Type of ship:
Product/ chemical tanker

Deadweight tonnage:
16,456 tdw

Length overall:
135.55 m

Moulded beam:
22.50 m

Draught:
9.10 m

Loading capacity:
17,689 cbm (98 %)

Speed:
14.0 kn

Shipbuilding yard:
Watanabe Zosen K. K.,
Hakata/Japan

In service since:
February 2001

The charters

From 1st January 2010 until 19th August 2010 MT "HLL Noroc" was deployed in the Marida Pool (under the management of WOMAR). After that, the tanker took up employment in the spot market as well as in time charters. In 2010, the tanker was "off-hire" (period during which the ship is technically not operable and thus cannot earn any revenues) for just under six days. Altogether, the tanker achieved an average rate of some USD 6,000 net p.d. for the year 2010 incl. all travelling expenses. In the first two months of 2011 until the scheduled dry dock overhaul with all class work, the tanker could only find irregular employment at an average rate of almost USD 4,000 net p.d. At present, the ship is deployed in the Indian Ocean on a trip charter basis.

Until 31st May 2010, W-O Shipping GmbH & Co. KG, Haren (Ems), was responsible as the sole authorised ship operator. With effect from 1st June 2010, new authorised ship operator contracts were concluded with Hanseatic Lloyd Schiffahrt GmbH & Co. KG, Bremen and Shipcare Management GmbH & Co. KG, Haren (Ems). Shipcare is responsible for technical ship operation incl. operating and crewing. Hanseatic Lloyd Schiffahrt is responsible for commercial ship operation. The second scheduled dry dock overhaul with all class work was carried out from 7th to 28th March 2011 in Algeciras, Spain. The tank coating was not renewed. Although MT "HLL Noroc" can at present only be deployed in the oil trade, due to the present similar market prices for "dirty cargo" and "clean cargo" this does not entail any revenue losses.

Economic situation

The operating result for 2010 (subject to the auditing of the annual financial statements that has not yet been completed) amounts to EUR -0.7 million and is thus EUR 3.1 million lower than the figure calculated in the prospectus (at an average exchange rate of EUR/USD 1.32 instead of 1.17 as foreseen in the prospectus). The charter revenues at some EUR 1.5 million (net) were overall about EUR 3.0 million lower than anticipated in the prospectus with a total of 359 operating days. The ship operating costs at some EUR 1.7 million are EUR 0.3 million higher than estimated in the prospectus. In 2010 all the annual loan redemption payments (with the exception of one Yen redemption payment) were almost completely suspended. Compared with the loan redemption schedule, redemption arrears of some USD 0.9 million existed at the end of the year. The shareholders have submitted declarations of undertaking with regard to the repayment of dividends in an amount of EUR 1,523,000 (on average 15.8 % of the amount of the equity share). From the year 2010, the company will for the first time be taxed according to the "normal" determination of net income regulations of the income tax law.

Prospects

The equity investment company has filed an application for a loan to finance the dry dock overhaul. The Bremer Landesbank as the lead manager of the banking consortium has held out the prospect of this financing being granted insofar as the company can substantiate a positive forecast for the continuation of business until 2013. For this reason a so-called "Reorganisation expert's report in accordance with IDW standard S6" is currently being drafted. Our objective is not only to obtain a funding commitment for the shipyard costs (around USD 1.0 million) but at the same time to also secure further deferrals of loan redemption payments in order to bridge over the weak revenues situation. As things appear at present, a positive forecast for the continuation of business until the end of 2013 is perfectly realistic. However, this also requires a recovery of the charter markets, which some analysts are also predicting.

Financing and investment in thousand EUR:

	prospectus	actual [2]
Limited partnership capital (nominal)	9,200	9,655
Premium	460	483
Borrowed capital [1]	15,940	16,166

Operation as of 31.12.2010 accumulated:

	prospectus	actual [2]
Operating days	1,770	1,802
Net charter revenues in thousand EUR	20,838	15,204
Operating results in thousand EUR	9,867	4,230
Dividends in thousand EUR	3,496	504

Loan level as of 31.12.2010:

	redemption schedule	actual [2]
Ship mortgage loans in thousand USD	8,135.5	9,149.3
Ship mortgage loans in thousand JPY	443,137.5	431,237.5
Ship mortgage loans in thousand CHF	0.0	0.0
Total in thousand USD [1]	12,169.5	13,074.9

Tax results 2010 in % accumulated:

	prospectus	actual [2]
Tax results	0.8	-37.1

Capital commitment/reflux in % as of 31.12.2010:

	prospectus	actual [2]
Paid in	105.0	105.0
Tax repayments from offsettable tax-deductible losses	0.0	17.5
Tax payments on taxable profits	0.4	0.3
Dividends	38.0	5.2
Capital commitment	67.4	82.6
Capital reflux	37.6	22.4

Actual investment (incl. premium)

Capital reflux
Capital commitment

1) Valued at the purchase exchange rate at the value date
2) The figures for the business year 2010 are provisional as the audits of the annual financial statements have not yet been completed