

STAR Reefers

Q2 Report 2005

28 July 2005



Recent Reefer Industry Developments

- ★ Average 12 month TC rates up 20%
- ★ Spot rates Q2 up 17%, but May and June down
- ★ Market taking a breather
- ★ Consolidation continued Seatrade acquired United
- ★ Competition for quality 2nd hand ships continues

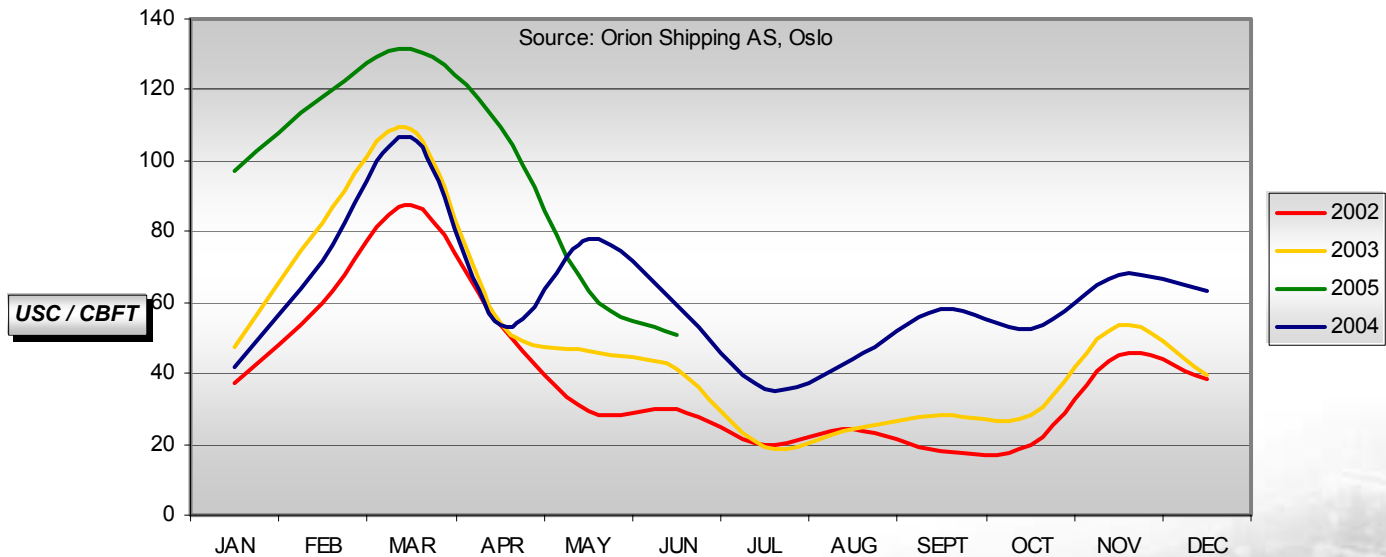
Star well positioned to take advantage of this period of change

Q2 2005



Spot Rates

Timecharter spot rates for larger vessels



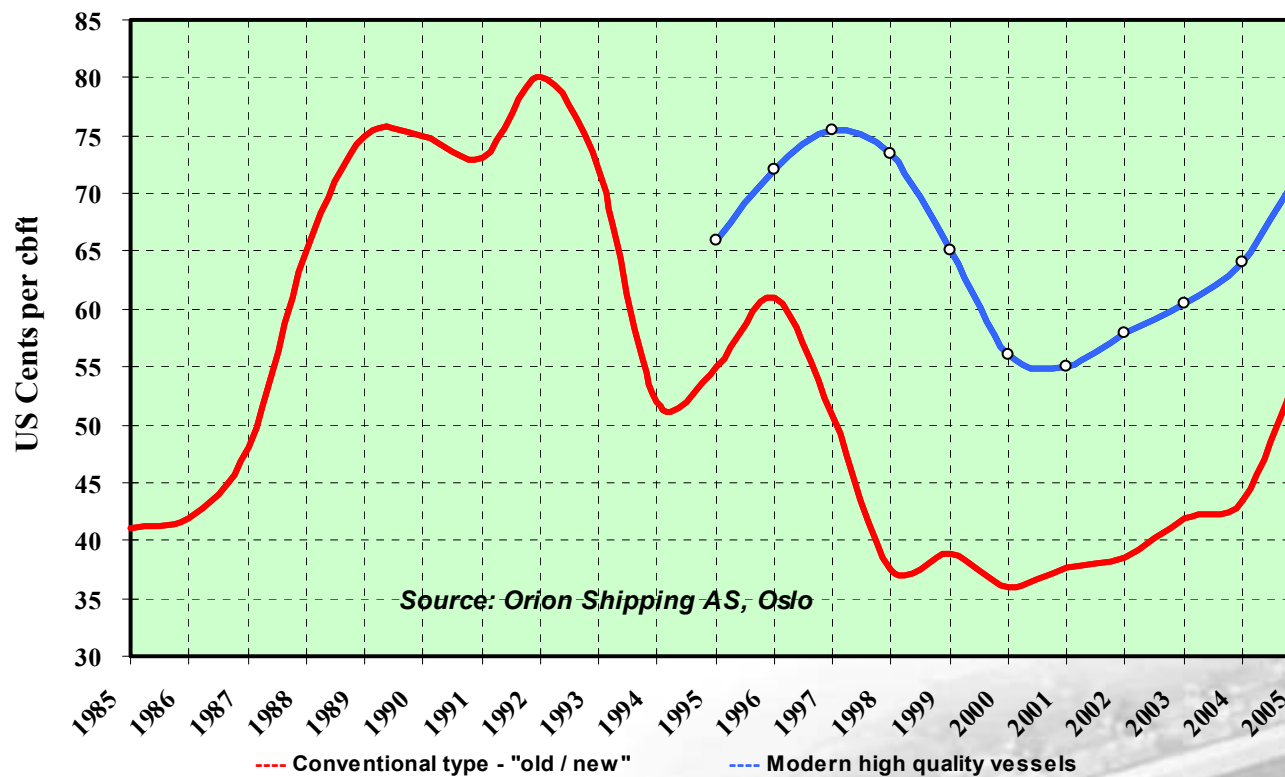
Rates for larger vessels up 17% on Q2 2004

Q2 2005

Source: Orion Shipping



Are 12 Month Rates Returning to 1997 Levels?

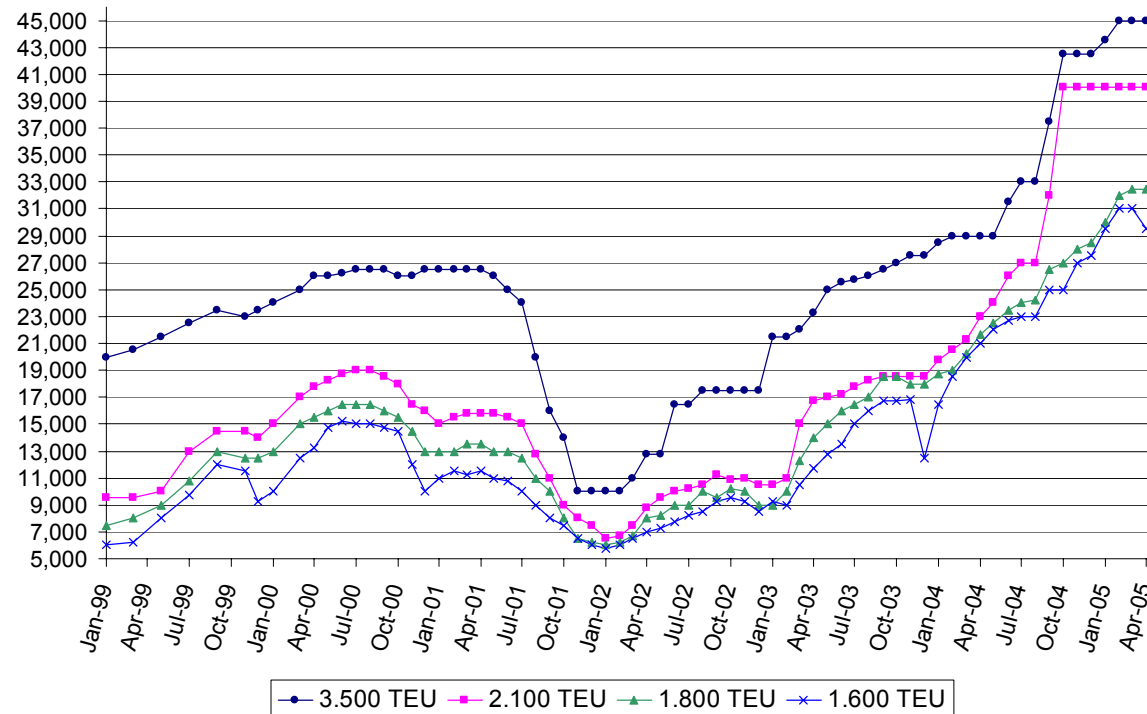


12 month rates up approx. 20% entering 2005

Q2 2005

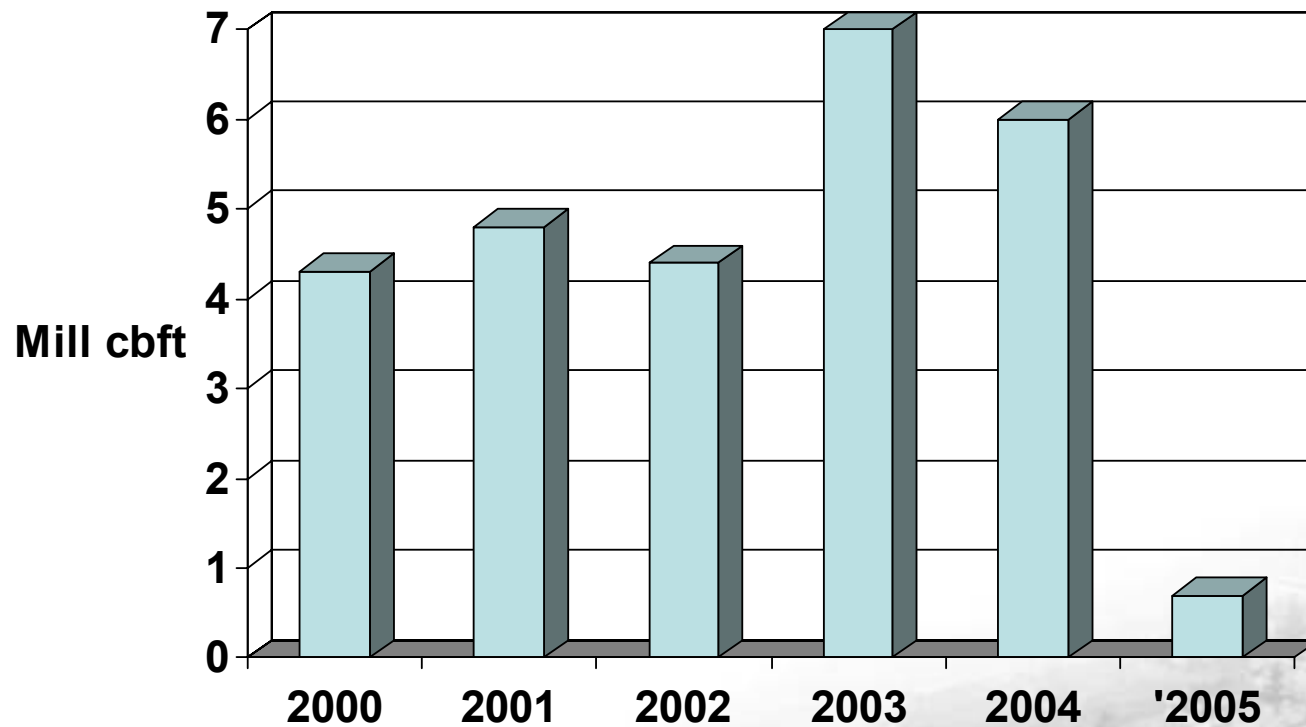


Rates for Container Ships Have Peaked



6-12 monts container rates (Source Carl Boch)

Net Scrapping continued in a strong market...



...but little scrapping so far this year

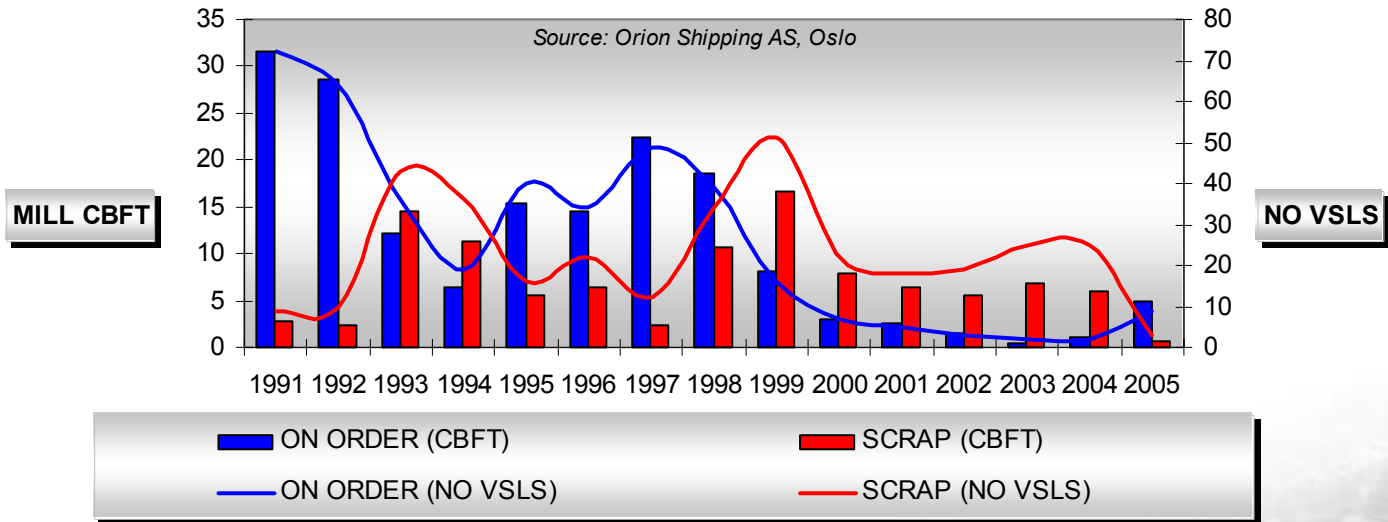
Source Orion Shipping

Q2 2005



Reefer capacity continues to decline...

REEFER VESSELS ORDERBOOK -VS- SCRAP



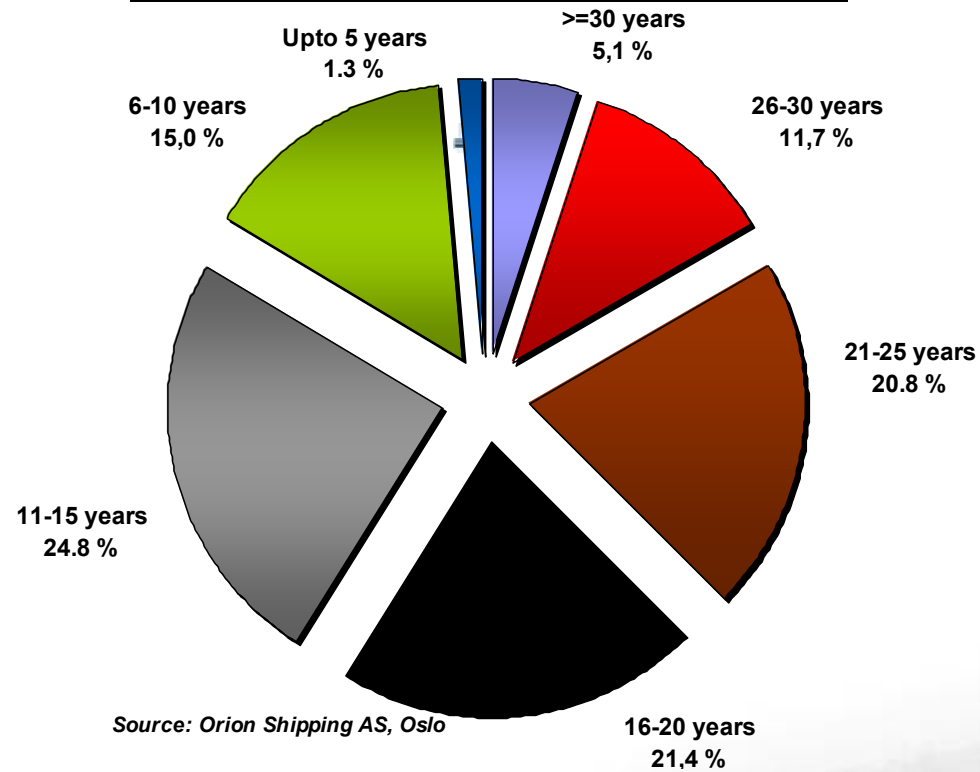
9 vessels on order

Q2 2005



Age Profile Reefer Fleet

REEFER FLEET - VESSEL EXCESS OF 250.000 CBFT (% IN CBFT)



Fleet > 250.000 cbft: 563 vessels and 243 mill. cbft

Q2 2005



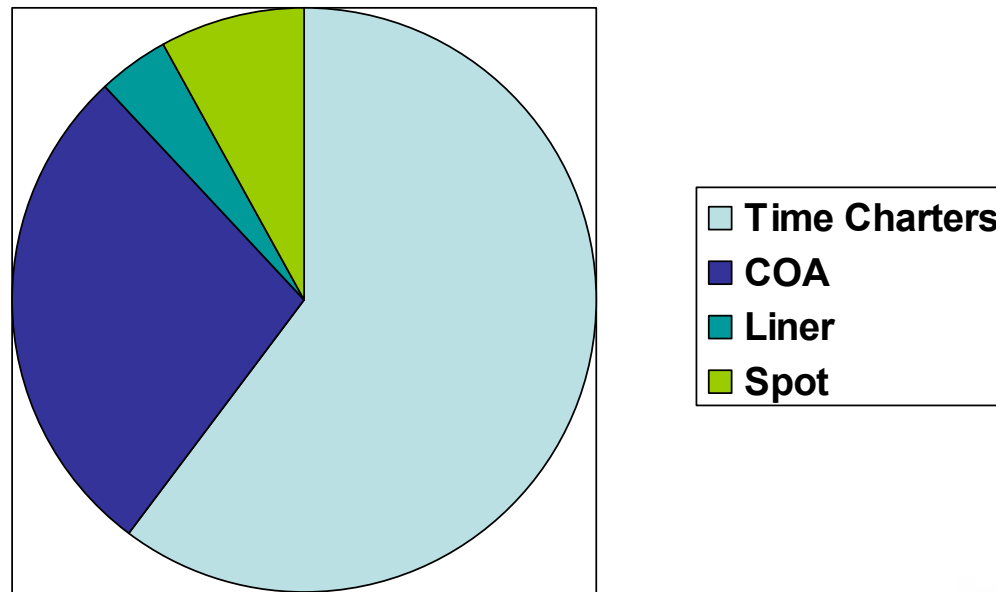
STAR Reefers Highlights Q2 2005 vs Q2 2004

- ★ Net income of USD 11.7 m (USD 6.3m)
- ★ EPS of Q2 2005 USD 1.34 (USD 0.74)
- ★ Average freight rates up 29%
- ★ 7 vessels acquired
- ★ Cash from operations up 65%
- ★ USD 6m of debt repaid
- ★ Shareholder equity up 35%

Q2 2005



Employment of Star Reefers Fleet 2005

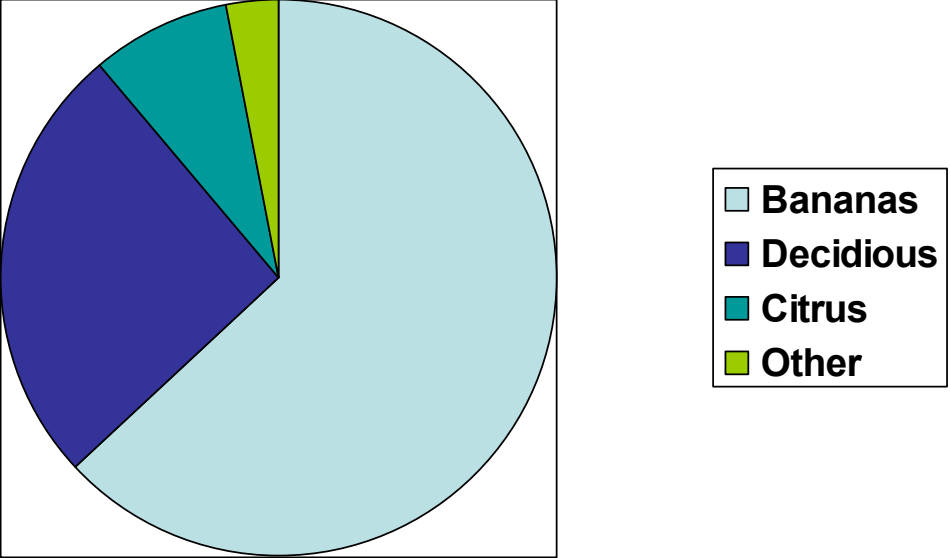


Focus on Customer Relationships

Q2 2005



Star Reefers Revenue by Goods Carried 2005



Focus on bananas

Q2 2005



STAR Core Fleet as at June 30 2005

	# of Ships	Capacity (mill cbft.)	Average Age	Average Size 1 000 cbft.
Owned	17	8.4	15	493
Bare Boat Charter	6	3.2	13	540
Time Charter	13	7.2	11	555
Total Fleet	36	18.8	13	523
Newbuildings (TC)	4	2.3	-2	585

Q2 2005



STAR Core Fleet including Acquisitions

	# of Ships	Capacity (mill cbft.)	Average Age	Average Size 1 000 cbft.
Owned	24	12.0	14	501
Bare Boat Charter	6	3.2	13	540
Time Charter	7	4.0	10	574
Total Fleet	37	19.3	13	521
Newbuildings (TC)	4	2.3	-2	585

Q2 2005



Profit & Loss Account

	2 Q 2005	2 Q 2004	YTD 30-Jun-05	YTD 30-Jun-04
Net operating revenues	\$ 42.8	\$ 37.6	\$ 86.7	\$ 75.6
Ships operating expenses	-10.1	-10.0	-20.5	-20.1
Time charter hire	-14.1	-15.2	-28.0	-28.9
Administrative expenses	-2.0	-2.2	-4.9	-4.5
EBITDAR	16.6	10.2	33.3	22.1
Bare boat charter hire	-2.3	-2.3	-4.6	-4.6
Depr. and amortization	-1.8	-1.9	-3.5	-3.8
Gain sale ships/subsidiary		0.4		0.4
Operating profit	12.5	6.4	25.2	14.1
Interest expense	-0.9	-0.3	-1.6	-1.5
Other financial items	0.1	0.1	0.1	
Net income	\$ 11.7	\$ 6.2	\$ 23.7	\$ 12.6
EPS	\$ 1.34	\$ 0.74	\$ 2.70	\$ 1.51

Q2 2005



Balance Sheet

	<u>31-Mar-05</u>	<u>31-Dec-04</u>
Vessels	\$ 161.0	\$ 163.3
Other fixed assets	4.3	8.4
Other current assets	18.3	11.6
Bank deposits	26.8	21.5
Total assets	\$ 210.4	\$ 204.8
Equity	\$ 112.6	\$ 87.5
Interest-bearing debt	78.1	99.4
Short term liabilities	19.7	17.9
Total equity and liabilities	\$ 210.4	\$ 204.8
Equity ratio	54%	43%
Equity per share	\$12.98	\$10.29

Q2 2005



Star Reefers Shareholders

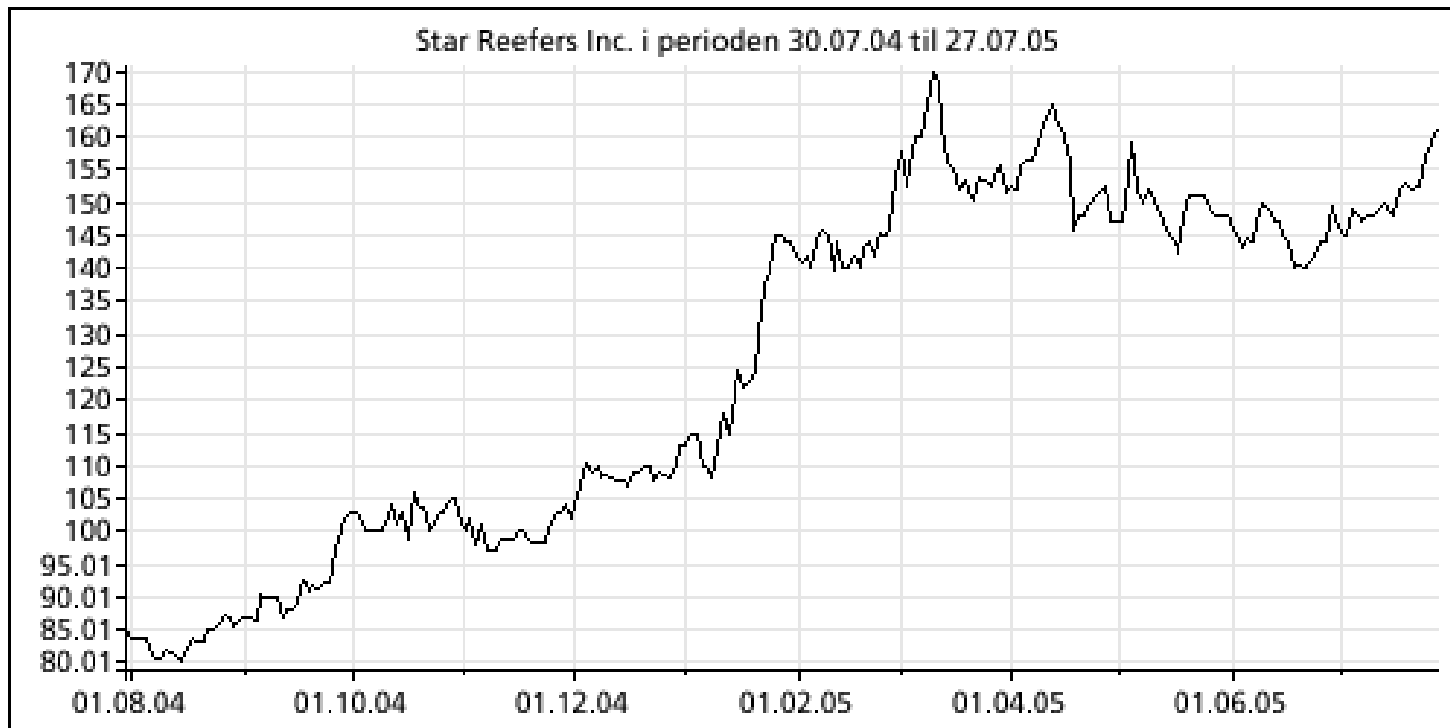
July 2005

	# of shares	% of shares
Siem Industries	6,272,534	72.3%
Caiano Ship + Caiano AS	291,650	3.4%
KLP	244,750	2.8%
Odin Maritim	180,000	2.1%
Toluma	115,000	1.3%
Sundal Collier	81,300	0.9%
NSV Invest AS	7,700	0.1%
Skips AS Tudor	70,000	0.8%
Other shareholders	1,410,885	16.3%
Total	8,673,819	100.0%

Q2 2005



Share Price Star Reefers Past 12 Months



Q2 2005

