First Quarter 2013 Results

OSLO (7 May 2013) – Overseas Shipholding Group, Inc. (OSG) remains in Chapter 11. OSG continues to make all of its monthly charter payments to AMSC on time. For more information, see the Risks section below.

First quarter results
AMSC's operating revenues for Q1 2013 were USD 21.5 million, compared to USD 21.7 million for Q1 2012. EBITDA was USD 20.6 million in Q1 2013 compared to USD 20.8 million in Q1 2012. EBIT was USD 12.4 million in Q1 2013 and in Q4 2011.

Net interest expense (interest expense less interest income) for Q1 2013 was negative USD 14.3 million, compared to negative USD 16.5 million for Q1 2012. Net foreign exchange gain was USD 8.6 million in Q1 2013, compared to a net foreign exchange loss of USD 9.3 million in Q1 2012. The foreign exchange gains and losses, resulting from the translation of Norwegian kroner denominated debt and accrued interest into USD, are unrealized and had no cash impact on AMSC.

In addition, in Q1 2013, AMSC had an unrealized gain of USD 5.5 million related to the mark-to-market valuation of its interest rate swap contracts on its vessel financing. The corresponding Q1 2012 unrealized gain was USD 5.2 million. These unrealized gains had no cash impact on AMSC.

AMSC had a net profit for Q1 of 2013 of USD 12.2 million versus a net loss of USD 8.2 million in Q1 of 2012. This significant swing in net profit/loss was mainly due to the unrealized foreign exchange gains and losses during the comparable quarters.

CONDENSED INCOME STATEMENT

	unaudited	
Amounts in USD million (except share and per share information)	**Q1 2013**	**Q1 2012**
Operating revenues	21.5	21.7
Operating profit before depreciation - EBITDA	**20.6**	**20.8**
Operating profit - EBIT	**12.4**	**12.4**
Net interest expense	(14.3)	(16.5)
Unrealized gain/(loss) on interest swaps	5.5	5.2
Net foreign exchange gain/(loss)	8.6	(9.3)
Net profit/(loss) for the period *	**12.2**	**(8.2)**
Average number of common shares	27,600,000	27,600,000
Basic and diluted earnings/(loss) per share (USD)	**0.44**	**(0.30)**

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

CONDENSED STATEMENT OF FINANCIAL POSITION

Amounts in USD million	*unaudited* 31-Mar 2013	31-Mar 2012	31-Dec 2012
Vessels	907.1	940.6	915.4
Interest-bearing long term receivables	24.6	18.4	23.0
Non-current cash held for specified uses	-	25.6	-
Trade and other receivables	0.2	0.3	0.4
Cash held for specified uses	7.2	14.3	7.0
Cash and cash equivalents	14.9	20.3	15.4
Total assets	**954.0**	**1,019.5**	**961.2**
Total equity	54.1	42.6	41.9
Interest-bearing long term debt	782.7	842.3	798.5
Derivative financial liabilities - long term portion	57.6	73.1	62.9
Interest-bearing short term debt	44.7	52.5	43.8
Derivative financial liabilities - short term portion	4.5	6.0	4.8
Trade and other payables	10.4	3.0	9.3
Total equity and liabilities	**954.0**	**1,019.5**	**961.2**

The decrease in Vessels from 31 December 2012 reflects depreciation of the Company's ten product tankers for Q1 2013.

Interest bearing debt as of 31 March 2013 was USD 827.5 million, net of USD 10.1 million in capitalized fees versus USD 842.3 million as of 31 December 2012. This debt relates to the bank financing of the ten vessels, the NOK denominated bond (consisting of principal amount of NOK 700 million plus payment-in-kind interest through March 2013 of NOK 454 million) and a subordinated loan from Converto Capital Fund AS (USD 26.5 million as of 31 March 2013).

AMSC was in compliance with all of its debt covenants as of 31 March 2013.

Outlook

Trade fundamentals that impact the U.S. Jones Act product fleet continue to improve. Positive developments include full fleet employment, with no firm newbuildings on order, and increasing time charter rates compared to a year ago. As reported by trade specialists, factors responsible for trade growth include increased products output from refineries on the Gulf Coast, reduced imports, resurgent chemical-specialties shipments and the emergence of oceangoing shale oil shipments. Industry expectations are that the positive trends will continue. While spot rates have recently increased significantly especially as a result of shale crude shipments, it should be noted that OSG has none of AMSC's vessels employed in the spot market.

To date, no profits have been generated under our profit share agreement with OSG. However, with increasing time charter rates, prospects for profit share are improving. See note 12 for a profit sharing update as of year-end 2012.

Risks

The risks facing AMSC principally relate to the operational and financial performance of OSG as well as overall market risk.

In November 2012, OSG filed a petition with the U.S. Bankruptcy Court for the District of Delaware for relief under Chapter 11 of the Bankruptcy Code. As a debtor under Chapter 11 of the Bankruptcy Code, OSG continues to operate its business while it pursues its options for reorganization. So far, OSG has continued to make all of its charter payments to AMSC on time. During Q1 2013, the U.S. Bankruptcy Court approved OSG's motion to continue to perform all of its obligations under the bareboat charters and attendant agreements with AMSC. Under U.S. bankruptcy laws, OSG may take one of the following actions: (i) assume the vessel charters, meaning it would agree to continue to perform under the terms of the charters, (ii) reject the vessel charters and return the vessels to the Company, or (iii) assume and assign the vessel charters to a third party, in which case the third party would replace OSG and assume all of the rights and obligations under the assigned charters and related transaction documents. AMSC believes that the least likely outcome is the rejection of the charters by OSG since the terms of the charters are favorable to OSG in the current market.

In the event that OSG chooses to reject the bareboat charters, AMSC anticipates that, considering that all vessels are working under time charters and markets are improving, it would be able to re-charter the vessels to another Jones Act operator on equal or better terms on relatively short notice. For that reason, we do not currently anticipate that the OSG bankruptcy filing will have a material adverse effect on AMSC or its ability to continue its operations and pay the vessel debt as and when due. See also Note 11.

AMSC's activities also expose the Company to a variety of other financial risks, including currency, interest rate and liquidity risk. With the completion of the Company's vessel debt extension in 2012, refinancing no longer represents a significant risk in the medium term.

For further details of AMSC's risks, including our guarantees, refer to the 2012 Annual Report.

Definitions

Jones Act - The U.S. cabotage law, referred to as Jones Act, requires 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, known as the finance lease exception.

Oslo, 7 May 2013
The Board of Directors and President / CEO
American Shipping Company ASA

Annette Malm Justad Chairperson	Peter D. Knudsen Director
Lars Solbakken Director	Dag Fasmer Wittusen President / CEO

American Shipping Company ASA Consolidated Group

CONDENSED INCOME STATEMENT

Amounts in USD million (except share and per share information)	unaudited Q1 2013	Q1 2012
Operating revenues	21.5	21.7
Operating expenses	(0.9)	(0.9)
Operating profit before depreciation - EBITDA	**20.6**	**20.8**
Depreciation	(8.2)	(8.4)
Operating profit - EBIT	**12.4**	**12.4**
Net interest expense	(14.3)	(16.5)
Unrealized gain/(loss) on interest swaps	5.5	5.2
Net foreign exchange gain/(loss)	8.6	(9.3)
Net profit/(loss) for the period *	**12.2**	**(8.2)**
Average number of common shares	27,600,000	27,600,000
Basic and diluted earnings/(loss) per share (USD)	**0.44**	**(0.30)**

* Applicable to common stockholders of the parent company.

STATEMENT OF CHANGES IN COMPREHENSIVE INCOME

Amounts in USD million	unaudited Q1 2013	Q1 2012
Net income/(loss) for the period	12.2	(8.2)
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income/(loss) for the period *	**12.2**	**(8.2)**

* Applicable to common stockholders of the parent company.

STATEMENT OF FINANCIAL POSITION

Amounts in USD million	unaudited 31-Mar 2013	unaudited 31-Dec 2012
Assets		
Non-current assets		
Vessels	907.1	915.4
Interest-bearing long term receivables	24.6	23.0
Non-current cash held for specified uses	-	-
Total non-current assets	**931.7**	**938.4**
Current assets		
Trade and other receivables	0.2	0.4
Cash held for specified uses	7.2	7.0
Cash and cash equivalents	14.9	15.4
Total current assets	**22.3**	**22.8**
Total assets	**954.0**	**961.2**
Equity and liabilities		
Total equity	**54.1**	**41.9**
Non-current liabilities		
Bond payable	198.3	203.4
Other interest-bearing loans	594.5	606.0
Derivative financial liabilities - long term portion	57.6	62.9
Capitalized fees	(10.1)	(10.9)
Total non-current liabilities	**840.3**	**861.4**
Current liabilities		
Interest-bearing short-term debt	44.7	43.8
Derivative financial liabilities - short term portion	4.5	4.8
Trade and other payables	10.4	9.3
Total current liabilities	**59.6**	**57.9**
Total liabilities	**899.9**	**919.3**
Total equity and liabilities	**954.0**	**961.2**

STATEMENT OF CHANGES IN TOTAL EQUITY

Amounts in USD million	unaudited Q1 2013	Q1 2012
Equity related to the equity holders of the parent company as of beginning of period	41.9	50.8
Total comprehensive income/(loss) for the period	12.2	(8.2)
Total equity as of end of period	**54.1**	**42.6**

CONDENSED CASH FLOW STATEMENT

Amounts in USD million	unaudited Q1 2013	Q1 2012
Net cash flow from operating activities	10.3	1.7
Net cash flow from investing activities	-	-
Net cash flow from financing activities	(10.6)	(9.4)
Net change in cash and cash equivalents	**(0.3)**	**(7.7)**
Cash and cash equivalents, including cash held for specified uses at the beginning of period	22.4	42.3
Cash and cash equivalents, including cash held for specified uses at end of period	**22.1**	**34.6**

Notes to the unaudited condensed consolidated interim financial statements for the three months ended 31 March 2013

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 31 March 2013 comprise AMSC and its wholly owned subsidiaries. These financial statements have not been audited or reviewed by the Company's auditors. American Shipping Company has one operating segment.

The consolidated 2012 annual 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 month periods 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 as adopted by the EU (IFRS) applicable for interim reporting, *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 31 December 2012.

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 31 December 2012.

There have not been any new IFRS standards or interpretations issued after the completion of the annual consolidated financial statements for the year 2012 that have a significant impact on AMSC's financial reporting. Certain prior period reclassifications were made to conform to current year presentation.

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 31 December 2012.

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 31 March 2013, AMSC had 27,600,000 ordinary shares at a par value of NOK 10 per share. There have been no dividends paid on ordinary shares in 2013 or 2012.

8. Interest-bearing debt

The Company's equity as defined under the loan covenant (consolidated equity excluding cumulative unrealized gains and losses on the interest rate swaps) as of 31 March 2013, which requires adjusted equity of USD 50 million, was USD 116.2 million.

The following table shows material changes in interest-bearing debt:

Amounts in USD million	3 months to 3/31/2013	3 months to 3/31/2012
Balance at beginning of period	842.3	893.3
Repayment of debt	(10.6)	(12.7)
Interest added to oustanding debt	3.5	3.8
Foreign currency impact	(8.6)	9.3
Amortization of loan fees	0.9	1.1
Balance at end of period	827.5	894.8

9. Related party transactions

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 3/31/2013	3 months to 3/31/2012
Interest expense	(14.7)	(16.9)
Interest income	0.4	0.4
Net interest expense	**(14.3)**	**(16.5)**

11. Contingencies

On 14 November 2012, Overseas Shipholding Group, Inc. and certain of its subsidiaries (collectively "OSG"), which has all of AMSC's vessels on bareboat charter, filed a petition with the U.S. Bankruptcy Court for the District of Delaware for relief under Chapter 11 of the U.S. Bankruptcy Code. In addition to holding leases that represent AMSC's entire backlog of USD 584 million as of the end of Q1 2013, OSG also owes AMSC USD 24.6 million of long-term receivables related to the Deferred Principal Obligation (DPO). As debtor under Chapter 11 of the Bankruptcy Code, OSG continues to operate its business while it pursues its options for reorganization. So far OSG has continued to make all of its charter payments to AMSC on time. On 9 January 2013, the U.S. Bankruptcy Court approved OSG's motion to continue to perform all of its obligations under the bareboat charters and attendant agreements with AMSC.

Under U.S. bankruptcy laws, OSG may take one of the following actions: (i) assume the vessel charters, meaning it would agree to continue to perform under the terms of the charters, (ii) reject the vessel charters and return the vessel to the Company, or (iii) assume and assign the vessel charters to a third party, in which case the third party would replace OSG and assume all of the rights and obligations under the assigned charters and related transaction documents. AMSC believes that the least likely outcome is the rejection of the charters by OSG since the terms of the charters are favorable to OSG in the current market. In the event that OSG chooses to reject the bareboat charters, AMSC anticipates that, considering that all vessels are working under time charters and markets are improving, it would be able to re-charter the vessels to another Jones Act operator on equal or better terms on relatively short notice. For that reason, we do not currently anticipate that the OSG bankruptcy filing will have a material adverse effect on AMSC or its ability to continue its operations and pay the vessel debt as and when due.

12. Profit sharing update as of year-end 2012

As disclosed, AMSC and OSG have an agreement sharing profits from OSG's operations of AMSC's 10 vessels. The calculation of profit to share is made on an aggregated fleet level. The calculation thus starts with total vessel revenue, subtracted by defined cost elements. The elements included in the calculation are listed below.

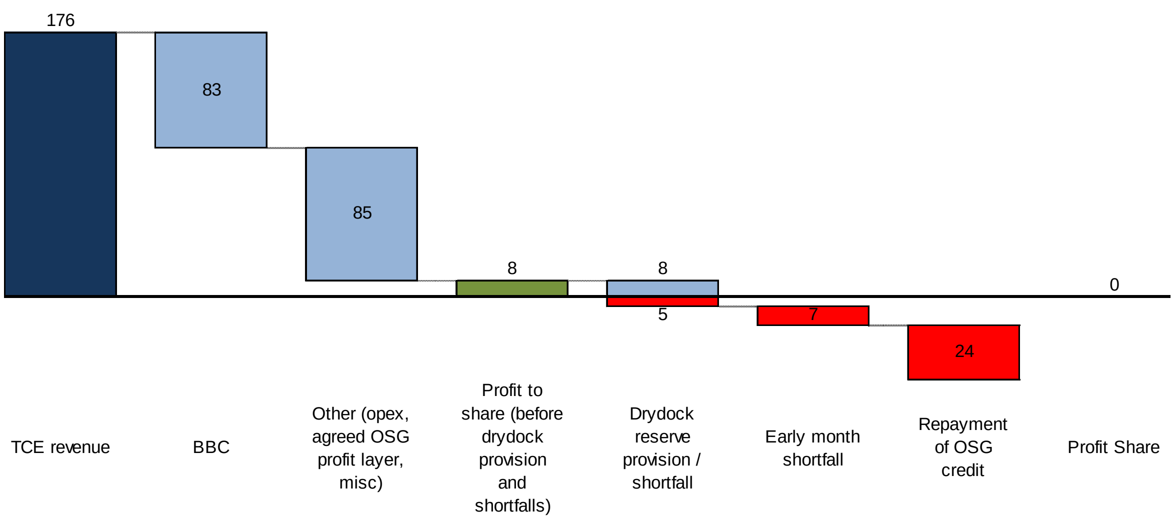
TCE hire	Fleet revenue
– BBC hire	Bareboat rate paid from OSG to AMSC
– OPEX	Crew, maintenance & repairs, insurance, fees & vetting, lubes
– OSG profit layer	Fixed daily rate of USD 4,000 / day (per vessel)
– Management fee	Fixed daily rate plus annual escalation
– Auditor expenses	Actual OSG auditor expenses
– Amortization of start-up costs	Amortized through December 2019
= Profit to share before Drydock Reserve Provision, Drydock Reserve True-Up, and Early Month Shortfall Reduction	**Income subject to Profit Share before covering drydocking costs and Early Month Shortfall**

The profit to share is then reduced by a drydock reserve provision, adjusted for a drydock reserve true-up once a drydock has been completed. The drydock reserve provision includes the estimated costs for each Intermediary Repair Period (IRP), which occurs every 3 years and each special survey occurring every 5 years. Drydock reserve provisions amounted to USD 8 million in 2012. As of year-end 2012, there is a remaining outstanding drydock reserve shortfall of approximately USD 5 million.

Also, before AMSC will receive cash from the profit sharing agreement, profit sharing will have to cover an "early month shortfall" (includes operating costs from vessel delivery at Philadelphia to port of time charterer). Current outstanding balance of the early month shortfall is approximately USD 7 million as of year-end 2012 and is subject to accrued interest.

When drydock expenses and shortfall accounts are covered, AMSC's portion of the profit share will start paying off on the USD 18.2 million OSG credit (plus accrued interest at 9.5% p.a. since December 2009, approximately USD 24 million at year-end 2012). As of year-end 2012, total deficit before earning cash profit share amounted to USD 36 million. After having paid down the deficit, AMSC will receive 50% of profits going forward in cash.

The calculation of profit sharing for 2012 is shown with aggregated, rounded figures in the graph below in USD millions. Please note that these figures are unaudited numbers and have not been subject to any affirmative review.



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Disclaimer

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

The American Shipping Company Group consists of many legally independent entities, constituting their own separate identities. American Shipping Company is used as the common brand or trade mark for most of these entities. In this release we may sometimes use "American Shipping Company"," "Group, "we," or "us," when we refer to American Shipping Company Group companies in general or where no useful purpose is served by identifying any particular company of American Shipping Company.