Third Quarter 2013 Results

OSLO (22 October 2013) – Overseas Shipholding Group, Inc. (OSG) remains in Chapter 11. OSG continues to make its monthly charter payments to AMSC on time. The bankruptcy court has approved OSG's motion to extend the deadline for filing of its plan of reorganization to 30 November 2013. For more information, see the Risks section below.

Third quarter results
AMSC's operating revenues for Q3 2013 were USD 22.0 million, compared to USD 22.2 million for Q3 2012. EBITDA was USD 21.3 million in Q3 2013 compared to USD 21.8 million in Q3 2012. EBIT was USD 12.9 million in Q3 2013 and USD 13.3 million in Q3 2012.

Net interest expense (interest expense less interest income) for Q3 2013 was negative USD 14.2 million, compared to negative USD 15.8 million for Q3 2012. Net foreign exchange loss was USD 0.8 million in Q3 2013, compared to USD 9.3 million in Q3 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 Q3 2013, AMSC had an unrealized gain of USD 3.3 million related to the mark-to-market valuation of its interest rate swap contracts on its vessel financing. The corresponding Q3 2012 unrealized loss was USD 1.3 million. These unrealized gains and losses had no cash impact on AMSC.

AMSC had a net profit for Q3 of 2013 of USD 1.2 million versus a net loss of USD 13.1 million in Q3 of 2012.

Year to date results
AMSC's operating revenues for the first nine months of 2013 and 2012 were USD 65.3 million and USD 65.5 million, respectively. EBITDA for the nine months ending 30 September 2013 and 2012 was USD 62.9 million and USD 63.3 million, respectively. EBIT for the nine months ending 30 September 2013 and 2012 was USD 37.9 million and USD 38.1 million, respectively. Year to date net interest expense of USD 43.0 million, net unrealized foreign exchange gain of USD 14.2 million and unrealized gain on interest swaps of USD 17.3 million are included in net financial items for 2013. The same figures for 2012 include net interest expense of USD 48.2 million, net unrealized foreign exchange loss of USD 9.5 million and unrealized gain on interest swaps of USD 10.1 million. Net profit for the first nine months of 2013 was USD 26.4 million and net loss for the same period in 2012 was USD 9.5 million.

CONDENSED INCOME STATEMENT

	unaudited			
	Q3	Q3	Year to date	
Amounts in USD million (except share and per share information)	**2013**	**2012**	**2013**	**2012**
Operating revenues	22.0	22.2	65.3	65.5
Operating profit before depreciation - EBITDA	**21.3**	**21.8**	**62.9**	**63.3**
Operating profit - EBIT	**12.9**	**13.3**	**37.9**	**38.1**
Net interest expense	(14.2)	(15.8)	(43.0)	(48.2)
Unrealized gain/(loss) on interest swaps	3.3	(1.3)	17.3	10.1
Net foreign exchange gain/(loss)	(0.8)	(9.3)	14.2	(9.5)
Net profit/(loss) for the period *	**1.2**	**(13.1)**	**26.4**	**(9.5)**
Average number of common shares	27,600,000	27,600,000	27,600,000	27,600,000
Basic and diluted earnings/(loss) per share (USD)	**0.04**	**(0.47)**	**0.96**	**(0.34)**

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

CONDENSED STATEMENT OF FINANCIAL POSITION

Amounts in USD million	*unaudited* 30-Sep 2013	30-Sep 2012	31-Dec 2012
Vessels	890.3	923.8	915.4
Interest-bearing long term receivables	28.0	21.4	23.0
Trade and other receivables	0.3	0.3	0.4
Cash held for specified uses	7.0	0.2	7.0
Cash and cash equivalents	13.6	16.6	15.4
Total assets	**939.2**	**962.3**	**961.2**
Total equity	68.3	41.3	41.9
Interest-bearing long term debt	763.1	800.0	798.5
Derivative financial liabilities - long term portion	46.4	69.2	62.9
Interest-bearing short term debt	46.9	43.2	43.8
Derivative financial liabilities - short term portion	4.0	5.1	4.8
Trade and other payables	10.5	3.5	9.3
Total equity and liabilities	**939.2**	**962.3**	**961.2**

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

Interest bearing debt as of 30 September 2013 was USD 810.0 million, net of USD 8.3 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 of USD 583.3 million, the NOK denominated bond of USD 198.9 million and a loan from Converto Capital Fund AS of USD 27.8 million.

AMSC was in compliance with all of its debt covenants as of 30 September 2013.

Outlook

Trade fundamentals that impact the U.S. Jones Act product tanker fleet remain strong. Positive developments include full fleet employment, with no new vessels scheduled for delivery until 2015/2016, and increasing time charter rates. While charter rates are being kept strictly confidential, reports indicate that time charters for the newbuildings due for delivery after 2015/16 are typically for around five years duration. As reported by industry specialists, factors responsible for trade growth include increased output from refineries on the Gulf Coast, reduced imports of refined products, and the emergence of coastwise shale oil shipments. Industry expectations are that the positive trends will continue due to shale oil shipments and the aging of the fleet that will require vessel renewal with only two U.S. shipyards currently building tankers.

To date, profits generated under our profit sharing agreement with OSG have been applied to offset the Company's deficit balances with OSG. See note 12 to the condensed consolidated financial statements for additional information on profit sharing as of 30 June 2013. With increasing time charter rates, prospects for cash profit share are improving. OSG disclosed in a Form 8-K on 20 September 2013 its Summary Projections 2013-2018 for its International and U.S. Flag businesses to "facilitate discussions among constituents in the Chapter 11 reorganization" (reference www.osg.com > Investor Relations > SEC Filings). Please note that the projections provide aggregated charter revenues, with no break out for AMSC's ten vessels.

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.

During Q2 2013, OSG obtained a long term time charter from Shell for a shuttle tanker for operation in the U.S. Gulf of Mexico. In connection with this time charter, OSG and AMSC have agreed on the conversion of one of AMSC's vessels to a shuttle tanker. As part of this agreement, which was approved by the bankruptcy court, OSG assumed the associated contracts with AMSC for the *Overseas Tampa*.

AMSC's activities also expose the Company to a variety of other financial risks, including currency, interest rate and liquidity risk. With the completion in 2012 of the Company's vessel debt extension to June 2016, 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, 22 October 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

	unaudited			
	Q3	**Q3**	**Year to date**	
Amounts in USD million (except share and per share information)	**2013**	**2012**	**2013**	**2012**
Operating revenues	22.0	22.2	65.3	65.5
Operating expenses	(0.7)	(0.4)	(2.4)	(2.2)
Operating profit before depreciation - EBITDA	**21.3**	**21.8**	**62.9**	**63.3**
Depreciation	(8.4)	(8.5)	(25.0)	(25.2)
Operating profit - EBIT	**12.9**	**13.3**	**37.9**	**38.1**
Net interest expense	(14.2)	(15.8)	(43.0)	(48.2)
Unrealized gain/(loss) on interest swaps	3.3	(1.3)	17.3	10.1
Net foreign exchange gain/(loss)	(0.8)	(9.3)	14.2	(9.5)
Net profit/(loss) for the period *	**1.2**	**(13.1)**	**26.4**	**(9.5)**
Average number of common shares	27,600,000	27,600,000	27,600,000	27,600,000
Basic and diluted earnings/(loss) per share (USD)	**0.05**	**(0.48)**	**0.96**	**(0.34)**

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

STATEMENT OF CHANGES IN COMPREHENSIVE INCOME

	unaudited			
	Q3	**Q3**	**Year to date**	
Amounts in USD million	**2013**	**2012**	**2013**	**2012**
Net income/(loss) for the period	1.2	(13.1)	26.4	(9.5)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income/(loss) for the period *	**1.2**	**(13.1)**	**26.4**	**(9.5)**

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

STATEMENT OF FINANCIAL POSITION

	unaudited		
	30-Sep	**30-Sep**	**31-Dec**
Amounts in USD million	**2013**	**2012**	**2012**
Assets			
Non-current assets			
Vessels	890.3	923.8	915.4
Interest-bearing long term receivables	28.0	21.4	23.0
Total non-current assets	**918.3**	**945.2**	**938.4**
Current assets			
Trade and other receivables	0.3	0.3	0.4
Cash held for specified uses	7.0	0.2	7.0
Cash and cash equivalents	13.6	16.6	15.4
Total current assets	**20.9**	**17.1**	**22.8**
Total assets	**939.2**	**962.3**	**961.2**
Equity and liabilities			
Total equity	**68.3**	**41.3**	**41.9**
Non-current liabilities			
Bond payable	199.2	195.8	203.4
Other interest-bearing loans	572.2	616.0	606.0
Derivative financial liabilities - long term portion	46.4	69.2	62.9
Capitalized fees	(8.3)	(11.8)	(10.9)
Total non-current liabilities	**809.5**	**869.3**	**861.4**
Current liabilities			
Interest-bearing short-term debt	46.9	43.2	43.8
Derivative financial liabilities - short term portion	4.0	5.1	4.8
Trade and other payables	10.5	3.5	9.3
Total current liabilities	**61.4**	**51.8**	**57.9**
Total liabilities	**870.9**	**921.0**	**919.3**
Total equity and liabilities	**939.2**	**962.3**	**961.2**

STATEMENT OF CHANGES IN TOTAL EQUITY

	unaudited	
	Year to date	
Amounts in USD million	**2013**	**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	26.4	(9.5)
Total equity as of end of period	**68.3**	**41.3**

CONDENSED CASH FLOW STATEMENT

	unaudited	
	Year to date	
Amounts in USD million	**2013**	**2012**
Net cash flow from operating activities	30.9	19.7
Net cash flow from financing activities	(32.7)	(45.2)
Net change in cash and cash equivalents	**(1.8)**	**(25.5)**
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	**20.6**	**16.8**

Notes to the unaudited condensed consolidated interim financial statements for the three and nine months ended 30 September 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 and nine months ended 30 September 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.

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 30 September 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 30 September 2013, which requires adjusted equity of USD 50 million, was USD 118.7 million.

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

Total interest-bearing debt

Amounts in USD million	**9 months to 9/30/2013**	**9 months to 9/30/2012**
Balance at beginning of period	842.3	893.3
Repayment of debt	(32.7)	(74.1)
Interest added to oustanding debt	12.0	11.7
Foreign currency impact	(14.2)	9.5
Amortization of loan fees	2.5	2.9
Balance at end of period	810.0	843.3

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 9/30/2013**	**3 months to 9/30/2012**	**9 months to 9/30/2013**	**9 months to 9/30/2012**
Interest expense	(14.6)	(16.3)	(44.1)	(49.4)
Interest income	0.4	0.5	1.1	1.2
Net interest expense	**(14.2)**	**(15.8)**	**(43.0)**	**(48.2)**

11. Contingencies

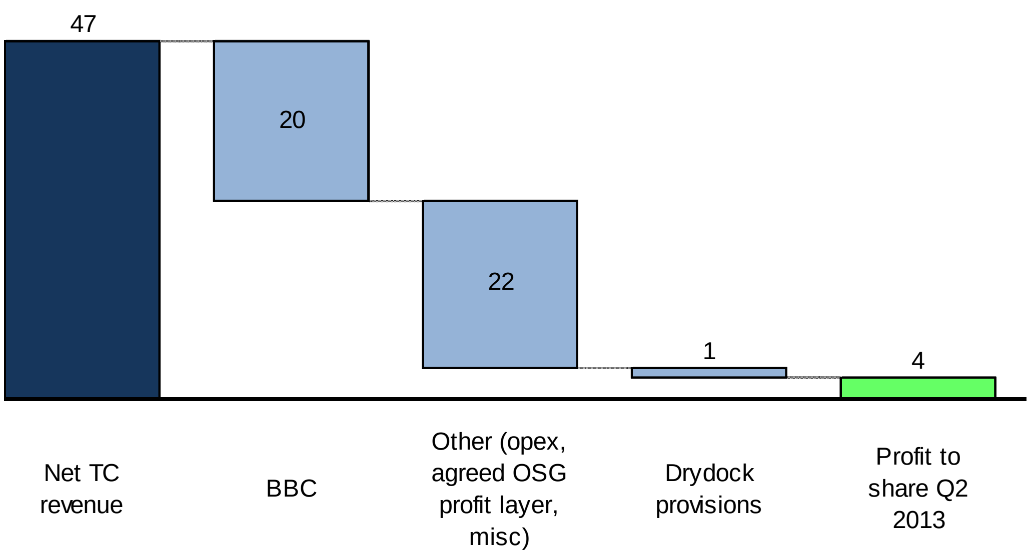
On 14 November 2012, Overseas Shipholding Group, Inc. and certain of its subsidiaries (collectively "OSG"), which has all of AMSC's vessels on bareboat charter, filed a petition with the U.S. Bankruptcy Court for the District of Delaware for relief under Chapter 11 of the U.S. Bankruptcy Code. In addition to holding leases that represent AMSC's entire backlog of USD 564 million as of the end of Q2 2013, OSG also owes AMSC USD 26.2 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.

During Q2 2013, OSG obtained a long term time charter from Shell for a shuttle tanker for operation in the U.S. Gulf of Mexico. In connection with this time charter, OSG and AMSC have agreed on the conversion of one of AMSC's vessels to a shuttle tanker. As part of this agreement, OSG assumed the associated contracts with AMSC for the *Overseas Tampa*.

12. Profit sharing update as of Q2 2013

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.



100% of the Profit to share from Q2 2013 (USD 4m) will first be used to reduce the outstanding deficit amounts. The deficits include the outstanding drydock shortfall (USD 3 million as of Q1 2013) and early month shortfall (USD 7 million as of Q1 2013).

When these amounts have been covered, AMSC's 50% share of the profit will be used to reduce the OSG credit. When the OSG credit has been fully repaid, AMSC will receive its 50% share of the profit in cash. Balances as of the end of Q2 2013 for the deficit amounts and the OSG credit are shown in the table below. The calculations are shown with aggregated, rounded figures in USD millions. Please note that these figures are unaudited numbers and have not been subject to affirmative review.

Balance per Q2 2013:

	Beginning balance	Accrued interest	Repayment	Ending Balance
Deficit	10	0	-4	6
OSG credit	25	1	0	26
Total	35	1	-4	32

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