The Rise Continues

2013’s results show fourth consecutive year of growth

Slipway business sees new hike

New Onsite Specialist Contractors sign up

Offshore Services seeing busy 2014
Chief Executive Message

An encouraging variety of repair scopes are translating into high occupancy and good utilisation of ASRY’s varied facilities

The beginning of 2014 has met expectations of being another strong start to the year. At the end of 2013 we predicted the overall market would stay buoyant with repair schedules aligning well for high occupancy this year.

Ship repair is seeing a healthy mix of scopes coming in. Small, medium and large jobs are being won in equal measure to utilise our wide range of facilities simultaneously. The slipways have continued to see excellent business, at one point recently having six ships under repair at the same time (see p11). The drydock’s occupancy is also high, as well as being varied. Docking both a VLCC and rig simultaneously (see p5) was a highlight of the first quarter. The flexibility provided by our expanded alongside berth capacity is a factor in keeping customers satisfied as repair timeframes are staying on track with minimal in-yard shifting occurring.

The offshore market, as predicted, is also going through a strong period for ASRY with several major clients entering scheduled repair time windows throughout this year. The number of rigs in the yard throughout the first quarter provides a reassuring variety to the revenue streams.

A greater emphasis on growing the number of ASRY’s Onsite Specialist Contractors is ramping up this year, with two major new deals struck with Solas and ABB (see p8 & 9). Throughout the year, we’ll see more agreements being signed as the selection of workshops based in ASRY surges under a new push to make sure ASRY accommodates the leading portfolio of Onsite Specialist Contractors in the region.

The success ASRY is witnessing is a testament to the loyalty of our repeat customers, whose loyalty is deeply appreciated, and the impressive efforts of all ASRY staff, who are the backbone of all ASRY success.

Nils Kristian Berge
CHIEF EXECUTIVE
ASRY
Fourth year of consecutive growth sees revenues 12.1% higher than 2012.

ASRY has seen annual revenues grow again. 2013 is the fourth year of consecutive growth, with $199m, an increase of 12.1% on 2012’s total. This came from a record-equalling 184 vessels. Only in 2010 has ASRY repaired as many vessels in a single year. Considering the aggressive market conditions that continue to pervade global shipping, these results are a very encouraging endorsement of ASRY’s maintenance of its regional prominence.

ASRY began 2013 with optimistic expectations for the level of business it would reach throughout the year, and was proved correct with the first three quarters in particular witnessing close to perpetual drydock maximum capacity. The first quarter of the year actually posted the highest revenues for a single quarter in ASRY’s 36-year history, which is a powerful testament to the swing in momentum ASRY has managed to achieve since the global financial crisis that affected the shipping industry in 2009.

While new projects were being completed to expand the yard’s capabilities, the core repair business continued to make history with two major milestones occurring in 2013. First was the repair of ASRY’s 4,000th ship. This tally of repairs now ranks it as one of the most experienced shipyards in the Middle East, having been in operation since 1977, longer than any yard in the Arabian Gulf. The second milestone was ASRY repairing its 50th rig - the Perro Negro 5 - an independent leg cantilever jack-up rig, operated by Saudi Aramco. The size and scale of the rig is indicative of the evolution of ASRY’s rig capabilities and expertise over the five years since the division was launched. In 2013 ASRY posted offshore repair work revenues that were approximately 42% of total revenues, consolidating it’s the offshore sector as an essential part of the ASRY business.

Only in 2010 has ASRY repaired as many vessels (184) as in 2013.
Olympic Legacy and Arabiyyah 1 in graving dock simultaneously earlier this year as the trend of high occupancy continues from 2013.
Offshore market expands in 2013

ASRY Offshore Services optimistic for busy 2014

ASRY’s Offshore division saw another strong year in 2013, with the first three quarters in particular seeing numbers approaching full capacity. With some projects shifting into 2014, the fourth quarter saw a slow-down in Offshore work, which gave the division preparation time for a potentially very busy 2014. A total of 17 rigs had completed repair work in the year under review, which contributed 42% to total revenues and continued the important role of offshore to overall performance.

Three significant trends became apparent throughout 2013, the first of which was the continuation of the overall offshore market improvement. An indication of this was the ongoing unstacking of rigs at ASRY. In the past 3 years ASRY has gone from stacking 12 jack-ups to now only having two. Each unstacked rig is now in service, with several of them being converted or maintained by ASRY itself. The second trend for ASRY was an expansion into regions beyond the Middle East, with a particular highlight being a breakthrough in the Indian market, with two major repair jobs coming from the Sub-Continent – Victory Driller and Deepsea Treasure. The third trend was the reinforcement of relationships with long-term clients. ASRY is synonymous with long-term relationships and has built its 36-year history on repeat business, and this approach is now being fully adopted by the Offshore division with many of their customers in 2013 being customers since its inauguration, such as Ensco, Rowan, Saudi Aramco and more.
SOLAS bolsters presence in ASRY with new workshop

International marine safety services firm signs deal for permanent presence in region’s leading shipyard

ASRY is expanding its already extensive range of in-yard services by signing an important Service Agreement with Solas Marine Services Group. The Agreement will allow Solas to build a 2,000-square-metre Service Centre for Life Boats, Life Rafts and Fire Fighting & Life Saving Appliances in ASRY, which will not only expand ASRY’s services portfolio, but also bring new business opportunities to the Kingdom itself.

This is the first development in a programme of increasing ASRY’s Onsite Specialist Contractors, which will continue to roll out in 2014. ASRY already boasts a leading line-up of in-yard workshops, but is investing in even more third-parties setting up in the yard, with a view to maintain its reputation as a one-stop solution for all marine repairs.

ASRY Chief Executive, Nils Kristian Berge, and ASRY Technical Resources & Business Development General Manager, Magdy Moustafa signed the agreement with Solas Marine Services Group General Manager Sanjay Prabhu.

Under the agreement, Solas will offer its variety of services to the local market as well as ASRY customers, which will contribute positively to the national income of Bahrain and boost further training and employment opportunities for Bahrainis.

The project will commence in March on an area of 2,000 square meters, and is expected to be completed in 4 to 6 months. The term of the Agreement is five years.

ASRY’s Technical Resources & Business Development General Manager, Magdy M. Moustafa, said that the Agreement is the first is a series of similar arrangements which will serve as additional resources for ASRY.

Solas General Manager, Sanjay Prabhu, also expressed his confidence in the fruitful cooperation with ASRY for the mutual benefit of the companies. He emphasized Solas’s endeavours to further enhance future association with ASRY.
ABB Turbochargers take up permanent presence in ASRY

ABB Industries to open new workshop in ASRY, providing certified turbocharger expertise, global warranties, and onsite access to worldwide network

ASRY has signed a major co-operation agreement with ABB Industries (LLC), Dubai, a division of ABB Turbocharging, a global leader in the manufacture and maintenance of turbochargers for two-stroke and four-stroke engines for various types of vessels. The agreement will see ABB open a new workshop in ASRY, provide international factory warranties from ASRY, and provide onsite accessibility for ASRY customers to ABB’s worldwide Service Network.

The agreement was signed by ASRY Chief Executive, Nils Kristian Berge; ASRY Technical Resources and Business Development General Manager, Magdy Mustafa; ABB Local Business Unit Manager and Area Manager Middle East and North East Africa, John Fyfe; Regional Business Development Manager, Shibu Rajamani and Head of Operations and Country Insurance Risk Manager - ABB UAE & Qatar, Nandagopal K.

ASRY Chief Executive, Nils Kristian Berge, commented that it was a “landmark agreement by which ASRY can expand its provision of quality services to its wide range of global customers. The agreement will promote sharing of mutual benefits to enhance business of both companies, ensure quick turbocharger service to customers in the yard, and offer one-stop ABB turbocharger solutions at ASRY”.

ABB Local Business Unit Manager and Area Manager Middle East and North East Africa, John Fyfe, explained that “as per the Agreement, ABB Turbocharging in Dubai will provide international factory warranties to all service jobs done at ASRY, including dedicated machines and engineers at a workstation within the shipyard facility. ASRY will also benefit from the worldwide accessibility, rapid response and cutting-edge expertise of ABB’s Service Network, which comprises more than a hundred Service Stations in over fifty countries. Given the strategic importance of ASRY to our mutual customers, this initiative provides onsite accessibility to key equipment required for the overhaul of turbochargers, thus allowing for quick turnaround times and onsite technical support round the clock”.

Left to right: Magdy Mustafa, ASRY Technical Resources and Business Development General Manager, Nils Kristian Berge, ASRY Chief Executive, John Fyfe, ABB Local Business Unit Manager and Area Manager Middle East and North East Africa ABB
Slipway occupancy at ASRY has risen year on year since they were opened in 2008, with 2013’s revenues attributed directly to slipway work increasing 7.24% on 2012.
ASRY Slipways hit 6-vessel record

Slipway business sees 7.24% increase in revenues in 2013

ASRY recently saw six vessels under repair simultaneously on its dual slipways in a sign that the yard’s small and medium sized vessel repair business continues to flourish since the opening of the its state-of-the-art slipways.

Slipway occupancy at ASRY has risen year on year since they were opened in 2008, with 2013’s revenues attributed directly to slipway work increasing 7.24% on 2012. The contribution to ASRY’s overall revenue has also seen gains since they were launched. Last year the slipways contributed 6.5% of total revenues for the yard.

The six vessels, comprising of four tugs, a hopper dredger and a jack-up rig, matched the previous record for number of vessels accommodated simultaneously on the slipways. They included the Britoil 64, a tug owned by Britoil Offshore Services in ASRY for routine drydock hull treatment, crane shaft overhaul and top overhauling of port and starboard engines; the Smit Martinique, a tug owned by Smit Lamnalco having routine drydocking jobs, starboard engine overhaul, and seal renewal of lower gear box; the Al Moayyed 26 and 24, tugs owned by Almoayyed Marine Services in for routine drydocking work; the UDC Blue, a hopper dredger owned by United Dredging Company; and Arabiyah 5 a jack-up rig operated by Saudi Aramco.
ASRY has chosen Resolute Maritime Services Inc. to be its exclusive agent in the important Greek shipping market. The new Greek-based agent will represent ASRY’s ship repair sector, effective immediately, as it continues to be the yard of choice for vessels in the region.

ASRY Chief Executive, Nils Kristian Berge, said “The founders of Resolute Maritime are an integral part of the shipping industry in Greece, and their experience and contacts will be invaluable as we continue to establish ourselves as the regional centre of excellence for ship repair.”

Resolute Maritime Services was founded in 2012 and is managed by two long-serving professionals in the Greek ship repair market, Dr. Alex Scaramangas and Nikos Pappas, both Naval Architects, whose combined expertise spans more than 50 years; Dr Scaramangas’ in the field of promoting the services of major ship repair yards to the Greek shipping community, combined with marine claims and survey work and Mr Pappas through being Sales & Marketing Manager of Elefsis Shipyards in Greece. Their good name in the Greek market, broad experience and connections provide their Principals with a solid promotional platform and service which they and their clients can rely on.
What's the most interesting part of your job?

There are two parts to my job which are the most interesting, firstly is the challenge of developing customized solutions for clients and implementing them through Ship/Offshore repair divisions, and the second is having the opportunity to help clients improve on their charter opportunities and increase their safety on board.

What do you think is the most interesting thing about ASRY?

Having been here for some time, I enjoy the flexibility and support you receive from a professional management, in performing one’s job. Also, the infrastructure that ASRY has allows the implementation of complex solutions.

In your opinion, what will be the most important feature of the industry in the near future, and why?

Looking ahead, I feel the industry will need to cater for challenges arising out of three main areas: firstly the growing demands of the major oil firms, secondly the requirements for ship operators to improve fuel efficiency; and thirdly the requirements for ship operators to adhere to environment-based regulations.

If you could change one thing in the industry as a whole, what would it be?

Ship operators are likely to face bigger challenges in their business and would therefore need to concentrate on these growing pressures. With this in mind, the repair industry needs to take more responsibility by offering turnkey solutions to clients, thus adding more value to it’s services.
Sujoy Seal, Superintendent of Transpetrol TM Shipmanagement, opens up about his experiences at ASRY having had two Very Large Gas Carriers - Prospect and Progress - come through the yard.

**How was your experience as a customer at ASRY?**
This was my first experience of dry-docking vessels at ASRY and having completed the same, I can say without any hesitation that the yard lives up to the positive feedback and comments given by my friends and colleagues in the maritime industry. Having been at the yard in 2013 and again earlier this year, my experiences at ASRY have inarguably been a very positive one and if given an opportunity, I would definitely consider the yard as a front-runner for a future docking.

**How is ASRY different from other yards as per your experience?**
While difficult to compare various yards in absolute terms given that each yard has its strengths and weaknesses, ASRY is nonetheless one of my favorites. The yard has the ability to offer both cost-effective and quality services, while concomitantly maintaining the high industry standards, thereby providing a salient experience to its clients.

**DID ANY DEPARTMENT OF ASRY WAS STANDOUT**

“The yard lives up to the positive feedback given by my colleagues in the maritime industry.”

**Sujoy Seal, Superintendent, Transpetrol TM Shipmanagement**

**During repairs & any departments were below par?**
A special mention must be made for the project management team in successfully coordinating the efficient installation of a Waste Heat Recovery boiler on LPG/C Progress in the limited time without any delay to the vessel (this was an out of scope job and was decided rather late into the yard stay).

**What according to you are the strengths of ASRY?**
The strengths at ASRY include, but are definitely not limited to, the following:
- A very positive attitude of the project management team to try and find workable solutions to various repair specifications;
- Accessibility to the senior management as and when required;
- Continuous feedback with regards to budget costs with no untoward surprises in the end.

**What is your opinion about Bahrain?**
This was my first visit to Bahrain as a Superintendent, and the warmth and friendliness of the people was immediately palpable whether it be from the point of entry at the Immigration at the airport to the people in the city and yard to the security check at the airport prior departure.

**How do you rate our customer care department in all the dockings?**
On a grade of 1 to 10, 1 being the lowest and 10 being the highest, I would give a 9. On a lighter note, unfortunately, I don’t give a 10 as nothing can ever be perfect given that there is always scope for improvement, however minor it may be.

**How happy you are with the invoicing process?**
Just one word says it all – Excellent.

**Any comments on quality of repairs and on time delivery of vessel?**
In both the dry-dockings of the VLGCs, the jobs were completed within the time schedule; in the second case, 2 days earlier.

**Effectiveness of ship repair coordinators?**
I was fortunate to have excellent Ship Repair Managers in Mr. Ahmed Samir Ghowel and Mr. Mahmoud Nayer Mohamed overseeing the projects and that made the implementation of the entire job scope much easier.
ASRY Exhibition Proves Popular

Participation in 2014’s Gulf Industry Fair boosts local networking connections for leading shipyard

ASRY has declared its participation in this year’s Gulf Industry Fair a success after the new-look stand received wide acclaim from visitors and attracts larger interest than previous years.

The event was held under the patronage of His Royal Highness the Prime Minister, Prince Khalifa bin Salman Al-Khalifa, from 6 to 8 February 2014.

ASRY’s Chief Executive Officer, Nils Kristian Berge, said: “ASRY had the opportunity to demonstrate its quality services to all visitors, particularly to maritime organisations and ship owners. A full representation of the quality and high standard of our services was clearly made.”

Berge added: “The Gulf Industry Fair has given us an important opportunity to meet customers from the GCC countries and local partners, suppliers and clients. Our participation was also an important opportunity for the exhibition visitors to ascertain the capabilities of our marine services in the region and our leading position.”

He pointed out that ASRY is a leading company in the ship repair and marine services industry and has been in business for more than 30 years. “It is a unique company in providing marine services expertise through four divisions, namely, Ship Repair, Marin Services, and Consultancy Services.”

“Our world class facilities and capabilities include a 500,000 dry dock, two floating docks of 252 and 227 meters respectively, a 4,000 meter terminal, 255 dual waterways and full range of workshops and service centres”, The Chief Executive Officer concluded.

Local networking is one of the primary benefits of the Gulf Industry Fair

ASRY redesigned its exhibition stand to be more cohesive with the look and feel of the brand.