

**FINAL ACCOUNTS**  
**1 JANUARY–31 DECEMBER 2010**

	Q4 (Oct–Dec)		Full year	
	2010	2009	2010	2009
Net turnover, SEK million	145.5	111.2	513.4	599.3
Result after tax, SEK million	18.9	30.2	80.4	-81.1
Result per share, SEK	0.40	0.63	1.68	-1.70
EBITDA, USD million	8.3	6.0	30.5	21.0
Available liquid funds <sup>1)</sup> , SEK million	698.0	536.0	698.0	536.0

1) Including unutilised credit facilities.

- **Business operations proceeding according to plan.**
- **Continued satisfactory available liquid funds, SEK 698.0 (536.0) million.**
- **Forecast for 2011: A profit before tax of USD 10–13 million (approx. SEK 65–85 million), depending on how the open market develops in 2011.**
- **The Board of Directors proposes that the Annual General Meeting in 2011 approve a dividend of SEK 1.0 (1.0) per share.**

**Watch Hans Norén, President, present the final accounts for 2010**

By scanning in the QR code on the right, you can watch Hans Norén present the Final Accounts on your mobile. Read more about QR codes and how they are used on the last page.



# THIS IS CONCORDIA MARITIME

Concordia Maritime is an international tanker shipping company. The company's focus is on cost-effective and safe transportation of refined petroleum products such as petrol, diesel fuel and jet fuel. The Series B share has been listed on the NASDAQ OMX Nordic Exchange in Stockholm since 1984.

## OUR BUSINESS CONCEPT

To provide the customers with safe and cost-efficient tanker transportation based on innovation and performance.

## OUR VISION

To be the customers' first choice for safe, innovative and efficient tanker transportation, which will result in good profitability, steady growth and financial stability.

## OUR BUSINESS MODEL

Concordia Maritime's business and revenue model consists of providing vessels to customers in need of safe and cost-effective transportation of oil and petroleum products. Revenues are generated mainly by chartering out vessels (spot market or time charters), profit-sharing clauses in charters and the sale of ships. Costs are kept under control by means of long-term maintenance, efficient manning and control over capital costs.

## OUR CUSTOMERS

The customers include some of the world's largest oil and energy companies. Customer relations are characterised by partnership, cooperation and a long-term perspective.

## OUR COOPERATION PARTNERS

Concordia Maritime conducts its business activities in close cooperation with several companies in the Stena Sphere. This means that the company's business activities can be conducted cost-effectively at the same time as its customers have access to the Stena Sphere's knowledge base.

## WHAT WE TRANSPORT

The change in business activities implemented in recent years has resulted in a shift in focus from the transportation of crude oil to the transportation of refined petroleum products. The 12 product tankers (P-MAX and panamax) ordered in the last few years, and which are now delivered and will be delivered, are all designed primarily to transport refined petroleum products. Additionally, there is one suezmax tanker, designed for the transportation of crude oil, on order with delivery set for the second quarter of 2012. Vessels may also be chartered in for short periods in both the product and crude oil segments.

## FINANCIAL OBJECTIVES

**Growth** At least 10% per year, while maintaining profitability

**Profitability** Return on equity of at least 12%

**Equity ratio** At least 50% over a business cycle



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## PRESIDENT'S VIEWS

# BUSINESS OPERATIONS PROCEEDING ACCORDING TO PLAN

During the fourth quarter, Concordia Maritime's business activities continued to develop according to plan. The result after tax amounted to SEK 18.9 (30.2) million and the EBITDA was SEK 56.0 (41.8) million.

### Comments on the result

The tanker markets continued to be weak during the fourth quarter.

When summing up 2010, we can note that, just as expected, it was yet another weak year. During the year, the average freight rates on the spot market were barely USD 9,000 per day for product tankers and around USD 28,000 per day for suezmax tankers.

Despite the weak market, it was a good year for Concordia Maritime. The company's business activities developed according to plan and generated a positive result that was somewhat better than expected. The freight rates in the charter contracts for the P-MAX and the panamax tankers continued to be much higher than the rates on the open market. On average, the charters generated just over USD 20,000 per day.

All our vessels performed well and we did not have any accidents or incidents. The problem with pirates and hijacking has accelerated during the year. More or less the entire Indian Ocean is now considered a risk area. When our vessels transit the area an extensive security assessment is performed for each single voyage and based on this protection and security measures are taken.

### Future prospects

The determining factor behind the weak market trend is a sharply increasing tanker fleet, which has resulted in an imbalance between supply and demand. In the last two years, supply has outstripped demand by a wide margin although the fleet will grow more slowly in 2011. In terms of demand, most of the parameters appear to be positive. Our assessment is that the product tanker market will slowly but gradually improve. 2011 will probably be yet another weak year, while the prospects for a market in balance are good in 2012 and particularly in 2013.

Our own financial position continues to be stable, giving us the capacity to make further investments when the right opportunities arise.

### Forecast for 2011

In 2011, Concordia Maritime will be exposed to some extent to the open market. A P-MAX tanker will be redelivered from its charter during the summer and during the first two quarters, our exposure is in the form of a chartered suezmax tanker and a chartered aframax tanker.

Our assessment is that in the financial year 2011, Concordia Maritime will achieve a result before tax of USD 10–13 million, corresponding to SEK 65–85 million, depending on how the market develops.



### Key ratios

	Q4		Full year	
	2010	2009	2010	2009
Result after tax, MSEK	18.9	30.2	80.4	-81.1
EBITDA, MSEK	56.0	41.8	219.5	160.8
Available liquid funds including unutilised credit facilities, MSEK	698.0	536.0	698.0	536.0
Result per share after tax, SEK	0.40	0.63	1.68	-1.70
EBITDA per share, SEK	1.17	0.87	4.60	3.37
Dividend per share, SEK			1.00 <sup>1)</sup>	1.00
Equity per share, including dividend, SEK	35.94	37.47	35.94	37.47
Equity ratio, %	50	53	50	53
Equity growth, including dividend, %	-4	-9	-4	-9
Return on equity, including dividend, %	5	-4	5	-4

1) Proposed dividend.

# BUSINESS ACTIVITIES

During the fourth quarter, the fleet performed according to plan. All the wholly owned vessels are currently signed to charters and are generating revenues far higher than the freight rates on the spot market.

### P-MAX

Nine wholly owned P-MAX tankers were operated during the fourth quarter, all of which were signed to charters of between three and ten years on delivery. The P-MAX tankers operate in different geographical markets all over the world, transporting both light (e.g. petrol) and heavy petroleum products (e.g. fuel oil) as well as crude oil. In December, the *Stena Paris* completed its 5-year dry-docking according to plan.

### Panamax

The two panamax tankers *Stena Poseidon* and *Palva*, which are owned by Concordia Maritime via a joint venture with Neste Shipping, continued to sail for Neste Oil in transatlantic traffic.

### Aframax

Concordia Maritime has during a short period of time, a 50 percent share of the charter of two aframax tankers with a high ice class (1A). The charter came into force in mid-December and expires at the end of the first quarter. An aframax tankers, approx. 110,000 deadweight tons, is mainly used for transporting crude oil.

### Suezmax

During the period, Concordia Maritime's presence in the large-tanker market was in the form of 50 percent in the suezmax tanker *Yasa Scorpion*, which has been chartered since May 2010 together with Stena Bulk. The charter expires in May 2011.

### Newbuilding program

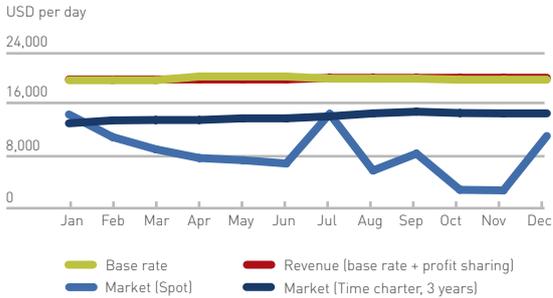
In 2010, two P-MAX tankers were delivered, *Stena Polaris* and *Stena Penguin*. The tenth and final vessel in the P-MAX series, the *Stena Premium*, will be delivered in the second quarter of 2011. The suezmax tanker ordered in the first quarter of 2010 is expected to be delivered in the second quarter of 2012.

### Value of the fleet

At the end of 2010, the book value of the fleet was lower than its market value. Market value is defined as the average of valuations made by three independent brokers and is based on immediate delivery for the open market. This means that the valuation does not take any existing charters into account.

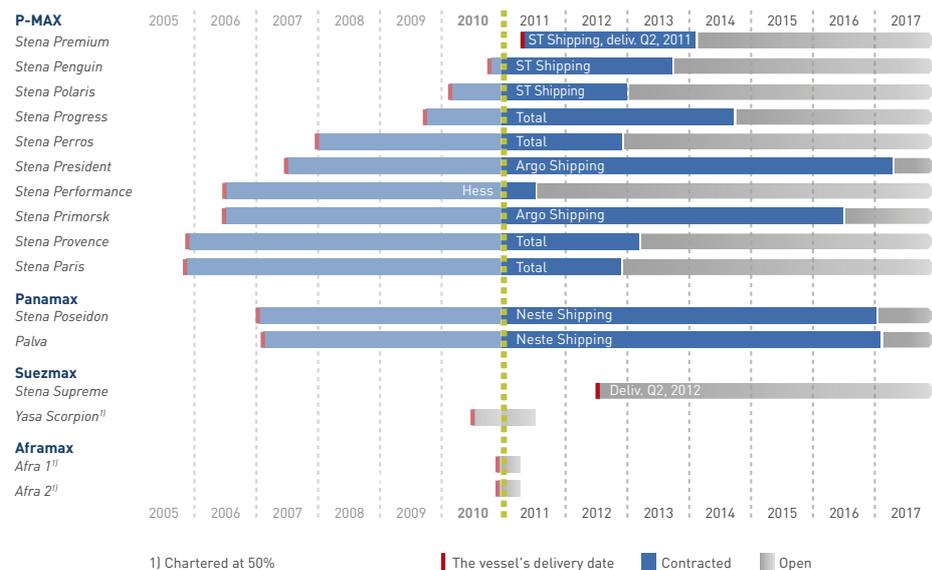
### The product fleet's average freight rate per vessel and day

The graph shows the trend of the spot market, the base hire for Concordia Maritime's product tanker fleet and the actual revenues. The figures for the fleet are based on full employment, i.e. the base hire for the fleet is adjusted downwards to reflect any off hire.



## CLOSE CUSTOMER RELATIONS

The majority of the vessels in the fleet are currently signed to long-term charters, which provide financial stability thus making possible long-term development.



### EBITDA per quarter

2010, MUSD	Q1	Q2	Q3	Q4	12 months
P-MAX	6.9	7.6	8.1	8.6	31.2
Panamax	1.3	1.2	0.7	1.2	4.4
Aframax				0.1	0.1
Suezmax		0.1	0.1	-0.2	0.0
Admin. and others	-1.1	-1.2	-1.5	-1.4	-5.2
<b>Total</b>	<b>7.1</b>	<b>7.7</b>	<b>7.4</b>	<b>8.3</b>	<b>30.5</b>

2009, MUSD	Q1	Q2	Q3	Q4	12 months
P-MAX	6.2	5.3	4.4	6.7	22.6
Panamax	1.4	1.2	1.1	1.2	4.9
V-MAX	-0.9	-0.1	-1.1	0.1	-2.0
Admin. and others	-0.8	-0.9	-0.7	-2.1	-4.5
<b>Total</b>	<b>5.9</b>	<b>5.5</b>	<b>3.7</b>	<b>5.9</b>	<b>21.0</b>

### Revenues by geographical segment

MUSD	Full year	
	2010	2009
EU	44.7	31.2
Rest of world	26.5	47.1
<b>Total revenues</b>	<b>71.2</b>	<b>78.3</b>

# THE MARKET

**The tanker market continued to be weak during the fourth quarter. At the end of the period, the freight rates began to rise, but from very low levels.**

## How the freight market developed

Fourth quarter, 2010

### Product tanker market (MR)

During the quarter, the average freight rates for an MR product tanker on the spot market were about USD 6,000 per day, which was far lower than during the previous quarter. On the time-charter market, 3-year charter contracts were signed at levels of around USD 14,500 per day at the end of the period.

### Large tanker market (suezmax)

The freight rates for suezmax tankers rose 50 percent during the quarter. The average freight rate was around USD 22,000 per day. The time-charter market continued to be more stable and 3-year charter contracts were estimated at levels of around USD 27,000 per day at the end of the period.

### Newbuilding prices

Newbuilding prices remained, in principle, unchanged. The price of a newly built standard MR tanker was about USD 36 million and in the suezmax segment, prices were in the region of USD 65 million.

## Quarterly summary

Third quarter, 2010

### Product tanker market (MR)

During the quarter, the average freight rates for an MR product tanker on the spot market were about USD 10,000 per day, higher than in both the second quarter and the same quarter in 2009. It should, however, be emphasised that the increase was from very low levels. On the time-charter market, 3-year charter contracts were signed at levels of around USD 15,000 per day at the end of the period.

### Large tanker market (suezmax)

The freight rates for suezmax tankers fell sharply during the quarter. The average freight rate was USD 17,000 per day, a 50 percent drop compared with the previous quarter. The time-charter market continued to be more stable and

3-year charter contracts were signed at levels of around USD 30,000 per day at the end of the period.

### Newbuilding prices

Newbuilding prices remained, in principle, unchanged. The price of a newly built standard MR tanker was about USD 36 million and in the suezmax segment, prices were in the region of USD 65 million.

Second quarter, 2010

### Product tanker market (MR)

The average freight rates on the spot market during the quarter were around USD 8,000 per day, the same as in the corresponding period in 2009 but about 35 percent lower than in the first quarter of 2010. On the time-charter market, 3-year charter contracts were signed at levels of around USD 14,000 per day at the end of the period.

### Large tanker market (suezmax)

The trend in the suezmax segment was more volatile. In May, the freight rates on the spot market rose sharply but subsequently fell again. The average freight rates on the spot market during the quarter were around USD 32,000 per day, about 60 percent higher than the average for 2009.

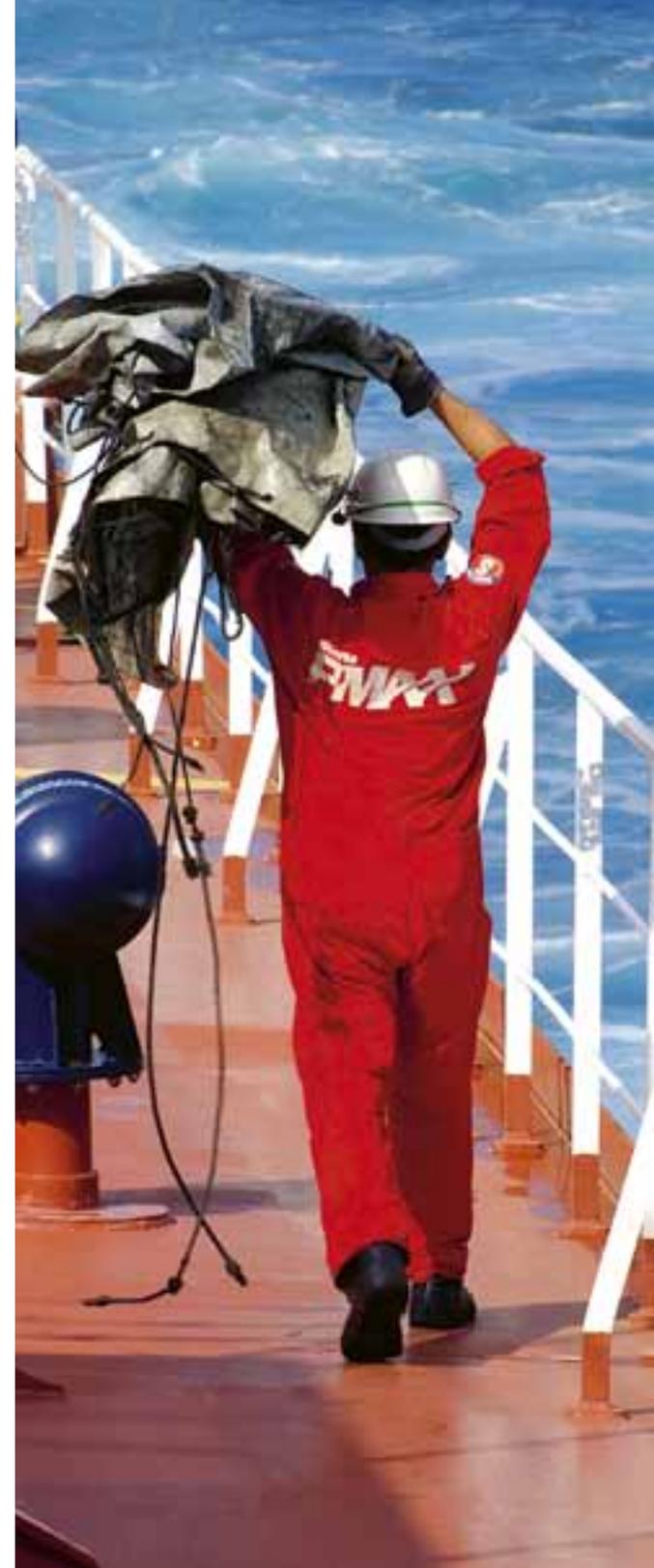
First quarter, 2010

### Product tanker market (MR)

The average freight rates on the spot market during the quarter were around USD 9,000 per day, about 30 percent lower compared with the corresponding period in 2009. On the time-charter market, 3-year charter contracts were signed at levels of around USD 14,000 per day at the end of the period, also substantially lower than in 2009.

### Large tanker market (suezmax)

After a sharp downturn in 2009, the market made a strong recovery in the first quarter of 2010. One of the driving forces was a higher demand for crude oil. During the quarter, the average freight rate on the spot market was around USD 35,000 per day, about 35 percent higher than the average in 2009.



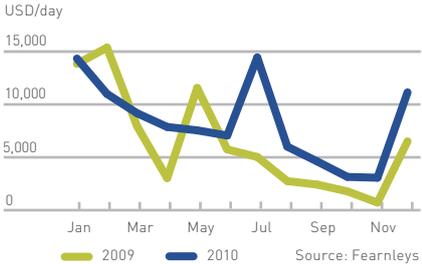


The freight rates on both the spot and the time-charter market continued to be at low levels during the quarter. They were, however, higher than during the corresponding quarter in 2009.

**Time charter – MR (product tanker)**

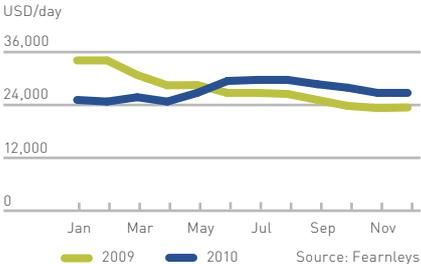


**Spot – MR (product tanker)**



The freight rates for suezmax tankers weakened during the third quarter, with the sharpest fall in August after which they recovered somewhat.

**Time charter – suezmax**

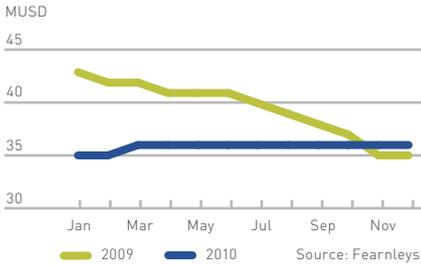


**Spot – suezmax**



During the quarter, the prices of new tankers remained, in principle, unchanged in both the MR and suezmax segments.

**Newbuilding prices – MR (product tanker)**



**Newbuilding prices – suezmax**



All the graphs on this page show the average value per month.

# FINANCIAL SUMMARY

## Turnover and result

Fourth quarter, 2010

Turnover during the third quarter amounted to SEK 145.5 (111.2) million. The result after financial items was SEK 17.9 (18.6) million. The result after tax was SEK 18.9 (30.2) million, which corresponds to a result per share of SEK 0.40 (0.63).

January–December 2010

Turnover during the year amounted to SEK 513.4 (599.3) million. The result after financial items was SEK 76.9 (–91.0) million. The result after tax was SEK 80.4 (–81.1) million, which corresponds to a result per share of SEK 1.68 (–1.70) after tax. The turnover and earnings trend are in line with the forecast.

## Equity

Equity per share is SEK 35.94 (37.47). The group's equity is denominated in US dollars and decreased during the fourth quarter due to the SEK/USD exchange rate having fallen

from 6.77 at the beginning of the quarter to 6.73 at the end of the period. The decrease has been countered by the parent company's equity hedge, which generated a surplus of SEK 46.3 (163.4) million.

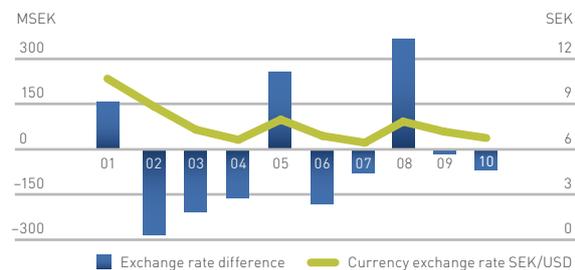
## Changes in translation and hedging reserves

The Parent Company's functional currency is the SEK but the majority of the income and costs as well as the balance sheet are nominally in USD. The Group's result is generated in USD, which means that the result in SEK is a direct function of the trend of the SEK/USD exchange rate. In February 2009, Concordia Maritime re-entered into a so-called equity hedge amounting to about 50 per cent of the equity in its foreign subsidiaries, corresponding to USD 125 million. This equity hedge resulted in a result of SEK 2.4 (–30.4) million after tax during the fourth quarter of 2010, which is recorded in Total Comprehensive Income.

Totally, equity decreased by SEK –65.7 (–14.3) million in during the full year, corresponding to SEK –1.38 (–0.30) per

## Exchange rate differences against Other total comprehensive income

As a result of the trend of the SEK/USD exchange rate in 2010, the company's profit in SEK has changed despite the fact that in USD it has remained unchanged. Read more in "Changes in translation and hedging reserves" about how the company protects itself against currency and interest rate fluctuations.



## FINANCIAL SUMMARY (CONT.)

share. The accumulated exchange rate differences, including the effects of hedging, recorded directly to equity, amount to SEK 49.1 (114.8) million. The changes are reported in equity via “Other total comprehensive income”.

In conjunction with the order for four P-MAX tankers, a cash flow hedge, USD against EUR, was entered into for future payments to the shipyard. The realised result is reported as “Ships under construction”. The changes in value of existing contracts are recorded directly to equity under “Hedge reserve” via “Other total comprehensive income”. The change in value during the period, including exchange rate changes, amounts to SEK –5.4 (–11.4) million.

In 2009, the company entered into additional interest hedges corresponding to USD 100 million in order to protect itself against interest fluctuations. At the end of the fourth quarter, the interest hedges amounted to a total of USD 140 million. These interest hedges are structured in such a way as to cover about 60 per cent of anticipated future borrowing within existing credit facilities and expire in 2015. At the end of the fourth quarter, these contracts were valued at SEK –37.4 (4.0) million, which is recorded to equity under “Hedge reserve” via “Other total comprehensive income”. On 31-12-2010, the hedge reserve amounted to SEK –37.8 (6.9) million.

### Liquidity and financial position

The Group’s available liquid funds, including unutilised credit facilities, amounted to SEK 698.0 (536.0) million on 31-12-2010. Interest-bearing liabilities during the period increased from SEK 1,485.5 million to SEK 1,596.1 million.

On the accounting date, equity amounted to SEK 1,715.4 (1,788.3) million and the equity ratio was 50 (53) percent.

### Investments

Accumulated investments during the year amounted to SEK 638.6 (655.8) million and are related to deliveries of ships, advance payments and project costs.

### Seasonal variations

The fact that Concordia Maritime’s vessels are chartered out on long-term contracts counteracts the seasonal variations that otherwise characterise tanker shipping.

### Employees and option programs

On 31-12-2010, the Group had 359 employees, including 353 seagoing employees. There are no option programs.

### Investments

Part of the company’s bond portfolio was sold during the quarter. As a result of this, the bond portfolio is classified as “for sale” as of Q3, which means that it is valued at its market value via “Other total comprehensive income”. Other investments are classified as previously, i.e. “held for trading”. Here, excess liquidity has been invested in a portfolio with a due-date structure that corresponds well with the investment program. These securities provide a return of 7–8 per cent (also called purchase yield).

The nominal and market value of the bond holding is shown in the table on the right. Other holdings (primarily mutual funds) are valued at their market value on each

accounting date. Total short-term investments are equivalent to SEK 84.0 (37.1) million.

### Parent company

The Parent Company’s turnover totalled SEK 30.8 (32.2) million. Intergroup invoicing accounted for SEK 0.6 (0.0) million of this amount. The result after financial items was SEK 33.8 (196.6) million. The Parent Company’s available liquid funds, including unutilised credit facilities, amounted to SEK 1,826.4 (1,463.1) million.

### Other events

The Board of Directors proposes that the Annual General Meeting in 2011 approve a dividend of SEK 1.0 (1.0) per share.

### Bond holding

Holding (MUSD)	Nominal value	Book value	Market value
DDI Holding	9.3	9.3	9.3



## OTHER INFORMATION

### Related company transactions

Concordia Maritime has a small organisation and purchases services from companies in the Stena Sphere, including Stena Bulk, 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 per cent, 50 per cent or 100 per cent in the deal in question. Concordia Maritime purchases services on a regular basis from the the Stena Sphere in the following areas:

- Vessel charter. Payment is based on a commission of 1.25 per cent on freight rates.
- Commission on the purchase and sale of vessels. Payment is based on a commission of 1 per cent.
- 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 fixed commission per ton purchased.
- Administration, marketing, insurance, technical follow-up and development of Concordia Maritime'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. A fixed price per year is charged.

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



## OTHER INFORMATION (CONT.)

### Risks and uncertainty factors

Concordia Maritime is exposed to a number of different risks. The foremost market-related risks that affect Concordia Maritime include the general economic climate, freight rates, the price of oil and political factors. Risks related to operational activities include ship management and insurance questions and employees. Additionally, Concordia Maritime is also exposed to credit and financial risks.

The management and board work actively to both minimise risk exposure and minimise the consequences and effects if a risk should nevertheless arise. Please refer to the annual report of 2009 for further information.

For the sake of clarity, the risks are presented in the format below. Please note, however, that the description does not claim to be complete or exact since the risks and their degree vary over time.



	Type of risk	Effect (1-5)	Probability (1-5)	Risk strategy
<b>1. Corporate risks</b>	<b>A</b> Brand	4 (4)	1 (1)	Quality at every stage. Far-reaching preventive work. A leader in safety.
	<b>B</b> Employees	4 (3)	2 (2)	Close collaboration with several companies in the Stena Sphere.
	<b>C</b> Liquidity	4 (4)	1 (1)	Stable cash flows as a result of long-term charters. Good bank connections.
	<b>D</b> Financing risk	4 (4)	2 (2)	Stable cash flows, high liquidity and equity ratio, and good bank connections.
<b>2. Market-related risks</b>	<b>A</b> Economic trends	4 (4)	2 (3)	Customer relations to a large extent based on long-term charters.
	<b>B</b> Freight rates	4 (4)	3 (4)	Customer relations to a large extent based on long-term charters.
	<b>C</b> Oil price	4 (2)	3 (5)	The customer pays the cost of bunker oil.
	<b>D</b> Political risk	3 (2)	3 (2)	A market leader when it comes to safety and environmental work.
	<b>E</b> War and instability	3 (2)	3 (2)	The chosen contract strategy in combination with continuous business intelligence.
<b>3. Operational risks</b>	<b>A</b> Ship management and insurance issues	5 (5)	2 (2)	Continuous maintenance work in combination with comprehensive insurance cover.
	<b>B</b> Environment	5 (5)	2 (1)	Continuous work on preventive measures.
	<b>C</b> Higher personnel costs	3 (3)	3 (3)	Economic incentives in combination with a positive work environment and the possibility of long-term employment.
<b>4. Credit risks</b>	<b>A</b> Counterparty risks – customer	4 (3)	2 (2)	Financially stable customers. Close long-term collaboration.
	<b>B</b> Counterparty risks – shipyards and partners	4 (2)	2 (3)	Financially strong players. Bank guarantees and penalty clauses.



## DEFINITIONS

**Cash flow from operating activities** Result after net financial items plus depreciation minus tax paid (cash flow before change in working capital and investments and before effect of ship sales).

**Return on total capital** Result after net financial items plus financial expenses as a percentage of average balance sheet total.

**Return on capital employed** Result after net financial expenses as a percentage of average capital employed. Capital employed refers to the balance sheet total minus non interest-bearing liabilities, including deferred tax liability.

**Return on equity** Result for the year expressed as a percentage of average equity.

**Equity ratio** Equity expressed as a percentage of the balance sheet total.

## GLOSSARY

**MR (Medium Range)** Product tanker with a dead-weight tonnage (dwt) of 40,000–50,000.

**Panamax** A product tanker of 55,000–75,000 dwt.

**Product tanker** A ship designed primarily to transport refined petroleum products.

**P-MAX** A ship type developed by Concordia Maritime with a dwt of 65,200.

**Spot market (open market)** Where a ship is contracted for each individual voyage.

**Large tanker** Ship designed primarily to transport crude oil.

**Suezmax** A large tanker of 120,000–165,000 dwt.

**Time charter** The hire of a ship for a specified period at a fixed freight rate.

## GROUP

# INCOME STATEMENT, OTHER TOTAL COMPREHENSIVE INCOME AND PER-SHARE DATA

SEK million	Q4 2010	Q4 2009	Full year 2010	Full year 2009
<b>Group income statement</b>				
Average exchange rate SEK/USD	6.77	7.02	7.20	7.65
Net sales	145.5	111.2	513.4	599.3
<b>Total income</b>	<b>145.5</b>	<b>111.2</b>	<b>513.4</b>	<b>599.3</b>
Operating costs, ships	-50.7	-35.0	-155.4	-315.5
Seagoing personnel costs	-27.2	-23.0	-101.9	-86.5
Other external costs	-7.8	-8.8	-25.6	-27.7
Personnel costs	-3.8	-2.6	-11.0	-8.8
Depreciation	-30.3	-25.0	-119.3	-93.0
<b>Total operating costs</b>	<b>-119.8</b>	<b>-94.4</b>	<b>-413.2</b>	<b>-531.5</b>
<b>Operating result</b>	<b>25.7</b>	<b>16.8</b>	<b>100.2</b>	<b>67.8</b>
Dividend	0.7	-0.1	0.7	18.8
Interest income and similar items	1.0	2.7	10.6	15.0
Interest expenses and similar items	-9.5	-1.7	-38.2	-205.2
Exchange rate differences	0.0	0.9	3.6	12.6
<b>Financial net</b>	<b>-7.8</b>	<b>1.8</b>	<b>-23.3</b>	<b>-158.8</b>
<b>Result after financial net</b>	<b>17.9</b>	<b>18.6</b>	<b>76.9</b>	<b>-91.0</b>
Tax	1.0	11.6	3.5	9.9
<b>Net result after tax</b>	<b>18.9</b>	<b>30.2</b>	<b>80.4</b>	<b>-81.1</b>
<b>Other total comprehensive income</b>				
Result for the period	18.9	30.2	80.4	-81.1
Exchange differences, net after tax	-4.3	40.8	-112.0	-177.7
Equity hedge, net after tax	2.4	-30.4	46.3	163.4
Financial assets available for sale, net after tax	-0.6	0.0	4.8	-25.6
Cash flow hedges, currency related, net after tax	-5.4	-11.4	-3.3	-30.9
Cash flow hedges, interest related, net after tax	6.1	11.2	-41.4	20.9
<b>Total comprehensive income</b>	<b>17.1</b>	<b>40.4</b>	<b>-25.2</b>	<b>-131.0</b>
<b>Per-share data, SEK</b>				
Shares at end of period	47,729,798	47,729,798	47,729,798	47,729,798
Result per share before/after dilution	0.40	0.63	1.68	-1.70
Equity per share, SEK	35.94	37.47	35.94	37.47

## GROUP

# SUMMARY OF BALANCE SHEET

SEK million	31 Dec 2010	31 Dec 2009
Closing exchange rate SEK/USD	6.73	7.15
<b>Assets</b>		
Ships and equipment	2,919.6	2,265.0
Ships under construction	262.0	619.0
Financial assets	2.1	141.0
<b>Total fixed assets</b>	<b>3,183.7</b>	<b>3,025.0</b>
Current receivables	124.8	226.8
Short term investment	84.0	37.1
Cash and bank balances	68.3	82.5
<b>Total current assets</b>	<b>277.1</b>	<b>346.4</b>
<b>Total assets</b>	<b>3,460.8</b>	<b>3,371.4</b>
<b>Equity and liabilities</b>		
Equity	1,715.4	1,788.3
Long term liabilities	1,608.8	1,462.3
Short term liabilities	134.0	118.9
Credit facility	2.6	1.9
<b>Total equity and liabilities</b>	<b>3,460.8</b>	<b>3,371.4</b>



## GROUP

# SUMMARY OF CASH FLOW ANALYSIS

SEK million	Q4 2010	Q4 2009	Full year 2010	Full year 2009
<b>Cash flow from operations</b>				
Result after financial net	17.9	18.6	76.9	-91.0
Adjustment items:				
Depreciation	33.1	30.2	129.9	110.7
Result, sale of financial assets	-1.5	22.7	-1.5	173.3
Other items	5.4	-27.4	5.4	-3.4
<b>Cash flow from operating activities before changes in working capital</b>	<b>54.9</b>	<b>44.1</b>	<b>210.7</b>	<b>189.6</b>
Change in working capital	22.8	17.0	131.3	36.1
<b>Cash flow provided by operating activities</b>	<b>77.7</b>	<b>61.1</b>	<b>342.0</b>	<b>225.7</b>
<b>Cash flow from investing activities</b>				
Ships under construction	-257.5	-98.1	-638.6	-655.8
Investments in financial assets		-0.1		-0.8
Sale of financial assets	15.8	-15.6	94.7	346.0
<b>Cash flow provided by investing activities</b>	<b>-241.7</b>	<b>-113.8</b>	<b>-543.9</b>	<b>-310.6</b>
<b>Cash flow from financing activities</b>				
New loan	430.0	69.8	716.9	458.5
Amortization of credit facility	-255.3	-30.9	-482.1	-270.2
Dividend to shareholders			-47.7	-47.7
<b>Cash flow provided by financing activities</b>	<b>174.7</b>	<b>38.9</b>	<b>187.1</b>	<b>140.6</b>
Cash flow for period	10.7	-13.8	-14.8	55.7
Balance at beginning of period (Note 1)	61.0	97.5	82.5	31.3
Exchange rate (Note 2)	-3.4	-1.2	0.6	-4.5
Balance at end of period (Note 1)	68.3	82.5	68.3	82.5
Note 1. Balance consists of cash, bank balances and credit facility				
Note 2. Exchange rate difference relate to:				
Balance at the beginning of year	-1.1	-0.4	0.4	-2.6
Cash flow for the period	-2.3	-0.8	0.2	-1.9
	<b>-3.4</b>	<b>-1.2</b>	<b>0.6</b>	<b>-4.5</b>



## GROUP CHANGES IN EQUITY

SEK million	Share capital	Other capital contributed	Translation reserve	Hedging reserve	Fair value reserve	Non-restricted equity	Total
<b>Changes Jan–Dec 2010</b>							
Opening balance 01-01-2010	381.8	61.9	114.8	6.9	0.0	1,222.9	1,788.3
Total comprehensive income			-65.7	-44.7	4.8	80.4	-25.2
Dividend to shareholders						-47.7	-47.7
<b>Closing balance 31-12-2010</b>	<b>381.8</b>	<b>61.9</b>	<b>49.1</b>	<b>-37.8</b>	<b>4.8</b>	<b>1,255.6</b>	<b>1,715.4</b>
<b>Changes Jan–Dec 2009</b>							
Opening balance 01-01-2009	381.8	61.9	129.1	16.9	25.6	1,351.7	1,967.0
Total comprehensive income			-14.3	-10.0	-25.6	-81.1	-131.0
Dividend to shareholders						-47.7	-47.7
<b>Closing balance 31-12-2009</b>	<b>381.8</b>	<b>61.9</b>	<b>114.8</b>	<b>6.9</b>	<b>0.0</b>	<b>1,222.9</b>	<b>1,788.3</b>



# QUARTERLY OVERVIEW

	SEK million	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
<b>Profit/loss items</b>	Net sales	145.5	127.9	132.7	107.3	111.2	147.3	162.5	178.3
	Operating costs	-119.8	-104.5	-106.0	-82.9	-94.4	-142.8	-141.2	-153.1
	Operating result (EBIT)	25.7	23.4	26.7	24.4	16.8	4.5	21.3	25.2
	- of which profit/loss on ship sales								
	Financial net	-7.8	-4.6	-7.2	-3.7	1.8	-139.5	6.2	-27.3
	Result after financial items	17.9	18.8	19.5	20.7	18.6	-135.0	27.5	-2.1
	Result after tax	18.9	17.7	20.9	22.9	30.2	-135.2	23.5	0.4
	Cash flow from operating activities	54.9	52.9	53.1	49.8	44.1	40.7	48.6	56.2
	EBITDA	56.0	54.2	58.1	51.2	41.8	25.8	44.0	49.2
	<b>Balance-sheet items</b>	Ships (number of ships)	2,919.6 (10)	2,507.6 (9)	2,903.0 (9)	2,730.5 (9)	2,265.0 (8)	2,233.3 (8)	2,016.6 (7)
Ships under construction (number of ships)		262.0 (2)	482.1 (3)	494.9 (3)	442.1 (3)	619.0 (3)	493.7 (3)	735.8 (4)	646.3 (4)
Liquid funds incl. investments		152.3	145.3	102.0	88.1	119.6	134.2	107.9	182.2
Other assets		126.9	150.3	191.9	176.9	376.8	442.2	560.3	426.9
Interest-bearing liabilities		1,596.1	1,430.0	1,688.1	1,535.6	1,458.5	1,369.5	1,373.2	1,353.1
Other liabilities and provisions		149.3	157.0	166.9	103.3	124.6	186.5	166.2	156.3
Equity		1,715.4	1,698.3	1,836.8	1,798.7	1,788.3	1,747.9	1,881.2	1,908.7
Total assets		3,460.8	3,285.3	3,691.8	3,437.6	3,371.4	3,303.9	3,420.6	3,418.1
<b>Key ratios, %</b>	Equity ratio	50	52	50	52	53	53	55	56
	Return on total capital	2	2	3	3	3	3	5	5
	Return on capital employed	2	2	3	4	3	3	5	5
	Return on equity	5	3	5	5	-4	-8	3	0
	Operating margin	18	18	20	23	15	3	14	14
<b>Share data</b>	Net sales	3.05	2.68	2.78	2.25	2.33	3.09	3.40	3.74
	Operating costs	-2.51	-2.19	-2.22	-1.74	-1.98	-2.99	-2.96	-3.21
	Operating result	0.54	0.49	0.56	0.51	0.35	0.09	0.45	0.53
	Financial net	-0.16	-0.10	-0.15	-0.08	0.04	-2.92	0.13	-0.57
	Result after tax	0.40	0.37	0.44	0.48	0.63	-2.83	0.49	0.01
	Cash flow from operating activities	1.15	1.11	1.11	1.04	0.92	0.85	1.02	1.18
	EBITDA	1.17	1.14	1.22	1.07	0.88	0.54	0.92	1.03
Equity	35.94	35.58	38.48	37.69	37.47	36.62	39.41	39.99	

Please note that there has been no dilution effect since 2002.

Definitions: see page 12

## PARENT COMPANY

# INCOME STATEMENT AND BALANCE SHEET

SEK million	Full year 2010	Full year 2009
Net sales	30.8	32.2
Ships operating costs	-29.7	-10.8
Seagoing personnel costs		-10.1
Other external costs	-15.1	-14.4
Personnel costs	-7.7	-7.4
Depreciation	-0.1	-9.3
<b>Total operating result</b>	<b>-21.8</b>	<b>-19.8</b>
Interest income and similar profit/loss items	84.6	259.1
Interest expenses and similar profit/loss items	-29.0	-42.7
<b>Financial net</b>	<b>33.8</b>	<b>196.6</b>
Tax	-8.8	-53.1
<b>Net result after tax</b>	<b>25.0</b>	<b>143.5</b>

SEK million	31-12-2010	31-12-2009
<b>Assets</b>		
Ships and equipment	0.1	0.1
Financial assets	25.8	60.2
Shares in group companies	745.8	745.8
<b>Total fixed assets</b>	<b>771.7</b>	<b>806.1</b>
Current receivables	67.1	248.7
Short term investments	40.9	34.5
Cash and bank balances	1,226.2	1,036.5
<b>Total current assets</b>	<b>1,334.2</b>	<b>1,319.7</b>
<b>Total assets</b>	<b>2,105.9</b>	<b>2,125.8</b>
<b>Equity and liabilities</b>		
Equity	673.4	696.1
Long term liabilities	1,381.1	1,221.1
Short term liabilities	21.9	179.9
Credit facility	29.5	28.7
<b>Total equity and liabilities</b>	<b>2,105.9</b>	<b>2,125.8</b>
Pledged collateral		
Contingent liabilities <sup>1)</sup>	33.6	35.8

1) The Parent company has also granted guarantees for subsidiaries regarding the financing of ships. The loan may not be utilised until delivery of the ship and is not available on the accounting date. Accordingly, the value of the loan cannot be determined.

The Concordia Maritime group applies the International Financial Reporting Standards (IFRS), which have been approved by the EU Commission. The Group applies the same accounting principles and calculation methods in its interim reports as in the annual report for 2009 in addition to what is stated in this report.

The Group's Interim Report has been drawn up in accordance with IAS 34. The report for the Parent Company has been drawn up in accordance with the Swedish Annual Accounts Act and RFR 2. This report presents a fair overview of the operations, financial position, and performance of the Parent Company and the Group and describes the essential risks and uncertainty factors faced by the Company and the Group.

Gothenburg, 22 February, 2011  
Concordia Maritime AB (publ)

Dan Sten Olsson  
*Chairman*

C. Mikael von Mentzer  
*Deputy Chairman*

Stefan Brocker

Bert Åke Eriksson

Jens Ole Hansen

Mats Jansson

Jörgen Lorén

Morten Chr. Mo

Hans Norén  
*President*

# AUDITORS' REVIEW REPORT

## Introduction

I have reviewed the Year-end Report for 2010 for Concordia Maritime AB (publ), reg. no. 556068-5819. The preparation and presentation of these accounts in accordance with IAS 34 and the provisions of the Swedish Annual Accounts Act is the responsibility of the Board of Directors and the Chief Executive Officer. My responsibility is to express a conclusion on this Year-end Report, based on my review.

## Scope of the review

I conducted my review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Appointed Auditor of the Entity issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review proce-

dures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable me to obtain a level of assurance that would make me aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

## Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the Year-end Report has not, in every significant respect, been prepared in accordance with IAS 34 and the provisions of the Swedish Annual Accounts Act.

Gothenburg, 22 February, 2011

Johan Kratz  
*Authorised Public Accountant*

## Reports and information, 2011

Interim Report, Q1	28 April 2011
Interim Report, Q2	16 August 2011
Interim Report, Q3	2 November 2011

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## Accounting principles

IFRS 8 regarding segment reporting has been applied since 1 January 2009. IFRS 8 is a disclosure standard that defines what an operating segment is. As of the third quarter of 2010, Concordia Maritime's management and board follow up the economic trend of the fleet as a unit. As a result, the two previous segments Product tankers and Large tankers in the financial reporting have been merged into a single segment - Tankers.

This information is provided in accordance with the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was made public on 22 February 2011 at about 15.00.

The Annual General Meeting with shareholders will be held at Lorensbergsteatern, Lorensbergsparken, Gothenburg, Sweden, on 28 April 2011, at 14.00 p.m. The Interim Report for the first three months of the year will be presented in conjunction with the AGM. In April, the Annual Report for 2010 will be sent to all registered shareholders and be made available at Concordia Maritime AB's offices from end of March.

The Interim Report for the first six months of 2011 will be published on 16 August and the 9-month Report on 2 November 2011. Historical and current reports, together with news and comments on the company and the tanker markets, can be found on our web site [www.concordiamaritime.com](http://www.concordiamaritime.com).

#### About QR codes

QR codes are used to refer to more information on the Internet. The code in this report links to a video in which Hans Norén, President of Concordia Maritime, presents the Final Accounts for 2010. The video can also be viewed on Concordia Maritime's website.

The QR code is scanned in with the help of a smartphone's camera. You are then taken to the web page containing the information. To be able to use QR codes, your mobile must be equipped with a camera, a QR reader and an Internet connection.

If you do not already have a QR reader in your mobile, it can be downloaded free of charge. There are different readers for different types of mobile phones. Search for QR where you download applications for your smartphone, e.g. App Store or Android Market.

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