



Nordic American Tankers Limited (NYSE:NAT) - Letter to Shareholders from the Chairman & CEO on the Tanker Market and Related Matters

Hamilton, Bermuda, August 26, 2015

Dear Shareholder,

Although not much time has passed since we released our 2Q2015 report, I would like to share a few points with you at this time. As we pointed out in our message to you in November 2014, a low oil price is good for the tanker industry. There is one main reason why the price of oil is down - and that is increased production and supply of crude oil. As it stands, demand is strong but high OPEC production has resulted in increased supply of oil. The strong tanker market in the last year or so reflects that reality, and thus we have experienced both an increase in the demand for our vessels and in the rates we are able to charge for our services. As of now, we expect the significant volumes of oil being transported to continue.

As we mentioned in our 2Q2015 report, the third quarter is off to a strong start. At this time we expect the result for the third quarter to be about in line with the results of the first and second quarter of 2015.

In the second quarter 2015, NAT generated \$0.61 per share in net operating cashflow and declared a \$0.40 per share dividend. Recent fluctuations in tanker rates seen in reports by brokers should be taken with a grain of salt and do not at all represent a difficult situation for suezmax tanker owners.

Once again, we would also point out the quality of our fleet. From time to time some observers talk about the age of a vessel, but quality is the most important aspect. Our vessels are in excellent technical condition, which is reflected in our vetting statistics – these are the results of inspections by our customers. Research analysts and financial bloggers do not charter our vessels; the oil majors do and they are very satisfied with the quality of our fleet. Recently, we announced the acquisition of two modern suezmax tankers, and we reiterate that we do not plan an equity offering in conjunction with these vessels or the newbuildings delivering in 2016/2017.

In my view, there is no basis in the tanker business for the wild gyrations we have seen in the stock market recently. Our conservative attitude with low debt will continue.

Finally, I would like to point out that you and I remain, quite literally, in the same boat. Recently, a company owned by myself and my family made a significant further investment in NAT, reflecting our confidence in both the company and the outlook for the industry. This is a case of management eating its own cooking, and confidence cannot be expressed more clearly than that. We are one of the largest shareholders in NAT.

I wish you all the best for the rest of the summer.

Kind regards,
Herbjorn Hansson
Chairman & CEO

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements

include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intend," "estimate," "forecast," "project," "plan," "potential," "will," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand in the tanker market, as a result of changes in OPEC's petroleum production levels and world wide oil consumption and storage, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other important factors described from time to time in the reports filed by the Company with the Securities and Exchange Commission, including the prospectus and related prospectus supplement, our Annual Report on Form 20-F, and our reports on Form 6-K.

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