



Broström is one of the leading logistics companies for the oil and chemical industry, focusing on industrial product and chemical tanker shipping and marine services. Broström is based all over the world and operates within two areas: Shipping and Marine & Logistics Services. Broström's head office is located in Göteborg, Sweden.

Press Release

CONTINUED MODERNISATION OF THE BROSTRÖM FLEET

By the delivery of the 37,000 dwt product tanker BRO ELLEN and by the sale of the 20-year-old product tanker BRO STAR, Broström is taking a further step in the modernisation of its fleet, which now has an average age of less than 7 years.

In a series of two, the BRO ELLEN is the second vessel delivered to Broström from the 3 Maj Shipyard in Croatia. Her sister vessel was delivered during last year and the two vessels are now trading mainly in North Western Europe and in the Mediterranean markets. The vessels have been built in accordance with the latest technical and environmental standards and requirements in order to carry petroleum products as well as IMO 2 chemicals. They have shallow draft, tin free antifouling and NOx emission control for main and auxiliary engines. Both vessels fly the French flag and are operated and managed commercially by Broström's French subsidiary Broström Tankers SA in Paris. Broström holds a majority interest in the vessel, the balance being held by external investors.

The sale of the 20-year-old 12,000 dwt product tanker BRO STAR, is a further step in Broström's long-term strategy to provide the oil industry with modern and safe vessels for the transportation of refined oil products. Demand for this type of old tonnage has drastically been reduced which fact is also reflected in the valuations. The divestment of BRO STAR will hence bring a total sales loss of SEK 15 million in Broström's profit and loss account for the third quarter this year whereof SEK 12 million is a currency exchange loss on outstanding loans.

"The continued emphasis on quality, safety and environment has contributed to Broström's competitive strength and enabled us to gradually increase our portfolio of cargo contracts. The loss realised in the divestment of one of our oldest vessels illustrates the change that has taken place in the market. Overall, however, this development benefits Broström's long-term success and profitability", says Lennart Simonsson, CEO of Broström AB.

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More information about Broström can be found on www.brostrom.se