

PRESS RELEASE

Stockholm May 22 2008

Svithoid Tankers first quarter report 2008

Svithoid Tankers presents the first quarter report 2008

The Managing Director Fredrik Nygren comments on the report:

Strong growth and underlying profit improvement

The turnover increased by 86 % compared to last year's first quarter reaching SEK 41 million. Operating result was 0.3 MSEK despite cost of about SEK 2 million for Mt Betty Theresa main engine break down in March. The net income, a loss of SEK 14,6 million, including an unrealized exchange loss of approximately SEK 5 million due to translation of currency from consolidation of the subsidiaries. Net income for the first quarter excluding the translation of currency and cost due to the engine break down is a loss of SEK 7.6 million which is an improvement to previous quarter results of SEK 8.5 million excluding currency translation gain of SEK 2 million.

Strong reduction of exposure to the spot market

Svithoid Tankers is in a build up phase. There is an imbalance between recently delivered vessels generating low income and sailing vessels generating income according to expectations. Furthermore, vessels trading on the spot market show a loss of estimate SEK 5 million for the first quarter. This spot market exposure is, however, strongly reduced during the second quarter.

Mt Baltic Claire is, since the beginning of April, on time charter to Whitaker/Exxon. Mt Vedrey Kattegatt operates under a time charter contract with Herning Shipping since the beginning of May. Mt Vedrey Hallarna terminates a volume contract with Diester in May and will be sailing under a time charter to Seatankers Ltd which already charters Mt Vedrey Fram. Mt Vedrey Thor, which was delivered in March, is employed in the spot market until she receives the necessary approvals. Expectations are that the approvals will be obtained by June and subsequently she will be on a time charter to JamesFisherEverard. As a result of these new time charters only Mt Vedrey Heimer will remain in the spot market.

Larger vessels to be sold

Svithoid Tankers will focus on the segment vessels under 5,000 dwt. Vessels above 5,000 dwt, Mt Baltic Claire, Mt Betty Theresa and Mt Baltic Maria, presently constituting about a fourth of the Group's balance sheet, will subsequently be divested. The underlying rationale is to focus the resources and strengthen the balance sheet .

There are only a few newbuilding contracts beeing signed recently in Svithoid Tankers' main segment of operation. At the same time, several old vessels have been sold and have left the North European market. Only a few new ships have been introduced in the market, among them Mt Vedrey Thor. In summary the sailing fleet is estimated to have decreased by about 3 percent and average age remaining high, about 15 years.

For further information please contact:

Fredrik Nygren, Managing Director
Tel: +46 8 546 999 42
E-mail: fredrik.nygren@svithoidtankers.com

Sven Lundgren, Deputy Managing Director
Tel: +46 8 546 999 44
E-mail sven.lundgren@svithoidtankers.com