



Tullett Prebon

Tullett Prebon and three major international Shipbroking companies form FFA partnership to capitalise on \$4.5 billion wet freight derivatives market

LONDON, Monday 3 October 2005 – Tullett Prebon, part of Collins Stewart Tullett plc, today announced it has entered into a partnership with London based Shipbroking company, Capital Shipbrokers, Island Shipbrokers in Singapore and MJLF of Stamford, Connecticut, to capitalise on the \$4.5 billion* wet freight derivatives market.

The newly created partnership will bring together the proven experience and success of Tullett Prebon's existing inter-dealer broking business with the physical shipping expertise of the three Shipbroking companies.

Tullett Prebon, one of the leading brokers in the energy markets, will relocate part of the five-strong broker desk to Capital's offices in the West-end of London. In addition, a new team will also be formed in Island's Singapore offices at the beginning of November with Tim Spragg, formerly of Arcadia Petroleum, and at least one other.

This is the second recent product offering from Tullett Prebon, following the launch of the property derivatives desk in July. Both product teams will be headed up by Henry Ann, Head of New Business.

Forward freight agreements (FFAs) are paper contracts between two counterparties on any agreed shipping route fixed against the Baltic index, which allows market participants to gain or hedge against volatility in the underlying freight market.

Henry Ann, Head of New Business, Tullett Prebon, said, "Our newly formed partnership will allow Tullet Prebon brokers to benefit from Capital, Island and MJLF's knowledge of the physical shipping business. At the same time, it will provide the customers of the three Shipbrokers with valuable hedging opportunities through the use of forward freight agreements and the growing use of options."

Nick Jackson, Managing Director of Capital Shipbrokers comments: "We have been working closely with Tullet Prebon over the past year and are pleased to be taking the next step by formalising our relationship with them, along with our co-brokers Island and MJLF, which we firmly believe will jointly enhance the service we can provide our clients."

Tim Madley, President of Island Shipbrokers said: "Island has been watching carefully the developing FFA market in Singapore and after looking at several interesting options chose this partnership as the ideal opportunity to move us forward in this market segment."

Bob Flynn, President of MJLF: "It's all about creating liquidity. We hope this joint effort will tap into the energy market in a way that will engage fresh participation in the paper tanker market. It will be seen as a necessary element to their overall strategy. MJLF is excited about the prospects this partnership will generate."

For further information on Tullett Prebon, please click on the following link.
http://www.cstplc.com/IDB/IDB_home.asp

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Notes to editors

* FFABA Forum, Geneva, 14th September 2005

About Tullett Prebon

Tullett Prebon operate as intermediaries in wholesale financial markets facilitating the trading activities of their clients, in particular commercial and investment banks. In certain product areas the customer base also includes financial institutions and other professional investors.

The IDB business covers five major product groups: Fixed Income Securities and their derivatives, Interest Rate Derivatives, Treasury Products, Equities and Energy. The business brokes these products on either a "name give-up" basis (where the counterparties to a transaction settle directly with each other) or a "matched principal"

basis (where Tullett Prebon is the counterparty to each leg of a transaction). In addition, the business has an information sales activity.

Tullett Prebon operate a “hybrid” model with voice broking provided to clients via direct lines to trading desks supported by proprietary screens that display historical data, analytics and real time prices.

Data:marker is a key component to the IDB business. It is a multi-product broking platform that supports both brokers and clients with capabilities such as on-screen price display, analytics, historical price information and automated post-trade feeds.

It has its principal offices in London, New York/New Jersey, Hong Kong, Singapore and Tokyo, with other offices in Frankfurt, Paris, Luxembourg, Sydney, Toronto, Calgary, Warsaw and Zurich. It also has joint ventures in Bahrain, Bangalore, Jakarta, Kuala Lumpur, Manila, and Mumbai.

About Collins Stewart Limited

Collins Stewart Limited’s activities span institutional and private client stockbroking, market making, corporate finance, fund management and the supply of on-line financial information. It was founded in 1991 as a partnership with Singer & Friedlander and was part of them until the management buy-out in May 2000. Since its formation Collins Stewart has grown rapidly, partly through acquisition (Greig Middleton’s Channel Islands business in 1996 and the private client division of NatWest Stockbrokers in 2001) and partly through organic development. The firm has established itself as London’s leading independent stockbrokers. Collins Stewart now employs some 400 staff operating in offices in London, Dublin, New York, Paris, Milan, The Channel Islands, Isle of Man, and Uxbridge.