

PRIVATE EQUITY AND SHIPPING: WHAT'S BEEN DONE SO FAR

Marine Money's 15th Annual New York Ship Finance Forum
November 12, 2014
The Plaza Hotel, New York City

John F. Imhof Jr., Partner
Maritime and Transportation Finance Group
Seward & Kissel LLP



SEWARD & KISSEL LLP

Disclaimers

All information set forth on the attached slides has been provided by Marine Money and neither the speaker nor Seward & Kissel LLP has provided or is responsible for this information.

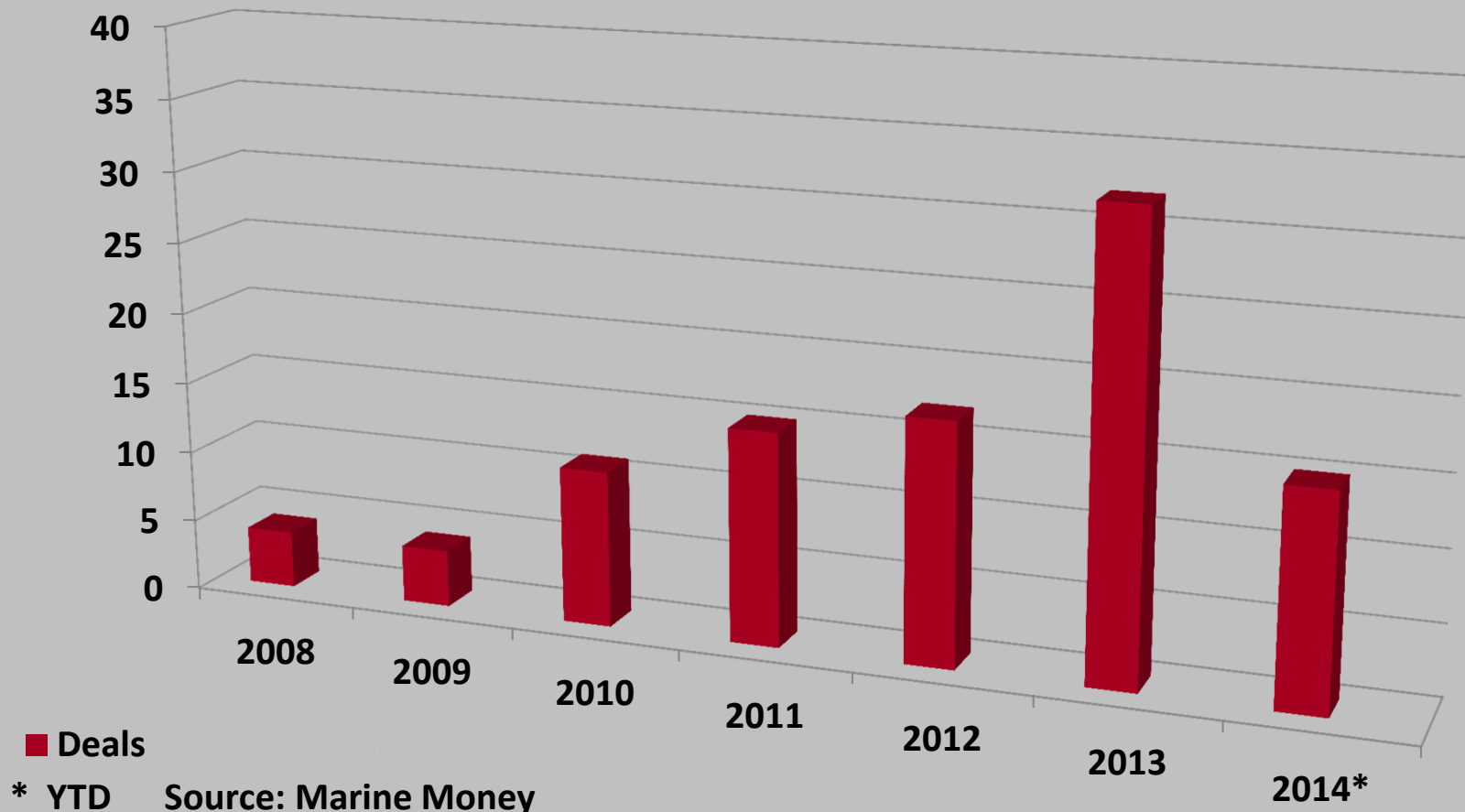
It is difficult to know all of the transactions that have taken place involving shipping and private equity over the last seven years.

Private Equity Investments in Shipping



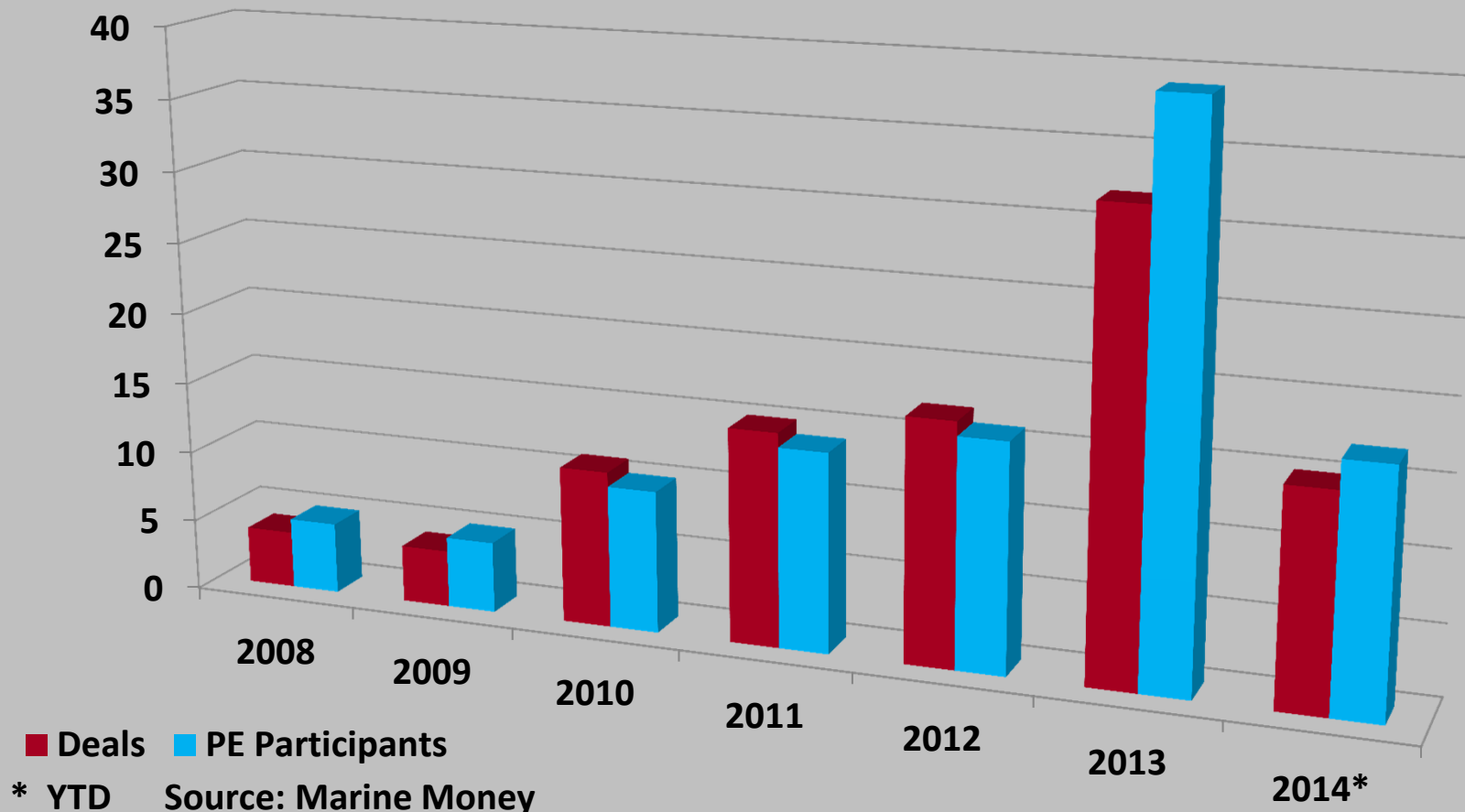
SEWARD & KISSEL LLP

Number of Private Equity Deals and Participants



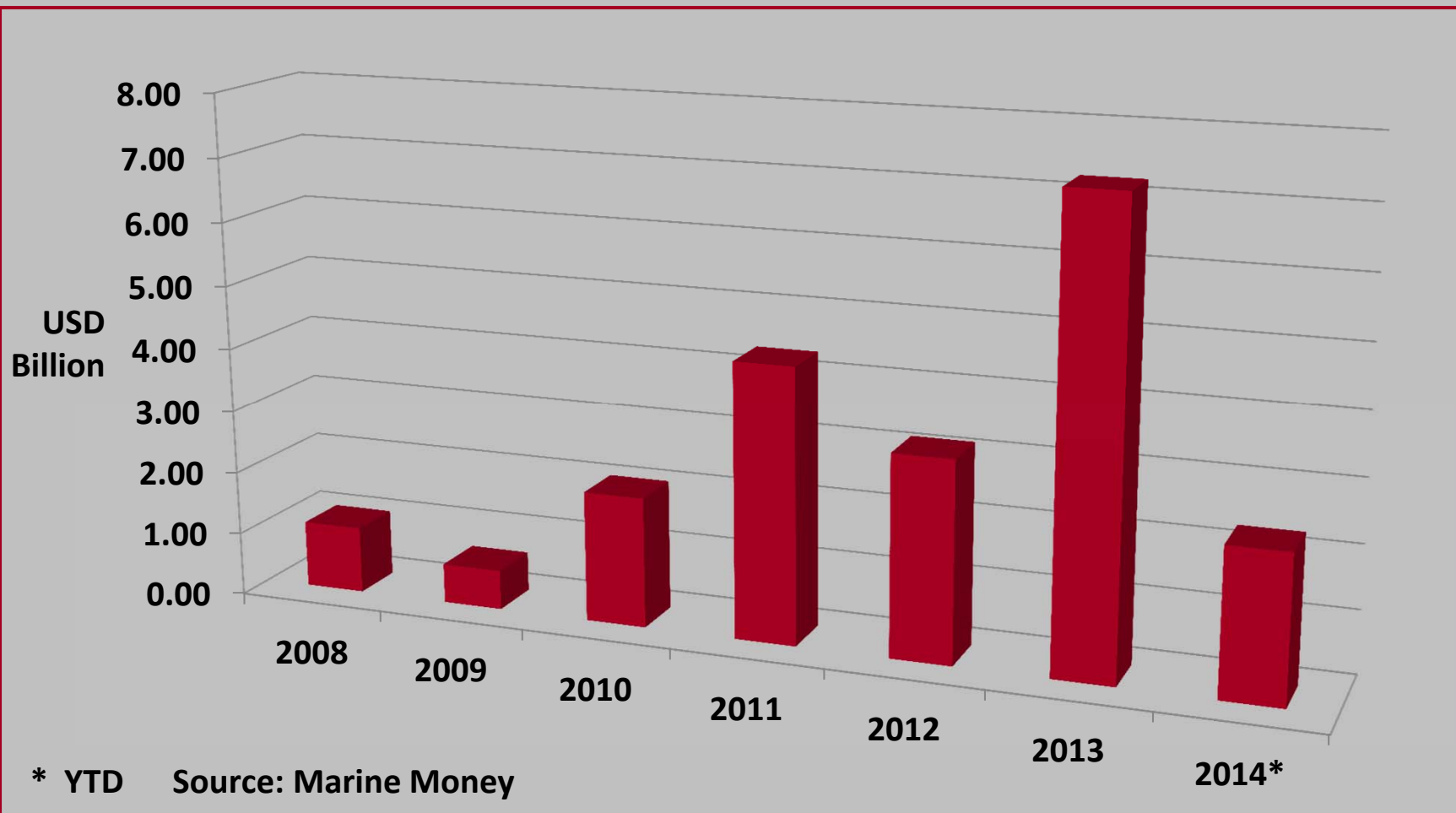
SEWARD & KISSEL LLP

Number of Private Equity Deals and Participants



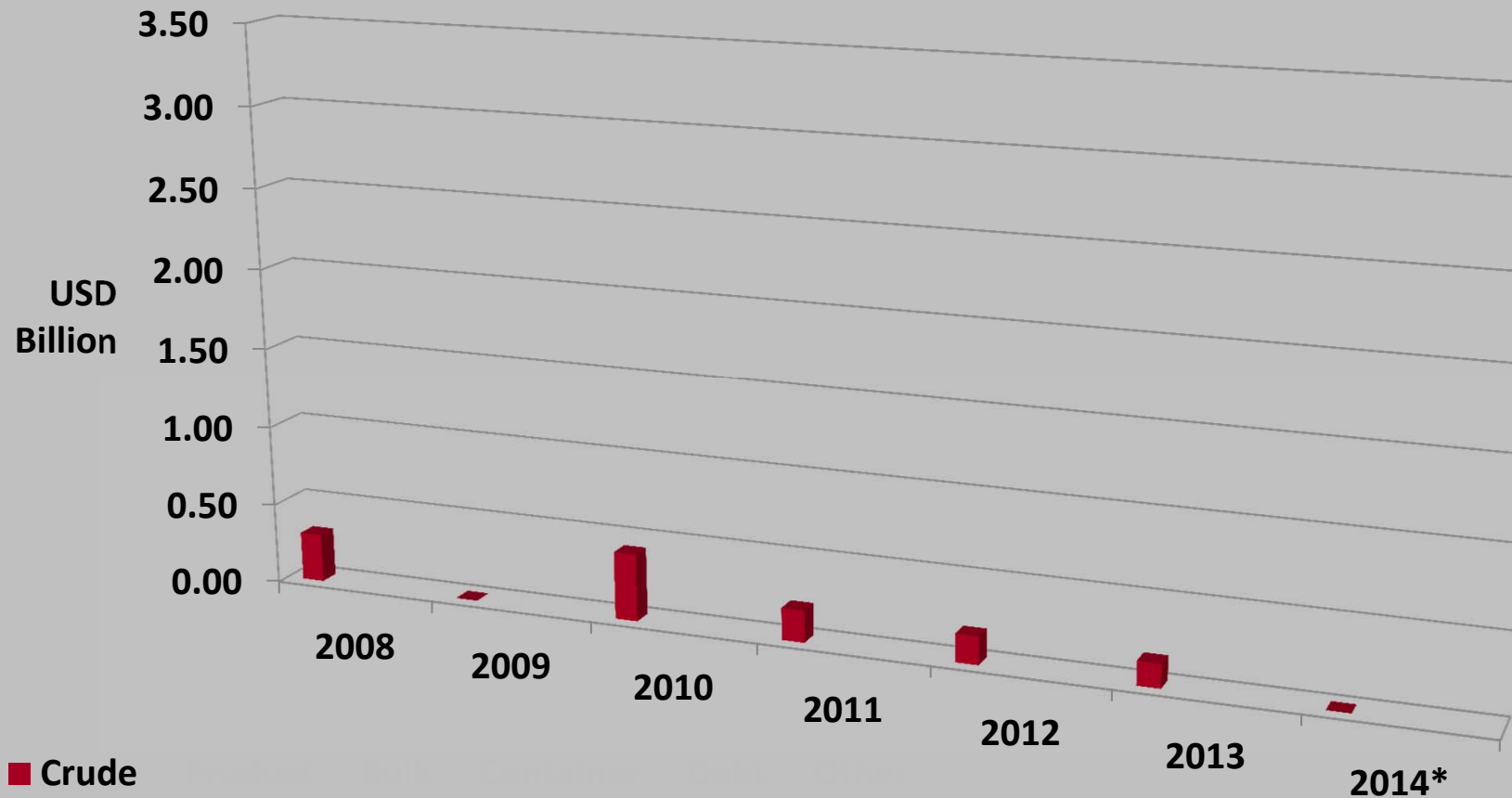
SEWARD & KISSEL LLP

Private Equity Investment in Shipping



SEWARD & KISSEL LLP

Private Equity Investment by Sector



■ Crude

* YTD

Source: Marine Money

SEWARD & KISSEL LLP

Private Equity Investment in the Crude Tanker Sector

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2008	First Reserve Corporation	300	Diamond S Shipping LLC	Suezmax Tankers
2010	Apollo Global Management LLC	420	Principal Maritime Management	Suezmax Tankers
2011	Oaktree Capital Management LP	200	General Maritime Corp.	Equity Recap
2012	Oaktree Capital Management LP	175	General Maritime Corp.	Equity Recap
2013	BHR Capital, Glendon Capital Management, GoldenTree Asset Management, Solus Alternative Asset Management, York Capital	150	Euronav	Perpetual preferred convertible equity instrument to partially fund the acquisition of 15 VLCCs from Maersk
TOTAL		1,245		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

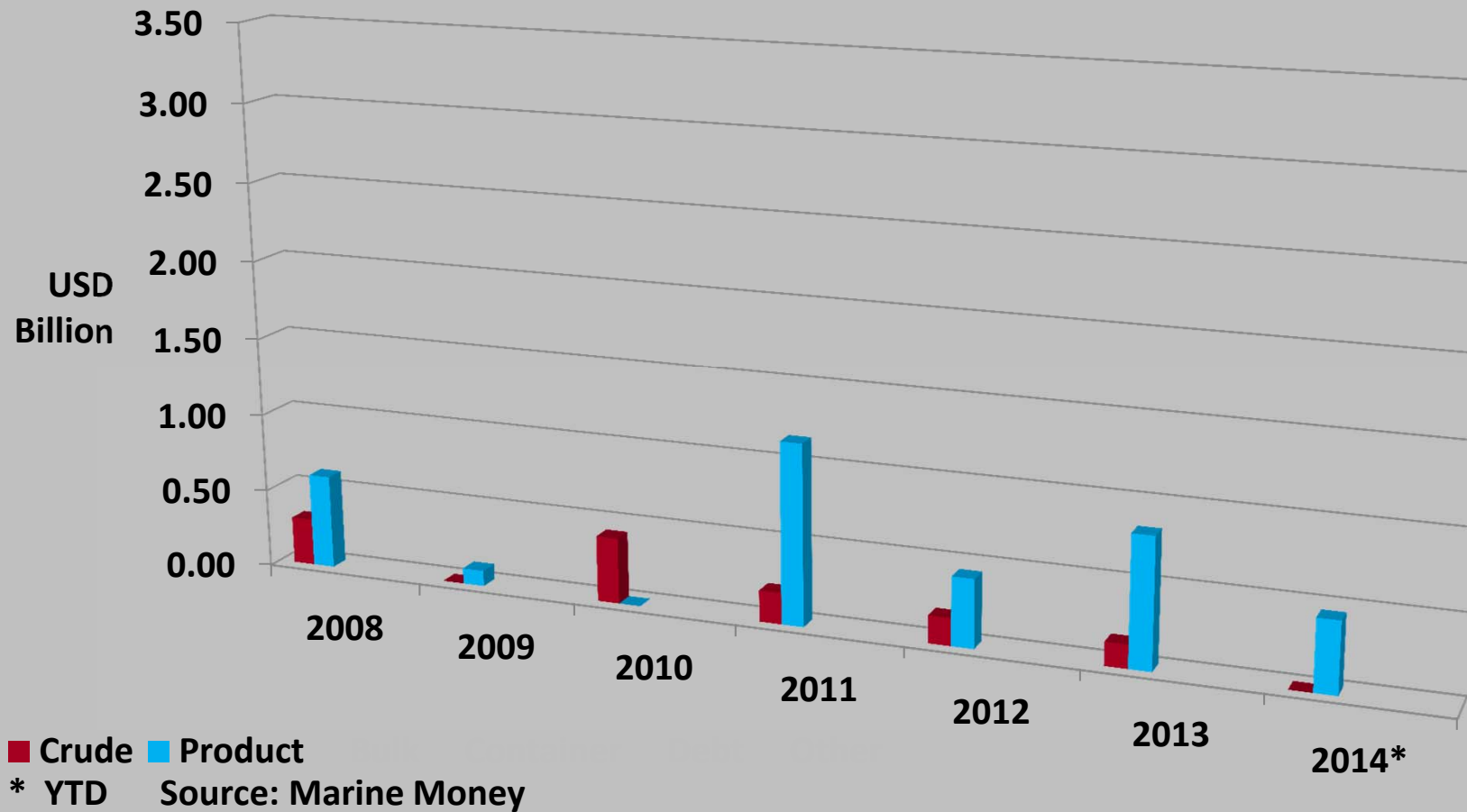
Private Equity Investment in the Crude Tanker Sector

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2008	First Reserve Corporation	300	Diamond S Shipping LLC	Suezmax Tankers
2010	Apollo Global Management LLC	420	Principal Maritime Management	Suezmax Tankers
2011	Oaktree Capital Management LP	200	General Maritime Corp.	Equity Recap
2012	Oaktree Capital Management LP	175	General Maritime Corp.	Equity Recap
2013	BHR Capital, Glendon Capital Management, GoldenTree Asset Management, Solus Alternative Asset Management, York Capital	150	Euronav	Perpetual preferred convertible equity instrument to partially fund the acquisition of 15 VLCCs from Maersk
TOTAL		1,245		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

Private Equity Investment by Sector



SEWARD & KISSEL LLP

Private Equity Investment in the Product Tanker Sector 2008-2012

	PE Participant/Partner	Amount (USD Million)	Investment	Description
2008	Greenbriar Equity Group LLC	100	Ardmore Shipping Limited	Product Tankers
	Blackstone Group LP, Cerberus Capital Management	500	American Petroleum Tankers	Jones Act Product Tankers
2009	Delos Shipping Fund, JV between Omega Investments Ltd. & Topley Corporation	100	Megacore Shipping Ltd.	Product Tankers
2011	Octavian Maritime Holdings Inc.	100	SPC	Product Tankers
	WL Ross & Co. LLC	900	Diamond S Shipping LLC	Tankers
	Tufton Oceanic Ltd.	54	Tufton Sharewell Tankers	70% Share of 2 Product Tankers
	Alterna Capital Partners LLC	100	Joint Venture with Mid Ocean Marine	Jones Act Product Tanker
2012	Wayzata Investment Partners	27	SPC	51,000 DWT Product Tanker (1997)
	Wayzata Investment Partners	30	SPC	50,000 DWT Newbuild Product Tanker
	Perella Weinberg Partners LP	?	Prime Marine Inc.	Product Tankers
	Blackstone Group LP, Tufton Oceanic Ltd.	180	BTS Tanker Partners	85% Share of 9 Product Tankers
	Tufton Oceanic Ltd. and clients	100	SPC	Four Product Tankers
	Alterna Capital Partners LLC	100	SPC	Product Tankers
TOTAL 2008-12		2,291		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

Private Equity Investment in the Product Tanker Sector 2008-2012

	PE Participant/Partner	Amount (USD Million)	Investment	Description
2008	Greenbriar Equity Group LLC	100	Ardmore Shipping Limited	Product Tankers
	Blackstone Group LP, Cerberus Capital Management	500	American Petroleum Tankers	Jones Act Product Tankers
2009	Delos Shipping Fund, JV between Omega Investments Ltd. & Topley Corporation	100	Megacore Shipping Ltd.	Product Tankers
2011	Octavian Maritime Holdings Inc.	100	SPC	Product Tankers
	WL Ross & Co. LLC	900	Diamond S Shipping LLC	Tankers
	Tufton Oceanic Ltd.	54	Tufton Sharewell Tankers	70% Share of 2 Product Tankers
	Alterna Capital Partners LLC	100	Joint Venture with Mid Ocean Marine	Jones Act Product Tanker
2012	Wayzata Investment Partners	27	SPC	51,000 DWT Product Tanker (1997)
	Wayzata Investment Partners	30	SPC	50,000 DWT Newbuild Product Tanker
	Perella Weinberg Partners LP	?	Prime Marine Inc.	Product Tankers
	Blackstone Group LP, Tufton Oceanic Ltd.	180	BTS Tanker Partners	85% Share of 9 Product Tankers
	Tufton Oceanic Ltd. and clients	100	SPC	Four Product Tankers
	Alterna Capital Partners LLC	100	SPC	Product Tankers
TOTAL 2008-12		2,291		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

Private Equity Investment in the Product Tanker Sector 2013-2014 YTD

	PE Participant/Partner	Amount (USD Million)	Investment	Description
2013	APICORP Petroleum Shipping Fund (Tufton Oceanic & APICORP)	150	SPC	5 MR Tankers
	Riverstone Holdings LLC	200	Ridgebury Tankers	Product Tankers (Primary focus on Suezmax)
	Oaktree Capital Management LP	60	Capital Product Partners	
	Oaktree Capital Management LP	135	Newco	5 MRs from Torm
	Tufton Oceanic	5	d'Amico International Shipping	2% share in DIS
	Oaktree Capital Management and Navig8	220	Navig8 Chemical Tankers	New Venture Ordered 6 Firm 37,000 DWT IMO-2 Chemical Tankers with Options for 6 more
	Pacific Alliance Group	58	Nordic Shipholding	75% stake in Nordic Shipholding in exchange for acquiring \$58 million of the company's debt through entity named Nordic Maritime
2014 YTD	Pacific Alliance Group	?	BW Pacific	JV with BW group with initial fleet of 10 MRs from Vitol; initial fleet will include BW's 10 MRs and 17 LR1s
	Avista Capital Partners	150	SEACOR	Non-controlling interest in Jones Act tanker
	Apollo Global Management	118	Philly Tankers venture with Aker Philadelphia Shipyard and American Shipping Company	Two Jones Act product tankers: Aker (\$58.5 million, 54%) Apollo (\$36 million, 26%), ASC (\$25 million, 20%)
	Alterna Capital Partners LLC	185	Newbuildings	6 Handysize Newbuild Product/Chemical Tankers
TOTAL 2013-14 YTD		1,281		
TOTAL 2008-14 YTD		3,572		
Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.				

SEWARD & KISSEL LLP

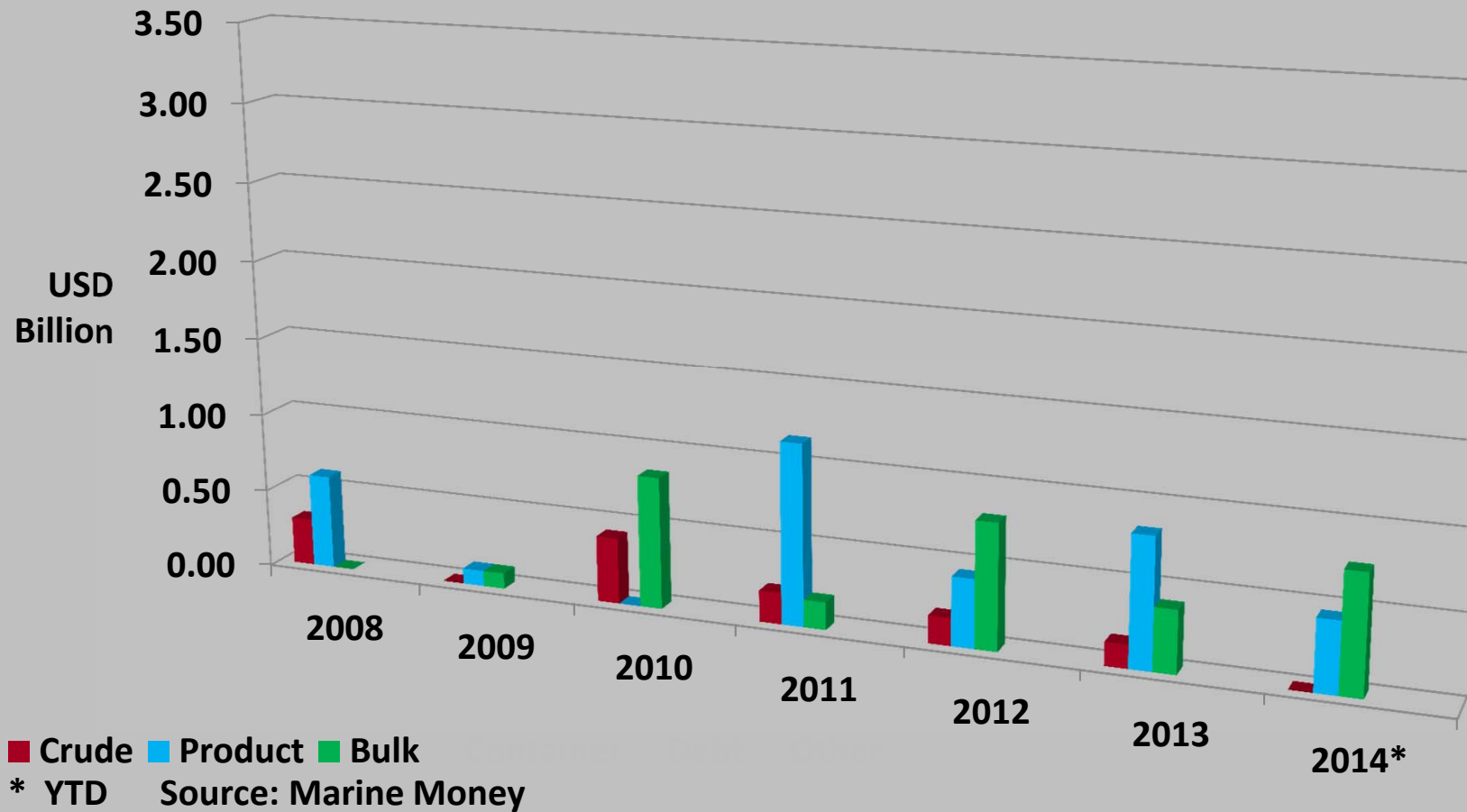
Private Equity Investment in the Product Tanker Sector 2013-2014 YTD

	PE Participant/Partner	Amount (USD Million)	Investment	Description
2013	APICORP Petroleum Shipping Fund (Tufton Oceanic & APICORP)	150	SPC	5 MR Tankers
	Riverstone Holdings LLC	200	Ridgebury Tankers	Product Tankers (Primary focus on Suezmax)
	Oaktree Capital Management LP	60	Capital Product Partners	
	Oaktree Capital Management LP	135	Newco	5 MRs from Torm
	Tufton Oceanic	5	d'Amico International Shipping	2% share in DIS
	Oaktree Capital Management and Navig8	220	Navig8 Chemical Tankers	New Venture Ordered 6 Firm 37,000 DWT IMO-2 Chemical Tankers with Options for 6 more
	Pacific Alliance Group	58	Nordic Shipholding	75% stake in Nordic Shipholding in exchange for acquiring \$58 million of the company's debt through entity named Nordic Maritime
2014 YTD	Pacific Alliance Group	?	BW Pacific	JV with BW group with initial fleet of 10 MRs from Vitol; initial fleet will include BW's 10 MRs and 17 LR1s
	Avista Capital Partners	150	SEACOR	Non-controlling interest in Jones Act tanker
	Apollo Global Management	118	Philly Tankers venture with Aker Philadelphia Shipyard and American Shipping Company	Two Jones Act product tankers: Aker (\$58.5 million, 54%) Apollo (\$36 million, 26%), ASC (\$25 million, 20%)
	Alterna Capital Partners LLC	185	Newbuildings	6 Handysize Newbuild Product/Chemical Tankers
TOTAL 2013-14 YTD		1,281		
TOTAL 2008-14 YTD		3,572		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

Private Equity Investment by Sector



SEWARD & KISSEL LLP

Private Equity Investment in the Dry Bulk Sector 2009-2012

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2009	Fortress Investment Group LLC	100	Clipper Bulk USA Inc	Handysize Bulk Carriers
2010	Kelso & Company LP	150	Delphin Shipping LLC	Supramax Bulk Newbuildings
	Cartesian Capital Group LLC	90	Bulk Partners Limited	Bulk Carriers
	Alterna Capital Partners LLC	100	Joint Venture with Western Bulk	Bulk
	Oaktree Capital Management LP, Peter Georgiopoulos, Lion Cao Private Equity	500	Maritime Equity Partners	Newco Acquisition of 12 Drybulk Ships of Various Sizes
2011	Tufton Oceanic Ltd.	25	SPC	Supramax Bulker
	Corbin Robertson Jr., Natural Resource Partners LP, Riverstone LLC	150	Quintana Shipping Ltd.	Kamsarmax
2012	Oaktree Capital Management LP	800	Oceanbulk Shipping LLC	Opportunistic
	DF Energy Acquisition LLC	?	Castleton Commodities International LLC	Bulk Carriers
TOTAL 2008-12		1,915		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

Private Equity Investment in the Dry Bulk Sector 2013-2014 YTD

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2013	Roullier, Group BPCE	147	JV with Louis Dreyfus Armateurs	4 x Handysize Drybulkers
	Oaktree Capital Management, Monarch Alternative Capital	40	Star Bulk Carriers	Combined 18.6% of Star Bulk in Rights Offering
	WL Ross & Co. LLC, Conti Group, Fearnley Advisors, Solus Alternative Asset Management	100	Nautical Bulk Holdings	8 Ultramax Newbuildings
	Carlyle Group	112	Interlink	10 Eco Handysize Bulk Carrier Newbuildings
	Garrison Investment Group	?	Pioneer Maritime	Startup Plans to Acquire 15-20 Geared Bulkers
2014 YTD	York Capital	111	Deiulemar Shipping through ABY Holding Ltd.	12 Bulkers
	Strategic Value Partners	7	Genco Shares	\$4.2 Million Shares for a 9.4% Stake
	Oaktree Capital Management (Star Bulk), Angelo Gordon	635	Excel Maritime Carriers	Purchase of 34 bulkers from Excel for 29.917 million shares at \$13.12 per share, \$57 million in cash and \$231 million from a secured bridge loan facility with Oaktree and Angelo Gordon (Excel Investors)
TOTAL 2013-14 YTD		1,152		
TOTAL 2008-14 YTD		3,067		

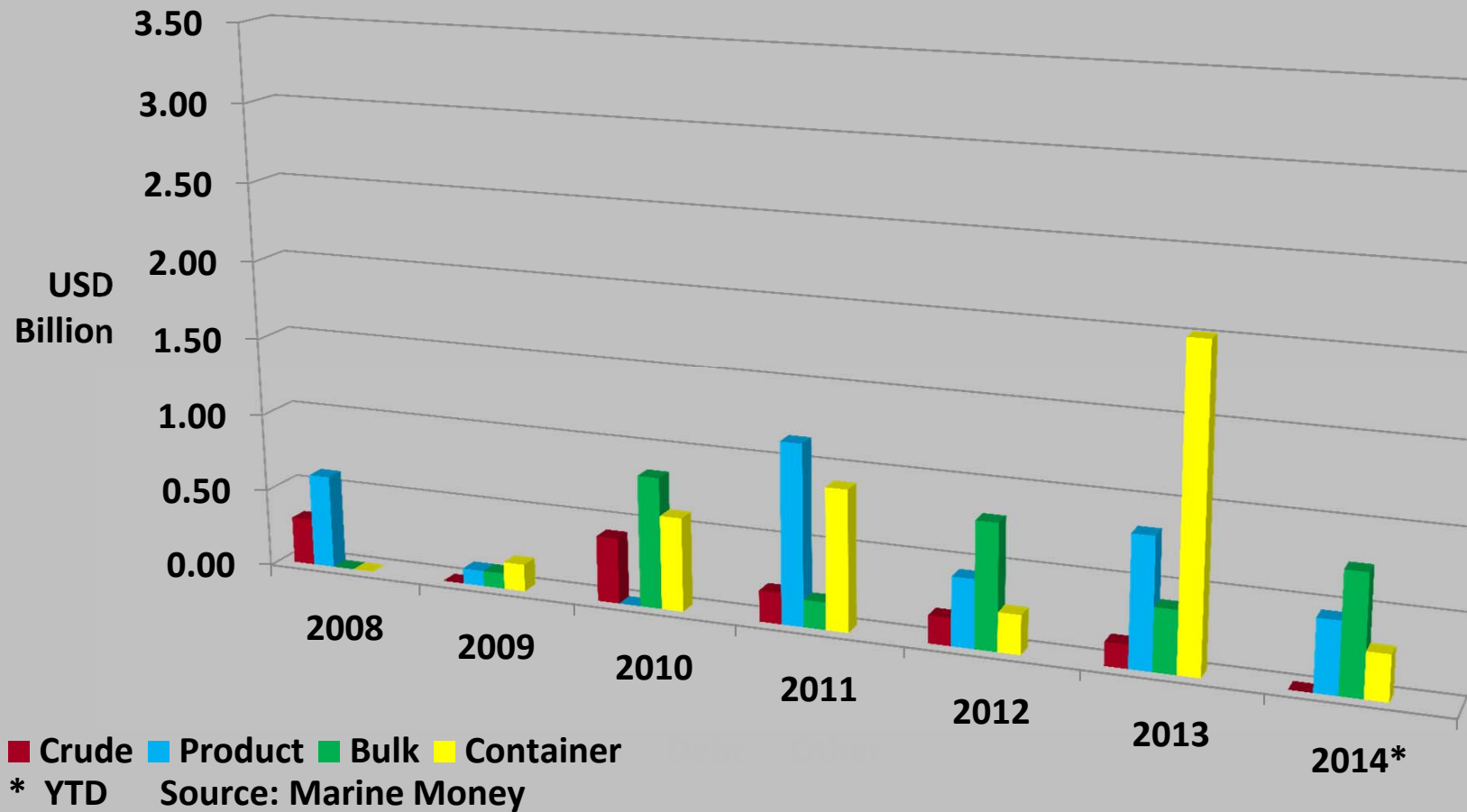
Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

Private Equity Investment in the Dry Bulk Sector 2013-2014 YTD

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2013	Roullier, Group BPCE	147	JV with Louis Dreyfus Armateurs	4 x Handysize Drybulkers
	Oaktree Capital Management, Monarch Alternative Capital	40	Star Bulk Carriers	Combined 18.6% of Star Bulk in Rights Offering
	WL Ross & Co. LLC, Conti Group, Fearnley Advisors, Solus Alternative Asset Management	100	Nautical Bulk Holdings	8 Ultramax Newbuildings
	Carlyle Group	112	Interlink	10 Eco Handysize Bulk Carrier Newbuildings
	Garrison Investment Group	?	Pioneer Maritime	Startup Plans to Acquire 15-20 Geared Bulkers
2014 YTD	York Capital	111	Deiulemar Shipping through ABY Holding Ltd.	12 Bulkers
	Strategic Value Partners	7	Genco Shares	\$4.2 Million Shares for a 9.4% Stake
	Oaktree Capital Management (Star Bulk), Angelo Gordon	635	Excel Maritime Carriers	Purchase of 34 bulkers from Excel for 29.917 million shares at \$13.12 per share, \$57 million in cash and \$231 million from a secured bridge loan facility with Oaktree and Angelo Gordon (Excel Investors)
TOTAL 2013-14 YTD		1,152		
TOTAL 2008-14 YTD		3,067		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

Private Equity Investment by Sector



SEWARD & KISSEL LLP

Private Equity Investment in the Container Sector 2009-2014 YTD

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2009	Eton Park Capital , Rhone Capital	175	Euromar LLC	Container Vessels
2010	Kelso & Company LP	?	Cronos Ltd.	Containers
	Kelso & Company LP	?	Poseidon Container Holdings LLC	Containers
	Littlejohn & Co., Northern Shipping Funds	100	Soundview Maritime LLC	Containers
	Yildirim Group	500	CMA-CGM SA	Container Line
2011	Carlyle Investment Management, Tiger Group	900	Newco	Newbuilding Container Ships
2012	Oaktree Capital Management LP	?	Rickmers Holding GmbH & Cie.	8 x 5,370 TEU Newbuild Containerships
	Fonds Stratégique d'Investissement SA	150	CMA-CGM SA	Container Line
	Yildirim Group	100	CMA-CGM SA	Container Line
2013	Seaborne Intermodal (Lindsay Goldberg)	420	Container Acquisition from Buss	275,000 Containers
	Kelso & Company LP	126	Technomar Shipping	2 x 6,900 TEU Container Ships
	Ontario Teachers Pension Plan	470	SeaCube Container Leasing Ltd.	507,000 Containers (795,000 TEU)
	Oaktree Capital Management LP	?	Oceanbulk Shipping LLC	6 x 9,000 TEU Newbuild Containerships
	York Capital Management	500	Joint Venture with Costamare	Costamare will own up to 49%, two year investment period, 6 year term
	IPSA Capital (Klaus Nyborg)	?		5 x 2004-built 1850 TEU containerships
	Apollo Global Management	500	Joint Venture with Rickmers	JV to Initially Invest in Secondhand Containerships
2014	KKR (Borealis)	216	Embarcadero Maritime	9 Feeder Container Vessels from Commerzbank
YTD	Danica Pension	73	Stake in Unifeeder	Acquired from Nordic Capital
TOTAL		4,230		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

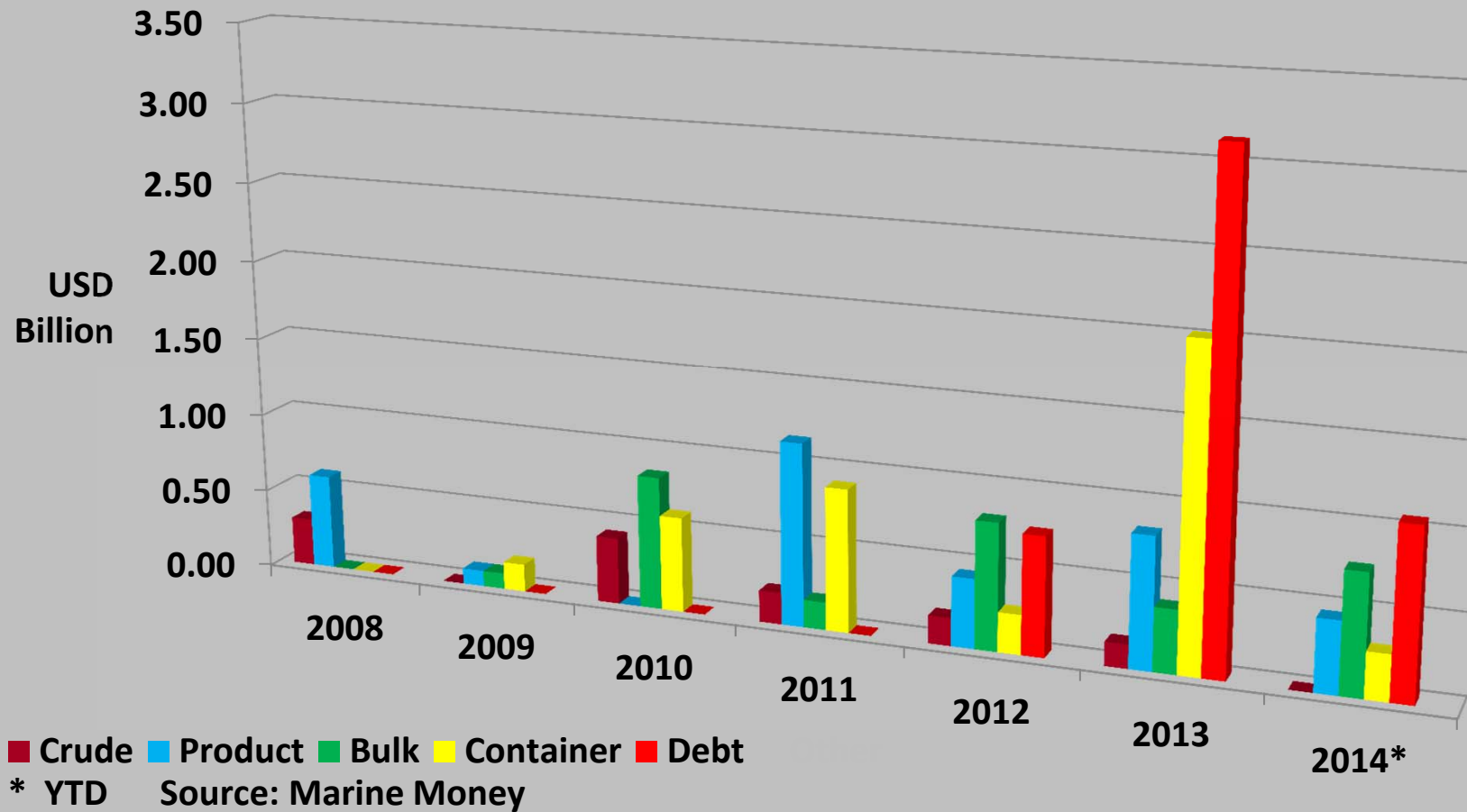
Private Equity Investment in the Container Sector 2009-2014 YTD

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2009	Eton Park Capital , Rhone Capital	175	Euromar LLC	Container Vessels
2010	Kelso & Company LP	?	Cronos Ltd.	Containers
	Kelso & Company LP	?	Poseidon Container Holdings LLC	Containers
	Littlejohn & Co., Northern Shipping Funds	100	Soundview Maritime LLC	Containers
	Yildirim Group	500	CMA-CGM SA	Container Line
2011	Carlyle Investment Management, Tiger Group	900	Newco	Newbuilding Container Ships
2012	Oaktree Capital Management LP	?	Rickmers Holding GmbH & Cie.	8 x 5,370 TEU Newbuild Containerships
	Fonds Stratégique d'Investissement SA	150	CMA-CGM SA	Container Line
	Yildirim Group	100	CMA-CGM SA	Container Line
2013	Seaborne Intermodal (Lindsay Goldberg)	420	Container Acquisition from Buss	275,000 Containers
	Kelso & Company LP	126	Technomar Shipping	2 x 6,900 TEU Container Ships
	Ontario Teachers Pension Plan	470	SeaCube Container Leasing Ltd.	507,000 Containers (795,000 TEU)
	Oaktree Capital Management LP	?	Oceanbulk Shipping LLC	6 x 9,000 TEU Newbuild Containerships
	York Capital Management	500	Joint Venture with Costamare	Costamare will own up to 49%, two year investment period, 6 year term
	IPSA Capital (Klaus Nyborg)	?		5 x 2004-built 1850 TEU containerships
	Apollo Global Management	500	Joint Venture with Rickmers	JV to Initially Invest in Secondhand Containerships
2014	KKR (Borealis)	216	Embarcadero Maritime	9 Feeder Container Vessels from Commerzbank
YTD	Danica Pension	73	Stake in Unifeeder	Acquired from Nordic Capital
TOTAL		4,230		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

Private Equity Investment by Sector



SEWARD & KISSEL LLP

Private Equity Investment in Shipping Debt 2012-2014 YTD

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2012	Oaktree Capital Management	750	Lloyds Banking Group plc Loans	Loan Portfolio
2013	Oaktree Capital Management, Goldman Sachs	150	Excel Maritime Bank Debt	Circa \$150m in Bank Debt (for 60-70 cent range) (Bulk)
	Magna Group	11	FreeSeas Debt	Deutsche Bank forgave remaining FreeSeas debt
	KKR	580	Maritime Finance Company	Establishment of an Asset-Backed Merchant Banking Venture with \$580 Million Committed Start-Up Capital
	Bank of America, Brigade Capital Management, Canyon Capital Advisors, Midtown Acquisitions, Oaktree Capital Management, Onex Capital Partners, Planning Capital	985	Eagle Bulk Debt	Syndicated debt led by RBS along with WestLB, Bank of China, Lloyds TSB Bank, Santander, SMBC, CIC (Bulk)
	Unknown buyers	520	Genco Bank Debt	Purchase from DNB (Bulk)
	Davidson Kempner	500	Lloyds Banking Group Loans	Loan Portfolio
	Oaktree Capital Management	385	Commerzbank Loans	13 Chemical Tankers (Chemical)
2014 YTD	KKR	150	Berlian Laju Tankers Debt	Senior secured syndicated loan from BNP Paribas and Nordea at high 60s (Chemical/Gas Tankers)
	Davidson Kempner	400	Lloyds Banking Group Loans	\$500 million of loans, reportedly at 80%
	KKR, York Capital, SC Lowey, Onex	513	Berlian Laju Tankers Debt	MLA consortium of DNB, ING, Standard Chartered, NIBC, BNP Paribas, Nordea, SEB have sold all of their debt (originally \$685 million) at between 70 and 80 cents (Chemical/Gas Tankers)
TOTAL		4,944		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

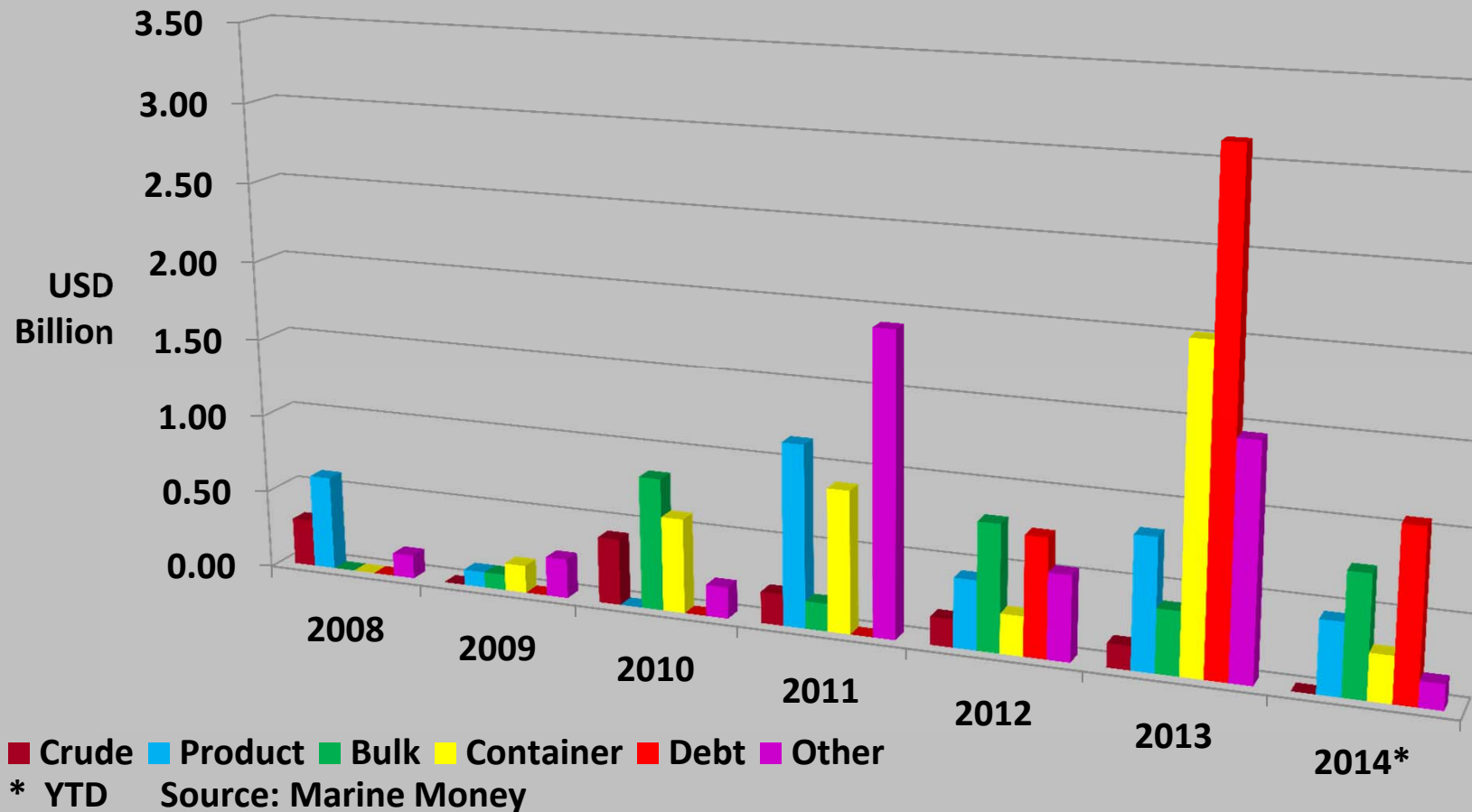
Private Equity Investment in Shipping Debt 2012-2014 YTD

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2012	Oaktree Capital Management	750	Lloyds Banking Group plc Loans	Loan Portfolio
2013	Oaktree Capital Management, Goldman Sachs	150	Excel Maritime Bank Debt	Circa \$150m in Bank Debt (for 60-70 cent range) (Bulk)
	Magna Group	11	FreeSeas Debt	Deutsche Bank forgave remaining FreeSeas debt
	KKR	580	Maritime Finance Company	Establishment of an Asset-Backed Merchant Banking Venture with \$580 Million Committed Start-Up Capital
	Bank of America, Brigade Capital Management, Canyon Capital Advisors, Midtown Acquisitions, Oaktree Capital Management, Onex Capital Partners, Planning Capital	985	Eagle Bulk Debt	Syndicated debt led by RBS along with WestLB, Bank of China, Lloyds TSB Bank, Santander, SMBC, CIC (Bulk)
	Unknown buyers	520	Genco Bank Debt	Purchase from DNB (Bulk)
	Davidson Kempner	500	Lloyds Banking Group Loans	Loan Portfolio
	Oaktree Capital Management	385	Commerzbank Loans	13 Chemical Tankers (Chemical)
2014 YTD	KKR	150	Berlian Laju Tankers Debt	Senior secured syndicated loan from BNP Paribas and Nordea at high 60s (Chemical/Gas Tankers)
	Davidson Kempner	400	Lloyds Banking Group Loans	\$500 million of loans, reportedly at 80%
	KKR, York Capital, SC Lowey, Onex	513	Berlian Laju Tankers Debt	MLA consortium of DNB, ING, Standard Chartered, NIBC, BNP Paribas, Nordea, SEB have sold all of their debt (originally \$685 million) at between 70 and 80 cents (Chemical/Gas Tankers)
TOTAL		4,944		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

Private Equity Investment by Sector



SEWARD & KISSEL LLP

Private Equity Investment in Other Sectors 2008-2014 YTD

	PE Participant/Partner	Amount (USD Million)	Investment	Description
2008	New Mountain Capital LLC	150	Intermarine LLC	Project Cargo / US Flag
2009	Tufton Oceanic Ltd. and clients	250	ACS Shipping (Allocean Singapore)	Offshore / Aframax / Supramax / Containerships
2010	Oaktree Capital Management LP	100	Gulmar Offshore Limited	Offshore
	Oaktree Capital Management LP	100	Iremis (fka Gulmar Offshore Ltd.)	Offshore
2011	Lindsay Goldberg LLC	247	Odfjell Terminals BV	Terminals
	Oaktree Capital Management LP	250	Beluga Shipping GmbH	Heavy Lift
	Oaktree Capital Management LP	83	Wellard Group Holdings Pty Ltd.	Livestock
	JP Morgan Asset Management	750	Ceres Hellenic Shipping Enterprises	LNG Tankers
	JP Morgan Chase & Co., Harren & Partner	?	SUMO Shipping	Project Cargo
	OMERS Ventures	520	V.Ships	Ship Management
	WL Ross & Co. LLC	63	Navigator Gas Transport PLC	19.4% Stake (LPG)
TOTAL 2008-11		2,513		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

Private Equity Investment in Other Sectors 2008-2014 YTD

	<u>PE Participant/Partner</u>	<u>Amount (USD Million)</u>	<u>Investment</u>	<u>Description</u>
2012	Oaktree Capital Management LP	?	Floatel International	42% Ownership (Offshore)
	WL Ross & Co. LLC	110	Navigator Gas Transport PLC	34% Stake from Lehman Brothers for a Total of 61% (LPG)
	CHAMP Private Equity Pte Ltd.	207	Miclyn Express Offshore Ltd.	Offshore Services
	Southern Cross Latin America PE Funds	220	Ultrapetrol	Equity Investment (Barge, Offshore & Product Tankers)
	Lindsay Goldberg LLC	220	Odfjell Terminals BV	Terminals
2013	Nordic Capital	538	Unifeeder A/S	Logistics - feeder and shortsea network in N. Europe
	Delos Shipping Fund, Tennenbaum Capital	?	80% of Koenig KG	
	Eton Park Capital Management LP	2	Goldenport Holdings Inc.	4% Share of Goldenport Holdings
	Blackstone Tactical Opportunities	700	Joint Venture with Eletson Gas	LPG Newbuildings and Secondhand Acquisitions
	Apollo Global Management	30	Aker Philadelphia	Investment Brings Holding to 13.06%
2014 YTD	Tennenbaum Capital	29	Euroseas Ltd.	Convertible Preferred Equity (Containers and Bulk)
	Oaktree Capital Management, Breakwater Capital	100	Odfjell Joint Venture	\$50 million for 50% equity in Odfjell LPG business and further \$50 million to finance growth with exercise of options for 4 LPG carriers
	Pavilion Energy (subsidiary of Temasek Holdings)	?	BW Pavilion LNG	Joint Venture with the BW Group with an Initial Fleet of 1 Existing and 2 Newbuild LNG Carriers
TOTAL 2012-14 YTD		2,156		
TOTAL 2008-14 YTD		4,669		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

Private Equity Investment in Other Sectors 2008-2014 YTD

	PE Participant/Partner	Amount (USD Million)	Investment	Description
2012	Oaktree Capital Management LP	?	Floatel International	42% Ownership (Offshore)
	WL Ross & Co. LLC	110	Navigator Gas Transport PLC	34% Stake from Lehman Brothers for a Total of 61% (LPG)
	CHAMP Private Equity Pte Ltd.	207	Miclyn Express Offshore Ltd.	Offshore Services
	Southern Cross Latin America PE Funds	220	Ultrapetrol	Equity Investment (Barge, Offshore & Product Tankers)
	Lindsay Goldberg LLC	220	Odfjell Terminals BV	Terminals
2013	Nordic Capital	538	Unifeeder A/S	Logistics - feeder and shortsea network in N. Europe
	Delos Shipping Fund, Tennenbaum Capital	?	80% of Koenig KG	
	Eton Park Capital Management LP	2	Goldenport Holdings Inc.	4% Share of Goldenport Holdings
	Blackstone Tactical Opportunities	700	Joint Venture with Eletson Gas	LPG Newbuildings and Secondhand Acquisitions
	Apollo Global Management	30	Aker Philadelphia	Investment Brings Holding to 13.06%
2014 YTD	Tennenbaum Capital	29	Euroseas Ltd.	Convertible Preferred Equity (Containers and Bulk)
	Oaktree Capital Management, Breakwater Capital	100	Odfjell Joint Venture	\$50 million for 50% equity in Odfjell LPG business and further \$50 million to finance growth with exercise of options for 4 LPG carriers
	Pavilion Energy (subsidiary of Temasek Holdings)	?	BW Pavilion LNG	Joint Venture with the BW Group with an Initial Fleet of 1 Existing and 2 Newbuild LNG Carriers
TOTAL 2012-14 YTD		2,156		
TOTAL 2008-14 YTD		4,669		

Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

What Kinds of Investments Is Private Equity Making?

- Direct investment through common and preferred equity
- Acquisitions
- Joint ventures
- Mezzanine and subordinated debt financing
- Bridge financing
- Sale-leaseback transactions
- Acquisition of distressed shipping debt, often followed by enforcement or restructuring

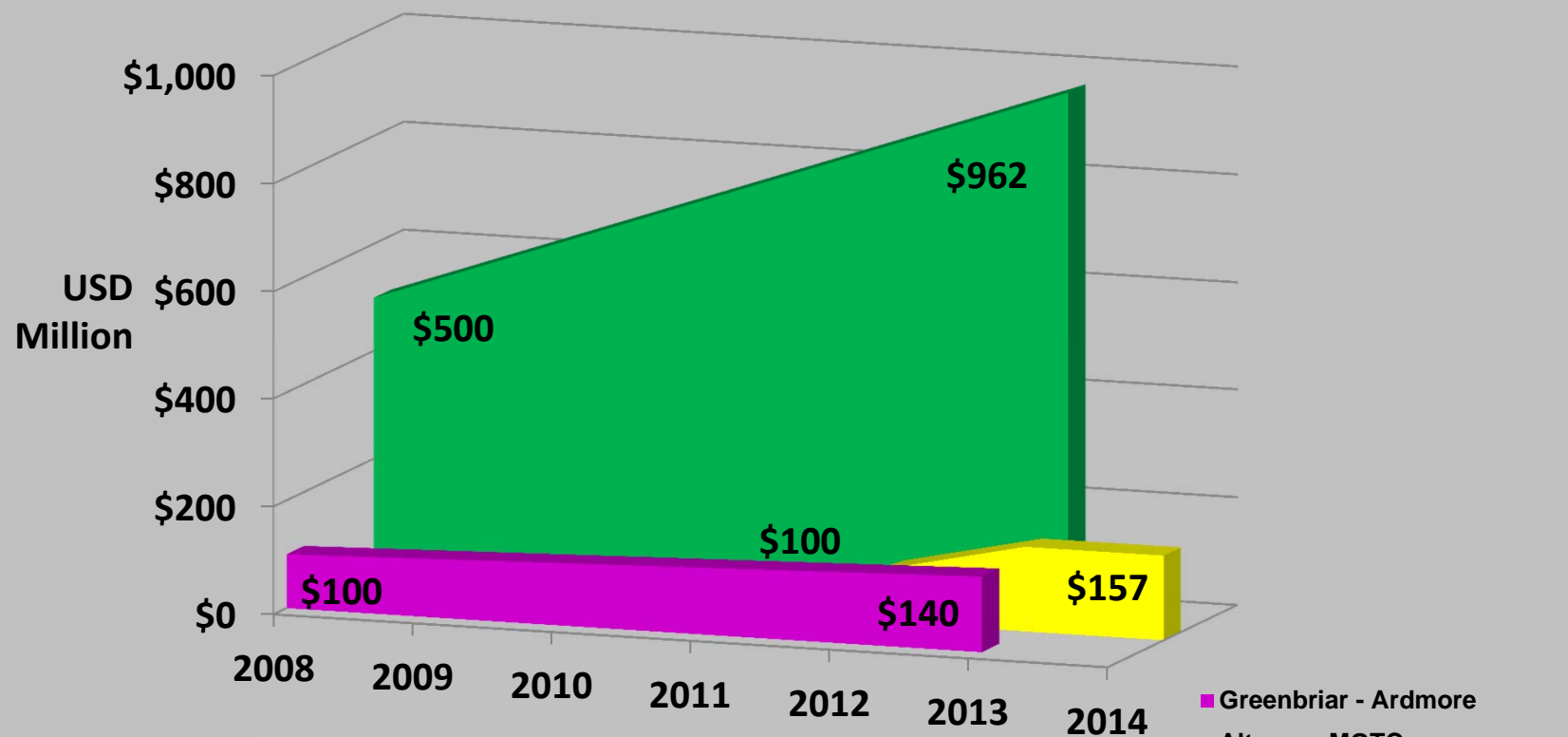


Private Equity Exits from Shipping



SEWARD & KISSEL LLP

Selected Private Equity Exits from Shipping



Source: Marine Money. Although the speaker and Seward & Kissel LLP have advised participants in many of the transactions described on these slides, neither the speaker nor Seward & Kissel LLP has provided any of the information contained therein.

SEWARD & KISSEL LLP

What's Next for Private Equity and Shipping?



SEWARD & KISSEL LLP

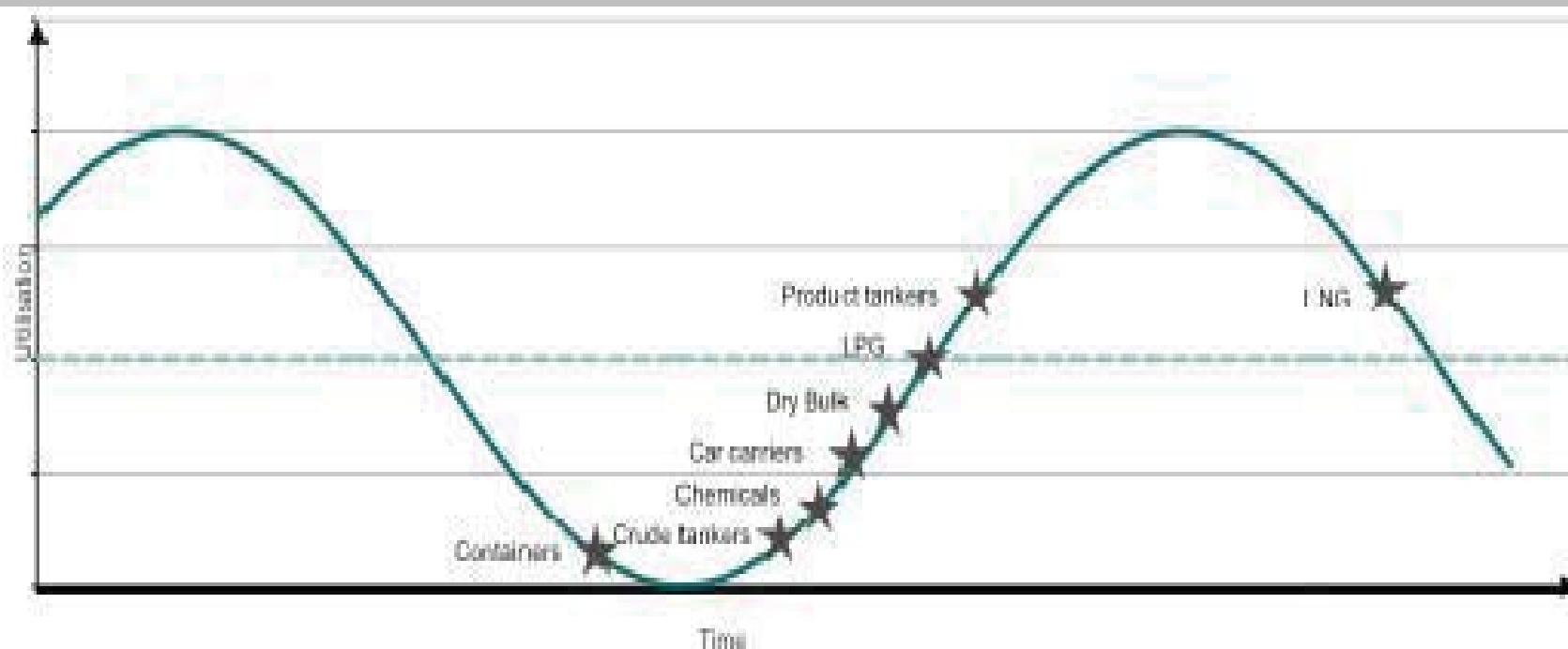
What's Next for Private Equity and Shipping?

- Further investment?
 - What sectors?
 - What kinds of investments?
- Consolidation?
 - Mergers and acquisitions?
 - Vessel acquisitions?
- Further exits?
 - Vessel sales?
 - Leverage to fund distributions?
 - Private sales of companies?
 - Initial public offerings?



What's Next for Private Equity and Shipping?

It may depend on where we are in the cycle....

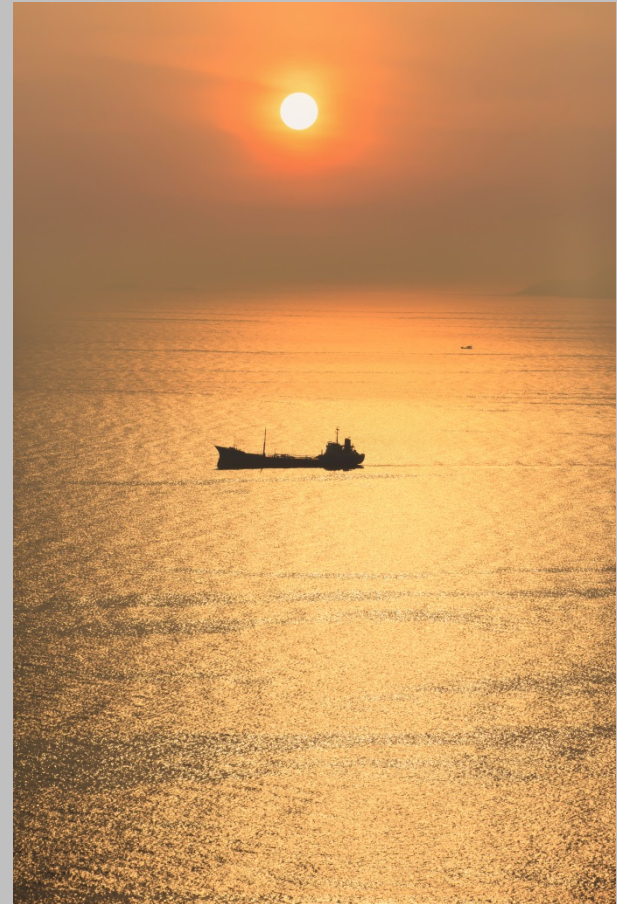


Source: DNB; Declaration of Morten Arntzen in Support of the Official Committee of Equity Security Holders of the Debtors' Objections to Confirmation of the First Amended Prepackaged Plan of Reorganization of the Debtors under Chapter 11 of the Bankruptcy Code, *In re Genco Shipping & Trading Ltd.*, United States Bankruptcy Court, S.D.N.Y., Case No. 14-11108, Filed June 20, 2014

SEWARD & KISSEL LLP

Summary

- Private equity investment in shipping appears to have slowed in 2014
- Investment will likely continue
- Fund managers will be increasingly selective
- Some funds are beginning to realize on earlier investments
- Look for more consolidation
- Look for more exits
- Look for private equity to be more involved as lenders



Contact



John F. Imhof Jr.
Partner
Maritime & Transportation Finance Group
Seward & Kissel LLP
Tel: +1 212 574 1664
E-mail: imhof@sewkis.com
www.sewkis.com

SEWARD & KISSEL LLP