

Financing secured for twelve new AHTS vessels

Financing

Hartmann Offshore GmbH has secured a credit facility with NORD/LB Norddeutsche Landesbank, one of the world's leading ship finance banks. A loan agreement was signed on 19 December 2008. This fulfils the external capital requirement for the construction of twelve Anchor Handling Tug Supply (AHTS) vessels.

A term sheet for the loan facility has been agreed in May 2008. After further detailed consultation, the external capital requirement is now secure. "Even for us, a credit line of this magnitude is hardly commonplace," commented Hartmann AG chairman Dr. Niels Hartmann. "The fact we've been able to initiate this project, especially in the current turbulent banking environment, is a measure of the Hartmann Group's strength and the faith placed in us by the banks."

Alongside a substantial investment by the Hartmann Group itself, the equity capital for the twelve vessels has been raised in partnership with Cain, Watters & Associates and Suresh Maritime Capital Partners. These firms have arranged a major proportion of the equity capital, drawn from the fund administered by Ill to IMS Holdings LLC, an affiliate of Cain, Watters & Associates.

All the vessels benefit from identical ownership and financing structures, facilitating the creation of an income pool, and thus minimizing the downside revenue risk for each individual vessel.

Fleet

AHTS vessels are specialized, ultra-modern ships, primarily deployed in towing and anchoring drilling rigs. Furthermore, the vessels supply the platforms with personnel, cement, fuel, food and water, and construction elements such as pipes. The vessels are also equipped for emergency situations, such as fire-fighting and evacuation, or oil recovery operations.

With its twelve AHTS vessels, each boasting 16,000 horsepower and a bollard pull of 200 metric tons, the Hartmann Offshore shipping company fleet is one of the biggest of its kind in the world. The vessels will be built by Italian group Fincantieri at its yards in Riva Trigoso, Muggiano and Palermo. The first vessel is scheduled for delivery in late February 2009, followed in succession by the remaining craft until mid-2010. Commercial management services for the fleet will be provided by UOS (United Offshore Support), a Hartmann Group company. "In-house chartering and direct access to our customers is one of the most important factors in our success," commented Dr. Hartmann.

The company

Hartmann Offshore belongs to the Hartmann Group of companies. The shipping company manages the offshore activities of the internationally-based group and offers a full palette of services in this field, from technical and commercial ship management, via registration and classification services, through to crewing. The company is based in Leer in the north-west of Germany.

The companies of the Hartmann Group cover the complete maritime spectrum. The group includes ship management companies in Germany and overseas, charter and affreightment companies, pooling companies, crewing agencies, training centers and further maritime services. The group also engages in non-maritime activities, including real estate and private aircraft chartering. The companies of the group employ some 5,300 staff at sea and on land.

Hartmann AG is the Hartmann Group holding company. The role of the holding company is to establish and implement group strategy, and coordinate investments. Risk and portfolio management, personnel policy and corporate communication are further core functions of the holding company.

The independent family business was set up by Captain Alfred Hartmann in 1981. His son, Dr. Niels Hartmann, assumed the role of chairman in June 2008.