

**Q2 2005 results,  
August 12, 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

2004 Apr-Jun	2005 Apr-Jun	INCOME STATEMENT <i>(in thousands of \$)</i>	2005 Jan-Jun	2004 Jan-Jun	2004 Jan-Dec <i>(audited)</i>
<b>28,090</b>	<b>20,924</b>	<b>Operating revenues</b>	<b>50,293</b>	<b>64,651</b>	<b>135,695</b>
5,053	3,878	Voyage expenses	7,689	6,355	14,240
3,166	4,120	Ship operating expenses	7,222	3,766	9,868
253	334	Administrative expenses	563	629	1,114
<b>19,618</b>	<b>12,592</b>	<b>Operating income before depreciation</b>	<b>34,819</b>	<b>53,901</b>	<b>110,473</b>
4,267	4,269	Depreciation	8,490	8,625	17,219
<b>15,351</b>	<b>8,323</b>	<b>Operating income after depreciation</b>	<b>26,329</b>	<b>45,276</b>	<b>93,254</b>
112	292	Interest income	599	138	449
(2,494)	(1,251)	Interest expense	(2,436)	(4,794)	(7,877)
1,802	(6)	Other financial items	(22)	(2,478)	13
<b>14,771</b>	<b>7,358</b>	<b>Net income (loss)</b>	<b>24,470</b>	<b>38,142</b>	<b>85,839</b>
<b>17,100</b>	<b>17,100</b>	<b>Average number of ordinary shares outstanding</b>	<b>17,100</b>	<b>17,100</b>	<b>17,100</b>
<b>\$ 0.86</b>	<b>\$ 0.43</b>	<b>Earnings per Share (\$)</b>	<b>\$ 1.43</b>	<b>\$ 2.23</b>	<b>\$ 5.02</b>

# Income on time charter basis



	2005 Q2	2005 Q1	2005 Jan-June
Time Charter Equivalent earnings (\$ per day per vessel)	38 900	56 900	48 100

# Balance sheet

<b>BALANCE SHEET</b> <i>(in thousands of \$)</i>	<b>2005</b> <b>June 30</b>	<b>2004</b> <b>Jun 30</b>	<b>2004</b> <b>Dec 31</b> <i>(audited)</i>
<b>ASSETS</b>			
<i>Short term</i>			
Cash and cash equivalents	32,849	38,043	41,653
Other current assets	9,033	9,553	22,009
<i>Long term</i>			
Vessels and equipment, net	293,700	310,783	301,500
Deferred charges and other long-term assets	360	334	392
<b>Total assets</b>	<b>335,942</b>	<b>358,713</b>	<b>365,554</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<i>Short term</i>			
Short term interest bearing debt	14,766	11,200	11,309
Other current liabilities	8,610	10,415	4,974
<i>Long term</i>			
Long term interest bearing debt	114,800	126,000	120,400
Stockholders' equity	197,766	211,098	228,871
<b>Total liabilities and stockholders' equity</b>	<b>335,942</b>	<b>358,713</b>	<b>365,554</b>

# Cash breakeven rates (\$ per day per vessel)



Cash Breakeven  
16 113

# Supply of VLCC's

(No. of vessels)

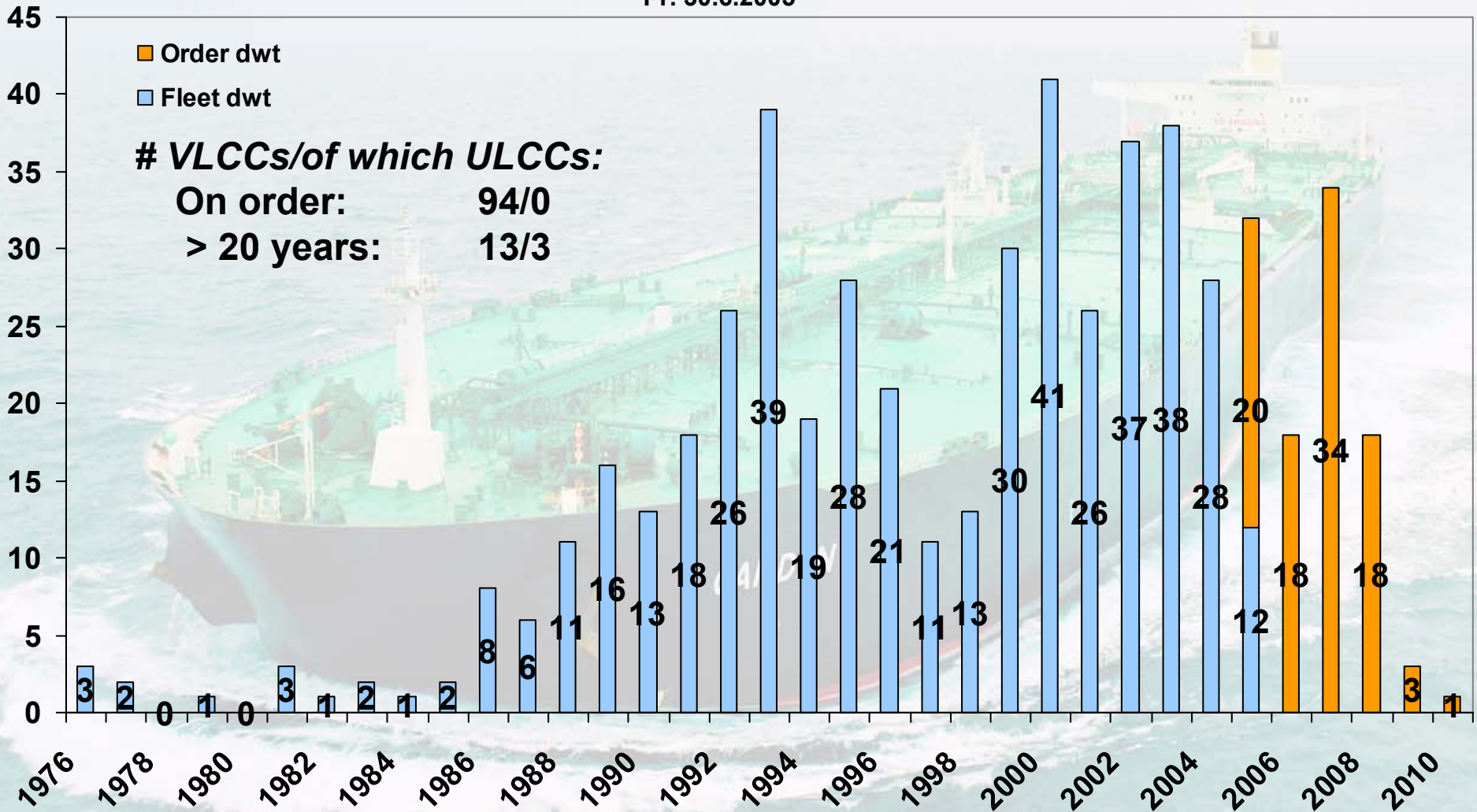
<u>Building year</u>	200,000+ dwt	320,000 + dwt
1976-77	5	0
1978-80	1	1
1981 or later	450	5
Fleet as at June 30, 2005	<b>456</b>	<b>6</b>
<u>On order</u>		
2005	20	
2006	18	
2007	34	
2008+	22	
Total on order 2005-2008+	<b>94</b>	<b>0</b>

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

Source: P.F.Bassøe

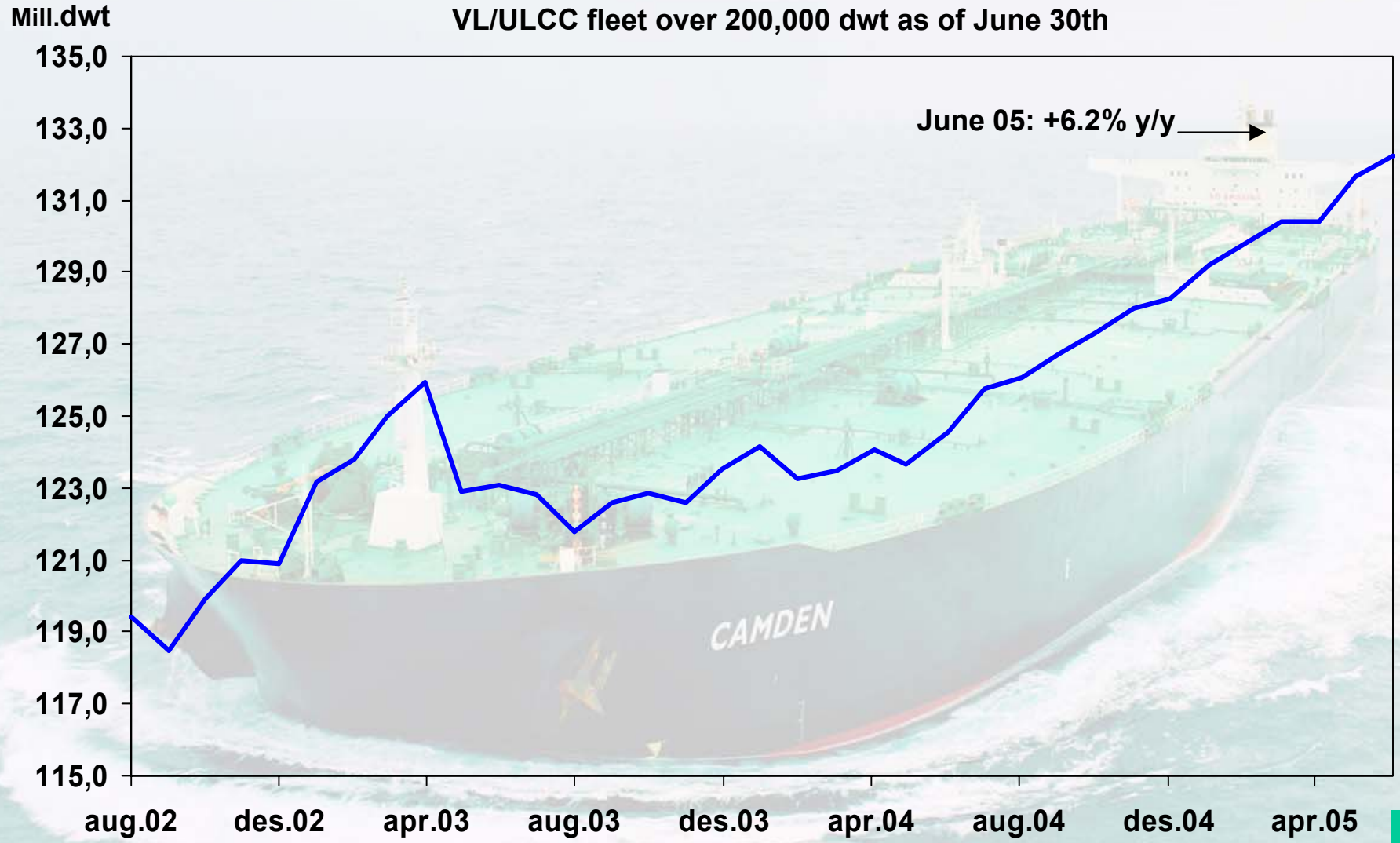
# VL/ULCC fleet - age profile

Pr. 30.6.2005

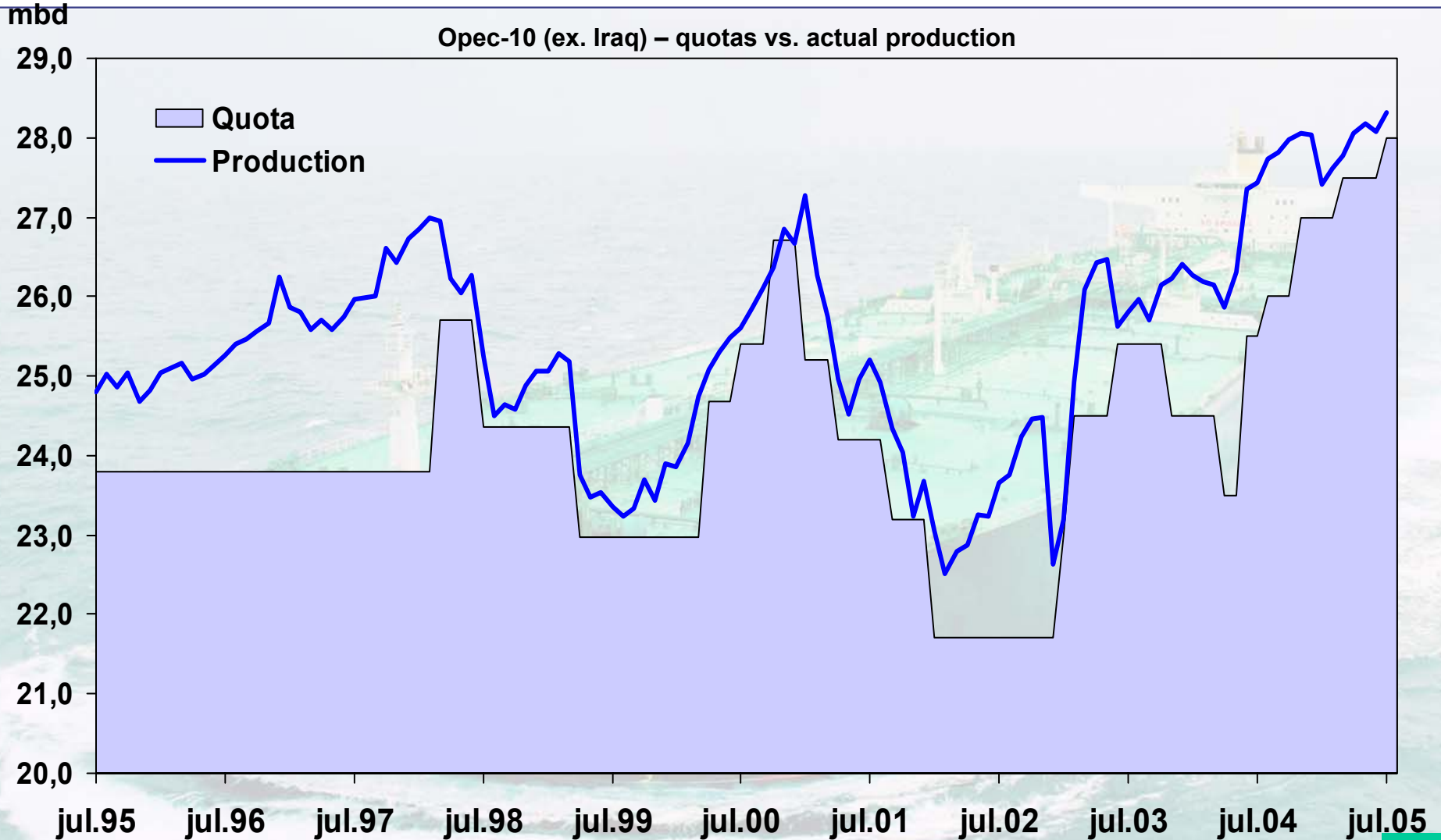


# Fleet development - VLCC/ULCC

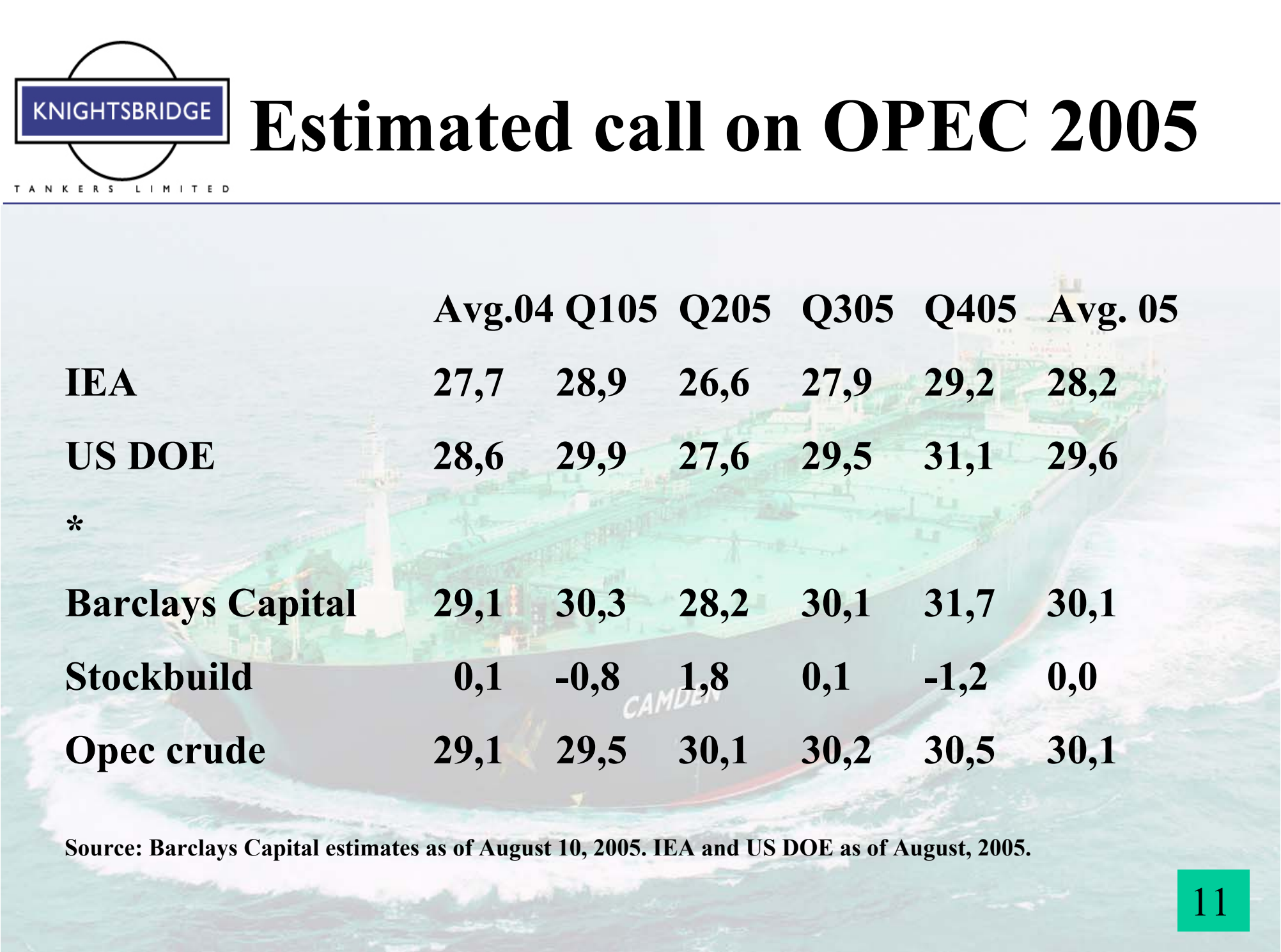
VL/ULCC fleet over 200,000 dwt as of June 30th



# OPEC-10: Production vs. quotas



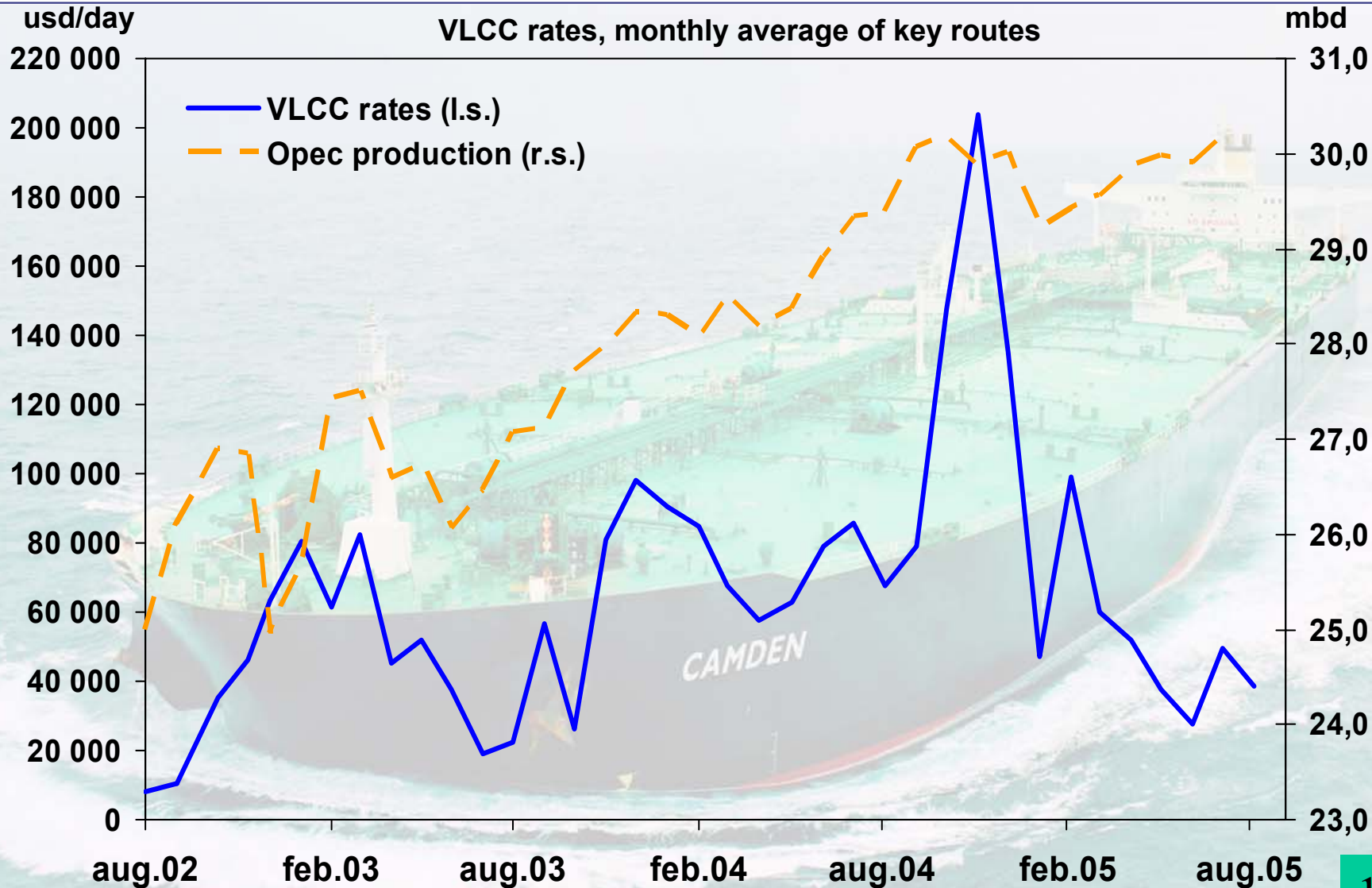
# Estimated call on OPEC 2005



	Avg.04	Q105	Q205	Q305	Q405	Avg. 05
<b>IEA</b>	27,7	28,9	26,6	27,9	29,2	28,2
<b>US DOE</b>	28,6	29,9	27,6	29,5	31,1	29,6
<b>*</b>						
<b>Barclays Capital</b>	29,1	30,3	28,2	30,1	31,7	30,1
<b>Stockbuild</b>	0,1	-0,8	1,8	0,1	-1,2	0,0
<b>Opec crude</b>	29,1	29,5	30,1	30,2	30,5	30,1

Source: Barclays Capital estimates as of August 10, 2005. IEA and US DOE as of August, 2005.

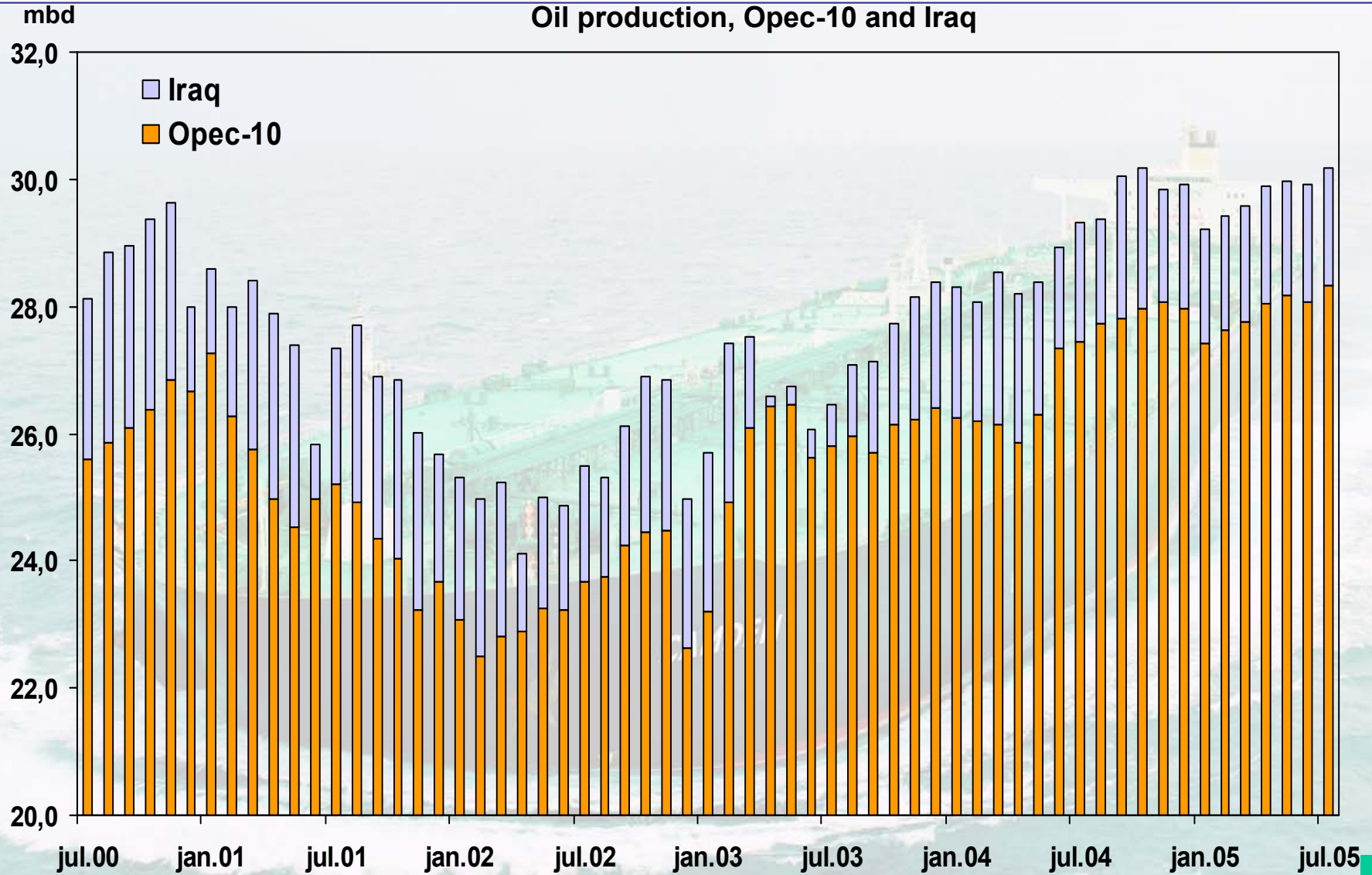
# Opec production vs. VLCC rates



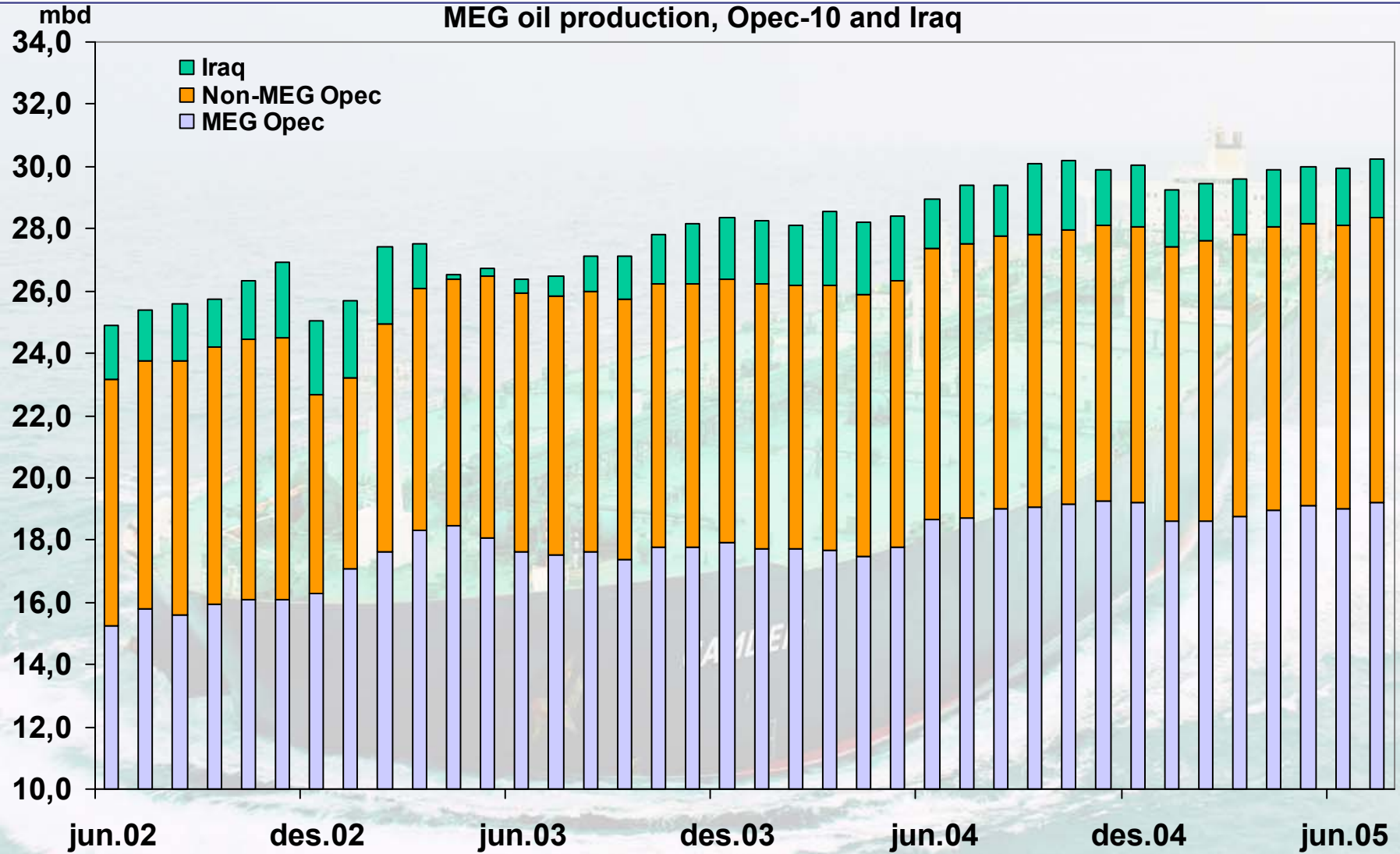
# Appendixes



# Opec production



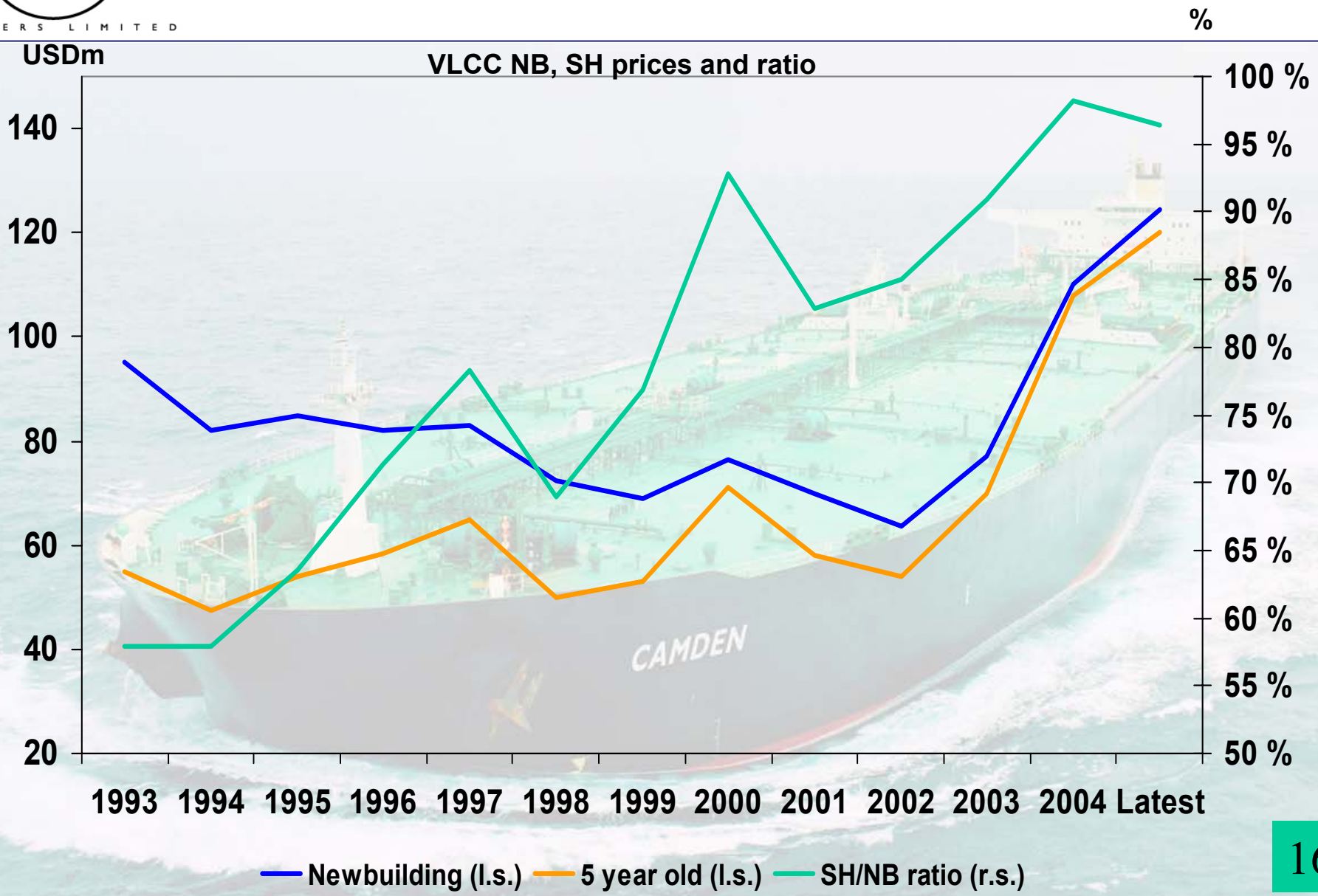
# MEG Opec vs. Non-MEG Opec and Iraq



Source: IEA

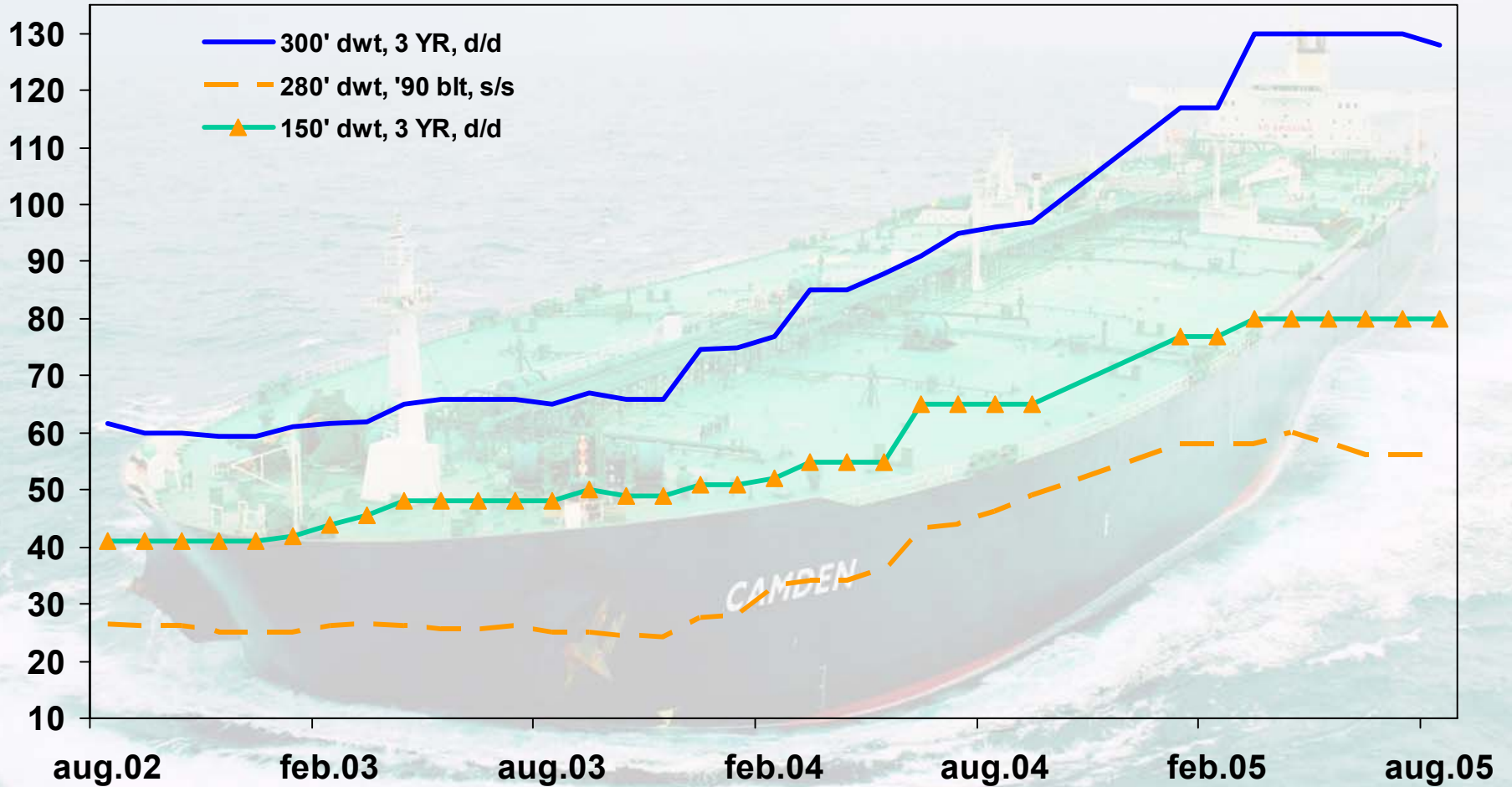
MEG-Opec; Saudi Arabia, Iran, Kuwait, UAE, Qatar, Neutral Zone

# Trends in tanker values



# Tanker price trends

USDm



Source: Bassøe, monthly report

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