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The Week in Review

Market Talk – The Alternative View

Much has lately been written and spoken about banks, the liquidity issues they face today and the resulting potential impact on the funding of shipping projects. Yesterday, we talked to a well-placed banker who provided a far more optimistic view of the market. While the public side is struggling, there is a fair amount of activity on the private side despite the appearances of a quiescent summer. With five fantastic years of results, strategic players, as opposed to the sponsor groups, are well capitalized to do deals today. Moreover, for these players, in particular, there is funding availability as the shipping specialist banks in Scandinavia and Germany maintain their market presence. And, finally, he noted asset prices are becoming less expensive. Look for a “Fall” awakening!

Suspended – U.S. Shipping Partners L.P. Investors Forego Dividend

After making 14 regular quarterly distributions, totaling \$6.14, to its limited partners through the 1st quarter of this year, **U.S. Shipping Partners L.P.** (“USLP”) announced on Wednesday that in light of its review of strategic alternatives and its negotiations with its lenders to amend certain financial covenants under its senior credit facility that it will not pay a distribution on its units for the quarter ended June 30, 2008. Payments to the GP and subordinated units have been suspended since the 4th quarter of 2007.

In its first quarter earnings release, USLP disclosed that the company was facing difficult market conditions on all fronts. “Demand in the spot market has recently deteriorated significantly due to overall declining economic activity and decreased demand for the coastwise transportation of petroleum products.” Further exacerbating the problem was increased capacity from newbuilds entering the market and record high fuel prices. The impact on the financials has been straightforward - greater idle time and lower rates.

The combination of weakening financial results combined with a significant capital construction program has stretched the company’s performance and liquidity creating potential loan covenant breaches for which the company is presently negotiating amendments to their financial covenants in its senior credit facility. In particular, EBITDA and liquidity have come under pressure due to current market conditions. According to the report, the Partnership does have sufficient cash resources to service its debt.

The newbuilding program continues more or less on course. Of the four ATBs under construction, two will be delivered in the 3rd and 4th quarter of this year with the third in August 2009. The fourth was cancelled. The joint venture with **Blackstone** for the construction of the first five of nine 49,000 DWT product tankers is also proceeding at **NASSCO**. The joint venture has committed to invest \$105 million of equity of which the partnership is responsible for \$70 million, its sole obligation. USLP’s return is subordinated to a minimum return to Blackstone. With the market in its current condition, the joint venture partners are in no rush to get delivery. Two vessels are scheduled for delivery in 2009, two in 2010 and the last in 2011.

“The partnership had previously announced that it had retained **Greenhill & Co. LLC** and **Jefferies & Company** to assist it in exploring a number of strategic alternatives, which could include, among other things, a recapitalization of the partnership, the sale of new equity and other ways to increase liquidity and strengthen the financial resources of the Partnership.”

Unfortunately, the existing partnership structure and older assets make a re-structuring difficult. Consequently, the market sees greater value in the parts than the whole. Potential buyers are seemingly interested in the new ATBs and the chemical ships.

In the Eyes of the Analysts – Seaspan

Amidst the flood of 2nd quarter analyst reports, we found two comments on **Seaspan** that we thought were intriguing. First, **Justin Yagerman** of **Wachovia Capital Markets** reported that during the quarter Seaspan looked at \$3 billion of deals without coming to terms. We wonder if this reflects concerns about credit quality, an issue Seaspan has commented on previously.

Dahlman Rose's Omar Nokta suggested that one of the most attractive aspects of Seaspan was its access to debt capital. Mr. Nokta “estimates that Seaspan has newbuild commitments of roughly \$2.47 billion against \$2.11 billion of untapped credit lines. These facilities are enough to meet the company’s obligations with the difference to be met with operating cash flow. Further equity issuances are possible though we expect those would come hand-in-hand with new fleet additions. We view Seaspan’s readily available debt capacity as a major positive for the story – especially in light of the currently very tight credit markets”

It may be tough to find a deal but if they do, Seaspan will be ready to pounce.

Ship Finance Books \$68 million on Vessel Sales

Sometimes doing good deals isn’t just about finding attractive acquisitions, even for public companies that act as lessors and focus on stable long-term returns. For example **Ship Finance International** this week entered into an agreement to sell two suezmax tanker new-buildings under construction in China with delivery scheduled for 2009. At a price per vessel of \$111 million, net of construction costs and broker commissions SFL expects to recognize a book profit of \$34 million per vessel upon their delivery to the new owner.

The company ultimately will realize a \$68 million return on an equity investment made two years ago that CEO **Lars Solbakken** describes as “very moderate”. The net proceeds from the sale are to be redeployed as equity in new accretive projects that he expects will increase the company’s long-term dividend capacity. It pays to be flexible.

Cash Flow Multiples by Vessel Type

Ship Type	Sub-type*	Charterfree Value (US\$)	EBITDA Multiple			
			Spot	1-year TC	3-year TC	2003-06 Average Spot
TANKER						
VLCC	Modern 300,000 dwt	\$165,000,000	3.2	5.4	7.1	7.6
	Vintage 250-285,000 dwt	\$45,000,000	0.9	2.2	-	2.4
Suezmax	Modern 150,000 dwt	\$104,000,000	3.1	5.7	7.2	5.9
Aframax	Modern 95-105,000 dwt	\$79,000,000	4.4	5.6	7.2	6.1
	Mid-aged 95-105,000 dwt	\$64,000,000	3.7	10.8	6.1	5.4
Clean Product	Modern 70-75,000 dwt	\$59,000,000	3.6	7.2	7.2	5.5
	Mid-aged 30-35,000 dwt	\$37,000,000	6.5	-	-	4.6
Dirty Product	Modern 45-47,000 dwt	\$54,000,000	5.2	7.7	7.7	5.2
BULK CARRIERS						
Capesize	Modern 170,000 dwt	\$155,000,000	3.0	2.7	3.8	7.2
	Mid-aged 150,000 dwt	\$116,000,000	2.7	2.0	2.8	6.7
	Vintage 150,000 dwt	\$92,500,000	2.1	4.7	-	5.4
Panamax	Modern 73,000 dwt	\$89,000,000	3.7	3.3	4.3	9.7
	Mid-aged 72,000 dwt	\$77,500,000	3.3	2.9	3.8	8.6
	Vintage 60,000 dwt	\$48,000,000	2.2	2.3	3.5	6.1
Handymax	Modern 52,000 dwt	\$73,500,000	3.8	4.2	5.0	9.2
	Mid-aged 42-45,000	\$62,000,000	3.3	3.6	4.3	7.9
Handysize	Modern 25-30,000 dwt	\$54,000,000	-	4.2	5.9	-
	Mid-aged 25-30,000 dwt	\$47,000,000	-	3.7	5.2	-
Container**						
	Mid-aged 3,500 teu	\$48,300,000	5.4	-	-	5.9

*The ship Sub-type is associated with the charterfree market value of the vessel; all corresponding rate data is chosen using a "best fit" method.

** Average spot is 2001-2006

Data for ship values and market rates is sourced from Clarkson Research Studies.

The Political Side

We had another interesting conversation with a political outsider who knows the insanity of the inside. The talk in Washington these days, in the midst of the energy crisis, is the problems of the truckers and the airlines that are seeking relief from high-energy costs. On the other side are the railroads and shipping companies that are pleading with the government to allow market forces to work and avoid a bailout thereby beginning the shift to energy efficiency. Keep an eye on this debate.

Bank of America Has High Hopes for DWT

Bank of America's new analytical team, **Michael Pak** and **James Lee**, published this week an initiation report on **Britannia Bulk** that sheds some light on the company's business model and market exposure. The company, which went public on the NYSE with an IPO this past May, is a global dry bulk-shipping provider with a leading position in ice-class trade, particularly in the Baltic region. They currently own 28 vessels (22 of which are in the water) and charter in 35-70 vessels in order to capture profitable business that cannot be serviced by its existing fleet. The company began in 2004 and forecasts 42% EBITDA growth over the next two years.

Britannia has a unique fleet of ice-class vessels specifically designed and certified to trade in ice-restricted areas. These ice-class vessels have specially designed hulls with higher steel content that enable the vessels to cut through icy waters. An ice-class Panamax may command a 50-60% charter rate premium during harsh winter periods versus a standard Panamax.

The Baltic dry bulk shipping market, along with China and other Asian countries, has also experienced significant growth. In fact, exports of major dry bulk commodities – such as steam coal, iron ore, grain and fertilizers from Russia (the main exporter in the Baltic

region) – had increased by 12% CAGR from 2001-2007, versus a 5% CAGR growth for the overall dry bulk trade. Economic development in Eastern Europe-such as Russia and Poland, and Europe's increasing reliance on Russian coal imports - have been the main catalysts for this rapid growth. For first quarter 2008, approximately 74% of Britannia Bulk's revenues were derived from trades to and from the Baltic and Northern Europe region.

The analysts were bullish on the prospects for the company's business model, saying, "We believe Britannia Bulk could benefit from improved industry freight rates and sentiment, as current transitory trade issues (e.g., Chinese port stockpiles, temporary shutdown of Chinese steel mills in preparation for the Olympics) resolve in the near term (three to six months). Furthermore, we expect freight rates in the Baltic region to benefit from a potential seasonal strength in the coal trade ahead of the winter season, as well as the realization of ice-class premium rates during the harsh winter months (typically from December to May). Given our long-term industry outlook, which calls for potential excess vessel capacity and softening freight rates, Britannia Bulk's risk management capabilities (e.g., ability to quickly adjust the size of its chartered-in fleet, balancing the mix of short- and long-term COA's and FFA trading), defensive position in the Baltic ice-class trade and solid balance sheet (41% leverage 2008E) are appealing investment attributes for investors, in our view."

Britannia Bulk's competitors include **Polish Steamship Company**, with 62 dry bulk vessels and 14 ice-class vessels, **Murmansk Shipping Company**, with 17 dry bulk vessels and 5 ice-class vessels, and **ESL Shipping**, with 15 dry bulk vessels and 14 ice-class vessels, while Britannia Bulk has 67 dry bulk vessels and 25 ice-class vessels (based on number of owned and chartered-in vessels at the end of 1Q08; excludes the six ice-class Panamax new builds.)

People & Places

Marine Money Asia Enters a New Chapter

In line with the robust Asian ship finance market, Marine Money Asia has expanded its team and moved into new offices at the Winsland House located at 3 Killiney Road in Singapore. Stepping in as Director will be Marine Money International's Managing Editor Nora Huvane. Nora will be working with Financial Analyst Rodricks Wong and Sales Manager Teck Wee to coordinate Marine Money Asia's global activities. Nora brings years of editorial and financial analysis experience with Marine Money to ensure that the Marine Money Asia publication continues to grow and evolve and

that Asian ship finance is well-represented in Marine Money's global publications.

Jim Lawrence, Chairman of Marine Money commenting on the move stated, "The Asian ship finance scene is vital today. We are pleased to continue our investment in and support of our coverage of the region. It is such an important part of our business. Nora Huvane is an immensely respected member of the US capital markets community and she brings valuable skills and insights to her role in Singapore. Along with Rodricks Wong, who launched

Marine Money Asia for us, our editorial and business information resources should well serve a deserving and important community.”

“Our goals with Teck Wee Ng, Rodricks Wong and Nora Huvane are to ensure we provide all our clients with the best ship finance information possible and to continue to marry the global shipping and capital markets for the benefit of all. We know the team in Singapore will achieve great results and wish to thank all our friends and supporters for enabling us to expand what is an inspiring base of operations for us.”

Nora is coming over from Marine Money’s global headquarters in Stamford, CT where she is an active member of the maritime community, holding board positions in both the Connecticut Maritime Association and Young Shipping Professionals – New York prior to her departure. With our new team and new office in place, Marine

Money Asia will continue in our efforts to promote transparency and information flow in the Asian ship finance industry and to recognize the innovation and accomplishments of the players in the market.

This will be particularly emphasized at our flagship event Marine Money Asia Week taking place at the Singapore St. Regis on October 14th and 15th where we will present our first annual Marine Money Asia Deal of the Year Awards. Nominate your favorite deal or deals now by following the link: <http://shmyl.com/zcpqson> – hurry, the deadline for submissions is August 22nd! We will continue to work towards these goals at our second annual Korea Ship Finance Forum on November 18th in Seoul where speakers and panelists from around the world will join together to discuss financing needs and opportunities in the country that has on order 38.5% of the world’s merchant fleet

Marine Money “Fair Value” Table for Shipping Equities

Company	Price*	NAV	P/NAV	Marine Money's "Fair Value"***	Difference from Actual Price
Aries Maritime Transport	\$2.96	10.35	29%	\$7.94	\$4.98
B+H Ocean Carriers	\$11.55	25.87	45%	\$19.84	\$8.29
d'Amico International Shipping	€2.34	4.16	56%	\$3.19	€0.85
Tsakos Energy Navigation	\$35.60	58.27	61%	\$44.69	\$9.09
Teekay Shipping	\$43.30	67.81	64%	\$52.01	\$8.71
Overseas Shipholding Group	\$77.49	120.55	64%	\$92.46	\$14.97
Seaspan Corporation	\$21.78	34.20	64%	\$26.23	\$4.45
TORM	\$32.42	49.86	65%	\$38.24	\$5.82
Danaos Corporation	\$20.06	30.51	66%	\$23.40	\$3.34
DHT Maritime	\$9.56	14.00	68%	\$10.74	\$1.18
Globus Maritime	£4.10	5.76	71%	\$4.42	£0.32
Excel Maritime	\$37.23	51.81	72%	\$39.74	\$2.51
General Maritime	\$26.05	35.29	74%	\$27.07	\$1.02
Ship Finance International Ltd.	\$29.66	38.78	76%	\$29.74	\$0.08
Arlington Tankers	\$21.41	28.04	76%	\$21.51	\$0.10
Eagle Bulk Shipping	\$29.25	37.80	77%	\$28.99	-\$0.26
StealthGas	\$14.41	18.30	79%	\$14.04	-\$0.37
Goldenport Holdings	£3.44	4.21	82%	\$3.23	-£0.21
Hellenic Carriers	£2.22	2.67	83%	\$2.05	-£0.17
DryShips	\$77.60	79.76	97%	\$61.18	-\$16.42
Omega Navigation	\$15.55	15.53	100%	\$11.91	-\$3.64
Genco Shipping & Trading	\$66.33	64.37	103%	\$49.37	-\$16.96
Diana Shipping	\$30.17	27.43	110%	\$21.04	-\$9.13
Nordic American Tanker Shipping Ltd.	\$39.99	35.57	112%	\$27.28	-\$12.71
Knightsbridge Tankers Ltd.	\$32.23	26.30	123%	\$20.17	-\$12.06
		Average:	77%		

*Price data current as of closing on June 30, 2008

**Based on current average P/NAV

Compiled based on Jefferies & Company, Inc. Energy Group Estimates, Marine Money Research, Company information

Finally Jim Lawrence commented, “The change also marks the conclusion of a wonderful period of time with a great colleague and friend, Peder Bogen who joins Nordea’s talented syndications team in Singapore. Peder contributed more than is simple to say to Marine Money’s growth and development and we will miss him and his tremendous energy and good humor. I know all his colleagues around the world at Marine Money join me in wishing him every success and saying a heartfelt thank you for everything you have done.”

Publisher’s Note

Not being a journalist when I joined Marine Money two years ago, I was ill equipped for this position. I will never forget my calamitous first moment receiving a phone call from Urs Dür castigating me for using the singular “I” rather than the plural “we” in my first articles. However, that is not the case today, these are my words.

One World

Being the cynical soul that I am, I saw our chairman’s decision to offer our Editor, Nora Huvane, the opportunity to run our Singapore office as a blatant attempt to keep the publications running 24/7. As Jim often notes the sun never sets on Marine Money activities and now the fully staffed newsroom will be going all day long.

The reality, however, is far different. There is never a happier moment than when a well-deserving colleague is given the opportunity to grow and take on an incredibly challenging assignment. Merely shifting her news role to the East would be sufficiently challenging, Nora has, in addition, the responsibility of mentoring Rodricks Wong, our newshound in Asia who has held down the fort on his own for over a year, as well as overall responsibility for our conferences. She must build upon Peder’s outstanding start while helping Teck Wee fulfill his key marketing role in developing new and retaining existing clients and growing the business.

For me, like most change, it is bittersweet. While ecstatically happy for her, I am losing my partner, which thankfully our Asian publication gains. I will struggle to write her newsy introductions and more importantly her insightful analysis of transactions. I must

however confess I will not miss her approach to deadlines that kept all of us on edge. Nor, as Matt reminded me, the always fateful question as to whether she made her flight. But these are mere minor blemishes we highlight to illustrate her humanity. The good news for all of us is that although Nora’s focus has changed, she will still be in place implementing our shared goal of bringing you the shipping news from the finance perspective. With her insights and Rodricks’ focus, we will have broader coverage and greater perspective of the Asian markets, which are the critical drivers of shipping today. As our sister publication noted in its announcement today, we will continue to “...promote transparency and information flow in the Asian ship finance industry and to recognize the innovation and accomplishments of the players in the market.” To that end, we acknowledge all the support we have received over the years from our readers and continue to ask for your support in helping us bring you the news. Your help in uncovering transactions, explaining the structure and larger implications of the deal are invaluable to us. We exhort you to keep the news coming to the team, Nora and Rodricks in Asia and myself, the sole survivor in the West. It is your publication and with your help it can only get better.

Thank you Nora for a great two years. You have taught me many things and helped me in many ways to make a difficult transition.

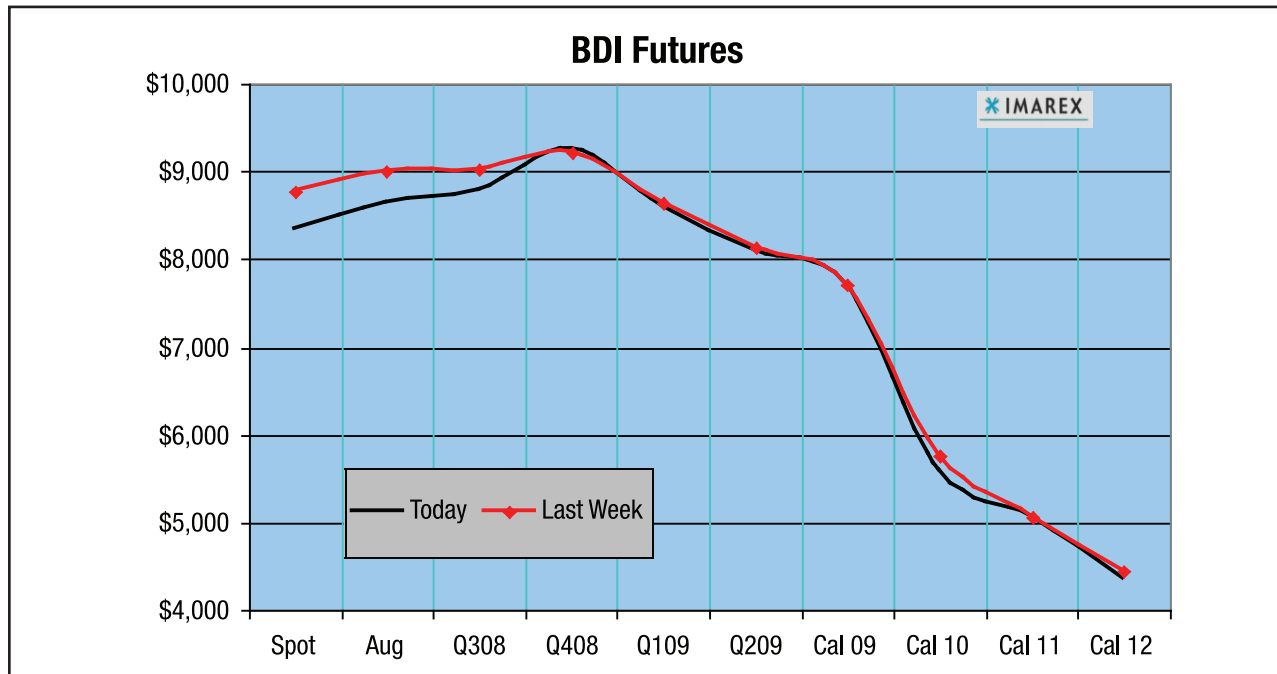
I would also like to take this opportunity to thank Jim for now giving me the opportunity to fill my formerly free evening hours with calls to Singapore. You better re-think your communications budget line item. The phone lines will be burning.

Thankfully I do not have to say good-bye to Nora but merely add my best wishes for a successful journey and a wonderful experience in Singapore. With Jim and Matt, it’s not a job; it’s an adventure.

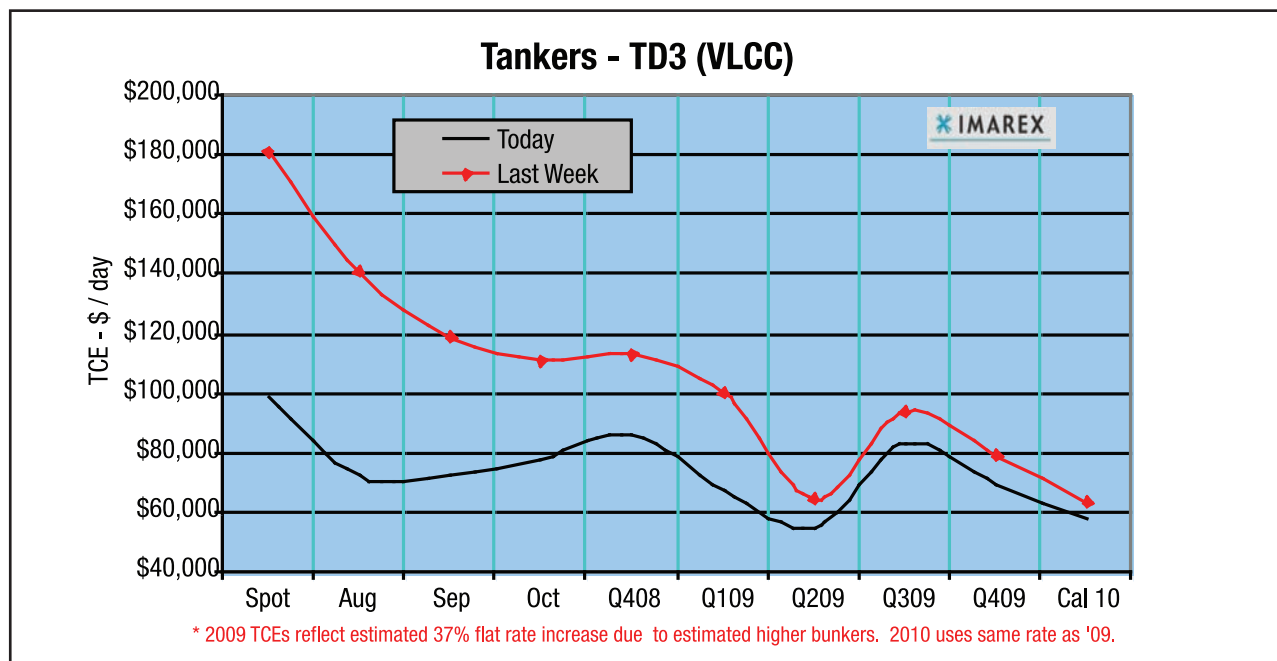
Classified Advertisement: As an aside, I would note that filling Nora’s shoes will be difficult and for us left behind we would welcome any suggestions for filling this position from our readers. You know the product and the skill set needed to provide it.

Back to the Futures

By Mike Reardon, Imarex Inc., Email: mr@imarex.com



The dry bulk sector is still doing some soul searching. While some feel we are at or near the bottom, rates continue to slip. The optimism appears to be coming from period demand, though the spot market provides evidence to the contrary. The dry bulk futures market had held up well for a few days, implying that indeed a floor may have been in place. However, selling pressure late Thursday dropped FFA prices on strong volume. Limited demand has played a role in the physical softening, with most allocating blame towards China – and the real possibility that broad industrial production has slowed with the Olympics now on our doorstep. On the earnings front, **GNK** made quite a splash by coming in well above consensus on their Q2 earnings. **Peter G** delivers!



The tanker market, on the other hand, has found clear direction. The bad news here is that rates are falling precipitously. VLCCs in the AG began their descent on Monday – and have ceded about 75 Worldscale points since that time. This equates to about \$80,000/day in TCE. The position list is ample and sentiment has gone soft. Trading volumes in the futures market have been strong as forward rates sold off. The forward curve for the balance of 2008 has now shifted from backwardation to contango, which is the norm. Market concern seems to be less focused on the extent of the decline than on how far rates may actually fall. Owners certainly won't be upset earning \$100,000/day or so, assuming the market can hold today's line. With August and September TD3 futures priced 20 points below the physical, the crystal ball suggests further softening is on the horizon.

Deal Tables & Bond Prices

M&A and Joint Venture Deal Table

★ = New

📅 = Updated

✓ = For full analysis see Marine Money's Asia Edition

Acquirer, New Partners, or Parent Seller	Advisors	Amount (US\$ M)	Target / New Company	Comments
★ Hapag-Lloyd	Citi, Deutsche, Greenhill; JP Morgan for NOL as potential buyer	Circa \$6,000	For Sale	Hamburg consortium bidding against NOL
★ Former ACL executives Mark Holden and Richard Mitchell	Arcapita Bank		MRH Holdings	Diversified transportation holding company with plans to spend \$1.5bn in transportation sector acquisitions
★ GC Rieber Shipping		\$23	Hexio; holding company to monitor oil and gas fields	With StatoilHydro Venture and Reservoir Innovation through subsidiary Octio Geophysical
✓ Sinotrans			China Yangtze Transpot Group	Pending approval from China's state assets regulator
✓ Hyundai Mipo		\$744	CJ Investment & Securities, CJ Asset Management	Plans to acquire 75% of CJ Investment & Securities and 7.6% of CJ Asset Management
✓ China Oilfield Services	Lehman, JP Morgan for COS; Fearnley Fonds, Pareto for Awilco	\$2,500	Awilco Offshore	Full acquisition of Norwegian drilling company
Marathon Acquisition Corp	Jefferies, Citi	\$988	Global Ship Lease	Acquisition by AMEX listed SPAC from CMA CGM; CMA CGM to retain 30% slice in new company
Ampal-American Israel Corporation			Gadot Chemical Tankers and Terminals	Bid for 20.7% or all outstanding shares at \$1.67/share in 6 ship chemical tanker company
FLC West			70% share in 3 Aker shipyards in Germany & Ukraine	Russian investment firm received the approval of Ukrainian competition authorities
Hapag-Lloyd	J.P. Morgan and Deutsche	Circa \$6,000	For Sale	Hamburg consortium bidding against NOL

Bond Deal Table

★ = New

📅 = Updated

✓ = For full analysis see Marine Money's Asia Edition

Borrower	Arrangers / Advisors	Amount (US\$ M)	Interest Rate	Maturity	Purpose / Remarks	Status
Grupo TMM				2028	3rd tranche of Mexican Trust Certificates for vessel purchases	
Master Marine	DnB NOR	EUR 60	3 m EURIBOR +12%	2011	Senior secured 2nd priority pledge	Done
Trico Marine	Lazard	\$300	6.50%	2028	Senior convertible debentures	In Progress
✓ Noble Group	Citi and JP Morgan	500	8.5 - 8.75%	2013	For general corporate funding	In Progress
✓ Swire Pacific	HSBC and JP Morgan	\$500	6.25%	2018	For general corporate funding	Done
Fairstar Heavy Transport	DnB NOR Markets	\$30	3 mo NIBOR+ 3%	2009	18 month secured bonds to fund newbuilding	Done
✓ Swiber Holdings	OCBC	\$72	4% and 3 mo SIBOR + 2.2%	2011	2 tranche bond offering to fund vessel acquisitions	Done
Northern Offshore	DnB NOR Markets, Nordea Markets	\$25	NIBOR+ 4.5%	2008	9 month commercial paper issue for modification of Energy Driller	Done
Thule Drilling		\$11	18.00%	2008	8 month commercial paper to refinance previous bond issue	In Progress
FPS Ocean	Pareto, Fearnley Fonds	NOK 175	9.00%	2011	Fixed with NOK 72 per share conversion price	Done

Equity Deal Table

★ = New

📄 = Updated

✓ = For full analysis see Marine Money's Asia Edition

Issuer	Underwriters / Advisors	Amount (US\$ M)	Structure / Pricing / Comments	Status
★ Sealink International	AmInvestment Bank	\$43	IPO in Malaysia priced at RM 1.25 per share and oversubscribed by 0.03 times	Done
★ SeaDrill		Undisclosed	Acquired another 2.4 million SapuraCrest Petroleum shares raising stake to 19.7%	Done
✓ Marco Polo Marine		\$5	Sold 18 million new shares or 6.7% of existing paid-up capital at SGD 0.346 per share	
✓ Trada Marine	PT Danatama Makmur and PT HD Capital	\$54	Indonesian tanker and FPSO company seeking an IPO in Jakarta via a sale of 45.81% stake btwn Rp120 to Rp130 per share	In Progress
✓ Penguin International		\$10	Sold 88 million placement shares or 16.7% of enlarged capital at SGD 0.157 per share	
Svithoid Tankers		\$9	Rights issue; Additional \$10 million second tranche expected to be raised in 2009	Announced
Frontline	Carnegie, Fearnley Fonds, DnB NOR, Dahlman Rose	\$210	3 million new shares at NOK 37 per share	Priced
Navios Maritime Acquisition	JP Morgan, Deutsche Bank, S. Goldman Advisors	\$253	25.3 million share SPAC sponsored by Navios at \$10 per share; Overallotment of 3.3 million shares exercised	Done
✓ Far Eastern Shipping Co (FESCO)		\$767	Plans to sell 590.25 m new shares or 25% of its share capital to fund acquisitions	In Progress
Eitzen Maritime Services	Fondsfinans ASA, Kaupthing ASA, Orion Securities AS	\$50	The Private placement at NOK 3.0 per share, fully underwritten by Camillo Eitzen & Co., to fund acquisition of Seven Seas Shipchanders	In Progress
Seawell	Pareto, DnB NOR Markets	\$39	Private placement of 10 million shares at NOK 19.50/share to part finance the company's recent acquisitions and for working capital	Done
Teekay Offshore Partners	Citi, Merrill Lynch, Lehman Brothers	Up to \$162	Follow-on offering of 7million untis	Priced
Britannia Bulk	Goldman Sachs, Banc of America, Dahlman Rose, Oppenheimer	Up to \$144	NYSE IPO priced below range at \$15 per share	Priced
Trico Marine	Lazard for Trico, Carnegie for Deep Ocean	\$126	20 m new shares in DeepOcean at NOK 32 per share, the value of the offer price and announced dividend combined represents a premium of 28%	In Progress
✓ Wah Kwong Maritime Transport	Cazenove and Anglo-Chinese	up to \$150	Seeking to relist in Hong Kong	In Progress
✓ Pacific Basin	Goldman Sachs	\$275	Private placement of 158.6 million new shares at HKD 13.52	Done
Safe Bulkers	Merrill Lynch, Credit Suisse	\$190	Hadjoannou-led 10 million share IPO with fleet of 11bulk carriers; Priced at \$19/share with 1.5 m share over allotment option	Priced
Genco Shipping	Morgan Stanley, Jefferies, J.P. Morgan,	\$280	3.7 million primary and secondary share offering of its common stock at \$75.47/share; 560,600 overallotment option	Closed
TBS International	Jefferies, Banc of America Securities	Up to \$179	Follow on offering of 3.4 million class A common shares priced at \$51 per share with 510,000 share over allotment option	Priced
Nordic American Tanker Shipping	Morgan Stanley, Dahlman Rose	\$173	4m share offering and over allotment option of 310,000 shares partially excersised at market price of \$40.08/share	Priced
Teekay Offshore Partners	Undetermined	Up to \$750	Shelf registration	Filed
Pacific Basin	Goldman Sachs	\$275	158,598,000 shares, to be placed at HK\$13.52/share; To finance the company's expansion initiatives	In Progress

Bank Debt Deal Table

★ = New

📄 = Updated

✓ = For full analysis see Marine Money's Asia Edition

Borrower	Arrangers / Buyers	Amount (US\$ M)	Pricing / Purpose / Remarks
★ ✓ Yantai Raffles Shipyard	ABN AMRO	\$145	3 year credit for working capital
★ Beluga Shipping	Dresdner Kleinwort as mla, Helaba, Sparkasse Bremen, . Dexia, M.M. Warburg & Co	\$362	Pre-Delivery-, Equity-Bridge- and Post-Delivery-Financing for 6x 19,700-20,000 dwt heavy lift carrier vessels for delivery in 2010-2011
✓ Samsun Logix Corporation	Shinhan Bank	\$53	
✓ Lotte Sun Shipping	Shinhan Bank	\$63.75	4.5 year term loan
✓ Precious Shipping	DnB NOR as mla, Kasikornbank as lead arranger, Calyon, BTMU, ING	\$398	10 year credit facility to finance the construction and acquisition of 15 vessels from ABG shpyard
Hansa Treuhand Schiffsbeteiligungs	Dresdner, Deutsche Schiffsbank, HSH Nordbank	\$297	3.5 year term loan for pre-delivery financing of 4x 6,500 TEU containerships
DryShips	Deutsche Bank, Dexia	\$1,125	Senior secured credit facility to finance 2 newbuilding ultra deep water drillships to be delivered in 2011
Neptune Orient Lines		Up to \$7,000	1 year bridge loan with all-in pricing; Indicative pricing at LIBOR + 150-180
Energy Infrastructure Acquisition Corp	DVB, Deutsche Schiffsbank, SEB and Allied Irish	\$90	2.5 year term loan with an advance rate of 60%; Priced at 175 to 275 bps to finance 4 singlehull ships
Energy Infrastructure Acquisition Corp	DVB, Fortis, NIBC	\$325	9 year term loan priced at 135- 165 bps to finance 5 doublehull ships

Lease Deal Table

★ = New

📄 = Updated

✓ = For full analysis see Marine Money's Asia Edition

Lessee	Lessor(s)/Advisor(s)	Amount (US\$ M)	Structure / Pricing / Comments
📄 Pemex	ICP Capital as arranger	\$120	Purchase and 10 year bareboat back of 2x MR product tankers with purchase option at end
Chang Myung	Koenig/Scorpio	\$119.50	Sale and leaseback of 2008-built 170,000 dwt bulker for 5 years at \$48,000/day
Teekay Corporation	OPCO	\$106	Plus assumption of \$90m debt for 2x 2008-built lightering tankers on 10 year fixed rate charter to Teekay JV Skaugen PetroTrans
✓ Yang Ming Marine Transport	First Ship Lease	\$210	12 yr bareboat charter of 3x 4,250 teu container vessels with purchase options
Seadrill	Ship Finance International	\$850	15-yr sale and bareboat back of ultra deepwater drillship; Two fixed price purchase options after 51 months and 15 years;
Maersk	HCI Hammonia	\$300	Sale and bareboat back of 3 containerships for 10 years at undisclosed daily rates
I. M. Skaugen	Teekay LNG Partners	\$90	Sale and leaseback of 2x 12,000 cbm multigas carriers for 12 years at a fixed-rate with three five year extension options without fixed price purchase option
✓ West Asia Maritime	Mitsubish Corporation	\$110	Bareboat charter of 2 handymax bulkers for 12.5 years
Shell International Trading & Shipping	Capital Product Partners, Fortis as financial advisor	\$23	Ownership transfer and subsequent continuation of charter of 1x 12,000 dwt product tanker for 2 years at \$13,250/day
Geden Lines	First Ship Lease	\$140	Sale and leaseback of two 2007-built crude oil carriers for 10 years

Jefferies – High-Yield Shipping Bonds

	Offer Price	YTW	STW	Maturity	Ratings	Call Date	Call Price
SHIPPING							
Altus Group Ltd							
11% Secured Notes due '13	101.000	10.65%	762	04/01/13	– / –	04/01/10	105.500
Great Lakes Dredge&Dock (GREATL)							
7.75% Sr Sub Notes due '13	94.000	9.19%	577	12/15/13	Caa1 / B-	12/15/08	103.875
Navios Maritime (BULK)							
9.5% Senior Notes due 2014	99.000	9.71%	615	12/15/14	B3 / B+	12/15/10	104.750
Sea Containers (SCR)							
10.75% Senior Notes due '06	48.000			10/15/06	WR / NR		
7.875% Senior Notes due '08	45.000			02/15/08	WR / NR		
12.5% Senior Notes due '09	45.000			12/01/09	– / –		
10.5% Senior Notes due '12	46.000			05/15/12	WR / –		
Ship Finance International Ltd. (SHIPFI)							
8.5% Senior Notes due '13	101.500	7.98%	502	12/15/13	B1 / B+	12/15/08	104.250
Stena AB (STENA)							
7.5% Senior Notes due '13	99.750	7.55%	416	11/01/13	Ba3 / BB+	11/01/08	103.750
7% Senior Notes due '16	96.750	7.53%	370	12/01/16	Ba3 / BB+	12/01/09	103.500
Trailer Bridge (TRBR)							
9.25% Secured due '11	93.000	11.88%	894	11/15/11	B3 / B-	11/15/08	104.625
Ultrapetrol Limited (ULTR)							
9% 1St Mortgage due '14	95.000	10.09%	654	11/24/14	B2 / B	11/24/09	104.500
SUPPLY VESSELS							
Gulfmark Offshore (GMRK)							
7.75% Senior Notes due '14	99.125	7.94%	444	07/15/14	B1 / BB-	07/15/09	103.875
Hornbeck Offshore Services (HOS)							
6.125% Senior Notes due '14	96.000	6.91%	337	12/01/14	Ba3 / BB-	12/01/09	103.063
Seabulk International (SBLK)							
9.5% Senior Notes due '13	104.950	6.59%	489	08/15/13	Ba1 / BBB-	09/02/08	104.750
7.2% Seacor Senior Notes due '09	100.500	6.72%	435	09/15/09	Ba1 / BBB-	any time	
5 7/8% Seacor Senior Notes due '12	96.000	7.00%	384	10/01/12	Ba1 / BBB-	any time	

Jefferies – High-Yield Shipping Bonds continued

	Offer Price	YTW	STW	Maturity	Ratings	Call Date	Call Price
TANKERS							
Berlian Laju Tanker							
7.5% Senior Notes due '14	65.000	17.31%	1,383	05/15/14	– / CCC+	05/15/12	103.750
Golden State Petro (GOLDEN)							
8.04% 1St Mortgage due '19	101.000	7.90%	384	02/01/19	Baa2 / BBB-	any time	MW + 37.5
Overseas Shipholding Group (OSG)							
8.75% Debentures due '13	104.500	7.70%	429	12/01/13	Ba1 / BB	any time	MW
7.5% Senior Notes due '24	92.500	8.37%	415	02/15/24	Ba1 / BB	NC	NC
Titan Petrochemicals (TITAN)							
8.5% Senior Secured Notes due '12	59.000	26.88%	2,385	03/18/12	Caa1 / B-	any time	MW + 100
Teekay Shipping (TK)							
8.875% Senior Notes due '11	105.500	6.78%	393	07/15/11	Ba3 / BB+	any time	MW + 50
US Shipping Partners (USS)							
13% Secured due '14	61.000	26.20%	2,269	08/15/14	Ca / CCC	02/15/11	106.500

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