American Shipping Company Continues Fleet Expansion.

Second quarter 2008 – The growing fleet of American Shipping Company ASA, formerly known as Aker American Shipping ASA, continues to successfully operate on both the U.S. West Coast and in the Gulf of Mexico.

OSLO / PHILADELPHIA (August 13, 2008) –
Upon its delivery on April 11, 2008, American Shipping Company ASA ("AMSC" or the "Company") immediately bareboat chartered the *Overseas New York* to OSG America L.P., who subsequently time chartered the vessel to Shell for operation in the cross-Gulf of Mexico trade. AMSC now has four vessels operating in the US Jones Act trade. The fifth vessel is scheduled for an early fall delivery and will also be immediately bareboat chartered to OSG America L.P. The vessel will then be time chartered to BP.

AMSC's operating revenues for Q2 2008 and the six months ended June 30, 2008 were USD 8.0 million and USD 14.2 million, respectively, compared to USD 2.3 million in Q2 2007 and USD 3.4 million for the six months ended June 30, 2007. This increase in revenue reflects the bareboat charter hire revenue from the service of the first four vessels of a twelve vessel series in the first half of 2008 versus two vessels in the first half of 2007. EBITDA was USD 6.7 million in the second quarter 2008 compared to USD 2.0 million in the second quarter 2007. EBITDA for the six months ended June 30, 2008 and 2007 was USD 12.1 million and USD 3.0 million, respectively. For 2007, Aker Philadelphia Shipyard was included as discontinued operations as the shipyard was sold in December 2007.

Operating expenses were USD 1.3 million in Q2 2008 and USD 2.1 million for the six months ended June 30, 2008 compared to USD 0.2 million in Q2 2007 and USD 0.4 million for the six months ended June 30, 2007. This increase relates to the growth of the business, primarily Sales, General and Administrative expenses. EBIT was USD 2.5 million in Q2 2008 compared to USD 0.8 million in Q2 2007. EBIT for the six months ended June 30, 2008 and 2007 was USD 4.6 million and USD 1.1 million, respectively.

Net financial items (excluding unrealized gain on interest swaps) were minus USD 6.0 million in Q2 2008 and minus USD 9.6 million for the six months ended June 30, 2008, consisting of net interest expense (interest expense less interest income and capitalized interest) of minus USD 5.9 million for Q2 2008 and minus USD 10.1 for the six months ended June 30, 2008, and a net foreign exchange loss of USD 0.1 million in Q2 2008 and a gain of USD 0.5 million for the six months ended June 30, 2008. Net financial items in Q2 2007 and for the six months ended June 30, 2007 were minus USD 0.8 million and minus USD 6.1 million, respectively. The net interest expense for Q2 2007 was minus USD 0.7 million and for the six months ended June 30, 2007 was minus USD 7.7 million. The net foreign exchange impact for 2007 was minus USD 0.1 million for Q2 2007 and a positive USD 1.6 million for the six months ended June 30, 2007. Capitalization of interest is related to the financing of progress payments on ships in construction.

In addition, in Q2 2008, AMSC incurred an unrealized gain of USD 27.4 million related to its interest swap contracts for the financing provided by Fortis. This gain offsets unrealized losses in Q1 2008 of USD 27.1 million and had no cash impact on AMSC.

Net income for the second quarter of 2008 was USD 23.8 million versus a net loss of USD 1.5 million in the second quarter of 2007. For the six months ended June 30, 2008 and 2007, there were net losses of USD 4.8 million and USD 4.1 million respectively.

INCOME STATEMENT

Amounts in USD million	Q1 2008	Q2 2008	Q2 2007	January - June 2008	January - June 2007	Full Year 2007
Operating revenues	6.2	8.0	2.3	14.2	3.4	12.7
EBITDA	**5.4**	**6.7**	**2.0**	**12.1**	**3.0**	**10.9**
Operating profit - EBIT	2.1	2.5	0.8	4.6	1.1	4.0
Net Financial items	(3.6)	(6.0)	(0.8)	(9.6)	(6.1)	(13.0)
Unrealized gain/(loss) on interest swaps	(27.1)	27.4	-	0.3	-	(34.5)
Profit before tax	(28.6)	23.9	(0.0)	(4.7)	(5.0)	(43.5)
Profit for the period from continuing operations	**(28.6)**	**23.8**	**(0.0)**	**(4.8)**	**(5.0)**	**(44.1)**
Profit for the period from discontinued operations	-	-	(1.5)	-	0.9	8.2
Profit/(loss) for the period *	**(28.6)**	**23.8**	**(1.5)**	**(4.8)**	**(4.1)**	**(35.9)**
Average number of common shares	27,600,000	27,600,000	27,600,000	27,600,000	27,600,000	27,600,000
Basic and diluted earnings per share from continuing operations (USD)	**(1.04)**	**0.86**	**(0.00)**	**(0.17)**	**(0.18)**	**(1.60)**
Basic and diluted earnings per share from discontinued business (USD)	**-**	**-**	**(0.05)**	**-**	**0.03**	**0.30**
Basic and diluted earnings per share (USD)	**(1.04)**	**0.86**	**(0.05)**	**(0.17)**	**(0.15)**	**(1.30)**

*** Applicable to common stockholders of the parent company. No dividends were paid on preferred stock.**

BALANCE SHEET

Amounts in USD million	31-Mar 2008	30-Jun 2008	30-Jun 2007	31-Dec 2007
Property, plant & equipment	315.6	420.2	431.3	316.2
Intangible assets	-	-	11.6	-
Deferred tax assets	-	-	1.1	-
Interest-bearing long term receivables	4.6	25.6	3.4	3.9
Other non current assets	103.0	93.9	0.5	94.6
Inventories, trade and other receivables	6.4	5.9	25.4	6.4
Cash and cash equivalents	167.2	132.4	114.6	151.9
Total assets	**596.8**	**678.0**	**587.9**	**573.0**
Total equity	147.2	171.0	187.6	155.8
Deferred tax liabilities	-	-	6.7	-
Interest-bearing long term debt	381.2	465.3	301.2	371.0
Interest-bearing construction loans	-	-	59.0	-
Interest-bearing short term debt	-	-	2.1	-
Tax payable and trade and other payables	68.4	41.7	31.3	46.2
Total equity and liabilities	**596.8**	**678.0**	**587.9**	**573.0**

Interest bearing long term debt as of June 30, 2008 was USD 465.3 million net of USD 22.5 million in capitalized fees. This debt relates to the financing on the first four vessels as well as the NOK 700 million bond issued in February 2007.

Other non-current assets include prepayments to Aker Philadelphia Shipyard. Tax payable, trade and other payables include the unrealized loss on interest swaps of USD 34.2 million as well as other accrued costs and liabilities. The balance sheet as of June 30, 2007 included Aker Philadelphia Shipyard.

Outlook

The outlook for AMSC remains positive as revenues and EBITDA continue to grow with the purchase and delivery of additional vessels. We continue to work closely with Aker Philadelphia Shipyard (AKPS) in ensuring adherence to the newbuilding schedule. By the fourth quarter of 2008, we expect to earn revenue on five product tankers, all of which will be on bareboat charter to OSG America L.P.

AMSC remains optimistic about product tanker freight rates going forward. We envision a potential vessel supply deficit developing in the 2011 to 2013 time frame. Given projected OPA ’90 retirements and demand growth created by numerous refinery expansions, this likely supply deficit should facilitate additional product tanker building opportunities for AMSC in the months ahead.

AMSC continues to closely monitor drilling activity in the deepwater Gulf of Mexico in an effort to capture additional shuttle tanker opportunities in this exciting market segment. Discussions continue with virtually all of the companies participating in this sector, with the expectation that AMSC’s shuttle tanker fleet will grow well beyond the initial two vessels scheduled for delivery in the fall of 2009 and 2010, respectively. The first of these two vessels, which will be bareboat chartered to OSG and subsequently time chartered to Petrobras, is currently in the process of prefabrication of its engine room sections and is scheduled for an on-time delivery in the fall of 2009.

Due to this continued interest in additional shuttle tankers for the U.S. Gulf of Mexico, AKPS and AMSC have been authorized by their respective boards to secure any required long lead items to support the construction of Generation II shuttle tankers. These tankers, more advanced than the Generation I shuttle tankers that will be serving the Cascade and Chinook fields, will have dynamic positioning capability. Both AKPS and AMSC continue to work together and with other companies to form strategic partnerships for the Gulf of Mexico shuttle tanker market.

Marketing efforts also continue to be focused on new vessel types and opportunities. In addition to closely working with AKPS on the development of a design for the evolving short-sea shipping market, we are also collaborating with AKPS on barges, bulk vessels and special purpose vessels. Given our unique relationship with AKPS and this shipyard's broad capabilities, the Company continues to be optimistic that we will be able to jointly capitalize on these market opportunities.

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 overall market risk.

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

For further details of AMSC's risks, refer to the 2007 Annual Report.

Responsibility statement

The unaudited condensed interim consolidated financial statements of American Shipping Company ASA and its subsidiaries ("Group") and interim financial report as of June 30, 2008 and for the first half of 2008 were approved by the Board of Directors and Managing Director on August 12, 2008.

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU and the additional requirements in the Norwegian Securities Trading Act.

To the best of our knowledge, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principle opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Philadelphia, August 12, 2008
The Board of Directors and Managing Director
American Shipping Company ASA

Robert N. Caruso Chairman	Gary Mandel Director	Annette Malm Justad Director
Hege Yli Melhus Director	John Rose Director	Robert Kurz Managing Director

American Shipping Company ASA Group

INCOME STATEMENT

Amounts in USD million	Q1 2008	Q2 2008	Q2 2007	January - June 2008	January - June 2007	Full Year 2007
Operating revenues	6.2	8.0	2.2	14.2	3.4	12.7
Operating expenses	(0.8)	(1.3)	(0.2)	(2.1)	(0.4)	(1.8)
Operating profit before depreciation	**5.4**	**6.7**	**2.0**	**12.1**	**3.0**	**10.9**
Depreciation	(3.3)	(4.2)	(1.2)	(7.5)	(1.9)	(6.9)
Operating profit	**2.1**	**2.5**	**0.8**	**4.6**	**1.1**	**4.0**
Net financial items	(3.6)	(6.0)	(0.8)	(9.6)	(6.1)	(13.0)
Unrealized gain/(loss) on interest swaps	(27.1)	27.4	-	0.3	-	(34.5)
Profit before tax	**(28.6)**	**23.9**	**(0.0)**	**(4.7)**	**(5.0)**	**(43.5)**
Tax expense	-	(0.1)	-	(0.1)	-	(0.6)
Profit for the period from continuing operations	**(28.6)**	**23.8**	**(0.0)**	**(4.8)**	**(5.0)**	**(44.1)**
Profit for the period from discontinued operations	-	-	(1.5)	-	0.9	8.2
Profit/(loss) for the period *	**(28.6)**	**23.8**	**(1.5)**	**(4.8)**	**(4.1)**	**(35.9)**
Average number of common shares	27,600,000	27,600,000	27,600,000	27,600,000	27,600,000	27,600,000
Basic and diluted earnings per share continuing operations (USD)	**(1.04)**	**0.86**	**(0.00)**	**(0.17)**	**(0.18)**	**(1.60)**
Basic and diluted earnings per share discontinued business (USD)	**-**	**-**	**(0.05)**	**-**	**0.03**	**0.30**
Basic and diluted earnings per share (USD)	**(1.04)**	**0.86**	**(0.05)**	**(0.17)**	**(0.15)**	**(1.30)**

*** Applicable to common stockholders of the parent company. No dividends were paid on preferred shares.**

BALANCE SHEET

Amounts in USD million	31-Mar 2008	30-Jun 2008	30-Jun 2007	31-Dec 2007
Assets				
Non-current assets				
Property, plant & equipment	315.6	420.2	431.3	316.2
Intangible assets	-	-	11.6	-
Deferred tax assets	-	-	1.1	-
Interest-bearing long term receivables	4.6	25.6	3.4	3.9
Prepayments	103.0	93.9	0.5	94.6
Total non-current assets	**423.2**	**539.7**	**447.9**	**414.7**
Current assets				
Trade and other receivables	6.4	5.9	25.4	6.4
Cash and cash equivalents	167.2	132.4	114.6	151.9
Total current assets	**173.6**	**138.3**	**140.0**	**158.3**
Total assets	**596.8**	**678.0**	**587.9**	**573.0**
Equity and liabilities				
Total equity	**147.2**	**171.0**	**187.6**	**155.8**
Non-current liabilities				
Bond payable	150.3	156.1	120.0	138.2
Other interest-bearing loans	230.9	309.2	181.2	232.8
Deferred tax liabilities	-	-	6.7	-
Total non-current liabilities	**381.2**	**465.3**	**307.9**	**371.0**
Current liabilities				
Construction loans	-	-	59.0	-
Interest-bearing short-term debt	-	-	2.1	-
Tax payable and trade and other payables	68.4	41.7	31.3	46.2
Total current liabilities	**68.4**	**41.7**	**92.4**	**46.2**
Total liabilities	**449.6**	**507.0**	**400.3**	**417.2**
Total equity and liabilities	**596.8**	**678.0**	**587.9**	**573.0**

STATEMENT OF CHANGES IN TOTAL EQUITY

Amounts in USD million	Q1 2008	Q2 2008	Q2 2007	January - June 2008	January - June 2007	Full Year 2007
Equity related to the equity holders of the parent company as of beginning of period	155.8	127.2	189.1	155.8	191.7	191.7
Profit for the period	(28.6)	23.8	(1.5)	(4.8)	(4.1)	(35.9)
Equity related to the equity holders of the parent company as of end of period	**127.2**	**151.0**	**187.6**	**151.0**	**187.6**	**155.8**
Preferred stock issued	20.0	-	-	20.0	-	-
Total equity as of end of period	**147.2**	**171.0**	**187.6**	**171.0**	**187.6**	**155.8**

CASH FLOW STATEMENT

Amounts in USD million	Q1 2008	Q2 2008	Q2 2007	January - June 2008	January - June 2007	Full Year 2007
Net cash flow from operating activities	2.8	4.2	2.3	7.0	21.5	33.2
Net cash flow from investing activities	(8.6)	(117.4)	(68.9)	(126.0)	(132.6)	(187.3)
Net cash flow from financing activities	17.8	77.9	79.4	95.7	268.7	346.2
Net cash flow from discontinued operations	-	-	(4.0)	-	(56.2)	(59.7)
Net change in cash and cash equivalents	**12.0**	**(35.3)**	**8.8**	**(23.3)**	**101.4**	**132.4**
Effects of changes in exchange rates on cash	3.3	0.5	1.7	3.8	2.7	9.0
Cash and cash equivalents at the beginning of period	151.9	167.2	104.1	151.9	10.5	10.5
Cash and cash equivalents at end of period	**167.2**	**132.4**	**114.6**	**132.4**	**114.6**	**151.9**

Notes to the unaudited condensed consolidated interim financial statements for the 1st half 2008

1. Introduction - American Shipping Company

American Shipping Company ASA ("AMSC") is a company domiciled in Norway. The condensed interim financial statements for the first half of 2008 and the three months ended June 30, 2008, 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 and six 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 (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, 2007.

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, 2007. There have not been any new IFRS standards or interpretations issued after the completion of the annual consolidated financial statements for the year 2007. However, some changes have been made, among others to IAS 27, IFRS 2, IFRS 3, and IAS 32. These changes have no material effect on the AMSC accounts.

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, 2007.

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

At the end of 2007, AMSC had 27,600,000 ordinary shares at a par value of NOK 10 per share. There were no paid dividends in 2007.

In Q1 2008, one of AMSC's subsidiaries issued 500 shares of non-dilutive, redeemable preferred stock for USD 40,000 per share to Aker ASA. The preferred stock is redeemable at the option of AMSC and there have been no dividends declared.

8. Interest-bearing debt

The following shows material changes in interest-bearing debt during 2008:

Interest-bearing debt	
Amounts in USD million	Total long term interest-bearing debt
Balance 01.01.2008	371.0
Repayment of debt	(1.8)
Issuance of debt	-
Interest added to oustanding debt	3.8
Foreign currency impact	8.3
Amortization of loan fees	(0.1)
Balance 31.03.2008	381.2
Repayment of debt	(1.7)
Issuance of debt	80.0
Interest added to oustanding debt	4.1
Foreign currency impact	1.6
Amortization of loan fees	0.2
Balance 30.06.2008	465.3

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 sold its majority ownership in AMSC. Therefore, Aker ASA and its subsidiaries are no longer related parties.

AMSC has a service agreement with Aker ASA which provides certain specified accounting, financial and administrative services. All payables are paid within the normal course of business. Through June 6, 2008, related costs were USD 137 thousand (USD 82 thousand for the first half of 2007).

On April 1, 2008, a Company subsidiary also issued an interest-bearing long term note receivable to Aker ASA for USD 20 million (from the proceeds of the sale of preferred stock – see Footnote No. 7). Accrued interest through June 6, 2008 was USD 0.2 million.

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

10. Interest

Interest				
Amounts in USD million	3 months to 06.30.08	3 months to 06.30.07	6 months to 06.30.08	6 months to 06.30.07
Interest expense	(9.8)	(5.6)	(18.1)	(13.9)
Interest income	1.5	2.6	3.1	1.9
Interest capitalized	2.4	2.3	4.9	4.3
Net interest expense	**(5.9)**	**(0.7)**	**(10.1)**	**(7.7)**

11. Other material transactions

AMSC has entered into shipbuilding contracts with Aker Philadelphia Shipyard ASA ("AKPS") for nine tankers for a purchase price of USD 103.975 million each. This price is subject to escalation due to actual increases in material cost and foreign exchange currency losses. As such, the total contract value is approximately USD 935.8 million before escalation. Through Q2 2008, AMSC has taken delivery of one tanker and has made deposits of USD 93.9 million for the remaining eight tankers. In addition, AMSC has option agreements with AKPS to build an additional thirteen tankers.

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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 press 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 press 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.