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The Week in Review

A few weeks ago, we quoted a banker friend who warned us that come September activity would begin to pick up. He was wrong by a few days. But he was correct in hinting it would be significant. This week saw A.P Moller make an offer to acquire Brostrom's in a major consolidation move. SPACs, too, were active as one found a deal to propose while another closed its deal. Finally, hard data shows that shipping at least in Germany appears to be immune to the credit crisis.

A.P. Moller – Maersk A/S and Brostrom AB Announce Engagement

Yesterday, **Brostrom AB**, one of the leading logistics companies serving the petroleum and chemical industry, announced that **A.P. Moller-Maersk A/S** ("APM"), through its wholly owned subsidiary, **Maersk Product Tankers AB** (MPT"), had made a public offer to the shareholders of Brostrom to sell their shares for cash consideration of SEK 57 per share, a premium of 23.6% relative to the volume weighted average closing price of the B-share for the three month period prior to today's date and a premium of 10.1% relative to Tuesday's closing price. The offer values the share capital of the company at approximately SEK 3.62 billion. The offering price will be increased by 6% per annum from the date occurring two months after the announcement until the offer is declared unconditional.

The holders of all the Brostrom's A-shares, which are not listed, have irrevocably undertaken to accept the offer in respect of all of their A-shares and B-shares, representing in aggregate 29.3% of the issued share capital and 55.9% of the voting rights.

Additionally, the board of directors unanimously recommended that the shareholders accept the offer based upon the "undertaking made by the holders of the A-shares to MPT and the terms offered to the holders of the B-shares, Brostrom's financial position and future prospects and related opportunities and risks, the commercial benefits to the combined Brostrom and APM group following completion of the offer, other strategic alternatives available to Brostrom and Brostrom's ability to generate shareholder

value on a stand-alone basis." The board also relied on a fairness opinion from **SEB Enskilda** that states the offer price is fair from a financial point of view.

From APM's perspective, "the combination of the two companies will form the world's leading product tanker company with a combined owned and long term chartered fleet of more than 130 vessels." With the demand for energy expected to grow and the IMO phase out of single hull tankers expected by 2010, the fundamentals for this sector remain strong. Upon completion of the offer, the combined fleet of tankers below 25,000 DWT, will trade under the Brostrom name and be managed from Gothenberg while all the product tankers above 25,000 DWT will be integrated into the MPT's **Handytankers Pool**. According to current plans the Brostrom fleet will increase from 87 to more than 100 tankers including vessels that are owned, managed, on long-term charter and on order. The handy and mid-range fleet will expand from 127 to more than 160 vessels over the next couple of years.

The offer is conditioned solely on the receipt by MPT of the necessary clearances and approvals on terms acceptable to it and MPT becoming owner of shares representing more than 50% of the voting rights.

In an earlier research note, **Lars Kirkeby** of **Nordea Markets**, highlights the fact that Brostrom is the third largest player in the global tanker market as measured by fleet size and holds a strong market position within the low size segments. It operates a very modern fleet of double hull vessels with an average age fleet age of 7 to 8 years.

Earnings in the first quarter were below Nordea's expectations due to weak market conditions and higher than expected operating expenses. This trend continued through the second quarter with the volatile and weak freight market continuing to take its toll. Net sales, EBITDA and net profit were down this period respectively, 3.1%, 52.7% and 81.1%. Furthermore the balance sheet is weakening from higher leverage resulting from the fleet expansion program. All this was evident in the share performance, which has been more or less in steady decline since September 2007.

Oceanaut Fleet List

Vessel	DWT	Year Built	Charterer	Charter Term	Charter Rate	Est. Opex	Price
Panamax							
Three Stars	74,759	2005	Cargill	3	\$60,000	\$4,400	\$93.5
Achilles II	75,785	2004	COSCO	2	\$57,347	\$4,400	\$93.0
Iris II	75,798	2004	MOL	5	\$40,000	\$4,400	\$93.0
Supramax							
Medi Cebu	52,464	2002	Cargill	3	\$42,000	\$4,400	\$72.5

Clearly, this was an opportunistic joining of the companies from which both will benefit. More importantly, it continues the trend towards consolidation in the industry.

Oceanaut Takes Out Its Checkbook

With little time and no specificity in its investment guidelines, other than it be in shipping, **Oceanaut Inc.**, **Excel Maritime's** sponsored SPAC, announced, on Monday, that it had found its deal and will follow the footsteps of its sponsor and invest in drybulk but with a difference. It is the intention of the parties that Oceanaut will serve as Excel's exclusive long-term charter dry bulk vehicle focusing on charters of 4 to 10 years.

The company has entered into definitive agreements to purchase four drybulk vessels from **Irika Shipping S.A.** for a total consideration of \$352 million. The acquired vessels, which aggregate approximately 279,000 DWT, include three Panamax vessels and one Supramax vessel, which are described above together with their prospective employment.

Statistically, the average fleet age is 4.4 years with average charter coverage of 3.3 years.

The acquisition cost including working capital (\$10 million) and fees (\$10 million) will be funded from SPAC Cash (\$161 million), a Credit Facility (\$196 million) and preferred shares purchased by Excel (\$15 million). Controlling 22.7% of the company, the sponsor group agreed to convert 5.6 million shares into non-cumulative subordinated shares, which will not be entitled to receive dividends until the 2nd quarter of 2010. Thereafter dividends on the subordinated shares will be paid from operating surplus provided that common shareholders have received full payment of all base dividends. The balance of the shares, 77.3%, is controlled by the public.

HSH Nordbank and **Commerzbank** provided the \$196 million credit facility, which matures in December 2018. The loan bears interest at LIBOR +165 bps and amortizes to a balloon at maturity.

For the first full year of operation, the Company is projecting rev-

enues of \$69.7 million, EBITDA of \$60.6 million and free cash flow of \$48.6 million. The company is proposing a quarterly dividend of \$0.28 per share or \$1.12 annually which equates to 13.6% yield.

In its presentation, Oceanaut calculates the firm's value, including warrants, at \$452.8 million giving an estimated 2009 EV/EBITDA of 7.5x. The company also provides comparative metrics with a dry-bulk high dividend payout universe including **Navios Maritime Partners, Paragon, Star Bulk, Genco, Diana Shipping, Eagle and Safe Bulkers**. According to their calculations, the company compares favorably with this universe in terms of dividend yield (13.6% vs. 10.7%), charter length (3.3 years vs. 2.3 years), payout ratio (50% vs. 76.1%) and fleet age (4.4 years vs. 6.4 years).

The transaction is now in the hands of the shareholders. Approval requires the vote of over 50% of the shareholders, while less than 30% can vote against it and elect conversion. The risk to the transaction in our estimation lies with the no vote.

The company makes a strong case for the transaction. First and foremost, Excel, as sponsor, has not only subordinated its shares but it has also invested an additional \$15 million in preferred equity. Moreover, Excel brings its excellent management team and its affiliate's, **Maryville**, quality low cost technical management services to the company. Then there is the transaction itself. The acquired vessels are young and provide visible and stable cash flows for the next three years with high quality counterparties, which will support the attractive dividend.

Growth will come from Excel's long-standing industry relationships and the right of first refusal to consider for purchase any vessels with long-term charters that Excel intends to sell in the future (i.e. drop-downs from Quintana) and for any acquisition opportunities for vessels with long-term charters that might be presented to Excel. Financing for these projects will come from warrant proceeds, additional credit facilities, follow-on offerings and retained cash flow.

It will be interesting to see how this plays out.

Seanergy – 3rd Time's the Charm

In contrast to the Oceanut transaction, **Seanergy Maritime Corp.** can rightfully say, “been there done that” as shareholders finally approved its transaction to acquire 6 bulk carriers from the **Restis** family this week. It has not been an easy road for the company as we have previously documented. The shareholder vote was deferred three times necessitating the Restis family to increase its investment twice. Ultimately, Restis affiliates owned beneficially 10,114,761 shares, representing 35.4% of the company's outstanding shares, which amount excludes 2,750,000 shares with respect to which affiliates of the Restis family have shared voting power but do not have dispositive power. Their position was solidified by **George Koutsolioutsos**, Seanergy's Chairman, who increased his beneficial ownership to 8.4% of the outstanding shares exclusive of an additional 3,190,000 shares over which Mr. Koutsolioutsos has shared voting power.

Over 20.6 million votes were cast in favor of the proposal with 6.4 million shareholders, representing 23.5% of the shares demanding redemption, well below the critical 35%.

Market Commentary

Seacastle Sells – Why?

We were somewhat puzzled by a recent report in the trade press that **Seacastle** had sold for \$41.4 million the CSAV Peru (Laura S), a 2,470 TEU containership built in 1998, which they had purchased 18 months ago for approximately the same price. Market sources attribute the sale to the fact that it was a smaller ship and did not fit the profile of its mainly Panamax fleet. Moreover, the company is reported to have earned \$7.5 million in charter hire during this period although how much profit was earned is unknown.

Certainly it is not our place to second guess the owners but our thought process suggested that having a smaller more flexible ship in the North-South trades was a nice diversification particularly in light of the push to bigger and bigger vessels in the East-West trades which are experiencing declining volumes. This size would also benefit from the move by the fruit growers to ship on reefer containers versus reefer vessels.

But as a friend pointed out the vessel is fixed through October 2010 and who knows what the market will be like then, which trades will be strong and will the cascade effect have worked its way through. Most likely, the bottom line is that this was the cheapest and most profitable ship they bought and therefore the most profitable to sell for the moment.

Surely it has not been easy for SPACs to finalize their acquisitions. It certainly does not help that hedge funds are using SPAC securities as a trading vehicle. Moreover, perhaps **Goldman Sachs** was correct in pointing out the inequity related to the “promote” versus the equity contributed by the sponsors.

In any event, sponsor groups have been scurrying around trying to salvage their deals when possible. **Energy Infrastructure Acquisition Corp.** had their transaction rejected mainly as it ran out of time. Marathon Acquisition Corp. restructured its deal for the acquisition of **Global Ship Lease** by reducing shares and cash consideration to the sponsors and **CMA CGM** and replacing that consideration with warrants and preferred shares. CMA CGM also sweetened the deal by increasing the time charter rate, which in turn allowed for an increase in dividend to the shareholders. And as we mention earlier, Seanergy sponsors subordinated their interests and contributed new preferred equity.

Credit Crisis?

Based upon the data provided below, albeit incomplete, it does not appear that the credit crisis has impacted shipping loan volumes in Germany. Granted data from key players, such as **HSH Nordbank**, **HVB** and **Deutsche Shipping**, is missing, the numbers show that the balance of the banks have nearly equaled or exceeded last year's total volumes in the first half of the year.

Ranking of the German Ship Financers According to Loan Volume 2007

No.	Name of Bank	Loan Volume		
		First Half of 2008	2007	2006
1	HSH Nordbank		23.835	21.852
2	KfW IPEX	13.578	14.500	11.900
3	Dt. Schiffsbank	9.577	9.158	8.209
4	Nord/LB	8.616	8.523	8.234
5	DVB Bank	8.481	8.384	6.712
6	Commerzbank	8.800	8.200	7.300
7	HypoVereinsbank		8.000	6.500
8	Bremer LB	4.574	4.372	3.849
9	Deutsche Shipping		3.600	3.100
10	Dresdner Bank	3.680	2.850	1.500
11	Heleba	1.688	1.440	1.425
	Total		92.862	80.581

in million Euros

Source: Hansa 08/2008

Career Path

What do **Morten Arntzen**, **Peter Evensen**, **Jeff Pribor** and **John Wobensmith** have in common? They all began their careers as bankers and have moved over to the ownership side. Clearly, the owners are recognizing the value of banking experience or, perhaps, they are less expensive once brought in house?

Add to that list, **Peter Knudsen**, formerly head of Project Finance and Asset Lending and now the General Manager of **Nordea's Singapore Branch**, who has accepted the position of CEO of **Camillo Eitzen & Co. ASA**.

Umm! Peder's been there two weeks already, is this an opportunity for him?

Bankers Move On

We also note the following friends who have found new positions:

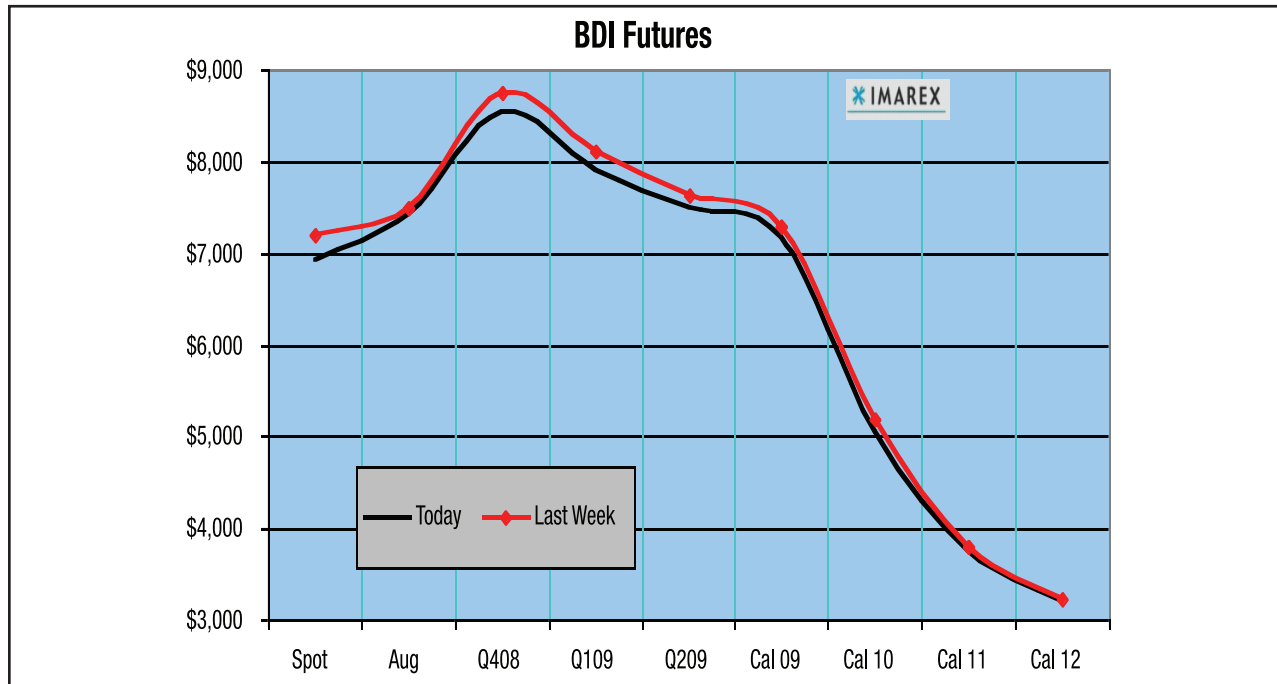
Chris Weyers has left **Fortis** to join **FBR Capital Markets** as a Managing Director. He can be reached at (212) 457-3314 or cweyers@fbr.com.

Finding life after **Bear Stearns**, **Scott Burk** has accepted a position as Lead Ocean Shipping Analyst at **Oppenheimer & Co**. Scott can be reached at (212) 667-7402 or scott.burk@opco.com.

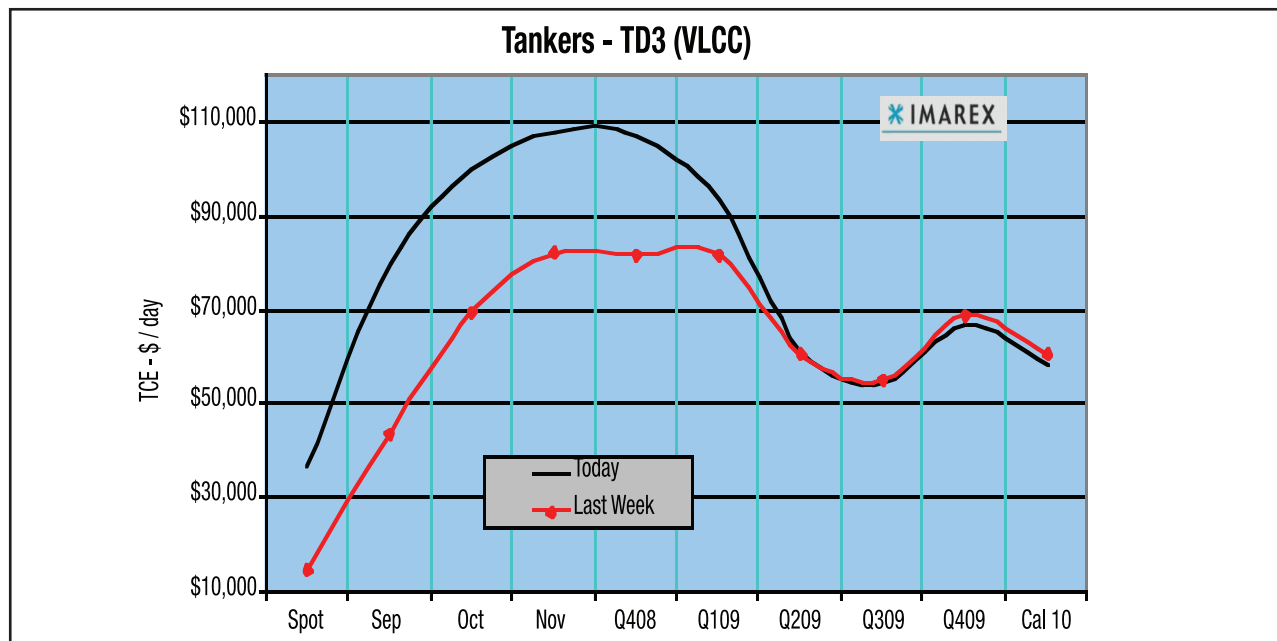
We wish them all good luck in their new positions.

Back to the Futures

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



Dry sector rates have diminished further since last week, though we do not sense excessive pessimism. Changes in both spot rates and futures prices have been relatively tame when compared to past instability. All eyes are still focused on Q4, as a combination of seasonality and a potential post-Olympic demand surge provide for an upward sloping FFA curve. Lack of period demand this week, however, has caused some concern for the medium-term outlook. High ore inventories in China are the source of further apprehension. Though the vast stockpiles on hand may indeed allow for a strong market going forward – their presence signals the possibility of unsought volatility. While we have accepted that mercurial freight rates are the nature of the dry bulk beast, we would much prefer flatter peaks and valleys on a short-term basis.



Optimism has returned to the tanker sector. The Worldscale 65 nadir we saw last week was relatively short-lived. As that rate level allowed for meager TCE returns of \$10,000/day or less, the wet segment is ready to move on and look to Q4 for a brighter outlook. Today we see WS 95 on subjects – providing for a much improved TCE of about \$40,000/day. The above graph confirms that the rate shift took place all the way through Q1 of next year. Volumes seen in the FFA sector earlier this week were significant. Alongside the positive momentum for the VLCCs has been the Atlantic basin Suezmax asset class. Supply and demand worked in Owner's favor here as well, pushing rates up about 50 points in short order. This has added almost \$20,000 day in TCE to Owners returns on the Wafir/Usac route. Hurricane Gustav, while still days away from a potential USG landfall - has provided Owners with additional positive sentiment.

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
★ Seanergy Maritime	Maxim	\$400- \$450	6 Restis bulk carriers	Proposed fleet acquisition and merger of SPAC with Restis interests; Approved
★ Tailwind Financial			20 bulkers from GrandUnion	Reverse merger of blank-check Tailwind and shipping JV; Grand-Union to head remaining company
Genco Shipping and Trading		\$530	6 drybulk newbuildings	From Lambert, Northville, Providence and Prime Bulk Navigation to be delivered through 4Q 2009
Marathon Acquisition Corp	Jefferies, Citi	\$988	Global Ship Lease	Acquisition by AMEX listed SPAC from CMA CGM; Approved
BW Gas		Circa \$2,000	40 ship LPG fleet	For Sale; Potential buyers to include Solvang, Stolt-Nielsen, Maersk, OSG and John Fredriksen
European Bank for Reconstruction and Development		\$120	3.8% in Far Eastern Shipping Co	Minority stake in Russian container company
General Maritime	UBS for GMR, Jefferies for ATB	\$283- \$300	Arlington Tankers	Each GMR share to receive 1.34 shares of new entity; Each ATB share to receive 1 new share
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	Arcaipita 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

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
Titan Shipyard Holdings		\$25	1.00%	2013	Convertible notes exchangeable for up to 5% of Titan Shipyard issued share capital	Done
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

Equity Deal Table

★ = New

✎ = Updated

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

Issuer	Underwriters / Advisors	Amount (US\$ M)	Structure / Pricing / Comments	Status
★ KS Energy	Kim Eng Securities	\$122	Proposing a 2 for 5 rights issue to enhance capital base and support business expansion	In Progress
K-Sea Transportation	Lehman Brothers, RBC Capital Markets	\$57	2 million unit public offering with 300,000 share over-allotment option; Net proceeds to pay off debt and fund construction of new vessels	Planned
✓ Pacific Shipping Trust	UBS	\$92	Planning a non-renounceable preferential offering of new units	In Progress
Paragon Shipping		\$250	Shelf registration to periodically issue common shares, preferred shares or other securities	Filed
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; Over-allotment 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 Shipchandlers	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 units	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

Bank Debt Deal Table

★ = New

📄 = Updated

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

Borrower	Arrangers / Buyers	Amount (US\$ M)	Pricing / Purpose / Remarks
★ Neptune Marine Services	National Australia Bank	undisclosed	3 yr commercial bill facility for the acquisition of a AHTS vessel
★ Regional Container Lines	KfW IPEX Bank	\$107	10 yr term loan to finance 2 x 2,732 TEU container vessels
★ König & Cie. GmbH & Co. KG	Dresdner Kleinwort as mla, SEB	\$123	15 yr post- delivery financing for 4x 1,700 TEU container vessels
GMMOS Group	Standard-Chartered Bank, Noor Islamic Bank	\$46	8 year Shari'a compliant financing facility to refinance, construct, and purchase 12 offshore service vessels
Neptune Orient Lines	BTMU, Citi, HSBC, ISP, JP Morgan, Mizuho, Natixis, OCBC, Societe Generale, SMBC, UOBH	\$6,000	1 year bridge loan with all-in pricing; Indicative pricing at LIBOR + 150-180; To bid for Hapag-Lloyd
Genco	Nordea, HVB, SMBC, DnB NOR	\$320	5 year senior secured amortizing term loan at LIBOR + 120- 125 bps concurrent with acquisition of 6 newbuilds
Nakilat (Qatar Gas Transport)	Syndicate of international banks; SMBC as financial advisors	\$1,500	Plans to borrow further \$1,000 in next 18 months; To finance 54 LNG tankers
Stolt- Nielsen	Citi, Deutsche Bank, Fortis	\$625	16 yr pre- and post- delivery financing for 8x 43,000 dwt South Korea parcel tanker newbuildings
✓ 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

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
★ Wan Hai International	A Cayman Islands company, Citigroup as advisors	\$300	Sale and leaseback of 4x 6,000 TEU containerships for 7 years
Pemex	ICP Capital as arranger		Purchase and 10 year bareback 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

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%	798	04/01/13	– / –	04/01/10	105.500
Great Lakes Dredge&Dock (GREATL)							
7.75% Sr Sub Notes due '13	94.000	9.20%	613	12/15/13	Caa1 / B-	12/15/08	103.875
Navios Maritime (BULK)							
9.5% Senior Notes due 2014	96.500	10.26%	704	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	100.500	8.32%	572	12/15/13	B1 / B+	12/15/08	104.250
Stena AB (STENA)							
7.5% Senior Notes due '13	99.000	7.73%	468	11/01/13	Ba2 / BB+	11/01/08	103.750
7% Senior Notes due '16	96.000	7.66%	413	12/01/16	Ba2 / BB+	12/01/09	103.500
Trailer Bridge (TRBR)							
9.25% Secured due '11	94.000	11.52%	894	11/15/11	B3 / B-	11/15/08	104.625
Ultrapetrol Limited (ULTR)							
9% 1St Mortgage due '14	93.500	10.44%	722	11/24/14	B2 / B	11/24/09	104.500
SUPPLY VESSELS							
Gulfmark Offshore (GMRK)							
7.75% Senior Notes due '14	99.000	7.96%	480	07/15/14	B1 / BB-	07/15/09	103.875
Hornbeck Offshore Services (HOS)							
6.125% Senior Notes due '14	95.000	7.13%	391	12/01/14	Ba3 / BB-	12/01/09	103.063
Seabulk International (SBLK)							
9.5% Senior Notes due '13	104.750	7.54%	548	08/15/13	Ba1 / BBB-	09/22/08	104.750
7.2% Seacor Senior Notes due '09	100.500	6.70%	462	09/15/09	Ba1 / BBB-	any time	
5 7/8% Seacor Senior Notes due '12	95.000	7.31%	451	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	70.500	15.44%	1,230	05/15/14	– / CCC+	05/15/12	103.750
Golden State Petro (GOLDEN)							
8.04% 1St Mortgage due '19	103.200	7.59%	378	02/01/19	Baa2 / BBB-	any time	MW + 37.5
Overseas Shipholding Group (OSG)							
8.75% Debentures due '13	104.500	7.69%	463	12/01/13	Ba1 / BB	any time	MW
7.5% Senior Notes due '24	92.000	8.43%	446	02/15/24	Ba1 / BB	NC	NC
Titan Petrochemicals (TITAN)							
8.5% Senior Secured Notes due '12	60.000	26.52%	2,385	03/18/12	Caa1 / B-	any time	MW + 100
Teekay Shipping (TK)							
8.875% Senior Notes due '11	104.000	7.31%	482	07/15/11	Ba3 / BB+	any time	MW + 50
US Shipping Partners (USS)							
13% Secured due '14	61.000	26.29%	2,311	08/15/14	Ca / CCC	02/15/11	106.500

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November 18	2nd Ann. Korea Ship Finance Forum	Seoul
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