

US Navy Awards 8-Ship Operating Contract to Houston Small Business

Ocean Shipholdings, Inc. subsidiary will provide operating services for eight RORO ships to the Navy's Military Sealift Command.

September 25, 2008—The United States Department of the Navy, Military Sealift Command (MSC) has awarded **Ocean Ships, Inc.** (OSI) a contract for the Operation & Maintenance of eight Large Medium Speed Roll On/Roll Off Ships (LMSR). This Navy owned and contractor operated fleet is known as the Watson Class LMSRs. The ships are the USNS CHARLTON, USNS DAHL, USNS POMEROY, USNS RED CLOUD, USNS SISLER, USNS SODERMAN, USNS WATKINS and USNS WATSON. The LMSRs are a component of the MSC Afloat Prepositioning Program which provides for military readiness to project U.S. forces abroad in time of national contingency.

Shipboard personnel will be provided under Collective Bargaining Agreements with the American Maritime Officers Union and the Seafarers International Union, AFL-CIO. The awarded contract is a one year firm contract with four one-year options, which if exercised, will bring the total estimated contract amount to \$220,275,409.

Ocean Ships, Inc.(OSI) is a wholly owned subsidiary of **Ocean Shipholdings, Inc.** with corporate headquarters in Houston, Texas. OSI, a Small Business with a Navy ship operating and maintenance experience that spans over 23 years, already operates the MSC owned fleet of T-5 Class petroleum fuel tankers under a Small Business Set Aside Contract. The company provides full service ship operations on a worldwide basis. OSI operates with Quality, Security and Safety Management Systems certified by the American Bureau of Shipping for ISO9001:2000 Quality Management System, ISM Safety management System and MTSA/ISPS Shipboard Security System.

Ocean Duchess, Inc, an affiliate of Ocean Shipholdings, Inc., operates two SEABEE Class ships for the U.S. Maritime Administration Ready Reserve Force, the CAPE MAY and CAPE MOHICAN . OSI also has offices in Norfolk, Virginia and Alameda, California.

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