

STAR Reefers

Q4 Report 2006

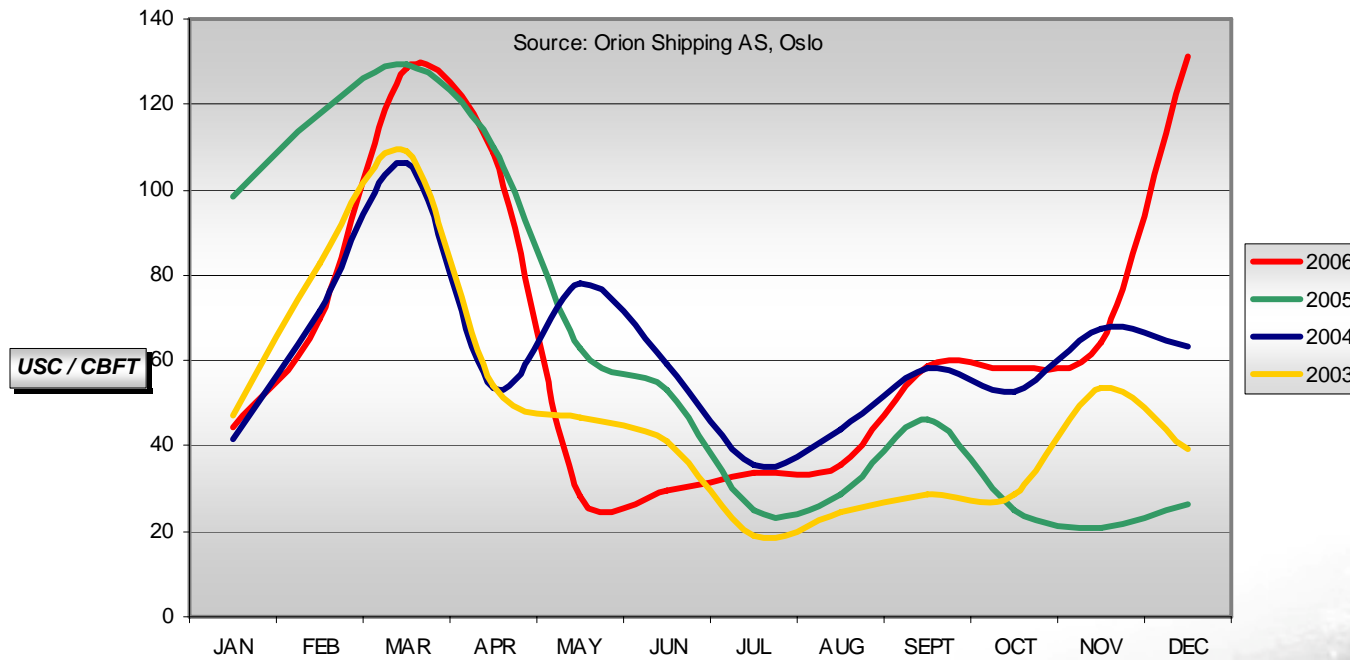


Recent Reefer Industry Developments

- ★ 12 mnth charters for modern tonnage agreed in the last few weeks are up 4% on last year (Orion Shipping)
- ★ High season spot rates in 2006 were 150 cents per cbft per month ("cents")
- ★ Spot rates up to 83 cents in Q4 2006 (25 cents in Q4 2005)
- ★ EU Banana Quota System replaced by tariff on 1 Jan 06
- ★ Tariff of EUR 176/tonne + 775 K duty free for ACP
- ★ Increased banana volumes and reduced selling prices in EU
- ★ Competition for quality 2nd hand tonnage continues
- ★ Scrapping 06 > 400,000 cbft: 2.2m cbft (2005: 0 cbft)
- ★ High bunker prices
- ★ Ships operating expenses continue to outpace inflation
- ★ Continuing competition from containers

Spot Rates

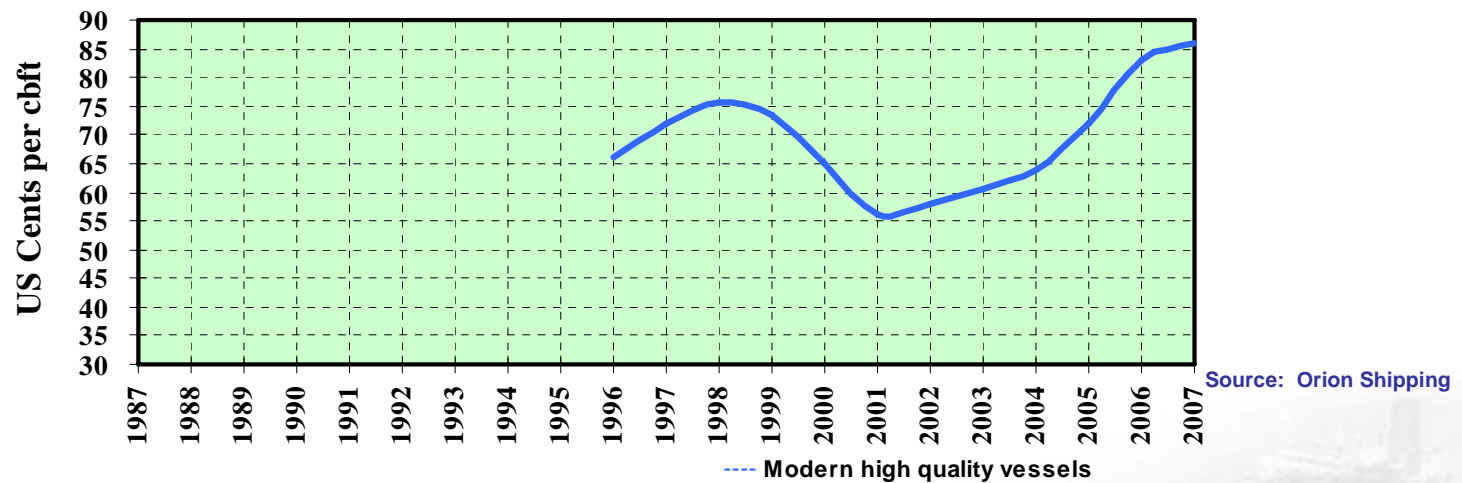
Timecharter spot rates for larger vessels



Rates for larger vessels in 2006 up to 65.5 cents or 5% on 2005

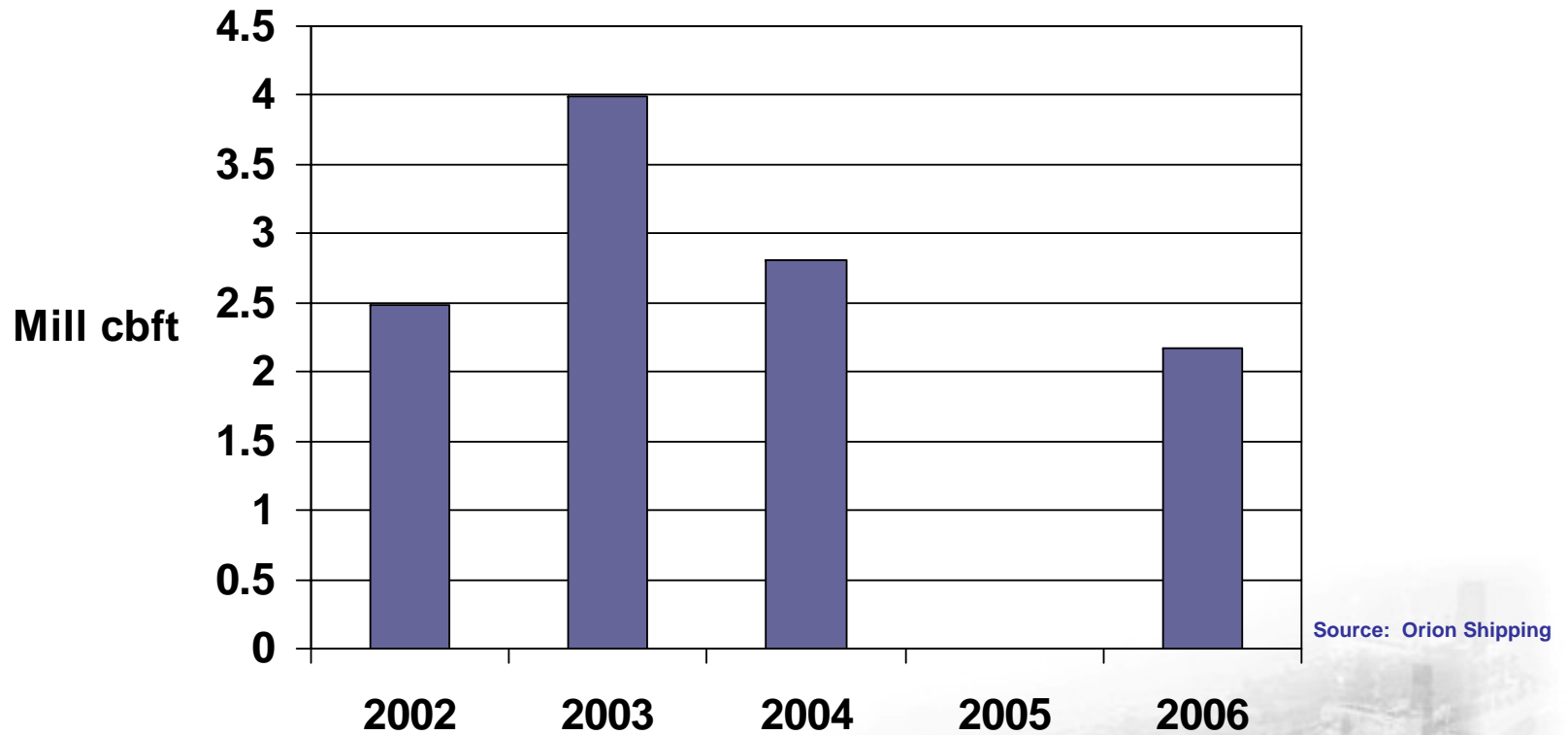
12 Month Rates for Larger Modern Vessels

REEFER 12 MONTHS ESTIMATED EARNINGS
Size: Larger vessels



12 Month Rates 2007: up 4% for modern vessels

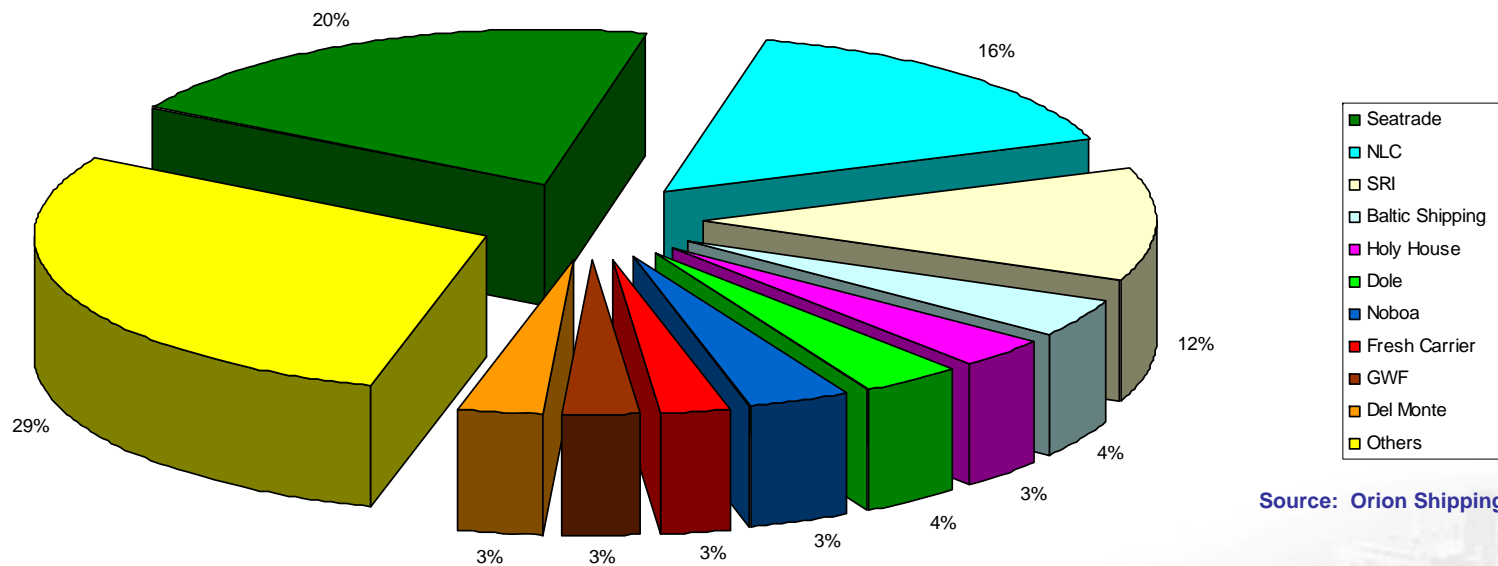
Scrapping Reefer Vessels over 400,000 cbft.



4 vessels representing 2.2m cbft scrapped 2006, due to age and higher bunker prices

Worldwide Reefer Fleet over 400,000 cbft. Breakdown by Owner/Operator

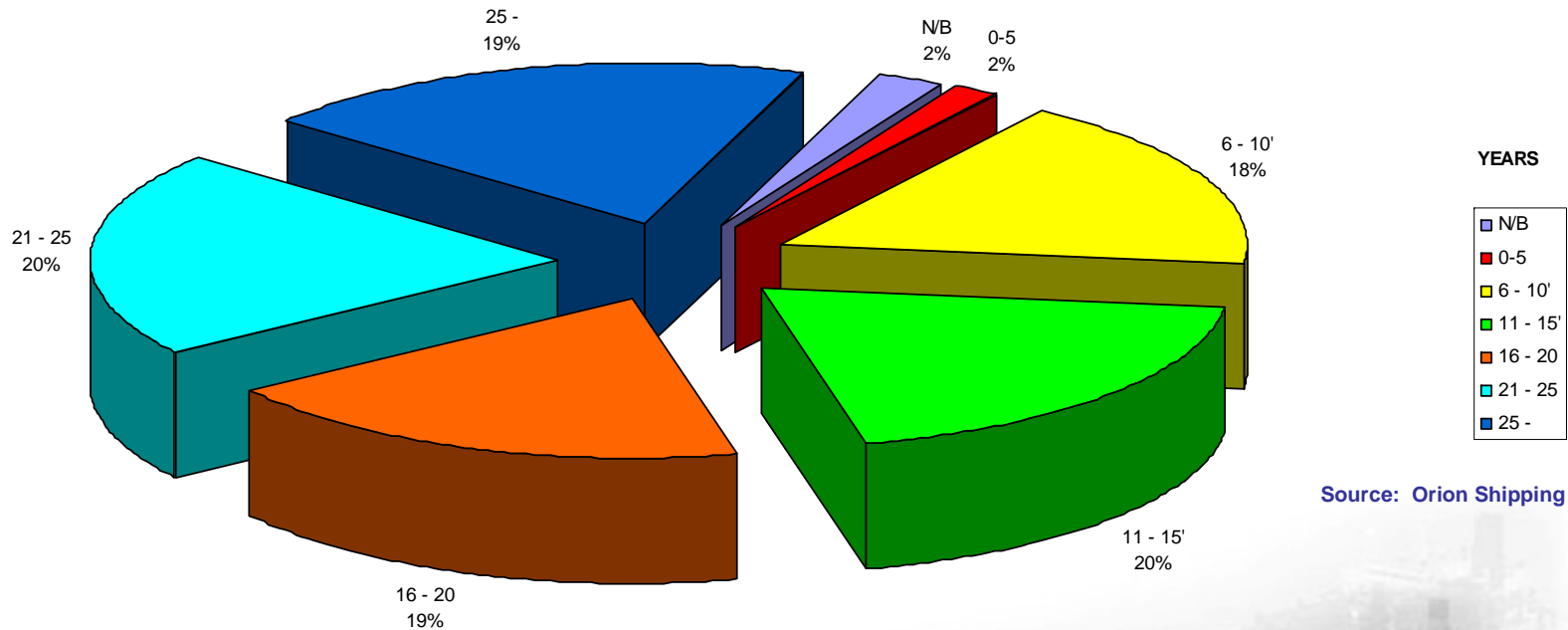
REEFER FLEET EXCESS 400.000 CBFT - CBFT. DISTRIBUTION BY OWNERS/OPERATORS



STAR controls 12% of fleet > 400.000 cbft

Worldwide Reefer Fleet over 400,000 cbft. Age Distribution

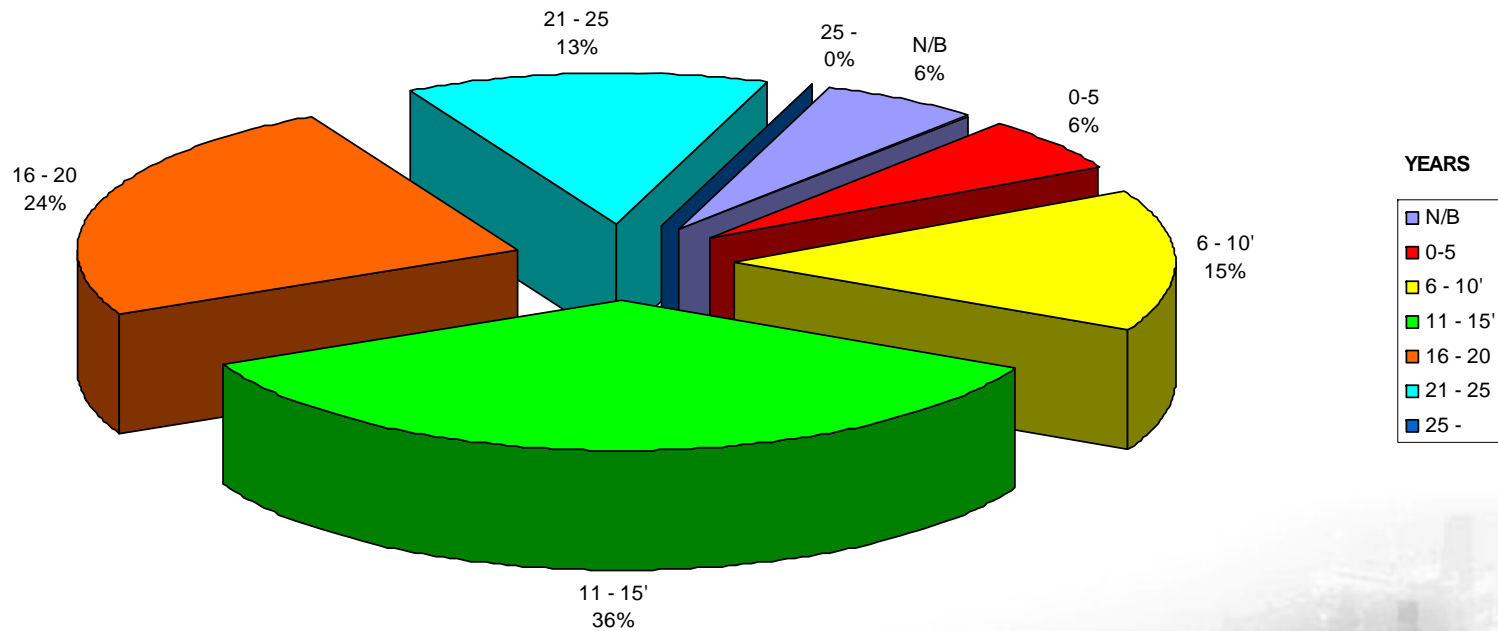
REEFER FLEET EXCESS 400.000 CBFT - AGE DISTRIBUTION BY CBFT



Source: Orion Shipping

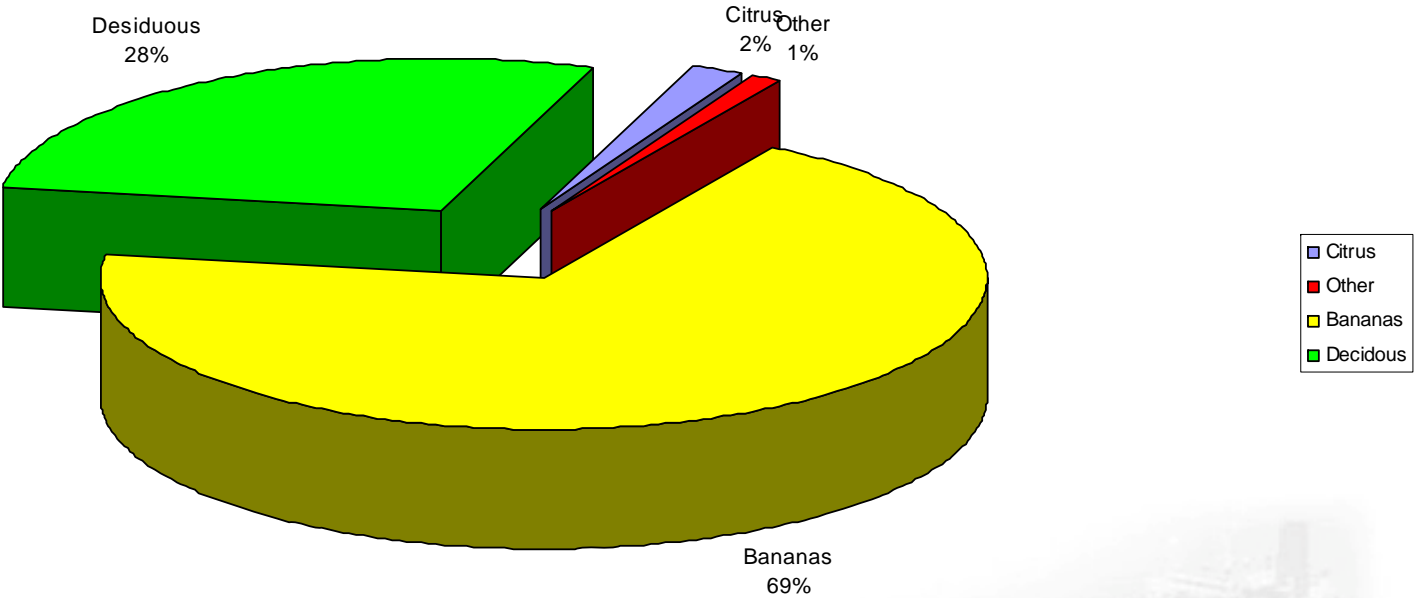
**Fleet > 400.000 cbft: 335 vessels and 173m cbft
42% <less than 15 years old**

STAR Reefers Fleet 2007 Age Distribution



**40 vessels - 21.2m cbft -av. age 14 yrs. - av size 530,000 cbft
63% less than 15 yrs old**

STAR Revenues 2006 by Goods Carried



Focus on bananas



STAR Reefers Highlights 2006

- ★ Best results ever
- ★ Net income 2006: USD 37.7m (2005: USD 31.2m)
- ★ Average freight rates up some 9% to 75 cents
- ★ Shareholders' Equity up to USD 159m (USD 120m in 2005)
- ★ EBITDA of USD 58.9m - Used to pay down debt and acquire 4 vessels
- ★ 5 year contract to charter out 4 newbuildings (2 delivered in 2006)
- ★ In-house ship management started successfully in Poland
- ★ Acquisition of 4 vessels for USD 29.8 m (previously on bare boat charter)

Time Charter for Four Newbuildings

- ★ Vessels being built at Shikoku Yard in Japan
- ★ ”*STAR First*” delivered 30 March 2006
- ★ ”*STAR Prima*” delivered 23 December 2006
- ★ ”*STAR Best*” to be delivered April 2007
- ★ ”*STAR Stratos*” to be delivered June 2007
- ★ Specialised reefers of 617,000 cbft
 - ★ High speed
 - ★ High container intake
 - ★ Low bunker consumption
- ★ 10 year duration of charters

STAR Reefers is committed to the reefer market long-term

STAR Core Fleet

	# of Ships	Capacity (mill cbft)	Average Age	Average Size 1 000 cbft
Owned	27	13.7	16	508
Bare Boat Charter (with purchase options)	3	1.6	14	519
Time Charter (incl. newbuilds) *	10	5.9	7	596
Total Fleet	40	21.2	14	530

* Delivery of "Star Best" in April 2007 and "Star Stratos" in June 2007.

Profit & Loss Account

	Q4 2006	Q4 2005	2006	2005
Net operating revenues	\$ 42.8	\$ 34.8	\$ 171.7	\$ 154.0
Ships operating expenses	-16.1	-13.3	-63.0	-45.0
Time charter hire	-8.1	-7.3	-29.6	-46.2
Administrative expenses	-2.5	-2.4	-9.2	-9.3
EBITDAR	16.1	11.7	69.9	53.5
Bare boat charter hire	-2.5	-2.8	-10.9	-9.7
Depr. and amortization	-3.4	-3.2	-13.6	-9.0
Gain sale ships/subsidiary		0.3		2.0
Operating profit	10.2	6.1	45.4	36.8
Interest expense	-2.1	-2.2	-8.4	-4.9
Other financial items	0.1	-0.3	0.6	-0.5
Taxes	0.3	-0.2	0.1	-0.2
Net income	\$ 8.5	\$ 3.4	\$ 37.7	\$ 31.2
EPS	\$ 0.97	\$ 0.39	\$ 4.32	\$ 3.59

Balance Sheet

	<u>31-Dec-06</u>	<u>31-Dec-05</u>	<u>31-Dec-04</u>
Assets			
Vessels	\$ 289.3	\$ 273.5	\$ 163.3
Other fixed assets	1.6	3.0	4.8
Other current assets	17.8	17.4	36.3
Bank deposits	11.2	17.6	-
Total assets	\$ 319.8	\$ 311.6	\$ 204.4
Equity	\$ 159.0	\$ 120.3	\$ 87.5
Interest bearing debt	135.9	167.4	92.0
Short term liabilities	24.9	23.9	24.9
Total equity and liabilities	\$ 319.8	\$ 311.6	\$ 204.4
Equity ratio	50%	39%	43%
Equity per share	\$18.16	\$13.86	\$10.29

Star Reefers Shareholders

February 2007

	# of shares	% of shares
Siem Industries	6,272,534	71.6%
Caiano Ship + Caiano AS	603,999	6.9%
Handelsbanken Market	200,000	2.3%
Actinor Shipping	193,400	2.2%
Odin	182,000	2.1%
KLP	174,550	2.0%
Skagen	160,000	1.8%
Belleza Capital Group	124,200	1.4%
Other	846,136	9.7%
Total	8,756,819	100.0%

Share Price STAR Reefers Past 12 Months

