

Superyacht UK Results for 2008/9

The BMF has carried out its third annual survey of Superyacht UK members to determine year-on-year trends. The results reveal substantial revenue growth, with a high level of confidence for further success in 2010, despite the tough economic environment.

Superyacht UK is a flagship association within the BMF with over 160 members operating in the design, build, supply chain and service provision of yachts over 24 metres load line length.

Overall findings:

- The value of the UK superyacht industry in 2008/9* is now £410 million, compared to just over £350 million in 2007/8.
- The increase is 15.3% on last year - most notable for the orders of new build and refits in the UK
- There are signs of the downturn in the economy in the workload for home and export markets given the members responding to the survey are more likely to rate it lower than a year ago, though 70+% respondents still report it higher/same
- Only 5% perceive the next 12 months negatively with the majority rating the future prospects as good or excellent (56%) and 39% stating it looks OK
 - this is more likely to be OK compared to a year ago reflecting the global downturn (excellent/good 93%)
- There are now over 3,600 employees working in the sector which is an increase of over 5% on last year. This workforce has increased for 40% of respondents and stayed the same for 45% and 15% decreased

*Reporting period is the last financial year prior to June 1st 2009

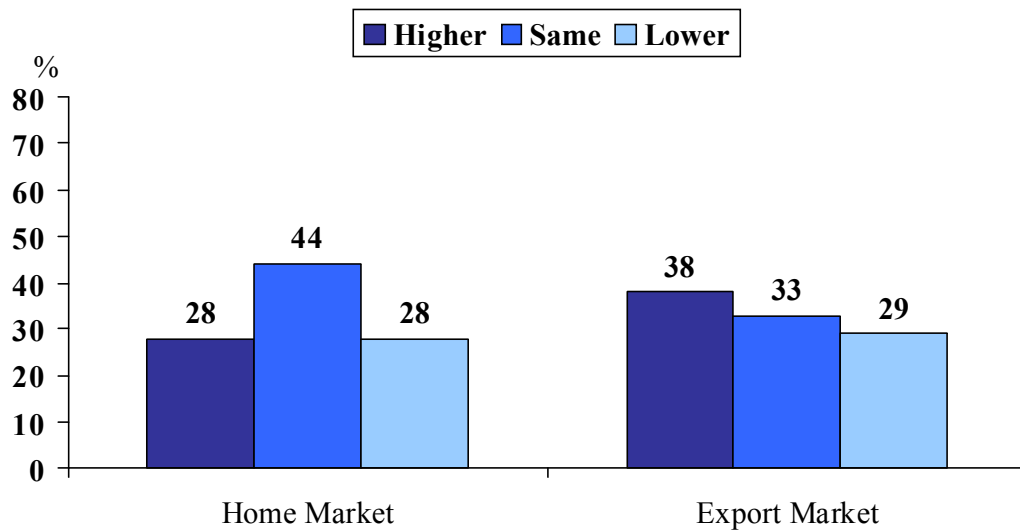
Results in detail

Overall, the value of the UK superyacht industry in 2008/9 is worth £410 million, an increase of 15.3% from last year (when just over £350 million). This uplift is largely generated by new builds and refits of yards but also through the wider industry of design, supply chain and service provision of superyachts.

Across all members responding to the survey, the workload of the superyacht business remains higher or the same as last year for the majority of respondents (c. 70%) for both their home and export superyacht markets.

The effect of the economic downturn is evident given just under 30% state their workload is now lower both at home and globally. However, many members are continuing to perform well with 28% reporting their home market workload for superyachts is higher than 12 months ago (compared to 47% a year ago). In addition, 38% state that their export market workload is higher though compared to a year ago (73%).

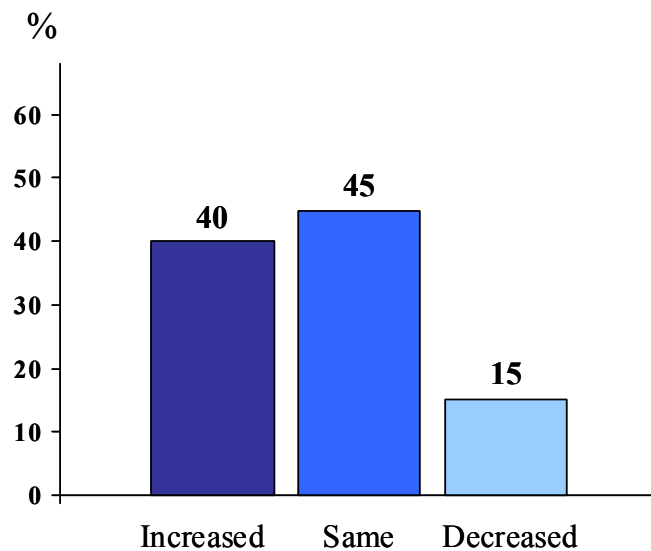
Current Workload Compared to 12 months Ago



Across the superyacht sector, there are now over 3,600 employees representing an increase of over 5% compared to this time last year.

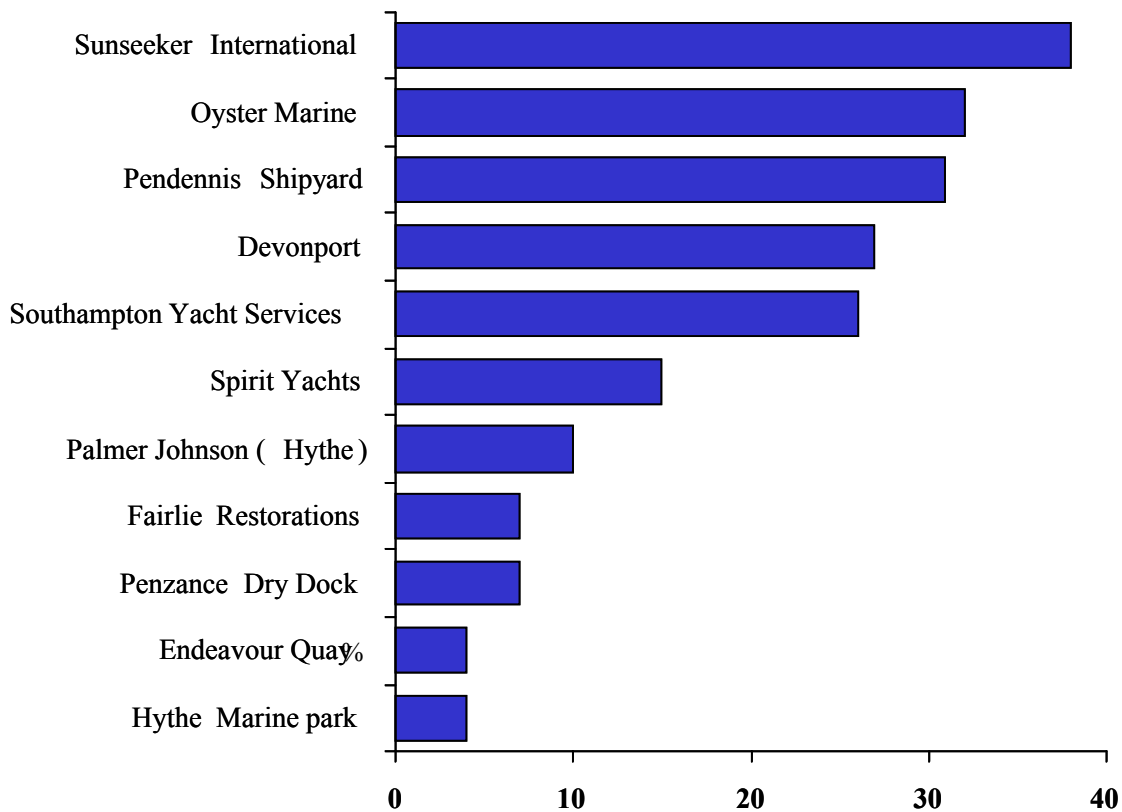
Over the last 12 months, the workforce has increased for 40% of superyacht businesses compared to 55% in 2007/8 and 51% in 2006/7. For 45% the workforce has stayed the same and for 15% it has decreased.

Workforce Changes compared to 12 months



69% of those surveyed had been involved with the superyacht design, build, supply chain and service provision of UK yards.

Involvement in the Design, Supply Chain And Service Of UK Yards



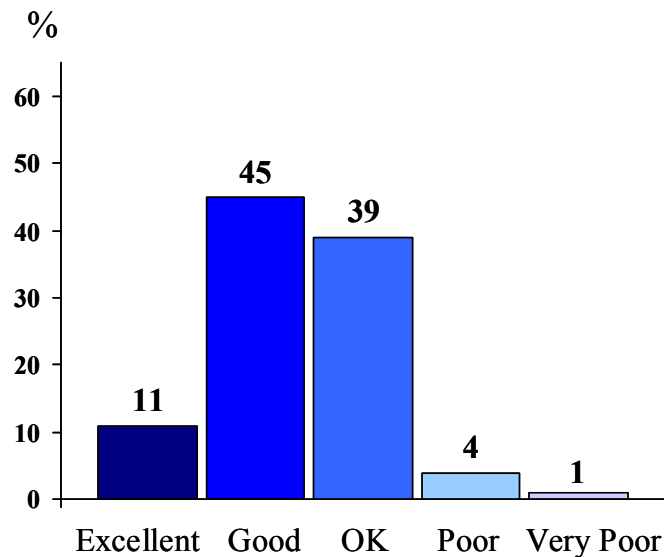
The large majority of the business with UK yards is linked to new build rather than refit reflecting the dominance of new orders. Of all responses, 76% state their involvement with UK yards was new build.

Encouragingly, despite the global downturn, only 5% of members responding perceive the next 12 months for their superyacht business negatively compared to 1% this time a year ago.

Just over half of the members responding (56%) are expecting future prospects over the next 12 months in their superyacht business to be good or excellent (11% excellent, 45% good) with 39% reporting it looks 'OK'.

Compared to last year, members are more likely to be stating 'ok' than excellent / good reflecting the current economic climate. This time a year ago, 30% of members responding to the survey perceived the future 12 months to be excellent, 63% good and 7% OK.

Rating of Business Prospects over the Next 12 Months



Conclusions

2008/9 proved to be another successful year for the UK superyacht industry. The revenue increase of 15.3% reflects the strong order book on new build and refit of superyachts in the UK. There are signs of the economic downturn impacting the industry however only 5% of members foresee the next 12 months negatively.

This survey is conducted annually amongst Superyacht UK members, a flagship Association of the British Marine Federation. In total, 132 completed questionnaires were received from SYUK members, which is an increased response rate from last year (when 107 member surveys). The survey aims to monitor trends in UK superyacht marine industry performance. The reporting period is the last 12 month financial year prior to June 1st 2009.