



MARITANS

Sept 06

NYSE:TUG – www.maritans.com



The information in this presentation includes certain forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, growth, performance, earnings per share or achievements to be materially different from that expressed in or implied by such forward-looking statements. These statements are based on assumptions the Company believes are reasonable, but a variety of factors could cause the Company's actual results, goals, targets or objectives to differ materially from those contemplated, projected, forecast, estimated, anticipated, planned or budgeted. Such factors include, among others, changes in oil companies' operating and sourcing decisions, levels of foreign imports, competition for marine transportation, demand for our services, domestic oil consumption, the continuation of federal law restricting United States point-to-point maritime shipping to U.S. vessels (the Jones Act), the timing and success of our double-hull rebuilding program, demand for petroleum products, future spot market rates, changes in interest rates, the effect of war or terrorist activities and the general financial, economic, environmental and regulatory conditions affecting the oil and marine transportation industry in general. The Company undertakes no obligation to publicly revise these forward looking statements to reflect events or circumstances that arise after the date hereof.

- Leading Marine Petroleum Transport Company focused on:
 - Transporting refined petroleum product in Gulf of Mexico
 - Lightering operations in Delaware Bay
- Jones Act--U.S. Flag, U.S. Owned, U.S. Crewed, U.S. Built
- Founded in 1928, we have 78 years of history
 - NYSE listed since 1987 (TUG)
- Operates 3.9 Mil BBLS of capacity:
 - 2.5 mil BBLS double-hulled
- Building and Rebuilding fleet at cost advantage
 - Oil Pollution Act of 1990 (OPA) requires oil carrying vessels in all US waters be double-hulled

US Petroleum Transportation Industry



Steadily Growing Demand

- US oil consumption forecasted to grow at 1.5%/year
- Even faster-growing Florida market targeted

Limited & Known Supply

- 32 of 63 vessels must retire in next 9 years (OPA 90)
- Nearly 3 year lead time for new build Jones Act vessels in our vessel size

Improving Rate Environment

- Spot market rates ~40% higher in 2005 than 2004 and ~25% higher in 2004 than 2003
- We control approximately 50% of Spot Market

Concentrated Market Share

- We operate 23% of vessels in our market
- Top 5 players control 67% of vessels

Fleet



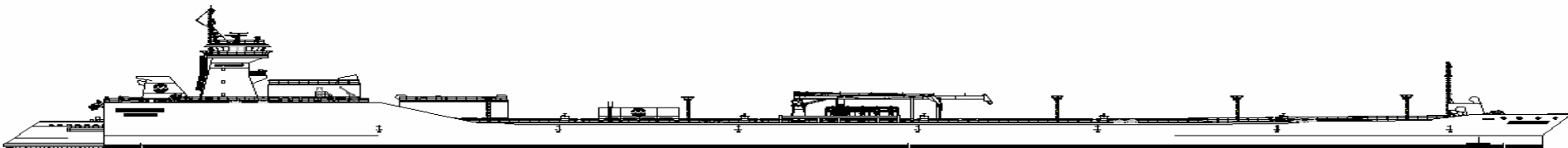
- 11 Oceangoing tug/barge units:
 - Capacity – 172,000-410,000 barrels
 - Double-hulled – 8 barges
 - 9th redelivery Fall 2006
 - 10th redelivery Spring 2007
- 5 Tankers:
 - Capacity – 224,000-270,000 barrels
 - Double-hulled – 2
 - 2 tankers currently in Grain Trade



New Tug-Barges & 10 Year Contract



- Three 350,000 Barrel Tug/Barge units under construction
 - Articulated units with Intercon coupling systems
 - 45,000 deadweight tons
 - Approx. \$77.5 mil per unit, deliveries in 2007 & 2008
 - 12,000 horsepower tugboats
- 10 year Contract of Affreightment with Sunoco
 - Delaware area lightering
 - Ensures strong utilization rates
 - Minimum guaranteed volumes



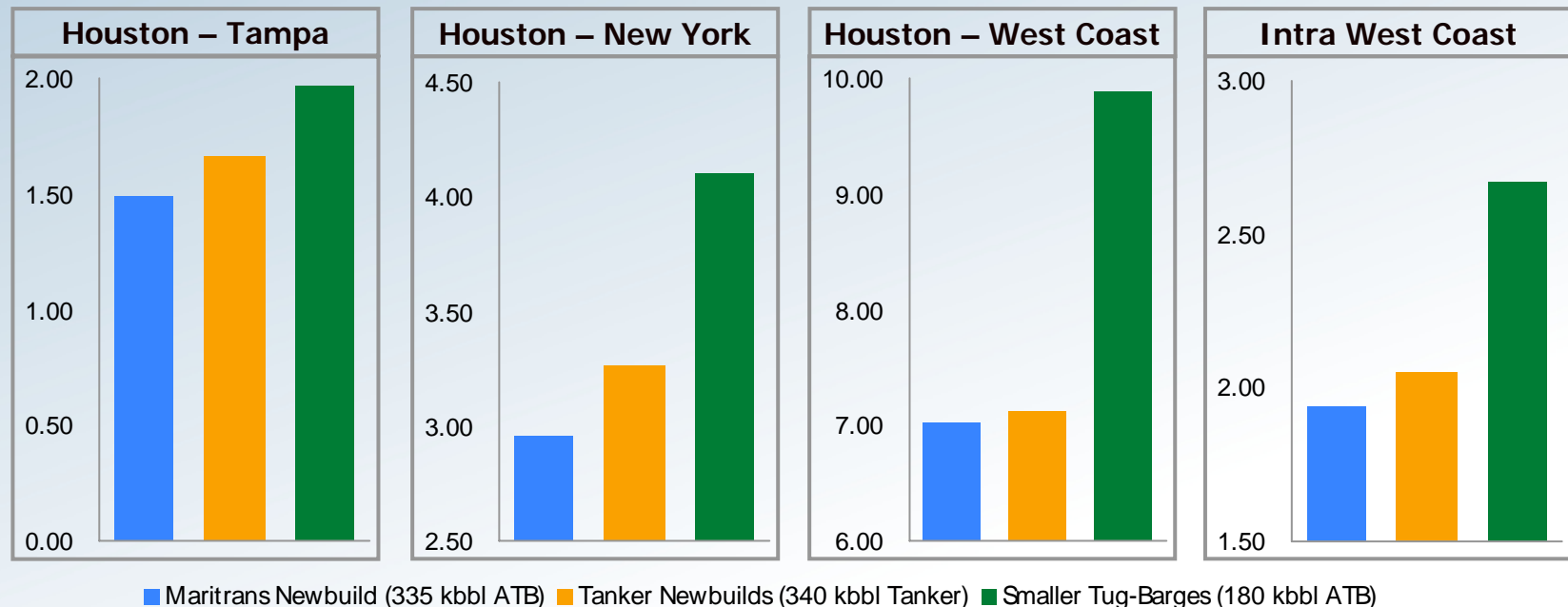
Attractive Economics for Maritrans and Customers



Indicative Comparative Economics

(\$ mm)	Maritrans Newbuild 335 kbbl ATB	Tanker Newbuild 340 kbbl Tanker	Smaller Tug/Barge 180 kbbl ATB
Cost to Build	\$77.5	\$90.0	\$47.5
Operating Expenses ¹	4.1	6.2	2.9

Delivered Cost Per Barrel ²



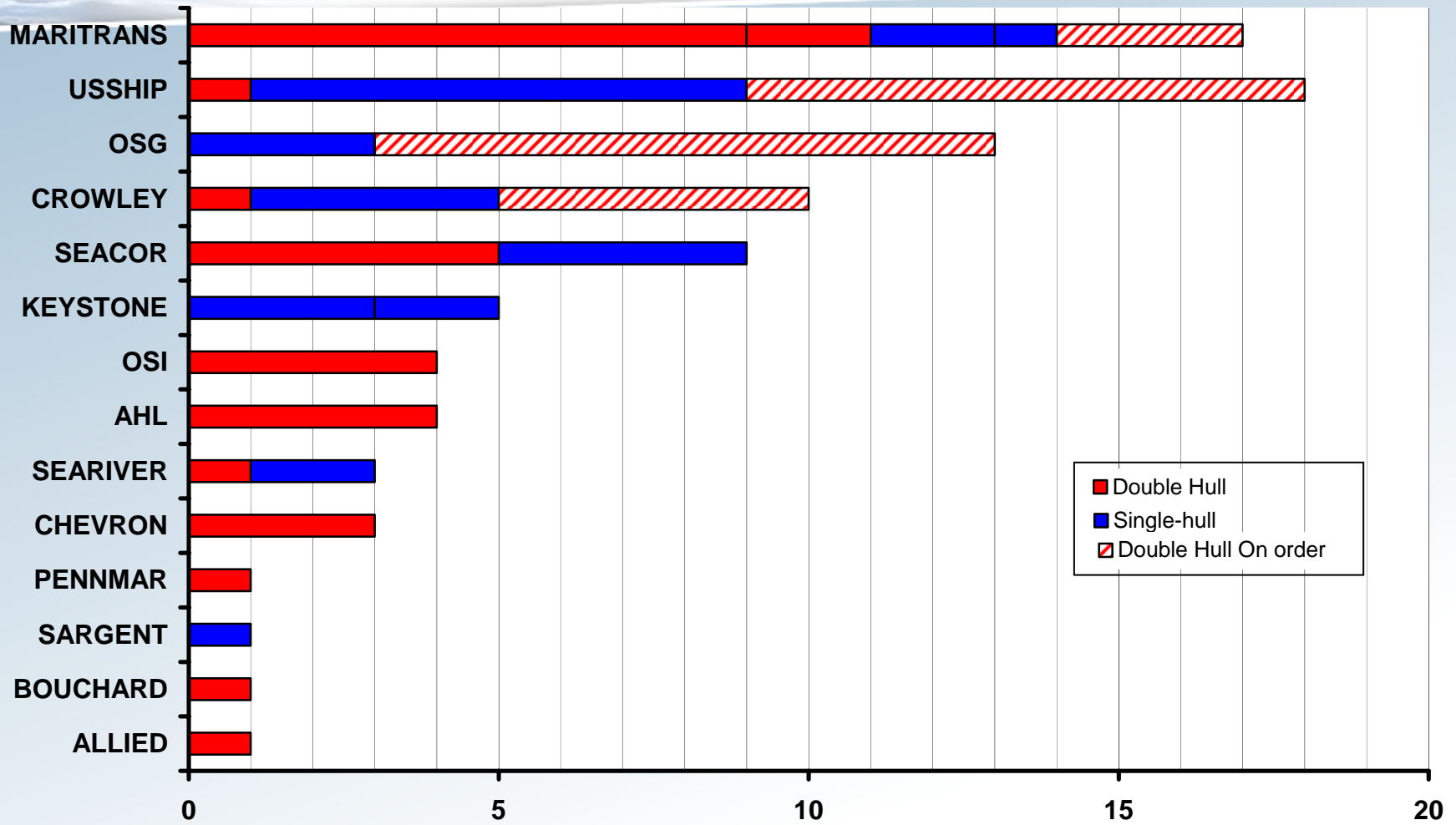
Source: Maritrans
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Notes:

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- Includes crew, major maintenance, routine maintenance, insurance and supplies costs
- Modeled on equivalent IRR's

Jones Act Owners

Jones Act Fleet Owner/ Operators
160 - 420 kbbls Size Range



Competitor fleet size

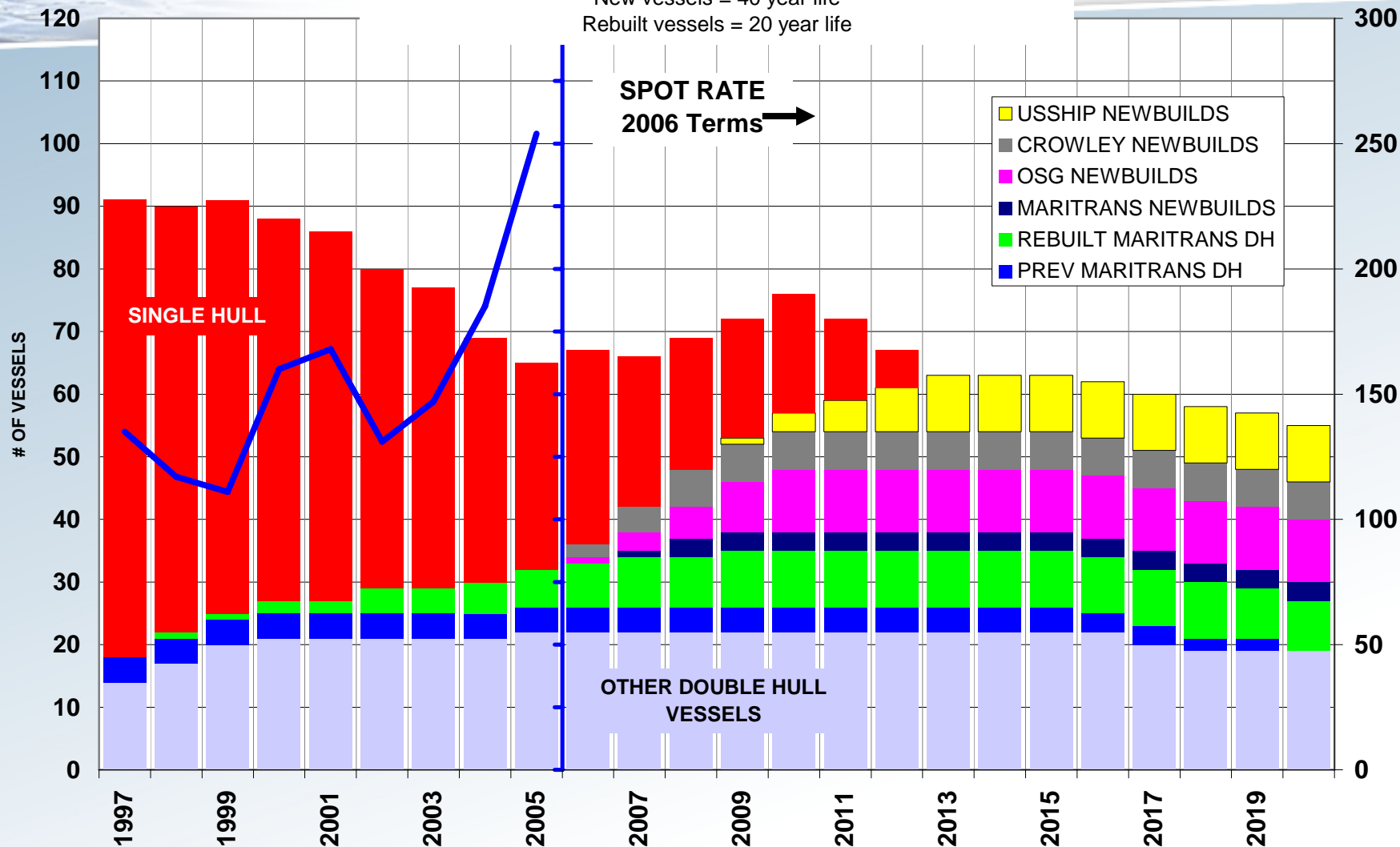


OPA RETIREMENTS VS DOUBLE HULL VESSELS

160 - 420 KBBL CAPACITY VESSELS

New vessels = 40 year life

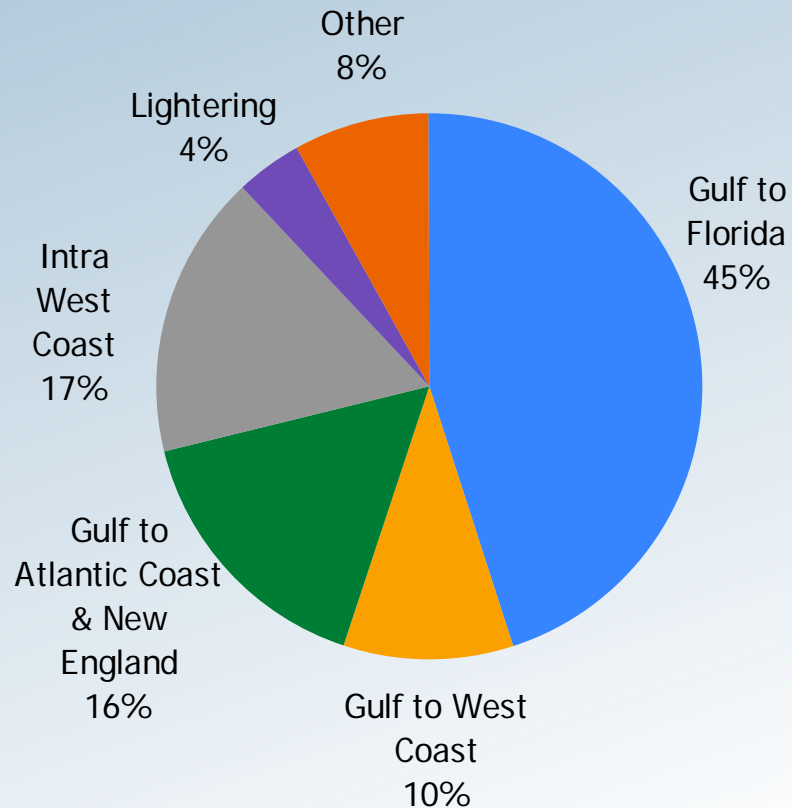
Rebuilt vessels = 20 year life



Florida is Almost Half the Coastwise Market And Growing



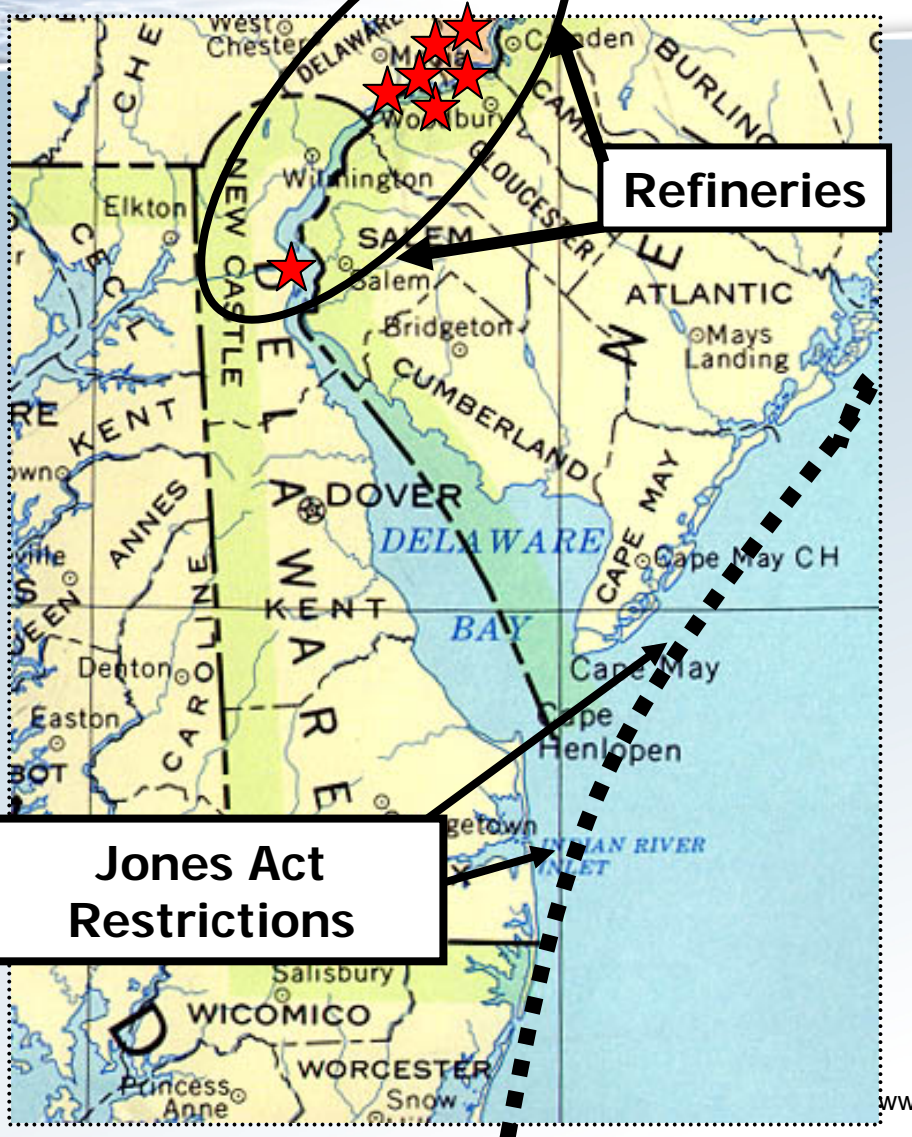
Domestic Petroleum Shipping Market



The Florida Market

- Waterborne transport is most cost effective into Florida
 - No interstate refined product pipelines serve Florida
 - No refineries produce product in Florida
- Maritrans is a leading transporter into Florida
 - 40% market share in Tampa
 - 20% market share in Florida
- Florida growth to continue strong
 - FL DOT—Increased gasoline consumption +300 mil gal/yr
 - Tampa airport +10% in '05
 - US Census projects 3rd most populous state by 2011

Strong Market Share – Lightering for Delaware Bay Refineries



- **Competitive Advantage:**
 - 80%+ market share in third largest U.S. refinery system
 - Jones Act restrictions apply
- **Building new ATB's with long-term customer commitment**



Long-term Performance Culture



Experienced Management and Independent Board



- Diverse, experienced and independent Board of Directors
- Seasoned executive team with more than 140 years of maritime industry experience, including:
 - **CEO, Jonathan P. Whitworth**
More than 17 years in the industry and a Licensed Officer. Former Managing Director of Teekay Shipping (USA) and head of Business Development for ExxonMobil subsidiary, SeaRiver Maritime.
 - **CFO, Walter T. Bromfield**
More than 25 years with Maritrans. Former Controller and Treasurer and President of Maritrans Business Services
- Our tug/barge Captains and Chief Mates average more than 17 years of service with Maritrans

Our Customer Relationships



- Long term relationships
 - 3 of top 5 customers have 25-year relationships
 - Top 10 customer relationships average over 10 years
- Carrier of choice
 - Relationship linked at every level
 - Stringent safety, environmental and service standards
 - “Not One Drop” Philosophy
 - In 2005, we did not spill ANY cargo
 - Less than 1 gallon of cargo spilled per BILLION gallons of cargo delivered in 2004 (<0.0000001%)



VALERO ENERGY CORPORATION



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Strong Position for Operating Under OPA 90 Regulations



- Successfully executing proprietary rebuilding program:
 - Owner of greatest number of vessels that can be rebuilt to OPA compliant double-hull
 - Vessels were originally staunchly built and have been well-maintained over their lives
 - Creates long-term capital cost advantage
 - Affirmed patent validity in recent litigation



Financial Performance



Consistent Positive Cash Flow and Earnings



(\$millions)	2003	2004	2005	YTD 2Q06
Revenue	138.2	149.7	180.7	91.3
Time Charter Equivalent	114.5	119.5	137.4	69.3
Depreciation and Amortization**	33.8	37.8	35.9	17.1
Operating Income**	16.7	12.0	28.0	12.6
Net Income** 2003 includes \$7.7 mil tax reversal	19.9	8.2	20.8	9.0
Utilization	84.3%	80.7%	81.1%	78.5%
Capital Expenditures	25.4	33.4	64.9	26.6
** Reflects accounting change for planned major maintenance activities				

Strong Capital Structure and Financial Flexibility



(\$millions)	2003	2004	2005	YTD 2Q06
Total Assets **	233	238	346	354
Long Term Debt	58	59	55	53
Equity**	106	110	214	220
Debt to Total Cap Ratio**	.36:1	.36:1	.22:1	.21:1

** Reflects accounting change for planned major maintenance activities

Strong Capital Structure and Financial Flexibility



- \$84 million equity offering completed in December 2005
 - Significant capital improvements upcoming
- \$60 million revolving credit facility available
 - Accordion feature, under conditions, to grow to \$120 million
- Long-term fixed rate financings in place
 - Weighted average interest rate under 6%
- Dividend maintained during period of capital investment:
 - Greater than ten year dividend history
 - \$.44 in 2005, equivalent to a 1.7% yield at year-end

2006 Company and Market Drivers



- Maritrans intends to maintain similar spot market exposure in 2006 to that of 2005
- Spot market rates expected to be at same or higher average levels during 2006 compared to 2005
- Reduced supply of refined products from the Gulf refineries impacted first half of 2006
- 2006 lightering volumes expected to be lower than 2005 volumes
- 2nd Tanker entered grain trade in July and experienced idle time until first grain move
- A minimum of 184 days out of service expected in third quarter 2006 for planned maintenance and vessel improvements

Strategic Outlook



- Implement initiatives aimed at accelerating fleet and earnings growth:
 - Optimize spot/contract charter mix to maximize current earnings
 - Newbuildings with customer support
- Seek opportunities to exploit market leadership
 - Enter new geographic markets, increase cargo type and expand customer relationships
 - Second-hand tonnage and accretive consolidation
- Employ diligent approach:
 - Adhere to rigorous criteria
 - Ensure operational excellence is maintained

- Highly favorable industry fundamentals
- Strong market share in refined product and lightering operations
- Long-term performance culture
- Attractive position for operating under the Oil Pollution Act of 1990—“OPA 90”
- Strong capital structure and financial flexibility
- Consistent positive cash flow and earnings
- Positioned for fleet and earnings growth



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