

UPDATE

Schoeller Holdings | AAL | COLUMBIA

2.16



Fit for the future

EDITORIAL

Dear Reader,

On 23rd March 2016, Mr Schoeller announced his decision to entrust a Management Board with the responsibility of the management and strategic development of all COLUMBIA Shipmanagement companies. He has ensured the Management Board will work according to his ideas and continue the well-known culture of COLUMBIA.

In this issue Mr Schoeller discusses his rationale and his ideas regarding COLUMBIA's future (see page 6). You will also learn who has been appointed to the Management Board and what their respective areas of responsibility are (see pages 2+3).

Mr Schoeller will continue to work and monitor the fortunes of COLUMBIA as Chairman and personally lead Schoeller Holdings and other activities.

Yours sincerely

Demetris Chrysostomou

Marketing Director . COLUMBIA Shipmanagement

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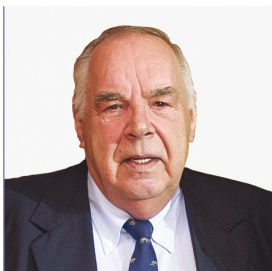
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Fit for the future:
COLUMBIA Shipmanagement

UPT Fleet is growing

A Danish ship owner has entrusted United Product Tankers (UPT) with the Pool Management of three handy-size product tankers. The ships have recently joined the UPT service and will trade in the UPT Handy Pool. All three vessels are technically managed by CSM Singapore.

"We are very happy to welcome the vessels into the UPT fleet", says Stefan Ciegelski, one of UPT's Managing Directors. "Their design and size fits perfectly into our trade pattern and will further enhance the service to our customers and partners." UPT now manages tankers from eleven different ship owning and financing groups worldwide.



Heinrich Schoeller



Carsten Sommerhage



Phivos Vakis



Maurice Baker

The CSM Management Board

The new Management Board's overall objectives are to manage all COLUMBIA Shipmanagement companies and to further their strategic development. In particular Mr Schoeller has requested the Management Board to:

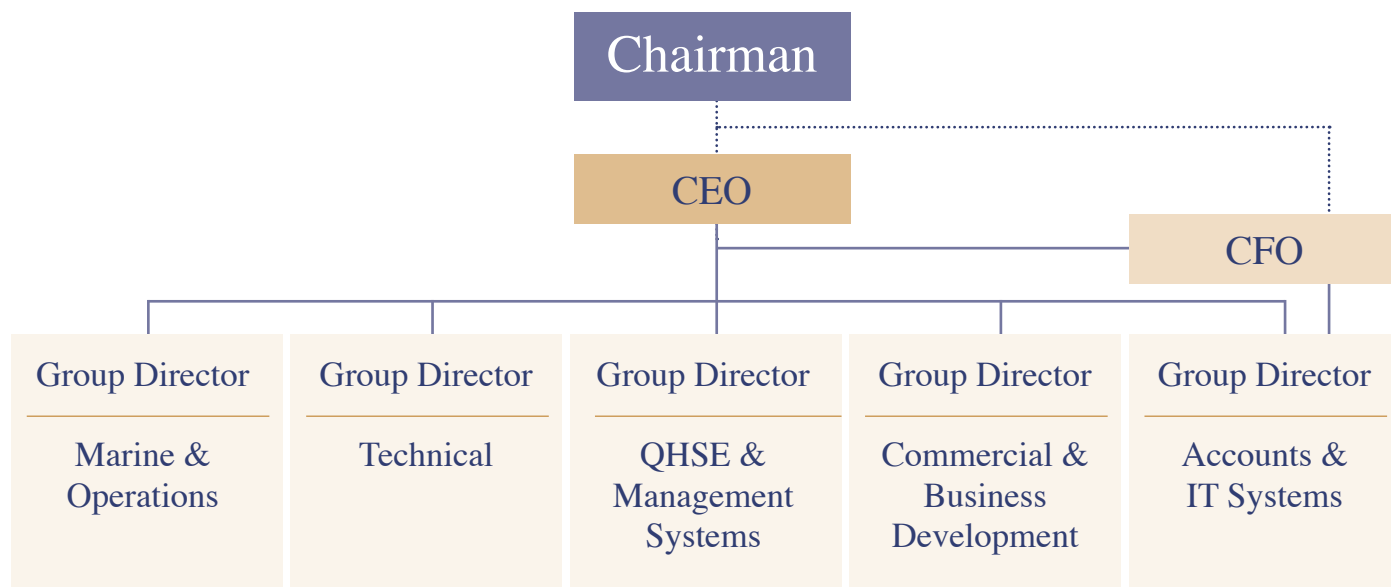
- Lead by example and according to our values and policies
- Co-operate and transparently work together within the Board for the benefit of the company and to his satisfaction as Chairman
- Take the required and appropriate measures for implementing decisions of the Board in the CSM Group of Companies
- Be responsible and authorized to advise the management of CSM companies on issues falling into their area of responsibility and to follow up on implementation.

For the time being, the following persons have been appointed to the Management Board:

- Carsten Sommerhage as CEO
- Phivos Vakis as CFO
- Maurice Baker as Group Director Marine & Operations
- Axel Schulz as Group Director Technical
- Christis Angelides as Group Director QHSE & Management Systems
- Andreas Hadjipetrou as Group Director Commercial & Business Development
- Mads Soerensen as Group Director Accounts & IT Systems

The Group Directors are responsible to Mr Schoeller and the CEO.

Management Board Structure



The CSM Management Board

Carsten Sommerhage

Prior to joining Schoeller Holdings as Mr Schoeller's personal assistant in 1996, Carsten Sommerhage sailed the seas on various types of cargo vessels, worked for the Institute of Ship handling, Maritime Traffic and Simulation (ISSUS) in Hamburg and for Atlas Elektronik in Japan. In 1997 the Master Mariner came back to Germany to develop COLUMBIA's ship management office in Hamburg, an assignment he is in charge of ever since.

Phivos Vakis

Having graduated at the London School of Economics with a BSc in Econometrics and Mathematical Economics, Phivos Vakis started his career at Deloitte's and qualified as Chartered Accountant in 1988. In 1989 he returned to Cyprus to work for KPMG as manager in the audit department. In 1990 he joined COLUMBIA Shipmanagement and Schoeller Holdings and was appointed Group Finance Director in 1992, a position he still holds today.

Maurice Baker

The Glasgow College of Nautical Studies graduate sailed the seas and climbed the ranks to finally qualify as Master Mariner. In 1995 his first shore job as ship manager led him back to Glasgow and later to London. Here he continued studying to become a member of the Institute of Chartered Ship Brokers. In 1999 he joined CSM in Cyprus as Operations Manager and was appointed Marine & Operations Director in 2007. In 2014 Mr Baker was appointed Managing Director.

Axel Schulz

According to his own words Axel Schulz spent all his life in shipping and shipbuilding. He holds a Master Degree in Ship and Energy Machinery Engineering and sailed the

seas for years on various types of vessels. Before joining CSM in 2015 as Technical Director he held different management positions at German shipyards for 17 years, with the focus widening from the technical side to sales and general management.

Christis Angelides

Holding degrees as Dipl.-Ing., Mechanical Engineer and Naval Architect, Christis Angelides joined CSM in 2007 after serving for almost 20 years as principal surveyor, lead auditor, trainer and country manager with Germanischer Lloyd classification society. He took over the position of Deputy Director for New Buildings & Projects. In 2011 he moved to Schoeller Holdings to become Director for Management Systems.

Andreas Hadjipetrou

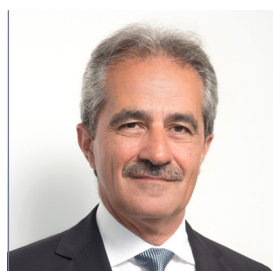
The BSc in Economics and MBA in Total Quality Management joined the company 20 years ago. He held various positions within the Cyprus office before he moved to CSM's Hamburg office in 2006 to take over the role of Financial Director. In 2012 Andreas Hadjipetrou returned to Cyprus to take up the post of Deputy Managing Director. In 2014 he was appointed Managing Director. He also sits on the Board of Directors of the Cyprus Shipping Chamber.

Mads Soerensen

During his more than 20 years in shipping Mads Soerensen's primary focus was on the accounting side of the business, the secondary on IT and systems. The BSc in Accounting started his career at A.P. Moeller/Mærsk where he held various positions. He then became Finance Director at XPonCard and CFO at MSC Scandinavia Holding and TeamLines. In 2011 he joined CSM to succeed Andreas Hadjipetrou as Financial Director in Hamburg.



Axel Schulz



Christis Angelides



Andreas Hadjipetrou



Mads Soerensen



Crew Management for Nat Geo Orion

Lindblad Expeditions has assigned the crew management of M/V “National Geographic Orion” to CSM Cyprus. Lindblad’s state-of-the-art expedition ship is designed to safely explore the remote regions of our planet – from polar ice to small harbours in the South Pacific. “We are very proud that Lindblad Expeditions has now entrusted us with its newest vessel. Our co-operation goes back to the late 1980’s. In 2007 we were assigned the crew management of Lindblad’s flagship M/V National Geographic Explorer”, says Andreas Hadjipetrou, CSM’s Managing Director.

CSM at Capital Link China Shipping Forum

COLUMBIA Shipmanagement is proud to have participated in the first ever Capital Link China Shipping Forum on Tuesday 10th May. Organised in partnership with CSM and SINGHAI MARINE SERVICES, the forum saw Chinese ship owners, global maritime industry players and global investors come together to discuss joint-venture opportunities, demonstrate how to optimize ship management during difficult market conditions and show how owners can restructure their business.

Throughout the day, guest speakers including Mr Hadjipetrou, MD of CSM Cyprus and members of the panel

explored topics such as how Chinese ship-owners and leasing firms can benefit from the latest trends in global financing, capital markets development and alternative financing.



AAL Japan celebrates first birthday

On 4th April 2016, AAL celebrated the one-year anniversary of the opening of AAL Japan in Tokyo. A reception was held at Meijikinenkan and attended by over 180 guests, comprising some of Japan’s leading shipping industry stakeholders.

Mr Heinrich Schoeller formally greeted guests along with Kyriacos Panayides, AAL’s Managing Director. Mr Furjita Tsyoshi san from Japan Gas Corporation highlighted how pleased he was with AAL’s performance and assured the continuation of his company’s strong support.

AAL three times award winner

On 14th June 2016, AAL has won the prestigious Asian Freight, Logistics and Supply Chain (AFLAS) 2016 Award for “Best Shipping Line – Project Cargo” for the third year running.

Kyriacos Panayides, Managing Director of AAL, said at the ceremony in Shanghai: “It was extremely hard to make it onto the nominated shortlist for this award back in 2014, when we first won it. It was then twice as hard to hold onto the award for a second year. But, to be nominated for a third consecutive year and to win it again is an incredible achievement. We thank our peers within the global shipping industry who voted for us and for their continued support and faith. This achievement is dedicated to all our AAL personnel who – despite the pressure from the global recessive markets – keep delivering a superior service at every level of our organisation and constantly strive to deliver first-class global transportation solutions to our customers.”

CSM Cyprus fleet keeps growing



CSM CY has recently been assigned the full management of several vessels by various existing and loyal clients of Columbia based in Japan, Korea and Norway. Strong relationships coupled with trustworthy and transparent management practices have resulted in the recent addition to the managed fleet of a 4,900 TEU vessel, two MR tankers and finally 3 Suezmax tankers, two of which are new building vessels.

CSM honours Day of the Seafarer



Every year on 25th June COLUMBIA Shipmanagement joins the maritime community in celebrating the "Day of the Seafarer". On this account, IMO Secretary-General Kitack Lim said: "We are once again asking people everywhere to show their appreciation for the seafarers that quietly, mostly unnoticed, keep the wheels of the world in motion. Therefore, we would like to use this opportunity to thank our seafarers for the invaluable contribution they make to international trade and the world economy, often at great personal cost to themselves and their families."

In honour of Day of the Seafarer, CSM Cyprus staff participated in a photo shoot to say a special thank you to each and every one of our seafarers for their hard work and commitment!



Thomson Cruises awards M/V TUI Discovery to CCS



Thomson Cruises has awarded Columbia Cruise Services (CCS) with full management of its newest and biggest vessel M/V TUI Discovery. Having undergone an extensive refurbishing at Navantia Shipyard in Cadiz/Spain the formerly named M/V "Splendour of the Seas" recently welcomed its first passengers on board cruising from/to the port of Palma de Mallorca.

"We welcome the TUI Discovery into the CCS fleet" stated Olaf Groeger, Director of CCS. "We are honored and proud to support Thomson with their newest and most modern vessel, which is a further stepping stone in the success story of both companies."



Fit for the future: COLUMBIA Shipmanagement

Building on CSM's strengths, streamlining operations, harmonising systems and improving efficiency – four cornerstones of COLUMBIA's strategy to meet the challenges lying ahead. Monitored by its Chairman, Mr Heinrich Schoeller, COLUMBIA's new Management Board will take the required and appropriate measures to implement respective decisions within the CSM Group of Companies.

"There is so much valuable expertise in all COLUMBIA companies that we have to make sure everybody can benefit from it", says Mr Schoeller. "We have to make it easily accessible for all. This will be one of the main objectives of our Group Directors. I have seen other companies where offices in different countries were competing with each other instead of co-operating. This will not happen at COLUMBIA. At the end of the day it does not matter whether services are provided from Cyprus, Hamburg, Shanghai or Singapore. The most important thing is they are provided by COLUMBIA. We are one company."

Working relationships

Closely co-operating with other companies sharing similar ethics and values will also become more important in the years to come. "The multi-purpose co-operation AAL has launched last year with Hamburg-based Peter Döhle Group can serve as a blueprint", explains Mr Schoeller. "Both companies will share their experience, resources and hardware across the world to offer joint Tramp & Project services – but they will remain independent of one another."

Crewing – including training – is one of the areas where co-operation pays off as well. It started with Peter Döhle in Poland, Russia and the Ukraine. The training academy of Tsakos Columbia Shipmanagement was launched in Athens in 2013. In 2015 COLUMBIA joined forces with REEDEREI NSB to recruit seafarers in

Eastern European countries and the Philippines. Furthermore, COLUMBIA will extend its existing seafarer training co-operation with Marlow Navigation, a Cyprus-based shipmanagement company, to include shore based training in future.

Marlow Navigation also is a joint venture partner of a newly formed IT-company that will develop tailor-made software and IT-systems for both companies.

"To take advantage of economies of scale we're thinking about strategic alliances in all departments – be it maintenance, purchasing, accounting or travel", states Mr Schoeller.

COLUMBIA Cruise Services is set to grow

"If you look at all the cruise operators that now have their headquarters or offices in Hamburg, then it is quite obvious that this city will become Europe's cruise centre. To best meet the demands of this growing industry, COLUMBIA Cruise Services in Hamburg will grow in terms of manpower and areas of responsibility", says Mr Schoeller.

"Shipmanagement is in our genes"

Mr Schoeller started his shipping career in 1959 and since then has weathered many storms. Everything that happens has happened before – at least once.

"Having a fleet of own vessels can be a two-sided sword in these volatile times", states Mr Schoeller. "But it has a distinct advantage. Our clients recognise that we look at shipmanagement also from an owner's point of view: An owner cares for his vessels. In addition they don't consider us as competitors as we only own and operate feeder sized vessels between 1200-2800 TEU and product tankers. What matters most for our clients are our competence and our experience."

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