press release

Standard Chartered closes three shipping deals in excess of USD1.6 billion

- USD350 million loan to National Shipping Company of Saudi Arabia
  - USD572 million term loan to Reliance Group of India
  - USD684.5 million loan to BW Gas JuJu LNG Limited

17 January 2017, Dubai, UAE – Standard Chartered is pleased to announce the completion of three shipping finance deals for clients in Asia and the Middle East. These transactions highlight Standard Chartered’s strengths in advising and structuring optimal solutions for clients, its continued commitment to the shipping industry and in particular, continued commitment to clients and the shipping community in the Middle East.

In November last year, the Bank leveraged its strong expertise in shipping finance and Islamic financing to structure the USD350 million senior secured Murabaha facility for National Shipping Company of Saudi Arabia (“Bahri”). This facility will be used by Bahri to finance the construction and delivery of five Very Large Crude Carriers (VLCCs), which will be delivered in early 2018. As the exclusive carrier of Saudi Aramco’s crude oil sold on a delivered basis, Bahri will use these VLCCs to transport crude oil to the Americas, South Asia and Far East. This was a landmark shipping transaction in the Middle East for 2016, where Standard Chartered led as bookrunner, mandated lead arranger, investment agent and account bank with participation from three other banks.

Standard Chartered also closed a USD572 million senior secured term loan facilities to subsidiaries of Reliance Group (“Reliance”) closed in October 2016 will finance six units of Very Large Ethane Gas Carriers. These gas carriers transport ethane gas from the US to India and support Reliance Group’s USD1.7 billion “Ethan Import Project” to secure feed for its gas crackers, improve production cost position by diversifying feedstock and replacing oil linked feeds – propane and naphtha in existing crackers – and provide downstream capacity enhancement. Standard Chartered, given its strong shipping expertise, played a significant role of a trusted advisor to Reliance Group as commercial facility coordinator on the structure of its first shipping finance deal. This award-winning transaction showcases an innovative ship financing structure which was finally oversubscribed by 12 international banks.
Most recently in December 2016, Standard Chartered concluded a USD684.5 million, up to 12-year non-recourse shipping finance facility for BW Gas JuJu LNG Limited (a joint venture partnership between BW Group and Marubeni). Standard Chartered, as facility coordinator, led a syndicate of nine international banks in this transaction, which will refinance existing credit facilities for eight LNG (liquefied natural gas) tankers on long-term charters to Nigeria LNG. The Bank also acted as the mandated lead arranger, agent and security trustee, account bank and hedging bank in this transaction which was the largest deal for BW Group in 2016 and a key milestone for them.

Jamal Tartir, Chief Executive Officer, Saudi Arabia, Standard Chartered, said: “We are truly privileged to lend our expertise and resources in support of our clients. These deals, which are by no means easy structures, gave us the opportunities to work across teams in order to propose the most optimal and innovative financing solutions for each of the clients. We are very committed to continue supporting our clients in this region as they expand and grow their businesses globally.”

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Note to Editors:

About Bahri
Established in 1978, The National Shipping Company of Saudi Arabia (Bahri), is one of the world’s foremost logistics and transportation companies playing a leading role in the transformation and growth of the global shipping industry through innovation and delivering value-added onshore and offshore services. As a global leader in the logistics and transportation industry, Bahri has five business units that provide diverse services including transportation of crude oil, oil products, chemical, bulk and general cargo as well as ship management.

Bahri is the second largest owner of Very Large Crude Carriers (VLCCs) in the world and the largest owner of chemical tankers in the Middle East. Presently, the company owns 83 vessels including 36 VLCCs, 36 chemical/product tankers, 6 multipurpose vessels and 5 dry-bulk carriers with additional 10 VLCCs on order.

Bahri is committed to play an integral and leading role in realizing the Kingdom’s 2030 Vision by continuously enhancing and expanding its services and presence across the world, enabling the opening of new trade routes, and positioning Saudi Arabia as a unique regional logistics gateway to three continents.
About BW Group
BW Group is a leading global maritime group involved in shipping, floating gas infrastructure and deepwater oil & gas production, and has been delivering energy and other vital commodities for more than 75 years, with a current fleet of 167 ships. The group was founded by Sir YK Pao in Hong Kong in 1955 as World-Wide Shipping. In 2003, the group acquired Bergesen, Norway’s largest shipping company founded in 1935, and in 2005, the business was re-branded as BW. Today, BW Group operates the world’s largest gas shipping fleet (LNG and LPG combined), with a total of 70 large gas vessels, including three FSRUs (floating storage and regasification units). BW Offshore operates the world’s second largest floating oil and gas production fleet (FPSOs), with 15 units in US, Brazil, Mexico, West Africa, North Sea, and Australasia. BW’s fleet also includes crude oil supertankers, refined oil tankers, chemical tankers and dry bulk carriers.

About Reliance Industries
Reliance Industries Limited (RIL) is India’s largest private sector company, with a consolidated turnover of INR 296,091 crore (US$ 44.7 billion), cash profit of INR 40,737 crore (US$ 6.1 billion) and net profit of INR 27,630 crore (US$ 4.2 billion) for the year ended March 31, 2016. RIL is the first private sector company from India to feature in Fortune’s Global 500 list of ‘World’s Largest Corporations’, currently ranking 215th in terms of revenues and 126th in terms of profits. RIL ranks 238th in the Financial Times’ FT Global 500 list (2015) of the world’s largest companies. RIL ranks 121st on the Forbes Global 2000 list (2016), continuing to be the top-ranked Indian company. RIL’s activities span hydrocarbon exploration and production, petroleum refining and marketing, petrochemicals, retail and telecommunications.

Standard Chartered
We are a leading international banking group, with around 84,000 employees and a 150-year history in some of the world’s most dynamic markets. We bank the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East. Our heritage and values are expressed in our brand promise, Here for good.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges as well as the Bombay and National Stock Exchanges in India.

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