

Q1 2006 results,  
May 16, 2006



# The VLCC's approximate details

Vessel	Dwt	Built	Employment
Camden	298,000	1995	5 years t/c MISC, end date March 2009
Chelsea	298,000	1995	Spot
Mayfair	298,000	1995	Spot
Ti Qingdao (ex. Kensington)	298,000	1995	3 years t/c TIL, end date Feb – May 2007
Ti Ningbo (ex Hampstead)	298,000	1996	3 years t/c TIL end date March – June 2007

# Profit & Loss

<b>INCOME STATEMENT</b> <i>(in thousands of \$)</i>	<b>2006</b> <b>Jan-Mar</b>	<b>2005</b> <b>Jan-Mar</b>	<b>2005</b> <b>Jan-Dec</b> <i>(restated)</i>
<b>Operating revenues</b>	<b>27,211</b>	<b>29,369</b>	<b>100,179</b>
<b>Operating expenses</b>			
Voyage expenses	3,114	3,811	16,459
Ship operating expenses	4,044	3,102	17,211
Administrative expenses	385	229	988
Depreciation	4,221	4,221	17,120
<b>Total operating expenses</b>	<b>11,764</b>	<b>11,363</b>	<b>51,778</b>
<b>Net operating income</b>	<b>15,447</b>	<b>18,006</b>	<b>48,401</b>
<b>Other income/(expenses)</b>			
Interest income	324	307	959
Interest expense	(1,593)	(1,185)	(5,310)
Other financial items	(2)	(16)	(83)
Total other income/(expenses)	<b>(1,271)</b>	<b>(894)</b>	<b>(4,434)</b>
<b>Net income (loss)</b>	<b>14,176</b>	<b>17,112</b>	<b>43,967</b>
Average number of ordinary shares outstanding	17,100	17,100	17,100
Earnings per Share (\$)	\$ 0.83	\$ 1.00	\$ 2.57

# Income on time charter basis

	2006 Q1	2005 Q4	2005 Jan-Dec
Time Charter Equivalent earnings (\$ per day per vessel)	54 300	58 600	47 100

# Balance sheet

<b>BALANCE SHEET</b> <i>(in thousands of \$)</i>	<b>2006</b> <b>Mar 31</b>	<b>2005</b> <b>Mar 31</b>	<b>2005</b> <b>Dec 31</b>
<b>ASSETS</b>			
<i>Short term</i>			
Cash and cash equivalents (including restricted cash)	27,920	40,535	22,634
Other current assets	13,037	12,336	15,096
<i>Long term</i>			
Vessels, net	280,849	297,969	285,070
Deferred charges and other long-term assets	342	376	359
<b>Total assets</b>	<b>322,148</b>	<b>351,216</b>	<b>323,159</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<i>Short term</i>			
Short-term debt and current portion of long-term debt	11,276	11,200	11,200
Other current liabilities	8,943	6,358	7,726
<i>Long term</i>			
Long term interest bearing debt	106,400	117,600	109,200
Stockholders' equity	195,529	216,058	195,033
<b>Total liabilities and stockholders' equity</b>	<b>322,148</b>	<b>351,216</b>	<b>323,159</b>

# Supply of VLCC's

(No. of vessels)

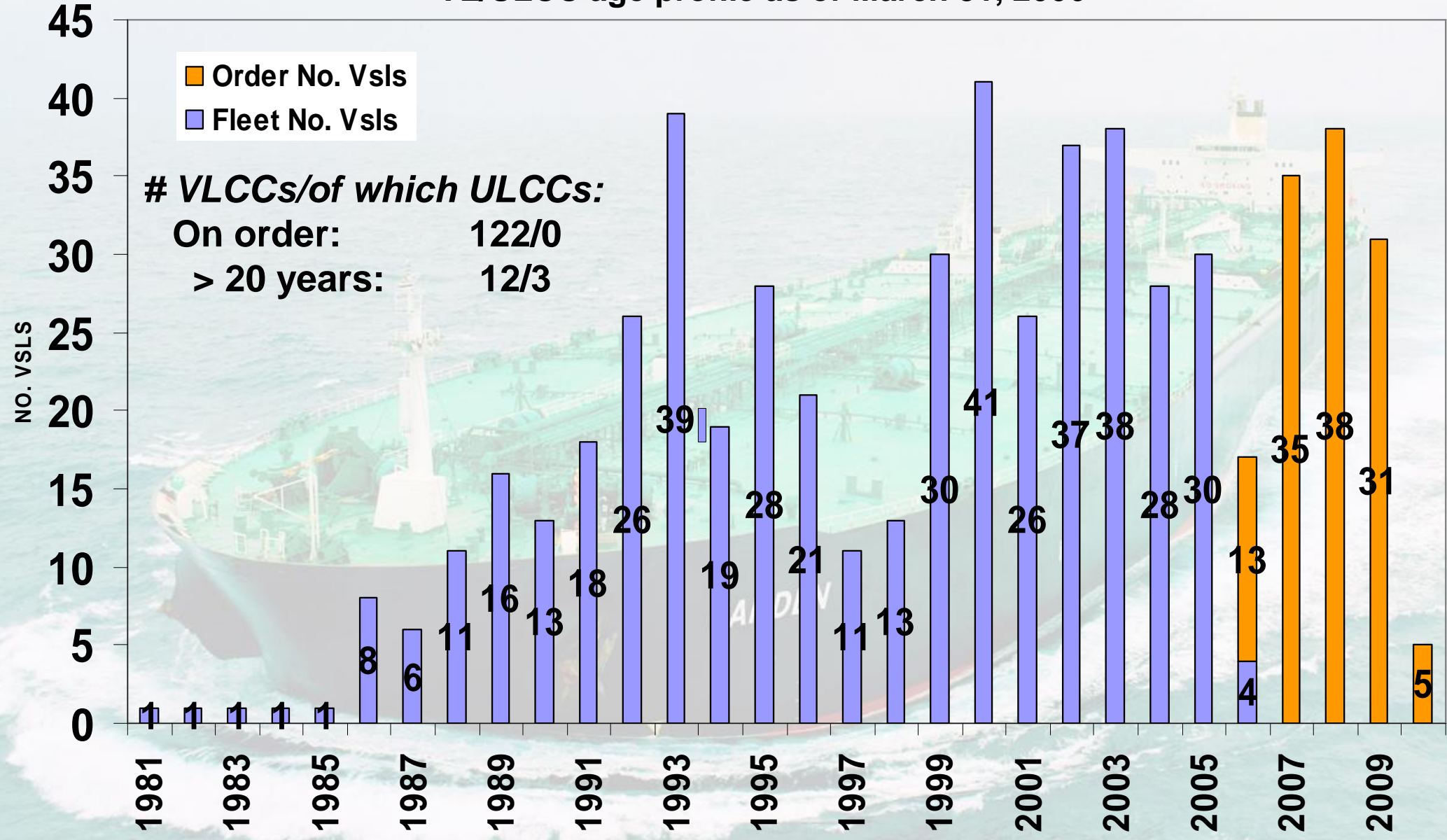
<u>Building year</u>	VLCC's	Of which	
	200,000+ dwt	320,000 + dwt	ULCC's*)
1978-81	1	0	0
1982-84	3	0	0
1985-87	15	0	0
1988 or later	449	4	4
<b>Fleet as at March 31, 2006</b>	<b>468</b>	<b>4</b>	<b>4</b>
<u>On order</u>			
2006	13		
2007	35		
2008	38		
2009+	36		
<b>Total on order 2006-2009+</b>	<b>122</b>	<b>0</b>	<b>0</b>

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

Source: P.F.Bassøe

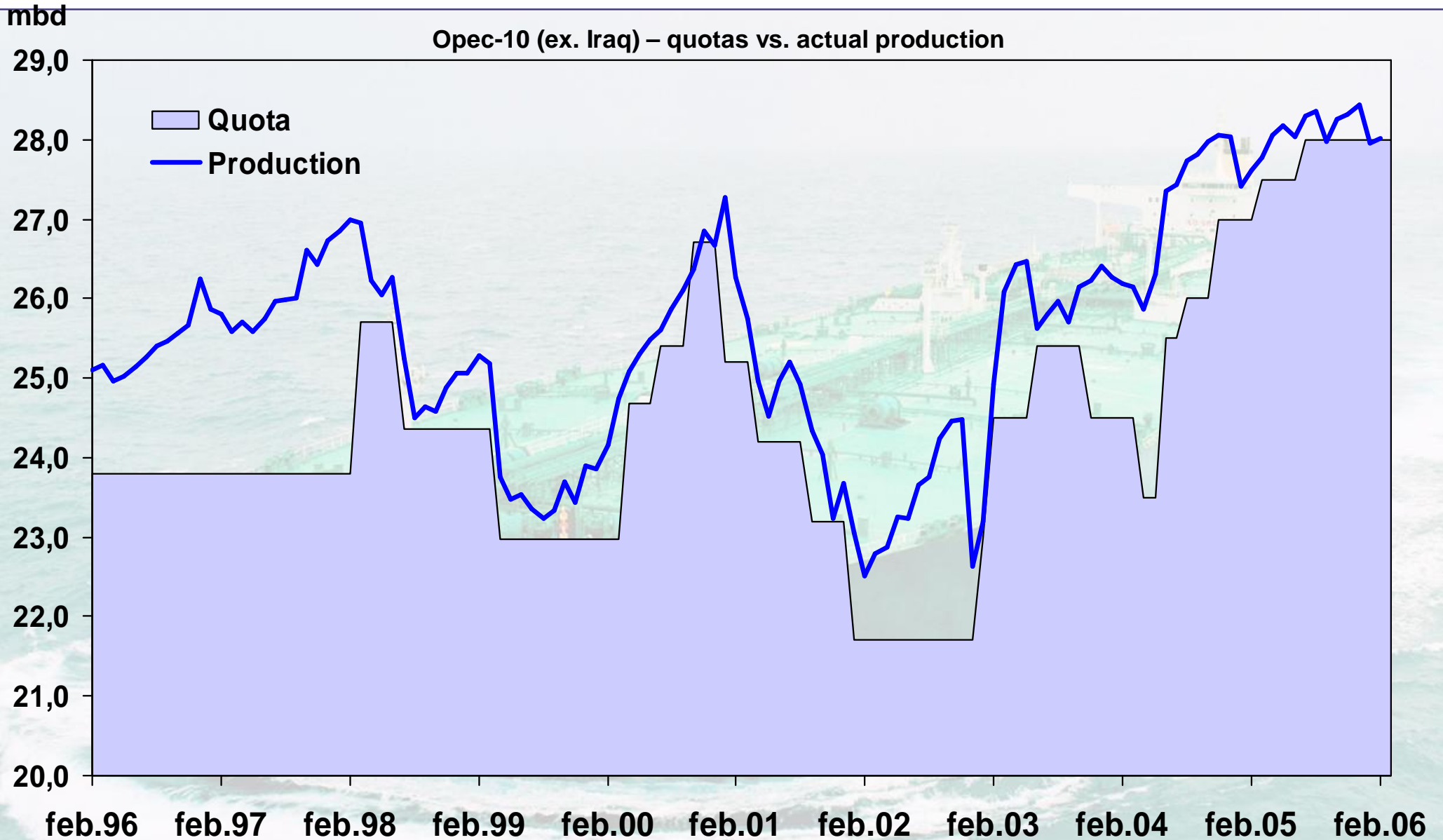
# VL/ULCC fleet - age profile

VL/ULCC age profile as of March 31, 2006



# VLCCs/of which ULCCs:  
 On order: 122/0  
 > 20 years: 12/3

# OPEC-10: Production vs. quotas



# Estimated call on OPEC 2006

	Avg.05	Q106	Q206	Q306	Q406	Avg. 06
<b>IEA</b>	<b>29,4</b>	<b>30,1</b>	<b>28,1</b>	<b>28,9</b>	<b>29,7</b>	<b>29,2</b>
<b>US DOE</b>	<b>29,7</b>	<b>30,1</b>	<b>29,4</b>	<b>29,7</b>	<b>31,3</b>	<b>30,1</b>
<b>*</b>						
<b>Barclays Capital</b>	<b>30,1</b>	<b>31,2</b>	<b>29,7</b>	<b>30,5</b>	<b>31,7</b>	<b>30,8</b>
<b>Stockbuild</b>	<b>-0,3</b>	<b>-1,5</b>	<b>0,5</b>	<b>-0,2</b>	<b>-1,4</b>	<b>-0,7</b>
<b>Opec crude</b>	<b>29,8</b>	<b>29,7</b>	<b>30,2</b>	<b>30,3</b>	<b>30,3</b>	<b>30,1</b>

Source: Barclays Capital estimates as of May 10, 2006. IEA numbers taken from IEA Monthly Oil Report May 2006 and US DOE numbers are from Energy Information Administration, Short Term Energy Outlook May 2006.

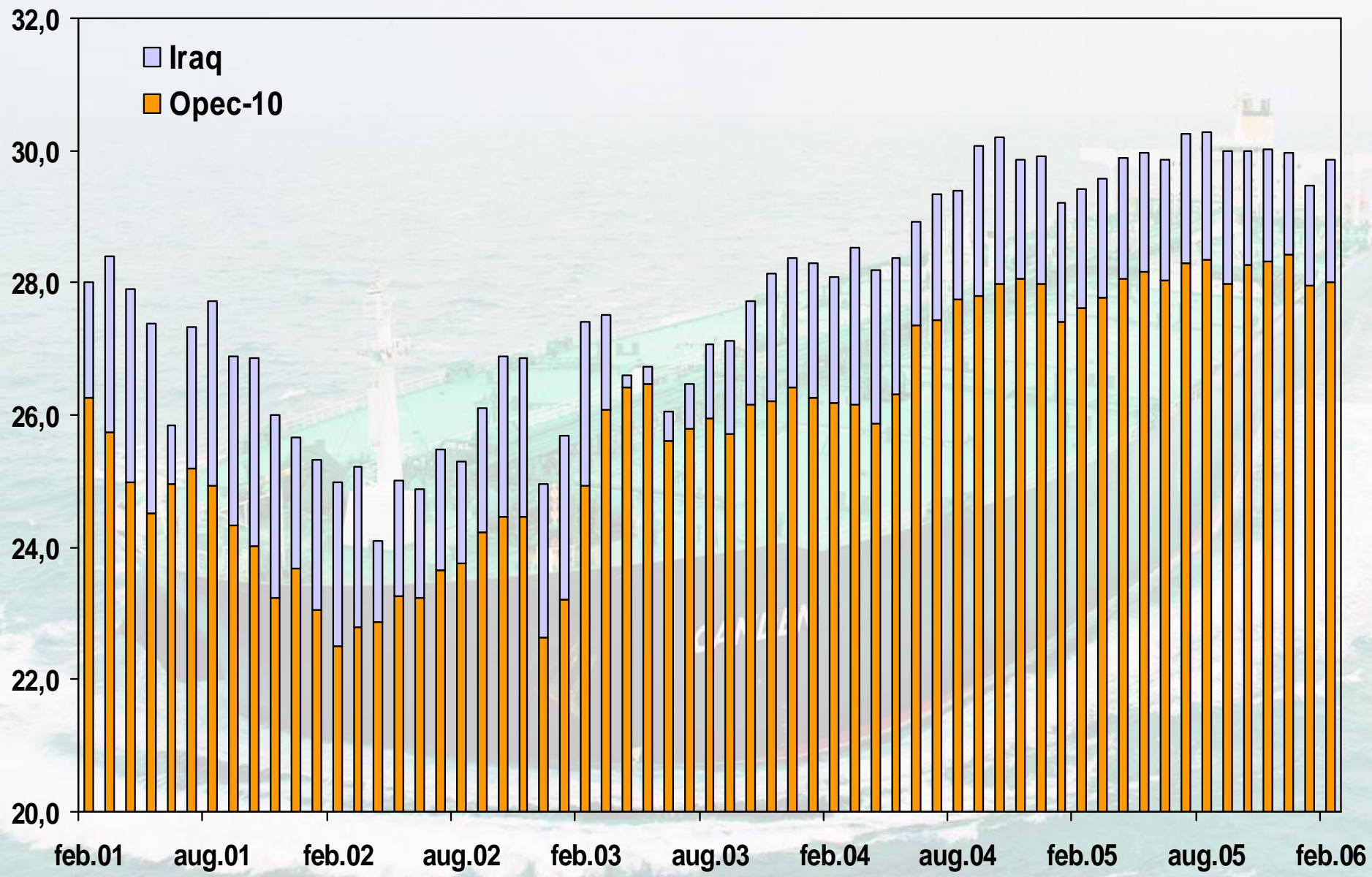
# Appendixes



# Opec production

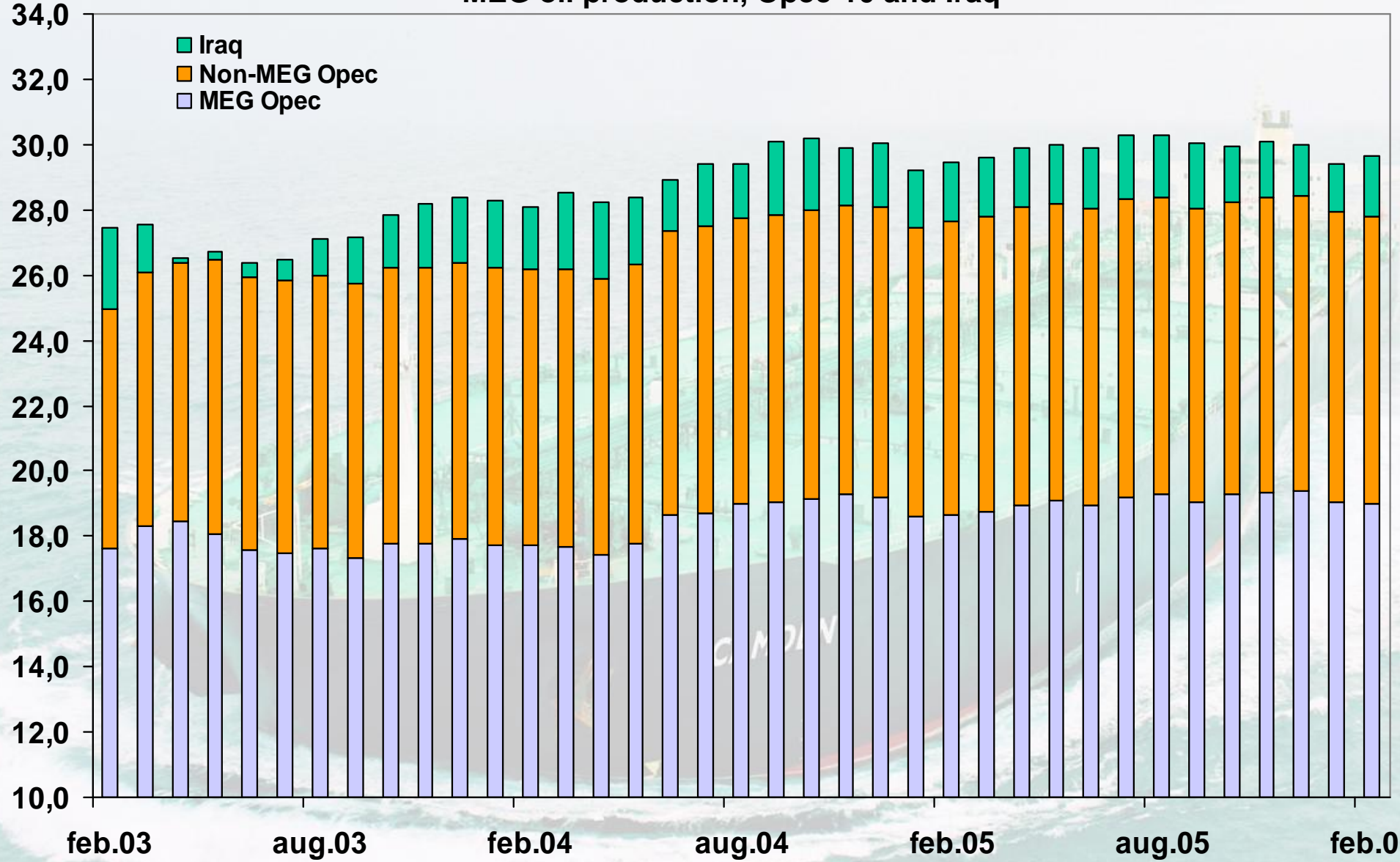
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Oil production, Opec-10 and Iraq



# MEG Opec vs. Non-MEG Opec and Iraq

MEG oil production, Opec-10 and Iraq

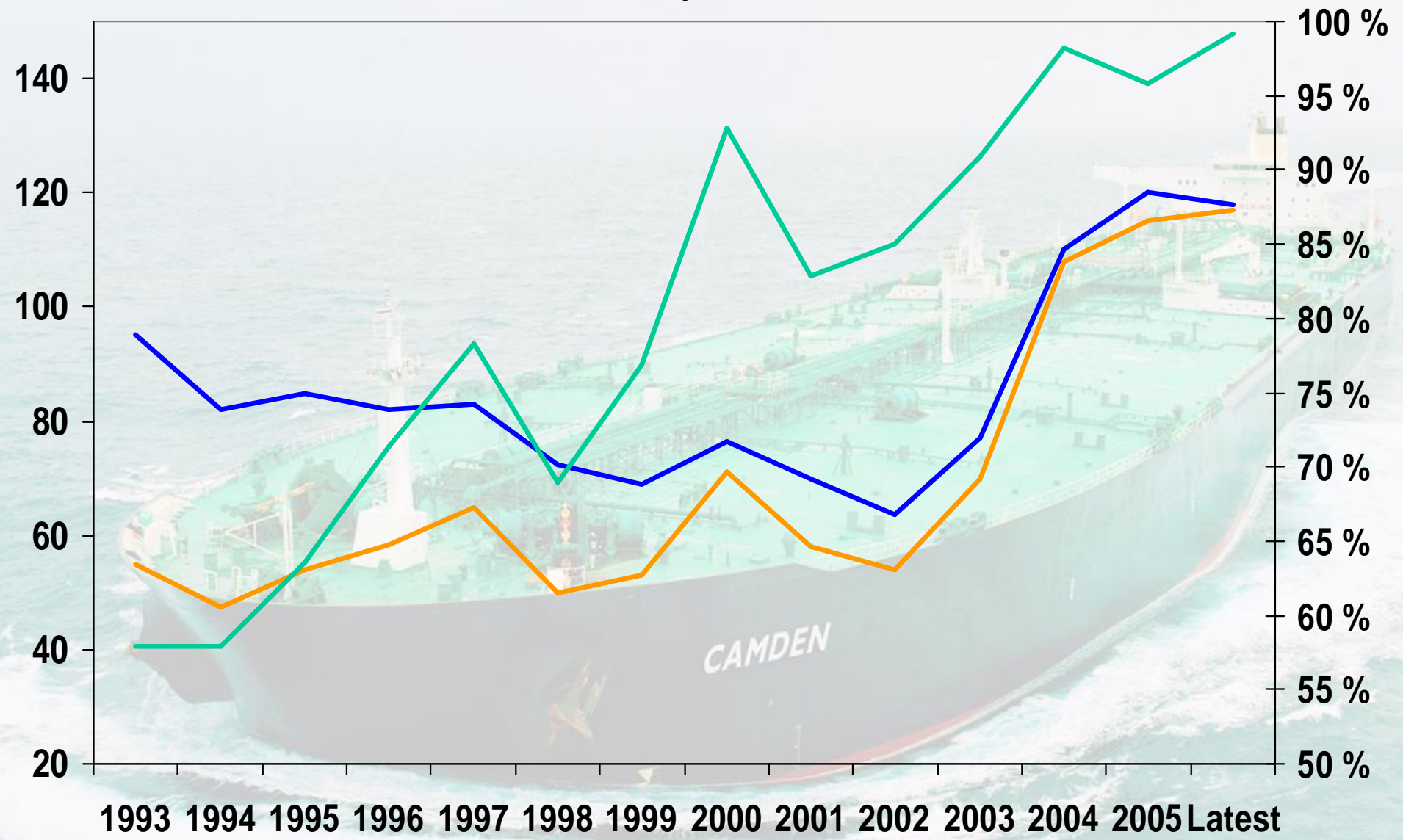


Source: IEA

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

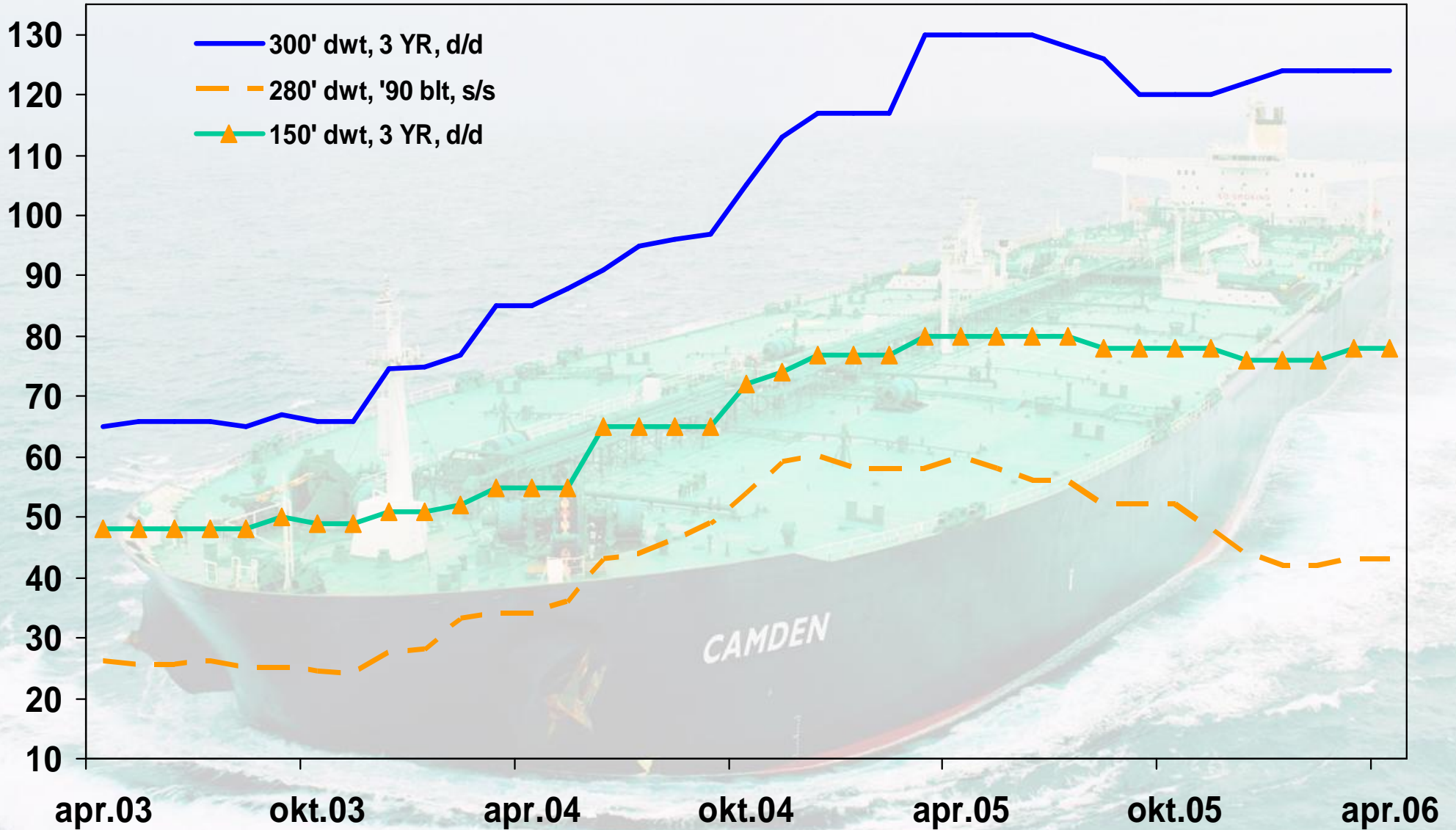
# Trends in tanker values

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