Greek-based shipping companies
- The trend over the past 6 years since the research into the number of Greek-based shipping companies has started, is as follows:



Graph 1

Number of Greek Shipping Companies in operation Comparison between 2003, 2002, 2001, 2000, 1999 and 1998

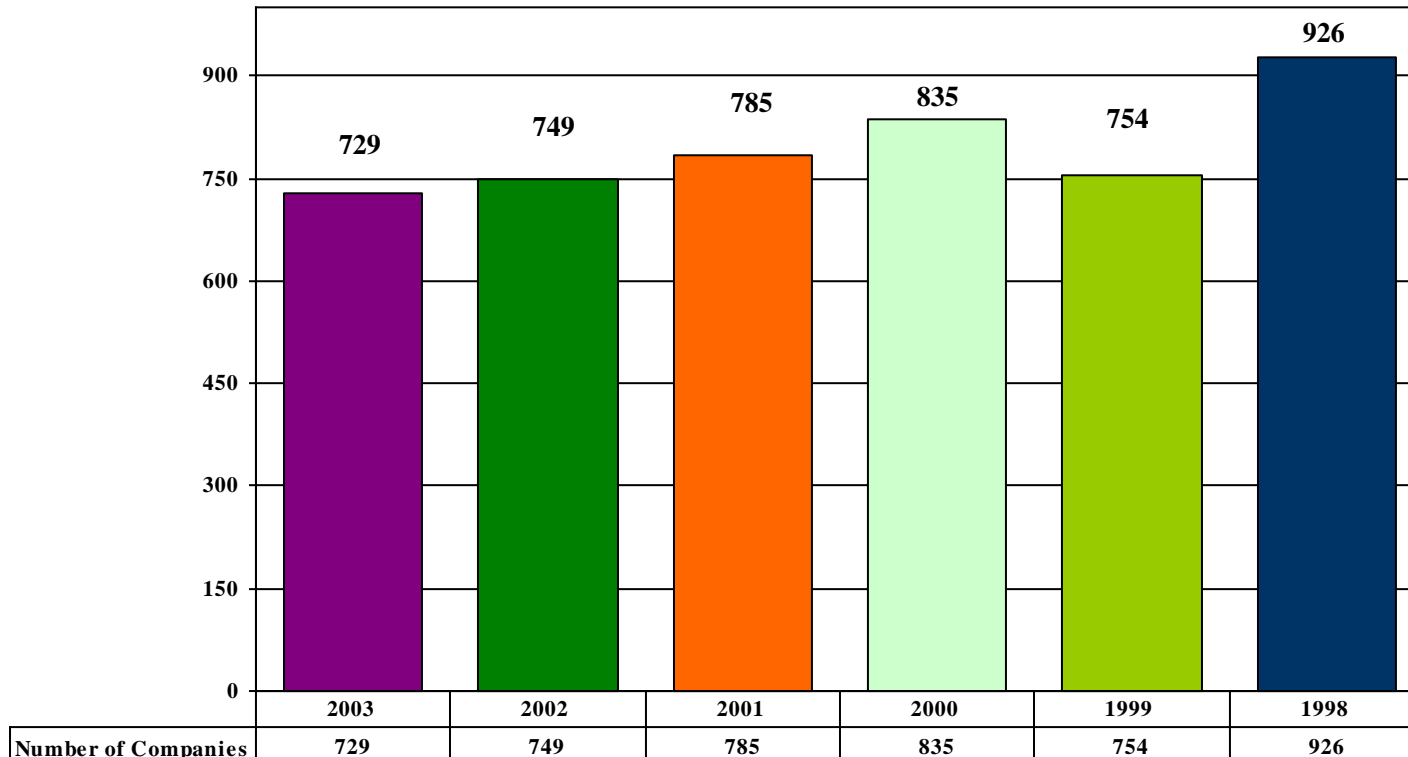
18.57% LESS companies in 1999

10.74% MORE companies in 2000

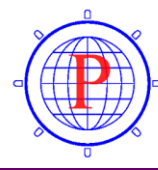
5.98% LESS companies in 2001

4.6% LESS companies in 2002

2.7% LESS companies in 2003



Evolution of Greek Shipping

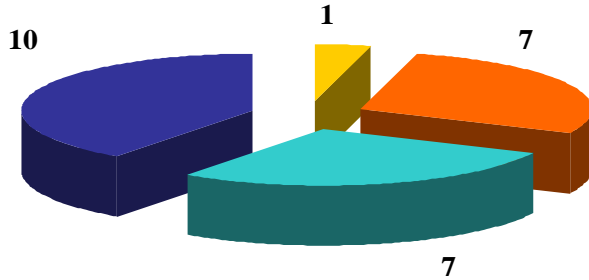


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- **The consolidation should be seen as a sign of strength and is in line with the evolution of Greek shipping, whereby the average size of fleets run by Greek companies is rising**
- **Economies of scale has been the very factor in Greek Companies seeking greater size**
- **Improving the age of their fleets has been the second goal of Greek companies, as operating conditions for older vessels have become extremely harsh**
- **The composition of the Greek Fleet may be seen in the pie charts, as follows:**

NUMBER OF GREEK MANAGEMENT COMPANIES IN TERMS OF MANAGED FLEET SIZE AND AGE

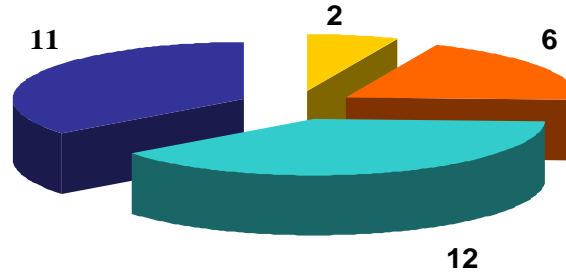
729 Companies currently operating



Fleet size : 25+ vessels - Group A

No of companies : 25

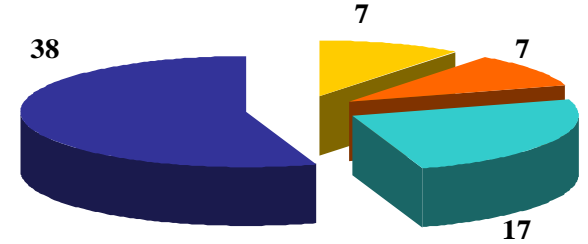
% of total of Greek companies : 3.48%



Fleet size : 16 -24 vessels - Group B

No of companies : 31

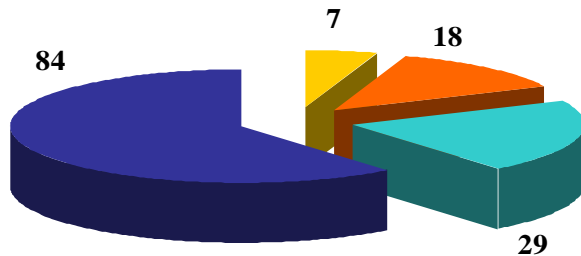
% of total of Greek companies : 4.25%



Fleet size : 9 - 15 vessels - Group C

No of companies : 69

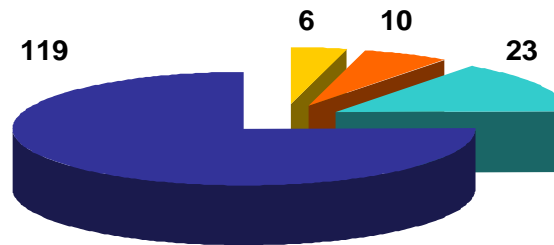
% of total of Greek companies : 9.45%



Fleet size : 5 - 8 vessels - Group D

No of companies : 138

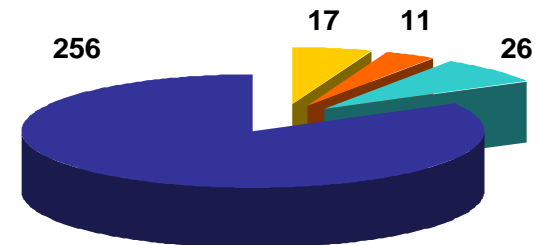
% of total of Greek companies : 18.92%



Fleet size : 3 - 4 vessels - Group E

No of companies : 158

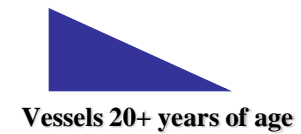
% of total of Greek companies : 21.66%



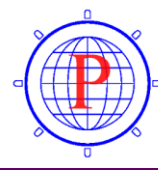
Fleet size : 1 -2 vessels - Group F

No of companies : 308

% of total of Greek companies : 42.24%



Evolution of Greek Shipping



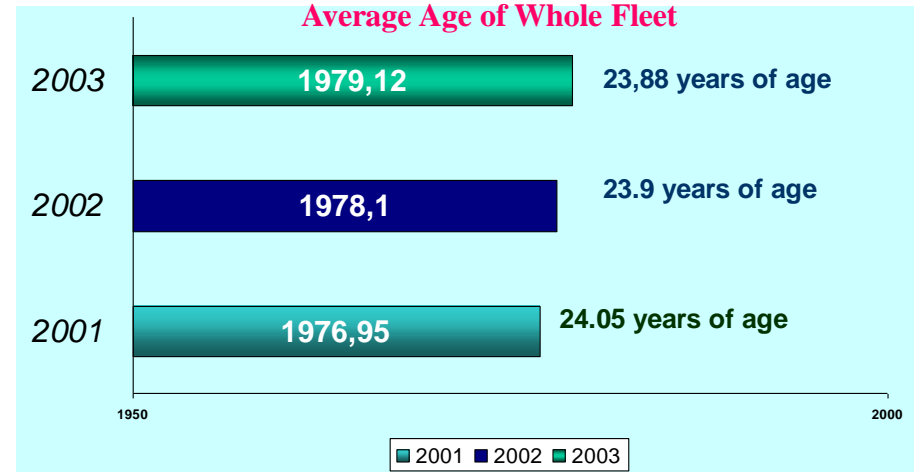
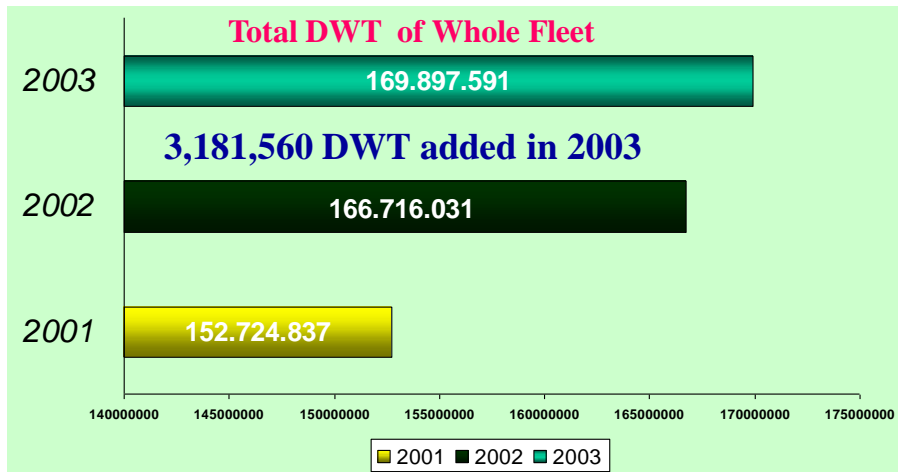
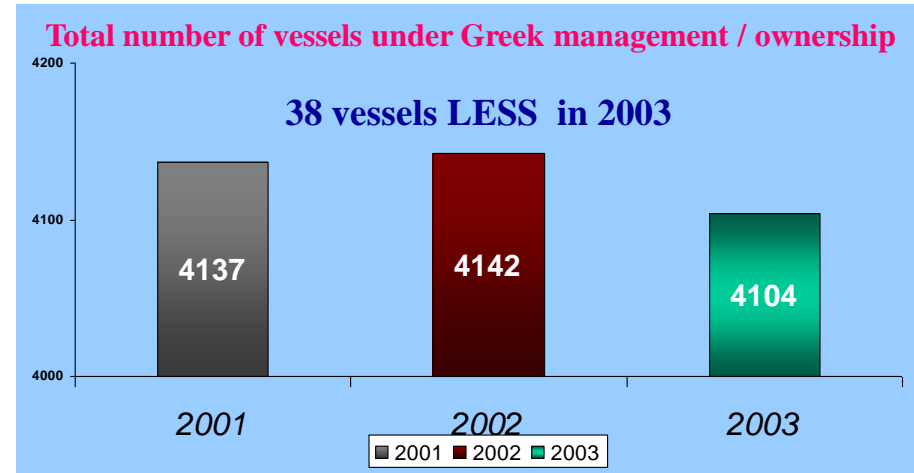
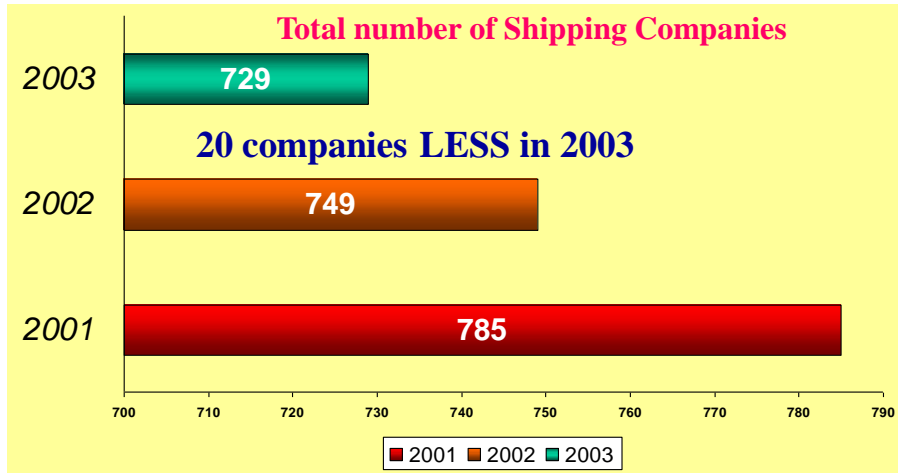
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- **Out of 729 Greek companies, 40 have fleets of under 10 years and 59 between 10-14 years of age. With age as a criterion, the above 99 companies represent the most attractive part of Greek shipping.**
- **The number of companies with fleets under 15 years of age has grown over the past 5 years from 85 to 99.**
- **Should size of fleet be used as a criterion, the total number of Greek companies in 2003 operating fleets in excess of 9 vessels was 125 having grown from 98 five years ago.**



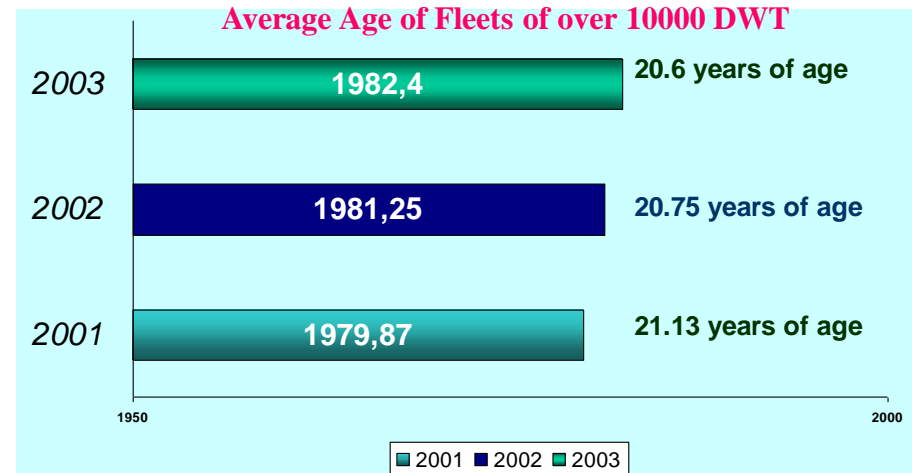
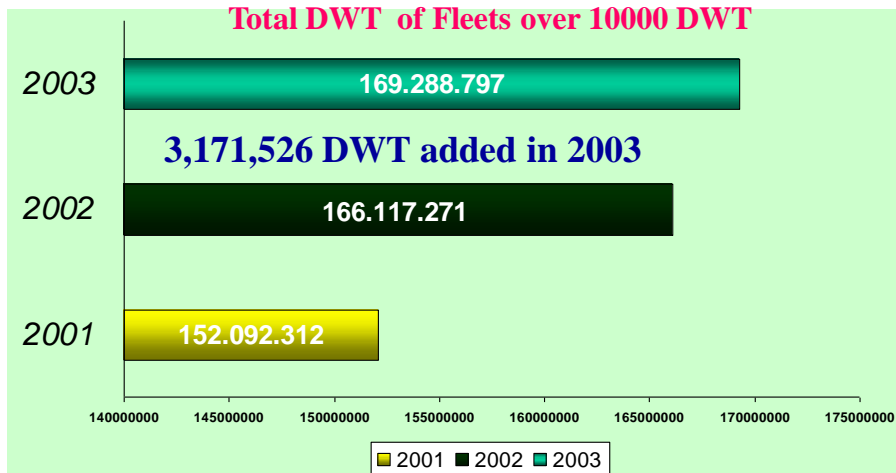
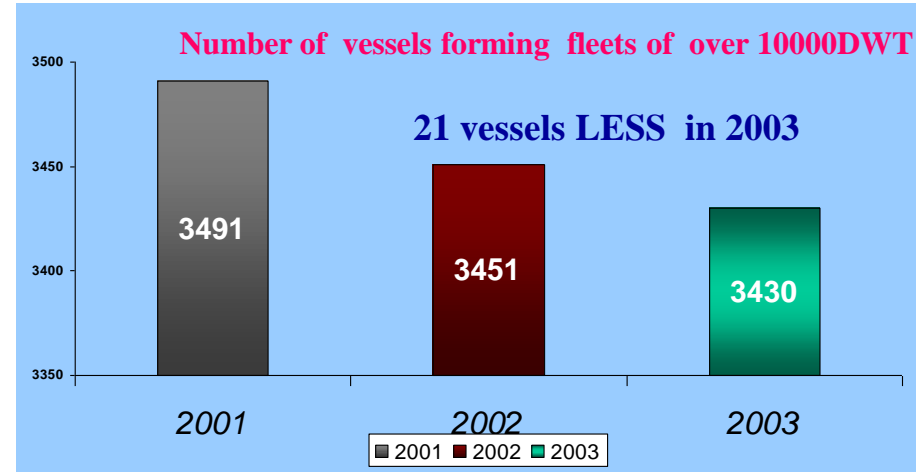
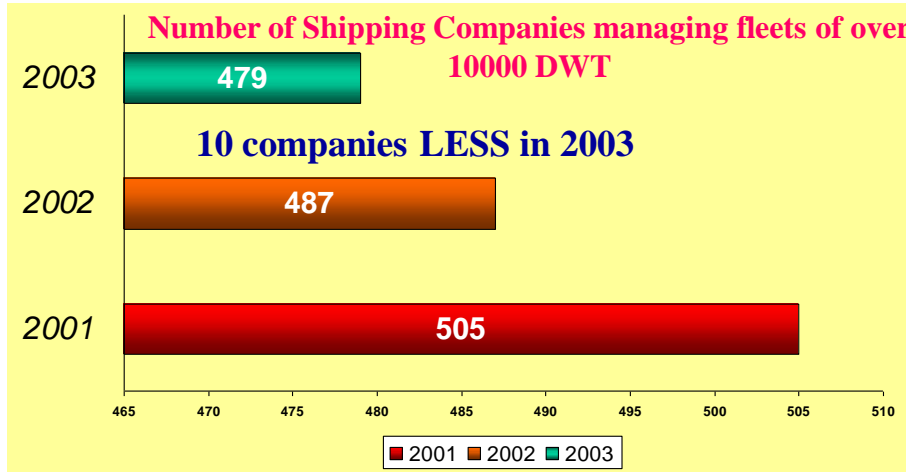
Vital Statistics of the TOTAL of the GREEK FLEET as per individual FLEETS

Comparisons between 2001, 2002, 2003 **Graph VGF1**



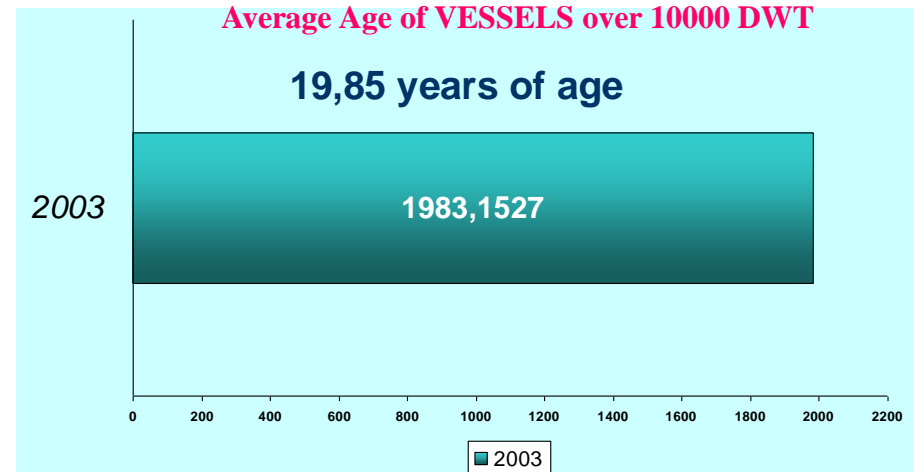
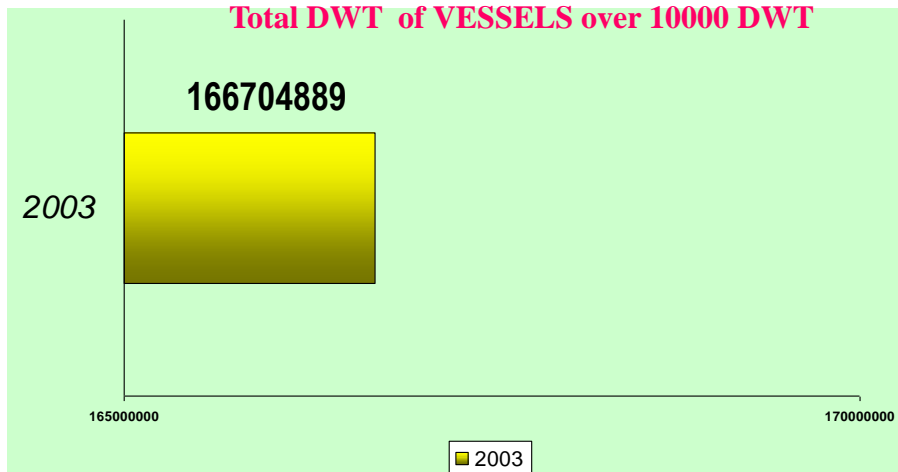
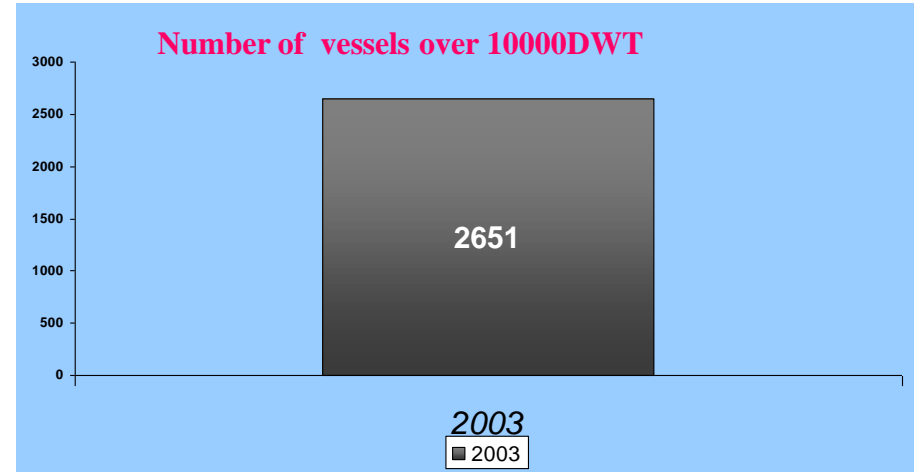
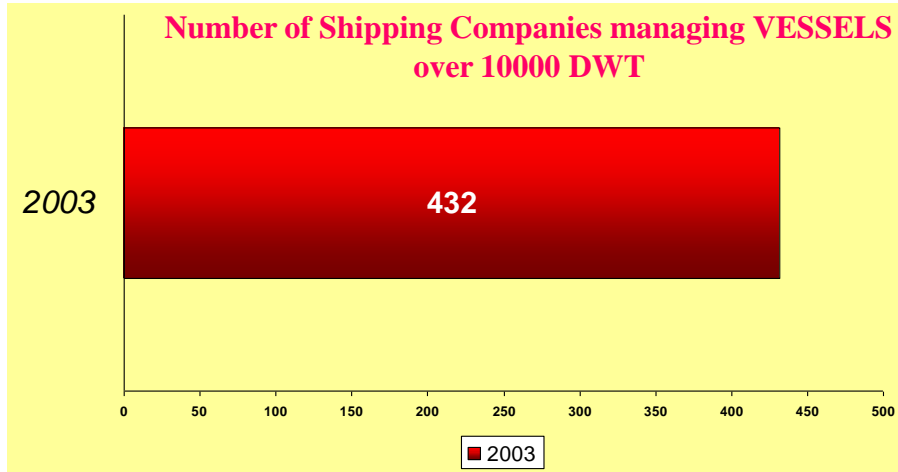


Vital Statistics of the GREEK FLEET as per **FLEETS** of over 10000 DWT Comparisons between 2001, 2002, 2003





Vital Statistics of the GREEK FLEET as per **VESSELS** over 10000 DWT

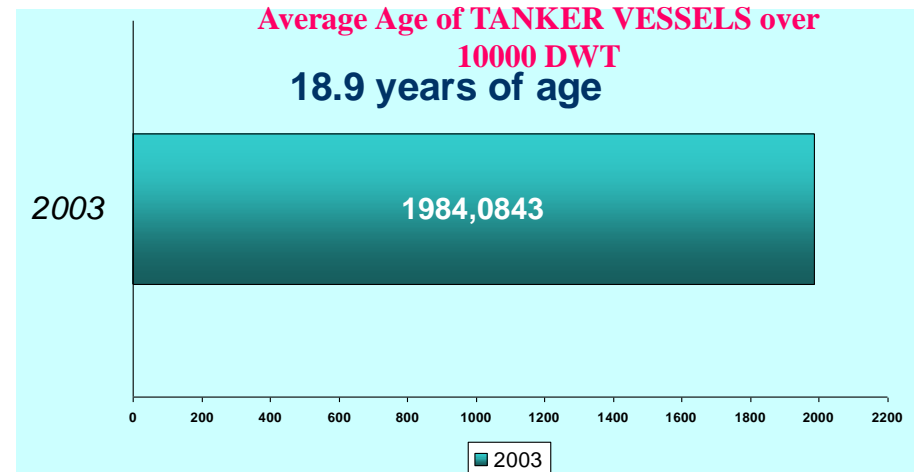
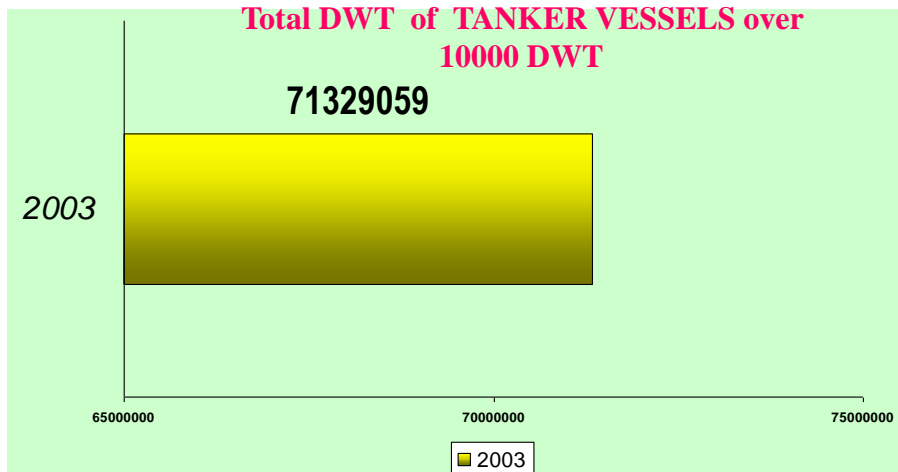
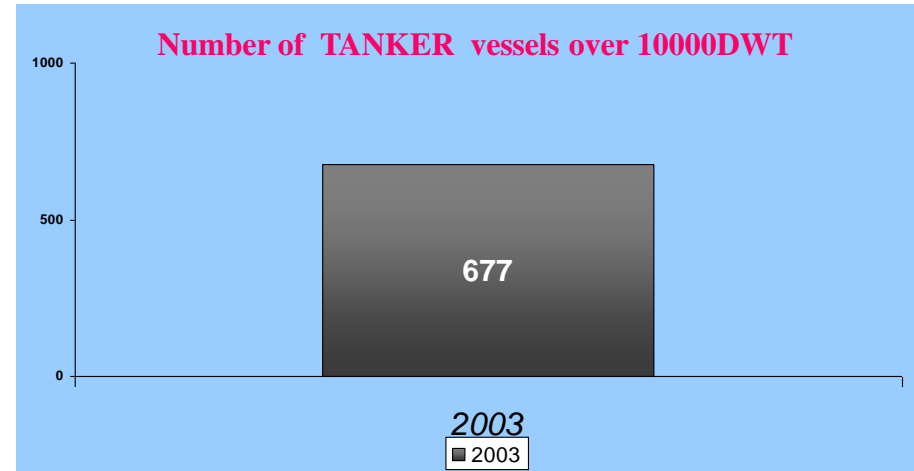
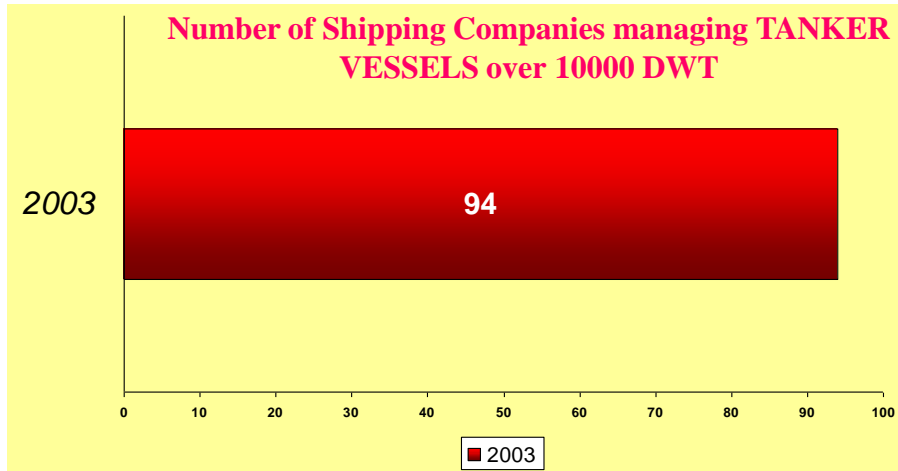




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Vital Statistics of the GREEK TANKER FLEET as per TANKER VESSELS over 10000 DWT - 2003

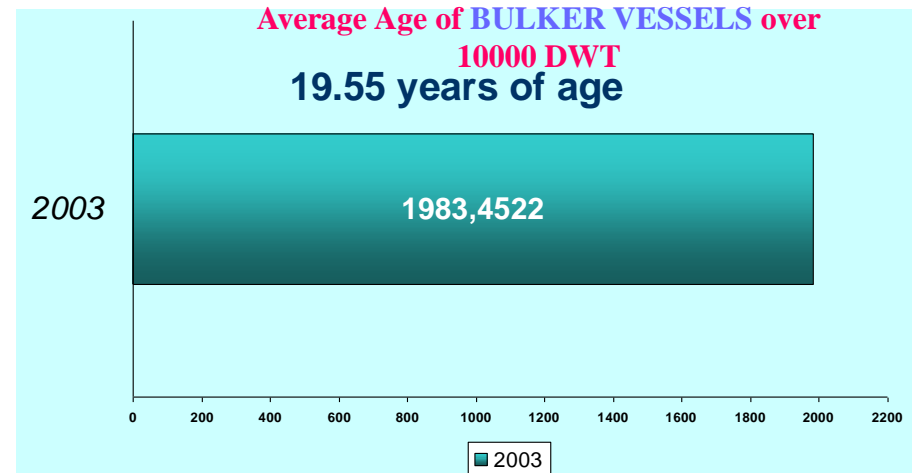
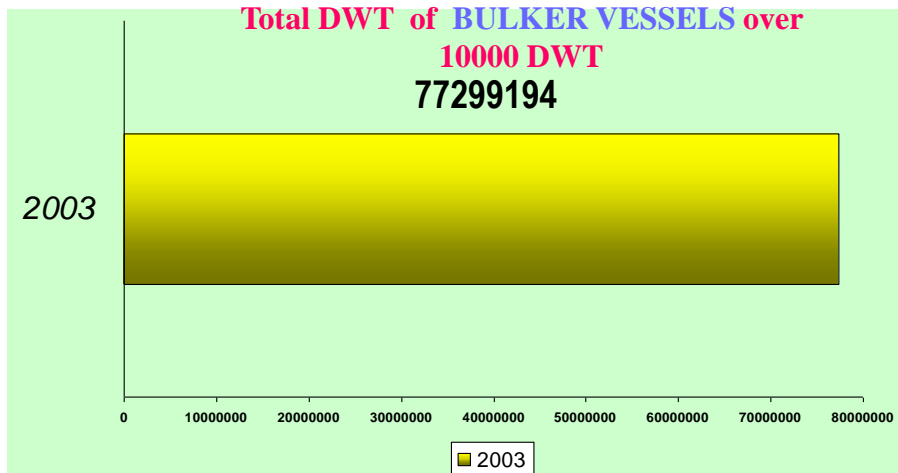
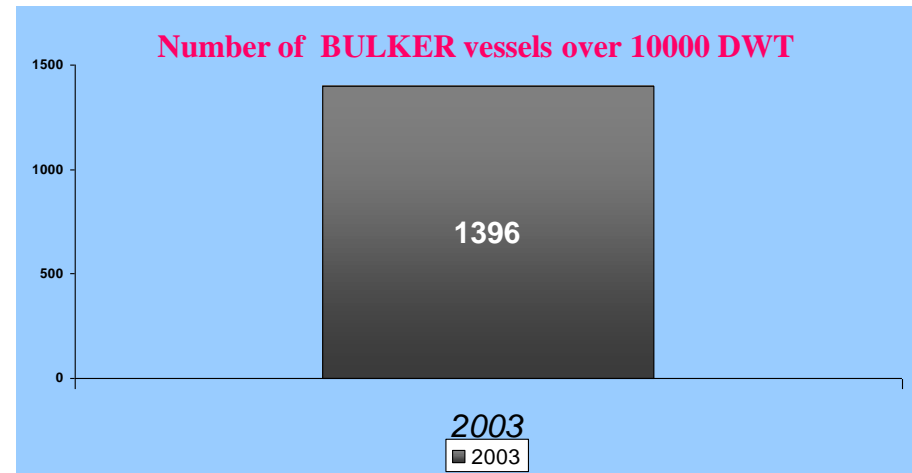
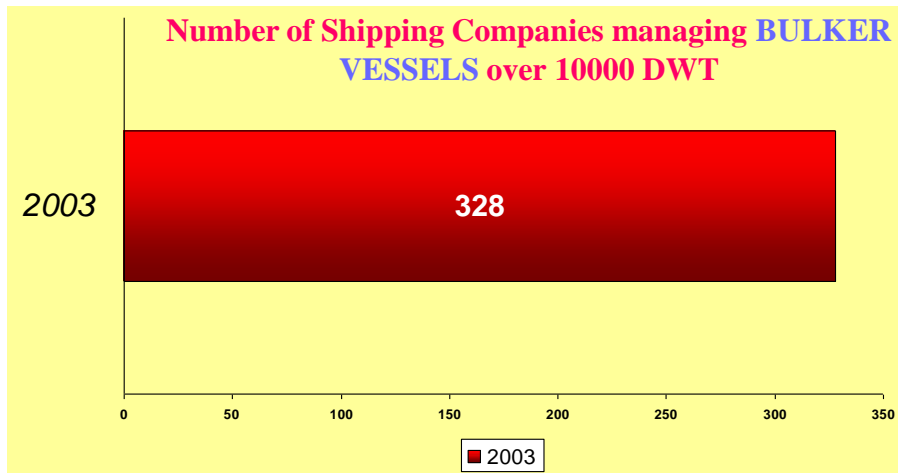




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Vital Statistics of the GREEK BULKER FLEET as per BULKER VESSELS over 10000 DWT - 2003



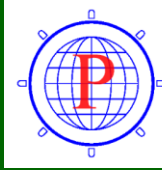


Evolution of Greek Shipping

- **As of mid-May 2003 there have been 234 newbuilding orders by Greek companies and the rate of new orders has been maintained in 2003 (figure obtained from *Naftiliaki*)**
- **On the second-hand market, Greeks have been buyers of modern vessels and relative sellers of older vessels**
- **It is expected that both trends of larger fleets and lower age shall continue**
- **The Greek fleet is expected to also continue showing strong growth in terms of overall Deadweight capacity, whilst the number of vessels composing the fleet may not show significant change.**

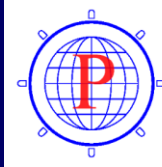
Greek Shipping

Challenges and Opportunities



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- ✓ **Shipfinance**
- ✓ **Capital**
- ✓ **Flag issues**
- ✓ **Regulations**
- ✓ **Manning**
- ✓ **Technical issues**
- ✓ **Management issues**
- ✓ **Strategy**
- ✓ **Competition**
- ✓ **Alliances**
- ✓ **Policies**
- ✓ **The future**



Conclusion

- ❖ **Greek owners have committed enormous resources into shipping and the modernization of their fleets**
- ❖ **Significant improvements have been made in the fields of management, fleet operating and technical efficiency, corporate structures, financial management and transparency and organization**
- ❖ **Exogenous factors involving new regulations and / or political considerations impose further challenges both to the Greek and International shipping**

Conclusion *cont.*



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- ❖ **Greek Shipping is striving to maintain its competitiveness, whilst improving the quality of its assets, organization and efficient utilization of the fleets**
- ❖ **Greek owners remain focused and committed to shipping both as owners and managers**
- ❖ **Greek shipping has continued to attract the interest of banks and other providers of products and services who regard the Greek shipping market as most active and potentially rewarding.**