

SIEM SHIPPING INC.

REGISTERED OFFICE ADDRESS: P.O. BOX 309, SOUTH CHURCH STREET
GEORGE TOWN, GRAND CAYMAN KY1-1104, CAYMAN ISLANDS

31 January 2016

Offer from Siem Shipping Inc. to Buy-back Shares from Shareholders at NOK 60 per Share

Dear Shareholder,

Siem Shipping Inc. is offering you the opportunity to sell your shares in Siem Shipping Inc. back to the Company. Please read the paperwork and consult with your advisor as necessary. If you decide to sell your shares, then you simply need to sign the attached acceptance form and return the form to DNB Bank ASA as paying agent / settlement agent (the "Agent") as indicated.

1. BACKGROUND

We make reference to the notice to the Oslo Stock Exchange dated 22 January 2016 whereby the Board of Directors of Siem Shipping Inc. (the "**Company**" or the "**Offeror**") announced that the Company would launch a voluntary buy-back offer for a maximum number of 1,708,907 shares in the Company at a price of NOK 60 per share. The Board of Directors is of the opinion that the proposed buy-back of shares is in the best interest of the Company and its shareholders in view of the limited trading activity in the market. Siem Industries, which owns 7,409,498 shares, will not tender any of its shares in the voluntary buy-back offer. The offer will not be made to shareholders who are restricted from selling their shares to the Company.

The Board has also unanimously recommended that a proposal to delist the Company from the Oslo Stock Exchange shall be submitted to a vote by the Company's shareholders at its Annual General Meeting to be held on 6 May 2016. Increased competition from the container companies has impacted the traditional specialised reefer markets and the Company is the last remaining publicly-listed reefer company. Since 1 January 2015, or more than a year ago, just over 20,000 shares in the Company have been traded, equivalent to about 80 shares per day on the approximate 275 trading days during this period. There was trading activity on only approximately 55 days.

The offer set out in this letter (the "**Offer Letter**") is available to those shareholders registered as owners of shares in the Company as at 1 February 2016. The price offered for each share is NOK 60 which is equal to the average price of shares traded in the period from 1 January 2015 through January 2016. The offer is open from 1 February 2016 until 22 February 2016 at 16:00 CET.

2. THE OFFER

The Company hereby offers to buy-back any and all tendered shares at NOK 60 per share (the "**Purchase Price**") free of transaction costs (the "**Offer**"). The Purchase Price is equal to the average price of shares traded in the period from 1 January 2015 through January 2016. We emphasize that those accepting this offer will not incur any transaction costs.

The acceptance period runs from 1 February 2016 to 22 February 2016. In order for you to accept the Offer, you must complete, sign and return the enclosed acceptance form ("**Acceptance Form**") to DNB Bank ASA by post or e-mail as set forth in the Acceptance Form. The Acceptance Form must be received by DNB Bank ASA before 22 February 2016 at 16:00 CET (the "**Offer Deadline**").

3. SETTLEMENT

If you accept the Offer, DNB Bank ASA will ensure that your shares are transferred to the Company and that the entire sales amount in NOK is transferred to the Norwegian bank account registered as your dividend account in VPS or to such other Norwegian bank account as you indicate on the Acceptance Form with such payment on or about 26 February 2016.

Shareholders registered in the VPS Register and who have not supplied the VPS with details of any Norwegian kroner account, consent that DNB Bank ASA, Registrars Dept., hereinafter the "Registrar", may send the funds in any of the following ways: (i) by cheque in the local currency of the jurisdiction of the shareholder (either as registered in the VPS or as stated on the acceptance form) or in US Dollars (USD) or (ii) by remittal of funds to any bank account in the relevant shareholders' name in any applicable currency of such account. The Registrar may select the payment method that the Registrar in its sole opinion deems the most appropriate, and the Registrar may for such purpose convert the funds into any applicable currency. The Registrar may use DNB Markets, a part of DNB Bank ASA, to perform currency exchanges, and DNB Markets' rates and margins will apply to any such exchange or conversion. The issuing and mailing of any cheques will be executed in accordance with the standard procedures of DNB Bank ASA, Foreign Payment Department.

Interest compensation will not be paid for the period from the date of acceptance until the settlement date.

4. OFFER AND DISTRIBUTION RESTRICTIONS

United States: The Offer is not being made, and will not be made in the United States and may not be distributed in or to any person located in the United States. The term "**United States**" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia. Any offer to sell shares resulting directly or indirectly from a violation of these restrictions will be invalid and any offer to sell shares made by a person appearing to be in the United States or otherwise believed by the Company to be in the United States or to have received this Offer in the United States will not be accepted.

Canada: The Offer is not being made, and will not be made, directly or indirectly in or into Canada by any means. Any offer to sell shares resulting directly or indirectly from a violation of these restrictions will be invalid and any purported offer to sell shares made by a person located in Canada or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within Canada will be invalid and will not be accepted. Each shareholder accepting the Offer will be deemed to represent that he or she is

not located in Canada and is not accepting the Offer from Canada or is acting on a non-discretionary basis for a principal located outside Canada that is not giving an order to accept the Offer from Canada. For the purposes of this paragraph, "**Canada**" means Canada, its provinces and territories.

General: The Offer is not intended for shareholders located in any jurisdiction in circumstances which would require the Company to prepare or register any prospectus, offering document or circular relating to the Offer in such jurisdiction, and the Company may refuse to receive acceptances submitted from such jurisdictions. The distribution of this Offer in certain jurisdictions may be restricted by law. Any persons reading the Offer should inform themselves of and observe any such restrictions.

Important Notice and disclaimers: The Agent is acting on behalf of the Company in connection with the Offer. The Agent will not be acting on behalf of any other party in connection therewith and will not be responsible to any party other than the Company for providing the protections normally granted to their customers, or advice in relation to the Offer.

Any decision to accept the Offer should only be made on the basis of an independent review by you of publicly available information.

By accepting the Offer and signing the Acceptance Form you will be deemed to have acknowledged, represented to and agreed with the Agents that: (a) you have such business and financial experience as is required to give you the capacity to protect your own interests in connection with the sale of shares under the Offer; (b) you may not rely, and have not relied, on any investigation that the Agent or any of its respective affiliates, or any person acting on behalf of the Agent or any of its respective affiliates, may have conducted with respect to the Company, the shares, and neither the Agent nor any of its respective affiliates have made any representation to you, express or implied, with respect to the Company, the shares or the accuracy, completeness or adequacy of any publicly available information; (c) you understand that no disclosure or offering document has been prepared in connection with the Offer; (d) you have made your own assessment of the Offer based on such information as is publicly available (which you acknowledge you have been able to access, read and understand); (e) you have made your own investment decision regarding the Offer based on your own knowledge and investigation of the Company and the shares; (f) the Agent does not have any liability for any other representations (express or implied) contained in, or for any omissions from, such information or any other written or oral communication transmitted to you in the course of your evaluation of the Offer; (g) the Agent does not have any obligation to update any such information or to correct any inaccuracies therein or omissions therefrom which may become apparent, even where the Agent is aware of such inaccuracies or omissions; (h) you have consulted your own independent advisers or otherwise have satisfied yourself concerning, without limitation, any accounting, regulatory, tax or other consequences of selling the shares in the light of your own particular situation under the laws of all relevant jurisdictions.

Governing law and jurisdiction: The Offer and all acceptances submitted in response thereto are governed by Norwegian law with the Oslo city court as legal venue. Any disputes arising out of, or in connection with, the Offer, are subject to Norwegian law and the exclusive jurisdiction of the Norwegian courts and with Oslo city court as legal venue.

5. ADDITIONAL INFORMATION

The distribution of this document or any separate summary documentation regarding the Offer and the making of the Offer may, in certain jurisdictions, be restricted by law. Persons obtaining this document or into whose possession this document otherwise comes, are required to inform themselves of and observe all such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities law of such jurisdictions.

If you have additional questions about the Acceptance Form or settlement, please contact DNB Bank ASA at telephone no. +47 23 26 80 20.

For and on behalf of
SIEM SHIPPING INC.

Kenneth Ross
Chief Executive Officer