

## Theisen Independent Ship Value Assessment

Theisen Securities provides independent single ship and fleet valuations, regardless of market conditions. These value assessments can be used to compliment willing buyer / willing seller market price estimates provided by shipbrokers. Theisen uses both historical correlation with current market drivers and future earnings simulations and associated probability distributions to derive ship value assessments on a going concern basis.

The service is provided by Theisen Securities Limited which is authorised and regulated by the FSA to advise on corporate finance investments. Theisen draws on its many years of experience in providing shipping banks with shipping loan loss given and default assessments, in providing investment advice to shipping investors, and uses its tried and tested shipping stochastic models.

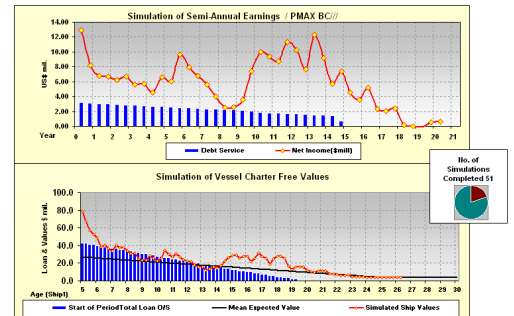
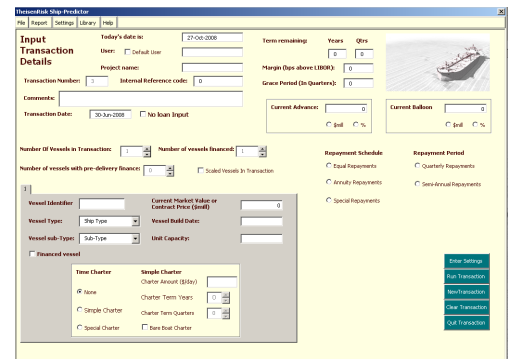
## Ship-Predictor<sup>®</sup> Ship Earnings and Residual Values Software

Theisen Securities, through its development division Theisenrisk, has built a new and advanced ship earnings and residual value model, Ship-Predictor. Based on Theisenrisk's Ship-Transactor model (described below), Ship-Predictor produces a distribution of earnings outcomes (both gross and net of operating costs), and of ship values. Applying any degree of probability, the level of earnings or the residual value of ships at future points in time can be derived based on historical drivers of any range from 1990 to the current date.

Ship-Predictor uses Theisenrisk's own ship database covering 47 different ship types. A transaction with up to 50 ships and 4 different ship sub-types can be analysed, thereby allowing a fleet's earnings and residual value to be calculated taking into account inter-correlation affects.

As well as providing historical, current and predicted earnings and values, Ship-Predictor will analyse an input loan profile against the ship or fleet to assess security and debt service coverage as well as the probability of covering balloon repayments. The model also provides a scaled and age adjusted value from the database, a correlated current value based on the period of history chosen and a probability distribution of value from simulated future earnings and residual values.

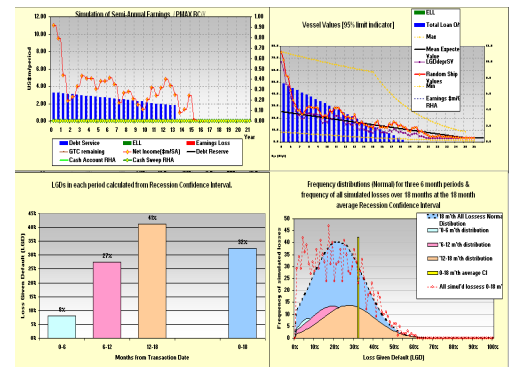
For a video demonstration of Ship-Predictor please visit:  
[www.theisensecurities.com/demo.html](http://www.theisensecurities.com/demo.html)



## Ship-Transactor<sup>®</sup> Shipping Loan Credit Assessment Software

Ship-Transactor is a predictive loan default model that calculates Probabilities of Default (PD) and Loss Given Default (LGD). It uses a stochastic process and a Monte Carlo simulation driven by Theisenrisk's ship database. PD's and LGD's are used by banks to calculate their capital requirement for shipping loans under the New Basel Capital Accord (BIS II). Ship-Transactor PD's and LGD's are more accurate than bank corporate or project credit model estimates. Ship-Transactor can also test for recession LGD's that can be matched with a bank's corporate PD risk grades to give a fully BIS II compliant capital allocation calculation over time horizons from 6 months to 10 years.

Ship-Transactor has been tried and tested since 2004 and is currently used by several major shipping banks to evaluate their shipping portfolio credit risk.



## Software Delivery and Availability

All software products are available worldwide on-line through Theisenrisk's dedicated and powerful web servers offering high processing speed and security. Local PC or server-based alternatives can also be used. All software products are available on annual subscription only.

## Contact Details

For further information please contact:

Mr. Philip Bailey  
Managing Director  
Theisen Securities Limited

Telephone: +44 (0) 1883 716066

E-mail: [admin@theisensecurities.com](mailto:admin@theisensecurities.com)

Website: [www.theisensecurities.com](http://www.theisensecurities.com)

Address:

*Theisenrisk*  
Theisen Securities Limited  
The Gables, Brassey Road  
Limpsfield, Surrey  
RH8 0EU  
United Kingdom

To view this brochure on line visit:

[www.theisenrisk.com/ship.pdf](http://www.theisenrisk.com/ship.pdf)

To view a video demonstration of Ship-Predictor on line visit:

[www.theisensecurities.com/demo.html](http://www.theisensecurities.com/demo.html)

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