



13 September 2013

News Release for immediate use

International Salvage Union publishes annual statistics

The International Salvage Union has published its annual statistics, representing the aggregated data provided by the members of the ISU, the global trade association for marine salvors. The numbers show a substantial international industry which today is worth more than US\$ 500 million each year. The industry is, in a typical year, performing between 150 and 200 salvage services using a variety of contracts and conducting between 25-45 wreck removals.

The statistics show an increase in revenue from all salvage over the past decade but at the same time they show considerable fluctuations year on year in both the total revenue and the number of salvage services performed. There is a gradual decline in the number of services performed under Lloyd's Open Form contracts which, in the past decade, typically, represent between 30-45% of the salvage services carried out each year accounting for, typically, between 70-90% of salvage revenue.

LOF revenues expressed as a percentage of salvaged value have averaged 10.7% in the past decade.

Wreck removal revenues have increased significantly in the past decade and now account for a substantial portion of the industry's annual income.

Commenting on the statistics, President of the International Salvage Union, Andreas Tsavlis said: "These data demonstrate a number of important points about our industry. While the total revenue from all sources has clearly grown significantly in the past decade there are still considerable fluctuations in both the totals and within the sources of revenue each year. It is noticeable that income from wreck removal

activity has increased while the number of wreck removals conducted has stayed relatively consistent – that may well be due to a relatively small number of particularly costly wreck removal operations. That is a trend identified by the insurance industry and seems to be due to the increasing demands of the coastal authorities.

“In common with the Lloyd’s Salvage Arbitration Branch statistics, we can see a gradual decline in the number of Lloyd’s Open Form (LOF) salvage cases – that is disappointing as the ISU believes that LOF still represents the most effective salvage contract facilitating rapid intervention in a casualty situation.

“While salvage income generally has risen, these statistics reveal significant fluctuation year on year of the total number of salvage services performed. It means that for individual members of the ISU, income remains variable and difficult to predict. Nevertheless, as an industry we must invest and be ready to serve the wider shipping industry and its insurers.”

Ends

See Appendix: ISU Salvage Statistics 1999-2012

For more information contact

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Notes to editors

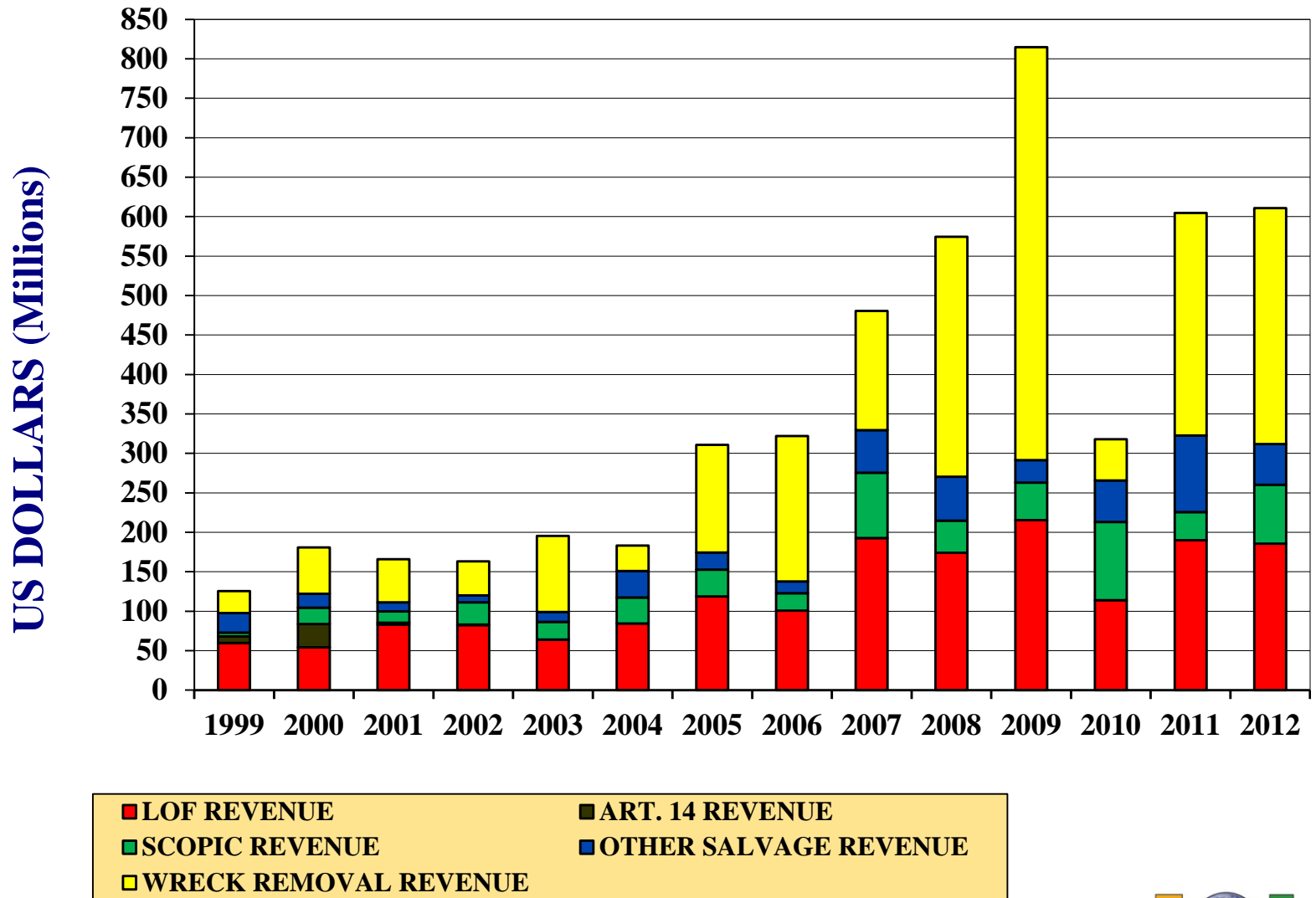
The International Salvage Union has 60 full members engaged in marine salvage around the world.

Data for the ISU statistics is collected from the members of the ISU by an independent party, Moore Stephens, an accountancy and consultancy firm with a specialty in shipping. The data are aggregated and anonymised by Moore Stephens.

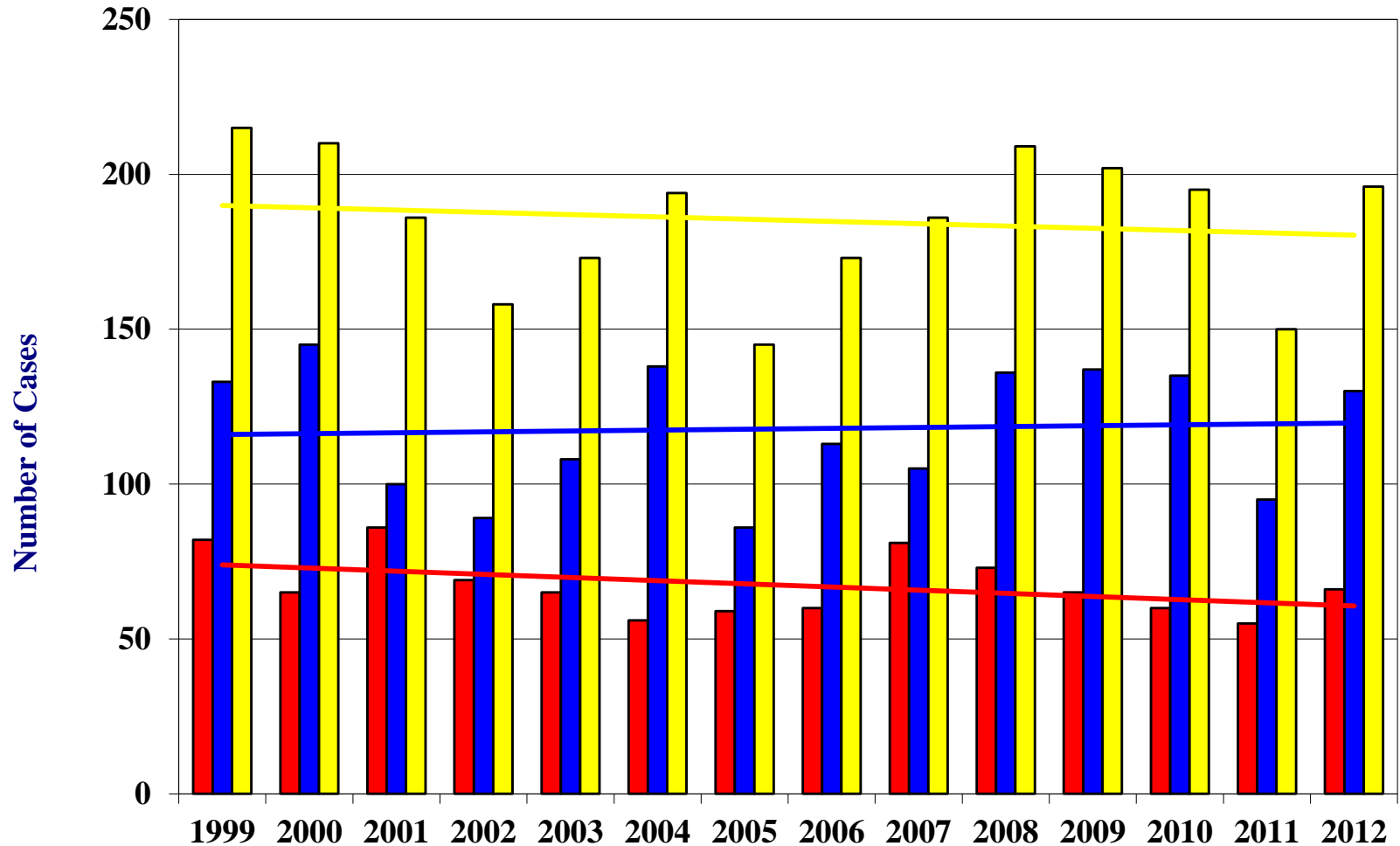
Data is from the year in which the member company accounted for the income, not when they were contracted to undertake a particular operation. It means that in some cases income may not always correspond to when casualties or wrecks occurred.

The statistics have not been published since 2009 due to lengthy discussions among the ISU members about the collection of the data. Those discussions were concluded this year allowing collection and publication of data for the intervening years.

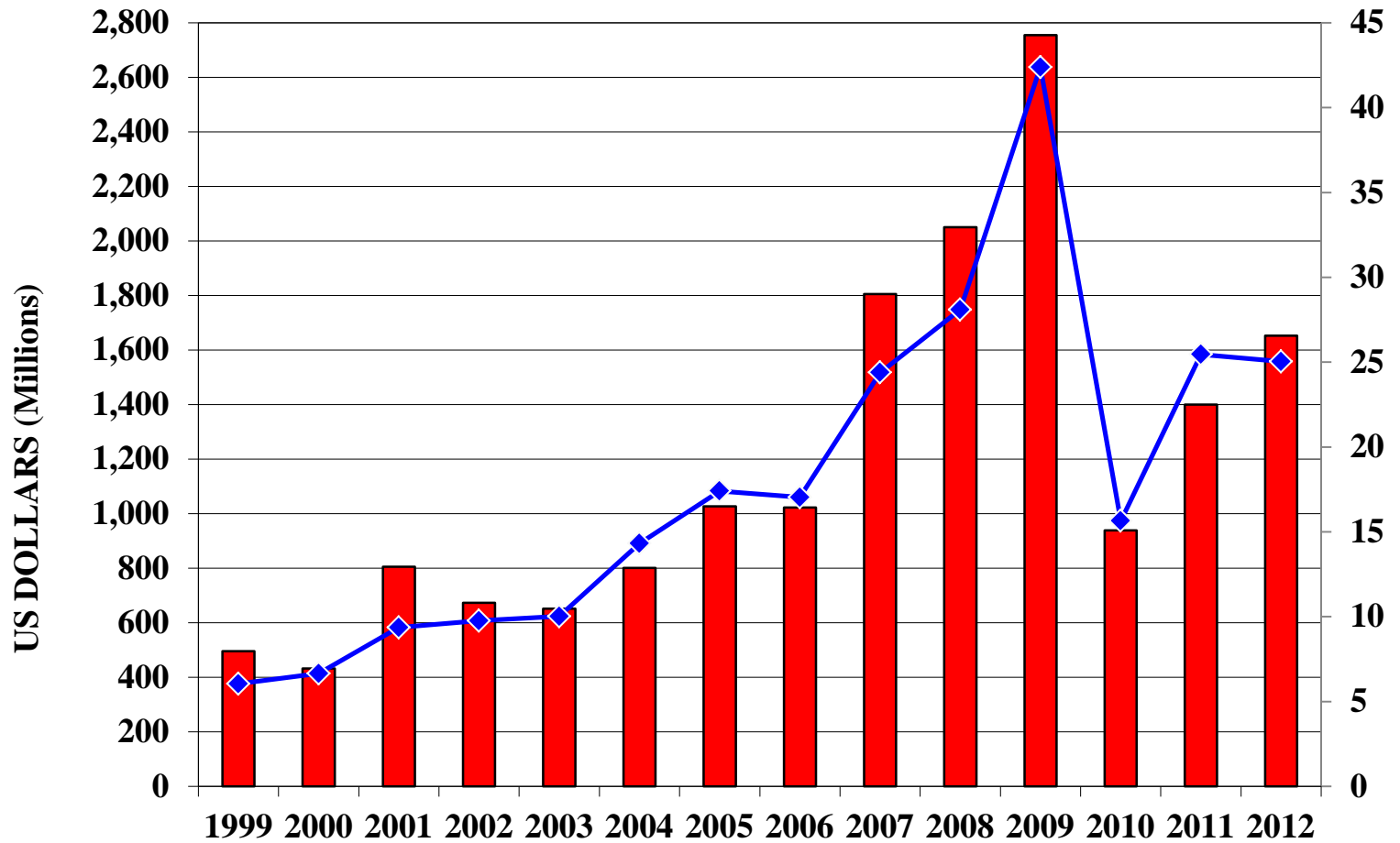
All Sources of Revenue



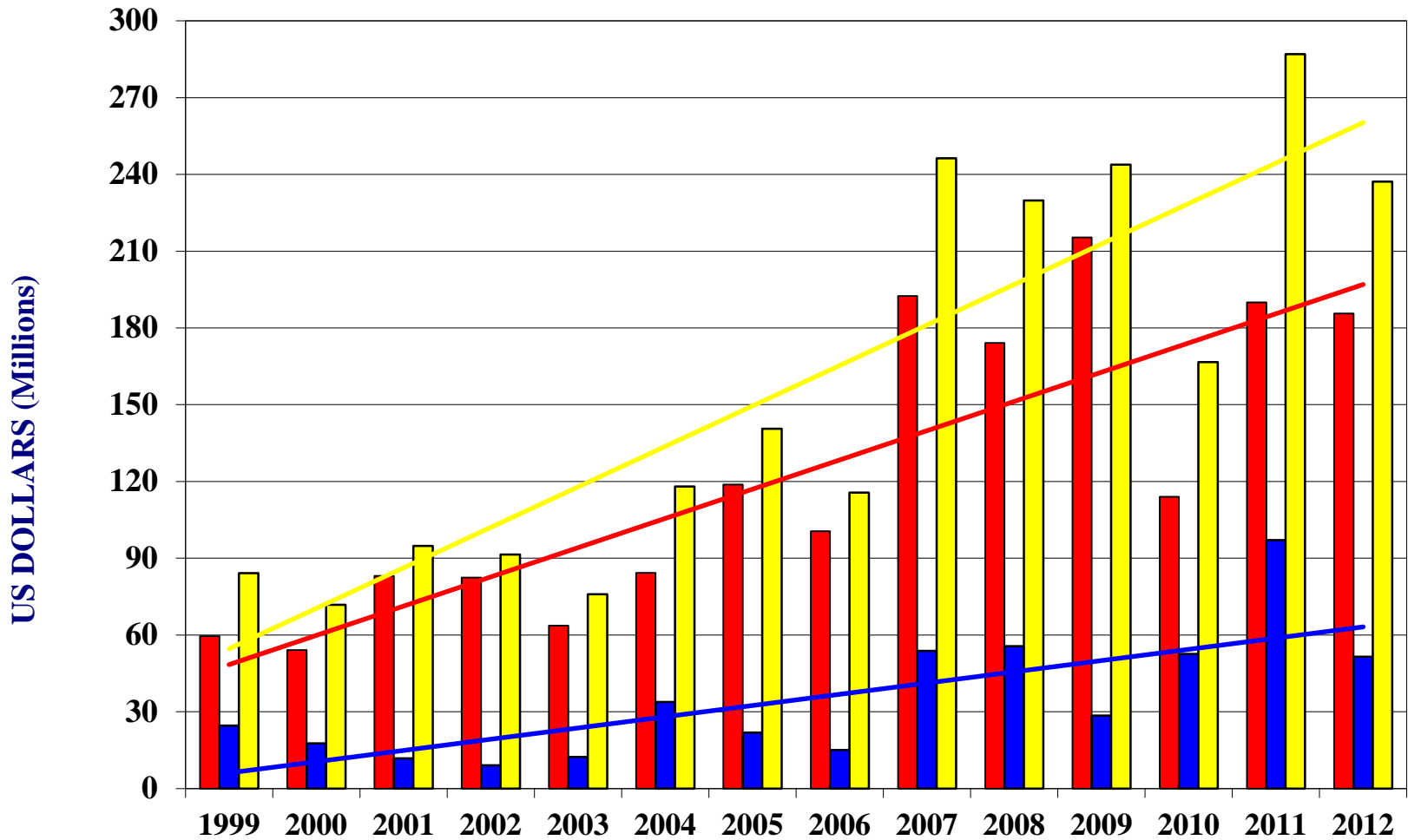
Number of “Dry” Salvage Services per Year



LOF Salvaged Values & Average Salvaged Values



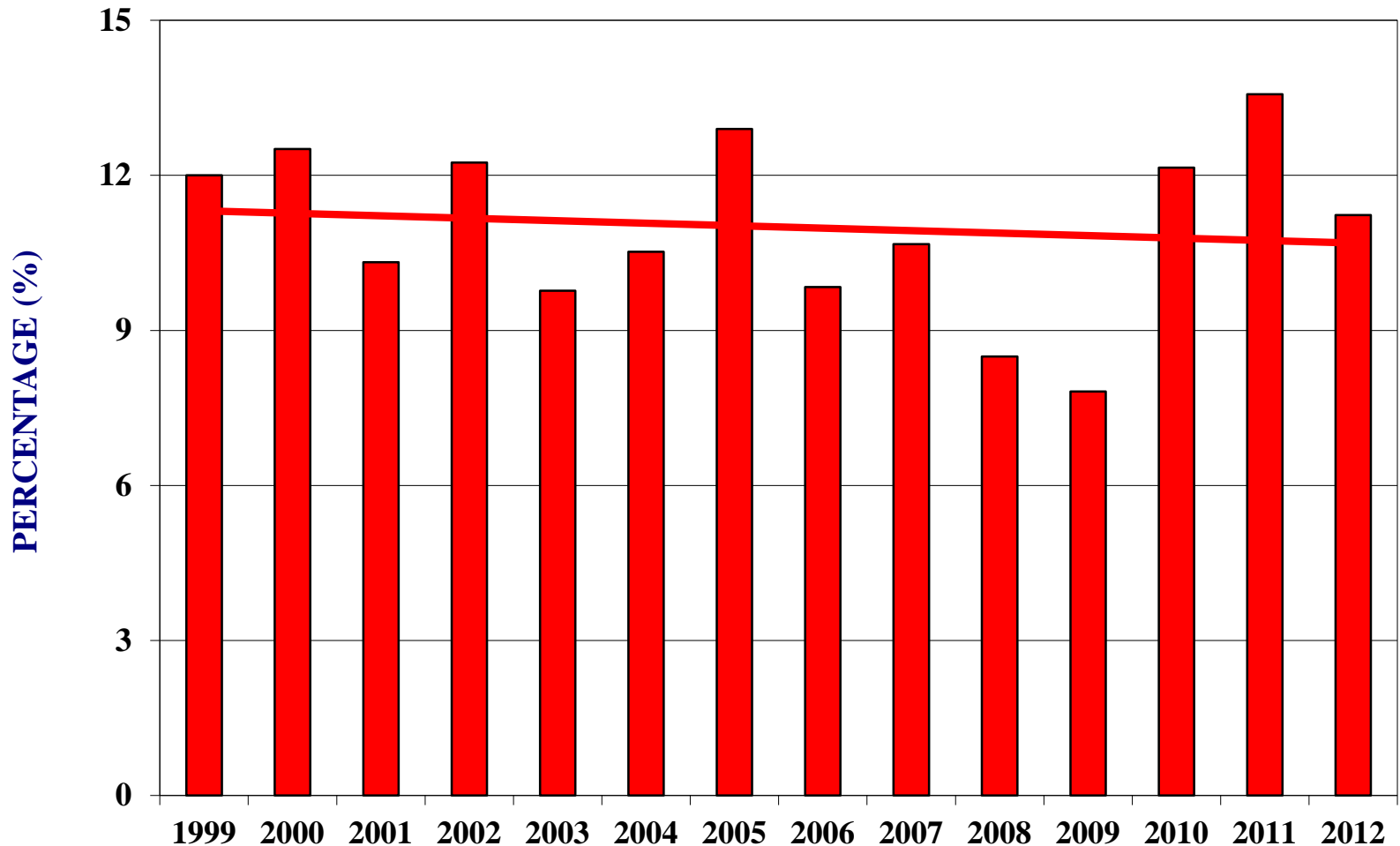
Total "Dry" Salvage Revenue (exc. SCOPIC)



■ LOF REVENUE ■ NON LOF REVENUE ■ TOTAL REVENUE



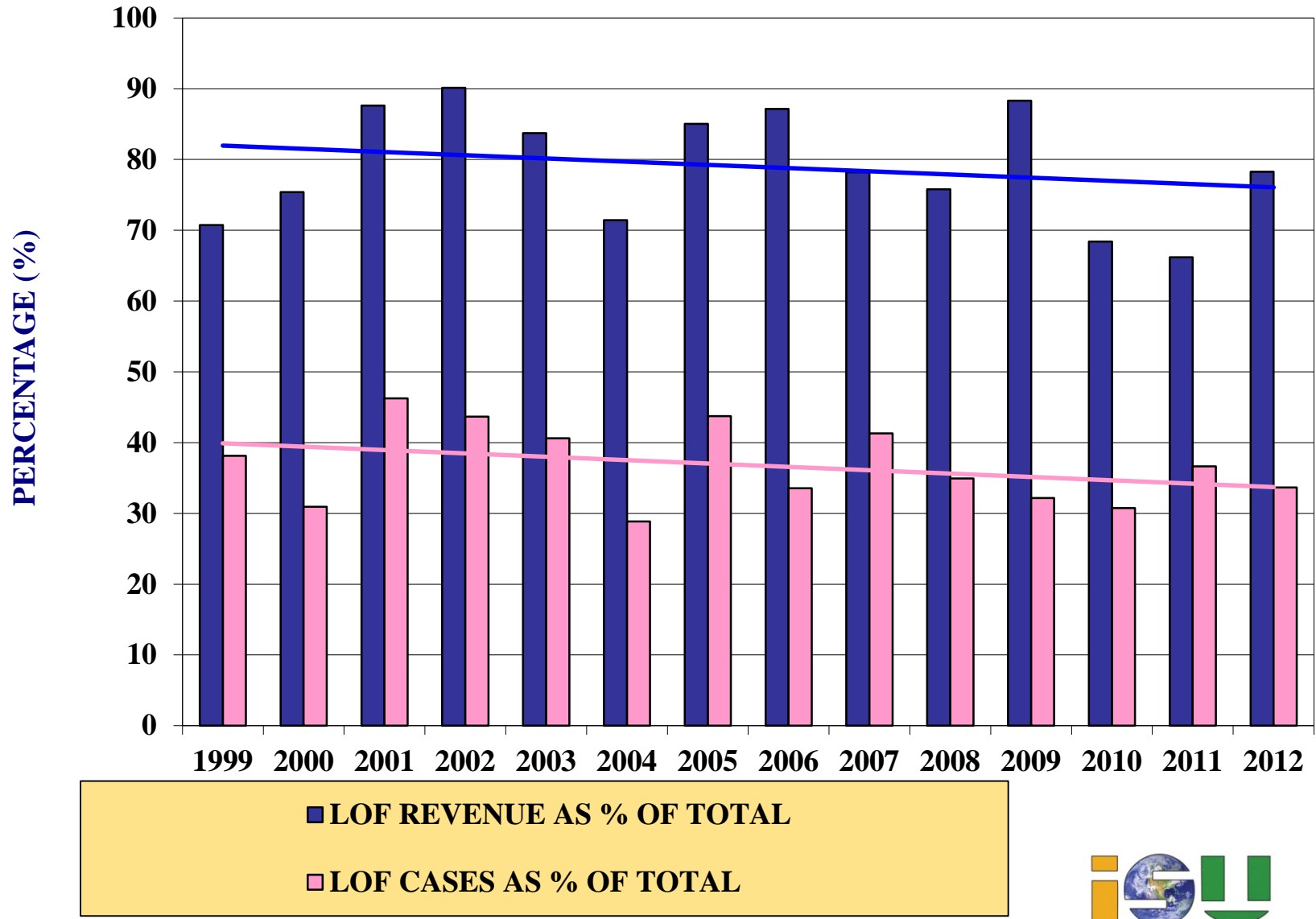
LOF Revenue as a Percentage of Salvaged Value



■ LOF PERCENTAGE



LOF as a Percentage of all "Dry" Salvage



Wreck Removal Activity

