

## INTERIM REPORT 1 JANUARY–31 MARCH 2011

	Q1 (Jan–March)		Full year
	2011	2010	2010
Net turnover (MSEK)	159.0	107.3	513.4
Result after tax (MSEK)	20.9	22.9	80.4
Result per share (SEK)	0.44	0.48	1.68
EBITDA (MUSD)	8.9	7.1	30.5
Available liquid funds <sup>1)</sup> (MSEK)	713.2	672.8	698.0

1) Including unutilised credit facilities.

- **Business operations proceeding according to plan.**
- **Continued satisfactory available liquid funds, SEK 713.2 (672.8) million.**
- **Forecast for 2011: A profit before tax of USD 10–13 million (approx. SEK 65–85 million), depending on how the open market develops in 2011.**

### PRESIDENT HANS NORÉN PRESENTS THE REPORT

By scanning in the QR code on the right, you can watch Hans Norén present the report on your mobile. Read more about QR codes and how they are used on the last page.



# THIS IS CONCORDIA MARITIME

Concordia Maritime is an international tanker shipping company. The company's focus is on cost-effective and safe transportation of refined petroleum products such as gasoline, diesel fuel and jet fuel. The Series B share has been listed on the Nasdaq OMX in Stockholm since 1984.

## OUR BUSINESS CONCEPT

To provide the customers with safe and cost-efficient tanker transportation based on innovation and performance.

## OUR VISION

To be the customers' first choice for safe, innovative and efficient tanker transportation, which will result in good profitability, steady growth and financial stability.

## OUR BUSINESS MODEL

Concordia Maritime's business and revenue model consists of providing vessels to customers in need of safe and cost-efficient transportation of oil and petroleum products. Revenues are generated mainly by chartering out vessels (spot market or time charters), profit-sharing clauses in charters and the sale of ships. Costs are kept under control by means of long-term maintenance, efficient manning and control over capital costs.

## OUR CUSTOMERS

The customers include some of the world's largest oil and energy companies. Customer relations are characterised by partnership, cooperation and a long-term perspective.

## OUR COOPERATION PARTNERS

Concordia Maritime conducts its business activities in close cooperation with several companies in the Stena Sphere. This means that the company's business activities can be conducted cost-efficiently at the same time as its customers have access to the Stena Sphere's knowledge base.

## WHAT WE TRANSPORT

The change in business activities implemented in recent years has resulted in a shift in focus from the transportation of crude oil to the transportation of refined petroleum products. The 12 product tankers (P-MAX and panamax) ordered in the last few years, and which are now delivered and will be delivered, are all designed primarily to transport refined petroleum products. Additionally, there is one suezmax tanker, designed for the transportation of crude oil, on order with delivery set for the second quarter of 2012. Vessels may also be chartered in for short periods in both the product and crude oil segments.

## FINANCIAL OBJECTIVES

**Growth** At least 10% per year, while maintaining profitability

**Profitability** Return on equity of at least 12%

**Equity ratio** At least 50% over a business cycle



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# PRESIDENT'S VIEWS

**The trend during the first quarter of the year was as expected as regards both the company's activities and the market. Concordia Maritime's result after tax for the first quarter was SEK 20.9 (22.9) million and EBITDA SEK 57.5 (51.2) million.**

## Comments on the result

By and large, 2011 began as expected. The product tanker market gradually strengthened, particularly towards the end of the quarter. It is worth bearing in mind that the market has improved from very low levels. The market in the large-tanker segment continued to be weak.

Concordia Maritime's business activities have developed as anticipated. The freight rates in the time charter contracts for the P-MAX and panamax tankers continued to be much higher than the rates in the open market and averaged just over USD 20,000 per day.

All our vessels have performed well. During the quarter, one tanker, the *Stena Provence*, underwent its obligatory 5-year inspection. As in the case of last year's drydocking of the *Stena Paris*, there were no negative surprises. The tanker is in good condition.

## Future prospects

An imbalance between the supply of and demand for tanker transportation is resulting in weak markets. Put very simply, one could say that the demand for oil transport is high, but supply has so far been even higher. This year, the growth rate of the world tanker fleet is expected to decrease, not least in the case of product tankers. As regards demand, there are many positive parameters.

We stand by our earlier assessment that the product tanker market will slowly and gradually improve from current levels. 2011 will probably be yet another weak year, while in 2012 and, in particular, 2013, the prospects for a market in balance are good.

Our own financial position continues to be stable with the capacity for further investments if the right business opportunities arise.

## Forecast for 2011

In 2011, we will be exposed to some degree to the open market. During the summer, one P-MAX tanker will be redelivered from its charter and during the first two quarters, our exposure is in the form of two tankers chartered in, a suezmax and an aframax tanker.

Our assessment is that in the financial year 2011, Concordia Maritime will achieve a result before tax of USD 10–13 million, equivalent to SEK 65–85 million, depending on how the market develops.



## Key ratios

	Q1		Full year
	2011	2010	2010
Result after tax, MSEK	20.9	22.9	80.4
EBITDA, MSEK	57.5	51.2	219.5
Available liquid funds including unutilised credit facilities, MSEK	713.2	672.8	698.0
Result per share after tax, SEK	0.44	0.48	1.68
EBITDA per share, SEK	1.20	1.07	4.60
Equity per share, including dividend, SEK	35.01	37.69	35.94
Equity ratio, %	51	52	50
Equity growth, including dividend, %	-3	1	-4
Return on equity, including dividend, %	5	5	5

# BUSINESS ACTIVITIES

**During the first quarter, the fleet performed according to plan. All the tankers are currently signed to charters at freight rates far exceeding the rates on the spot market.**

## **P-MAX**

Nine owned P-MAX tankers were operated during the first quarter. They are all signed to charters of between three and ten years following delivery. The P-MAX tankers operate in different geographical markets all over the world, transporting both light (e.g. gasoline) and heavy petroleum products (e.g. fuel oil) as well as crude oil. During the period, the *Stena Provence* underwent her 5-year drydocking according to plan.

## **Panamax**

The two panamax tankers *Stena Poseidon* and *Palva*, which are owned by Concordia Maritime via a joint venture with Neste Shipping, continued to sail for Neste Oil in transatlantic traffic.

## **Aframax**

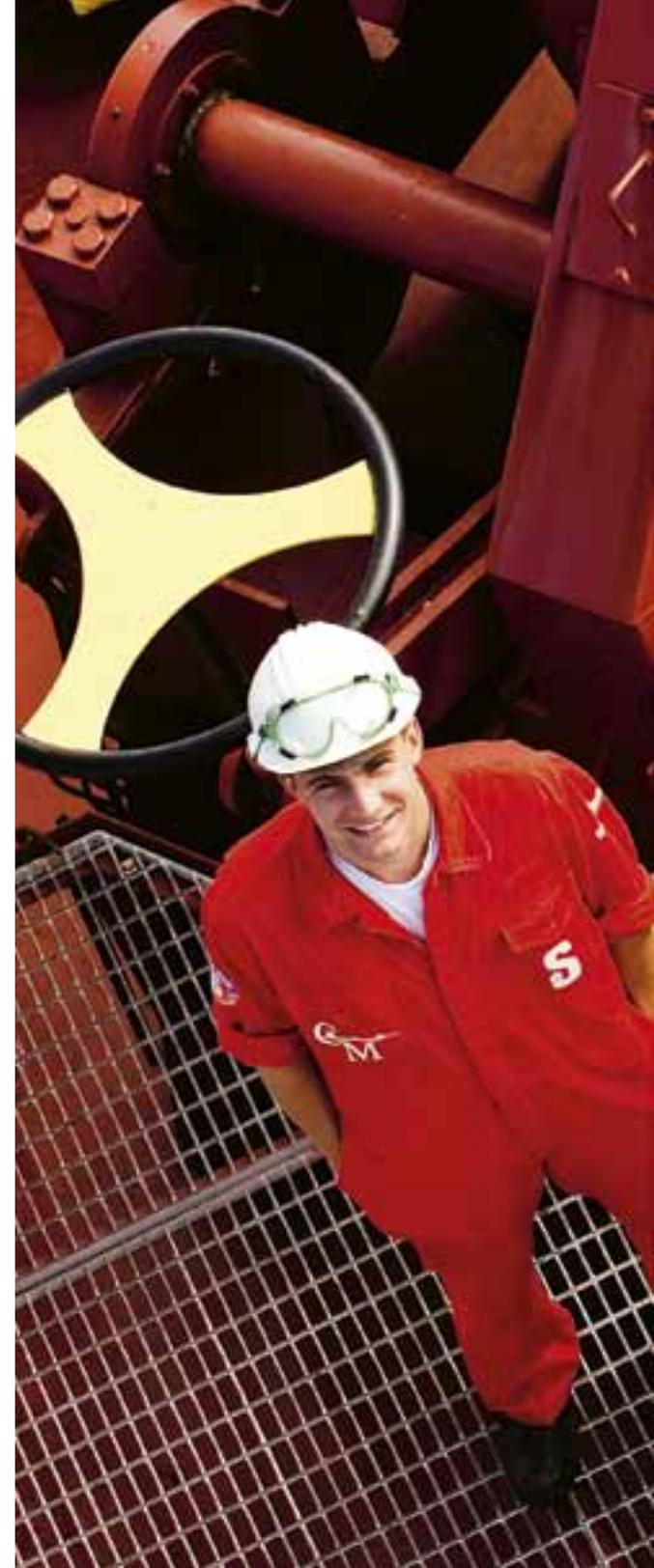
During a short period, Concordia Maritime participated with a 50 percent share of the charter of two aframax tankers with a high ice class (1A) from mid-December 2010 until the end of the first quarter of 2011. An aframax tanker has a deadweight of around 110,000 tons and transports primarily crude oil.

## **Suezmax**

Concordia Maritime's presence in the large-tanker market is in the form of the suezmax tanker *Yasa Scorpion*, which has been chartered together with Stena Bulk since May 2010. The charter expires in May 2011.

## **Newbuilding program**

The tenth and last unit in the series of P-MAX tankers is set for delivery at the end of the second quarter of 2011. The suezmax tanker ordered in the first quarter of 2010 is expected to be delivered in the second quarter of 2012.



## BUSINESS ACTIVITIES (CONT.)

### EBITDA per quarter

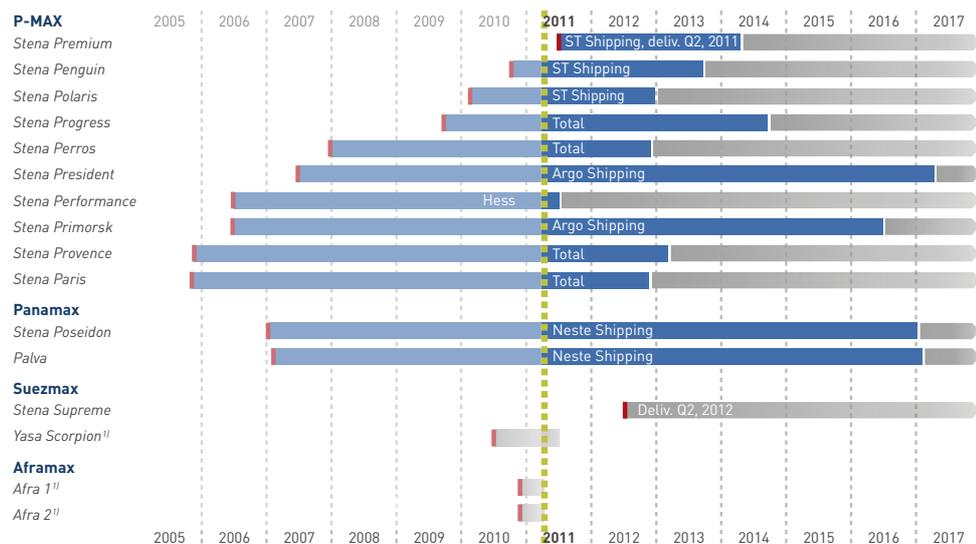
MUSD	Q1	
	2011	2010
P-MAX	8.8	6.9
Panamax	1.2	1.3
Aframax	0.0	
Suezmax	0.0	
Admin. and others	-1.1	-1.1
<b>Total</b>	<b>8.9</b>	<b>7.1</b>

2010, MUSD	Q1	Q2	Q3	Q4	12 months
P-MAX	6.9	7.6	8.1	8.6	31.2
Panamax	1.3	1.2	0.7	1.2	4.4
Aframax				0.1	0.1
Suezmax		0.1	0.1	-0.2	0.0
Admin. and others	-1.1	-1.2	-1.5	-1.4	-5.2
<b>Total</b>	<b>7.1</b>	<b>7.7</b>	<b>7.4</b>	<b>8.3</b>	<b>30.5</b>

### Income by geographical segment

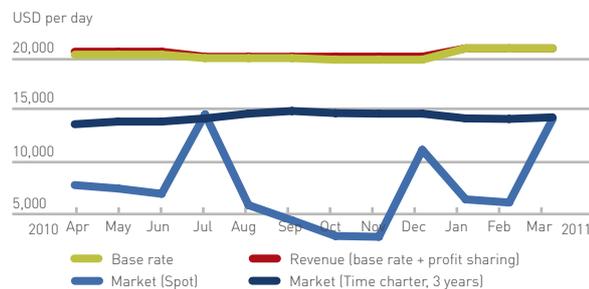
MUSD	Q1		2010 12 months
	2011	2010	
EU	17.3	9.2	44.7
Rest of the world	7.2	5.7	26.5
<b>Total</b>	<b>24.5</b>	<b>14.9</b>	<b>71.2</b>

### Close customer relations



The majority of the vessels in the fleet are currently signed to long-term charters, which provide financial stability thus making possible long-term development.

### The product fleet's average freight rate per vessel and day



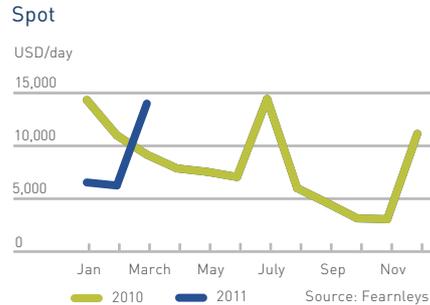
The graph shows the trend of the spot market, the base hire for Concordia Maritime's product tanker fleet and the actual revenues. The figures for the fleet are based on full employment, i.e. the base hire for the fleet is adjusted downwards to reflect any off hire.

# TREND OF THE FREIGHT MARKET

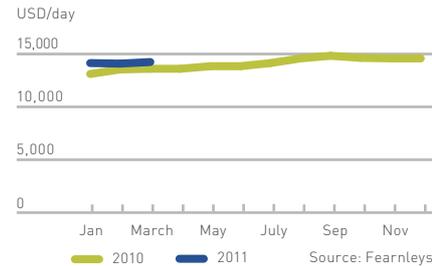
## FIRST QUARTER 2011

### Product tanker market (MR)

During the quarter, the average freight rates for an MR product tanker on the spot market were about USD 9,000 per day, which was far higher than in the previous quarter. At the end of the quarter, freight rates were around USD 15,000 per day. On the time-charter market, 3-year charter contracts were signed at levels of around USD 15,000 per day at the end of the period.

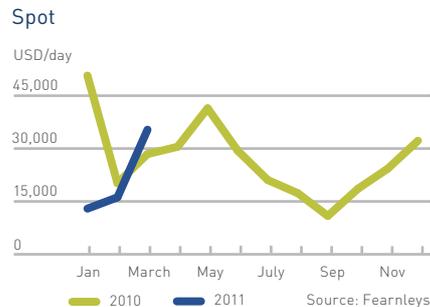


### Time charter

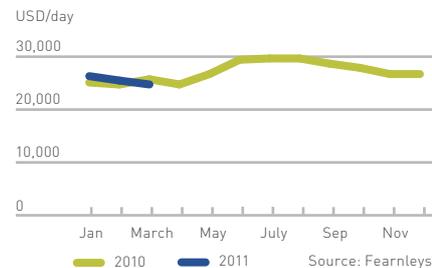


### Large-tanker market (suezmax)

The freight rates for suezmax tankers remained relatively unchanged, averaging around USD 25,000 per day. The time-charter market also continued to be stable and at the end of the quarter, 3-year charter contracts were signed at levels of around USD 25,000 per day.

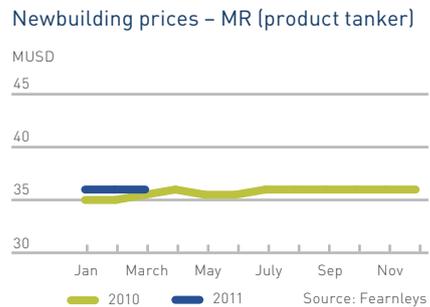


### Time charter

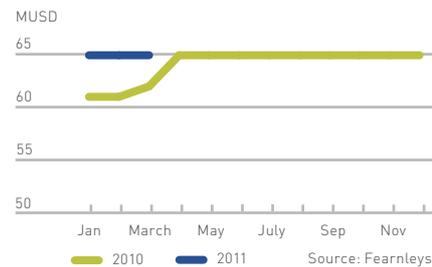


### Newbuilding prices

During the quarter, newbuilding prices remained, in principle, unchanged. The price of a standard type MR tanker was about USD 36 million and prices in the suezmax segment were in the region of USD 65 million.



### Newbuilding prices – suezmax



All the graphs on this page show the average value per month.



## QUARTERLY SUMMARY

### Fourth quarter, 2010

#### Product tanker market (MR)

During the quarter, the average freight rates for an MR product tanker on the spot market were about USD 6,000 per day, which was far lower than during the previous quarter. On the time-charter market, 3-year charter contracts were signed at levels of around USD 14,500 per day at the end of the period.

#### Large tanker market (suezmax)

The freight rates for suezmax tankers rose 50 percent during the quarter. The average freight rate was around USD 22,000 per day. The time-charter market continued to be more stable and 3-year charter contracts were estimated at levels of around USD 27,000 per day at the end of the period.

#### Newbuilding prices

Newbuilding prices remained, in principle, unchanged. The price of a newly built standard MR tanker was about USD 36 million and in the suezmax segment, prices were in the region of USD 65 million.

### Quarterly summary

#### Third quarter, 2010

#### Product tanker market (MR)

During the quarter, the average freight rates for an MR product tanker on the spot market were about USD 10,000 per day, higher than in both the second quarter and the same quarter in 2009. It should, however, be emphasised that the increase was from very low levels. On the time-charter market, 3-year charter contracts were signed at levels of around USD 15,000 per day at the end of the period.

#### Large tanker market (suezmax)

The freight rates for suezmax tankers fell sharply during the quarter. The average freight rate was USD 17,000 per day, a 50 percent drop compared with the previous quarter. The time-charter market continued to be more stable and 3-year charter contracts were signed at levels of around USD 30,000 per day at the end of the period.

#### Newbuilding prices

Newbuilding prices remained, in principle, unchanged. The price of a newly built standard MR tanker was about USD 36 million and in the suezmax segment, prices were in the region of USD 65 million.

### Second quarter, 2010

#### Product tanker market (MR)

The average freight rates on the spot market during the quarter were around USD 8,000 per day, the same as in the corresponding period in 2009 but about 35 percent lower than in the first quarter of 2010. On the time-charter market, 3-year charter contracts were signed at levels of around USD 14,000 per day at the end of the period.

#### Large tanker market (suezmax)

The trend in the suezmax segment was more volatile. In May, the freight rates on the spot market rose sharply but subsequently fell again. The average freight rates on the spot market during the quarter were around USD 32,000 per day, about 60 percent higher than the average for 2009.



# FINANCIAL SUMMARY

## Turnover and result

First quarter, 2011  
 Turnover during the first quarter amounted to SEK 159.0 (107.3) million. The result after financial items was SEK 19.0 (20.7) million. The result after tax was SEK 20.9 (22.9) million, which corresponds to a result per share of SEK 0.44 (0.48).

## Equity

Equity per share is SEK 35.01 (37.69). The group’s equity is denominated in US dollars and decreased during the first quarter of 2011 due to the SEK/USD exchange rate having fallen from SEK 6.73 at the beginning of the quarter to SEK 6.31 at the end of the period. The decrease has been countered by the parent company’s equity hedge, which generated a surplus of SEK 37.5 (–7.9) million.

## Changes in translation and hedging reserves

The Parent Company’s functional currency is SEK, but the majority of the transactions in the Group are in USD, i.e. the majority of the income and costs as well as the balance

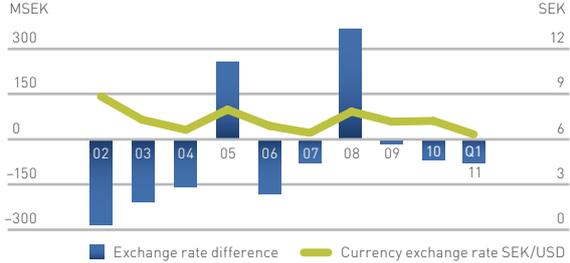
sheet are nominally in USD. The Group’s result is generated in USD, which means that the result in SEK is a direct function of the trend of the SEK/USD exchange rate. In February 2009, Concordia Maritime re-entered into a so-called equity hedge amounting to about 50 percent of the equity in its foreign subsidiaries, corresponding to USD 125 million. This equity hedge resulted in a result of SEK 37.5 (–7.9) million after tax, corresponding to a SEK 0.79 (–0.17) per share during the first quarter of 2011, which is recorded in “Other total comprehensive income”.

The accumulated exchange rate differences, including the effects of hedging, recorded directly to equity, amount to SEK –26.2 (119.8) million. The changes are reported in equity via “Other total comprehensive income”.

In conjunction with the order for four P-MAX tankers, a cash flow hedge, USD against EUR, was entered into for future payments to the shipyard. The realised result is reported as “Ships under construction”. The change in value during the period, including exchange rate changes, amounts to SEK 0.4 (–5.2) million.

## Exchange rate differences against Other total comprehensive income

As a result of the trend of the SEK/USD exchange rate in 2011, the company’s profit in SEK has changed despite the fact that in USD it has remained unchanged. Read more in “Changes in translation and hedging reserves” about how the company protects itself against currency and interest rate fluctuations.



## FINANCIAL SUMMARY (CONT.)

In 2009, the company entered into additional interest hedges corresponding to USD 100 million in order to protect itself against interest fluctuations. At the end of the first quarter of 2011, the interest hedges amounted to a total of USD 140 million. These interest hedges are structured in such a way as to cover about 60 percent of anticipated future borrowing within existing credit facilities and expire in 2015. At the end of the first quarter of 2011, these contracts were valued at SEK –28.1 (–8.3) million, which is recorded to equity under “Hedge reserve” via “Other total comprehensive income”. On 31-03-2011, the hedge reserve amounted to SEK –28.1 (–10.6) million.

### Liquidity and financial position

The Group’s available liquid funds, including unutilised credit facilities, amounted to SEK 713.2 (672.8) million on 31-03-2011.

Interest-bearing liabilities during the period increased from SEK 1,596.1 million to SEK 1,480.0 million. On the accounting date, equity amounted to SEK 1,670.9 (1,798.7) million and the equity ratio was 51 (52) percent.

### Investments

Accumulated investments during the quarter amounted to SEK 56.6 (298.0) million and are related to deliveries of ships, advance payments and project costs.

### Seasonal variations

The fact that Concordia Maritime’s vessels are chartered out on long-term contracts counteracts the seasonal variations that otherwise characterise tanker shipping.

### Employees and option programs

On 31-12-2010, the Group had 359 employees, including 353 seagoing employees. There are no option programs.

### Investments

Part of the company’s bond portfolio was sold during the quarter. As a result of this, the bond portfolio is classified as “for sale” as of Q3, which means that it is valued at its market value via “Other total comprehensive income”. Other investments are classified as previously, i.e. “held for trading”. Here, excess liquidity has been invested in a port-

folio with a due-date structure that corresponds well with the investment program. These securities provide a return of 7–8 percent (also called purchase yield).

Other holdings (primarily mutual funds) are valued at their market value on each accounting date and their value at the end of the period amounted to SEK 71.2 (37.6) million.

### Parent company

The Parent Company’s turnover totalled SEK 35.6 (0.0) million. Intergroup invoicing accounted for SEK 0.0 (0.0) million of this amount. The result after financial items was SEK 56.7 (–9.0) million. The Parent Company’s available liquid funds, including unutilised credit facilities, amounted to SEK 1,778.1 (1,819.1) million.

### Other events

The Board of Directors proposes that the Annual General Meeting in 2011 approve a dividend of SEK 1.0 (1.0) per share.

## OTHER INFORMATION

### Related company transactions

Concordia Maritime has a small organisation and purchases services from companies in the Stena Sphere, including Stena Bulk, which conducts tanker business that in some respects competes with Concordia Maritime. Accordingly, there is an agreement, entered into many years ago, that regulates the relationship between the two companies with respect to new business. According to the terms of this agreement, Concordia Maritime has the right to choose whether it wishes to participate 0%, 50% or 100% in the deal in question.

At the beginning of April, Stena Bulk started a joint venture together with Danish Weco in the form of a newly established company, Stena Weco, with Stena Bulk and Weco each owning 50 percent. Weco mainly specialises in the transportation of vegetable oils.

A new agreement with Stena Bulk gives Concordia Maritime the right to the financial outcome on vessels chartered in for a period of more than one year, that has been conducted by Stena Weco, should Concordia Maritime chose to participate. Any other business generated by Stena Weco is not available to Concordia Maritime.

Concordia Maritime purchases services on a regular basis from the the Stena Sphere in the following areas:

- Vessel charter. Payment is based on a commission of 1.25 percent on freight rates.
- Commission on the purchase and sale of vessels. Payment is based on a commission of 1 percent.
- Operation and manning of the Group's vessels, so-called ship management. Payment is based on a fixed price per year and vessel.
- Purchases of bunker oil. Payment is based on a fixed commission per ton purchased.
- Administration, marketing, insurance, technical follow-up and development of Concordia Maritime's fleet. Payment is based on a fixed price per month and vessel. In the case of technical consulting services for newbuilding projects, an hourly rate is charged on current account, which is then charged to the project.
- Office rent and office services. A fixed price per year is charged.

All related company transactions take place on commercial terms and at market-related prices.



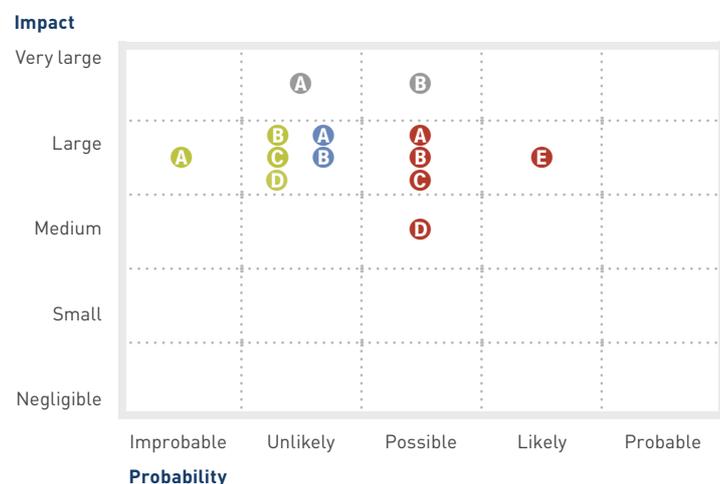
## OTHER INFORMATION (CONT.)

### Risks and uncertainty factors

Concordia Maritime is exposed to a number of different risks. The foremost market-related risks that affect Concordia Maritime include the general economic climate, freight rates, the price of oil and political factors. Risks related to operational activities include ship management and insurance questions and employees. Additionally, Concordia Maritime is also exposed to credit and financial risks.

The management and board work actively to both minimise risk exposure and minimise the consequences and effects if a risk should nevertheless arise. Please refer to the annual report of 2010 for further information.

For the sake of clarity, the risks are presented in the format below. Please note, however, that the description does not claim to be complete or exact since the risks and their degree vary over time.



	Type of risk	Effect (1-5)	Probability (1-5)	Risk strategy
<b>1. Corporate risks</b>	<b>A</b> Brand	4 (4)	1 (1)	Quality at every stage. Far-reaching preventive work. A leader in safety.
	<b>B</b> Employees	4 (4)	2 (2)	Close collaboration with several companies in the Stena Sphere.
	<b>C</b> Liquidity	4 (4)	2 (1)	Stable cash flows as a result of contracts. Good bank connections.
	<b>D</b> Financing risk	4 (4)	2 (2)	Stable cash flows, high liquidity and equity ratio, and good bank connections.
<b>2. Market-related risks</b>	<b>A</b> Economic trends	4 (4)	3 (2)	Customer relations to a large extent based on contracts.
	<b>B</b> Freight rates	4 (4)	3 (3)	Operations currently based on contracts.
	<b>C</b> Oil price	4 (4)	3 (3)	The customer pays the cost of bunker oil.
	<b>D</b> Political risks	3 (3)	3 (3)	Continuous business intelligence and internal security policy.
	<b>E</b> War and instability	4 (3)	4 (3)	A market leader when it comes to safety and environmental work.
<b>3. Operational risks</b>	<b>A</b> Ship operation and Insurance issues	5 (5)	2 (2)	Continuous maintenance work in combination with comprehensive insurance cover.
	<b>B</b> Environment	5 (5)	3 (2)	Continuous work on preventive measures.
<b>4. Credit risks</b>	<b>A</b> Counterparty risks – customer	4 (4)	2 (2)	Mainly financially stable customers.
	<b>B</b> Counterparty risks – shipyards and partners	4 (4)	2 (2)	Financially strong players. Bank guarantees and penalty clauses.

## DEFINITIONS

**Cash flow from operating activities** Result after net financial items plus depreciation minus tax paid (cash flow before change in working capital and investments and before effect of ship sales).

**Return on total capital** Result after net financial items plus financial expenses as a percentage of average balance sheet total.

**Return on capital employed** Result after net financial expenses as a percentage of average capital employed. Capital employed refers to the balance sheet total minus non interest-bearing liabilities, including deferred tax liability.

**Return on equity** Result for the year expressed as a percentage of average equity.

**Equity ratio** Equity expressed as a percentage of the balance sheet total.

## GLOSSARY

**Product tanker** A ship designed primarily to transport refined petroleum products.

**MR (Medium Range)** Product tanker of 40,000–50,000 dwt.

**P-MAX** A ship type developed by Concordia Maritime with a dwt of 65,200.

**Panamax** A product tanker of 55,000–75,000 dwt.

**Large tanker** Ship designed primarily to transport crude oil.

**Aframax** A large tanker with a deadweight tonnage (dwt) of 100,000–120,000.

**Suezmax** A large tanker of 120,000–165,000 dwt.

**Spot market (open market)** Where a ship is contracted for each individual voyage.

**Time charter** The hire of a ship for a specified period at a fixed freight rate.



## GROUP

# INCOME STATEMENT, OTHER TOTAL COMPREHENSIVE INCOME AND PER-SHARE DATA

SEK million	Q1 2011	Q1 2010	Full year 2010
<b>Group income statement</b>			
Average exchange rate SEK/USD	6.48	7.20	7.20
Net sales	159.0	107.3	513.4
<b>Total income</b>	<b>159.0</b>	<b>107.3</b>	<b>513.4</b>
Operating costs, ships	-64.7	-22.0	-155.4
Seagoing personnel costs	-27.3	-26.5	-101.9
Other external costs	-6.6	-4.9	-25.6
Personnel costs	-2.9	-2.7	-11.0
Depreciation	-31.6	-26.8	-119.3
<b>Total operating costs</b>	<b>-133.1</b>	<b>-82.9</b>	<b>-413.2</b>
<b>Operating result</b>	<b>25.9</b>	<b>24.4</b>	<b>100.2</b>
Dividend			0.7
Interest income and similar items	1.7	5.1	10.6
Interest expenses and similar items	-8.6	-8.8	-38.2
Exchange rate differences			3.6
<b>Financial net</b>	<b>-6.9</b>	<b>-3.7</b>	<b>-23.3</b>
<b>Result after financial net</b>	<b>19.0</b>	<b>20.7</b>	<b>76.9</b>
Tax	1.9	2.2	3.5
<b>Net result after tax</b>	<b>20.9</b>	<b>22.9</b>	<b>80.4</b>
<b>Other total comprehensive income</b>			
Result for the period	20.9	22.9	80.4
Exchange differences, net after tax	-112.8	12.9	-112.0
Equity hedge, net after tax	37.5	-7.9	46.3
Financial assets available for sale, net after tax	0.2		4.8
Cash flow hedges, currency related, net after tax	0.4	-5.2	-3.3
Cash flow hedges, interest related, net after tax	9.3	-12.3	-41.4
<b>Total comprehensive income</b>	<b>-44.5</b>	<b>10.4</b>	<b>-25.2</b>
<b>Per-share data, SEK</b>			
Shares at end of period	47,729,798	47,729,798	47,729,798
Result per share before/after dilution	0.44	0.48	1.68
Equity per share, SEK	35.01	37.69	35.94

## GROUP

# SUMMARY OF BALANCE SHEET

SEK million	31 March 2011	31 March 2010	31 Dec 2010
Closing exchange rate SEK/USD	6.31	7.20	6.73
<b>Assets</b>			
Ships and equipment	2,706.5	2,730.5	2,919.6
Ships under construction	291.3	442.1	262.0
Financial assets	1.8	90.5	2.1
<b>Total fixed assets</b>	<b>2,999.6</b>	<b>3,263.1</b>	<b>3,183.7</b>
Current receivables	103.3	86.4	124.8
Short term investment	71.2	37.6	84.0
Cash and bank balances	109.2	50.5	68.3
<b>Total current assets</b>	<b>283.7</b>	<b>174.5</b>	<b>277.1</b>
<b>Total assets</b>	<b>3,283.3</b>	<b>3,437.6</b>	<b>3,460.8</b>
<b>Equity and liabilities</b>			
Equity	1,670.9	1,798.7	1,715.4
Long term liabilities	1,507.5	1,540.1	1,608.8
Short term liabilities	104.9	98.8	134.0
Credit facility			2.6
<b>Total equity and liabilities</b>	<b>3,283.3</b>	<b>3,437.6</b>	<b>3,460.8</b>



## GROUP

# SUMMARY OF CASH FLOW ANALYSIS

SEK million	Q1 2011	Q1 2010	Full year 2010
<b>Cash flow from operations</b>			
Result after financial net	19.0	20.7	76.9
Adjustment items:			
Depreciation	35.8	29.1	129.9
Result, sale of financial assets			-1.5
Result, sale of securities	-0.4		
Other items	-1.4		5.4
<b>Cash flow from operating activities before changes in working capital</b>	<b>53.0</b>	<b>49.8</b>	<b>210.7</b>
Change in working capital	53.9	94.2	131.3
<b>Cash flow provided by operating activities</b>	<b>106.9</b>	<b>144.0</b>	<b>342.0</b>
<b>Cash flow from investing activities</b>			
Ships under construction	-56.6	-298.0	-638.6
Sale of financial assets	10.6	53.3	94.7
<b>Cash flow provided by investing activities</b>	<b>-46.0</b>	<b>-244.7</b>	<b>-543.9</b>
<b>Cash flow from financing activities</b>			
New loan	1,128.2	221.7	716.9
Amortization of credit facility	-1,109.8	-147.0	-482.1
Dividend to shareholders			-47.7
<b>Cash flow provided by financing activities</b>	<b>-18.4</b>	<b>74.7</b>	<b>187.1</b>
Cash flow for period	42.5	-26.0	-14.8
Balance at beginning of period (Note 1)	68.3	82.5	82.5
Exchange rate (Note 2)	-1.6	-6.0	0.6
Balance at end of period (Note 1)	109.2	50.5	68.3
Note 1. Balance consists of cash, bank balances and credit facility			
Note 2. Exchange rate difference relate to:			
Balance at the beginning of year	-0.3	-5.4	0.4
Cash flow for the period	-1.3	-0.6	0.2
	<b>-1.6</b>	<b>-6.0</b>	<b>0.6</b>



## GROUP

# CHANGES IN EQUITY

SEK million	Share capital	Other capital contributed	Translation reserve	Hedging reserve	Fair value reserve	Non-restricted equity	Total
<b>Changes Jan–March 2011</b>							
Opening balance 01-01-2011	381.8	61.9	49.1	-37.8	4.8	1,255.6	1,715.4
Total comprehensive income			-75.3	9.7	0.2	20.9	-44.5
<b>Closing balance 31-03-2011</b>	<b>381.8</b>	<b>61.9</b>	<b>-26.2</b>	<b>-28.1</b>	<b>5.0</b>	<b>1,276.5</b>	<b>1,670.9</b>
<b>Changes Jan–March 2010</b>							
Opening balance 01-01-2010	381.8	61.9	114.8	6.9	0.0	1,222.9	1,788.3
Total comprehensive income			5.0	-17.5	0.0	22.9	10.4
<b>Closing balance 31-03-2010</b>	<b>381.8</b>	<b>61.9</b>	<b>119.8</b>	<b>-10.6</b>	<b>0.0</b>	<b>1,245.8</b>	<b>1,798.7</b>



# QUARTERLY OVERVIEW

	SEK million	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
<b>Profit/loss items</b>	Net sales	159.0	145.5	127.9	132.7	107.3	111.2	147.3	162.5
	Operating costs	-133.1	-119.8	-104.5	-106.0	-82.9	-94.4	-142.8	-141.2
	Operating result (EBIT)	25.9	25.7	23.4	26.7	24.4	16.8	4.5	21.3
	of which profit/loss on ship sales								
	Financial net	-6.9	-7.8	-4.6	-7.2	-3.7	1.8	-139.5	6.2
	Result after financial items	19.0	17.9	18.8	19.5	20.7	18.6	-135.0	27.5
	Result after tax	20.9	18.9	17.7	20.9	22.9	30.2	-135.2	23.5
	Cash flow from operating activities	53.0	54.9	52.9	53.1	49.8	44.1	40.7	48.6
	EBITDA	57.5	56.0	54.2	58.1	51.2	41.8	25.8	44.0
	<b>Balance-sheet items</b>	Ships (number of ships)	2,706.5 (10)	2,919.6 (10)	2,507.6 (9)	2,903.0 (9)	2,730.5 (9)	2,265.0 (8)	2,233.3 (8)
Ships under construction (number of ships)		291.3 (2)	262.0 (2)	482.1 (3)	494.9 (3)	442.1 (3)	619.0 (3)	493.7 (3)	735.8 (4)
Liquid funds incl. investments		180.4	152.3	145.3	102.0	88.1	119.6	134.2	107.9
Other assets		105.1	126.9	150.3	191.9	176.9	376.8	442.2	560.3
Interest-bearing liabilities		1,480.0	1,596.1	1,430.0	1,688.1	1,535.6	1,458.5	1,369.5	1,373.2
Other liabilities and provisions		132.4	149.3	157.0	166.9	103.3	124.6	186.5	166.2
Equity		1,670.9	1,715.4	1,698.3	1,836.8	1,798.7	1,788.3	1,747.9	1,881.2
Total assets		3,283.3	3,460.8	3,285.3	3,691.8	3,437.6	3,371.4	3,303.9	3,420.6
<b>Key ratios, %</b>	Equity ratio	51	50	52	50	52	53	53	55
	Return on total capital	3	2	2	3	3	3	3	5
	Return on capital employed	3	2	2	3	4	3	3	5
	Return on equity	5	5	3	5	5	-4	-8	3
	Operating margin	16	18	18	20	23	15	3	14
<b>Share data</b>	Net sales	3.33	3.05	2.68	2.78	2.25	2.33	3.09	3.40
	Operating costs	-2.79	-2.51	-2.19	-2.22	-1.74	-1.98	-2.99	-2.96
	Operating result	0.54	0.54	0.49	0.56	0.51	0.35	0.09	0.45
	Financial net	-0.14	-0.16	-0.10	-0.15	-0.08	0.04	-2.92	0.13
	Result after tax	0.44	0.40	0.37	0.44	0.48	0.63	-2.83	0.49
	Cash flow from operating activities	1.11	1.15	1.11	1.11	1.04	0.92	0.85	1.02
	EBITDA	1.20	1.17	1.14	1.22	1.07	0.88	0.54	0.92
	Equity	35.01	35.94	35.58	38.48	37.69	37.47	36.62	39.41

Please note that there has been no dilution effect since 2002.

Definitions: see page 12

## PARENT COMPANY

# INCOME STATEMENT AND BALANCE SHEET

SEK million	Q1 2011	Q1 2010
Net sales	35.6	
Ships operating costs	-35.5	
Other external costs	-2.1	-2.5
Personnel costs	-3.6	-2.1
<b>Total operating result</b>	<b>-5.6</b>	<b>-4.6</b>
Interest income and similar profit/loss items	67.1	10.0
Interest expenses and similar profit/loss items	-4.8	-14.4
<b>Financial net</b>	<b>56.7</b>	<b>-9.0</b>
Tax	-14.9	2.3
<b>Net result after tax</b>	<b>41.8</b>	<b>-6.7</b>

SEK million	31-03-2011	31-03-2010
<b>Assets</b>		
Ships and equipment	0.1	0.1
Financial assets	40.9	56.1
Shares in group companies	745.8	745.8
<b>Total fixed assets</b>	<b>786.8</b>	<b>802.0</b>
Current receivables	45.4	119.8
Short term investments	36.6	34.9
Cash and bank balances	1,174.8	1,196.8
<b>Total current assets</b>	<b>1,256.8</b>	<b>1,351.5</b>
<b>Total assets</b>	<b>2,043.6</b>	<b>2,153.5</b>
<b>Equity and liabilities</b>		
Equity	715.1	687.1
Long term liabilities	1,313.6	1,300.2
Short term liabilities	14.9	166.2
<b>Total equity and liabilities</b>	<b>2,043.6</b>	<b>2,153.5</b>

The Concordia Maritime group applies the International Financial Reporting Standards (IFRS), which have been approved by the EU Commission. The Group applies the same accounting principles and calculation methods in its interim reports as in the Annual Report for 2010 in addition to what is stated in this report.

The Group's Interim Report has been drawn up in accordance with IAS 34. The report for the Parent Company has

been drawn up in accordance with the Swedish Annual Accounts Act and RFR 2.2. This report presents a fair overview of the operations, financial position, and performance of the Parent Company and the Group and describes the essential risks and uncertainty factors faced by the Company and the Group.

This report has not been reviewed by the company's auditors.

Gothenburg, 28 April 2011

Hans Norén  
*President*

#### Reports and information, 2011

Interim Report, Q2  
Interim Report, Q3

16 August 2011  
2 November 2011

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#### Accounting principles

IFRS 8 regarding segment reporting has been applied since 1 January 2009. IFRS 8 is a disclosure standard that defines what an operating segment is. As of the third quarter of 2010, Concordia Maritime's management and board follow up the economic trend of the fleet as a unit. As a result, the two previous segments Product tankers and Large tankers in the financial reporting have been merged into a single segment – Tankers.

This information is provided in accordance with the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was made public on 28 April 2011 at about 3 PM.

The Interim Report for the first six months of 2011 will be published on 16 August and the 9-month Report on 2 November 2011. Historical and current reports, together with news and comments on the company and the tanker markets, can be found on our web site [www.concordiamaritime.com](http://www.concordiamaritime.com).

#### About QR codes

QR codes are used to refer to more information on the Internet. The code in this report links to a video. The video can also be viewed on Concordia Maritime's website.

The QR code is scanned in with the help of a smartphone's camera. You are then taken to the web page containing the information. To be able to use QR codes, your mobile must be equipped with a camera, a QR reader and an Internet connection.

If you do not already have a QR reader in your mobile, it can be downloaded free of charge. There are different readers for different types of mobile phones. Search for QR where you download applications for your smartphone, e.g. App Store or Android Market.

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