

INDEPENDENT TANKERS CORPORATION LIMITED

SECOND QUARTER AND SIX MONTHS 2014 RESULTS

Highlights

- Independent Tankers reports a net loss of \$4.7 million, equivalent to a loss per share of \$0.06, for the second quarter of 2014.
- Independent Tankers reports a net loss of \$23.1 million, equivalent to a loss per share of \$0.31, for the six months ended June 30, 2014.

Introduction

Independent Tankers Corporation Limited (the "Company" or "Independent Tankers") was incorporated in Bermuda on January 18, 2008 and the shares have traded on the Norwegian over-the-counter market since March 7, 2008. Independent Tankers' business is mainly concentrated on the ownership and operation of crude oil tankers and has four vessels operating in the spot market. Independent Tankers owns five VLCC's and three Suezmax tankers. All vessels are financed through bonds in the U.S. market. The main shareholder is Frontline Ltd. ("Frontline") with an ownership of approximately 83 percent.

Second Quarter and Six Months 2014 Results

The Board of Independent Tankers announces a net loss of \$4.7 million, equivalent to a loss per share of \$0.06, for the second quarter of 2014 compared with a loss of \$18.5 million, equivalent to a loss per share of \$0.25, for the preceding quarter. The net loss in the first quarter includes a loss on the sale of the Ulysses of \$15.7 million. The average daily time charter equivalent rate earned in the second quarter by the VLCCs trading in the spot market was \$15,100 compared with \$26,100 in the preceding quarter. The average daily bareboat rate earned in the second quarter by the Company's VLCCs was \$19,900 compared with \$20,000 in the preceding quarter.

The Board of Independent Tankers announces a net loss of \$23.1 million, equivalent to a loss per share of \$0.31, for the six months ended June 30, 2014. This compares with a net loss of \$5.9 million, equivalent to a loss per share of \$0.08 for the six months ended June 30, 2013. The increase in the loss is primarily attributable to the loss on the sale of the Ulysses of \$15.7 million in the first quarter. The average daily time charter equivalent rate earned in the six months ended June 30, 2014 by the VLCCs trading in the spot market was \$20,300 compared with \$12,900 in the six months ended June 30, 2013. The average daily bareboat rate earned in the six months ended June 30, 2014 by the Company's VLCCs was \$21,000 which was the same as in six months ended June 30, 2013.

In August 2014, the average cash breakeven rate for the remaining part of 2014 is approximately \$30,800 per day for the spot trading VLCC Ulriken.

Other Matters

In July 2014, the Company received a request from Chevron to terminate the three bareboat charters for the Calpetro fleet early and not April 1, 2015 as scheduled. Such early termination would also result in the full redemption of all the outstanding Term Notes. The Company is currently in discussion with Chevron on this matter.

In July 2014, BP gave twelve months irrevocable notice of termination of the bareboat charter for the VLCC British Purpose. The vessel will be redelivered to the Company on July 14, 2015.

In July 2014, several of the subsidiaries and related entities in the Windsor group (the "Windsor group"), owned by ITCL, filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court in Wilmington, Delaware. In connection with the filing, the Windsor group has entered into a restructuring support agreement with bondholders. Under the restructuring and support agreement, the supporting holders of the Notes have agreed to support a plan of reorganization that would convert claims on account of the Notes for 100% of the equity in the reorganized Windsor group. On August 25th a plan of reorganization was filed the terms of which are consistent with the Plan Support Agreement. This could provide for Windsor to emerge as early as November. A subsidiary of Frontline will enter into a revised management agreement with the reorganized Windsor group and will continue to provide commercial management for its vessels.

74,825,166 ordinary shares were outstanding as of June 30, 2014, and the weighted average number of shares outstanding for the second quarter was also 74,825,166.

The Market

The market rate for a VLCC trading on a standard 'TD3' voyage between the Arabian Gulf and Japan in the second quarter of 2014 was WS 38, representing a decrease of WS 13 points from the first quarter of 2014 and in line with the second quarter of 2013. The flat rate decreased by 6.7 percent from 2013 to 2014.

The International Energy Agency's ("IEA") August 2014 report stated an OPEC crude production of 30.0 million barrels per day (mb/d) in the second quarter of 2014. This was unchanged compared to the first quarter of 2014.

The IEA estimates that world oil demand averaged 91.7 mb/d in the second quarter of 2014, which is an increase of 0.2 mb/d compared to the previous quarter. IEA estimates that world oil demand in 2014 will be 92.7 mb/d, representing an increase of 1.2 percent or 1.1 mb/d from 2013.

The VLCC fleet totalled 629 vessels at the end of the second quarter of 2014, two vessels up from the previous quarter. Five VLCCs were delivered during the quarter, three were removed. The order book increased by 12 vessels and counted 92 vessels at the end of the second quarter, which represents 15 percent of the VLCC fleet.

Strategy and Outlook

Following the termination of the bareboat charter for the VLCC Ulriken in 2014 the vessel is trading in the spot market and is exposed to earnings fluctuations. The vessel is financed through the US bond market with maturity in 2019. The market value of the vessel is estimated to be lower than the net debt of the vessel. Whether the estimated market values can be achieved through actual transactions is highly uncertain due to the lack of liquidity in the secondhand sale and purchase market for VLCCs.

Following the filing for Windsor Petroleum Transport Corporation ("WPTC") under Chapter 11 all operating entities have conducted normal operations. Going forward, WPTC anticipates operating as usual, meeting all its ongoing trade obligations, and expects to implement the restructuring and emerge from the court-supervised process expeditiously.

Forward Looking Statements

This press release contains forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including the Company's management's examination of historical operating trends. Although the Company believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, the Company cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Important factors that, in the Company's view, could cause actual results to differ materially from those discussed in this press release include the strength of world economies and currencies, general market conditions including fluctuations in charter hire rates and vessel values, changes in demand in the tanker market as a result of changes in OPEC's petroleum production levels and world wide oil consumption and storage, changes in the Company's operating expenses including bunker prices, drydocking and insurance costs, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other important factors described from time to time in the reports filed by the Company with the Norwegian over-the-counter market in Oslo.

The Board of Directors
Independent Tankers Corporation Limited
Hamilton, Bermuda
September 2, 2014

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INDEPENDENT TANKERS CORPORATION LIMITED
SECOND QUARTER REPORT (UNAUDITED)

2013 Apr-Jun	2014 Apr-Jun	CONDENSED CONSOLIDATED INCOME STATEMENTS <i>(in thousands of \$)</i>	2014 Jan-Jun	2013 Jan-Jun	2013 Jan-Dec
17,462	15,729	Total operating revenues	34,686	32,499	66,794
-	-	Loss on sale of vessel	15,727	-	-
8,621	8,013	Voyage expenses and commissions	15,579	13,409	30,382
2,196	2,406	Ship operating expenses	5,978	3,875	9,718
171	588	Administrative expenses	753	350	666
4,390	3,648	Depreciation	7,873	8,781	17,562
15,378	14,655	Total operating expenses	30,183	26,415	58,328
2,084	1,074	Operating (loss) income	(11,224)	6,084	8,466
-	1	Interest income	1	1	3
(5,561)	(5,118)	Loan interest expense	(10,486)	(11,113)	(22,075)
(586)	(542)	Amortization of discount on debt issuance	(1,106)	(586)	(1,820)
(6)	(6)	Other financial items	(24)	(24)	(35)
(74)	(86)	Equity losses from unconsolidated subsidiaries	(309)	(285)	(537)
(1)	-	Foreign currency exchange gain (loss)	1	(1)	(2)
(4,144)	(4,677)	Net loss	(23,147)	(5,924)	(16,000)

\$(0.006)	\$(0.06)	Basic and diluted loss per share (\$)	\$(0.31)	\$(0.08)	\$(0.21)
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		Time charter equivalent (\$ per day per vessel)			
20,000	19,900	VLCC – bareboat	21,000	21,000	20,500
12,500	15,100	VLCC – spot market	20,300	12,900	12,500

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CONDENSED CONSOLIDATED BALANCE SHEETS <i>(in thousands of \$)</i>	Jun 30 2014	Jun 30 2013	Dec 31 2013
ASSETS			
Short term			
Cash and cash equivalents	257	4,195	1,180
Restricted cash	35,891	73,616	66,249
Other current assets	12,862	11,810	6,699
Long term			
Vessels, net	214,421	272,148	263,367
Investment in unconsolidated subsidiaries	902	1,461	1,211
Total assets	264,333	363,230	338,706
LIABILITIES AND EQUITY			
Short term			
Short term debt and current portion of long term debt	18,923	21,551	22,706
Other current liabilities	19,060	29,181	19,488
Long term			
Long term debt	199,357	252,282	246,372
Equity	26,993	60,216	50,140
Total liabilities and equity	264,333	363,230	338,706

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2013 Apr-Jun	2014 Apr-Jun	CONDENSED CONSOLIDATED STATEMENTS OF CASHFLOWS <i>(in thousands of \$)</i>	2014 Jan-Jun	2013 Jan-Jun	2013 Jan-Dec
		OPERATING ACTIVITIES			
(4,144)	(4,677)	Net loss	(23,147)	(3,289)	(16,000)
		Adjustments to reconcile net loss to net cash (used in) provided by operating activities:			
4,390	3,648	Depreciation	7,873	8,781	17,562
-	-	Loss on sale of vessel	15,727	-	-
586	542	Amortization of discount on debt issuance	1,106	586	1,820
74	86	Results from associated companies	309	285	537
2,368	(484)	Change in operating assets and liabilities	(8,408)	(4,717)	(302)
3,274	(885)	Net cash (used in) provided by operating activities	(6,540)	(989)	3,617
		INVESTING ACTIVITIES			
(2,986)	38,253	Change in restricted cash	30,358	12,664	20,032
-	-	Net proceeds from sale of vessel	27,164	-	-
(2,986)	38,253	Net cash provided by (used in) investing activities	57,522	12,664	20,032
		FINANCING ACTIVITIES			
-	(39,720)	Repayment of long term debt	(51,905)	(10,150)	(21,531)
9,950	-	Proceeds from long term debt	-	14,406	19,798
(10,000)	-	Repayment of related party loan	-	(17,000)	(26,000)
(50)	(39,720)	Net cash used in financing activities	(51,905)	(12,744)	(27,733)
238	(2,352)	Net change in cash and cash equivalents	(923)	(1,069)	(4,084)
3,957	2,609	Cash and cash equivalents at start of period	1,180	5,264	5,264
4,195	257	Cash and cash equivalents at end of period	257	4,195	1,180

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY <i>(in thousands of \$, except for number of shares)</i>	Jun 30 2014	Jun 30 2013	Dec 31 2013
NUMBER OF SHARES OUTSTANDING			
Balance at beginning and end of period	74,825,166	74,825,166	74,825,166
SHARE CAPITAL			
Balance at beginning of period	748	22,448	22,448
Capital reduction	-	-	(21,700)
Balance at end of period	748	22,448	748
CONTRIBUTED SURPLUS			
Balance at beginning of period	21,840	140	140
Capital reduction	-	-	21,700
Balance at end of period	21,840	140	21,840
RETAINED (DEFICIT) EARNINGS			
Balance at beginning of period	27,552	43,552	43,552
Net loss	(23,147)	(5,924)	(16,000)
Balance at end of period	4,405	37,628	27,552
TOTAL EQUITY	26,993	60,216	50,140