OMI Corporation
CIBC Conference
March 2004

OMI

Forward Looking Information

Certain statements contained in this report (including information incorporated by reference) are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor provided for under these sections. Our forward-looking statements include, without limitation:

- estimates of future earnings and cash flows and the sensitivity of earnings and cash flows to charter rates;
- estimates of when new vessels will be delivered by shipyards to the Company and when they may be chartered by customers;
- estimates of when vessels may be contracted for sale and delivered to buyers;
- estimates of when laws regulations or commercial decisions may remove older vessels from markets or enhance the value or earnings of double hulled vessels;
- statements as to the projected development of the Company's strategy and how it may act to implement its strategy;
- estimates of future costs and other liabilities for certain environmental matters and investigations and the expectations concerning insurance coverage therefore;
- estimates of relating to expectations in world economic activity, growth in the demand for crude oil and petroleum products and their affect upon tanker markets;
- estimates of the number of drydockings of vessels, their costs and the number related offhire days
- estimates of capital requirements and the sources of the funding;
- statements regarding financial hedges and their affects.

Where we express an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, our forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected, or implied by those forward-looking statements. Such risks include, but are not limited to, supply of tankers, demand for their use, world economic activity, breakdown of vessels and resultant time out of service as well as repair cost, availability and cost of insurance, governmental regulation, customer preferences and availability and cost of financing. More detailed information regarding these factors is included in filings with the Securities and Exchange Commission. Given these uncertainties, readers are cautioned not to place undue reliance on our forward-looking statements.

All subsequent written and oral forward-looking statements attributable to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements. We disclaim any intent or obligation to update publicly any forward-looking statements, whether as a result of a new information, future events or otherwise, except as maybe required under applicable securities laws.

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Overview of OMI

- Leading seaborne transporter of crude oil and refined petroleum products
- 37 vessels (3.1 million dwt)
- Focused on Suezmax tankers (crude) and product carriers (refined)
- Blue-chip customer base, including global oil majors
- Founded in 1960; NYSE listed (market cap~$900mm)
- Tax efficient structure with Marshall Islands incorporation
- EBITDA of $173.3mm for 12 months ending Dec. 31, 2003

Investment Highlights

- Attractive current and long term industry fundamentals
- Young, modern fleet
- Significant “locked in” cash flows through time charters
- Upside potential from Suezmax fleet
- Low cost operations with experienced management team
- Strong financial position with significant underlying asset value
- Proven commitment to a strong balance sheet

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Attractive Industry Fundamentals

Young, Modern Fleet

Balanced Chartering Strategy

Low-Cost Operations

Financial Overview

Attractive Industry Fundamentals

Key Market Trends

Overall Market

- New EU and IMO regulations causing accelerated scrapping
- Aging world fleet offset by significant supply in 2004 and 2005
- Most shipbuilding capacity full through 2006
- Increase in asset values

Crude Market

- Steadily growing oil demand (1-2% long-term growth)
- Incremental supply from long-haul sources
- Supply disruptions
- Low inventory levels

Clean Market

- Increasing demand for clean products (2+% long-term growth)
- Refining capacity being built away from consuming areas
- Low inventory levels

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New EU and IMO Environmental Regulations

- Ban on all single hull tankers carrying heavy crude and fuel oil
  - — EU beginning October 2003
  - — IMO beginning April 2005
- For single hull tankers carrying any other oil:
  - — Category I banned by the end of 2005 or before
  - — Category II banned by the end of 2010
- Over 15 years must undergo inspection

Tight Tanker Supply/Demand Balance in the Next Few Years

(in millions of deadweight tons)	2004 - 2005	2006
Tanker Deliveries	59	16
less: IMO Mandated Scrappings*	32	1
Tanker Fleet Growth	27	15
Tanker Demand Growth**	24	12
Tanker Supply / Demand Balance	3	3

* Excludes voluntary scrapping

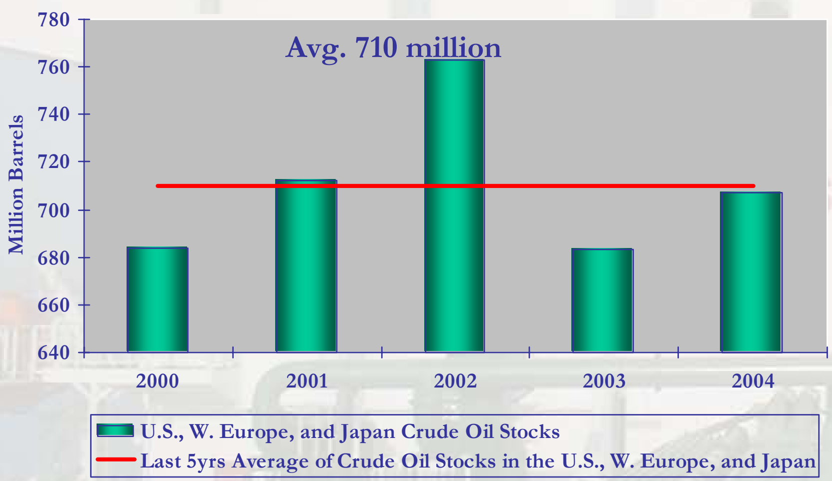
** Assume 2.5% per annum oil demand growth, which corresponds to 4% per annum tanker demand growth

Industry Fundamentals

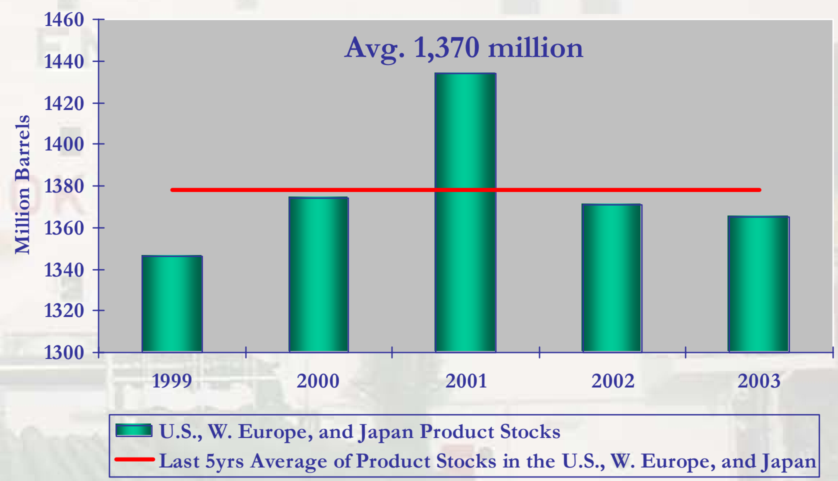
Low Inventories

In the US, Western Europe, and Japan as of the end of January 2004, crude oil and product inventories were about 3 million barrels and 15 million barrels respectively below their 5yr average for this time of the year.

U.S., W. Europe, and Japan Crude Oil Inventories



U.S., W. Europe, and Japan Product Inventories



Note: Inventory figures as of end of January each year

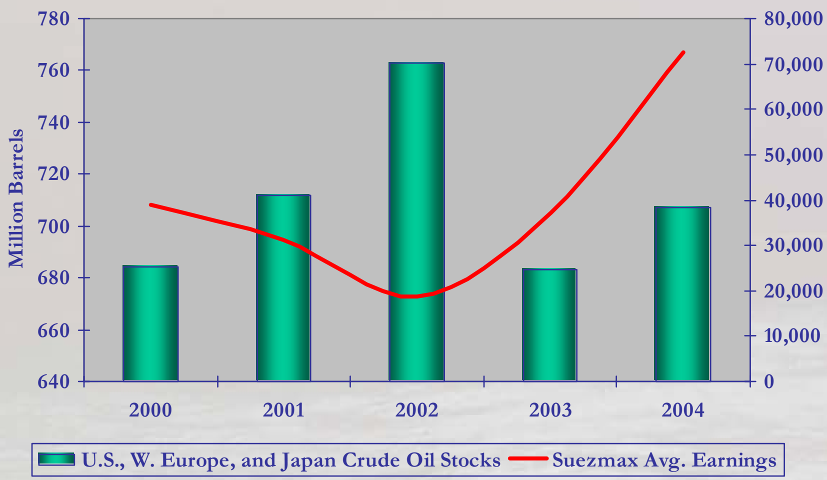
Industry Sources

Industry Fundamentals

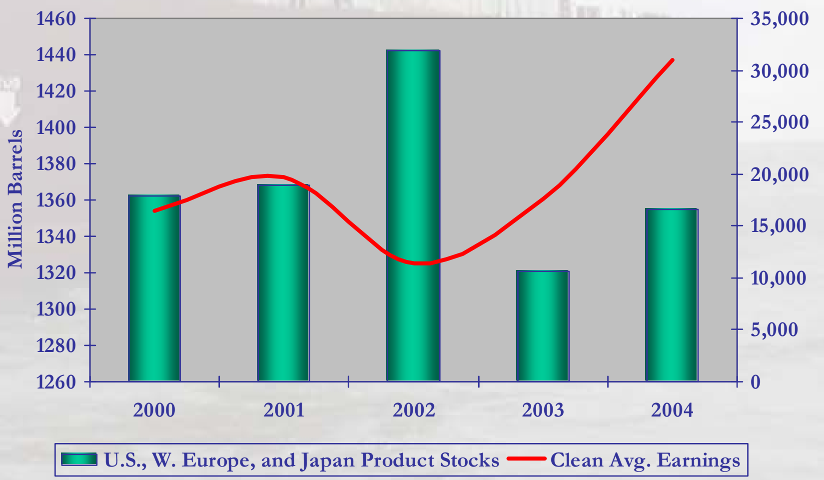
Inventories & Freight Rates

Low inventories have to be replaced. Freight rates have historically risen to replenish low inventories.

Crude Inventories and Suezmax Spot Earnings



Product Inventories and Clean Spot Earnings



Note: Inventory figures as of end of each year and earnings number is the average of the year, except 2004 which is the average of January and February.

Industry Sources

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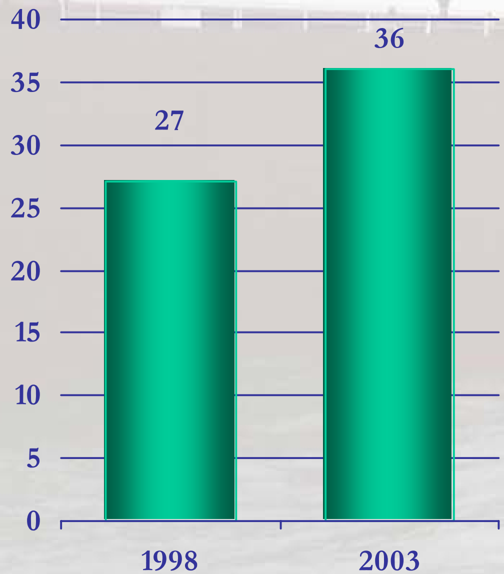
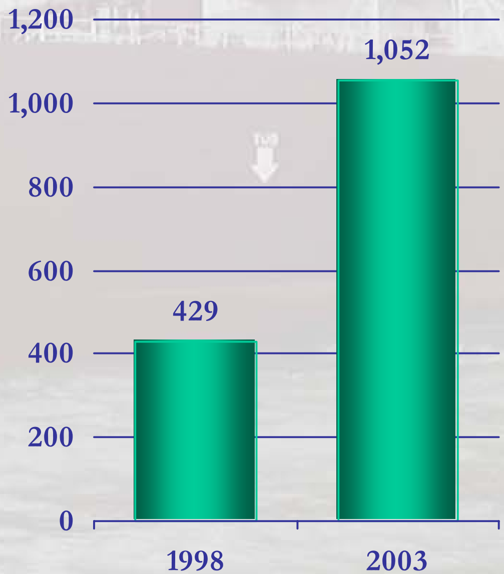
Modernization of OMI's Fleet

OMI has spent $1.0 billion since 1998 modernizing and expanding its fleet

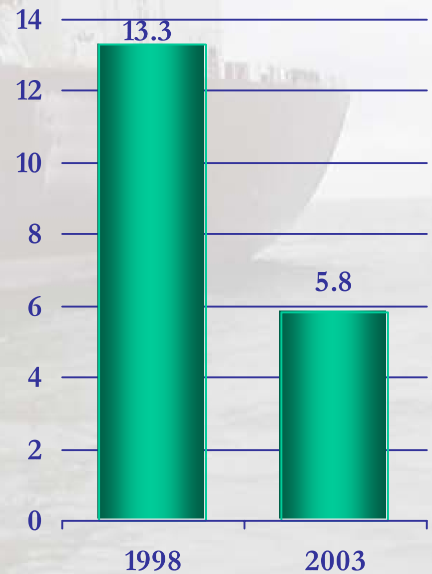
Number of Vessels



Book Value of Vessels



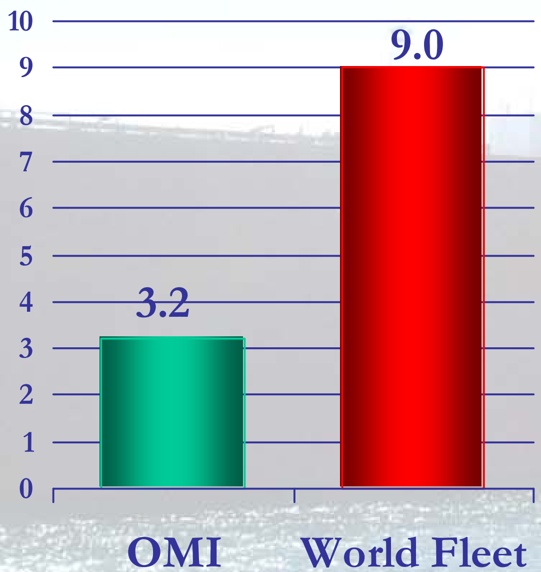
Average Age



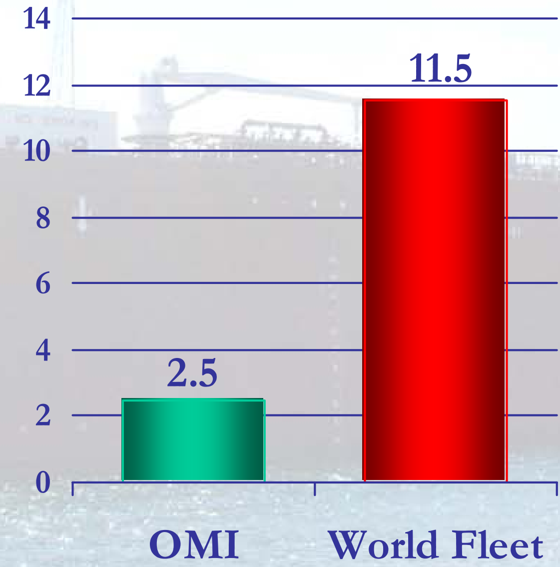
Note: 2003 Data as of December 31, 2003 (excludes 7 newbuilds to be delivered in 2004 through 2006)

Modernization of OMI's Fleet

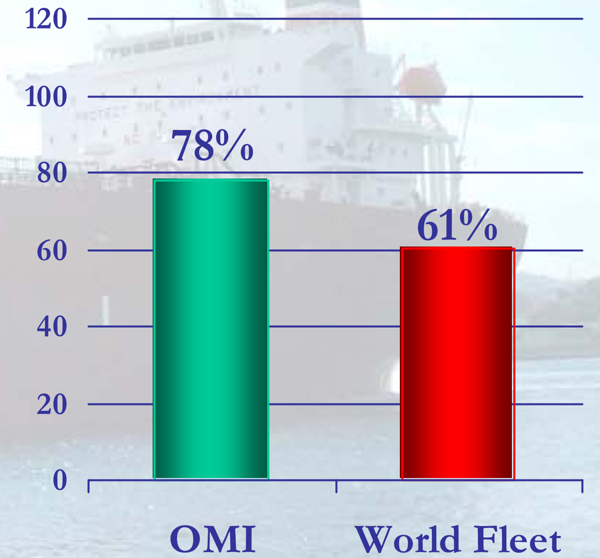
Core Fleet



Suezmax Age (years)



Product Carrier Age (years)



Double-hulled

Note: Average age as of December 31, 2003 (excludes 6 newbuilds to be delivered in 2004, 2005, and 2006)

Benefits of Modern Vessels

- Greater customer acceptance
  - Increases commercial opportunities
  - Favorable rate differential
- Enhanced effectiveness
  - Increased speed
  - Improved efficiency
  - Lower maintenance costs and less downtime

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Operating Philosophy

- Maintain a modern, well serviced and low cost fleet
- Dedicated to safety and environmental compliance
- Intensive focus on customer service:

Shell Chevron TEXACO TOTAL

bp STATOIL ExxonMobil

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OMI's Chartering Strategy

- Our objective is to cover fixed costs [1] with revenue from our time charters
  - Net time charter revenue [2] covers fixed costs by more than 2x
- Maintain a mix of time charters and spot exposure
  - 20 of 21 product carriers have time charters (3-5 years)
  - 14 of 16 crude vessels operate in the spot market
- Spot market exposure provides upside in a rising spot market
  - Several of our time charters have profit sharing arrangements
  - $1,000 a day increase in rates results in $6.2mm increase in operating income
- Use of charter pools for our Suezmax and Panamax tankers

(1) Fixed cost include G&A and operating expenses for time charters and spot vessels and interest.
(2) Net time charter revenue consists of time charter revenue less vessel expenses.

Benefits of Our Chartering Pools

- Chartering pools increase productivity of our assets
  - Better market presence and knowledge
  - Higher asset utilization (reduced ballast legs)
- Alliance Chartering
  - Largest pool of Suezmaxes (2x size of nearest competitor)
- Star Tankers pool
  - Large pool of Panamax tankers

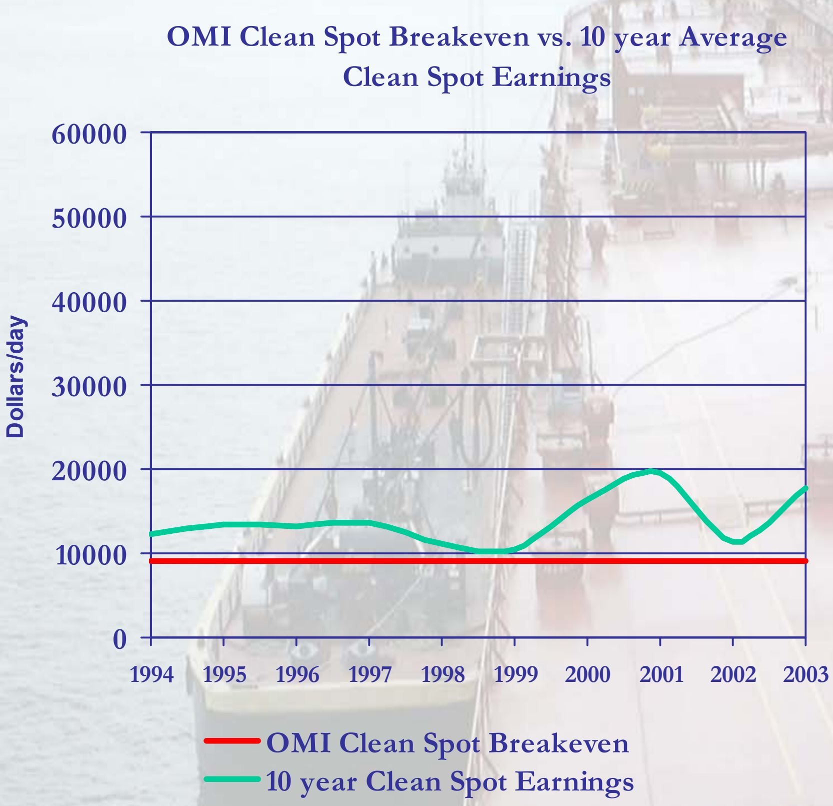
Fixed Cost Coverage for 2003

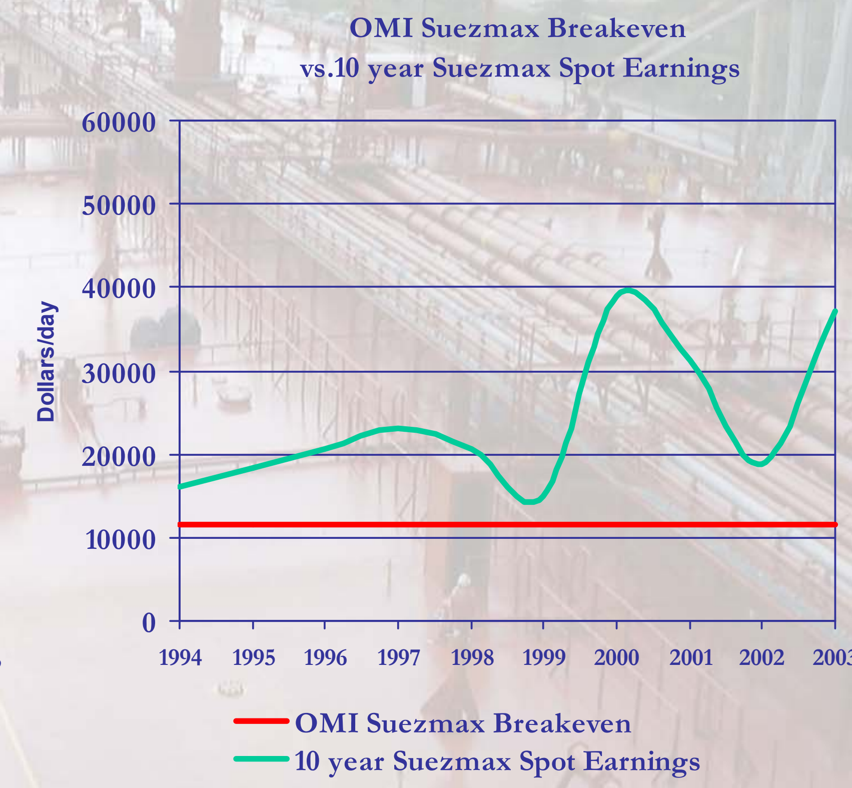
Our 21 tankers on charter represent only <u>30% of our capacity</u>, but cover our fixed charges by more than 2x

Contracted EBITDA	$83.4
G&A	16.6
Interest Expense	23.9
Coverage	2.1x

Note: OMI Management 2003 actuals

Profitability Through Industry Cycles





Industry Sources and OMI

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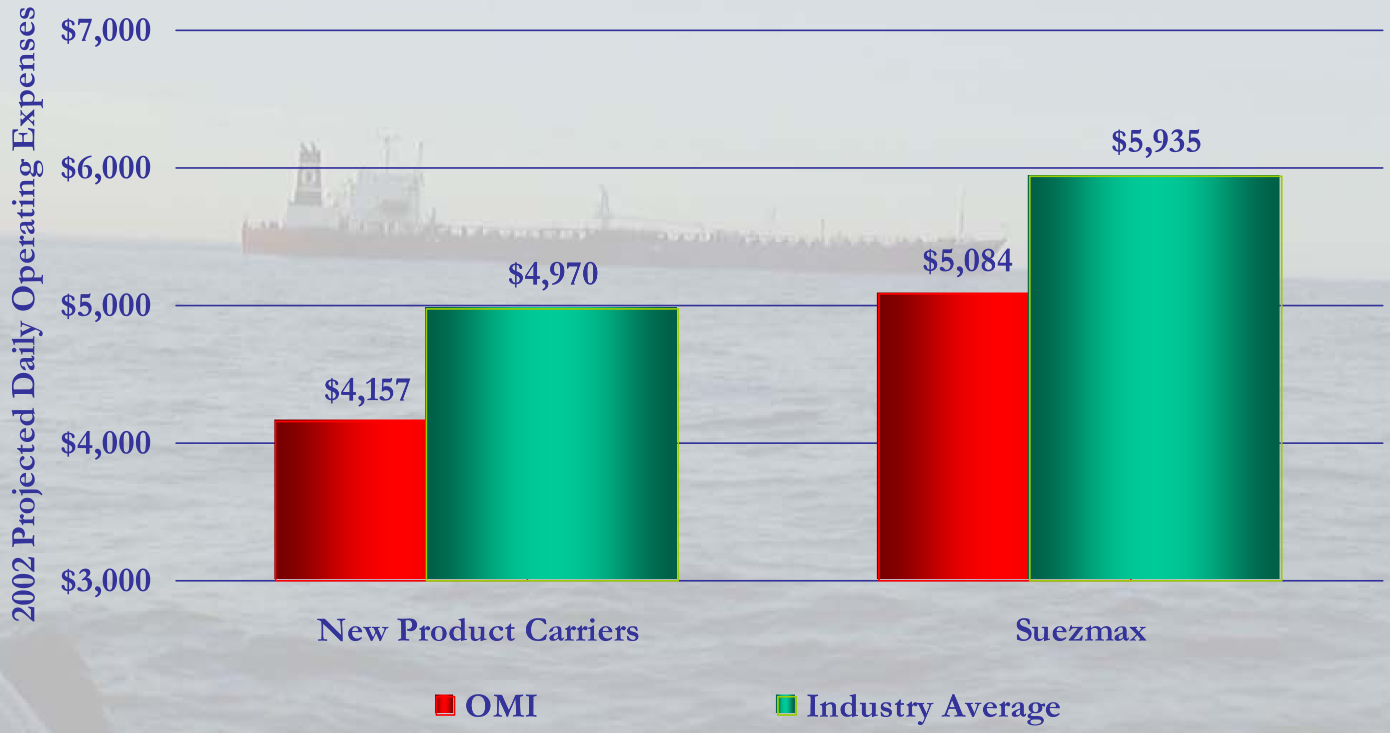
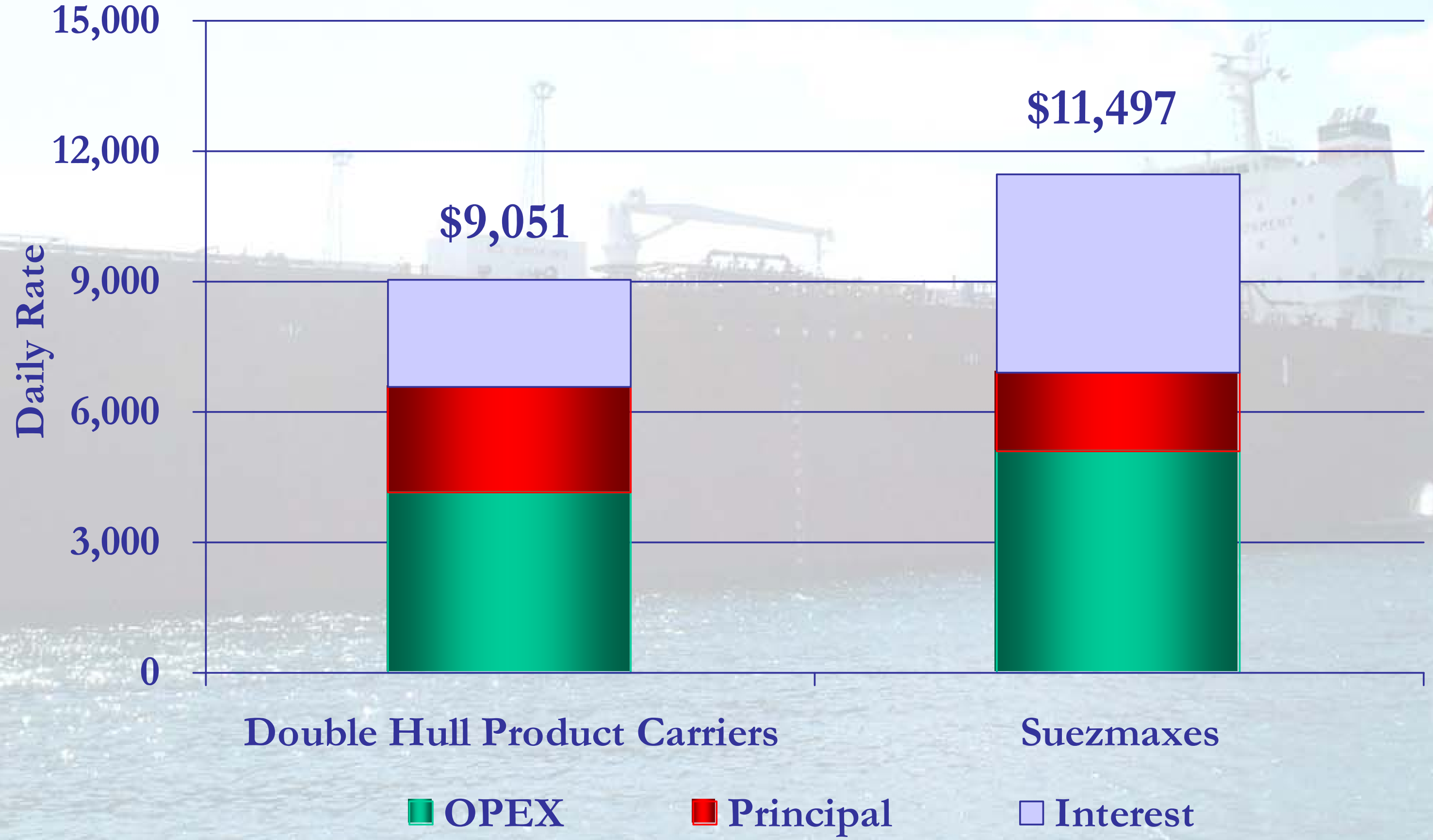
Low-Cost Operations

Key factors driving lower operating expenses include a younger fleet, scale efficiencies, management focus and outsourcing



Industry Sources and OMI

Low Cash Breakeven Rates



Source: Drewry Shipping Consultants Ltd. (June 2003 Ship Operating Costs Annual Review and Forecast) and OMI Corporation

Attractive Industry Fundamentals

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Balanced Chartering Strategy

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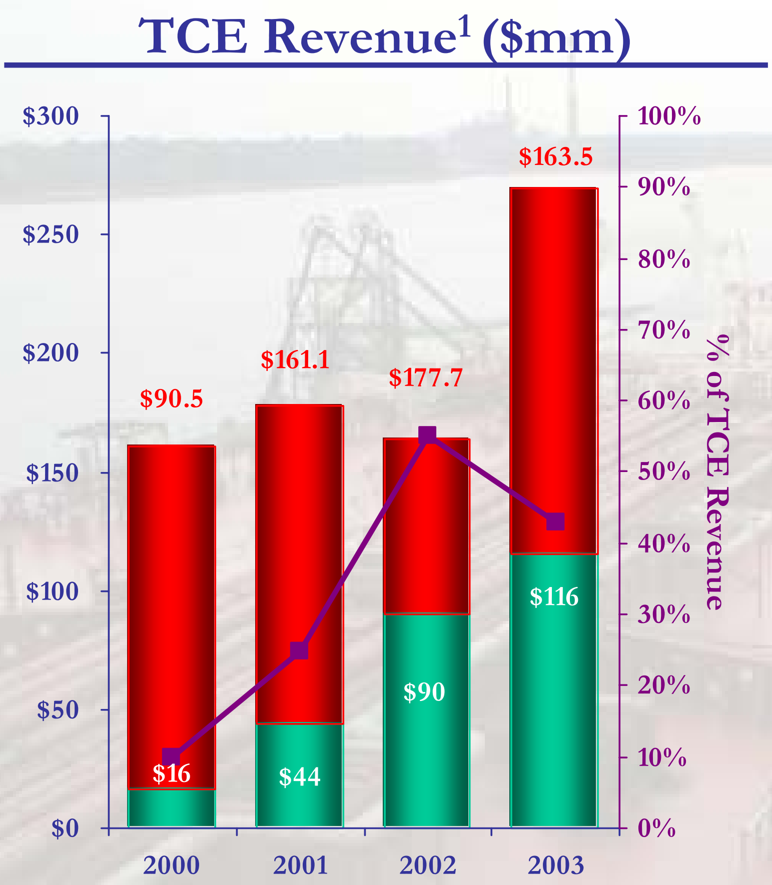
Financial Overview

- Stable cash flows from balanced chartering strategy
- Demonstrated commitment to a strong credit profile
- No income taxes

OMI Financial Overview



Note: EBITDA is adjusted to exclude one-time items

(1) Time charter revenue and Voyage revenue less Voyage expenses.

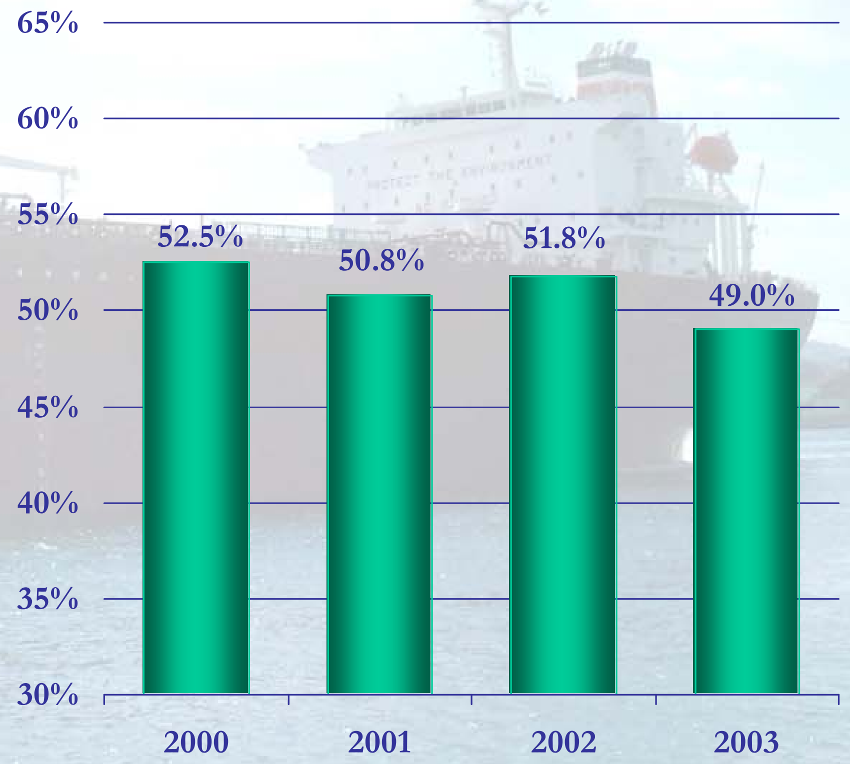
(2) Line represents time chartered revenue as a % of TCE revenue.

Disciplined New Build Program

Fleet[1] Modernization Program

- Commenced in 1998
- 33 vessels[1] acquired
- 19 vessels divested
- $148 million of equity issued
- Improved balance sheet during modernization program
- Reduced age of vessels from 13.3 to 5.8 years

Net Debt / Net Capitalization



(1) Excludes chartered-in vessels

Balance Sheet Summary

($mm)	12/31/03
Cash	$48.8
Bank Debt	364.9
Senior Notes	200.0
Total Funded Indebtedness	564.9
Shareholders' Equity	537.7
Total Capitalization	$1,102.6
Net Debt/Net Cap	49.0%

Capex Program

- Six Ice-Class 1A Product Carriers to be delivered in March 2004-2006
  - Total cost: $170mm
  - Remaining cash payments: $70mm in 2004, $54mm in 2005, and $20mm in 2006
  - Committed financing: $71mm in 2004, $47mm in 2005, and $21mm in 2006
- Charters on four of vessels
  - 2 ships chartered to Total (5 year charters)
  - 2 ships chartered to Handytankers (5 year charters)
- Drydock expenses $7 to $8mm annually

OMI 2000 - 2003 Accomplishments

	2000	2001	2002	2003	Comments
Vessels (at cost)	$532M	$779M	$972M	$1,116M	+110%
Book Equity	$255M	$402M	$438M	$538M	+111%
Fleet (dwt)	2.1M	2.2M	2.7M	3.0M	+43%
Cash Provided by Operating Activities	63.0M	121.5M	54.0M	142.5M	+126%
Long-Term Contract Revenue	$16M	$44M	$90M	$116M	+625%
Average Age of Fleet	6.4yrs	6.6yrs	6.2yrs	5.8yrs	Decrease in age of fleet
Return on Equity	25%	25%	4%	16%	Average ROE of 18% for the four year period
Leverage (A)	52%	51%	52%	49%	Decrease leverage while increasing fleet size

(A) - Net Debt / Net Capitalization

OMI's Unique Investment Qualities

- Goal to continue to achieve higher earnings than we previously made at that point in the cycle historically
- Business strategy blends significant long-term contract revenues at attractive rates and predictable profits, with ability to capture earnings upside in rising spot market
- Expanding high quality and young fleet; adding 6% to OMI vessel tonnage in remainder of 2004 through 2006
- Strongest financial position in our history, and low cost operations
- Significant benefit from economies of scale in its two vessel categories (Suezmax and Product Carriers)