

**Q1 2005 results,  
May 9, 2005**



# The VLCC's approximate details

Vessel	Dwt	Built	Employment
Camden	298,000	1995	5 years t/c MISC
Chelsea	298,000	1995	Spot
Mayfair	298,000	1995	Spot
Kensington	298,000	1995	3 years t/c TIL
Hampstead	298,000	1996	3 years t/c TIL

# Profit & Loss

INCOME STATEMENT <i>(in thousands of \$)</i>	2005 Jan-Mar <i>(unaudited)</i>	2004 Jan-Mar <i>(unaudited)</i>	2004 Jan-Dec <i>(unaudited)</i>
<b>Operating revenues</b>	29,369	36,561	135,695
Voyage expenses	3,811	1,302	14,240
Ship operating expenses	3,102	601	9,868
Administrative expenses	229	376	1,114
<b>Operating income before depreciation</b>	<b>22,227</b>	<b>34,282</b>	<b>110,473</b>
Depreciation	4,221	4,358	17,219
<b>Operating income after depreciation</b>	<b>18,006</b>	<b>29,924</b>	<b>93,254</b>
Interest income	307	26	449
Interest expense	(1,185)	(2,300)	(7,877)
Other financial items	(16)	(4,279)	13
<b>Net income (loss)</b>	<b>17,112</b>	<b>23,371</b>	<b>85,839</b>
<b>Average number of ordinary shares outstanding</b>	<b>17,100</b>	<b>17,100</b>	<b>17,100</b>
<b>Earnings per Share (\$)</b>	<b>\$ 1.00</b>	<b>\$ 1.37</b>	<b>\$ 5.02</b>

# Income on time charter basis



	2005 Q1	2004 Jan-Dec
Time Charter Equivalent earnings (\$ per day per vessel)	56 900	68 700

# Balance sheet

<b>BALANCE SHEET</b> <i>(in thousands of \$)</i>	<b>2005</b> <b>Mar 31</b> <i>(unaudited)</i>	<b>2004</b> <b>Mar 31</b> <i>(unaudited)</i>	<b>2004</b> <b>Dec 31</b> <i>(unaudited)</i>
<b>ASSETS</b>			
<i>Short term</i>			
Cash and cash equivalents	40,535	42,347	41,653
Other current assets	12,336	22,424	22,009
<i>Long term</i>			
Vessels and equipment, net	297,969	315,050	301,500
Deferred charges and other long-term assets	376	346	392
<b>Total assets</b>	<b>351,216</b>	<b>380,167</b>	<b>365,554</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<i>Short term</i>			
Short term interest bearing debt	11,200	11,200	11,309
Other current liabilities	6,358	9,640	4,974
<i>Long term</i>			
Long term interest bearing debt	117,600	128,800	120,400
Stockholders' equity	216,058	230,527	228,871
<b>Total liabilities and stockholders' equity</b>	<b>351,216</b>	<b>380,167</b>	<b>365,554</b>

# Breakeven rates (\$ per day per vessel)

Cash Breakeven  
15 895

P/L Breakeven  
18 813



# The market

•The strong VLCC market that we experienced in the fourth quarter of 2004 weakened in the first quarter of 2005. The market experienced a strong correction in January and rates did not bottom out until we reached Worldscale (“WS”) 70 level. However, in February and March the market rebounded and stayed at about WS 150 for the remaining part of the quarter. The average WS rate Arabian Gulf to East was about 107 compared with 257 in the fourth quarter of 2004. This equates to a daily time charter equivalent of approximately \$55,000 per day. The weakening of the market, and the cutback in OPEC production, came despite a continued growth in oil demand particularly in China. The cutbacks had a psychological effect on the market, and this resulted in a larger correction in the freight market than could be explained just on the basis of demand for transportation services.

# Supply of VLCC's

(No. of vessels)

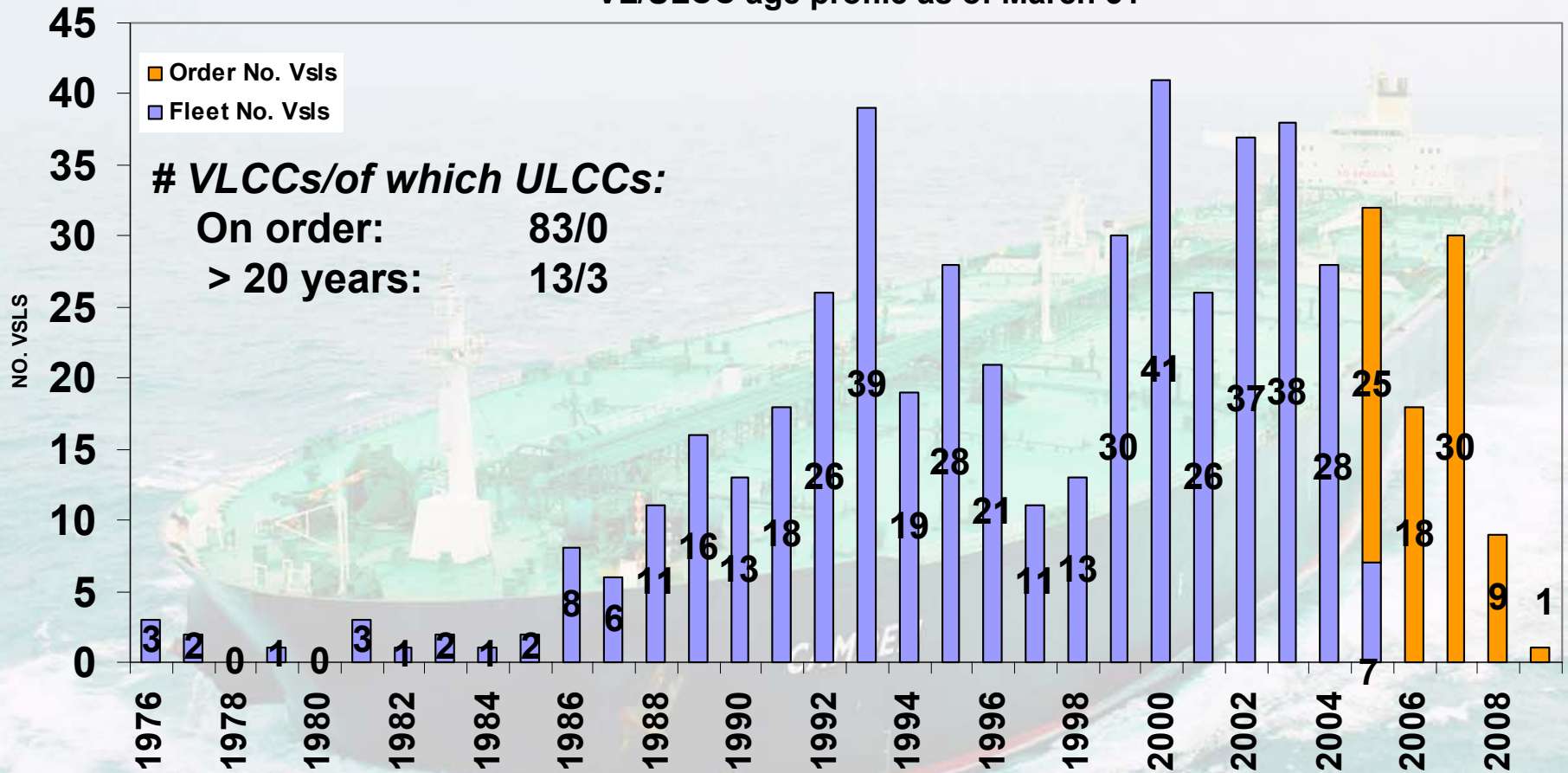
<u>Building year</u>	Of which	
	VLCC's 200,000+ dwt	ULCC's*) 320,000 + dwt
1976-77	5	0
1978-80	1	1
1981 or later	445	6
Fleet as at March 31, 2005	<b>451</b>	<b>7</b>
<u>On order</u>		
2005	25	
2006	18	
2007	30	
2008+	10	
Total on order 2005-2008+	<b>83</b>	<b>0</b>

\*) Each ULCC representing an average of approx. 400,000 Dwt

Source: P.F.Bassøe

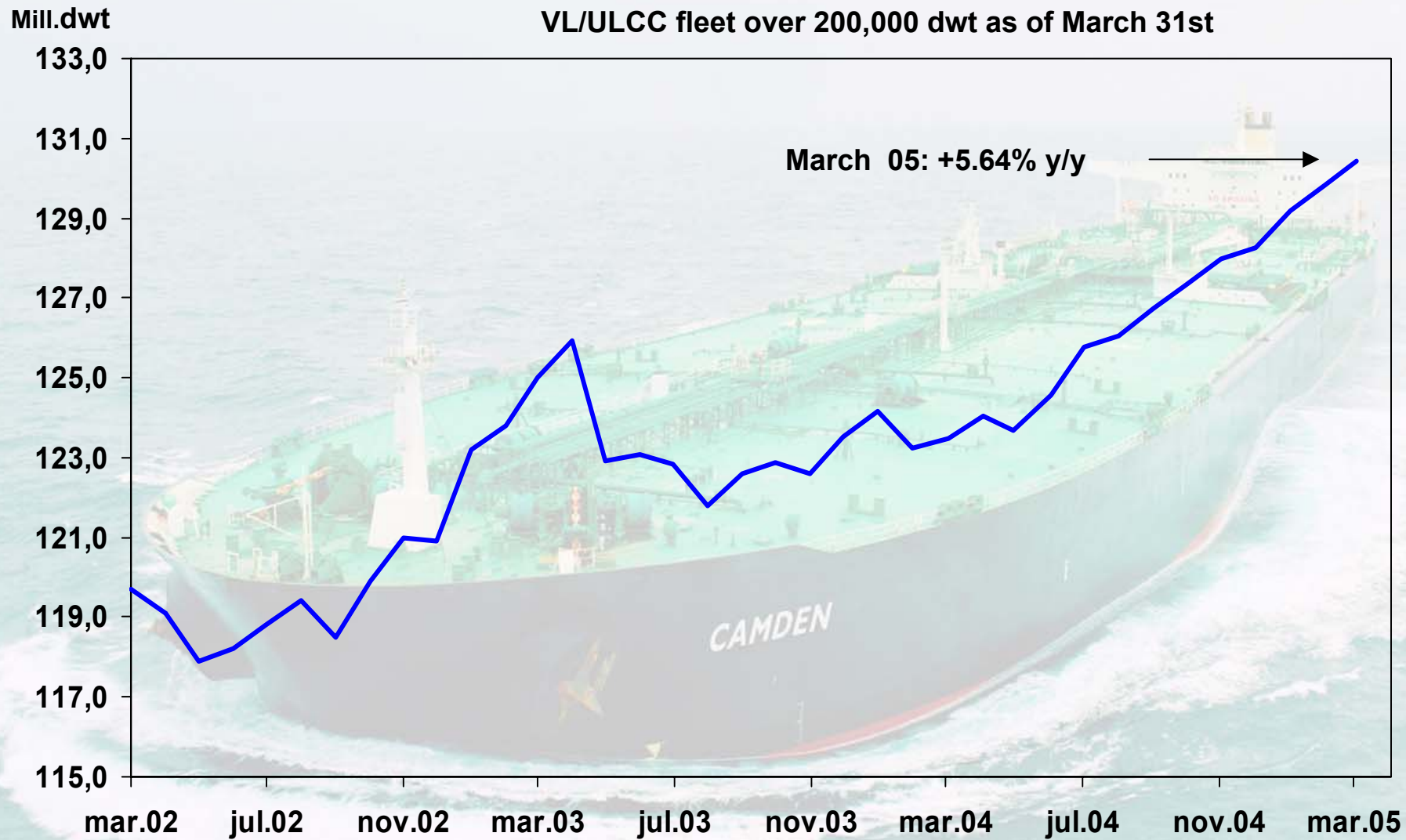
# VL/ULCC fleet - age profile

VL/ULCC age profile as of March 31

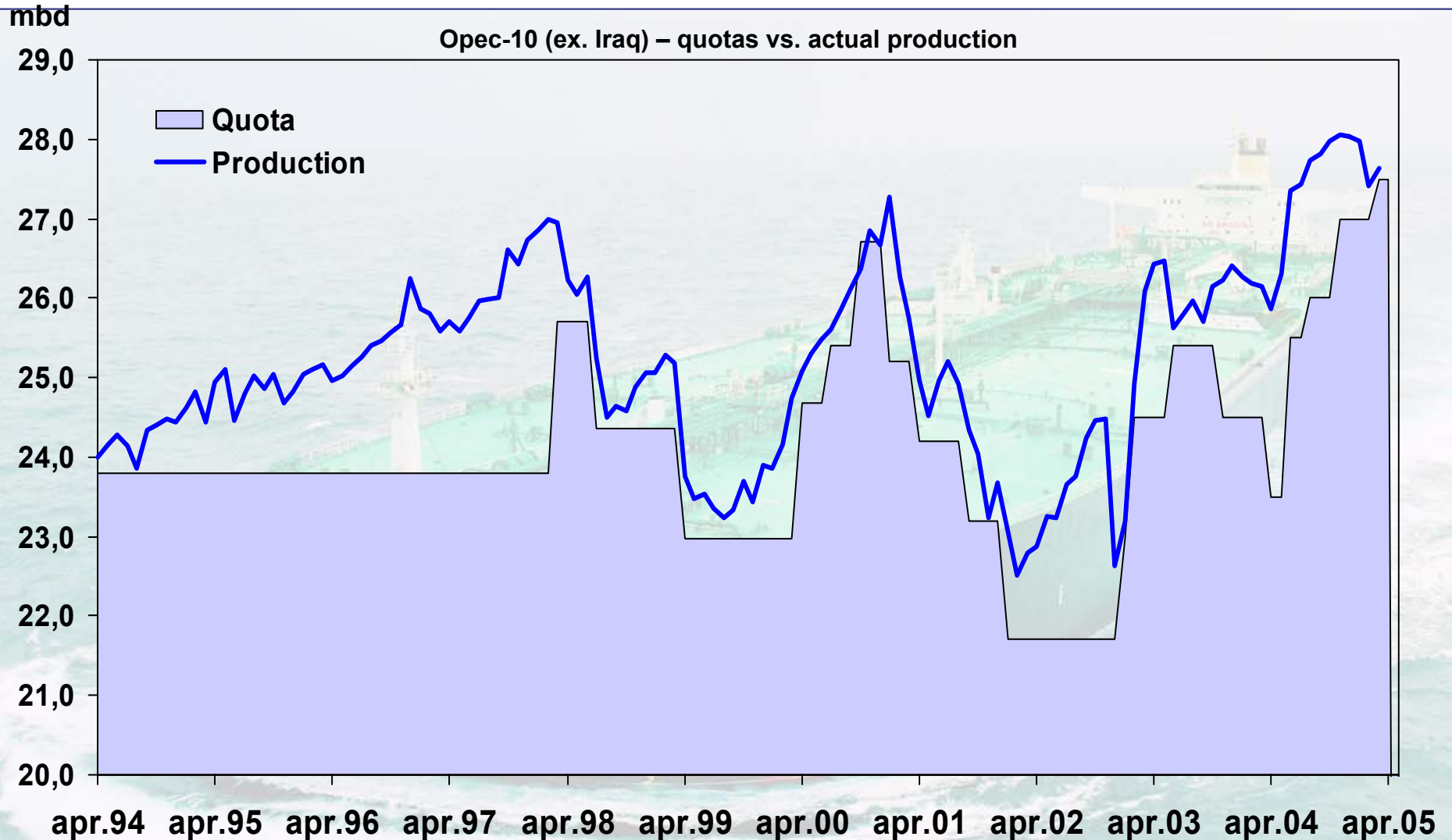


# Fleet development - VLCC/ULCC

VL/ULCC fleet over 200,000 dwt as of March 31st



# OPEC-10: Production vs. quotas

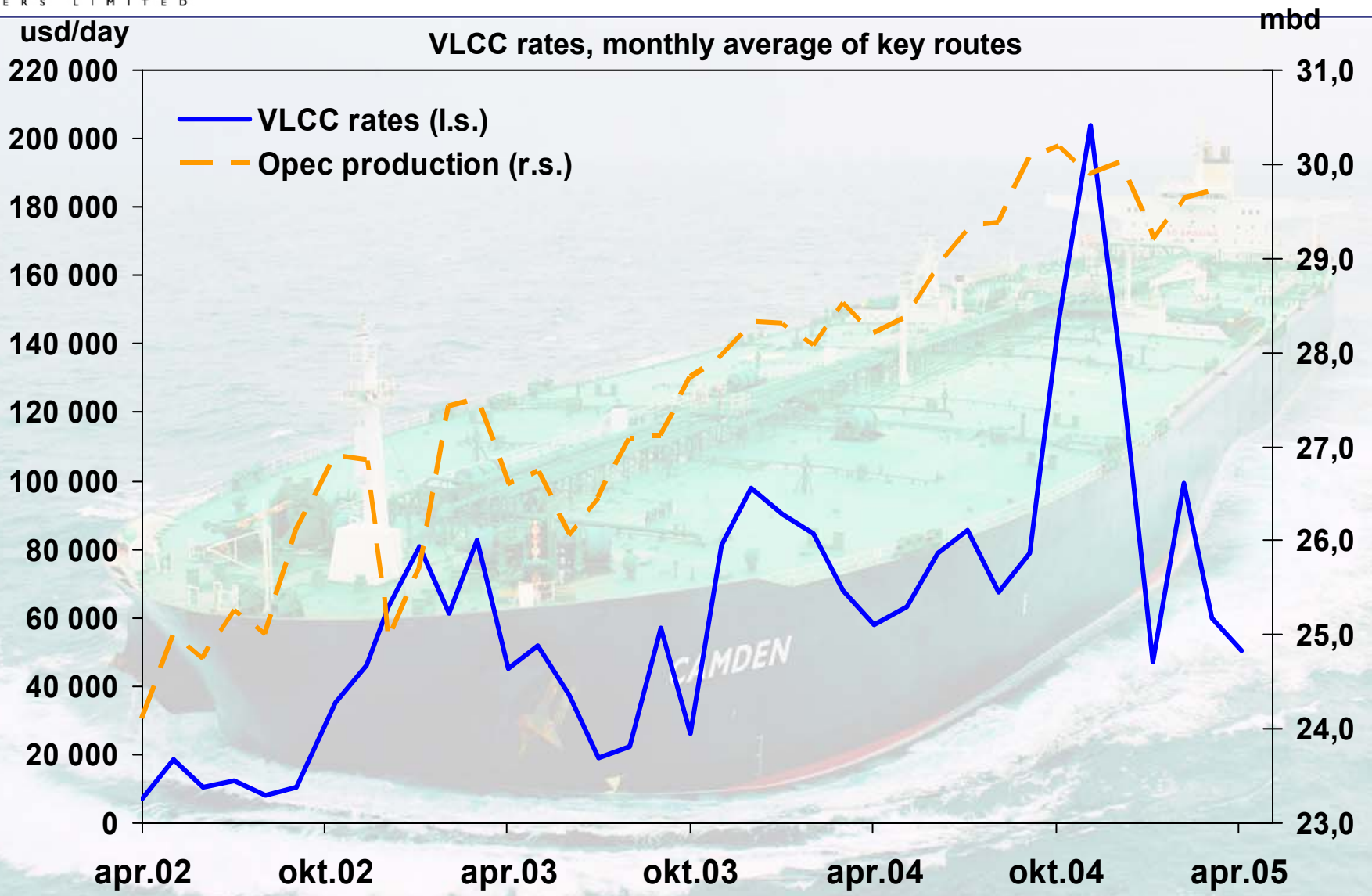


# Estimated call on OPEC 2005

	Avg.04	Q105	Q205	Q305	Q405	Avg. 05
<b>IEA</b>	28,1	29,6	27,4	27,8	29,3	28,5
<b>US DOE</b>	28,7	30,4	28,9	30,0	31,4	30,2
<b>*</b>						
<b>Barclays Capital</b>	29,2	30,4	29,3	30,3	32,8	30,7
<b>Stockbuild</b>	-0,1	-0,9	0,8	-0,1	-1,8	-0,5
<b>Opec crude</b>	29,1	29,5	30,1	30,2	31,0	30,2

Source: Barclays Capital estimates as of May 4, 2005. IEA and DOE as of April, 2005.

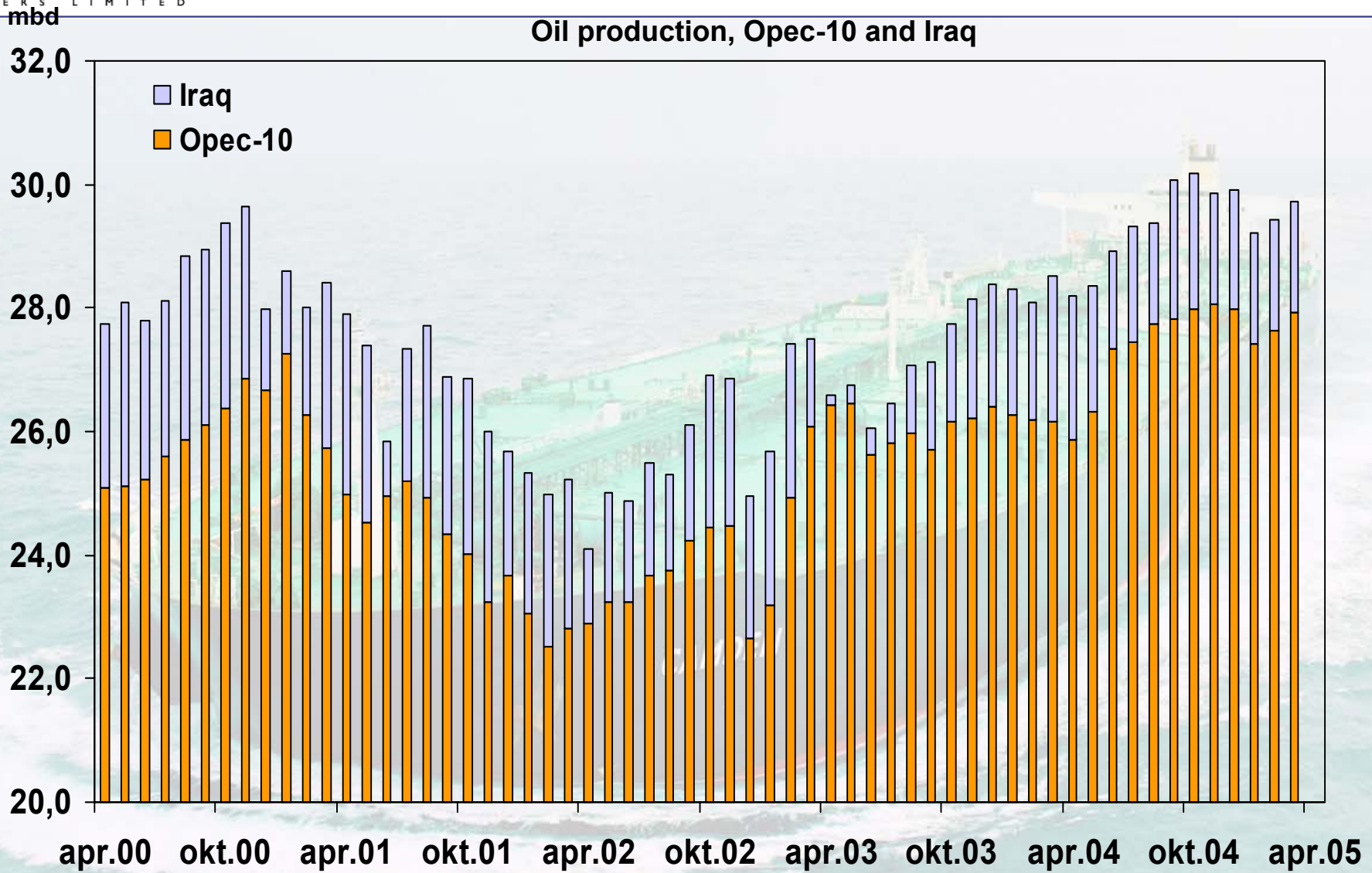
# Opec production vs. VLCC rates



# Appendixes

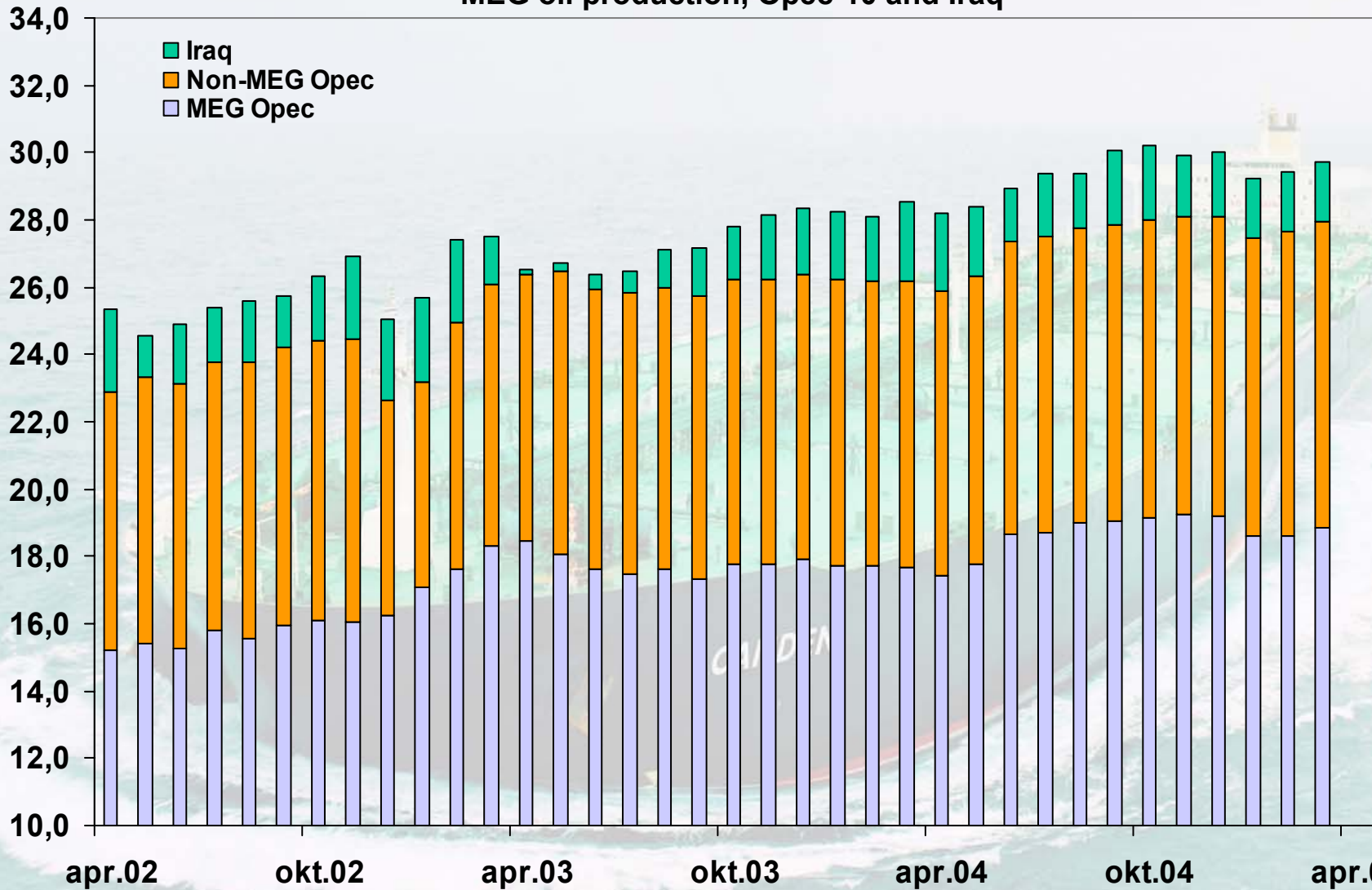


# Opec production

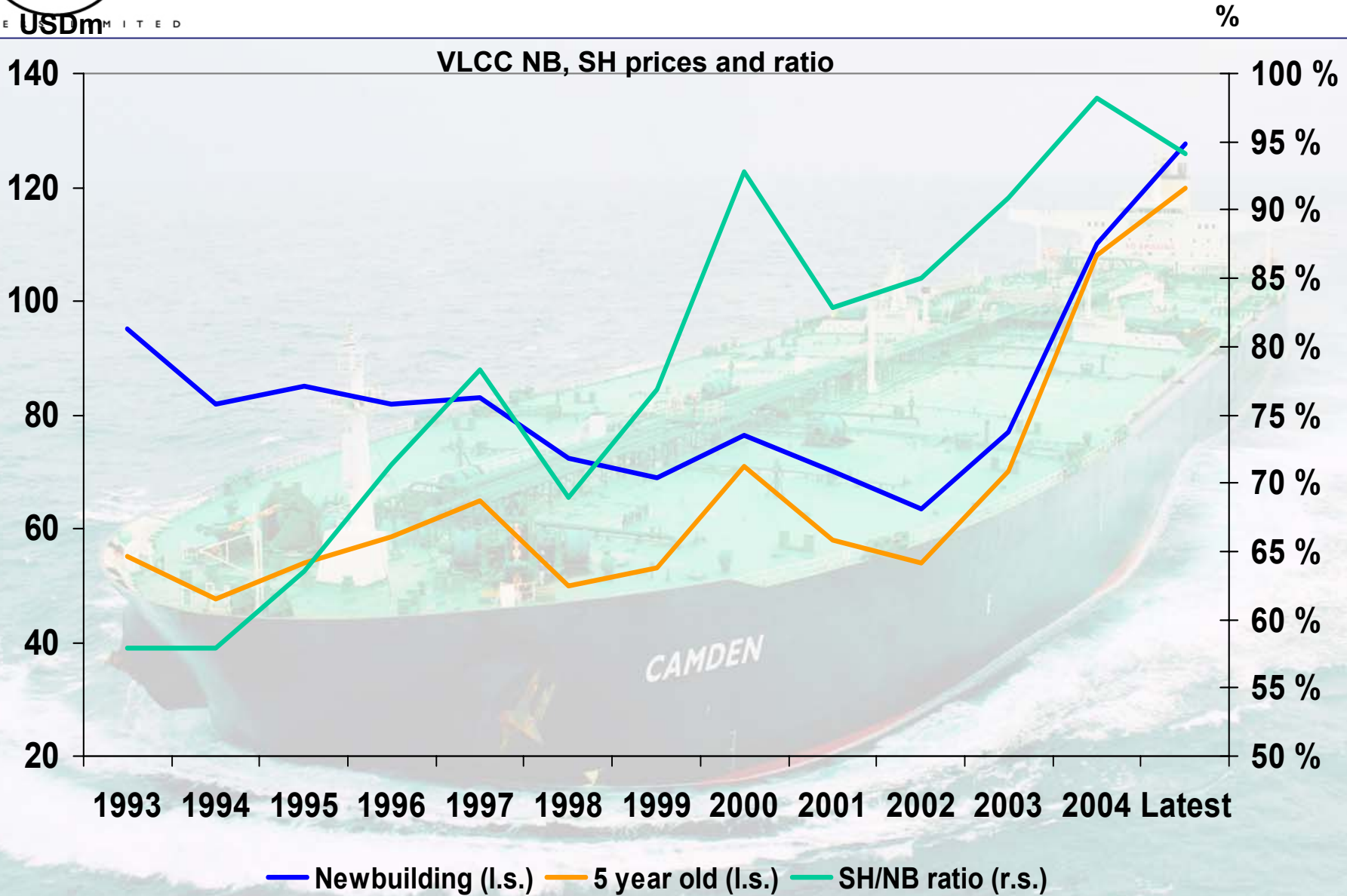


# MEG Opec vs. Non-MEG Opec and Iraq

MEG oil production, Opec-10 and Iraq

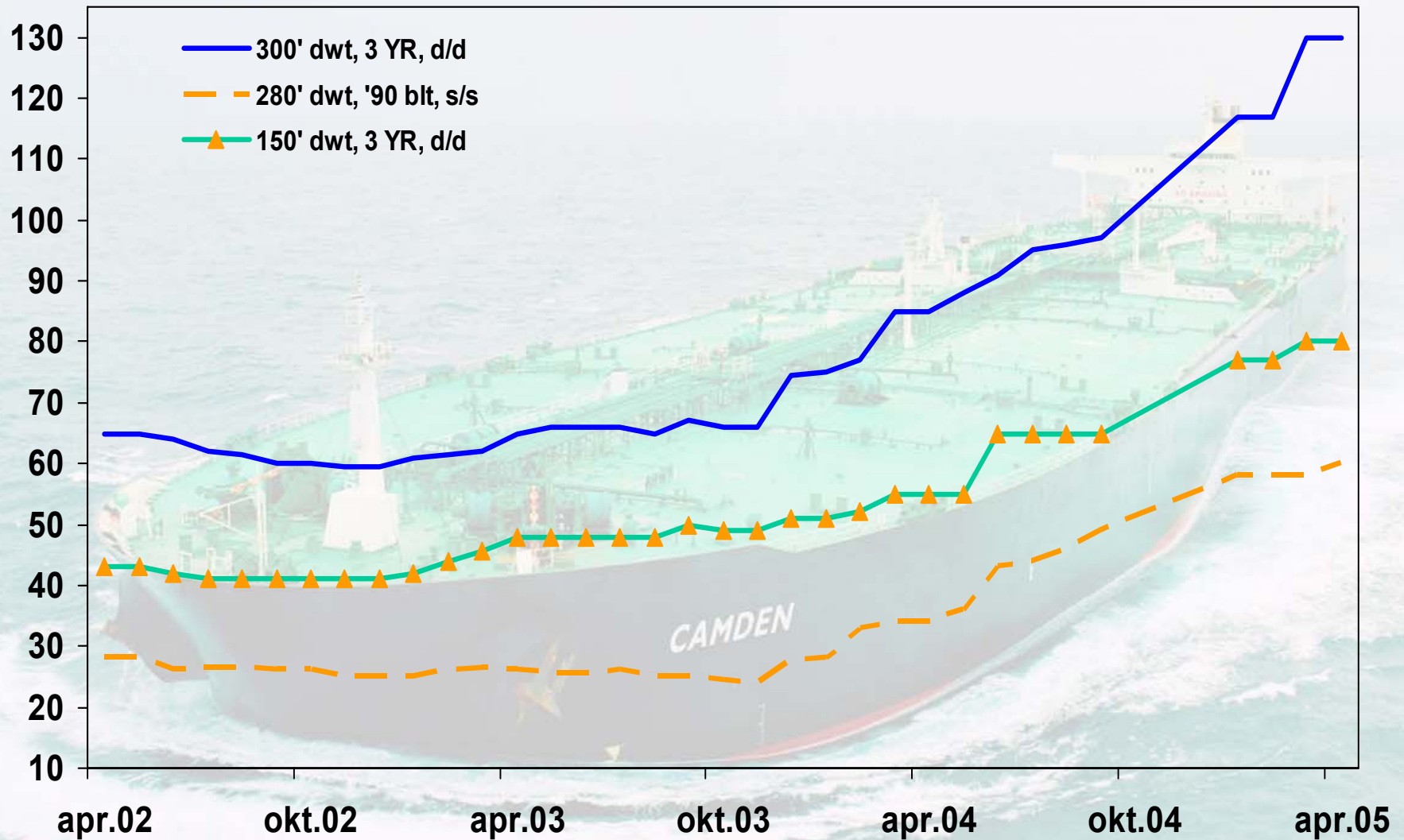


# Trends in tanker values



# Tanker price trends

TANKER USDm M I T E D



Source: Bassøe, monthly report

Values based on Buyers' assumed highest cash price dependent on spec. and condition