

Loan restructuring services for shipping companies

Transportation & Logistics

January 2019



pwc

Many shipping companies and financial institutions are facing pressure to proceed with viable loan restructuring. We can help you to do that.

Your challenges

The shipping industry is experiencing a very large supply of tonnage and has difficulties in absorbing the new building order book in most of the market segments. This has put freight rates and vessel values under pressure and resulted in limited cash flows for servicing loan obligations in most market segments. This, together with the uncertainties surrounding the global demand for tonnage and volatility of the global economy, is having an impact on the ability of the shipping companies to service their loan obligations.

All of these challenges, have led many shipping companies to adjust their strategies and business models and to enter into discussions with financial institutions for restructuring their loan facilities. The loan restructuring process has evolved to become increasingly complicated as the banks become more regulated and companies are experiencing significant challenges during this process. Therefore, it is important for the shipping companies to be well-prepared in agreeing an appropriate and viable loan restructuring plan.

How PwC can help?

PwC specialists have the technical expertise and are in position to assist you in responding to the challenging requirements of the complex loan restructuring process and, assist in reaching an appropriate and viable loan restructuring plan for your business.

Our specialists consist of professionals in Cyprus as well as professionals from our global network of experts in 157 countries that can adapt their expertise, experiences and specialist knowledge to your specific needs.

PwC, through its technical capabilities and its strong brand as an objective and credible advisor, can add value by assisting you with the following services:



Development of restructuring plan, business model and objective assessment

- Assistance in preparation of a restructuring plan and business model that will include Management's projections
- Objective assessment of key assumptions included in the business plan
- Perform sensitivity analysis to assess a range of possible outcomes
- Identification of significant issues

Technocratic assistance in reviewing terms

- Review of term sheets and other relevant documentation
- Evaluation of terms through qualitative and quantitative analysis of impact of proposed mechanisms and terms introduced
- Assist in the identification of other possible alternatives options
- Assistance in the preparation of response / counterproposal to the Bank

Contact us

Cleo A Papadopoulou
Partner
In charge of Transportation & Logistics
cleo.papadopoulou@pwc.com

Yiangos Kaponides
Partner
Assurance
yiangos.kaponides@pwc.com

Socrates Paschalis
Director
Advisory
socrates.paschalis@pwc.com

PricewaterhouseCoopers Ltd

PwC Central, 43 Demostheni Severi Avenue,
CY-1080 Nicosia
P O Box 21612, CY-1591 Nicosia, Cyprus
Tel: +357-22 555 000, Fax: +357-22 555 001

City House, 6 Karaiskakis Street,
CY-3032 Limassol, Cyprus
P O Box 53034, CY-3300 Limassol, Cyprus
Tel. +357-25 555 000, Fax +357-25 555 001

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.

© 2019 PricewaterhouseCoopers Ltd. All rights reserved. PwC refers to the Cyprus member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.