

HD RWE (CM) Teekay Tankers Agrees to Acquire Five Modern Aframax Tankers

WC 419 words

PD 20 December 2014

SN Resources News (RWE)

SC RESNEW

LA English

CY Copyright 2014 RWE Australian Business News Pty Ltd. All Rights Reserved.

LP

RWE (CM) Teekay Tankers Agrees to Acquire Five Modern Aframax Tankers

Sydney - Friday - December 19 (RWE) - Teekay Tankers Ltd [NYSE:TNK] today announced that it has agreed to acquire four coated Aframax tankers and one uncoated Aframax tanker for an aggregate **purchase** price of approximately \$230 **million**.

TD

The five vessels, which are expected to be delivered in the first quarter of 2015, were constructed in 2008, 2010 and 2011 at top tier shipyards in Japan and **China**.

Upon delivery, the vessels will trade in the Teekay-managed Taurus LR2 Pool and Aframax RSA "We are pleased to announce this **acquisition** of five, high quality, modern secondhand tankers at an attractive price, which, when combined with the increase in our in-chartered fleet over the past six months, is consistent with our stated strategy of increasing our exposure to an improving spot tanker market," commented Kevin Mackay, Chief Executive Officer of Teekay Tankers.

"Combined with our existing fleet and in-chartered portfolio, these new vessels will increase our fleet size to 43 vessels.

In addition, the transaction provides optionality to trade the four coated Aframax tankers in the crude or product tanker markets and, with an average age of only 3.8 years for the five vessels, enhances the age profile of our fleet.

"Spot tanker rates for crude and large product tankers for the fourth quarter of 2014 are averaging higher than the previous quarter," Mr Mackay continued.

"Increased seasonal **oil** demand, winter weather delays and lower global **oil** prices, which is encouraging stockpiling of crude **oil** and resulting in lower bunker fuel costs, are some of the key factors that are driving spot tanker rates higher.

The vessel acquisitions have been approved by the Board of Directors of both Teekay Tankers and the sellers and remain subject to customary closing conditions.

About Teekay Tankers Ltd Teekay Tankers directly owns a fleet of 32 double-hull vessels, including 12 Aframax tankers, 10 Suezmax tankers, seven Long Range 2 product tankers, three Medium-Range product tankers, including five vessels to be acquired in the first quarter of 2015, and has contracted ten time charter-in conventional tankers.

Teekay Tankers' vessels are employed through a mix of short- or medium- term fixed-rate time charter contracts and spot tanker market trading, and its vessels are commercially and technically managed by a joint venture **company** in which Teekay Tankers and Teekay Corporation [NYSE:TK] each own a 50 per cent interest.

ENDS

CO teetnk : Teekay Tankers Ltd | tkysp : Teekay Corporation

IN imarfr : Marine Freight | i74 : Marine Transport | icargo : Freight/Cargo Transport | iship : Water Transport/Shipping | itsp : Transportation/Shipping

NS mbnkr : Bunker Fuel Markets | c181 : Acquisitions/Mergers/Takeovers | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | m14 : Commodity Markets | m143 : Energy Markets | mcat : Commodity/Financial Market News | mcrntg : Crude Oil/Natural Gas Product Markets |

ncat : Content Types | nfact : Factiva Filters | nfce : C&E Exclusion Filter | nfcpin : C&E Industry News Filter

RE austr : Australia | nswals : New South Wales | apacz : Asia Pacific | ausnz : Australia/Oceania

PUB RWE Australian Business News Pty Ltd

AN Document RESNEW0020141219eack00021