Eleventh Vessel Delivered in Turbulent Market

Second quarter 2009 – Aker Philadelphia Shipyard ASA (AKPS) continued to make progress on its tanker series for American Shipping Company ASA (AMSC) and delivered AKPS' eleventh vessel on 11 June 2009. For the quarter ended 30 June 2009, the shipyard recorded operating revenues of USD 55.0 million and EBITDA (earnings before interest, taxes and depreciation and amortization) of USD 4.5 million. Revenues for the quarter ended 30 June 2009 represented a 23% decrease compared to revenues of USD 71.1 million for the quarter ended 30 June 2008. EBITDA for the quarter ended 30 June 2009 increased 7% compared to the second quarter 2008 EBITDA of USD 4.2 million. The lack of financing for the two shuttle tankers in the tanker series and the delay in implementing the terms of the non-binding settlement agreement between AMSC and Overseas Shipholding Group (OSG) has increased the counterparty risk faced by AKPS. For more details, see the "Risks" section below.

OSLO / PHILADELPHIA (5 August 2009) –
At the end of the second quarter Aker Philadelphia Shipyard had delivered seven of the twelve tankers in the series for American Shipping Company (AMSC). The delivery of the seventh vessel in the series on 11 June 2009 demonstrates the continued progress that has been made by the shipyard related to cost containment and other operational controls.

In accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, Aker Philadelphia Shipyard is recognizing the last nine tankers of the twelve-tanker order as one single project. As such, revenue and expense are being recognized on a total project basis. As of 30 June 2009, Aker Philadelphia Shipyard is approximately 61% complete with the project.

EBITDA for the quarter ended 30 June 2009 was USD 4.5 million compared to USD 4.2 million for the second quarter ended 30 June 2008. Revenues for Q2 2009 were USD 55.0 million compared to Q2 2008 revenues of USD 71.1 million. The decrease in revenues is primarily driven by a reduction in project revenues caused by a reduction in material escalation costs which is a pass through to AMSC. For Q2 2009, the net result was USD 3.0 million compared to a net result of USD 1.4 million for Q2 2008. These positive results are attributable to the cost reductions which are not factored into the material escalation pass through to AMSC, productivity gains and unrealized gains on forward currency contracts.

Net financial income for Q2 2009 was USD 3.7 million compared to negative USD 0.5 million for Q2 2008. This outcome is primarily due to the weakening of the U.S. dollar in Q2 2009 which positively impacted cash deposits, which are held in NOK, and forward currency contracts.

For the six months ended 30 June 2009 revenues were USD 117.6 which represented a USD 12.2 million (9%) decrease over the six month period ended 30 June 2008. EBITDA for the six months ended 30 June 2009 increased to USD 9.7 million compared to EBITDA of USD 7.0 million for the six months ended 30 June 2008. Net profit for the six month period ended 30 June 2009 increased to USD 5.7 million compared to net profit of 3.0 million for the six month period ended 30 June 2008.

Amounts in USD millions (except share and per share information)	Unaudited Q2 2009	Q2 2008	Unaudited Six Months Ended 30 June 2009	2008	Full Year 2008
Operating revenues	55.0	71.1	117.6	129.8	285.0
EBITDA	**4.5**	**4.2**	**9.7**	**7.0**	**16.2**
Operating profit - EBIT	2.6	2.5	5.9	3.6	9.1
Profit before tax	6.3	2.0	10.5	4.2	0.1
Profit/(loss) for the period	**3.0**	**1.4**	**5.7**	**3.0**	**(1.8)**
Average number of shares	10,165,305	10,165,305	10,165,305	10,165,305	10,165,305
Basic and diluted earnings per share (USD)	**0.29**	**0.14**	**0.56**	**0.29**	**(0.17)**

Amounts in USD millions	Unaudited 30-Jun 2009	31-Dec 2008
Property, plant & equipment	69.2	70.8
Intangible assets	11.0	11.0
Other non-current assets	0.8	0.9
Vessels under construction - receivables	100.2	162.1
Prepayments and other receivables	24.4	22.1
Interest-bearing short-term receivables	3.3	4.8
Cash and cash equivalents	16.4	23.6
Total assets	**225.3**	**295.3**
Total equity	97.4	91.7
Deferred tax liabilities	1.9	2.4
Interest-bearing long-term debt	32.2	33.2
Interest-bearing construction loans	49.0	118.5
Interest-bearing short-term debt	2.1	2.1
Tax payable and trade and other payables	42.7	47.4
Total equity and liabilities	**225.3**	**295.3**

Vessels-under-construction receivables represent the total work in progress less payments made by American Shipping Company. Vessels-under-construction receivables at 30 June 2009 decreased USD 61.9 million from USD 162.1 million at 31 December 2008. This decrease is due to the timing of additional progress payments made by AMSC as well as the timing of vessel deliveries.

Cash and cash equivalents at 30 June 2009 decreased USD 7.2 million from USD 23.6 million at 31 December 2008 due to the timing of financing draw-downs under Aker Philadelphia Shipyard's construction financing facility.

Construction loans decreased to USD 49.0 million at 30 June 2009 from USD 118.5 million at 31 December 2008 due to the timing of construction financing draw-downs and vessel deliveries.

Quarterly fluctuations in the above key balance sheet accounts will continue to occur as the Company continues to make progress on its new build project.

Operations

During the first half of 2009, Aker Philadelphia Shipyard commenced construction of two tankers, progressed construction of two tankers, and delivered two tankers including the seventh tanker, the *Overseas Nikiski*, on 11 June 2009. The three vessels currently under construction at the yard have reached the following milestones: Ship 012 was skidded to its final building position on 23 April 2009, the first grand block of Ship 013 was landed in the Building Dock on 7 May 2009 and Ship 014 continued construction.

Continuous improvement projects have continued to provide improvements in our costs with a reduction in production hours and other costs over the series.

Health, Safety, and Environmental mindset initiatives and training have contributed to a reduction in the recordable injury frequency of nearly 20% year-to-date.

Aker Philadelphia Shipyard has been selected by the U.S. Maritime Administration to be eligible for grant funding of up to USD 1.9 million as part of the Small Shipyard Program. The exact amount and timing of funds to be received depends on meeting certain match-funding and other criteria.

Outlook

Going forward in 2009, revenues will be generated from additional work completed on the remaining five tankers being built for AMSC. Currently the Company is on plan with the tanker program and continues to guide on an EBITDA margin of 6% or better over the project, which is scheduled to be completed in Q1 2011. The Company continues to work with AMSC regarding the timing of the exercise of some of its options for additional tankers. A key focus for 2009 continues to be securing new orders to expand the backlog. Because multiple vessels are in production at any one time, lack of continued firm backlog will cause operational inefficiencies. Start of production for the first unsecured/option vessel (Hull 017) is planned for Spring 2010, but this schedule is dependent upon securing a firm order for this vessel. Although no firm orders are in place, AKPS has made prior purchase commitments on long lead items for Hulls 017-020 as tankers and continues to make commitments on Hull 017 as required by the intended production schedule. AKPS may incur additional costs if the intended production plan changes.

Aker Philadelphia Shipyard continues to perform strategic evaluations of possible new construction projects for the future. Product and shuttle tankers and containerships remain important prospects in this evaluation.

The current global economic crisis has continued to create uncertainties which have delayed the decision making process for new builds and have created difficulties regarding the financing of new build projects. AKPS continues to monitor and assess its vendors, financing partners and customer closely. However, AKPS remains committed to providing the Jones Act market with the most cost efficient merchant vessels possible and believes that it will be the supplier of choice when these vessels are ordered.

Risks

AKPS faces risks related to construction of vessels. The risks related to vessel construction are primarily the shipyard's ability to meet anticipated learning curves and through-put, as well as the availability of skilled workers and the risk of maintaining stable supplier networks.

AKPS's activities also expose it to a variety of financial risks including currency risk, interest rate risk, credit risk and liquidity risk.

AKPS's construction financing and capital expenditure financing contain defaults triggered by an AMSC default on its take-out financing. AKPS closely monitors AMSC's financial development.

AKPS's activities also expose it to counterparty risk. AKPS's only customer, AMSC, has not been able to arrange financing for its two shuttle tankers. In addition, the nonbinding settlement agreement between AMSC and its charterer, Overseas Shipholding Group (OSG), to settle all of their commercial disagreements, signed in March 2009, has not been implemented. If financing for the shuttle tankers is not obtained or the parties do not reach a definitive settlement agreement in the near term, then it may have a material adverse effect on AKPS's financial position and operations.

For further analysis of risks please refer to the 2008 AKPS annual report and the disclosure released by AKPS on 5 August 2009.

5 August 2009

Board of Directors

Aker Philadelphia Shipyard ASA

Responsibility Statement

The unaudited condensed interim consolidated financial statements and interim financial report as of 30 June 2009 and for the first half of 2009 were approved by the Board of Directors and General Manager on 5 August 2009.

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU and the Norwegian additional requirements in the Securities Trading Act.

To the best of our knowledge, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principle opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Oslo, 5 August 2009
The Board of Directors and General Manager
Aker Philadelphia Shipyard ASA

Karl Erik Kjelstad Board Chairman	Gary Mandel Board Deputy Chairman	Elin Karfjell Director
Mark Singel Director	Marianne Heien Blystad Director	Jim Miller General Manager

INCOME STATEMENT

Amounts in USD millions (except share and per share information)	Unaudited Q2 2009	Unaudited Q2 2008	Unaudited Six Months Ended 30 June 2009	Unaudited Six Months Ended 30 June 2008
Operating revenues	55.0	71.1	117.6	129.8
Operating expenses	(50.5)	(66.9)	(107.9)	(122.8)
Operating profit before depreciation	**4.5**	**4.2**	**9.7**	**7.0**
Depreciation	(1.9)	(1.7)	(3.8)	(3.4)
Operating profit	**2.6**	**2.5**	**5.9**	**3.6**
Net financial items	3.7	(0.5)	4.6	0.6
Profit before tax	**6.3**	**2.0**	**10.5**	**4.2**
Tax expense	(3.3)	(0.6)	(4.8)	(1.2)
Profit for the period *	**3.0**	**1.4**	**5.7**	**3.0**
Average number of shares	**10,165,305**	**10,165,305**	**10,165,305**	**10,165,305**
Basic and diluted earnings per share (USD)	**0.29**	**0.14**	**0.56**	**0.29**

* All attributed to the equity holders of AKPS.

STATEMENT OF COMPREHENSIVE INCOME

Amounts in USD millions	Unaudited Q2 2009	Unaudited Q2 2008	Unaudited Six Months Ended 30 June 2009	Unaudited Six Months Ended 30 June 2008
Profit for the period	3.0	1.4	5.7	3.0
Other comprehensive income, net of income tax	-	-	-	-
Total comprehensive income for the period *	**3.0**	**1.4**	**5.7**	**3.0**

* All attributed to the equity holders of AKPS.

STATEMENT OF FINANCIAL POSITION

Amounts in USD millions	Unaudited 30-Jun 2009	31-Dec 2008
Assets		
Non-current assets		
Property, plant & equipment	69.2	70.8
Intangible assets	11.0	11.0
Other non-current assets	0.8	0.9
Total non-current assets	**81.0**	**82.7**
Current assets		
Vessels under construction-receivables	100.2	162.1
Prepayments and other receivables	24.4	22.1
Interest-bearing short-term receivables	3.3	4.8
Cash and cash equivalents	16.4	23.6
Total current assets	**144.3**	**212.6**
Total assets	**225.3**	**295.3**
Equity and liabilities		
Total equity	**97.4**	**91.7**
Non-current liabilities		
Interest-bearing loans	32.2	33.2
Deferred tax liabilities	1.9	2.4
Total non-current liabilities	**34.1**	**35.6**
Current liabilities		
Construction and other short-term loans	49.0	118.5
Interest-bearing short-term debt	2.1	2.1
Tax payable and trade and other payables	42.7	47.4
Total current liabilities	**93.8**	**168.0**
Total liabilities	**127.9**	**203.6**
Total equity and liabilities	**225.3**	**295.3**

STATEMENT OF CHANGES IN EQUITY

	Unaudited	
	Six Months Ended 30 June	
Amounts in USD millions	**2009**	**2008**
As of beginning of period	91.7	98.0
Total comprehensive income for the period	5.7	3.0
Dividends paid	-	-
As of end of period	**97.4**	**101.0**

CASH FLOW STATEMENT

	Unaudited	
	Six Months Ended 30 June	
Amounts in USD millions	**2009**	**2008**
Net cash flow from operating activities	65.4	(29.5)
Net cash flow from investing activities	(2.1)	(2.8)
Net cash flow from financing activities	(70.5)	5.4
Net change in cash and cash equivalents	**(7.2)**	**(26.9)**
Cash and cash equivalents at beginning of period	23.6	58.4
Cash and cash equivalents at end of period	**16.4**	**31.5**

Notes to the consolidated interim financial statements for the 1st half 2009

1. Introduction-Aker Philadelphia Shipyard ASA

Aker Philadelphia Shipyard ASA ("AKPS") is a company domiciled in Norway. The condensed interim financial statements for the three and six month periods ended 30 June 2009 and 30 June 2008 are comprised of AKPS and its wholly owned subsidiary Aker Philadelphia Shipyard, Inc. ("APSI") and Aker Philadelphia Priming, Inc., ("APPI"), a wholly owned subsidiary of APSI.

This interim report has not been subject to audit or review by independent auditors.

The consolidated quarterly and 2008 annual financial statements of AKPS, which include a detailed description of accounting policies and significant estimates, are available at www.akerphiladelphia.com.

2. Basis of Preparation

These consolidated interim financial statements reflect all adjustments, in the opinion of AKPS's management, that are necessary for a fair presentation of the results of operations for the periods presented. Operating results for the three and six month periods are not necessarily indicative of the results that may be expected for any subsequent quarter or year. These interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2008.

AKPS was formed on 16 October 2007 to be the holding company of APSI which owns a shipyard located in Philadelphia, PA.

On 26 November 2007, American Tanker, Inc., f/k/a Aker American Shipping, Inc. ("AKASI"), contributed its 100% ownership interest in APSI to AKPS as a contribution in-kind. AKASI is an intermediate holding company, owned 100% by American Shipping Company ASA, f/k/a Aker American Shipping ASA ("AKASA"), that acquired APSI on 28 June 2005.

Due to the common nature of ownership interests, the contribution in-kind was recorded using the historical financial statement amounts as reflected in the consolidated financial statements of AKASA. In addition, the historical consolidated financial statements of AKPS and its subsidiaries have been restated as if AKPS had owned APSI effective 30 June 2005.

Subsequently, on 4 December 2007 AKASI sold its 100% ownership in AKPS to certain existing shareholders of AKASA as well as certain new shareholders.

3. Statement of compliance

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as of and for the year ended 31 December 2008.

AKPS adopted IAS 1, as amended regarding the presentation of financial statements. This requires the company to present non-owner equity changes in a statement of comprehensive income (which includes the current income statement). Currently there are no non-owner equity components applicable to AKPS.

AKPS also adopted IFRS 8-operating segments in the first quarter of 2009. As the Company only has one segment, the implementation of IFRS 8 did not impact presentation.

There have not been any other new IFRS standards or interpretations issued after the completion of the consolidated financial statements for the year 2008 or that have had a significant impact on Q2 2009.

4. Significant accounting principles

The accounting policies applied by the Group in these condensed consolidated interim financial statements are substantially the same as those applied by the Group in its consolidated financial statements as of and for the year ended 31 December 2008.

5. Use of estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The most significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group's accounting policies, and the key sources of estimation uncertainty, are the same as those that applied to the consolidated financial statements as of and for the year ended 31 December 2008.

6. Tax estimates

Income tax expense is recognized in each interim period based on the best estimate of the expected annual income tax rates.

7. Share capital and equity

At the end of 30 June 2009, AKPS had 10,165,305 ordinary shares at a par value of NOK 10 per share which is the same as the average number of shares used in the calculation of earnings per share in all periods in 2008 and through 30 June 2009.

8. Interest-bearing debt

The following shows material changes in interest-bearing debt during 2009:

Amounts in USD millions	Long-term loans	Short-term excl. construction loans	Construction loans	Total interest-bearing debt
Balance 01.01.09	33.2	2.1	118.5	153.8
Repayment of debt	(1.0)	-	(160.0)	(161.0)
Issuance of debt	-	-	90.5	90.5
Balance 30.06.09	32.2	2.1	49.0	83.3

9. Related party transactions

The ultimate parent company of Aker Philadelphia Shipyard ASA is Aker ASA. AKPS believes that related party transactions are made on terms equivalent to those that prevail in arm's length transactions. AKPS has business relationships with several companies which are ultimately controlled by Aker ASA.

The group has a service agreement with Aker ASA which provides certain specified accounting, financial and administrative services. All payables are paid within the normal course of business.

Related administrative costs and financial statement amounts for the 3 month period ending 30 June 2009 were USD 28.5 thousand (USD 30.2 thousand for the same period in 2008) and for the 6 month period ending 30 June 2009 were USD 55.5 thousand (USD 198.6 thousand for the same period in 2008).

In its shipbuilding activities, AKPS subcontracts and hires services from several Aker controlled companies. Related costs for the 3 month period ending 30 June 2009 were USD 2.3 million (USD 2.8 million for the same period in 2008) and for the 6 month period ending 30 June 2009 were USD 4.3 million (USD 5.1 million for the same period in 2008).

10. Capitalized interest

	Q2	Q2	Six Months Ended 30 June	
Amounts in USD millions	**2009**	**2008**	**2009**	**2008**
Interest expense	(1.1)	(1.2)	(2.4)	(2.9)
Interest capitalized on construction contracts	0.8	0.9	1.8	2.3
Net interest expense	**(0.3)**	**(0.3)**	**(0.6)**	**(0.6)**

11. Construction contracts

The order backlog primarily represents an obligation to deliver vessels that have not yet been produced for American Shipping Company ASA. The order backlog is USD 365.1 million at 30 June 2009 and represents future sales. Order backlog represents base contract price and is subject to adjustments based on change orders and material escalation as defined in the construction contracts.

Amounts in USD millions	**Order Backlog 30.06.09**	**Order intake 12 months to 30.06.09**	**Order Backlog 31.12.08**
Product Tankers	365.1	-	499.9
Total	**365.1**	**-**	**499.9**

The recognized profit on contracts in process for the periods that ended:

Amounts in USD millions	**30.06.09**	**31.12.08**
Contract revenue recognized as revenue to date	582.2	464.9
Less contract expenses	(540.2)	(434.8)
Recognized profit to date	**42.0**	**30.1**
Contract costs incurred to date	**(547.2)**	**(429.8)**

As of 30 June 2009 and 31 December 2008, the costs incurred that will be billable to customers upon delivery of the ships were USD 100.2 million and USD 162.1 million, respectively, using the percentage of completion method.

Advances from customers as of 30 June 2009 and 31 December 2008 totaled USD 72.2 million and 87.7 million, respectively.

Retentions related to construction contracts are included in interest-bearing short-term receivables and relate to contractual hold backs from the container vessel customer contingent upon final closeout of warranty work. These receivables bear interest at a floating rate.

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Disclaimer

This press release includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Aker Philadelphia Shipyard ASA and its subsidiaries and affiliates (the "Aker Philadelphia Shipyard Group") lines of business. These expectations, estimates, and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the Aker Philadelphia Shipyard Group's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although Aker Philadelphia Shipyard ASA believes that its expectations and the information in this press release were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this press release. Neither Aker Philadelphia Shipyard ASA nor any other company within the Aker Philadelphia Shipyard Group is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the press release, and neither Aker Philadelphia Shipyard ASA, any other company within the Aker Philadelphia Shipyard Group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the press release.

Aker Philadelphia Shipyard ASA undertakes no obligation to publicly update or revise any forward-looking information or statements in the press release, other than what is required by law.

The Aker Philadelphia Shipyard Group consists of various legally independent entities, constituting their own separate identities. Aker Philadelphia Shipyard is used as the common brand or trade mark for most of these entities. In this press release we may sometimes use "Aker Philadelphia Shipyard", "Group", "we" or "us" when we refer to Aker Philadelphia Shipyard companies in general or where no useful purpose is served by identifying any particular Aker Philadelphia Shipyard company.