

NORDIC AMERICAN TANKER SHIPPING LIMITED

Reconciliation of non-GAAP financial measures

(Amounts in USD '000)

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2005	Sept. 30, 2004	June 30, 2005	Sept. 30, 2005	Sept. 30, 2004
Voyage revenue	22 962	13 062	26 236	69 487	39 963
Voyage expenses	(8 557)	(56)	(8 233)	(20 929)	(148)
Net voyage revenue ⁽¹⁾	14 405	13 006	18 003	48 558	39 815

	Three Months Ended	
	Sept. 30, 2005	June 30, 2005
Income from vessel operations	5 249	9 532
Depreciation and amortization	4 842	4 188
Share Based Compensation/ Stock Option Plan	380	380
Cash from vessel operations ⁽²⁾	10 471	14 100

(1) Net voyage revenues represents voyage revenues less voyage expenses such as bunker fuel, port fees, canal tolls and brokerage commissions. Net voyage revenues is included because certain investors use this data to measure a shipping company's financial performance. Net voyage revenues is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to net income or any other indicator of the Company's performance required by accounting principles generally accepted in the United States.

(2) Cash flow from vessel operations represents income from vessel operations before depreciation, amortization expense and certain non-cash administrative charges. Cash flow from vessel operations is included because certain investors use this data to measure a shipping company's financial performance. Cash flow from vessel operations is not required by accounting principles generally accepted in the United States and should not be considered as an alternative to net income or any other indicator of the Company's performance required by accounting principles generally accepted in the United States.