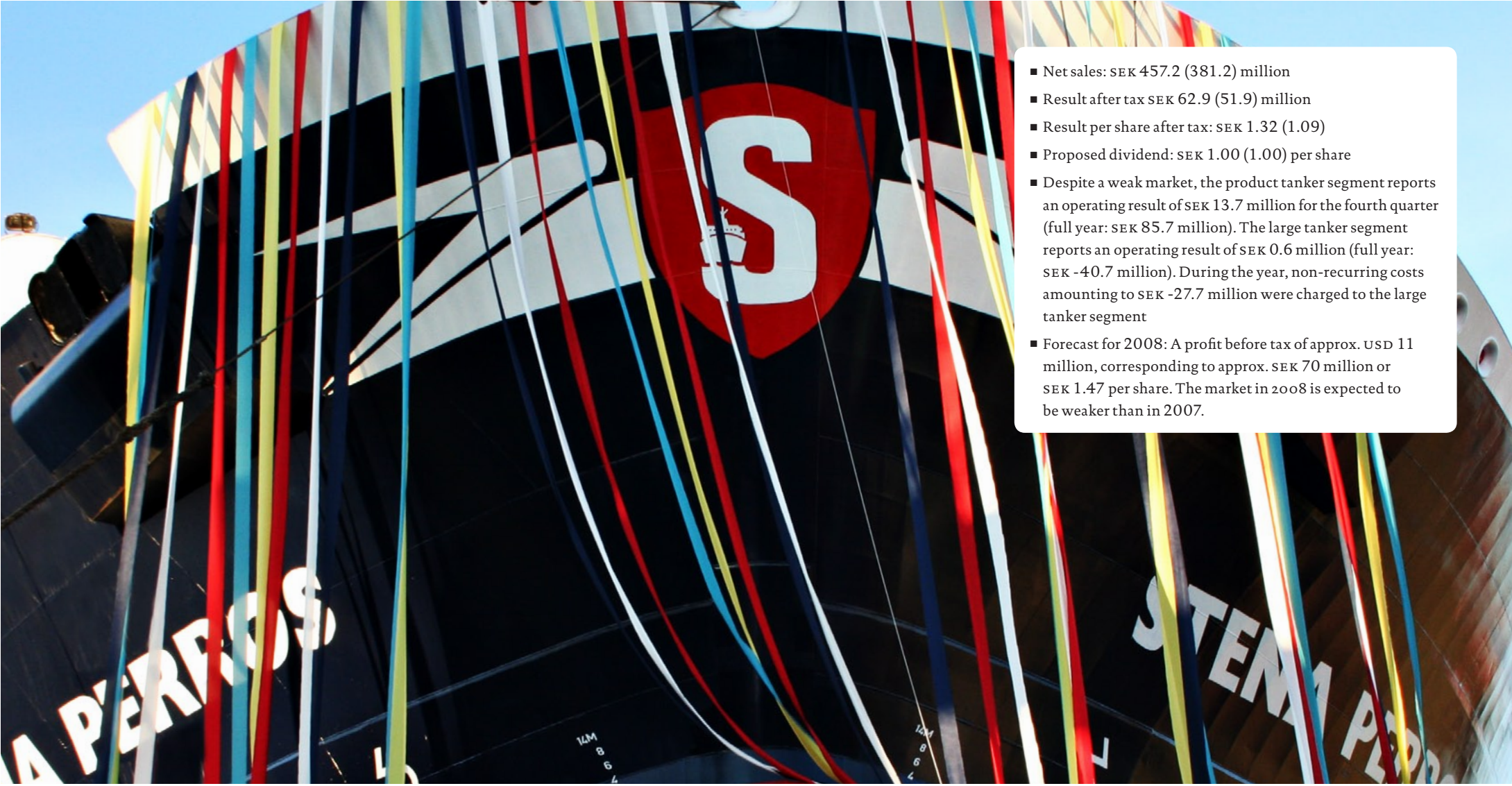
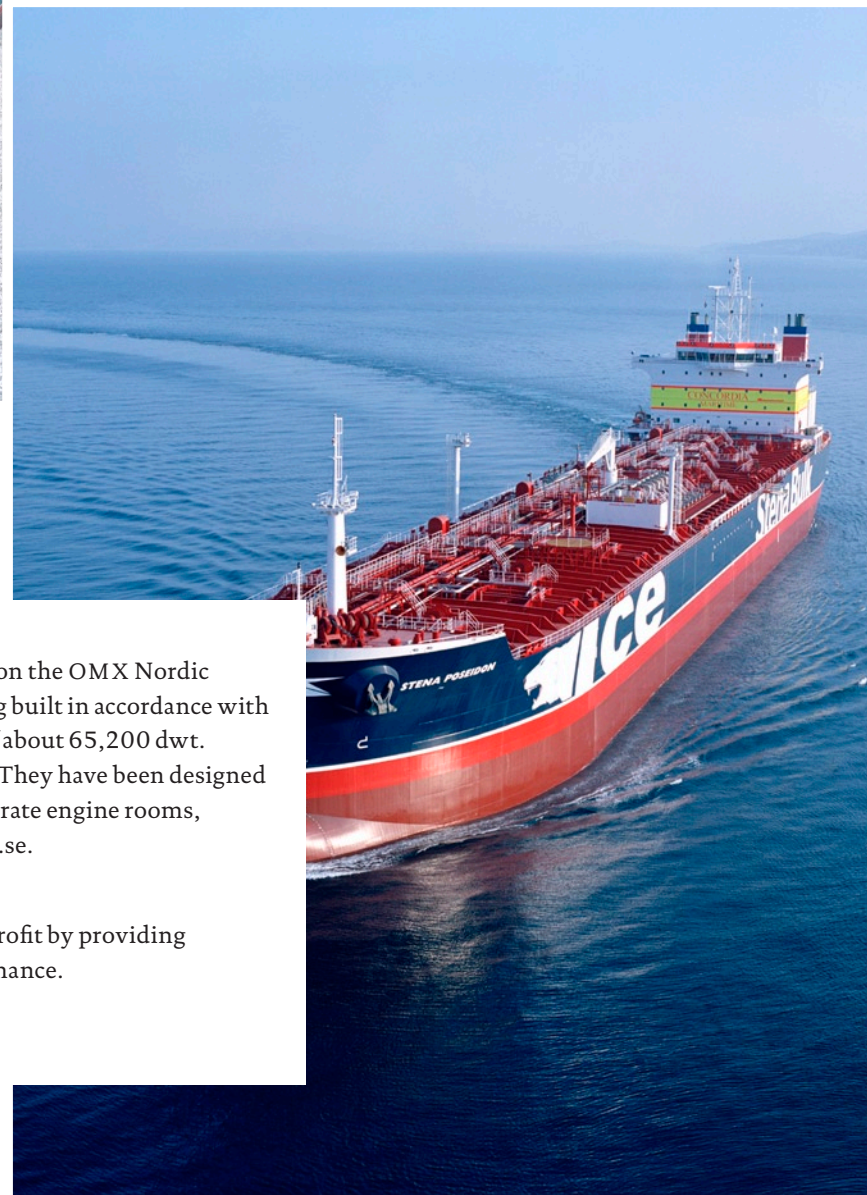


# Concordia Maritime

REPORT ON FINAL ACCOUNTS I JANUARY – 31 DECEMBER 2007

- 
- Net sales: SEK 457.2 (381.2) million
  - Result after tax SEK 62.9 (51.9) million
  - Result per share after tax: SEK 1.32 (1.09)
  - Proposed dividend: SEK 1.00 (1.00) per share
  - Despite a weak market, the product tanker segment reports an operating result of SEK 13.7 million for the fourth quarter (full year: SEK 85.7 million). The large tanker segment reports an operating result of SEK 0.6 million (full year: SEK -40.7 million). During the year, non-recurring costs amounting to SEK -27.7 million were charged to the large tanker segment
  - Forecast for 2008: A profit before tax of approx. USD 11 million, corresponding to approx. SEK 70 million or SEK 1.47 per share. The market in 2008 is expected to be weaker than in 2007.



**Concordia Maritime** is an international tanker shipping company listed on the OMX Nordic Exchange Stockholm. The company has a newbuilding program comprising ten tankers, which are being built in accordance with the MAX concept. Six of these tankers have been delivered. These vessels, P-MAX, are product tankers of about 65,200 dwt. The MAX concept means that the vessels are designed for maximum loading capacity in shallow waters. They have been designed according to a new concept for safer oil transportation with double main engines in two completely separate engine rooms, double rudders and steering gear, two propellers and double control systems. [www.concordia-maritime.se](http://www.concordia-maritime.se).

**Innovation and Performance** Our mission is to generate a profit by providing our customers with safe, cost-efficient tanker transportation based on innovation and first-class performance.

# President's Views

**T**HE CONSTRUCTION OF the new fleet of P-MAX tankers proceeded fully according to plan in 2007. The P-MAX tanker *Stena Perros*, which is no. 6 in the series of ten vessels, was delivered at the beginning of December and directly entered its 5-year charter with TOTAL. The tanker was delivered two months earlier than originally planned.

Both shipbuilding prices and second-hand prices of product tanker tonnage continue to be high. The market value of the existing fleet is currently estimated by us to exceed its book value by at least USD 125 million.

The management and operation of the P-MAX tankers functioned smoothly during the year and generated a cash flow of USD 23.1.

It is worth pointing out that all of the company's delivered vessels are signed to charters with a guaranteed minimum income. Some of the charters include profit-sharing clauses. Despite a weak market in the fourth quarter, with only minimum income related to profit sharing, a cash flow of USD 5.3 million was generated in the segment.

The weakening market in the fourth quarter shows little sign of improvement and the average freight rates in 2008 are expected to be below the rates in 2007.

In 2008, Concordia Maritime expects to generate an EBITDA\* of approx. USD 26 million for all the company's activities and a result before tax of approx. USD 11 million.

\* EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is a cash flow measurement that measures the company's operating result excluding depreciation.



## Concordia Maritime fleet

Class	Vessel	Delivery	dwt	Employment (on delivery)
<b>P-MAX</b>	<i>Stena Paris</i>	2005	65,200	TOTAL, five plus two years
	<i>Stena Provence</i>	2006	65,200	TOTAL, five plus two years
	<i>Stena Primorsk</i>	2006	65,200	Argo Shipping, ten years
	<i>Stena Performance</i>	2006	65,200	Hess, five years
	<i>Stena President</i>	September 2007	65,200	Argo Shipping, ten years
	<i>Stena Perros</i>	December 2007	65,200	TOTAL, five years
	<i>Stena Progress</i>	Q 4, 2009	65,200	TOTAL, five years
	<i>Stena Polaris</i>	Q 4, 2009	65,200	Open
	<i>Stena Penguin</i>	Q 4, 2010	65,200	Open
	<i>Stena Premium</i>	Q 4, 2010	65,200	Open
<b>Panamax</b>	<i>Stena Poseidon</i> (50%)	January 2007	74,500	Neste Shipping, ten years
	<i>Palva</i> (50%)	February 2007	74,500	Neste Shipping, ten years
<b>V-MAX</b>	<i>Stena Vision</i>	2001	313,000	Time-chartered until end of 2010
	<i>Stena Victory</i>	2001	313,000	Time-chartered until end of 2009
			1,427,000	

# Summary of 2007

## Product tankers

In 2007, Concordia Maritime took delivery of the fifth and sixth vessel in the series of ten P-MAX tankers. The *Stena President* was delivered in September and is signed to a 10-year charter with Argo Shipping International. The *Stena Perros*, which was delivered in December, about two months earlier than originally planned, is signed to a charter with TOTAL for the next five years. The other four tankers, which are sailing for TOTAL, Hess Corporation and Argo Shipping have performed well. These vessels have been employed primarily in transatlantic traffic.

In the second quarter, Concordia Maritime signed a new 5-year charter with TOTAL, this time for the P-MAX tanker *Stena Progress*, together with 2-year extensions of the charters of the *Stena Paris* and the *Stena Provence*. At the end of 2007, there remained 21 years of the 24 years TOTAL has chartered Concordia Maritime's tonnage.

The two Panamax tankers *Stena Poseidon* and *Palva*, which Concordia Maritime owns in a joint venture with Neste Shipping, were delivered in the first quarter. The two tankers are time-chartered for 10 years to Neste Shipping. Both vessels have performed well, and they have mainly been employed in transatlantic traffic from Neste Oil's refinery in Borgå, Finland.

The weak market in the fourth quarter has affected the profit-sharing arrangement in certain agreements. The segment reported a cash flow of USD 5.3 million during the fourth quarter and a total of USD 23.1 million for the full year (see Segment reporting).

## Large tankers/VLCC

The *Stena Victory*, which is time-chartered from Arlington Tankers, began sailing for Lukoil in the fourth quarter. The contract expires at the end of 2009 when the vessel will be delivered back to Arlington Tankers. Concordia Maritime can choose to extend the charter via three 12-month options.

The sister ship *Stena Vision* will continue to sail for Sunoco until autumn, 2008. Subsequently, the vessel will be employed by Lukoil until the end of 2010 when she will be redelivered to Arlington Tankers. Concordia Maritime can choose to extend the charter via two 12-month options.

The *Stena Vision's* damaged reduction gear has been repaired and the vessel re-entered service in June. A total of SEK 17.9 million has been charged to the segment's operating result for 2007.

In the dispute between Concordia Maritime and Halliburton concerning the sale of a vessel in 2000, a final agreement was reached in the first quarter, which has resulted in SEK 9.8 million being charged to the segment's operating result.

As a consequence of the above-mentioned items together with insurance commitments in conjunction with calls at ports in West Africa, the segment posted a cash flow of USD -5.6 million for the full year. For the fourth quarter, the segment posted a positive cash flow of USD 0.1 million (see Segment reporting).

## The freight market

In the fourth quarter, developments in the market were both unexpected and unusual. After a number of months with depressed freight rates, there was an upswing in the VLCC market at the end of the fourth quarter not seen since autumn, 2004. New record freight rates of up to USD 300,000 per day were recorded in the eastbound traffic. Although there is normally a seasonal improvement in the market during the fourth quarter, the strength of the upswing was very surprising. One factor that contributed to this was Saudi Arabia's decision to lower the price of crude oil to the US. This price reduction created the incentive to replenish the low stock levels of crude oil in the US, and this resulted in a sharp increase in the number of shipments. Because of the high fuel prices, many shipowners appear to have instructed their vessels to reduce speed, which has led to less available tonnage. Other factors, such as the talk about a large number of single-hull VLCCs probably being converted into dry-cargo vessels, may have contributed to the psychology that drove the market up to its historically high levels.

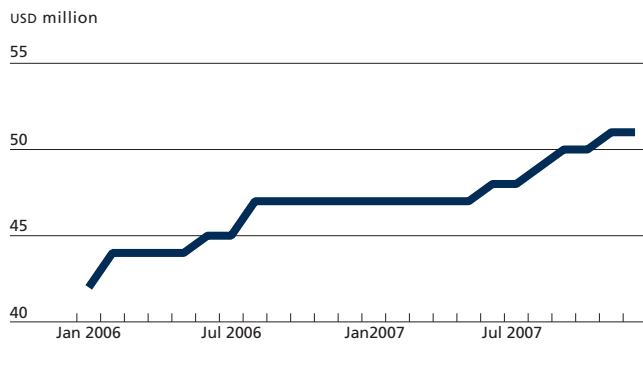
In the product tanker market, there was continued downward pressure on freight rates and the expected seasonal upswing did not materialise, even if the market as a whole recovered somewhat. The freight market for so-called "dirty products" (e.g. heavy fuel oil) was generally speaking better than it was for "clean products" (e.g. petrol). One of the consequences of shrinking refinery margins was that it was no longer profitable to sell and transport petrol from Europe to the US on speculation and this resulted in substantially

lower freight volumes. Just this transport flow was very large during the first half of the year and, as a result, the market was unusually strong during this period. The growing product tanker fleet has also exerted additional downward pressure on freight rates. According to the research and shipbroking company Clarkson, 30 product tankers were delivered in the fourth quarter alone while the scrapping rate continued to be low.

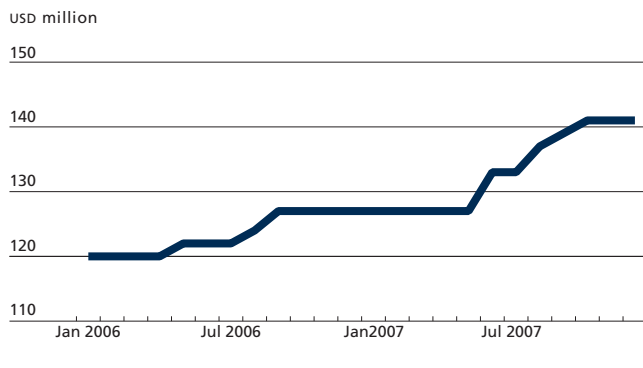
**The shipbuilding market**

Shipbuilding prices increased somewhat in the fourth quarter. At the end of the year, a VLCC was priced at about USD 140 million and a MR tanker at about USD 50 million. The prices of tankers on the second-hand market are still higher than newbuildings. A standard MR tanker is valued at around USD 52 million. P-MAX tankers, with their unique design and, among other things, substantially larger cargo intake, should therefore not be compared with standard tonnage. External shipbrokers' valuations are in the region of USD 62–73 million. Note that ship values are based on immediate delivery for the open market (spot market).

**Shipyard Prices MR**

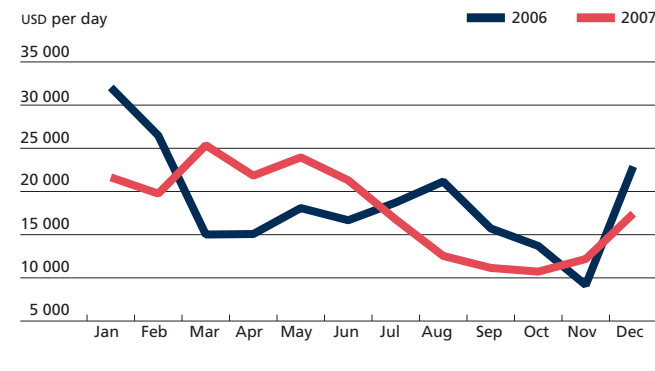


**Shipyard Prices VLCC**

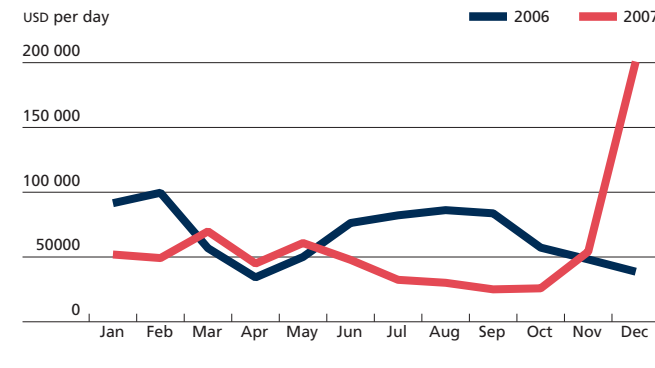


Source: Fearnleys

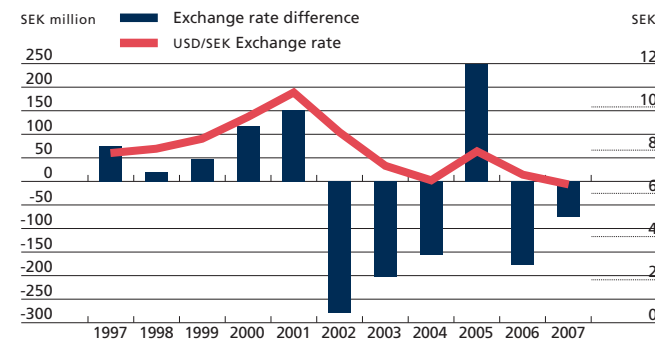
**Earnings MR**



**Earnings VLCC**



**Equity**



## Financial summary

### Sales and result

Sales amounted to SEK 457.2 (381.2) million. The result after financial items was SEK 48.0 (52.5) million. The result after tax was SEK 62.9 (51.9) million, which corresponds to a result per share after tax of SEK 1.32 (1.09).

### Fourth quarter

Sales during the fourth quarter were SEK 117.9 (124.8) million. The result after financial items was SEK 16.9 (-1.8) million. The result after tax was SEK 31.4 (3.9) million, which corresponds to a result per share of SEK 0.66 (0.08).

### Liquidity and financing

The Group's disposable liquid funds, including unutilised credit facilities, amounted to SEK 515.9 (493.8) million on 31-12-2007.

### Investments

Investments in 2007 amounted to SEK 836.7 (767.2) million and consist of advance payments to the shipyard and project costs relating to the vessels on order in addition to final payments.

### Equity

Equity per share is SEK 34.08 (34.09). The SEK/USD exchange rate on 31-12-2007 was 6.43 (6.87). The increase in value of the SEK in the SEK/USD exchange rate since the beginning of the year has reduced equity by SEK -75.7 (-177.7) million, which corresponds to SEK -1.59 (-3.72) per share. A total of USD 135 million has been hedged against SEK (see section below). This amount comprises about half of equity. The accumulated exchange rate differences, including the effects of hedging, recorded directly to equity amount to SEK -231.7 (-156.0) million.

### Currency and currency hedging

Concordia Maritime's functional currency is the US dollar, i.e. the majority of the income and costs as well as the balance sheet are nominally in USD. The increase in the value of the SEK in the SEK/USD exchange rate in 2007 has reduced the company's profit in SEK, although in USD it has remained unchanged.

Concordia Maritime has chosen to utilise so-called equity hedging, i.e. to protect itself against exchange rate changes arising in equity. The company has chosen to hedge approx. 50%, corresponding to USD 135 million, of its equity. The result of this hedging is recorded directly to equity in the item "Change in translation reserve".

In conjunction with the order for a further four P-MAX tankers, a cash flow hedge, USD against EUR, was entered into for future payments to the shipyard. The change in value is recorded directly to equity under "Hedge reserve".

Segment reporting, Q1–Q4 (SEK million)					Segment reporting, Q4 (SEK million)				
	Product tanker	Large tanker	Others	Total		Product tanker	Large tanker	Others	Total
Sales	275.6	181.6	–	<b>457.2</b>	Sales	69.1	48.8	–	<b>117.9</b>
Operating costs, ships	-119.6	-219.3	–	<b>-338.9</b>	Operating costs, ships	-35.5	-47.6	–	<b>-83.1</b>
Cash flow	156.0	-37.7	–	<b>118.3</b>	Cash flow	33.6	1.2	–	<b>34.8</b>
Distribution of costs <sup>1)</sup>	-13.9	-2.0	-11.0	<b>-26.9</b>	Distribution of costs <sup>1)</sup>	-4.3	-0.5	-2.4	<b>-7.2</b>
Depreciation	-56.4	-1.0	–	<b>-57.4</b>	Depreciation	-15.6	-0.1	–	<b>-15.7</b>
Operating result	85.7	-40.7	-11.0	<b>34.0</b>	Operating result	13.7	0.6	-2.4	<b>11.9</b>

<sup>1)</sup> Distribution of the portion of personnel costs and other external costs not directly related to ship operation, i.e. overhead costs. Approx. 1% of the sales in the product tanker segment during the quarter is related to profit-sharing clauses. On an accumulated basis, approx. 14% of sales in the product tanker segment is related to profit-sharing clauses.

## Securities and short-term investments

### Arlington Tankers

Concordia Maritime's shareholding consists of 1,534,785 shares, which is equivalent to 10% of the total number of shares. The price of the share on 31-12-2007 was USD 22.13 (31-12-2006: USD 23.37). The holding has been valued at its market value in the balance sheet.

### Short-term investments

Concordia Maritime has an investment portfolio consisting mainly of corporate bonds. Excess liquidity has been invested in a portfolio with a due-date structure that corresponds well with the investment program. In accordance with IFRS, these corporate bonds are revalued at their market value in the Income Statement in an amount of SEK -13.0 (-7.4) million. These securities provide a return of 7–8% (also called purchase yield). As has been mentioned, the effect on the result is unrealised and does not affect the anticipated return. The bond portfolio consists of Gazprom (oil, energy), Vimpelcom (telecom) and DDI Holding (drilling, offshore) corporate bonds.

### Parent company

The Parent Company's sales totalled SEK 51.7 (31.7) million. Intergroup invoicing accounted for SEK 16.5 (0.0) million of this amount. The result after financial items was SEK 28.6 (100.0) million. The Parent Company's disposable liquid funds, including unutilised credit facilities, amounted to SEK 697.3 million.

## Forecast for 2008

Concordia Maritime's fleet consists of six P-MAX tankers, two V-MAX tankers and two Panamax tankers. No newbuildings will be delivered during the year. The tanker market in 2008 is expected to continue to be weak. Average freight rate levels are expected to be lower than in 2007. The company's business activities are expected to generate an EBITDA of approx. USD 26 million, i.e. a result before tax of approx. USD 11 million or approx. USD 0.23 per share. Recalculated at the closing rate of exchange, this corresponds to a result before tax of approx. SEK 70 million or SEK 1.47 per share.

### Information about risks and uncertainty factors

Shipping is a highly cyclical business. The demand for shipping petroleum and chemical products is largely determined by the consumption of these products. This in turn is to a high degree determined by the state of the economy. The effects of an economic recession in the short term are largest in the spot market and freight rates in tanker shipping can fluctuate significantly from time to time. A downturn in freight rates may be due to both reduced demand for transport capacity and an increased supply of vessels. A change in rates can have a large impact on the profitability of the business. Protecting against an economic downturn in the long term is difficult. Freight rates on the spot market normally fluctuate more than the rates in the futures market. With a large part of the fleet signed to long-term charters, Concordia Maritime's exposure to changes in freight rates, from a 5-year perspective, is relatively limited.

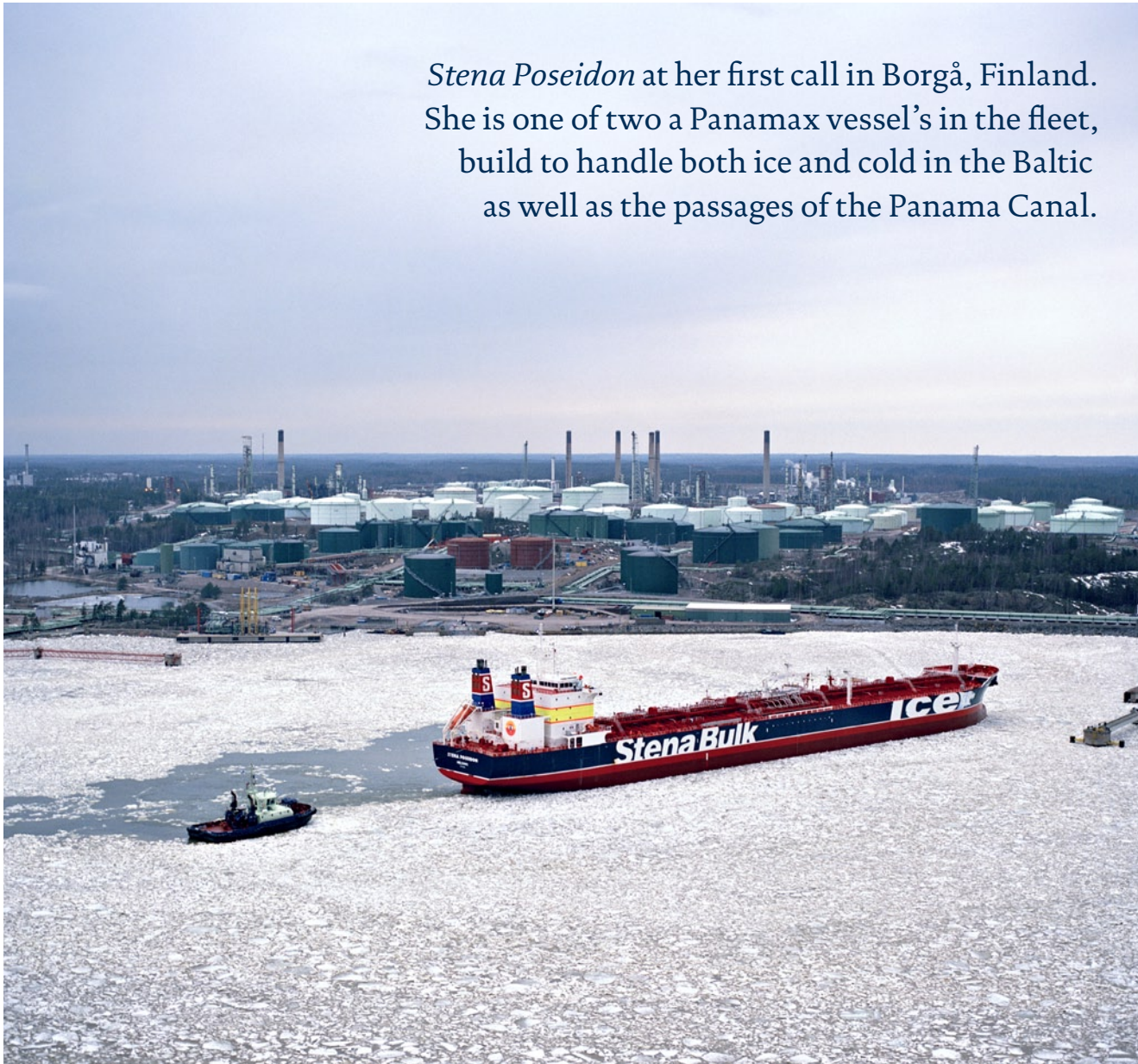
The Group's business activities mean that it is exposed to different types of financial risks. Financial risks refer to fluctuations in the company's result and cash flow due to changes in exchange rates, interest levels and refinancing and credit risks. The Group's financial policy for handling financial risks has been drawn up by the board and forms a framework of guidelines and rules in the form of risk mandates and limits apply-

ing to financial activities. The overall objective for the finance function is to provide cost-effective financing and to minimise negative effects on the Group's result caused by market fluctuations. In the case of risks related to the actual operation of the vessels, Concordia Maritime has taken out insurance policies customary in the industry. The vessels are insured against damage and loss (Hull & Machinery) for amounts representing their market value. The vessels are covered by third party insurance (Protection & Indemnity) without limitation of amount with the exception of oil spills where the limitation of amount is USD 1 billion. The vessels are also insured against loss of revenue (Loss of Hire). In addition to the above-mentioned insurance policies, Concordia Maritime has also taken out the customary insurance for operating in specific waters. Here, one example is COFR insurance (Certificate of Financial Responsibility), which is required in order to operate vessels in US waters. A COFR is issued by the US Coast Guard to an operator (owner/bareboat charterer) who can demonstrate having the financial capability, via insurance, to pay for cleaning up oil spills and oil damage up to the amounts stipulated in the US Oil Pollution Act, OPA 90.

Despite insurance coverage, etc., damage to a vessel or the like results in costs to the company. Despite insurance coverage, an accident could have a serious impact on Concordia Maritime. The oil industry's demands for safety and environmental responsibility are comprehensive, and an accident at sea or in port could, in addition to negative environmental consequences, seriously damage the Concordia Maritime brand name. Ever since it was established in 1984, the company has projected an image of a quality shipping company with exacting demands on all aspects of safety. This is a position that requires an extremely high level of control and responsibility. Guarding against this type of risk is difficult and can only be achieved by means of far-reaching protective work and complete transparency in the event of an accident. For further information on risks, see the Annual Report for 2006.



*Stena Poseidon* at her first call in Borgå, Finland. She is one of two a Panamax vessel's in the fleet, build to handle both ice and cold in the Baltic as well as the passages of the Panama Canal.



## Related company transactions and charter cooperation with Stena Bulk

Concordia Maritime has a small organisation and purchases services from Stena Bulk, an associated company, which conducts similar tanker business. Accordingly, there is an agreement, which regulates the relationship between the two companies with respect to new business. According to the terms of this agreement, Concordia Maritime has the right to choose whether it wishes to participate 0%, 50% or 100% in the deal in question.

Concordia Maritime purchases services on a regular basis from Stena Bulk or other companies in the Stena Sphere in the following areas:

- » Vessel charter. Payment is based on a commission of 1.25% on freight rates.
- » Commission on the purchase and sale of vessels. Payment is based on a commission of 1%.
- » Operation and manning of the Group's vessels, so-called ship management. Payment is based on a fixed price per year and vessel.
- » Purchases of bunker oil. Payment is based on a fixed commission per ton purchased.
- » Administration, marketing, insurance, technical follow-up and development of Concordia Maritime's fleet. Payment is based on a fixed price per month and vessel. In the case of technical consulting services for newbuilding projects, an hourly rate is charged on current account, which is then charged to the project.
- » Office rent and office services for Concordia Maritime's personnel. A fixed price per year is charged.

All related company transactions take place on commercial terms and at market-related prices.

## Reports and Information

The Annual General Meeting with shareholders will be held at Lorensbergsteatern in Gothenburg, Sweden, on 22 April, 2008, at 2.00 p.m. The Interim Report for the first three months of the year will be presented in conjunction with the AGM. In March/April, the Annual Report for 2007 will be sent to all registered shareholders and be made available

at Concordia Maritime AB's offices from 24 March. The Interim Report for the first six months of 2008 will be published on 13 August and the 9-month Report on 23 October. Historical and current reports, together with news and comments on the company and the tanker markets, can be found on our web site [www.concordia-maritime.se](http://www.concordia-maritime.se).

This interim report presents a fair overview of the operations, financial position, and performance of the Group and describes the essential risks and uncertainty factors faced by the Group.

Gothenburg, 19 February 2008

CONCORDIA MARITIME AB (publ)

Per Bjurström

Stefan Brocker

Bert Åke Eriksson

Mats Jansson

C.Mikael von Mentzer (Deputy Chairman)

Morten Chr. Mo

Hans Norén (President)

Dan Sten Olsson (Chairman)

Jens Ole Hansen

Jörgen Lorén

## Review Report

### Introduction

I have reviewed the Report on Final Accounts for 2007 for Concordia Maritime AB (publ), reg. No. 556068-5819. The preparation and presentation of these accounts in accordance with IAS 34 and the provisions of the Swedish Annual Accounts Act is the responsibility of the Board of Directors and the Chief Executive Officer. My responsibility is to express a conclusion on this Report on Final Accounts, based on my review.

### Scope of the review

I conducted my review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Appointed Auditor of the Entity issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable me to obtain a level of assurance that would make me aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

### Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the Report on Final Accounts has not, in every significant respect, been prepared in accordance with IAS 34 and the provisions of the Swedish Annual Accounts Act.

Gothenburg, 19 February 2008

Johan Kratz, Authorised Public Accountant

### Group income statement

(SEK million)	4th quarter 2007	4th quarter 2006	Full Year 2007	Full Year 2006
Average exchange rate SEK/USD	6.20	7.10	6.76	7.38
Net sales	117.9	124.8	457.2	381.2
<b>Total income</b>	<b>117.9</b>	<b>124.8</b>	<b>457.2</b>	<b>381.2</b>
Ships operating costs	-69.4	-70.0	-282.2	-251.6
Seagoing personnel costs	-12.4	-11.9	-42.5	-27.4
Other external costs	-5.6	-35.6	-31.0	-53.5
Personnel costs	-2.8	-5.2	-10.0	-10.0
Depreciation	-15.8	-11.7	-57.5	-34.0
<b>Total operating costs</b>	<b>-106.0</b>	<b>-134.4</b>	<b>-423.2</b>	<b>-376.5</b>
<b>Operating result</b>	<b>11.9</b>	<b>-9.6</b>	<b>34.0</b>	<b>4.7</b>
Dividend	5.9	6.5	24.2	25.9
Interest income and similar profit/loss items	9.8	12.9	42.0	53.9
Interest expenses and similar profit/loss items	-10.7	-11.6	-52.2	-36.3
Exchange rate differences	-	-	-	4.3
<b>Financial net</b>	<b>5.0</b>	<b>7.8</b>	<b>14.0</b>	<b>47.8</b>
<b>Result after financial net</b>	<b>16.9</b>	<b>-1.8</b>	<b>48.0</b>	<b>52.5</b>
Tax	14.5	5.7	14.9	-0.6
<b>Net result after tax</b>	<b>31.4</b>	<b>3.9</b>	<b>62.9</b>	<b>51.9</b>

### Per-share data

(SEK)	4th quarter 2007	4th quarter 2006	Full Year 2007	Full Year 2006
Shares at end of period	47 729 798	47 729 798	47 729 798	47 729 798
Profit per share after tax SEK	0.66	0.08	1.32	1.09
Equity per share SEK	34.08	34.09	34.08	34.09

**Group balance sheet**

	December 31 2007	December 31 2006
(SEK million)		
Closing exchange rate SEK/USD	6.43	6.87
<b>Assets</b>		
Ships and equipment	1 769.7	1 048.8
Ships under construction	158.3	222.3
Financial Assets	226.1	256.6
<b>Total Fixed Assets</b>	<b>2 154.1</b>	<b>1 527.7</b>
Current receivables	203.2	157.0
Short term investments	397.1	517.6
Cash and bank balances	55.6	30.2
<b>Total Current Assets</b>	<b>655.9</b>	<b>704.8</b>
<b>Total Assets</b>	<b>2 810.0</b>	<b>2 232.5</b>
<b>Equity and Liabilities</b>		
Equity	1 626.5	1 627.0
Long term provisions	24.9	19.6
Long term provisions	1 070.7	526.5
Short term provisions	9.5	13.1
Short term liabilities	78.4	46.3
<b>Total Equity and Liabilities</b>	<b>2 810.0</b>	<b>2 232.5</b>

*Stena Paris* outside Montreal,  
Canada. She is one of then vessels  
in the P-MAX series.



### Summary of group's cash flow analysis

(SEK million)	4th Quarter 2007	4th Quarter 2006	Full Year 2007	Full Year 2006
<b>Cash flow from operations</b>				
Result after financial net	16.9	-1.8	48.0	52.5
<i>Adjustment items:</i>				
Depreciation according to plan	19.5	11.7	61.2	34.0
Income from sale of tangible fixed assets	–	-0.5	–	0.5
Other items	9.2	4.0	11.9	14.7
	45.6	13.4	121.1	101.7
Tax paid	–	-0.3	–	-1.7
<b>Cash flow from operating activities before changes in working capital</b>	<b>45.6</b>	<b>13.1</b>	<b>121.1</b>	<b>100.0</b>
Change in working capital	18.7	-23.1	37.6	-90.4
<b>Cash flow provided by operating activities</b>	<b>64.3</b>	<b>-10.0</b>	<b>158.7</b>	<b>9.6</b>
<b>Cash flow from investing activities</b>				
Ships under construction	-272.3	-63.5	-836.7	-767.2
Investments in financial assets	–	8.9	–	-238.3
Sale of financial assets	–	32.7	81.1	198.3
<b>Cash flow provided by investing activities</b>	<b>-272.3</b>	<b>-21.9</b>	<b>-755.6</b>	<b>-807.2</b>
<b>Cash flow from financing activities</b>				
New loan	279.3	-0.3	694.1	539.4
Amortization of credit facility	-69.6	–	-69.6	–
Dividend to shareholders	–	–	-47.7	-47.7
Other financing	19.4	24.5	35.6	71.8
<b>Cash flow provided by financing activities</b>	<b>229.1</b>	<b>24.2</b>	<b>612.4</b>	<b>563.5</b>
<b>Cash flow for period</b>	<b>21.1</b>	<b>-7.7</b>	<b>15.5</b>	<b>-234.1</b>
<b>Balance at beginning of period</b> (Note 1)	<b>26.0</b>	<b>38.9</b>	<b>30.2</b>	<b>280.4</b>
<b>Exchange rate differences</b> (Note 2)	<b>8.5</b>	<b>-1.0</b>	<b>9.9</b>	<b>-16.1</b>
<b>Balance at end of period</b> (Note 1)	<b>55.6</b>	<b>30.2</b>	<b>55.6</b>	<b>30.2</b>
Note 1. Balance consists of cash and bank balances				
Note 2. Exchange rate difference relate to:				
Balance at the beginning of year	0.2	-14.1	2.0	-34.6
Cash flow for the year	8.3	13.1	7.9	18.5
	8.5	-1.0	9.9	-16.1

Stena Primorsk on her way from Murmansk to Montreal under harsh weather conditions.



**Changes in equity, group**

(SEK million)	Share-capital	Restricted reserves	Translation reserve	Hedging reserve	Fair value reserve	Non-restricted Equity	TOTAL
<b>Changes January–December 2007</b>							
Opening balance 01-01-2007	381.8	61.9	-156.0	15.4	35.5	1 288.4	1 627.0
Change in translation reserve	–	–	-75.7	–	-1.6	–	-82.1
Dividend to shareholders	–	–	–	–	–	-47.7	-47.7
Change in reserves	–	–	–	74.5	-12.9	–	66.4
Result for the period	–	–	–	–	–	62.9	62.9
Closing balance 31-12-2007	381.8	61.9	-231.7	89.9	21.0	1 303.6	1 626.5
<b>Changes January–December 2006</b>							
Opening balance 01-01-2006	381.8	61.9	21.7	–	21.3	1 284.2	1 770.9
Change in translation reserve	–	–	-177.7	–	-4.1	–	-181.8
Dividend to shareholders	–	–	–	–	–	-47.7	-47.7
Change in reserves	–	–	–	15.4	18.3	–	33.7
Result for the period	–	–	–	–	–	51.9	51.9
Closing balance 31-12-2006	381.8	61.9	-156.0	15.4	35.5	1 288.4	1 627.0

## Seven-year summary

Profit/loss items (SEK million)	2007	2006	2005	2004	2003	2002	2001
Net sales	457.2	381.2	254.0	354.0	649.7	768.6	1 334.8
Operating costs	-423.2	376.5	312.0	271.2	575.7	877.9	1 043.6
Operating result	34.0	4.7	-1.8	729.4	58.9	-98.2	292.5
– of which profit/loss on ship sales	–	–	56.2	646.6	-15.1	11.1	1.5
Result after financial items	48.0	52.5	42.7	740.2	35.1	-142.4	251.9
Cash flow from operating activities	121.1	100.0	20.4	136.2	150.5	40.0	392.1

### Balance-sheet items (SEK million)

Ships	1 769.7	1 048.8	304.2	32.5	1223.9	1907.0	2 544.3
(Number of ships)	(7)	(4)	(1)	(1)	(4)	(6)	(9)
Ships under construction	158.3	222.3	384.7	128.0	55.4	–	–
(Number of ships)	(4)	(7)	(6)	(7)	(6)	–	–
Liquid funds	452.7	547.8	839.5	1254.1	40.3	115.2	263.0
Other assets	429.3	415.3	368.9	313.4	87.8	216.7	343.0
Interest-bearing liabilities	1 073.1	506.2	–	–	300.7	926.6	1 261.7
Other liabilities and provisions	110.4	101.0	126.4	111.2	80.2	159.3	295.4
Equity	1 626.5	1 627.0	1 770.9	1 616.8	1 026.5	1 153.0	1 593.2
Total assets	2 810.0	2 234.2	1 897.3	1 728.0	1 407.4	2 238.9	3 150.3

### Key ratios (percent)

Equity ratio	58	73	93	94	73	51	51
Return on total capital	4	4	5	47	3	-4	11
Return on capital employed	4	5	5	49	3	-4	12
Return on equity	3	3	3	56	7	-11	16
Equity per share (SEK)	34.08	34.09	37.10	33.87	21.51	24.16	33.38

Definitions: as in annual report 2006. Figures for 2001–2003 has not been recalculated according to IFRS.

## Teleconference invitation

Concordia Maritime invites you to a teleconference on 20 February, 2008, 10:00 CET. The Financial Statement for the full year (published February 19) will be presented and questions answered.

### Attending:

Hans Norén, President  
Göran Hermansson, Financial Manager

### Phone:

+44 (0)20 7162 0025 or  
+46 (0)8 5052 0110  
Conference title: Concordia Maritime

### For Recorded version

Phone  
+44 (0)20 7031 4064 or  
+46 (0) 8 505 203 33

Code: 784712 (available until 28 February 2008)



Hans Norén Göran Hermansson

## Contacts

Hans Norén, President  
+46 31-85 51 01 or +46 704-85 51 01  
hans.noren@concordia-maritime.se

Göran Hermansson, Financial Manager  
+46 31-85 50 46 or +46 704-85 50 46  
goran.hermansson@concordia-maritime.se



## Income statement and balance sheet for parent company

## Income statement

(SEK million)	31-12-2007	31-12-2006
Net sales	51.7	31.7
Ships operating costs	-16.1	-4.5
Seagoing personnel costs	-14.7	-7.3
Other external costs	-13.5	-19.1
Personal costs	-9.0	-8.6
Depreciation	-18.5	-11.6
<b>Total operating costs</b>	<b>-20.1</b>	<b>-19.4</b>
Interest income and similar profit/loss items	104.2	170.7
Interest expenses and similar profit/loss items	-55.5	-51.3
<b>Financial net</b>	<b>28.6</b>	<b>100.0</b>
Tax	-8.9	-22.3
<b>Net result after tax</b>	<b>19.7</b>	<b>77.7</b>

## Balance sheet

(SEK million)	31-12-2007	31-12-2006
<b>Assets</b>		
Ships and equipment	433.8	453.8
Financial assets	7.6	9.0
Shares in group companies	754.2	754.2
<b>Total fixed assets</b>	<b>1 195.6</b>	<b>1 217.0</b>
Current receivables	43.6	32.2
Short term investments	61.6	64.0
Cash and bank balances	271.5	58.5
<b>Total current assets</b>	<b>376.7</b>	<b>154.7</b>
<b>Total assets</b>	<b>1 572.3</b>	<b>1 371.7</b>
<b>Equity and liabilities</b>		
Equity	639.0	669.9
Long term liabilities	844.0	666.2
Short term liabilities	54.9	35.6
Bank overdraft facility utilized	34.4	-
<b>Total equity and liabilities</b>	<b>1 572.3</b>	<b>1 371.7</b>
Pledged assets	257.3	274.9
Contingent liabilities	352.4	496.6

