



Concordia Maritime is an international tanker shipping company listed on the O List (Attract 40) on the Stockholm Stock Exchange.

In 2003, six vessels, which will be built in accordance with the MAX concept, were ordered. These vessels, Stena P-MAX, are product tankers of about 49,900 dwt.

The MAX concept means that the vessels are designed for maximum loading capacity in shallow waters. In addition to having mandatory double hulls, they have been designed according to a new concept for safer oil transportation with double main engines in two completely separate engine rooms, double rudders and steering gear, two propellers and double control systems.

In 2004, two Panamax tankers of about 75,000 dwt, in which the company has a 50 per cent share, were ordered.

All the vessels on order will be delivered over a 2-year period from December, 2005.

INNOVATION AND PERFORMANCE

Our mission is to generate a profit by providing our customers with safe, cost-efficient tanker transportation based on innovation and performance

INTERIM REPORT FOR CONCORDIA MARITIME AB (publ) 1 January -31 March 2005

- ◆ **Net sales: SEK 70.6 (139.0) million**
- ◆ **Profit after tax SEK 27.0 (44.3) million, including sale of ships of SEK 47.4 (0) million and exchange rate differences of SEK -26.0 (0) million**
- ◆ **Profit per share after tax: SEK 0.57 (0.93)**
- ◆ **New forecast for 2005: SEK 70 million including exchange rate differences of SEK -26 million (previous forecast: SEK 100 million) corresponding to SEK 1.47 per share (previous forecast: SEK 2.10 per share)**
- ◆ **Equity: SEK 1,750 million corresponding to SEK 36.67 per share, an increase of SEK 2.80 per share since 31-12-2004.**

SUMMARY OF BUSINESS ACTIVITIES, FIRST QUARTER, 2005

SALES AND RESULT

Sales amounted to SEK 70.6 (139.0) million. The result after financial items was SEK 27.9 (44.3) million, which included a profit of SEK 47.4 (0) million on the sale of ships. The result after tax was SEK 27.0 (44.3) million, which corresponds to a result per share after tax of SEK 0.57 (0.93).

Sales and result per operating segment

	<u>Sales</u>	<u>Result</u>
Large tanker /VLCC	48.7	33.4
Including sales of ships	-	47.4
Product tanker	21.9	-1.2
Others	-	-5.2



Tanker market

VLCC

In the first quarter of 2005, freights were substantially lower than in the fourth quarter of 2004. However, the market is still strong in comparison with long periods in the last 20-30 years and the average freight rate for a modern VLCC was well over USD 60,000 per day. During the period, oil prices rose from around USD 41 to USD 54 per barrel. This does not seem to have affected demand and continuing high imports to countries such as China are exerting upward pressure on the freight market.

Product market

The market rates for transportation of refined petroleum products did not reach the same levels as those in the corresponding period, last year. However, as in the case of large tonnage, the market is strong historically speaking. The US imported larger volumes than usual from Europe in order to meet domestic demand. The general view in the market is that the continuing imbalance between supply and demand in different regions will also continue to contribute to a relatively strong market.

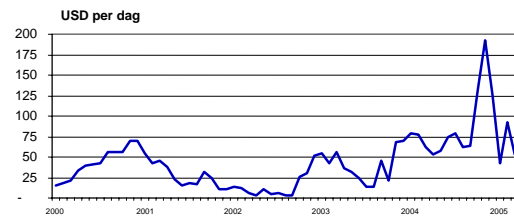
Shipbuilding market

In the first quarter of 2005, there was a continued level of activity for all types of tonnage. Newbuilding prices of vessels for delivery around 2008-2009 continue to rise. The second-hand market, primarily for modern vessels, also continues to be very strong.

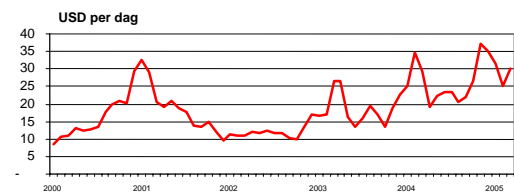
FREIGHT MARKET

January, 1999 – March, 2005

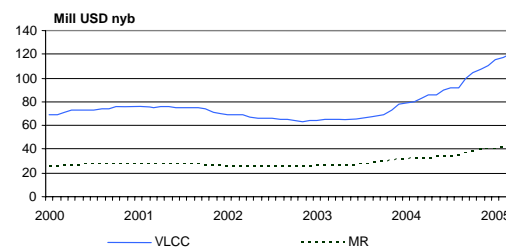
VLCC



Product tank (MR)



Shipyard prices



Source: R.S. Platou Economic research



VLCC

The remaining VLCC in the so-called Concordia Class, the *Stena Congress*, was delivered to the buyer on 7 January. The capital gain on the sale, SEK 54.2 million, is included in the result for the period.

V-MAX

In conjunction with the sale of the *Stena Vision* and *Stena Victory* to Arlington Tankers in November, 2004, Concordia Maritime entered into an agreement with Arlington Tankers to time-charter the V-MAX tankers for five years at a fixed rate with an option on three 1-year extensions.

The vessels are time-chartered to the US oil company Sunoco until mid-2007. The revenue from this contract covers the charter costs paid to Arlington Tankers after the sale of the vessels. Concordia Maritime is thus exposed to the open market for about 2.5 years, from mid-2007 to the end of 2009.

Additional costs relating to the sale to Arlington Tankers have reduced the profit on sales of ships for the period by SEK 6.8 million.

Undertakings in conjunction with ship management

In conjunction with the sale to Arlington Tankers, Concordia undertook to pay for the vessels' daily operating costs if they exceeded a pre-determined level. In the annual accounts, provision was made for the estimated cost of these undertakings. In the first quarter of 2005, actual costs exceeded provisions made by SEK 1.2 million. This amount has been charged to the result for the period. The estimated costs for the rest of 2005 amount to SEK 9.2 million and are reported under accrued expenses. The estimated costs in 2006-2009 amount to SEK 44.5 million and are reported under the Provisions in the balance sheet.

SHIPS UNDER CONSTRUCTION

P-MAX

The newbuilding project for the six P-MAX product tankers ordered in 2003 at the Brodosplit yard in Croatia is proceeding according to plan.

Panamax product tankers

Construction of the two Panamax product tankers with ice class 1A, which were ordered in August, 2004, in a 50/50 joint venture with Finnish Fortum, now called Neste Oil, is expected to begin in August and December, 2005, respectively.

P-MAX	Size, dwt	Ice class	Estimated delivery	Employment
<i>Stena Paris</i>	49.900	1B	4 th quarter, 2005	Time-chartered to TOTAL, 5 years
<i>Stena Provence</i>	49.900	1B	1 st quarter, 2006	Time-chartered to TOTAL, 5 years
<i>Stena Primorsk</i>	49.900	1B	2 nd quarter, 2006	Time-chartered to Progetra, 10 years
<i>Stena Performance</i>	49.900	1B	3 rd quarter, 2006	Open market
<i>Stena Progetra</i>	49.900	1B	4 th quarter, 2007	Time-chartered to Progetra, 10 years
<i>Stena Progress</i>	49.900	1B	1 st quarter, 2008	Open market
Panamax Is 1A				
<i>Stena Polaris (50%)</i>	74.500	1A	4 th quarter, 2006	Time-chartered to Neste Oil, 10 years
<i>Stena Poseidon (50%)</i>	74.500	1A	1 st quarter, 2007	Time-chartered to Neste Oil, 10 years



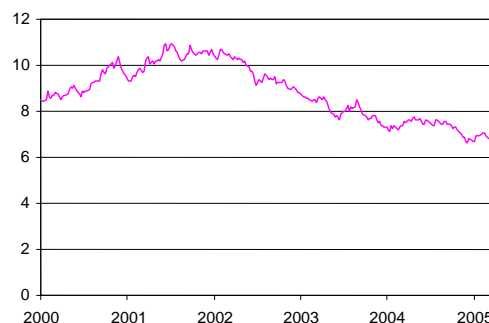
EQUITY

Equity per share is SEK 36.67 (23.28). The SEK/USD exchange rate on 31-03-2005 was 7.06 (7.57). On 31-12-2004, equity per share was SEK 33.87 and the SEK/USD exchange rate was 6.61.

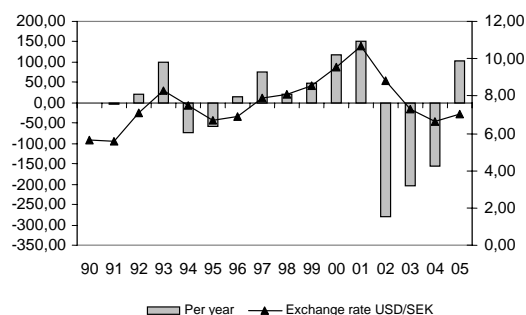
The continuing increase in value of the SEK in the SEK/USD exchange rate during the year reduced equity by SEK 100.6 (40.4) million, which corresponds to SEK 2.11 (0.85) per share. This figure includes a negative effect from the result of hedging USD against SEK with SEK 12.8 million. In November, USD 20 million was hedged and a further USD 40 million was hedged in February, 2005.

The accumulated exchange rate differences, including the effects of hedging, recorded directly to equity amount to SEK -126.4 (-30.4) million.

Exchange rate USD/SEK 5 years



Exchange rate differences charged to Equity



LIQUIDITY AND FINANCING

The Group's disposable liquid funds, including unutilised credit facilities, amounted to SEK 807 (332) million on 31-03-2005. On 31-12-2004, consolidated liquid funds totalled SEK 1,153 (320) million.

A credit facility amounting to USD 150 million has been in place since 2004. It has a duration of about 7 years and will be made available as the P-MAX tankers are delivered.

In November and December, 2004, as protection against a further weakening of the US dollar, USD 80 million were converted into Euros at an average exchange rate of 1.31.

In February, half this position was used to hedge USD against SEK. Accordingly, on 31-03-2005, the Group had Euros equivalent to USD 40 million. The USD EUR exchange rate was 1.29 on 31-03-2005 compared with 1.36 on 31-12-2004. The transaction cannot be classified as hedging and is valued at its actual value in the balance sheet and a negative exchange rate difference of SEK 26.0 million, as a result of the USD becoming stronger during the quarter, is included in the result for the period.



SECURITIES AND SHORT-TERM INVESTMENTS

Arlington

In the sale of the two V-MAX tankers to Arlington Tankers Ltd, in November, 2004, 87% of the sales proceeds was paid in cash and 13% in the form of shares. The Group's shareholding thus consists of 1,534,785 Arlington shares. The price of the share on 31-03-2005 was SEK 23.50 (31-12-2004: USD 23). The holding has been valued at its market value in the balance sheet.

Short-term investments

During the period, SEK 396.5 million was invested in corporate bonds. Total investments amounted to SEK 544.2 million on 31-03-2005.

The largest holdings are Sibneft with SEK 303 million (USD 39.0 million nominal value) and

Fred Olsen Energy A/S with SEK 120 million (NOK 101.5 million nominal value) as of 31-03-2005.

The holdings have been valued at their actual value in the balance sheet. Changes in value of SEK -0.9 million are included in the result for the period.

INVESTMENTS

Investments during the period amounted to SEK 76.2 million and consist of advance payments to the shipyard and project costs relating to the vessels on order. Also included is SEK 4.0 million in capitalised interest.

RELATED COMPANY TRANSACTIONS

Concordia has a small organisation and purchases services from Stena Bulk, a closely related company, which conducts similar tanker business. Accordingly, there is an agreement, which regulates the relationship between the two companies with respect to new business. According to the terms of this agreement, Concordia Maritime has the right to choose whether it wishes to participate 0%, 50% or 100% in the deal in question.

Concordia purchases services on a regular basis from Stena Bulk or other companies in the Stena Sphere in the following areas:

- Vessel charter. Payment is based on a commission of 1.25% on freight rates.
- Commission on the purchase and sale of vessels. Payment is based on a commission of 1% on purchases and sales.

- Operation and manning of the Group's vessels, so-called ship management. Payment is based on a fixed price per year and vessel.
- Purchases of bunker oil. Payment is based on a commission of about 0.1% per ton purchased.
- Administration, marketing, insurance, technical follow-up and development of Concordia's fleet. Payment is based on a fixed price per month and vessel. In the case of technical consulting services for newbuilding projects, an hourly rate is charged on current account, which is then charged to the project.
- Office rent and office services for Concordia's personnel. A fixed price per year is charged.

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



PARENT COMPANY

The Parent Company's sales totalled SEK 0.4 (4.3) million. Intergroup invoicing accounted for SEK 0.4 (3.5) million of this amount. The result after financial items was SEK -22.7 (-5.6) million. The Parent Company's

disposable liquid funds, including unutilised credit facilities, amounted to SEK 22.1 (5.0) million. There were no investments during the period.

FORECAST FOR 2005

The Group has six wholly-owned and two part-owned vessels on order and under construction but currently has no vessels in service. The Group's revenue and result will mainly be generated by share dividends from Arlington Tankers and interest income from investments and bank funds.

The time charter contract for the two V-MAX tankers, which was signed in conjunction with their sale to Arlington Tankers, is expected to generate a break-even result. Apart from the V-MAX tankers, it is anticipated that the

Group will conduct a limited amount of chartering in and out. Currently, a product tanker is on charter until July, 2005.

The new forecast for the full year is SEK 70 million before tax (previous forecast: SEK 100 million), which corresponds to SEK 1.47 per share (previous forecast: SEK 2.10 per share). The forecast includes the exchange loss of SEK 26 million on the Group's position in the Euro based on the exchange rate on 31-03-2005.

FINANCIAL REPORTING IN ACCORDANCE WITH IFRS FROM 2005

In accordance with the IAS regulation adopted by the European Parliament in 2002, all listed companies in the European Union must comply with International Financial Reporting Standards (IFRS) when preparing their consolidated accounts from 1 January, 2005. Accordingly, the Company's interim report for the first quarter of 2005 has been prepared in accordance with the IFRS standards adopted by the EU and the interpretations by the EU of standards currently in force, IFRIC. This report has been prepared in compliance with IAS34, 'Interim Financial Reporting'.

Full adjustment to IFRS has not had any impact on comparative figures. IAS39 Financial Instruments: Recognition and Measurement, IFRS4 Insurance Contracts and IFRS5 Non-current Assets Held for Sale and

Discontinued Operations must be complied with from 1 January, 2005, and is exempted from the requirement to recompute the year of comparison. However, financial instruments were already valued in the annual accounts for 2004 as prescribed in IAS39 and which is permitted in accordance with the amendments made in Ch. 4, §14 of the Swedish Annual Accounts Act and which may be applied from 2004.

From 1 January, 2005, the Parent Company has complied with RR32 Accounting of legal entities. Basically, RR32 means that IFRS must be complied with, but with certain exceptions. Compliance with RR32 has not had any impact on the Parent Company's result and position.



REPORTS AND INFORMATION

The interim report for the first six months will be published on 11 August and the 9-month interim report on 20 October.

Historical and current reports, together with news and comments on the Company and the tanker markets, can be found on our web site

www.concordia-maritime.se. (a new updated version is on line from today).

Further information may be obtained from Hans Norén, President,
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Gothenburg, 26 April, 2005

CONCORDIA MARITIME AB

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GROUP INCOME STATEMENT

(SEK Million)	1st Quarter 2005	1st Quarter 2004	Full Year 2004
Average exchange rate SEK/USD	6,92	7,35	7,35
Net Sales	70,6	139	354,0
Sales Ships	47,4	0,0	646,6
Total Income	118,0	139	1 000,6
Operating Costs Ships	-73,3	-45,3	-127,4
Other External Costs	-5,0	-9,8	-28,4
Personnel Costs	-2,7	-17,1	-49,3
Depreciation	0,0	-20,1	-66,1
Total Operating Costs	-81,0	-92,3	-271,2
Operating result	37,0	46,7	729,4
Dividend	4,1	-	-
Interest income and similar profit/loss items	12,8	0,1	5,0
Interest expenses and similar profit/loss items	0,0	-2,5	-15,2
Exchange Rate Differences	-26	0,0	21,0
Financial Net	-9,1	-2,4	10,8
Result After Financial Net	27,9	44,3	740,2
Tax	-0,9	0	0,0
Net Result After Tax	27,0	44,3	740,2

PER-SHARE DATA

	1st Quarter 2005	1st Quarter 2004	Full Year 2004
Shares at end of period	47 729 798	47 729 798	47 729 798
Profit per share after tax SEK	0,57	0,93	15,51
Equity per share SEK	36,67	23,28	33,87

CONCORDIA

MARITIME



GROUP BALANCE SHEET

(SEK Million)	31 mars 2005	31 mars 2004	Dec 31 2004
Closing exchange rate SEK/USD	7,06	7,57	6,61
Assets			
Ships and Equipment	0,1	1 252,6	32,6
Ships Under Construction	214,4	89,4	128,0
Financial Assets	263,6	8,5	241,9
Total Fixed Assets	478,1	1 350,5	402,5
Current Receivables	59,0	114,3	71,4
Short Term Investments	544,2	0,0	130,7
Cash and Bank Balances	775,9	23,3	1 123,4
Total Current Assets	1 379,1	137,6	1 325,5
Total Assets	1 857,2	1 488,1	1 728,0
Equity and Liabilities			
Equity	1 750,4	1 111,2	1 616,8
Provisions	55,2	14,1	52,5
Long Term Liabilities	9,0	283,4	9,0
Short Term Liabilities	42,6	79,4	49,7
Total Equity and Liabilities	1 857,2	1 488,1	1 728,0

SUMMARY OF GROUP'S CASH FLOW ANALYSIS

(SEK Million)	31 mars 2005	31 mars 2004	Dec 31 2004
Cash flow from operations			
Result after financial net	27,9	44,3	740,2
Adjustment items:			
Depreciation according to plan	-	20,1	66,1
Profit on the sale of ships	-47,4	-	-646,6
Other items	26,0	-	-21,0
	6,5	64,4	138,7
Tax paid	-0,7	-15,9	-2,5
Cash flow from operating activities before changes in working capital	5,8	48,5	136,2
Change in working capital	-17,5	5,4	-20,2
Cash flow provided by operating activities	-11,7	53,9	116,0
Cash flow from investing activities			
Ships sold	81,8	-	1 634,7
Advance payments of project costs for ships under construction	-76,2	-35,3	-86,3
Investments in financial assets	-396,5	-	-148,2
Sale of subsidiary	-	-	7,1
Cash flow provided by investing activities	-390,9	-35,3	1 407,3
Cash flow from financing activities			
Repayment of loans	-	-36,7	-312,8
Dividend to shareholders	-	-	-23,9
Cash flow provided by financing activities	0,0	-36,7	-336,7
Cash flow for period	-402,6	-18,1	1186,6
Balance at beginning of period	1 123,4	40,3	40,3
Exchange rate differences	55,1	1,1	-103,5
Balance at end of period	775,9	23,3	1123,4

Note 1. Balance consists of cash and bank balances

Note 2. Exchange rate difference relate to:

Balance at the beginning of year	61,5
Cash flow for the year	-6,4
	55,1



CHANGES IN EQUITY, GROUP

(SEK MILLION)	Share Capital	Restricted reserves	non-restricted equity	TOTALT
CHANGES JAN-MAR, 2005				
Opening balance 01-01-2005	381,8	141,3	1 093,7	1 616,8
Exchange rate differences not shown in income statement	-	44,8	55,8	100,6
Change in fair value reserve	-	-	6,0	6,0
Result for the period	-	-	27,0	27,0
Closing balance 31-03-2005	381,8	186,1	1 182,5	1 750,4

CHANGES JAN-MAR, 2004

Opening balance 01-01-2004	381,8	154,5	490,2	1 026,5
Exchange rate differences not shown in income statement	-	24,3	16,1	40,4
Result for the period	-	-	44,3	44,3
Closing balance 31-03-2004	381,8	178,8	550,6	1 111,2

SIX-YEAR SUMMARY

	31 mars 2005	2004	2003	2002	2001	2000
Profit/loss items (SEK Million)						
Net sales	70,6	354,0	649,7	768,6	1 334,6	1 327,6
Operating costs	81,0	271,2	575,7	877,9	1 043,6	1 098,2
Operating result	37,0	729,4	58,9	-98,2	292,5	246,0
- of which profit/loss on ship sales	47,4	646,6	-15,1	11,1	1,5	16,6
Result after financial items	27,9	740,2	35,1	-142,4	251,9	227,7
Cash flow from operating activities	5,8	136,2	150,5	40,0	392,1	337,2
Balance-sheet items						
Ships	-	32,5	1223,9	1907,0	2 544,3	1 073,3
(Number of ships)	-	(1)	(4)	(6)	(9)	(9)
Ships under construction	214,4	128,0	55,4	-	-	1 001,8
(Number of ships)	(7)	(7)	(6)	-	-	(2)
Liquid funds	1320,1	1254,1	40,3	115,2	263,0	81,0
Other assets	322,7	313,4	87,8	216,7	343,0	338,4
Interest-bearing liabilities	0,0	0,0	300,7	926,6	1 261,7	936,0
Other liabilities and provisions	106,8	111,2	80,2	159,3	295,4	346,9
Equity	1 750,4	1 616,8	1 026,5	1 153,0	1 593,2	1 211,6
Total assets	1 857,2	1 728,0	1 407,4	2 238,9	3 150,3	2 494,5
Key ratios(%)						
Equity ratio	94	94	73	51	51	48
Return on total capital	1	47	3	-4	11	12
Return on capital employed	1	49	3	-4	12	14
Return on equity	0	56	7	-11	16	21

Definitions: as in Annual report 2004