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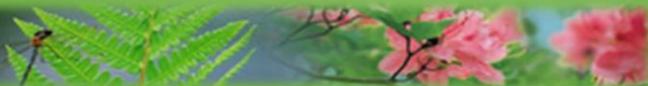


Evergreen Marine Corp. 2018 Investor Conference



EVERGREEN

Guarding our green earth



Challenge • Innovation • Teamwork

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Outline

- 1. Company Overview**
- 2. Financial Results**
- 3. Container Shipping Outlook**
- 4. Business Strategy**





1. Company Overview



**Evergreen Line Ranked 7th
in Capacity**

**Continuous Fleet
Renovation**

Intensive Service Network

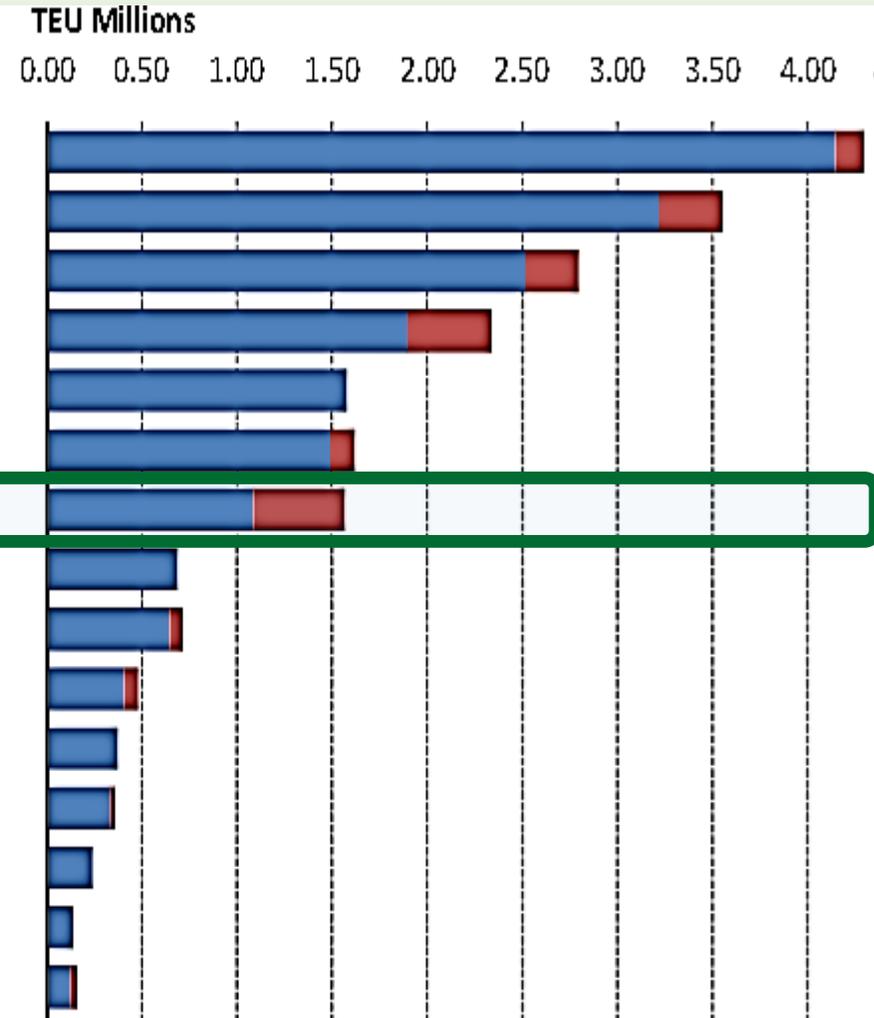
**Strengthened by Ocean
Alliance**

Evergreen Line currently ranked 7th in Capacity

The only Taiwanese shipping line listed in million TEU club. Growing steadily to outperform its size.



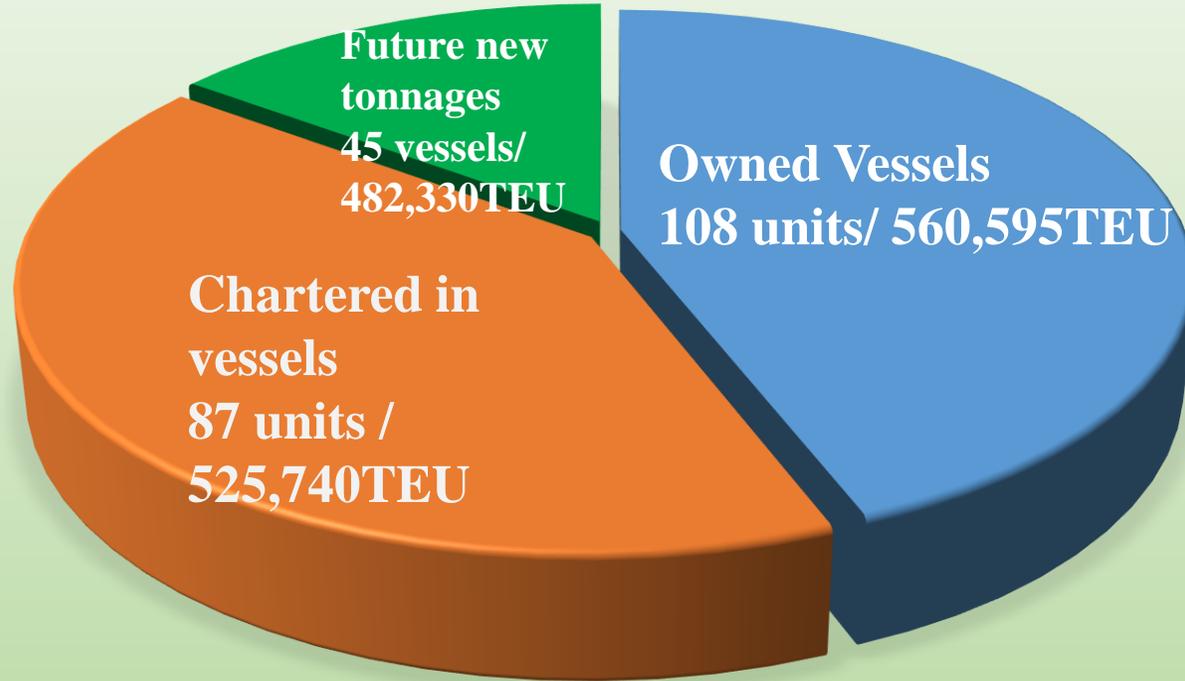
Rank	Operator	Total existing		Owned		Chartered		Orderbook			Market Share	
		TEU	Ships	TEU	Ships	TEU	Ships % Chart.	TEU	Ships	O/E %		
1	APM-Maersk	4,147,949	762	2,219,124	306	1,928,825	456	47%	152,182	15	4%	18.9%
2	MSC	3,220,548	513	1,099,567	194	2,120,981	319	66%	332,052	18	10%	14.7%
3	CMA CGM	2,519,633	496	951,793	122	1,567,840	374	62%	277,552	20	11%	11.5%
4	COSCO Shipping	1,897,506	352	559,647	84	1,337,859	268	71%	443,799	25	23%	8.7%
5	Hapag-Lloyd	1,577,236	219	1,047,266	112	529,970	107	34%	0	0	0%	7.2%
6	ONE	1,494,135	230	601,510	84	892,625	146	60%	125,766	9	8%	6.8%
7	Evergreen	1,086,335	195	560,595	108	525,740	87	48%	482,330	45	44%	5.0%
8	OOCL	688,662	99	539,217	60	149,445	39	22%	0	0	0%	3.1%
9	Yang Ming	645,058	108	187,835	41	457,223	67	71%	70,000	5	11%	2.9%
10	PIL	408,511	134	275,183	114	133,328	20	33%	72,738	8	18%	1.9%
11	Zim	373,171	78	27,800	6	345,371	72	93%	0	0	0%	1.7%
12	Hyundai M.M.	335,497	62	107,419	12	228,078	50	68%	22,020	2	7%	1.5%
13	Wan Hai	241,648	92	174,424	73	67,224	19	28%	0	0	0%	1.1%
14	X-Press Feeders	142,442	93	27,339	22	115,103	71	81%	0	0	0%	0.7%
15	Antong Hldgs (QASC)	126,119	102	100,569	52	25,550	50	20%	34,564	23	27%	0.6%



Source : Alphaliner Monthly Monitor Report April 2018

Continuous Fleet Renovation

Strategically designed vessel sizes, flexibly adjusted carrying capacity to meet the market demand



Evergreen Group Capacity
195 vessels/ 1,086,335 TEU
(Up to 20180401)

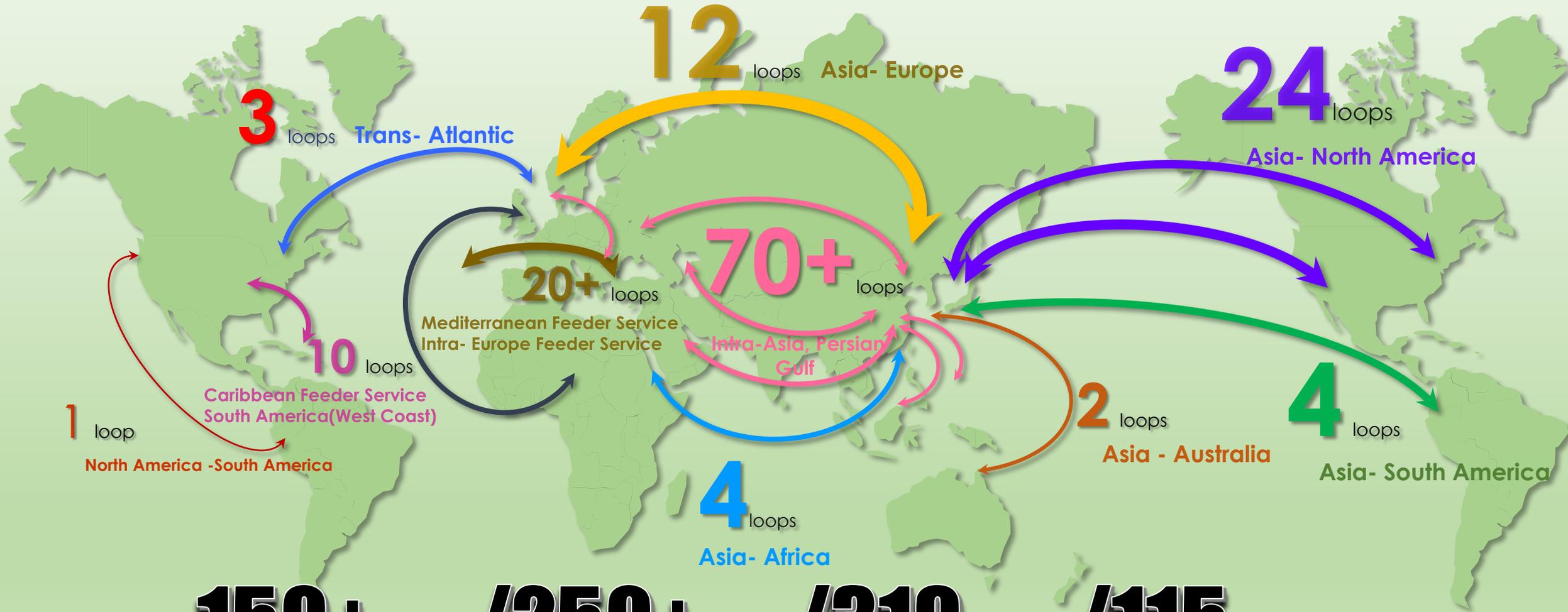
EVERGREEN LINE fleet: Owned 108 and chartered 87 vessels , owned capacity (TEU) at about 51.60% ◦

15 owned vessels at 2,800TEU each and 10 x20,000 ULCV chartered units to be delivered before end 2019 ◦

20 X 11,000 chartered units to be delivered in 2020-2021 making group capacity close to 1.55 million TEU ◦

Intensive Service Network

More than 150 routes covering over 250 ports in 319 offices worldwide



150+ loops / **250+** Ports / **319** offices / **115** Countries

Strengthened by Ocean Alliance

More joint capacity/number of routes providing customers with more comprehensive and diverse services.



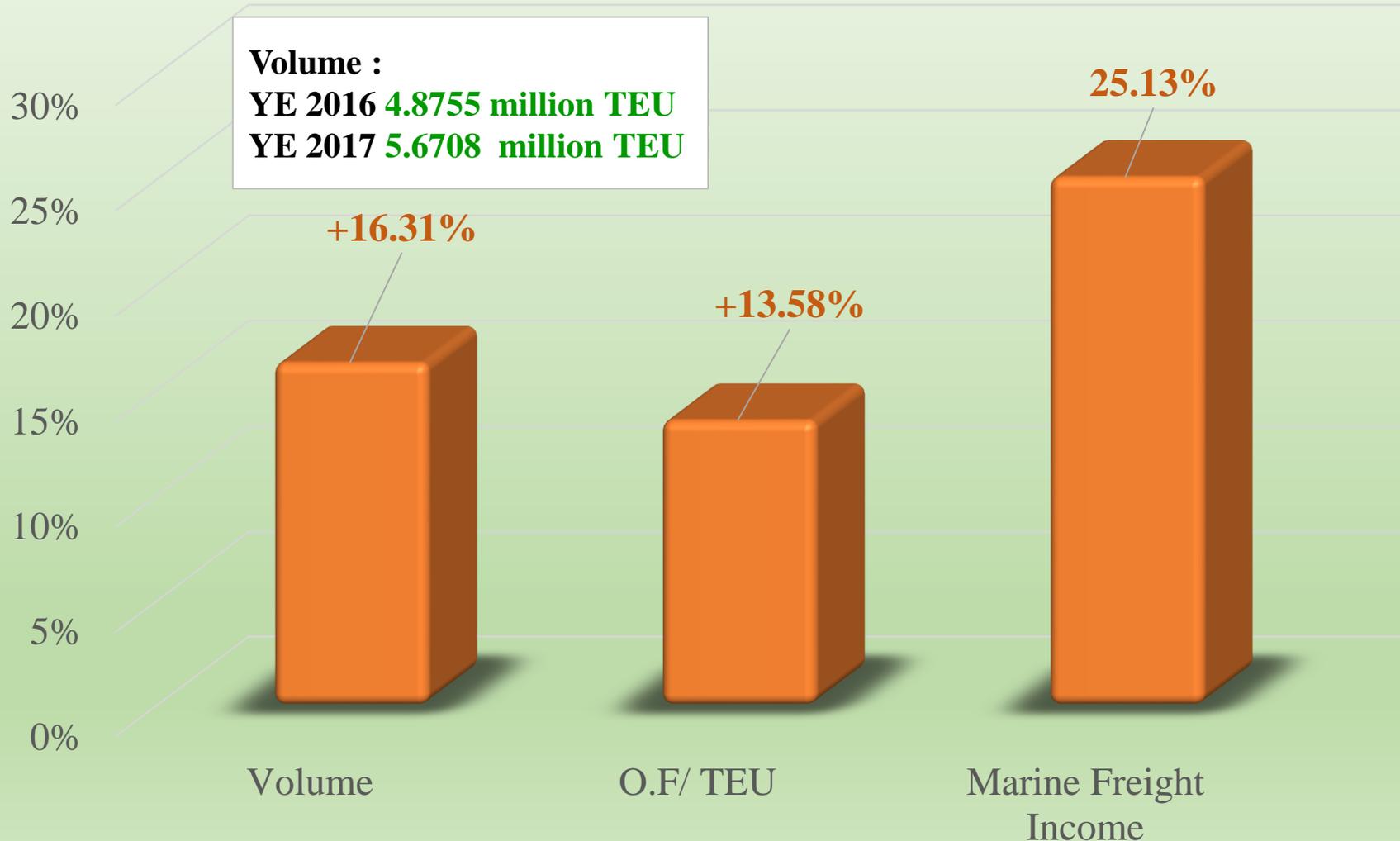
聯盟	2M	OCEAN ALLIANCE	THE ALLIANCE
Member	Maersk MSC HMM	CMA CGM COSCO Evergreen Line OOCL	Hapag-Lloyd ONE Yang Ming
Total Capacity(TEU)	7.73M	6.24M	3.76M
Joint Capacity(TEU)	2.8M	3.7M 	2.3M
Joint Service Routes	28	42 	33
Joint Vessels	256	350 	257

Source : Alphaliner website as of April 10th, 2018

2. Financial Results

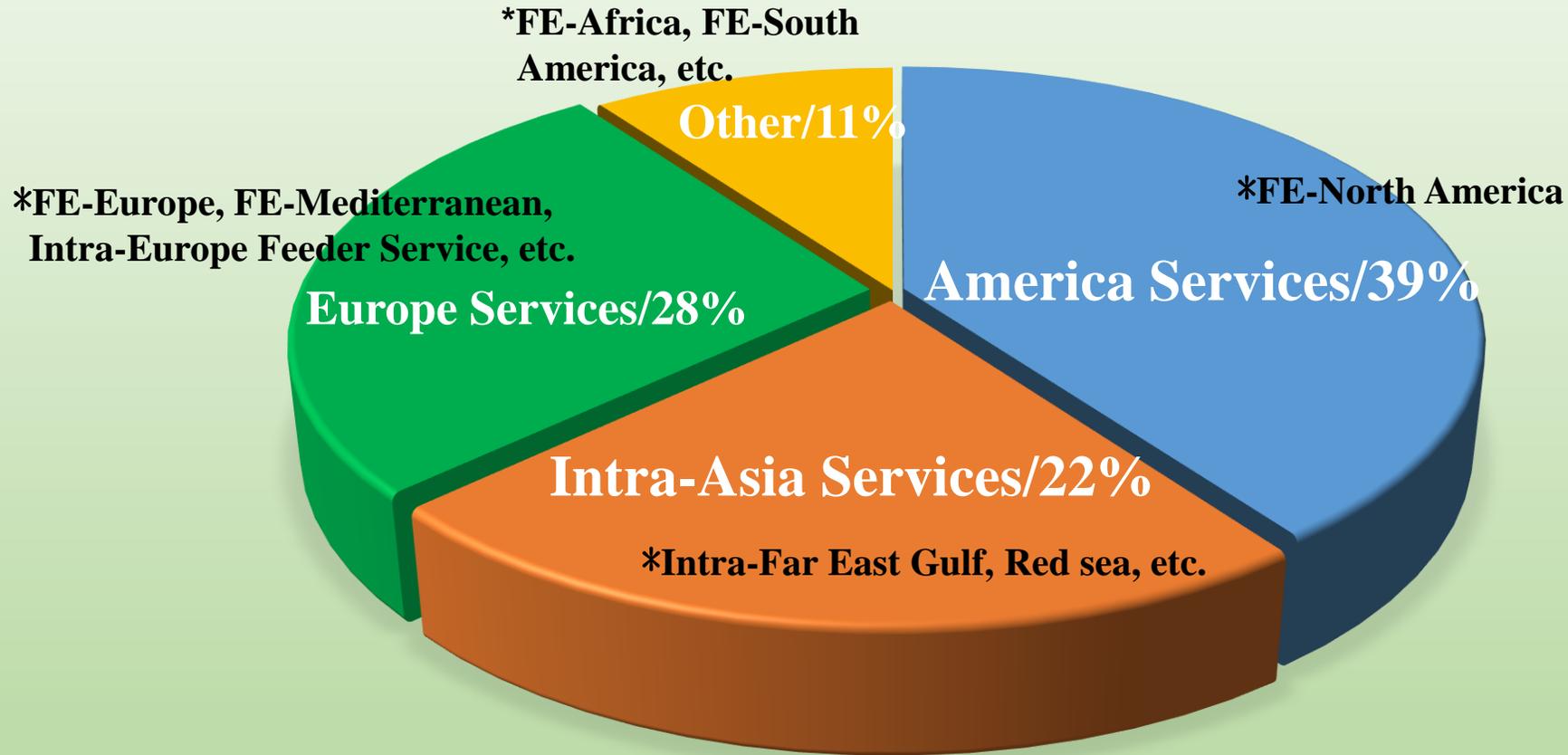


Consolidated Operating Revenue Analysis (YE 2017 VS. YE 2016)



- ◆ The Volume increased by 16.31% YOY.
- ◆ Average O/F Rate (USD/TEU) increased by 13.58% YOY .
- ◆ Marine Freight Income increased by 25.13% YOY.

The Proportion of Consolidated Operating Income



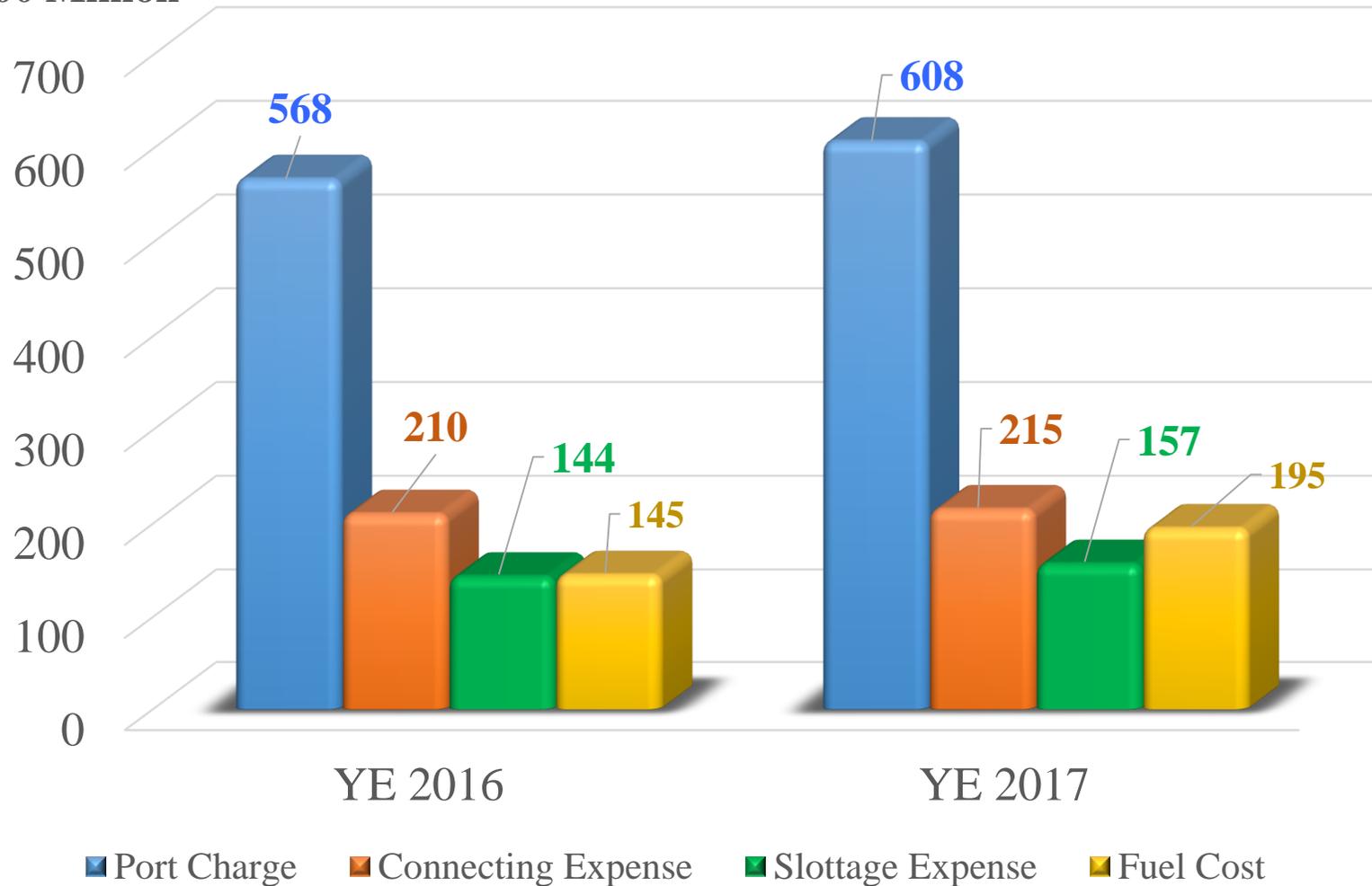
◆ The Proportion of Europe and America services are nearly 70%.

*Data interval : YE 2017

Consolidated Main Operating Costs Analysis



NT \$ 100 Million



- ◆ **YE 2016 V.S. YE 2017**
- The Volume increased by 16.31% YOY.
- Port Charge increased by 7.06% YOY.
- Connecting Expense (transshipment/ logistic) increased by 2.37% YOY.
- Slottage Expense increased by 9.37% YOY.
- Fuel Cost increased by 34.33% YOY.

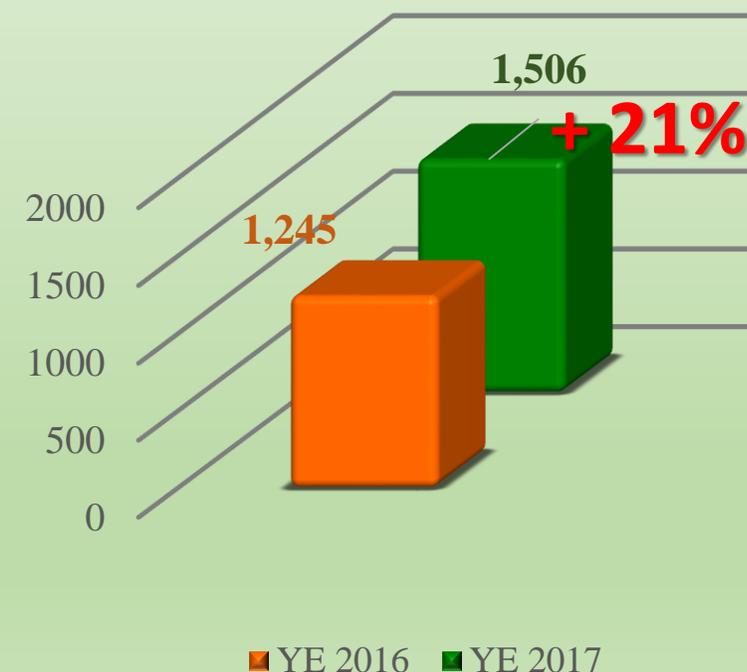


Consolidated Income Statement

Unit: NT\$ Millions

Item	YE 2016	YE 2017	Growth %
Operating revenue	124,467.61	150,582.69	21%
Gross Profit (Loss)	(3,494.11)	10,874.29	411%
Operating Income (Loss)	(7,848.26)	4,817.47	161%
Net Income (Loss)	(8,565.31)	6,661.62	178%
Profit(Loss), attribute to owners of the parent	(6,607.99)	7,005.17	206%
EBITDA	295.85	16,121.39	5349%
EPS	(1.88)	1.97	

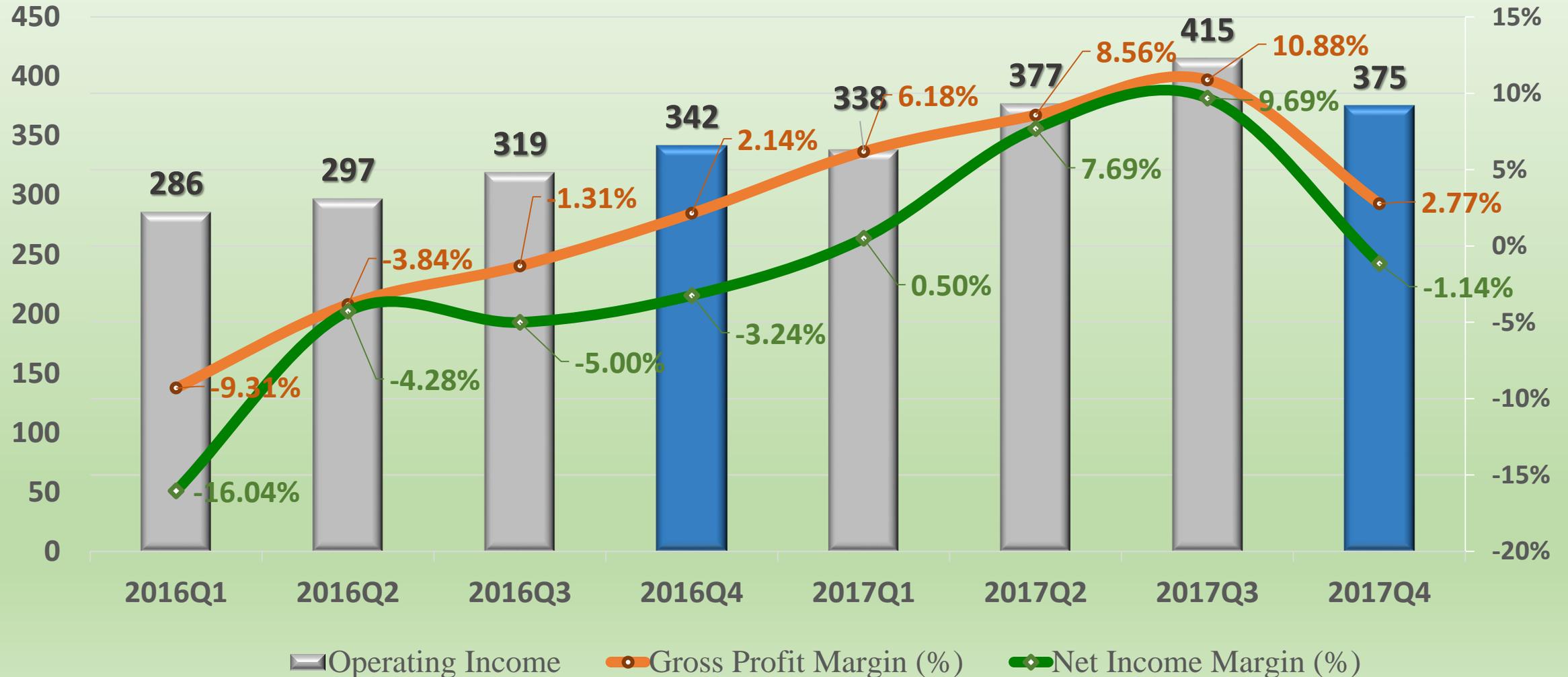
Unit: NT\$ 100 Millions
EMC's Operating Revenue



Consolidated operating income, gross profit margin and net income margin



NT \$ 100 Millions





Consolidated Cash flow Analysis

NT\$100 Millions

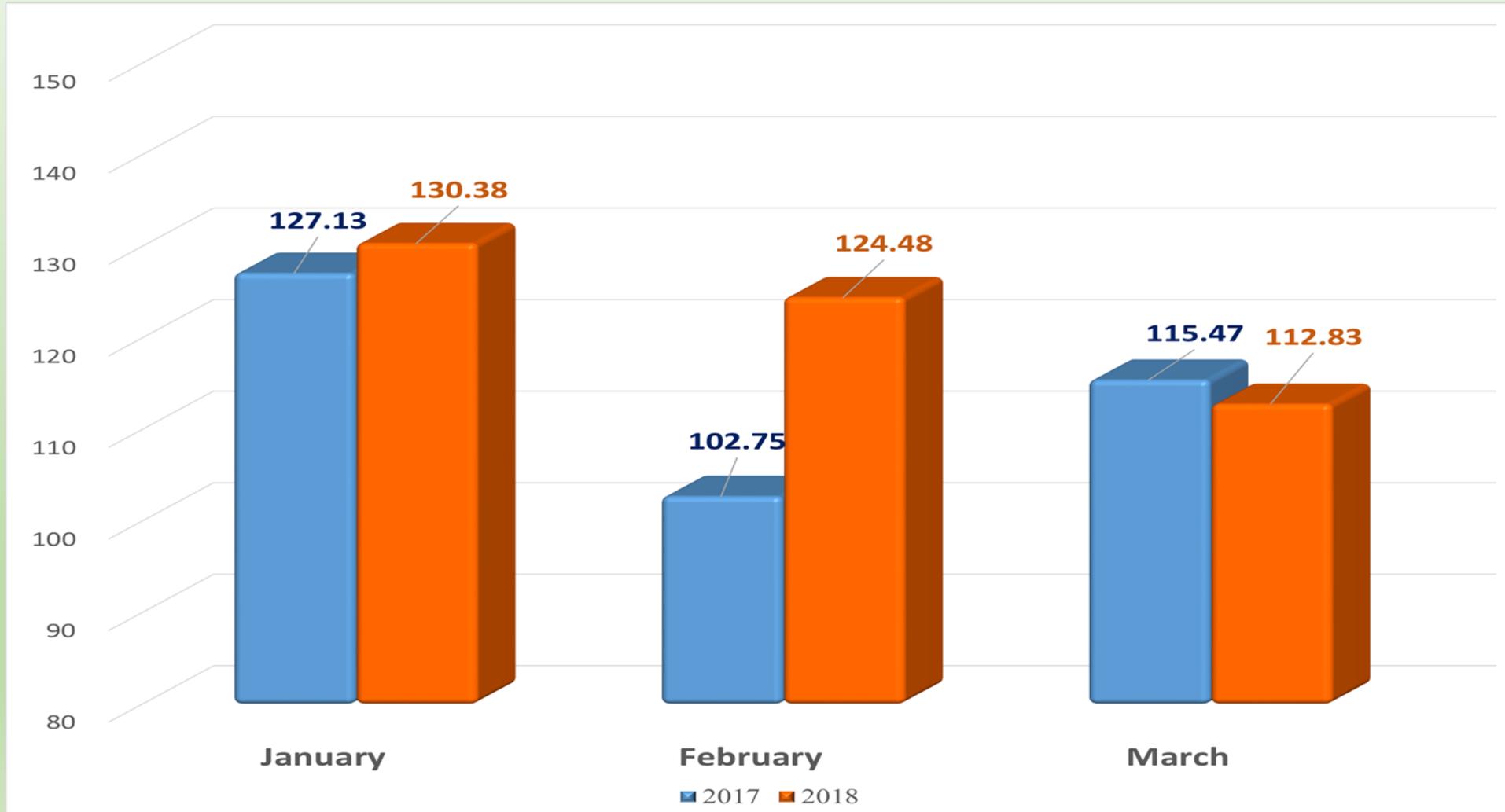


- Cash Flows From Operating Activities
- Cash Flows From Investing Activities
- Cash Flows From Financing Activities
- Cash and Cash Equivalents

2018 Q1 Consolidated Operating Revenue



NT\$100 Millions



◆ 2018 Q1 Consolidated Operating Revenue is 36.769 Billion, increased by 6.47% YOY.



3. Container Shipping Outlook



Growing World Economy

**Supply and Demand Gap
Narrowing**

**Alliance Trend Benefits
Competition**

**Regulations &
Technologies Trigger
Transformation**

Growing Global Economy

Trade protectionism might bring uncertainties in the short term, but the momentum for mid-long term is still abundant.



IMF latest World Economy Outlook Survey at January 2018

- The global economy will continue to grow in 2018 and 2019, with GDP growth expected to reach 3.9% per cent, up from 3.7% in 2017. ◦

Forecast of economic growth rate of the world's leading economies:

- U.S.A.: 2017 2.3%、2018 2.7%
- Europe: 2017 2.4%、2018 2.2%
- China: 2017 6.8%、2018 6.6%

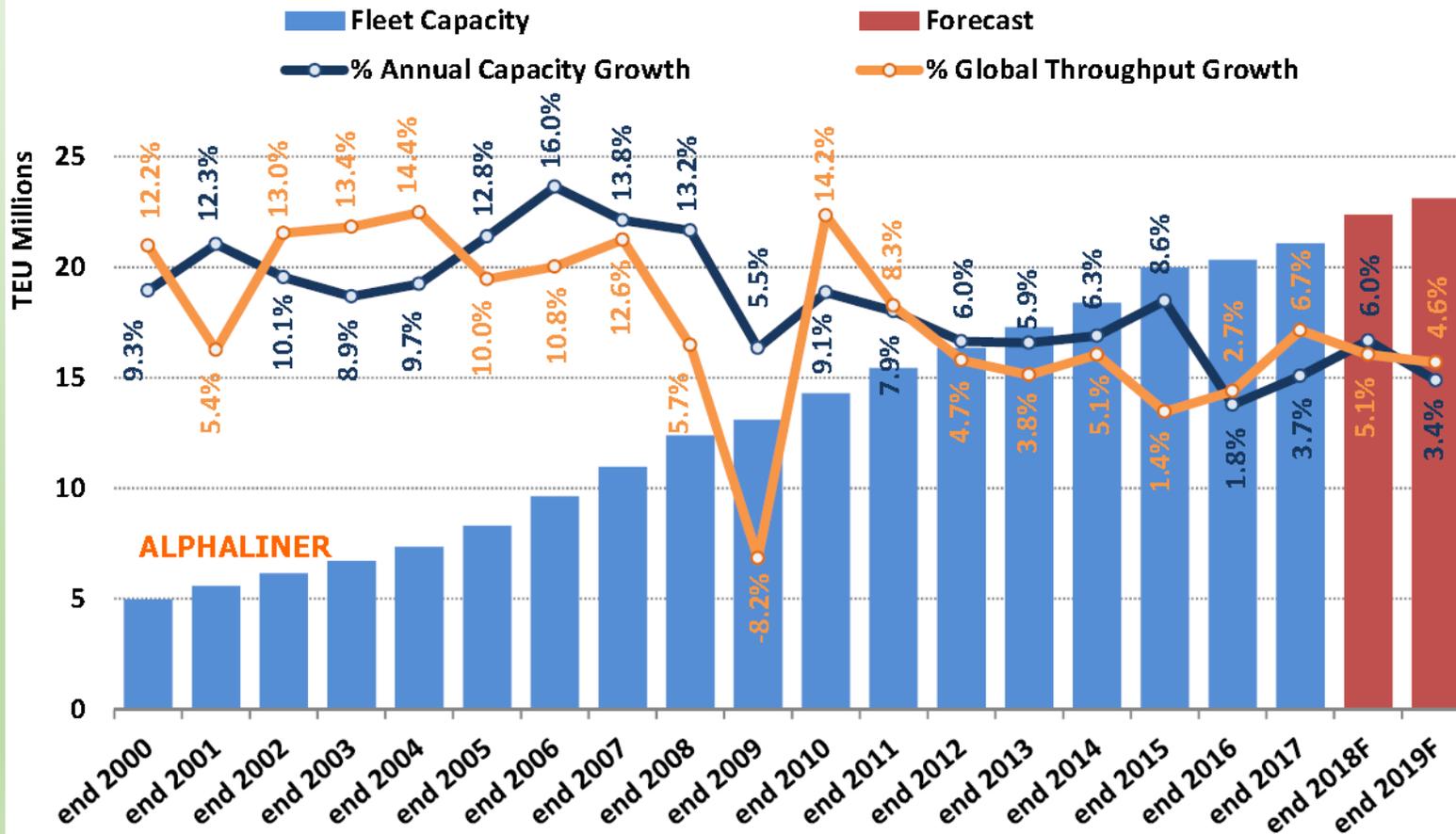
Source : 2018.01 IMF World Economic Outlook

Supply and Demand Gap Narrowing

Ship enlargements and port berth restrictions limit the excessive expansion of service routes.



Cellular Fleet Growth vs Global Throughput



Alphaliner forecasts 2018 market total capacity growth slightly higher than market volume growth rate

Capacity 6.0% vs Cargo 5.1%



2019 Market volume growth rate is forecasted to be higher than total market capacity growth

Cargo 4.6% vs Capacity 3.4%

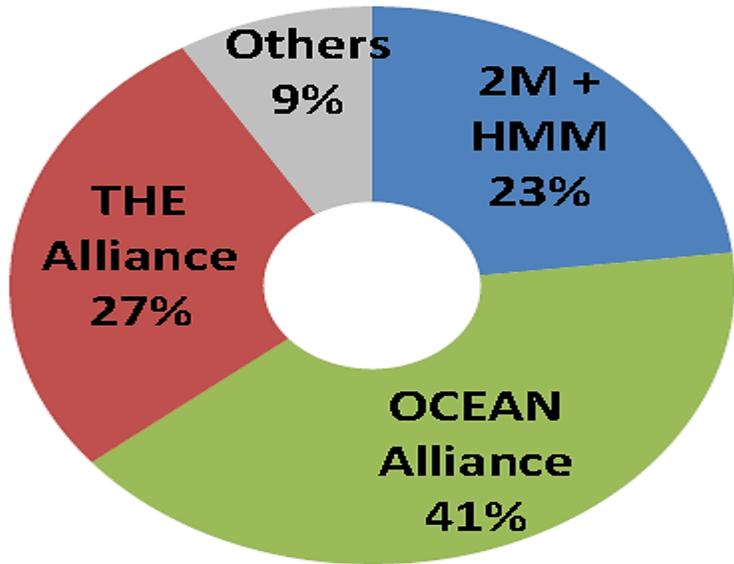
Source : Alphaliner Monthly Monitor Report April 2018



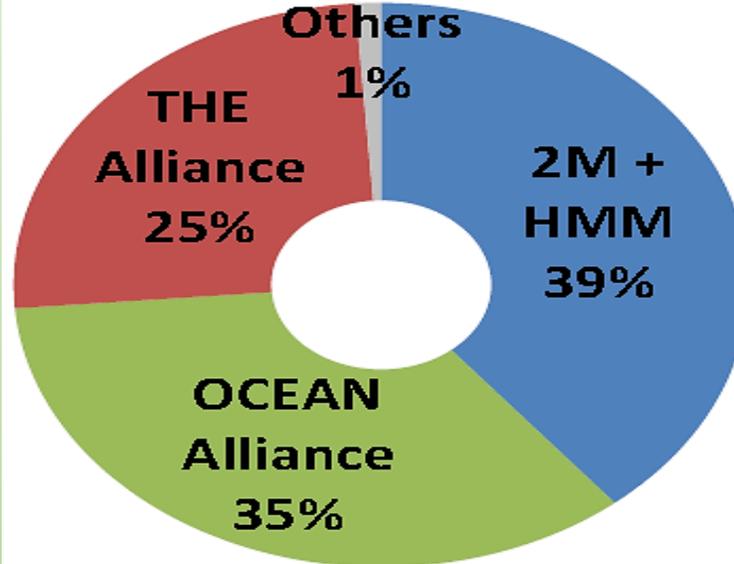
Alliance Trend Benefits Competition

Fewer and bigger surviving carriers after Hanjin Bankruptcy lead to more rational operating environment.

FE-N. America Capacity Share by Alliance

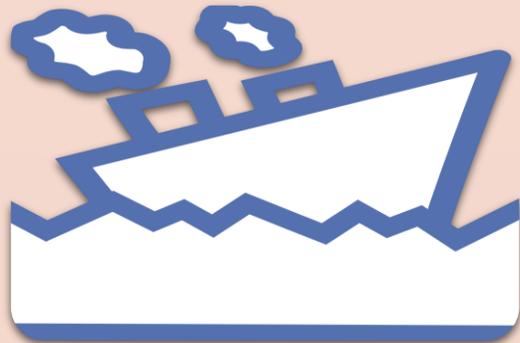


FE-Europe Capacity Share by Alliance



Regulations & Technologies Trigger Transformation

To meet challenges from new regulations, big data and cyber security, threshold to operate is lifted higher.



International Maritime Organization (imo/international Maritime Organization) resolution after January 1, 2020, the maximum sulphur content of marine fuel in the global sea area shall not exceed 0.5% m/m. (The emission control zone uses 0.1% m/m sulfur content.)

The International Ballast Water Management Convention came into effect in September 2017 and ships need to be replaced with clean ballast water in the deep water zone before entering the port.

In response to global warming, the active use of onshore electricity to reduce carbon emissions to reduce environmental pollution is a trend.

The trend of shipping digitalization: The rise of e-commerce platform, the combination of high order data analysis and IoT, the development of ship intelligence, the application of block chain concept and information security.



4. Business Strategy



Timely Shipbuilding & Green Upgrades

Strict Control of Cost-Effectiveness

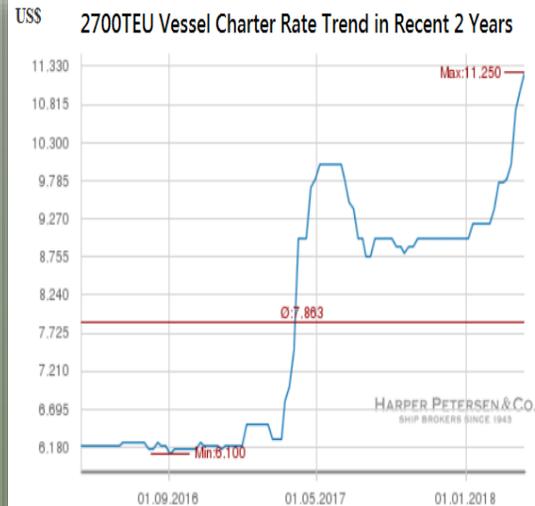
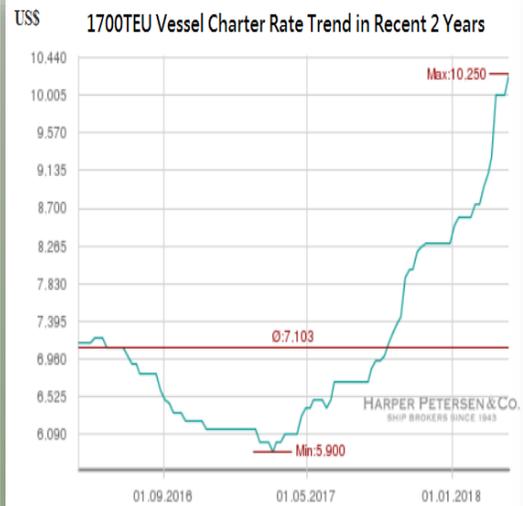
Product & Service Enhancement

Diligent Cultivation of Marine Talents



Timely Shipbuilding & Green Upgrades

by ordering 20x2800TEU ships as main short-haul loader when price was low.



Evergreen B Type Vessel Profile

- Length Overall (LOA): 211 meters
- Breadth: 32.8 meters
- Design Draft: 10 meters
- Container Intake: 2,800 Twenty-Foot Equivalent Units (TEU)
- Vessel Feature: wide-beam hull designed for shallower ports in the intra-Asia trade and better cargo carrying capability; max ship speed up to 21.8 knots to enhance on-time performance and competitiveness.
- Green Design: equipped with electronic-controlled fuel injection engine to reduce emissions by around 20%, which meets IMO standards for emission and energy efficiency.
- Delivery Year: 2017-2019

Howe Robinson Containership Index (HRCI)

CATEGORY	Teu	@14t	G	Wtg %	INDEX 28-Mar	WK	CHANGE MTH	YR
700	400	N	5.0	20.7	0.0%	1.0%	21.8%	
1,050	630	N	5.0	25.8	2.3%	10.6%	24.6%	
1,100	750	Y	10.0	57.0	8.6%	13.8%	37.5%	
1,300	925	Y	5.0	29.0	-2.4%	8.1%	29.0%	
1,740	1,275	Y	15.0	104.0	0.0%	10.5%	56.7%	
2,200	1,750	Y	2.5	14.3	0.0%	5.0%	43.4%	
2,500	1,950	Y	10.0	78.5	-2.3%	10.5%	16.7%	
2,800	2,030	N	10.0	78.4	6.5%	14.5%	25.3%	
3,500	2,350	N	5.0	40.3	0.0%	9.4%	50.0%	
4,300	2,880	N	10.0	78.9	4.6%	8.5%	7.4%	
5,000	3,630	N	5.0	43.3	0.0%	12.0%	1.8%	
5,050	3,425	N	7.5	62.4	0.0%	13.2%	7.5%	
5,500	4,005	N	2.5	28.3	0.0%	21.2%	18.9%	
6,500	5,055	N	5.0	54.2	0.0%	27.3%	29.6%	
8,500	6,700	N	2.5	30.9	4.8%	29.4%	25.7%	
HRCI				746	1.7%	12.8%	24.6%	

Data Source: Harper Peterson & Howe Robinson



Timely Shipbuilding & Green Upgrades

by ordering 20x11000TEU ships as main long-haul loader when price was low.



Data Source : ABS World Shipping & Shipbuilding Outlook – Issue: 2018 Spring



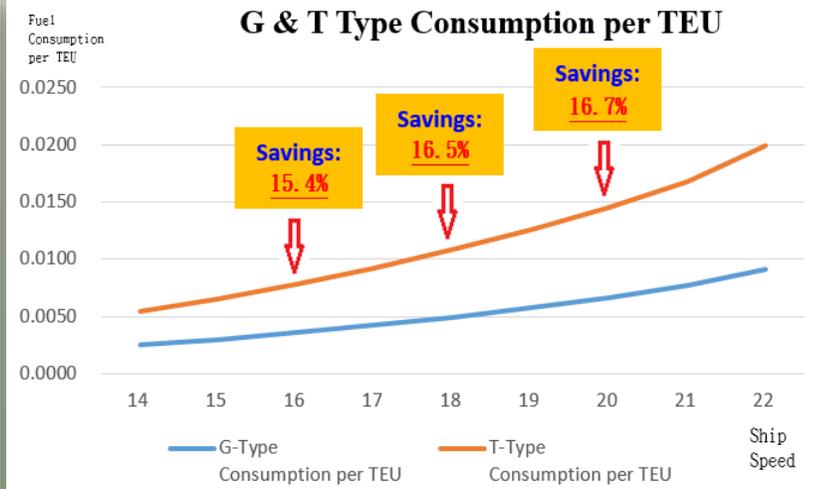
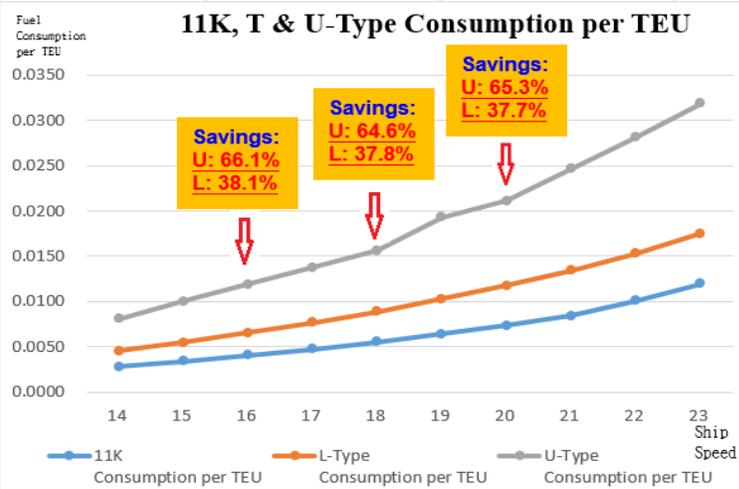
Evergreen 11K Vessel Profile

- Length Overall (LOA): 333.9 meters
- Breadth: 48.4 meters
- Design Draft: 13 meters
- Container Intake: 11,000 Twenty-Foot Equivalent Units (TEU)
- Vessel Feature: Ship hull design adopts a twin-island concept, separating wheelhouse and accommodation block which increases navigation visibility as well as the cargo loading capacity; max ship speed up to 23 knots to enhance on-time performance and competitiveness. This model is shorter than ULCS on Asia – Europe trade, for easy access and maneuver in and out of ports among most loops, and can pass through the Panama Canal.
- Delivery Year: 2020–2021



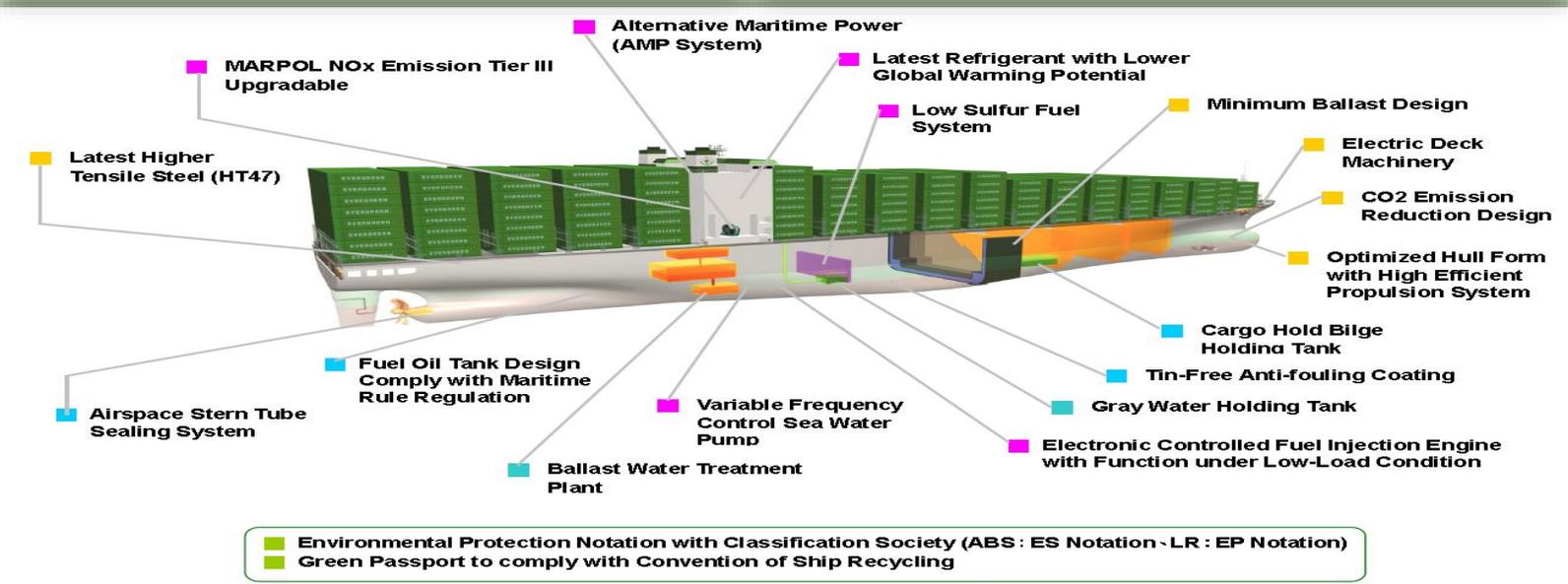
Timely Shipbuilding & Green Upgrades

by pro-actively upgrading green ship features to fulfill policy and efficiency.



More fuel savings to newly built ships!

- Optimization in engine, hull, and designs will bring better fuel efficiency to new G type ships in delivery and 11000TEU ships on order at all speeds than current L & T types.



More green upgrades to come on new ships!

- To comply with IMO regulations (from January 1, 2020, the cap limit of sulphur content in marine fuel will become 0.5% m/m, while the emission control zone remains at 0.1% m/m), Evergreen will equip new ships (20x11000TEU on order) with Sox Scrubber.

Strict Control of Cost-Effectiveness

by optimizing cost control, ship deployment, and operation efficiency.



Strict control of 4 main costs:
stevedore/intermodal/transshipment/
bunker



Lowering Box-to-Slot Ratio by more
match-load, less empty reposition, fast
turnaround, and optimized empty
equipment allocation.



Using AI platform to monitor ship
schedule and fuel consumption;
shortening port stay by efficient
terminal operation.



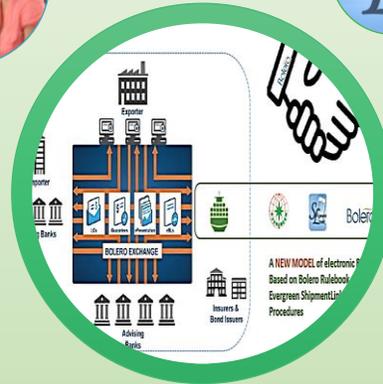
Deploy most adaptive vessel type in
Ocean Alliance loops and make use of
direct calling benefits in reducing
transshipment cost.



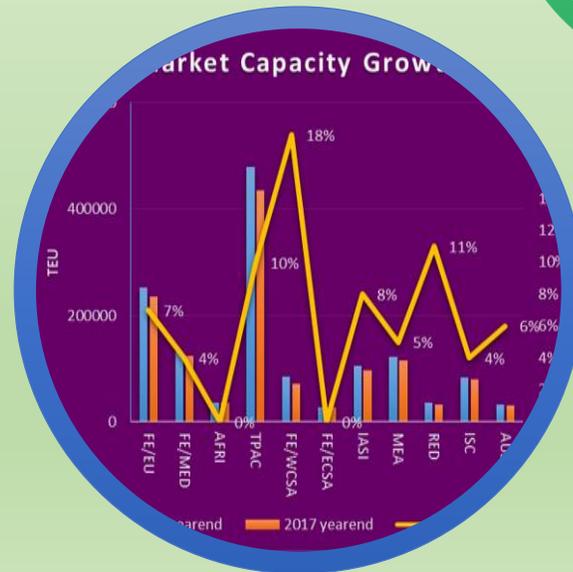
Product & Service Enhancement

by enriching both loop coverage and customer service interface.

Besides OA product, Intra-Asia and emerging market loops will be further expanded.



Partners with renowned e-commerce portal, Bolero International, in providing "i-B/L" & "i-Dispatch" solutions to help simplify customers' supply-chain linkage.



With local service from global control, smooth coordination of cargo, equipment, and service quality, the Multiple-Trade Account(MTA) business expects fruitful growth in recent years.





Product & Service Enhancement

by integrated business/customer service teamwork with recognitions.

Awarded "Sea-Carrier Benchmark Supplier of 2017" by Huawei Tech. Co.



Awarded "2016 Gold Award for outstanding Ocean Carrier Service and Customer Commitment" by Dick's Sporting Goods



Awarded "Carrier of the Year 2016" by Dollarama



Awarded "2017 Ocean Carrier of the Year" by Dollar Tree



Awarded "Best Shipping Line – Asia-Africa of 2017" by Asia Cargo News



Received "E-Commerce Excellence Award" from LOG-NET during 2014-2017



Awarded "Data Quality & Performance Award 2016" by Kohl's



Awarded "Supplier Excellence Award 2017" by Eastman Chemical



Awarded "Global Carrier Scorecard Award 2016" by Kohl's





Diligent Cultivation of Marine Talents

by academic cooperation plus regular recruits to develop marine talents.



Encouraging students to study marine engineering majors by providing industry-university cooperation classes.



Assigning senior captains and chief engineers to teach in industry-university cooperation classes.



Regular recruiting in Taiwan's three Marine Technology Universities every year.



Thank You!

<http://www.evergreen-marine.com>