

*Christian Nieswandt,  
Head of Shipping*

# LESSONS LEARNED, MANY THINGS



Strong for entrepreneurs  
**SHIPPING**

**UNDERSTAND** To achieve lasting success for your business in the maritime industry you need a business model that has a future.

**RECOGNISE** In us you will find a team that stays the course. Even when those storms come.

**SHAPE** Our promise is that we will scrutinise deals down to the fine details; we will weigh up opportunities and we will offer you the kind of support you need.



# IMPROVED, OPPORTUNITIES KEPT.

## SHIPPING RELOADED

Yes, HSH Nordbank traditionally had very close links to the domestic shipping industry. There were times when the Bank was famed as – looking back, the claim to this fame was doubtful – the world's biggest provider of ship finance, including unfortunately the corresponding cluster risks and write-downs totalling billions of euros. It is a well-known fact that this legacy proved a huge burden on the Bank during the shipping crisis, which has been ongoing since 2008. We have meanwhile succeeded in winding most of this down.

ships as we had done in the past, we now work more with international clients who manage their companies successfully and are active in a variety of segments. Of course, we did ask ourselves whether we should remain active in shipping at all. The answer is yes. This is because, looking ahead, we are convinced that maritime shipping will still be promising. Not only be-

growing; at an average rate of 4.7 percent per annum over the past two decades. And how are more than 90 percent of goods transported for example from Europe to Asia; from Asia

We have learnt from past mistakes and drawn the conclusions. What this means is that although we remain active in shipping, our activity is on a completely different basis to before – with a sharpened risk awareness and a focus on successful companies with a viable business model. And, above all, on a much smaller scale. At the end of 2017, our lending volume in shipping came to nearly € 5.5 billion, having concluded new business worth over € 500 million. Instead of focusing mainly on German clients and their container

cause the industry is currently experiencing a high level of consolidation, as a result of which new, strengthened entities are being created. Freight rates and ship values have also stabilised in the wake of one of the most serious crises. The market thus now offers good opportunities to invest with a sharpened risk perspective. But what is decisive is that global trade keeps

to the US and from South America to Asia? By sea, exactly. And no, there are no alternatives in sight.





**FROM NEIGHBOUR TO NEIGHBOUR. FROM BANK TO**

*Michael Kastl,  
CFO, Hapag-Lloyd*

*Andreas Rasch,  
Client Relationship Manager, Shipping*



## HAPAG-LLOYD

Good neighbours are precious. This applies to our private lives as much as it does to the world of business. It is not surprising, therefore, to hear that HSH Nordbank and Hapag-Lloyd are joined by a long partnership. The head offices of the two companies are only a stone's throw away from each other. And, unusually, this linguistic image can be taken (almost) literally.

our shipping line neighbours in the placement of two bonds with a total volume of € 900 million as joint bookrunners of an international banking syndicate. "It always pleases us to be able to assist a long-standing client such as Hapag-Lloyd in an important placement," said Andreas Rasch, a member of the Bank's shipping team. "Interest in the bonds was very strong."

# SHIPPING COMPANY. FROM HAPAG-LLOYD TO HSH NORDBANK.



However, the good collaboration is not limited to the Bank providing the company with finance. A large shipping company possessing international operations such as Hapag-Lloyd of course also uses other forms of financing, such as bonds. They are placed on the capital market, where such institutional investors as insurance companies, pension funds and high net worth private individuals make direct investments. Last year, we were able to assist

Satisfaction was also felt by Germany's largest shipping company, which moved up into fifth position worldwide in 2017 following its merger with Arab shipping company UASC. "The placement was highly successful and contributed to optimisation of the maturity profile and financing costs," said Michael Kastl, CFO of Hapag-Lloyd. "In such a transaction, the fact that we have been in close touch with the Bank for many years and know each other

well pays off." And the cooperation will, of course, continue – in a spirit of trust, from door to door in downtown Hamburg.

