

MV "HLL Atlantic"

Type of ship:

Container ship

Deadweight tonnage:

57,240 tdw

Length overall:

265.98 m

Moulded beam:

32.20 m

Draught:

13.00 m

Container storage capacity:

4,713 TEU (Twenty Foot Equivalent Unit)

Speed:

24.6 kn

Shipbuilding yard:

Hanjin shipyard
in Busan/South Korea

In service since:

December 2002



The charters

The MV "HLL Atlantic" is operating at least until August 2013 under the charter name "APL Peru" for the liner shipping company APL (American President Line) at a charter rate of USD 28,500 gross p.d. APL belongs to the Neptune Orient Lines Group (in short "NOL"), in which the city state of Singapore is the majority shareholder. The ship is currently deployed by NOL in Trans-Pacific trades and connects ports between the Far East and the US West Coast. Ship operation in the year 2010 was to the full satisfaction of the charterer. As a result of minor malfunctions in the main engine and the radar system, MV "HLL Atlantic" was "off-hire" (period during which the ship is technically not operable and thus cannot earn any revenues) for only 15 hours. The service intervals on board are controlled by a special maintenance programme so that an optimum stock of necessary spare parts can be kept on board.

Economic situation

The operating result for 2010 is EUR 4.38 million, this being EUR 0.82 million lower than the figure calculated in the prospectus. The charter revenues at EUR 7.10 million are a total of EUR 1.43 million lower than anticipated in the prospectus, although at USD 28,500 gross p.d. a higher charter was concluded than that predicted in the prospectus and furthermore 14 operating days more were achieved than the figure stated in the prospectus (364 instead of 350). The difference is solely attributable to the balance sheet currency Euro, as the US Dollar (average exchange rate of EUR/USD 1.32 instead of EUR/USD 1.00 according to the prospectus) depreciated more strongly than had been anticipated in the prospectus.

The ship operating costs (OPEX) amount to EUR 1.96 million and in the balance sheet currency Euro are thus at the level stated in the prospectus. Contained in these is an 11 % rise in insurance costs in USD. Favourable items on the costs side are a significant decline in lubricant costs through slow steaming and more favourable purchasing prices.

Redemption payments were made to schedule in 2010, so that at the end of the year an arithmetical redemption advantage of USD 0.38 million remains as compared with the original bank financing plan. Dividends in an amount of 7.0 % on the limited partnership capital were distributed in the business year 2010. According to the shareholders' resolution of 14th December 2004, the ship opted for the tonnage tax with retroactive effect from 1st January 2004.

Prospects

An operating result of some EUR 3.8 million is expected for the business year 2011, which is EUR 1.5 million less than the figure stated in the prospectus (at an average exchange rate of EUR/USD 1.39 instead of 1.00 as anticipated in the prospectus). The charter revenues will, at EUR 6.7 million, altogether be some EUR 1.8 million lower than stated in the prospectus. This deviation is exclusively currency-related as we agreed a better charter rate with APL than had been anticipated in the prospectus and at the same time are calculating with twelve additional operating days.

The ship operating costs are expected to be some EUR 2.2 million, which is some EUR 0.2 million higher than stated in the prospectus. Scheduled repayments are planned in the budget for 2011, so that the arithmetical redemption advantage of some USD 0.4 million as against the original bank financing plan remains unchanged. In this context it should be noted that the CHF and also the JPY loans have become more expensive through the appreciation of the Swiss Franc and the Japanese Yen as against the US Dollar in recent years. Distributions of dividends in a total amount of 6.0 % on the limited partnership capital are planned for the year 2011.

Financing and investment in thousand EUR:

	prospectus	actual
Limited partnership capital (nominal)	28,500	28,750
Premium	1,425	1,438
Borrowed capital ¹⁾	33,365	32,887

Operation as of 31.12.2010 accumulated:

	prospectus	actual
Operating days	2,841	2,860
Net charter revenues in thousand EUR	67,472	53,990
Operating results in thousand EUR	34,266	27,466
Dividends in thousand EUR	20,235	18,255

Loan level as of 31.12.2010:

	redemption schedule	actual
Ship mortgage loans in thousand USD	10,125.0	11,000.0
Ship mortgage loans in thousand JPY	385,000.0	215,840.0
Ship mortgage loans in thousand CHF	3,580.0	3,665.0
Total in thousand USD ¹⁾	15,589.2	15,207.8

Tax results 2010 in % accumulated:

	prospectus	actual
Negative tax results	-63.7	-57.6
Positive tax results	3.0	14.0
Option for tonnage tax as of 1.1.2004		
Differential amount ship		1.4
Differential amount, foreign currency as of 31.12.2010		10.0

Capital commitment/reflux in % as of 31.12.2010:

	prospectus	actual
Paid in	105.0	105.0
Tax repayments from offsettable tax-deductible losses	33.9	30.7
Tax payments on taxable profits	1.4	6.5
Dividends	71.0	63.5
Capital commitment	1.5	17.3
Capital reflux	103.5	87.7

Actual investment (incl. premium)

87.7 %	17.3 %
Capital reflux	Capital commitment

¹⁾ Valued at the purchase exchange rate at the value date