



Nordic American Tanker Shipping Ltd. (NAT) - (AMEX: NAT) (OSE: NAT) announces results for 3rd quarter 2004 .

Hamilton, Bermuda, October 14, 2004. Nordic American Tanker Shipping Ltd. (the “Company”) today announced its results for the 3rd quarter of 2004. The tanker market was significantly stronger in the 3rd quarter of 2004 than in the 2nd quarter of 2004 as reflected in the Company’s enhanced dividend payment and operating results as described below. At the beginning of the 4th quarter of this year, the market has improved further.

For the period ending September 30, 2004, the Company had an operating profit of \$33.4 million as compared to \$19.8 million during the same period last year. Net profit was \$32.0 million as compared to \$18.5 million in the same period last year. The increase in earnings in 2004 compared to the same period in year 2003 is a result of the higher tanker spot market this year.

The results for the 3rd quarter of 2004 enable the Company to pay a 4th quarter 2004 dividend of \$1.11 per share which is 26.1% higher than for the 3rd quarter of 2004. Including the dividend for the 4th quarter of 2004, the total dividend to be paid in 2004 is \$4.84 per share. The total dividends paid in 2003 were \$3.05. The 4th quarter dividend of \$1.11 will be paid on or about November 19th 2004 to shareholders of record as of October 29, 2004. The next dividend payment is expected to be declared in January 2005 for payment in February 2005.

The spot market for modern Suezmax tankers in the 3rd quarter of 2004 was above the agreed minimum rate provided by the Company’s bareboat charter contracts with BP Shipping. The 3rd quarter 2004 time charter equivalent (TCE) rate achieved by the Company’s vessels was \$55,742 per day compared to \$43,255 in the 2nd quarter of 2004, \$72,287 in the 1st quarter of 2004 and \$51,501 in the 4th quarter of 2003.

The bareboat charter contracts with BP Shipping commenced in October 1997. Two of those contracts have now expired with the redelivery by BP Shipping of two of the Company’s vessels on September 13 and October 6, 2004, respectively. The Company and BP Shipping have continued their relationship with new time charter contracts for those two vessels. The terms of those time charter contracts are described below.

The TCE in USD per day earned by the Company’s vessels since 1999, by calendar quarter, has been as follows:

Period	1999	2000	2001	2002	2003	2004
1 st Quarter	22,000	26,079	51,607	22,000	57,756	72,287
2 nd Quarter	22,000	33,701	35,088	22,000	38,291	43,255
3 rd Quarter	22,000	48,153	28,668	22,000	23,243	55,742
4 th Quarter	22,000	59,059	22,617	33,868	51,501	

The results as of September 30, 2004 compared to the same period last year (unaudited) are as follows:

INCOME STATEMENT INFORMATION

All figures in USD

	01.01 - 09.30 2004	01.01 - 09.30 2003	3rd Qtr. 2004	3rd Qtr. 2003
Revenue	39 963 680	25 502 450	13 061 794	4 070 322
Ship Broker Commissions	(148 422)	(138 206)	(56 284)	(46 575)
Vessel Operating Expenses	(110 500)	0	(110 500)	0
Management Fee Expense	(150 000)	(187 500)	(25 000)	(62 500)
Insurance Expense	(79 998)	(75 000)	(26 666)	(25 000)
Reorg. charges/Other Expenses	(969 421)	(111 119)	(432 660)	(26 118)
Depreciation	(5 123 280)	(5 123 280)	(1 707 760)	(1 707 760)
Net Operating Income	33 382 059	19 867 345	10 702 924	2 202 369
Financial Income	41 849	19 975	14 290	8 280
Financial Expenses	(1 398 690)	(1 351 496)	(516 485)	(444 447)
Net Financial Items	(1 356 841)	(1 331 521)	(502 195)	(436 167)
Net Profit	32 025 218	18 535 824	10 200 729	1 766 202
Earnings per Share	3,30	1,91	1,05	0,18

The Company has 9,706,606 shares issued and outstanding.

The quarterly dividend paid since the commencement of trading of the Company's shares in 1997 has been as follows:

Period	1997	1998	1999	2000	2001	2002	2003	2004
1 st Quarter		0.40	0.32	0.34	1.41	0.36	0.63	1.15
2 nd Quarter		0.41	0.32	0.45	1.19	0.34	1.27	1.70
3 rd Quarter		0.32	0.35	0.67	0.72	0.33	0.78	0.88
4 th Quarter	0.30	0.30	0.36	1.10	0.55	0.32	0.37	1,11
Total USD	0.30	1.43	1.35	2.56	3.87	1.35	3.05	4,84

Balance sheet data for the Company as of September 30, 2004 and December 31, 2003 (figures in USD) (unaudited) are set forth below:

	09/30/04	12/31/03
Vessels	122,958,645	128,081,925
Current assets	10,057,909	8,248,449
Cash deposits	567,536	565,924
Total assets	133,584,090	136,896,298
Shareholder's equity	102,580,201	106,857,976
Long term debt	30,000,000	30,000,000
Current liabilities	1,003,889	38,322
Total liabilities & equity	133,584,090	136,896,298

As previously announced by the Company, BP Shipping did not exercise its options to extend the original bareboat charters for the Company's three Suezmax tankers. Accordingly, the original bareboat charters for two of the Company's vessels expired on September 13 and October 6, 2004, respectively, when BP Shipping redelivered those vessels. The two vessels continue to BP Shipping on time charter contracts with a period of three years at spot market related rates in direct continuation from the expired contracts. Our third ship is expected to be redelivered by BP Shipping in mid-November at which time it is expected to commence a five-year bareboat charter contract with Gulf Navigation, Dubai.

With the two vessels on time charter to BP Shipping, the Company has become an operating company. With the spot market related income from the two time chartered vessels, plus the fixed income from the bareboat chartered vessel, the Company's fleet is configured in order to maintain consistent cash flows while taking advantage of current strong spot market rates.

Under the new time charter contracts with BP Shipping, the Company will have the responsibility of providing the crew and of operating and maintaining the vessels. These functions have been outsourced to IUM Shipmanagement, Norway, a first class technical manager of high reputation. As the Company has assumed responsibility for the operation of the two ships, quality and cost effective operations will be the prime focus.

The management of the Company intends to charter the ships in a manner that will allow the Company to cease being classified as a "Passive Foreign Investment Company" for US Tax purposes. This means that under current law, qualifying dividends, which will be available to our non-corporate US Shareholders commencing in 2006, are expected to be taxed at a maximum United States federal income rate of 15 %, rather than the current maximum rate of 35 %.

For the foreseeable future, the Company's Board intends to continue its policy of maintaining a low debt to equity ratio and of prioritizing a dividend policy essentially as in the past. This policy allows the Company's shareholders to participate in the tanker charter market.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "will," "may," "should," "expect" "pending and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter 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 our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, 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, vessels breakdowns and instances of off-hire and other important factors described from time to time in the reports filed by the Company with the Securities and Exchange Commission, including our Annual Report on Form 20-F.

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