



Navis: Positioned for Further Growth

Benoit de la Tour, President, Navis and Kalmar Software
Andy Barrons, Chief Strategy Officer, Navis

navis[®]

Navis overview

- Team/Offices
- Terminal & Carrier Solutions
- Terminal Solutions
- Carrier Solutions

Navis Strategy

- Supply Chain Complexity
- Industry Trends
- Navis Digitalization Strategy
- XVELA

Vision and Summary

- Q&A



Terminal Solutions

Terminal Operating System (TOS)
coordinates and optimises the planning and execution of container and equipment moves.

Carrier solutions:

- Stowage planning and optimization
- Loading computer
- Vessel monitoring and analytics
- Stowman
- MACS3
- Blue Tracker



Provides integrated port automation solutions including software, services and a wide range of cargo handling equipment



The collaboration platform serving the needs of ocean carriers, terminals and their shipping partners



Industry's most experienced spreader manufacturer



Our operating environment today

Leadership Team



148m €



Benoit de la Tour
President of Navis,
Head of Kalmar
Software



Rob Dillon
Chief Financial
Officer



Andy Barrons
Chief Strategy
Officer



Suni Lobo
Chief People
Officer



Raj Gupta
Chief
Technology
Officer



Bruce Jacquemard
Chief
Customer
Officer



Scott Peoples
Chief Products
Officer

REGIONAL GENERAL MANAGERS



Chuck Schneider
VP & General
Manager,
Americas



Guenter Schmidmeir
VP & General
Manager, EMEA



Mark Welles
VP & General
Manager, APAC



SOFTWARE BUSINESS REVENUES



2016

Navis Operations: 602 professionals close to customers



Navis Terminal & Carrier Solutions



Planning & Execution: plan and execute all moves across terminal/
Increases throughput and lowers cost

Analytics for better operational decision making

Capture all billable events for accurate and timely billing

Optimize container yard moves, save cost and reduce moves

Automate & improve truck turn times

Optimize vessel load and discharge across cranes

Optimize rail load and discharge processes

Optimize vehicle routing and costs

Track vessel operational performance and environmental compliance

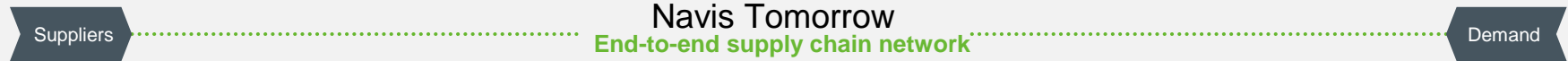
Optimize vessel stowage planning

Ensure seaworthy loading of vessels

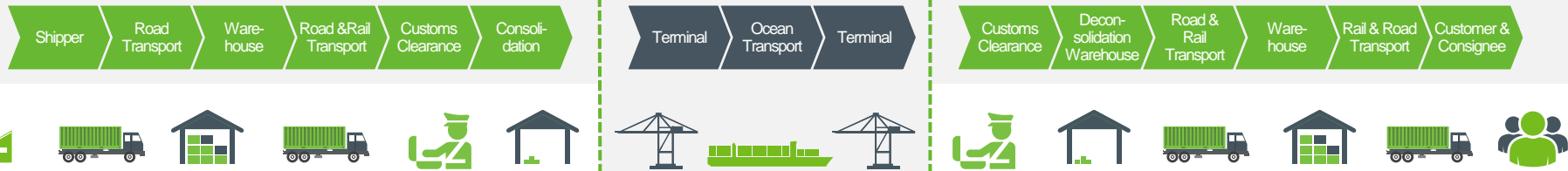
Comparative Fit with Software Strategy



END-TO-END VALUE CHAIN



Navis Today



TERMINAL & SHIPPING OPERATIONS PROCESS FLOW



Container arrives by road/rail transportation and is registered at the terminal

Container is sorted and stacked at the yard

Container is unstacked from yard and stowed on ship

Vessel pilots out of the port, sails across ocean, and pilots into destination port

Unloaded from ship onto quay crane. Containers move into trans-shipment or import/export storage

Containers sorted and stacked in the yard

Containers loaded onto rail/road transport

Drivers of Revenue Growth



Revenue Model Today



Perpetual License
Payable Upon Delivery



Support & Maintenance
Recurring Annual Fees



Professional
Services



Revenue Model Tomorrow



Recurring Revenue Model



Subscription Fees
Per User Per Month

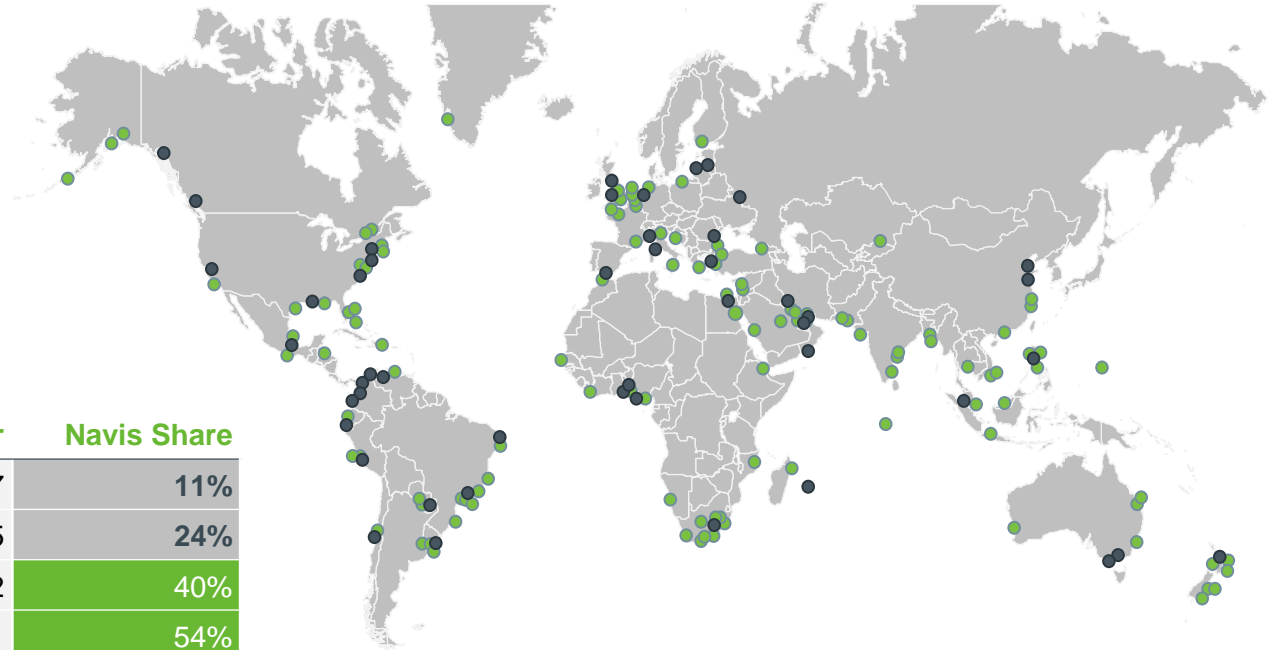
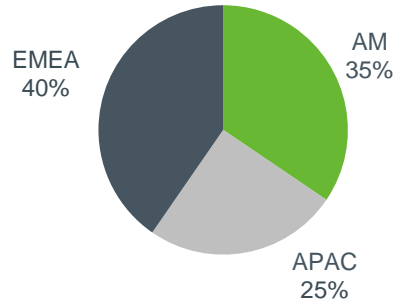


Transaction Fees
Per Container Move

Navis Market Share Growing



322 Customers globally



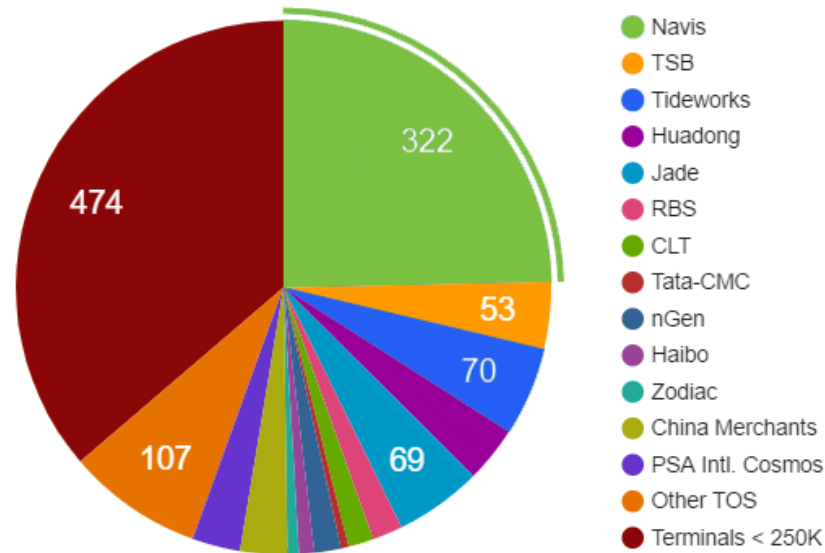
Segment	Number	Navis Share
Very Small (1 - 99K TEU)	607	11%
Small (100K - 250K)	245	24%
Medium (250K – 1M)	292	40%
Large (1M – 4M)	131	54%
Very Large (4M +)	31	29%
Total	1322	

● Live
● Active projects

The Global Leader In Terminal Operating Systems



Terminal Operating Systems Market

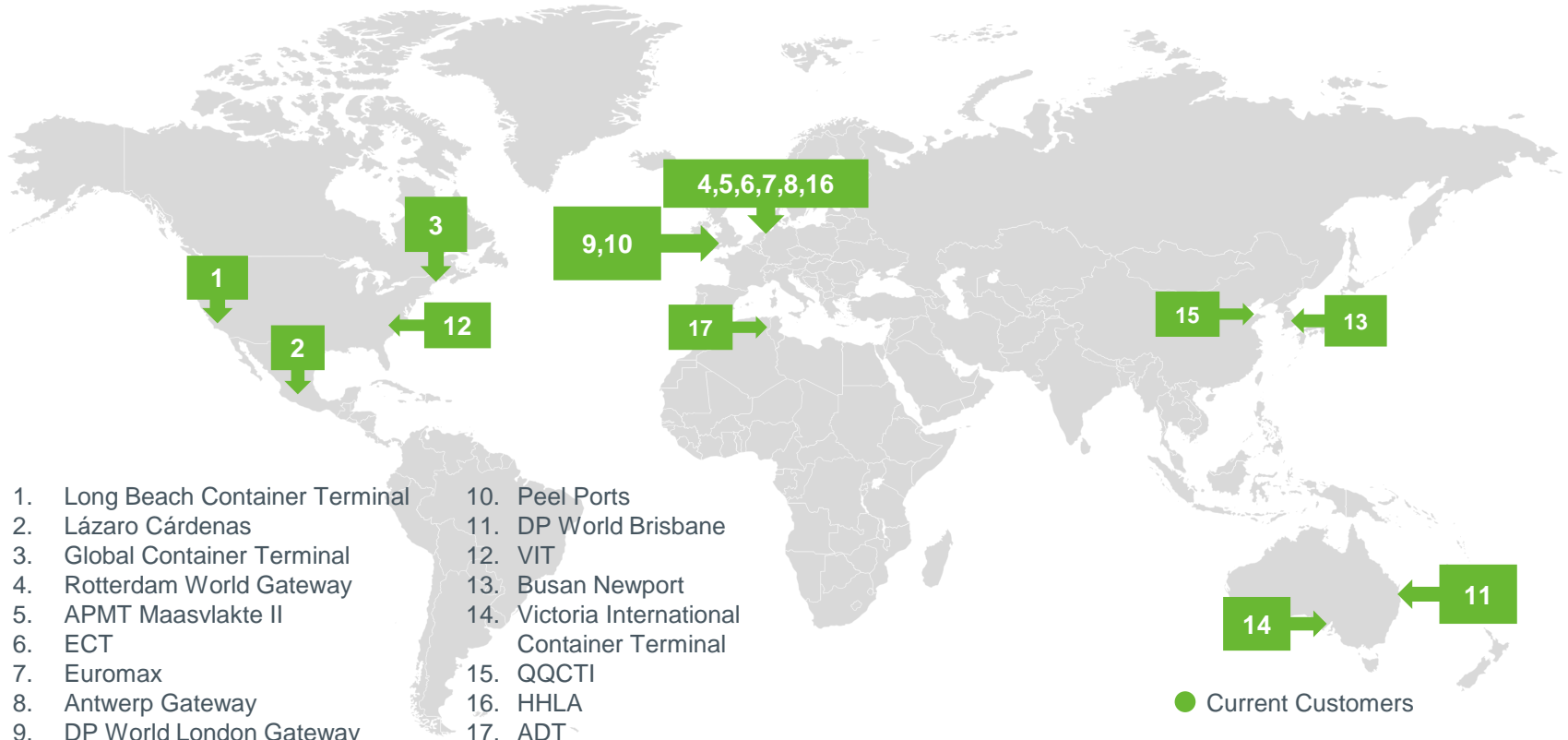


Navis Share

- >30% of World Throughput is handled by terminals using Navis TOS
- 50% share of the Packaged TOS Solutions
- #1 Packaged TOS for Automated Terminals
- 1000+ customer users in Navis community

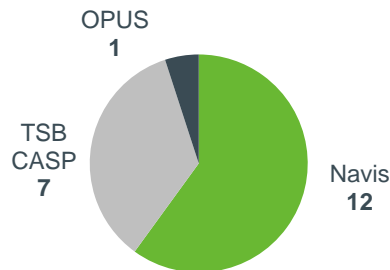
Source: Navis Primary Research

Customers Using Automated TOS



Our Customers



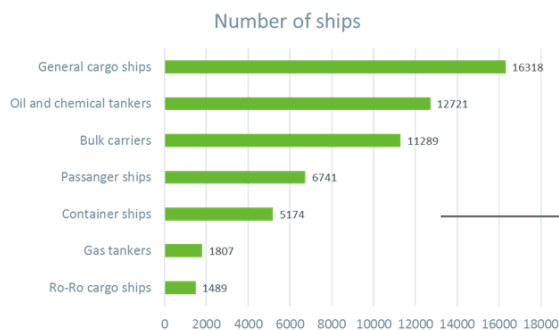


Stowage Planning

- Market leader in Stowage Planning solutions - used by 12 of top 20 shipping line brands
- Developing automated stowage planning solution
- Connected to XVELA collaboration platform

Bluetracker Fleet Management

- Enables carriers and vessel owners to monitor operational performance
- Compliance solution for upcoming EU/IMO environmental regulations



On Board Loading Computers: Ocean Carriers

(TEU M's)



MACS3





Global Supply Chain

COMPLEXITY



The time is
NOW

navis®

“ We are... **investing
massively**, in the digital
and technology side

—*Soren Skou, CEO, Maersk Transport & Logistics*

The time is

NOW

navis®

“

...we must remove **mind
boggling inefficiencies**

—*Rolf Habben Jansen, CEO, Hapag Lloyd*

The time is

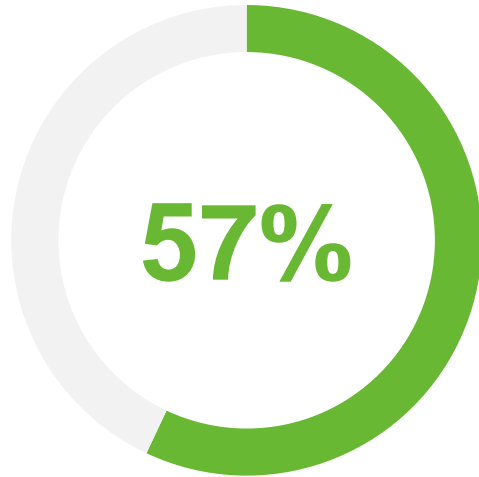
NOW

navis®

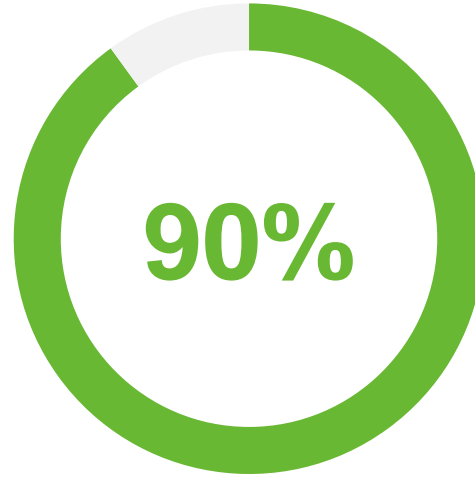


...carriers need to invest
in visibility

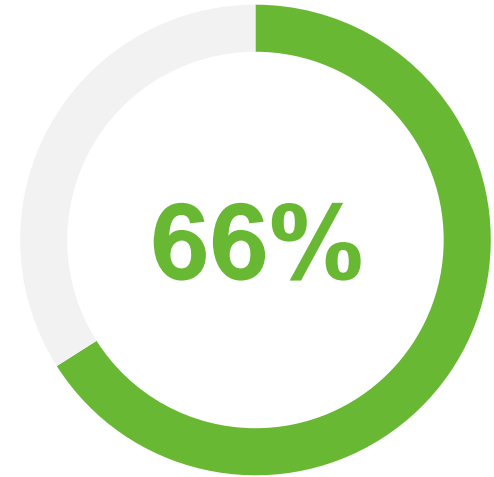
—*Dr. Frank Appel, CEO, Deutsche Post DHL*



poor
coordination



Important/
very important



tech adoption
slow or "far behind"

What industry insiders have to say

“ As ships get larger, and they continue to show that level of unreliability, it creates an enormous strain on the whole system. This extends all the way to retailers, who cannot rely on the industry to keep their shelves stocked appropriately. The net result is an inefficient operation.

—*Rich Ceci, SVP of Technology and Products, Port of Virginia*

What industry insiders have to say

“ Any technology that can free this industry from its horrible reliance on EDI, with its armies of people scrubbing bad data, with its missing data, and untimely data, will be useful. Even more important is a new mindset that leads to change.

—Ron Widdows, Chairman, World Shipping Council

What industry insiders have to say



“ Everyone benefits from collaboration and data sharing. It starts with the customers and moves to the carriers, then the terminal operators, vendors, freight systems, truck companies, and keeps going down the line. There will be no losers, only winners when the industry comes to terms with the need for collaboration.

*—Ron Andreas Mrozek, Sr. Manager Global Marine Operations,
Hamburg Sud*

What we can't control... SHIPPING



Demand



Vessel Size



Consolidation



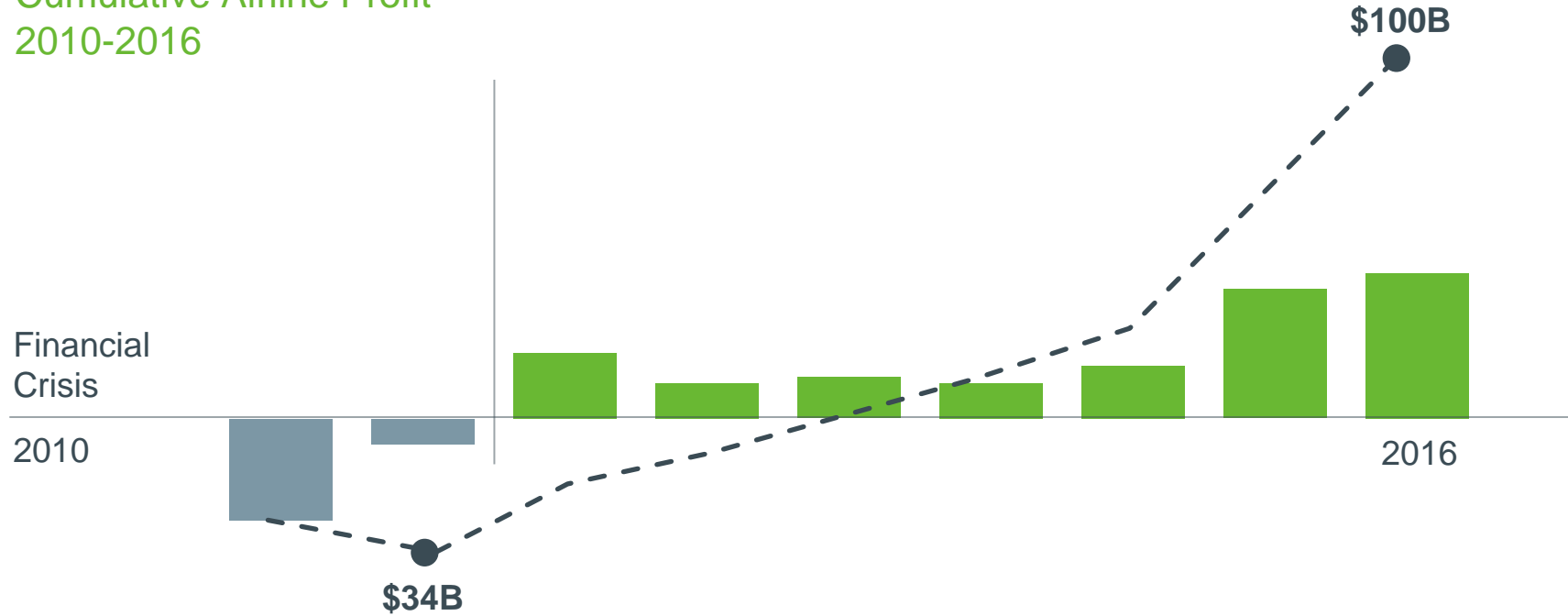
Alliances

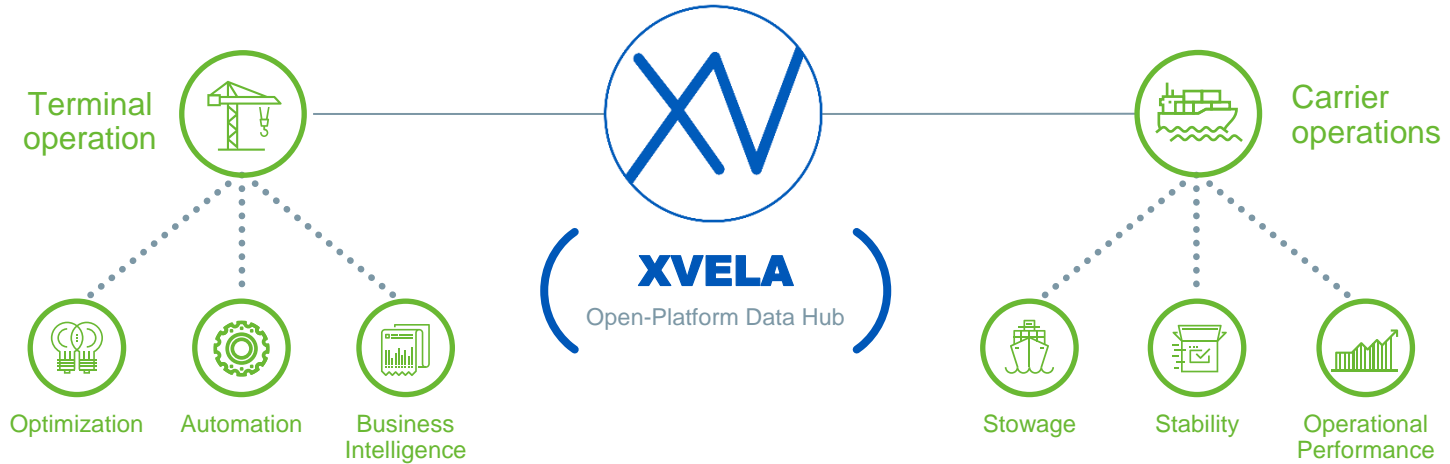
€17 BILLION → Inefficient housekeeping → Sailing Performance of waste and inefficiency

- Stowage planning
- Visibility to container location
- Berth window planning
- Container and Equipment Management

The airline industry

Cumulative Airline Profit 2010-2016





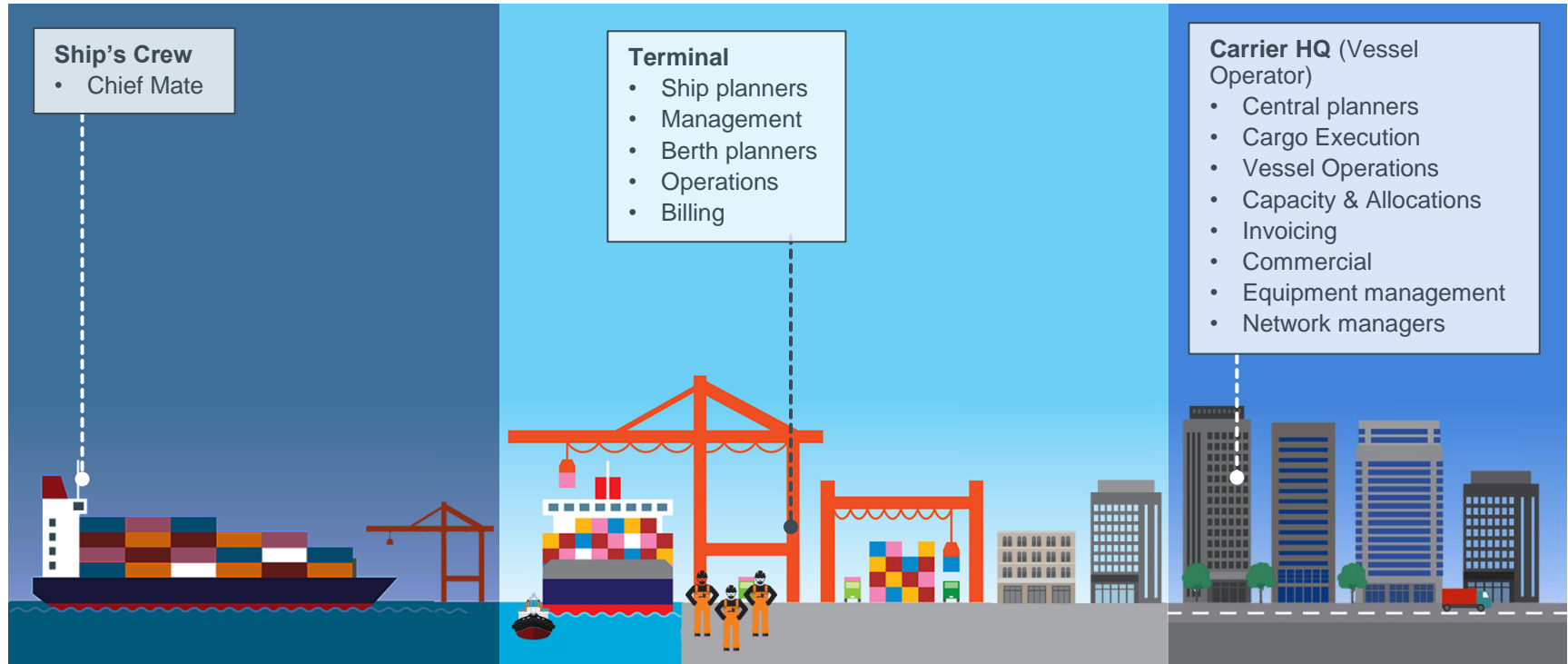


XVELA

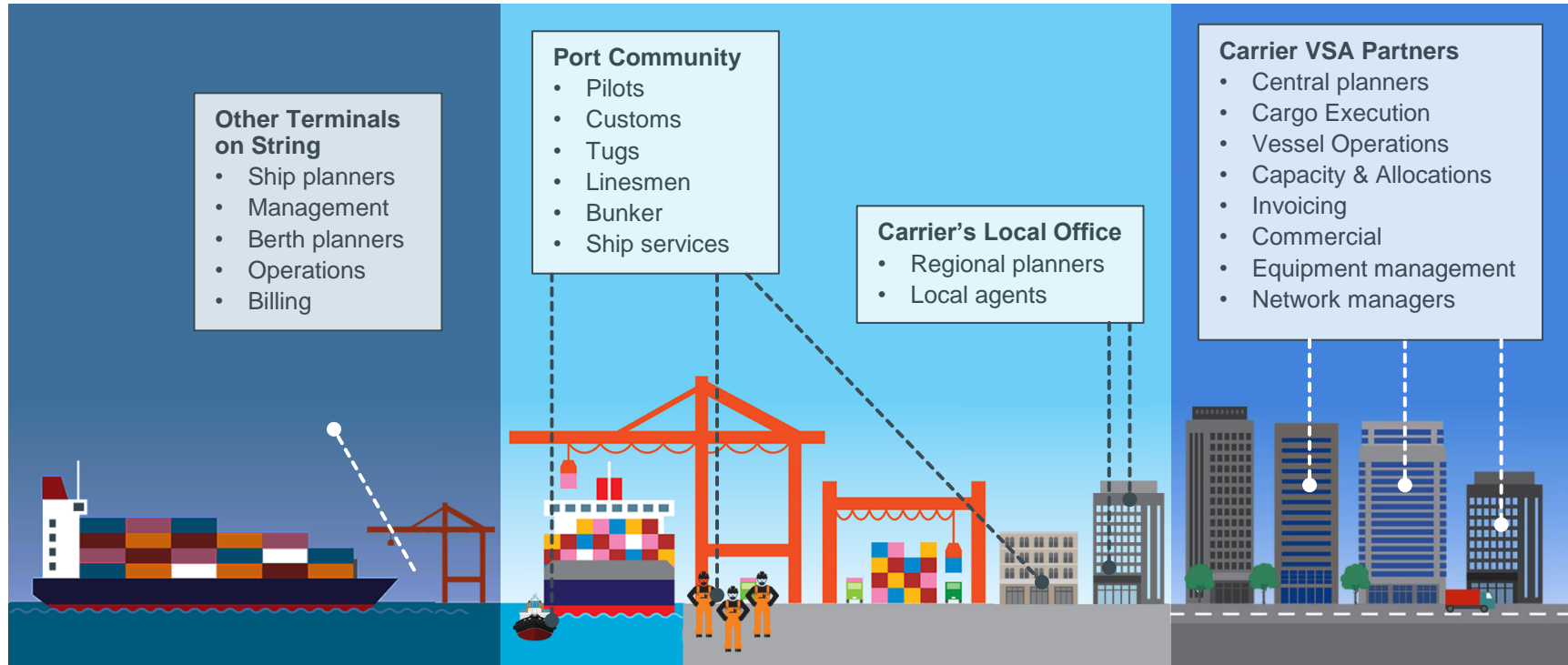
Real-Time Visibility
Across the
Container
Logistics Chain

Closer look at XVELA

The players: Who's talking?



The players: Who's talking?



ISSUES:

- Multiple modes of communication (EDI, email, phone calls, paper plans) with no recorded history of changes or context for changes
- High risk of human error and messages falling through the cracks
- High administrative costs & effort, particularly with maintenance of complex alliances
- Significant impact on effectiveness and efficiency of operations



Disparate data sources

ISSUES:

- Multiple systems without real time communication, rudimentary EDI
- Lack of data standardization or poorly implemented standards
- Different view of the world – Ship Files, Terminal Data, Load lists, Hazard details, etc.
- Outdated requirements – e.g. port-based planning vs. terminal-based planning



How XVELA changes the game



What we're NOT doing:

- Changing your existing tools
- Changing the essential processes of the ocean supply chain
- Changing the players, roles or responsibilities



We're not really changing anything...

We're just changing everything.

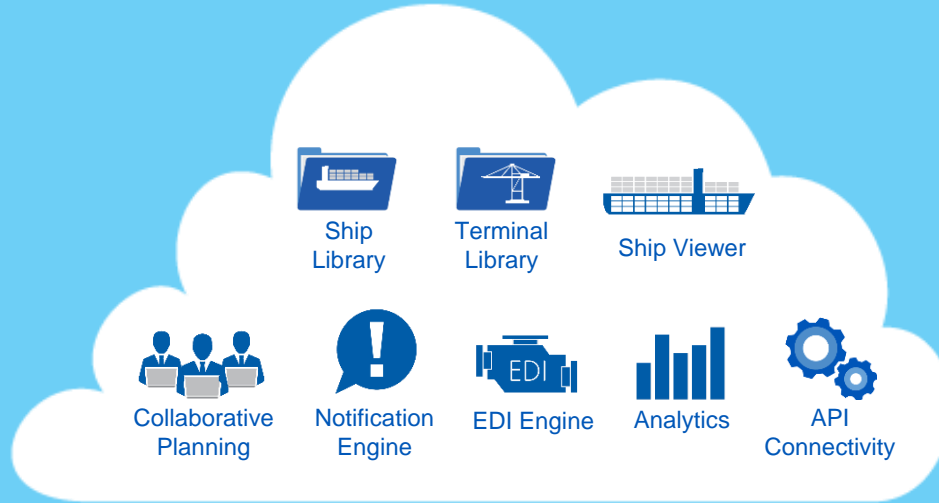


COMMON COLLABORATION PLATFORM & SHARED DATA

Shared visibility & collaboration tools



- Available
- Scalable
- Secure
- Continuous Delivery



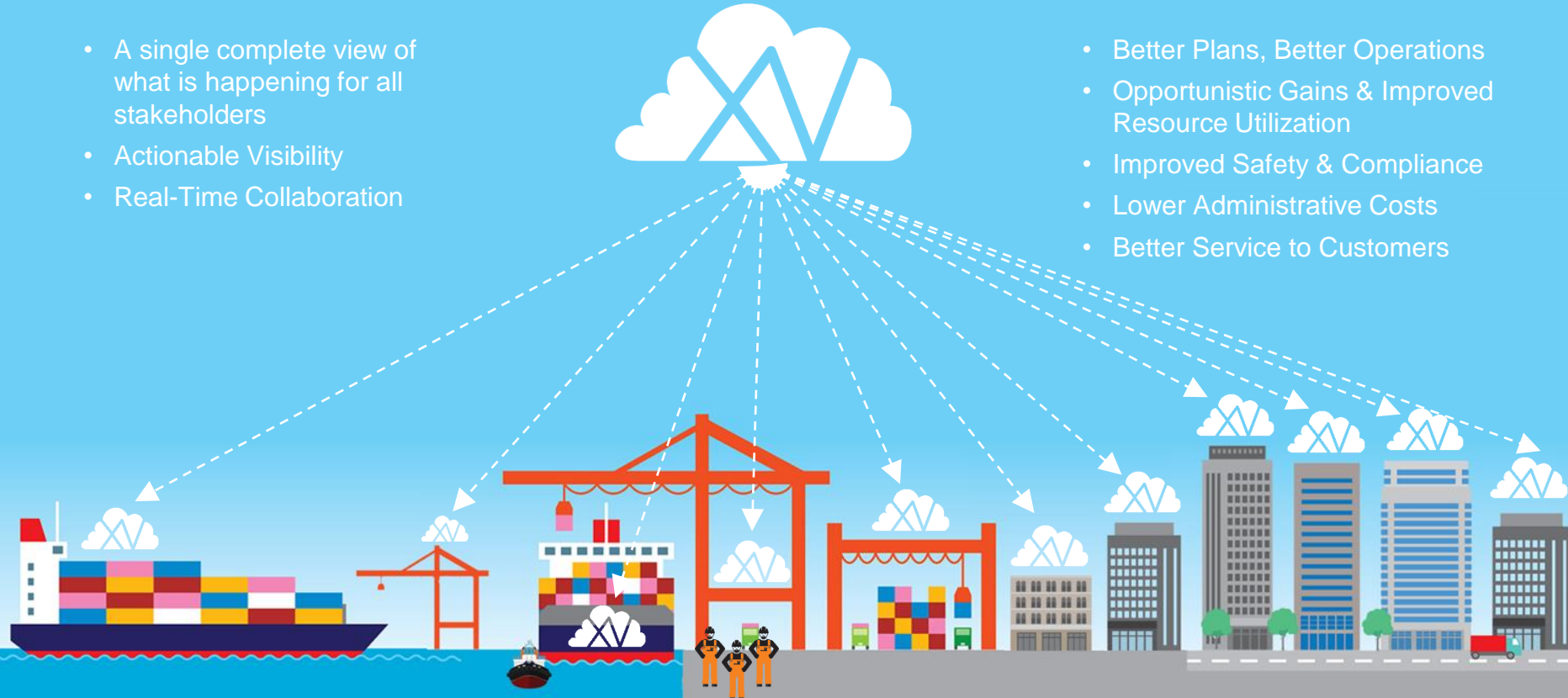
COMMON COLLABORATION PLATFORM & SHARED DATA

How XVELA changes the game



- A single complete view of what is happening for all stakeholders
- Actionable Visibility
- Real-Time Collaboration

- Better Plans, Better Operations
- Opportunistic Gains & Improved Resource Utilization
- Improved Safety & Compliance
- Lower Administrative Costs
- Better Service to Customers



COMMON COLLABORATION PLATFORM & SHARED DATA

MAKING GLOBAL TRADE SMARTER, SAFER AND

More sustainable for everyone



Solid Existing
Business



Expanding Software
Strategy



Possibilities for
Strong Growth

Q&A

Thank you.



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