

5th Athens Triennial Meeting

Combined with

The 40th Anniversary of the Costas Grammenos Centre for Shipping, Trade and Finance

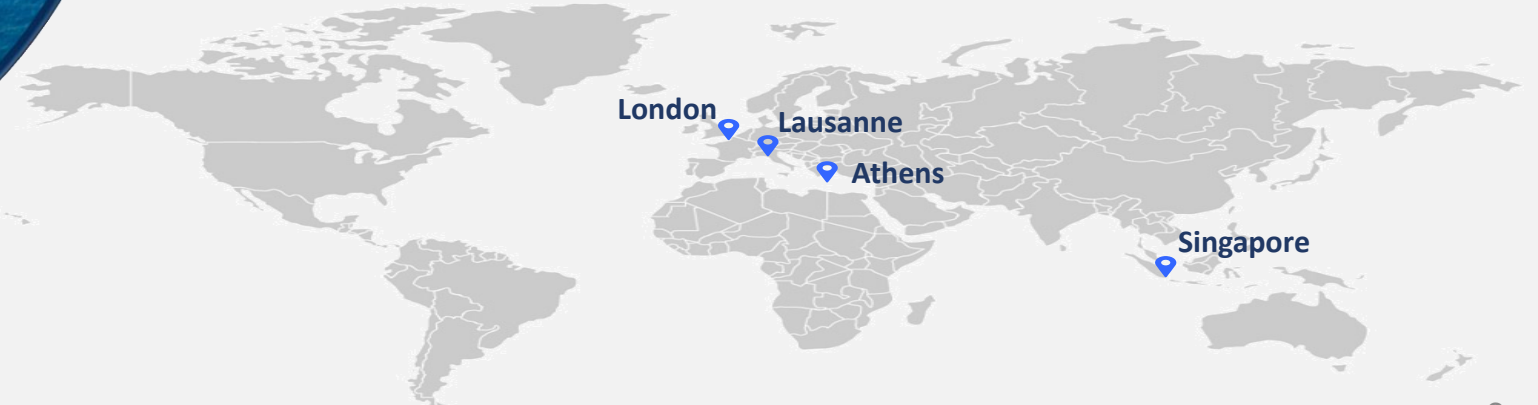


The new era of Shipping Finance

Ioannis Alexopoulos (STF 1996)



- 1 **Track record:** 40 years of presence and commitment to the maritime industry
- 2 **Experience:** Executives with 240 years of cumulative ship-financing experience
- 3 **Deal history:** successfully arranged ship-financing transactions in excess of US\$30 billion
- 4 **Flexibility:** Tailor-made ship-financing structures
- 5 **Strong relations:** with Maritime capital providers and key shipowners worldwide
- 6 **Recognition:** exclusively representing KfW IPEX-Bank and MPA in Greece
- 7 **Multi-sector:** successfully closed transactions in all major maritime sub-sectors
- 8 **Global coverage:** with offices in major shipping centers: London, Athens, Singapore, Lausanne

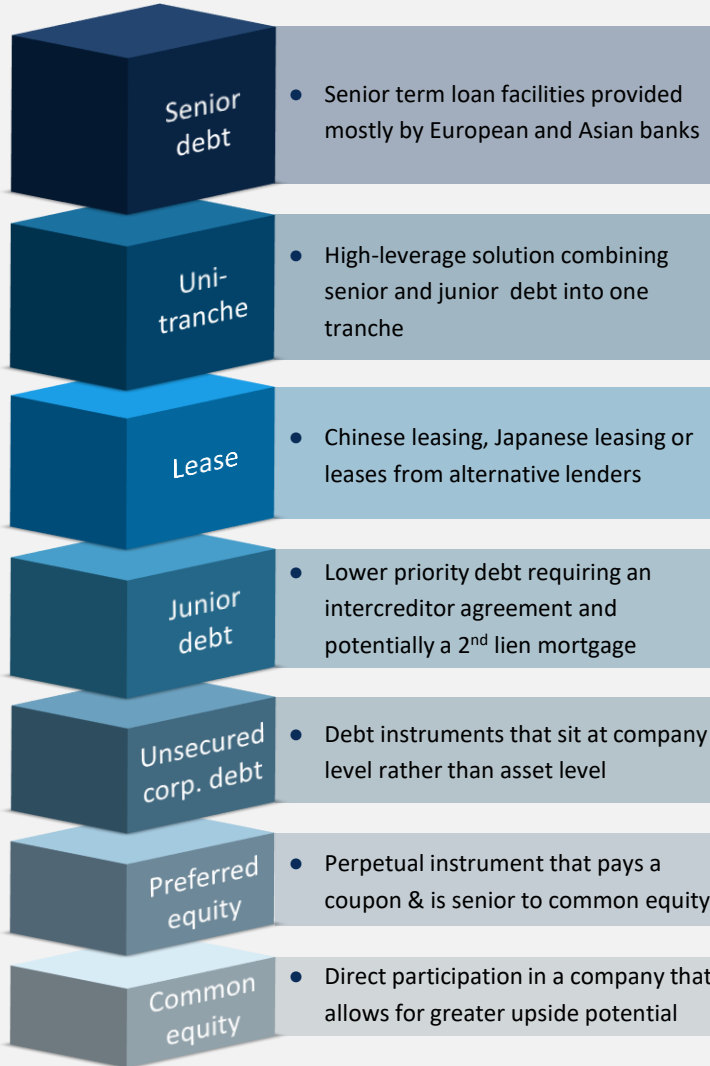


A specialist maritime Investment Banking boutique

Our team has arranged shipping loans in excess of US\$30 billion, while its experience covers equity, financing, S&P, portfolio workouts, evaluations and general advisory mandates

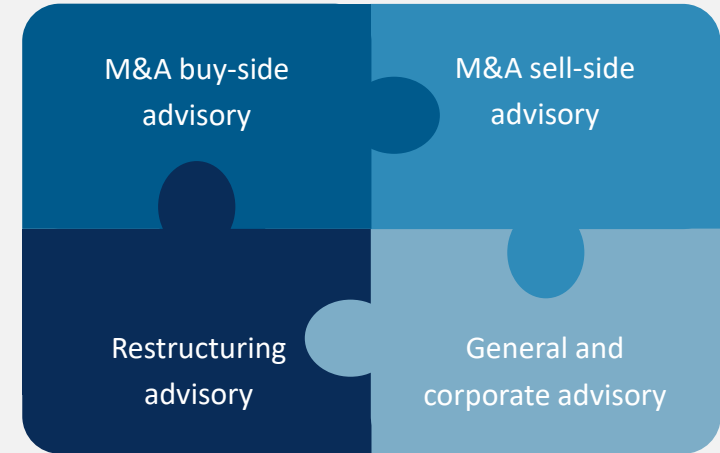
1

Capital raising



2

Advisory



3

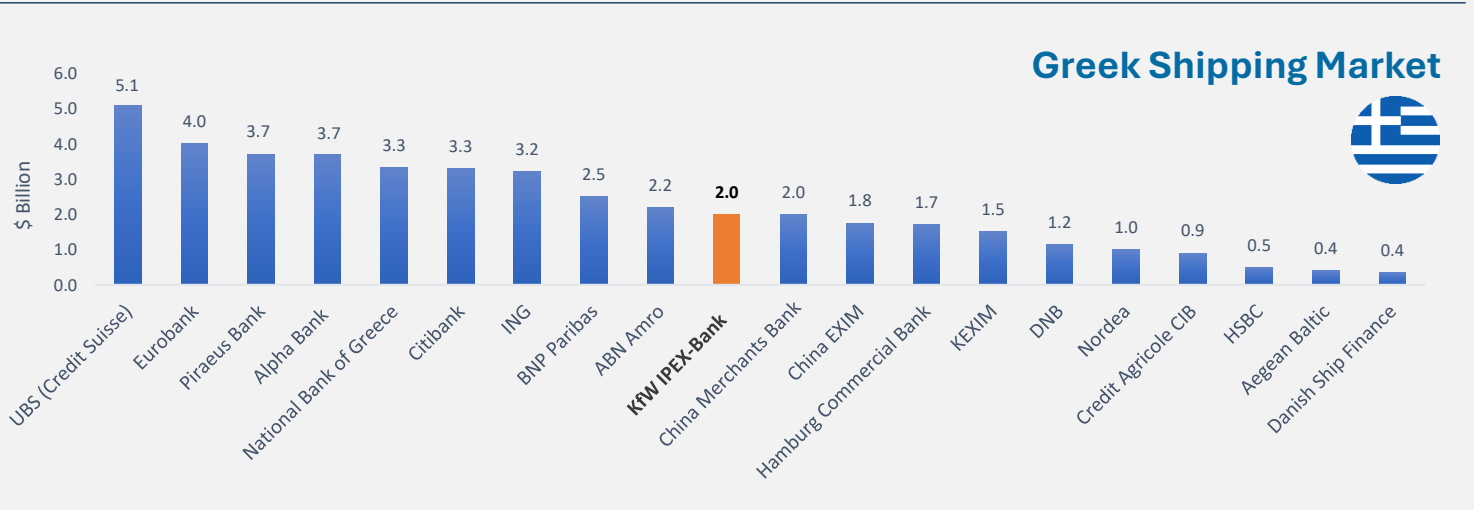
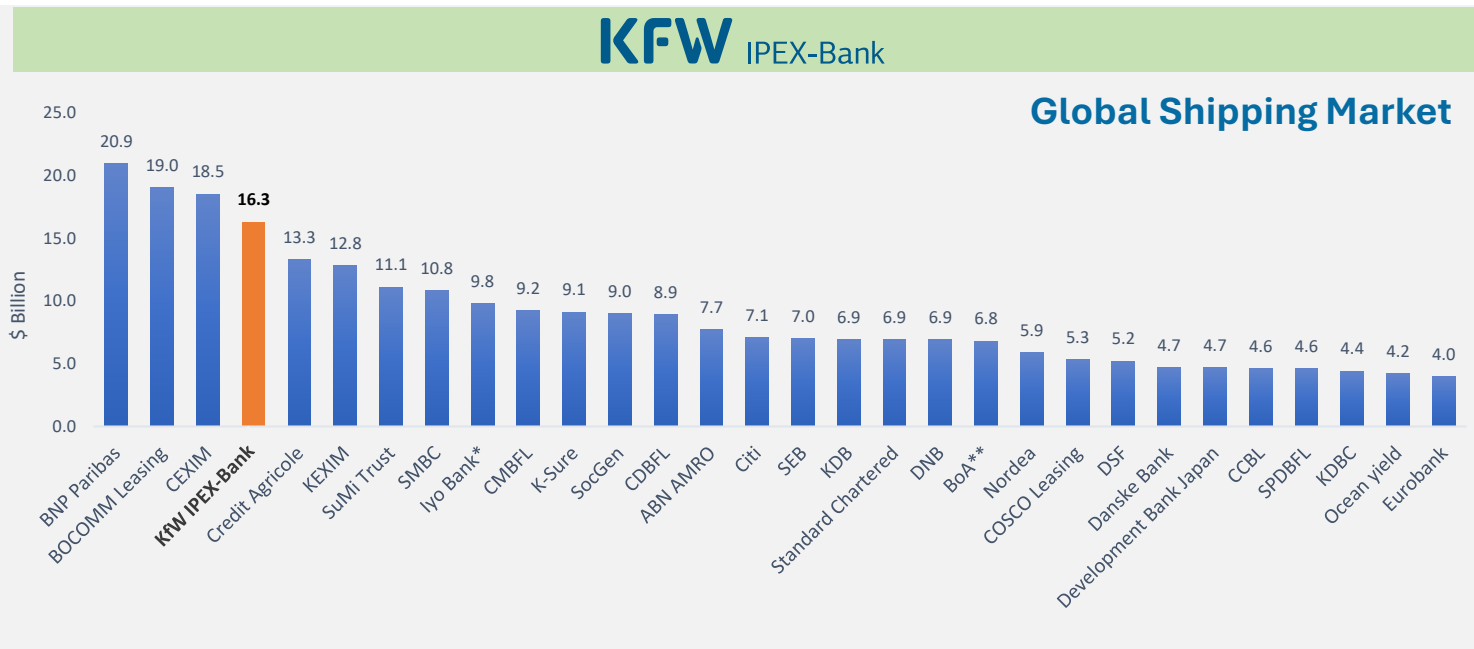
Representations



Strong partnership dating back to 2008

KfW IPEX-Bank: **4th** largest shipping bank globally, with a \$16.3 Billion portfolio

KfW IPEX-Bank: **10th** largest shipping bank in Greece, with a \$2.0 Billion portfolio



The new era of Shipping Finance



Shipping Industry

- **International**
- **Cyclical**
- **Capital Intensive**

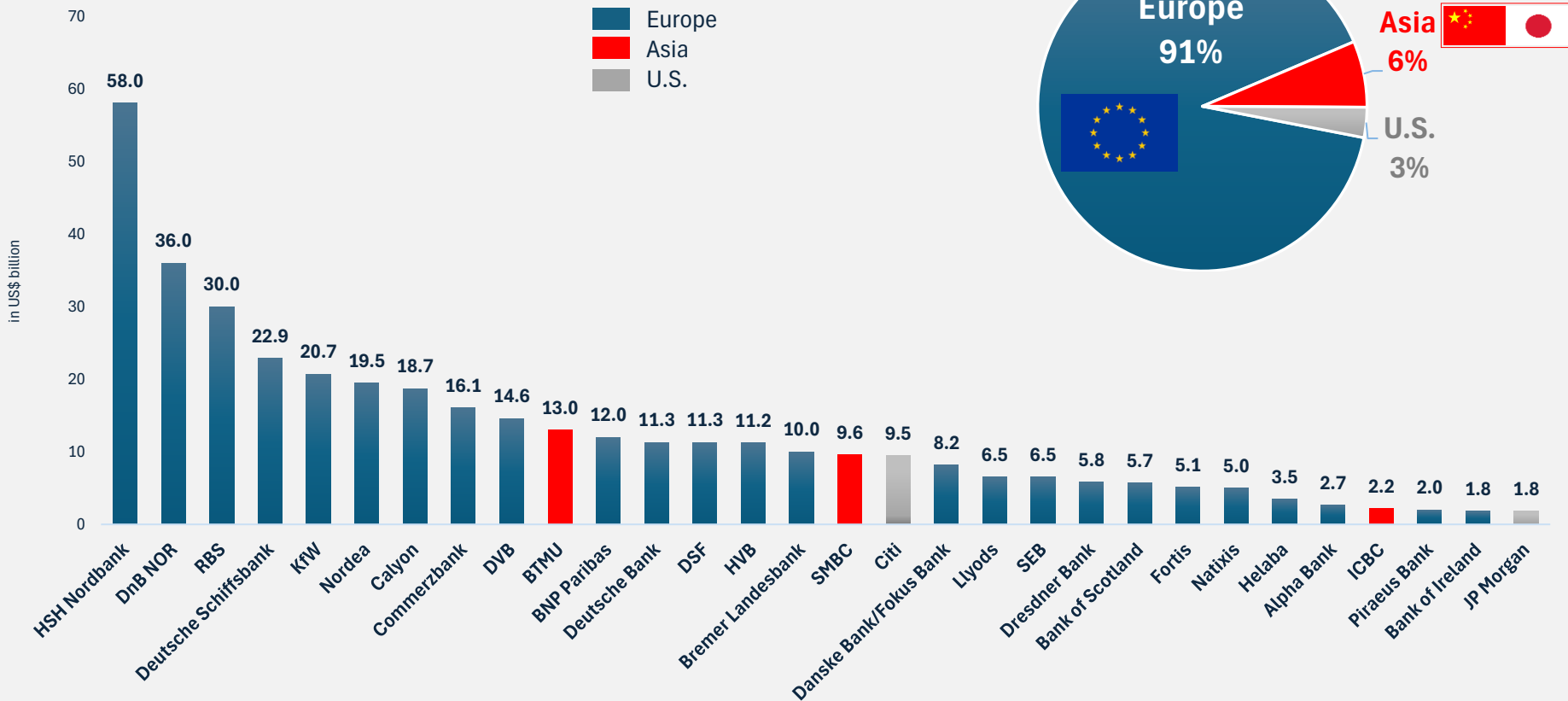
Shipowner

- **Price Taker**
- **Cost Minimising Agent**



2009: Dominance of European Banks

Top 30 Banks Shipping Portfolios



Source: Marine Money

THE TIMES



Tuesday September 16 2008 timesonline.co.uk No 69430

Lehman collapse sends shockwave round world

Shares and oil prices plunge, thousands lose jobs

by Duncan Economics Editor

Hours of a global financial meltdown yesterday as the world's biggest bankruptcy plunged markets into turmoil. Investors were left reeling as the apt demise of the Lehman Brothers investment bank sparked the latest shake-up on Wall Street in the US.

Another of US capitalism's biggest institutions, Merrill Lynch, is to be bought by Bank of America in a \$50 billion takeover to save it from collapse.

Markets fell as fear spread through financial system. Central banks urged urgent measures amid concerns the world economy was entering a perilous new phase. The Bank of England injected £5 billion of emergency lending into money markets.

5,000 Lehman staff in Britain

Dow Jones industrial average was down 300 points, or 2.6 per cent. Sentiment was also bolstered by steep falls in oil prices, which dropped by more than \$5 a barrel to \$96, closing under \$100 for the first time in six months and raising hopes that cheaper fuel would ease economic stresses on Western nations.

However, by close of trading the Dow had fallen by more than 500 points — its biggest one-day drop since the reopening after the September 11 attacks — as concerns mounted over the world's largest insurer. Shares in American International Group (AIG), which sponsors Manchester United, fell by 45 per cent after it made an unprecedented approach to the US Federal Reserve for \$40 billion in emergency funding.

Last night the Fed asked Goldman Sachs and J P Morgan Chase, two of Wall Street's remaining big banks, to head a \$75 billion emergency package to keep AIG afloat.

As central banks battled to stabilise the system, the Fed eased its rules for emergency lending further. It announced that it would accept company shares in return for crisis loans for the first time. In Frankfurt, the European Central Bank injected €30 billion in emergency funds into eurozone markets.

A group of ten global banks also attempted to foster calm announcements



are now unquestionably in the worst financial crisis since the start of the Depression'

by [Name], page 24

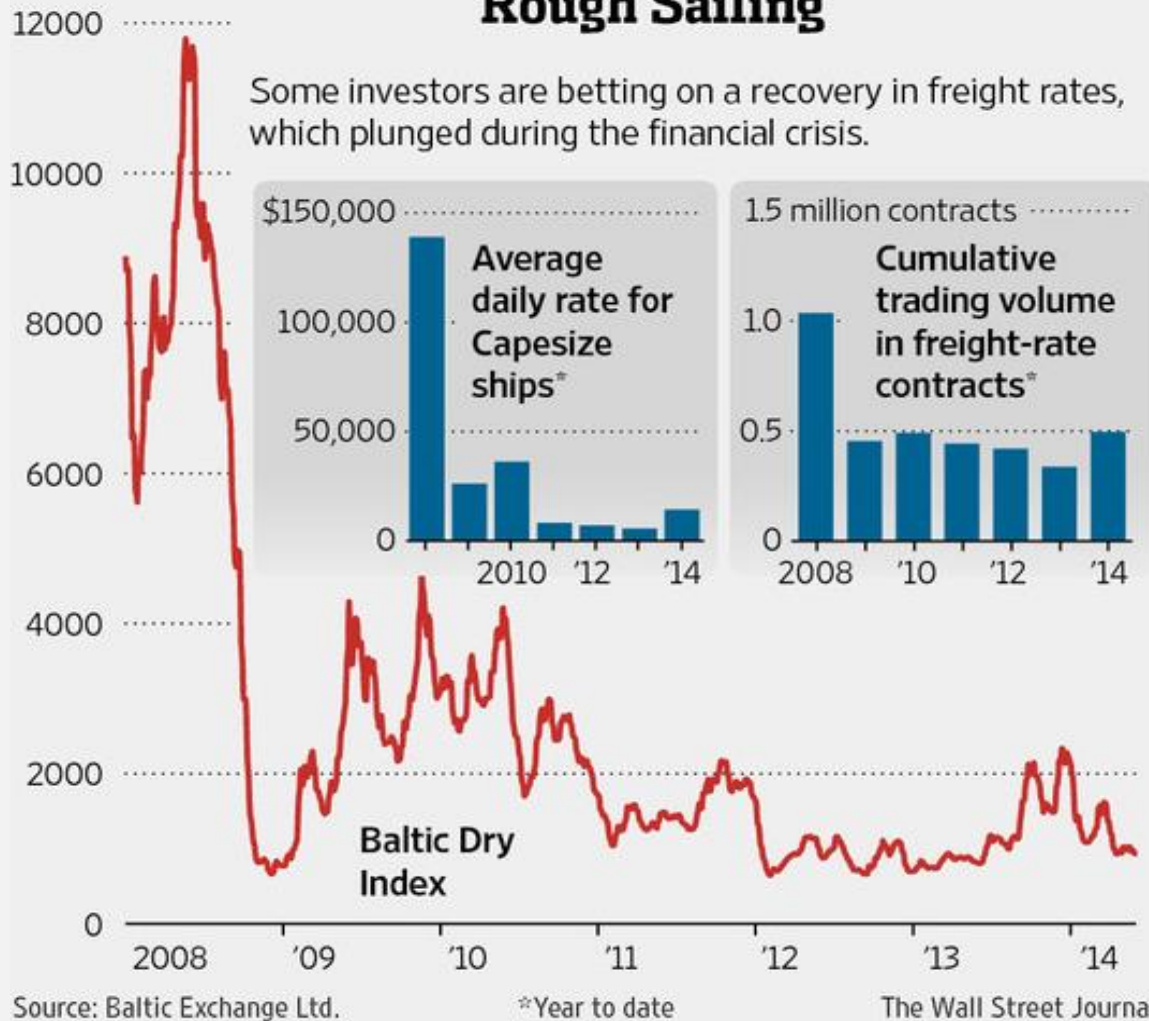
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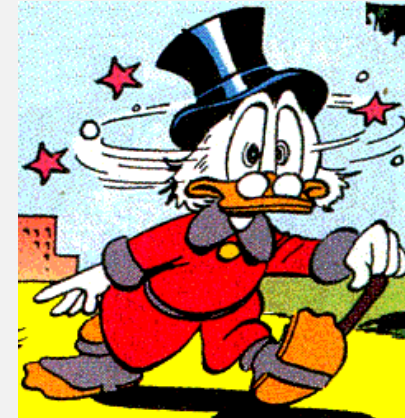
Rough Sailing

Some investors are betting on a recovery in freight rates, which plunged during the financial crisis.



Lloyd's List
 Shipping to endure a further year of gloom

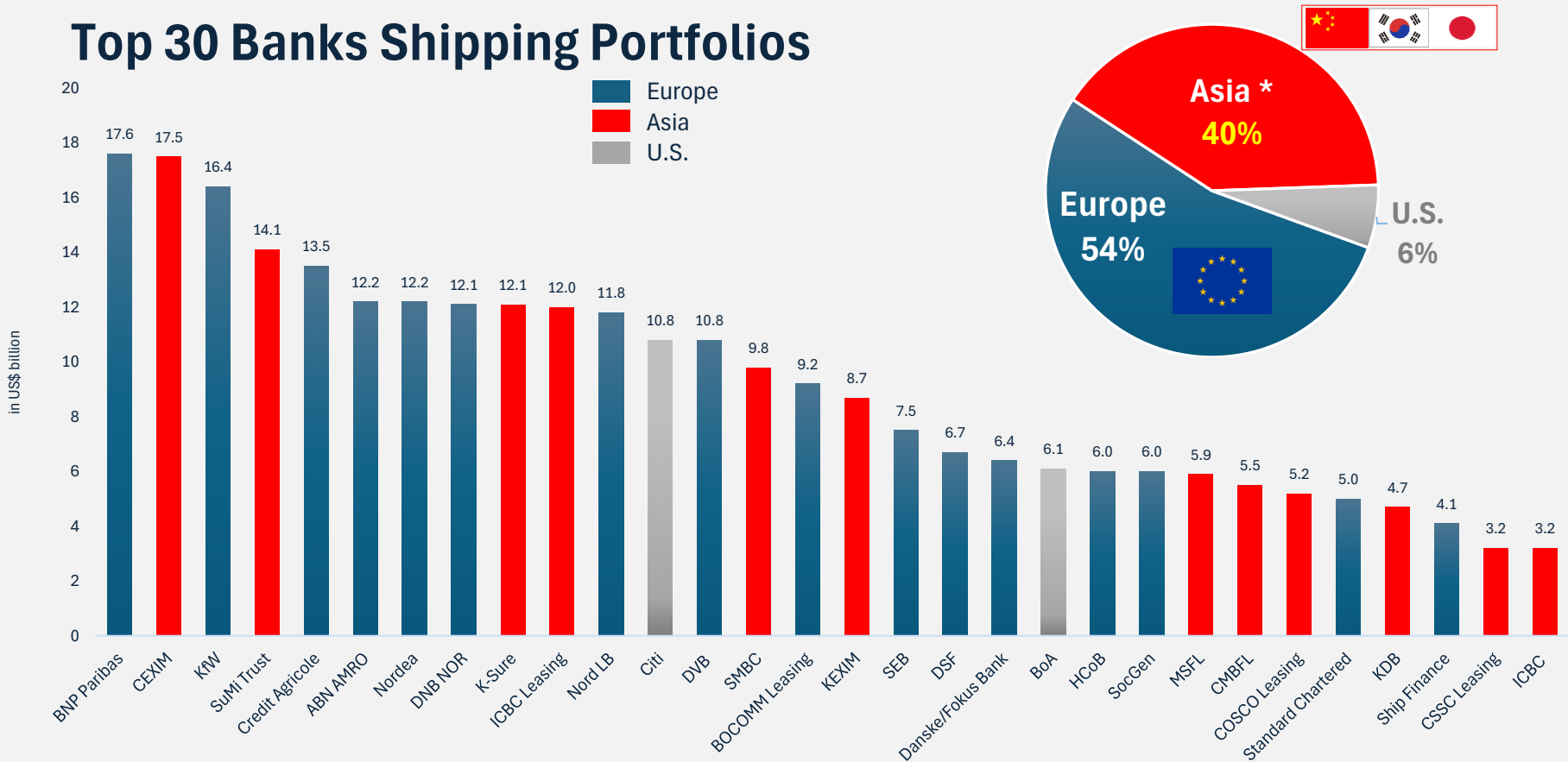
STX Bankruptcy Filing Reflects Global Slump in Shipping





2019: 10 Years fast-forward (Asian banks on the rise)

Top 30 Banks Shipping Portfolios



* Includes Chinese Financial Leasing Institutions

Source: Marine Money



DANISH SHIP FINANCE



Acquired by PE



NIBC



Shipping Portfolio
Acquired by

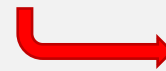


Hamburg
Commercial
Bank

HSBC



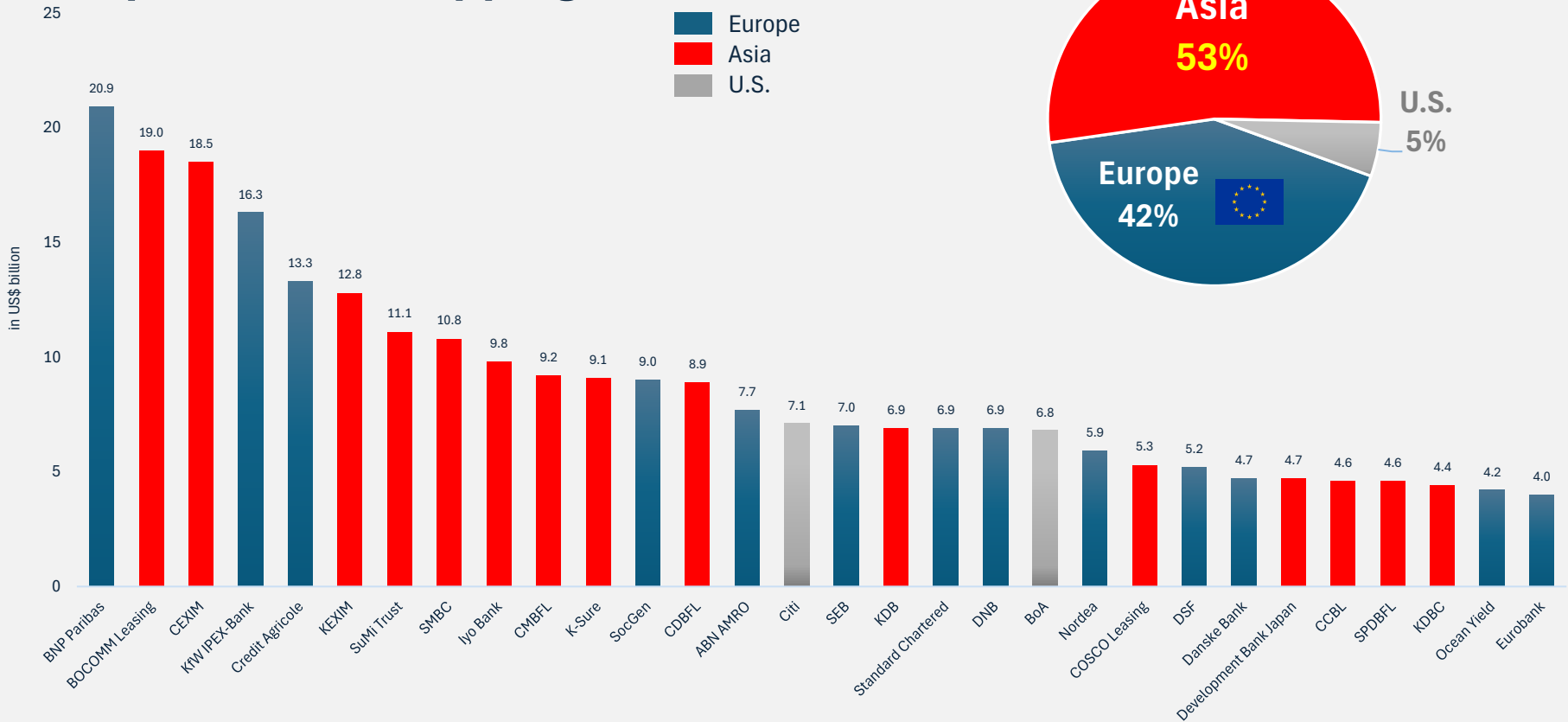
CREDIT SUISSE



UBS

2024: 15 Years fast-forward (Asian banks continue rising)

Top 30 Banks Shipping Portfolios



Source: Marine Money

Dominance of European Shipping Banks is challenged

Shipping Finance

European Banks



Asian Banks *



15-Year Challenge

2009

Top 30 banks: \$ 380 bn

- European Banks: **91%**
- Asian Banks: **6%**
- U.S. Banks: **3%**

2019

Top 30 banks: \$ 286 bn

- European Banks: **54%**
- Asian Banks: **40%**
- U.S. Banks: **6%**

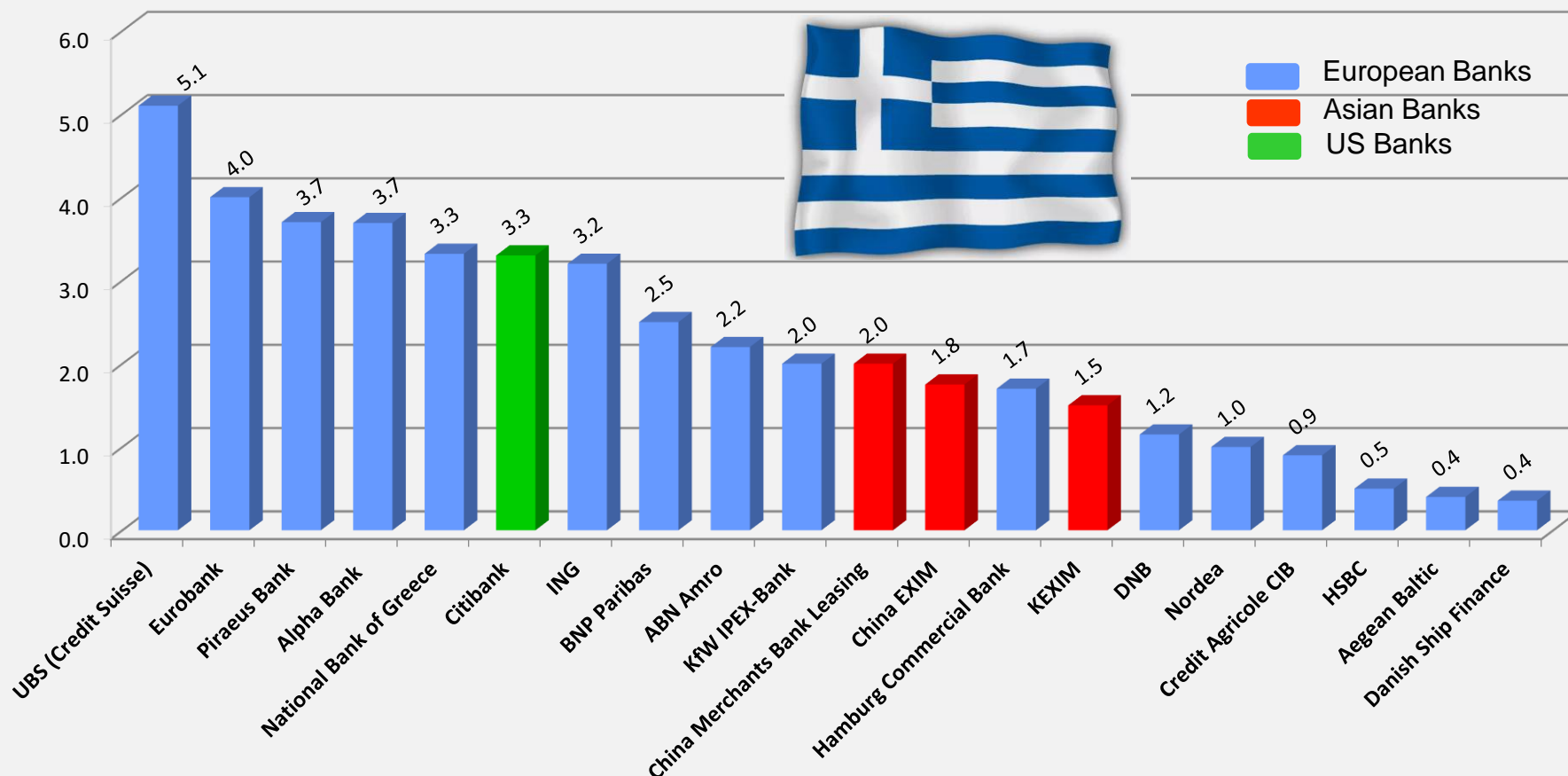
2024

Top 30 banks: \$ 265 bn

- Asian Banks: **53%**
- European Banks: **42%**
- U.S. Banks: **5%**

* Includes Chinese Financial Leasing Institutions

2024: Top 20 Financial Institutions - Greek Shipping Portfolios



Leading 20 banks represent in total around 85% of aggregate exposure.

Major shipping lenders (e.g. ICBC Leasing, BoComm Leasing) are excluded, as they do not disclose their portfolio exposure

Source: Petrofin

Prepayments – Increased Competition

- The combination of Shipping Companies' increased cash reserves, due to the strong Freight rate environment in all asset classes (LNG, Tankers, Containers and to a lesser extent Dry Bulk) and the historically high interest rate environment, has created a massive wave of prepayments
- This has resulted in fierce pricing competition as Banks and Leasing Houses have significant capital to deploy in shipping, especially to top-tier Greek shipping clients

Safe Bulkers, Inc. Announces Voluntary Prepayments of \$21.2 million of Debt as Part of its Deleveraging Strategy
in Hellenic Shipping News © 05/06/2021

Scorpio Tankers seals \$223.6m debt repayment that slashes breakeven rates

Gambit is seen as a key step in increasing cash flows, returning capital to shareholders

20 May 2024 16:51 GMT UPDATED 21 May 2024 11:35 GMT

By Joe Brady  in Stamford

TradeWinds

Green Shipping

Environmental considerations: focus on modern / new tonnage

- Many Shipping Banks have adopted the Poseidon Principles and are increasingly focusing on modern shipping assets, as well as on newbuildings, as they have improved designs, and environmental metrics (e.g. EEDI, EEXI, CII)

steps to zero carbon shipping



Basel IV

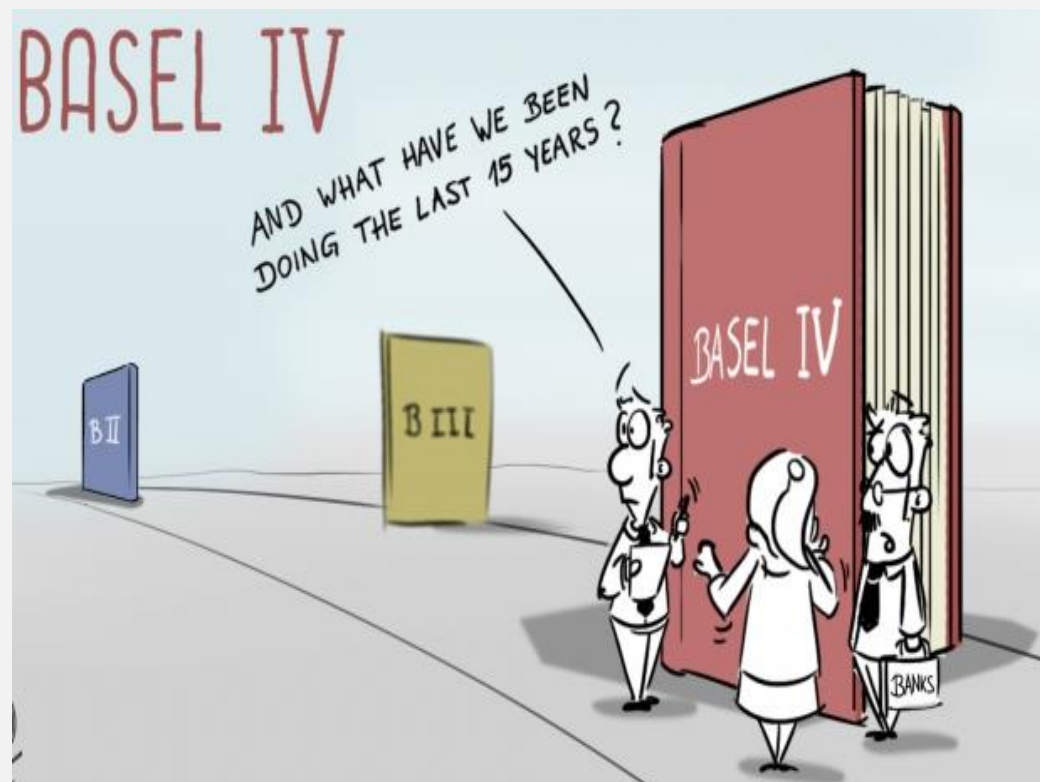
- **European Banks:**

May have to increase margins for shipping loans to meet their minimum return thresholds.

- **Asian Banks:**

Most Asian banks lag behind their European peers in the implementation of Basel IV Guidelines.

(not under the same pressure to increase margins compared to their European counterparts; which may allow them to capture market share



Geopolitical

BREAKING THE BLACK SEA BLOCKADE: HOW TO COUNTER RUSSIA'S WAR ON UKRAINE'S GRAIN

US sanctions maritime companies, vessels for shipping oil above Russian price cap

November 16, 2023 10:12 PM GMT+2 · Updated 8 months ago



Houthi attacks on vessels in Red Sea sound alarm for global trade

Shipowners demand more military protection for maritime routes amid fears of widening Middle East conflict



From American to... European... to.... Asian Banks & Debt Funds

70s- 80s

Chemical Bank

Bank of America

Citibank

Bank of New York

Bankers Trust

Continental Illinois

First National Bank

Wells Fargo

90s-Present

Deutsche Schiffsbank

Fortis

Bank of Scotland

Nordea

Deutsche Bank

DVB

Royal Bank of Scotland

DnB Nor

Bremer Landesbank

HSH

2009 -Present

Capital Sources of Increasing Importance:

Export Credit Agencies

Asian Banks

Chinese & Japanese Leasing

Debt Funds



BALANCE SHEET OPTIMIZATION

