

**Q3 2004 results,
November 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 Jul-Sept	2004 Jul-Sept	INCOME STATEMENT <i>(in thousands of \$)</i>	2004 Jan-Sept	2003 Jan-Sept	2003 Jan-Dec <i>(audited)</i>
10,152	28,481	Total operating revenues	93,132	52,620	75,246
		Operating expenses			
-	3,733	Voyage expenses	10,089	-	-
-	2,989	Ship operating expenses	6,756	-	-
219	266	Administrative expenses	894	645	864
4,398	4,290	Depreciation	12,915	13,195	17,593
4,617	11,278	Total operating expenses	30,654	13,840	18,457
		Other income/(expenses)			
9	126	Interest income	263	29	55
(2,255)	(1,949)	Interest expense	(6,742)	(6,704)	(9,332)
(106)	2,401	Other financial items	(76)	(316)	(50)
(2,352)	578	Net other income/(expenses)	(6,555)	(6,991)	(9,327)
3,183	17,781	Net income (loss)	55,923	31,789	47,462
17,100	17,100	Average number of ordinary shares outstanding	17,100	17,100	17,100
\$ 0.19	\$ 1.04	Earnings per Share (\$)	\$ 3.27	\$ 1.86	\$ 2.78

Income on time charter basis



	2004 Q3	2004 Jan-Sept.
TC equivalent income (total / day)	53 800	68 700

Balance sheet

BALANCE SHEET <i>(in thousands of \$)</i>	2004 Sept 30	2003 Sept 30	2003 Dec 31 <i>(audited)</i>
ASSETS			
<i>Short term</i>			
Cash and cash equivalents	36,124	6,286	6,312
Other current assets	12,497	10,222	22,665
<i>Long term</i>			
Vessels and equipment, net	305,803	-	-
Vessels under capital lease, net	-	323,806	319,408
Deferred charges and other long-term assets	408	151	58
Total assets	354,832	340,465	348,443
LIABILITIES AND STOCKHOLDERS' EQUITY			
<i>Short term</i>			
Short term interest bearing debt	11,200	-	125,397
Other current liabilities	4,378	2,209	7,519
<i>Long term</i>			
Long term interest bearing debt	123,200	125,397	-
Other long term liabilities	-	7,745	-
Stockholders' equity	216,054	205,114	215,527
Total liabilities and stockholders' equity	354,832	340,465	348,443

Breakeven rates (USD / day / vessel)

Cash breakeven

15 411

P/L Breakeven

18 329



The market

- The strong VLCC market that we experienced in the second quarter of 2004 continued into the third quarter at even higher levels. Except for a brief, weak period in the beginning of September, 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 119 versus 110 in the second quarter. This equates to a daily time charter equivalent of about USD 67,000 per day. The continued strong market was a result of:
 - the high world oil demand especially into China, and
 - improving world economic activity in general

All the additional demand was met by increased production in the Middle East, resulting in increased ton miles.

Supply VLCC's

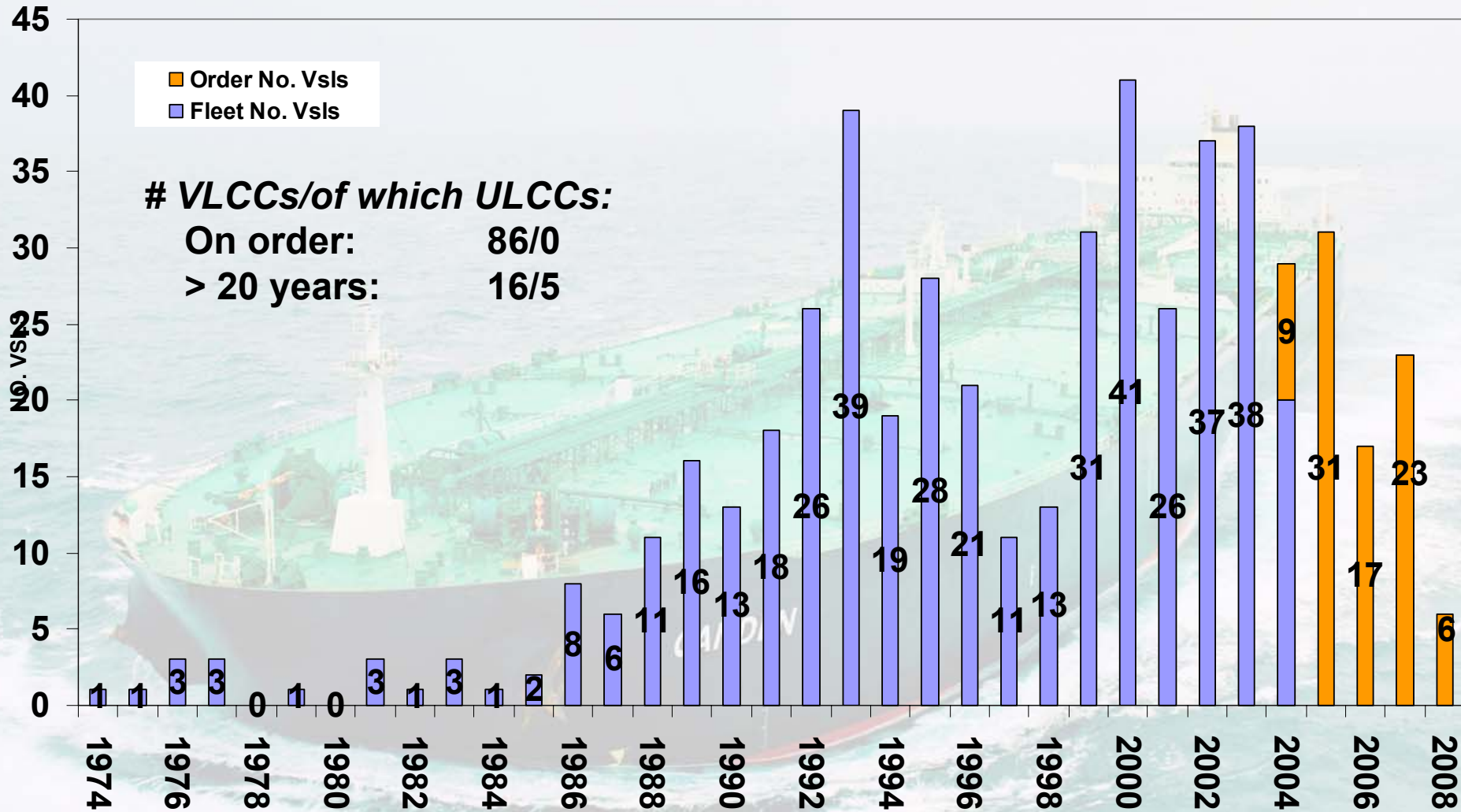
(No. of vessels)

<u>Building year</u>	VLCC's	Of which	
	200,000+ dwt	320,000 + dwt	ULCC's*)
1974-75	2	0	0
1976-77	6	0	0
1978-80	1	2	0
1981 or later	432	3	0
Fleet as at October 29, 2004	441	5	0
<u>On order</u>			
2004	9	0	0
2005	31	0	0
2006	17	0	0
2007+	29	0	0
Total on order 2004-2007+	86	0	0

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

Source: P.F.Bassøe

VL/ULCC fleet - age profile



Fleet development - VLCC/ULCC

Mill.dwt

VL/ULCC fleet over 200,000 dwt.

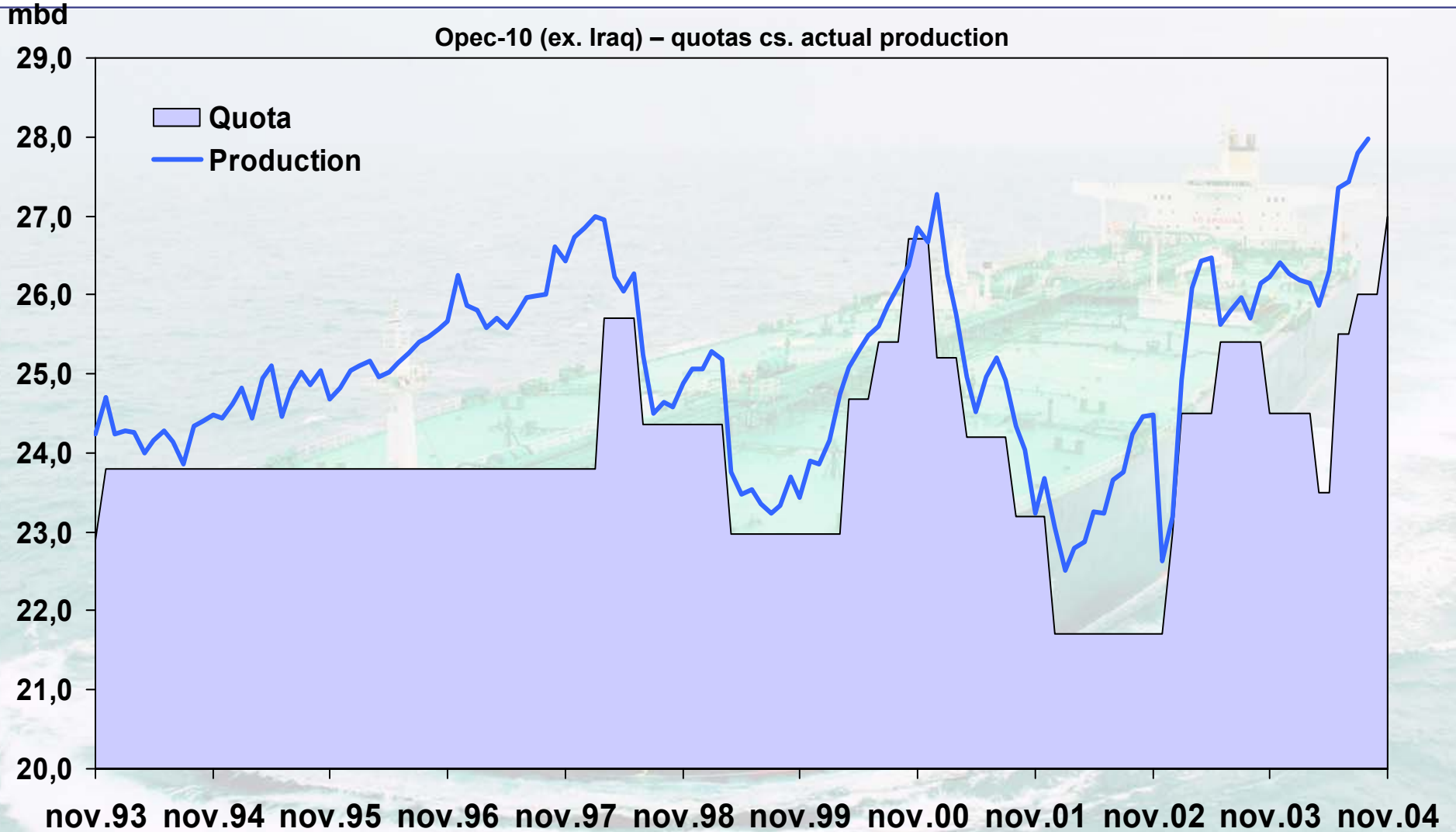
130,0
128,0
126,0
124,0
122,0
120,0
118,0
116,0
114,0

Oct '04: +3.4% y/y

jul.01 nov.01 mar.02 jul.02 nov.02 mar.03 jul.03 nov.03 mar.04 jul.04 nov.04



OPEC-10: Production vs. quotas



Estimated call on OPEC 2004

	Avg.03	Q104	Q204	Q304	Q404	Avg. 04
IEA	26,8	28,1	26,9	27,9	28,7	27,9
US DOE	27,5	28,5	26,7	27,9	29,8	28,2
*						
Barclays Capital	27,4	29,0	27,4	29,0	31,0	29,1
Stockbuild	-0,3	-0,7	0,9	0,5	-1,4	-0,2
Opec crude	27,1	28,3	28,4	29,5	29,6	28,9

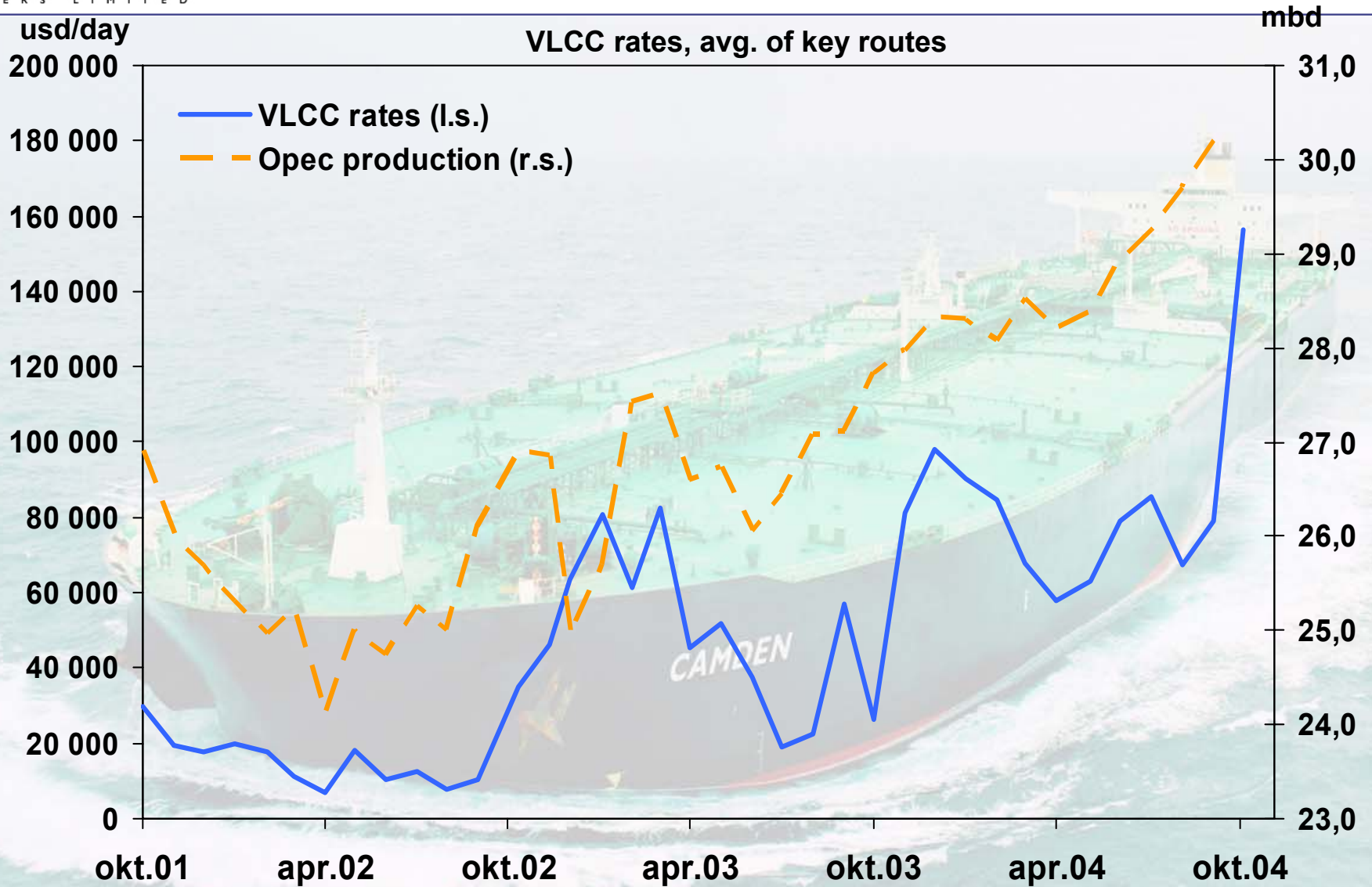
Source: Barclays Capital estimates as of October 27, 2004. IEA and DOE as of October, 2004.

Estimated call on OPEC 2005

	Avg.04	Q105	Q205	Q305	Q405	Avg. 05
IEA	27,9	27,9	26,3	27,5	28,9	27,6
US DOE	28,2	29,5	27,8	28,5	30,0	29,0
*						
Barclays Capital	29,1	30,5	28,8	30,0	32,2	30,4
Stockbuild	-0,2	-0,5	1,3	0,1	-2,1	-0,3
Opec crude	28,9	30,0	30,1	30,1	30,1	30,1

Source: Barclays Capital estimates as of October 27, 2004. IEA and DOE as of October, 2004.

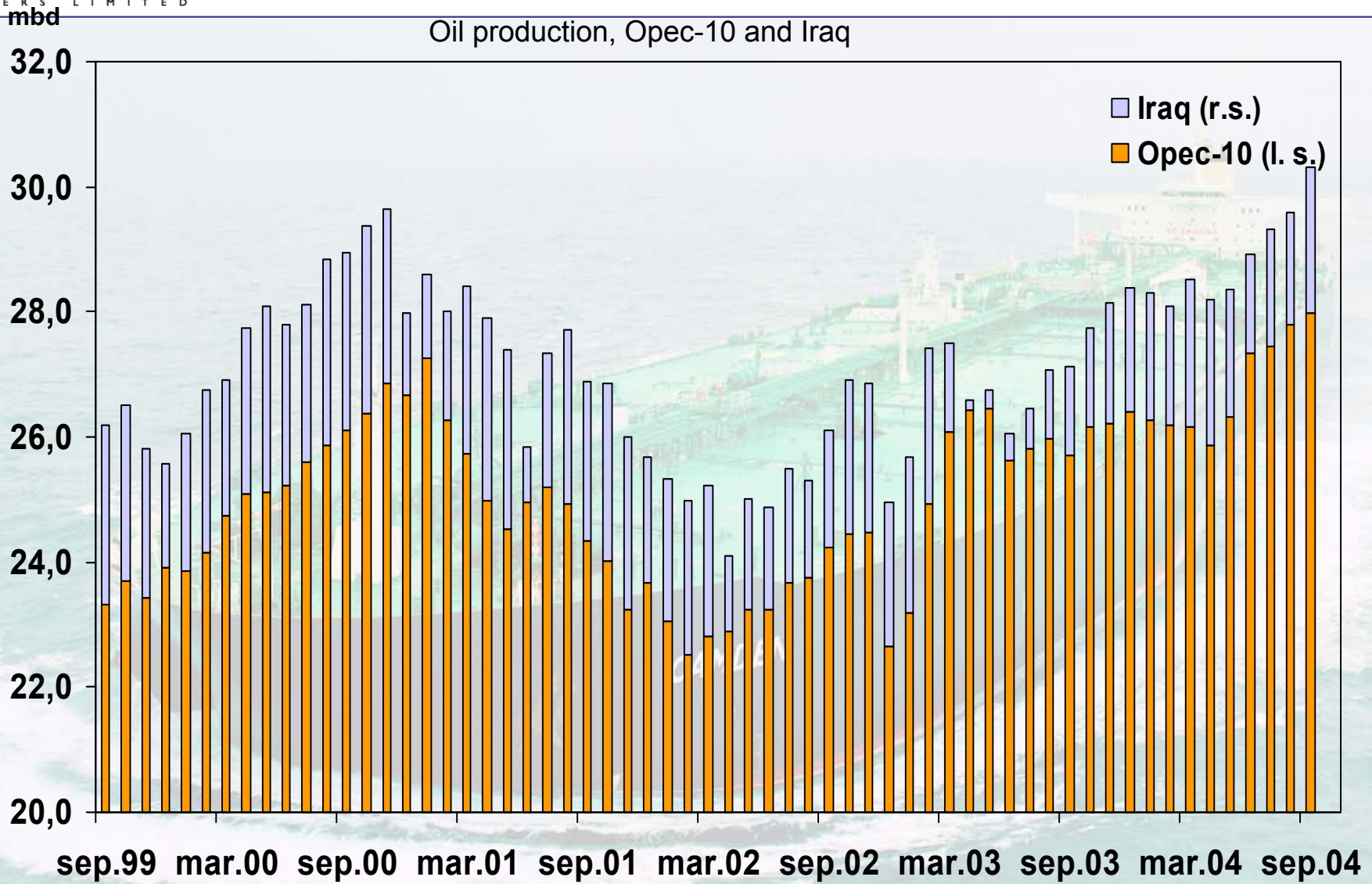
Opec production vs. VLCC rates



Appendixes

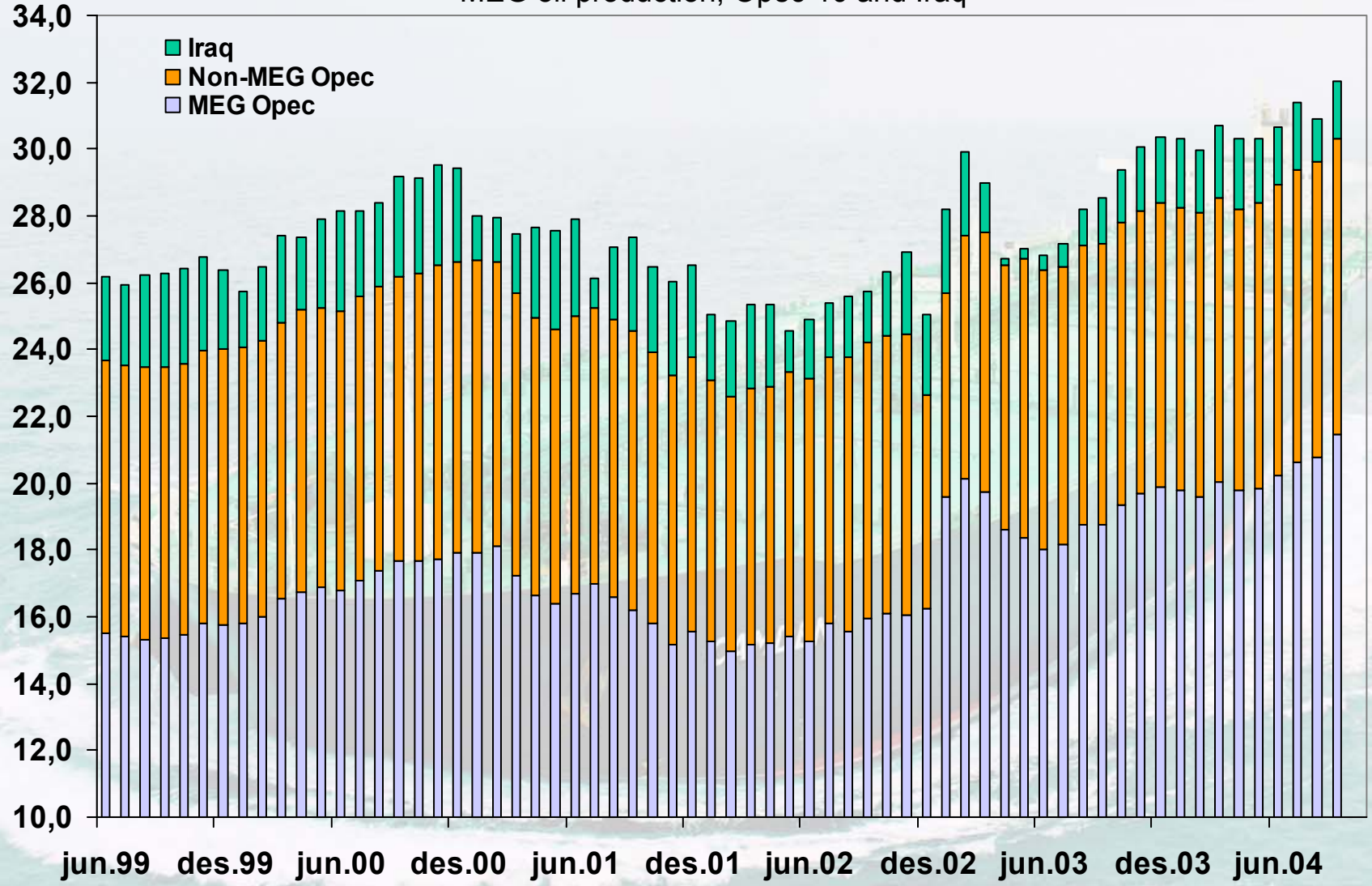


Opec production



MEG Opec vs. Non-MEG Opec and Iraq

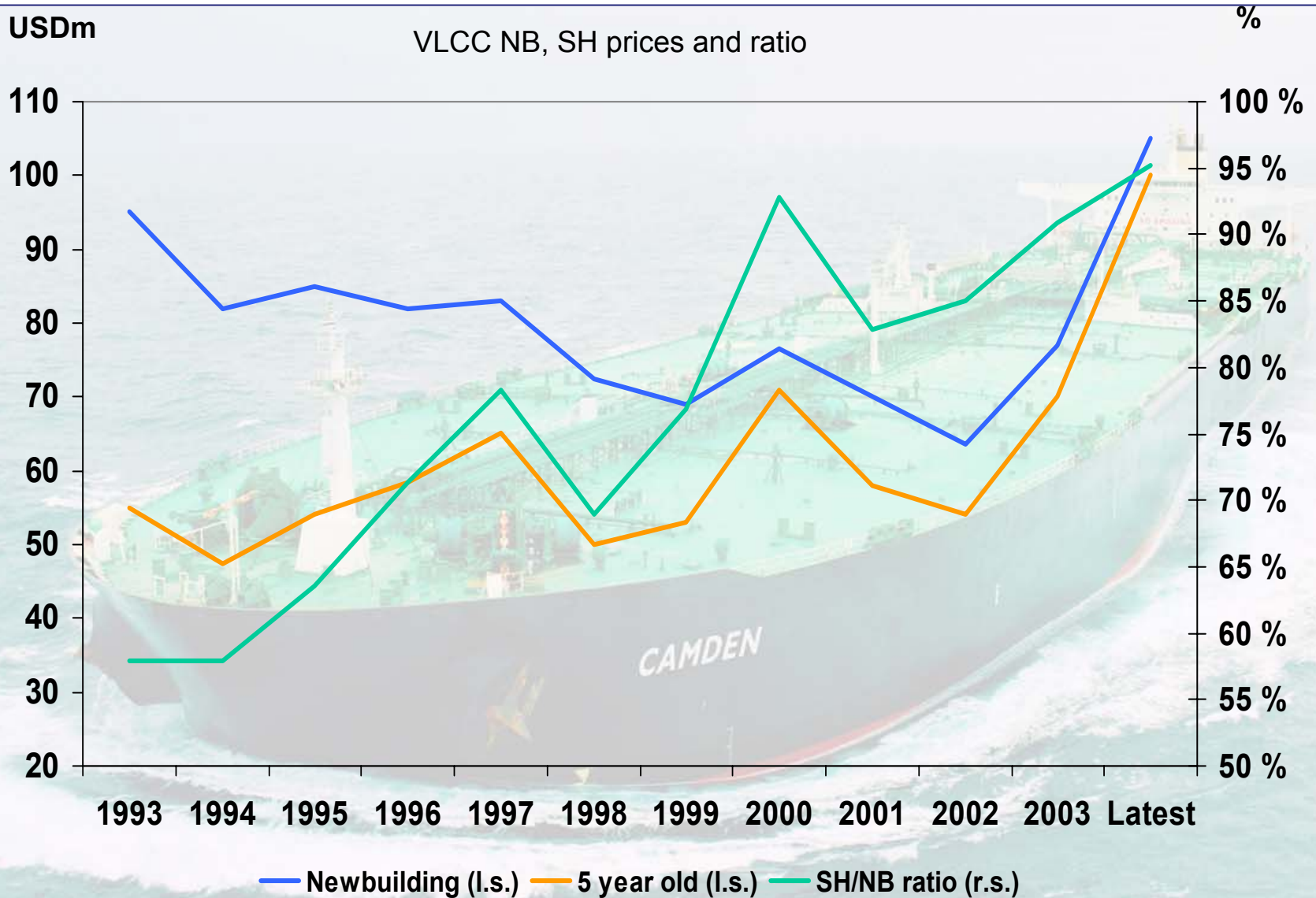
MEG oil production, Opec-10 and Iraq



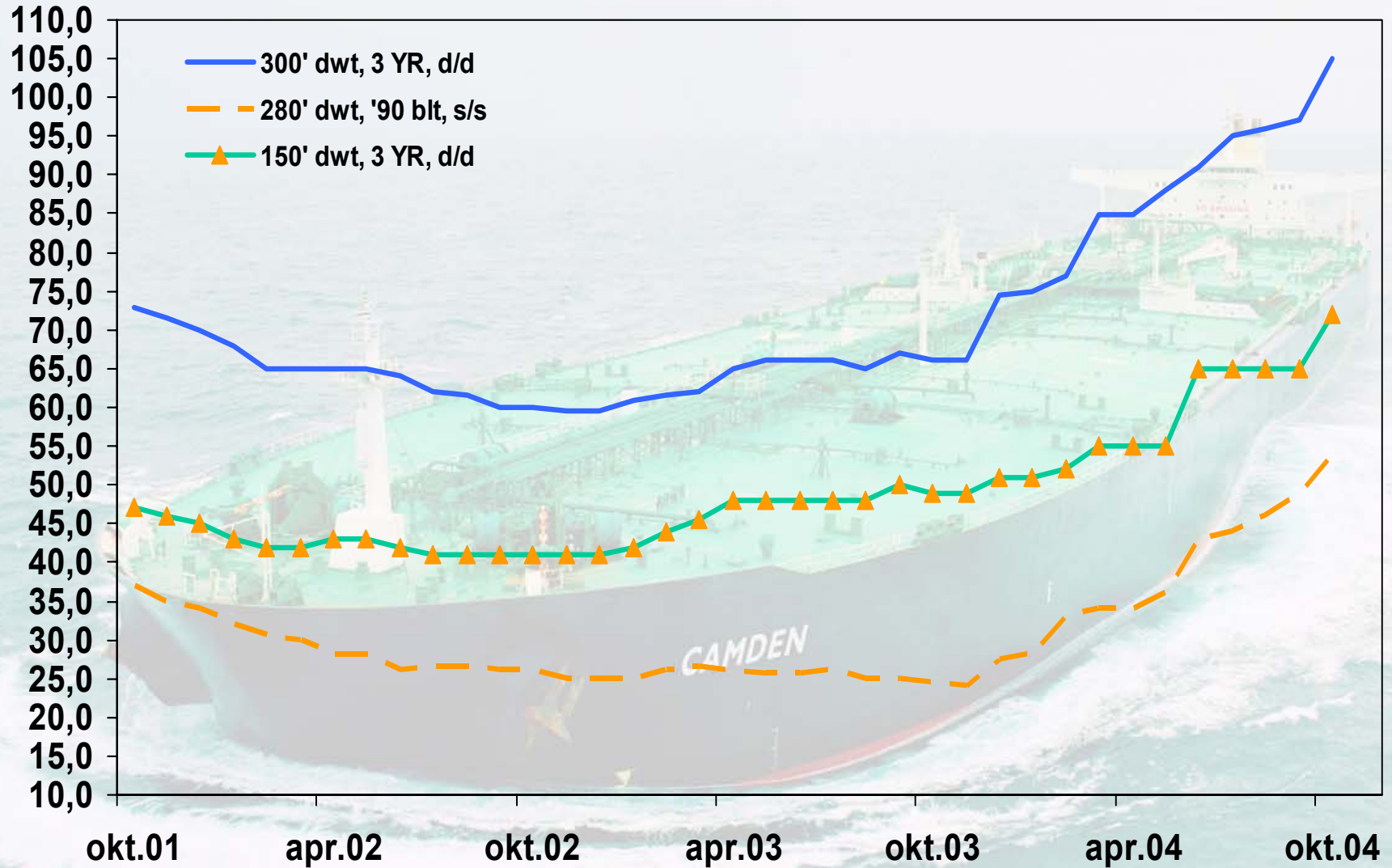
Source: IEA

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

Trends in tanker values



Tanker price trends



Source: Bassøe, monthly report

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