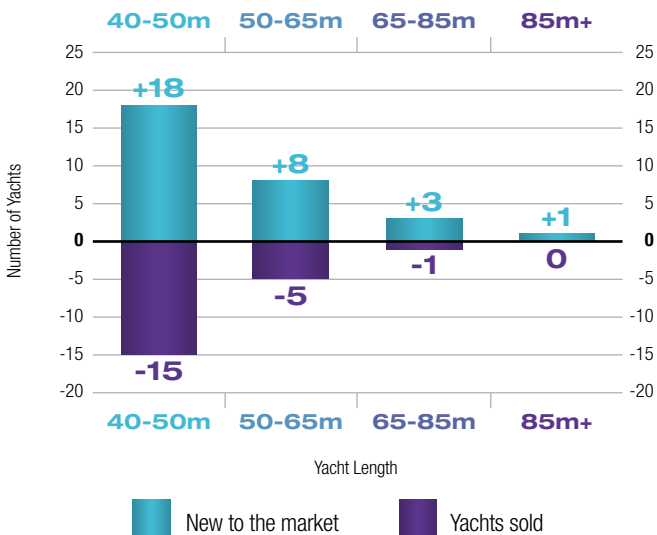


MARKET MOVEMENT - Q1

Q1 of 2013 has seen 30 yachts new to market in the 40m+ sector, 77 price reductions and 21 yachts sold. The start of the year has been busy, with the majority of transactions occurring in the 40-50m sector.

- The number of new yachts brought to market this quarter has increased notably on the last quarter of 2012, 30 versus 18. A notable new yacht to market is the 88.8m ILLUSION currently under construction in China. Although there is still a large disparity between new build and brokerage prices, as the inventory in the larger sizes starts to thin out, the more attractive these new builds will become.



- There has been no real let up in the number of price reductions however the market is moving and yachts are selling, although at reduced prices. The busiest sector by far is the 40-50m with 15 sales out of the total of 21 for the quarter. Encouragingly, 5 yachts were sold in the 50-65m sector as opposed to just 8 coming on to the market. Again though, the number of yachts new to the market is still outpacing those being sold.

2012 FULL YEAR UPDATE

Of the total **1,350** 40m+ fleet size:

404 were on the market

75 were new to the market

155 had price reductions

68 sold

NOTABLE NEW YACHTS TO MARKET



NARA

60m Feadship C. Van Lent & Zonen, 1979

A wonderful vintage Feadship now for sale.

USD 14,950,000



ULYSSES

56m Benetti, 2012

A spectacular, recently launched yacht from the renowned Italian yard.

EUR 38,000,000



HAPPY DAYS

50m Delta, 2006

A very customised Delta, now available for the first time.

USD 34,500,000

KEY YACHTS SOLD



LAUREL

73m Delta, 2006

USD 79,500,000



APRIL FOOL

61m Feadship Royal Van Lent, 2006

USD 59,950,000

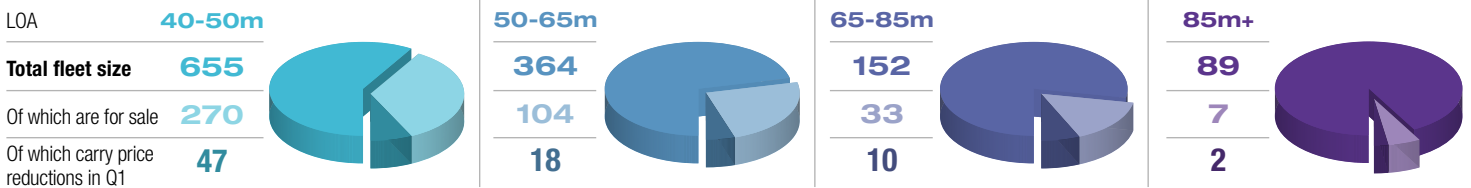


S CAPE

57.3m Cammenga Jachtbouw, 1979

USD 15,000,000

MOTOR YACHT PRICE REDUCTIONS - Q1



Price reductions are still a major feature of the current market with 77 reductions being made this quarter, an increase of 25 over Q1 2012.

- Although the 40-50m sector saw the most by number, this only equated to 17% of the sales fleet in this size range being discounted. The 50-65m sector also had 17% of the sales fleet reduced in price, the 65-85m sector of the market by comparison, saw 30% of the current sales fleet receiving a price reduction. Unusually, 2 yachts in the 85m+ sector were also reduced in price this quarter.
- 2013 looks like it will follow the pattern of 2012, with price reductions and the sellers willingness to negotiate on price being the key factors influencing the brokerage market. That said, as the number of quality yachts available starts to thin out in the 65m plus sector of the market, the prices here may start to harden slightly. Still, at present, yachts are selling at a considerable reduction from the asking price across the size ranges, with buyers firmly in control.



SWAN
60m Benetti, 2011
Reduced by EUR 3,000,000
EUR 39,000,000

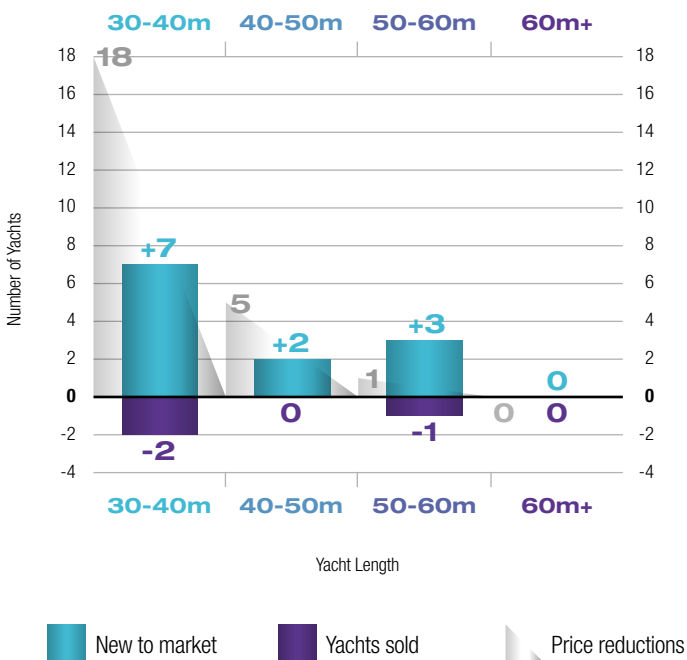


INEVITABLE
49.8m Feadship De Vries, 1990
Reduced by USD 3,000,000
USD 19,500,000



ROCHADE
47m Delta, 2011
Reduced by USD 4,000,000
USD 34,500,000

SAILING YACHTS - Q1



TWIZZLE
57.5m Royal Huisman, 2010
This spectacular yacht boasts highly advanced levels of technology and unrivalled comfort.
EUR 59,950,000



ZENJI
56m Perini Navi, 2004
EUR 26,900,000

There continues to be an appetite for very large sailing yachts with four 80m+ under construction. Two notable 60m yachts have been added to the Burgess sales fleet and there appears to be a renewed interest in this sector of the market. The mid-range 40-50m sector still remains challenging although there are some fantastic deals to be had. Burgess sees the launch of the 43m Royal Huisman sloop BLUE PAPILLION from the sheds at the end of this month.