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The Week in Review

The single most important key to success for a shipowner the next 12 months is access to capital. That is true around the globe. Marine Money is proud to host three important conferences over the next month, in Tokyo, Oslo and New York bringing together the world's most important sources of capital and shipowners. All three events are committed to supporting the health and success of the shipowning and ship finance communities. Market intelligence, networking, business opportunity are three critical elements these events will provide.

To learn more and register please visit:

4th Annual Japan Ship Finance Forum

The Mandarin Oriental, Tokyo, Japan

May 26, 2009

<http://www.marinemoney.com/forums/JAP09/japan2009.html>

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Oslo Concert Hall, Oslo, Norway

June 11, 2009

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The Pierre Hotel, New York

June 23, 24 & 25, 2009

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Even the Analysts Wonder

We arrived at work last Friday morning to the rather surprising news that **DryShips**, clearly seeing the opportunity, had once again gone out into the equity market. The company announced its second ATM Equity Offering through **Merrill Lynch** for up to \$475 million of the company's common shares. Back in January, DryShips had

entered into an earlier agreement to sell up to \$500 million, which it completed last month selling a total of approximately 95.7 million shares, generating net proceeds of ~\$487.5 million after commissions. An ATM equity offering allows the company to issue common shares at any time and at the company's discretion.

The analysts said it best with their responses ranging from mellow acceptance to outright indignation. **Gregory Lewis** of **Credit Suisse** calculated that at the prior day's closing price of \$10.04, the offering would add an additional 47.5 million shares, equating to a 25% dilution to existing shareholders.

Cantor Fitzgerald's Natasha Boyden chose to focus specifically on the offshore business noting specifically that these proceeds would assist Dryships in obtaining the additional \$1.1 billion in financing for the two drillships, which are expected to deliver in 2011 and 2012. With the spin-off of these assets expected to occur in the second half of this year, Ms. Boyden reminded us that **George Economou's** private company **Cardiff Marine** was the original owner of these vessels and that it had agreed to exchange its interest for a 25% equity stake in **Primelead**, the Dryships drilling subsidiary which is intended to be spun-off. "While we believe the drillships spin-off could highlight the substantial amount of valued tied up in those assets, we now think that DRYS public shareholders' ability to realize that valuation will be limited by the amount of equity dilution at DRYS and Cardiff Marine's agreement for a 25% stake in Primelead."

Scott Burk of **Oppenheimer** provides the numbers perspective noting that this is DryShips third ATM offering since November, which has increased the share count from 43 million to 185 million currently. He expects it to grow to around 240 million. Looking at recent trading volumes, Mr. Burk expects the company to finish the offering in 12 days. "Given the improved market conditions, we don't expect this offering to be as bad for shareholders as the

\$500M offering in January, which helped push the stock as low as \$3.20/share. However, 25% downside to \$7-\$8 would be reasonable by our estimates, roughly equivalent to the expected dilution.”

However, it was **Douglas Mavrincac** of **Jefferies** who best captured the frustration of all of us who have closely followed this stock and the manner in which Mr. Economou manages the business:

“After three dilutive equity offerings over the past six months, we believe DRYS shares have little upside from current levels as the anticipated issuance of approximately 190 million shares over the past six months has essentially removed any upside potential DRYS shares once enjoyed. Although we believe the dry bulk shipping market fundamentals are likely to continue to improve in the coming months and into 2010, we believe DRYS is the least attractive way to participate in the anticipated market rebound as we can not in good faith recommend investors buy this name. DryShips is no longer the same company it was in 2005-2007 with its entry into the offshore drilling market, reduction of spot market exposure, series of inter-company transactions, and series of dilutive equity offerings. In fact, even if dry bulk shipping charter rates were to return to 2008 levels (which we do not anticipate in the foreseeable future), we project DryShips' annual EPS to be no more than \$2.00 per share compared to \$10.65 per share in 2008. With significantly diminished upside, and a knack for destroying equity for investors, we are downgrading DRYS shares to Hold from Buy and are reducing our price target to \$9 per share based on DRYS shares trading at 7-8 times 2010E EV/EBITDA, a discount to the targeted peer group multiple.”

Thank you, Doug.

When the Cure Is Worse than the Disease

As part of its Chapter XI filing, **U.S. Shipping Partners** (“USSLP”) filed on April 29th a Plan Support Agreement, which as its name suggests outlines the terms under which the partnership agrees to use its commercially reasonable efforts to obtain Bankruptcy court approval of the pre-arranged Chapter 11 plan of reorganization and the secured lenders agree to cooperate in that regard.

Under the terms of this agreement, all existing partnership and other equity interests are cancelled and extinguished. The partnership will be reorganized as a Delaware corporation and new common stock and warrants to purchase new common stock shall be issued to the senior secured lenders and the holders of the second lien notes.

The senior secured lenders will receive 50% of the equity and its

existing debt will roll over into a senior secured facility with a principal amount equal to the current outstanding principal amount of approximately \$332.6 million, exclusive of PIK interest. The new loan will mature in August 2013 and will bear interest at LIBOR plus 5%, subject to a LIBOR floor of 2%. Scheduled repayments are de minimis at 0.25% quarterly after one year. The lenders have instead utilized a cash sweep mechanism as the means to repay the loan with 100% being utilized to repay the loan after a minimum cash balance is retained. The mechanism relies on Excess Cash Flow which is defined as the prior quarters EBITDA adjusted for interest payments, vessel sales, cash and budgeted drydocking costs, repair and maintenance, cash taxes, amortization and any amounts, up to 35% of Excess Cash Flow, used to repurchase senior notes.

The second lien note holders will receive the balance of the equity in exchange for their notes. The respective holdings are subject to adjustment to insure that the U.S. citizenship test is passed.

Although a substantial debt burden was lifted with the conversion of the second lien notes, a conundrum remains when the existing fleet is viewed in light of the unchanged first lien debt burden. The original fleet consisted of six ITBs acquired from and chartered back to Amerada Hess, three chemical parcel tankers, one product tanker and three modern ATBs.

After coming off their five-year charters, the ITBs had difficulty finding employment because of deteriorating economic conditions, age, increased vessel supply and higher operating costs. Unable to find work transporting petroleum products domestically, the company employed the ITBs to transport grain overseas for humanitarian programs until this too became competitive. In the 4th quarter, the company sold two of the six vessels. In his affidavit, **Ronald O'Kelley**, USSLP's CEO states, “the company anticipates that there will no longer be any demand for ITBs for the transportation of petroleum products going forward.” In all likelihood, the others will be sold, if buyers can be found or scrapped, if not.

The situation in which the chemical tankers and the product carrier find themselves is not much better. The three chemical carriers were built or re-built in 1983 while the younger product carrier, the M/V Houston, was built in 1985. In their short remaining lives, they are unlikely to be key contributors of revenue.

What remains are the three ATBs, which were constructed in 2007/2008. While these are young, demand remains uncertain, and they must compete with modern tankers such as those constructed and controlled by **OSG America**. And it is these three ATBs which

will have to repay, what looks in hindsight to be, an onerous and insurmountable debt load at least as far as the existing fleet is concerned.

To deal with the obvious issue of fleet renewal, USSLP entered into a joint venture, USS Product Investor LLC, to finance the construction of five of the original 9 new 49,000 DWT product carriers, it had contracted at NASSCO. USSLP invested \$70 million for a 40% interest with the balance owned by the private equity firms, Blackstone and Cereberus. As part of the transaction, USSLP serves as the managing member of the joint venture and the vessel manager.

As a consequence of the partnership's financial difficulties, the majority partners have sought to remove the partnership from its roles in the joint venture and foreclose on the M/T Golden State, the first vessel delivered to the partnership. USSLP has obtained a temporary restraining order, pending a hearing and a determination, against **Blackstone** and **Cereberus**.

In our estimation, it is a certainty that the court will affirm USSLP's continued role in the partnership given its substantial equity investment, the fee income derived from its role as manager of the partnership and the vessels, and the simple fact that it is these assets which are the most likely source of repayment of the debt. To do otherwise would likely lead the partnership to Chapter VII or liquidation. Nevertheless, we are hard pressed to see any light at the end of this tunnel.

Win-Win Swap

Trico Marine Services, Inc. announced on Monday that the company, with the assistance of **Lazard Freres**, had agreed to exchange the remaining \$253 million of its 6.5% Debentures due 2028 for, in the aggregate, \$12.6 million in cash, 3.03 million shares of the Company's common stock and \$202 million in aggregate principal amount of the Company's new 8.125% secured convertible debentures due 2013.

The new Debentures will be secured by a second priority lien on substantially all of the collateral that is pledged under the company's U.S. credit facility, and will be subject to quarterly principal amortizing payments, payable in either cash or shares, beginning August 1, 2010.

The 8.125% Debentures will be convertible into common stock at any time at the option of the holder at a conversion price of \$14 per share, a 159% premium over the closing price of the company's common stock on May 8, 2009. The Company will be entitled to redeem the 8.125% Debentures at par plus accrued interest on or

after May 1, 2011, if the trading price of the common stock exceeds \$18.90 per share for specified periods.

The benefits of the transaction to Trico include: a) reducing the company's outstanding debt by approximately \$50 million; b) deferring make-whole interest payments on early conversions of debentures until after May 1, 2011; c) maintaining the existing level of cash interest payments, in the aggregate. Together these de-leverage the balance sheet and improve liquidity and better position the company to weather the pullback in offshore spending.

According to **Judson Bailey** of **Jefferies**, "by exchanging their existing converts and taking an approximate \$22MM reduction in principal (after cash and equity payments) and allowing the deferral of make-whole interest payments for two years, the holders of the new converts are now secured, receive a better coupon (8.125% vs. 6.5%) and a lower conversion price of \$14 (vs. \$40.42 previously).

Here, careful re-structuring brought about an equitable solution, which is the essence of a good deal.

Simply Blown Away

On Tuesday, **DVB Bank** confirmed that it is not only well positioned to survive in this downturn but also to thrive.

The remarkable news was that the bank entered into 39 new transactions in the 1st quarter generating new business volume of EUR 1.12 billion down only slightly from the comparable period last year. The average interest margin on new business reached an all-time high of 344 bps, more than double the 161 bps it earned in the 1st quarter last year. Unfortunately, it still was not sufficient to compensate for higher funding costs and the impact of distortions in the money market. These costs contributed to a 28.7% decline in net interest income to EUR 30.1 million for the period. The decline in interest income was somewhat offset by fee and commission income and advisory fees which increased from EUR 13.5 million in the 1st quarter of last year to EUR 32.9 million for the comparable period in 2009.

Still, credit remains a concern. Allowance for credit losses showed a net release this year of EUR 0.4 million versus EUR 7.4 million a year earlier.

Illustrative of its commitment to growth, DVB's general administrative expenses rose by 12.4% to EUR 36.2 million, which is largely attributable to the hiring of 45 transportation finance/investment management professionals for its worldwide offices.

Overall the result from operating activities before tax declined 14% during the 1st quarter to EUR 27.1 million. DVB's two strategic indicators ROE before tax and cost/income ratio ("CIR") both weakened with ROE declining 6.8% to 11.9% and CIR increasing by a slim 0.3% to 57.6%.

Looking at the balance sheet, total assets increased 2.8% from December 31st to EUR 17.86 billion. In Euro terms, the bank's nominal customer lending totaled EUR 19.56 billion up 5.8% from year-end 2008. Due to the weakening of the Euro, lending in dollar terms increased only 1.1%.

In today's stress testing banking environment, there are two key measures, Tier 1 and total capital ratios. In these categories, DVB shines. The Tier 1 ratio increased this quarter from 13.9% to 15.3% and the total capital ratio increased to 20.3% up from 18.2% in December.

No worries here.

Open House in the Equity Markets

Having previously done a follow-on offering of 3 million shares back in January, which raised net proceeds of approximately \$107.5 million, including the over allotment, **Nordic American Tanker Shipping** ("NATS") again seized the opportunity and initially announced on Tuesday, after the market closed, an underwritten public offering of another 3.5 million common shares, pursuant to its effective shelf registration. The company also granted the underwriters a 30-day option to purchase an additional 525,000 shares to

cover over allotments. The shares closed at \$36.08 on Tuesday. Subsequently, due to investor demand, the offering was increased to 4 million shares with the greenshoe option increased to 600,000 shares. The price was set at \$32.00 per share, which reflects an 11.31% discount to the closing price on Tuesday.

Proceeds are to be used to fund further planned acquisitions and for general corporate purposes.

Morgan Stanley is acting as the book running manager and **DnB NOR Markets** is acting as co-manager. The company expects to close the sale on May 18th.

With apologies to the lyricist of "It's Raining Men!" it seems to us that, in fact, it's raining shares. Sell them while you can, as investors appetite seemingly intimates the return of the commodities play. It certainly can't be industry fundamentals.

Finally, while we, in our simplistic view, thought mainly of the Chinese water torture of inevitable slow dilution for shareholders, **Scott Burk**, of **Oppenheimer**, made a strong counter-argument. "While the company has enough debt capacity to pay for multiple vessel acquisitions, the equity offering is consistent with the company's strategy of funding acquisitions primarily with equity. Because Nordic trades at a significant premium to NAV (~\$24/share), the dilution from the share offering can be more than offset by additional acquisitions."

More details are in the Guts of the Deal table.

Guts Of the Deal

Issuer	Nordic American Tanker Shipping Ltd.
Number of Units	4,000,000
% of Total O/S Units	10.56%
Offering Price	\$32.00
Deal Size	\$128,000,000
With Over-Allotment	\$147,200,000
Primary Shares	All
Dividend Policy	Full payout
Use of Proceeds	Fund further acquisitions under planning and general corporate purposes
Credit Facility	\$500 Million (\$15MM drawn as of 12/31/08)
Cost of Debt	LIBOR + 0.70% to 1.20%
Investment Banks	Morgan Stanley as bookrunning manager and DnB NOR as co-manager
Issuer's Counsel	Seward & Kissel and Appleby
Underwriter's Counsel	Simpson Thacher & Bartlett
Accountants	Deloitte AS
Stock Exchange	NYSE
Ticker	NAT

Market Commentary

Even Landesbanks Get the Blues

In a report dated May 6, 2009, Standard & Poor's ("S&P") took a hard look at the six rated German Landesbanks in light of a deteriorating economic outlook and the impact that it will have both on asset quality and short to medium term business prospects, as well as the challenges these banks face to their funding capacity and capital requirements in a fundamentally changing banking environment. Their conclusions led to the downgrading of five institutions by one notch and revising the outlook on the other, Heleba, to negative (see table).

While S&P continues to believe there is a high likelihood of ownership support, which support uplifts the ratings 3 to 5 notches, they view the Landesbanks as facing differing challenges which are reflected in the ratings differences.

Heleba and NORD/LB are in a relatively better position than their peers having avoided recapitalization by their owners and mark-downs and impairments on structured credit investments, due to lower exposure than their peers

WestLB, HSH Nordbank and BayernLB are viewed as having a somewhat weaker business models and therefore more reliant on implicit and explicit state support. In general, they spoke of macro weaknesses which "include an unbalanced business mix, a high proportion of wholesale funding, a high proportion of non-customer related business, and high concentration risk, in conjunction with modest risk buffers due to high capital leverage and modest pre-provisioning earnings."

Ratings Actions/Outlook Changes

Counterparty Credit Ratings	Old	New	Notches of Support	Adjusted Rating
Landesbank Hessen-Thuringen Girozentrale	A/Stable/A-1	A/Negative/A-1	3	BBB
Norddeutsche Landesbank Girozentrale	A/Negative/A-1	A-/Negative/A-2	3	BBB-
Landesbank Baden-Wuerttemberg	A+/Negative/A-1	A-/Negative/A-2	3	BBB-
Bayerische Landesbank	A/Negative/A-1	BBB+/Negative/A-2	4	BB
HSH Nordbank AG	A/Watch Neg/A-1	BBB+/Negative/A-2	4	BB
WestLB AG	A-/Watch Neg/A-2	BBB+/Negative/A-2	5	BB-

(Source: Standard & Poor's except for adjusted rating)

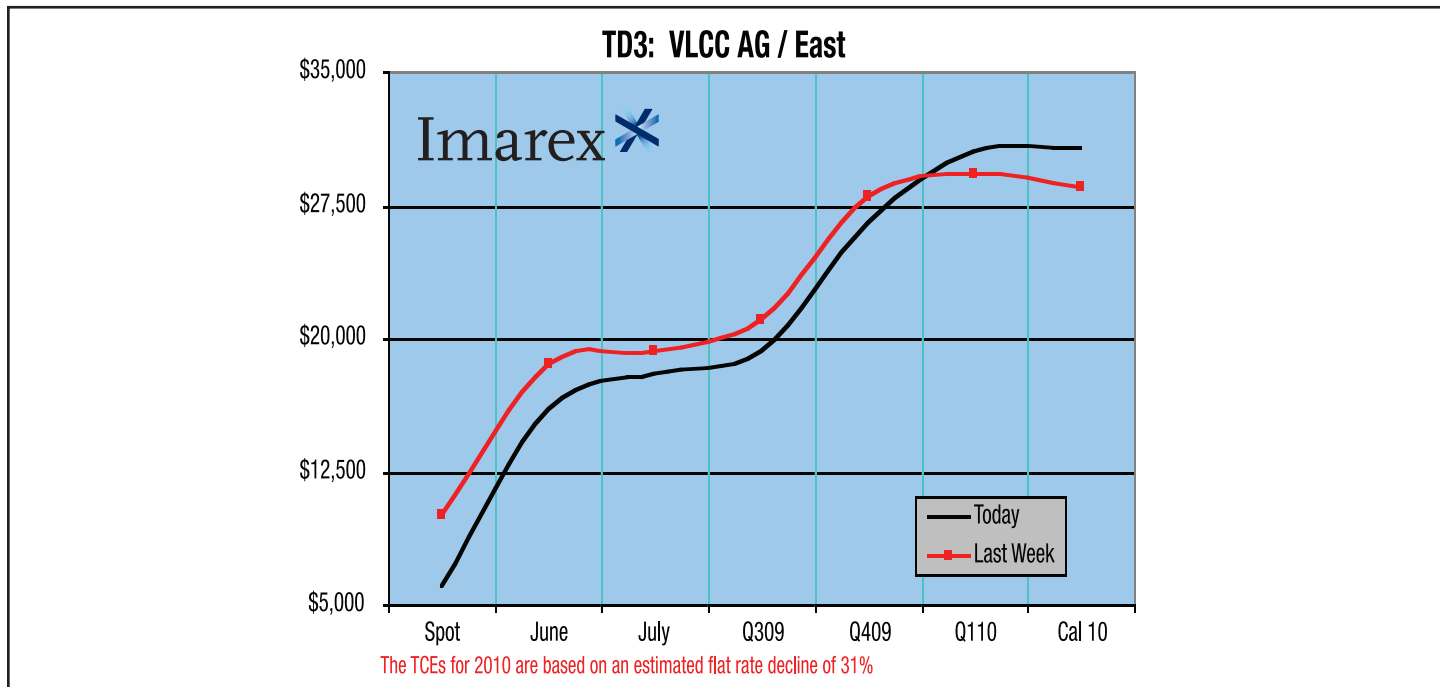
In 2008, "none of the Landesbanks recorded profits without support measures, and some posted losses that would, in our view, have brought them to the brink of insolvency and/or illiquidity had extraordinary support not been forthcoming." Moreover, credit risk continues to rise. Looking at the medium term horizon until 2011, S&P projects that cumulative credit loss provisions could increase beyond the historical norm to 4% to 5%, as a consequence of the depth of the recession and the softer underwriting standards prior to the crisis.

To big to fail applies here too. The Landesbanks are considered government-related entities and, owing to their size, highly systemically important to their owner states and Germany because defaults would cause market disruptions. The likelihood of continued support hinges on the fact that Landesbank owners are jointly and severally liable for multi-billion amounts of grandfathered debt incurred before the abolition of state guarantees in July 2005, and which will mature mainly by 2015. S&P believes that agreed and expected support measures will be generally sufficient to address solvency and liquidity issues over the next one to three years, even if credit losses elevate to levels they consider possible. As a consequence, the Landesbanks should not be forced to liquidate fundamentally sound assets and should benefit from repayments or recovery of market values. "This view underpins our decision to keep the Landesbank ratings in the investment grade category for now."

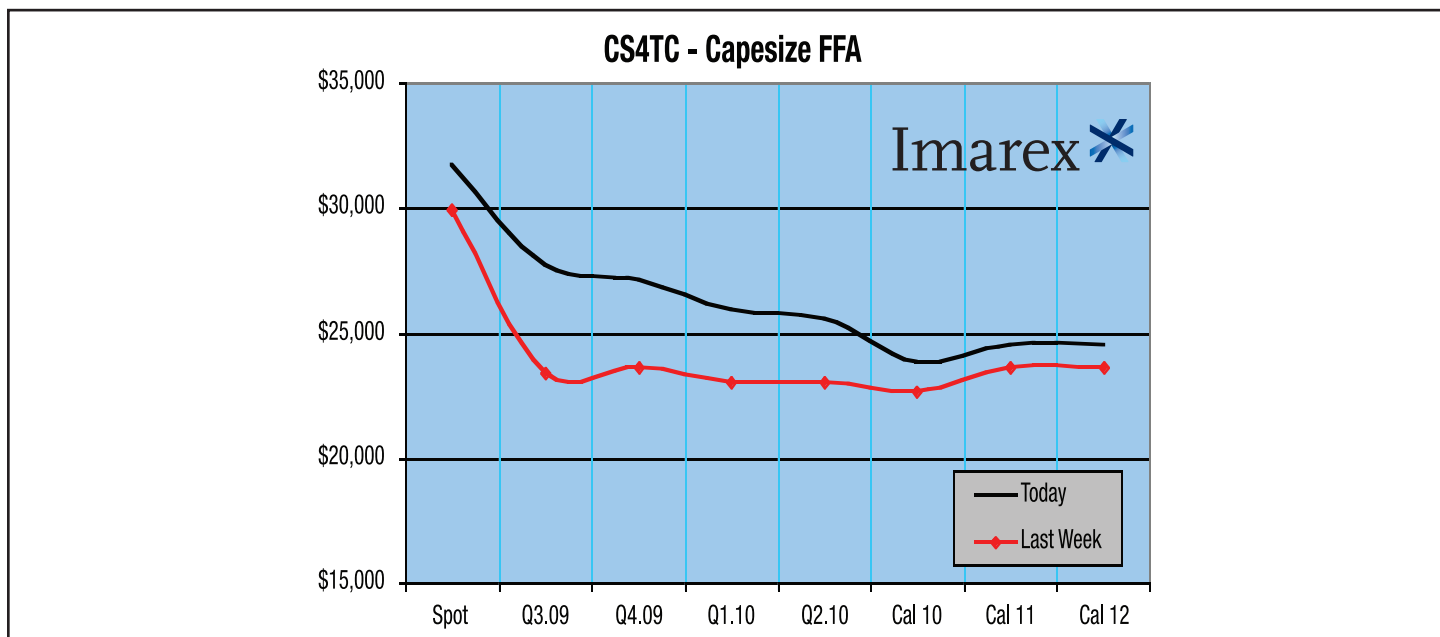
We can only watch and wait as the KG scenario plays out and tests the mettle of the commitment.

Back to the Futures

By Mike Reardon and Jeffrey Landsberg of Imarex Inc., Email: jsl@imarex.com



Precarious fundamentals have made the tanker market a touch softer. Though rates have fluctuated within a narrow range – we have recently seen some low-end numbers printed. VLCCs on the AG/East route are earning about \$5,000/day – which is lower than OPEX, thereby telling us that all Owners are losing money on that route. The overall demand issue is quite simple. We need more of it. On the supply side, there is always the chance that some of the more experienced buckets may head to the breakers, but demolition prices are trending downward as scrap buyers have plenty of ships to choose from. The Suezmaxes in the Atlantic basin are still outperforming the broader market, though this week they did take a step down. The regional presence of VLCCs now provides Charterers increased options, and as a result, Suezmaxes have lost about \$6,000/day of TCE and now stand at \$18,000/day. FFA volumes have been moderate this week.



Dry bulk has enjoyed some good sized gains as an improving physical market has brought buoyed sentiment. The Nena Dry Freight Weekly is reporting that Chinese ore imports reached a new record in April. This presents us with a bit of a double-edged sword. The continued surge in ore imports has played a role in moving rates to where they are today and has also provided optimism that the bottom in the global economy may already be behind us. But, many feel the Chinese are simply stockpiling in order to strengthen their negotiation position. If this is indeed the case, then the “faux demand” we are seeing portends an eventual trend reversal for the sector. The equities have witnessed their usual high volatility as numerous secondary issues have pushed down prices alongside a very bumpy broader market.

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
Wilh. Wilhelmsen		\$78	Glovis Logistics	Divestment of 5% shareholding to strengthen liquidity. WW to be left with 15% of company and a \$40m gain.
World Nordic SE		\$392	BW Gas	Offer to buy out minority shareholders' resulted in acquisition of additional 4.6% bringing total to 99.3%. Minority holders squeezed out under Bermudian law.
Teekay Corporation/ Merrill Lynch Commodities			Teekay LNG has option to participate	JV to convert vessel into floating LNG plant in Kitimat, BC.
Calulo Petrochemicals (15%), Adopt-A-School Foundation (10%)		\$28	Grindrod South Africa (GSA)	Grindrod sells 25% of GSA to local business and charity as part of social responsibility obligation. Financed with seller credit.
Arcade SPAC/Conbulk		\$262	10 feeder containerships	Palmosa and Tsakos vessel deal cancelled
World Nordic SE			BW Gas	May seek to make offer to minority shareholders to take BW Gas private
AP Moller-Maersk		\$567	Brostrom	Ups stake to 96% with plans to initiate proceedings for remaining shares and de-list from OMX Nordic Exchange
Seacove Shipping, Greenbriar Equity Group		\$100	Seacove Shipping Partners	New joint venture to pursue investments in shipping companies and assets

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
★ Color Group ASA	DnB NOR, Pareto	NOK 200 + 5.00%	NIBOR	2011	Working capital	Done
Cecon		\$10	25.00%	2010	Sr bond secured by 1st priority pledge of Davie Yards shares; To finance related equity purchase	In Progress
I. M. Skaugen		NOK175	NIBOR+ 6.00%	2010	Unsecured FRN. Repayment swapped to USD	Done
I. M. Skaugen		\$10	LIBOR+ 6.00%	2010	Unsecured FRN.	Done
✓ Daewoo Shipbuilding & Marine Engineering		\$361	6.00%	2012	To pay suppliers	Done
✓ Samsung Heavy Industries		\$482	6.20%	2012	To finance investment projects and repay short term debt	Done
✓ Hyundai Heavy Industries		\$224	5.40%		Working capital	In Progress
✓ Berlian Laju Tankers	Andalan Artha Advisindo Sekuritas and Danatama	\$43			Awaiting regulatory approval for debt issue worth up to IDR 500 bn	In Progress
✓ SK Shipping	Tom Yang Securities	\$70	7.20%		Bullet bond	Done

Deal Tables & Bond Prices continued

Equity Deal Table

★ = New

📄 = Updated

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

Issuer	Underwriters / Advisors	Amount (US\$ M)	Structure / Pricing / Comments	Status
★ Nordic American Tanker Shipping	Morgan Stanley and DnB NOR, as co-manager	\$112	4m common shares at \$32 each; 600,000 share greenshoe; To fund further acquisitions under planning and general corporate purposes	Priced
★ Pacific Basin	UBS AG	HK\$762 (\$97.8)	Fully underwritten sale of 174.7 million new shares at HK\$4.36 each. Equity financing for expansion initiatives.	Priced
★ DryShips	Merrill Lynch	\$475	\$475m ATM equity offering, equating to approximately 47.5m shares; 3rd ATM equity offering since November	Announced
✓ Guangzhou Shipyard			Planning a rights issue to fund the acquisition of a shipyard from its state owned parent for up to USD 452 million	Cancelled
✓ Rongsheng Heavy Industries	Goldman Sachs		Seeking a listing possibly in Hong Kong by end of 2009	In Progress
✓ COSCO Group			Considering listing its tanker fleet in China	In Progress
Diana Shipping	UBS	\$101	6m common shares offered at \$16.85	Priced
Navios Maritime Partners	Citi, JP Morgan, Merrill Lynch with S. Goldman Advisors and DVB as co-managers	\$42	3.5m common units representing limited partnership interests priced at \$10.32/share; Proceeds to fund fleet expansion and for general partnership purposes	Priced
Davie Yards		\$20	Equity issuance condition precedent to allow Cecon to draw on EDC \$200m construction loan; Cecon \$10m share financed through senior secured bond; Cecon will be 33.1% shareholder of DavieYards	In Progress

Restructuring Deal Table

★ = New

📄 = Updated

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

Company	Advisors	Banks	Comments
Eitzen			Pending approval from yard and guarantors Eitzen to sell 3 remaining newbuilding contracts to Laurin Marine. Reduces newbuilding commitments to \$0.
US Shipping Partners	Weil, Gotshal	CIBC, Lehman, KeyBank	Pre-arranged Chapter XI filing with \$332m senior debt affirmed at reduced interest and \$100m 2nd lien swapped for 50% equity. Senior lenders get balance of equity.
Danaos Corporation			Delayed delivery of 5x8530 TEU by 200 days and 5x6,500 teu and 5x3,400 teu by one quarter. Remaining capex \$465m in 2009, \$875m in 2010 and \$785 for 2011. CF and credit availability cover 2009 and part 2010.
Seaspan			Negotiated options to defer deliveries of 15 newbuildings for up to 15 months. Temporarily reduced dividend to \$0.10 reducing equity needs by approx \$320m to \$360m
JP Morgan Asset Management			Distressed shipping fund seeking initial \$500-\$750m from institutions & high net worth individuals to acquire bulkers, tankers and container ships.
✓ Kanasashi Heavy Industries			Japanese shipyard filed for creditor protection
Compania Sud Americana de Vapores	HSH Nordbank		Announced plan to inject \$750m of new capital into company via a capitalization (?) of charter party commitments (400m), a new rights issue (220m) and renegotiation of newbuilding contracts
SeaCo Ltd	AlixPartners LLP	Fortis, DVB	Sea Containers exits XI with maritime container interests transferred to new company owned by existing bondholders, 2 UK pension funds and GE SeaCo; \$127m 5yr exit financing provided by Fortis and DVB.

Bank Debt Deal Table

★ = New

✎ = Updated

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

Borrower	Arrangers / Buyers	Amount (US\$ M)	Pricing / Purpose / Remarks
Vinalines	Credit Suisse	Up to \$600	Credit Suisse has been mandated on a 5yr amortising facility
Cecon	Export Development Canada	\$200	Construction loan for Cecon's 3 newbuilds at Davie. 12 yr tenor post-delivery and secured by 1st mortgage. Contingent upon 20m equity issue and amendment of 2nd priority bond loan.
Odessa Terminal Holdco	European Bank for Reconstruction and Development	\$37	Partially finance CMA CGM-sponsored \$130m project to construct new container terminal at Port of Odessa; EBRD will also take 5% equity stake.
GC Rieber Shipping	Handelsbanken	NOK250 (\$37)	Agreement to extend existing undrawn credit facility from Dec 2009 through Dec 2011
Euronav	Nordea, Calyon, SG, BoA, Scotiabank as mlas, Nordea, Calyon, SG as bookrunners	\$300	Partially finance 2 VLCC's: 2008-built 'Olympia' 2009 built 'Antarctica' and 4 Suezmaxes: Cap Felix (2008) Cap Theodora (2008) and 2 newbuildings delivering June and Nov 2009
Wisdom Marine Lines	Mega International Commercial Bank	\$170	Mega Bank has been mandated by the Taiwanese bulk ship owner for a JPY16.26 billion financing
Contender Marine	Standard Chartered Bank	\$21	Re-financing part of the existing indebtedness of Contender Marine's parent company
Farstad Shipping	Eksportfinans ASA with DnB NOR, GIEK and Handelsbanken as guarantors	NOK 680 (\$101)	To finance newbuilding CSV with 5 yr contract with Saipem.
James Fisher	Barclays Bank	\$36	For further expansion opportunities
Danaos Corporation	Deutsche Schiffsbank	\$299	Primarily to fund newbuildings.

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
Eitzen Chemical	Platou Finance	\$51	Sale and 5yr bareboat-back of 2007 built 46,200dwt tanker at \$15,500/day.
Teekay Shipping	Fairsky Shipping	\$114	Sale and long term charterback of 2x114,830dwt tankers built in 2005
Swiber Offshore Marine	Swiber Holdings/ICON Capital	\$42.50	Partial sale and leaseback of a 300 men accomodation work barge for 3 years
Hoegh Autoliners	Marenave Schiffharts AG	\$95	Sale and 10 yr bareboat back of 2005 built car carrier at \$32,150/day; Lessee option for 3 yr extension at \$35,700/day
A top ten liner company	TAL International	\$80	Purchase-leaseback in 4Q of 53,000 teu of in-service equipment on LTL.
Ship Finance International	Golden Ocean	\$160	Cancelled sale-lease-back with GOGL for 2 x capesize newbuildings
Overseas Shipholding Group		\$64.50	Sale and bareboat back of 2008 built Aframax tanker (Everglades) for 12 years with purchase options
Overseas Shipholding Group		\$65.60	Sale and bareboat back of 2008 built LR1 product carrier (Palawan) for 12 years with purchase options
✓ Dong Fang International Investment Limited	DCM Deutsche Capital Management, arranged by DVB Bank	Undisclosed	Sale and manage-back of a fleet of 38,983 CEU of containers
China Huaneng Group	ICBC Leasing	About \$420	Sale and leaseback of 6x Supramax bulkers for 10 years

Jefferies – High-Yield Shipping Bonds

	Offer Price	YTW	STW	Maturity	Ratings	Call Date	Call Price
SHIPPING							
CMA CGM (CMACG)							
5.5% Sr Unsecured due '12	57.000	27.50%	2,581	05/16/12	– / BB-	any time	MW+50
7.25% Sr Unsecured due '13	38.500	40.80%	3,926	02/01/13	– / BB-	02/01/10	103.625
Great Lakes Dredge&Dock (GREATL)							
7.75% Senior Notes due '13	85.000	12.11%	1,027	12/15/13	Caa1 / B-	06/15/09	103.875
Excel Maritime (EXM)							
1.875% Sr Unsecured due '27	35.000	23.92%	2,180	10/15/27	– / –	10/22/14	100.000
Horizon Lines (HRZ)							
4.25% Sr Unsecured due '12	62.000	20.99%	1,961	08/15/12	Caa1 / B-		
Navios Maritime (NAVIOS)							
9.5% Senior Notes due '14	75.000	16.53%	1,436	12/15/14	B3 / B+	12/15/10	104.750
Royal Caribbean Lines (RCL)							
8% Sr Unsecured due '10	99.850	8.16%	764	05/15/10	Ba2 / BB-		
8.75% Sr Unsecured due '11	95.856	11.48%	1,070	02/02/11	Ba2 / BB-		
7% Sr Unsecured due '13	82.500	12.62%	1,095	06/15/13	Ba2 / BB-		
6.875% Sr Unsecured due '13	81.750	12.24%	1,041	12/01/13	Ba2 / BB-		
5.625% Sr Unsecured due '14	71.000	14.56%	1,222	01/27/14	Ba2 / BB-		
7.25% Sr Unsecured due '16	72.000	13.52%	1,089	06/15/16	Ba2 / BB-		
7.25% Sr Unsecured due '18	70.280	13.01%	1,009	03/15/18	Ba2 / BB-		
7.5% Sr Unsecured due '27	66.000	12.16%	864	10/15/27	Ba2 / BB-		
Ship Finance International Ltd. (SHIPFI)							
8.5% Senior Notes due '13	76.000	16.11%	1,427	12/15/13	B1 / B+	06/15/09	104.250
Stena AB (STENA)							
7.5% Sr Unsecured due '13	81.000	13.29%	1,149	11/01/13	Ba2 / BB+	11/01/09	102.500
7% Sr Unsecured due '16	76.000	11.91%	921	12/01/16	Ba2 / BB+	12/01/09	103.500
6.125% Sr Unsecured due '17	63.000	14.17%	1,107	02/01/17	Ba2 / BB+	any time	MW+50
5.875% Sr Unsecured due '19	60.000	13.34%	1,003	02/01/19	Ba2 / BB+	any time	MW+50
Trailer Bridge (TRBR)							
9.25% Sr Secured due '11	82.000	18.91%	1,782	11/15/11	B3 / B-	06/15/09	104.625
Ultrapetrol Limited (ULTR)							
9% 1St Mortgage due '14	67.000	18.89%	1,673	11/24/14	B2 / B	11/24/09	104.500

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	34.000	37.88%	3,590	05/15/14	– / CCC+	05/15/12	103.750
Golden State Petro (GOLDEN)							
8.04% 1St Mortgage due '19	98.960	8.19%	513	02/01/19	Baa2 / BBB	any time	MW+37.5
Overseas Shipholding Group (OSG)							
8.75% Sr Unsecured due '13	93.500	10.59%	876	12/01/13	Ba1 / BB	any time	MW
7.5% Sr Unsecured due '24	72.000	11.48%	814	02/15/24	Ba1 / BB	NC	NC
Titan Petrochemicals (TITAN)							
8.5% Senior Notes due '12	14.000	116.39%	11,516	03/18/12	Caa2 / CCC-	any time	MW+100
Teekay Shipping (TK)							
8.875% Senior Notes due '11	99.000	9.39%	844	07/15/11	B1 / BB	any time	MW+50
US Shipping Partners (USS)							
13% Sr Secured due '14	20.000	75.04%	7,298	08/15/14	WR / NR	02/15/11	106.500

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