CLARKSONS
RESEARCH & PUBLICATIONS DIVISION

Tankers in Transition 2003: New Regulations, New Investment Opportunities

This new report from Clarkson Research Studies looks at the investment opportunities arising from the EU's and the IMO's latest measures to improve tanker safety. After a decade of progressively tougher tanker regulations, the latest proposals discussed by the IMO MEPC 49 in July must be regarded as the most aggressive step yet.

The impact of these regulations will be more complex and immediate in their application than any previous measures, and an understanding of the range of issues involved will be crucial for all industry executives. Over $3^1/_2$ years Clarkson Research has been following the regulatory agenda closely, and in this new report we incorporate our latest interpretation of the situation.

TEN REASONS WHY YOU CANNOT AFFORD TO BE WITHOUT THIS REPORT, WHICH IS PACKED WITH ORIGINAL RESEARCH AND INFORMATION.

1. What is the latest regulatory position? We include a summary of the very latest regulatory position, including the latest EU position as well as the outcome of the discussions of MEPC 49, held 14-18th July 2003, the timetable going forward and the key points ahead of the next key meeting in December.
2. What will be the phase out impact over the next few years? We provide the latest list of the remaining 37m dwt of Category 1 tankers to be removed by end 2005. We review if they are still trading, and where, and intend to regularly monitor this list as we go forward.
3. What will be the impact of new regulation? With the "heavy oil" ban, the extension to small ships and the CAS, the regulatory agenda is moving to un-charted territory. We review the implications and raise several crucial issues.
4. Where are the newbuilding opportunities? Despite the massive ordering of ships over recent years, we still feel there are areas may still need investment.
5. Are there sectors of the tanker market that will be impacted more than others? We study the implications sector by sector, including age profiles, phase out scenarios, ownership tables, chartering records and orderbook analysis.
6. How is the market treating single hull ships at the moment? We dig beyond the market hype and broker talk to reveal the facts about the chartering policy of the oil majors, the spot market discount and the secondhand value of single hull ships. We review the major owners of single hull ships and those who have invested in them over the past year.
7. Are modern single hull ships a good investment? Our analysis suggests that the decision between a ten year old single and double hulled ship is a marginal one with important risks to consider in either investment.
8. Are double hulls safer ships? We look at the safety and incident record of tankers to see statistically the impact that hull type exerts on the number of incidents and reach a controversial conclusion.
9. What will be the impact on tanker earnings? We present a number of earnings scenarios for the future development of the market, that provide a framework for assessing the possible implications of the new regulations.
10. We have also included a statistical annex of summary tables that will prove an excellent resource reference for anyone one involved in the regulatory decision making process.

A succinct summary will allow decision makers to quickly become familiar with the latest situation, while in-depth tables provide the scope for deeper analysis. The report is available in hard copy or pdf, and an orderform and summary of the contents can be found overleaf. Details can also be found at our on-line shop, www.clarksonresearch.com.

Tankers in Transition 2003
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How to Order

Tankers in Transition 2003 is published by Clarkson Research Studies. It is available at a price of 300 GB Pounds. It can be ordered through the following channels:

- Contact Clarkson Research sales office at the telephone, fax or e-mail numbers listed.

- Order from our web-site shop at www.clarksonresearch.com.
- Contact us if you need a pdf version or the statistical appendix in Excel.

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