American Shipping Company Focused on Long-Term Market Needs

First Quarter 2009 – American Shipping Company ASA looks to expected future demand/supply shift as current market conditions remain challenging

OSLO/PHILADELPHIA (April 21, 2009) – American Shipping Company ASA ("AMSC" or the "Company") now has six product tankers on bareboat charter to OSG America L.P., as our sixth vessel, the *Overseas Boston,* was delivered on February 19, 2009. This vessel was delivered on schedule and is performing well under its time charter to Tesoro.

As reported back in February 2009, a bondholders meeting was held whereupon two changes to the loan agreement for the Company's NOK 700 million bond, requested by the Company, were successfully passed in accordance with the required vote of the bondholders. These changes will enhance our ability to take advantage of anticipated opportunities in the Jones Act market and provide flexibility to improve our liquidity.

AMSC's operating revenues for Q1 2009 were USD 11.2 compared to USD 6.2 million in Q1 2008. This increase in revenue reflects the bareboat charter hire revenue from the service of the first six vessels of a twelve vessel series in 2008 versus three vessels in 2008. EBITDA was USD 9.6 million in the first quarter 2009 compared to USD 5.4 million in the first quarter 2008.

Operating expenses were USD 1.6 million in Q1 2009 compared to USD 0.8 million in Q1 2008. This increase primarily relates to outside legal and consulting costs in connection with the OSG arbitration. EBIT was USD 3.8 million in Q1 2009 compared to USD 2.1 million in Q1 2008.

Net financial items (excluding unrealized gains or losses on interest swaps) were minus USD 8.1 million in Q1 2009, consisting of net interest expense (interest expense less interest income and capitalized interest) of minus USD 8.2 million for Q1 2009 and a net foreign exchange gain of USD 0.1 million in Q1 2009. Net financial items (excluding unrealized gains or losses on interest swaps) in Q1 2008 were minus USD 3.6 million. The net interest expense for Q1 2008 was minus USD 4.2 million. The net foreign exchange impact was positive USD 0.6 million for Q1 2008. Capitalization of interest is related to the financing of progress payments on ships in construction.

In addition, in Q1 2009, AMSC incurred an unrealized gain of USD 5.0 million related to its interest swap contracts for the financing provided by Fortis. The year-to-date unrealized gain on interest swaps had no cash impact on AMSC. The corresponding Q1 amount for 2008 was an unrealized loss of USD 27.1 million and also had no cash impact on AMSC.

Net profit for the first quarter of 2009 was USD 0.6 million versus a net loss of USD 28.6 million in the first quarter of 2008.

INCOME STATEMENT

	unaudited	
Amounts in USD million	**Q1 2009**	**Q1 2008**
Operating revenues	11.2	6.2
EBITDA	**9.6**	**5.4**
Operating profit - EBIT	3.8	2.1
Net Financial items	(8.1)	(3.6)
Unrealized gain/(loss) on interest swaps	5.0	(27.1)
Profit before tax	0.7	(28.6)
Profit/(loss) for the period *	**0.6**	**(28.6)**
Average number of common shares	27,600,000	27,600,000
Basic and diluted earnings per share (USD)	**0.02**	**(1.04)**

*** Applicable to common stockholders of the parent company.**

STATEMENT OF FINANCIAL POSITION

Amounts in USD million	*unaudited* 31-Mar 2009	31-Dec 2008
Property, plant & equipment	621.3	520.8
Interest-bearing long term receivables	4.6	6.3
Other non current assets	86.0	93.0
Inventories, trade and other receivables	0.8	22.2
Cash and cash equivalents	58.8	71.8
Total assets	**771.5**	**714.1**
Total equity	80.6	101.0
Interest-bearing long term debt	589.7	-
Interest-bearing short term debt	-	504.4
Tax payable and trade and other payables	101.2	108.7
Total equity and liabilities	**771.5**	**714.1**

Interest bearing debt as of March 31, 2009 was USD 589.7 million, net of USD 21.2 million in capitalized fees versus USD 504.4 million as of December 31, 2008. This debt relates to the financing on the first six vessels as well as the NOK 700 million bonds issued in February 2007. The increase is due to taking delivery of our sixth vessel.

As noted earlier, our bondholders agreed to certain changes in our bondholders' agreement in February 2009. One of the changes was to modify the covenant to exclude unrealized gains and losses on the interest rate swaps from the minimum consolidated equity calculation. However, because as of December 31, 2008, equity was less than the required minimum amount, all of the Company's debt was classified as current on its Statement of Financial Position due to IFRS requirements. As of March 31, 2009, that debt has been reclassed back to long-term.

Other non-current assets include prepayments to Aker Philadelphia Shipyard ("APSI"). Other current receivables decreased due to the calling of a USD 20 million note receivable, plus interest, from AMSC's former parent company (Aker ASA). In conjunction with calling the note, a company subsidiary redeemed all if its preferred shares outstanding at par (total USD 20 million) plus a dividend (on the income and surplus capital in the subsidiary) in accordance with the redemption agreement.

Tax payable, trade and other payables include the negative mark-to-market valuation of the interest swaps of USD 95.6 million as of March 31, 2009, and USD 100.6 million as of December 31, 2008, as well as other accrued costs and liabilities.

Outlook

The financial and credit markets continue to be challenging, particularly in the shipping sector. Additionally, Jones Act freight rates remain under pressure due to an overall reduction in demand for petroleum products. We continue to believe, however, in the fundamentals of the Jones Act tanker market as the demand picture will gradually improve in conjunction with an economic turnaround. On the supply side, an accelerated phase-out of older tonnage will also positively affect the market over time. We continue to pursue orders for new vessels through our marketing plan.

Definitions

Jones Act - The U.S. coastwise laws, referred to as Jones Act, require all commercial vessels operating between U.S. ports to be built, owned, operated and manned by U.S. citizens and to be registered under the U.S. flag. In 1996 certain amendments were enacted to the U.S. vessel documentations laws, allowing increased non-U.S. participation in the ownership of vessels operating in the Jones Act trade under certain conditions.

Risks

The principle risks facing AMSC relate to the construction and on-time delivery of the vessels, the operating performance of OSG and an overall market risk.

AMSC's activities also expose it to a variety of financial risks, including currency risk, interest rate risk, price risk due to material escalation, credit risk and liquidity risk.

AMSC has limited counterparty risk with its bareboat charters to OSG, who in turn time charters the vessels to major oil companies.

For further details of AMSC's risks, refer to the 2008 Annual Report.

Oslo, April 21, 2009
The Board of Directors and Managing Director
American Shipping Company ASA

Robert N. Caruso Chairman	Annette Malm Justad Director	John Rose Director
Mavis R. Hawkes Director	Dag Fasmer Wittusen Director	Robert Kurz President/CEO

American Shipping Company ASA Group

INCOME STATEMENT

Amounts in USD million	unaudited Q1 2009	Q1 2008
Operating revenues	11.2	6.2
Operating expenses	(1.6)	(0.8)
Operating profit before depreciation	**9.6**	**5.4**
Depreciation	(5.8)	(3.3)
Operating profit	**3.8**	**2.1**
Net financial items	(8.1)	(3.6)
Unrealized gain/(loss) on interest swaps	5.0	(27.1)
Profit before tax	**0.7**	**(28.6)**
Tax expense	(0.1)	-
Profit/(loss) for the period *	**0.6**	**(28.6)**
Average number of common shares	27,600,000	27,600,000
Basic and diluted earnings per share (USD)	**0.02**	**(1.04)**

*** Applicable to common stockholders of the parent company.**

STATEMENT OF CHANGES IN COMPREHENSIVE INCOME

Amounts in USD million	unaudited Q1 2009	Q1 2008
Net income for the period	0.6	(28.6)
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income for the period	**0.6**	**(28.6)**

STATEMENT OF FINANCIAL POSITION

Amounts in USD million	unaudited 31-Mar 2009	31-Dec 2008
Assets		
Non-current assets		
Property, plant & equipment	621.3	520.8
Interest-bearing long term receivables	4.6	6.3
Prepayments	86.0	93.0
Total non-current assets	**711.9**	**620.1**
Current assets		
Trade and other receivables	0.8	22.2
Cash and cash equivalents	58.8	71.8
Total current assets	**59.6**	**94.0**
Total assets	**771.5**	**714.1**
Equity and liabilities		
Total equity	**80.6**	**101.0**
Non-current liabilities		
Bond payable	127.5	-
Other interest-bearing loans	483.3	-
Capitalized fees	(21.2)	-
Total non-current liabilities	**589.7**	**-**
Current liabilities		
Interest-bearing short-term debt	-	504.4
Tax payable and trade and other payables	101.2	108.7
Total current liabilities	**101.2**	**613.1**
Total liabilities	**690.9**	**613.1**
Total equity and liabilities	**771.5**	**714.1**

STATEMENT OF CHANGES IN TOTAL EQUITY

Amounts in USD million	unaudited Q1 2009	Q1 2008
Equity related to the equity holders of the parent company as of beginning of period	101.0	155.8
Profit for the period	0.6	(28.6)
Equity related to the equity holders of the parent company as of end of period	**101.6**	**127.2**
Preferred stock issued / (redeemed)	(20.0)	20.0
Dividends paid from a subsidiary	(0.9)	-
Total equity as of end of period	**80.6**	**147.2**

CASH FLOW STATEMENT

Amounts in USD million	unaudited Q1 2009	Q1 2008
Net cash flow from operating activities	7.1	2.8
Net cash flow from investing activities	(76.2)	(8.6)
Net cash flow from financing activities	56.1	17.8
Net change in cash and cash equivalents	**(13.0)**	**12.0**
Effects of changes in exchange rates on cash	-	3.3
Cash and cash equivalents at the beginning of period	71.8	151.9
Cash and cash equivalents at end of period	**58.8**	**167.2**

Notes to the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2009

1. Introduction - American Shipping Company
American Shipping Company ASA ("AMSC") is a company domiciled in Norway. The condensed interim financial statements for the three months ended March 31, 2009 comprise AMSC and its wholly owned subsidiaries. American Shipping Company has one business segment.

The consolidated quarterly financial statements of AMSC are available at www.americanshippingco.com

2. Basis of Preparation
These consolidated interim financial statements reflect all adjustments, in the opinion of AMSC's management, that are necessary for a fair presentation of the results of operations for the periods presented. Operating results for the three months ended are not necessarily indicative of the results that may be expected for any subsequent interim period or year.

3. Statement of compliance
These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as of and for the year ended December 31, 2008.

4. Significant accounting principles
The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as of and for the year ended December 31, 2008. There have not been any new IFRS standards or interpretations issued after the completion of the annual consolidated financial statements for the year 2008. However, a new requirement of IAS 1(*IAS 1.7*) requires the completion of a new statement on Other Comprehensive Income, which is shown as a separate statement, following the Income Statement. This new requirement does not have a material effect on the AMSC accounts or financial statements.

5. Use of estimates
The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.
The most significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group's accounting policies, and the key sources of estimation uncertainty, are the same as those that applied to the consolidated financial statements as of and for the year ended December 31, 2008.

6. Tax estimates
Income tax expense is recognized in each interim period based on the best estimate of the expected annual income tax rates.

7. Share capital and equity
As of March 31, 2009, AMSC had 27,600,000 ordinary shares at a par value of NOK 10 per share. There were no dividends paid on ordinary shares in 2009 or 2008.

In Q1 2009, one of AMSC's subsidiaries redeemed its preferred shares and declared and paid a dividend of USD 0.9 million on the preferred stock.

8. Interest-bearing debt
The following shows material changes in interest-bearing debt:

Amounts in USD million	3 months to 3/31/2009	3 months to 3/31/2008
Balance at beginning of period	504.4	371.0
Repayment of debt	(3.0)	(2.2)
Issuance of debt	80.0	-
Interest added to oustanding debt	3.2	3.8
Foreign currency impact	4.2	8.3
Amortization of loan fees	0.9	0.3
Balance at end of period	589.7	381.2

9. Related party transactions

The ultimate parent company of AMSC prior to June 6, 2008 was Aker ASA. As of June 6, 2008, Aker ASA reduced its majority ownership in AMSC. Therefore, Aker ASA and its subsidiaries are no longer related parties.

AMSC has service agreements with Aker ASA and APSI which provide certain specified accounting, financial and administrative services. The agreement with APSI also includes shared services of legal counsel. The cost of these services was not material, however they are important to the Company's operations.

In Q1 2009, a Company subsidiary called its interest-bearing long term note receivable to Aker ASA for USD 20 million plus accrued interest of USD 0.9 million

AMSC believes that related party transactions are made on terms equivalent to those that prevail in arm's length transactions.

10. Interest

Amounts in USD million	3 months to 3/31/2009	3 months to 3/31/2008
Interest expense	(10.9)	(8.3)
Interest income	0.4	1.6
Interest capitalized	2.3	2.5
Net interest expense	**(8.2)**	**(4.2)**

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American Shipping Company ASA undertakes no obligation to publicly update or revise any forward-looking information or statements in the press release, other than what is required by law.

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