



March 2007

CustomerNEWS

Dear Hapag-Lloyd Customer,

We are pleased to provide you with the March edition of our Customer News, informing you about the latest developments within Hapag-Lloyd.

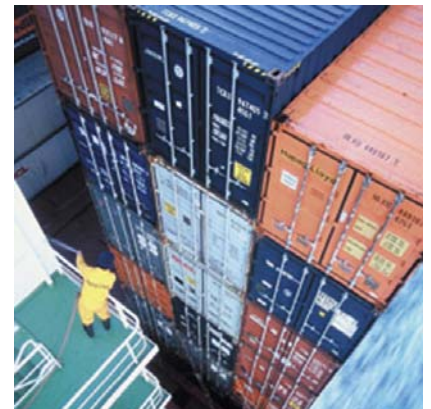
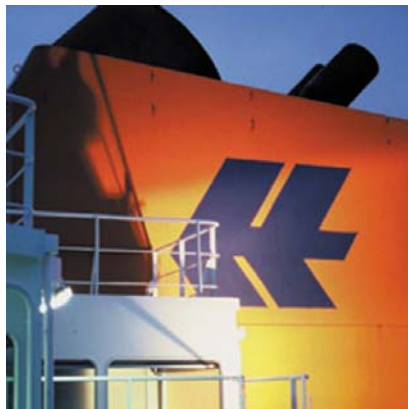
This Customer News provides information about the following subjects:

- Service Changes
- Security Changes
- Reefer Focus of Hapag-Lloyd
- Delivery of “Osaka Express”
- Sale of Montreal Gateway Terminals
- Celebrating 150 Years of North German Lloyd

In case you require any further information or have any questions, please contact your local Hapag-Lloyd office or visit our website www.hapag-lloyd.com.

Kind regards,

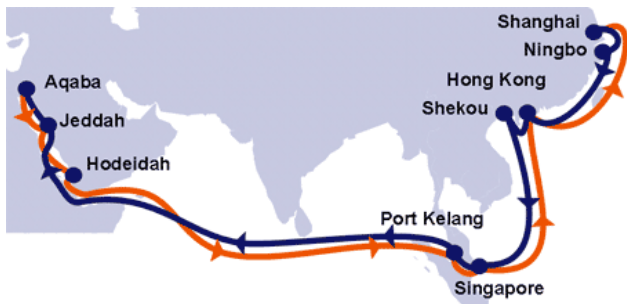
Hapag-Lloyd





■ **New Service: Faster Link between China and Red Sea**

In early February 2007 Hapag-Lloyd started a new weekly liner service with fixed weekdays departures. The new Central China Red Sea Service (CRS), which replaces the terminated Far East Red Sea Service (FRS), offers reduced transit times between China and the Red Sea as well as a direct Hodeidah, Yemen call, further strengthening Hapag-Lloyd's position in the Red Sea market.



The CRS service, which is operated jointly with Wan Hai Lines, has a port rotation of: Shanghai, Ningbo, Hong Kong, Shekou, Singapore and Port Kelang, Jeddah, Aqaba, Hodeidah, and deploys 6 vessels with an average capacity of 1,700 TEU.

■ **Enhanced Service: Two-String MXP-Service**

The Mexico Chile Service (MXP) was launched in January 2006 on a fortnightly basis from Mexico to the West Coast of South America (SAWC). The MXP Service is offering a link between Asia and the West Coast of South America and is also serving the northbound reefer market from Chile to Asia, Mexico and North America.

By June 2006 the frequency of MXP was improved to 10-days with the deployment of a third vessel. Beginning of 2007 Hapag-Lloyd has further enhanced the frequency to weekly by adding a fourth vessel to the MXP service. Furthermore, a reconfiguration of the service resulted in a two string product.



String 1 serves Manzanillo, Puerto Quetzal, Buenaventura, Callao, Valparaiso, San Vicente, Callao and Puerto Quetzal whereas string 2 calls Manzanillo, Mazatlan, Manzanillo, Puerto Caldera, Callao, Valparaiso, San Vicente and Callao.

With the enhanced MXP Service Hapag-Lloyd offers weekly connections from/to Asia and North America West Coast.

■ **Service Changes**

Since the last edition of the Customer News Hapag-Lloyd has implemented several service changes in order to improve schedule reliability and to streamline the scope of our services. All service changes are available in the annex 1.



■ Security Changes

– Japan Advance Filing Regulation / 24 Hours Customs Rule in Japan

Effective February 2007, Japan Customs has put into force a new regulation that requires all carriers to submit their discharge manifest data to customs no later than 24 hours before the vessel is scheduled to arrive. Under this new regulation, only limited amendments are allowed to be made to the name of the shipper or consignee, commodity, piece count, weight, MTQ and seal number. However, even though these changes are allowed, excessive amendments may result in financial penalties from customs. Any non compliance with the regulation can result in customs prohibiting cargo operations to begin.

In case you require any further clarification, please contact your nearest Hapag-Lloyd office.

– Terminal Security Fee of Croatian Ports

As of February 16, 2007 the ISPS fees in the Croatian ports Ploce, Rijeka and Split have been increased to USD 6,00 per 20' and 40' container for import and export container, excl. transshipment.

A list of all Terminal Security Fees can be found on our website www.hapag-lloyd.com under section Customer Information - Security - ISPS - Carrier & Terminal Security Fees - Overview.

■ Reefer Focus of Hapag-Lloyd

Hapag-Lloyd has strengthened its position in the reefer segment through the integration of CP Ships: Hapag-Lloyd is now the world's number 2 carrier in terms of reefer capacities. Our modern fleet of refrigerated containers has more than doubled: it now includes around 61,000 TEU, of which 6,000 are 20ft boxes and 27,500 are 40ft types.

In addition to conventional reefers, Hapag-Lloyd offers its customers a variety of special types designed for transporting products with special requirements. These include the "magnum reefer", which with a refrigerating capacity of -35 °C keeps the product at a considerably lower temperature than the types of container usually found on the market.

The magnum reefer is used for transporting, for example, high-quality ice cream because it avoids the formation of ice crystals. There is also the "non-food-grade reefer", in which for example chemicals and hazardous goods are loaded. This ensures that no foodstuffs are transported in a container that previously held chemicals.



A speciality of Hapag-Lloyd is the use of reefers in which not only the temperature but also the composition of the gas mixture in the container can be adjusted ("modified" or "controlled atmosphere"). The conditions are constantly monitored and logged. These containers are used to put fruit, for example, into a kind of sleep state during transportation, thereby interrupting or slowing down the ripening process.

Through these technical developments in the field of refrigerated containers, more and more commodities that were previously only transported by air can now be carried on a container ship without difficulty or reduction in quality of the product.



Our customers can be confident that the quality of the product will be maintained because the temperature and atmospheric conditions can be kept constant throughout the transport chain. Continuous cool chain from the producer to the recipient is ensured. Ashore and on board, of course, the specified temperature of the container is constantly monitored, as is the case with all refrigerated containers.

Transportation by refrigerated container is becoming increasingly attractive due to the fact that the capital costs and expense for storage are eliminated or reduced because the customer no longer has to order a full ship load and, owing to the close-meshed route network, can expect deliveries almost daily.

To offer our customers full advice and individual service, specially trained experts who are in close contact with the local sales staff are on hand in the regional headquarters at Hapag-Lloyd. As a result, the entire Hapag-Lloyd organisation is thoroughly familiar with the local circumstances; they know which container should be used for which product, can inform our customers on the route network and give advice on all logistics matters.

■ Delivery of “Osaka Express”

Hapag-Lloyd has taken delivery of another 8,750-TEU mega containership which was built by Hyundai Heavy Industries in Korea. The vessel was named “Osaka Express” on February 15th, 2007 in Hong Kong. The naming was performed by Catherine Desbois, wife of Gérard Desbois, CEO of JF Hillebrand Group AG.

The “Osaka Express” is being deployed in the [Loop 3 / EU 3](#) connecting North Europe with Singapore, Port Kelang, Hong Kong as well as South and Central China.



The vessel size roughly corresponds to the dimensions of three football fields: the ship is 335 metres long and 43 metres wide and measures 60 metres from keel to superstructure. The “Osaka Express” can carry 8,750 TEU standard containers and has 730 plugs for refrigerated containers. The vessel’s engine provides a speed of 25 knots and completes a round voyage between Europe and Asia in 56 days.

To be able to provide always the adequate ship capacity for our customers, Hapag-Lloyd has massively invested in recent years and will continue to do so in future.

■ Sale of Montreal Gateway Terminals

As announced by TUI on February 22, 2007 the infrastructure investment group Morgan Stanley has agreed to acquire an 80 percent interest in Montreal Gateway Terminals (MGT). Hapag-Lloyd will retain a 20 percent stake in Montreal Gateway Terminals.

“Montreal is the strategically important gateway not only for Canada but also for the Midwest of the USA, and we want to expand this function in the long term. It is thus only logical that we retain an interest in Montreal Gateway Terminals, a superbly managed, highly productive company. Although Terminals do not belong to our core business, we remain as strongly committed as before.



Hapag-Lloyd will remain the most important customer of MGT and thus of the Port of Montreal. We look forward to continuing to work with its successful management and dedicated staff," emphasised Adolf Adrion, member of the executive board of Hapag-Lloyd.

Based on this commitment Hapag-Lloyd continues to offer an operational benefit associated with holding key infrastructure assets to its customer.

■ Celebrating 150 Years of North German Lloyd

North German Lloyd (Norddeutscher Lloyd - NDL) was founded by the legendary H.H. Meier on February 20th 1857. Since its merger with Hapag in 1970, it has been part of Hapag-Lloyd.

North German Lloyd was an institution. It played a key role in daily life and foreign trade, was the quintessence of trade and commerce, the embodiment of the rise of Bremen and Bremerhaven, an engine of industrial progress and promoted the founding of the town of Nordenham. Furthermore North German Lloyd created the foundation of shipbuilding in Bremen that was to flourish for decades.

North German Lloyd also played a key role in enabling the great wave of European emigration to the new world, as it was founded primarily to carry emigrants with modern steamers rapidly and reliably to New York. Between 1830 and 1947, more than 7 million men, women and children left Germany and Europe via Bremerhaven to go overseas. Many of them travelled with North German Lloyd.

Consequences of Container Transport

When container transport necessitated high investment in new ships and containers at the end of the 1960s, Hapag and Lloyd decided to merge to form Hapag-Lloyd AG in 1970. "It was a wise move. And it has turned out to be a great success," pointed out Dr. Michael Frenzel, chairman of the executive board of TUI AG and supervisory board chairman of Hapag-Lloyd AG, in his festive address. He noted that today Hapag-Lloyd is the world's number 5 carrier, achieving a transport volume of over 5 million standard containers in 2006 and investing close on €2 billion in ships and containers in the past ten years since its acquisition by TUI. "Not counting the acquisition of CP Ships, which involved an investment of about €1.7 billion. This acquisition represented a great step forward in securing our future in a consolidating market," Frenzel added.

New mega containership "Bremen Express"

There was a remarkable tradition in the history of North German Lloyd: over and over again a top ship was named "Bremen". On the 150th anniversary of the founding of North German Lloyd, a "Bremen" is soon to enter liner service again. Hapag-Lloyd will name a 8,750-TEU newbuilding "Bremen Express" in Bremerhaven in January 2008.



Annex 1: Service Changes

Asia - Europe Services

Asia Black Service / ABS



- Port calls at Xingang and Qingdao were added in January 2007.

North Atlantic Services

Mediterranean Gulf Express / MGX



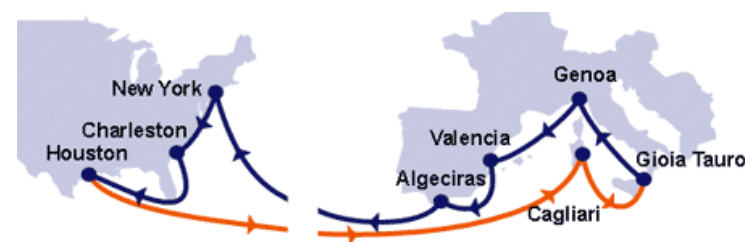
- The Miami call was replaced by Port Everglades in January 2007.

Atlantic Mediterranean Express / AMX



- Algeciras was replaced by Cagliari and Charleston was substituted by Savannah in January 2007.

Mediterranean North America Express / MNX



- The Italian port call switched from La Spezia to Genoa in January 2007.
- An eastbound call at Cagliari was added beginning of February 2007. At the same time the eastbound call at Algeciras was dropped.



North America – Latin America Services

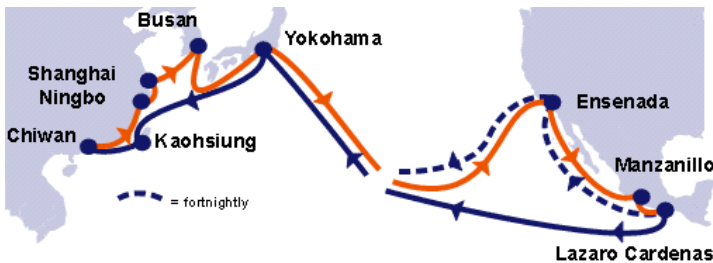
US Gulf - South America Eastcoast Loop 1 / GS 1



- The Miami call was replaced by Port Everglades in January 2007.
- A northbound call at Caucedo was added and Paranagua was dropped end of February 2007. Caucedo is called on fortnightly basis alternating with a port call at Rio de Janeiro.

Trans Pacific Services

Asia Mexico Express / AME



- A westbound call at Ensenada was added on a fortnightly basis in January 2007.

Africa Services

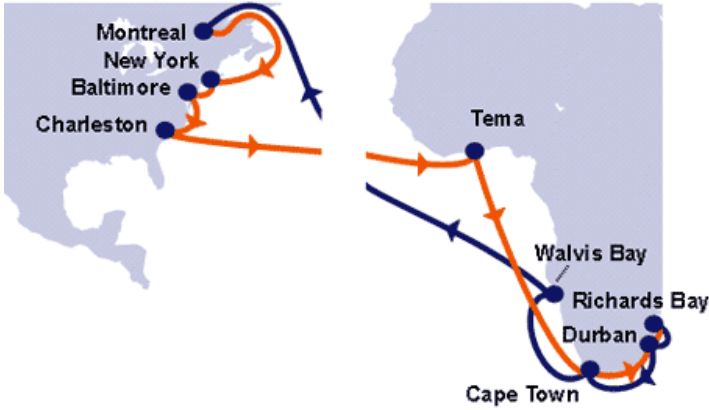
West Africa Service / WAX



- A call at Abidjan was added in January 2007.



North America - Africa Service / NAA



- A port call at Walvis Bay was added while the port call at Sorel was dropped end of February 2007.

North Europe – South Europe Services

European Express Service / EEX



- The Thamesport call was replaced by Southampton in January 2007. At the same time the Gioia Tauro call was dropped.