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The Week in Review

Be Here or Be Illiquid!

Leaving aside the frivolous title, there is no doubt that this year's Marine Money Week is the place to be. Information is power and we promise you market intelligence, insights into the capital markets and investment ideas. Then too there is the opportunity to perhaps find a new banker or client as you mingle at the coffees or hang out in the deal room. The opportunities are endless.

If you have not already signed up, Lorraine is standing by.

Check out the link below:

<http://www.marinemoney.com/forums/MMWeek09/mmmweek2009.html>

We look forward to welcoming you.

Green Shoots on Wall Street for Shipping

According to recent public comments of bankers and investment bankers, capital markets alternatives are stepping to the fore to finance credit gaps left by cautious or constrained banks. They point to the return of the secondary equity raise as the first indication of a reawakening equity markets.

In 2008, there were a total of 219 secondaries on NASDAQ and NYSE, raising almost USD 113.5bn. This year through the end of May, there were 172 secondaries on NASDAQ and NYSE, raising almost USD 81bn.

This return of secondaries reflects increased confidence of investors in equity capital markets and hope for the near term end of the worst of the recession. Unfortunately, the primary market is still lagging behind, with only 8 IPOs completed in the US (NYSE, NASDAQ, AMEX) to date. Two of these IPOs came from China, where the IPO pipeline is building up.

Shipping has had its fair share of secondary success this year as companies tidy up their balance sheets and muster dry powder for acquisition targets. Capital market astute companies are stepping up. Proof that equity market experience counts.

Investment bankers and owners can take additional hope from the recent success of banks issuing large amounts of new equity, the deals sold to a return hungry equity base at small discounts to last closed prices with the announced success pushing up returns quickly.

The news can be considered a wake up call as to why one NEEDs to be public. An asset intensive business, should have as many different kinds of capital as possible. And this isn't going to change.

Enormous attention has recently been directed at the industry by private equity, where the scramble to align with a fund, raise funds, or for a fund to simply understand the

Date	Company name	Ticker	Shares (MM)	Offer (\$)	Proceeds (\$MM)	Current Price (\$)	Dry/Wet Cargo
Jun-09	Paragon Shipping Inc.	PRGN	10	5.44	42.6	3.99	Dry
May-09	Nordic American Tanker Shipping Ltd	NAT	4	32	128	33.37	Wet
May-09	Diana Shipping Inc	DSX	6	16.85	101.1	15.75	Dry
May-09	Pacific Basin Shipping Ltd	PSL	174	0.5547	97.7	0.645	Dry
May-09	DryShips	DRY	116	4.1	475	6.25	Dry
May-09	Navios Maritime Partners LP	NMM	3.5	10.32	36.1	9.99	Dry
Mar-09	DHT Maritime Inc	DHT	9	4.35	39.2	5.2	Wet
Mar-09	Teekay LNG Partners LP	TGP	4	17.6	70.4	19.48	Wet
Jan-09	Nordic American Tanker Shipping Ltd	NST	3	32.5	97.5	33.37	Wet
Aug-09	K-Sea Transportation	KSP	2	25.8	51.6	20.95	Tug-Barge
					TOTAL	1,139.20	

Note: PSL data are converted from HK\$ to US\$ at the Jun 18 rate of 0.129 US/HK

business in order to perhaps invest, has been huge. But the same is re-developing from public equity as evidenced by the secondary successes.

This must be considered good news for those companies capable of working with the capital markets. And it is certainly something for investment bankers to take some hope from as well.

Deal or No Deal?

Rumors in the market are rife about a new massive financing arranged for A.P. Moller Maersk ("APM"). According to Dealogic, the banks involved, as is customary, have reported to them that APM has entered into a \$6.5 billion 7 year credit facility. In fact, as an industry source suggests, and Dealogic confirms, this is an old deal in the same amount that has been amended. And, as such, there is no new money involved.

In a precautionary move, given the uncertain credit markets, the amended transaction has been structured as a forward start facility. Upon expiry of the existing facility, the new one commences. In this instance, the start date is in 2012. The mandated lead arrangers on both include Citi, Danske Bank, HSBC, JPMorgan, Mitsubishi UFJ and Nordea.

Fair Exchange

Last week, **Navios Holdings** ("Navios") and **Navios Maritime Partners** ("NMP") announced the re-structuring of certain arrangements between themselves. First, NMP agreed to acquire from Navios the leasehold rights to the M/V Navios Sagittarius, a 2006 Japanese built Panamax. The purchase price, \$34.6 million, will be funded from cash on hand. The vessel is currently chartered out at \$26,125, net per day until November 2018 and is expected to generate annual EBITDA of approximately \$5.8 million. As part of the acquisition of the leasehold, the new owners have a purchase option beginning in December 2009 at an initial price of \$25.9 million and the AA+ European Union charter insurance.

On the liability side, NMP was relieved of a \$130 million purchase obligation on the Capesize TBN 1. Instead, upon delivery, Navios will grant the partnership a purchase option for 12 months for \$125 million. In exchange for the relief and the option, Navios will receive 1 million subordinated units, which units will not be eligible for distributions until the 3rd anniversary of the issuance at which time these units will automatically convert into common units and receive distributions accordingly. In addition, the companies agreed, quite interestingly, that Navios would be free for 2 years from the restrictions associated with the Omnibus agreement, which was designed to eliminate conflicts related to vessel acquisitions between

the parties. In essence, Navios was precluded from buying Panamax or Capesize vessels with charters of three years or more unless it offered NMP a right of first refusal on vessels acquired from third parties. Nevertheless, it remains obligated to offer to NMP qualifying vessels in Navios' existing fleet.

With TBN 1 remaining with Navios, the cost basis remains at the originally contracted \$120 million, dating back to 2007, of which \$38 million has been paid. The balance, \$82 million will be financed through a \$60 million loan (50% leverage) and \$22 million cash on hand. The agreed terms of the loan also include a 10-year term with favorable amortization and similar covenants to those in existing loan agreements. Retaining the vessel will not be painful for Navios. Subject to a 5-year time charter at \$47,700 per day net, the vessel will generate an annual EBITDA of \$15.3 million. Moreover the charterer is a quality counter party further backstopped by the EU insurance policy.

We view these developments as positive for both parties. NMP acquires a new asset, with no incremental debt. The charter provides accretive earnings and the favorable purchase option offers upside. The addition of yet another Panamax provides fleet growth with less volatility but the fleet remains heavily weighted toward that sector and probably needs and can support the diversification offered by the optioned Cape.

But should it bear the burden of the higher than market purchase price, particularly in light of today's fallen values? This is the conundrum of having daughter companies and the conflicts that necessarily arise. It also sustains the advisory business, which provides the necessary fairness opinions.

On one hand, NMP would be buying a known high specification ship with an above market charter. On the other hand, there is the price and 3rd party market priced opportunities that might be available. But at the end of the day we cannot lose sight that the MLP model is based on long-term sustainable cash flows. Albeit expensive, the Cape would generate sustainable and secure cash flows and that is what matters.

From the other side, **Urs Dür** of **Lazard** notes "Navios gets to keep a new Cape with good contract rate for a long period with reasonable compensation for the termination of NMM's purchase obligation for said vessel."

Norwegian Bonds Come & Go

Songa Offshore, **Wilh. Wilhelmsen** and **Aker Solutions** were a few of the companies, involved in the Norwegian bond market this week. Aker Solution's NOK 2.1 billion 5 year FRN priced at

NIBOR + 4.75% was the largest offering in the domestic market this year, although its parent, **Aker ASA**, has subscribed to NOK 1 billion of the total issuance. Pricing was highly favorable as the new issue is trading at a spread to swaps 100 bps below the existing 2013 maturity. The company maintained its BBB- rating from Fitch but the outlook was changed to negative.

Wilh. Wilhelmsen ASA successfully pushed out its redemption profile by completing a placement of its own bonds in WWI13 and by “tapping” the same loan, in aggregate, placed a total amount of NOK 560.5 million. The amount issued increased from NOK 800 million to NOK 1 billion and WW’s holdings decreased from NOK 489 million to NOK 129 million. This issue matures in November 2012. With the proceeds, Wilhelmsen bought back bonds amounting to NOK 65 million in WWI11 (July 2010), NOK 75 million in WWI16 (March 2011) and NOK 80 million in WWI06 (May 2011). **Pareto Securities** managed the transaction.

Songa Offshore de-levered its balance sheet with the successful private placement of 18.08 million shares at NOK 23.70 per share (no discount). The substantially oversubscribed issue represents a capital increase of approximately 17.2% of the outstanding shares. In conjunction with the private placement, the company cancelled its total return swap with **Nordea**, involving 2.85 million shares. The total gross proceeds from both transactions is approximately NOK 496 million.

In addition, Songa concluded a successful exchange offer for its \$125 million 3.25% Senior Unsecured Convertible Bond Issue 2007/2010. The existing loan will be converted into a \$62.5 million LIBOR + 12% senior unsecured bond maturing in June 2012 and 13.46 million shares, effectively reducing overall debt by \$62.5 million.

Market Commentary

Understanding the Capital Markets and Shipping Star Bulk Carriers – Why the Underdog?

By Kevin Oates

Wasn’t life so easy before the recent financial crisis? Dry bulk shipping companies were making money hand over fist; dividends were certain from the dividend paying companies; growth was secure from those companies looking to reinvest. Analysts piled praise on all the companies (with one or two exceptions) as targets were met and exceeded and all strategic decisions were seen as wise insights into the market. There were very few players – companies, analysts or investors – who were not bullish on shipping.

Following the completion of the private placement and the conversion, current shareholders will now own 90.16% of the company and the bondholders 9.84%.

The issue was managed by **ABG Sundal Collier**, Carnegie and SEB Enskilda as joint lead managers and joint bookrunners for the private placement and secondary sale of shares.

Great Chemistry

On Monday, **Odfjell SE** signed a 50/50 joint venture agreement with **National Chemical Carriers Ltd.** (“NCC”) to establish a company in Dubai to commercially operate their respective fleets of IMO 2/3 chemical tankers of 40,000 DWT and above. The vessels will trade in a joint pool carrying chemicals, vegoils and clean petroleum products worldwide, emphasizing the growing exports out of the AG. NCC was established in 1990 and is 80% owned by the **National Shipping Company of Saudi Arabia** and 20% by **Saudi Basic Industries Corporation**.

The company will begin operations early next year with 15 vessels of nearly 600,000 DWT, which will grow to 31 vessels over the next 3 years.

d’Amico Opts Out

On Tuesday, **d’Amico International Shipping** announced that **Glenda International Shipping**, its joint venture with **Glecore**, terminated and rescinded a newbuilding contract related to Hull S510, a 51,000 DWT product/chemical tanker being built at **SLS Shipbuilding** in Tongyeong Korea. The company blamed excessive delays in deliveries. The company is asking for the refund of all advances made plus accrued interest. One down, more to come.

But the world has changed. And today the listed shipping companies have to get by with plaudits from analysts when they wave goodbye to deposits but slash CAPEX, negotiate the reduction of a time charter but extend the duration and get the inevitable waivers from their banks. For those of us involved in the industry it is almost hilarious to imagine that a top shipping bank (and the syndicate of which it is agent) would not grant a waiver to a shipping company with modern assets (which most of them have), good income stream (which most of them have albeit with the concern of charterer renegotiation), transparency (which all of them have, that being the nature of the public markets) and trusted management (which we hope they all have because if they have not, it is not only the banks that should be worried).

Company	EV/ EBITDA 2009	EV/ EBITDA 2010	EV/ EBITDA 2009	EV/ EBITDA 2010	EV/ EBITDA 2010	EV/ EBITDA 2010
	Morgan Stanley May 26 2009	Morgan Stanley May 26 2009	Cantor Fitzgerald May 26 2009	Cantor Fitzgerald May 26 2009	DRC May 26 2009	DRC May 26 2009
Dryships	7.5	6.1	6.9	6.1	6.4	6.3
Diana	7.4	5.7	7.8	7.8	7.5	6.1
Genco	6.5	5.3	5.7	6.5	6.1	5.1
Excel	10.1	8.3	11.5	13.5	8.9	8.7
Safe	5.4	5.9			4.9	4.9
Eagle	9.7	7.2	10.0	11.3	9.0	7.6
Star	4.2	3.5	5.3	5.4	3.6	3.9
Euroseas	8.4	5.5	7.6	6.7		
Paragon	4.0	4.1	4.3	6.7	3.5	3.2
Average	7.0x	5.7x	7.4x	8.0x	6.2x	5.7x

But it is no longer just about having a business plan, sticking to it and performing according to expectations. If we look at some statistics from recent reports from Investment Banks we see that not all shipping companies are equal and some certainly seem to be more equal than others (adapted from George Orwell's "Animal Farm").

What is EV/EBITDA?

EV/EBITDA is a ratio often used to ascertain the value of a company. The enterprise multiple considers a firm as a potential acquirer might principally because it takes debt into account (unlike other

multiples like the P/E ratio). A low EV/EBITDA may indicate that a company is undervalued vis-à-vis its peers. Of course there may be good reason for a low ratio and that is where the extra research is required.

This article will take a more detailed look at Star Bulk Carriers (SBLK), one of the companies, which has the lowest ratio in the table above. Is Star indeed under valued? Is Star a good candidate for takeover? Or is there something else lurking that causes the low ratio from analysts?

Fleet Overview (from Star Bulk web site 25th May 2009)

Vessel Name	Type	DWT	Built	Employment	Time charter Rate(Gross) ⁽¹⁾
Star Alpha	Capesize	175,075	1992	COA	COA ⁽⁴⁾
Star Beta	Capesize	174,691	1993	TC until Mar-10	\$32,500
Star Sigma	Capesize	184,400	1991	TC until Nov-13	\$38,000 ⁽³⁾
Star Ypsilon	Capesize	150,940	1991	TC until Jul-11	\$112,600 until Jul-09 \$93,300 until Jul-10 \$74,100 until Jul-11
Star Gamma	Supramax	53,098	2002	TC until Jan-12	\$38,000
Star Delta	Supramax	52,434	2000	TC until Feb-10	\$11,250
Star Epsilon	Supramax	52,402	2001	TC until June-14	\$25,500 ⁽²⁾
Star Zeta	Supramax	52,994	2003	TC until Apr-11	\$42,500
Star Theta	Supramax	52,425	2003	TC until May-10	\$11,300
Star Kappa	Supramax	52,055	2001	TC until June -14	\$25,500(2)
Star Omicron	Supramax	53,489	2005	TC until Feb-11	\$43,000
Star Cosmo	Supramax	52,247	2005	TC until Feb-11	\$35,615
Total	12	1,106,250			

(1) Represents the gross daily rate

(2) Time charter agreement includes a 40%-60% index-based profit sharing arrangement under which Star Bulk will be paid by the charterers, in addition to the above charterhire, 40% of the difference by which the Baltic Supramax Index (BSI) rate exceeds \$30,500, effective as of April, 2011.

(3) Time charter agreement includes a 50%-50% index-based profit sharing arrangement under which Star Bulk will be paid by the charterers, in addition to the above charterhire, 50% of the difference by which the Baltic Capesize Index (BCI) rate exceeds \$49,000 effective as of March 1, 2012.

(4) COA: Contract of Affreightment. Star Alpha serves Star Bulk's COA with VALE.

Star Bulk Carriers

Star Bulk had its origins in a SPAC which then merged with certain vessel interests of TMT, a Taiwanese shipping company, and the entity listed on Nasdaq towards the end of 2007. From the outset the company had certain targets and strategies. It had low initial leverage and wanted to keep leverage modest on an ongoing basis. After building the core fleet (during 2008 the number of vessels doubled to 12) the company decided to stay away from expensive newbuild assets. The chartering strategy was built around time charters with reputable charterers and the charters were staggered to enable the company to take advantage of a higher market and protect against a lower market. Further there was a strategy to have no more than two vessels with any one charterer. The 12 vessel fleet is of mixed age averaging 10 years old but focused on two sectors, supramaxes and cape sized bulk carriers.

On the face of it, Star seems to be doing everything right. The 12 owned vessels are fixed out on charter for between 10 and sixty months. With some recent re-jigging of charters (whereby three vessels had their charter rates reduced but the duration of the charter extended) Star have period cover of 100% for 2009, and over 70% for 2010. Perhaps more important than that in the current economic climate is the fact that Star appear to have relatively low leverage and waivers have already been agreed with lenders through March 2010 by which time the company expects to be within covenant requirements. According to company information, senior debt is \$282M and cash about \$72M leaving net debt of \$210M. Company estimates of vessel values are \$295M charter free and over \$500M with charter. On a charter free basis the net debt is 71%, high by historical standards for listed shipping, but low vis-à-vis the peer group. Going forward the company expects to repay to its banks an additional \$38M by year end and at the same time continue accumulating cash. Assuming the same charter free values at year end the net leverage could be in the range 55% to 57%.

Another recent development is the announcement that the company has established a 100% owned subsidiary called StarBulk SA to

assume the technical management of the fleet. Four vessels have been taken in-house to date and by year-end or sooner the whole fleet will be technically managed in-house. Worth remembering is that Akis Tsirigakis, the CEO, made his reputation in ship management prior to his public life, so this development should be positive for the company.

So where is the weak link in the chain? What about the charter counterparties? Well, the list is below. In line with strategy there is no charterer with more than two ships.

Worth noting is that Star Bulk has recently announced it has completed a comprehensive round of commercial activity involving either new charters or re-negotiating old ones for 10 out of its 12 vessels. The recent re-jigging of charters included the Star Kappa and the Star Epsilon with Ishaar Overseas, perhaps one of the lesser-known charterers, although with a strong parent in Bhatia Coal. Assessing charter party risk is not easy these days and a lot depends on the duration and severity of the current soft dry bulk market. However we believe that Star Bulk, unlike some of their peers, have the strength of balance sheet to absorb market eventualities. Cash is strong and getting stronger, leverage is “acceptable” and improving. Bringing the vessel technical management in-house should bring economies of scale and benefit operating expenses. Even a reduction in revenue from charter re-negotiation should not hinder the positive trend.

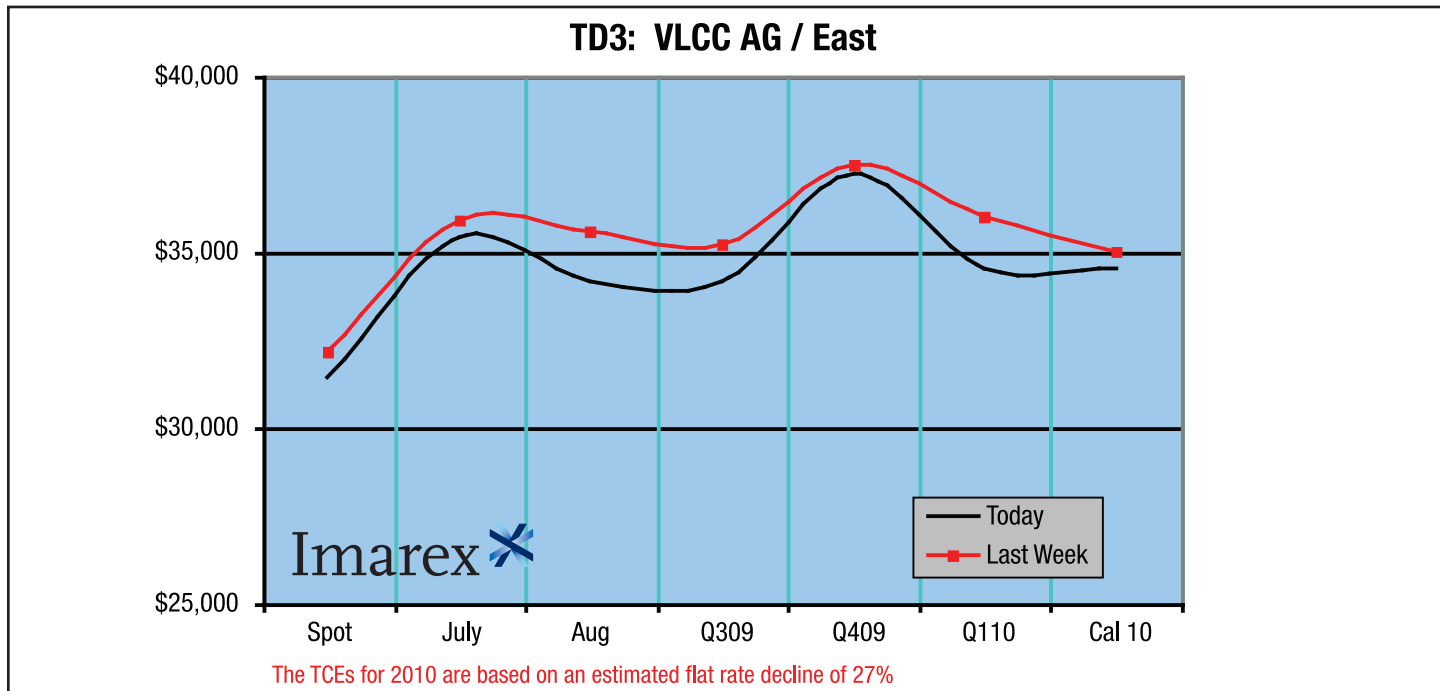
Our view is that Star Bulk is a company that has performed admirably in its short life in the capital markets. It was hit, as were all dry bulk companies, by the collapse of shipping in the Fall of 2008. Nonetheless it remains well placed to weather the storm and prosper.

If EV/EBITDA is an accurate measure of valuation then the company does appear undervalued.

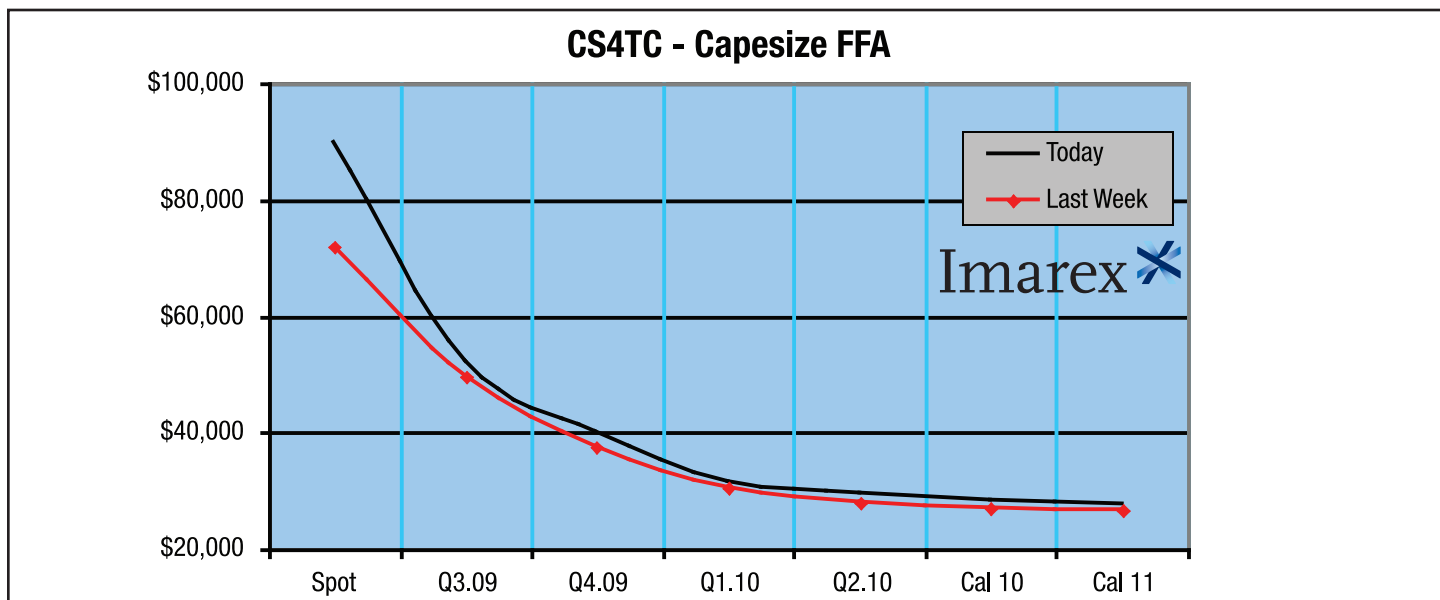
Star Alpha	Capesize	COA with Companhia do Rio Doce (VALE)
Star Beta	Capesize	Dieulemar
Star Sigma	Capesize	Pacific Bulk
Star Ypsilon	Capesize	TMT
Star Gamma	Supramax	Korea Line Corp.
Star Delta	Supramax	GMI Ltd.
Star Epsilon	Supramax	Ishaar Overseas (subsidiary of Bhatia Coal, India)
Star Zeta	Supramax	Norden A/S
Star Theta	Supramax	Cargill
Star Kappa	Supramax	Ishaar Overseas (subsidiary of Bhatia Coal, India)
Star Omicron	Supramax	GMI Ltd.
Star Cosmo	Supramax	Korea Line Corp.

Back to the Futures

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



The tanker market has had a very good run despite what many thought were poor fundamentals. Though activity in the AG has slowed the past few days, the Atlantic basin surges on. TCE levels for Wafr exports have reached \$43,000/day for VLCCs and \$30,000/day for Suezmaxes. With OPEC compliance dropping from above 80% down towards 70%, Owners can be thankful that cartel members are opening their spigots a bit more each day. As crude oil contango flattens we hear of more ships being released from storage duty back into the spot market, yet any such incremental increase in ship supply has not yet impacted rates. Futures volumes have been fair as prices remain largely in line with last weeks numbers. The clean market has headed south once again as closed arbs in the Atlantic basin have brought returns back below opex.



Dry bulk rates remain healthy though doubts persist as to the sustainability of the recent demand surge. Ore shipments to China have provided solid support to the rate atmosphere, but high inventory levels in the Middle Kingdom continue to invite questions as to the validity of this apparent rebound. Atlantic basin tonnage has been tight, thereby making the Cape splitting alternative a bit more viable. The indices have slowed their ascent, with the Baltic Panamax Index showing a downturn for the first time in over a week. FFA volumes have been very good, though we still see a forward curve in backwardation. If accurate, the good times will slowly give way to returns closer to break even levels for Owners of newer, more-leveraged, fleets. The equities remain volatile, though their price swings have been somewhat muted relative to the wild activity of months past.

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
National Shipping Company of Saudi Arabia (NSCSA)		\$300	Arabian Agricultural Services (ARASCO)	NSCSA to own 60% of JV which will own, charter and operate dry bulk vessels.
Omega Navigation			Glencore International	Form 50-50 JV to purchase Omega Duke which simultaneously entered into 5yr TC to Glencore affiliate, ST Shipping
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
AP Moller-Maersk		\$567	Brostrom	Ups stake to 96% with plans to initiate proceedings for remaining shares and de-list from OMX Nordic Exchange

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
DOF ASA	Nordea & Pareto	Up to NOK 300M	NIBOR + 9%	2011	Senior secured FRN to refinance existing debt & gen'l corporate purposes.	In Progress
✓ Mitsui O.S.K. Lines		\$317	1.28%	2014	Working capital	In Progress
✓ Mitsui O.S.K. Lines		\$211	2.00%	2019	Working capital	In Progress
✓ Mitsui O.S.K. Lines		\$160	7.95%	2011	Working capital	Done
Oceanteam		NOK 90			Working capital while re-structuring continues	
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

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
★✓ Uni-Asia Finance Corp		\$18	Placement of 52 million new shares at S\$0.50 to Yamasa Co., Ltd	In Progress
★✓ KS Energy	Kim Eng Corporate Finance	up to \$12	Planning a renounceable rights issue of 92 million warrants at an issue price of S\$0.20 for each warrant. Each warrant carries the right to subscribe for one new share at S\$1.40	In Progress
★✓ Ezion Holdings	CLSA Singapore	\$30	Placement of 70 million new shares at S\$0.62 a piece	In Progress
✎ Vilmaris GmbH	Bankhaus Lampe, Lampe Corporate Finance & Montan Alternative Investment	EUR 30.1	Formed by Komrowski, company will invest in a diversified portfolio of container and bulk tonnage through the outright purchase of vessels as well as the acquisition of majority interests. To list in Hamburg after selling 30,100 shares at EUR 1,000 each.	In Progress
✎ Neptune Orient Lines	DBS Bank, J.P. Morgan	S\$1,400 (\$970)	3 for 4 rights issue priced at S\$1.30 per share, a 15% discount to 5/29 price; Issue fully back-stopped by Temasek; 50% to repay debt, balance for general corporate purposes.	Announced
Sevan Marine	Pareto, SEB Enskilda	\$175	Private placement of 137.5m shares at NOK 8 per share completed. Proposal for additional 48m shares (NOK 8) offering to existing investors to be considered at EGM in June	In Progress
Ezra Holdings	Credit Suisse (Singapore)	\$63	Placement of 78 million new shares at S\$1.185 each	Done
Noble Group	Cazenove and J. P. Morgan	\$87	Placement of 84.7 million new shares at S\$1.52 each	Done

Restructuring Deal Table

★ = New

✎ = Updated

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

Company	Advisors	Banks	Comments
★ Jaya Holdings	Tan Corporate Corporate Advisory		In process of restructuring its debts with creditors
✎ DryShips		DnB NOR	Obtained waivers on facility covering 2 drybulk vessels for \$86m of outstanding debt
Pacific Basin Shipping			Deferred delivery of 3 RoRos by 11 mos to 2011 for 10% payment to be applied to final installments when delivered.
Safe Bulkers			Controlling shareholder (81.6%) initiated a stock purchase program. Purchases capped at 2% of o/s shares and 10.9% of float. No purchases expected currently.
Safe Bulkers			Cancelled Cape NB which will be substituted with another in 2010. Delayed delivery of another until 2011; Total savings of \$12M; Existing charterers have agreed.
Navios Maritime Holdings/ Navios Maritime Partners			NMP acquired leasehold in 'Navios Sagittarius' for \$34.6M incl charter through 2018; Converted NMP's obligation on TBN 1 to 12 month p.o. at \$125m for 1M sub units.
DryShips		Deutsche Bank	Waiver agreed for \$1.125b facility for 2 newbuilding drillships under construction at Samsung to be delivered in 2011
Dry Ships			Cancelled Capesize N/B contracted for \$114M for a cancellation fee of \$42.8M.Reduces 2009 capex by \$71.2M
Armada (Singapore) Pte Ltd.	Rajah and Tan, Holland & Knight, KPMG; Deloitte appointed as judicial managers		Re-structuring plan rejected.

Bank Debt Deal Table

★ = New

✎ = Updated

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

Borrower	Arrangers / Buyers	Amount (US\$ M)	Pricing / Purpose / Remarks
★ Odebrecht	Kexim	\$300	165 million in loans and USD 135 million in guarantees for the financing of 2 drillships
Scorpion Offshore		\$52	6 month bridge loan for working capital; loan to be repayed from sales proceeds from Offshore Mischief. Guaranteed by Seadrill and Christian Sveaas for 8.5% fee.
Seadrill	A syndicate of international banks and export credit agencies.	\$1,500	Senior secured credit facility to refinance existing \$1billion bridge loan; Secured by 1st priority mortgages on 3 drill rigs, 1 drillship. 5 yr tenor, 8.5 yr amortization.
PT Berlian Laju	DnB NOR & NIBC	\$31.50	4 year term loan secured by a chemical tanker, a product tanker and LPG carrier.
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

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							
Berlian Laju Tanker (BLTAIJ)							
7.5% Senior Notes due '14	51.000	25.60%	2,298	05/15/14	– / CCC+	05/15/12	103.750
CMA CGM (CMACG)							
5.5% Sr Unsecured due '12	49.000	34.78%	3,287	05/16/12	– / BB-	any time	MW+50
7.25% Sr Unsecured due '13	59.000	25.19%	2,310	02/01/13	– / BB-	02/01/10	103.625
Golden State Petro (GOLDEN)							
8.04% 1St Mortgage due '19	95.670	8.71%	512	02/01/19	Baa2 / BBB	any time	MW+37.5
Great Lakes Dredge&Dock (GREATL)							
7.75% Senior Notes due '13	87.000	11.55%	906	12/15/13	Caa1 / B-	07/20/09	103.875
Excel Maritime (EXM)							
1.875% Sr Unsecured due '27	43.625	19.30%	1,654	10/15/27	– / –	10/22/14	100.000
Horizon Lines (HRZ)							
4.25% Sr Unsecured due '12	70.500	16.66%	1,485	08/15/12	Caa1 / B-		
Navios Maritime (NAVIOS)							
9.5% Senior Notes due '14	82.000	14.35%	1,148	12/15/14	B3 / B+	12/15/10	104.750
Overseas Shipholding Group (OSG)							
8.75% Sr Unsecured due '13	94.000	10.47%	800	12/01/13	Ba1 / BB	any time	MW
7.5% Sr Unsecured due '24	76.000	10.79%	693	02/15/24	Ba1 / BB	NC	NC
Royal Caribbean Lines (RCL)							
8% Sr Unsecured due '10	101.875	5.81%	535	05/15/10	Ba2 / BB-		
8.75% Sr Unsecured due '11	99.000	9.42%	845	02/02/11	Ba2 / BB-		
7% Sr Unsecured due '13	87.000	11.13%	887	06/15/13	Ba2 / BB-		
6.875% Sr Unsecured due '13	86.000	10.94%	846	12/01/13	Ba2 / BB-		
5.625% Sr Unsecured due '14	73.750	13.66%	1,105	01/27/14	Ba2 / BB-		
7.25% Sr Unsecured due '16	75.352	12.67%	934	06/15/16	Ba2 / BB-		
7.25% Sr Unsecured due '18	74.860	11.96%	842	03/15/18	Ba2 / BB-		
7.5% Sr Unsecured due '27	71.000	11.27%	726	10/15/27	Ba2 / BB-		
Ship Finance International Ltd. (SHIPFI)							
8.5% Senior Notes due '13	85.250	12.94%	1,052	12/15/13	B1 / B+	07/20/09	104.250
Stena AB (STENA)							
7.5% Sr Unsecured due '13	85.000	12.01%	958	11/01/13	Ba2 / BB+	11/01/09	102.500
7% Sr Unsecured due '16	80.000	11.00%	761	12/01/16	Ba2 / BB+	12/01/09	103.500
6.125% Sr Unsecured due '17	79.000	10.15%	688	02/01/17	Ba2 / BB+	any time	MW+50
5.875% Sr Unsecured due '19	75.000	9.98%	654	02/01/19	Ba2 / BB+	any time	MW+50

Jefferies – High-Yield Shipping Bonds continued

	Offer Price	YTW	STW	Maturity	Ratings	Call Date	Call Price
SHIPPING CONTINUED							
Titan Petrochemicals (TITAN)							
8.5% Senior Notes due '12	26.000	76.54%	7,494	03/18/12	Caa2 / CCC-	any time	MW+100
Teekay (TK)							
8.875% Senior Notes due '11	102.000	7.80%	653	07/15/11	B1 / BB	any time	MW+50
Trailer Bridge (TRBR)							
9.25% Sr Secured due '11	79.500	20.47%	1,901	11/15/11	B3 / B-	07/20/09	104.625
Ultrapetrol Limited (ULTR)							
9% 1St Mortgage due '14	82.000	13.82%	1,097	11/24/14	B2 / B	11/24/09	104.500
US Shipping Partners (USS)							
13% Sr Secured due '14	20.000	75.68%	7,291	08/15/14	WR / NR	02/15/11	106.500

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