

Independent Tankers Corporation Limited Q1 2013 Results



June 6, 2013

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Highlights

- Independent Tankers announces a net loss of \$1.8 million, equivalent to a loss per share of \$0.02 in Q1-2013. This compares with a net loss of \$1.9 million, equivalent to a loss per share of \$0.02 in Q4-2012.
- Time Charter Equivalent earnings (\$ per day per vessel)
 - VLCC Bareboat: 22,100
 - VLCC Spot Vessels: 13,600
- In January 2013, BP Shipping Ltd. gave twelve months irrevocable notice of termination of the bareboat charter for the VLCC British Progress. The vessel will be redelivered from BP to ITCL in February 2014.
- In March 2013, the VLCC Phoenix Voyager was redelivered to the Company by Chevron. The vessel was renamed Ulysses and commenced trading in the spot market.

Income Statement

CONDENSED CONSOLIDATED INCOME STATEMENTS <i>(in thousands of \$)</i>	2013 Jan-Mar	2012 Jan-Mar	2012 Jan-Dec
Total operating revenues	15,037	18,146	69,810
Voyage expenses and commissions	4,788	8,908	28,461
Ship operating expenses	1,679	1,509	6,420
Administrative expenses	179	176	656
Depreciation	4,391	4,391	17,562
Total operating expenses	11,037	14,984	53,099
Operating income	4,000	3,162	16,711
Interest income	1	1	4
Loan interest expense	(5,552)	(5,795)	(22,685)
Other financial items	(18)	(18)	(35)
Equity losses from unconsolidated subsidiaries	(211)	(210)	(544)
Foreign currency exchange gain	-	1	2
Net loss	(1,780)	(2,859)	(6,547)
Basic loss per share	\$(0.02)	\$(0.04)	\$(0.09)
Time charter equivalent (\$ per day per vessel)			
VLCC – bareboat	22,100	22,100	22,100
VLCC – spot market	13,600	6,500	12,500

Balance Sheet

CONDENSED CONSOLIDATED BALANCE SHEETS <i>(in thousands of \$)</i>	Mar. 31 2013	Mar. 31 2012	Dec. 31 2012
ASSETS			
Short term			
Cash and cash equivalents	3,957	2,908	5,264
Restricted cash	70,630	82,429	86,280
Other current assets	6,744	8,321	8,416
Long term			
Vessels, net	276,538	294,101	280,929
Investment in unconsolidated subsidiaries	1,537	2,083	1,748
Total assets	359,406	389,842	382,637
LIABILITIES AND EQUITY			
Short term			
Current portion of long term debt	22,022	21,037	20,700
Other current liabilities	31,748	41,260	47,505
Long term			
Long term debt	241,276	257,717	248,292
Equity	64,360	69,828	66,140
Total liabilities and equity	359,406	389,842	382,637

Cash Cost Breakeven

Present average cash cost breakeven rates for 2013 (\$/day)

VLCC bareboat vessels	21,300
VLCC spot vessels	30,600

Charter overview

WINDSOR

Dates are estimates only

Vessel	Charterer	FIXED PERIOD			MINIMUM RATE PERIOD (Market rate, but min. \$20,000/day)				MARKET RELATED PERIOD		Chr Purch. Opt
		Start date	End date*)	BB Rate	4 years period		Termination Options	Charter expiry (if not extended)	6 years period		
British Pioneer	BP	02.12.1999	02.01.2009	\$24 895	02.01.2009	02.01.2013	02.01.2009 and each anniversary thereafter		Trading Spot from Jan. 2011		No
British Progress	BP	19.06.2000	02.02.2010	\$24 895	02.02.2010	02.02.2014	02.02.2010 and each anniversary thereafter		02.02.2014		No
British Purpose	BP	14.08.2000	14.07.2010	\$24 895	14.07.2010	14.07.2014	14.07.2010 and each anniversary thereafter		14.07.2014		No
British Pride	BP	16.11.2000	30.07.2011	\$24 895	30.07.2011	30.07.2015	30.07.2011 and each anniversary thereafter		30.07.2014		No

GOLDEN STATE

Dates are estimates only

Vessel	Charterer	FIXED PERIOD			REMAINING TERMINATION PERIODS***)						Term. Notice	Final. Notice	Chr. Purch. Opt	
		Start date	End date	BB Rate	Option 1	Option 2	Option 3	Option 4	End charter	BB Rate 2010/11 to end charter				
Ulriken (ex Antares V.)	Chevron	07.12.1998	07.12.2006	\$27 199	07.12.2008	07.12.2010				07.12.2010	Trading spot from Dec. 2010			No
Ulysses (ex Pheonix V.)	Chevron	15.03.1999	15.03.2007	\$27 199	15.03.2009	15.03.2011	15.03.2013			15.03.2013	Trading spot from Mar. 2013			No

CALIFORNIA PETROLEUM

Dates are estimates only

Vessel	Charterer	FIXED PERIOD			TERMINATION PERIODS					Term. Notice	Final. Notice	Chr. Purch. Opt	
		Start date	End date	BB Rate	Option 1****)	Termin fee	Option 2****)	End Charter	BB Rate				
Cygnus Voyager	Chevron	31.03.1993	01.04.2003	-	01.04.2009	\$9 970 000			15.04.2015	\$15 000 reducing to \$9 000	12 months	7 months	Yes - \$1
Altair Voyager	Chevron	31.08.1993	01.04.2004	-	01.04.2010	\$8 940 000			15.04.2015	\$15 000 reducing to \$9 000	12 months	7 months	Yes - \$1
Sirius Voyager	Chevron	31.10.1994	01.04.2005	-	01.04.2009	\$8 890 000	01.04.2011	\$7 880 000	15.04.2015	\$15 000 reducing to \$9 000	12 months	7 months	Yes - \$1

*) 12 months notice period must be given before the Fixed Periods ends. 12 months notice has been given for British Pioneer and **charter terminated January 10, 2011.**

12 months notice has been given for British Progress and charter will be terminated February 2, 2014.

12 months notice has not been given for British Purpose for the 1st, 2nd and 3rd options 14.07.2010, 14.07.2011 and 14.07.2012. Vessel fixed until July 14, 2014.

12 months notice has not been given for British Pride for the 1st and 2nd termination options 30.07.2011 and 30.07.2012. Vessel fixed at least until July 30, 2014.

**) Minimum rate of \$20,000 is payable every month, but market adjustment works on a 4 year cumulative average basis, or shorter if BP cancel the charter.

***) Antares Voyager -> **charter terminated December 7, 2010.**

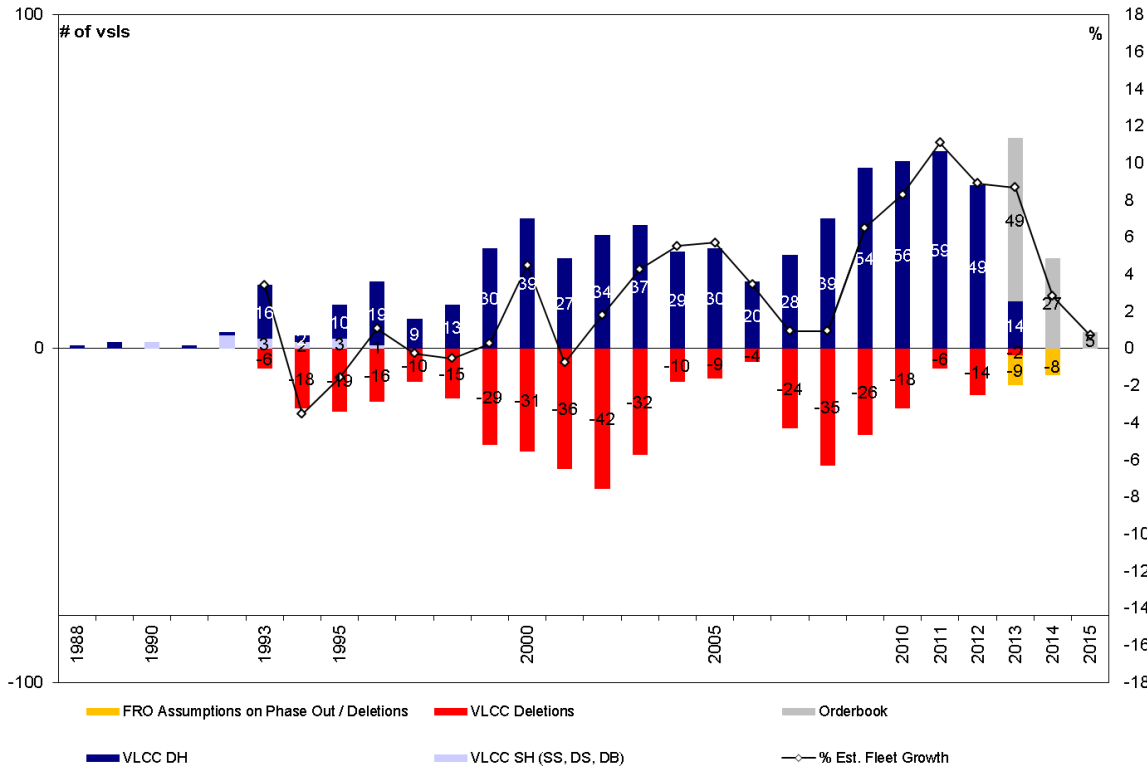
Phoenix Voyager -> **charter terminated in March 15, 2013.**

****) All the three vessels are now fixed on bareboat charter until April 1, 2015.

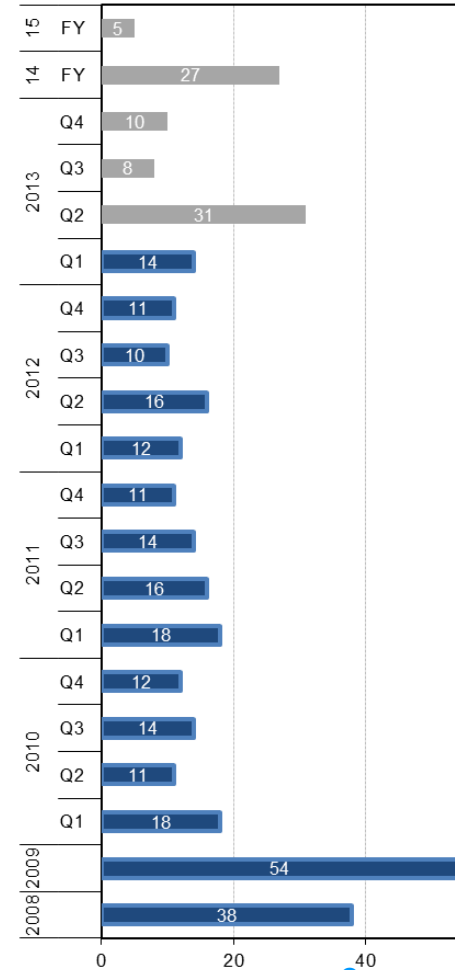
VLCC Fleet

Current Fleet	634	Orderbook	81
DH Fleet	621	Delivered Q1 2013	14
SH (DS, DB, SS) Fleet	15	Estimated deliveries 2013	49

Current Fleet & Orderbook



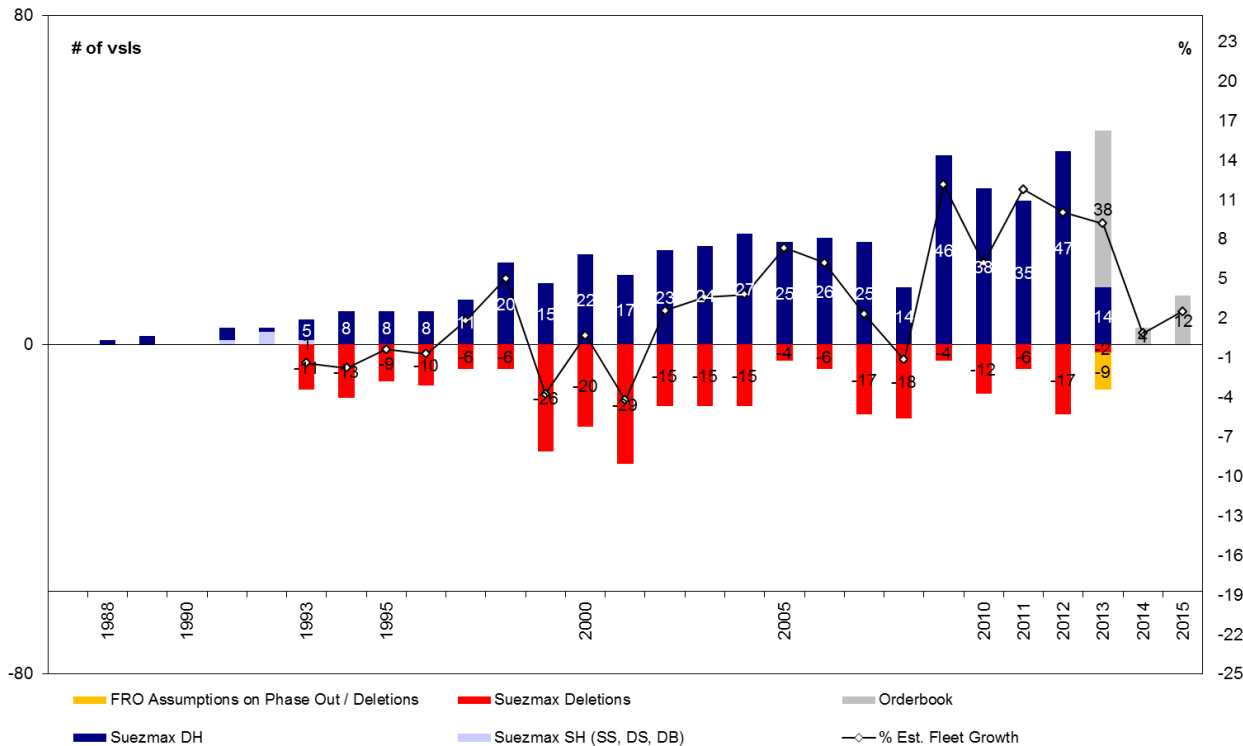
Delivery Schedule



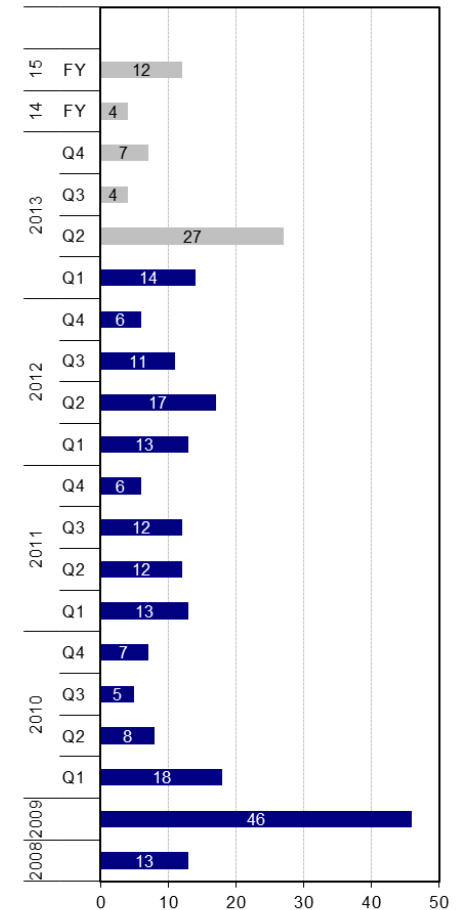
Suezmax Fleet

Current Fleet	480	Orderbook	54
DH Fleet	475	Delivered Q1 2013	14
SH (DS, DB, SS)	5	Estimated deliveries 2013	38

Current Fleet & Orderbook

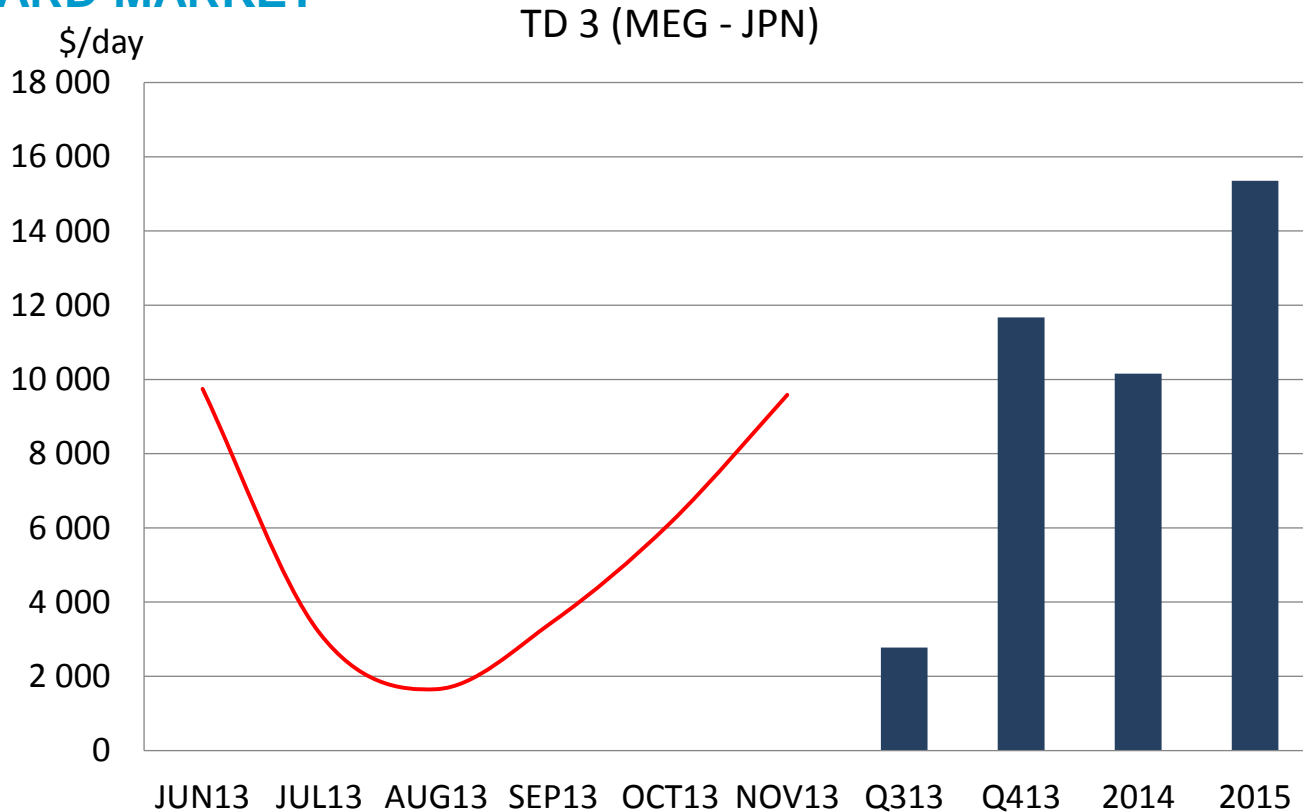


Delivery Schedules



Outlook

FORWARD MARKET



ITCL

- From February 2010, the VLCC British Progress fixed charter rate period ended and the vessel started to trade at a market rate with a minimum bareboat rate of \$20,000 per day. The same was applicable for British Purpose in July 2010 and British Pride in July 2011. Ulriken and Pioneer started to trade in the spot market from December 7, 2010 and January 10, 2011, respectively. Ulysses has been trading in the spot market since March 15, 2013.

Company Description

- Independent Tankers Corporation Limited (Bermuda) is a holding company that through Independent Tankers Corporation (Cayman Islands) owns three holding companies, each of which owns or leases tanker vessels which have been bareboat chartered to BP Shipping Limited or Chevron Transport Corporation on long term charters.
- The three ship owning structures are all financed through bond issues in the US capital markets.
- Frontline Ltd. also acts as manager for ITC and its subsidiaries.

Golden State Holdings Group

- Owns two separate shipowning companies: Golden State Petro (IOM 1-A) PLC and Golden State Petro (IOM 1-B) PLC. Each company owns a VLCC which were fixed on bareboat charters to Chevron with options to extend the charter for 2 years every second year. The charter for Ulriken (ex Antares Voyager) was terminated Dec. 7, 2010 and the charter for Ulysses (ex Phoenix Voyager) was terminated March 15, 2013. Both vessels are presently trading spot.
- The Group has as per 31.03.2013 outstanding a term mortgage note of USD 87.6 million, with effective interest rate of 8.04% and maturity in 2019.

California Petroleum Holdings Group

- Owns three separate shipowning companies: CalPetro Tankers (Bahamas I) Ltd, CalPetro Tankers (Bahamas II) Ltd, and CalPetro Tankers (IOM) Ltd. Each company owns a Suezmax vessel. The vessels are fixed on a B/B charter to Chevron until 2015 and Chevron has purchase options for all vessels in 2015 (\$1 per vsl)
- The Group has as per 31.03.2013 outstanding a term mortgage note for USD 28.6 million, with effective interest rate of 8.52% and maturity in 2015.

Windsor Petroleum Holdings Group

- Four separate companies: Buckingham Shipping Plc, Caernarfon Shipping Plc, Sandringham Shipping Plc, Holyrood Shipping Plc. Each company owns or leases a VLCC. Three vessels are fixed on bareboat charters to BP, one until February 2014 and two until July 2014, with options for BP to extend charters on certain dates. Pioneer was terminated on January 10, 2011 and is presently trading spot.
- The Group has as per 31.03.2013 outstanding term mortgage note of USD 203.6 million with effective interest rate of 7.84% and maturity in 2021.



Fleet

WINDSOR	Company name	Vessel	Type	Dwt	Built
	Buckingham Shipping Plc	Pioneer	VLCC - DH	307 000	1999
	Caernarfon Shipping Plc	British Progress	VLCC - DH	307 000	2000
	Sandringham Shipping Plc	British Purpose	VLCC - DH	307 000	2000
	Holyrood Shipping Plc	British Pride	VLCC - DH	307 000	2000

GOLDEN STATE	Company name	Vessel	Type	Dwt	Built
	Golden State Petro (IOM 1-A) Plc	Ulriken (ex Antares Voyager)	VLCC - DH	309 996	1998
	Golden State Petro (IOM 1-B) Plc	Phoenix Voyager	VLCC - DH	308 500	1999

CALIFORNIA	Company name	Vessel	Type	Dwt	Built
	Calpetro Tankers (Bahamas I) Ltd	Cygnus Voyager	Suezmax - DH	156 836	1993
	Calpetro Tankers (Bahamas II) Ltd	Altair Voyager	Suezmax - DH	135 829	1993
	Calpetro Tankers (IOM) Ltd	Sirius Voyager	Suezmax - DH	156 380	1994

Annual Reports

- ANNUAL REPORTS (20-F) FOR THE GOLDEN STATE & CALIFORNIA STRUCTURES, PLEASE GO TO:

WWW.ITCL.BM -> INVESTOR RELATIONS-> SEC FILINGS