Fourth Quarter 2010 - American Shipping Company's current fleet of nine vessels is operating successfully, with the last vessel in this series expected to be delivered in Q2 2011.

OSLO (February 21, 2011) – American Shipping Company ASA's ("AMSC" or the "Company") fleet of nine product tankers continues operating successfully under charters to Overseas Shipholding Group, Inc., or one of its subsidiaries (collectively "OSG"). On December 17, 2010, AMSC completed the assignment of the second shuttle tanker shipbuilding contract (upon the delivery of the vessel from Aker Philadelphia Shipyard ("AKPS")) to OSG for USD 35 million as part of the settlement reached with OSG in December 2009. The final vessel in the ten vessel order with Aker Philadelphia Shipyard ("AKPS") is scheduled for delivery in the second quarter of 2011.

AMSC's operating revenues for Q4 2010 and the full year 2010 were USD 19.5 million and USD 68.3 million, respectively, compared to USD 15.0 million in Q4 2009 and USD 54.4 million for the full year 2009. This increase in revenue reflects the bareboat charter hire revenue from the service of the first nine vessels of a ten vessel series in 2010 versus seven vessels in 2009. EBITDA was USD 19.2 million in the fourth quarter 2010 compared to USD 9.9 million in the fourth quarter 2009. EBITDA for the full year 2010 and 2009 was USD 66.0 million and USD 45.2 million, respectively.

Operating expenses were USD 0.3 million in Q4 2010 and USD 2.3 million for the full year 2010, compared to USD 5.1 million Q4 2009 and USD 9.2 million for the full year 2009. This decrease in 2010 primarily relates to lower outside legal and consulting costs in connection with the arbitration and settlement negotiations with OSG that occurred in 2009. In addition, a one-time charge of USD 3.5 million was taken in Q4 2009 for the transfer of long-lead items to AKPS as part of the settlement. EBIT was USD 9.5 million in Q4 2010 compared to USD 2.2 million in Q4 2009. EBIT for the full year 2010 was USD 31.8 million and for the full year 2009 was USD 17.3 million.

Net financial items (excluding unrealized gains or losses on interest swaps) were negative USD 2.8 million in Q4 2010 and negative USD 35.6 million for the full year 2010, consisting of net interest expense (interest expense less interest income and capitalized interest) of negative USD 14.5 million for Q4 2010 (negative USD 49.8 million for the full year 2010), a gain on the sale of the shipbuilding contract of USD 12.2 million and a net foreign exchange loss of USD 0.5 million in Q4 2010 (gain of USD 2.0 million for the full year 2010). Net financial items (excluding unrealized gains or losses on interest swaps) in Q4 2009 and for full year 2009 were negative USD 4.8 million and negative USD 40.4 million, respectively. The net interest expense for Q4 2009 and the full year 2009 were negative USD 9.9 million and negative USD 38.3 million, respectively. The net foreign exchange impact was negative USD 1.6 million for Q4 2009 and negative USD 8.8 million for the full year 2009. In addition, a gain of USD 11.2 million for the sale of the first shipbuilding contract and a one-time charge for lender and guarantor fees of USD 4.5 million was recorded in Q4 2009. Capitalization of interest is related to the financing of progress payments on ships in construction.

In addition, in Q4 2010, an unrealized, non-cash gain of USD 18.3 million was recognized related to its interest swap contracts on its vessel financing. The year-to-date unrealized loss of USD 16.8 million on interest swaps had no cash impact on AMSC. The corresponding Q4 and year-to-date amounts for 2009 were an unrealized gain of USD 3.9 million and unrealized gain of USD 21.6 million, respectively.

Net profit for the fourth quarter of 2010 was USD 25.0 million versus a net profit of USD 1.6 million in the fourth quarter of 2009. For the full year 2010, net loss was USD 20.6 million and for the full year 2009, net loss was USD 1.3 million.

INCOME STATEMENT

Amounts in USD million (except share and per share information)	Q4 2010 (unaudited)	Q4 2009 (unaudited)	Full Year 2010 (unaudited)	Full Year 2009 (unaudited)
Operating revenues	19.5	15.0	68.3	54.4
EBITDA	**19.2**	**9.9**	**66.0**	**45.2**
Operating profit - EBIT	9.5	2.2	31.8	17.3
Gain on sale of shipbuilding contract	12.2	11.2	12.2	11.2
Net Financial items	(15.0)	(16.0)	(47.8)	(51.6)
Unrealized gain/(loss) on interest swaps	18.3	3.9	(16.8)	21.6
Profit before tax	25.0	1.3	(20.6)	(1.5)
Profit/(loss) for the period *	**25.0**	**1.6**	**(20.6)**	**(1.3)**
Dividends paid on preferred shares in subsidiary	-	-	-	(0.9)
Profit/(loss) attributable to equity holders of the parent for the period	**25.0**	**1.6**	**(20.6)**	**(2.2)**
Average number of common shares	27,600,000	27,600,000	27,600,000	27,600,000
Basic and diluted earnings per share (USD)	**0.91**	**0.06**	**(0.75)**	**(0.08)**

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

STATEMENT OF FINANCIAL POSITION

Amounts in USD million	*unaudited* 31-Dec 2010	31-Dec 2009
Property, plant & equipment	884.1	703.9
Interest-bearing long term receivables	11.7	7.3
Other non current assets	24.7	74.7
Non-current cash held for specified uses	46.0	25.2
Assets held for sale	-	21.3
Trade and other receivables	0.8	1.3
Cash held for specified uses	19.6	12.1
Cash and cash equivalents	21.2	20.5
Total assets	**1,008.1**	**866.3**
Total equity	58.2	78.8
Interest-bearing long term debt	801.0	673.9
Interest-bearing short term debt	44.8	31.8
Tax payable and trade and other payables	104.1	81.8
Total equity and liabilities	**1,008.1**	**866.3**

Other non-current assets include prepayments to AKPS for vessel construction.

Interest bearing debt as of December 31, 2010 was USD 845.8 million, net of USD 15.7 million in capitalized fees versus USD 705.7 million as of December 31, 2009. This debt relates to the financing on the first nine vessels as well as the NOK denominated bond (consisting of principal amount of NOK 700 million plus payment-in-kind interest through December 2010) issued in February 2007. Tax payable, trade and other payables include the negative mark-to-market valuation of the interest rate swaps of USD 95.8 million as of December 31, 2010, and USD 79.0 million as of December 31, 2009, as well as other accrued costs and liabilities.

Outlook

As the year ended, the U.S. Jones Act market continued to be in an over supply position as the supply of Jones Act product tankers continued to exceed demand from Charterers. Demand in the U.S. for petroleum continues to remain below historical levels. AMSC, with our long-term charters and stable cash flows, is provided with protection from short-term market movements. However, the extent of receiving profit sharing contributions (which is a component of our bareboat charters) will depend on the time charter rates obtained in the market by OSG as well as OSG's ability to operate the vessels in a cost efficient manner. To date, the Company has not yet received any profit sharing contributions and based on market conditions, we do not expect to receive profit sharing in the medium term. However, we continue to expect that the market will improve over the longer-term. We have continued with our strategy of maintaining tight cost controls and are prepared to capitalize on value creation opportunities in both the operating market as well as the financial market. We remain focused on achieving the conditions required for extending our bareboat charters to December 2019 (from charters that currently expire between 2014 and 2016) per the settlement agreement with OSG (see the 2009 Annual Report for more information on the settlement agreement with OSG).

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.

Risks

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

AMSC's activities also expose it to a variety of other financial risks, including currency risk, interest rate risk and liquidity risk. In addition, AMSC is subject to foreign exchange risk associated with the value of the Norwegian Kroner to the U.S. dollar. The Company is currently evaluating alternatives to address its future debt refinancing needs.

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

AMSC does have counterparty risk with AKPS associated with various guarantees AMSC has given on AKPS obligations, pursuant to the terms under which the companies became separate publicly listed entities in 2007. The continued operations at AKPS will be dependent upon its ability to obtain new orders or financing for building additional vessels. As announced by AKPS in its Q4 2010 market release, the tentative agreement entered into by AKPS and the Philadelphia Shipyard Development Corporation (PSDC) in December 2010, became effective on February 17, 2011. That agreement provides the basis for AKPS to build its next two product tankers, however the agreement is subject to certain closing conditions. If the agreement between AKPS and PSDC is not finalized as expected, AMSC could potentially be subject to liabilities (not reflected in this release) as described in Footnote 23 in AMSC's 2009 Annual Report, and AMSC would need to consider what adjustments and additional disclosures would be necessary in its financial statements to be included in the 2010 Annual Report.

For further details of AMSC's risks, including our guarantees, refer to the 2009 Annual Report.

Oslo, February 18, 2011
The Board of Directors and Managing Director
American Shipping Company ASA

Annette Malm Justad Chairperson	John Rose Director
Dag Fasmer Wittusen Director	Gregory J. Matecki President/CEO and CFO

American Shipping Company ASA Group

INCOME STATEMENT

Amounts in USD million (except share and per share information)	Q4 2010 *unaudited*	Q4 2009 *unaudited*	Full Year 2010 *unaudited*	Full Year 2009 *unaudited*
Operating revenues	19.5	15.0	68.3	54.4
Operating expenses	(0.3)	(5.1)	(2.3)	(9.2)
Operating profit before depreciation	**19.2**	**9.9**	**66.0**	**45.2**
Depreciation	(9.7)	(7.7)	(34.2)	(27.9)
Operating profit	**9.5**	**2.2**	**31.8**	**17.3**
Gain on sale of shipbuilding contract	12.2	11.2	12.2	11.2
Net financial items	(15.0)	(16.0)	(47.8)	(51.6)
Unrealized gain/(loss) on interest swaps	18.3	3.9	(16.8)	21.6
Profit/(loss) before tax	**25.0**	**1.3**	**(20.6)**	**(1.5)**
Tax expense	-	0.3	-	0.2
Profit/(loss) for the period *	**25.0**	**1.6**	**(20.6)**	**(1.3)**
Dividends paid on preferred shares in subsidiary	-	-	-	(0.9)
Profit/(loss) attributable to equity holders of the parent for the period	**25.0**	**1.6**	**(20.6)**	**(2.2)**
Average number of common shares	27,600,000	27,600,000	27,600,000	27,600,000
Basic and diluted earnings per share (USD)	**0.91**	**0.06**	**(0.75)**	**(0.08)**

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

STATEMENT OF CHANGES IN COMPREHENSIVE INCOME

Amounts in USD million	Q4 2010 *unaudited*	Q3 2009 *unaudited*	Full Year 2010 *unaudited*	Full Year 2009 *unaudited*
Net income/(loss) for the period	25.0	1.6	(20.6)	(2.2)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income/(loss) for the period	**25.0**	**1.6**	**(20.6)**	**(2.2)**

STATEMENT OF FINANCIAL POSITION

Amounts in USD million	31-Dec 2010 *unaudited*	31-Dec 2009
Assets		
Non-current assets		
Property, plant & equipment	884.1	703.9
Interest-bearing long term receivables	11.7	7.3
Prepayments	24.7	74.7
Non-current cash held for specified uses	46.0	25.2
Total non-current assets	**966.5**	**811.1**
Current assets		
Assets held for sale	-	21.3
Trade and other receivables	0.8	1.3
Cash held for specified uses	19.6	12.1
Cash and cash equivalents	21.2	20.5
Total current assets	**41.6**	**55.2**
Total assets	**1,008.1**	**866.3**
Equity and liabilities		
Total equity	**58.2**	**78.8**
Non-current liabilities		
Bond payable	167.5	158.3
Other interest-bearing loans	649.2	534.8
Capitalized fees	(15.7)	(19.2)
Total non-current liabilities	**801.0**	**673.9**
Current liabilities		
Interest-bearing short-term debt	44.8	31.8
Tax payable and trade and other payables	104.1	81.8
Total current liabilities	**148.9**	**113.6**
Total liabilities	**949.9**	**787.5**
Total equity and liabilities	**1,008.1**	**866.3**

STATEMENT OF CHANGES IN TOTAL EQUITY

Amounts in USD million	Full Year 2010 *unaudited*	Full Year 2009 *unaudited*
Equity related to the equity holders of the parent company as of beginning of period	78.8	81.0
Total comprehensive income/(loss) for the period	(20.6)	(1.3)
Dividends paid from a subsidiary	-	(0.9)
Equity related to the equity holders of the parent company as of end of period	**58.2**	**78.8**
Preferred shares in subsidiary as of beginning of period	-	20.0
Preferred stock issued / (redeemed)	-	(20.0)
Total equity as of end of period	**58.2**	**78.8**

CASH FLOW STATEMENT

Amounts in USD million	Full Year 2010 *unaudited*	Full Year 2009 *unaudited*
Net cash flow from operating activities	44.6	39.4
Net cash flow from investing activities	(140.4)	(192.6)
Net cash flow from financing activities	104.0	113.6
Net change in cash and cash equivalents	**8.2**	**(39.6)**
Effects of changes in exchange rates on cash	-	0.4
Cash and cash equivalents, including cash held for specified uses at the beginning of period	32.6	71.8
Cash and cash equivalents, including cash held for specified uses at end of period	**40.8**	**32.6**

Notes to the unaudited condensed consolidated interim financial statements for the three months and twelve months ended December 31, 2010

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 and twelve months ended December 31, 2010 comprise AMSC and its wholly owned subsidiaries. American Shipping Company has one operating segment.

The interim report has not been subject to audit or review by independent auditors.

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 twelve month periods are not necessarily indicative of the results that may be expected for any subsequent interim period or year. Certain prior period reclassifications were made to conform to current year presentation.

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, 2009.

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, 2009. There have not been any new IFRS standards or interpretations issued after the completion of the annual consolidated financial statements for the year 2009 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 December 31, 2009.

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 December 31, 2010, 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 2010 or 2009.

8. Interest-bearing debt

The following shows material changes in interest-bearing debt:

Amounts in USD million	**12 months to 12/31/2010**	**12 months to 12/31/2009**
Balance at beginning of period	705.7	504.4
Repayment of debt	(34.6)	(20.3)
Issuance of debt	160.0	180.0
Interest added to oustanding debt	13.2	11.1
Foreign currency impact	(2.1)	27.1
Amortization of loan fees	3.6	3.4
Balance at end of period	845.8	705.7

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 12/31/2010	3 months to 12/31/2009	12 months to 12/31/2010	12 months to 12/31/2009
Interest expense	(15.6)	(12.3)	(56.0)	(46.9)
Interest income	0.2	-	0.7	0.7
Interest capitalized	0.9	2.4	5.5	7.9
Net interest expense	**(14.5)**	**(9.9)**	**(49.8)**	**(38.3)**

11. Events after 31 December 2010

AMSC has counterparty risk associated with various guarantees AMSC has given on obligations of Aker Philadelphia Shipyard, Inc ("AKPS"), pursuant to terms under which the companies became separate legal entities in 2007. The continued operations at AKPS will be dependent upon its ability to obtain new orders or financing for building additional vessels. On 17 February 2011, the tentative agreement (signed in mid-December 2010) between AKPS and the Philadelphia Shipyard Development Corporation became effective. That agreement provides the basis for AKPS to build two additional vessels; however, the closing of the transaction between AKPS and PSDC remains subject to certain closing conditions.

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Disclaimer

This press release includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for American Shipping Company ASA and its subsidiaries and affiliates (the "American Shipping Company Group") lines of business. These expectations, estimates, and projections are generally identifiable by statements containing words such as "expects," "believes," "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the American Shipping Company Group's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although American Shipping Company ASA believes that its expectations and the information in this press release were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this press release. Neither American Shipping Company ASA nor any other company within the American Shipping Company Group is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the press release, and neither American Shipping Company ASA, any other company within the American Shipping Company Group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the press release.

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.