

ABB helps CLSICO maximize trading days Preventive Service™ agreement signed for six LNG tankers



Established in 2006 in Hong Kong, China LNG Shipping (International) Co Ltd – better known as CLSICO – was founded to manage the original five 147,000 cubic meter LNG carriers supplying the Guangdong and Fujian import terminals from the North West Shelf in Australia and Tangguh, Indonesia. In 2012 another first-class LNG vessel was added to the fleet in order to supply the Shanghai terminal from Bintulu, Malaysia, which increased CLSICO's demand for higher equipment and vessel availability. In order to safely and reliably manage the growing fleet, CLSICO has chosen to sign a Preventive Service™ contract in cooperation with ABB. The agreement commenced January 1, 2013.

Throughout the five-year contract, ABB will provide annual site surveys and on-call services to the six vessels covered by the agreement, as well as dry dock service every 2.5 years. The scope of the agreement covers preventive maintenance onboard, power generation plant, mechanical and electrical system. All systems under the contract will have increased reliability and extended life through the scheduled maintenance procedures and pre-planned service visits. In turn, this enables CLSICO to ensure maximum performance maintenance throughout its assets' lifecycle and to maximize trading days to the charters.

Service modules adapted to diverse business needs

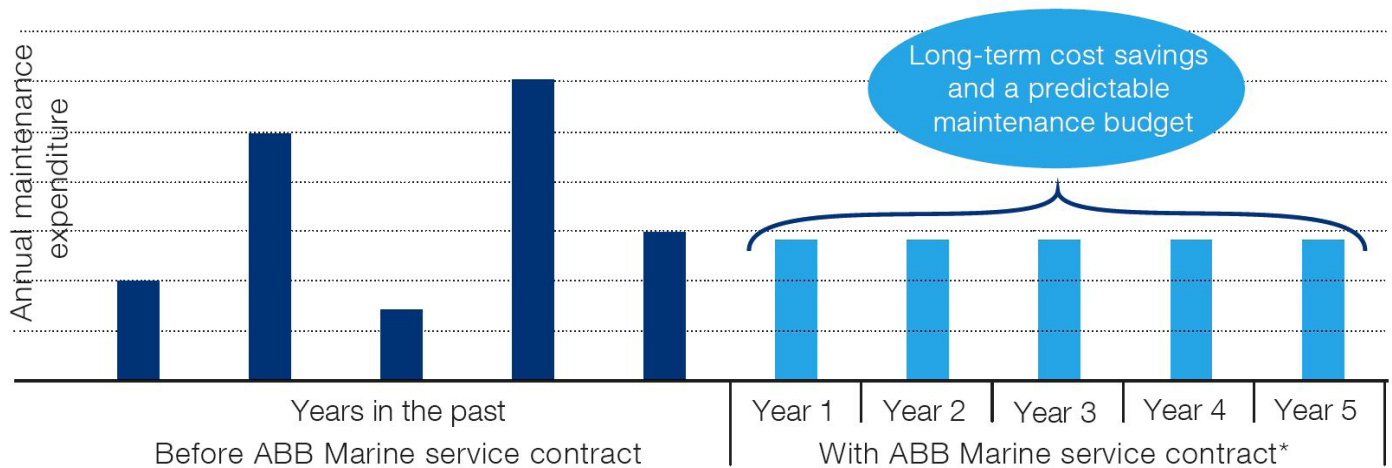
Maximizing trading days

In total, the six LNG tankers under CLSICO management transport more than 870,000 cubic meters of natural gas per trip. After feeding the import terminals Guangdong, Fujian and Shanghai, the gas in turn supplies various industries and households in several locations in China. Therefore, it is crucial that each vessel operates with uptime guarantees, as transportation is an extremely important component in the LNG supply chain.

ABB understands the importance of our customers' operation and therefore, through a pro-active and well-structured maintenance approach, helps CLSICO minimize the risk of off-hire and maximize trading days to the charters and ship owner. With systems covered by the Preventing Service™ agreement operating at optimum performance, CLSICO is able to provide its customers a safe and reliable fleet management on behalf of the Chinese terminal company and secure the LNG supply.

The service agreement enables CLSICO to ensure maximum performance maintenance throughout its assets' lifecycle and consequently maximize trading days

Moving from fluctuating expenditure to a fixed annual rate makes budgeting more predictable



* Preventive Service and Performance Optimization contracts.

Predicting long-term maintenance cost and cash flow

Another crucial feature of the Preventive Service™ agreement is the capability it gives ship-owners to predict long-term maintenance costs and cash-flow. Once the maintenance expenditure is fixed to an annual rate, CLISCO will benefit from having a more predictable maintenance budgeting process. In addition, CLISCO benefits from sharing maintenance responsibilities with a highly qualified partner such as ABB

Because ABB's service agreements can be designed business-specifically, they help the customers' investments produce the maximum benefits for operations and competitiveness.

Embedded in the Preventive Service™ agreement as discounted service rates for spare parts, training services and all on-call visits throughout the contract period.

For more information, please contact your nearest Marine Service Center at www.abb.com/marine

Business Partnerships

ABB is committed to working closely to its customers. Through a thorough site survey on the customers' assets, highly skilled ABB engineers are able to tailor-make a customized maintenance plan. Efficient communication between ABB and the customer generates long-lasting business partnerships that benefit all parties, and add value to the supply chain.