

## Excel fails in Quintana bid

Excel Maritime Carriers has failed in its bid to take control of bulker owner Quintana Maritime.

Nasdaq-listed Quintana confirmed its 12-week strategic-sales process has been completed with no suitable buyer found.

TradeWinds reported earlier this month that Excel was poised to pay \$27 per share to take a controlling stake in its bulker rival.

Quintana says it has carefully evaluated several offers for the company over the past 12 weeks but has been unable to find a final proposal that is "financially and contractually attractive".

The recent deterioration in the dry-bulk charter market, shares volatility and the challenging credit environment have been contributory factors, the company adds.

DryShips, Diana Shipping and Genco Shipping & Trading were all rumoured to be in the frame as the takeover saga unfolded. However, Excel emerged from the pack as the clear favourite to secure 56 million Quintana shares in early January.

Now, with Quintana admitting that the circumstances are no longer ripe for a sale, the board has changed its stance, vowing to focus on strategies including "accretive acquisitions".

## Weak rates hit Euronav score

Belgian tanker owner Euronav posted a fourth-quarter loss as tanker rates remained weak.

The company logged a \$12.1m loss, as compared with a \$38.4m profit during the same period of 2006. The results amounted to \$0.23 in losses per share.

Earnings per share (EPS) in the fourth quarter of 2006 stood at \$0.73.

In the third quarter, Euronav recorded a \$23.3m loss.

The company's VLCC fleet earned average charter rates of \$34,300 per day in the Tankers International Pool, as compared with \$58,500 per day in the last quarter of 2006.

But Euronav says the market bounced back in late November on crude-production boosts. Rates jumped from just above \$20,000 per day to more than \$100,000 per day.

"The surge in rates was spectacular," the company said.

Euronav's suezmaxes earned an average of \$34,400 per day in the quarter, as against \$35,775 per day in the same period one year earlier.

The full-year net profit slumped to \$100m — a 54.1% drop on 2006 earnings of \$218m.

### Varun turns in robust performance

Indian tanker and LPG-carrier owner Varun Shipping saw its earnings soar in the third quarter as revenues jumped.

The company says net profit to 31 December was INR 736.9m (\$18.63m), as against INR 396.3m in the same quarter one year ago.

Freight and charter-hire income was up to INR 2.29bn from INR 1.63bn the year before.

The company also plans a capital expenditure of \$400m to buy ships this year.

# Nordic men blast Bryde coup effort

A failed plot by a Danish finance man has attracted heavy criticism.

Geoff Garfield

London

Danish financier Steen Bryde's bid to kick out the supervisory board of Nordic Tankers has failed and prompted a stinging attack from the owner's chairman, Mogens Buschard.

Buschard has accused Bryde of trying to turn Nordic into a property company.

Bryde, with 12% of the shares, questioned the listed company's strategy and tried unsuccessfully at an extraordinary general meeting (EGM) this week to get himself and six supporters elected as an alternative board.

But the Nordic board survived and triggered what the company itself describes as "scathing" criticism of Bryde's motives.

It is claimed in Denmark that Bryde wanted to place real-estate companies within Nordic and sell off some of its ships.

In a statement, Nordic says that during the "unusually well-attended general meeting", Buschard and others pressed Bryde to outline his plans for the company should he be elected.

But the "closest Steen Bryde came to providing an answer was a comment that he would be happy to present his strategy next time — and preferably via PowerPoint!" it added.

Bryde previously told TradeWinds that he questioned the composition of Nordic's fleet and whether the company should remain a pure tonnage provider.

Nordic, which listed last year on the OMX-Copenhagen Stock



**NORDIC:** The company's livery on the funnel of the 35,800-dwt "Nordic Ruth" (built 2000)

Photo: Nordic Tankers

Exchange after many years trading as investment vehicle Difko 47, has seven products and chemical tankers plus another four on order. The fleet includes long-range-one (LR1) and handysize tonnage.

Nordic's share price, which had risen to DKK 120 (\$23.87) when the Bryde issue surfaced, fell sharply, at one point to DKK 73, but by mid-week, following the EGM, it had recovered to over DKK 90.

Bryde, who declined to comment on the EGM when contacted by TradeWinds, is said to have gathered support totalling around 32% of the votes. Three shipping and three real-estate allies are said to have come forward for election with the financier.

But Buschard announced that the incumbent board's own votes and controlled proxies amounted to 49.16%. All board members, including Soren Halsted, former managing director of Clipper Group's Copenhagen commercial

headquarters, and Tage Bungegaard, former chief executive of Maersk Contractors and Maersk Tankers, were reinstated.

Flemming Sorensen, Nordic's chief executive, says the company drew "fantastic" support from shareholders previously part of Difko 47.

At the EGM, Buschard said Nordic had a brand-new fleet of ships operating without problems and a "professional, hard-working management".

He criticised the need to hold an EGM because of Bryde's bid to become a board member as unjustified and wasting time and money.

Buschard urged Bryde to leave Nordic in peace so that the supervisory board could direct its energy into developing the company for the benefit of all shareholders.

"What we have been through has not had a positive effect on Nordic Tankers's reputation and its business opportunities," said the chairman.

## Hoegh ponders return to Norway

Trond Lillestolen

Oslo

Oslo-headquartered Leif Hoegh & Co may shortly register the company back to Norway following the introduction of a new tax regime for shipowners passed by the government last year.

Hoegh became a Bermuda operation in 2003 after it was delisted from the Oslo bourse.

Director Olav Sollie of Hoegh confirms the firm is considering a return to Norway and says the new arrangement appears attractive. "We have yet to see all the details but the system appears competitive provided it will stay so long term," he said.

He considers it a paradox that

new tax laws will treat owners established outside Norway much better than those who have chosen to stay at home.

According to Sollie, Hoegh will make a final decision on whether to return to Norway during the first or second quarter of this year.

Hoegh is a leading player in the car-carrier market and has a considerable presence in LNG transport.

At the same time as Norway's centre-left coalition government proposed the new tax system, with a 0.6% tax rate, it also said it would wind up the existing tax system in place since 1996 — implying that owners under this

system would have to pay back postponed taxes amounting to NOK 20bn (\$3.6bn) within 10 years.

Oslo-listed BW Gas faces paying back NOK 4.7bn, Wilh Wilhelmsen NOK 1.546bn and Odfjell NOK 1.207bn. As Hoegh was part of the tax regime from 1996 to 2003 it stands to pay back around NOK 1bn in taxes over the next 10 years.

The Norwegian Shipowners' Association (NSA) has fought unsuccessfully against the government's payback-requirements proposal. The lack of progress contributed to the recent departure of Marianne Lie as president of the NSA.

## Navig8 pulls in new investor

Jonathan Boonzaier

Singapore

Singapore-based tanker group Navig8 has turned to outside investors to fund further expansion in the tanker and related shipping sectors.

Navig8 reveals to TradeWinds that despite the current difficult financial markets, Touradji Capital Management, a New York-based hedge fund, has purchased a chunk of the company.

Company officials describe Touradji as a "highly synergetic" partner but do not reveal any details of its investment, describing it only as a non-controlling stake.

"We have no doubt that Touradji Capital, with over \$3bn in assets under management actively invested in commodities and commodity-related equities, will enhance Navig8's growth and expansion efforts in the coming years. Touradji has an outstanding track record in the commodity markets and is highly regarded in the industry," said Navig8 chairman Gary Brocklesby.

TradeWinds understands that Touradji has only recently established an office in Singapore with an eye to growing its Asia-based shipping and oil-investment activities. The Singapore office is headed by former Navig8 partner Mark Lyons, whose resume also includes stints at Chevron and German power giant RWE.

Lyons describes Navig8 as a company with a unique approach to the management and trading of maritime assets. "This will give us tremendous exposure to shipping opportunities," he said.

Navig8 was established in March 2007 by chartering broker FR8, itself set up in 2003 to act as the shipping arm of UK-based oil trader Projector.

FR8 split from Projector, selling its stake in the 14-strong fleet of products tankers. Senior FR8 executives then formed Navig8, which wasted no time in building up a large fleet.

Today Navig8 controls a 30-strong fleet of tankers totalling approximately 1.4 million dwt, including newbuildings on order. The group actively trades a time-charter fleet, owns and invests in tonnage, commercially and technically manages vessels for third parties and trades in the freight-derivatives market.

## Armada man steps down

The ownership of Danish shipping group Armada has quietly undergone further changes.

Long-time partner Holger Schou Madsen has stepped down from the management and switched his owning interests to Martin Egvang and Lars-Peter Madsen.

Madsen's departure follows a management buyout of Armada Group in 2004, when founder Jorgen Dannesboe also left to set up Maestro Shipping.

Madsen will continue his ties with Armada as a consultant.

Armada shipped some 81 million tonnes of cargo in 2007. Its fleet of 160 vessels ranges from handysizes to capesizes.