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Simplicity, Efficiency,
Accountability



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Chairman's Message

The world economy continues to be in a fragile state, with many people wondering where renewed growth will come from. It is worth remembering that there are only three sources of economic growth: labour, capital, and productivity.

With population growth flat in developed economies and in China, we can no longer rely on the automatic boost provided by an increasing labour force.

On the capital front, central banks have been printing money and buying assets to kick-start the economy. We have entered a twilight zone where so much capital has been injected into the global system that there is no longer a cost of money. With interest rates turning negative, some governments will even pay you back less than you gave them for the privilege of lending to them. It is unlikely this can go on forever.

Which leaves only productivity. The latest global productivity statistics are worrying: in most mature economies including the US, Euro Area and Japan, the figure was near zero or even negative. In China, productivity growth turned negative, and in India it was just above zero, at 0.2 percent. Latin America was hit hard, with Brazil at -2.3 and Mexico at -1.7 percent.

Why does this matter? Because it implies that improvements in the efficiency of labour and capital have stalled. Technology and innovation are no longer providing a tailwind for progress, and we are at risk of no longer being able to improve people's living standards.

This is an important consideration for companies as well as countries. Companies which cannot improve productivity eventually fall victim to competition or disruption. In a business like shipping, where we are at the mercy of cyclical markets, this is the one thing we can and must control: productivity, efficiency, cost control.

BW Offshore has taken strong measures to counteract the downturn in the energy sector by reducing headcount. In the group, a new project "PI16" has been launched to improve the efficiency of the organisation by simplifying processes and improving cost. Nine workstreams are being channelled towards productivity improvements.

We are not standing still on the capital front either, and are actively exploring opportunities in areas where capital is scarce and prices are attractive. These include the establishment of a new dry bulk division "BW Dry Cargo" headed by Christian Bonfils, which will start to look for investment opportunities in that sector. The group is also evaluating investments in the oil and gas space.

By finding ways to deploy capital sensibly and by delivering on productivity improvements, we can kickstart the upward cycle that leads to growth in our own small universe. In a tough business environment, we are counting on our colleagues throughout the group to help improve how we operate the business. We have a strong team to make this possible. We have a great platform, and now is the time to capitalise on it.



Sincerely,
Andreas Sohmen-Pao
Chairman

Continuing a theme of simplification in the new year



Work continues to push for greater efficiency in all that we do

BW's history of change and the company's drive towards simplification and efficiency as the company grew was covered in the first and second issue of World Horizon in 2015. 2016 will be a year of implementing multiple initiatives towards these aims, and a quarter into the year, tangible changes have been made.

Project Importance 2016

Providing an overall strategy is "Project Importance 2016" or PI-16. PI-16 guides everyone towards greater simplicity, efficiency and accountability through nine must-win initiatives. These nine

initiatives range from efforts to have optimized manning, new IT systems, clearer company structures, and increased fuel efficiency. These initiatives will reduce operating expenses, general and administrative costs, and increase daily operational efficiency.

Optimized Manning

With a fleet size of 156 vessels which include the world's largest Very Large Gas Carrier (VLGC) fleet, and one of the largest LNG carrier fleets, we rely on a sizable number of skilled seafarers to run our vessels safely and efficiently. Attention will be spent on initiatives such as

developing unified and optimized training programs, and improving crew rotation planning.

New IT Systems

Dubbed Columbus "New World" IT systems, the IT team will create standardized processes across business segments and offices, and maximize the use of its resources for strategic value-add projects. In April, a new intranet was launched to provide a global internal communications platform which will reduce the company's reliance on email exchanges for communication and collaboration.



Clearer Company Structures

Businesses were previously organized according to brands, rather than vessel segments. Under PI-16, the various units are now channelled into clear segments – Offshore, LPG, product tankers, VLCC, chemical tankers, LNG, dry cargo, fleet management and maritime – to ensure clarity of focus, full profit and loss accountability for each segment, and efficiency of operation. Our website has also been re-launched to reflect our segment-based structure.

Increase Fuel Efficiency

A long-running initiative within BW, the

energy management team has been transformed into a performance office, and has been tasked to develop tools to monitor vessel specific speed and bunker consumption profiles, with the aim to reduce fuel consumption by 2% across the fleet by year's end.

Full Steam Ahead

"This is a critical initiative, to ensure that BW is well-positioned for future growth, especially against a current background of low oil prices and difficult market conditions," says Carsten Mortensen, Group CEO. "It is in our heritage and DNA to prepare for

the future by always trying to do better and this is what PI-16 is all about. This commitment showed during a recent call for initiatives to reduce complexities in work processes, where we had over 90 suggestions across departments, offices and companies and we are now working to implement as many as possible. We all need to continue to work together and push for greater simplicity, efficiency and accountability in all that we do".

Colleagues at BW will be kept abreast of PI-16's progress through the intranet. **Wh**

In for the Long Haul

World Horizon reproduces Martin Ackermann's CEO Report in BW LPG's 2015 Annual Report

2015 was a year of many firsts for the global LPG market. It was the year of the strongest ever freight rate market, of China overtaking Japan as the world's largest LPG importer, and the year of U.S. taking the helm as the largest LPG exporting country in the world. It was also a year that saw the world's first floating storage project for converting LPG for power generation in the U.S. Virgin Islands – a project in which BW LPG delivered the storage facility with our Very Large Gas Carrier (VLGC) Berge Summit. Total LPG seaborne trade rose to 85 million tonnes in 2015, which, in combination with an increasing proportion of U.S. volumes headed East, resulted in a 20% growth in VLGC ton mile demand. As the world's largest transporter of LPG, BW LPG captured this market transformation.

As testament to a company in a leading position in its market, BW LPG emerged as the best performing maritime stock in 2015. With the highest profits ever achieved in our history, investors continue to enjoy high returns with a dividend payout of 75% of net profits for the first half of 2015. The board of directors has recommended a 50% payout of net profits for second half 2015 in line with our stated dividend policy. Fleet utilisation continues to be strong and

we capitalised on high spot rates which averaged USD 68,000 per day throughout the year, but equally our strong full year contract coverage of 75% secured our strong utilisation and earnings.

2015 was also an eventful year for BW LPG, with new additions to the executive team with Elaine Ong as CFO and Pontus Berg as Senior Vice President, Technical & Operations in addition to my own onboarding. I am proud to be part of an organisation with such a legacy in maritime energy transportation and with a proven history of market leadership in our sector. BW LPG has over the years grown into a strong industrial platform and our vision for the future is to remain a global leader in maritime LPG.

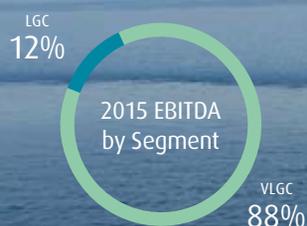
BW LPG's market-leading position was further enhanced during the year when we were able to take over four existing VLGC newbuilding contracts with Daewoo Shipbuilding and Marine Engineering (DSME). We also took delivery of five newbuildings from Hyundai Heavy Industries (HHI). Purchase options declared on BW Sakura and the Berge Summit enabled us to expand our fleet in a way that did not burden the growing VLGC order-book.

While LPG shipping emerged as one of the strongest sectors within shipping, we are always mindful of the changing economic landscape in which we operate. The global economy has begun feeling the impact of the reorientation of Chinese growth from fixed asset investment-led to being consumer driven, and from the decline in oil and commodity prices. Against such a backdrop, we will continue to rely upon the pillars of our strong operational and financial results: the high calibre and collective experience of our people, a keen understanding of our customers' needs, and a high level of operational efficiency. These strengths remain the key drivers of our success and will enable us to continue delivering best-in-class and sustainable solutions to our customers in the long term. For BW LPG, the customer remains king.

Our outlook for 2016 remains positive. While we expect a continuation of the upward trend in the global LPG trade, we do anticipate heightened market volatility in view of the substantial VLGC order-book. With a strong balance sheet, excellent relationships, a proven operating platform and a balanced charter portfolio, BW LPG is well positioned to deliver in the long haul. **wh**

Key Operational and Financial Data

	2015 US\$'000	2014 US\$'000	Change %
Revenue	773,335	747,362	3%
TCE income	626,492	539,170	16%
Operating profit before depreciation, amortisation and impairment (EBITDA)	430,260	340,045	27%
Operating profit (EBIT)	345,544	269,008	28%
Profit after tax for the financial year (NPAT)	326,138	255,669	28%
Cash and cash equivalents	93,784	70,245	34%
Borrowings	886,997	529,434	68%
Total assets	2,109,761	1,664,064	27%
Total liabilities	939,042	583,110	61%
Earnings per share	2.44	1.87	30%
ROE	27.9%	23.7%	18%
ROCE	16.8%	16.7%	1%



BW LPG's Market Leading Financing

BW LPG secures financing for four newbuildings

“This highlights the level of trust between the banks and BW LPG, and the diversification of BW LPG's banking group. The continued support from our existing banks and new additions to our banking group, has also enabled us to expand our fleet and our presence in the LPG space.”

– Elaine Ong, BW LPG Chief Financial Officer

BW LPG recently signed a debt facility agreement of USD 221 million for the financing of four of its newbuildings. The financing has been raised from ING Bank, KFW IPEX-Bank GmbH, OCBC and Standard Chartered Bank, as mandated lead arrangers. ING Bank also acted as coordinator and facility agent. The loan is insured by Korea Trade Insurance Corporation (K-Sure).

Commenting on the financing, BW LPG Chief Executive Officer, Martin Ackermann, said, “We are very pleased with this financing, which leverages the well-priced Korean ECA lending to provide

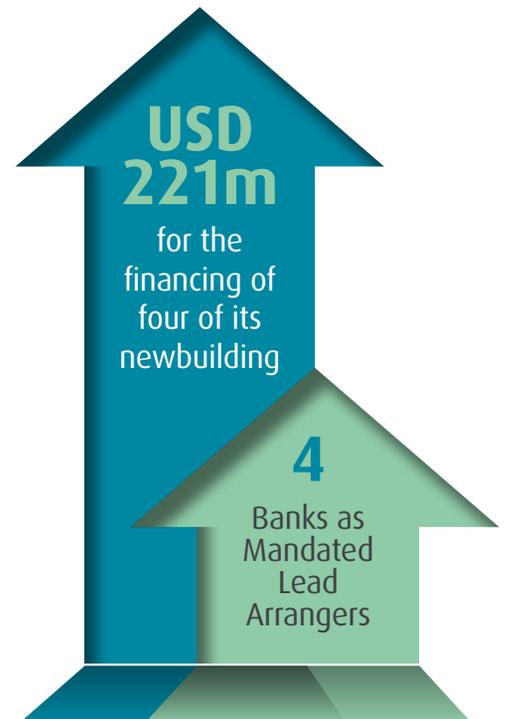


an exceptional all-in cost and structure. This is a clear demonstration of BW LPG's platform value in obtaining market leading financing. We are grateful to our lenders for their continued support."

The deal was attained at attractive pricing with favourable terms and conditions, enabling BW LPG to secure a strong funding platform. Commenting on this, BW LPG Chief Financial Officer, Elaine Ong said, "This highlights the level of trust between the banks and BW LPG, and the diversification of BW LPG's banking group. The continued support from our existing banks and new additions to our banking

group, has also enabled us to expand our fleet and our presence in the LPG space."

While BW Group's relationship with K-Sure started back in 2014, this transaction marks the first K-Sure covered LPG facility for BW LPG. Korea remains of strategic importance to the entire BW family because of its great reputation in building high quality ships. Hence, the continued financial support and partnership with the Korean ECAs, for which we are grateful. These ECAs will be critical to our continued investments in Korean-built ships for years to come. **Wh**



Twin Christenings

BW LPG names the final two VLGC newbuildings from its newbuilding programme of eight VLGCs from Hyundai Heavy Industries.

A naming ceremony remains as a fascinating tradition, even as shipowners name and deliver many ships throughout the course of their operations. BW LPG's recent shipnaming ceremony was no exception. Two Isle of Man-flagged Very Large Gas Carriers (VLGCs) newbuildings, BW Tucana and BW Volans were named at a ceremony held by BW LPG on 20 April at Hyundai Heavy Industries (HHI) Shipyard in Ulsan, South Korea.

In attendance were BW LPG's CEO, Martin Ackermann, CFO, Elaine Ong and Senior Vice President, Technical & Operations, Pontus Berg. Guests of honour included, Executive Vice President and Chief Operating Officer of SK Gas, Mr John Lee and his wife Mrs Byung Ok Cho; ING's Regional Head of Asia in Asset Based Financing (Shipping), Mr Rob Heijliger and his wife Mrs Monika Krogulska, HHI's President and Chief Operating Officer, Mr J.H. Kim and his wife, Mrs Kim. Mrs Cho and Mrs Krogulska blessed BW Tucana and BW Volans as the respective Godmothers.

At the ceremony, BW LPG CEO Martin Ackermann said, "Throughout the course of BW LPG's newbuilding program with HHI, both parties have shared a mutual understanding based on trust

and reliability. Reliability is an important attribute, especially in times of volatility and uncertainty. For us, having the support of reliable business partners and lenders is key and I'm sure, having a reliable shipowner who's in it for the long haul is just as important to our partners and lenders. We thank everyone involved in the delivery of these vessels."

With BW Tucana and BW Volans, BW LPG now has a fleet of 41 vessels, comprising of 29 owned VLGCs, seven chartered-in VLGCs and five owned LGCs. The Company also has four VLGC newbuildings under construction.

BW LPG's vision is to be the global leader in maritime LPG and each one of its newbuilding deliveries is a step towards this vision. These newbuildings are part of the Company's fleet renewal initiatives which aim to enhance its services to customers and its market leading position. While BW LPG believes there are years of anticipated growth in LPG export volumes, the Company also believes in the future of LPG as a clean fossil fuel and is committed to delivering clean energy globally. These high spec, fuel efficient, eco friendly newbuildings enable the Company to do just that while reducing its global carbon footprint. **wh**







Tough Times

2016 brings new challenges for BW Offshore

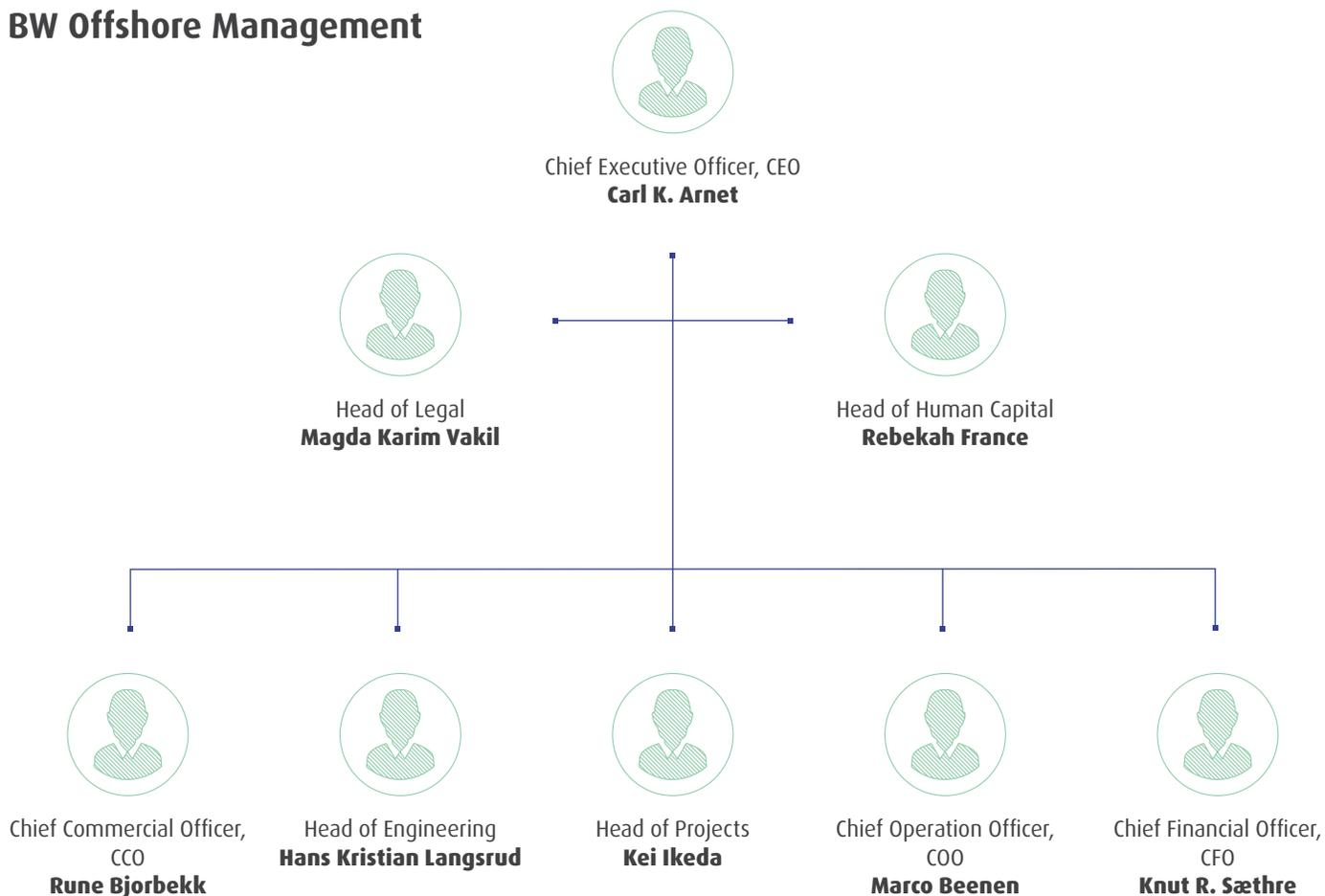
“2016 brings new challenges and what we know for sure is that it will require us as a company to stay agile and adaptable, changing and improving even faster to stay fit and relevant through the choppy waters ahead.”

– CEO Carl Arnet

2016 has been anything but a ‘happy new year’ for the offshore industry – low oil price, limited new developments and - specifically for BW Offshore - the aftermath of the Cidade de Sao Mateus accident, the loss of the Leviathan project and decommissioning and lay up for more units in the fleet. With a dark year behind us and a grim one ahead, difficult decisions were unavoidable.

In February, the company announced an organisational restructure that would affect top management, 200 employees and every location and FPSO operation. With effect from March 1, 2016, three positions on the senior management team had been replaced. These changes were both

BW Offshore Management



in response to the business situation and related cost imperatives as well as to lay the foundation for the long term future of the business by accelerating some parts of the succession plan that had been in the works for some years.

Management and the board saw the need for a restructuring of the business as well as right-sizing of the organisation to fit current and projected activity levels. The change will take place in three phases, with phase 1 impacting middle management, Norway and Singapore. Phase 2 will review the organisation in Brazil, China, Mexico, Nigeria, the UK and the US. Phase 3 will affect all remaining onshore bases as well as the onboard organisation structure. The process is expected to create an annual

savings of USD 30 million and will likely lead to 200 job losses onshore. A further 10% cost reduction on offshore crew and a further 15% reduction in offshore administrative spend is targeted by Q4 2016. The hope is that with these changes, BW Offshore will be sized to survive the anticipated prolonged downturn, in the most sustainable manner.

“Shutting shop is an easy task in some respects; it’s the sensible and sustainable downsizing that is difficult”, says Rebekah France, Head of Human Capital. The company has spent several years hand picking the most sought-after talent in the industry and pulling together a strong culture and a solid team. Organisational reductions always present a challenge of whom to retain, and

there are no easy answers. France adds, “We have to ensure that those who are leaving, do so on a good note, happy to return one day and that those who are staying are prepared for the loss of colleagues, the increased workload, and the difficult times ahead – it’s a tall order.”

CEO Carl Arnet observes “Without exaggeration 2015 will be seen as a year where the company was tested to the limit on its capabilities, and came through the challenge with determination, resilience and a resolve to get on with the business. 2016 brings new challenges and what we know for sure is that it will require us as a company to stay agile and adaptable, changing and improving even faster to stay fit and relevant through the choppy waters ahead.” **Wh**

The Right Chemistry

BW Argon is the first newbuild BW chemical carrier to join WOMAR tanker pool



“A pool makes good economic sense, where you can get better yield from the same resources. At WOMAR, all decisions are made impartially and democratically by members. Being part of a pool lowers costs and delivers superior customer service”

– Captain Uday Yellapurkar

BW Argon was safely delivered from Fukuoka shipyard in January 2016 and is now in active service on water. WH spoke with Captain Uday Yellapurkar, Chairman of the board of WOMAR, to understand the newest vessel type in BW’s fleet.

BW has been building on its presence in stainless steel chemical tankers since the late 2000s. The Group recently enhanced its service offering in this segment with an en-bloc acquisition of a fleet, bringing the vessel count to 13. The vessels, which will be transporting various chemicals and products, include newbuildings with delivery dates between 2015 and 2018.



The stainless steel chemical fleet will be commercially managed by WOMAR, in which BW has a 50 per cent stake. WOMAR is a tanker pool operating company specialising in oil and chemical tanker with tonnage up to 30,000 DWT.

Defining a Chemical Tanker

A chemical tanker can be somewhat of a misnomer because a typical tanker can carry a whole range of fluids such as Clean Petroleum Products like gasoline, edible oils, palm or vegetable oils (for making soaps and shampoos, biofuels and sulphuric and other strong acids. Says Captain Uday, "the key is to manage the complexity of special safety and health

requirements of various products, ensure that there is no contamination, and offer efficient logistics throughout the entire process from chartering to delivery".

Defining a Pool

A pool is an arrangement between shipowners to bring or pool together vessels of similar types and sizes, with a central Pool Management which deploys vessels in the market to serve customers, negotiating voyage/time charter parties and contracts of affreightment and whose revenues are distributed to Owners in a transparent and neutral manner.

When a vessel enters a Pool, its earnings share is generally determined based on the vessel's earning capacity compared with other ships in the Pool and will typically take into account factors such as cargo capacity, speed, fuel consumption and its age. Comments Captain Uday,

"A pool makes good economic sense, where you can get better yield from the same resources. At WOMAR, all decisions are made impartially and democratically by members. Being part of a pool lowers costs and delivers superior customer service".

WOMAR also negotiates the best prices and terms from the suppliers (bunkers, tugs, port services, cleaning chemicals) using the combined volumes to reduce overall costs. WOMAR constantly coordinates between cargo customers, terminals, ship managers and the master and crew aboard for safe and efficient operations.

Standing Out from the Rest

BW's newbuild chemical tankers are built at leading shipyards reputed for building high quality specialized stainless steel tankers, Fukuoka Shipbuilding and Shitanoe Shipping in Japan. These tankers offer customers the ability to carry a whole range of cargoes including corrosive acids which cannot be carried on tankers coated with paint (instead of stainless steel). With a good fleet of chemical tankers, BW is well placed to provide quality service to its customers through WOMAR. **wh**

Best in Class



BW's latest LNG Carrier newbuildings boast new technologies and innovations in the LNG sphere.

capacity of

170,150
cubic metres

maximum

750
million standard
cubic feet per day

FSRUs can sail up to
a design speed of

19.5 knots

As one of the world's largest owner and operator of liquefied natural gas carriers, BW LNG strives to stay abreast of new technology and innovation in the LNG sphere, in order to adapt to the ever changing external environment. This is exemplified by the development in the fleet: from the first steam engine vessel, BW GDF Suez Boston, delivered in 2003 to the latest Tri-fuel Diesel Engine ("TFDE") vessel, BW Pavilion Leeara, delivered last year. In 2014 and 2015, BW LNG signed shipbuilding contracts with Daewoo Shipbuilding and Marine Engineering Co, Ltd ("DSME") for M-type, Electronically-Controlled, Gas-Injection ("MEGI") twin engines LNG carriers, further illustrating our drive for adaptability and innovation.

The newly ordered vessels are the latest technology available in the industry. Besides the highly advanced MEGI engines, the carriers also boast gross capacities of 173,400 cubic metres, GTT N096-GW cargo containment systems as well as DSME's partial re-liquefaction systems. With the partial re-liquefaction system on board, the new vessels will be able to reduce the boil-off rate to as low as 0.075% by re-liquefying boil-off gas back into the cargo tanks. With low boil-off rates and speeds, the vessels will be able to maintain efficient fuel consumption levels, thus enabling charterers to save on fuel and boil-off gas.

Thanks to the in-house technical team, BW Fleet Management, BW is able to add significant enhancements on top of standard yard specifications. Specifications such as increased capacities in the gas combustion units and vapour return compressors allow the BW newbuildings

an edge over the competition in the market. All newbuildings within the BW Group are modified and supervised on site by BW Fleet Management.

The new vessels are expected to be delivered between now and 2019 and will be important instruments in driving BW's growth ambitions in the LNG segment.

FSRU

Following the successful commencement of operations of Floating Storage and Regasification Unit (FSRU) BW Singapore in Egypt, all eyes are set on BW LNG's second FSRU currently being built at Samsung Heavy Industries in South Korea. The second FSRU, Hull 2118, is a sister vessel to BW Singapore and hence, will have similar if not improved specifications.

Key highlights of the two vessels include: capacity of 170,150 cubic metres, GTT Mark-III reinforced membrane cargo containment system, dual-fuel diesel engines ("DFDE"), open-loop vaporisers as well as regasification output range from 50 to 750 million standard cubic feet per day ("mmscfd"). At the maximum send-out rate of 750 mmscfd, this translates approximately to 4500 MW of baseload power generation or 4.5 million tons of LNG per annum.

With the DFDE propulsion system, the FSRUs can sail up to a design speed of 19.5 knots (at 21% sea margin) and are also capable of operating as fully functioning LNG carriers without any restrictions.

BW LNG is looking forward to the delivery of Hull 2118 in November 2016 and to continue providing long-term energy solutions to our customers. **wh**

In the Spotlight

Birgitt Anderson, a constant figure in
BW's LNG division

“I am proud to be one of the few women working in the industry and having contributed towards the establishment of the Women's International Shipping and Trading Association (WISTA) in Norway.”



When did you join BW?

Time flies – it has been more than 30 years since I graduated from ADH (University of Agder) with a Bachelor in Shipping Administration. I applied for two jobs, was lucky enough to get both and I chose Helge R. Myhre (HRM), which was a shipping company with smaller gas vessels. HRM later merged with Havtor, which was acquired by Bergesen and thereafter World-Wide Shipping which of course became BW.

How has your career path developed over the years? Was there any unexpected turn of events?

I started working in the chartering department as an operations assistant and a few decades later here I am, still in the commercial department. In the early eighties, the work environment was, to put it mildly, different from what we have today. Most communications with the vessels were by telex and telegrams. There were, needless to say, no mobile phones and computers in those days and the duty person had to be physically present in the office – evenings and week-ends.

There were not many women in the shipping industry either in that era. There were instances where some callers had requested to switch to a male colleague after having a female voice answering the phone. Despite so, I am proud to be one of the few women working in the industry and having contributed towards the establishment of the Women's International Shipping and Trading Association (WISTA) in Norway, where I sat on the board for several years.

In those days, the commercial departments

for tankers, dry cargo, gas and petrochemicals were on one floor and the working pace was intense. While working there, I gained broad experience in gas transportation including ethylene, petrochemicals and chemicals.

In the late nineties, a decision was made to re-enter the LNG market. The timing looked right with comparatively low newbuilding prices from South Korea and with high barriers to entry into the relatively protected market.

At that time I operated two Moss-type 30,000 cbm LNG tankers and was then naturally involved in the LNG project. The initial DSME vessel was ordered on speculation but very shortly after, a contract was awarded and the optional vessel was declared, which then was placed with the same charterers. In order to ride on the wave, another option was declared. Unfortunately, shortly thereafter the September 11 incident took place in the US and no charterer wanted to hire a LNG vessel.

It took a while before normal activity resumed in the market. When it did, we came back strong with a whole string of deals. Firstly, a "one of a kind" deal was made for Berge Arzew, followed by four vessels chartered to Nigeria LNG (NLNG). Then came the awarding of four additional vessels to NLNG from a tender as well as BW GDF Suez Paris and BW GDF Suez Brussels, which were also awarded based on a public tender by GDF Suez (now Engie).

This was considered to be an extensive newbuilding program at that time, even if it

might seem moderate compared to what BW has done in the last two years. The learning curve was steep for the entire organization – both in terms of technology and trade. After some years and at the peak in the freight market for LNG, a decision was made to order two new vessels on speculation, which are now placed with Unipeac on three-year charters. We currently have a number of vessels on order that will be equipped with the latest technology.

What do you consider a vital skill in your role.

Every vessel comes with a contract that needs to be monitored continuously. Most of BW's contracts are for 20-year durations, and it is important to have a close dialogue with the charterers in order to understand their needs. It is very often proven that changes initiated by the charterers turn out to be for the common good. In order to effectively capture charterers' issues and challenges, there must be continuous and open informal dialogue so that we are not caught by surprise. It is imperative to comprehend that most of the charterers' demands are usually imposed on them by their stakeholders and customers.

Tell us a little known fact about yourself.

Being a Norwegian means that a major part of my time is spent outdoors. This year alone I have spent approximately 50 days in the mountains skiing and 50 days in the oceans sailing. This means that very few weekends are spent at home. But when I do, I have a small passion for collecting old nice objects at a local flea market early on Sundays. The collection is piling up and my husband is wondering when we are going to have a garage sale! **wh**

Visiting Manila and Mumbai

BW Group CEO Carsten Mortensen and Managing Director of BW Fleet Management Lars Pedersen visit BW's manning offices to understand more about their operations and contributions to the company



“Our colleagues in these offices help manage the careers of nearly 5000 seafarers and their work is critical to the smooth functioning of the Group. I would like to thank them for their steadfast work and loyalty to BW.”

– Carsten Mortensen



In April, BW Group CEO Carsten Mortensen, accompanied by Managing Director of BW Fleet Management Lars Pedersen, flew to India and the Philippines to visit BW’s manning offices.

The Mechanics of Manning

This was Carsten’s first visit to the offices and during the visit he met office staff as well as Senior Fleet Officers and cadets. A visit to the countries allowed Carsten to understand and appreciate in better detail the opportunities in the countries, and how to continue growing the leadership and team. Says Carsten, “This has been a long-overdue visit to our manning offices. I was very impressed with the operations, and it is certainly great to see the BW values being lived in both locations. Our colleagues in these offices help manage the careers of nearly 5000 seafarers and their work is critical to the smooth functioning of the Group. I would like to thank them for their steadfast work and loyalty to BW.”

Lars commented, “A visit by our Group CEO is always a great morale booster to colleagues based at satellite offices, and shows that their hard work is appreciated. I have gained from this trip, and now better understand the unique challenges our seafarers face, and how we can help create a better workplace for them at sea and on shore”.

History of the Two Offices

Philippines

In January 1988, Havtor Management (Philippines) Inc. officially opened its doors with a handful of employees, successfully deploying seafarers in the first month of operations to vessels of Havtor Management, a Norwegian shareowner and co-founder of the company. In June 1995, Bergesen acquired Havtor and the company changed its name to Bergesen D.Y. Philippines, Inc. In January 2006, the company was renamed BW Shipping Philippines Inc. after the

merger of Bergesen with World-Wide Shipping. Twenty-five years later, the handful of employees has multiplied six times and seafarers a hundredfold and BW Shipping Philippines Inc. is considered one of the top employers of quality seafarers in large gas and tanker fleets. The Philippines Office is presently headed by Rosalinda Cruz.

India

World-Wide Shipping and Bergesen had been employing Indian seafarers for over three decades, initially through various manning agents and then through a liaison office which started operations in 2000. In January 2006, the India Branch Office (IBO) began operations in Mumbai and this looks after the Company’s interests in India and carries out all Indian Manning related activities for vessels owned or managed by the BW Group and its principals. The IBO is presently headed by Captain Lavji J. Mistry. **wh**

Running like Clockwork

BW takes delivery of the last of 14 Medium Range Product Tanker Newbuildings

“It is impressive that the Maintenance and Projects department took over legacy designs from the previous owner, and in a short amount of time and with limited room to change specifications, managed to make amendments to deliver vessels that are a better fit for our trade. Heartiest congratulations to the team!”

– Jakob Hjortlund, Head of Global Operations, BW Pacific

Seizing Opportunities in the Market

The Maintenance and Projects department began to study Medium Range product tanker (MR) specifications at the beginning of 2014, where there were some good opportunities in the market for acquisition. Over a short few months, the team evaluated 14 specifications from various shipyards, to finally decide on three projects for a total of 22 vessels. The Maintenance and Projects department worked very closely with the Sales and Projects team to ensure that technical and commercial evaluations were done quickly so that well-considered decisions could be made at short notice.



Defining an MR

An MR is a product tanker in approximately the 40,000 dwt to 55,000 dwt size range with internally coated tanks to prevent corrosion and facilitate cleaning when switching between cargoes. They are capable of transporting about 50,000 to 55,000 cubic meters of products, primarily refined oil products such as gasoline, diesel oil, jet fuel, and naphtha. These ships in 2016 have averaged year to date earnings of about US\$ 18,000 per day.

A Tall Order

With little spare resources, the Maintenance and Projects department embraced the challenge head-on, in the form of managing a total of 22 MRs, eight on water and the rest in various stages of construction at shipyards. Working closely with multiple shipyards in Korea, it took the team a fair amount of tact, determination and cultural awareness to build a solid relationship with the people on the ground.



Says Senior Manager (Maintenance and Projects) Kapil Berry, “We have a healthy working relationship with the shipyards. Despite the financial crisis experienced in some Korean shipyards, the yard management whom we worked with always gave BW ships priority and catered to our requests. As a result, all vessels were delivered successfully and the delay over the whole project was just a month - which was excellent given challenging market conditions”.

Standing Out

These MR newbuildings are high quality ships built to satisfy all requirements for the trade they engage in. They have also been given enhancements, such as premium grade hull coatings to provide better protection and optimize fuel consumption; broadband availability to ensure a future-proof communications platform; and installation of ballast water treatment systems. Furthermore, those 22 vessels are of IMO Type 11/111 specifications, of which 8 are

operationally ready to transport certain chemicals and vegetable oils. Says Jakob Hjortlund, Head of Global Operations at BW Pacific “It is impressive that the Maintenance and Projects department took over legacy designs from the previous owner, and in a short amount of time and with limited room to change specifications, managed to make amendments to deliver vessels that are a better fit for our trade. Heartiest congratulations to the team!”

Round-the-Clock Work, like Clockwork

Taking delivery of 14 newbuildings over a period of 21 months is akin to receiving 0.7 of a vessel every month for close to two years. It is intense work and requires many teams to work seamlessly together. Kapil comments, “The supervision of these vessels during construction was outsourced, however we placed BW Superintendents on site to ensure that the ships were

built to BW standards and were fit for purpose for our business after delivery. For colleagues at site, such as Rajesh Sapre (Technical Superintendent), Kishore Prabhu (Fleet Manager), Amar Sood (Chief Engineer) and Syed Hafiz (Naval Architect), it meant very long periods away from family and loved ones. Their commitment to work is very much appreciated”.

Safety as Priority

Even at their busiest, BW representatives made sure that safety was given the utmost attention and top priority at site – through actions such as making sure staff had on proper PPE at all times, and conducting strict safety briefings for visitors. These helped ensure a perfect safety record during the entire course of the project.

WH congratulates everyone involved for many jobs well done. **wh**

BW GROUP FLEET: 161 VESSELS

As of 11 May 2016



Very Large Gas Carriers

No. of vessels: **38**

Year of construction: **1990-2016**

Average age: **9.1**

Cargo carrying capacity: **78,000-84,000 CBM**

Areas of operation: **Worldwide**



Large Gas Carriers

No. of vessels: **5**

Year of construction: **1991-2003**

Average age: **18.2**

Cargo carrying capacity: **58,050 CBM**

Areas of operation: **Worldwide**



LNG Carriers & Floating Storage and Regasification Units

No. of vessels: **16**

Year of construction: **2003-2015**

Average age: **8.4**

Cargo carrying capacity: **138,000-170,000 CBM**

Areas of operation: **Worldwide**



Very Large Crude Carriers

No. of vessels: **10**

Year of construction: **2000-2012**

Average age: **10.4**

Cargo carrying capacity: **298,600-320,000 DWT**

Areas of operation: **Worldwide**



Long Range 1 Product Tankers (LR1)

No. of vessels: **17**

Year of construction: **2004-2010**

Average age: **7.8**

Cargo carrying capacity: **72,800-76,600 DWT**

Areas of operation: **Worldwide**



Medium Range Product Tankers (MR)

No. of vessels: **22**

Year of construction: **2013-2015**

Average age: **1.6**

Cargo carrying capacity: **49,999 DWT**

Areas of operation: **Worldwide**



Offshore Fleet

No. of vessels: **17**

Year of construction: **2002-2012**

Areas of operation: **North and South**

America, Europe, Asia Pacific, Africa



Chemical Tankers

No. of vessels: **6**

Year of construction: **1997-2016**

Average age: **8.7**

Cargo carrying capacity: **19,400-22,000 CBM**

Areas of operation: **Worldwide**



Newbuildings

Very Large Gas Carriers: **6**

Floating Storage & Regasification Unit: **1**

Liquefied Natural Gas Carriers: **4**

Chemical Tankers: **9**

LR1 Tankers: **6**

MR Tankers: **4**

TOTAL: **30**

Around the World

1. **2016 Trade Finance Awards**
BW LPG wins an award for its debt facility of USD 400m at the 2016 Trade Finance Awards held in Singapore on 24 February 2016.

2. **Creative expressions**
Colleagues from BW Maritime, BW Fleet Management, BW LPG and BW Offshore's premises came together at BW Offshore's premises for a 1.5-hour lunchtime workshop on screen printing. Each participant went away with a personalized bag, and knowledge on how to print on fabrics.



3.
An auspicious gift for a decade-long relationship
Commemorating 10 years of close cooperation, Qingdao Beihai shipyard organized a simple yet meaningful gift exchange ceremony at their premises in April 2016.

4.
A quarter of a century with BW
On 14 April 2016, Captain Juan Rafael Menendez Castano and Chief Engineer Rune Ingvold Olson were presented with a gold watch each for 25 years of loyal service to BW.

3



4



5.

Curling stones

The BW LNG team went for a session of curling to get their competitive streaks going. Curling is a sport in which players slide stones on a sheet of ice towards a target area. Specialized fun for a specialized team!

6.

Equator crossing ceremony

A picture sent by Leif Einar Olsen, the Captain of LNG carrier BW Pavilion Vanda, shows him and his crew engaging in a bit of tradition and gentle fun. As the vessel crossed the equator, King Neptune and his royals paid the ship a "visit", and "baptised" four crew members who passed this important circle of latitude for the first time. We wish the new cadets, the Captain and his crew many more safe passing of the Equator.

5



6



7.

A financial milestone for BW Singapore

The signing ceremony for the BW Singapore US\$216 million loan facility was held on 21 March 2016 at BW's office. The loan facility is provided by Crédit Agricole Corporate and Investment Bank, with support from Korea Trade Insurance Corporation (K-Sure). Congratulations to all who were involved!

7



8. **Another operational milestone for BW Singapore**
This picture shows BW Singapore together with Corcovado LNG during a Ship-to-Ship transfer. During this STS operation, BW crossed its second million cubic meter of LNG loaded in Ain Sokhna, Egypt. Congratulations to BW Singapore's Captain and crew!

9. **A chip off the old block**
Stephen Harper, Head of Legal, Shipping and his 19-year-old son Alexander set off for the summit of Mount Kinabalu on the morning of 12 April from Laban Rata Lodge with 34 other groups. The conditions were so tough, only 14 groups made it. WH is glad that both father and son made it to the top and back down again safely. Congratulations!

10. **Snowman on board**
A lighthearted moment onboard BW Cougar, where a snowman visited the crew onboard. We think Mr Snowman has a very fashionable mop of hair.

11. **A well trained ship is a safe ship**
Two crew onboard BW Swift show how to don immersuits, which will keep them alive and warm in times of distress overboard. Drills are an important part of how we keep our ships operationally ready and prepared for emergencies.

8



9



10



11



12.

BW GDF Suez Boston to the rescue

In December, BW GDF Suez Boston received a distress call from an adrift sailing vessel requesting assistance, which had no engine power and a ripped mainsail. For the team's valiant rescue efforts, they received a letter of commendation from the United States Coast Guard, which is reproduced beside. The survivor is pictured at top row, fourth from left.

12



U.S. Department of
Homeland Security

United States
Coast Guard



Commander
U.S. Coast Guard Sector San Juan

5 Calle La Puntilla
San Juan, PR 00901-1819
Phone: (787) 729-2300
E-mail: robert.w.warren@uscg.mil

16100
January 12, 2016

M/V BW GDF SUEZ BOSTON

Attention: Captain Rafael Menendez,

Dear Mr. Menendez,

I heartily commend the officers and crew of M/V BW GDF SUEZ BOSTON for the assistance rendered to the S/V RAHURST approximately 50 nautical miles west of Grenada.

In the early evening hours of December 29th 2015, you alertly recognized that the sails of the S/V RAHURST were heavily damaged and that the crew of the vessel was in distress. Once on scene, you deftly maneuvered your 908 foot tanker alongside the distressed vessel and safely rescued the one person onboard. You unselfishly made several attempts to salvage the damaged sailing vessel before determining that towing it was not a safe option. The survivor was brought onboard your vessel and was confirmed to be in good health. He claimed to be a U.S. citizen but did not have any identification as it was left onboard the sailing vessel. Despite being much closer to islands in the southern Lesser Antilles chain, you generously volunteered to alter your planned transit route north to disembark and transfer the survivor off shore along the south coast of Puerto Rico to the Puerto Rico Maritime Police. Once in Puerto Rico, the survivor was able to quickly obtain a certified copy of his U.S. passport and return to the continental U.S.

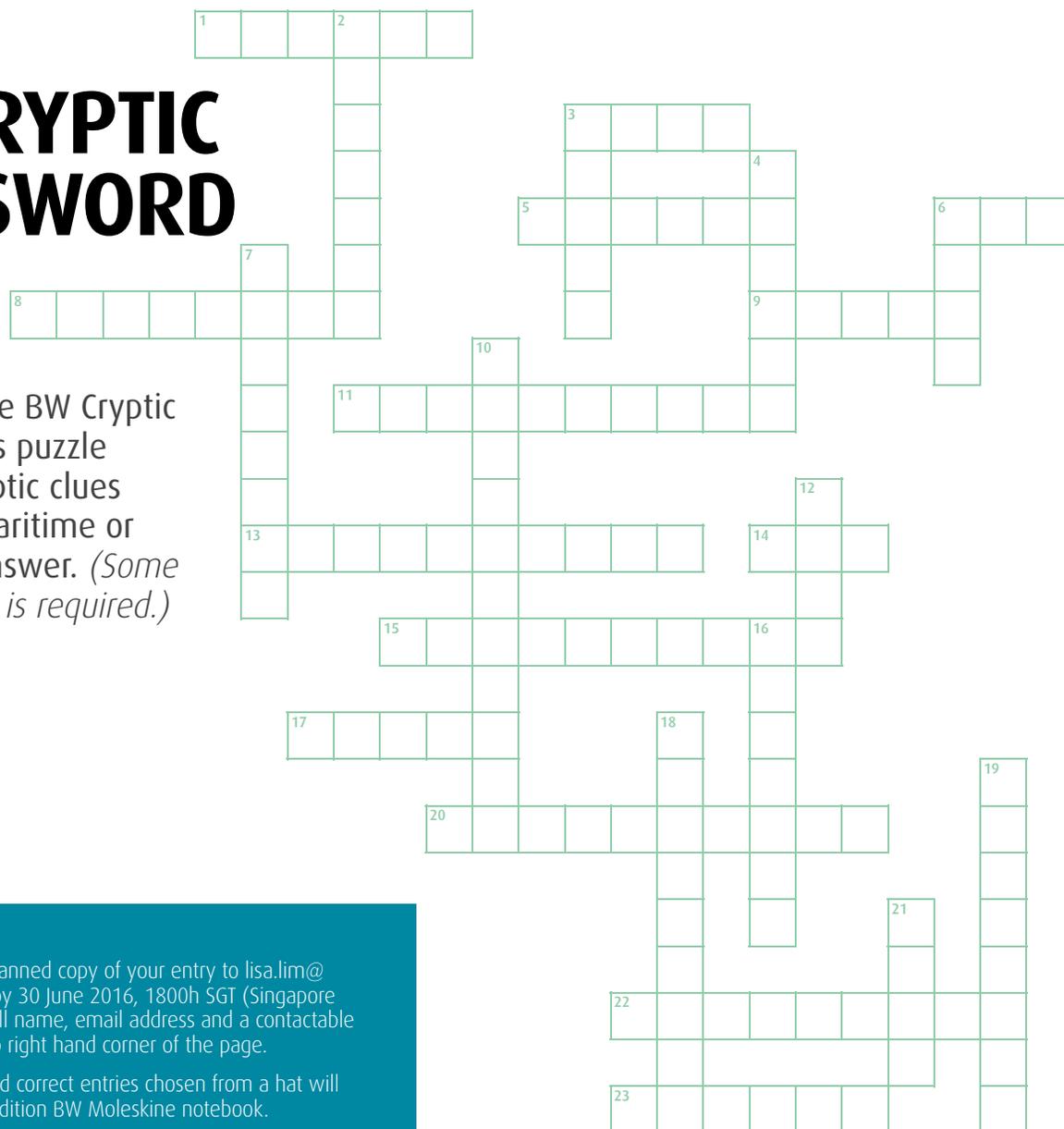
The actions of the officers and crew of the M/V BW GDF SUEZ BOSTON are in keeping with time honored traditions of mariners assisting those in peril at sea. Thank you for your generosity and professionalism.

Sincerely,

R.W. Warren
Captain, U.S. Coast Guard
Commander, Sector San Juan

BW CRYPTIC CROSSWORD

Welcome to the BW Cryptic Crossword. This puzzle consists of cryptic clues all having a maritime or BW-themed answer. (Some lateral thinking is required.)



Contest rules:

- Please submit a scanned copy of your entry to lisa.lim@bwmaritime.com by 30 June 2016, 1800h SGT (Singapore Time) with your full name, email address and a contactable number on the top right hand corner of the page.
- Three complete and correct entries chosen from a hat will receive a limited edition BW Moleskine notebook.
- Winners will be notified via email. Answers will be revealed in the next edition of World Horizon.

Across

1. a village, a sea, a region and a plate (6)
3. liquid, dry and in abundance (4)
5. part western saddle yet critical for dockings (6)
6. commonly seen after transshipment and trading (3)
8. the result: a lien (8)
9. EW22 – now a national hybrid (5)
11. simplicity, efficiency, accountability (10)
13. between big and small, purely out of necessity (10)
14. originally without freight (Incoterm) (3)
15. prevailing news (10)
17. all beyond liners (5)
20. ?, Douglas, Peel, Ramsey (10)
22. for rest at sea (9)
23. of London (6)

Down

2. less than a mille and old (7)
3. the second letter followed by payments due under a lease (4)
4. a game and place (6)
6. instrument of Africa (4)
7. adj. various/example: LLVLL (8)
10. WorldWide's first (11)
12. green, slick and for super cold storage (4)
16. berth like a Martini (7)
18. transforming trade since $((10^3) + 6! + (12^2) + 5)$ (9)
19. aft with roots in puppis (8)
21. high, low, wide, narrow (4)

Special Thanks to...

35
Years

April

Tormod Madsen, Chief Engineer

30
Years

May

Kurt Jonny Markussen, Electrical Officer
Henry Vareberg, OIM

25
Years

April

Taladtad Gerry Pelayo, Bosun
Sison Wilfredo Santiago, Bosun
Singh Kameshwar, Chief Engineer
Wiggins Nigel, Master
Liwanag Armando Ocampo, 2nd Engineer

May

Galang Fermin Miranda, 2nd Cook
Howard Ian David, Master
Kjetil Næss, Chief Engineer
Torfinn Buarøy, Fleet Senior Advisor
Edgars Lulaks, Maintenance Supervisor

June

Gunnar Skorgen, Marine Superintendent

20
Years

April

Mendoza Vincent Bernard Arellano, Repair Team Fitter/Welder
Antonio Enrique Resma, Able Seaman
Mendoza Rommel Manalo, Bosun

May

Tamayo Rodan Elona, Reefer Man
Mercullo Felino Jr. Balois, Bosun
Simon Marlon Sanchez, Chief Engineer
Detubio Edwin Delamarca, Oiler
Quilnat Arnulfo Ramirez, Oiler
Toledo Renan Rull, Bosun
De Villa Romel Garcia, Engine Fitter
Camenforte Jovito Monasterio, Bosun
Frank Anders Saltnes, 2nd Engineer
Geir Ståle Mek, Chief Engineer

June

Erispe Alejo Jr. Arzaga, Motorman
Torredes Reynaldo Paraguya, Able Seaman
Sucatron Edwin Borcillo, Able Seaman
Baguio Reynaldo Raot-Raot, Bosun
Adajar Rodrigo Castillo, Bosun
Leyson Peter Cris Tirades, Able Seaman
Banluta Nicanor Jr. Cabelto, Reefer Man
Tupaz Dennis Rulloda, Chief Stwd Cook

15 Years

April

Dalanon Clemente Ferdinand Bartolata, Electro Technician
Avena Emerson Pasion, Chief Engineer
Silla Eugene Palma, Chief Officer
Manulat Junerei Capuno, Able Seaman
Madayambath Biju, Bosun
Shekhawat Subhash Chander, 2nd Engineer
Singh Pradeep Kumar Ramashankar, Master
Secapuri Michael Sagge, Able Seaman
Qingkang Zhang, General Manager China
Genesis Distrito Della Torre, Marine Superintendent
Teddy Nilo Lamorena Guevarra, Maintenance Supervisor
John Roymon Kunnampallyil, Sr. Mechanical Technician

May

Cabug-Os Edmar Martinez, 3rd Officer
Talay Jerry San Jose, Reefer Man
Parrocha Joe Allan Tubera, 2nd Engineer
Tenizo Emerson Dequit, Chief Stwd Cook
De Guzman Richard Sunpongco, Able Seaman
Langaman Eddie Salvador, Cargo Engineer
Pinto Judas, Able Seaman
Prabhu Atul Sudhakar, Chief Engineer
Bhandoola Uday, Chief Engineer
Ruiz Erwin Landicho, Chief Cook
Terencio Arnel Ortega, Able Seaman
Basuel Rolando Imperio, Electrical Officer
Coronado Nolan Guion, 3rd Engineer
Canares Romeo Apas, 4th Engineer
Erwin Junadi, E & I Supervisor

June

Larisma Rodillo Rosos, Able Seaman
Sobremisana Arturo Jr. Edar, 3rd Engineer
Cajumban Ronaldo Senson, Master
Bernert Leon Gabriel Tony, Engine Fitter
Kandy Vinayaraj Kannothe, Electrical Officer
Mijares Geoffrey Hermosura, Bosun
Longanilla Romeo Baldevizo, Able Seaman
Mijares Geoffrey Hermosura, Bosun
Longanilla Romeo Baldevizo, Able Seaman
Michael Raymond Manton, Senior Engineer Marine
Vladimirs Alunans, Gp Marine / Crane Operator
Godam Januar, Production Superintendent
Yusup Suhada, Sr. Mechanical Technician

10 Years

April

Lim Ernesto Carbonel, Chief Engineer
Singh Dilbagh, Chief Engineer
Lim Eduardo Millare, Marine Operator
Tugab Melquiades Flores, Utility Operator
Rojo Christopher Barcenas, Able Seaman
Joanit Vicente Gomes, Gp Maintenance
Grodet Arcadius Nicodeme Maberri, General Purpose
Idriss Martial Massamba, Assistant Safety Officer
Mathew Sha, Production Superintendent

Albert Tjeck, General Purpose
Joanit Vicente Gomes, Gp Maintenance
Grodet Arcadius Nicodeme Maberri, General Purpose
Idriss Martial Massamba, Assistant Safety Officer
Mathew Sha, Production Superintendent
Albert Tjeck, General Purpose

May

Mombay Anell Salcedo, Reefer Man
Guieb Francisco Jr. Basug, Reefer Man
Dey Sanjoy, Master
Alphonse Fernando Regan, Able Seaman
Kumar Rabish, Chief Cook
Jan Fossgård, Head Of Portfolio Management
Lumasag Hope Yatoc, Gp Marine
Cabasa Ruben Benadera, Fitter
Agawin Edwin Encillo, Gp Marine
Banderada Ronilo Mancilla, Gp Marine
Cubal Edgar Plaza, Bosun/Crane Operator
Gili Merlin Guevarra, Pumpman
Rosello Teresito Ungui, Gp Marine
Tsalona Noel Nosce, Gp Marine
Maritza Beatriz Maldonado Contreras, Engineer Maintenance
Charlotte Badjo, Admin Officer
Ming Jin, Fabricaton Engineer
Merlin Guevarra Gili, Pumpman
Borobo Soki Niamby, Assistant Compressor Specialist
Robert Ian Koik, Oim

June

Delas Alas Felipe Jr Marasigan, Reefer Man
Bernardez Diven Jan Ventoza, 3rd Engineer
Olav Lyngstad, Vp Head Of Lng/Fsru & Supporting Depts.
N'guessan Antoine Yao, Payroll & Hc Assistant
Jinxiang Hu, Fabricaton Engineer
Wilson Vinodh Esuphadham, Dcs Specialist
Jonas Yemby, Process Operator
Arumugam Madasamy, Instrument Technician

Retired

February

Geir Osvold, Chief Engineer

April

John Edvard Sundby, Chief Engineer
Ian William Ross Campbell, Chief Engineer

June

Ciacico Jose Luis Ochoco, Engine Fitter



H E R I T A G E

As one of the world's largest privately owned shipping companies, our vessels and crew are at the heart of BW. Here, Dr Helmut Sohmen visits World Eminence to understand maintenance standards onboard. World Eminence was a 1975-built Very Large Crude Carrier from NKK Shipyard.
Photo taken 1 November 1993.

Published by

