

**Q2 2004 results,
August 2, 2004**



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

2003 Apr-Jun	2004 Apr-Jun	INCOME STATEMENT <i>(in thousands of \$)</i>	2004 Jan-Jun	2003 Jan-Jun	2003 Jan-Dec <i>(audited)</i>
19,422	28,090	Total operating revenues	64,651	42,468	75,246
		Operating expenses			
-	5,053	Voyage expenses	6,355	-	-
-	3,166	Ship operating expenses	3,766	-	-
218	253	Administrative expenses	629	426	864
4,398	4,267	Depreciation	8,625	8,796	17,593
4,616	12,739	Total operating expenses	19,375	9,222	18,457
		Other income/(expenses)			
14	112	Interest income	138	20	55
(2,231)	(2,494)	Interest expense	(4,794)	(4,449)	(9,332)
(106)	1,802	Other financial items	(2,478)	(211)	(50)
(2,323)	(580)	Net other income/(expenses)	(7,134)	(4,640)	(9,327)
12,483	14,771	Net income (loss)	38,142	28,606	47,462
17,100	17,100	Average number of ordinary shares outstanding	17,100	17,100	17,100
\$ 0.73	\$ 0.86	Earnings per Share (\$)	\$ 2.23	\$ 1.67	\$ 2.78

Income on time charter basis

TC equivalent income
(total / day)

2004 Q2	2004 Jan-June
50 800	68 500

Balance sheet

BALANCE SHEET <i>(in thousands of \$)</i>	2004 Jun 30	2003 Jun 30	2003 Dec 31 <i>(audited)</i>
ASSETS			
<i>Short term</i>			
Cash and cash equivalents	38,043	391	6,312
Other current assets	9,553	19,537	22,665
<i>Long term</i>			
Vessels and equipment, net	310,783	-	-
Vessels under capital lease, net	-	328,204	319,408
Deferred charges and other long-term assets	334	244	58
Total assets	358,713	348,376	348,443
LIABILITIES AND STOCKHOLDERS' EQUITY			
<i>Short term</i>			
Short term interest bearing debt	11,200	-	125,397
Other current liabilities	10,415	2,188	7,519
<i>Long term</i>			
Long term interest bearing debt	126,000	125,397	-
Other long term liabilities	-	9,392	-
Stockholders' equity	211,098	211,399	215,527
Total liabilities and stockholders' equity	358,713	348,376	348,443

Breakeven rates (USD / day)

Cash breakeven*
18 700

P/L Breakeven*
21 600

*Including interest rate swap payments that will be incurred prior to its expiry in August 2004.



The market

- The strong VLCC market that we experienced in the first quarter of 2004 continued into the second quarter although at slightly lower levels. Except for a weak period at the beginning of the quarter, the market from the Middle East to the Far East stayed above Worldscale (WS) 100 for the whole quarter. The average WS rate Arabian Gulf to East was about 110 versus 124 in the first quarter. This was the result of:
 - continued high world oil demand due to the economic recovery in the U.S. and Europe with an increase of 5.65% from the second quarter of 2003 according to IEA,
 - continued strong growth in the demand for oil into China,
 - improving world economic activity in general,and
 - that oil production in Venezuela again failed to reach pre-strike levels, the shortfall being covered from the Middle East, resulting in increased ton miles.

Supply VLCC's

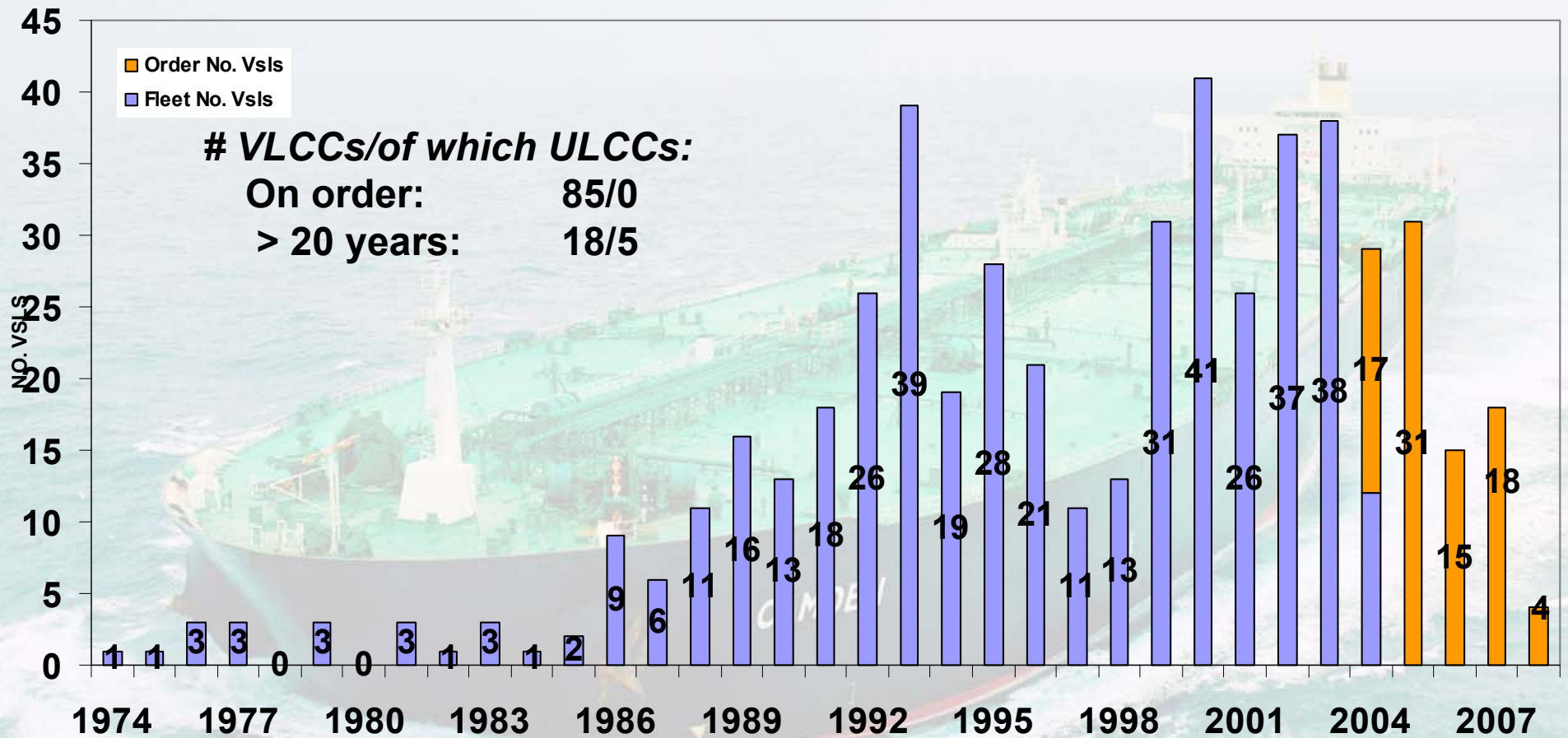
(No. of vessels)

Building year	VLCC's	Of which	
	200,000+ dwt	320,000 + dwt	ULCC's*)
1973 or earlier	0	0	0
1974-75	2	0	0
1976-77	6	0	0
1978-80	3	2	0
1981 or later	425	7	0
Fleet as at August 2, 2004	436	9	0
<u>On order</u>			
2004	17	0	0
2005+	68	0	0
Total on order 2004-2007	85	0	0

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

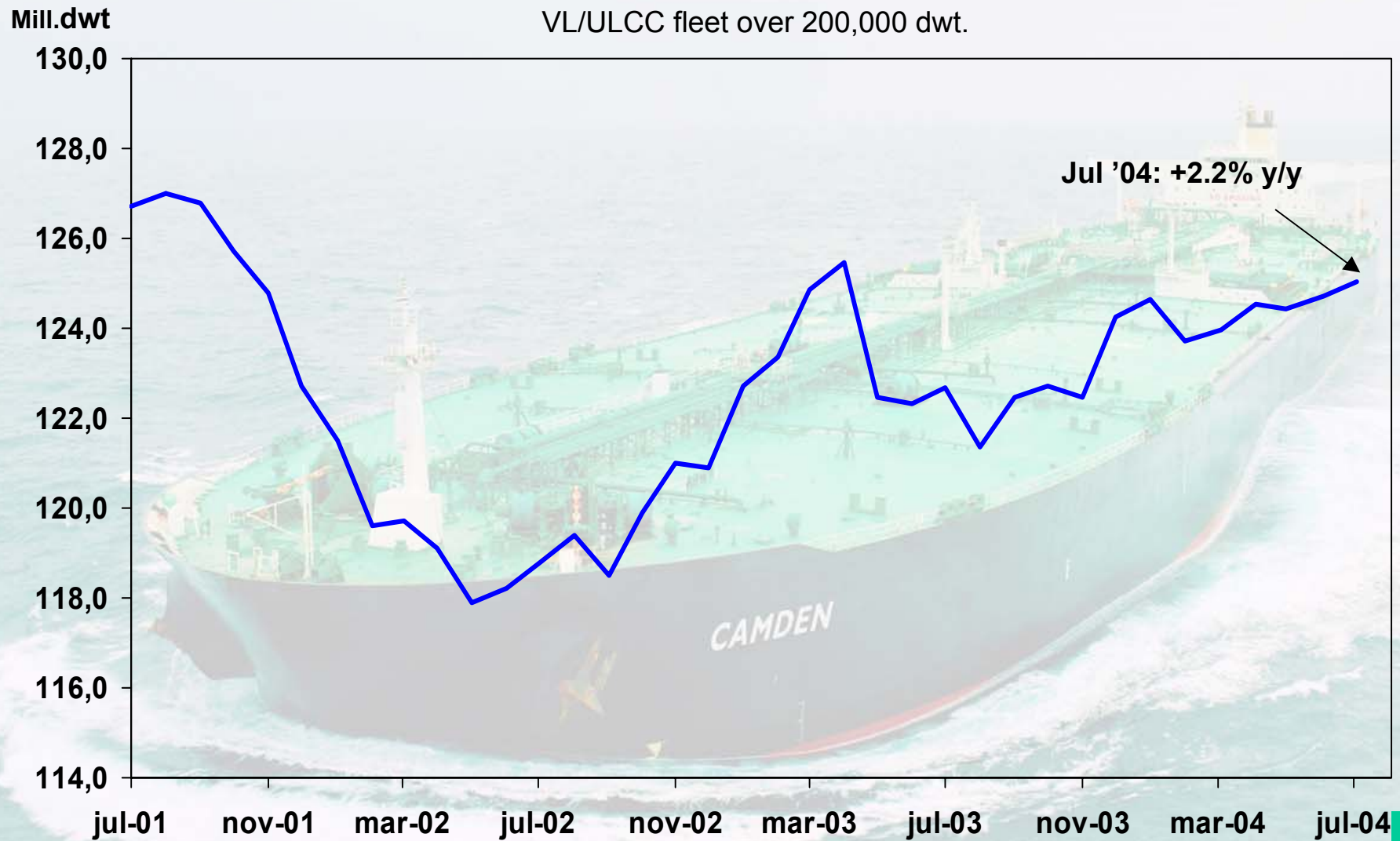
Source: P.F.Bassøe

VL/ULCC fleet - age profile

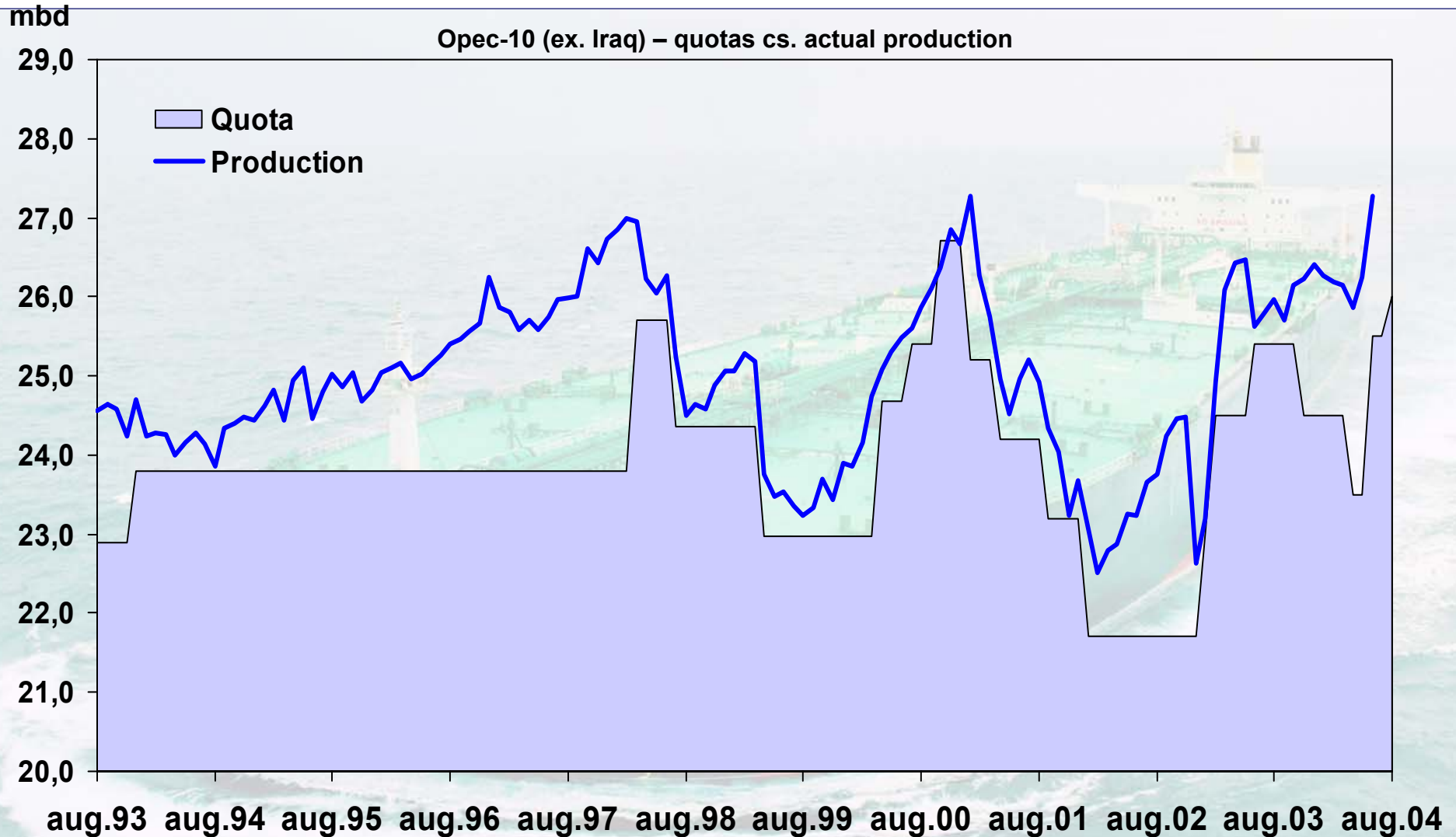


Fleet development - VLCC/ULCC

VL/ULCC fleet over 200,000 dwt.



OPEC-10: Production vs. quotas

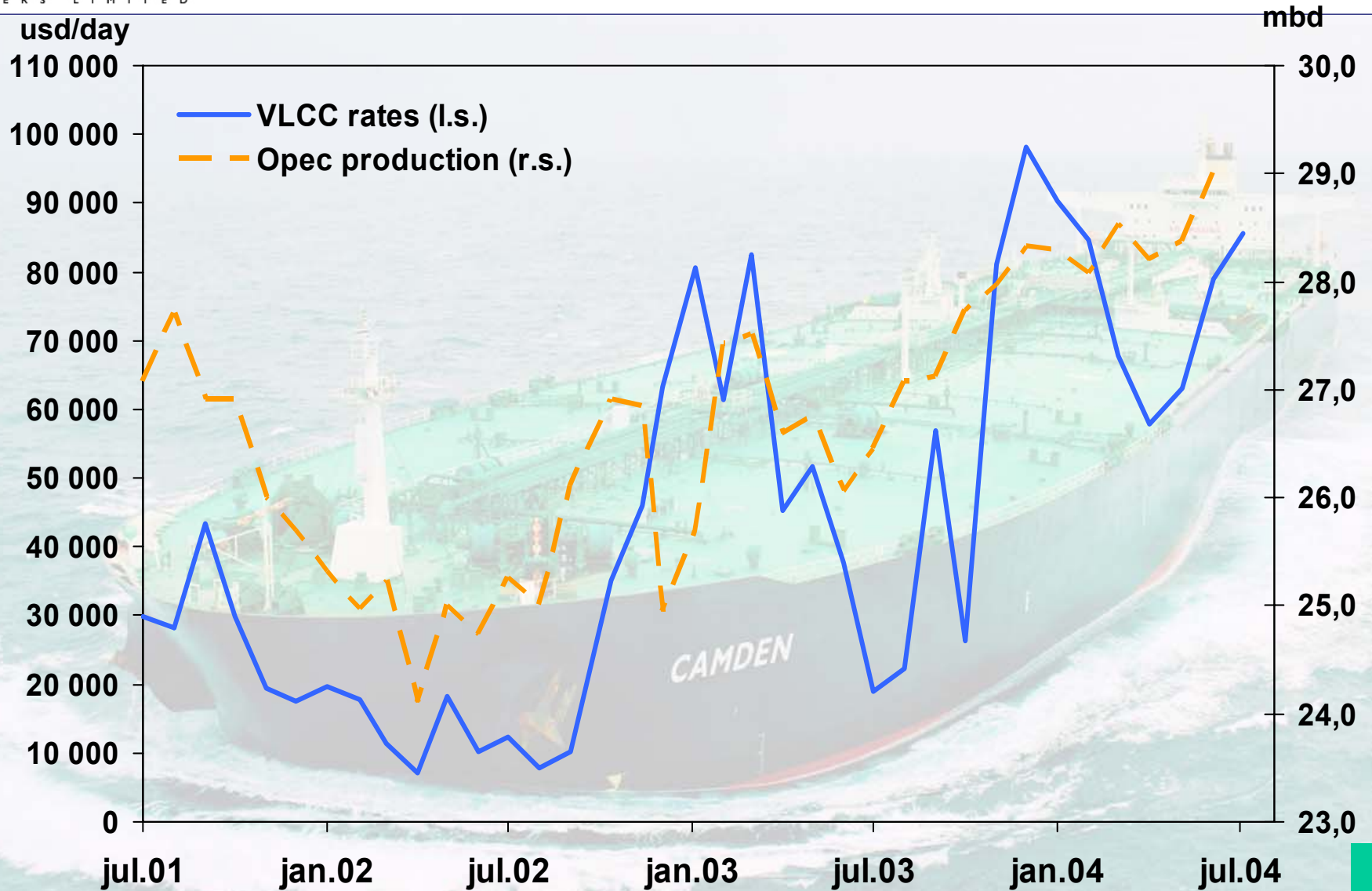


Estimated call on OPEC 2004

	Avg.03	Q104	Q204	Q304	Q404	Avg. 04
IEA	26,3	27,6	26,6	26,7	27,8	27,2
US DOE	26,8	27,7	26,7	27,6	29,0	27,7
*						
Barclays Capital	26,7	28,2	27,2	27,8	29,7	28,2
Stockbuild	0,3	0,1	1,2	0,9	-0,8	0,3
Opec crude	27,1	28,3	28,4	28,8	28,9	28,6

Source: Barclays Capital estimates as of July 28, 2004. IEA and DOE as of July, 2004.

Opec production vs. VLCC rates



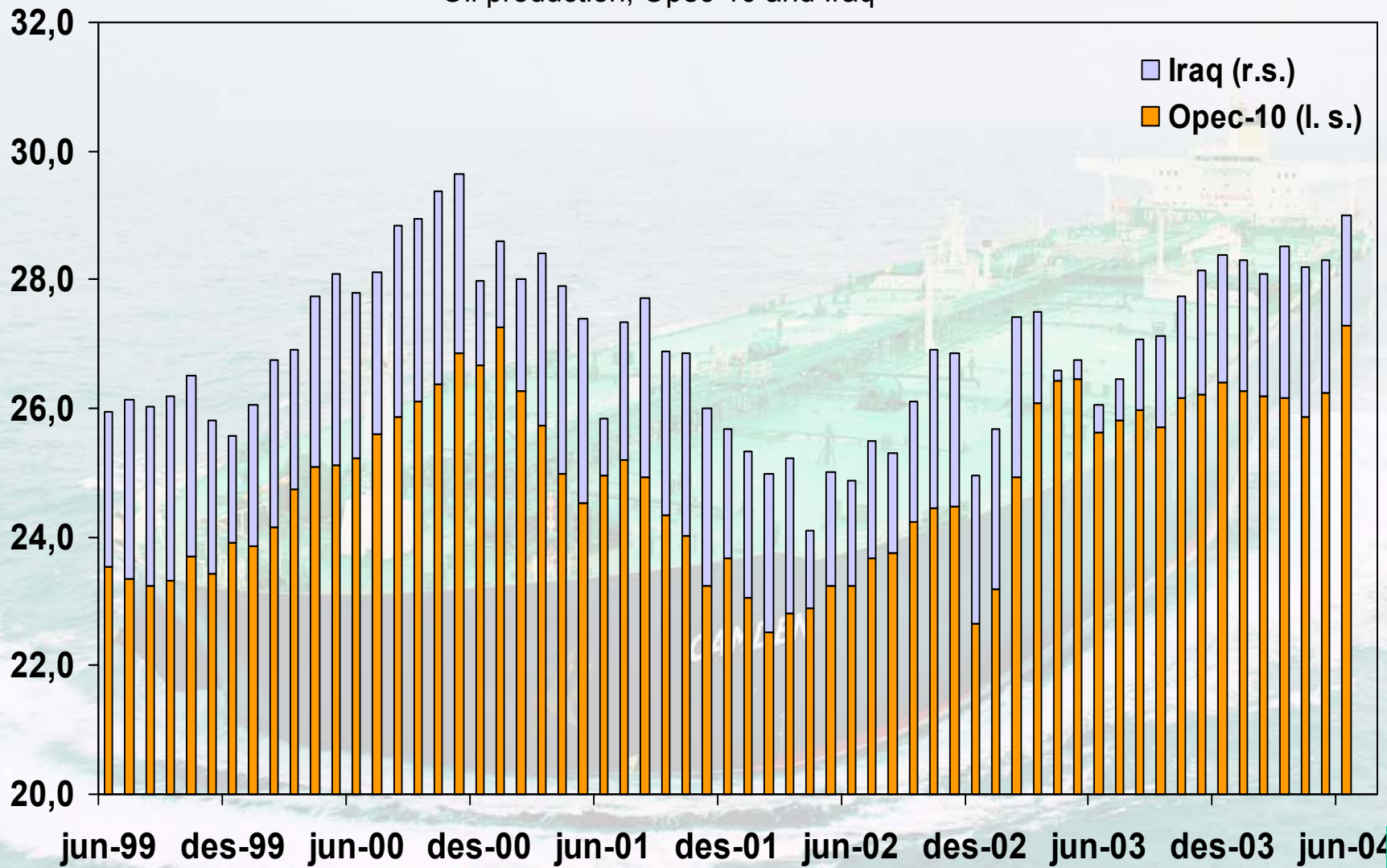
Appendixes



Opec production

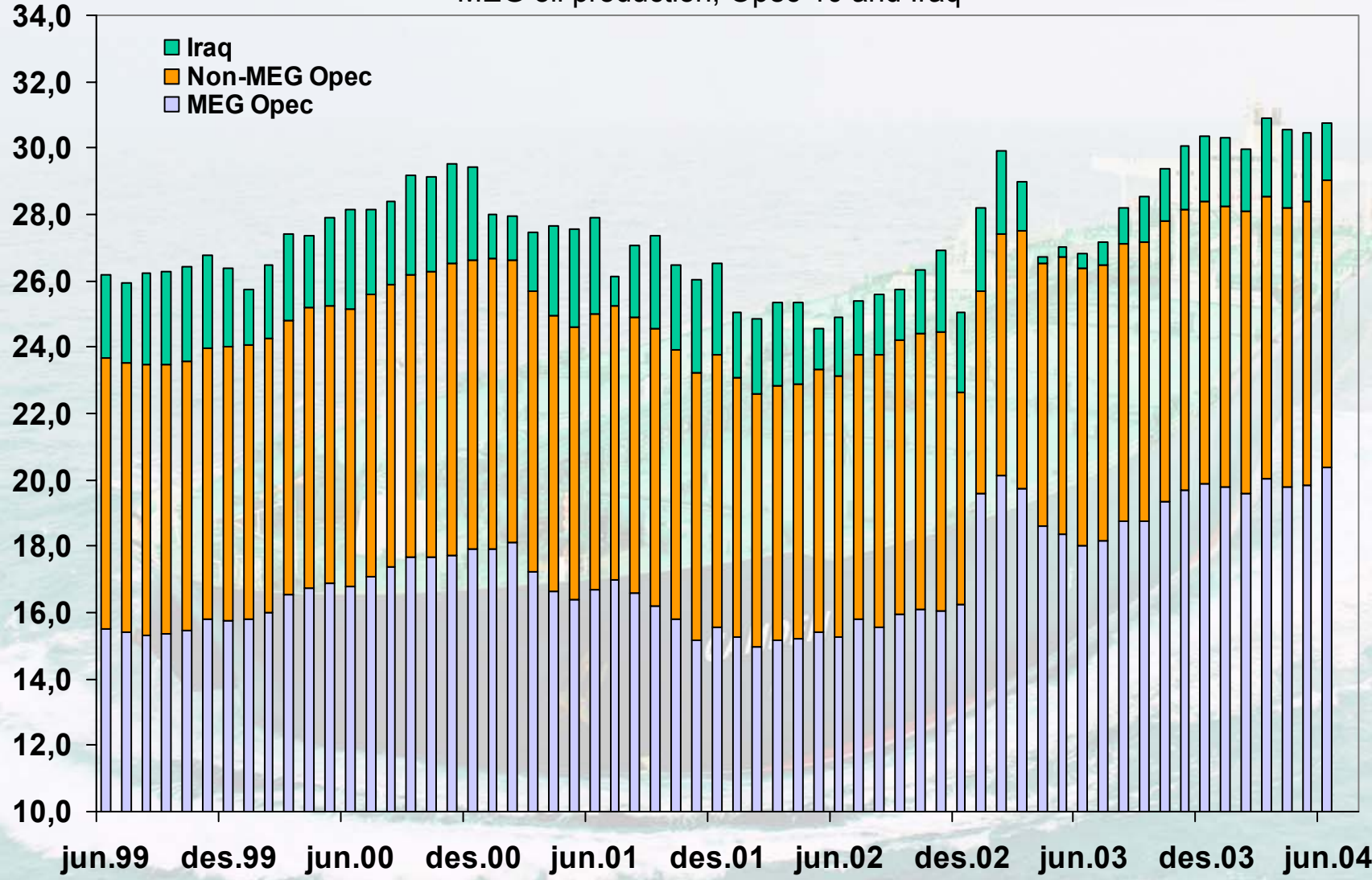
mbd

Oil production, Opec-10 and Iraq



MEG Opec vs. Non-MEG Opec and Iraq

MEG oil production, Opec-10 and Iraq



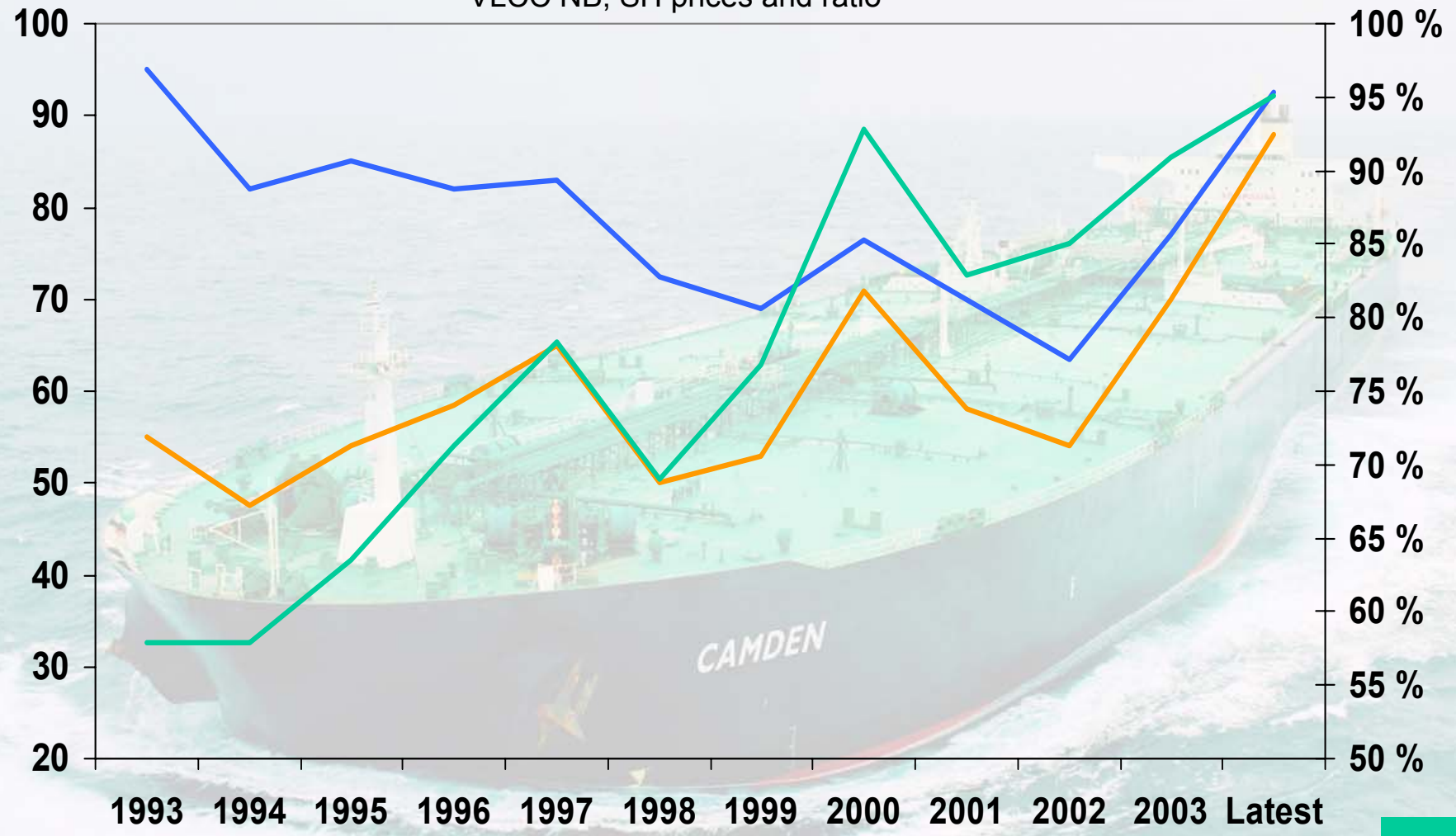
MEG-Opec; Saudi Arabia, Iran, Kuwait, UAE, Qatar, Neutral Zone

Source: IE

Trends in tanker values

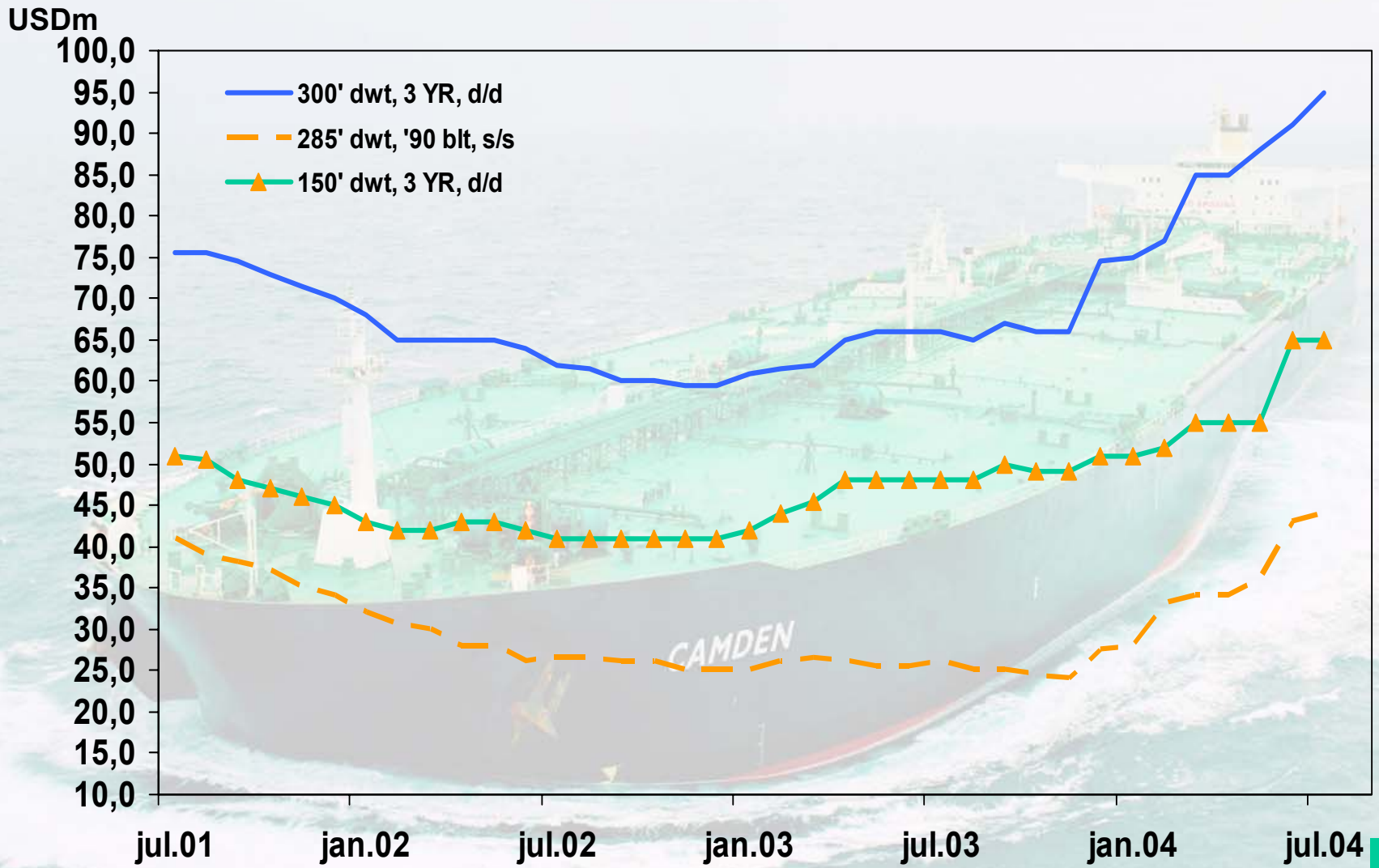
%

VLCC NB, SH prices and ratio



— Newbuilding (I.s.) — 5 year old (I.s.) — SH/NB ratio (r.s.)

Tanker price trends



Source: Bassøe, monthly report
Values based on Buyers' assumed highest cash price dependent on spec. and condition