

Super Yachting Redefined

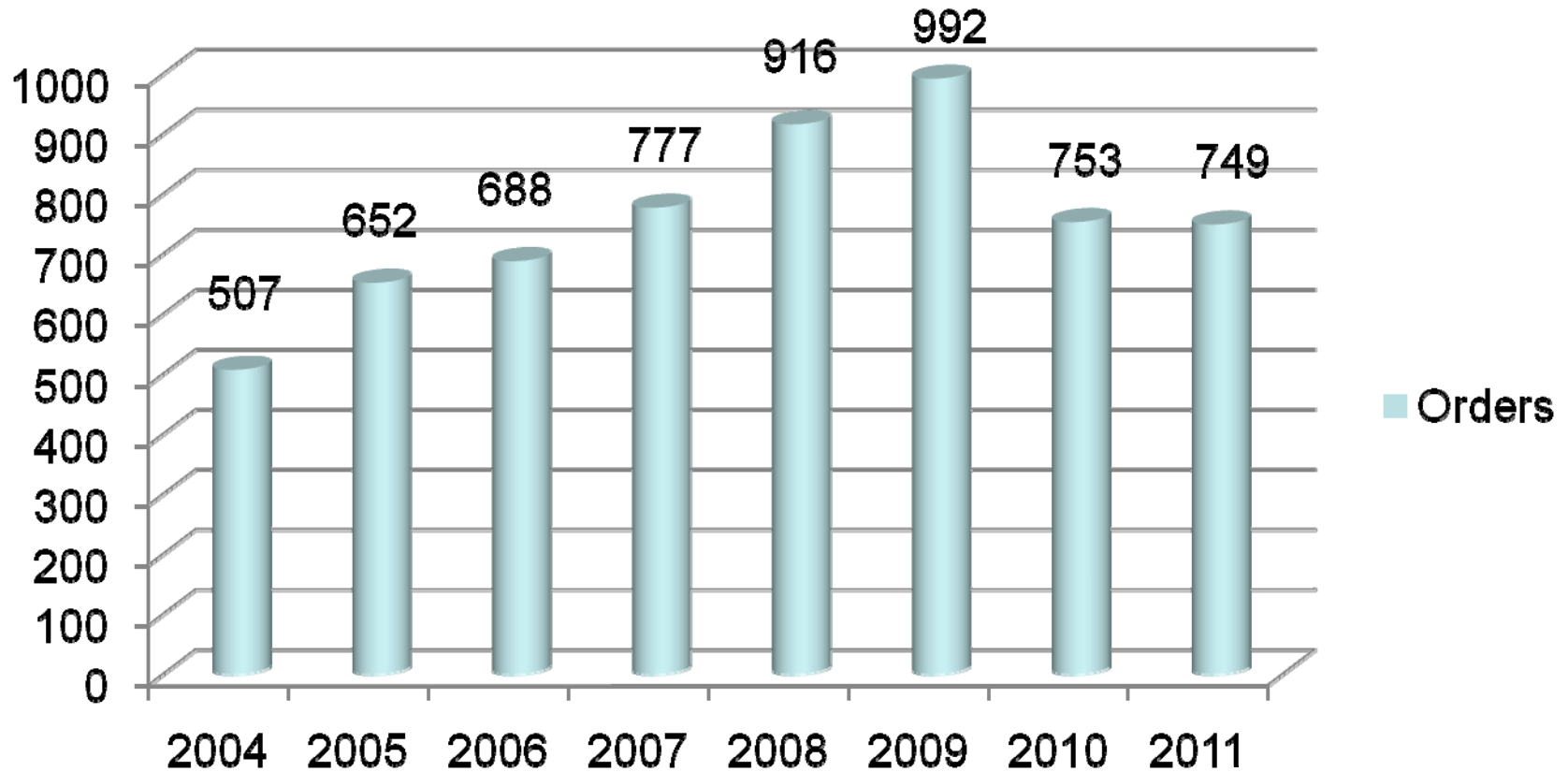
An Industry Perspective from the Gulf



By Erwin Bamps, COO, Gulf Craft
Middle East Superyacht Briefing, March 24, 2011

Superyacht Market Worldwide

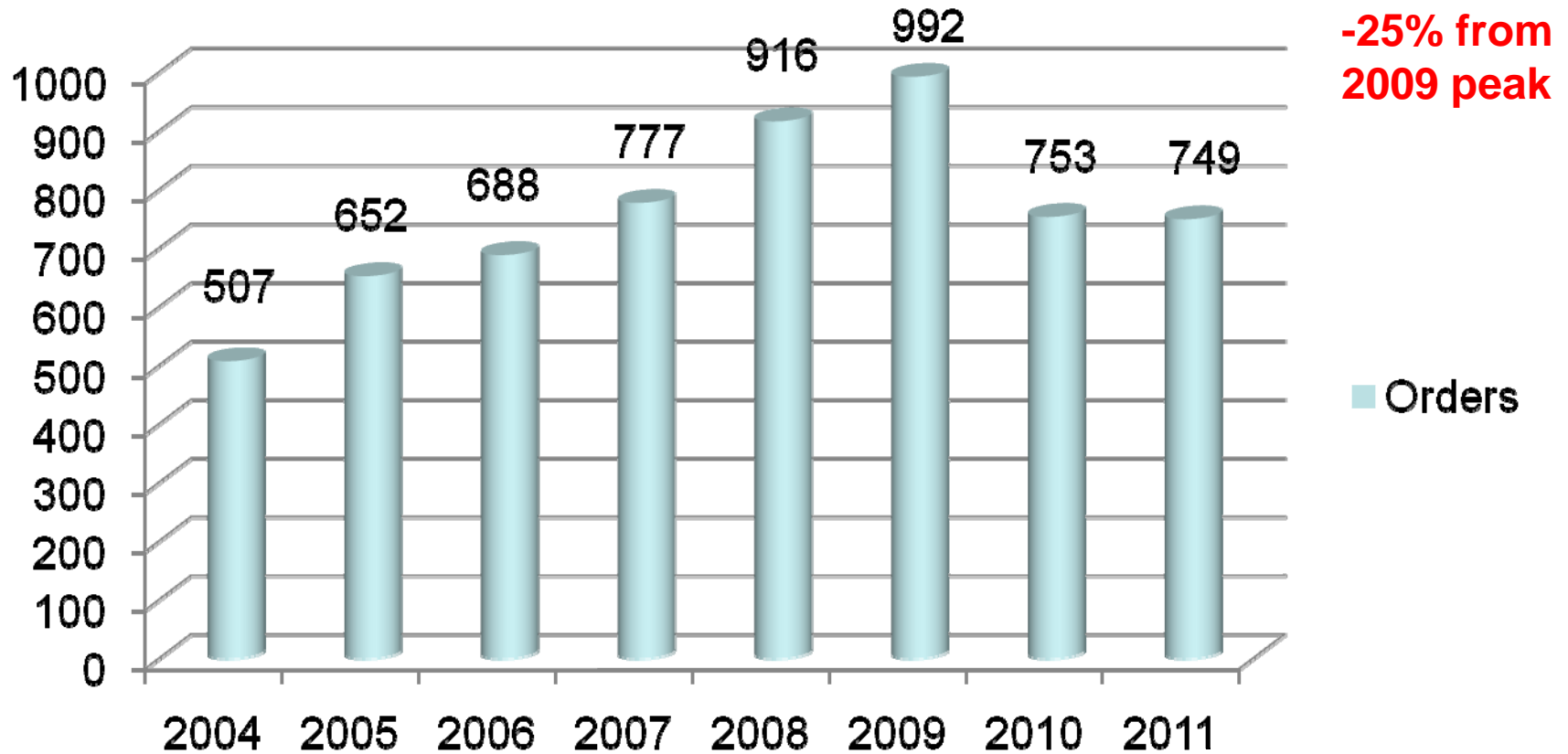
Global Order Book



Source : Showboats International 2011 Global Order Book

Superyacht Market Worldwide

Global Order Book



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Superyacht Market Worldwide

	2007	2011
80'-99'	316	236
100'-149'	307	306
150'+	154	207
Total	777	749

Source : Showboats International 2011 Global Order Book



Superyacht Market Worldwide

	2007	2011	
80'-99'	316	236	-25%
100'-149'	307	306	=
150'+	154	207	+34%
Total	777	749	

Source : Showboats International 2011 Global Order Book

Superyacht Market Worldwide - 2011

- Polarized market
- Comparable number of units as in 2007 – but price correction
- 56% Motor yacht orders (543 units)
- 4% Expedition Yachts
- 12% Sailing Yachts
- Average Size 133ft

Source : Showboats International 2011 Global Order Book

Superyacht Market Worldwide – Feb 2011

- 28 yachts >24m sold YTD Feb end 2011 (= as compared to Feb end 2010)
- 28 yachts sold, of which 11 new builds
- But total prices 34% down from same period last year (209m Euro as compared to 316m Euro in 2010)

Source : Boat International Feb 2011 Market Report

Superyacht Market Worldwide – Feb 2011

- Speculators inventory slowly reducing
- Positive shift in consumer confidence noted
- Wealth display less negatively approached ?
- Difficult financing – cash market
- Different product presentation today
- Buyers cue call - Bottom of the market already passed ?



Superyacht Market - Gulf

- Number of superyachts (> 80ft) in the Middle-East less than 100 (out of 50,000+ leisure craft)
- Moorings ? Not THE issue today
- Main limiting factors for visiting superyachts are now :
 - Destinations ?
 - Indian Ocean piracy
 - Regulation
 - Lack of chartering regulation
 - Political turmoil

Superyacht Market - Gulf

- Growth expected
 - Upgrading from below 80ft
 - New marina developments attract yacht usage
 - New rich
 - Chartering



A changed World



Superyacht Market – new Style

- Looking for trustworthy partner
- Intrinsic value
- Customization
- Customers educating themselves more
- Different tastes emerging
- Feature driven

evolve
evolve
evolve

Gulf Craft Response

- Investing in Majesty 125 and Majesty 135 designs
- Today in-house capability to build up to 50m



Superyacht construction viable in the Gulf ?

- Different product
- USD cost based
- Economy of scale and commercial work
- Enhancing already available skill set
- For regional buyers
 - Indigenous product – pride
 - Access during construction
 - Maintenance & refit services



Gulf Craft Investments

- Investing in facilities, manpower, technology and methodology





Gulf Craft – new concepts

- 2010 Customers looking for :
 - Living space
 - Light in interior
 - Longe range cruising capability
 - Living comfort : stabilizers, appliances, fittings, furnishings
 - Party and entertainment possibility for larger groups
 - Ease of operation and maintenance

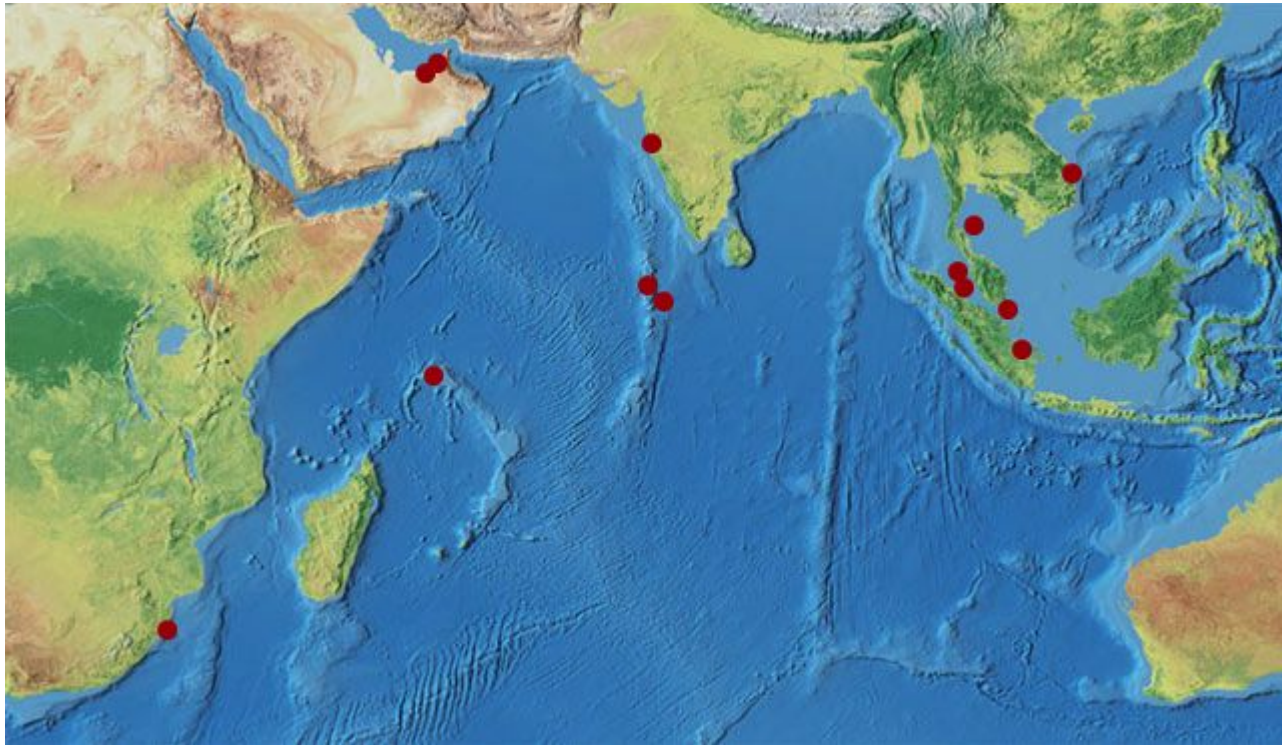
Gulf 95 Exp - 2011

- Party yacht - Loft apartment on the water with huge fly-bridge & outdoor area -- Ocean-going 'Art de Vivre'



Regional Opportunities

- Interlinking of yachting destinations of the Gulf and South-East Asia



Map : Association of Yacht Support Services (AYSS)

Regional Opportunities

- Focusing on destination building, charter operations & service network for large yachts



Source : The Rania Experience

