

NORDIC AMERICAN TANKER SHIPPING LTD
Form 6-K
January 16, 2004

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of January 2004

NORDIC AMERICAN TANKER SHIPPING LIMITED
(Translation of registrant's name into English)

Cedar House
41 Cedar Avenue
Hamilton HMEX
Bermuda
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No
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INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached hereto is a copy of an earnings release issued by Nordic American Tanker Shipping Limited (the "Company") on January 14, 2004, announcing its fourth quarter earnings and first quarter dividend payment.

ADDITIONAL INFORMATION

BP Plc files annual reports on Form 20-F (File No. 1-6262) and periodic reports on Form 6-K with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

FOR IMMEDIATE RELEASE

Nordic American Tanker Shipping Ltd. (NAT) - (AMEX: NAT) (OSE: NAT) announces

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 results for 4th quarter 2003 .

As of 12/31/03 (full year 2003) NAT had an operating profit of \$29.9 m as against \$10.6 m during the same period last year. The net profit for 2003 was \$28.1 m as against \$8.8 m in the same period last year. The 4th quarter 2003 net profit was \$9.6 m as against \$4.6 m in 2002. The increase in the earnings in 2003 compared to 2002 is a result of tanker rates being stronger in 2003.

The results for the 4th quarter of 2003 enable the Company to pay a 1st quarter 2004 dividend of \$1.15 per share. The total dividend paid in 2003 was \$3.05 per share. The total dividend paid in 2002 and 2001 were \$1.35 and \$3.87 per share, respectively. The 1st quarter 2004 dividend of \$1.15 will be paid on or about February 16th to shareholders of record as of January 28th 2004. The next dividend payment from NAT will be declared in April 2004.

Under the contracts with BP Shipping, NAT achieves rates that correspond to the spot market for modern Suezmax tankers, but not below \$ 22,000 per day (T/C equivalent), which is the agreed minimum rate with BP Shipping. The spot market for modern Suezmax tankers in the 4th quarter of 2003 was above the agreed minimum rate the NAT vessels have with the charterer BP Shipping. The 4th quarter 2003 time charter (T/C) equivalent for the NAT vessels was \$51,501 per day compared to \$23,243 in the 3rd quarter, \$38,291 in the 2nd quarter and \$57,756 in the 1st quarter of 2003.

The existing contracts for the NAT vessels are drawn up in a way that secures income 365 days a year for the vessels and no off-hire. The contracts with BP Shipping commenced on October 1, 1997 and will terminate on 1 October 2004 (see below).

The quarterly \$ per day T/C equivalent for the NAT vessels has since 1999 been as follows:

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

NAT has 9,706,606 shares in issue.

The results for the 4th quarter of 2003 and 2004 compared to the same periods last year, are as follows:

INCOME STATEMENT INFORMATION

All figures in USD

| | 01.01 - 12.31 2003 | 01.01 - 12.31 2002 | 4th Qtr. 2003 | 4th Qtr. 2002 |
|-------------------------|-----------------------|-----------------------|------------------|------------------|
| Revenue | 37,370,756 | 18,057,989 | 11,868,306 | 7,001,489 |
| Ship Broker Commissions | (184,781) | (184,781) | (46,575) | (46,575) |
| Management Fee Expense | (250,000) | (250,000) | (62,500) | (62,500) |
| Insurance Expense | (101,666) | (86,667) | (26,666) | (23,667) |
| Other Expenses | (116,421) | (90,381) | (5,302) | (57,000) |
| Depreciation | (6,831,040) | (6,831,040) | (1,707,760) | (1,707,760) |

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| | | | | |
|----------------------|-------------|-------------|------------|-----------|
| Net Operating Income | 29,886,848 | 10,615,120 | 10,019,503 | 5,103,987 |
| Financial Income | 26,462 | 21,409 | 6,487 | 4,573 |
| Financial Expenses | (1,813,021) | (1,789,261) | (461,525) | (462,140) |
| Net Financial Items | (1,786,559) | (1,767,852) | (455,038) | (457,567) |
| Net Profit | 28,100,289 | 8,847,268 | 9,564,465 | 4,646,420 |

| | | | | |
|---------------------|------|------|------|------|
| Earnings per Share | 2.89 | 0.91 | 0.99 | 0.48 |
| Cash Flow per Share | 3.60 | 1.62 | 1.16 | 0.65 |

The quarterly dividend paid since the commencement in 1997 has been as follows:

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

Balance sheet for Nordic American Tanker Shipping Ltd as of 31 December, 2003 and 31 December, 2002 (Figures in USD)

| | 12/31/03 | 12/31/02 |
|----------------------------|-------------|-------------|
| Vessels | 128,081,925 | 134,912,965 |
| Current assets | 8,248,449 | 3,388,811 |
| Cash deposits | 565,924 | 277,783 |
| Total assets | 136,896,298 | 138,579,559 |
| Shareholder's equity | 106,857,976 | 108,363,097 |
| Long term debt | 30,000,000 | 30,000,000 |
| Current liabilities | 38,322 | 216,462 |
| Total liabilities & equity | 136,896,298 | 138,579,559 |

As previously announced by the Company, BP Shipping the charterer of the Company's 3 Suezmax tankers, has not delivered notice of exercise of its options to extend the charters. Accordingly, the existing charters will terminate on October 1, 2004, subject to a redelivery window for the vessels of between September 1, 2004 and November 1, 2004.

Under the Company's Bye-Laws, the Company is obligated to call a special meeting of shareholders no later than April 1, 2004, to consider a proposal to sell the vessels and distribute the net proceeds to shareholders or to assess other alternatives. The proposal is to be accompanied by the recommendation of the Company's Board of Directors as to whether it believes that the sale of the vessels is in the Company's best interests, or whether an alternative plan, such as attempting to arrange replacement charters, might be of greater benefit.

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In the absence of the renewal by BP Shipping of its option for all 3 vessels, the following alternatives are possible:

- o The renegotiation by the Company and BP Shipping of the charters.
- o The employment by the Company of the vessels in the spot market as from October 1, 2004.
- o The long-term charter of the vessels to other end-users than BP Shipping.
- o The sale of the vessels and the distribution of the proceeds to the company's shareholders.
- o Any combination of these alternatives.

In connection with the special shareholders' meeting, the Board is expected to consider whether the alternatives other than the sale of all of the vessels, might be of greater benefit to shareholders.

During the last few weeks the Company has been approached by major international shipping and energy companies, expressing an interest in co-operating with the Company.

January 13, 2004

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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," "except," "anticipate," "intends," "estimate," "forecast," "project," "plan," "potential," "will," "may," "should," "expect" "pending and similar expressions identify forward-looking statements.

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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, 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 charterhire 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 the Company's operating expenses, including bunker prices, drydocking and insurance costs, the market for the Company's 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, and other important factors described from time to time in the reports filed by the Company with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NORDIC AMERICAN TANKER SHIPPING LIMITED
(registrant)

Dated: January 16, 2004

By: /s/ Herbjorn Hansson

Herbjorn Hansson
President and
Chief Executive Officer

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