



American Shipping Company ASA

Presentation of Q4 2017

14 February 2018

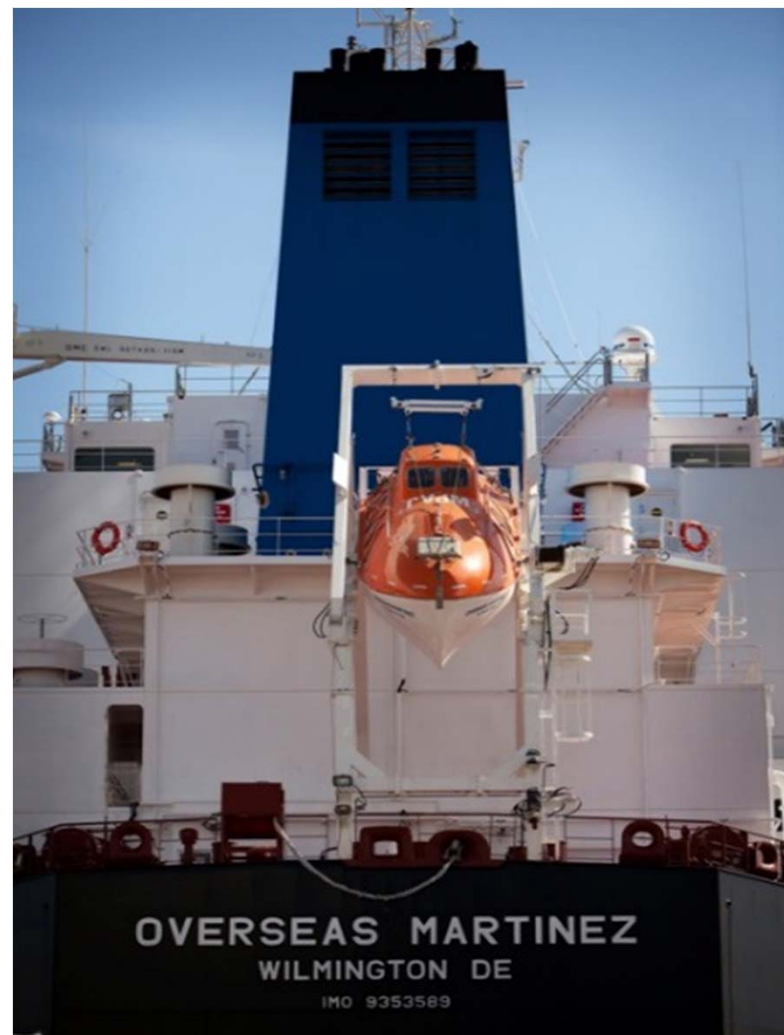


Important information

- Nothing herein shall create any implication that there has been no change in the affairs of American Shipping Company ASA ("AMSC" or the "Company") as of the date of this Company Presentation. This Company Presentation contains forward-looking statements relating to the Company's business, the Company's prospects, potential future performance and demand for the Company's assets, the Jones Act tanker market and other forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in this Company Presentation, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development.

Fourth Quarter 2017 Highlights

- Adjusted net profit of USD 4.0 million*
- Normalized EBITDA** of USD 22.1 million
 - No profit share
 - DPO of USD 0.9 million
- Declared Q4 dividend of USD 0.08 per share, consistent with prior guidance
 - Ex-dividend date of 20 February 2018 with payment on or about 1st March 2018
 - Classified as a return of paid in capital
- Improved market conditions for Jones Act tankers
 - Increasing demand for transportation of both crude oil and clean products
 - Limited supply growth going forward
 - TCE rates for short term fixtures reportedly above USD 50,000 per day

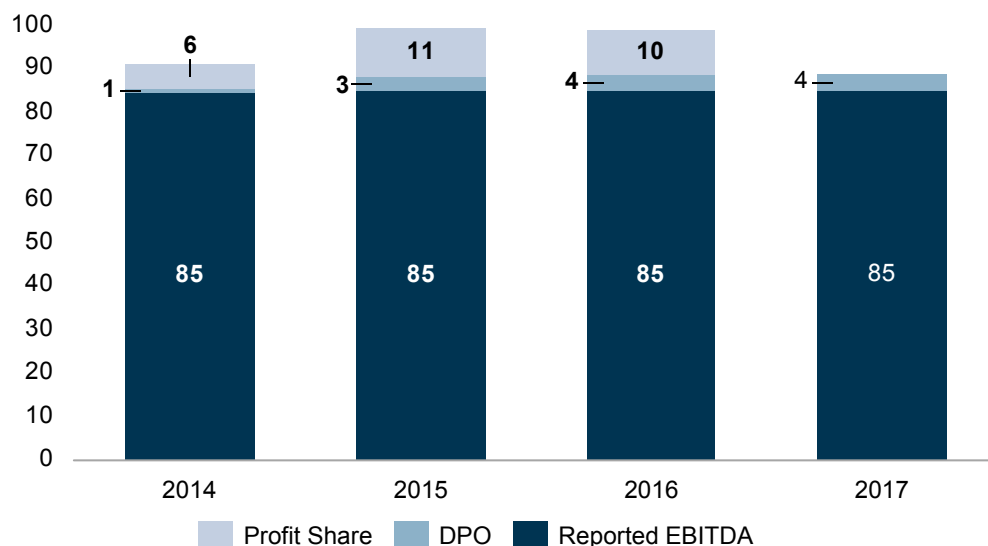


* Net profit after tax, adjusted for non-recurring items, currency fluctuations, mark-to-market of derivatives and changes to deferred tax

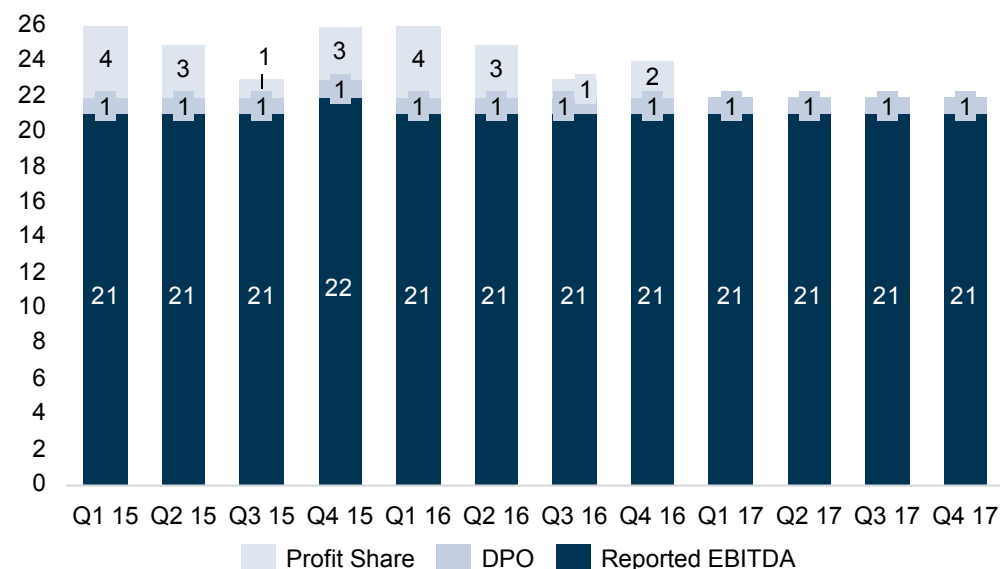
** Includes DPO, reported EBITDA for Q4 17 is USD 21.2 million

Stable, Predictable EBITDA

Normalized EBITDA* (USD millions)



Normalized EBITDA* per quarter (USD millions)

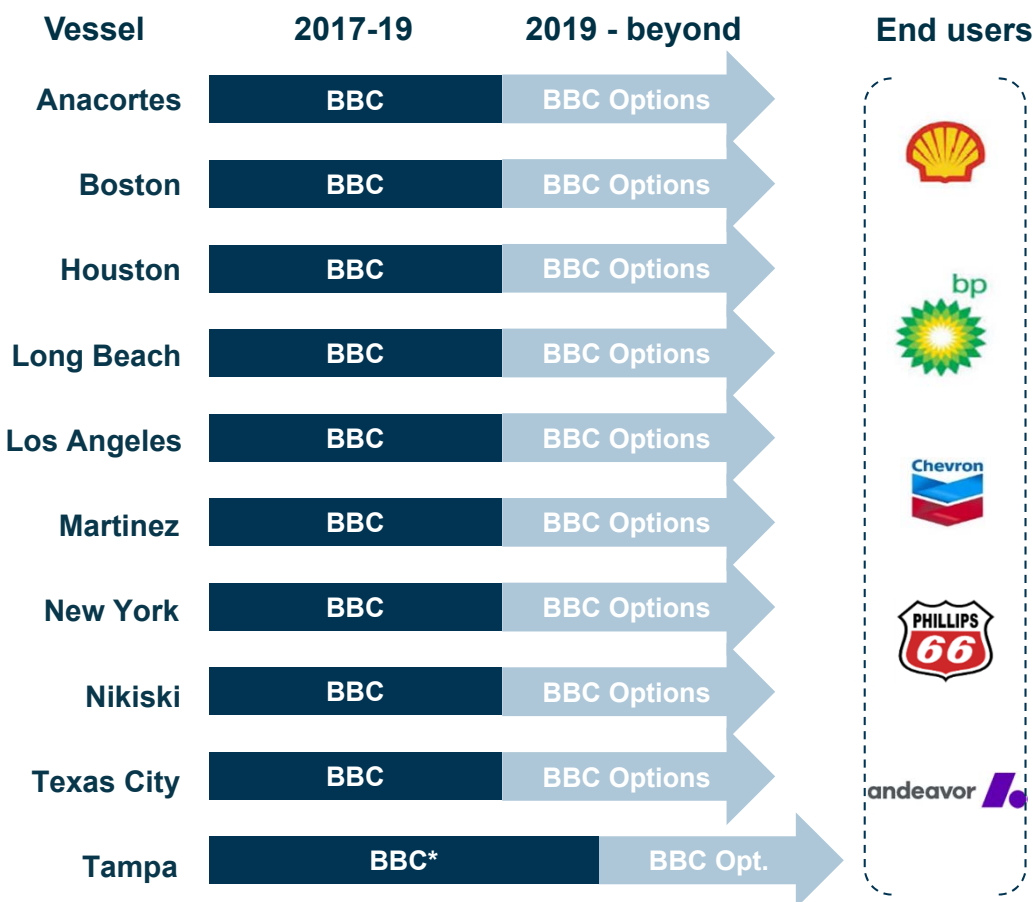


- Normalized EBITDA* of USD 22.1 million in Q4 17 (USD 24.3 million in Q4 16)
- No profit share in Q4 17 (USD 1.8 million in Q4 16)
- DPO of USD 0.9 in Q4 17 (USD 1.0 million in Q4 16)

* Including Profit Share (except 2017 when profit share was zero) and DPO. Reported EBITDA for Q4 17 is USD 21.2 million

Fleet Deployment Overview

Long-term fixed rate bareboat charters to OSG secures cash flow

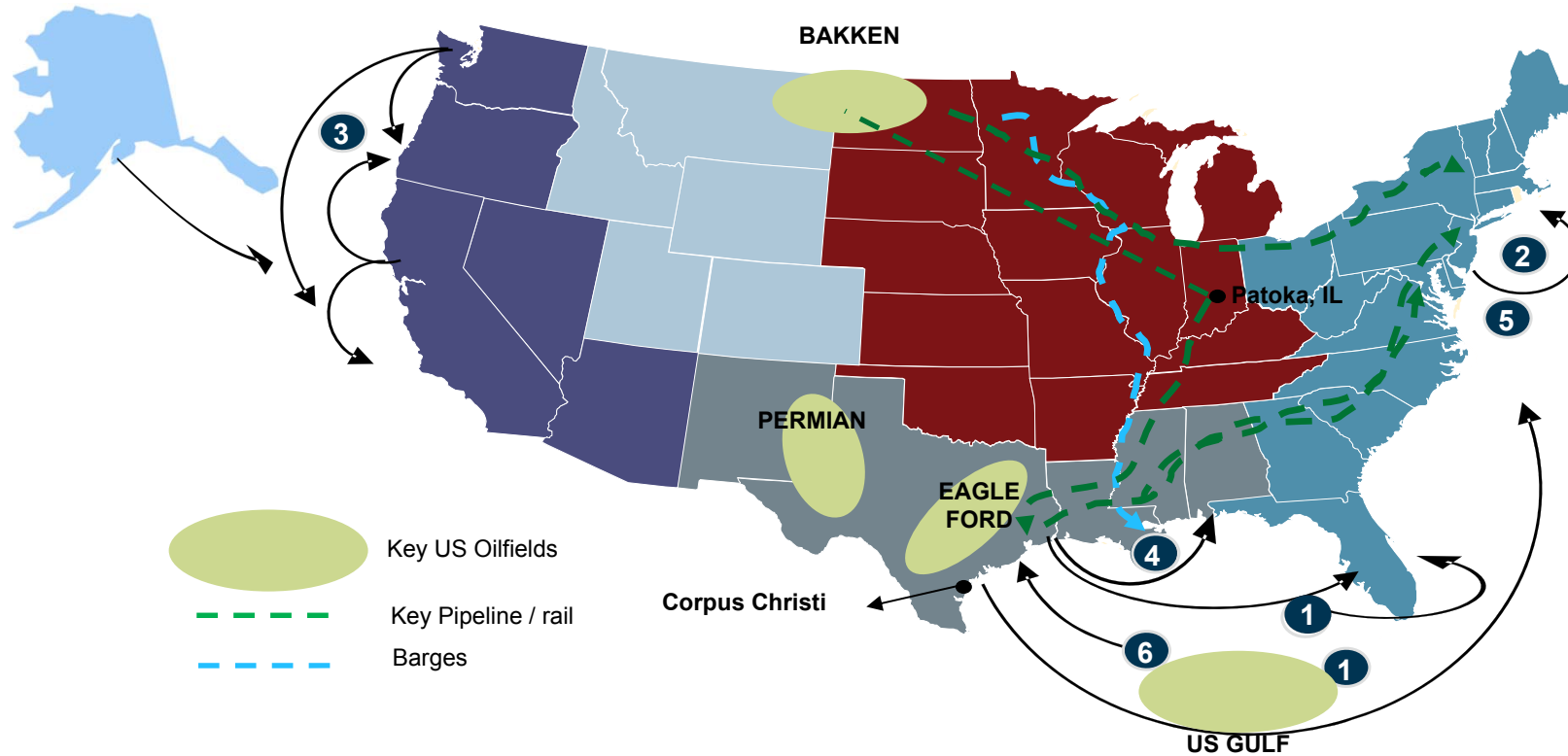


- AMSC's fleet is on firm BB Charters to OSG until December 2019* plus evergreen extension options
- AMSC receives fixed annual bareboat revenue of USD 88 million + ~50% of the profits generated by OSG under the time charter contracts
- OSG time charters the vessels to oil majors for U.S domestic trade

* All vessels excluding Overseas Tampa which is contracted to June 2025

A Critical Part of Oil Majors' Transportation Logistics

Jones Act crude oil & products primary trade routes

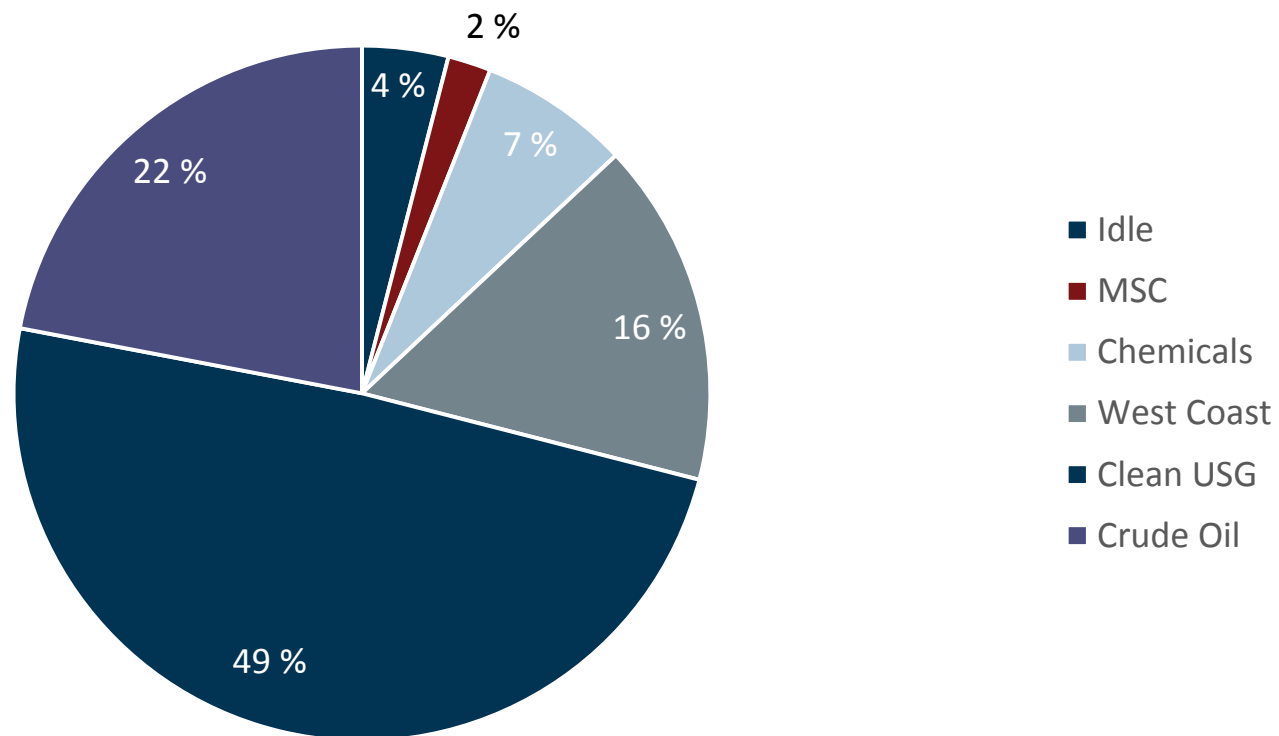


Jones Act Tanker Routes:

- ① Gulf Coast refineries to Florida and East Coast (Clean)
- ② Mid-Atlantic to New England (Clean)
- ③ Alaska and Intra-west coast movements (Clean/Dirty)
- ④ Cross-Gulf movements (Dirty)
- ⑤ Delaware Bay Lightening (Crude)
- ⑥ Shuttle tankers from deep water U.S. Gulf to Gulf Coast Refineries (Crude)
- ⑦ Crude from Corpus Christi, TX to LOOP (not shown)

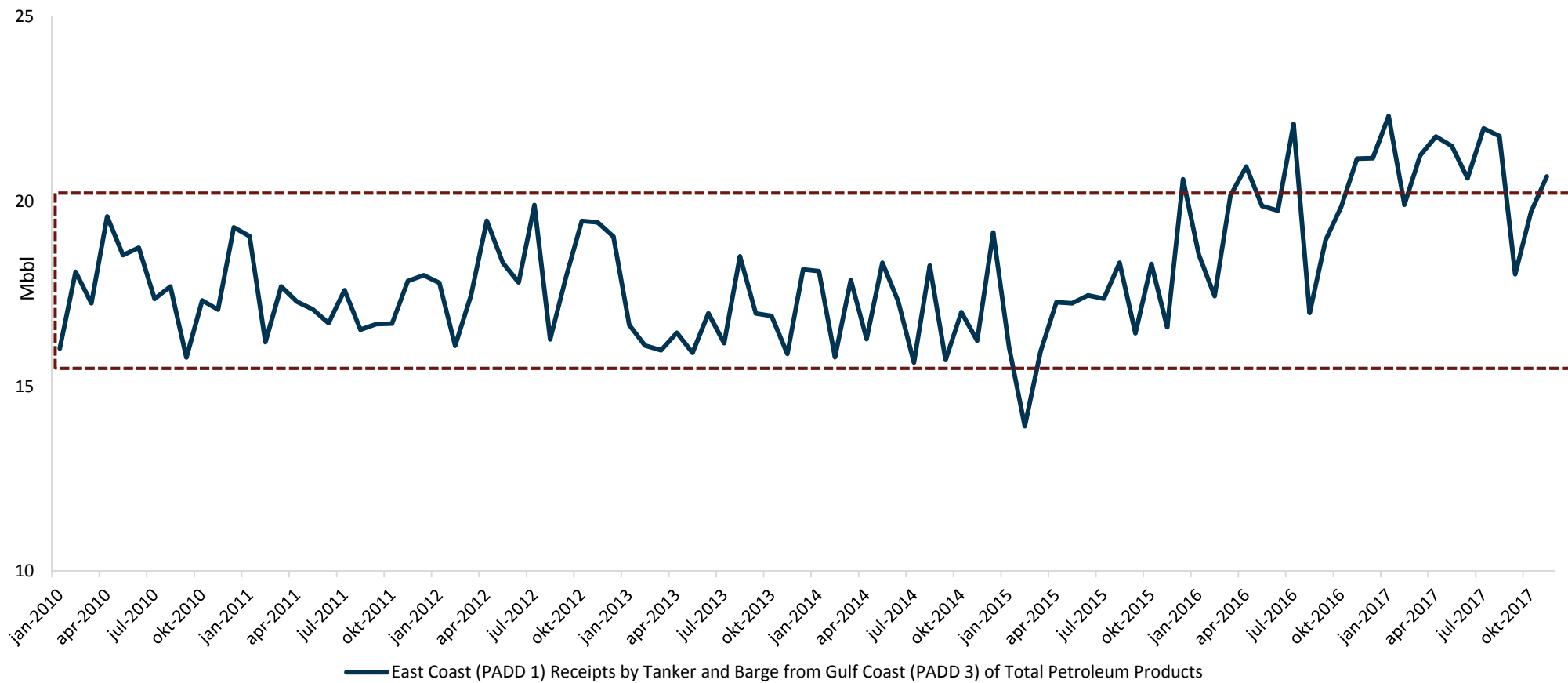
Majority of Fleet carry Clean Products, but Swing Demand Derived from Shale Transportation

Jones Act tanker fleet deployment by main trades (Tankers and ATBs)



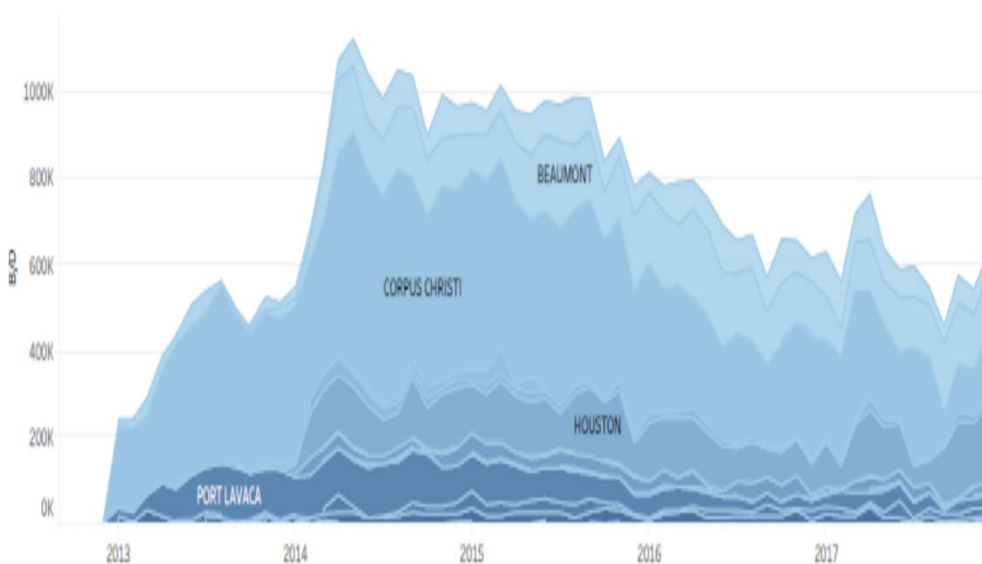
Increasing Clean Product Volumes

Seaborne products transport from Gulf Coast to East Coast is very consistent (Mbbbls per month)

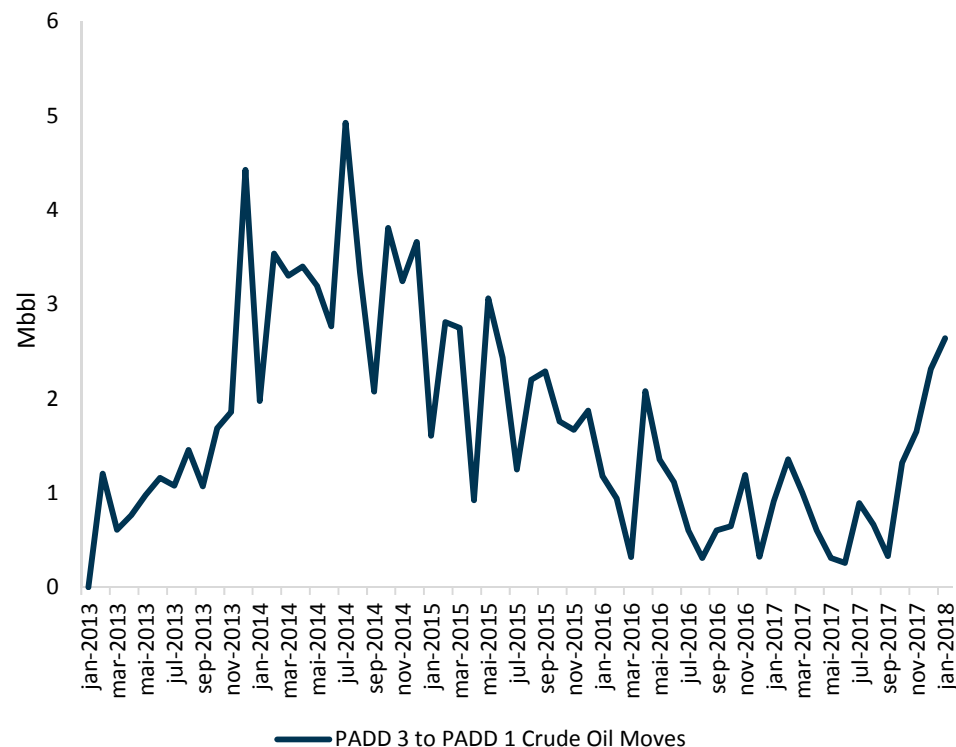


Crude Shipping Volumes Stabilizing Intra Gulf whilst Returning to Peak Levels on East Coast

Intra PADD 3 Crude Oil Moves by Area of Loading, (KBD's)



PADD 3 to PADD 1 Crude Oil Moves by Tanker and Barge (Mbbbls per month)

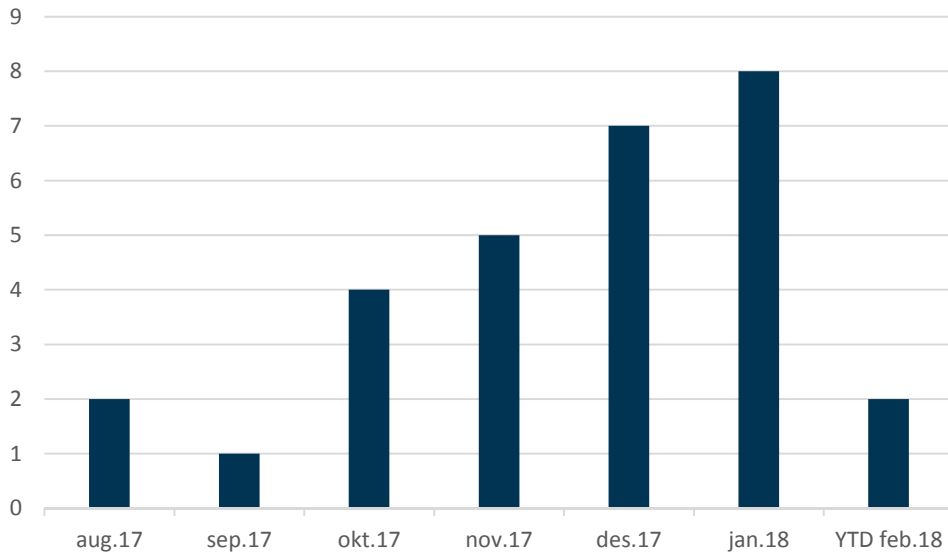


- JA USG loading of 650m bbls per day utilizes ~11 vessels for USG crude trade (assuming 5 days roundtrip)
- Volumes poised to recover

- Volumes in East Coast trade is back to ~5 tankers, up from ~1 tanker
- Volumes driven by spread in pricing of US oil vs international alternatives
 - Argus Houston vs. Bonny Light

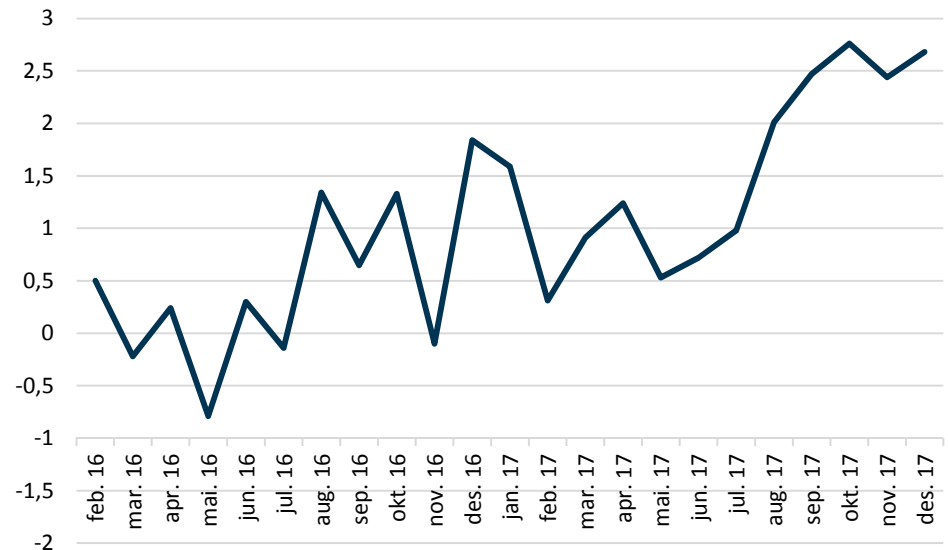
Oil Price Spread - Key Driver for Increase in PADD 3 to PADD 1 Crude Shipping Volumes

PADD 3 to PADD 1 Crude Oil Moves by Number of Tanker Liftings



- Steady cargo growth in Q4 2017
- ~ 5 tankers in shuttle activity from U.S. Gulf up to North East refineries
- YTD 10x cargoes delivered or in transit

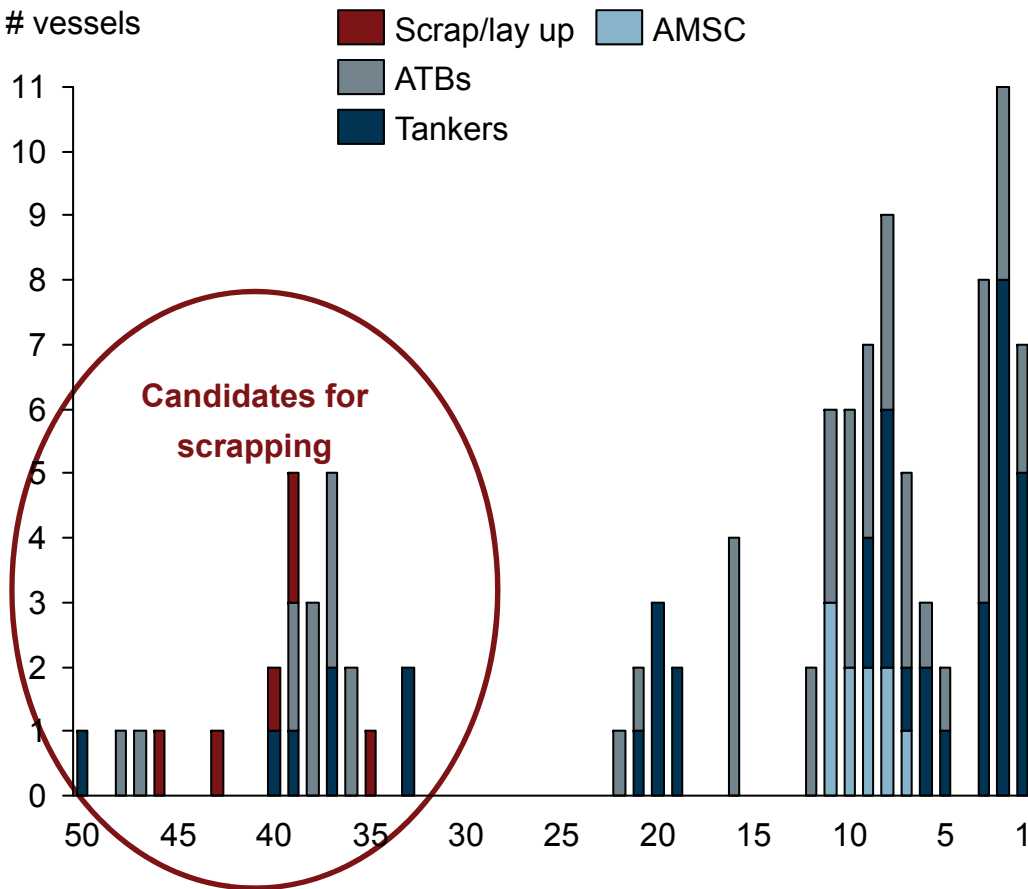
Crude Oil Price Spread - Argus Houston vs. Bonny Light



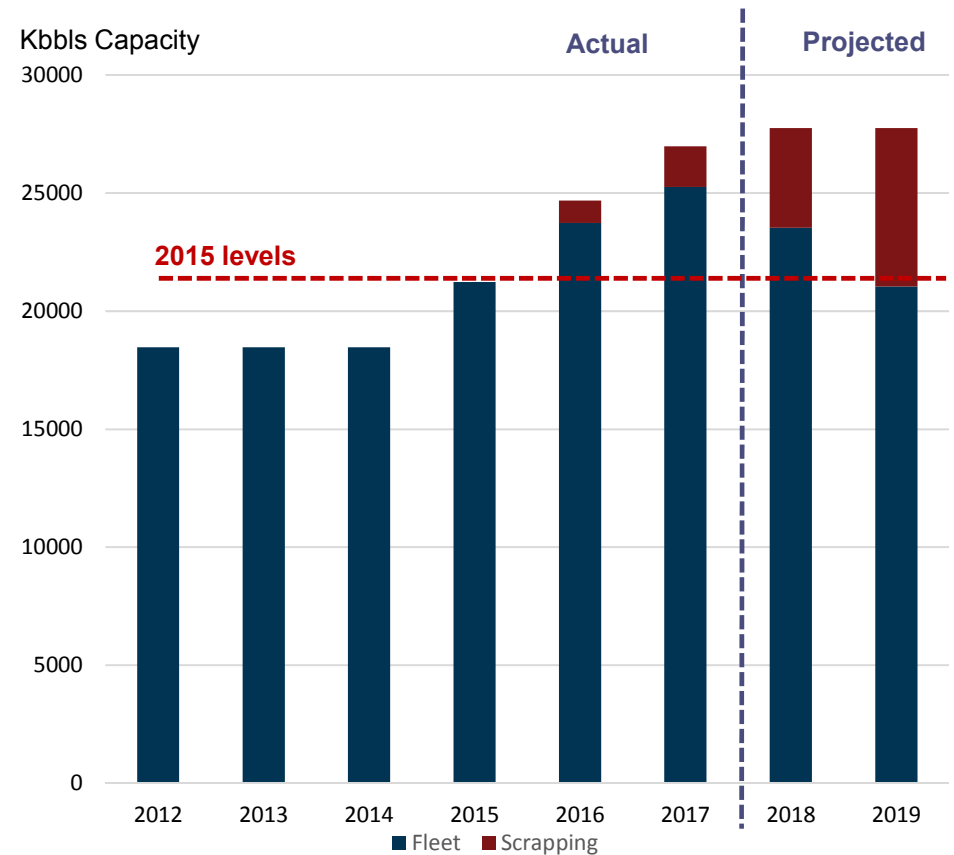
- Crude loaded in Houston vs. West Africa needs to be minimum \$1.50 cheaper to be competitive for U.S. East Coast Refiners
- Spread has been sufficiently wide since Aug/Sept 2017

Limited Remaining Fleet Growth and Scrapping Continues

Fleet profile by vessel age



Considerable fleet growth over the last 3 years, but scrapping likely to bring fleet back to 2015 levels



Income Statement *(unaudited)*

Figures in USD million (except share and per share information)	Q4 2017	Q4 2016
Operating revenues	22.1	22.1
Operating expenses	(0.9)	(0.6)
Operating profit before depreciation - EBITDA	21.2	21.5
Depreciation	(8.3)	(8.7)
Operating profit - EBIT	12.9	12.8
Gain on investments	(0.5)	2.2
Net interest expense	(10.2)	(9.2)
Unrealized gain/(loss) on interest swaps	1.8	6.3
Net foreign exchange gain/(loss)	0.0	0.0
Profit/(loss) before income tax	4.0	12.1
Income tax expense	(2.3)	0.0
Non-cash income tax expense	4.7	(4.6)
Net profit for the period *	6.4	7.5
Average number of common shares	60,616,505	60,616,505
Earnings/(loss) per share (USD)	0.11	0.12

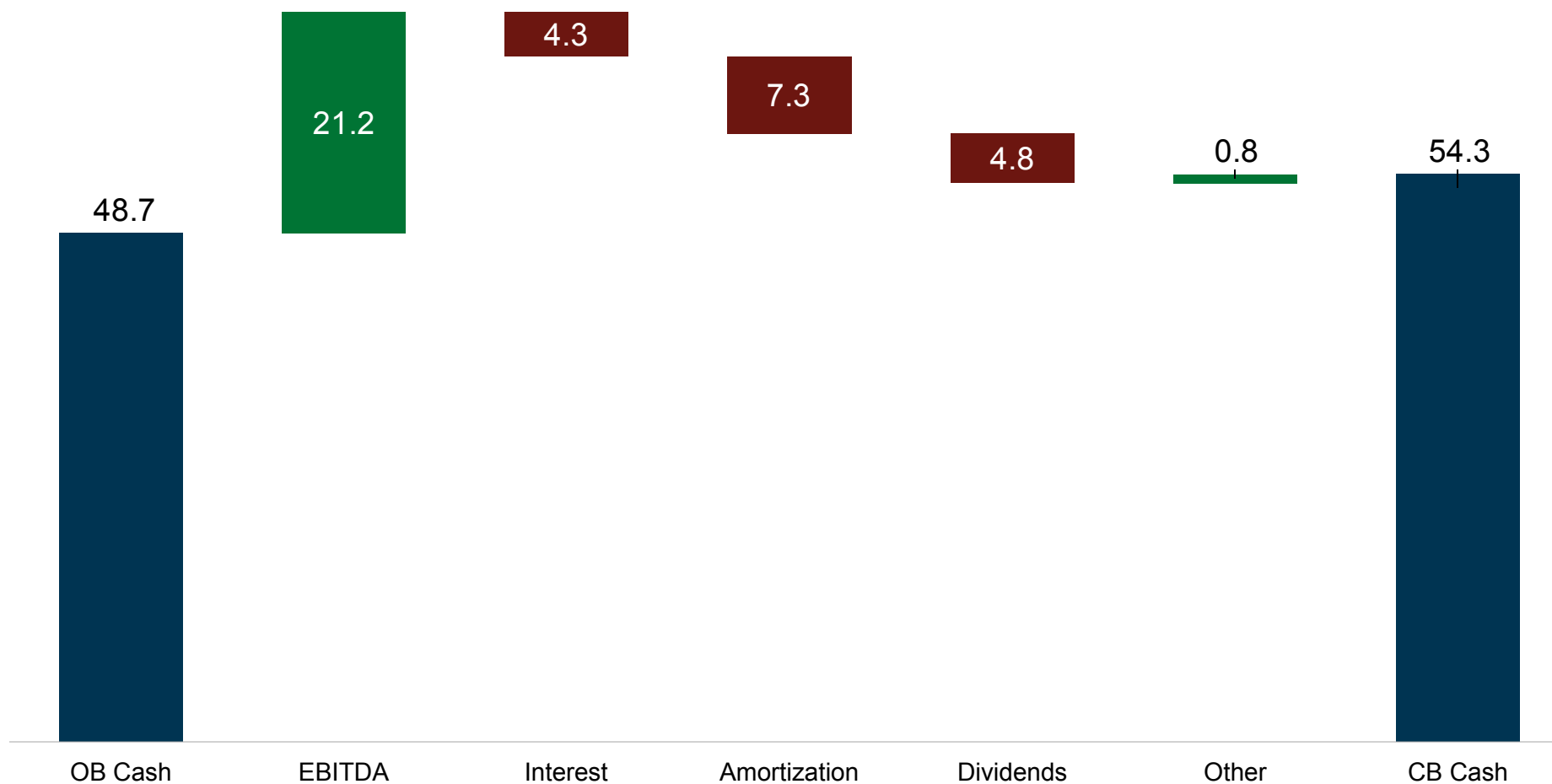
*Applicable to common stockholders of the parent company

Balance Sheet *(unaudited)*

Figures in USD millions	31.12.2017	31.12.2016
Vessels	745.6	779.5
Interest-bearing long term receivables (DPO)	28.7	30.6
Other non current assets	16.6	27.6
Derivative financial assets	1.7	0.0
Trade and other receivables	0.2	0.3
Cash held for specified uses	2.3	2.3
Cash and cash equivalents	52.0	49.1
TOTAL ASSETS	847.1	889.4
Total equity	183.3	195.7
Deferred tax liabilities	15.2	17.4
Interest-bearing long term debt	600.1	636.1
Derivative financial liabilities	0.0	0.1
Interest-bearing short term debt	28.3	28.3
Deferred revenues and other payables	20.2	11.8
TOTAL EQUITY AND LIABILITIES	847.1	889.4

Cash position increased during the quarter

CASH DEVELOPMENT IN 4Q 17 (USD millions)



Investment Highlights

Highlights

INCREASED DEMAND IN KEY TRADES

- Increased crude shipments from U.S. Gulf to the U.S. North East
- Intra gulf volumes of crude shipments stabilizing
- Clean products trade to U.S. East Coast increased over last 18 months

NO NEW VESSEL ORDERS

- Final MR tanker delivered and only 2 smaller ATBs entering the market in 2018
- No vessel orders for the past 3 years
- Scrapping / lay-up of older tonnage continues

LEADING MARKET POSITION WITH STABLE CASH FLOWS

- AMSC has the most cost efficient modern Jones Act tanker fleet
- Stable cash flow from fixed rate bareboat contracts and upside potential from profit share arrangement
- Committed to returning capital to shareholders through dividends, whilst prudently managing the balance sheet and maintaining financial flexibility



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