

Summons to Extraordinary General Meeting in Saga Tankers ASA

An Extraordinary General Meeting in Saga Tankers ASA will take place on 21 October 2010 at 09:00 hrs (CET) at the premises of the Company at Haakon VII gt. 1, 8th floor in Oslo.

The Board has proposed the following agenda:

1. Opening of the general meeting by Einar J. Greve
2. Election of Einar J. Greve to lead the general meeting
3. Election of a person to co-sign the minutes from the General Meeting together with the chairman of the meeting
4. Approval of the summons and agenda
5. Proposal for a reduction of the share premium fund. The reduced amount will be transferred to Other Equity.

Voting guidance

Shareholders may submit their votes electronically in advance by logging on to www.sagatankers.no under the Investors Relations section. Please follow the instructions.

If you are not already pre-registered with “Investortjenester” as described in the proxy form, you will be sent the PIN CODE and REFERENCE number by postal mail so that you can submit your votes electronically by logging into www.sagatankers.no. Please note electronic voting requires the investor to use his/hers PIN CODE and REFERENCE number.

Shareholders who are unable to attend the General Meeting, or unable to use electronic voting, may submit a proxy to a person of their own choice or to the Chairman of the meeting. Shareholders or persons acting under a proxy who wants to participate in the General Meeting must notify the company beforehand. The notification regarding participation or proxy must be received at the latest by 20 October 2010 at 12:00 CET.

Additional information regarding item 5.) together with a notice of attendance/proxy are attached.

Oslo, 28. September 2010

SAGA TANKERS ASA
On behalf of the Board according to proxy

Arne Blystad
Chairman of the Board

Attachment

Attachment to item 5 - Proposal for a reduction of the share premium fund

The Board is of the opinion that the share premium fund, which is tied-up equity, is larger than necessary. The Board proposes to reduce the share premium fund and transfer the reduced amount to Other Equity, see the Norwegian Public Limited Liability Act § 3-2 and Chapter 12. This will enable greater flexibility, hereunder by increasing the Company's ability to distribute dividend to its shareholders in the future.

The Board, based on the audited balance sheet of 31 March 2010 and the subsequent capital increases, propose that the General Meeting approve the following resolution:

- 1. The share premium fund will be reduced with NOK 838.039.937 from NOK 838.039.937 to NOK 0,- (zero). The reduced amount will be transferred to Other Equity ("Annen egenkapital").*

Please find the audited balance sheet of 31st March 2010 attached.

Saga Tankers ASA

**Audited Financial Statements
for the period from 24 March 2010 to 31 March 2010**

Address:
Saga Tankers ASA
Haakon VII gt. 1
0116 Oslo, Norway
Phone: + 47 23 11 82 70
Telefax: + 47 22 83 21 51
www.sagatankers.no

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Saga Tankers ASA
Statement of changes in equity

<i>in NOK</i>	Issued capital	Share premium	Retained earnings	Total
Incorporation at 24 March 2010	1 000 000	30 000	-	1 030 000
Comprehensive Income	-	-	-	-
Transaction cost	-	(26 190)	-	(26 190)
Equity per 31 March 2010	1 000 000	3 810		1 003 810

Number of shares, beginning of period
Number of shares, end of period

1 000 000
1 000 000

Saga Tankers ASA
Statement of comprehensive income

in NOK

	Note	Period from 24 March 2010 to 31 March 2010
Operating revenues		-
Operating expenses		-
Operating profit		-
Net financial items		-
Profit-loss before tax		-
Tax expenses		-
Net profit/-loss		-
Other comprehensive income		-
Total comprehensive income		-

Saga Tankers ASA

Notes to The Financial Statements 31 March 2010

Note 1 General

Saga Tankers ASA is a company domiciled in Norway with business address Haakon VII gt. 1, 0116 Oslo. The company is fully owned by Blystad Shipholding Inc, a privately owned company domiciled in Oslo.

The principle activity of the company is to own interest in subsidiaries.

The Financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union.

The company's financial year is from 1 January to 31 December. The financial statement is for the period from the date of incorporation to 31 March 2010.

The financial statements were approved by the board of directors on April 19th 2010.

Note 2 Summary of significant Accounting Policies

Basic policies:

The Financial Statement has been prepared under the historic cost convention.

Preparing financial statements in conformity with IFRS requires the management to make use of estimates and assumptions which affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Estimates and associated assumptions are based on historical experience and other factors regarded as reasonable under the circumstances.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Other liabilities

Accounts payable and other short term liabilities are recorded in the financial statements at cost.

Balance Sheet Classification

Current assets and short-term liabilities include items due to less than one year from the balance sheet date.

Equity

Ordinary shares are classified as equity. Costs directly related to capital increases are regarded as a reduction in paid-in capital and are recorded against equity

Saga Tankers ASA

Cash flow statement

in NOK

	Period from 24 March 2010 to 31 March 2010
Profit before tax	74 102
Change in current liabilities	-
Net cash provided by/(used in) operating activities	74 102
Cash flow from financing activities	-
Issues of share capital	1 030 000
Cost of incorporation	(26 190)
Net cash flow provided by (used in) financing activities	1 003 810
Net increase/(decrease) in cash and cash equivalents	1 077 912
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	1 077 912

Saga Tankers ASA

Notes to The Financial Statements
31 March 2010

Note 3 Cash and cash equivalents

Cash and cash equivalents as of 31 March consists of cash deposit in USD.

Note 4 Financial risk

The company does not have material financial risk to manage at the period end.

Note 5 Share capital

The company has 1 000 000 fully subscribed, authorized and issued shares at a nominal value of NOK 1 each. The shares have been subscribed with a share premium of NOK 0, 03 per share for a total share premium of NOK 30 000.

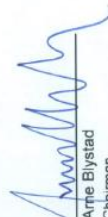
Note 6 Debt to group companies

Debt to group company consists of debt to Blystad Shipholding Inc.

Saga Tankers ASA

Statement of financial position

<i>In NOK</i>	Note	31 March 2010
CURRENT ASSETS		
Cash and cash equivalents	3	1 077 912
Total current assets		1 077 912
TOTAL ASSETS		
TOTAL ASSETS		1 077 912
EQUITY		
Share Capital	5	1 000 000
Share premium reserve	5	3 810
Retained earnings		-
Total equity		1 003 810
CURRENT LIABILITIES		
Other current liabilities and accruals		26 190
Debt to group companies	6	47 912
Total current liabilities		74 102
TOTAL EQUITY AND LIABILITIES		
TOTAL EQUITY AND LIABILITIES		1 077 912


Arlie Blystad
Chairman


Einar J. Greve
Board Member


Ingrid E. Leisner
Board Member


Jørn Chr. Syvertsen
CEO



believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saga Tankers ASA as of March 31, 2010, and its financial performance and its cash flows and changes in equity for the period from 24 March 2010 (Date of Inception) through 31 March 2010 in accordance with International Financial Reporting Standards as adopted by the EU.

Oslo, 20 April 2010
ERNST & YOUNG AS



Olav B Hamre
State Authorized Public Accountant (Norway)



To the Board of Directors of Saga Tankers ASA

Statautoriserte revisorer
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Medlemmer av Den norske Revisjonsforening

Independent auditor's report

We have audited the accompanying financial statements of Saga Tankers ASA, which comprise the statement of financial position as of March 31, 2010, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the period from 24 March 2010 (Date of Inception) through 31 March 2010, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We

PIN code:

Ref no:

Notice of Extraordinary General Meeting

An extraordinary general meeting in Saga Tankers ASA will be held 21 October 2010 at 9:00 CET at Haakon VII's gate 1, 8th floor, Oslo, Norway

In the event the shareholder is a legal entity it will be represented by: _____

Name of representative
(To grant proxy, use the proxy form below)

Attendance form

If you wish to attend the extraordinary general meeting, we kindly ask you to send this form to Saga Tankers ASA c/o DnB NOR Bank ASA, Verdipapirservice, N-0021 Oslo, Norway, or fax to +47 22 48 11 71. Attendance may also be registered on Saga Tankers ASA's homepage on www.sagatankers.no or through "Investortjenester", a service provided by most Norwegian registrars. The pin code and the reference number are required for registration.

The form must be registered by DnB NOR Bank Verdipapirservice no later than **20 October 2010 12:00 CET**.

The undersigned will attend at Saga Tankers ASA's extraordinary general meeting on 21 October 2010 and vote for

_____ own shares

_____ other shares in accordance with enclosed proxy

In total _____ Shares

Place _____

Date _____

Shareholder's signature _____

(If attending personally. To grant proxy, use the form below)

**Proxy (without voting instructions)**

PIN code:

Ref no:

If you are not able to attend the extraordinary general meeting, a nominated proxy holder can be granted your voting authority. Any proxy not naming proxy holder will be deemed given to Einar J. Greve or a person designated by him. The present proxy form relates to proxies without instructions. To grant proxy with voting instructions, please go to page 2 of this form.

We kindly ask you to send the proxy form to Saga Tankers ASA c/o DNB NOR Bank ASA, Verdipapirservice, N-0021 Oslo, Norway, or fax to +47 22 48 11 71. Web-based registration of the proxy is available through "Investortjenester", a service provided by most Norwegian registrars. The pin code and the reference number are required for registration.

The proxy must reach DnB NOR Bank Verdipapirservice no later than **20 October 2010 12:00 CET**.

The undersigned : _____ (first name, last name)

hereby grants : Einar J. Greve (or a person designated by him)

or :

Name of nominated proxy holder (Please use capital letters)

proxy to attend and vote at the extraordinary general meeting of Saga Tankers ASA on 21 October 2010 for my/our shares

Place _____

Date _____

Shareholder's signature _____

(Signature only when granting proxy)

With regard to rights of attendance and voting we refer you to The Norwegian Public Limited Liability Companies Act, in particular Chapter 5. A written power of attorney dated and signed by the beneficial owner giving such proxy must be presented at the meeting.

Proxy (with voting instructions)
PIN code:
Ref no:

If you wish to give voting instruction to the proxy holder, please use the present proxy form. The items in the detailed proxy below refer to the items in the extraordinary general meeting agenda. A detailed proxy with voting instructions may be granted a nominated proxy holder. A proxy not naming a proxy holder will be deemed given to Einar J. Greve or any person designated by him.

We kindly ask you to send the proxy with voting instructions by mail or fax to Saga Tankers ASA c/o DnB NOR Bank ASA, Verdipapirservice, NO-0021 Oslo, Norway, or faxed to +47 22 48 11 71.

The proxy must reach DnB NOR Bank Verdipapirservice no later than **20 October 2010 12:00 CET**.

The undersigned: _____ (first name, last name)

hereby grants (check-off):

Einar J. Greve (or a person designated by him), or:

Name of nominated proxy holder (please use capital letters)

proxy to attend and vote at the extraordinary general meeting of Saga Tankers ASA on 21 October 2010 for my/our shares.

The votes shall be submitted in accordance with the instructions below. Please note that **any items below not voted for (not ticked off), will be deemed as an instruction to vote "in favour" of the proposals in the notice**. Any motion from the floor, amendments or replacement to the proposals in the agenda, will be determined at the proxy holder's discretion. In case the contents of the voting instructions are ambiguous, the proxy holder will base his/her understanding on a reasonable understanding of the wording of the proxy. Where no such reasonable understanding can be found, the proxy may at his/her discretion refrain from voting.

Agenda EGM 21 October 2010	In favour	Against	Abstention
2. Election of Einar J. Greve to chair the meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of summons and agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Proposal for a reduction of the share premium fund. The reduced amount will be transferred to Other Equity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The abovementioned proxy holder has been granted power to attend and to vote for my/our shares at the extraordinary general meeting in Saga Tankers ASA to be held 21 October 2010.

Place

Date

Shareholder's signature
(Only for granting proxy with voting instructions)

With regard to rights of attendance and voting we refer you to The Norwegian Public Limited Liability Companies Act, in particular Chapter 5. A written power of attorney dated and signed by the beneficial owner giving such proxy must be presented at the meeting.

If the shareholder is a company, please attach the shareholder's certificate of registration to the proxy.