Petrofin Research© are pleased to announce the publication of their 2006 Greek shipping research.

Petrofin Research © has been publishing for 9 consecutive years the detailed profile of the **entire Greek-owned/Greek-based Shipping Companies and Fleets**. Thus, a trend line since 1998 has been established regarding the overall number of Greek Shipping Companies as well as their fluctuation and profile in terms of size of company and the respective age of their fleet.

The basic source used for this study is the 2006 Greek Shipping Directory, cross-referenced with Lloyd's-Fairplay. This year, market reports and data on Greek fleets were also extensively used to double check fleet and company data, as well as the numerous additional industry sources used every year.

Our total industry data covers all vessels. However, in the second section, specific research is also conducted separately into tankers, bulkers and container vessels. Under the "Tanker" term we have included only dirty Tankers, ULCCs and VLCCs and not other types of tankers. Bulk carriers include bulkers only and not general cargo vessels. Container vessels are just that. Consequently, the research in section 2 does not specifically produce data for other types, such as chemical tankers, product carriers, LNGs, OBOs, Container/bulkers, etc.

The vessel types upon which the Greek industry largely focuses are: Tankers, Bulk carriers, and Containers. All other vessel types are only included in the total statistics for Greek-based shipping.

Research Criteria

1. Only the Greek-owned/Greek-based fleet is taken into consideration. This also includes the Groups that operate abroad, provided they have an office in Greece.

2. Greek-owned, Greek-based shipping companies are counted and divided into 6 categories, in respect of their fleet size and age of vessels they run. These are shown below.

3. The flag is not taken into account. All Greek-owned, Greek-based vessels, of whichever flag are taken into account.

4. The Greek-based, Greek-owned fleet is measured initially as a whole, in terms of Numbers of Vessels, Age of Vessels and DWT.

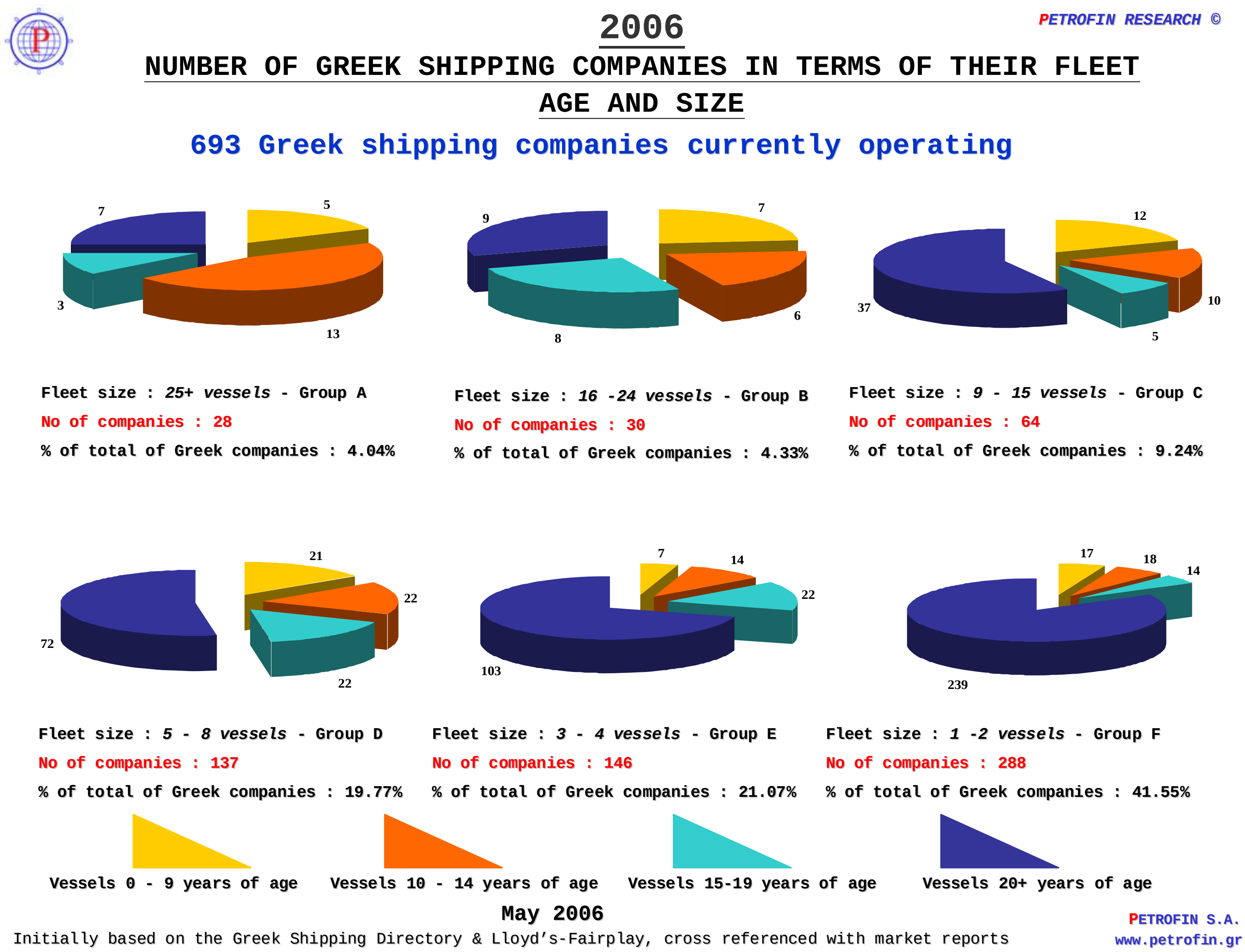
5. Then a cut-off DWT is used of 10,000DWT to measure number of companies that run vessels above this tonnage. This is done for the whole fleet, then for Bulkers, Tankers and Containers

6. A further cut-off DWT point of 20,000DWT is used for the whole fleet, the Bulkers, the Tankers and the Containers.

7. Newbuildings are only taken into account if they have a delivery date of up to 2007. This ensures a more accurate snapshot of today's fleet, as many of the impressive number of newbuilding orders have delivery dates of 2008, 2009 and beyond. Newbuilding orders may be susceptible to re-sales, cancellations and may thus distort the current picture of the size of Greek companies, the age of their fleets and of vessels actually trading by Greek-based and Greek-owned companies.

This year’s results are summarized in Graph 1 below.

Graph 1



Specifically, in Graph 1 we can observe the breakdown of the Greek fleet, according to two key criteria: age and size of company fleet. As such, the six pies represent the 6 fleet sizes into which the whole of the Greek fleet has been broken down and the pie segments represent the age of the vessels.

SECTION A

Analyses of the Greek fleet in terms of

A. Greek shipping companies and their fleet size

B. Greek shipping companies and their fleet age

C. Vital Statistics of the Entire Greek Fleet with individual vessel cut-off DWT thresholds of 10,000 and 20,000 m. tons

A. Greek Shipping Companies and their fleet size

To facilitate the analysis, please note that Greek companies are divided into the following fleet SIZE groups: Group A (25+ vessels), Group B (16-24 vessels), Group C (9-15 vessels), Group D (5-8 vessels), Group E (3-4 vessels), Group F (1-2 vessels)

This year's research shows a total of 693 Greek-based shipmanagement companies. We note that this year there has been a slight increase in the number of companies (3 more). This increase is negligible in the overall downward trend since 1998 and may be attributed to the relative stability in the good market shown during the past year.

Graph 2

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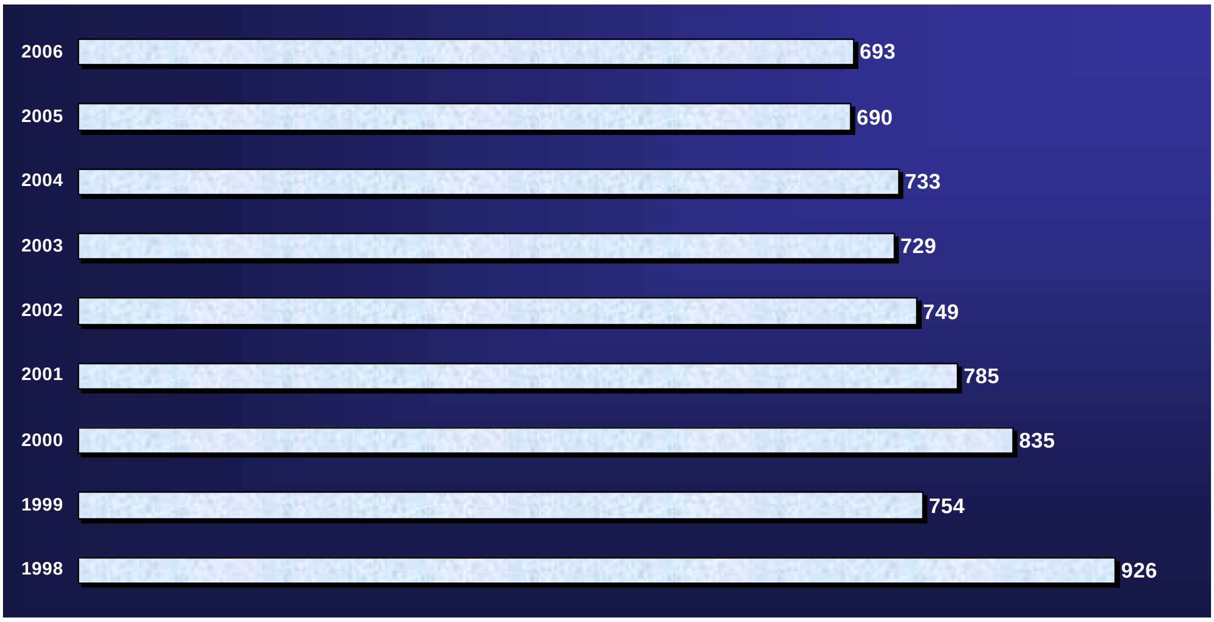
Number of Greek Shipping Companies in operation

Comparison between 1998 and 2005

18.57% LESS companies in 1999
10.74% MORE companies in 2000
5.98% LESS companies in 2001
4.6% LESS companies in 2002
2.7% LESS companies in 2003
0.5% MORE companies in 2004
6.23% LESS companies in 2005
0.4% MORE companies in 2006



May 2006 PETROFIN RESEARCH

The reduction of companies last year was attributed to the increased sales of vessels and whole fleets due to extra-ordinary high vessel prices. In the meantime, newbuilding deliveries are increasing and as the market has shown signs of correction, vessels are again being bought albeit at a slower pace.

In Table 1 below, we note the percentage of the Greek fleet held by each company **size** category since 1998.

Table 1

	Percentage of the Greek fleet held by companies according to their size						
Year	Group F 1-2 vessel companies	Group E 3-4 vessel companies	Group D 5-8 vessel companies	Group C 9-15 vessel companies	Group B 16-24 vessel companies	Group A 25+ vessel companies	Totals
1998	52.16%	21.17%	16.09%	7.34%	1.19%	2.05%	100%
1999	43.1%	22%	18.9%	10.1%	3.4%	2.5%	100%
2000	45%	22.6%	16.8%	10.2%	2.6%	2.8%	100%
2001	44.45%	22%	17%	10.45%	3.7%	2.4%	100%
2002	42.45%	22.69%	17.08%	11.21%	3.37%	3.2%	100%
2003	42.24%	21.66%	18.92%	9.45%	4.25%	3.48%	100%
2004	42.43%	21.14%	19.24%	8.06%	4.9%	4.23%	100%
2005	41.73%	22.75%	18.99%	7.54%	5.22%	3.77%	100%
2006	**41.55%**	**21.07%**	**19.77%**	**9.24%**	**4.33%**	**4.04%**	**100%**

A summary of observations of the above results:

a. 1-2 vessel companies, although not reduced in numbers this year, their percentage share of the Greek fleet has yet again gone down. Their lowest percentage is this year.
b. 3-4 vessel companies show a noticeable stability.
c. 5-8 vessel companies are up a little.
d. This year, 9-15 vessel companies are going up again.
e. Interestingly, 16-24 vessel companies, which peaked last year after having shown a steady growth, this year they are slightly down.
f. The very large fleets of 25+ vessels are again on the rise, after their slight fall last year. Overall, their hold of the Greek fleet has almost doubled over the last 9 years.

In actual numbers, the situation has been as follows between 1998 and 2006:

Table 2

May 2006

GROUP	1998	1999	2000	2001	2002	2003	2004	2005	2006
A (25+ vsls)	19	19	23	19	24	25	31	26	28
B (16-24 vsls)	11	25	22	29	25	31	36	36	30
C (9-15 vsls)	68	76	85	82	84	69	59	52	64
D (5-8 vsls)	149	143	140	134	128	138	141	131	137
E (3-4 vsls)	196	166	189	172	170	158	155	157	146
F (1-2 vsls)	483	325	376	349	318	308	311	288	288
Total number of companies	926	754	835	785	749	729	733	690	693

Greek shipping is still dominated by companies that own and operate 1-2 vessels (288 out of 693 in 2006). Although the category marks a downward trend, a resistance is noted this year as they are the same in number as last year (288).

Small-to-medium Group sizes (C and D) which had gone down in numbers last year, this year they are up by 12 companies for C (9-15 vessel companies) and 6 for D (5-8 vessel companies). 9-15 vessel companies are the ones that have gone up mostly.

In the large fleets, 16-24 vessel companies have gone down by 6 and 25+ vessel companies have gone up by 2, marking their 5th year of continuous growth.

The above developments in Graph form are shown below:

Graph 3a

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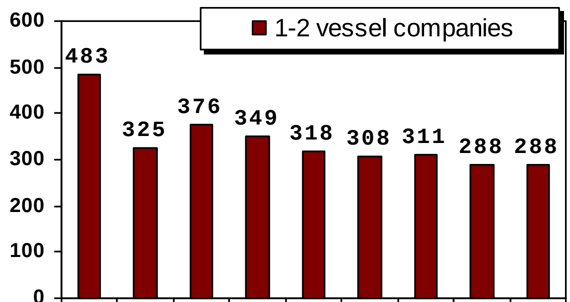
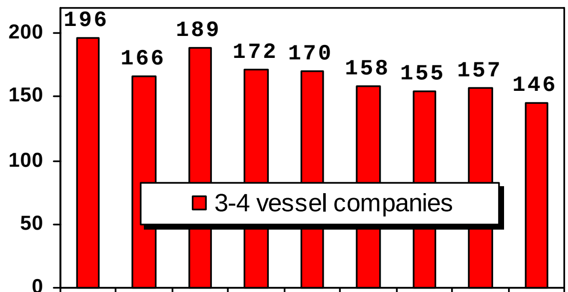
Size and Number of Greek shipping Companies 1998 - 2006

Evolution of 1-2 vessel companies between 1998-2005



	1998	1999	2000	2001	2002	2003	2004	2005	2006
1-2 vessel companies	483	325	376	349	318	308	311	288	288

Evolution of 3-4 vessel companies between 1998-2005



	1998	1999	2000	2001	2002	2003	2004	2005	2006
3-4 vessel companies	196	166	189	172	170	158	155	157	146

Graph 3b

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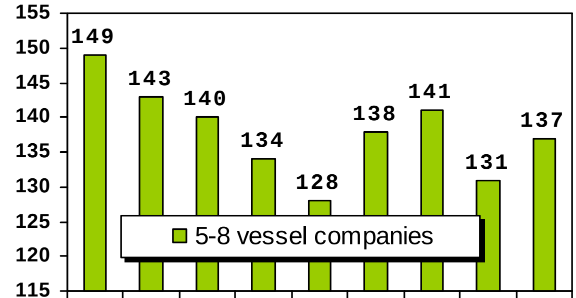
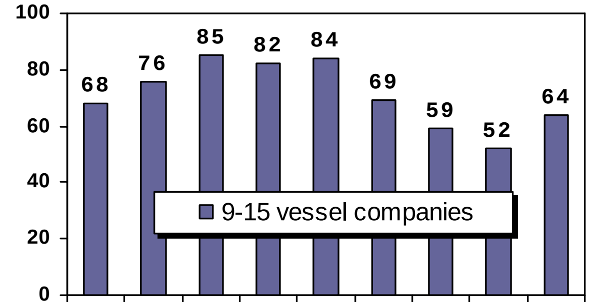
Size and Number of Greek shipping Companies 1998 - 2006

Evolution of 5-8 vessel companies between 1998-2005



	1998	1999	2000	2001	2002	2003	2004	2005	2006
5-8 vessel companies	149	143	140	134	128	138	141	131	137

Evolution of 9-15 vessel companies between 1998-2005



	1998	1999	2000	2001	2002	2003	2004	2005	2006
9-15 vessel companies	68	76	85	82	84	69	59	52	64

Graph 3c

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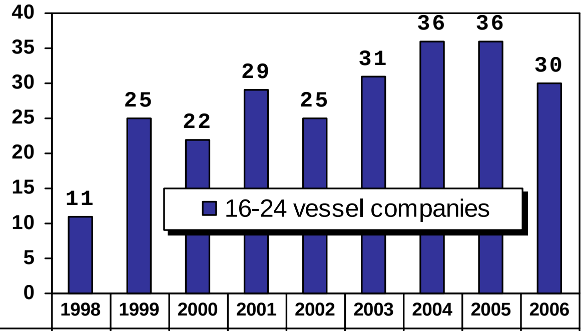
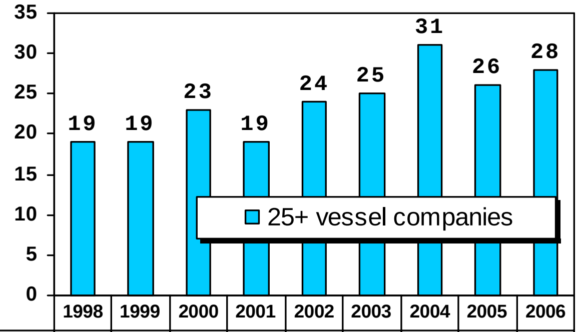
Size and Number of Greek shipping Companies 1998 - 2006

Evolution of 16-24 vessel companies between 1998-2005



	1998	1999	2000	2001	2002	2003	2004	2005	2006
16-24 vessel companies	11	25	22	29	25	31	36	36	30

Evolution of 25+ vessel companies between 1998-2005



	1998	1999	2000	2001	2002	2003	2004	2005	2006
25+ vessel companies	19	19	23	19	24	25	31	26	28

Size of the Greek-based, Greek-owned fleet

Due to primarily the delivery of newbuildings, the slowdown of scrapping as well as to the stabilisation of the S&P market, the actual number of vessels of the Greek fleet has gone up to 4164. This figure represents vessels of any type, any tonnage and any flag under Greek ownership.

Table 3

Year	2001	2002	2003	2004	2005	**2006**
Number of vessels in the Greek-based, Greek-owned fleet	4110	4142	4085	4184	3970	**4164**

The number of vessels is back above the 4000 mark, overcoming last year's drop to 3,970.

B. Greek shipping companies and their fleet age

To enable closer analysis, please note that Greek fleets are divided into the following age groups:
0-9 years of age, 10-14 years of age, 15-19 years of age and 20+ years of age

The most important development this year occurs in the area of fleet age, whereby the average age of the entire Greek fleet irrespective of type, tonnage or flag is reduced from **23 years down to 19.14 years of age.** This important development reflects the influx of newbuildings, as well as the results of the rigorous replacement of older vessels with younger tonnage over the last two years.

We look into each age group separately, to define trends.

Table 4a: Fleets of 20+ years of age

	Group F 1-2 vessel companies	Group E 3-4 vessel companies	Group D 5-8 vessel companies	Group C 9-15 vessel companies	Group B 16-24 vessel companies	Group A 25+ vessel companies	Totals
2006	**239**	**103**	**72**	**37**	**9**	**7**	**467**
2005	238	116	82	27	14	7	484
2004	258	112	80	35	11	10	506
2003	256	119	84	38	11	10	518
2002	262	134	81	49	10	10	546
2001	292	133	94	46	14	11	590
2000	302	138	89	45	10	9	593
1999	253	130	91	40	13	11	538
1998	No comparable data - in 1998 15-19 and 20+ year old vessels were calculated together						

The table shows the usual concentration of older vessels among the smaller owner companies.

The number of the oldest vessels of the Greek fleet has, however, been steadily reducing since 2000. This trend does not, however, show a radical shift. Although another 21 overage vessels have left the Greek fleet, a large number is still here, largely on account of the still relatively good market.

The sizeable number of fleets where vessels are 20+ or 30+ years old is still there. These are small and some not so small tankers, bulkers, ferries, etc. operating locally or in more age-relaxed zones. There are still 645 vessels over the age of 30 and 209 vessels over the age of 40.

Table 4b: Fleets of 15-19 years of age

	Group F 1-2 vessel companies	Group E 3-4 vessel companies	Group D 5-8 vessel companies	Group C 9-15 vessel companies	Group B 16-24 vessel companies	Group A 25+ vessel companies	Totals
2006	**14**	**22**	**22**	**5**	**8**	**3**	**74**
2005	20	14	20	8	10	3	75
2004	20	28	31	9	13	5	106
2003	24	23	29	17	12	7	112
2002	33	22	31	21	6	9	122
2001	35	27	24	22	6	6	120
2000	47	35	33	24	7	7	153
1999	48	26	33	23	7	7	144
1998	No comparable data as in 1998 15-19 and 20+ year old vessels were calculated together						

15-19 year old fleets have gone down by only 1. The greatest reduction is by 6 1-2 vessel companies (Group F) running that age range. Companies running 3-4 and 5-8 vessels of 15-19 years of age have increased by 8 and 2 respectively, something that has not happened since 2004. Larger companies of 9-15 and 16-24 vessel fleets show a reduction by 3 and 2 respectively, whereas the largest sector has remained stable in its preference of that age range.

Table 4c: Fleets of 10-14 years of age

	Group F 1-2 vessel companies	Group E 3-4 vessel companies	Group D 5-8 vessel companies	Group C 9-15 vessel companies	Group B 16-24 vessel companies	Group A 25+ vessel companies	Totals
2006	**18**	**14**	**22**	**10**	**6**	**13**	**83**
2005	14	19	13	9	8	12	75
2004	14	11	15	7	7	11	65
2003	11	10	18	7	6	7	59
2002	10	8	9	8	7	5	47
2001	8	5	11	9	5	2	40
2000	14	8	13	11	3	6	55
1999	10	4	15	10	2	1	42
1998	14	8	15	14	2	2	55

In the spirit of fleet renovation, 10 to 14 year old fleets have gone up by 8 to 83.

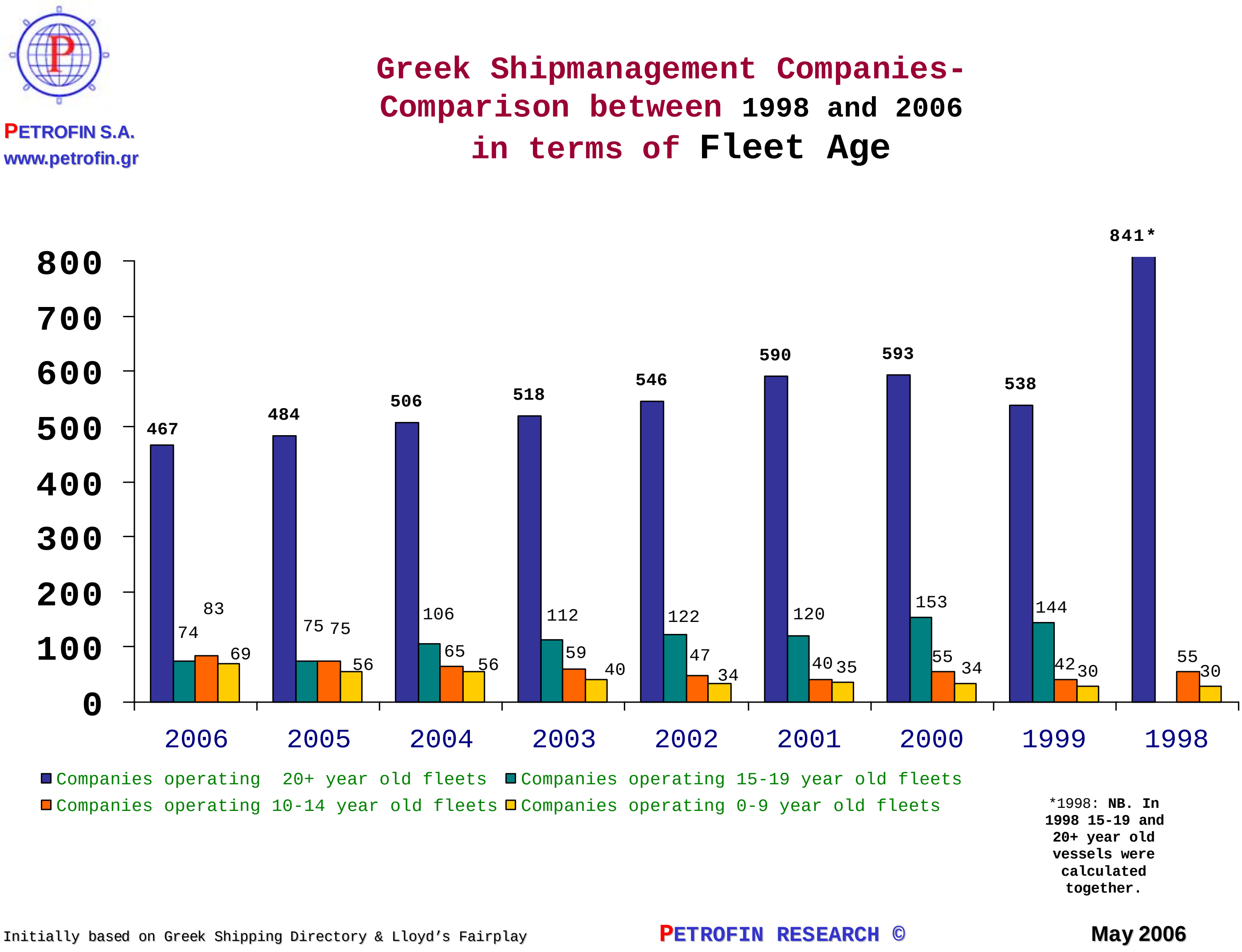
Table 4d: Fleets of 0-9 years of age

	Group F 1-2 vessel companies	Group E 3-4 vessel companies	Group D 5-8 vessel companies	Group C 9-15 vessel companies	Group B 16-24 vessel companies	Group A 25+ vessel companies	Totals
2006	**17**	**7**	**21**	**12**	**7**	**5**	**69**
2005	16	8	16	8	4	4	56
2004	19	4	15	8	5	5	56
2003	17	6	7	7	2	1	40
2002	13	6	7	6	2	0	34
2001	14	7	5	5	4	0	35
2000	13	8	5	5	2	1	34
1999	14	6	4	3	3	0	30
1998	16	5	5	1	2	1	30

13 very young fleets have been added to Greek ownership. This is in line with the overall trend of younger is better. Mid-sized companies have indeed gone for younger fleets. The two extremes, very small and very large, have shown an increase by only 1 each, whereas the 3-4 vessel companies running such young fleets have been reduced by 1.

In Graph 4 we see a collective graph of the above results.

Graph 4



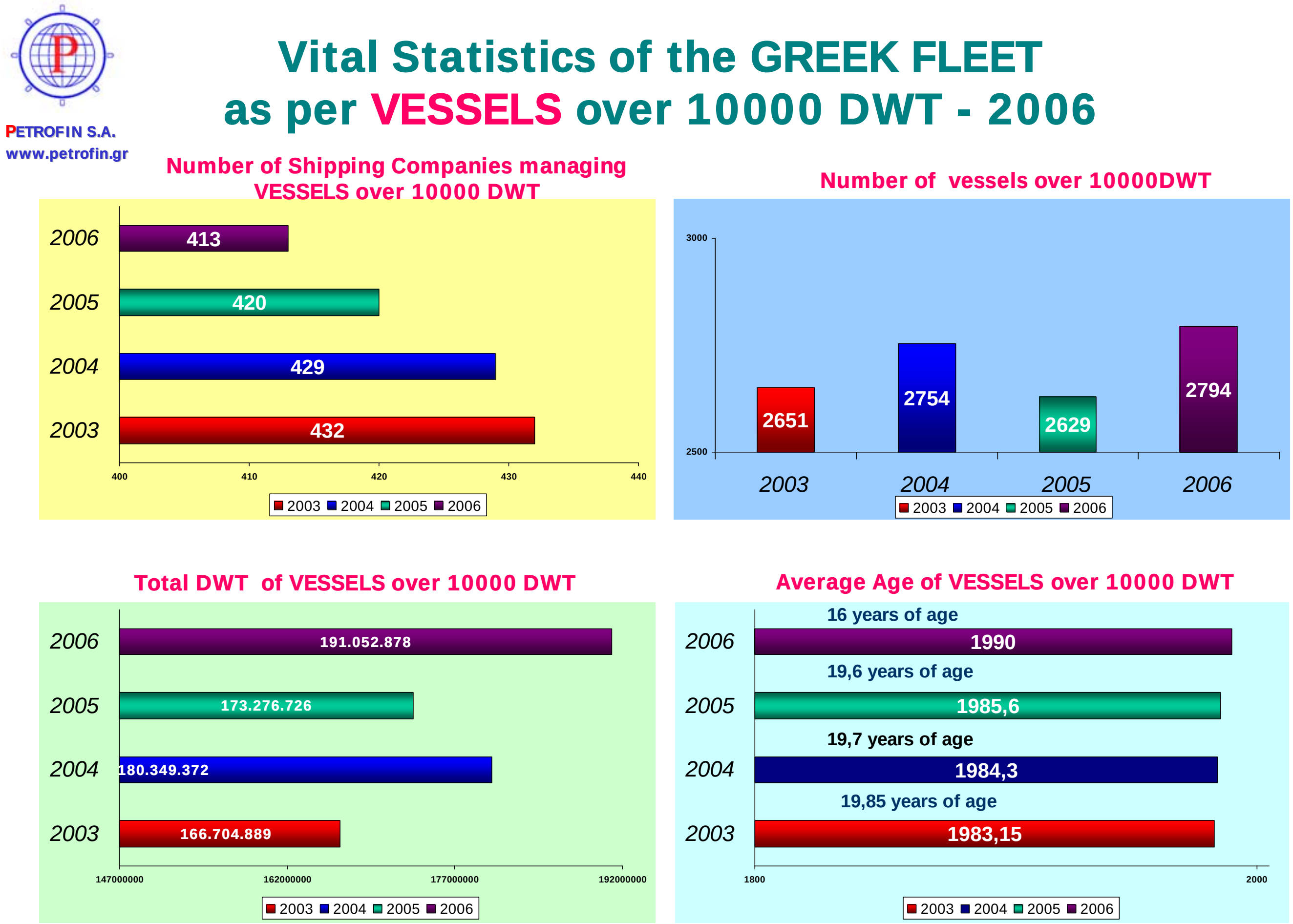
Significantly, the oldest fleet type (operating vessels 20+ years of age) is down by 17. This decrease is translated as the withdrawal or sale of quite a few old vessels and delivery of younger vessels and/or newbuildings.

C. Vital Statistics of the Entire Greek Fleet

This part of our research comprises data since 2003. The 2 Graphs below show the fluctuation of the number of companies, the number of ALL vessels and age of Greek fleet with cut-off individual vessel DWT thresholds of 10,000 and 20,000 (‘ALL vessels’ means everything that floats and is under Greek control but these DWT cut-off thresholds have by definition excluded a large number of small vessels, such as fishing vessels, tug boats, etc, that may bias unduly the results and increase significantly the average age of the Greek fleet):

Vessels of over 10,000 DWT

Graph 5



- Companies running vessels of over 10,000 DWT has declined further from 420 to 413.

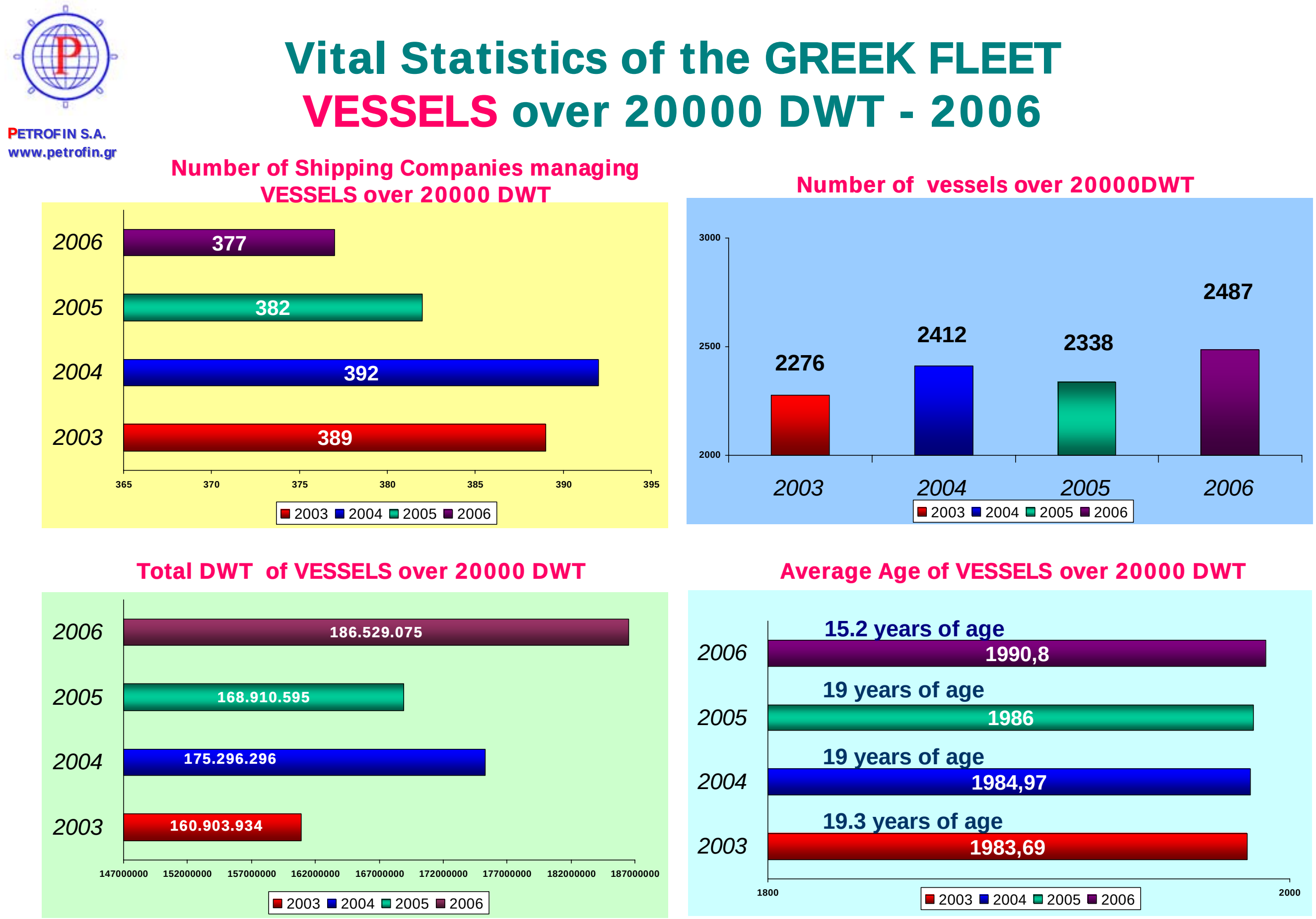
- The fleet deadweight growth under this category has resumed again, after a reduction last year, from 173,276,726 to 191,052,878.

- The total number of vessels over 10,000 DWT also went up this year from 2,629 vessels in 2005 to 2794. The average vessel DWT has gone up from 65,486m tons in 2004 to 65,904 in 2005 to 68,380 in 2006.

- The most important development this year is the dramatic reduction of the average age of that sector from 19 years to 16 years of age. Vessels are indeed getting much younger bigger as well as bigger.

Vessels of over 20,000 DWT

Graph 6



- Under this category, the companies that run vessels of over 20,000 DWT also decreased this year for the second year running from 382 to 377.

- Typically and as with the over 10,000 DWT vessels, those over 20,000DWT collectively went up to 186,529,075 m tons DWT from 168,910,595DWT.

- The total number of vessels over 20,000 DWT has also gone up from 2338 in 2005 to 2487. The average DWT of each vessel in this category has jumped from 72,245 to 75,000 m. tons DWT.

- Again, the dramatic age reduction of this sector marks a great trend towards bigger and younger, as the average age has dropped from 19 to 15.2 years.

Summary of results

In Table 5 below, we present over time the development of the Greek fleet using the DWT fleet thresholds of 10,000 DWT and 20,000 DWT in terms of 4 key criteria:

a) Total fleet DWT
b) Number of vessels
c) Average age of the fleet, and
d) Number of shipping companies

Table 5

Analysis of the Greek fleet

	Total Fleet	No. of vessels	Average Age	No. of Cos.
Ships over 20,000 DWT 2006	**186,529,075**	**2,487**	**15.2**	**377**
Ships over 20,000 DWT 2005	168,910,595	2,338	19	382
Ships over 20,000 DWT 2004	175,296,296	2,412	19	392
Ships over 20,000 DWT 2003	160,903,934	2,276	19.3	389
Ships over 10,000 DWT 2006	**191,052,878**	**2,794**	**16**	**413**
Ships over 10,000 DWT 2005	173,276,726	2,629	19.4	420
Ships over 10,000 DWT 2004	180,349,372	2,754	19.6	429
Ships over 10,000 DWT 2003	166,704,889	2,651	19.85	432
Ships over 10,000 DWT 2002*	166,117,271	3,451	20.75	487
Ships over 10,000 DWT 2001*	152,092,312	3,491	21.13	505
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SECTION B

Analyses by type of vessel

The Greek bulker fleet as per bulker vessels over 10,000 dwt each

Comparisons between 2003, 2004, 2005 and 2006

Bulkers, the Greek fleet's favourites, follow the general trends already identified above, i.e less companies running them, more vessels, more tonnage and younger age of vessels. The graph below shows that number of companies has fallen by 10 to 316, but bulk carriers over 10,000DWT went up to 1,437 units from 1,417 last year, i.e. up by 20 units. Tonnage also went up by an impressive **4,310,317 DWT**. This shows the great internal fleet reshuffle which resulted in an increase of average vessel size to 60,272m. tons DWT.

With the influx of newbuildings gathering pace, the average age has gone down to 17.2 years of age. This is particularly important for bulkers, as these are the ships that traditionally have enjoyed a longer useful life.

Graph 7

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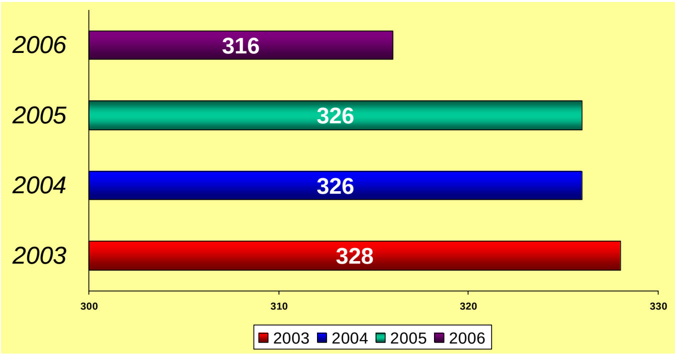
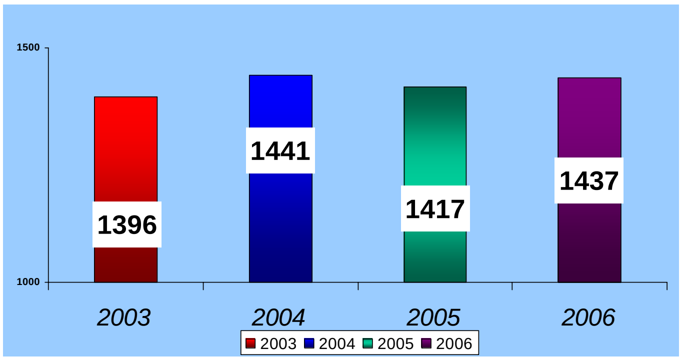
Vital Statistics of the GREEK BULKER FLEET as per BULKER VESSELS over 10000 DWT - 2006

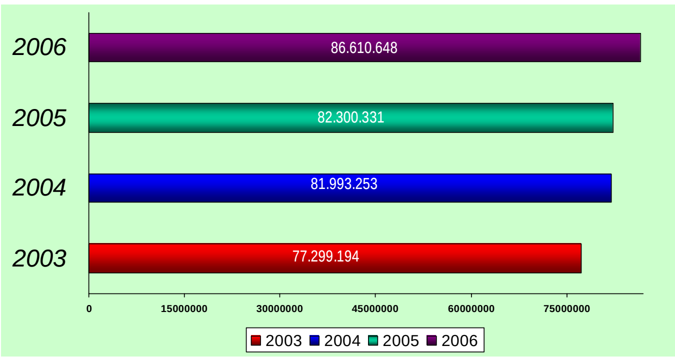
Number of Shipping Companies managing BULKER VESSELS over 10000 DWT



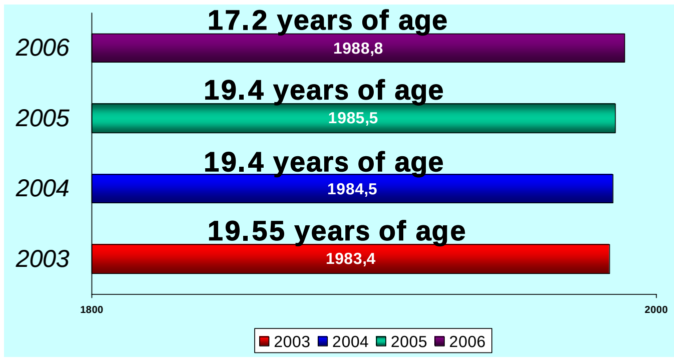
Number of BULKER vessels over 10000 DWT



Total DWT of BULKER VESSELS over 10000 DWT



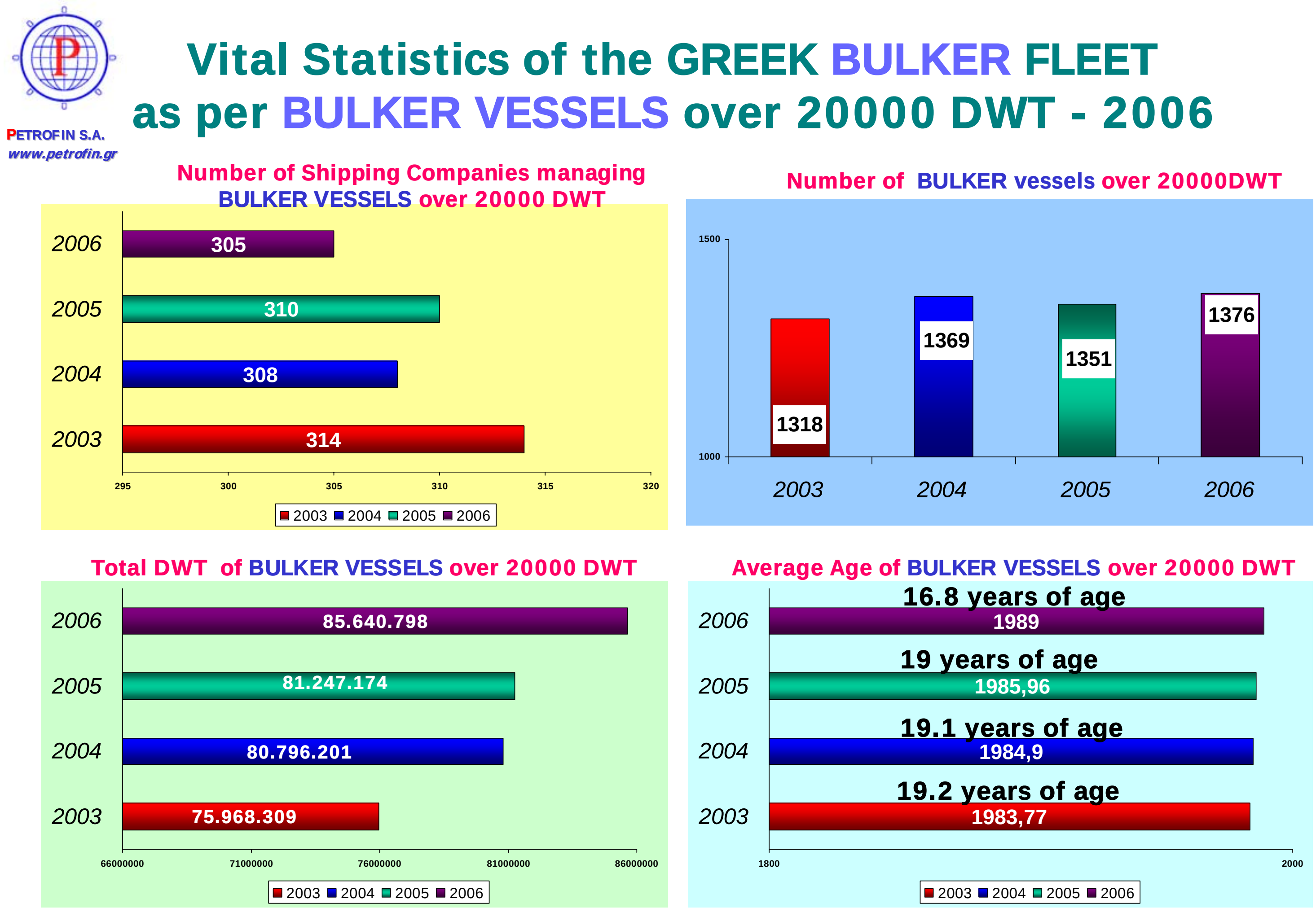
Average Age of BULKER VESSELS over 10000 DWT



The Greek bulker fleet
as per <u>bulker</u> vessels over <u>20,000</u> dwt each

Similar trends here also. Vessels are up by 25 units, companies are down by 5, tonnage is up by again an impressive 4,393,624m. tons DWT. Age has dropped even further for the larger vessels, from 19 years to 16.8. Average DWT here is 62,239m. tons DWT.

Graph 8

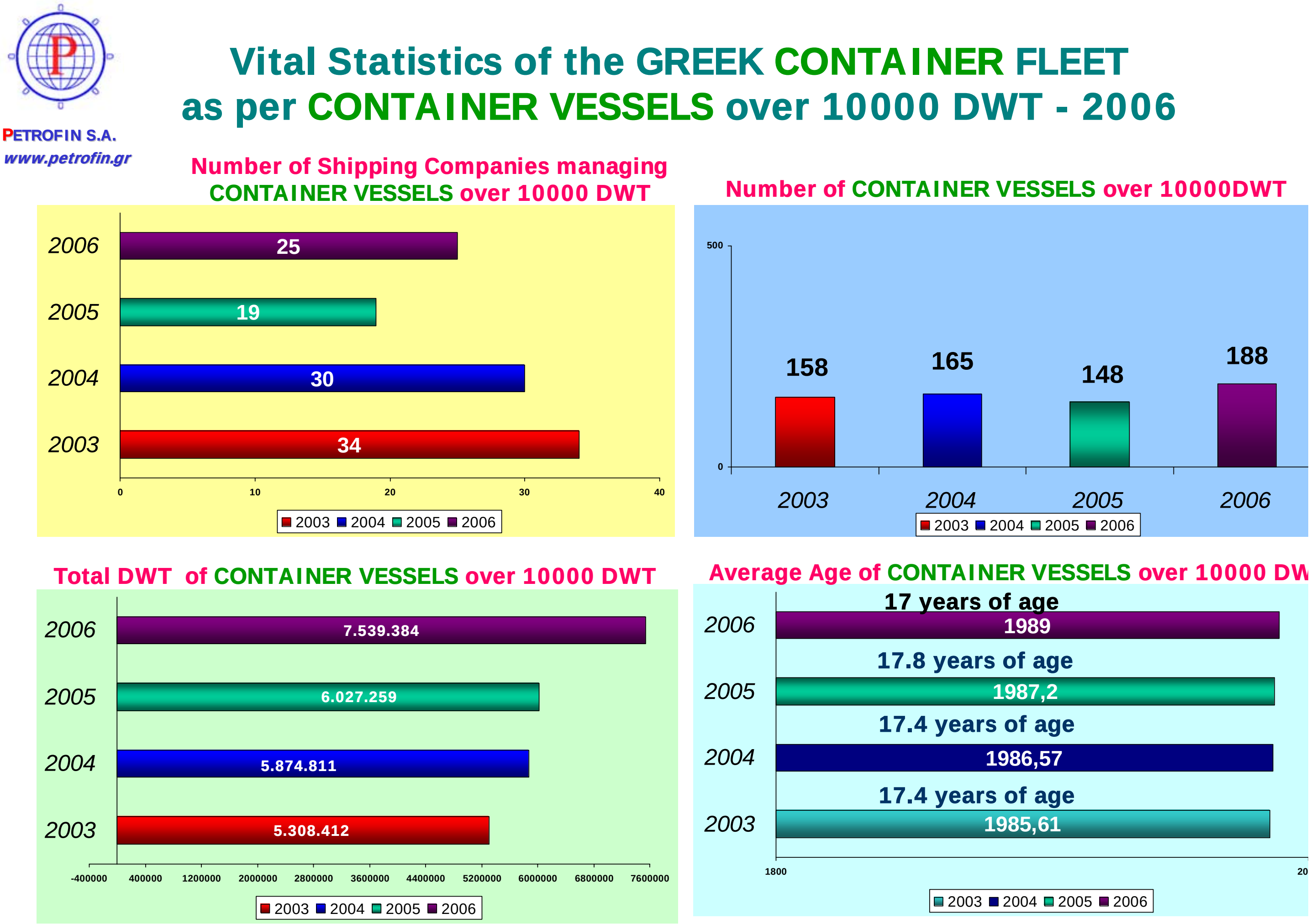


The Greek container fleet
of container vessels over 10,000 dwt each

Comparisons between 2003, 2004, 2005 and 2006

This year, growth in the container sector is expressed in terms of all factors. An extra 1.5m tons DWT has been added to the over 10,000 DWT container fleet. Significantly, the container sector, together with the tanker sector, as will be seen later, finally show an increase in the number of companies running them, from 19 to 25. The number of vessels is also up to 188, i.e. an increase by a significant 40 units. The container sector of 10,000DWT an above this year for the first time competes with the bulkers in terms of youth and shares with them the second place.

Graph 9

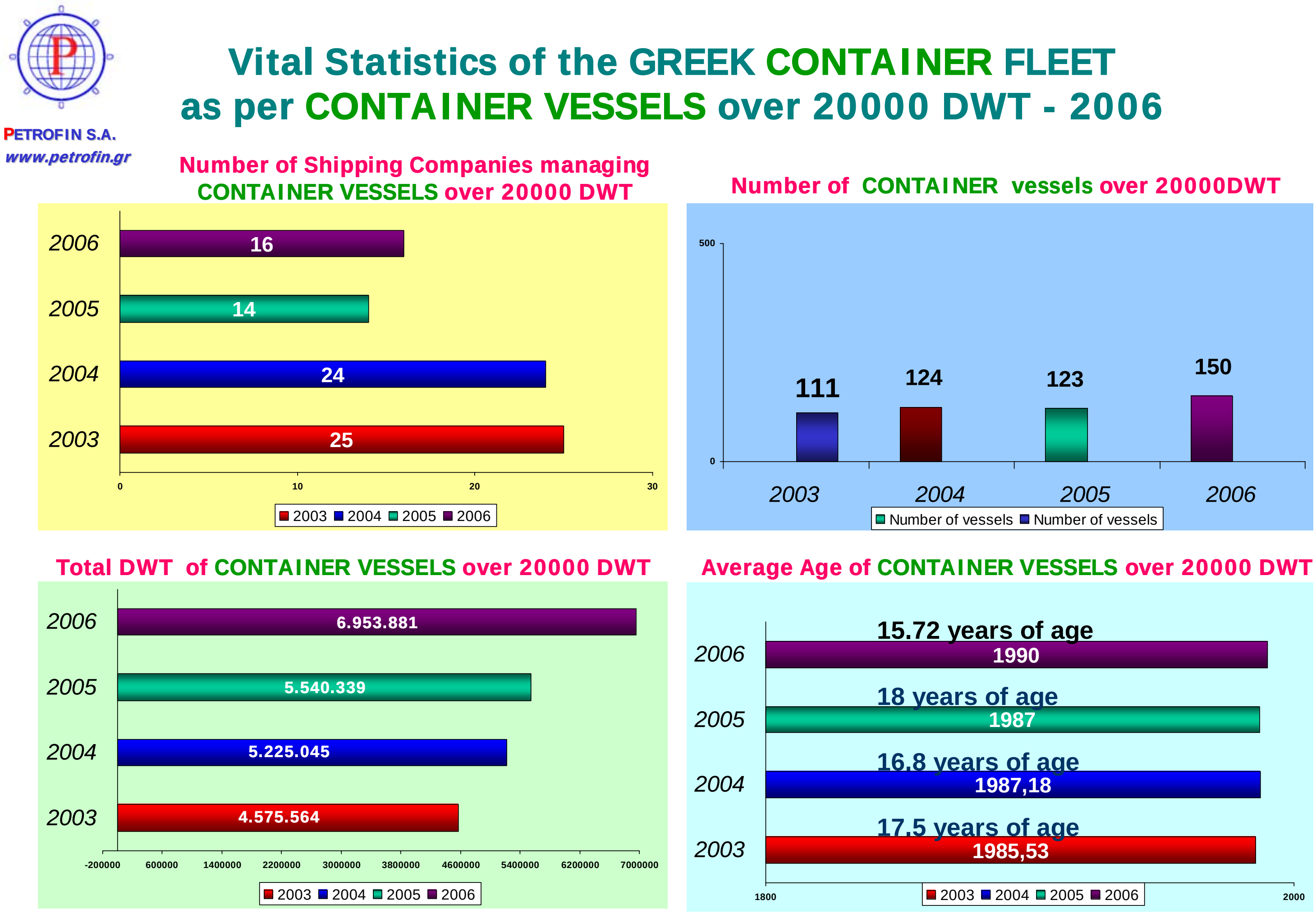


The Greek container fleet of container vessels over 20,000 dwt each

Comparisons between 2003, 2004, 2005 and 2006

With only 2 companies more running the bigger containers, we note a tremendous drop in the age of this fleet from 18 years to almost 16 years. There were added 27 larger containers, and the increase in tonnage is a good 1.4m tons DWT.

Graph 10



The Greek tanker fleet of tanker vessels over 10,000 dwt each

Comparisons between 2003, 2004, 2005 and 2006

1. As one of the two most preferred types of vessels by Greeks (bulkers being the other one) the results of the comparison over the years are becoming more and more interesting.

2. Companies that run tankers over 10,000DWT are up this year by 5 and the actual tanker units are also up by 43, making up for the 69 units lost to profitable sale offs last year. In terms of tonnage, they are almost back to 2004 levels, at nearly 81m metric tons DWT.

3. This is the sector which continues its renovation journey. The fall in average vessel age is dramatic. For these tankers we have a drop from nearly 16 years to 12.

Graph 11

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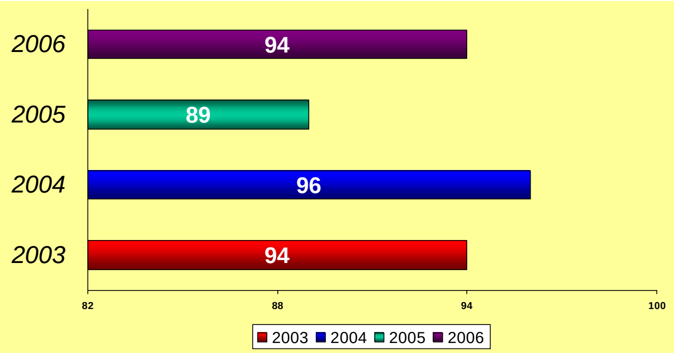
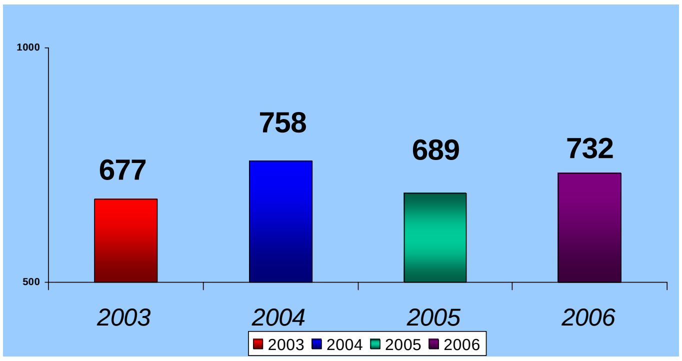
Vital Statistics of the GREEK TANKER FLEET as per TANKER VESSELS over 10000 DWT - 2006

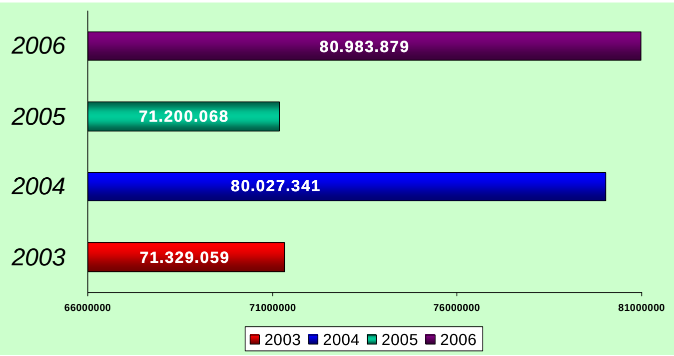
Number of Shipping Companies managing TANKER VESSELS over 10000 DWT



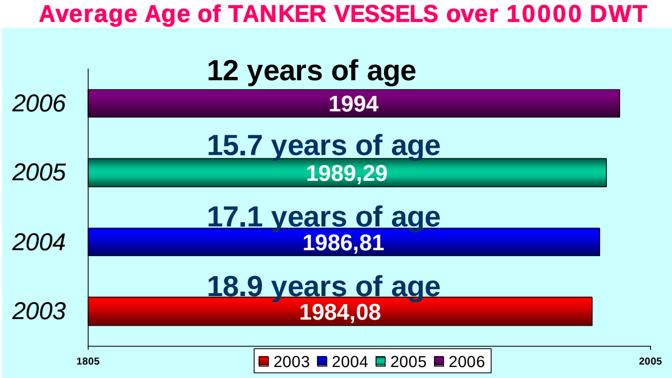
Number of TANKER vessels over 10000DWT



Total DWT of TANKER VESSELS over 10000 DWT



Average Age of TANKER VESSELS over 10000 DWT



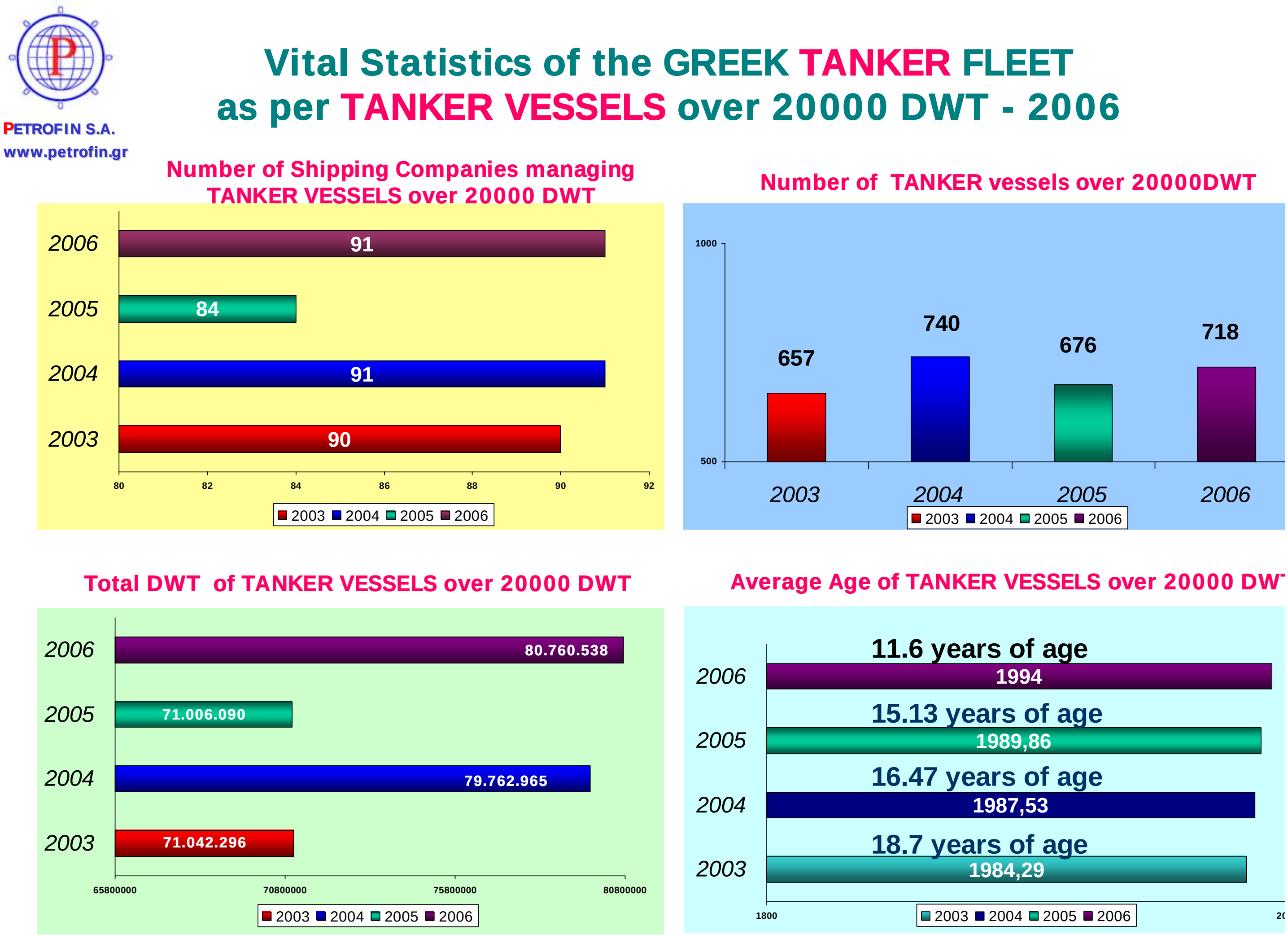
The Greek tanker fleet
of tanker vessels over 20,000 dwt each

Comparisons between 2003, 2004 and 2005

4. Companies in this sector are up by 7. 42 units were added this year, increasing the their tonnage to 80m metric tons DWT. .

5. Tankers in this sector have become by far the youngest vessels on average with an age of 11.6 years.

Graph 12



Commentary

The impact to the Greek fleet of the extraordinary developments of the last two years continues. Whereas last year the interesting feature was the reduction in tonnage, this year we see a marked increase.

Clearly, the figures this year point out to the fact that new vessels have been entering the fleet at a good pace.

Newbuilding orders are finally delivering and the fall in average age is impressive, with tankers leading in youth. This reduction in age shows clearly, although we continue with our policy not to include newbuildings which are to be delivered in the distant future; in this research we have not included newbuilding order for delivery 1st January 2008 onwards.

In addition, the liquidity of Greek owners overall is of uniquely high levels and supports the further qualitative growth of Greek shipping.

In essence, the quality revolution of Greek Shipping is clearly showing in figures. Although there has been a softening of shipping freights, it is clear that the impact of the newbuildings entering the Greek fleet is changing its fundamentals.

It will be interesting to observe the tug-of-war between demand and supply as all the new vessels will be competing for employment. The fact that their prices have not followed the softening of charter rates, is indicative of a deeper confidence in the prospects of shipping, as well as the fact that the huge economies of the Far East are continuing to grow. Oil and gas are indeed the unfathomable factors as to the near future, but owners seem to bet on the fact that whatever the developments, demand for shipping will continue unabated.

It is inevitable, however, that at some stage the Greek fleet's older vessels will be scrapped. This usually occurs at periods of freight rates falls or when trading conditions, regulations and costs render the continued running of older vessels difficult. When the above scrapping shall have taken place, we anticipate that the age of the Greek fleet will improve considerably and will render Greek shipping a much more modern fleet, fully in tune with the evolving requirements of world shipping.

In terms of its overall number of vessels, we anticipate this to continue to hover around the 4000 vessel mark. However, due to the increasing average size of Greek vessels, we anticipate the overall capacity of the Greek fleet to continue to grow.

As the Greek fleet grows in capacity and involves younger vessels, the overall capital utilised by Greek shipping shall continue to grow underlying the rising confidence and commitment by Greek owners to investing in younger, larger and more competitive vessels/fleets.

Lastly, it is inevitable in a world shipping market, increasingly dominated by fleet size, economies of scale, regional and international interests for the number of shipping companies to reduce but for their size to grow larger.

This concentration of shipping in fewer hands follows a global trend of consolidation and shipping cannot escape. Greek shipping has understood the challenges ahead and is positioning itself to continue to be a worthy competitor.