

# INTERIM REPORT

1 JANUARY–30 JUNE 2011

- Business operations proceeding according to plan. Three ships were taken in for scheduled drydock in the second quarter.
- The tenth P-MAX tanker was delivered during the second quarter. The newbuilding program now consists of one suezmax tanker.
- Continuing good availability of liquid funds, SEK 636.3 (709.7) million.
- Forecast for 2011: result before tax of USD 10–13 million, approx. SEK 65–85 million, depending on how the open market develops in 2011.

	Q2 (Apr–Jun)		6 months (Jan–Jun)		Full year
	2011	2010	2011	2010	2010
Net sales, SEK mill.	117.1	132.7	276.1	240.0	513.4
Result after tax, SEK mill.	17.9	20.9	38.8	43.8	80.4
Result per share, SEK	0.38	0.44	0.81	0.92	1.68
EBITDA, USD mill.	8.5	7.7	17.4	14.8	30.5
Available liquid funds <sup>1)</sup> , SEK mill.	636.3	709.7	636.3	709.7	698.0

1) Including unutilised credit facilities.

## PRESIDENT HANS NORÉN PRESENTS THE REPORT



By scanning in the QR code on the left, you can watch Hans Norén present the Q2 report on your mobile. Read more about QR codes and how they are used on the last page.



# CONCORDIA MARITIME IN 60 SECONDS

Concordia Maritime is an international tanker shipping company. Our focus is on cost-effective and safe transportation of refined petroleum products such as gasoline, diesel and jet fuel. The company's B shares were admitted to trading on Nasdaq OMX Stockholm in 1984.

## BUSINESS CONCEPT

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

## VISION

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

## STRATEGY

- To continue to develop our position as a partner of choice in the transportation of oil and petroleum products.
- To continue to identify the market's need for efficient transportation and thereafter develop vessels and logistic solutions based on transport economy, flexibility and a well-developed safety and environmental philosophy.
- To continue to utilise our strong financial position to do new business with the right timing.
- To continue to take advantage of the unique competence existing in the Stena Sphere with respect to market know-how, shipbuilding and ship operation.

## CUSTOMERS

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

## WHAT WE TRANSPORT

Our main focus is on the transportation of refined petroleum products such as gasoline, diesel and jet fuel. As a complement to this focus, we are also active in the transportation of crude oil.

## BUSINESS MODEL

Our business and income model consists of providing vessels to customers in need of safe and cost-efficient transportation of oil and petroleum products. Income is generated mainly by chartering out vessels (spot market or time charters), profit-sharing clauses in charters and the sale of ships.

## FINANCIAL OBJECTIVES

### GROWTH >10%

per year while maintaining profitability

### PROFITABILITY >12%

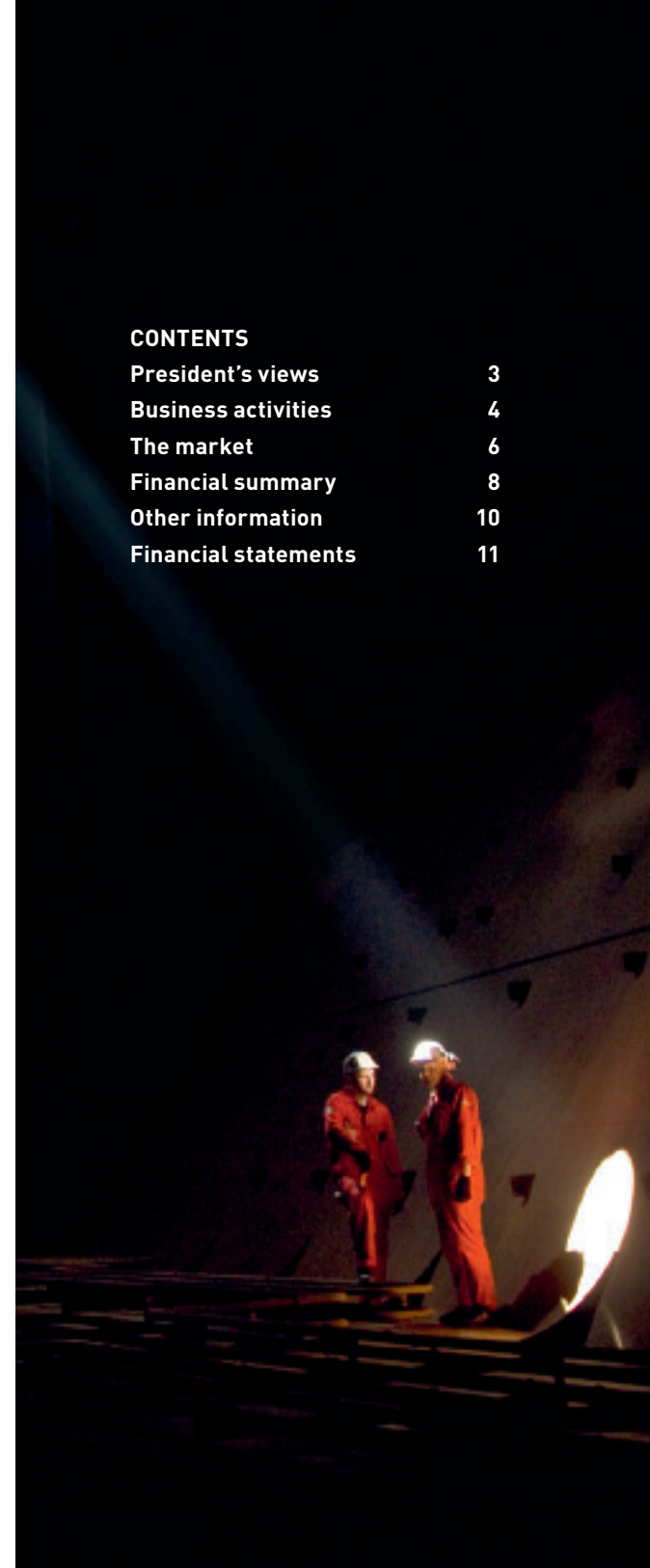
return on equity

### EQUITY RATIO >50%

over one business cycle

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# PRESIDENT'S VIEWS

The company's business operations and the market developed in line with expectations during the second quarter. Concordia Maritime's result after tax amounted to SEK 17.9 (20.9) million, while EBITDA was USD 8.5 (7.7) million. The slightly lower EBITDA figure compared with the first quarter is a consequence of three ships in the fleet having undergone planned docking.

## Comments on the result

The second quarter of 2011 continued largely as expected. The market remained generally weak and this was particularly noticeable towards the end of the quarter, when freight rates in all tanker market segments fell sharply. This was largely due to the continuing imbalance between supply and demand, a decline in American imports and general uncertainty regarding global economic development.

The freight rates for our own time-charter contracts for the P-MAX and panamax tankers continued to be much higher than the rates in the open market and generated an average of just over USD 20,000 per day.

During the quarter, three vessels, *Stena Primorsk*, *Stena Performance* and *Stena Premium*, were taken in for scheduled docking. This included five-year drydocking and upgrading of the latter two vessels to IMO III tankers. The conversion means the vessels are now able to transport vegetable oils. This will increase their flexibility in the market, which in turn may increase earnings potential. Transportation of vegetable oils is currently a niche segment of the tanker market, but may increase in importance as demand increases.

During the quarter we took delivery of *Stena Premium*, the tenth and last in the series of ordered P-MAX vessels. The redelivery of the suezmax tanker, which had been chartered together with *Stena Bulk* since May 2010, means that we are only active in the MR segment at present.

In July, an agreement was reached with our customer Total for the early redelivery of one of the four vessels they

charter from us, in return for compensation. We expect the vessel in question, *Stena Provence*, to be employed on the open market from August. Planning is underway to also upgrade this vessel to IMO III in autumn.

## Future prospects

We stand by our earlier assessment that we can expect a slow and gradual improvement for the product tanker market 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.

The big challenge for the market as a whole remains to achieve a better balance between supply and demand for the transportation of oil and petroleum products. In very simple terms, it could be said that demand for oil transport is high, but the supply of new tonnage has been even higher so far. Growth in the world tanker fleet is expected to decline during the current year, particularly in the area of product tankers.

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

## Forecast for 2011

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



## Key ratios

	6 months (Jan–Jun)		Full year
	2011	2010	2010
Result after tax, MSEK	38.8	43.8	80.4
EBITDA, MSEK	110.8	109.3	219.5
Available liquid funds, including unutilised credit facilities, MSEK	636.3	709.7	698.0
Result per share after tax, SEK	0.81	0.92	1.68
EBITDA per share, SEK	2.32	2.29	4.60
Equity per share, SEK	34.36	38.48	35.94
Equity ratio, %	48	50	50
Equity growth, %	–4	5	–4
Return on equity, %	5	5	5

# BUSINESS ACTIVITIES

The fleet has operated according to plan in the first half of 2011. At the mid-year point, all the tankers apart from one were signed to charters. Current charter coverage means that freight rates are well in excess of those on the spot market.

## P-MAX

The P-MAX tankers operate in different geographic markets around the world, transporting both light and heavy petroleum products as well as crude oil.

During the second quarter, *Stena Primorsk* and *Stena Performance* were taken in for 5-year drydock according to plan. *Stena Performance* and *Stena Premium* were upgraded to IMO III tanker. The IMO III classification means the vessels are now also able to transport vegetable oils, thereby increasing their flexibility. The docking and conversions have resulted in a lower EBITDA in the second quarter than in the first.

During the quarter, *Stena Performance* was re-delivered after her five-year time charter with Hess. The vessel is now employed on the open market.

In July, an agreement on the early re-delivery of *Stena Provence* was reached with Total. The vessel will be employed in the open with effect from August and plans are underway to also upgrade her to IMO III in autumn.

## Panamax

The two panamax tankers *Stena Poseidon* and *Palva*, which are owned in a joint venture with Neste Shipping, have continued their transatlantic traffic for Neste Oil.

## Suezmax

In the first half of the year, the company's presence in the large tanker market comprised the suezmax tanker *Yasa Scorpion*, which had been chartered together with *Stena Bulk* since May 2010. The vessel was re-delivered in May 2011.

## Newbuilding program

The tenth and last unit in the series of P-MAX tankers, *Stena Premium*, was delivered in June. The suezmax tanker, which was ordered in early 2010, is scheduled for delivery in the second quarter of 2012.

## EBITDA per quarter

USD millions	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
P-MAX	8.3	8.8	8.6	8.1	7.6	6.9
Panamax	1.4	1.2	1.2	0.7	1.2	1.3
Aframax	0.0	0.0	0.1			
Suezmax	0.0	0.0	-0.2	0.1	0.1	
Admin. and others	-1.2	-1.1	-1.4	-1.5	-1.2	-1.1
<b>Total</b>	<b>8.5</b>	<b>8.9</b>	<b>8.3</b>	<b>7.4</b>	<b>7.7</b>	<b>7.1</b>

## Income by geographical segment

SEK millions	6 months (Jan-Jun)	
	2011	2010
EU	194.2	152.2
Rest of world	81.9	87.8
<b>Total income</b>	<b>276.1</b>	<b>240.0</b>

## VESSEL TYPES

### CRUDE OIL TANKERS

**VLCC** Very Large Crude Carrier  
DWT 200,000–320,000



**Suezmax**  
DWT 120,000–165,000



**Aframax**  
DWT 80,000–120,000



### PRODUCT TANKERS

**Panamax**  
DWT 55,000–75,000



**P-MAX (Product-MAX)**  
DWT 65,200



**Medium Range (MR)**  
DWT approx. 40,000–50,000



**Handysize**  
DWT 25,000–40,000



■ Segments in which we were active at 30 June 2011.

## TYPES OF CONTRACT

### Spot market (open market)

Where a ship is contracted for each individual voyage.

### Time charter

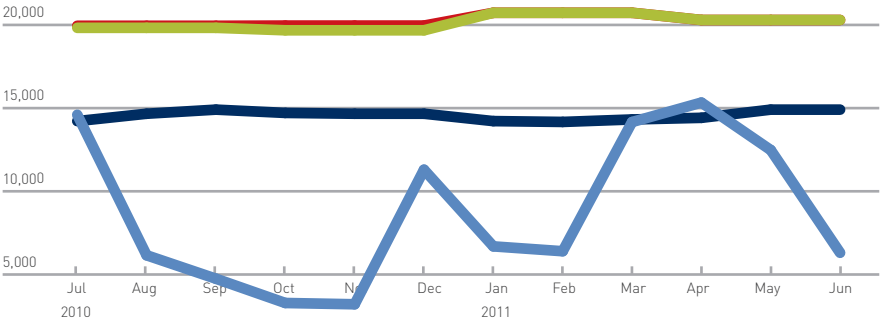
The hire of a ship for a specified period at a fixed freight rate.



# BUSINESS ACTIVITIES, CONT'D

## Product fleet's average freight rate per vessel and day

USD per day

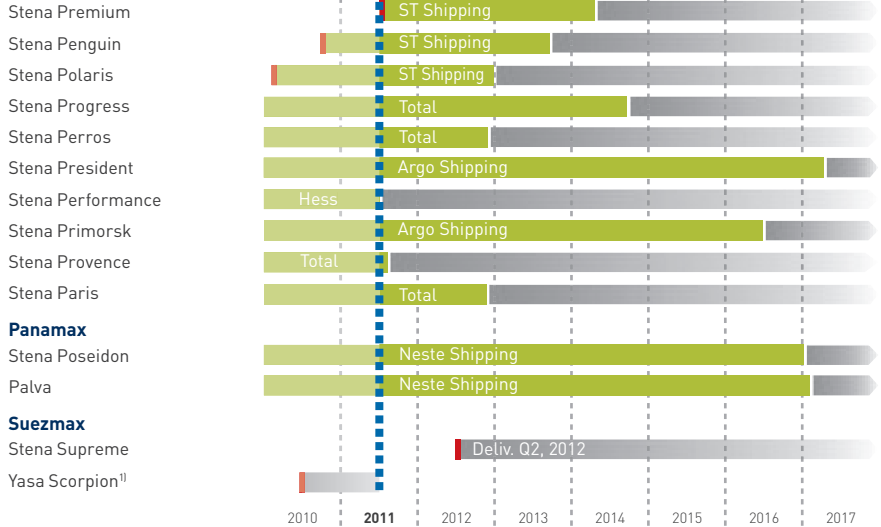


The graph shows the trend of the spot market, the base hire for Concordia Maritime's product tanker fleet and the actual income. The figures for the fleet are based on full employment, i.e. the base hire for the fleet is adjusted downwards to reflect any off hire.

- Base rate
- Income (base rate + profit-sharing)
- Market (Spot)
- Market (Time charter, 3 years)

## Close customer relations

### P-MAX



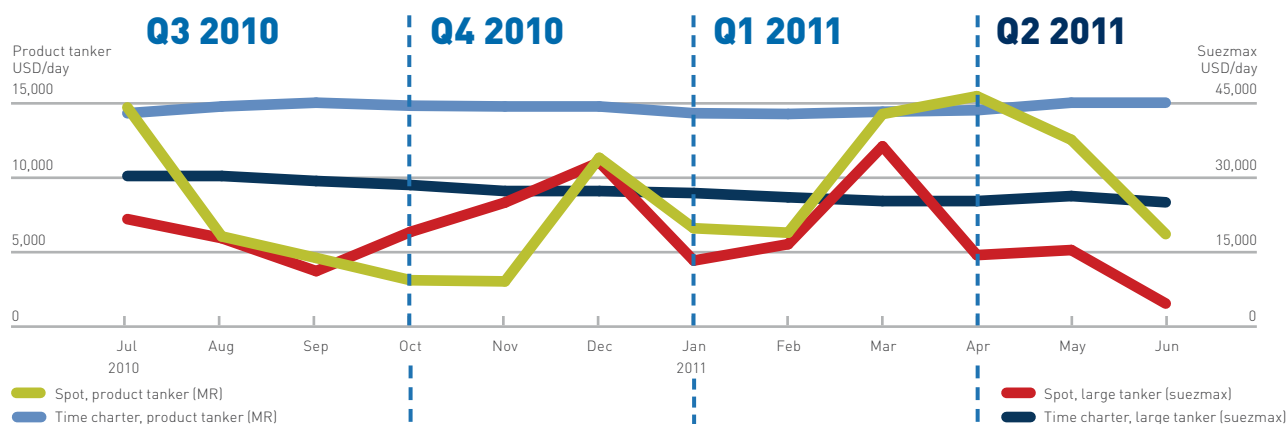
The fact that the majority of vessels in the fleet are chartered out creates a financial stability that forms the basis of long-term development.

- Contracted
- Open/Spot market
- Vessel's delivery date
- 1) Chartered at 50%



# FREIGHT MARKET DEVELOPMENT

The period was dominated by falling rates on the spot market. However, the time-charter market was more stable.



## MR (PRODUCT TANKER)

On average, spot rates were approx. USD 10,000 per day, which is higher than in the previous quarter and the same quarter in 2009. In the time-charter market, 3-year charter contracts at rates of approx. USD 15,000 per day were in place at the end of the period.

Average spot rates during the quarter were approx. USD 6,000 per day. In the time-charter market, 3-year charter contracts at rates of approx. USD 14,500 per day were in place at the end of the period.

Average spot rates were approx. USD 9,000 per day. At the end of the quarter, the revenue levels were approx. USD 15,000 per day. In the time-charter market, 3-year charter contracts at rates of approx. USD 15,000 per day were in place at the end of the period.

Spot rates in the MR segment fell sharply towards the end of the second quarter, ending the period on an average of approx. USD 11,000 per day. In the time-charter market, 3-year charter contracts at rates of approx. USD 15,000 per day were in place at the end of the period.

## SUEZMAX

Spot rates fell sharply during the second quarter, ending the period on an average of approx. USD 17,000 per day. The time-charter market remained stable, and three-year charter contracts at rates of approx. USD 30,000 per day were in place at the end of the period.

Spot rates rose by 50 percent, reaching an average of approx. USD 22,000 per day. The time-charter market remained stable, and three-year charter contracts at rates of approx. USD 27,000 per day were in place at the end of the period.

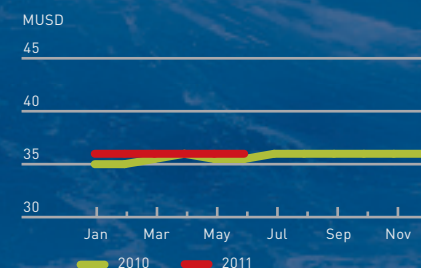
Spot rates were relatively unchanged, with average spot rates of approx. USD 25,000 per day. The time-charter market also remained stable, and three-year charter contracts at rates of approx. USD 25,000 per day were in place at the end of the period.

Spot rates for suezmax tankers also fell sharply, with average spot rates of approx. USD 11,000 per day. The time-charter market remained stable, and three-year charter contracts at rates of approx. USD 25,000 per day were in place at the end of the period.

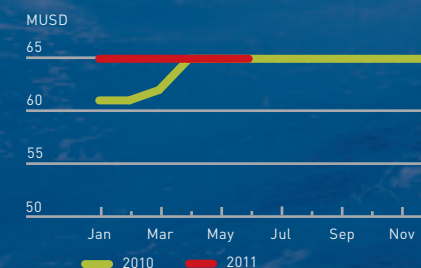
The graph shows the average value per month. Source: Fearnleys

## NEWBUILDING PRICES

### Newbuilding prices – MR (product tanker)



### Newbuilding prices



### Unchanged newbuilding prices

The price of a newly built standard MR tanker was approx. USD 35 million at the end of the period, while in the suezmax segment, prices were in the region of USD 65 million.

The graphs show the average value per month. Source: Fearnleys



# FINANCIAL SUMMARY

## Equity

Equity per share was SEK 34.36 (38.48). The Group's equity, which is denominated in US dollars, declined during the second quarter of 2011. This was due to the SEK/USD exchange rate having fallen from SEK 6.73 at the beginning of the year to SEK 6.31 at the end of the period. The decline has been partly covered by the parent company's equity hedge which generated a surplus of SEK 49.8 (–56.8) million.

## Changes in translation and hedging reserves

The parent company's functional currency is SEK, although the majority of the transactions in the Group are in USD. The Group's result is generated in USD, which means the result in SEK is a direct function of the SEK/USD exchange rate trend.

In February 2009, Concordia Maritime re-entered into an equity hedge amounting to approx. 50 percent of the equity in its foreign subsidiaries, corresponding to USD 125 million. The equity hedge resulted in a profit after tax of SEK 49.8 (–56.8), corresponding to SEK 1.04 (–1.19) per share, during the first six months of 2011, which is recognised in "Other comprehensive income".

Accumulated exchange differences including the effects of forward contracts, which are recognised in equity, amounted to SEK –17.6 (208.3) million. The changes are recognised in equity via "Other comprehensive income".

In connection with the order of four P-MAX tankers, a USD–EUR cash flow hedge was entered into for future payments to the shipyard. Now that the last vessel has been delivered, the gain of SEK 0.4 (1.3) million is reported under "Ships and equipment".

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 second quarter of 2011, the interest hedges amounted to a total of USD 140 million. They are structured in such a way as to cover approx. 60 percent of anticipated future borrowing within existing credit facilities and expire in 2015. At the end of the second quarter, the value of these contracts was SEK –37.7 (–30.1) million, which is recognised in the "Hedging reserve" via "Other comprehensive income". At the end of the period, the total hedging reserve amounted to SEK –37.7 (–34.2) million.

## Group's sales and earnings

SEK millions	Q2		6 months	
	2011	2010	2011	2010
Net sales	117.1	132.7	276.1	240.0
Result after financial net	16.2	19.5	35.2	40.2
Result after tax	17.9	20.9	38.8	43.8
Result per share	0.38	0.44	0.81	0.92

## Liquidity and financial position

SEK millions	30 June 2011	30 June 2010
Available liquid funds <sup>1)</sup>	636.3	709.7
Interest-bearing liabilities	1,619.8	1,688.1
Equity	1,639.9	1,836.8
Equity ratio, %	48	50

1) Including unutilised credit facilities.



## FINANCIAL SUMMARY, CONT'D

### Investments

Investments during the first half of 2011 amounted to SEK 243.9 (323.1) million and related to deliveries of ships, advance payments and project costs.

### Seasonal variations

The fact that all Concordia Maritime's vessels apart from two are chartered out counteracts the seasonal variations that otherwise characterise tanker shipping.

### Employees and option programs

The number of employees in the Group at 31 December 2010 was 359,353 of whom were seagoing employees. There are no option programs in place.

### Investments

Part of the company's bond portfolio was sold during the first quarter. As a result, the bond portfolio is classified as "for sale" and is recognised at its market value in "Other comprehensive income". Other holdings (primarily mutual funds) are measured at their market value on each reporting date. Total short-term investments corresponded to SEK 77.8 (22.5) million.

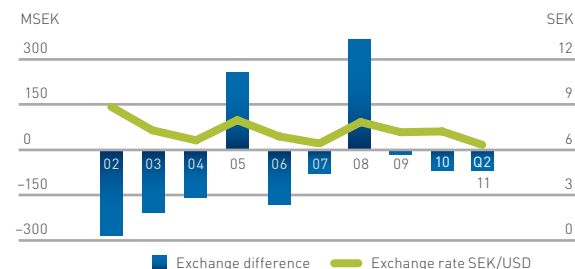
### Parent company

The parent company's sales amounted to SEK 34.6 (1.8) million, with intragroup invoicing representing SEK 0.0 (0.0) million of this amount. The parent company's result after financial items amounted to SEK 53.3 (−98.0) million.

The parent company's available liquid funds, including unutilised credit facilities amounted to SEK 1,833.7 (1,918.1) million.

### Exchange differences in other comprehensive income

As a result of the trend of the SEK/USD exchange rate in 2011, the company's profit expressed in SEK has changed, yet remains unchanged in USD. More information about how the company protects itself against currency and interest rate fluctuations can be found in "Changes in translation and hedging reserves".





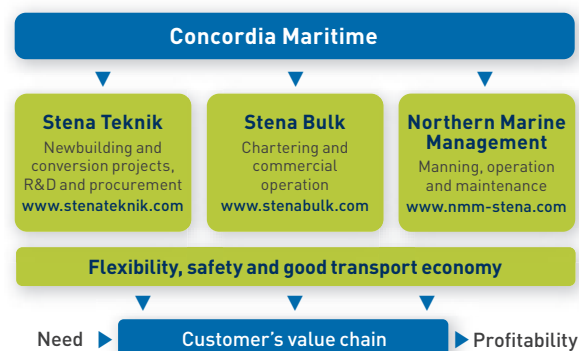
# OTHER INFORMATION

## Related party transactions

Concordia Maritime has a small organisation, and purchases services from companies in the Stena Sphere, including Stena Bulk. The latter company conducts tanker business which competes with Concordia Maritime in some respects. Accordingly, there is an agreement, entered into many years ago, which regulates the relationship between the two companies with respect to new business. Under the terms of this agreement, Concordia Maritime has the right to opt for 0, 50 or 100 percent participation in each new transaction.

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 specialises mainly in the transportation of vegetable oils.

Under a new agreement with Stena Bulk, Concordia Maritime is entitled to the financial result arising from vessels that may from time to time be chartered in by Stena Weco for a period of more than one year, should Concordia Maritime decide to participate in such charters. 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, also referred to as 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 monitoring and development of Concordia Maritime's fleet. Payment is based on a fixed price per month and vessel. With regard to technical consulting services for construction projects, an hourly rate is applied on a cost-plus basis, which is then charged to the project.
- Office rent and office services. A fixed price per year is charged.

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

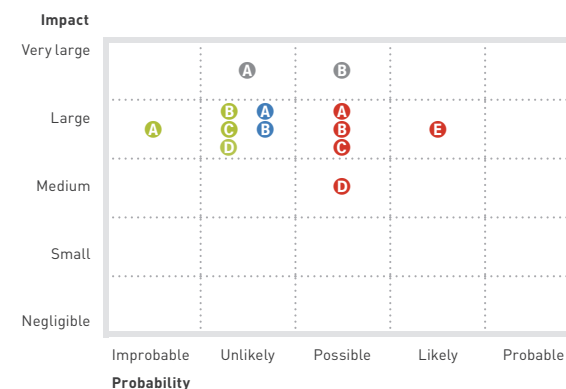
## Risks and uncertainties

Concordia Maritime is exposed to a number of risks of various types. The main market-related factors affecting the company include the general economy, freight rates, oil prices and political factors. Risks related to operational activities include ship management, insurance and employees. Concordia Maritime is also exposed to credit and financial risks.

The management and the board work actively to minimise risk exposure and to minimise the consequences and effects of a risk nevertheless materialising.

Further information can be found in the 2010 annual report.

	Type of risk
<b>1. Corporate risks</b>	<b>A</b> Brand
	<b>B</b> Employees
	<b>C</b> Liquidity
	<b>D</b> Financing risk
<b>2. Market-related risks</b>	<b>A</b> Economic trends
	<b>B</b> Freight rates
	<b>C</b> Oil price
	<b>D</b> Political risk
	<b>E</b> War and instability
<b>3. Operational risks</b>	<b>A</b> Ship management and insurance
	<b>B</b> Environment
<b>4. Credit risks</b>	<b>A</b> Counterparty risks – customer
	<b>B</b> Counterparty risks – shipyards and partners





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## GROUP

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

SEK millions	Q2 2011	Q2 2010	6 months 2011	6 months 2010	Full year 2010
<b>Consolidated Income Statement</b>					
Average exchange rate SEK/USD	6.27	7.58	6.38	7.39	7.20
Net sales	117.1	132.7	276.1	240.0	513.4
<b>Total income</b>	<b>117.1</b>	<b>132.7</b>	<b>276.1</b>	<b>240.0</b>	<b>513.4</b>
Operating costs, ships	-28.7	-42.0	-93.4	-64.0	-155.4
Seagoing personnel costs	-25.5	-22.7	-52.8	-49.2	-101.9
Other external costs	-6.8	-7.5	-13.4	-12.4	-25.6
Personnel costs	-2.8	-2.4	-5.7	-5.1	-11.0
Depreciation	-30.6	-31.4	-62.2	-58.2	-119.3
<b>Total operating costs</b>	<b>-94.4</b>	<b>-106.0</b>	<b>-227.5</b>	<b>-188.9</b>	<b>-413.2</b>
<b>Operating result</b>	<b>22.7</b>	<b>26.7</b>	<b>48.6</b>	<b>51.1</b>	<b>100.2</b>
Dividends	0.5	0.0	0.5	0.0	0.7
Interest income and similar items	2.3	3.0	4.0	8.1	10.6
Interest expenses and similar items	-9.3	-9.8	-17.9	-18.6	-38.2
Exchange differences		-0.4		-0.4	3.6
<b>Financial net</b>	<b>-6.5</b>	<b>-7.2</b>	<b>-13.4</b>	<b>-10.9</b>	<b>-23.3</b>
<b>Result after financial net</b>	<b>16.2</b>	<b>19.5</b>	<b>35.2</b>	<b>40.2</b>	<b>76.9</b>
Tax	1.7	1.4	3.6	3.6	3.5
<b>Result after tax</b>	<b>17.9</b>	<b>20.9</b>	<b>38.8</b>	<b>43.8</b>	<b>80.4</b>
<b>Other comprehensive income</b>					
Result for the period	17.9	20.9	38.8	43.8	80.4
Exchange differences, net after tax	-3.7	137.4	-116.5	150.3	-112.0
Equity hedge, net after tax	12.3	-48.9	49.8	-56.8	46.3
Available-for-sale financial assets, net after tax	-0.2		0.0		4.8
Cash flow hedges, currency-related, net after tax	0.0	6.5	0.4	1.3	-3.3
Cash flow hedges, interest-related, net after tax	-9.6	-30.1	-0.3	-42.4	-41.4
<b>Comprehensive income for the period</b>	<b>16.7</b>	<b>85.8</b>	<b>-27.8</b>	<b>96.2</b>	<b>-25.2</b>
<b>Per-share data, SEK</b>					
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798	47,729,798
Result per share, before/after dilution	0.38	0.44	0.81	0.92	1.68
Equity per share, SEK	34.36	38.48	34.36	38.48	35.94



## GROUP

# SUMMARY OF BALANCE SHEET

SEK millions	30 June 2011	30 June 2010	31 Dec 2010
Closing exchange rate SEK/USD	6.31	7.75	6.73
<b>Assets</b>			
Ships and equipment	3,066.8	2,903.0	2,919.6
Ships under construction	87.5	494.9	262.0
Financial assets	1.8	101.5	2.1
<b>Total fixed assets</b>	<b>3,156.1</b>	<b>3,499.4</b>	<b>3,183.7</b>
Current receivables	100.5	90.4	124.8
Short-term investments	77.8	22.5	84.0
Cash and bank balances	84.2	79.5	68.3
<b>Total current assets</b>	<b>262.5</b>	<b>192.4</b>	<b>277.1</b>
<b>Total assets</b>	<b>3,418.6</b>	<b>3,691.8</b>	<b>3,460.8</b>
<b>Equity and liabilities</b>			
Equity	1,639.9	1,836.8	1,715.4
Long-term liabilities	1,646.2	1,676.8	1,608.8
Short-term liabilities	132.5	178.2	134.0
Credit facility			2.6
<b>Total equity and liabilities</b>	<b>3,418.6</b>	<b>3,691.8</b>	<b>3,460.8</b>

## CHANGES IN EQUITY

SEK millions	Share capital	Other capital contributed	Translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total
<b>Changes Jan–June 2011</b>							
Opening balance 01-01-2011	381.8	61.9	49.1	–37.8	4.8	1,255.6	1,715.4
Dividend						–47.7	–47.7
Total comprehensive income			–66.7	0.1	0.0	38.8	–27.8
<b>Closing balance 30-06-2011</b>	<b>381.8</b>	<b>61.9</b>	<b>–17.6</b>	<b>–37.7</b>	<b>4.8</b>	<b>1,246.7</b>	<b>1,639.9</b>
<b>Changes Jan–June 2010</b>							
Opening balance 01-01-2010	381.8	61.9	114.8	6.9	0.0	1,222.9	1,788.3
Dividend						–47.7	–47.7
Total comprehensive income			93.5	–41.1	0.0	43.8	96.2
<b>Closing balance 30-06-2010</b>	<b>381.8</b>	<b>61.9</b>	<b>208.3</b>	<b>–34.2</b>	<b>0.0</b>	<b>1,219.0</b>	<b>1,836.8</b>



## GROUP

# SUMMARY OF CASH FLOW STATEMENT

SEK millions	Q2 2011	Q2 2010	6 months 2011	6 months 2010	Full year 2010
<b>Operating activities</b>					
Result after financial net	16.2	19.5	35.2	40.2	76.9
Adjustments:					
Depreciation	32.6	33.6	68.4	62.7	129.9
Result, sale of financial assets		0.0			-1.5
Result, sale of securities	0.0		-0.4		
Other items	7.2	0.0	5.8		5.4
<b>Cash flow from operating activities before changes in working capital</b>	<b>56.0</b>	<b>53.1</b>	<b>109.0</b>	<b>102.9</b>	<b>210.7</b>
Changes in working capital	20.2	12.4	74.1	106.6	131.3
<b>Cash flow from operating activities</b>	<b>76.2</b>	<b>65.5</b>	<b>183.1</b>	<b>209.5</b>	<b>342.0</b>
<b>Investing activities</b>					
Ships under construction	-187.3	-25.1	-243.9	-323.1	-638.6
Investment in financial assets	-6.3		-6.3		
Sale of financial assets	0.1	-0.1	10.7	53.2	94.7
<b>Cash flow from investing activities</b>	<b>-193.5</b>	<b>-25.2</b>	<b>-239.5</b>	<b>-269.9</b>	<b>-543.9</b>
<b>Financing activities</b>					
New loans	3,376.7	65.2	2,248.5	286.9	716.9
Amortisation of loans	-3,237.8	-33.5	-2,128.0	-180.5	-482.1
Dividend to shareholders	-47.7	-47.7	-47.7	-47.7	-47.7
<b>Cash flow from financing activities</b>	<b>91.2</b>	<b>-16.0</b>	<b>72.8</b>	<b>58.7</b>	<b>187.1</b>
Cash flow for period	-26.1	24.3	16.4	-1.7	-14.8
Balance at beginning of period (Note 1)	109.2	50.5	68.3	82.5	82.5
Exchange differences (Note 2)	1.1	4.8	-0.5	-1.2	0.6
Balance at end of period (Note 1)	84.2	79.5	84.2	79.5	68.3
Note 1. Balance consists of cash, bank balances and credit facility					
Note 2. Exchange differences attributable to:					
Balance at beginning of year	0.0	4.4	-0.3	-1.0	0.4
Cash flow for the period	1.1	0.4	-0.2	-0.2	0.2
	<b>1.1</b>	<b>4.8</b>	<b>-0.5</b>	<b>-1.2</b>	<b>0.6</b>



# QUARTERLY OVERVIEW

	SEK millions	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
<b>Profit/loss items</b>	Net sales	117.1	159.0	145.5	127.9	132.7	107.3	111.2	147.3
	Operating costs	-94.4	-133.1	-119.8	-104.5	-106.0	-82.9	-94.4	-142.8
	Operating result (EBIT)	22.7	25.9	25.7	23.4	26.7	24.4	16.8	4.5
	of which profit/loss on ship sales								
	Financial net	-6.5	-6.9	-7.8	-4.6	-7.2	-3.7	1.8	-139.5
	Result after financial items	16.2	19.0	17.9	18.8	19.5	20.7	18.6	-135.0
	Result after tax	17.9	20.9	18.9	17.7	20.9	22.9	30.2	-135.2
	Cash flow from operating activities	56.0	53.0	54.9	52.9	53.1	49.8	44.1	40.7
	EBITDA	53.3	57.5	56.0	54.2	58.1	51.2	41.8	25.8
<b>Balance-sheet items</b>	Ships (number of ships)	3,066.8 (11)	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)	87.5 (1)	291.3 (2)	262.0 (2)	482.1 (3)	494.9 (3)	442.1 (3)	619.0 (3)	493.7 (3)
	Liquid funds incl. investments	162.0	180.4	152.3	145.3	102.0	88.1	119.6	134.2
	Other assets	102.3	105.1	126.9	150.3	191.9	176.9	376.8	442.2
	Interest-bearing liabilities	1,619.8	1,480.0	1,596.1	1,430.0	1,688.1	1,535.6	1,458.5	1,369.5
	Other liabilities and provisions	158.9	132.4	149.3	157.0	166.9	103.3	124.6	186.5
	Equity	1,639.9	1,670.9	1,715.4	1,698.3	1,836.8	1,798.7	1,788.3	1,747.9
	Total assets	3,418.6	3,283.3	3,460.8	3,285.3	3,691.8	3,437.6	3,371.4	3,303.9
<b>Key ratios, %</b>	Equity ratio	48	51	50	52	50	52	53	53
	Return on total capital	3	3	2	2	3	3	3	3
	Return on capital employed	3	3	2	2	3	4	3	3
	Return on equity	5	5	5	3	5	5	-4	-8
	Operating margin	19	16	18	18	20	23	15	3
<b>Share data</b>	Net sales	2.45	3.33	3.05	2.68	2.78	2.25	2.33	3.09
	Operating costs	-1.98	-2.79	-2.51	-2.19	-2.22	-1.74	-1.98	-2.99
	Operating result	0.48	0.54	0.54	0.49	0.56	0.51	0.35	0.09
	Financial net	-0.14	-0.14	-0.16	-0.10	-0.15	-0.08	0.04	-2.92
	Result after tax	0.38	0.44	0.40	0.37	0.44	0.48	0.63	-2.83
	Cash flow	1.17	1.11	1.15	1.11	1.11	1.04	0.92	0.85
	EBITDA	1.12	1.20	1.17	1.14	1.22	1.07	0.88	0.54
	Equity	34.36	35.01	35.94	35.58	38.48	37.69	37.47	36.62

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

Definitions: see page 16



## PARENT COMPANY

# CONDENSED INCOME STATEMENT AND BALANCE SHEET

SEK millions	6 months 2011	6 months 2010
Net sales	34.6	1.8
Operating costs, ships	-34.5	-1.4
Other external costs	-8.1	-7.3
Personnel costs	-4.1	-3.9
<b>Operating result</b>	<b>-12.1</b>	<b>-10.8</b>
Interest income and similar profit/loss items	75.9	14.0
Interest expenses and similar profit/loss items	-10.5	-101.2
<b>Result after financial net</b>	<b>53.3</b>	<b>-98.0</b>
Tax	-14.0	24.5
<b>Result for the period</b>	<b>39.3</b>	<b>-73.5</b>

SEK millions	30 June 2011	30 June 2010
<b>Assets</b>		
Equipment	0.1	0.1
Financial assets	40.9	57.6
Shares in group companies	745.8	745.8
<b>Total fixed assets</b>	<b>786.8</b>	<b>803.5</b>
Current receivables	40.8	119.1
Short-term investments	37.3	20.3
Cash and bank balances	1,281.7	1,287.9
<b>Total current assets</b>	<b>1,359.8</b>	<b>1,427.3</b>
<b>Total assets</b>	<b>2,146.6</b>	<b>2,230.8</b>
<b>Equity and liabilities</b>		
Equity	664.8	550.4
Long-term liabilities	1,455.7	1,437.8
Short-term liabilities	26.1	242.6
<b>Total equity and liabilities</b>	<b>2,146.6</b>	<b>2,230.8</b>

Gothenburg, 16 August 2011  
Concordia Maritime AB (publ)

The Concordia Maritime Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group applies the same accounting policies and calculation methods in the interim reports as in the annual report for 2010, in addition to those described in this report.

The Group's interim report has been prepared in accordance with IAS 34. The report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2. This report gives a true and fair view of the operations, financial position and performance of the parent company and Group, and describes significant risks and uncertainties to which the Group is exposed.

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

Stefan Brocker	Bert Åke Eriksson	Mats Jansson
C. Mikael von Mentzer <i>Deputy Chairman</i>	Morten Chr. Mo	Hans Norén <i>President</i>
Dan Sten Olsson <i>Chairman</i>	Jens Ole Hansen	Jörgen Lorén

## ACCOUNTING PRINCIPLES

IFRS 8, the standard which deals with segment reporting, has been applied since 1 January 2009. IFRS 8 is a disclosure standard that defines what an operating segment is. With effect from Q3 2010, Concordia Maritime follows up the economic performance of the fleet as one unit. Consequently, the two previous segments Product tankers and Large tankers have been merged into a single segment – Tankers – in the company's financial reporting.

This information in this report is information that Concordia Maritime is required to disclose in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was made public on 16 August 2011 at approx. 3 p.m.

## INFORMATION AND CONTACT

### Reports and information, 2011

Interim report, Q3

2 November 2011

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## 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 total assets.

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

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

**Equity ratio** Equity as a percentage of total assets.

## 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 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 on sites where you download applications for your smartphone, e.g. App Store or Android Market.

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