

Scorpio Tankers Inc.
Form 6-K
October 28, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of October 2014

Commission File Number: 001-34677

SCORPIO TANKERS INC.

(Translation of registrant's name into English)

9, Boulevard Charles III, Monaco 98000

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.
Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): .

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): .

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

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INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this Report on Form 6-K as Exhibit 1 is Management's Discussion and Analysis of Financial Condition and Results of Operations and the unaudited interim condensed consolidated financial statements and related information and data of Scorpio Tankers Inc. (the Company) as of and for the six months ended June 30, 2014.

This Report on Form 6-K is hereby incorporated by reference into the Company's Registration Statement on Form F-3 (Registration No. 333-186815) that was filed with the U.S. Securities and Exchange Commission with an effective date of February 25, 2013.

Table of ContentsExhibit 1**SCORPIO TANKERS INC. (NYSE: STNG)**

As used herein, we, us, our and the Company all refer to Scorpio Tankers Inc. and its subsidiaries. This management discussion and analysis of financial condition and results of operations should be read together with the discussion included in the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2013.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the six months ended June 30, 2014 and June 30, 2013

General

We are a provider of marine transportation of petroleum products worldwide. We currently own and operate 48 tankers (four LR2 tankers, two LR1 tankers, 10 Handymax tankers, 31 MR tankers, and one post-Panamax tanker) that have a weighted average age of 1.5 years as of the date of this report, time charter-in and operate 24 tankers (eight LR2, five LR1, four MR and seven Handymax tankers) and have 27 newbuilding product tankers under construction. We also own approximately 16.3 % of Dorian LPG Ltd (Dorian). Dorian is a liquefied petroleum gas shipping company that owns five Very Large Gas Carriers (VLGCs) and one pressurized gas carrier and has 17 VLGCs under construction.

Since June 2011, we have entered into contracts with Hyundai Mipo Dockyard Co. Ltd. of South Korea, or HMD, SPP Shipbuilding Co., Ltd. of South Korea, or SPP, Hyundai Samho Heavy Industries Co., Ltd., or HSHI, and Daewoo Shipbuilding and Marine Engineering Co., Ltd., or DSME, for the construction of 89 tankers, which include 11 VLGCs under construction that were sold to Dorian in 2013 and seven Very Large Crude Carriers (VLCCs) under construction that were sold in March 2014. As a result of the sale of the VLCCs, we received net proceeds of \$141.7 million in cash and recorded a gain of \$51.4 million. We refer to our vessels under construction as our Newbuilding Program.

The first 45 of these newbuilding vessels have been delivered as of the date of this report, 13 newbuilding product tankers are scheduled for delivery in 2014 and the remaining 14 in the first and second quarters of 2015. The remaining 27 vessels under construction have an aggregate purchase price of \$1,051.5 million. Of this amount, we have paid \$329.2 million of installment payments in cash and \$39.5 million in common stock.

The following table presents summary information concerning our Operating Fleet as of the date of this report:

	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 Brixton	2014	38,000	1A	SHTP (1)	Handymax
3	STI Comandante	2014	38,000	1A	SHTP (1)	Handymax
4	STI Pimlico	2014	38,000	1A	Spot	Handymax
5	STI Hackney	2014	38,000	1A	SHTP (1)	Handymax

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6	STI Acton	2014	38,000	1A	Spot	Handymax
7	STI Fulham	2014	38,000	1A	Spot	Handymax
8	STI Camden	2014	38,000	1A	Spot	Handymax
9	STI Battersea	2014	38,000	1A	Spot	Handymax
10	STI Wembley	2014	38,000	1A	Spot	Handymax
11	STI Amber	2012	52,000		SMRP (4)	MR
12	STI Topaz	2012	52,000		SMRP (4)	MR
13	STI Ruby	2012	52,000		SMRP (4)	MR
14	STI Garnet	2012	52,000		SMRP (4)	MR
15	STI Onyx	2012	52,000		SMRP (4)	MR
16	STI Sapphire	2013	52,000		SMRP (4)	MR

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17	STI Emerald	2013	52,000		SMRP (4)	MR	
18	STI Beryl	2013	52,000		SMRP (4)	MR	
19	STI Le Rocher	2013	52,000		SMRP (4)	MR	
20	STI Larvotto	2013	52,000		SMRP (4)	MR	
21	STI Fontvieille	2013	52,000		SMRP (4)	MR	
22	STI Ville	2013	52,000		SMRP (4)	MR	
23	STI Duchessa	2014	52,000		SMRP (4)	MR	
24	STI Opera	2014	52,000		SMRP (4)	MR	
25	STI Texas City	2014	52,000		Time Charter (5)	MR	
26	STI Meraux	2014	52,000		Time Charter (6)	MR	
27	STI Chelsea	2014	52,000		SMRP (4)	MR	
28	STI Lexington	2014	52,000		SMRP (4)	MR	
29	STI San Antonio	2014	52,000		Time Charter (6)	MR	
30	STI Venere	2014	52,000		SMRP (4)	MR	
31	STI Virtus	2014	52,000		Spot	MR	
32	STI Powai	2014	52,000		SMRP (4)	MR	
33	STI Aqua	2014	52,000		Spot	MR	
34	STI Dama	2014	52,000		SMRP (4)	MR	
35	STI Olivia	2014	52,000		SMRP (4)	MR	
36	STI Mythos	2014	52,000		Spot	MR	
37	STI Benicia	2014	52,000		Time Charter (6)	MR	
38	STI Regina	2014	52,000		Spot	MR	
39	STI St. Charles	2014	52,000		Spot	MR	
40	STI Mayfair	2014	52,000		Spot	MR	
41	STI Yorkville	2014	52,000		Spot	MR	
42	STI Harmony	2007	73,919	1A	SPTP (2)	LR1	
43	STI Heritage	2008	73,919	1A	SPTP (2)	LR1	
44	Venice	2001	81,408	1C	SPTP (2)	Post-Panamax	
45	STI Elysees	2014	109,999		SLR2P (3)	LR2	
46	STI Madison	2014	109,999		SLR2P (3)	LR2	
47	STI Park	2014	109,999		SLR2P (3)	LR2	
48	STI Orchard	2014	109,999		SLR2P (3)	LR2	
Total owned DWT			2,660,387				

						Daily	
				Ice			Base
Vessel Name	Year Built	DWT	class	Employment	Vessel type	Rate	Expiry (7)
<i>Time chartered-in vessels</i>							
49	Kraslava	2007	37,258	1B	SHTP (1)	Handymax	\$13,650 18-May-15
50	Krisjanis Valdemars	2007	37,266	1B	SHTP (1)	Handymax	\$13,650 14-Apr-15 (8)
51	Jinan	2003	37,285		SHTP (1)	Handymax	\$12,600 28-Apr-15
52	Iver Prosperity	2007	37,412		SHTP (1)	Handymax	\$12,500 03-Mar-16 (9)

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53	Histria Azure	2007	40,394	SHTP (1)	Handymax	\$13,550	04-Apr-15
54	Histria Coral	2006	40,426	SHTP (1)	Handymax	\$13,550	17-Jul-15

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55	Histria Perla	2005	40,471		SHTP (1)	Handymax	\$13,550	15-Jul-15
56	Targale	2007	49,999		SMRP (4)	MR	\$14,850	17-May-15 (10)
57	Nave Orion	2013	49,999		SMRP (4)	MR	\$14,300	25-Mar-15 (11)
58	Gan-Trust	2013	51,561		SMRP (4)	MR	\$16,250	06-Jan-16 (12)
59	Usma	2007	52,684	1B	SMRP (4)	MR	\$14,500	03-Jan-15
60	SN Federica	2003	72,344		SPTP (2)	LR1	\$11,250	15-May-15 (13)
61	SN Azzura	2003	72,344		SPTP (2)	LR1	\$13,600	25-Dec-14
62	King Douglas	2008	73,666		SPTP (2)	LR1	\$14,000	08-Nov-15 (14)
63	Hellespont Progress	2006	73,728		SPTP (2)	LR1	\$15,000	18-Mar-15 (15)
64	FPMC P Eagle	2009	73,800		SPTP (2)	LR1	\$14,525	09-Sep-15
65	FPMC P Hero	2011	99,995		SLR2P (3)	LR2	\$15,250	02-May-15 (16)
66	FPMC P Ideal	2012	99,993		SLR2P (3)	LR2	\$15,500	09-Jan-15
67	Swarna Jayanti	2010	104,895		SLR2P (3)	LR2	\$15,000	11-Mar-15 (17)
68	TBN Densa Crocodile	2015	105,408		SLR2P (3)	LR2	\$21,050	30-Jan-16 (18)
69	Densa Alligator	2013	105,708		SLR2P (3)	LR2	\$17,550	17-Sep-15 (19)
70	Khawr Aladid	2006	106,003		SLR2P (3)	LR2	\$15,400	11-Jul-15
71	Fair Seas	2008	115,406		SLR2P (3)	LR2	\$17,500	10-Mar-15
72	Southport	2008	115,462		SLR2P (3)	LR2	\$15,700	10-Dec-14
Total time chartered-in DWT			1,693,507					

Newbuildings currently under construction

		Ice			
Vessel Name	Yard	DWT	class	Vessel type	
<i>Product tankers</i>					
73	Hull 2477 - TBN STI Finchley	HMD (20)	38,000	1A	Handymax
74	Hull 2478 - TBN STI Clapham	HMD (20)	38,000	1A	Handymax
75	Hull 2479 - TBN STI Poplar	HMD (20)	38,000	1A	Handymax
76	Hull 2499 - TBN STI Hammersmith	HMD (20)	38,000	1A	Handymax
77	Hull 2500 - TBN STI Rotherhithe	HMD (20)	38,000	1A	Handymax
78	Hull 2445 - TBN STI Milwaukee	HMD (20)	52,000		MR
79	Hull 2461 - TBN STI Battery	HMD (20)	52,000		MR
80	Hull 2474 - TBN STI Pontiac	HMD (20)	52,000		MR
81	Hull 2490 - TBN STI Osceola	HMD (20)	52,000		MR
82	Hull 2492 - TBN STI Notting Hill	HMD (20)	52,000		MR
83	Hull 2493 - TBN STI Westminster	HMD (20)	52,000		MR
84	Hull 2475 - TBN STI Seneca	HMD (20)	52,000		MR
85	Hull S1143 - TBN STI Tribeca	SPP (21)	52,000		MR
86	Hull S1144 - TBN STI Soho	SPP (21)	52,000		MR
87	Hull S1169 - TBN STI Manhattan	SPP (21)	52,000		MR
88	Hull S1170 - TBN STI Queens	SPP (21)	52,000		MR

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89	Hull S1145 - TBN STI Gramercy	SPP (21)	52,000	MR
90	Hull S1167 - TBN STI Bronx	SPP (21)	52,000	MR
91	Hull S1168 - TBN STI Brooklyn	SPP (21)	52,000	MR
92	Hull S706 - TBN STI Sloane	HSHI (22)	109,999	LR2
93	Hull S709 - TBN STI Condotti	HSHI (22)	109,999	LR2
94	Hull S710 - TBN STI Veneto	HSHI (22)	109,999	LR2
95	Hull S715 - TBN STI Oxford	HSHI (22)	109,999	LR2
96	Hull S716 - TBN STI Connaught	HSHI (22)	109,999	LR2
97	Hull 5395 - TBN STI Broadway	DSME (23)	109,999	LR2
98	Hull 5398 - TBN STI Winnie	DSME (23)	109,999	LR2
99	Hull 5399 - TBN STI Lauren	DSME (23)	109,999	LR2
	Total newbuilding product tankers DWT		1,797,992	
	Total Fleet DWT		6,151,886	

- (1) This vessel operates in or is expected to operate in the Scorpio Handymax Tanker Pool (SHTP). SHTP is operated by Scorpio Commercial Management (SCM). SHTP and SCM are related parties to the Company.
- (2) This vessel operates in or is expected to operate in the Scorpio Panamax Tanker Pool (SPTP). SPTP is operated by SCM. SPTP is a related party to the Company.
- (3) This vessel operates in or is expected to operate in the Scorpio LR2 Pool (SLR2P). SLR2P is operated by SCM. SLR2P is a related party to the Company.
- (4) This vessel operates in or is expected to operate in the Scorpio MR Pool (SMRP). SMRP is operated by SCM. SMRP is a related party to the Company.
- (5) This vessel is on a time charter agreement for two years, which also contains a 50% profit sharing provision whereby we split all of the vessel's profits above the daily base rate with the charterer.
- (6) This vessel is on a time charter agreement for one year, which also contains a 50% profit sharing provision whereby we split all of the vessel's profits above the daily base rate with the charterer.
- (7) Redelivery from the charterer is plus or minus 30 days from the expiry date.
- (8) The agreement also contains a 50% profit and loss sharing provision whereby we split all of the vessel's profits and losses above or below the daily base rate with the vessel's owner.
- (9) In September 2014, we declared an option to extend the charter for an additional year at \$13,500 per day effective March 3, 2015.
- (10) We have options to extend the charter for up to two consecutive one year periods at \$15,200 per day and \$16,200 per day, respectively.
- (11) We have an option to extend the charter for an additional year at \$15,700 per day.
- (12) The daily base rate for the first year was \$15,750 per day, the rate for the second year is \$16,250 per day, and the rate for the third year is \$16,750 per day. We have options to extend the charter for up to two consecutive one year periods at \$17,500 per day and \$18,000 per day, respectively.
- (13) We have an option to extend the charter for an additional year at \$12,500 per day. We have also entered into an agreement with the vessel's owner whereby we split all of the vessel's profits above the daily base rate.
- (14) In September 2014, we declared an option to extend the charter for an additional year at \$15,000 per day effective November 8, 2014.
- (15) We have options to extend the charter for up to two consecutive one year periods at \$16,250 per day and \$17,250 per day, respectively.
- (16)

In September 2014, we declared an option to extend the charter for an additional six months at \$15,500 per day effective November 2, 2014.

- (17) We have an option to extend the charter for an additional six months at \$16,250 per day.
- (18) This vessel is currently under construction and is scheduled to be delivered in January 2015. We have an option to extend the charter for an additional year at \$22,600 per day.
- (19) In July 2014, we declared an option to extend the charter for an additional twelve months. Under the option the rate increased from \$16,500 per day to \$17,550 per day on September 17, 2014.
- (20) These newbuilding vessels are being constructed at HMD (Hyundai Mipo Dockyard Co. Ltd. of South Korea). Six vessels are expected to be delivered in 2014 and six vessels in the first and second quarters of 2015.
- (21) These newbuilding vessels are being constructed at SPP (SPP Shipbuilding Co., Ltd. of South Korea). Three vessels are expected to be delivered in 2014 and four vessels in the first and second quarters of 2015.
- (22) These newbuilding vessels are being constructed at HSHI (Hyundai Samho Heavy Industries Co., Ltd). Three vessels are expected to be delivered in 2014 and two vessels in the first quarter of 2015.
- (23) These newbuilding vessels are being constructed at DSME (Daewoo Shipbuilding and Marine Engineering). One vessel is expected to be delivered in the fourth quarter of 2014 and two vessels in the second quarter of 2015.

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In August 2014, we reached an agreement with an unrelated third party to purchase an MR product tanker that was then under construction at SPP. The purchase price of the vessel is \$37.1 million and we took delivery of the vessel in September 2014.

Newbuilding vessel deliveries

The following table sets forth our vessel deliveries under our Newbuilding Program from June 30, 2014 through the date of this report:

	Name	Month delivered	Type
1	<i>STI Powai</i>	July 2014	MR
2	<i>STI Aqua</i>	July 2014	MR
3	<i>STI Pimlico</i>	July 2014	Handymax
4	<i>STI Elysees</i>	July 2014	LR2
5	<i>STI Dama</i>	August 2014	MR
6	<i>STI Olivia</i>	August 2014	MR
7	<i>STI Mythos</i>	August 2014	MR
8	<i>STI Hackney</i>	August 2014	Handymax
9	<i>STI Acton</i>	September 2014	Handymax
10	<i>STI Fulham</i>	September 2014	Handymax
11	<i>STI Camden</i>	September 2014	Handymax
12	<i>STI Benicia⁽¹⁾</i>	September 2014	MR
13	<i>STI Regina</i>	September 2014	MR
14	<i>STI St. Charles</i>	September 2014	MR
15	<i>STI Madison</i>	September 2014	LR2
16	<i>STI Park</i>	September 2014	LR2
17	<i>STI Orchard</i>	September 2014	LR2
18	<i>STI Mayfair</i>	October 2014	MR
19	<i>STI Yorkville</i>	October 2014	MR
20	<i>STI Battersea</i>	October 2014	Handymax
21	<i>STI Wembley</i>	October 2014	Handymax

(1) After delivery, this vessel began a one year time charter at a rate level consistent with current one year time charter contracts which includes a profit sharing mechanism whereby earnings in excess of the base time charter rate are split between the Company and charterer.

Dividend Payment

On July 28, 2014, the board of directors declared a quarterly cash dividend of \$0.10 per share, which was paid on September 10, 2014 to all shareholders of record as of August 22, 2014.

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Stock Buyback Program

In July 2014, the board of directors approved a new stock buyback program with authorization to purchase up to \$150 million of shares of the Company's common stock. This program replaced the Company's stock buyback program that was approved in June 2014.

During 2014 (through the date of this report), we acquired 36,729,136 common shares that are being held as treasury shares, which includes (i) 19,101,536 common shares that were purchased in the open market at an average price of \$9.06 per share, (ii) 7,500,000 common shares that were acquired in exchange for 3,422,665 shares in Dorian owned by the Company and (iii) 10,127,600 common shares that were acquired in conjunction with the Company's offering of \$360 million of Convertible Senior Notes. As of the date of this report, the remaining amount under our stock buyback program is \$82.5 million.

We expect to repurchase shares under the buy-back program in the open market, at times and prices that we consider to be appropriate, but are not obligated under the terms of the program to repurchase any shares.

Time Chartered-in Vessels

In July 2014, we extended the time charter on an LR2 tanker that is currently time chartered-in. The term of the agreement is for one year at \$17,550 per day beginning in September 2014.