



February 14, 2003

TO: The Shareholders of
Knightsbridge Tankers Limited
That Are United States Taxpayers

As you are aware, Knightsbridge Tankers Limited ("Knightsbridge") is a "Passive Foreign Investment Company" ("PFIC") for United States income tax purposes. The following is a PFIC annual information statement for the taxable year of Knightsbridge beginning on January 1, 2002 and ending on December 31, 2002. This statement is being provided so that you may report your pro rata share of Knightsbridge's income in the event that you have elected to treat Knightsbridge as a "qualified electing fund" ("QEF") under the applicable provisions of the United States Internal Revenue Code.

You should keep this statement in your records but do not need to attach this statement to your IRS Form 8621, "Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund". In order to assist you in completing Form 8621, the address of Knightsbridge is: Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda.

Knightsbridge Tankers Limited
Investor Relations
P.O. Box HM 1593
Hamilton, Bermuda
Telephone : +1 (441) 295-0182
Telefax: +1 (441) 295-3494

Knightsbridge Tankers Limited
Registered Office
Par-la-Ville Place
14 Par-la-Ville Road
Hamilton HM 08, Bermuda

PFIC Annual Information Statement

1. This Information Statement applies to the taxable year of Knightsbridge Tankers Limited ("Knightsbridge") beginning on January 1, 2002 and ending on December 31, 2002 (the "Taxable Year").
2. (i) Your pro rata share of the ordinary earnings of Knightsbridge for the Taxable Year may be determined as follows:
 - (a) If you owned the same number of Knightsbridge shares from January 1, 2002 through December 31, 2002, multiply the number of such Knightsbridge shares by \$0.332723.
 - (b) If you did not own Knightsbridge shares for the entire period beginning January 1, 2002 and ending December 31, 2002, multiply the number of shares you owned by \$0.332723, divide the result by 365, and multiply by the number of days during 2002 that you held such shares.¹
 - (c) If you owned different numbers of Knightsbridge shares at different times during 2002, perform the calculation specified in (b) above separately for each lot of shares owned.
- (ii) Your pro rata share of the net capital gain of Knightsbridge for the Taxable Year is zero.
3. The amount of cash and the fair market value of other property distributed or deemed distributed by Knightsbridge during the Taxable Year is as follows:

Cash: See note²

Fair Market Value of Property: 0

¹ For example, if you acquired 100 shares on July 1, 2002 and held them throughout the remainder of 2002, your pro rata share of Knightsbridge's ordinary earnings would be \$16.77 (i.e., 100 shares x \$0.332723 x 184/365).

² On February 8, 2002, Knightsbridge made a distribution of \$0.46 per share to shareholders of record on January 25, 2002. On May 8, 2002, Knightsbridge made a distribution of \$0.45 per share to shareholders of record on April 25, 2002. On August 7, 2002, Knightsbridge made a distribution of \$0.45 per share to shareholders of record on July 25, 2002. On November 7, 2002, Knightsbridge made a distribution of \$0.45 per share to shareholders of record on October 25, 2002. The total amount of these four distributions exceeded the sum of Knightsbridge's earnings and profits for the Taxable Year and Knightsbridge's earnings and profits accumulated in prior years. Accordingly, 18.383% of each distribution is a dividend and 81.617% of each distribution is a return of capital.

4. Knightsbridge will permit you to inspect and copy Knightsbridge's permanent books of account, records, and such other documents as may be maintained by Knightsbridge to establish that Knightsbridge's ordinary earnings and net capital gain are computed in accordance with U.S. income tax principles and to verify these amounts and your pro rata shares thereof.

KNIGHTSBRIDGE TANKERS LIMITED

Date: February 14, 2003

By: /s/ Ola Lorentzon
Name: Ola Lorentzon
Title: Chairman

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF COMMON SHARES ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW.