



BELSHIPS

Belships – Q4 2013 results

February 13, 2014



Q4 2013 highlights

- Gross revenue of \$6.7m (\$6.7m)
- EBITDA of \$2.3m (\$2.1m)
- Net income of \$0.7m (-\$0.7m)
- All vessels operating normally – modern fleet – average age 3.6 years
- Contract coverage 100% for delivered vessels – \$115m fixed charter backlog.
- Contract signed in June with Imabari Shipbuilding in Japan for 2 x 61,000 dwt eco-design bulkcarriers for delivery second half 2015 and first half 2016 at USD 28.25 million per ship. Newbuilding prices in Japan for Supramax now around USD 32-33 million.
- Long term lease including purchase options for a third 61,000 dwt eco-design from Imabari Shipbuilding for delivery Q1 2017.
- Shift in strategy: Full concentration on the dry bulk market – M/T Belaia to be redelivered within February/March 2014.
- A new term loan facility of USD 50 million is secured for a period of 6 years from February 2014 for the three bulkcarriers already in service. Both the margin and the covenants will be an encouraging improvement compared to the terms for the existing financing.
- The Board has proposed a dividend of NOK 0.05 per share for 2013.

Key investment highlights

1

Owner/operator of high quality ships on medium to long-term charters to highly reputable customers

4

Strengthening market balance representing an attractive window of opportunity

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Strong focus on fleet expansion with fuel efficient dry bulk newbuilds

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Management team with a track record for building and operating successful shipping companies

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USD 115m fixed charter backlog providing long-term stable revenues

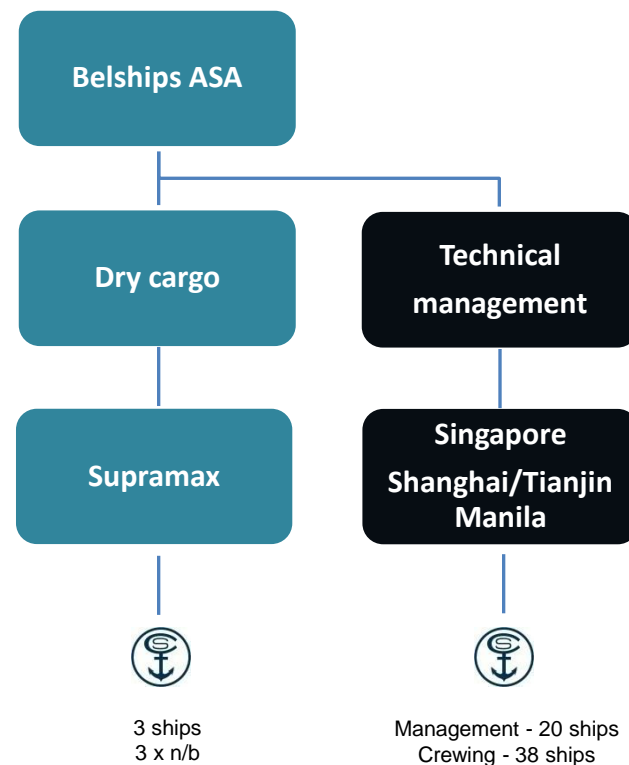
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Strong and supportive majority shareholder in the Tidemand family



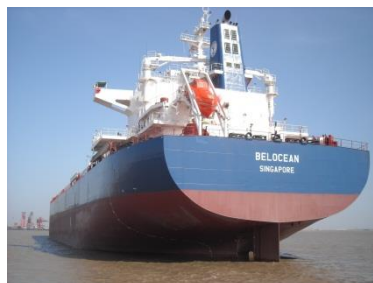
Business strategy and corporate structure

- Owner/operator of dry bulk tonnage to highly reputable and good credit risk customers
- Concentration on one asset type – «pure play» – diversification to be handled by the individual investor
- Focus on growth in portfolio size and to diversify the customer base
- Focus on medium to long term charter arrangements maintaining a duration spread to minimize the residual risk exposure
- Fixed long term charters will provide stable distributable cash flows
- Cost efficient operation and administration – «lean and mean»
- Transparency, good corporate governance and shareholder friendly information philosophy
- Targeting an efficiently priced equity with an attractive dividend ratio



Tonnage overview

Vessel name	Dwt	Built/yard	Type	Customer	T/C-rate (net)
Belstar	58,000	2009/Dayang	Supramax bulk	Canpotex	\$16,000
Belnor	58,000	2010/Dayang	Supramax bulk	Canpotex	\$16,000
Belocean	58,000	2011/Dayang	Supramax bulk	Canpotex/open	\$16,000
Imabari n/b	61,000	2015/Imabari	Supramax bulk	Open	
Imabari n/b	61,000	2016/Imabari	Supramax bulk	Canpotex **)	\$17,300
Imabari n/b *)	61,000	2007/Imabari	Supramax bulk	Open	



*) Lease period of 8+1+1+1 years with purchase option from end of year 4 of JPY 2.91 bn, decreasing annually by JPY 110 m.

**) One n/b will be swapped with either Belnor or Belocean for the balance period of c/p with Canpotex. New charter hire will be USD 17,300/day.

Attractive newbuilding contracts

- Two newbuilding contracts for 61,000 dwt Supramax bulk carriers with Imabari Shipbuilding in Japan:
 - Delivery scheduled for the second half 2015 and the first half 2016
 - Contract price is USD 28.25 million per vessel
 - A rights issue was completed in 2013 to finance the downpayments for the vessels
- A third newbuilding 61,000 dwt Supramax bulk carrier from Imabari Shipbuilding in Q1 2017 on long term lease with purchase option

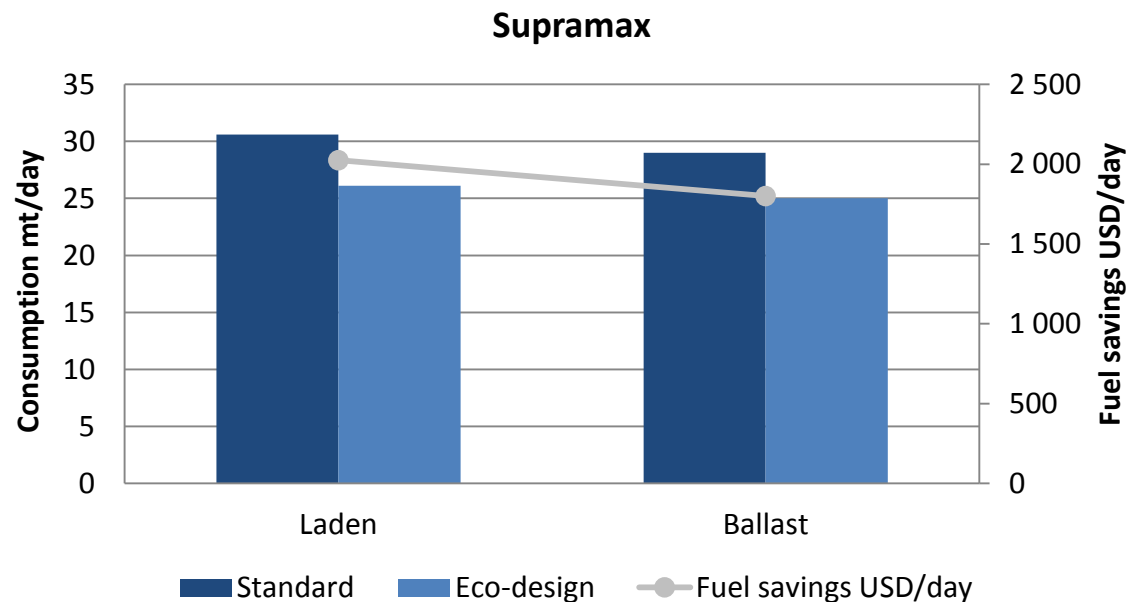
IMABARI SHIPBUILDING CO., LTD.

- Founded in 1901
- Japan's biggest shipyard
- 8 yard locations
- More than 2,000 ships delivered
- Annual production of ~90 ships
- Represents ~23% of Japan's annual shipbuilding



The I-Star 61,000 dwt is the new ECO supramax design developed by Imabari, with the latest technology available for fuel efficiency and low emissions

Eco-design implies significant fuel savings

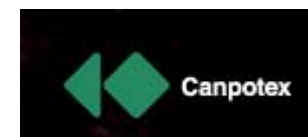
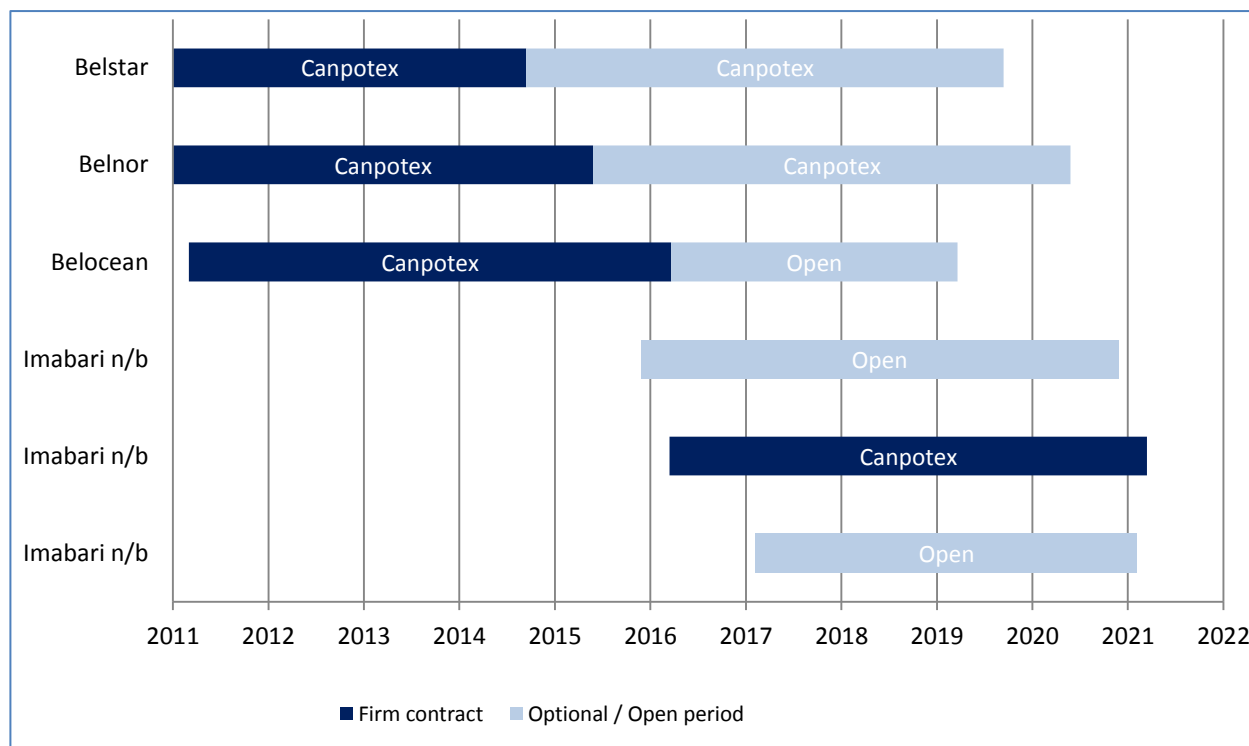


Fuel savings ECO design				
	Handysize	Supramax	Panamax	Capesize
NPV (USD m)	2.7	3.1	4.4	5.8

HFO \$600/mt, 8% interest, 5 years, 270 days at sea

Contract coverage

- USD 115m fixed charter backlog



Canpotex was established in 1972 by three Canadian potash producers: Agrium, Mosaic and PotashCorp. Canpotex manages transportation and has invested in 5,000 specialized railcars and two port terminals. Canpotex has supplied over 185 million mt of potash since 1974 to customers in countries like Australia, Brazil, China, India, Indonesia and Japan.

Belships ASA has the option to sell maximum two of the Canpotex-vessels after 5 alt. 7 years without obligation to continue the Charter.

Pro-active fleet management



Belships Management (Singapore) Pte Ltd was established in 1983 and is fully owned by Belships ASA in Oslo.

Belships Management Singapore seeks to expand globally third party ship management activities whilst maintaining the highest level of customer satisfaction through quality management, proper training and extensive maintenance programmes in a most cost effective way.

Our pledge:

Full commitment and open book

Clients:

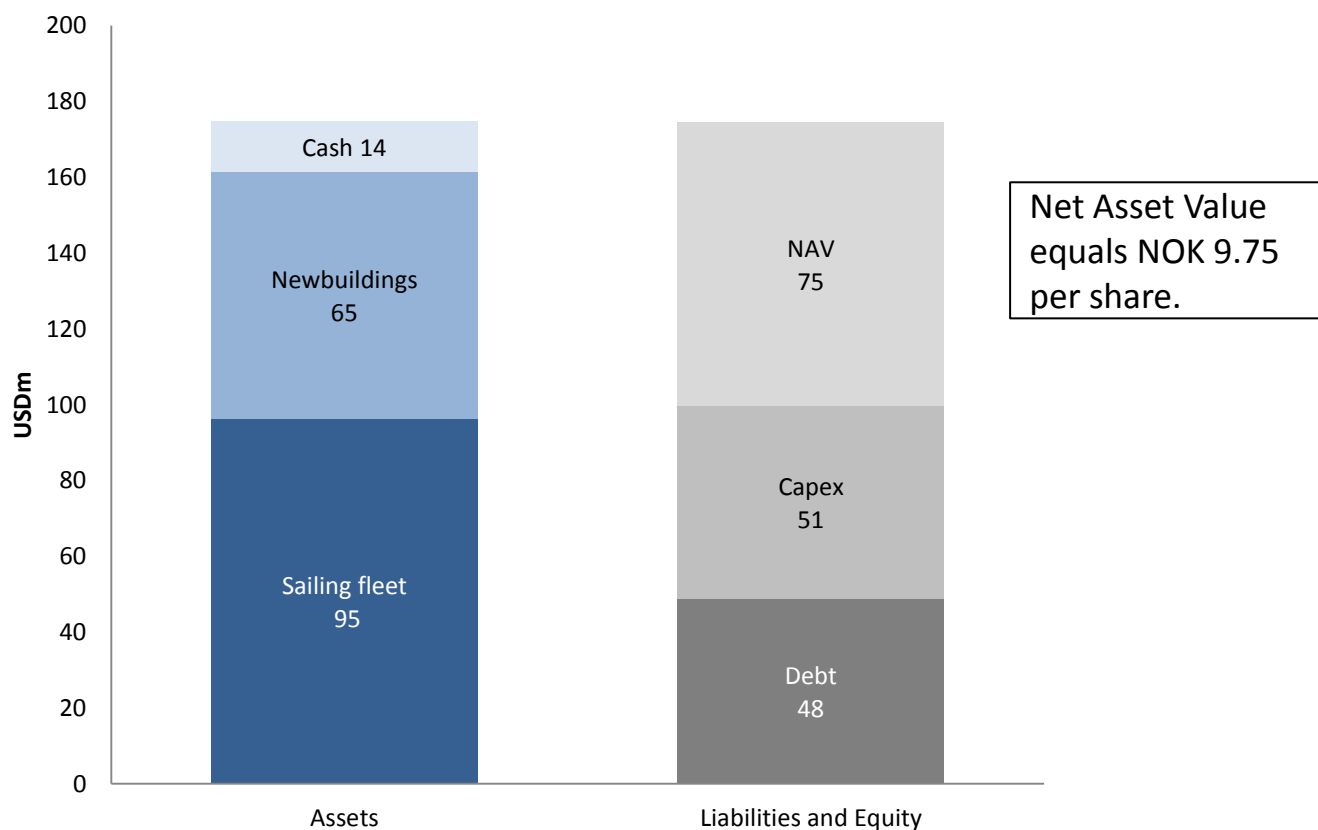
Sumitomo, Ultrabulk, CST, Belships



Financial Highlights

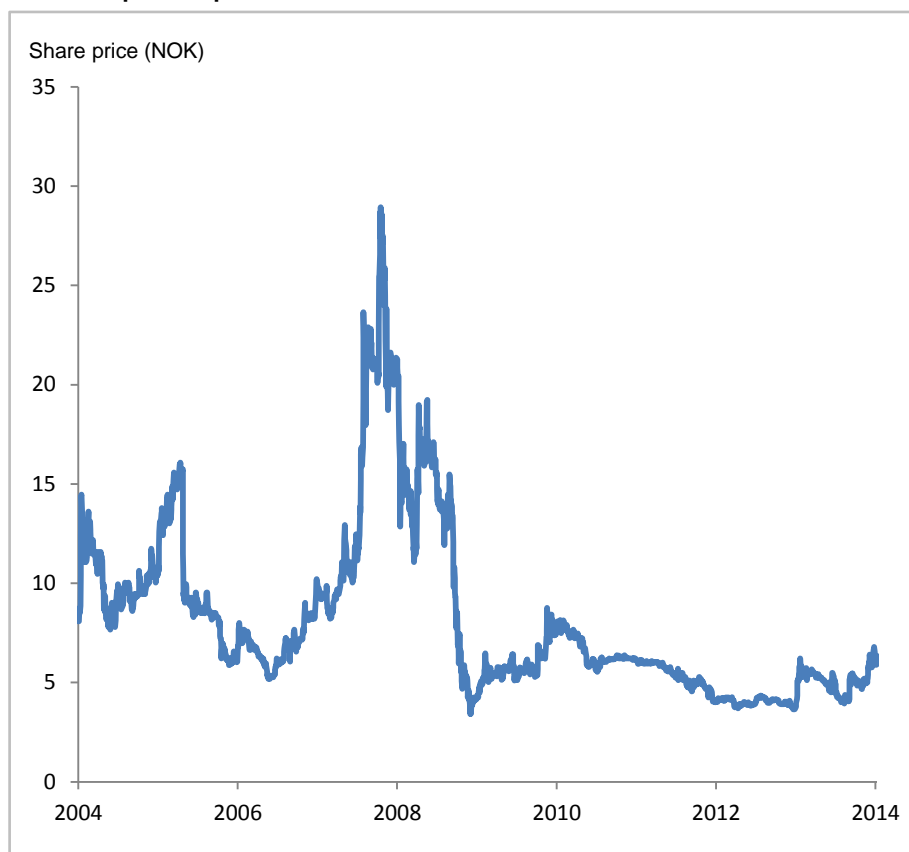
USD 1 000	2013	2012	2011	2010
Operating income	25 973	25 895	26 855	18 374
EBITDA	9 334	8 975	8 312	7 754
Total assets	119 424	117 044	131 017	137 370
Net debt	37 204	52 706	60 552	58 352
Equity	66 958	52 779	54 433	54 834
Equity ratio	56.1%	45.1%	41.5%	40.0%

Value adjusted balance sheet



The Belships share

Share price performance



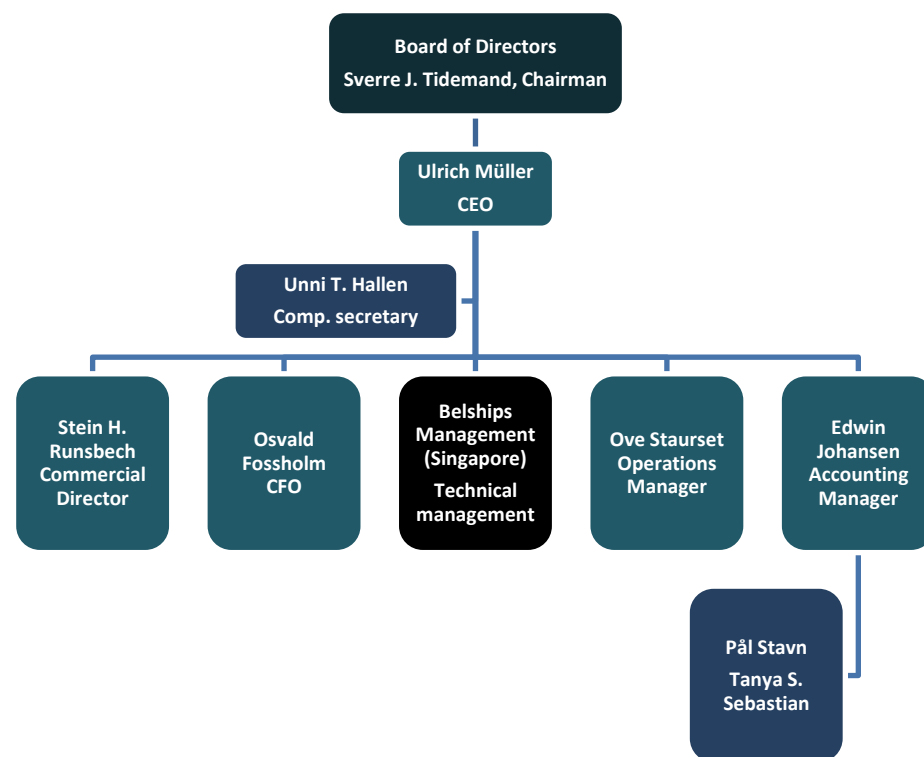
Trading development



Ownership and Organization chart

Shareholder overview

Shareholder	# shares	%
Sonata AS (Sverre J. Tidemand)	28 619 391	60.7%
Tidships AS (Otto G. Tidemand)	6 201 058	13.1%
Longbow Limited	2 308 680	4.9%
SEB London	987 419	2.1%
Gemsco AS	920 590	2.0%
Sverre J. Tidemand	582 782	1.2%
Importer AS	504 825	1.1%
Belships ASA	498 000	1.0%
Carlings AS	400 000	0.8%
Jasto AS	350 000	0.7%
Tidinvest II AS	315 414	0.7%
Jenssen & Co. AS	302 816	0.6%
Torstein Søland	300 000	0.6%
Chrem Capital AS	270 000	0.6%
Kontrari AS	250 000	0.5%
Atalanta AS	236 639	0.5%
Carl Erik Steen	207 203	0.5%
Achilles Finans AS	123 444	0.3%
John Tore Kristiansen	119 000	0.3%
Kjell Egil Larsen	110 000	0.2%
Top 20 shareholders	43 607 263	92.6%



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