



**Nordic Tankers A/S**  
**Co. Reg. No: 76 35 17 16**

**Interim report Q3/2007**

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## **Company data**

### **Company**

Nordic Tankers A/S  
Sønderlandsgade 44  
DK-7500 Holstebro  
Co. Reg. No: 76 35 17 16  
Local municipality: Holstebro, Jutland  
www.nordictankers.dk

### **Parent company**

Nordic Tankers A/S

### **Subsidiaries**

Nordic Copenhagen Shipping Co. Pte. Ltd., Singapore, wholly-owned  
Nordic Oslo Shipping Co. Pte. Ltd., Singapore, wholly-owned

### **Jointly controlled companies**

Nordic Seaarland Tankers B.V., Netherlands, 75.01 % holding, joint venture

### **Board of Directors**

Managing director Mogens Stig Buschard LL.M, Chairman  
Managing director Tage Benedikt Bundgaard, Deputy Chairman  
Poul Erik Andersen M.Sc. (Engineering)  
Managing Director Kurt Bjørndal  
Bank advisor Asger Degn  
Managing director Søren Halsted  
Uffe Christian Jacobsen M.Sc. (Economics)

### **Board of Management**

CEO Flemming Krusell Sørensen  
Managing director Claus Breitenbauch

### **Auditors**

Deloitte Statsautoriseret Revisionsaktieselskab

## Management report

We have today considered and approved the interim financial statements for the period 1 January - 30 September 2007 for Nordic Tankers A/S.

The unaudited interim report has been prepared in accordance with International Financial Reporting Standards for inclusion and measurement as adopted by the EU and additional Danish disclosure requirements for interim reports for listed companies.

In our opinion, the accounting policies applied are appropriate and the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 30 September 2007 and of the results of the Group's operations and cash flows for 1 January - 30 September 2007.

Holstebro, Jutland, 29 November 2007.

### Board of Management

Flemming K. Sørensen  
CEO

Claus Breitenbauch  
Managing director

### Board of Directors

Mogens Stig Buschard  
Managing director, LL M  
Chairman

Tage Benedikt Bundgaard  
Managing director  
Deputy Chairman

Poul Erik Andersen  
M. Sc. (Engineering)

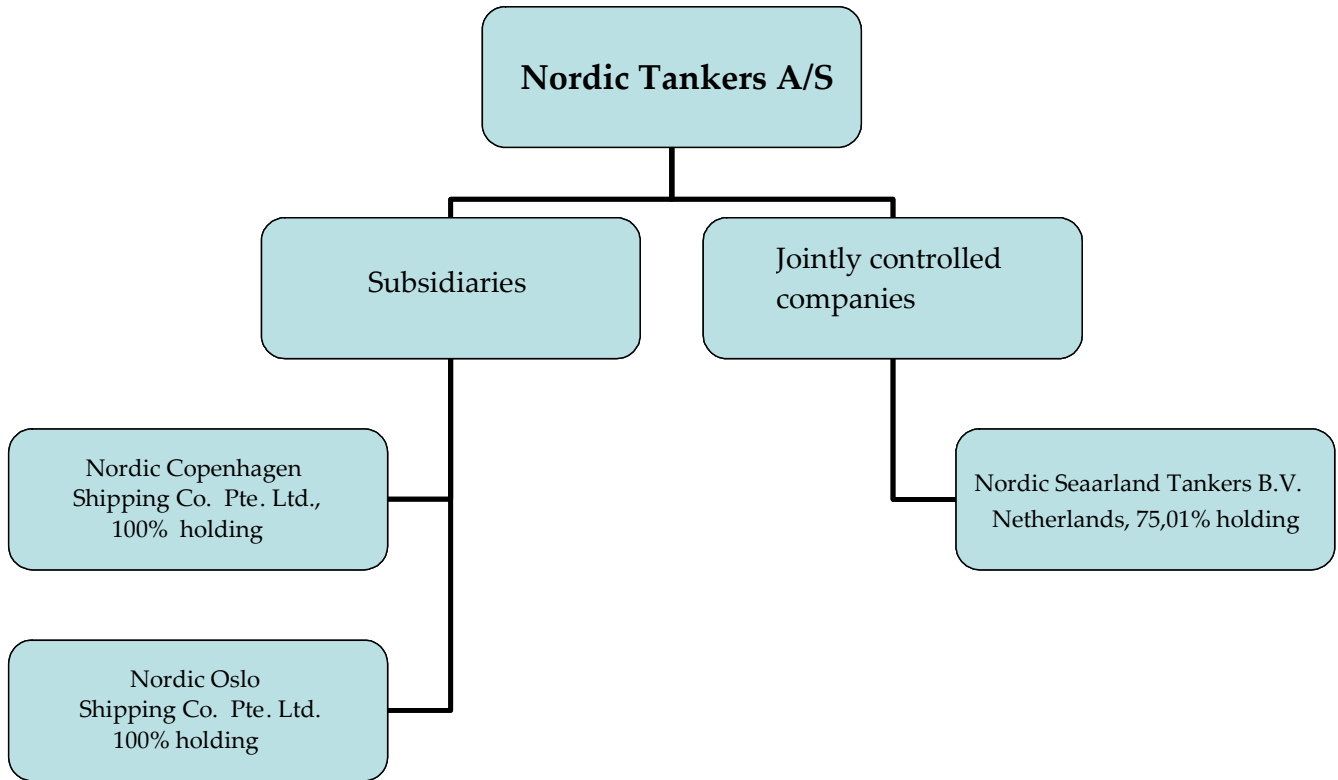
Kurt Bjørndal  
Managing director

Asger Degn  
Bank advisor

Søren Halsted  
Managing director

Uffe Christian Jacobsen  
M. Sc. (Economics)

## Group overview at 30 September 2007



## **Accounting policies applied in the interim report**

The interim report has been prepared in accordance with International Financial Reporting Standards (IRFS) for inclusion and measurement as adopted by the EU and which will apply in the Annual Report for 2007.

The accounting policies applied in the period 1 January - 30 September 2007 and 1 January - 30 September 2006 are the same as those applied in the company's Annual Report for 2006. We refer to the Annual Report for 2006 for further details of the accounting policies applied, including the definitions of the stated key figures and ratios that have been calculated in accordance with the guidance issued by the Danish Society of Financial Analysts in "Recommendations & Financial Ratios 2005".

# Management Report

## Group - key figures/ratios

Key figures	Q1-Q3 2007	Q1-Q3 2006	Full year 2006
	USD 1000	USD 1000	USD 1000
Net revenues	29,534	20,438	32,098
Operating profit	19,699	12,141	19,507
Earnings - primary operations	25,376	8,451	12,496
Earnings in period - continuing operations	16,863	6,422	8,694
Earnings in period - terminated operations	5,490	347	0
Total earnings in period less minority interests	21,255	6,700	8,694
Total earnings in period	22,353	6,769	8,694
Capital invested	216,666	115,945	173,325
Net working capital (NWC)	2,918	4,963	2,826
Equity	112,591	53,451	55,322
Balance	234,578	156,913	182,820
Net interest bearing debt	100,478	72,413	117,065
<b>Key figures</b>			
Gross margin	66.7%	59.4%	60.8%
Profit margin	85.9%	41.3%	38.9%
Solvency ratio	48.0%	34.1%	30.3%
Return on invested capital (%)	13.0%	14.6%	11.3%
Return on equity (%)	26.6%	12.4%	17.0%
Assets/equity	2.08	2.94	3.30
Financial gearing	0.89	1.35	2.12
Gearing of operating assets	1.92	2.17	3.13
Net revenues/capital invested	0.15	0.24	0.29
Net working capital/net revenues	9.72%	12.14%	6.18%
<b>Key figures - shares</b>			
Average outstanding shares	5,921,744	-	-
Earnings per share less minority interests, USD	3.59	-	-
Net asset value per share, USD	15.7	-	-
Market price per share, DKK	101.0	-	-
<i>Key figures are calculated per partial year.</i>			

## **Core business**

In shipping circles, Nordic Tankers A/S is what is known as a tonnage provider. This means that the company owns the vessels but that their commercial operation has been outsourced. Nordic Tankers A/S has also chosen to outsource technical operation of the vessels and the majority of administrative operations.

Nordic Tankers A/S is a Danish based shipping line which at 30 September 2007 wholly or partially owned seven vessels, with another four on order. The Group owns vessels within three tanker segments: Chemical tankers in the 13,000 dwt range and product tankers where the Group has tonnage in the LR1 and handy-size segment. The fleet comprised at 30 September:

2 LR1 product tankers, of which one is on order.

4 chemical tankers

5 handy-size vessels, of which 3 are on order

There are 4 vessels on order. The first vessel is due for delivery in January 2008. This is a wholly-owned handy-size product tanker. A further two handy-size product tankers are due for delivery in 2009 in each of which Nordic Tankers A/S has a 50% holding. One wholly-owned LR1 product tanker is also due for delivery in 2009.

Nordic Tankers A/S' Vessels are operated in pools with other vessels of the same type. In the company's view, this ensures the best possible utilization of the fleet.

## **Significant activities in Q1-3/2007**

The most significant activity for the company in the period from 1 January - 30 September 2007 was the listing on OMX - Copenhagen Stock Exchange. Work was also done over the past two years on converting the company's ownership from an LLP to a listed limited liability company.

As part of the IPO, the company issued 1,830,000 new shares and the offering was met with significant interest by private as well as institutional investors in Denmark and the other Nordic countries. The offering was oversubscribed by a factor of four.

Shares were offered at DKK 85 per DKK 10 share. The first day of trading was 12 June 2007. The proceeds amounted to DKK 156m before listing costs.

On 22 June 2007, the over-allotment facility was exercised to increase the offering by a further 250,000 new shares. The maximum number of 250,000 shares was fully subscribed at a price of DKK 85 taking the total number of newly issued shares as part of the listing to 2,080,000 corresponding to capital of DKK 176.8m before placement costs.

The Stock Exchange listing has given Nordic Tankers A/S a good starting point for positive developments in coming years. The prospectus issued for the listing contained a strategy in which the main point was renewal of the company's fleet which would bring down the average age of the fleet to about two years. Nordic Tankers A/S' strategy is also to achieve a better balance for revenue and earnings distribution between the tanker segments.

The company has been successful in achieving this strategy more rapidly than anticipated. Since the listing, the following transactions have been completed:

- On 29 June 2007, Nordic Tankers A/S acquired Eitzen Chemical's 50% holding in the 12,800 dwt chemical tanker "Sichem Copenhagen" built in 2005. This vessel is now wholly owned by Nordic Tankers A/S.
- On 2 July 2007, Nordic Tankers A/S acquired Eitzen Chemical's 50% holding in the 12,800 dwt chemical tanker "Sichem Oslo" built in 2005. This vessel is now wholly owned by Nordic Tankers A/S.
- On 2 July 2007, Nordic Tankers A/S sold its 50% holding in the chemical tanker "Sichem Pearl" on 10,000 dwt built in 1994 to Eitzen Chemical. The disposal gave a gain of USD 3.7m after tax.
- On 14 August 2007, Nordic Tankers A/S sold its LR1 product tanker "Nordic Hanne". The vessel was built in 1987. The disposal gave a gain after tax of USD 7.7m.
- On 23 August 2007, Nordic Tankers A/S acquired the chemical tanker "Nordic Stockholm". Built in 2007, the vessel is 12,800 dwt.
- On 19 October 2007, Nordic Tankers A/S acquired the chemical tanker "Nordic Helsinki". Built in 2007, the vessel is 13,000 dwt.

Both the newly-acquired chemical tankers will operate in the same Eitzen Chemical City Class pool as their two sister ships.

## **Financial trends**

Group profits for Q1-3/2007 totaled USD 22.4m.

The disposals of the vessels Nordic Hanne, Sichem Pearl and the multipurpose segment gave gains of USD 15.9m after tax.

The result of the terminating multipurpose vessels operations was a profit of USD 5.5m, of which USD 4.9m before tax was attributable to gain on the sale of vessels and USD 0.6m to their operations up till 1 June 2007.

Listing cost the company USD 2.8m, of which USD 0.9m was recognized in operating profits. USD 1.9m was booked to shareholders' equity by setting it against the proceeds of the IPO. Estimated costs in the prospectus were for a total of approximately USD 2.7m.

The Board regards the results as satisfactory and in line with expectations.

### **Share price trends**

The new shares in Nordic Tankers A/S were offered at a price of DKK 85. They were being traded at a price of DKK 101 on 30 September. In mid November, the shares were being traded at DKK 120.

### **Net revenues**

Nordic Tankers A/S' net revenues from continuing operations amounted to USD 29.5m between 1 January and 30 September 2007, up 45% from USD 20.4m for the period 1 January to 30 September 2006. The increase was mainly attributable to new tonnage in the handy-size and chemical tanker segments. On the other hand, the LR1 segment reported a 15% USD 2.2m fall. The fall was partly due to the disposal of tonnage and lower net revenues per ship-day in the segment.

### **Net revenues, by segment**

The company's net revenues derive from three continuing primary segments: LR1 product tankers, handy-size tankers and chemical tankers. The LR1 product tanker segment accounted for the majority of the company's net revenues from continuing operations with a 42% share in the period 1 January to 30 September 2007 compared to 71% in Q1-3/2006, whilst the handy-size and chemical tankers accounted for 32% and 26% of net revenues respectively in the period 1 January to 30 September 2007, up from 7% and 22% respectively in Q1-3 2006.

The growth in net revenues between 2006 and 2007 was strongly affected by the company's establishment in the handy-size segment in Q1-2 of 2006, together with an increase in the chemical tanker segment due to a net increase in holdings in this segment.

Please also see the segment data on pp. 18-22

### **Operating expenses**

Operating expenses for continuing operations amounted to USD 8.3m in Q1-3/2006 and USD 9.8m in the same period in 2007, corresponding to an increase of 18%. The increase in operating expenses between Q1-3/2006 and Q1-3/2007 was due to increasing tonnage and upgrades and repairs to damage on the Nordic Hanne and to a rise in crewing expenses for vessels.

### **Operating profit**

The 44.5% increase in net revenues compared to the 18.5% rise in operating expenses saw the company's gross margin rising from 59.4% in the period 1 January to 30 September 2006 to 66.7% in the period 1 January to 30 September 2007. Allocated by segment, gross margin rose from 58.2% in Q1-3/2006 to 62.5% in Q1-3/2007 in the LR1 product tanker segment and from 60.4% in Q1-3/2006 to 63.9% in Q1-3/2007 in the chemical tanker segment. There was a corresponding rise from 68.5% to 74.5% for the handy-size tankers.

Gross earnings per ship-day for LR1 product tankers fell between 2006 and 2007. There were off-hire days associated with repairs in Q1-3/2007 concerning the sold Nordic Hanne. A vessel's operating expenses when off-hire are about the same as they are when it is operating. The gross margin for chemical and handy-size tankers was higher in 2007 than in 2006, since freight rates per ship-day rose by more than operating expenses per ship-day in Q1/2007.

The gross earnings achieved were in line with company expectations.

### **Costs of employment**

Costs of employment – i.e. management costs - amounted to USD 0.1m in the period 1 January to 30 September 2006 and USD 0.6m for the same period in 2007. Between 1 January and 30 September 2006, the company had an average headcount of slightly more than one, with two on average in the period 1 January to 30 September 2007.

### **Other external expenses**

Other external expenses such as the administration contract with Difko Administration A/S, rental for the company's offices and expenses for consultants rose from USD 0.4m in Q1-3/2006 to USD 2.4m in Q1-3/2007. In addition to the rise in external costs in keeping with the increase in the company's level of activity, costs in Q1-2/2007 were significantly affected by the USD 0.9m expenses of the listing process and transition to IFRS accounting standards, including preparing and reviewing the Q1/2007 financial statements and reviewing the budgets and forecasts for 2007. Further, as noted above, listing expenses affected shareholders equity by USD 1.9m.

### **Depreciation and write-down**

The company's entry into the handy-size segment with the acquisition of two handy-size vessels in 2006 and a net addition of 1½ vessel in the chemical tanker segment saw tangible assets increasing from USD 111.5m in the period from 1 January to 30 September 2006 to USD 213.7m at the end of Q3/2007. This was also reflected in the company's total depreciation and write-down, which increased from USD 3.2m in Q1-3/2006 to USD 6.2m in Q1-3/2007.

### **Net interest expenses**

Net interest expenses amounted to USD 2.2m in the period 1 January - 30 September 2006 and USD 5.8m in the period 1 January - 30 September 2007. The increase was mainly due to the increase in funds raised for financing the growth in tonnage. Interest rates in general also rose during the period which also contributed to the increase in this item.

### **Tax on earnings in period**

Nordic Tankers A/S paid tax of USD 0.009m on earnings in Q1-3/2006 compared to USD 0.018m in Q1-3/2007. The company also expensed an adjustment for deferred tax of USD 0.2m in the period 1 January - 30 September 2006 and USD 0.9m in the period 1 January - 30 September 2007. The deferred tax related solely to the Nordic Hanne and is expensed for accounting purposes as the vessel is depreciated. This was fully expensed following the disposal of the Nordic Hanne in August 2007. The effect of the change in taxation rate in 2007 on deferred tax from 28 % to 25 % was fully recognized in Q1-3/2007. Further, the tax charge for the period includes forecast tax payments of USD 0.4m on the gains from selling the two multipurpose vessels and USD 3.2m on the gains from the Nordic Hanne disposal.

### **Minority interests' share of earnings for the period**

Minority interests' share amounted to USD 0.1m in the period 1 January - 30 September 2006 and USD 1.1m in the period 1 January - 30 September 2007. The increase was due in part to higher earnings in the period 1 January - 30 September 2007 than in the period 1 January - 30 September

2006 and most significantly, minority interests' share of the gains on the disposal of the terminating multipurpose segment.

### **Terminating operations**

Net revenues from the two multipurpose vessels amounted to USD 2.8m in Q1-3/2006 and USD 2.0m in Q1-2 in 2007, corresponding to a decrease of 26.5%. Operating expenses declined by 30.3% during the same period. Net revenues and operating expenses both fell following exit from the segment at the end of May 2007.

### **Balance sheet trends for 1 January - 30 September 2007**

#### **Assets**

The company's total assets rose by 28.3% from USD 182.8m at year-end 2006 to USD 234.6m at 30 September 2007.

Long-term assets rose from USD 170.5m at year-end 2006 to USD 213.7m at 30 September 2007. The increase was due to the rise in tonnage noted above and prepayments on vessels under construction and revaluation of two vessels to market value less depreciation in the period.

Net additions for vessels and expensed docking charges amounted to USD 40.5m in Q1-3/2007. The increase related to the disposal of the LR1 tanker Nordic Hanne, the acquisition of the chemical tanker Nordic Stockholm and payments on the chemical tanker Nordic Helsinki, which started operations in October 2007. There was also a revaluation of USD 9.6m for 100% holdings in the chemical tankers Nordic Copenhagen and Nordic Oslo. The revaluation was due to the fact that in acquiring the remaining 50% holding of Sichem Copenhagen and Sichem Oslo, the companies gained actual control of this company and so the previous holding in these vessels was upwardly adjusted to market value via shareholders' equity.

Prepayments on vessels under construction amounted to USD 14.6m at year-end 2006 and USD 17.5m at 30 September 2007. The increase was due to prepayments on a chemical tanker. The other prepayments related to three product tankers, an LR1 product tanker vessel and 50% holdings in two handy-size vessels.

The company's total inventories and accounts receivable amounted to USD 11.7m at the end of Q3/2007 and USD 6.7m at year-end 2006. The increase was mainly due to a rise in other receivables due to the increasing level of activity. The company's cash funds and accounts receivable amounted to USD 9.1m at the end of Q3/2007 and USD 5.6m at year-end 2006.

At the end of September 2006 assets destined for sale included the multipurpose segment, the product tanker Nordic Hanne and the chemical tanker Sichem Pearl amounting to USD 21.9m. These had been sold by 30 September 2007.

#### **Liabilities**

Liabilities rose between year-end 2006 and the end of Q3/2007 by USD 51.8m.

Nordic Tankers A/S' share of equity rose from USD 54.6m at year-end 2006 to USD 112.6m at the end of Q3/2007. The USD 58m rise was due to capital inflows of USD 29.7m net associated with the IPO, earnings of USD 21.3m for the period and chemical tanker revaluations of USD 9.6m, less USD 2.1m for market price adjustments on derivatives and USD 0.5m on purchasing own shares. Please also see the shareholders' equity statements below.

Total commitments amounted to USD 127.5m at year-end 2006 and USD 122m at the end of Q3/2007. The decrease in total debt in Q1-2/2007 was mainly due to repayments on loans raised to finance the acquisition of vessels and to redemption of loans in connection with the sale of vessels.

At the end of September 2006, the commitments for assets destined for sale included the multipurpose segment, the product tanker Nordic Hanne and the chemical tanker Sichem Pearl and amounted to USD 7.0m. These had been sold by 30 September 2007.

### **Cash flows - 1 January - 30 September 2006 and 1 January - 30 September 2007**

Nordic Tankers A/S' cash flow from continuing operations amounted to USD 10.5m for the period 1 January - 30 September 2006 and USD 12.9m in the period 1 January - 30 September 2007. Cash flows from operations were mainly attributable to the company's earnings.

The company's cash flows from investment operations related to the company's net additions of tangible fixed assets. In the period 1 January to 30 September 2006 USD 80.3m net was spent on investments whereas investments in Q1-3/ 2007 totaled USD 13.8m net. Investments in 2006 were in LR1 product tankers and a 75% holding in a handy-size vessel whereas 2007 saw the disposal of the multipurpose segment and an LR1 product tanker and the acquisition of chemical tankers and holdings in this segment.

Cash flows from financing operations in Q1-3/2006 were attributable to short and long term loans to mortgage companies raised for financing the acquisition of vessels. The company's cash flows from financing operations totaled USD 58.1m in the period 1 January - 30 September 2006. Q1-3/2007 saw financing operations of USD 4.3m which mainly derived from the proceeds from the IPO and repayments on loan facilities

## **Outlook**

For the first nine months of 2007, the overall market for the primary types of chemical and product tankers was marginally better than expected. Greater offering than demand for transport capacity in Q3 hit freight rates and reduced the gains noted after Q1-2/2007

In Q4, Nordic Tankers A/S is expecting to see that underlying demand for transport capacity in the segments in which the company's vessels are engaged will depend to a considerable extent on the coming winter in the northern hemisphere.

The expected influx onto the market of many newly built product and chemical tankers in 2008-09 is expected to be absorbed by a range of factors, including an ongoing increase in the ton-mile factor,

due in part to the imbalance between refinery output mixes and geographical demand for individual products – and insufficient refinery capacity in general in the western world.

The rate at which older tankers and single hulled vessels are scrapped is expected to increase until 2010, along with increasing demand for IMO classified tonnage for vegetable and palm oils and a general increase in demand by the major oil companies and traders for modern, quality tonnage.

The company's original expectation for 2007 was for a profit of USD 13 - 14m. The company's IPO saw expectations for 2007 increase to profits of USD 16 - 18m. Expectations were upwardly adjusted when the interim report for 2007 was released to USD 23 - 25m.

The company is expecting the results of operations for the remainder of 2007 to be broadly in line with budget.

Management is still expecting to achieve revenues of USD 40 - 42m, and EBIT of USD 25 - 27m. The company is maintaining its Group profit forecasts at USD 23 - 25m. This is due among other things to the aftertax gains of USD 15.9m from the “Nordic Hanne” and “Sichem Pearl” and multipurpose segment disposals noted above. Minority interests' share of profits is expected to amount to approx. USD 1.1m, and so Nordic Tankers A/S is expecting to achieve profits of the order of USD 22 - 24m after tax with respect to the parent company's share.

As previously stated, Nordic Tankers A/S has been investing to plan and has thus reduced the average age of the company's fleet from around eight years to about two. No further major investments are expected during fiscal 2007.

## Income statement 1 January - 30 September 2007

Income statement	Group			
	Q1-Q3 2007 USD 1000	Q1-Q3 2006 USD 1000	Q3 2007 USD 1000	Q3 2006 USD 1000
Net revenues	29,534	20,438	10,408	9,903
Operating expenses	-9,835	-8,297	-4,049	-5,863
<b>Operating profit</b>	<b>19,699</b>	<b>12,141</b>	<b>6,359</b>	<b>4,040</b>
Costs of employment	-607	-109	-268	-42
Other external expenses	-2,436	-371	-557	-150
Gains on vessel disposals	14,875	0	14,875	0
Depreciation and write-down	-6,155	-3,210	-2,330	-1,541
<b>Earnings (EBIT)</b>	<b>25,376</b>	<b>8,451</b>	<b>18,079</b>	<b>2,307</b>
Financial income	607	997	175	506
Financial expenses	-6,433	-3,193	-2,272	-1,866
<b>Pre-tax earnings - continuing operations</b>	<b>19,550</b>	<b>6,255</b>	<b>15,982</b>	<b>947</b>
Tax on earnings on continuing operations	-2,687	167	-2,593	-19
<b>Earnings - continuing operations</b>	<b>16,863</b>	<b>6,422</b>	<b>13,389</b>	<b>928</b>
<b>Earnings - terminated operations</b>	<b>5,490</b>	<b>347</b>	<b>0</b>	<b>89</b>
<b>Earnings in period</b>	<b>22,353</b>	<b>6,769</b>	<b>13,389</b>	<b>1,017</b>
<b>Distribution of earnings for the period</b>				
Parent company shareholders	21,255	6,700	13,389	999
Minority interests	1,098	69	0	18
	<b>22,353</b>	<b>6,769</b>	<b>13,389</b>	<b>1,017</b>
<b>Earnings per share less minority interests (EPS)</b>				
Continuing and terminated operations	3.59			
Continuing operations	2.85			

## Group overview at 30 September 2007

Assets	Group 30.09.07 USD 1000	30.09.06 USD 1000	31.12.2006 USD 1000
Vessels	196,215	95,745	155,717
Prepayments on vessels	17,533	15,780	14,577
<b>Tangible assets</b>	<b>213,748</b>	<b>111,525</b>	<b>170,294</b>
Subordinated loan capital in jointly controlled companies	0	7,782	205
<b>Financial assets</b>	<b>0</b>	<b>7,782</b>	<b>205</b>
<b>Total long-term assets</b>	<b>213,748</b>	<b>119,307</b>	<b>170,499</b>
<b>Stocks of lubricants</b>	<b>987</b>	<b>135</b>	<b>812</b>
Accounts receivable	2,312	1,372	3,461
Loans to jointly controlled companies	0	509	696
Other receivables	8,449	4,336	1,721
<b>Accounts receivable</b>	<b>10,761</b>	<b>6,217</b>	<b>5,879</b>
<b>Cash funds</b>	<b>9,082</b>	<b>9,335</b>	<b>5,631</b>
<b>Assets destined for sale</b>	<b>0</b>	<b>21,919</b>	<b>0</b>
<b>Short-term assets</b>	<b>20,830</b>	<b>37,606</b>	<b>12,322</b>
<b>Assets</b>	<b>234,578</b>	<b>156,913</b>	<b>182,820</b>

## Group overview at 30 September 2007

Liabilities	Group 30.09.07 USD 1000	30.09.06 USD 1000	31.12.2006 USD 1000
Share capital	12,826	206	206
Other reserves	25,959	0	
Retained profit	64,170	49,709	53,936
Reserve for hedging transactions and forex adjustments	4	2,917	434
Reserve for market value adjustments	9,632	0	0
<b>Equity, Parent company shareholders</b>	<b>112,591</b>	<b>52,832</b>	<b>54,576</b>
<b>Equity, minority interests</b>	<b>0</b>	<b>619</b>	<b>746</b>
<b>Total shareholders' equity</b>	<b>112,591</b>	<b>53,451</b>	<b>55,322</b>
Financial loans	104,582	79,348	111,268
Deferred tax	0	1,082	907
<b>Long-term commitments</b>	<b>104,582</b>	<b>80,430</b>	<b>112,175</b>
Financial loans	4,978	2,400	11,428
Trade accounts payable	2,956	1,423	3,412
Corporation tax	3,597	3,954	30
Other debt	5,874	8,291	453
	<b>17,405</b>	<b>16,068</b>	<b>15,323</b>
Commitments for assets destined for sale	0	6,964	0
<b>Short-term commitments</b>	<b>17,405</b>	<b>23,032</b>	<b>15,323</b>
<b>Total commitments</b>	<b>121,987</b>	<b>103,462</b>	<b>127,498</b>
<b>Liabilities</b>	<b>234,578</b>	<b>156,913</b>	<b>182,820</b>

## Results, by segment - continuing operations

### Group segment data

#### Continuing operations Q1-Q3 2007

	Product tankers LR1 Q1-Q3 2007 USD 1000	Handy-size tankers Q1-Q3 2007 USD 1000	Chemical tankers Q1-Q3 2007 USD 1000	Not allocated Q1-Q3 2007 USD 1000	Total continuing operations USD
Net revenues	12,248	9,442	7,844	0	29,534
Operating expenses	-4,595	-2,412	-2,828	0	-9,835
<b>Operating profit</b>	<b>7,653</b>	<b>7,030</b>	<b>5,015</b>	<b>0</b>	<b>19,699</b>
Costs of employment	-152	0	0	-455	-607
Other external expenses	-561	-78	-202	-1,595	-2,436
Gains on vessel disposals	14,875	0	0	0	14,875
Depreciation and write-down	-2,353	-2,247	-1,555	0	-6,155
<b>Earnings - primary operations</b>	<b>19,462</b>	<b>4,705</b>	<b>3,258</b>	<b>-2,050</b>	<b>25,376</b>
Financial income	481	82	44	0	607
Financial expenses	-2,554	-2,269	-1,610	0	-6,433
<b>Pre-tax earnings</b>	<b>17,389</b>	<b>2,518</b>	<b>1,692</b>	<b>-2,050</b>	<b>19,550</b>
Tax on earnings in period	-2,678	-8	-1	0	-2,687
<b>Earnings in period</b>	<b>14,711</b>	<b>2,510</b>	<b>1,691</b>	<b>-2,050</b>	<b>16,863</b>
Segment assets	75,841	69,731	89,006	0	234,578
Fixed asset investments	0	0	0	0	0
Segment commitments	42,885	46,317	32,785	0	121,987
Ship-days (No.)	487	355	490	0	1332
Net revenues per ship-day	25	27	16		22
Operating expenses per ship-day	9	7	6		7
Gross earnings per ship-day (USD 1000)	16	20	10		15
Gross margin %	62.5%	74.5%	63.9%		66.7%

Group segment data Continuing operations Q1-Q3 2006	Product tankers LR1	Handy- size tankers	Chemical tankers	Not allocated	Total continuing operations
	Q1-Q3 2006	Q1-Q3 2006	Q1-Q3 2006	Q1-Q3 2006	
	USD 1000	USD 1000	USD 1000	USD 1000	USD
Net revenues	14,464	1,356	4,618	0	20,438
Operating expenses	-6,039	-427	-1,831	0	-8,297
<b>Operating profit</b>	<b>8,425</b>	<b>929</b>	<b>2,787</b>	<b>0</b>	<b>12,141</b>
Costs of employment	-27	0	0	-82	-109
Other external expenses	-74	-12	-62	-223	-371
Depreciation and write-down	-1,976	-363	-871	0	-3,210
<b>Earnings - primary operations</b>	<b>6,348</b>	<b>554</b>	<b>1,854</b>	<b>-305</b>	<b>8,451</b>
Financial income	606	4	387	0	997
Financial expenses	-1,654	-324	-1,215	0	-3,193
<b>Pre-tax earnings</b>	<b>5,300</b>	<b>234</b>	<b>1,026</b>	<b>-305</b>	<b>6,255</b>
Tax on earnings in period	167	0	0	0	167
<b>Earnings in period</b>	<b>5,467</b>	<b>234</b>	<b>1,026</b>	<b>-305</b>	<b>6,422</b>
Segment assets	94,392	31,223	25,697	0	151,312
Fixed asset investments	0	0	0	0	0
Segment commitments	51,169	30,929	18,860	0	100,958
Ship-days (No.)	414	82	397		893
Net revenues per ship-day	35	17	12		23
Operating expenses per ship-day	15	5	5		9
Gross earnings per ship-day (USD 1000)	20	11	7		14
Gross margin %	58.2%	68.5%	60.4%		59.4%

**Group segment data**  
**Continuing operations Q3 2007**

	<b>Product tankers LR1</b>	<b>Handy- size tankers</b>	<b>Chemical tankers</b>	<b>Not allocated</b>	<b>Total continuing operations</b>
	<b>Q3 2007</b>	<b>Q3 2007</b>	<b>Q3 2007</b>	<b>Q3 2007</b>	
	<b>USD 1000</b>	<b>USD 1000</b>	<b>USD 1000</b>	<b>USD 1000</b>	<b>USD</b>
Net revenues	3,209	2,945	4,254	0	10,408
Operating expenses	-1,580	-938	-1,531	0	-4,049
<b>Operating profit</b>	<b>1,629</b>	<b>2,007</b>	<b>2,723</b>	<b>0</b>	<b>6,359</b>
Costs of employment	-153	0	0	-115	-268
Other external expenses	-121	-14	-147	-275	-557
Gains on vessel disposals	14,875	0	0	0	14,875
Depreciation and write-down	-524	-749	-1,057	0	-2,330
<b>Earnings - primary operations</b>	<b>15,706</b>	<b>1,244</b>	<b>1,519</b>	<b>-390</b>	<b>18,079</b>
Financial income	158	61	-44	0	175
Financial expenses	-643	-775	-854	0	-2,272
<b>Pre-tax earnings</b>	<b>15,221</b>	<b>530</b>	<b>621</b>	<b>-390</b>	<b>15,982</b>
Tax on earnings in period	-2,584	-8	-1	0	-2,593
<b>Earnings in period</b>	<b>12,637</b>	<b>522</b>	<b>620</b>	<b>-390</b>	<b>13,389</b>
Ship-days (No.)	135	184	221		185
Net revenues per ship-day	24	16	19		56
Operating expenses per ship-day	12	5	7		22
Gross margin %	50.8%	68.1%	64.0%		61.1%
Gross earnings per ship-day (USD 1000)	12	11	12		34

Group segment data Continuing operations Q3 2006	Product tankers LR1	Handy- size tankers	Chemical tankers	Not allocated	Total continuing operations
	Q3 2006 USD 1000	Q3 2006 USD 1000	Q3 2006 USD 1000	Q3 2006 USD 1000	USD
Net revenues	6,849	1,356	1,698	0	9,903
Operating expenses	-4,704	-427	-732	0	-5,863
<b>Operating profit</b>	<b>2,145</b>	<b>929</b>	<b>966</b>	<b>0</b>	<b>4,040</b>
Costs of employment	-10	0	0	-32	-42
Other external expenses	-28	-12	-25	-85	-150
Depreciation and write-down	-902	-363	-276	0	-1,541
<b>Earnings - primary operations</b>	<b>1,205</b>	<b>554</b>	<b>665</b>	<b>-117</b>	<b>2,307</b>
Financial income	82	4	420	0	506
Financial expenses	-858	-324	-684	0	-1,866
<b>Pre-tax earnings</b>	<b>429</b>	<b>234</b>	<b>401</b>	<b>-117</b>	<b>947</b>
Tax on earnings in period	-19	0	0	0	-19
<b>Earnings in period</b>	<b>410</b>	<b>234</b>	<b>401</b>	<b>-117</b>	<b>928</b>
Ship-days (No.)	184	174	138	0	496
Net revenues per ship-day	37	8	12		20
Operating expenses per ship-day	26	2	5		12
Gross margin %	31.3%	68.5%	56.9%		40.8%
Gross earnings per ship-day (USD 1000)	12	5	7		8

## Results, by segment - terminating operations

### Segment data for terminating operations - multipurpose segment

	Terminating operations Q1-Q3 2007 USD 1000	Terminating operations Q1-Q3 2006 USD 1000	Terminating operations Q3 2007 USD 1000	Terminating operations Q3 2006 USD 1000
Net revenues	2,041	2,775		837
Operating expenses	-1,271	-1,824		-547
<b>Operating profit</b>	<b>770</b>	<b>951</b>		<b>290</b>
Costs of employment	0	0		0
Other external expenses	-23	-46		-14
Gains on vessel disposals	4,926	0		0
Depreciation and write-down	-157	-471		-157
<b>Earnings - primary operations</b>	<b>5,516</b>	<b>434</b>		<b>119</b>
Financial income	16	21		3
Financial expenses	-42	-108		-33
<b>Pre-tax earnings</b>	<b>5,490</b>	<b>347</b>		<b>89</b>
Tax on earnings in period	0	0		0
<b>Earnings in period</b>	<b>5,490</b>	<b>347</b>		<b>89</b>
Ship-days (No.)	299	539		184
Net revenues per ship-day	7	5		5
Operating expenses per ship-day	4	3		3
Gross margin %	37.7%	34.3%		34.6%
Gross earnings per ship-day (USD 1000)	3	2		2

## Shareholders' equity - Note – Q3/2007

### Equity statement 1 January - 30 September 2007

	Share capital	Other reserves	Reserve for hedging and forex adjustments	Reserve for market price adjustments	Retained profit	Equity attributable to minority interests	Total share- holders' equity
	USD 1000	USD 1000	USD 1000	USD 1000	USD 1000	USD 1000	USD 1000
<b>Equity 1 January 2007</b>	206	0	434	0	53,936	746	55,322
Capital increase, bonus shares	8,905				-8,905		0
Capital increase, rights issue	3,715	25,959					29,674
Market value adjustments - tangible assets				9,632			9,632
Market value adjustments – derivatives			-430		-1,668		-2,098
<b>Recognized directly in equity</b>	<b>12,620</b>	<b>25,959</b>	<b>-430</b>	<b>9,632</b>	<b>-10,573</b>	<b>0</b>	<b>37,208</b>
Earnings in period					21,255	1,098	22,353
<b>Total net income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21,255</b>	<b>1,098</b>	<b>22,353</b>
Purchase - own shares					-448		-448
Payments to minority interests						-1,844	-1,844
<b>Other transactions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-448</b>	<b>-1,844</b>	<b>-2,292</b>
<b>Equity 30 September 2007</b>	<b>12,826</b>	<b>25,959</b>	<b>4</b>	<b>9,632</b>	<b>64,170</b>	<b>0</b>	<b>112,591</b>

## Equity note – Q3/ 2006

### Equity statement 1 January -30 September 2006

	Share capital USD 1000	Reserve for hedging and forex adjustments USD 1000	Retained profit USD 1000	Equity attributable to minority interests USD 1000	Total share- holders' equity USD 1000
<b>Equity 1 January 2006</b>	206	0	45,480	586	46,272
Market value adjustments – derivatives		2,917	-2,471	-36	410
<b>Recognized directly in equity</b>	0	2,917	-2,471	-36	410
Earnings in period			6,700	69	6,769
<b>Total net income</b>	0	0	6,700	69	6,769
Dividends paid, etc					0
<b>Equity 30 September 2006</b>	206	2,917	49,709	619	53,451

## Cash flow

### Cash flow for 1 Jan - 30 September 2007 - continuing operations

	Group	
	Q1-Q3 2007	Q1-Q3 2006
	USD 1000	USD 1000
	<hr/>	<hr/>
Earnings (EBIT)	25,376	8,451
Depreciation and write-down	6,155	3,210
Gains on vessel disposals	-14,875	0
Changes in working capital	2,135	1,012
<b>Cash flow - primary operations</b>	<hr/> <b>18,791</b>	<hr/> <b>12,673</b>
Financial income received	607	997
Financial expenses paid	-6,433	-3,193
Corporation tax paid	-18	0
<b>Cash flows from operations</b>	<hr/> <b>12,947</b>	<hr/> <b>10,477</b>
Acquisition, etc - tangible assets	-31,935	-89,353
Disposal - tangible assets	20,482	0
Company acquisitions	-14,806	0
Company disposals	12,495	0
Financial assets for sale	0	9,000
<b>Cash flow - investments</b>	<hr/> <b>-13,764</b>	<hr/> <b>-80,353</b>
Funding raised	0	68,973
Proceeds from IPO	29,674	0
Repayments - loan facilities	-23,111	-10,915
Purchase - own shares	-448	0
Minority interests paid out	-1,844	0
<b>Cashflow - financing</b>	<hr/> <b>4,270</b>	<hr/> <b>58,058</b>
<b>Cash flow in period</b>	<hr/> <b>3,453</b>	<hr/> <b>-11,818</b>
Cash funds 1 Jan.	5,631	21,208
Cash funds transferred to assets for sale	0	-55
<b>Cash funds, end period</b>	<hr/> <b>9,082</b>	<hr/> <b>9,335</b>