EVANGELOS MARINAKIS

Dynamo lets his 'suc

One Greek in particular is making waves with his consistently savvy moves.

Gillian Whittaker Athens

Evangelos Marinakis, or Vangelis as he is also known, is both typical and atypical of the modern Greek shipowner.

A hands-on, decisive, perhaps even dominant company leader, he is also one who likes to delegate to a team of young professionals.

He is a man whose sense of humour means he can drop a wry comment into the most serious conversation but he can also be angered by thoughtlessness or a perceived slight.

Marinakis admits the dichotomy himself.

"I think I'm very simple but at the same time I can be very complicated," he said.

While he is physically as well as metaphorically a big man — and from what market sources say a tough one too — the business-like desk he sits behind also sports a square glass bowl with gardenia flowers floating in it.

His love of art is obvious and earlier this year the sale of 43 pieces from his personal collection raised $400,000 for a group of children's charities.

Family pictures, including a display on the wall facing his desk of his late father, Miltiadis, show more of the human side that Marinakis would perhaps prefer to keep under wraps.

A variety of business associates use similar words when describing the owner. Capable, decisive, dynamic and tough come up in describing the business persona. Charming, likeable and generous are words that are attached to him personally.

"Vangelis Marinakis is not interested in other people's view of him, he prefers his success do the talking," said Robert Bryant of broker EA Gibson.

Although he is a forceful character and enjoys a good argument, he will always listen and take advice from others if their views have merit, Bryant continues.

"He is not afraid to take a gamble and back one of his own hunches if he feels the market fundamentals are in his favour," the broker added.

Marinakis started working in shipping at the age of 21 and formed his first company when he was just 23. Today, at the age of 42, he is chairman and chief executive of Crude Carriers Corp, which listed on the New York Stock Exchange (NYSE) in March, chairman of Nasdaq-listed Capital Product Partners LP (CPLP) since it was formed in 2007 and has been chief executive and a director of Capital Maritime since it was incorporated in 2005. Before that, he was the commercial manager of Capital Ship Management and for the past 15 years has been active in various other family businesses, all related to the shipping industry.

From the age of 15, Marinakis lived in the UK, where he completed school and university. His career began as a sale-and-purchase (S&P) trainee broker at Harley Mullion in the UK and he then worked as a chartering broker for Elders Chartering Ltd.

"I've been involved in the business since I was very young and the reason I did so is because I enjoy it," he said.

He credits his father for drawing him into the industry without any pressure.

"He did it in a very clever way, by giving me the freedom to decide but at the same time having me participate in various events so I could have first-hand experience from when I was very young," Marinakis commented.

Miltiadis Marinakis started out with a shiprepair business in the Perama area near Piraeus, going on to become not only a shipowner but later also a member of parliament for the conservative New Democracy party.

The family's original company, Vanimar, was founded in the late 1960s and in the mid-1990s was superceded by Barclay Shipping.

After his father's death in 1999, Evangelos stepped in and the family company started to grow, changing its name to Capital Maritime and later going public.

"As I myself took chances since I was very young, I have given the opportunity to a young, dynamic team to prove themselves," Marinakis said.

Those young, dynamic professionals include:

•• Ioannis Lazaridis, 42, the president of Crude Carriers, chief executive and chief financial officer of Capital Product Partners and chief financial officer and a director of Capital Maritime.

•• Gerasimos (Jerry) Kalogiratos, 33, chief financial officer of Crude Carriers and finance director of Capital Maritime. He also acts as investment-relations officer for Capital Product Partners.

•• London-based Andreas Konialidis, 33, chartering manager of Crude Carriers. He was previously chartering director for Curzon Maritime, a brokerage and consultancy founded by Marinakis that

On the journey so far: "As I myself took chances since I was very young, I have given the opportunity to a young, dynamic team to prove themselves."

Olympiakos still a goal for Piraeus-born owner

Although Evangelos Marinakis has devoted his business attention principally to shipping, like many other Greeks in the industry, he has made a move into the media, three years ago taking a 25% stake in Skai TV and radio stations Red FM and Freedom, all controlled by the Alafouzos family.

But while the media might be have its uses, the owner's clear burning passion outside shipping is Olympiakos, the Piraeus football club that he recently made yet another bid to buy.

Marinakis has never hidden the fact that he grew up in Piraeus and recounts that his father, along with another half-a-dozen shipowners, bought the "legend", as Olympiakos is known, when football turned professional in Greece in 1979.

Under the chairmanship of shipowner Stavros Daifas, Miltiadis Marinakis headed up the football section of the club for a number of years.

"Of course, I was very young — I was 12 years old when all this started," Marinakis said.

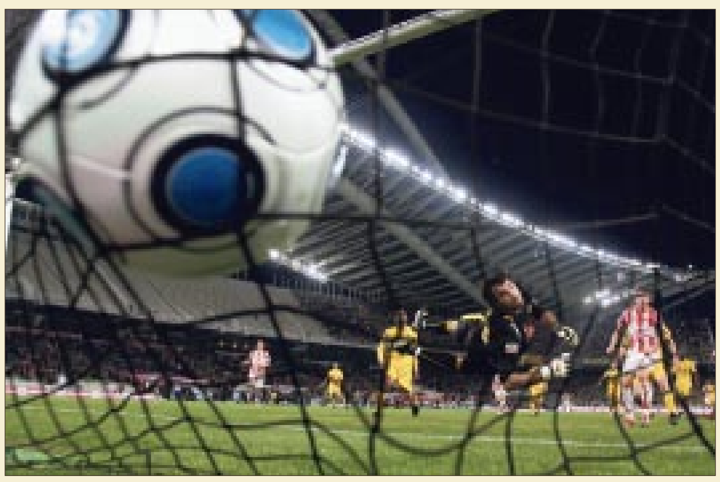
For a number of years he has tried to buy the club's basketball team, which eventually went to brothers George and Panayiotis Angelopoulos, and in July last year made another stab at getting a hefty stake in the football club but that failed to materialise.

Just a couple of days before Marinakis met with TradeWinds, the current chairman of Olympiakos opened the door to new investors and the first to line up was Marinakis.

"Of course, with the current developments in Olympiakos there is always interest from my side and I think that when the conditions are right and we can reach an agreement with the existing chairman of Olympiakos, we will consider it very seriously," he said.

Within hours of this interview the owner had come out publicly with a similar statement. From then on the Greek sporting press has been awash with reports and interpretations, speculation and scenarios.

In fact, it is unlikely any firm decision will be reached before the club's general meeting on 14 June but for the time being, despite Marinakis's absence on a business trip, it is definitely one of the hot subjects on the Greek sports agenda.



OLYMPIAKOS: Player Matt Derbyshire from England (far right) scores the third goal for Olympiakos against AEK Athens during the Greek Cup Final in Athens in May last year. Photo: Scanpix

Ironically, the other burning issue in Greek football circles is the resignation of Nicos Pateras from the chairmanship of Olympiakos's arch rival, Athens team Panathinaikos.

The irony stems from the fact that Marinakis and Pateras are bosom pals. The two have been friends since childhood and are said to be inseparable.

"Nick is a very good friend of mine. We have done business together, we have co-operated all these years," Marinakis said.

But, tongue in cheek, he continued: "Of course, no one is perfect and one of his bad habits is that he supports Panathinaikos."

When there is a match being played their friendship is interrupted — but only for two hours, Marinakis jokes.

The dyed-in-the-wool "red" believes that Olympiakos supporters are much more fanatical than Panathinaikos, more outspoken and passionate, and reckons that half of Greece supports the club that he wants to see back on top of its game after a disappointing season.

ccess do the talking'

was later bought out by its employees. Prior to that Konialidis was a chartering executive for National Shipping Co of Saudi Arabia's fleet of VLCCs and before that a chartering broker for Spyros Karnessis's London-based Elka Shipping.

•• Irina Taka, who as a lady is permitted not to reveal her age, joined the group in late 2007 as general counsel of Capital Maritime and is now corporate officer of Crude Carriers, bringing with her six years of experience in the corporate legal sector.

The simplest proof of the team spirit that Marinakis fosters is the fact that, other than London-based Konialidis, all the young executives were present at the interview with TradeWinds and freely chipped in whenever their expertise was called upon.

Marinakis also has strong views about the fact that the majority of Greek shipowners choose to stay in Greece, despite what these days might be considered a less than ideal climate.

Despite a substantial part of their activities occurring outside Greece — in his case chartering and insurance in London and crewing, training and vetting operations through offices in the Philippines, Romania, Russia and Singapore — Marinakis believes Greek owners stay in their homeland because they love it and have a vision for the future.

But, he says, the Greek government must take radical measures in order to safeguard the country's future.

"It is time for the government and people of Greece to be inspired by our great past to work hard, constructively, with honesty and integrity in order to achieve a great future," he added.

His love and respect for the history of Greece is echoed in the names of Marinakis's vessels. Many have been named after heroes of Greek history and mythology, such as Alexander the Great, Achilleas and the great strategist Miltiadis, after whom his father was named.

So, just a hard-nosed businessman or a tough-skinned player with a soft centre?

Those who know Marinakis well and have done business with him would probably agree with both descriptions.

As one banker, who prefers to remain nameless, said when asked about Marinakis: "I'm probably biased because I like him."

On the current crisis in Greece: "It is time for the government and people of Greece to be inspired by our great past to work hard, constructively, with honesty and integrity in order to achieve a great future."

EVANGELOS MARINAKIS: 'Not afraid to take a gamble'. Photo: Capital Ship Management Corp

EVANGELOS MARINAKIS

CAPITAL MARITIME: Exploring new territory Photo: Capital Ship Management

Acquisitions mark move into containership arena

Never one to stand still, Evangelos Marinakis is exploring terra incognita as he ventures into containership owning.

He reveals that privately controlled Capital Maritime & Trading very recently acquired newbuilding resale contracts for two 1,700-teu vessels slated for delivery by the end of this year.

With the prospect of further acquisitions clearly in mind, in March the owner recruited Jens Storm, who brings with him 20 years of experience in the containership industry.

Storm worked with Maersk Line from 1990 to 1997 in Denmark, Germany and Vietnam, then from 1997 to 2009 as containership sale-and-purchase (S&P) and newbuilding broker at Maersk Broker. In 2005, he became managing director of Maersk Broker Hellas.

As yet, Marinakis is not ready to go into too much detail about his containership plans.

"If you ask me if we are there to buy more containers, yes — we are looking and if we find the right opportunities, we'll buy more," he said.

At the time Marinakis was speaking, the deal to purchase the first two vessels had just been done and was still under wraps, so he was unwilling to either name the seller or reveal a price tag but did say the pair will be delivered in the fourth quarter of this year.

So far the company has not sought to charter the boxships.

"We are not in a hurry to fix because the market is moving up," Marinakis said.

Since Marinakis got involved, the Capital group of companies has managed more than a 100 different vessels of over 6.5 million dwt.

Clarksons chief executive Andi Case confirms what others also say about Marinakis's decisive working style.

"He is very quick to see opportunities and very good at making decisions on both the buy and sell side," Case said.

Today, Capital Ship Management lists a mixed fleet of 45 vessels and some 3.5 million dwt, including the 19 tankers of Capital Product Partners LP and the five VLCC and suezmax tankers of Crude Carriers Corp.

The remaining 21 privately controlled vessels include five bulkers in the water, two capesizes and six handysize bulkers on order, all for delivery this

ICE-CLASS: Capital Product Partners began

Andi Case of Clarksons: "He [Marinakis] is very quick to see opportunities and very good at making decisions on both the buy and sell side."

with a fleet of eight ice-class 1A products tankers. Photo: Capital Product Partners

year, as well as the two containerships.

As for the bulkers on order, if two capesizes and six handysizes seem like a lot to take on, Marinakis shrugs this off.

The two capesizes, being built at Sungdong Heavy Industries, were bought as resales from compatriot operator Alba Maritime in September last year and the owner immediately locked them into 10-year charters with Cosco.

Marinakis says the charter rate is at "a very healthy level" but is unwilling to reveal it.

TradeWinds reported that the Chinese giant would be paying $45,000 per day for the first five years and $39,000 per day thereafter.

Capital's six-pack of 32,000-dwt bulkers was the first ever bulker order booked at Samho Shipbuilding and the ships are understood to have been a swap against a series of 25,000-dwt chemical tankers that had previously been ordered at the yard.

The ships were said to have been inked at $27m each at the bottom of the market and Marinakis points out that given the prompt deliveries this is at least 25% lower than today's levels. He also stresses that they are extremely high-specification vessels as far as the draught, cubics, hold configuration and the speed/consumption ratio are concerned.

"There is a healthy demand to fix the ships for period and at the moment we are at the stage that we are considering proposals. We will act in the summer," he said.

Capital sold a substantial number of vessels, both tankers and bulkers, in the good years of the market, often making substantial profits and Marinakis comments that the company's current exposure in bulkers is "minimal" compared to what it was in the past.

CHEMICAL/PRODUCTS TANKERS: The "Agisilaos" (above) "Apostolos" (below)

Photos: Capital Ship Management Corp.

IPO just the beginning of Capital Product success story

When, in 2007, Capital Product Partners LP priced its initial public offering (IPO) at above the target range, raising $253m, it was seen as a personal triumph for Evangelos Marinakis.

Some two years earlier the owner had chosen, rather than accept a discount, to withdraw from an attempt to float a mixed fleet through a $250m offering.

Starting out with a fleet of eight newly built ice-class 1A medium range (MR) products tankers, today Nasdaq-listed Capital Product Partners (CPLP) boasts a fleet of 19 products and crude-oil tankers including 11 ice-class 1A units, one of the largest such fleets.

In February, its sponsor, Capital Maritime & Trading Corp, which holds a 46.6% stake in the partnership, sold CPLP the 48,000-dwt *Atrotos* (built 2007) for $43m, which was financed by the net proceeds of a secondary offering.

The tanker was immediately chartered to Petroleos Mexicanos (Pemex), the state-owned Mexican petroleum outfit, until March 2014. The net base rate was $19,900 per day.

The *Atrotos*, renamed *El Pipila* under its bareboat charter, was built at Hyundai Mipo Dockyard as part of a series of 16 MR products tankers that Marinakis booked at the South Korean yard.

Shipbroker EA Gibson worked with Marinakis on these orders.

"This contract formed the bedrock for his growth in the tanker market. The yard was impressed with his professionalism during the negotiation process and the technical ability of his team, which resulted in a very high-quality product," said Gibson's Robert Bryant.

From its inception, CPLP has favoured long-term employment for its vessels. Its initial fleet was fully covered by bareboat or time-charter cover with leading charterers BP Shipping, Morgan Stanley and Overseas Shipholding Group (OSG). Today, all but two of its ships are on either bareboat or time charter.

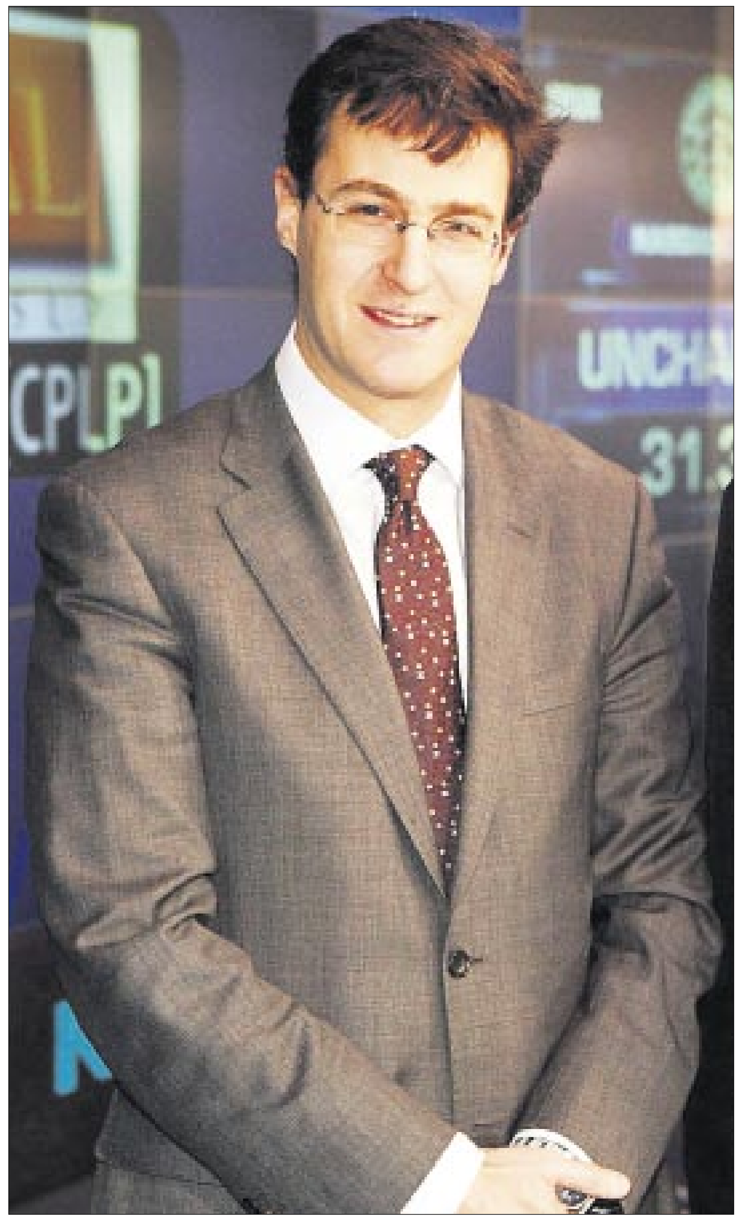
Ioannis Lazaridis, chief executive and chief financial officer of the partnership, confirms that the aim is not to have too much tonnage on the spot market.

"Overall we like to offer visibility to our investors. As an MLP [master limited partnership] it is a company that is addressed to the more conservative investor," he commented.

However, the two 12,000-dwt products tankers that CPLP has working the spot market have so far earned considerably more than they would have done had they been fixed for period employment, Lazaridis adds.

When announcing its first-quarter results at the end of April, CPLP said 77% of the fleet total days for the remainder of 2010 and 45% of the fleet total days in 2011 will be secured under period-charter coverage.

A total of eight of CPLP's time charters expire up to mid-2011 but Lazaridis says that in a number of cases this is deliberate.



IOANNIS LAZARIDIS: President of Crude Carriers Corp, chief executive and chief financial officer of Capital Product Partners LP and chief financial officer of Capital Maritime & Trading Corp Photo: Capital Ship Management Corp

"Earlier this year, we made a number of fixtures only for a year because the rates in the market are toward the bottom end of the employment range and we are optimistic about the market," he said.

Two ships should be refixed around now and two more charters will expire in August.

"Hopefully, with the market getting better, we will decide what we want to do," Lazaridis said.

Marinakis says he believes that toward the end of this year CPLP will have more ships in its fleet and it has, indeed, announced that it is looking for accretive acquisitions.

In January, the partnership reduced its annual dividend target to $0.90 per unit, to be paid out evenly over the four quarters, as compared with a dividend of $0.41 it paid for the fourth quarter of 2009. But as Lazaridis says, if the ambition to grow the fleet is successful, "then we will revise our guidance of $0.90 per unit".

Ioannis Lazaridis: "Earlier this year we made a number of fixtures only for a year because the rates in the market are toward the bottom end of the employment range and we are optimistic about the market."

CAPITAL PRODUCT PARTNERS FLEET

Vessel	Type	Dwt	Built
Atlantas	Chem/Prod	36,760	2006
Aktoras	Chem/Prod	36,759	2006
Aiolos	Chem/Prod	36,725	2007
Agisilaos	Chem/Prod	36,760	2006
Arionas	Chem/Prod	36,725	2006
Axios	Chem/Prod	47,872	2007
Avax	Chem/Prod	47,834	2007
Akeraios	Chem/Prod	47,781	2007
Anemos I	Chem/Prod	47,782	2007
Apostolos	Chem/Prod	47,782	2007
Atrotos	Chem/Prod	47,786	2007
Attikos C	Products	12,000	2005
Alexandros II	Chem/Prod	51,258	2008
Amore Mio	Crude Oil	159,982	2001
Aristofanis	Products	12,000	2005
Aristotelis II	Chem/Prod	51,226	2008
Aris II	Chem/Prod	51,218	2008
Agamemnon II	Chem/Prod	51,238	2008
Ayrton II	Chem/Prod	51,260	2009

EVANGELOS MARINAKIS

CRUDE CARRIERS TEAM: From left, Evangelos Marinakis, chairman and chief executive, Andreas Konialidis, chartering manager, Irina Taka, general counsel, Jerry Kalogiratos, chief financial officer, and Niki Kalogiratou, chief communications officer, outside the New York Stock Exchange Photo: Crude Carriers Corp

CRUDE CARRIERS FLEET

Vessel	Type	Dwt	Built
Achilleas	VLCC	298,500	2010
Alexander the Great	VLCC	297,958	2010
Miltiadis M II	Suezmax	163,000	2006
Amoureux	Suezmax	150,393	2008
Aias	Suezmax	150,096	2008

Owner puts faith in Crude Carriers' results to parry critics

The latest addition to the Marinakis shipping family is Crude Carriers Corp, which closed its initial public offering (IPO) on 11 March, raising $256.6m, the largest of the three US listings that have gone ahead so far this year.

Within two months of its flotation on the New York Stock Exchange (NYSE), Crude Carriers has hiked its fleet from three to five ships and holds an option on a sixth that has been purchased by Capital Maritime & Trading. The option can be taken up any time within a year of delivery to Capital.

The company started out with the 297,950-dwt VLCC *Alexander the Great*, which was delivered in March, and will take delivery of the sistership *Achilleas* at the end of this month. It also had the 162,400-dwt *Militiadis M II* (built 2006).

A month later, Crude Carriers announced it was paying $132.4m to buy two more suezmax tankers, the 150,000-dwt *Amoureux* and *Aias* (both built 2008), bringing the tonnage under its control to over the one-million-dwt mark.

"The deal is very much in line with the strategy of growing the fleet through accretive acquisitions at what we perceive to be the lower end of the cycle. This was a unique acquisition opportunity due to the attractive price as well as the prompt delivery of the vessels," explained Evangelos Marinakis.

Then, at the beginning of May, the company announced it had secured a no-cost option to acquire the 320,000-dwt VLCC *Atlantas* (built 2010) from Capital Maritime.

"I think we have taken all necessary steps to make things happen effectively and also we have shown by granting this option to Crude Carriers for the VLCC that a big group like Capital Maritime is there to support Crude Carriers.

"My vision, as I have said from the very beginning, is to become one of the leading players in the crude market," Marinakis said.

Recently, Crude Carriers attracted New York-based hedge fund Luxor Capital Group to acquire a 5% stake. Luxor's stake was said to be worth nearly $10.9m at the time it was revealed.

Meanwhile, Crude Carriers says its suezmax acquisitions will be funded partly with cash as well as through the company's revolving credit facility with Nordea Bank, which was expanded from $100m to $150m, including $10m that can be used for working-capital purposes.

It also says it intends to refinance the acquisition with equity but only when the time is right. Alternatively, it will consider converting the debt into a term loan, as such low debt levels are in line with its minimum leverage policy.

Nordea has slowly but consistently increased its exposure in the Greek market due to so many companies going public and the resulting increased transparency.

According to Nordea's Ronny Bjornadal, senior vice-president and global head of syndicated loans, Marinakis fits into those parameters.

"He's very transparent. He's been very successful in putting in place good teams — I think that is also key to the success he has had. He makes himself available, he does roadshows and he is very hands-on in everything," said Bjornadal.

He believes that Marinakis has made some good deals and takes quick decisions with a logic that represents the dynamic shipowner who is positioned for future opportunities.

Despite those laudatory words and many more from others who see Marinakis as a visionary and the representative of a new shipping elite, the owner and Crude Carriers got some pretty harsh media treatment in the run-up to the IPO. But Marinakis chose not to respond directly.

"I think that already the questions are answered through our performance and our track record and will continue to be so in the future," he said.

Contrary to the policy of Capital Product Partners LP, Crude Carriers plans to operate its ships principally in the spot market, where returns are considered to be historically better than the period-charter market.

Marinakis is optimistic about the crude-tanker markets and points out that increasing demand from China and India is being satisfied from long-haul destinations such as West Africa and Venezuela. He believes this trend is set to continue in the long term.

"Per-capita consumption of oil equivalents in Southeast Asia is less than 0.75 tonnes per year, while the figure for North America is more than six tonnes of oil equivalents. Therefore, demand growth for oil will continue as countries like China and India continue to industrialise and the population's disposable income rises," he said.

SUEZMAX: The "Miltiadis M II" Photo: Capital Ship Management Corp

Ronny Bjornadal: "He [Marinakis] is very transparent. He's been very successful in putting in place very good teams — I think that is also very key to the success he has had. He makes himself available, he does roadshows and he is very hands-on in everything."

VLCC: The "Alexander the Great" Photo: Capital Ship Management Corp