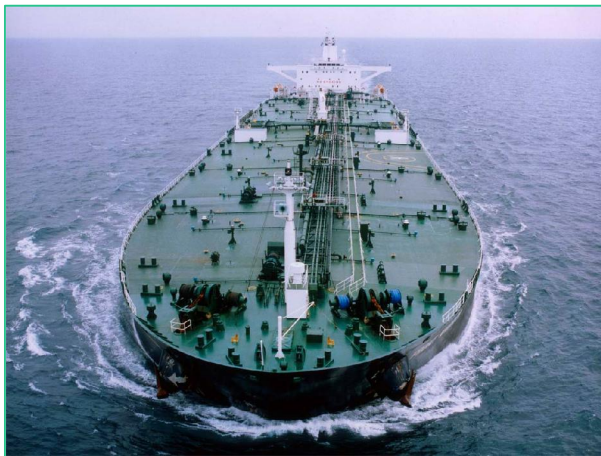




Q3 2006 Results



CEO Bjørn Sjaastad

November 28, 2006

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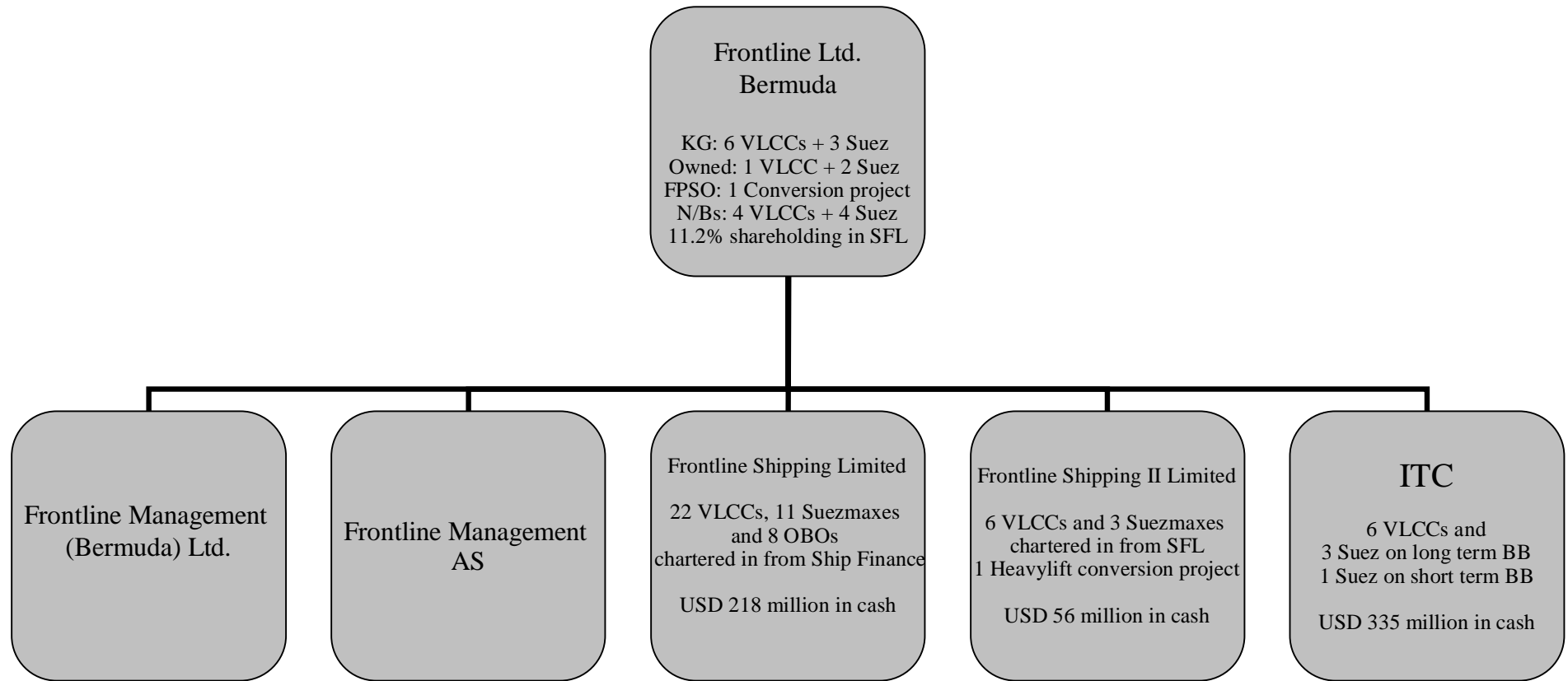
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Agenda

- **Introduction**
- **Third quarter 2006 Highlights**
- **Financial Review**
- **Industry Overview & Company Outlook**
- **Questions**

Corporate structure



Frontline Fleet

		Owned or Financial Lease	TC Coverage in 2007 ¹⁾	Av. TC Rate
VLCC	DH	26	15 %	46 985
	DS	1		
	SS	8	88 %	34 863
	Newbuildings	4		
Suezmax	DH	9	10 %	36 291
	DS	2		
	SS	8	5 %	28 341
	OBO	8	65 %	39 515
	Newbuildings	4		
ITC (Bareboat)	VLCC DH	6		
	Suezmax DH	3		
Projects	Heavylift	1		
	FPSO	1		
Com. Mng.	VLCC DH	7		
	Suezmax DH	3		
	Aframax DS	6		
Total Fleet (ex. Newbuildings)		89		

1) Min days covered over total days, VsIs fixed on market terms not included.

Financial Highlights

	Q3 2006	Q2 2006	Q1 2006	YTD 2006
Net Income (in \$ million)	99	69	214	382
EPS (\$)	1,32	0,92	2,86	5,1
Dividend per share (\$)	2,5	1,5	1,5	5,5
TCE per day				
VLCC	59 800	50 600	73 000	61 200
Suezmax	40 000	30 600	49 700	40 100
Suezmax OBO	30 800	30 100	31 700	30 900

Major transactions Q3 / Q4 2006

Fleet

- Sale of Front Beijing (VLCC, built 2006, dwt 298,500) in 09/06. Price USD 141.5 million/profit of USD 59 million
- New contracts with Jiangsu Heavy Industries Group Co. Ltd. of 6 Suezmax N/Bs to be delivered in 2008/2009, and sale of 2 of these contracts to Ship Finance International Limited
- Delivery of Front Shanghai (VLCC, built 2006, dwt 298,500) in 10/06. Price approx USD 81 million
- Exercise and resale of two VLCC options at Jiangnan China for a profit of USD 6.2 million
- Front Tobago sold for gross proceeds USD 45 million (VLCC, built 1993, dwt 274,743)

Financial

- Sale of 10,09 % holding in General Maritime Corporation. Profit of USD 9.8 million

Profit & Loss

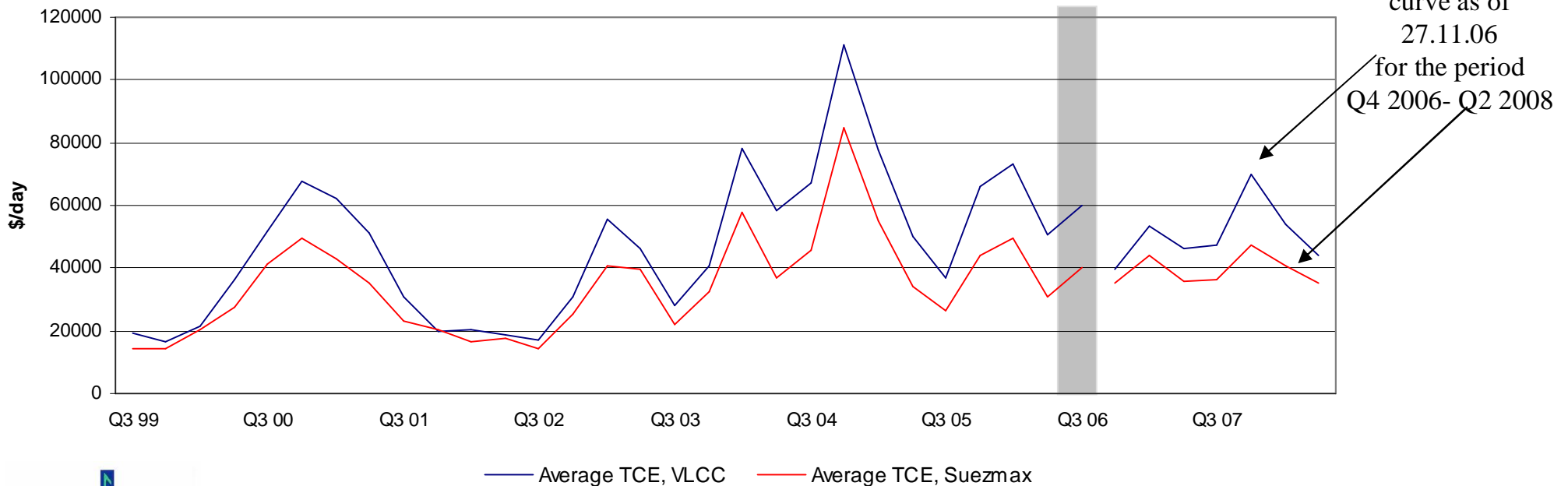
2005 Jul-Sep	2006 Jul-Sep	INCOME STATEMENT <i>(in thousands of \$)</i>	2006 Jan-Sep	2005 Jan-Sep	2005 Jan-Dec <i>(audited)</i>
291,546	404,694	Total operating revenues	1,231,398	1,083,465	1,513,833
32,429	-	Gain (loss) from sale of assets	21,856	77,977	76,081
83,724	100,883	Voyage expenses and commission	309,408	240,575	337,221
38,514	53,998	Ship operating expenses	151,827	115,484	148,702
3,911	6,263	Charterhire expenses	18,655	6,387	11,711
5,931	8,036	Administrative expenses	19,955	14,969	21,181
49,754	50,835	Depreciation	153,313	148,162	198,359
181,834	220,015	Total operating expenses	653,158	525,577	717,174
142,141	184,679	Operating income	600,096	635,865	872,740
10,883	10,983	Interest income	34,049	29,843	41,040
(50,294)	(50,165)	Interest expense	(156,156)	(162,182)	(215,994)
628	2,646	Share of results from associated companies	1,988	3,845	3,691
17,269	(10,137)	Other financial items	8,608	40,408	47,189
2,938	1,500	Foreign currency exchange gain (loss)	762	14,334	18,830
123,565	139,506	Income before taxes and minority interest	489,347	562,113	767,496
(54,922)	(40,715)	Minority Interest	(107,827)	(99,626)	(169,459)
(2)	2	Taxes	(121)	82	17
5,156	-	Discontinued operations	-	10,491	8,785
73,797	98,793	Net income	381,399	473,060	606,839
		Basic Earnings Per Share Amounts (\$)			
\$0.92	\$1.32	EPS from continuing operations before cumulative effect of change in accounting principle	\$5.10	\$6.18	\$7.99
\$0.99	\$1.32	EPS	\$5.10	\$6.32	\$8.11

Consolidated with Ship Finance International Limited

Income on time charter basis

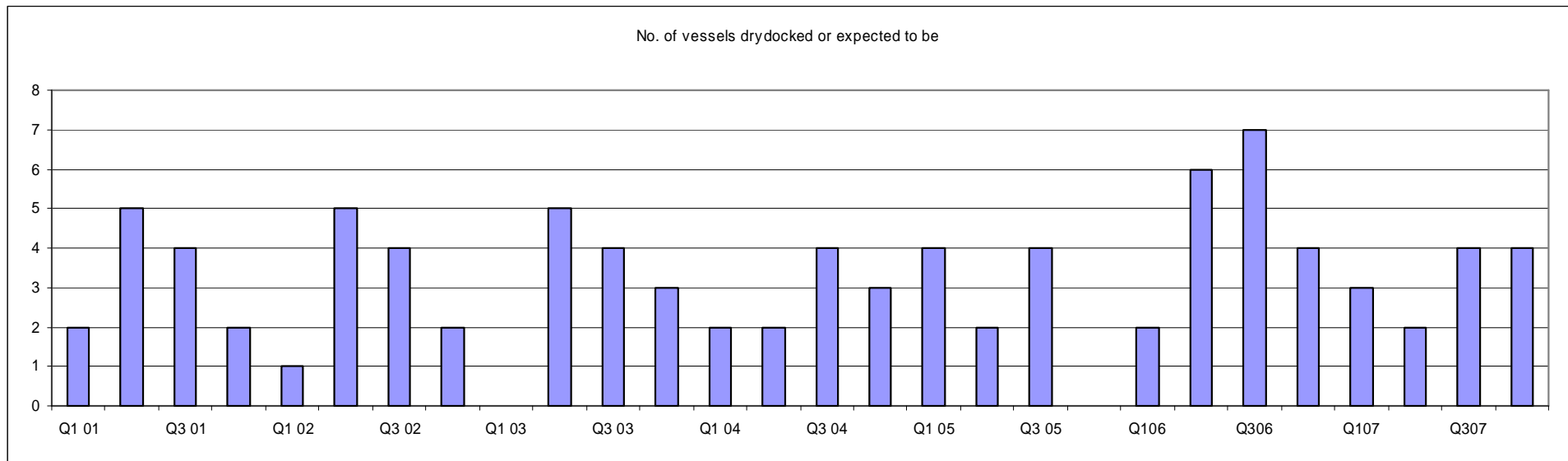
Q3 2005	Q3 2006		9M 2006	9M 2005
37 100	59 800	VLCC all	61 200	54 300
38 914	65 603	VLCC spot	68 826	59 584
26 200	40 000	Suezmax	40 100	39 200
34 700	30 800	OBO	30 900	35 600

TCE



Ship operating expenses/Off-hire (\$/day)

	Q3 2006	Q2 2006	Q1 2006	YTD 2006	YTD 2005
Opex avg fleet (USD/day)					
Total fleet	9 309	9 806	7 996	9 060	7 361
Off hire (days)	311	220	85	616	347
Number of vessels drydocked	7	6	2	15	10



Cash breakeven rates (\$/day)

VLCC	29 966
Suezmax	22 600
Suezmax OBO	22 411

Balance sheet

BALANCE SHEET <i>(in thousands of \$)</i>	2006 Sep 30	2005 Sep 30	2005 Dec 31 <i>(audited)</i>
ASSETS			
<i>Short term</i>			
Cash and cash equivalents	110,819	191,295	100,533
Restricted cash	604,446	602,957	636,790
Other current assets	257,767	216,463	398,148
<i>Long term</i>			
Newbuildings and vessel purchase options	84,208	15,861	15,927
Vessels and equipment, net	2,591,832	2,507,473	2,584,847
Vessels under capital lease, net	637,970	684,204	672,608
Investment in finance lease	78,485	101,533	96,057
Investment in associated companies	63,242	21,354	10,169
Deferred charges and other long-term assets	48,505	49,612	52,760
Total assets	4,477,274	4,390,752	4,567,839
LIABILITIES AND STOCKHOLDERS' EQUITY			
<i>Short term</i>			
Short term debt and current portion of long term debt	273,311	172,153	240,191
Current portion of obligations under capital lease	27,891	24,378	25,142
Other current liabilities	126,399	158,541	187,645
<i>Long term</i>			
Long term debt	2,093,113	2,234,168	2,199,538
Obligations under capital lease	685,359	712,814	706,279
Other long term liabilities	33,632	22,755	23,128
Minority interest	508,083	455,870	470,750
Stockholders' equity	729,486	610,073	715,166
Total liabilities and stockholders' equity	4,477,274	4,390,752	4,567,839

Projects

FPSO



- Sea Production Ltd., Bermuda
- Front Puffin – total investment USD 150 million
- Conversion at Keppel – expected delivery 07/07
- Keppel 30% ownership
- Employment fixed duration 2 years + options to AED
- Strategy

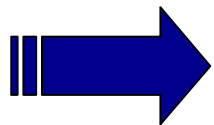
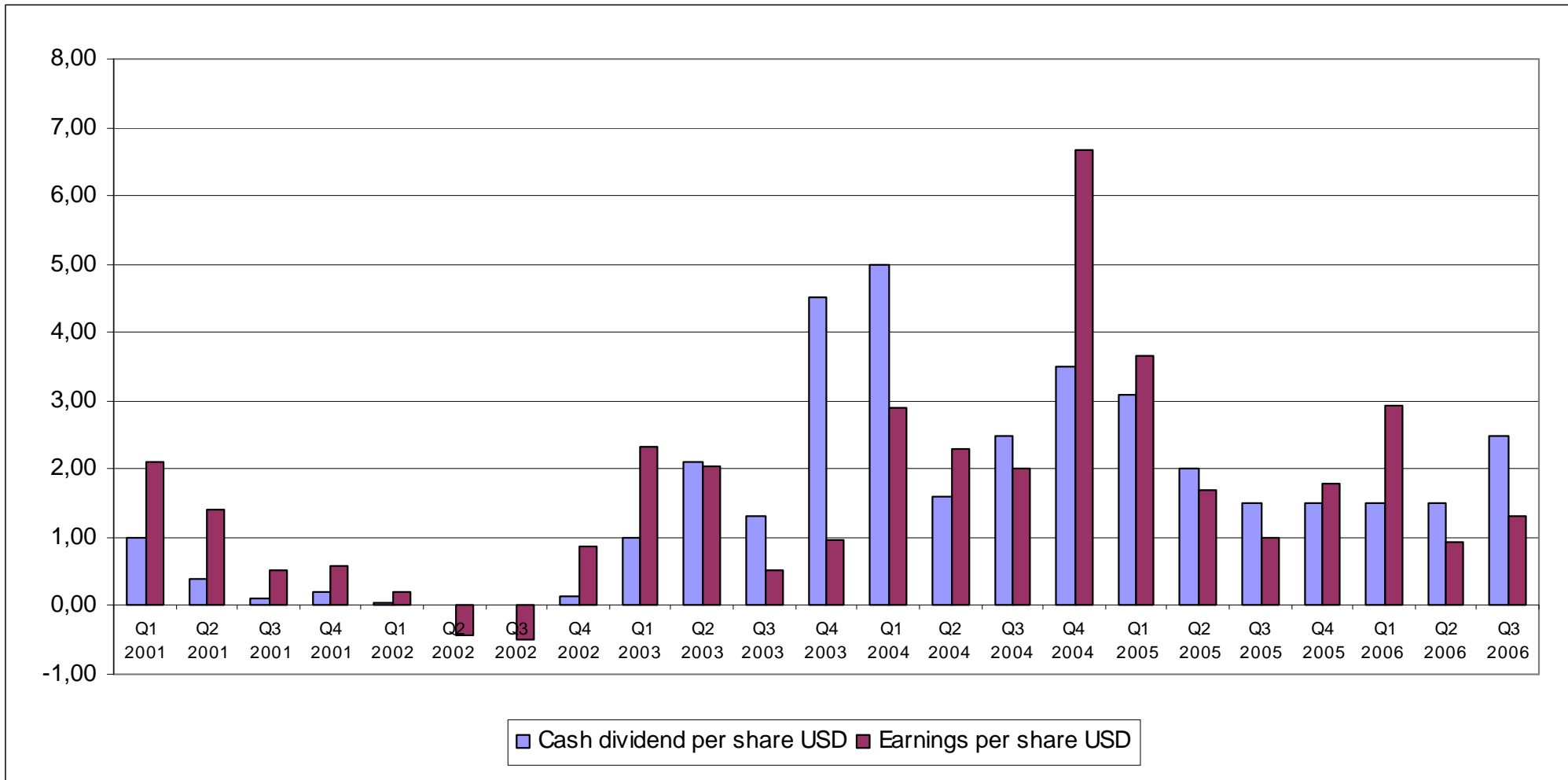
Projects

Heavy Lift



- Front Sunda (SH, 149,999 dwt, 1992)
- Conversion at Cosco – expected delivery 04/07
- Employment presently not fixed
- Strategy

EPS and dividend per share



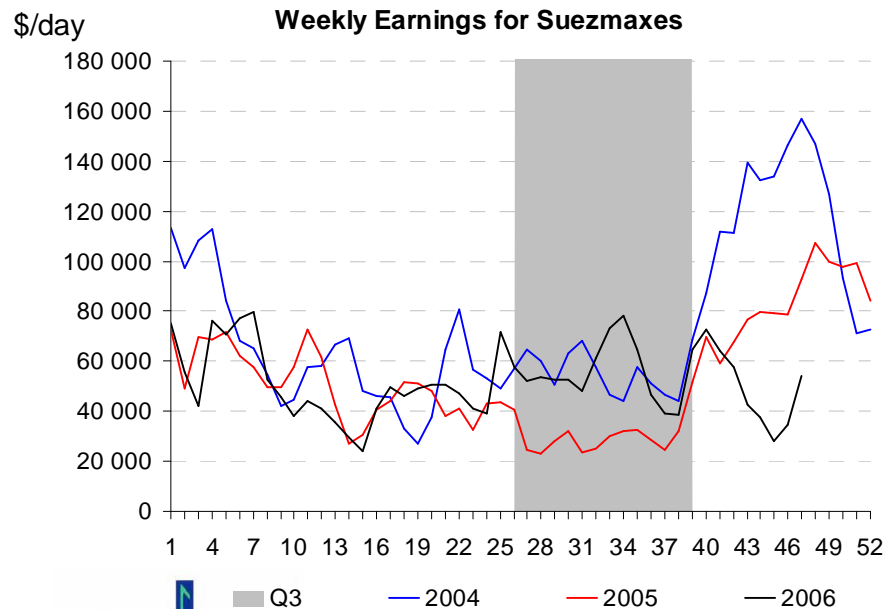
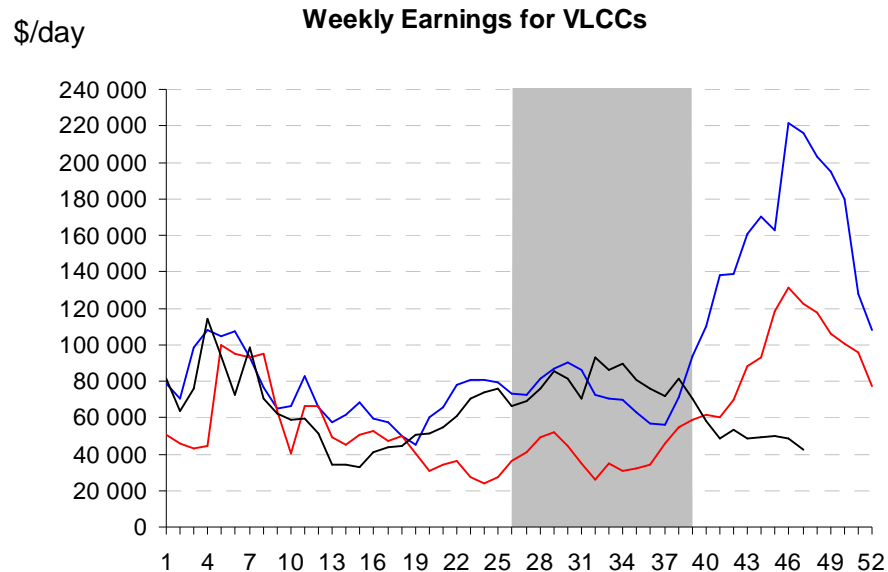
- Cash dividend paid in total => USD 37 per share
- Spin off paid in total => USD 17.65 per share

Key figures

Key Figures

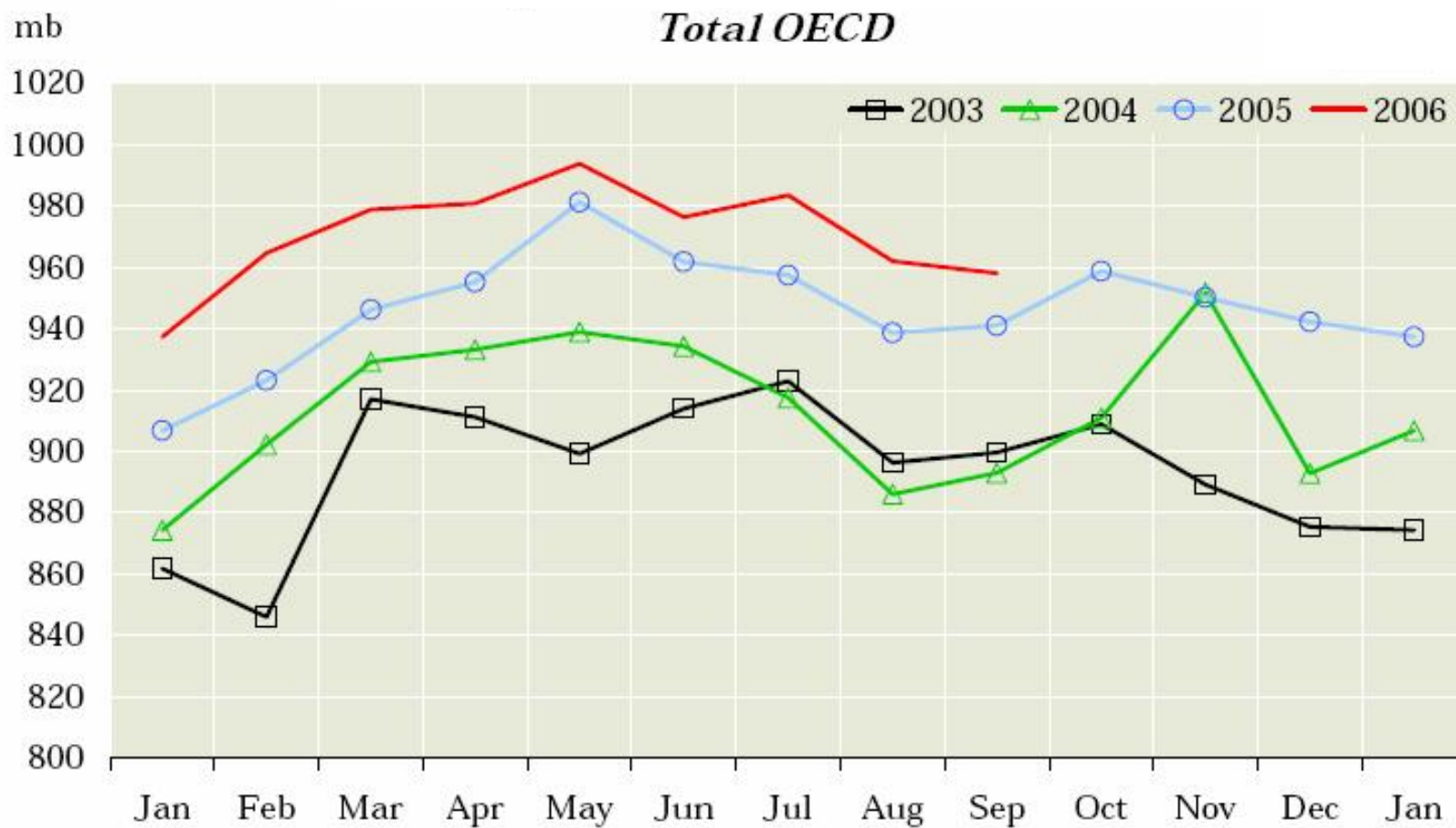
	9M2006	2005	2004	2003	2002	2001
(\$ per day/per vessel)						
TCE VLCCs	61 200	57 400	78 000	42 300	22 500	40 800
TCE Suezmax	40 100	40 300	57 900	33 900	18 400	30 700
TCE OBO's	30 900	34 900	27 900	31 900	17 700	28 900
(in \$ million)						
Total operating revenues	1 231	1514	1854	1159	544	715
Net income	381	609	1023	409	-9	383
Dividend millions	411	606	938	659	15	130
Dividend ratio	108 %	100 %	92 %	161 %	-170 %	34 %

3Q seems to have replaced 4Q...



- Inventories
- No disruptions
- Oil Price
- Oil demand at 83.9 mbd in 3Q06 (0.7% y/y)
 - Expected to reach 86.3 mbd in 4Q06 (2.6% y/y)

Crude Oil Inventory



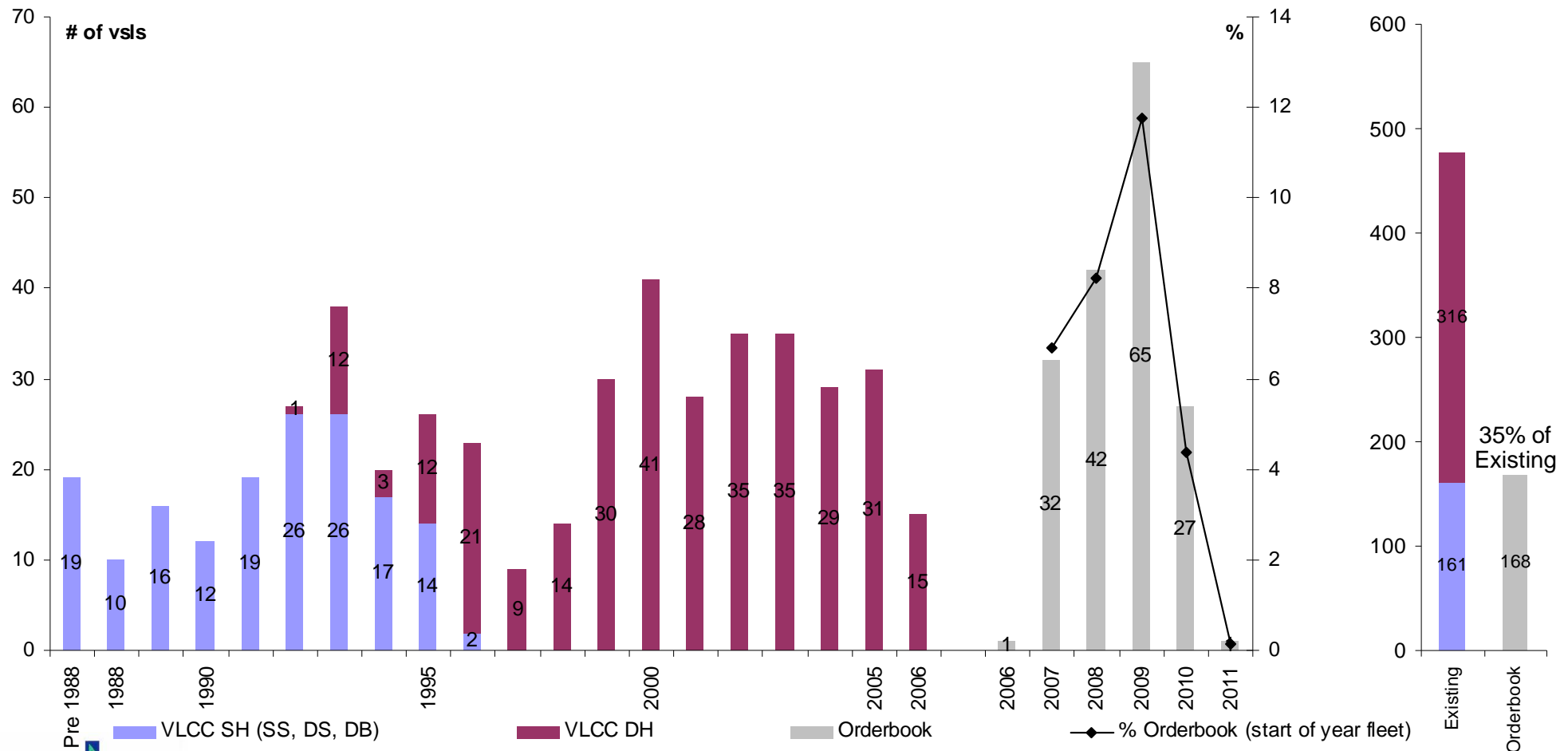
VLCC

Existing fleet

- 15 VLCCs delivered in 2006
 - 161 SH vs 316 DH

Orderbook

- Total orderbook at 168 VLCCs
 - 76 VLCCs ordered in 2006



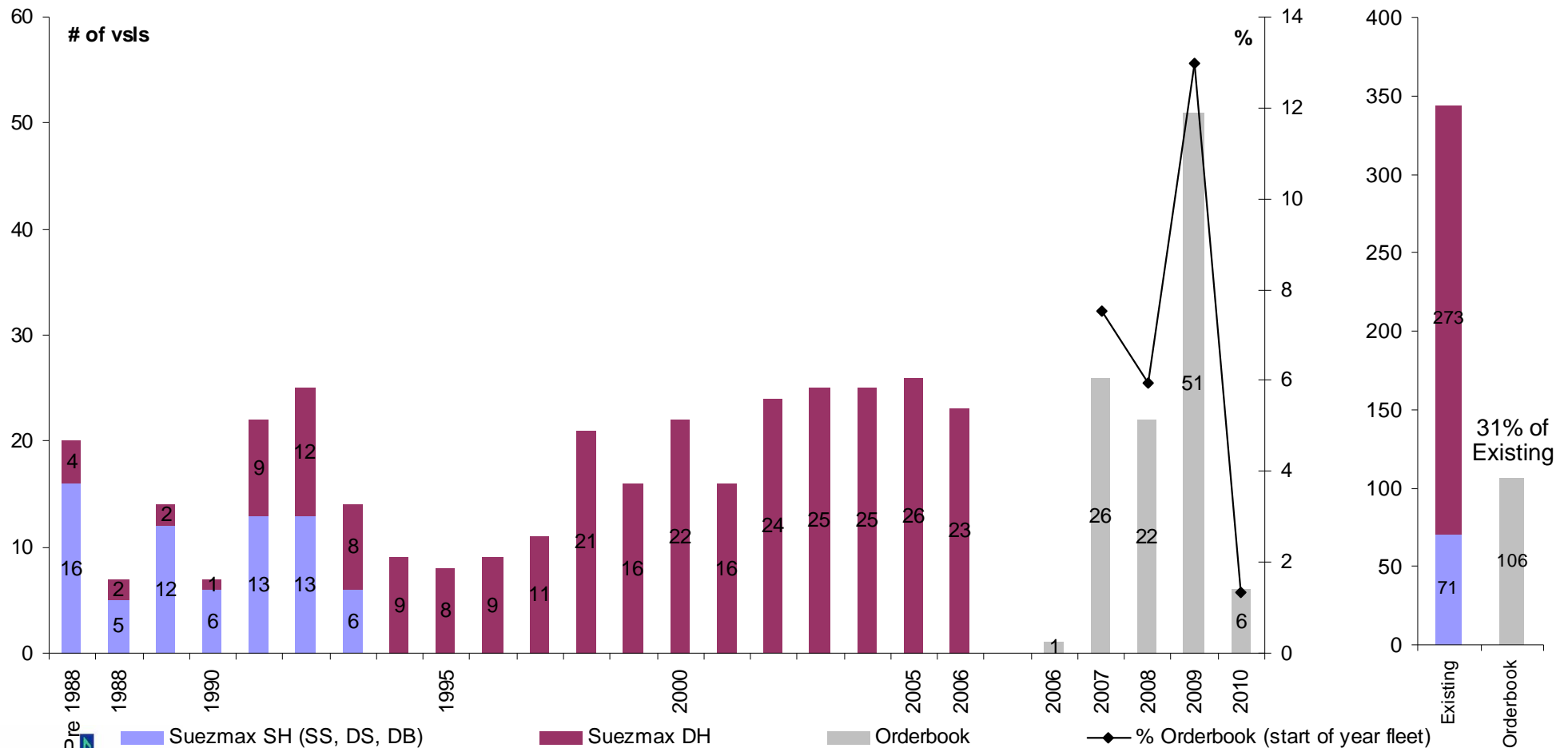
Suezmax

Existing fleet

- 23 Suezmaxes delivered in 2006
 - 71 SH vs 273 DH

Orderbook

- Total orderbook at 106 Suezmaxes
 - 58 Suezmaxes ordered in 2006



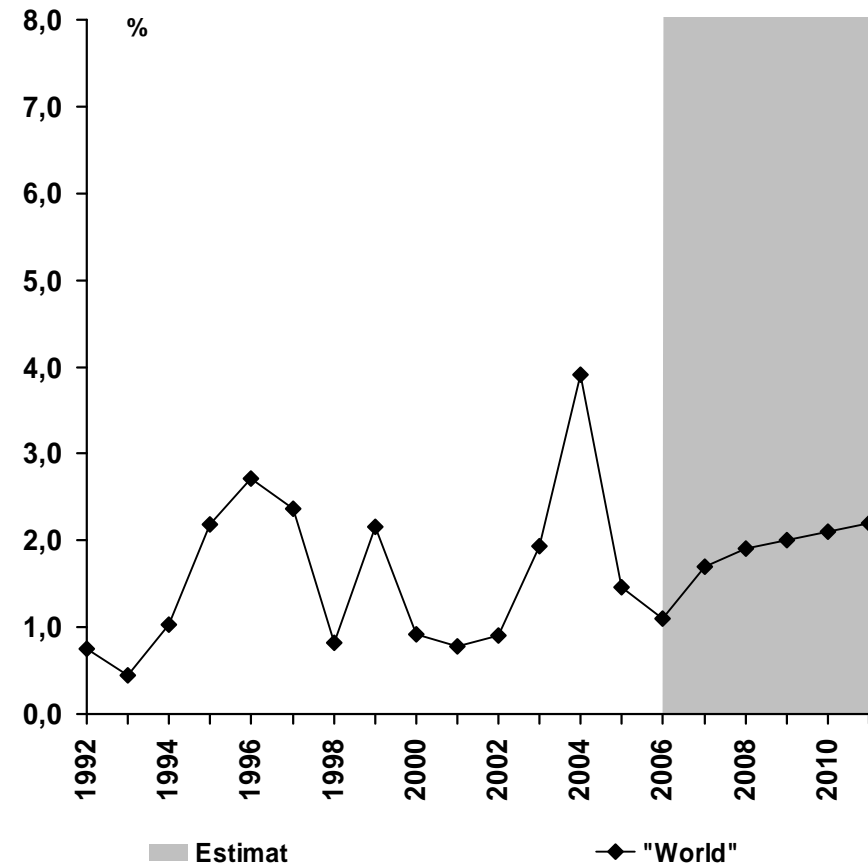
Global oil demand growth slightly lower in 2006 than 2005, but expected to rebound in 2007

Trend

- Growth to average 1.8% in 2006 – 2011
- ME and China expected to account for close to 45% of demand growth during 2006 – 2011
- Asia's total oil demand (28.2 mbd) is expected to surpass North America's (27.4 mbd) by 2011

➔ 3.1% growth in tonne-miles in 2006 and 2007

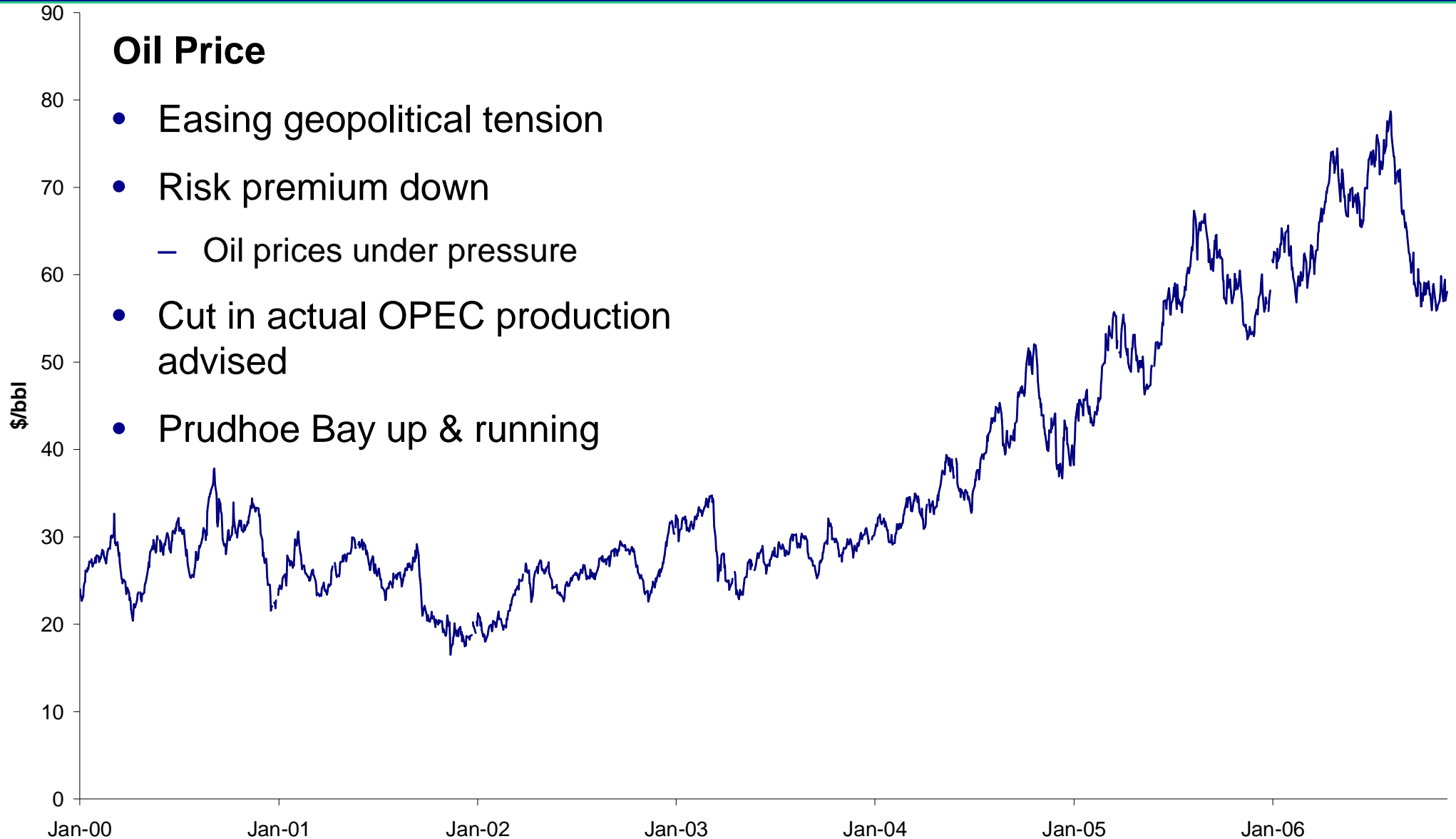
World Oil Demand Annual Growth



Source (World Oil Demand):
1992-2002 IEA, August 2006, Annual Statistical Supplement
2003-2007 IEA, November 2006, Monthly Oil Market Report
2008-2011 IEA, July 2006, Medium Term Oil Market Report

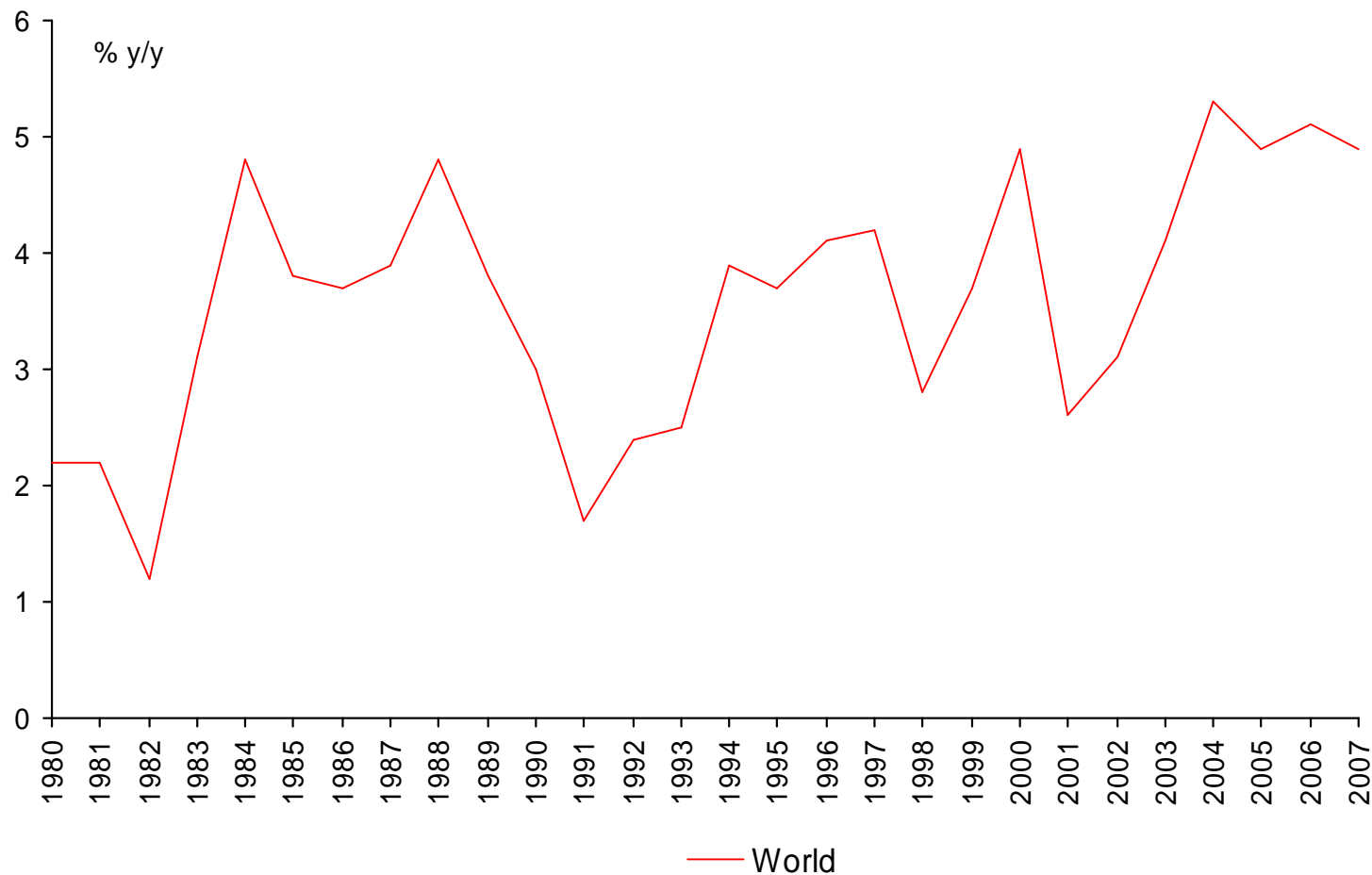
Source (Tonne Miles):
Fearnleys OTM Report 3/2006

The sentiment has turned



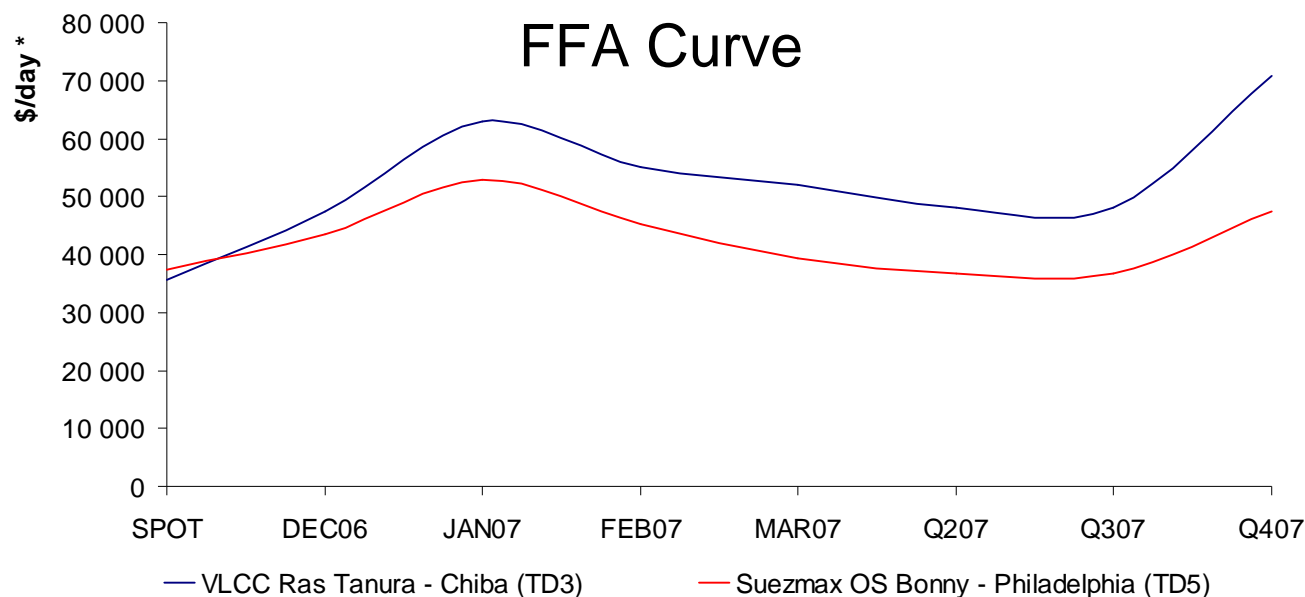
World growth at its peak

“Growth is strong but has rolled over. Expect a slow down.”



Outlook

- Steady oil and ton-mile demand
- Opec cuts?
- Large orderbook
- 2010 phase out of single hull tonnage
- Newbuilding program with attractive prices
- TC coverage
- Rising OPEX
- Focus on operational efficiency and opportunistic transactions



Q & A