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The Week in Review

INSIDE

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Whether you are a lawyer in London, a capital consumer in Kifisia, a banker on a BlackBerry or an industrial commodity producer, shipping and ship financing are in the process of a very powerful change - and it will affect you personally and professionally.

Risk management is changing.
Business models are changing.
Economics are changing.
Valuations are changing.
Capital formation is changing.
Demand is changing.
Supply is changing.
Vessel owners are changing.
Lenders are changing.
Investors are changing.

The only thing we know for sure is that history may no longer be our guide.

Our 22nd annual Marine Money Week, June 23-25 at The Pierre Hotel, New York City, the world's largest international ship financing gathering, is the most powerful opportunity of the year to determine what is happening in our marketplace - and help you position yourself for continued success in the future.

A unique combination of debt providers from dozens of countries, to the world's leading shipowners and charterers to the deepest pool of retail and institutional equity on the planet, Marine Money Week is the only forum in the world in which all of the voices come together to form the chorus that defines our industry today - and tomorrow.

Please follow the link below to our website to learn more on all aspects of the event and to register:
http://www.marinemoney.com/forums/MMWeek09/mmweek2009.html

We hope that you will join us.

Morgan Stanley II

Despite a pressing deadline, we couldn't pass up the opportunity to get out of the office and attend **Morgan Stanley**'s 2nd Commodities and Shipping Conference. In these difficult times how could one possibly forego the opportunity to hear what **Ole Slorer** and his team have to say with the added benefit of gleaning some insights on the capital and lending markets. All interspersed with company presentations and lessons from Morgan Stanley's commodities and freight trading experts. It is a rare opportunity for us to receive an invitation to these investor only meetings and we are most appreciative. Putting on an investor hat for a moment, we can confirm that if one is interested in the space there is no better way to get an education and gather information about this sector than attending these conferences. And, we did not even benefit from having a one-on-one meeting.

Wiley Griffiths, the Head of Global Shipping, and his team started us off with a view of what was happening in the market. Continuing historic trends, the markets as always remain interesting.

With the upward move in stock prices in March through May, the secondary markets became the source of capital in the absence of bank financing. These are markets of windows. There were six deals done as well as some dribble outs. However recognizing the volatility of the market, issuers sought to avoid market risk and did three block and three overnight trades on a best efforts basis. These deals are done quickly with no road show and no clear expression of use of proceeds. Generally, the cost of capital ranged from 10% to 15%, which is mirrored in the broader markets.

The issues were all well received by the major institutions. One of the key considerations for investors these days is that the issuers be offensive minded. Paying a dividend is good, as is having liquidity so the company is positioned to act on the right opportunities.

M&A volume is non-existent with the last deal done being the **Genmar** and **Arlington Tankers** transaction. Asset prices have become more interesting, getting closer to valuation, but stock prices are low diminishing the value of that currency. Moreover, there is a scarcity of financing. The only sensible deal is a stock for stock transaction but no candidates match up today and a catalyst is lacking. In short, a lack of consensus equates to a lack of activity.

Being forthright and outspoken must be part of the **DnB Nor** DNA or code of honor. We recall **Mr. Serck-Hansen** telling the audience at the Norwegian-Hellenic conference earlier this year that his institution's lending activity was limited to the bank's run-off. Heresy! Tuesday, it was **Nikolai Nachamkin**'s turn to tell it like it is and it is not a pretty story. Banks have to make a major decision in the second half of the year. In DnB's view, the market is going to be the same or worse for the next 12 months, which will require the banks to make decisions on specific provisions, versus the general provisions for credit losses, most have taken to date.

There are pockets of liquidity from time to time but these are being allocated to the offshore, LNG and vessels with long-term contracts. Traditional markets are being by-passed. For the moment and perhaps for the foreseeable future, the banks will be focusing on internal issues and trying to avoid becoming shipowners. They are trying to solve the problems utilizing in-house experience and knowledge. We wonder how many banks out there are fortunate enough to have that kind of experience? If self-help fails, they may turn to the hedge funds and re-structuring firms that have been knocking on their doors, with the caveat being that they must have access to commercial and technical management. Experience tells us that it is far more likely that any re-possessed vessels will more likely end up in the hands of friends than third party financial buyers. He acknowledged that many of the problems out there are hidden by the banks own structures, which included no amortization and few if any covenants.

Reality has set in for the lenders. The relationship approach, which has stood banks in good stead for years, has weakened. Mr. Nachamkin was saddened by the realization that they might no longer be their clients' first call. Although the private nature of the clients led them to the banks first, owners may now be forced to visit the capital markets first.

Showing the **Dealogic** syndication tables, Mr. Nachamkin highlighted the declines in lending and in particular the lack of new money in the 4th and 1st quarter. Activity on the bilateral side has followed the trend.

He then tried to answer the age-old question of "where will the money come from?" We prefer that the question be framed in the more modern Jerry McGuire exclamation, "show me the money!" In accordance with their calculations and assumptions, the order book stands at about $525 billion of which 60% requires financing. It was a surprise but not unexpected when Mr. Nachamkin presumed a 50-50 debt to equity capitalization. Putting the numbers through their calculator, they determined the need at $160 billion over the next three years or about $50m billion annually. This estimate is down slightly reflecting a 5% decline in the total order book. To meet that need the top 30 banks' portfolio approximates $385 billion. Assuming a 7-year average life, run-off will be around $55 billion per year matching the need. The problem is of course there is no money for re-structures, M&A or anything else for that matter.

He concluded that owners face a huge challenge, particularly when the shipping banks are closed.

Our only quibble with his presentation related to the stimulus package. The fact that the banks, DnB excluded, are benefiting from the stimulus by borrowing cheaply and hording the cash to improve their capital ratios, suggests that they have a built-in shock absorber to offset the taking of the provisions. We also asked Mr. Nachamkin whether pride might come before the fall. Are the banks that are refusing the aid going to find themselves in Ford's position of competing with government owned car companies, with newly pristine balance sheets and fewer liabilities?

Then it was the turn of the various companies to present themselves, a task which has become a challenge in and of itself. How do you present your company, its operating environment and strategy in a succinct manner that clearly differentiates your company from the herd and makes the rationale for the investment? We believe it should be an enticing appetizer leaving the investor begging for a one-on-one. We will not rehash the presentations here but instead pick out what we found interesting.

Peter Evensen of **Teekay Corporation** presented his tanker businesses, the parent and its newest daughter, **Teekay Tankers** with the main focus on the latter. Teekay Tankers is the steady income vehicle, which harvests the spot market for upside. The goal for the company is to provide a double-digit dividend to its shareholders. It benefits greatly from the parent's ability to drop down previously committed debt from its balance sheet together with the vessels. This debt has very favorable terms including another four years of no amortization and a rate of LIBOR + 0.60%. Mr. Evensen provided an interesting slide where he made a compelling case for Teekay Tankers being a compelling value story when compared to its closest comp, **Nordic AmericanTankers**. We were also intrigued by his observations about the market. We were surprised to learn that storage had moved beyond oil to include gasoil and that there are nearly 100 million barrels of crude and product in storage. He also highlighted that he had never in his career seen such inefficient movements of cargo, which largely reflects traders' activities.

The first presenter on the dry side was **John Wobensmith** of **Genco**. Genco is playing the market short, fixing vessels for periods of 3 to 6 months, believing there is little downside in today's low rates. He affirmed that this is a Chinese-centric business and that delivered ore is cheaper than domestic product. He attributes the recent volatility to the Chinese buying, stepping back and buying again. Mr. Wobensmith expects the benefits of Chinese demand for ore and coal to lead the recovery of the dry bulk market and while the Capes will be the immediate beneficiaries it will trickle down to the smaller sizes. In discussing FFAs, Mr.Wobensmith noted that liquidity was down and there is, as a result, a greater separation of the paper and physical markets then in the past. In fact people are paying more attention to the physical side. With respect to the company itself, management will continue to focus on organic growth, as he believes there are too many ships out there to be consolidated. Growth will be limited by a strict adherence to the company's return on capital criteria.

Lunch was next and we were handicapped in our coverage of the presentations by **Hussein Allidina**, Head of Commodities Research, and **Brian Nixon**, Freight Trader. Having a sandwich in our hand was the physical excuse but the material itself was somewhat beyond our ken. On the commodities side, Mr. Allidina was largely bullish on commodities based upon fundamentals, inflation fears and as a hedge against a weakening dollar. From Mr. Nixon's presentation, we learned that the contango trade is not solely related to current and future price differentials but is also highly dependent on cheap freight. We were also intrigued by the backwardation of the dry bulk curves in 2010 and 2011, which he suggests equates to $25,000 for a Cape and $15,000 for a Panamax. These levels are near breakeven in terms of operating costs and debt and therefore offer little downside. In the meanwhile, there are signs of China's stimulus kicking in. We know Morgan Stanley isn't going to give away their trading secrets but we were sufficiently intrigued to ask our friends at **Imarex** to assess the risks and rewards of the trade and the best bet to make, which we hope to report on next week. Our goal is to bribe Mr. Allidina with a lunch to learn more about commodities and to get access to his research, a definite must have.

Genmar's **Jeff Pribor** is a pro and his presentation made a strong case to investors based upon the company's disciplined investment approach. It's hard not to appreciate the track record.

Like most, we are skeptical of the economic data coming out of China. And, we therefore appreciated **Alan Ginsberg**'s research, which uncovered the fact that Caterpillar had record sales of excavators to China in March and April. We now know how closely **Eagle Bulk** is following cargo flows.

And, finally we learned from **Chris Thomas** that **Paragon** had completed its ATM last week.

The day concluded with glimmerings of hope as Ole Slorer and **Eric Pachman** presented their dry bulk and tanker outlook. The closet bulls came out. Using information from Morgan Stanley's economists and traders, Mr. Pachman see the beginnings of a turnaround that will bring dry bulk rates back from the trough to the healthy levels of 2005 by 2011. With supply an unknown, Mr. Pachman focuses on the demand side and refers to Morgan Stanley's **Joachim Fels** who anticipates "the emergence of a new global liquidity cycle powered by massive monetary stimulus should help to support asset markets, end the recession, and prevent lasting deflation." When will this occur? According to **Richard Bremer,** "(US) recession will likely end by mid-to-late summer, a bit sooner than previously anticipated." Utilization and rates will rise, as will net asset values, driven by the return to normalized cash yields and excess liquidity. Morgan Stanley's China economists see the thesis playing out in China too. Despite their inherent optimism, they acknowledged the elephant in the room – the supply conundrum. Equities move with demand so the risk is investors could miss a cyclical upswing if they wait for clarity on the supply side.

Mr. Slorer presented the oil case. Although global oil demand is down, particularly in the U.S., non-OPEC supply is constrained. In fact, even a tripling in oil prices could not lift non-OPEC supply, as new oil is more difficult to develop. But the most critical issue for the market is that even at flat demand, supply additions will struggle to replace depletion.

With this as the backdrop, Mr. Slorer sees higher utilization on recovering demand, positive ton-mile effect, and the single hull phase out. The tanker market is in a cyclical trough – not structurally oversupplied. A steady global GDP (and oil demand) recovery to 2007/8 GDP levels by the end of 2011 should see underlying utilization (and rates) reach 2007/8 levels by the end of the period. And this does not take into account the impact of inefficient cross trades on supply.

It was a great day and we surely needed the beer at the end, but we would not have missed it for the world.

Where the Sun Never Sets

Nora Huvane was kind enough to file the following report from Oslo:

The mood in Oslo today largely matched the weather. A bit wet and chilly for June, but there were some sunspots and hope is high that fairer weather will return. The hearty and well-prepared will survive and prosper regardless – so if you're planning any investments in shipping, be sure to pack your umbrella.

Marine Money's 11th annual Norway Ship & Offshore Forum, held with partners **DnB NOR** and **Nordea** and in conjunction with Nor Shipping, focused largely on the offshore markets and outlooks. Respected analysts reviewed outlooks for the oil market, drilling, FPSO and FSO and offshore support vessel markets. While there were concerns about oversupply and short-term mismatches in E&P budgets and industry capacity, the general consensus is that long-term fundamentals remain what they have been safely out of the reach of traders, speculators and gamblers and in the long-range budget planning and price targets of well established oil companies. The world population and economy will continue to grow over the long-term, and until a suitable alternative for oil is found so will oil demand growth. **Gavin Strachan** of **ODS Petrodata** pointed out that the oil price drop came as 2009 E&P budgets were being set, making oil price irrelevant for the offshore market in the short-term, over the longer term supply depletion on the order of 9% pa without further investment will ultimately drive demand for the offshore industry.

Moving into specific finance markets, prospects were mixed. The bankers have clearly found their voice preaching lack of capital availability, loyalty to existing clients and increased margins. If DnB and Nordea are paying the equivalent of 200 basis points over LIBOR on their 3-year bonds, this is hardly surprising. **Sjur Agdestein** of **DVB** breaks out all existing banks in shipping into four main categories: those who will not lend at all, those who will lend only to core clients, those who will lend only to protect existing exposure and those who will lend only domestically. However just as at the beginning of the crisis banks were reluctant to admit the extent of their capacity constraints, they are now almost too ready to discuss how difficult lending is and will continue to be. Still, the parting recommendation to "hug your banker" was poignant, all the more so when **Geir Sjurseth** of DVB remarked later in the day that it had actually happened to him.

Things were looking brighter from the perspective of the capital markets however, for the first time in a very long time. **Randee Day** of **Seabury Group** discussed opportunities for private equity in shipping, placing the minimum all-in equity return number around 25% and noting that Seabury itself had $300 million worth of equity that was interested in making leveraged investments in the maritime sector, not a modest sum in today's market. However a bigger mark in terms of global trends was moderator **David Frishckorn** of **Dahlman Rose**'s assertion that the equity markets are back. Not yet for IPOs, but secondaries, follow-ons and rights issues are getting done. **Bern Blikstad** of DnB NOR Markets agreed, saying "the markets have spoken; this is the time to raise equity", with $2.3 billion having been raised on the OSE year-to-date. **Hamish Norton** of **Jefferies** seemed to agree as well, discussing some of the particular styles of equity offering that are effective in today's volatile markets where a five-day roadshow can pose too great a risk. These included accelerated bookbuild, registered direct and open market sale program offerings.

Jim Dolphin of **AMA** then quickly took the green shoots of optimism and put them into a more relative perspective with his look at the state of the offshore bond market in Norway and general discussions on restructuring. He noted that this is where you see the best returns – if "you have ice in the stomach". He then pointed out that at current prices the Norwegian offshore high yield issues since 2005 have outperformed the shipping bond fiasco of 1997-2001 – in terms of proportion of capital destruction. But today's prices are not set in stone and the stock markets have surely been on the upswing. What's more life is a bit easier for offshore companies, not only because it is virtually impossible to supply more oil than is demanded (not true for capesize bulkers), but also because many banks that have shut down their shipping departments have retained at least some appetite for energy deals. Mr. Agdestein reiterated the claim that of 50 odd shipping banks only even are currently active – but the number is better for offshore.

The day was filled with valuable bits of information about offshore, finance and the global economy at large, all of which are too much to replicate in this small space. Other key issues include the continuing crew dilemma – a reduction of officer shortage from 84,000 to 70,000 officers is hardly cause for celebration, especially as investment in training and recruitment are pared back to control costs, explained **Jan Morten Eskilt** of **OSM Group**. **Mike Pollen** of **DLA Piper** put forward six dreams of the shipping industry that he viewed as largely unobtainable: no refund guarantees, no funding problems, no environmental problems, no regulatory problems, no oversupply of tonnage and no lawyers. He also disagreed cautiously optimistic, or at least acquiescent, tone of the conference and showed a video of adolescent men lighting a melon on fire, hitting it with a baseball bat, then nearly being engulfed by the flames.

Roldao de Paula Freitas, Manager of Finance for E&P Projects at **Petrobras**, followed up reassuringly with a discussion of his organization's conservative yet aggressive plans for expansion in the coming years and how they planned to execute. Of particular interest was the conservative Brent pricing assumptions used, which peaked at $74 and settled at $60, and success in securing target financing to date – including billions worth of loans recently secured through **CDB**, Us **Exim** and **BNDES** banks, as well as $6.5 billion of capital market and bank financing. He also discussed Petrobras' plans for the construction of 28 drillships to be built largely in Brazil with deliveries between 2013 and 2017. This followed a pointed interchange between Norwegian offshore analysts earlier in the day, with one analyst opining that Brazil was potentially capable of building two drillships and that it would take eight years – and another audience member defending the strength of Brazil's intentions, plans and capabilities. However Mr. De Paula Freitas judiciously recognized the children and pointed to their cooperation with foreign yards with more expertise, such as in Korea where they currently have two drillships under construction.

The 300 delegates who filled the room to capacity even after four days of meetings and nights of celebrations left with plenty to consider over drinks at DnB NOR's Aker Brygge headquarters as the sun began to peek gently through the clouds, from whence it would shine late into the evening.

We did receive a final report from our intrepid conference organizer, Mike McCleery, who called us from **Ronny Bjornadal**'s balcony overlooking the park where Neil Young was giving a concert. And we thought It was a hard life? Not bad Ronny, but what are you going to do for us at Marine Money Week. We have a small park next door to the Pierre. I believe its called Central Park and it awaits this great Norwegian impresario.

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

Equity Deal Table

★ = New ✍ = Updated ✓ = For full analysis see Marine Money's Asia Edition

Issuer	Underwriters / Advisors	Amount (US$ M)	Structure / Pricing / Comments	Status
Vilmaris GmbH	Bankhaus Lampe, Lampe Corporate Finance & Montan Alternative Investment	EUR 33.5	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. Seeks listing	Done
Neptune Orient Lines	DBS Bank	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 s hares (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
Petroleum Geo-Services	ABG Sundal Collier, DnB NOR, SEB Enskilda	NOK790	Private placement of 21.6m shares consisting of new (18.0) and treasury (3.6) at NOK36.50; Strengthen balance sheet.	Done
OceanFreight	Yorkville Advisors (YS Global Master SPV)	$112	Standby Equity Purchase Agreement terminated . before reaching the maximum issuance of $147.9	Done
Nordic American Tanker Shipping	Morgan Stanley and DnB NOR, as co-manager	$130	4m common shares at $32 each; 600,000 share greenshoe; To fund further acquisitions under planning and general corporate purposes	Done

Restructuring Deal Table

★ = New ✍ = Updated ✓ = For full analysis see Marine Money's Asia Edition

Company	Advisors	Banks	Comments
★ 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.
Compania Sud Americana de Vapores	HSH Nordbank Corporate Financing, Freshfields		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

Bank Debt Deal Table

★ = New ✍ = Updated ✓ = For full analysis see Marine Money's Asia Edition

Borrower	Arrangers / Buyers	Amount (US$ M)	Pricing / Purpose / Remarks
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
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

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	49.000	26.73%	2,383	05/15/14	– / CCC+	05/15/12	103.750
CMA CGM (CMACG)							
5.5% Sr Unsecured due '12	49.000	34.62%	3,252	05/16/12	– / BB-	any time	MW+50
7.25% Sr Unsecured due '13	59.000	25.11%	2,282	02/01/13	– / BB-	02/01/10	103.625
Golden State Petro (GOLDEN)							
8.04% 1St Mortgage due '19	95.100	8.80%	491	02/01/19	Baa2 / BBB	any time	MW+37.5
Great Lakes Dredge&Dock (GREATL)							
7.75% Senior Notes due '13	87.000	11.54%	883	12/15/13	Caa1 / B-	07/13/09	103.875
Excel Maritime (EXM)							
1.875% Sr Unsecured due '27	40.500	20.91%	1,786	10/15/27	– / –	10/22/14	100.000
Horizon Lines (HRZ)							
4.25% Sr Unsecured due '12	65.000	19.60%	1,753	08/15/12	Caa1 / B-		
Navios Maritime (NAVIOS)							
9.5% Senior Notes due '14	82.000	14.34%	1,125	12/15/14	B3 / B+	12/15/10	104.750
Overseas Shipholding Group (OSG)							
8.75% Sr Unsecured due '13	94.000	10.47%	778	12/01/13	Ba1 / BB	any time	MW
7.5% Sr Unsecured due '24	76.000	10.79%	666	02/15/24	Ba1 / BB	NC	NC
Royal Caribbean Lines (RCL)							
8% Sr Unsecured due '10	100.500	7.41%	692	05/15/10	Ba2 / BB-		
8.75% Sr Unsecured due '11	100.000	8.74%	766	02/02/11	Ba2 / BB-		
7% Sr Unsecured due '13	86.500	11.29%	883	06/15/13	Ba2 / BB-		
6.875% Sr Unsecured due '13	87.000	10.61%	792	12/01/13	Ba2 / BB-		
5.625% Sr Unsecured due '14	75.375	13.03%	1,021	01/27/14	Ba2 / BB-		
7.25% Sr Unsecured due '16	78.000	11.98%	841	06/15/16	Ba2 / BB-		
7.25% Sr Unsecured due '18	74.000	12.15%	836	03/15/18	Ba2 / BB-		
7.5% Sr Unsecured due '27	66.000	12.17%	789	10/15/27	Ba2 / BB-		
Ship Finance International Ltd. (SHIPFI)							
8.5% Senior Notes due '13	85.000	13.01%	1,031	12/15/13	B1 / B+	07/13/09	104.250
Stena AB (STENA)							
7.5% Sr Unsecured due '13	85.000	12.00%	936	11/01/13	Ba2 / BB+	11/01/09	102.500
7% Sr Unsecured due '16	80.000	11.00%	736	12/01/16	Ba2 / BB+	12/01/09	103.500
6.125% Sr Unsecured due '17	83.000	9.28%	578	02/01/17	Ba2 / BB+	any time	MW+50
5.875% Sr Unsecured due '19	80.000	9.03%	536	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	25.000	78.58%	7,674	03/18/12	Caa2 / CCC-	any time	MW+100
Teekay (TK)							
8.875% Senior Notes due '11	102.000	7.81%	638	07/15/11	B1 / BB	any time	MW+50
Trailer Bridge (TRBR)							
9.25% Sr Secured due '11	79.500	20.41%	1,877	11/15/11	B3 / B-	07/13/09	104.625
Ultrapetrol Limited (ULTR)							
9% 1St Mortgage due '14	82.000	13.81%	1,073	11/24/14	B2 / B	11/24/09	104.500
US Shipping Partners (USS)							
13% Sr Secured due '14	20.000	75.55%	7,256	08/15/14	WR / NR	02/15/11	106.500

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