



Press release from NYK Reefers and LauritzenCool AB, 2005-08-22

## **‘Cool’ reefer merger at full speed ahead.**

**NYK Reefers and LauritzenCool have now received clearance from the European Commission to merge their reefer activities. The new company, NYKLauritzenCool AB, owned on a 50:50 basis by NYK Reefers and J. Lauritzen, will become one of the world’s largest reefer shipping companies, operating more than 70 specialised reefer vessels of various sizes, in all major reefer trades.**

Negotiations for the forming of a joint company have been going on since the beginning of this year when J. Lauritzen A/S and NYK Reefers agreed on a Memorandum of Understanding with the aim to merge their reefer activities, following a strategic co-operation and vessel sharing agreement launched in January 2004.

### **A perfect match**

Discussions have been nourished by several elements, one of which is the fact that the two companies’ activities match each other as pieces in a jigsaw puzzle.

“If you draw our respective trades and lines on a map, you’ll find that together they cover all major growing and consuming areas and match perfectly”, says Mr Torben Janholt, CEO of J. Lauritzen and Mr. Yamafuji, CEO of NYK Reefers, adds: “This goes for our respective strengths in business focus and organisation as well.”

They both emphasize that the creation of the new company is based on the mutually shared ambition to increase and improve customer services and to meet the challenges of the future reefer market. Financially, this will now be made possible through the combined economic strength of the two owners.

### **Few organisational changes**

NYKLauritzenCool AB will be based in Stockholm, occupying LauritzenCool AB’s former head office. NYK Reefers office in London will become branch office and continue to service their customers as earlier.

Mr. Mats Jansson, CEO, does not foresee any major organisational changes but rather minor adjustments as the merger progresses. “Our main task for the immediate future is to get our merged operations up and running at an optimum”, says Mats Jansson. “Our client contact staff will remain the same and gradually our clients will experience an improvement in our services,” Mr. Jansson affirms. “Local and regional business relations and responsibilities will remain decentralised to our offices in major markets around the world.”

### **Fleet of more than 70 reefers**

Following the merger, NYK Reefers and LauritzenCool join their respective fleets and the new company will hence operate more than 70 specialised reefers of different classes between 300,000 cbft and 760,000 cbft, most of them equipped with high container capacities and modern treatment facilities such as controlled atmosphere, CA.

### **Integrated logistics**

The deregulation of many exporting markets – resulting in a large number of smaller growers and exporters – and the conglomeration on the receiving side have put new, strong demands on reefer companies to extend their services into integrated logistics and information handling.

Consequently, NYKLauritzenCool will continue to expand the activities of its subsidiary, LCL, which provides integrated logistics solutions to the world’s perishable trades – providing local solutions with a global reach.

**Reefer business in transition**

The reefer business is undergoing an important transition. After a period of poor profitability, business is now more optimistic. At the same time consumption is increasing and new markets are added, and clients, especially at the buying end of the transport chain, are demanding more advanced logistic services such as IT support, multi-destination, just in time, etc. This calls for new ways of thinking and unconventional solutions.

**New concepts**

It is the new company's intention to actively seek innovative solutions to old and new problems, and to develop new logistics and transport concepts. "There is a fresh climate of optimism and belief in the future of this business. Everyone is aware of the fact that contemporary ideas are needed, but they can only be realized by reefer companies with financial and organisational strength such as NYK LauritzenCool," Mr. Jansson concludes.

**Board of Directors**

Mr. Hiroshi Yamafuji, CEO NYK Reefers Ltd. Chairman

Mr. Torben Janholt, President & CEO, J. Lauritzen A/S

Mrs. Birgit Aagaard-Svendsen, Exec. Vice President & CFO, J. Lauritzen A/S

Mr. Masahiro Samitsu, General Manager, Bulk & Energy Atlantic Group, NYK Line

Mrs. Alison Sjöström, employee representative, NYKLauritzenCool

Mr. Göran Timén, employee representative, NYKLauritzenCool

**Contact details**

Until further, all addresses and contact details will remain unchanged.

For further information, please contact:

Mr. Hiroshi Yamafuji, +44 020 7925 8450

Mr. Torben Janholt, +45 21 63 92 32

Mr. Mats Jansson, +46 8 753 9000