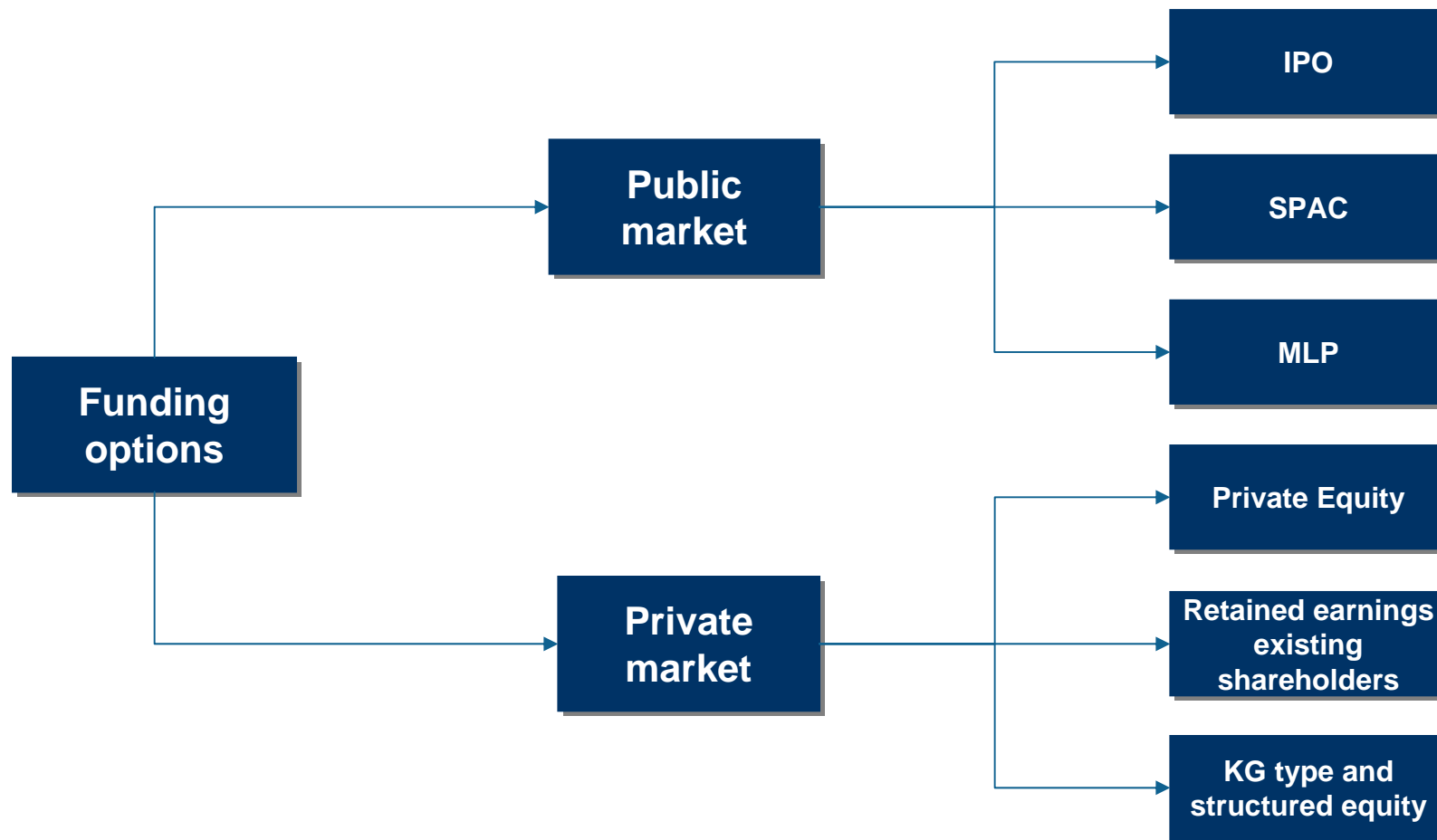


# Public or Private

## Corporate Finance & Capital Markets

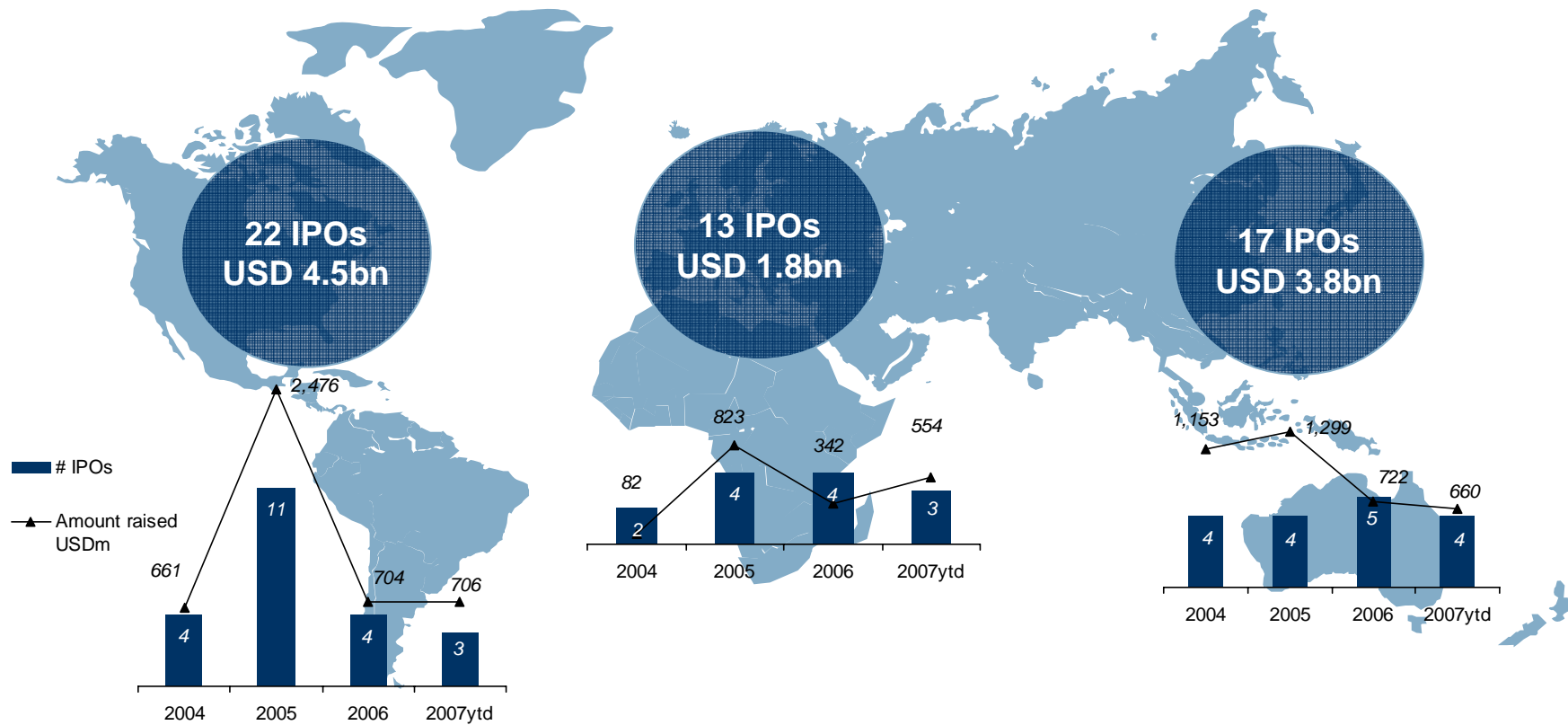


## Equity funding options for shipping companies

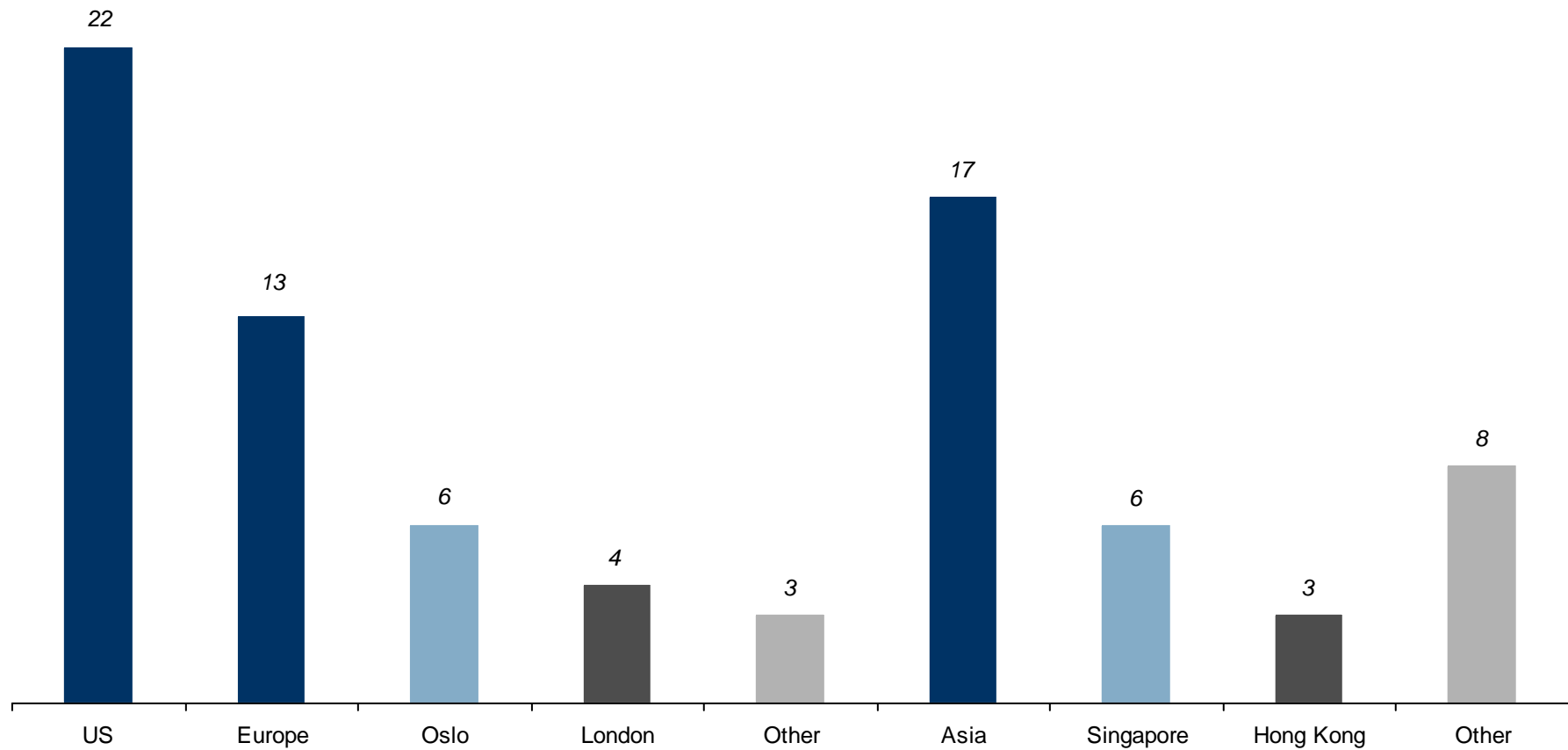


# The number of Initial Public Offerings is growing

## 52 Shipping IPOs since 2004 raising over USD 10bn

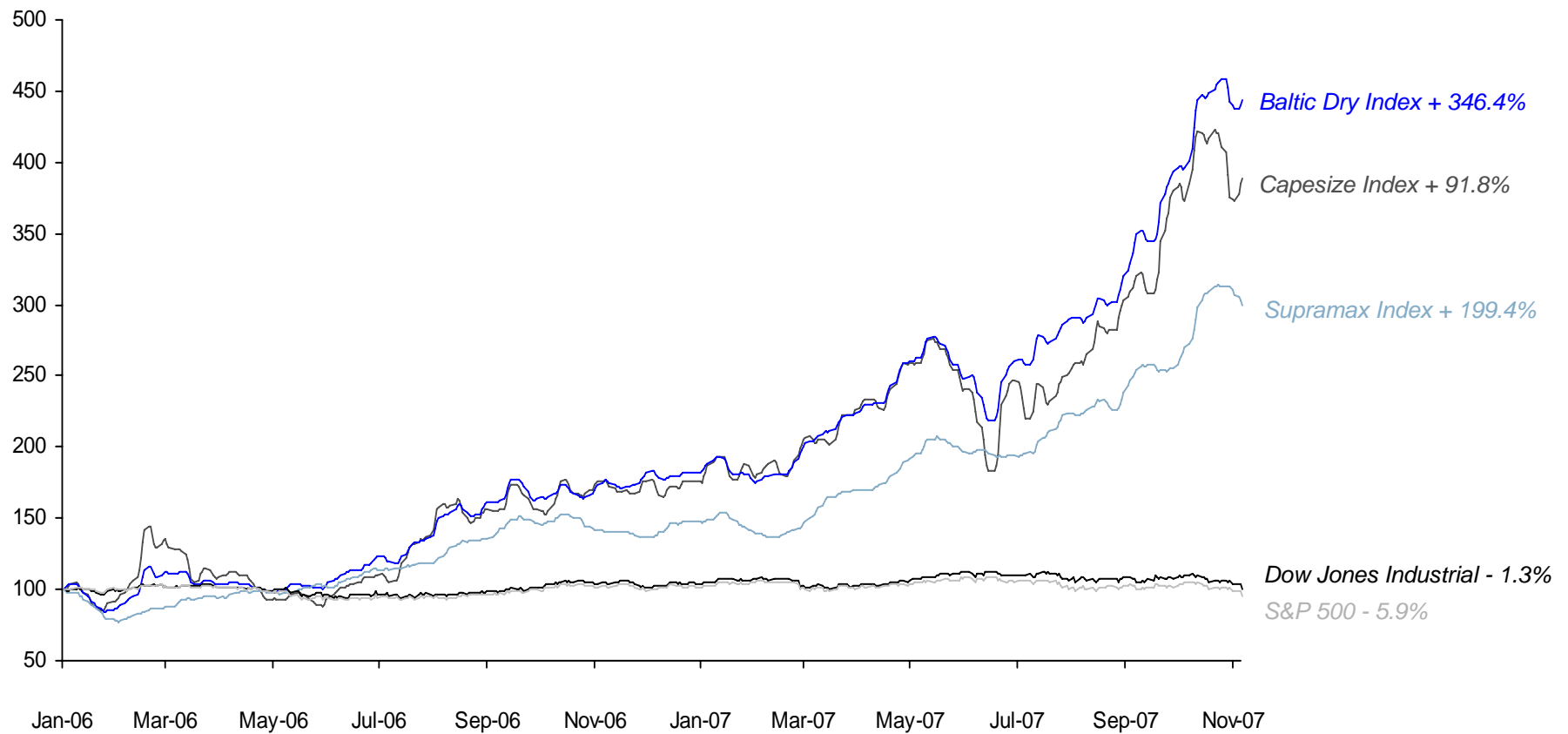


## Shipping IPOs by exchange since 2004



# Shipping indices performed strongly compared to blue chip indices

Rebased to 100 at 01/01/2006



Source: Bloomberg

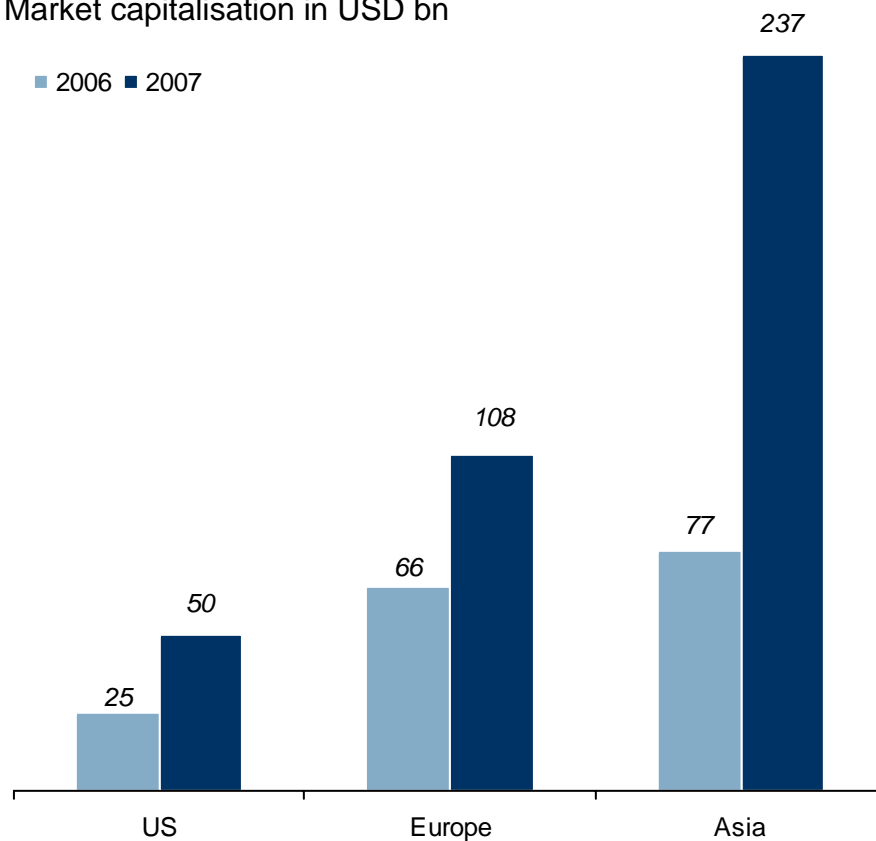
## The public shipping market is substantial in terms of size

- As of October 2007, there were 179 public shipping companies with a combined market capitalisation of USD 395 billion
- These companies operate a fleet totalling 7,288 vessels and more than 300 million dwt
- The public shipping market represents 35% of the world fleet and 33% of the world order book

# Valuation of shipping companies increased significantly in 2007

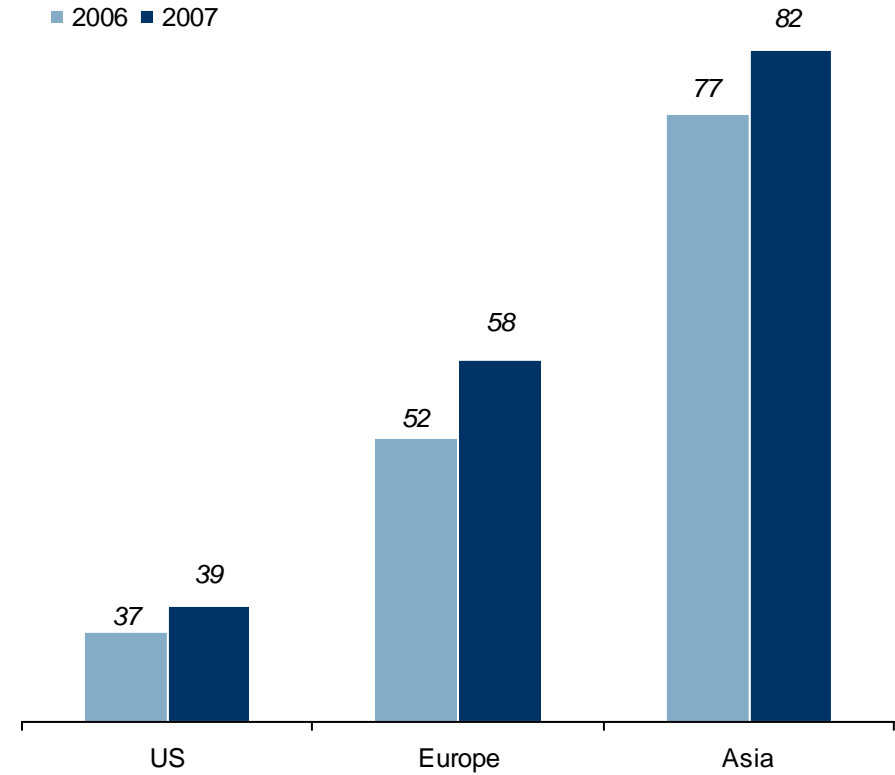
Market capitalisation in USD bn

■ 2006 ■ 2007



# of listed ship owners

■ 2006 ■ 2007



## What a stock exchange should offer to an IPO candidate

- **Access to capital**
- **Visibility & credibility**
- **Liquidity & size**

## IPO considerations

Market sentiment for public equity is good

- Performance has been strong
- Number of listed shipping companies has increased

A solid equity story is crucial

- Raise capital in order to fund growth
- Obtain acquisition currency
- Establish diversified institutional investor base (future access to capital)
- De-leverage balance sheet
- Provide future liquidity for existing shareholders
- Capitalise on attractive valuation levels

## Reasons to go public might differ between selling shareholders and the company

### For existing (selling) shareholders

- Achieve optimal valuation with a view to minimising dilution impact
- Guarantee (subsequent) sale of (part of) current holdings

### For the company

- Allow for expansion and investment strategy by securing access to public equity market
- Achieve a successful offering, pillar of a receptive investor base in the after market
- Attract a broad and diversified investor base
- Build positive recognition towards the market and stakeholders

## Recent equity market activity

Company	Value	Exchange	Offering	Performance
KSS Line	USD 12m	Korea	IPO	118.5%
OceanFreight	USD 235m	Nasdaq	IPO	30.9%
Paragon	USD 181m	Nasdaq	IPO	31.1%
Globus Maritime	USD 50m	London	IPO	77.5%
Genco Shipping	USD 297m	New York	Follow-on	-5.7%
Freeseas	USD 91m	Nasdaq	Follow-on	-15.4%
Seacastle	Pending	New York	IPO	
Mercator Lines	Pending	Singapore	IPO	
Global Ship Lease	Pending	New York	IPO	
Navios Maritime Partners	Pending	New York	IPO	

Recent delistings	Value	Acquirer
OMI Corp	USD 2,225m	Teekay and D/S Torm
Maritrans	USD 455m	Overseas Shipholding Group
MC Shipping	USD 291m	Bear Stearns

## Private equity is gaining ground in the shipping market (1/2)

Use of private equity was unusual until the new cycle in 2003

- Ship owners needed capital to finance their growth, with limited risks
- Financial sponsors were attracted by strong cash flows and solid fundamentals
- Enormous growth of available capital
- Interest in asset rich, high cash flow generating companies
- Search for acquisitions and growth capital deals

## Private equity is gaining ground in the shipping market (2/2)

Structures that combine private equity and leasing are becoming more popular

- Ship owners keep control over the vessels
- High charter contracts in return

Subsequently, financial sponsors also consider exit opportunities through an IPO

## Fortis is recognised as an industry “knowledge leader” by both sector participants and investors

- 50 dedicated professionals to the industry across three continents
- 143 shipping clients (31% listed)
- Total commitment over USD 7 billion
  
- Equity research coverage on over 20 shipping companies

### Selected relationships with shipping companies



# Fortis has recently been involved in the capital raising for a large number of shipping companies

Pending



**GLOBAL SHIP LEASE**  
Initial Public Offering

Co-Lead Manager

2007



*d'Amico*  
Initial Public Offering  
EUR 229 million

Co-Manager

2007



**EUROSEAS LTD**  
Follow-on Offerings  
USD 78 million

Co-Manager

2006



**BLT**  
Secondary listing  
SGD 185 million

Co-Manager

2007



**Ocean Freight Inc.**  
Initial Public Offering  
USD 204 million

Co-Manager

2006



**seaspan**  
Follow-on Offering  
USD 247 million

Co-Manager

2006



**danaos**  
Initial Public Offering  
USD 215 million

Co-Manager

2006



**DEEP SEA SUPPLY**  
Primary Offering  
NOK 1.1 billion

Co-Lead Manager

## Fortis has a track record of achieving superior results in M&A processes

- Of the 142 pure shipping M&A deals in 2006, Fortis currently has a relationship with 42 of the companies involved
- Highly customized marketing strategy and tactics developed for each process
- Key deals involved have been the acquisition of Dockwise by 3i and the sale and leaseback of four Suezmax and four Product tankers for Top Tankers Inc.

2007



*Sale of Captive Shipping Fleet & Logistics Operations*

Adviser to Seller


2007



*has acquired Dockwise Transport N.V. EUR 531 million*

Adviser to the Buyer


2006



*Acquisition of 17 vessels from Metrobulk \$735 million*

Adviser & Originator

2006



*Sale and Leaseback of eight tankers USD 292 million*

Financial Advisor

