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PASSENGERSHIPS

# Grimaldi's Hellenic Seaways stake hits 45% and counting

Italian owner inches closer to assuming majority control of Greece's biggest ferry company

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**Grimaldi** Group's Greek division, Minoan Lines, has raised its Hellenic Seaways (HSW) stake to near 45% after a tenacious, ongoing campaign aimed at buying out minority shareholders, sources tell TradeWinds on condition of anonymity.

A merger between Crete-based Minoan and HSW would easily create Greece's biggest ferry company with more than 25 ships, setting it apart from rivals Attica Group and Anek Lines.

Minoan has scooped more than 10% of HSW since mid-February, when it began buying company equity at varying prices from different stockholders, including a big Greek insurance group. According to TradeWinds' calculations, based on public filings and company sources, Minoan has spent at least EUR 16m (\$18m) in its drive to become HSW's largest single shareholder, overtaking Greek lender Piraeus Bank, which holds a 39.6% stake.

This is the latest in a string of expansive moves by the Italian owner. **Grimaldi** was rumoured last week to have purchased the 32,700-gt fast ferry *Bimini Superfast* (built 2001) for about EUR 65m. In January, it signed up for two more 7,800-car-equivalent-unit (ceu) pure car/truck carriers (PCTCs) at China's Yangfan Group for \$60m each, helped by a loan from the European Investment Bank (EIB). In October, **Grimaldi** invested EUR 96.9m to up its stake in Finnish ferry operator Finnlines by 10.58% to 91.3%.

**Grimaldi's** latest proposal, tabled to HSW minority shareholders on 8 March, offers to buy them out at EUR 2.5 per share. This values the privately held company at about EUR 200m, according to TradeWinds' calculations. A higher price is negotiable for each lot bigger than 70,000 shares (or 0.1% of HSW).

A Minoan official talking to TradeWinds last week said there was no formal expiry date for the offer. "There is no specific timeta-

ble," he said on condition of anonymity.

Minoan is now open to enter negotiations with Piraeus Bank, Greece's second-biggest lender by assets, to buy its HSW stake, the Minoan official added, confirming a previous report in Greek newspaper Kathimerini.

"We want to discuss with Piraeus about buying its stake and we are awaiting the tender offer we understand they are planning", he said.

Piraeus Bank has been accumulating its HSW stake since April 2013. A large part of it was originally held as collateral for shipping loans extended to Piraeus customers. It has an extensive loan portfolio of about EUR 2.6bn to local oceangoing and coastal shipping firms.

Piraeus Bank spokespersons were not available to comment on whether such a tender offer is on the cards anytime soon. Such a move, however, would be plausible. The bank has included unidentified shipping assets as part



GRIMALDI GROUP



**MINOAN LINES:** Chief executive Antonios Maniadakis.

Photo: ANDRONIKOS DIONYSIOS

of its “non-core business and restructuring portfolio” that is potentially up for sale.

Like all other major Greek lenders, Piraeus Bank must sell at least some of its holdings to qualify for bank bailout funds. It received an additional EUR 2.72bn in state aid as part of Greek banks’ latest, EU-funded recapitalisation round in November.

Financial carrots apart, **Grimaldi** is also appealing to HSW shareholders’ patriotic instincts, dismissing concerns that a takeover

of their company would be against Greek national interests.

**Grimaldi** has maintained Minoan as a “purely Greek company” ever since becoming its main shareholder in 2008, Minoan’s chief executive Antonios Maniadakis said in a public statement. The Italians have since invested about EUR 400m in Minoan, including EUR 320m to buy the stock and EUR 80m in a subsequent share-capital increase. “Do we want investments in our country or do we not?” Maniadakis concluded.