

ALFA
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Marine & Diesel Division

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Industry mix and growth drivers

- Distribution of orders LTM September 2015

Ship building



Marine Environ.,
Gas & Energy



Offshore



Diesel power



Service



Driver

World trade &
Fleet capacity

Legislation and
fuel cost

Energy needs

Electrical power
needs

World trade

Share

46%

11%

11%

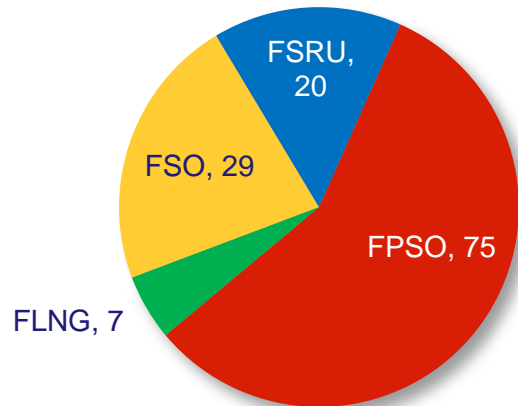
3%

29%

Offshore market outlook

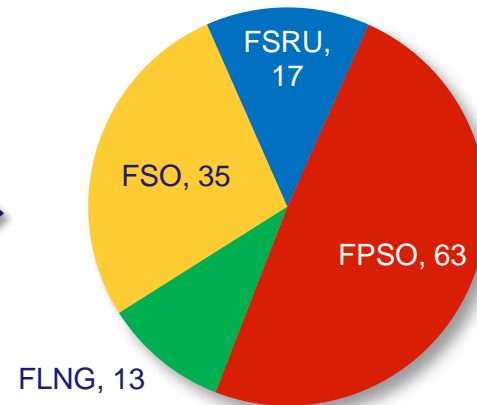
- Number of FPU orders on a global level

Number of orders 2010 - 2014



Total market = 25 FPU's per year

Forecasted number of orders 2015 - 2019



Total market ≈ 25 FPU's per year

- * Market size for the next five years estimated at same level as last five years, but at a lower pace in 2016
- * Floating Liquefied Natural Gas (FLNG) estimated to double

Order value opportunity; Offshore

FPSO



5-50 MEUR

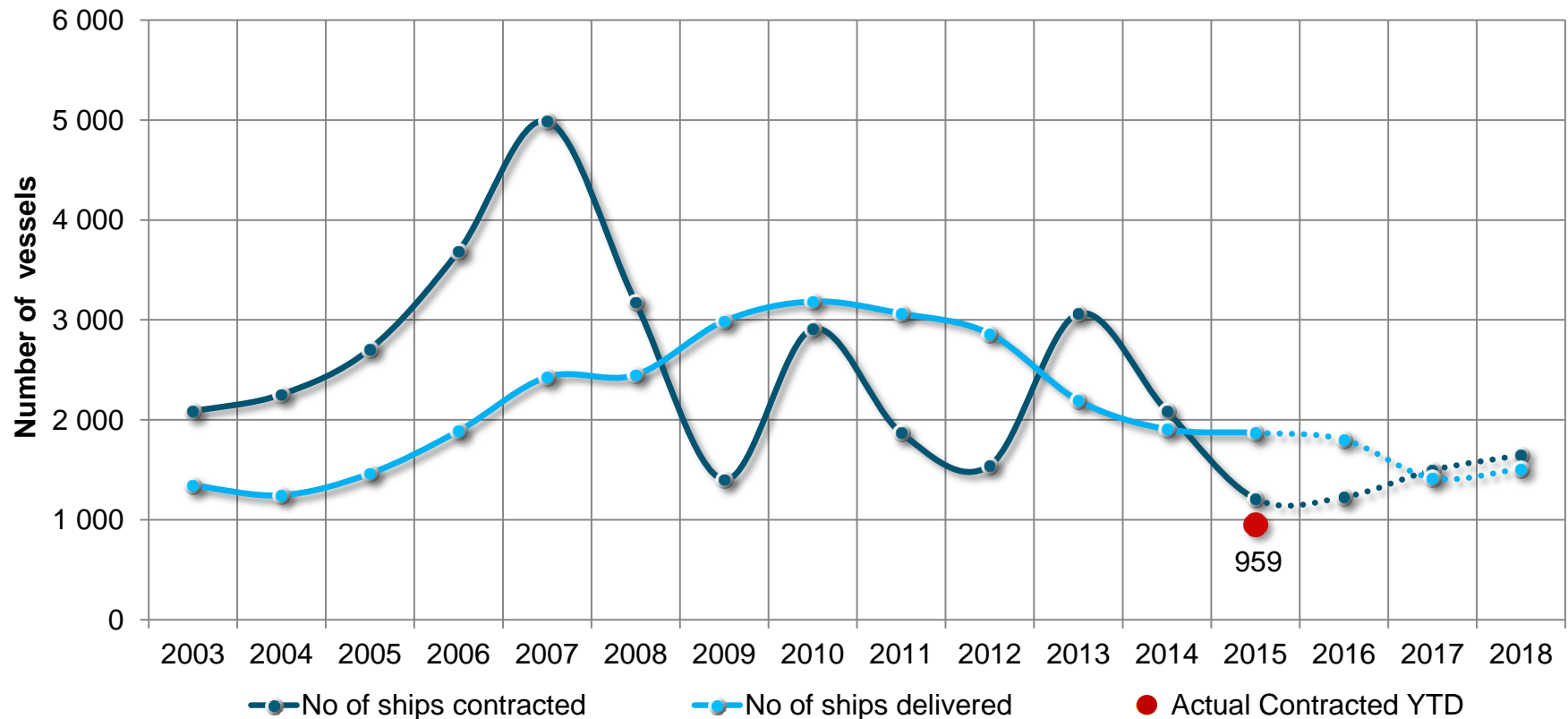
FLNG



15-90 MEUR

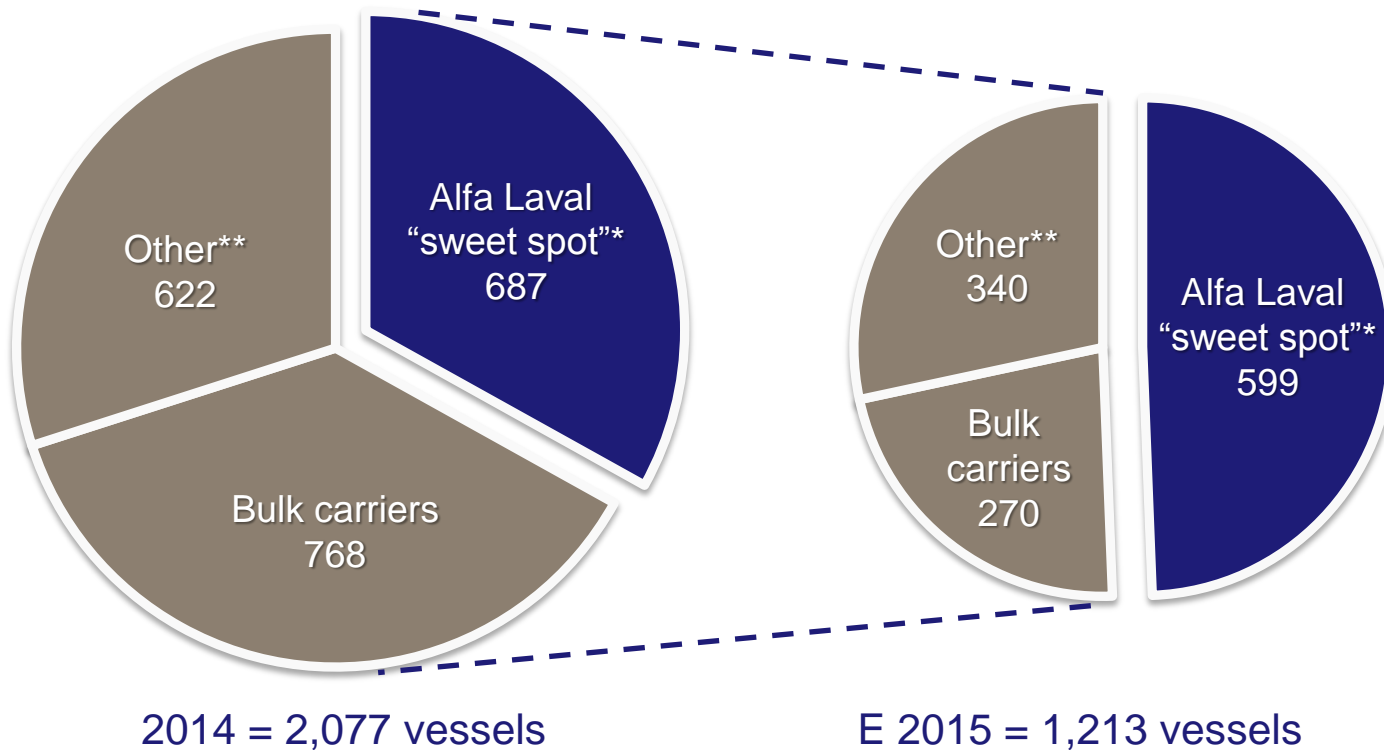
Yard contracting and deliveries

- October 2015, including all ships above 2,000 Dwt



Shipmix

- 2014 vs. estimated 2015, number of vessels

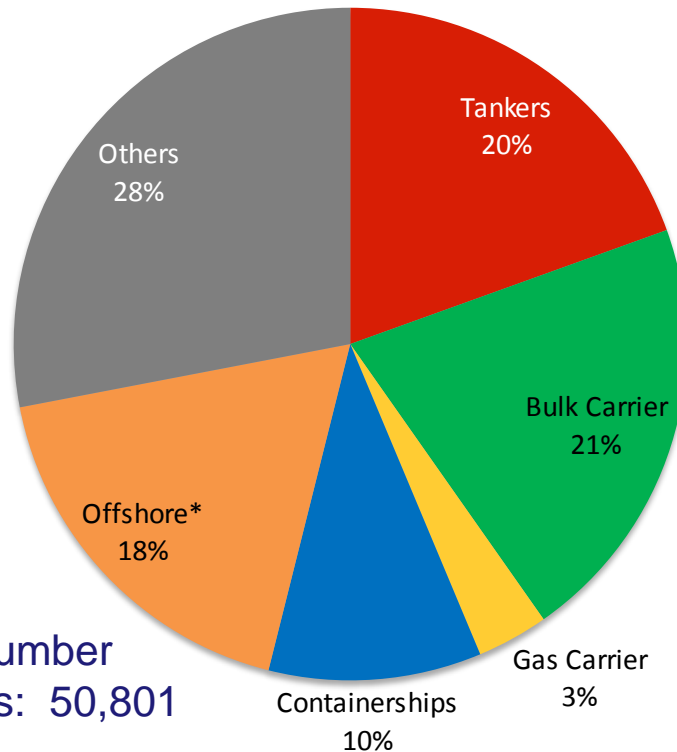


*) **Alfa Laval "sweet spot"**: Crude tankers, Products & chemical tankers, Gas carriers and Container vessels

) **Other vessels: General cargo & MPP, Reefer, Ro-ro & vehicle carriers, Cruise, Offshore and miscellaneous

World fleet per shiptype

- Number of ships above 2000 Dwt, 1st September 2015



Ship type	L10Y CAGR
Tankers	3.9%
Bulk carrier	5.6%
Gas carrier	3.9%
Containerships	3.6%
Offshore*	5.2%
Others	0.3%
Grand total	3.2%

*) Offshore excluding FPSO

Order value opportunity; Marine

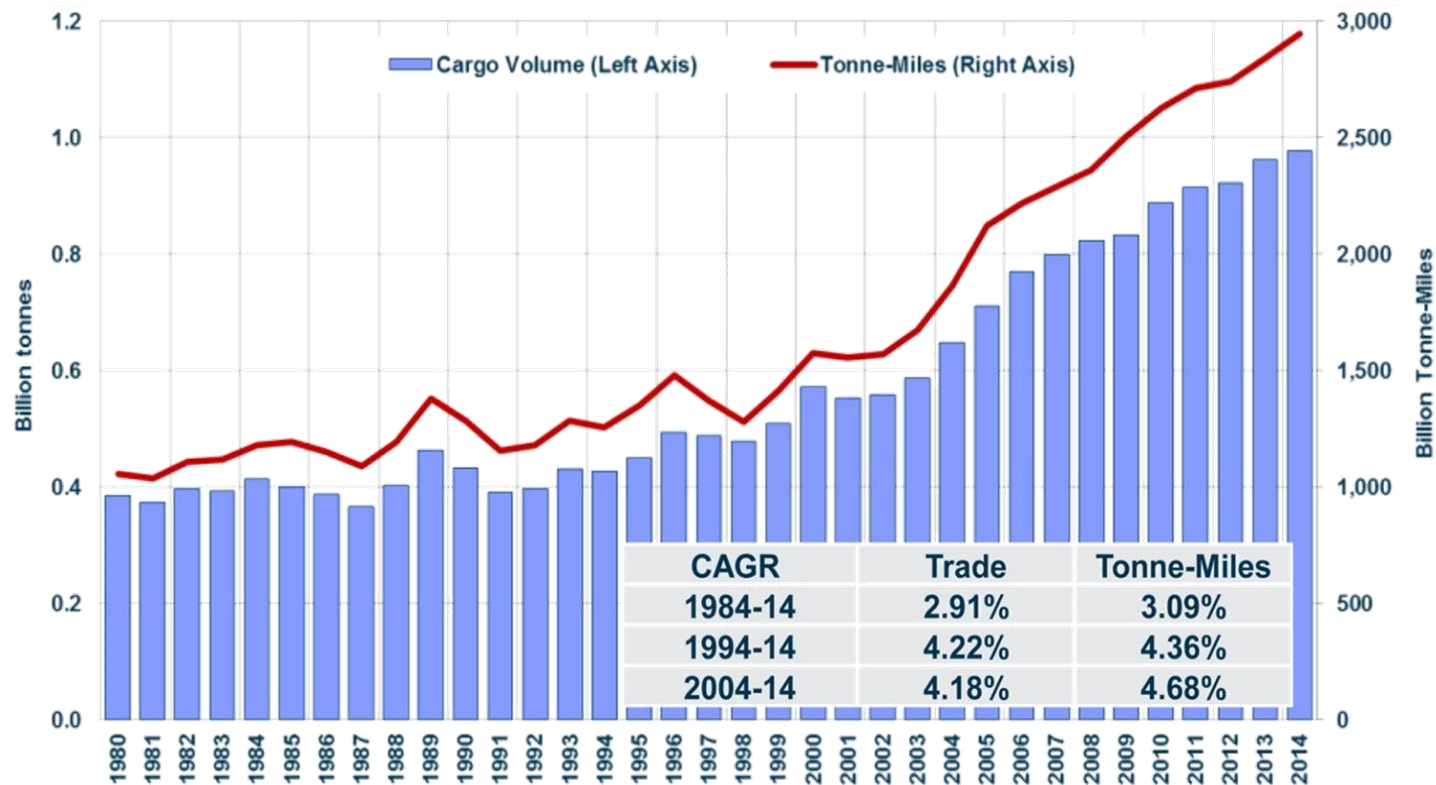


The order value opportunities:

- * Crude tankers: 0.9 – 2.2 MEUR
- * Product & chemical tankers: 1.5 – 6.0 MEUR
- * Gas carriers: 0.5 – 3.0 MEUR
- * Container vessels: 0.5 – 2.0 MEUR
- * Bulkers: 0.3 – 1.2 MEUR

1.5 – 2.5 MEUR more per vessel in case of LNG propulsion

World seaborne oil products trade



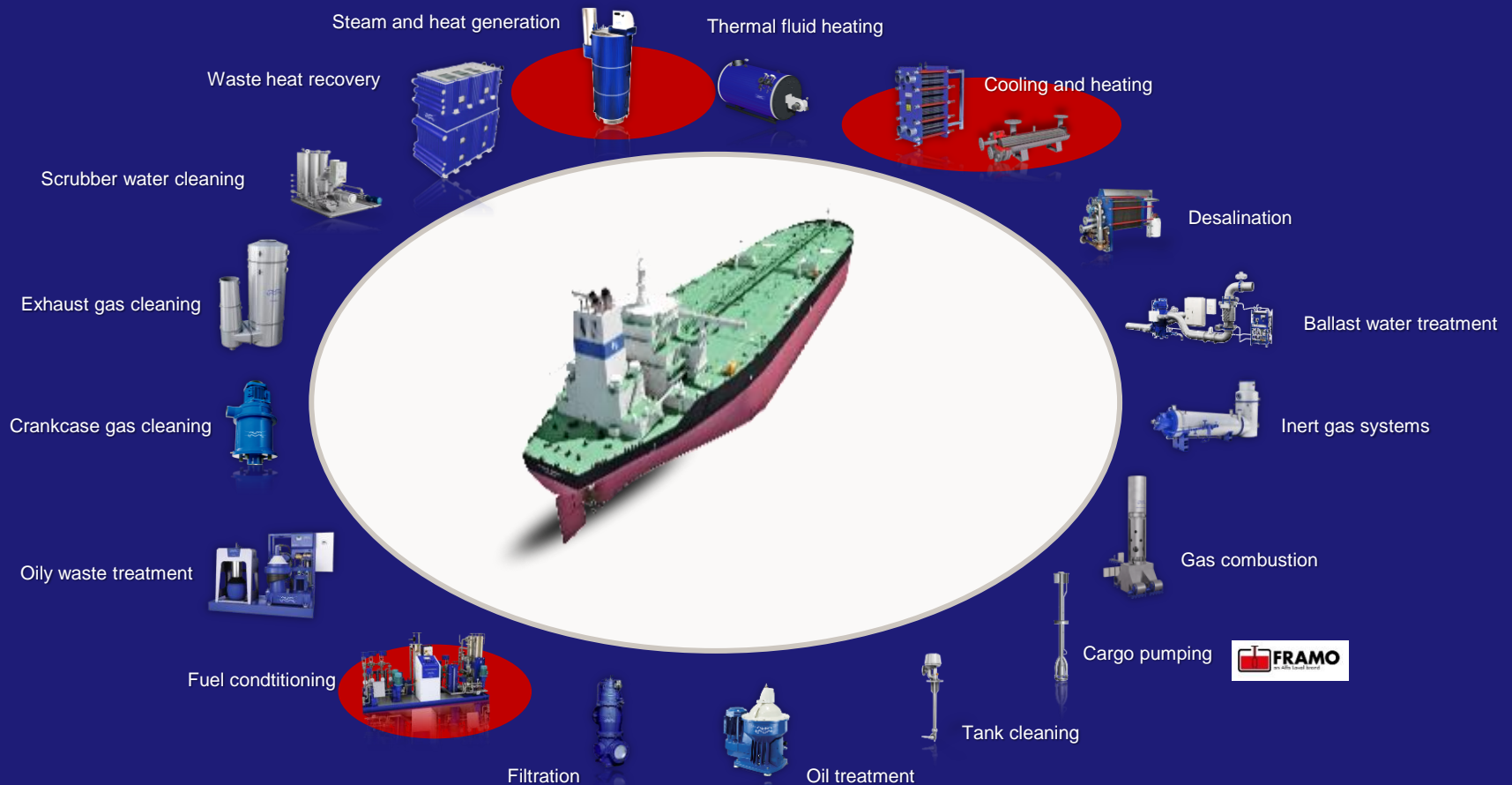
Source: Clarksons

www.alfalaval.com

Alfa Laval on board

- Product, system & application leadership

17 product groups



Additional opportunity

- Products & systems for LNG propulsion



Multi fuel conditioning modules



Heat exchangers

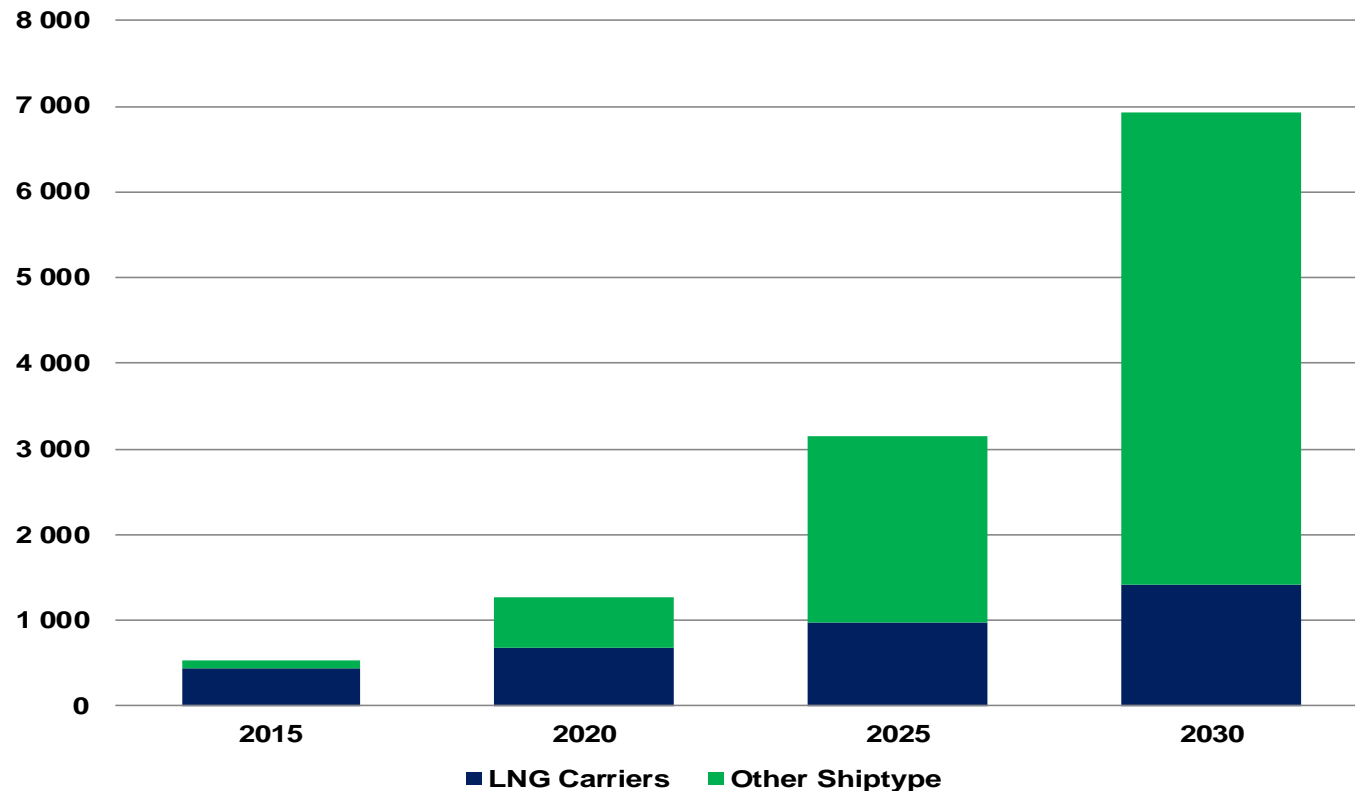


Multi fuel boilers & burners

Order opportunity 1.5-2.5 MEUR

LNG fuelled fleet

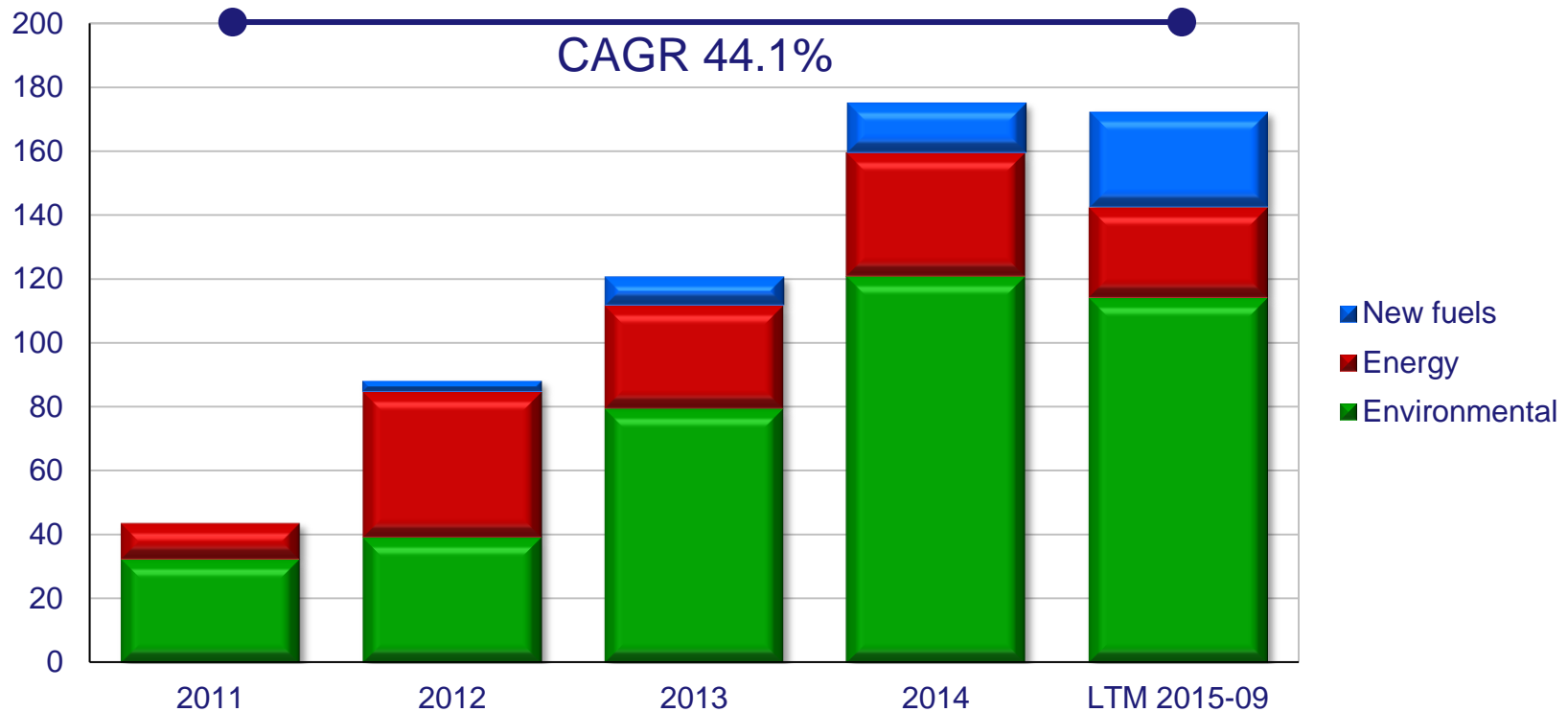
- Development 2015~2030



Other Shiptype includes: Container, Bulk carrier/General cargo, Tanker(Crude) and Tanker(Product/Chemical).
Source: Clarkson, LR Marine Fuel Trends 2030 report and DNV

Marine growth areas

- Orders received in MEUR



In conclusion...

- Marine & Diesel Division



- * For merchant vessels; tankers, gas carriers and containers are the most important ship segments for Alfa Laval.
- * For offshore vessels; the expected soft market for FPSO's the next 5 years will be counterbalanced by a stronger FLNG market, which has high order value opportunities for Alfa Laval.
- * Growth opportunities in environmental, energy-saving and new fuel products gives a higher order value opportunity per ship.

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