

OCEANFREIGHT GENERAL RATE INCREASE : EFFECTIVE 1ST JULY 2006.

Ongoing notices received from shipping lines confirm most carriers have continued in their push for the full quantum GRI USD 350/700 per teu effective 1st July 2006.

Specific Freight remain confident that the strength of our established relationships with major carriers, and our ongoing negotiations, will moderate the timing and magnitude of the proposed GRI.

Relatively high volume over the past 2 weeks have provided the lines with a degree of confidence in their proposal. These volumes, and potential upcoming increases in same, coupled with high levels of competition for space on regularly favoured routes, are however shifting the balance in favour of the shipping lines.

We shall remain diligent in our negotiations on your behalf. We are dedicated to maintaining our monitoring of the loading of each vessel to take advantage of all available bookings that are within your price and deadline parameters.

When circumstances dictate, that to meet your requirements, we need to pursue higher priced carriers, we shall only do so in full consultation with you and your staff. All available pricing, transit and arrival dates will always be provided to ensure you make a fully informed decision.

Current surcharge tables for both airline and oceanline carriers are attached.

Please do not hesitate to seek clarification on any issues related to this matter.