Shipbuilding Industry Corporation
VIETNAM OVERVIEW

Location

Vietnam locates on the main shipping route from Europe, Middle East, South Asia to East Asia and North America.

Vietnam locates in the center of the Southeast Asia, in the eastern part of the Indochina peninsula, facing the Pacific Ocean to the south east.
VIETNAM OVERVIEW

General information
- Area...... 330,000 km²
- Coast line ...... 3,200 km
- Over 4,000 years history and culture
- Capital city ..... Ha noi
- Population ...... 90 millions (60mil in working age)
- GDP...... 140 billions USD
- Growth... 6-9% in last 10 years

VIETNAM’s ADVANTAGES
- Good market potential
- Political stability
- Fast growing economy
- Golden Age Population
Vietnam has more than 3200 Kilometer coastline and 1900 Kilometers of navigable inland waterways.

Located near one of the busiest shipping route in the world and having considerable reserve of offshore oil & gas, Vietnam has full advantage to develop its marine and offshore industries.

"Maritime related business is forecasted to account for 50% of national economy in 2020."
Demand of sea born transportation

- Vietnam has 127 ports, of which 37 are ocean cargo ships.
- Sea born trade volume forecast to be tripled in 2020.

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Vietnamese Shipping Fleet

- Vietnam shipping fleet is about 6.5 million DWT, ranked about 30th in the world and 4th in the region.
- Vietnamese flag ships share about 30% volume of Vietnam import / export sea cargo.
- Vietnam’s forecast to have a shipping fleet of total capacity about 9 million DWT in 2020.
VIETNAM MARITIME INDUSTRY

Domestic Shipyards

- VINASHIN Shipyards
  - Ha Long Shipyard
  - Pha Rung Shipyard
  - Bach Dang Shipyard
  - Nam trieu Shipyard
  - Thinh Long Shipyard
  - Ben Thuy Shipyard
  - Cam Ranh Shipyard
  - Saigon Shipbuilding (SSIC)
  - Saigon Shipmarin (SSMI)

- Other state owned Shipyards
  - Vinacomi Shipyard
  - Lilama Shipyard
  - Dung Quat Shipyard
  - PTSC Shipyard
  - PV Shipyard
  - Hong Ha Shipyard
  - Z189 Shipyard
  - Ba Son Shipyard
  - Song Thu Shipyard

VIETNAM MARITIME INDUSTRY

Foreign Shipyards

- 8 major foreign shipyards in Viet Nam
  - DAMEN
  - HYUNDAI
  - Strategic Marine
  - PIRIOU
  - TRIYARDS
  - EMAS
  - South East Asia Shipyard (SEAS)
  - Oshima Shipbuilding Co., Ltd.
Vietnam has 4 universities with maritime related degree annual graduation about 4,000 ship crews, naval architect and marine engineer:

- Vietnam Maritime University (VIMARU)
- Vietnam Poly- Technical University
- Nha Trang Fishery University
- Ho Chi Minh City University of Transportation (HUT)

And 4 maritime vocational colleges providing annually 8,000 skilled technician.

- Hai phong Maritime College
- Hai phong Poly-Technical College
- Vinashin Maritime Vocational College
- Ho Chi Minh City Maritime College

Maritime industry is central focus of Vietnam development plan.
Continuous growth of demand for shipping, port infrastructure, offshore industry.
Good foundation of shipbuilding facilities and maritime human resource.
SHIPBUILDING INDUSTRY CORPORATION

OVERVIEW

Vinashin / SBIC is the largest state-owned corporation in Vietnam in:
- Shipbuilding and ship repair
- Shipbuilding supporting industries
- Shipbuilding Engineering and R&D

Vinashin’s shipyard is accounted for about 70% domestic shipbuilding capacity in Vietnam
SHIPBUILDING INDUSTRY CORPORATION

SHIPBUILDING CAPACITY

Building capacity:
- Up to Panamax size vessels
- Tanker, Bulk carrier, Container, Car carrier, LPG carrier, Cement carrier, FSO/FPSO, Tug boat, Fishing Boat, Offshore vessel.

- Delivery in 2010: 60 Vessels
- Delivery in 2011: 75 Vessels
- Delivery in 2012: 40 Vessels
- Delivery in 2013: 50 Vessels (Plan)

SHIPBUILDING INDUSTRY CORPORATION

SHIP REPAIR CAPACITY

- Vinashin is capable of carrying out various types of repair, conversion and modification work up to the size of Handysize
- Typical ship types: tankers, bulk carriers, LPG carriers, container vessels, offshore supply vessel, etc.
- Main repair facilities:
  - Northern area: Bach Dang shipyard, Pha Rung shipyard, Nam Trieu shipyard
  - Southern area: Saigon Shipmarin, Saigon shipbuilding shipyards.

- Floating dock repair
- Dry dock repair
- Voyage repair
SUPPORT INDUSTRY

- Support shipbuilding and repair activities
- Localization of marine equipment and accessories
- Products include
  - Steel (plate and profile)
  - Welding material
  - Diesel Engines (low and high speed)
  - Boiler
  - Crane, hatch cover and other deck equipment
  - Interior material
  - Air conditioning system
  - Switch board and Electric Cable

ENGINEERING

- In-house design and testing facilities in collaboration with Design Institute & Engineering companies enables Vinashin to offer research, design and consulting services including:
  - Research and development of new concept
  - Model test
  - Basic design
  - Workshop design
  - Shipyard design
**SHIPBUILDING INDUSTRY CORPORATION**

### 1996-2009: Investment phase

- **1996:** Establishment of Vietnam shipbuilding industry corporation (VINASHIN) from Shipbuilding union (9 shipyards; 5,000 workers; 3,000 dwt coastal vessel)
- **2000:** First ocean going vessel (6,500 dwt) delivered to domestic owner
- **2001:** First exported cargo vessel (10,000 dwt) to Japanese owner
- **2003:** Modernization and new construction of Vinashin shipyards
- **2006:** Establishment of Vinashin Group (more than 200 subsidiaries, 30 shipyards; 80,000 workers)
- **2007:** Delivery of the first 53,000 dwt Bulk carrier
- **2008:** Delivery of the first 4,900 CEU Car Carrier
- **2009:** Delivery of 150,000 dwt FSO unit

### 2010-now : Restructuring Phase

- **2010:**
  - Transfer of shipping division to Vinalines and several under construction industrial zones and shipyards to Petrovietnam
- **2011-2012:**
  - Downsize organisation to 43 subsidiaries including 20 shipyards
- **2013:**
  - Finish restructure of 2 billion USD bank loan
  - Establishment of a new shipbuilding corporation, called SBIC, with 8 solely owned shipyards.
  - SBIC focus on shipbuilding and repair business only, using existing shipyard facilities and man power.
  - Continue to transfer/sell remaining subsidiaries and projects to private/foreign investors to concentrate resources to develop the new corporation.
### SHIPBUILDING INDUSTRY CORPORATION

#### SBIC SHIPYARDS

- Ha Long shipyard
- Bach Dang shipyard
- Pha Rung shipyard
- Song Cam shipyard
- Thinh Long shipyard
- Damen - Song cam
- Huyndai - Vinashin
- Cam Ranh shipyard
- Saigon Shipmarin (SSMI)
- Saigon Shipbuilding (SSIC)

#### SHIPBUILDING INDUSTRY CORPORATION

#### SHIPYARD FACILITIES

<table>
<thead>
<tr>
<th>Shipyard</th>
<th>Slipway L x B (m)</th>
<th>Dock</th>
<th>Crane (ton)</th>
<th>Quay (m)</th>
<th>Capacity (DWT)</th>
<th>New building</th>
<th>Repair</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bach Dang</td>
<td>184.5 x 24 186 x 34</td>
<td>Floating 4,500 DWT</td>
<td>120</td>
<td>200 x 18</td>
<td>Up to 40,000</td>
<td>Up to 10,000</td>
<td></td>
</tr>
<tr>
<td>Pha Rung</td>
<td>156 x 25 270 x 32</td>
<td>Floating 4,200 DWT Dry 15,000 DWT</td>
<td>200</td>
<td>200 x 18 150 x 11</td>
<td>Up to 40,000</td>
<td>Up to 20,000</td>
<td></td>
</tr>
<tr>
<td>Song Cam</td>
<td>194 x 30</td>
<td>Dry 97m x 23m</td>
<td>200</td>
<td>Q1: 90 Q2: 200</td>
<td>Up to 20,000</td>
<td>Up to 10,000</td>
<td></td>
</tr>
<tr>
<td>Ha Long</td>
<td>350 x 48 250 x 36</td>
<td>-</td>
<td>400</td>
<td>Q1: 450 Q2: 200</td>
<td>Up to 80,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thinh Long</td>
<td>186 x 37</td>
<td>-</td>
<td>200</td>
<td>250</td>
<td>Up to 30,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cam Ranh</td>
<td>320 x 48</td>
<td>-</td>
<td>300</td>
<td>-</td>
<td>Up to 50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saigon Shipmarine</td>
<td>-</td>
<td>Floating 8,500 DWT Floating 6,000 DWT</td>
<td>150</td>
<td>Q1: 100 Q2: 50</td>
<td>Up to 10,000</td>
<td>Up to 20,000</td>
<td></td>
</tr>
<tr>
<td>Saigon Shipyard</td>
<td>181 x 25</td>
<td>Dry 180m x 30m</td>
<td>100</td>
<td>100</td>
<td>Up to 10,000</td>
<td>Up to 30,000</td>
<td></td>
</tr>
<tr>
<td>Nam Trieu</td>
<td>180 x 32 320 x 48</td>
<td>Floating 8,500 DWT Dry 10,000 DWT</td>
<td>300</td>
<td>Q1: 353 Q2: 206</td>
<td>Up to 80,000</td>
<td>Up to 30,000</td>
<td></td>
</tr>
</tbody>
</table>
SHIPBUILDING INDUSTRY CORPORATION

MAIN PRODUCT:

56,000 dwt Bulk carrier
Nam trieu Shipyard

53,000 DWT Bulk Carrier
Ha Long Shipyard

1730 TEU Container Carrier
Bach Dang Shipyard

34,000 DWT Bulk Carrier
Pha rung Shipyard

SHIPBUILDING INDUSTRY CORPORATION

MAIN PRODUCT:

4,900 Cars PCTC
Ha Long Shipyard

150,000 DWT FSO
Nam Trieu Shipyard

14,000 dwt Cement Carrier
Bach Dang Shipyard

13,000 DWT Chemical Carrier
Pha rung Shipyard
SHIPBUILDING INDUSTRY CORPORATION

MAIN PRODUCT:

- 70t BP ASD TUG – Song Cam shipyard
- 4500cbm Ethylene LPG – Bach Dang Shipyard
- 3,000 m³ Hopper Dredger – Ben Kien Shipyard
- Fast Crew Boat – Song Cam Shipyard

THE NEXT PHASE OF DEVELOPMENT

INTERNATIONAL COOPERATION
THE NEXT PHASE OF DEVELOPMENT

SBIC FOCUS

• Acquire foreign technology and management skill to improve shipyard’s efficiency.

• Forming partnership with foreign shipyards in forms of Joint venture or business collaboration to effectively utilise shipyard’s facilities

• Transfer non core businesses to other investors to focus resources to shipbuilding and ship repair operation.

OPPORTUNITY

• Foreign shipyards and consulting companies can provide their services to SBIC.

• Foreign shipyards can increase their competitiveness by having low cost production in cooperation with SBIC.

• Foreign shipyards and suppliers can quickly and economically invest in their production facilities in Vietnam.

SHIPBUILDING INDUSTRY CORPORATION

Opportunity for Foreign Investment

South East Asia Shipyard (SEAS)

Oshima Shipbuilding Co., Ltd.

Keppel Offshore & Marine

Rolls-Royce

PIRIOU

AALBORG INDUSTRIES

DAMEN

HYUNDAI

Goltens

NDM

Strategic Marine

Nakazima

Sigma Coatings

TRIYARDS

BRØDRENE DAHL

Orient Marine Lines

Emas

BEMAC

Hempele

International

VARD

Fincantieri company
THANK YOU!

For more information:

Venue: HANOI, VIETNAM
Time: February 26th to 28th, 2014
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