

Scorpio Tankers Inc.
Form 424B5
May 06, 2014
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**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-186815**

SUBJECT TO COMPLETION, DATED MAY 6, 2014

This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, as amended, but is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities in any jurisdiction where the offer or sale is not permitted and they are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted

PRELIMINARY PROSPECTUS SUPPLEMENT

(To Prospectus dated February 25, 2013)

% Senior Notes due 2020

We are offering \$ aggregate principal amount of our % Senior Notes due 2020 (the Notes). We have granted the underwriters the option to purchase, exercisable during the 30-day period beginning on the date of this prospectus supplement, up to an additional \$ aggregate principal amount of the Notes. The Notes will bear interest from May , 2014 at a rate of % per year. The Notes will mature on May 15, 2020. Interest on the Notes will be payable quarterly in arrears on the 15th day of February, May, August and November of each year, commencing on August 15, 2014. We may redeem the Notes at our option, in whole or in part, at any time on or after , 2017 at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date, as described in Description of Notes Optional Redemption. In addition, we may redeem the Notes in whole, but not in part, at any time at our option, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date, if certain events occur involving changes in taxation, as described in this prospectus supplement under Description of Notes Optional Redemption for Changes in Withholding Taxes.

The Notes will be senior unsecured obligations and will rank equally with all of our existing and future senior unsecured and unsubordinated debt. The Notes will be effectively subordinated to our existing and future secured debt, to the extent of the value of the assets securing such debt, and will be structurally subordinated to all existing and future debt and other liabilities of our subsidiaries. The Notes will be issued in minimum denominations of \$25.00 and integral multiples of \$25.00 in excess thereof.

Investing in the Notes involves risks. Please see Risk Factors beginning on page S-12.

	Per Note	Total
Public offering price ⁽¹⁾	%	\$
Underwriting discount	%	\$
Proceeds, before expenses, to us	%	\$

(1) Plus accrued interest from May , 2014 if settlement occurs after that.

We will apply for the listing of the Notes on the New York Stock Exchange. If approved for listing, trading on the New York Stock Exchange is expected to commence within 30 days after the Notes are first issued.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Joint Bookrunning Managers

Stifel

**Deutsche Bank Securities
Co-Managers**

Jefferies

BB&T Capital Markets

Janney Montgomery Scott

Wunderlich Securities

We expect that delivery of the Notes will be made to investors on or about May , 2014, through the book-entry system of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear system, and Clearstream Banking, *société anonyme*.

The date of this prospectus supplement is May , 2014

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IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying base prospectus and the documents incorporated by reference into this prospectus supplement and the base prospectus. The second part, the base prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to this offering. Generally, when we refer only to the prospectus, we are referring to both parts combined, and when we refer to the accompanying prospectus, we are referring to the base prospectus.

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. This prospectus supplement, the accompanying prospectus and the documents incorporated into each by reference include important information about us, the Notes being offered and other information you should know before investing. You should read this prospectus supplement and the accompanying prospectus together with additional information described under the heading, *Where You Can Find Additional Information* before investing in the Notes.

We prepare our financial statements, including all of the financial statements incorporated by reference in this prospectus supplement, in U.S. dollars and in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). We have a fiscal year end of December 31.

We have authorized only the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus prepared by or on behalf of us or to which we have referred you. We have not, and any underwriters have not, authorized anyone to provide you with information that is different. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any information that others may give you. We are offering to sell, and seeking offers to buy, the Notes only in jurisdictions where offers and sales are permitted. The information contained in or incorporated by reference in this document is accurate only as of the date such information was issued, regardless of the time of delivery of this prospectus supplement or any sale of the Notes.

ENFORCEMENT OF CIVIL LIABILITIES

We are a Marshall Islands company, and our principal executive office is located outside of the United States in Monaco, although we also have an office in New York. Some of our directors, officers and the experts named in this registration statement reside outside the United States. In addition, a substantial portion of our assets and the assets of certain of our directors, officers and experts are located outside of the United States. As a result, you may have difficulty serving legal process within the United States upon us or any of these persons. You may also have difficulty enforcing, both in and outside the United States, judgments you may obtain in United States courts against us or these persons.

INDUSTRY AND MARKET DATA

The discussions contained under the heading *The International Oil Tanker Shipping Industry* have been reviewed by Drewry Shipping Consultants Ltd., or Drewry, which has confirmed to us that they accurately describe the international oil tanker shipping market as of March 31, 2014.

The statistical and graphical information we use in this prospectus has been compiled by Drewry from its database. Drewry compiles and publishes data for the benefit of its clients. Its methodologies for collecting data, and therefore the data collected, may differ from those of other sources, and its data does not reflect all or even necessarily a

comprehensive set of the actual transactions occurring in the market.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Matters discussed in this document and the documents incorporated by reference herein may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

We desire to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are including this cautionary statement in connection with this safe harbor legislation. This document and the documents incorporated by reference herein may include forward-looking statements, which reflect our current views with respect to future events and financial performance. The words believe, anticipate, intend, estimate, forecast, project, plan, potential, may, should, expect and similar expressions identify forward-looking statements.

The forward-looking statements in this document and the documents incorporated by reference herein are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors and matters discussed elsewhere in this prospectus, and in the documents incorporated by reference in this prospectus, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the failure of counterparties to fully perform their contracts with us, the strength of world economies and currencies, general market conditions, including fluctuations in charterhire rates and vessel values, changes in demand in the tanker vessel markets, changes in the company's operating expenses, including bunker prices, drydocking and insurance costs, the fuel efficiency of our vessels, the market for our vessels, availability of financing and refinancing, charter counterparty performance, ability to obtain financing and comply with covenants in such financing arrangements, changes in governmental rules and regulations or actions taken by regulatory authorities including those that may limit the commercial useful lives of tankers, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other important factors described from time to time in the reports we file with the Securities and Exchange Commission, or the Commission, and the New York Stock Exchange, or NYSE. We caution readers of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to update or revise any forward-looking statements. These forward-looking statements are not guarantees of our future performance, and actual results and future developments may vary materially from those projected in the forward-looking statements.

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This section summarizes some of the key information that is contained or incorporated by reference in this prospectus. It may not contain all of the information that may be important to you. As an investor or prospective investor, you should review carefully the entire prospectus, any free writing prospectus that may be provided to you in connection with the offering of our Notes and the information incorporated by reference in this prospectus, including the sections entitled Risk Factors on page S-12 of this prospectus supplement; on page 8 of the accompanying prospectus in our Registration Statement on Form F-3, effective February 25, 2013; and in our Annual Report on Form 20-F for the fiscal year ended December 31, 2013, filed on March 31, 2014. Unless the context otherwise requires, when used in this prospectus supplement, the terms Scorpio Tankers, the Company, we, our and us refer to Scorpio Tankers Inc. and its subsidiaries. Scorpio Tankers Inc. refers only to Scorpio Tankers Inc. and not its subsidiaries. The financial information included or incorporated by reference into this prospectus represents our financial information and the operations of our subsidiaries. Unless otherwise indicated, all references to currency amounts in this prospectus are in U.S. dollars. Unless otherwise indicated, all information in this prospectus supplement assumes that the underwriters' option to purchase up to \$ million aggregate additional principal amount of the Notes is not exercised.

Our Company

We are engaged in seaborne transportation of refined petroleum products and crude oil in the international shipping markets. As of May 6, 2014, we operate a fleet consisting of 20 wholly-owned tankers (two LR1 tankers, one Handymax tanker, 16 MR tankers and one post-Panamax tanker) with a weighted average age of approximately 2.8 years, and 28 time chartered-in tankers (eight Handymax tankers, six MR tankers, six LR1 tankers and eight LR2 tankers), which we refer to collectively as our Operating Fleet. In addition, as of the same date, we have contracts for the construction of 54 newbuilding product tankers (28 MR tankers, 14 Handymax ice class 1-A tankers and 12 LR2 tankers), which we refer to as our Newbuilding Program. Of the vessels in our Newbuilding Program, 41 are expected to be delivered to us throughout 2014 and 13 in 2015. We also own approximately 25.7% of the outstanding shares of Dorian LPG Ltd., or Dorian, an international liquefied petroleum gas, or LPG, shipping company, which has an operating fleet of four LPG carriers (three of which are very large gas carriers, or VLGCs) and contracts for the construction of 19 fuel-efficient VLGC newbuildings from reputable shipyards.

The following table sets forth certain information regarding our fleet as of May 6, 2014:

	Vessel Name	Year Built	DWT	Ice class	Employment	Vessel type
	<i>Owned vessels</i>					
1	STI Highlander	2007	37,145	1A	SHTP ⁽¹⁾	Handymax
2	STI Amber	2012	52,000		SMRP ⁽⁴⁾	MR
3	STI Topaz	2012	52,000		SMRP ⁽⁴⁾	MR
4	STI Ruby	2012	52,000		SMRP ⁽⁴⁾	MR
5	STI Garnet	2012	52,000		SMRP ⁽⁴⁾	MR
6	STI Onyx	2012	52,000		SMRP ⁽⁴⁾	MR
7	STI Sapphire	2013	52,000		SMRP ⁽⁴⁾	MR
8	STI Emerald	2013	52,000		SMRP ⁽⁴⁾	MR
9	STI Beryl	2013	52,000		SMRP ⁽⁴⁾	MR
10	STI Le Rocher	2013	52,000		SMRP ⁽⁴⁾	MR
11	STI Larvotto	2013	52,000		SMRP ⁽⁴⁾	MR

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12	STI Fontvieille	2013	52,000	SMRP ⁽⁴⁾	MR
13	STI Ville	2013	52,000	SMRP ⁽⁴⁾	MR
14	STI Duchessa	2014	52,000	SMRP ⁽⁴⁾	MR

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	Vessel Name	Year Built	DWT	Ice class	Employment	Vessel type
15	STI Opera	2014	52,000		Spot ⁽⁵⁾	MR
16	STI Texas City	2014	52,000		Time Charter ⁽⁶⁾	MR
17	STI Meraux	2014	52,000		Time Charter ⁽⁷⁾	MR
18	STI Harmony	2007	73,919	1A	SPTP ⁽²⁾	LR1
19	STI Heritage	2008	73,919	1A	SPTP ⁽²⁾	LR1
20	Venice	2001	81,408	1C	Spot	Post-Panamax
Total owned DWT			1,098,391			

	Vessel Name	Year Built	DWT	Ice class	Employment	Vessel type	Daily Base Rate	Expiry ⁽⁸⁾
<i>Time chartered-in vessels</i>								
21	Kraslava	2007	37,258	1B	SHTP ⁽¹⁾	Handymax	\$ 12,800	18-May-15
22	Krisjanis Valdemars	2007	37,266	1B	SHTP ⁽¹⁾	Handymax	\$ 13,650	14-Apr-15 ⁽⁹⁾
23	Jinan	2003	37,285		SHTP ⁽¹⁾	Handymax	\$ 12,600	28-Apr-15
24	Iver Progress	2007	37,412		SHTP ⁽¹⁾	Handymax	\$ 12,500	3-Mar-15 ⁽¹⁰⁾
25	Iver Prosperity	2007	37,455		SHTP ⁽¹⁾	Handymax	\$ 12,500	20-Oct-14 ⁽¹¹⁾
26	Histria Azure	2007	40,394		SHTP ⁽¹⁾	Handymax	\$ 13,550	4-Apr-15 ⁽¹²⁾
27	Histria Coral	2006	40,426		SHTP ⁽¹⁾	Handymax	\$ 12,800	17-Jul-14 ⁽¹³⁾
28	Histria Perla	2005	40,471		SHTP ⁽¹⁾	Handymax	\$ 12,800	15-Jul-14 ⁽¹³⁾
29	STX Ace 6	2007	46,161		SMRP ⁽⁴⁾	MR	\$ 14,150	17-May-14 ⁽¹⁴⁾
30	Targale	2007	49,999		SMRP ⁽⁴⁾	MR	\$ 14,500	17-May-15 ⁽¹⁵⁾
31	Gan-Triumph	2010	49,999		SMRP ⁽⁴⁾	MR	\$ 14,150	20-May-14
32	Nave Orion	2013	49,999		SMRP ⁽⁴⁾	MR	\$ 14,300	25-Mar-15 ⁽¹⁶⁾
33	Gan-Trust	2013	51,561		SMRP ⁽⁴⁾	MR	\$ 16,250	6-Jan-16 ⁽¹⁷⁾
34	Usma	2007	52,684	1B	SMRP ⁽⁴⁾	MR	\$ 14,500	3-Jan-15
35	SN Federica	2003	72,344		SPTP ⁽²⁾	LR1	\$ 11,250	15-May-15 ⁽¹⁸⁾
36	SN Azzura	2003	72,344		SPTP ⁽²⁾	LR1	\$ 13,600	25-Dec-14
37	King Douglas	2008	73,666		SPTP ⁽²⁾	LR1	\$ 14,000	8-Aug-14 ⁽¹⁹⁾
38	Hellespont Promise	2007	73,669		SPTP ⁽²⁾	LR1	\$ 14,250	14-Aug-14
39	Hellespont Progress	2006	73,728		SPTP ⁽²⁾	LR1	\$ 15,000	18-Mar-15 ⁽²⁰⁾
40	FPMC P Eagle	2009	73,800		SPTP ⁽²⁾	LR1	\$ 14,525	9-Sep-15
41	FPMC P Hero	2011	99,995		SLR2P ⁽³⁾	LR2	\$ 15,000	2-Nov-14 ⁽²¹⁾
42	FPMC P Ideal	2012	99,993		SLR2P ⁽³⁾	LR2	\$ 15,250	9-Jul-14 ⁽²²⁾
43	Swarna Jayanti	2010	104,895		SLR2P ⁽³⁾	LR2	\$ 15,000	11-Mar-15 ⁽²³⁾
44	Densa Alligator	2013	105,708		SLR2P ⁽³⁾	LR2	\$ 16,500	17-Sep-14 ⁽²⁴⁾
45	Khawr Aladid	2006	106,003		SLR2P ⁽³⁾	LR2	\$ 15,400	11-Jul-15
46	Fair Seas	2008	115,406		SLR2P ⁽³⁾	LR2	\$ 16,500	21-Aug-14
47	Southport	2008	115,462		SLR2P ⁽³⁾	LR2	\$ 15,700	10-Dec-14
48	Four Sky	2010	115,708		SLR2P ⁽³⁾	LR2	\$ 16,250	2-Sep-14
Total time chartered-in DWT			1,911,091					

Table of Contents*Newbuildings currently under construction*

	Vessel Name	Yard	DWT	Ice class	Vessel type
	<i>Product tankers</i>				
49	Hull 2451	HMD ⁽²⁵⁾	38,000	1A	Handymax
50	Hull 2452	HMD ⁽²⁵⁾	38,000	1A	Handymax
51	Hull 2453	HMD ⁽²⁵⁾	38,000	1A	Handymax
52	Hull 2454	HMD ⁽²⁵⁾	38,000	1A	Handymax
53	Hull 2462	HMD ⁽²⁵⁾	38,000	1A	Handymax
54	Hull 2463	HMD ⁽²⁵⁾	38,000	1A	Handymax
55	Hull 2464	HMD ⁽²⁵⁾	38,000	1A	Handymax
56	Hull 2465	HMD ⁽²⁵⁾	38,000	1A	Handymax
57	Hull 2476	HMD ⁽²⁵⁾	38,000	1A	Handymax
58	Hull 2477	HMD ⁽²⁵⁾	38,000	1A	Handymax
59	Hull 2478	HMD ⁽²⁵⁾	38,000	1A	Handymax
60	Hull 2479	HMD ⁽²⁵⁾	38,000	1A	Handymax
61	Hull 2499	HMD ⁽²⁵⁾	38,000	1A	Handymax
62	Hull 2500	HMD ⁽²⁵⁾	38,000	1A	Handymax
63	Hull 2391	HMD ⁽²⁵⁾	52,000		MR
64	Hull 2392	HMD ⁽²⁵⁾	52,000		MR
65	Hull 2449	HMD ⁽²⁵⁾	52,000		MR
66	Hull 2450	HMD ⁽²⁵⁾	52,000		MR
67	Hull 2458	HMD ⁽²⁵⁾	52,000		MR
68	Hull 2459	HMD ⁽²⁵⁾	52,000		MR
69	Hull 2460				