



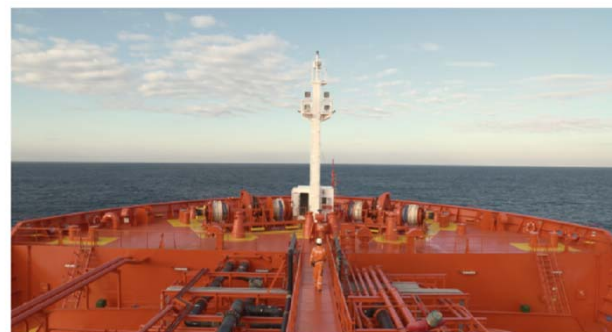
First Quarter 2014 Results

Bergen – 8 May 2014



Agenda

- Highlights
- Financials
- Operational review
- Market update and prospects



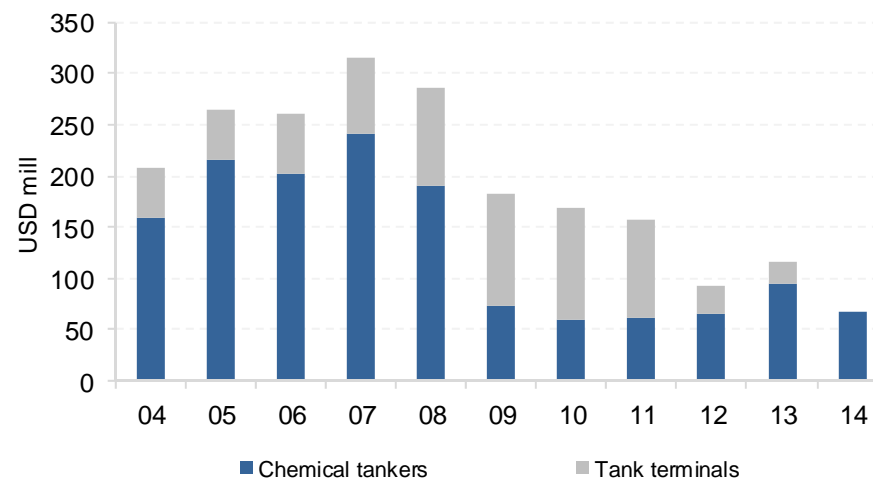
Highlights

- Time-charter results in line with last quarter
- Chemical Tankers EBITDA of USD 17 million
- A major reorganisation, efficiency drive and cost - cutting process has been kicked off
- The process at Odfjell Terminals (Rotterdam) of re-organisation to improve its cost base continues. This includes a reduction of more than 100 positions

ODFIX



Annualized EBITDA¹



¹ Proportional consolidation method according to actual historical ownership share

Change of accounting principle

Equity method versus proportional consolidation method

- Effective from 1 January 2014, Odfjell has adopted IFRS 11. All joint ventures previously accounted for by applying the “proportionate consolidation method” are now accounted for by applying the “equity method”
- Odfjell’s share of net result and net investment is therefore now reported in one single line in the income statement and statement of financial position, previously this was accounted for line-by-line
- The change in accounting principles does not have any impact on the Group’s equity
- Comparative figures have been adjusted
- The effect on the income statement and statement of financial position is further described in note 8 of the financial accounts

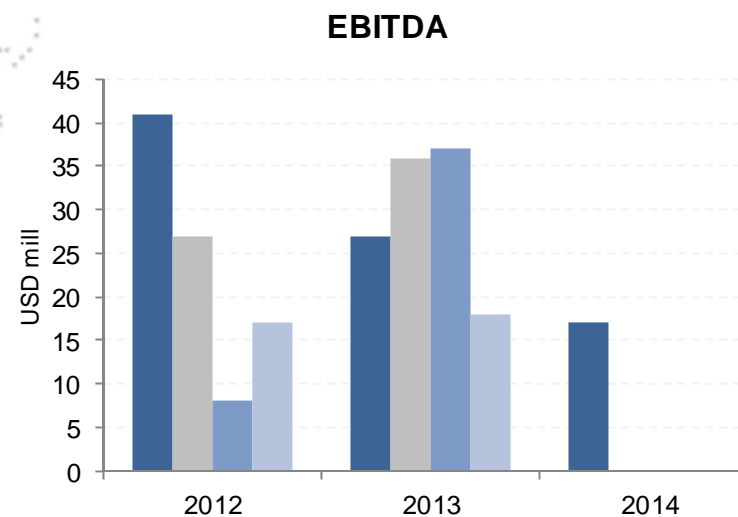
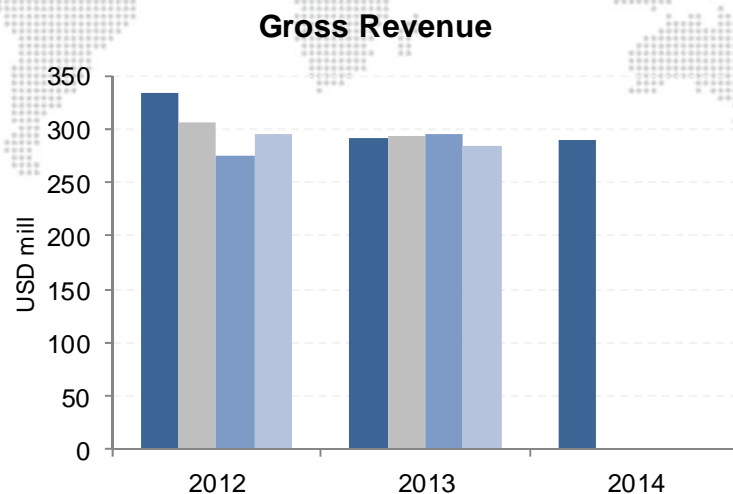
Income statement¹ - First quarter 2014

<i>USD mill</i>	1Q14	4Q13
Gross revenue	266	256
Voyage expenses	(130)	(126)
TC expenses	(52)	(44)
Operating expenses	(43)	(46)
Share of net result from associates and JV	(7)	(77)
General and administrative expenses	(25)	(23)
Operating result before depr. (EBITDA)	9	(60)
Depreciation	(23)	(20)
Capital gain/loss on fixed assets	(0)	(5)
Operating result (EBIT)	(14)	(86)
Net finance	(8)	(16)
Taxes	(1)	1
Net result	(23)	(102)

¹ Equity method

Quarterly figures¹

USD mill

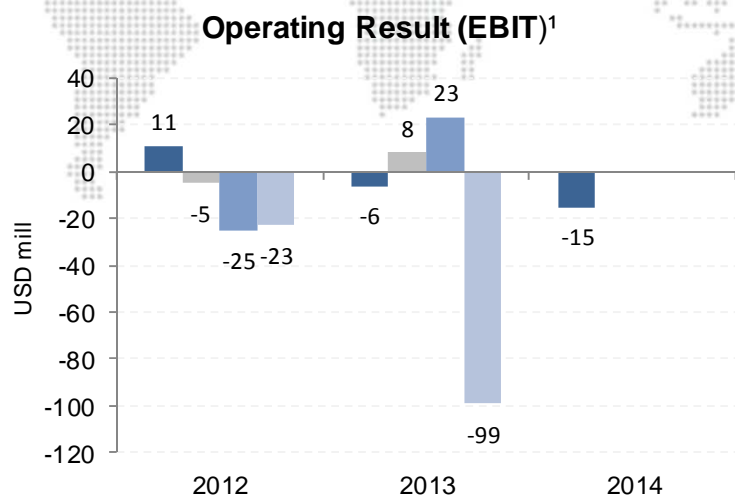


- *EBITDA 1Q unchanged on flat market development from last quarter*
- *Bunker remained high during the quarter on political conflicts*

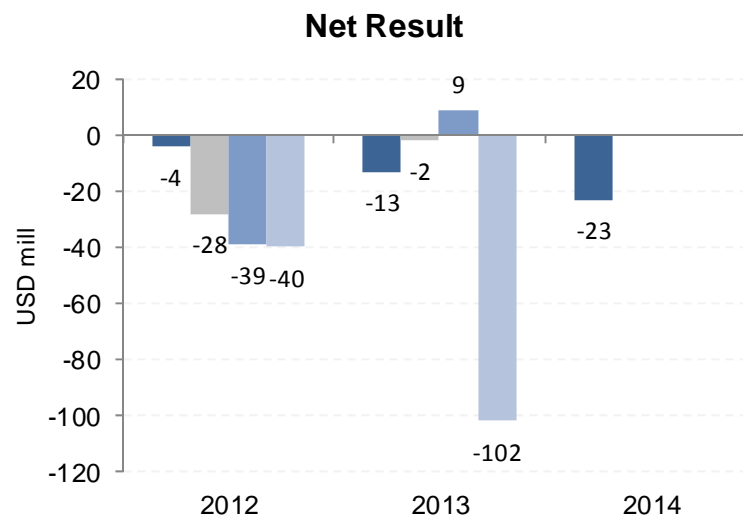
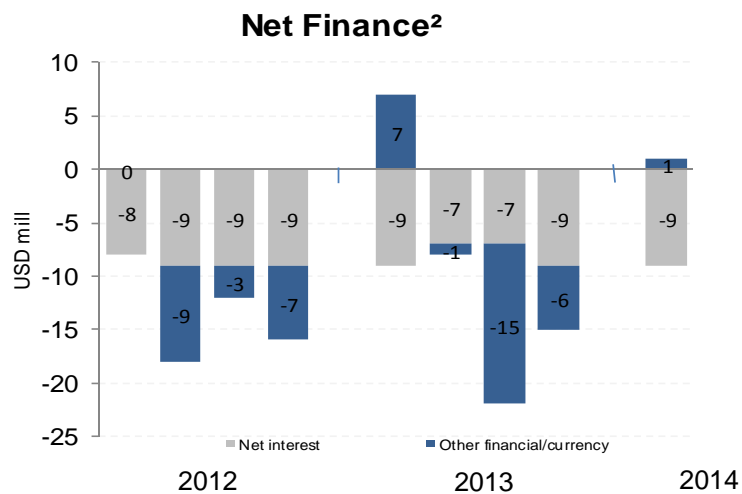
¹ Proportional consolidation method

Quarterly figures

USD mill



- EBIT in line with previous quarter, which included impairment of net USD 81 million
- Chemical tanker contracts mostly renewed at higher rates, volumes show positive development
- Net interest remain stable



¹ Proportional consolidation method

² Equity method

Balance sheet¹ – 31.03.2014

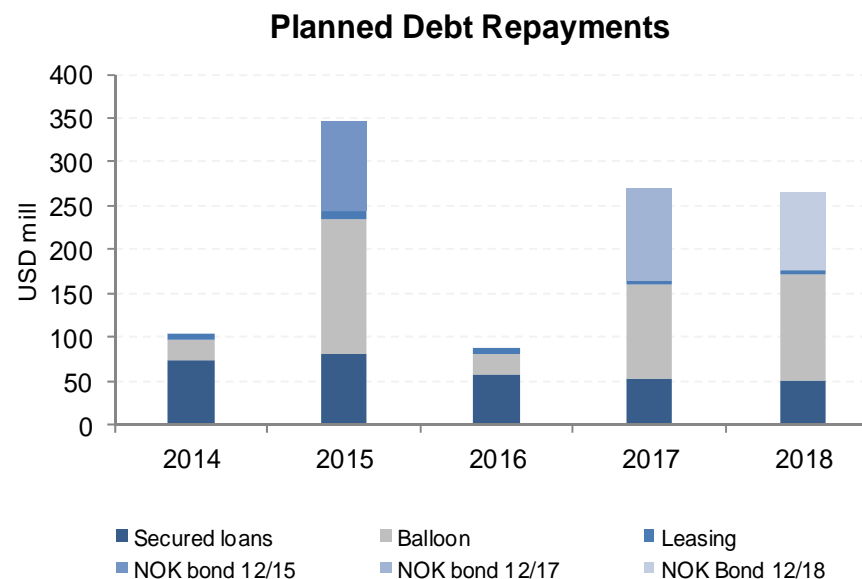
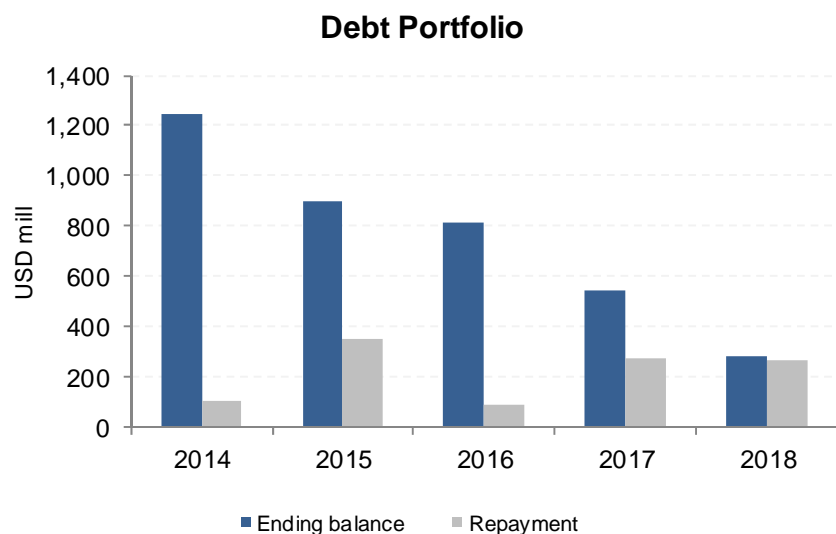
<i>USD mill - Assets</i>		<i>Equity and liabilities</i>	
Ships and newbuilding contracts	1 305	Total equity	729
Other non-current assets/receivables	79	Non-current liabilities and derivatives	37
Investment in associates and JV's	374	Non-current interest bearing debt	991
Total non-current assets	1 757	Total non-current liabilities	1 029
Available-for-sale investments and cash	80	Current portion of interest bearing debt	131
Other current assets	169	Other current liabilities and derivatives	117
Total current assets	249	Total current liabilities	248
Total assets	2 006	Total equity and liabilities	2 006

- *Cash balance of USD 80 million*
- *Net investment in tank terminals JV's USD 364 million*
- *9.8% of own shares held as treasury shares*
- *Equity ratio 36.3%*

¹ Equity method

Debt development¹

- Exploring various financial arrangements for our gas newbuildings
- Evaluating refinancing of maturing vessel mortgage loans

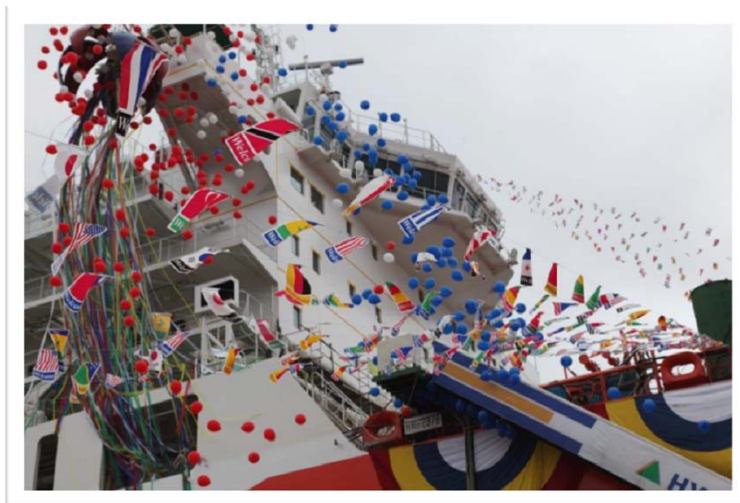


¹ Proportional consolidation method

Capital expenditure programme – Odfjell's share

<i>In USD mill</i>	2014	2015	2016	2017	2018
Hyundai Mipo, 4 x 46,000 DWT	55				
Sinopacific, 4 x 17,000 cbm	18	81	63		
Docking	18	24	24	24	24
Terminals ¹	93	51	16	6	4
Total	184	156	103	30	28

¹ Planned not committed



From the naming ceremony of Bow Trident in Korea

Income statement¹ – 1Q14 chemical tankers and LPG/Ethylene

<i>USD mill</i>	1Q14	4Q13
Gross revenue	268	260
Voyage expenses	(130)	(127)
TC expenses	(52)	(45)
Operating expenses	(44)	(46)
General and administrative expenses ²	(25)	(24)
Operating result before depr. (EBITDA)	17	18
Depreciation	(23)	(21)
Capital gain/loss on fixed assets	0	(5)
Operating result (EBIT)	(7)	(8)

¹ Proportional consolidation method

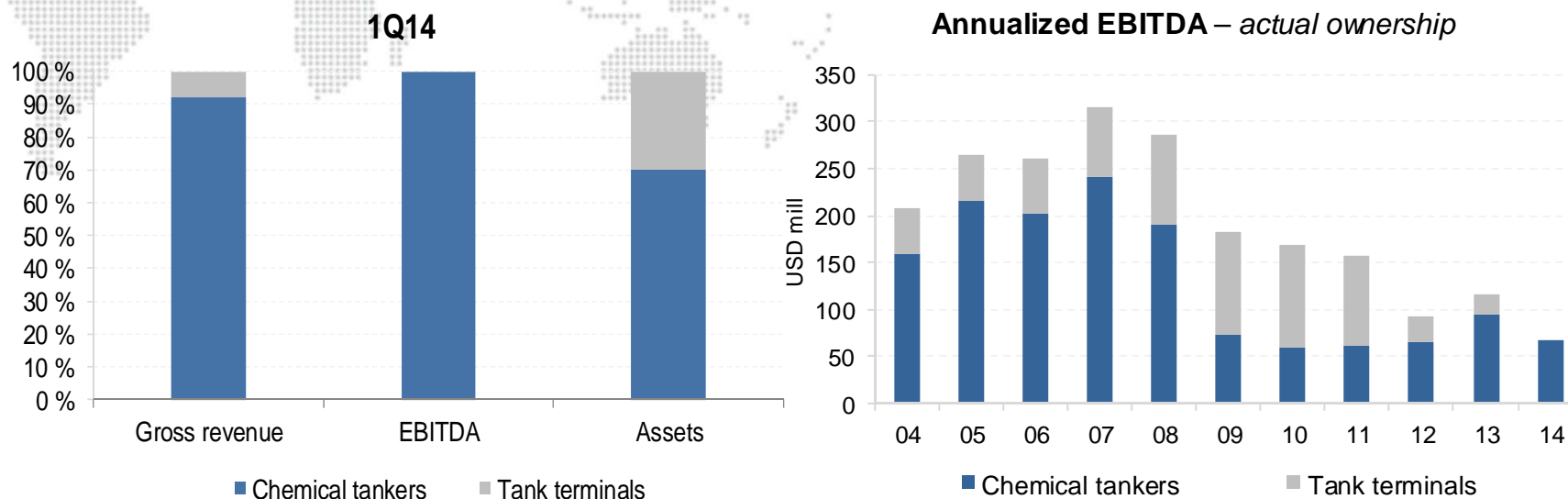
² Including corporate

Income statement¹ – 1Q14 tank terminals

<i>USD mill</i>	1Q14	4Q13
Gross revenue	23	25
Operating expenses	(17)	(17)
General and administrative expenses	(6)	(9)
Operating result before depr. (EBITDA)	(0)	(0)
Depreciation	(8)	(10)
Impairment	-	(81)
Capital gain/(loss)	-	0
Operating result (EBIT)	(8)	(91)

¹ Proportional consolidation method

Results per segment¹

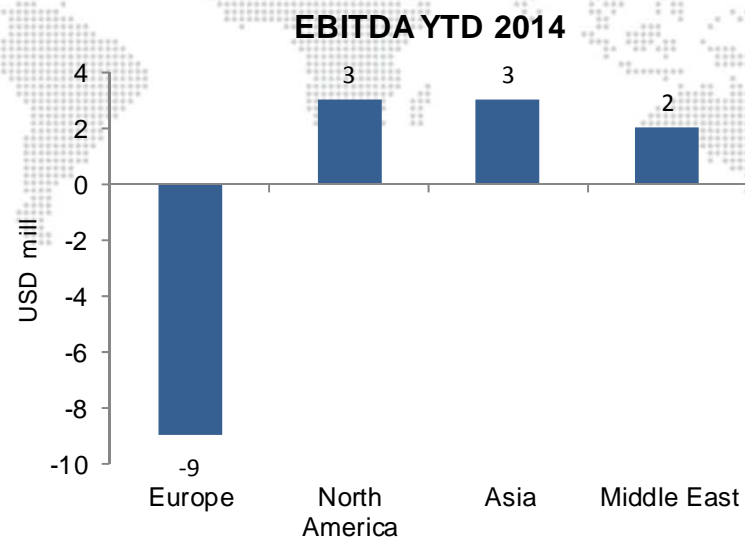


<i>USD mill</i>	1Q14		4Q13	
	Chemical tankers/LPG	Tank terminals	Chemical tankers/LPG	Tank terminals
Gross revenue	268	23	260	25
EBITDA	17	0	18	(0)
EBIT	(7)	(8)	(8)	(91)

¹ Proportional consolidation method



Tank terminals EBITDA – by geographical segment

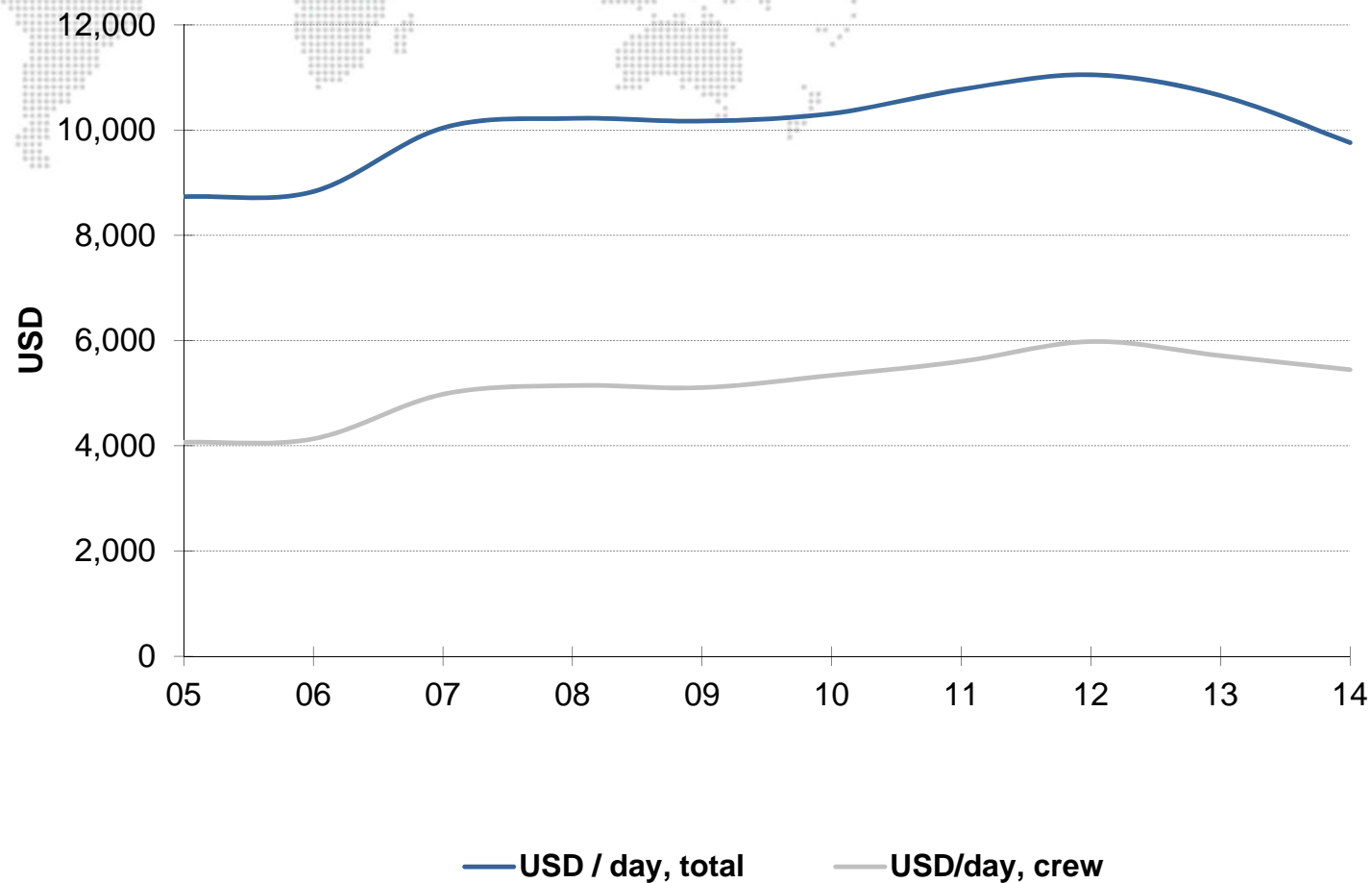


- *Negative EBITDA 1Q of USD 8.8 million at OTR, including USD 1.2 million in non-recurring items*
- *Divested the non-strategic terminal in Ningbo, China. A capital gain of USD 3.2 million will be booked in second quarter*
- *Mostly stable on all other terminals*

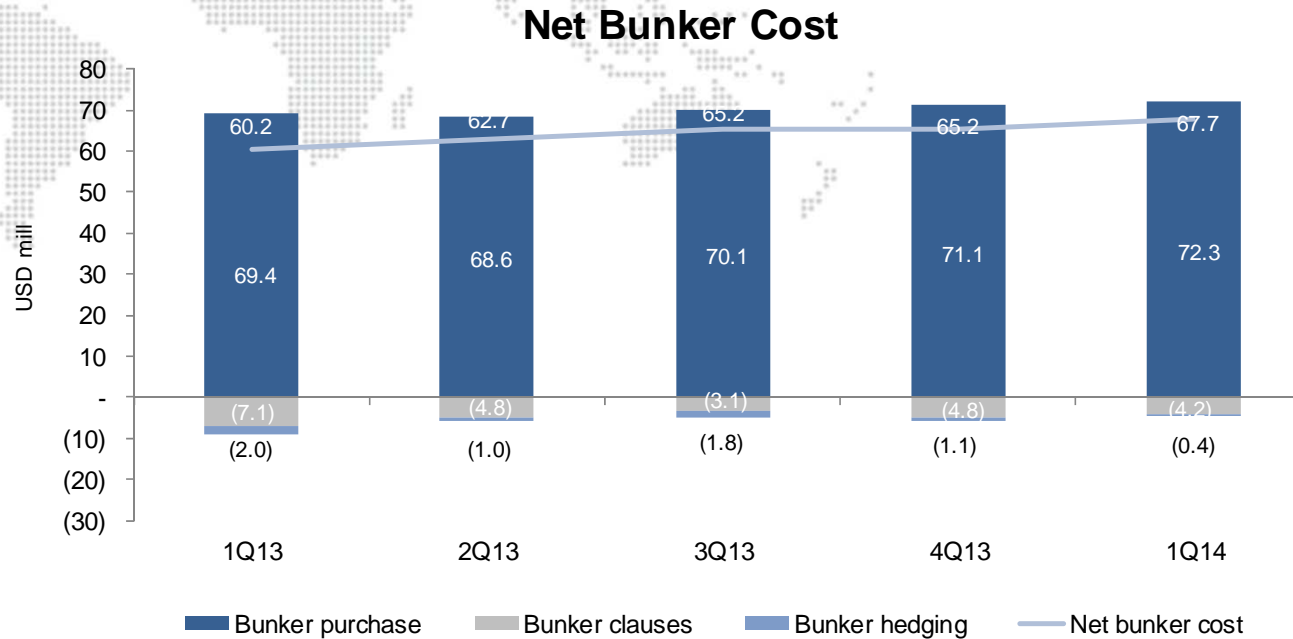
EBITDA Tank Terminals by geographical segment	1Q14	4Q13
Europe	(9)	(8)
North America	3	3
Asia	3	3
Middle East	2	2
Total EBITDA	(0)	0

* Revenue and profit from the terminals included in the Lindsay Goldberg transaction in 2013 are recognized according to the new ownership percentages from 1 September 2013.

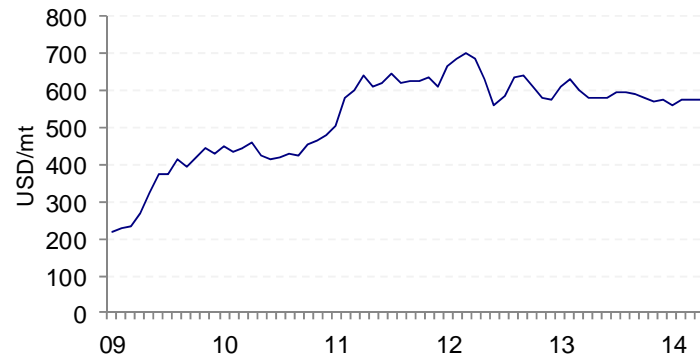
Vessel operating expenses - *chemical tankers*



Bunker development



Platts 3.5% FOB Rotterdam



- Net bunker cost per tonne in 1Q was USD 565
- About 20% of the 2014 exposure is hedged
- Bunker clauses in CoAs cover about 53% of the exposure

Fleet development - last 12 months

Fleet additions		DWT	Built	Tanks	Transaction
April 2014	Bow Trajectory	46 000	2014	Coated	Bareboat
April 2014	Bow Harmony	33 619	2008	Stainless	Purchase
March 2014	SG Friendship	19 773	2003	Stainless	Medium-term TC
February 2014	Berlian Ekuator	35 000 cbm	2004	LPG	Short-term TC
January 2014	Celsius Mumbai	19 993	2005	Stainless	Medium-term TC
December 2013	RT Star	26 199	2011	Stainless	Medium-term TC
December 2013	Celsius Miami	19 991	2005	Stainless	Medium-term TC
November 2013	Celsius Manhatten	19 807	2006	Stainless	Medium-term TC
November 2013	Bow Condor	16 121	2000	Stainless	Purchase J/V
October 2013	Bow Eagle	24 700	1988	Stainless	Short-term TC
August 2013	Southern Koala	21 290	2010	Stainless	Medium-term TC
August 2013	Golden Top	12 705	2004	Stainless	Medium-term TC
July 2013	Celsius Mayfair	20 000	2007	Stainless	Medium-term TC
June 2013	Bow Pioneer	75 000	2013	Coated	New delivery
May 2013	Bow Engineer	30 086	2006	Stainless	Purchase

Short-term: Up to one year
 Medium-term: 1-3 years
 Long-term: More than three years

Fleet development – *last 12 months*

Fleet disposals, owned		DWT	Built	Tanks	Transaction
December 2013	Bow Mate	6 001	1999	Stainless	Sale
October 2013	Bow Eagle	24 700	1988	Stainless	Sale
May 2013	Bow Cheetah	40 257	1988	Coated	Recycling

Odfjell Gas Carriers – *current status*

- Revenues and gross result improved compared to last quarter, positive outlook for the second quarter
- Current fleet consist of 2 x 9,000 cbm owned vessels and one on a 1 year time charter
- Fixed order of four 17,000 cbm gas carriers
- Options for four additional gas carriers of 17,000 cbm or 22,000 cbm for delivery in 2016-2017
- We are in process of evaluating partnerships to further grow our LPG/Ethylene business

<i>USD mill</i>	1Q14	4Q13
Gross revenue	5	2
EBITDA	0	(1)
EBIT	(1)	(2)

Terminal projects and expansions

- The expansion at the Antwerp terminal has been concluded, adding 50,000 cbm of tank capacity
- Expansion project adding 30,000 cbm at the terminal in Houston is estimated to be completed by 3Q 2014
- The new terminal project in Tianjin is in good progress and planned completed around year end 2014



The terminal in Charleston, USA is now fully operational

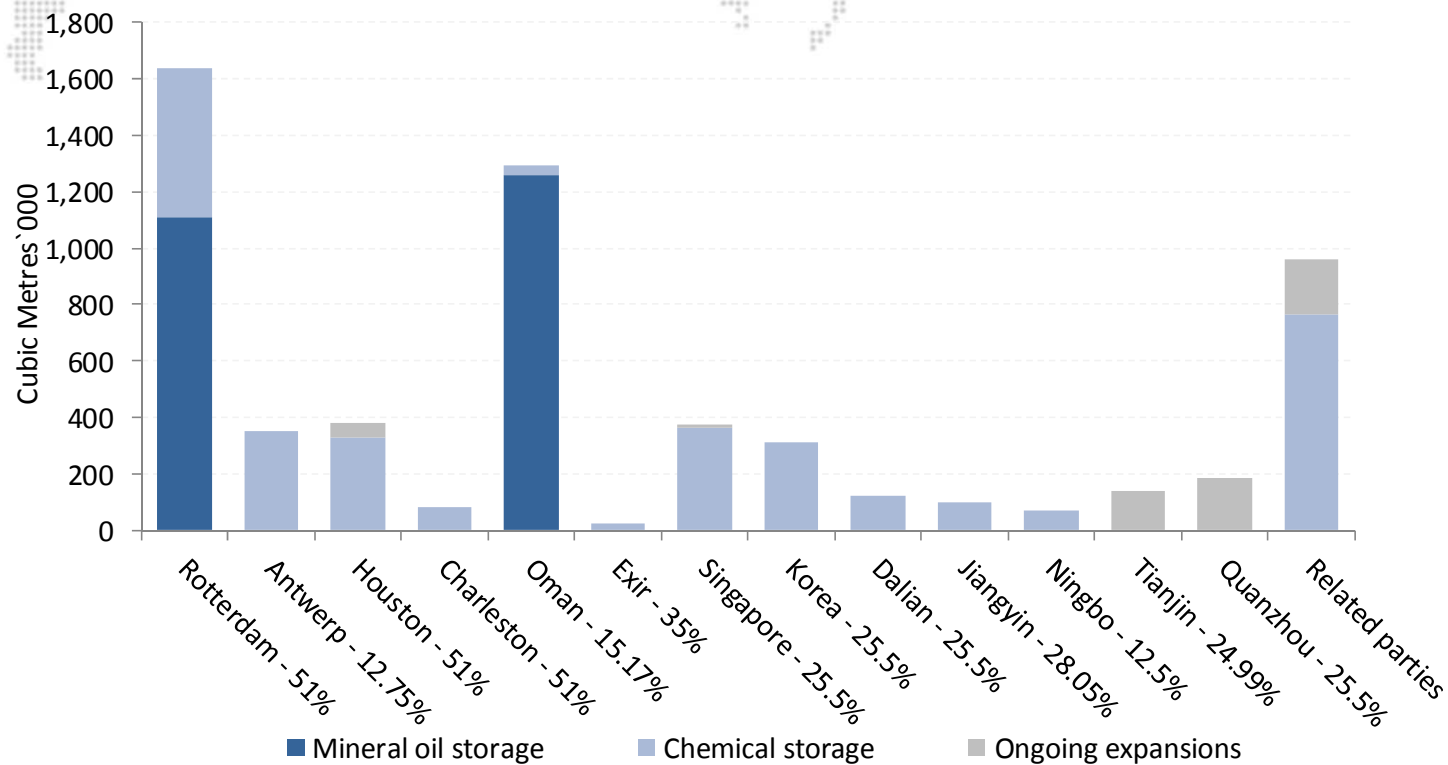


The expansion at the Antwerp terminal concluded

Tank terminal capacity

Total capacity in CBM (incl. related parties):

Current capacity	5,448,602
Ongoing expansions	576,520



* Odfjell's ownership share in the respective tank terminals is shown in percentage

Odfjell Terminals (Rotterdam) – *current status*

- The process of re-organisation to improve the costbase to market level continues
- Dialogue with the Unions has started
- Level of activity at the terminal is reduced significantly
- Commercial focus is on improving utilisation and seeking customers for the available tank capacity

Reducing cost and improving efficiency

- A major reorganisation, efficiency drive and cost - cutting process have been kicked off
- Review all aspects of our business model, including ownership models and organisational structures
- Identify areas of improvements
- Strengthen the focus on operational efficiency:
 - Fuel consumption
 - Turnaround time in port
 - Ship maintenance
 - Docking operation

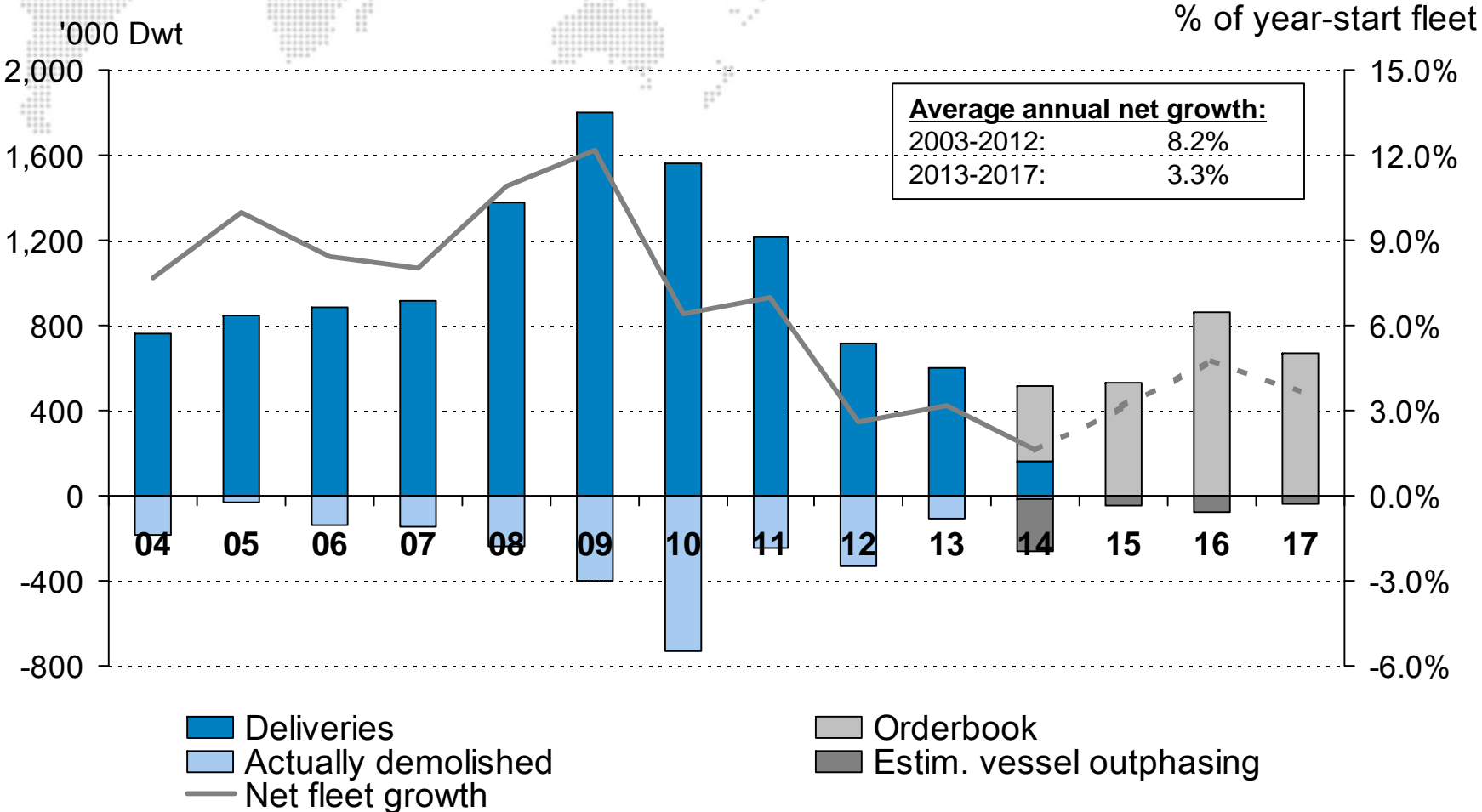
Supervisory Authority of Norway (Finanstilsynet)

- Completed review of certain aspects of the Odfjell Group's financial reporting for 2012
- The review did not have any impact on the approved consolidated financial statements for 2012 or 2013
- This letter can be reviewed in full at the homepage for Finanstilsynet

Market update – *chemical tankers*

- Time charter results in line with previous quarter
- Activity in the first quarter continued on a slow and disappointing pace
- Volume and rates out of US remained strong, earnings weak on delays due to bad weather
- Rates under pressure as tonnage was abundant
- Most CoA renewals at higher rates

Core Chemical Deep-sea Fleet 2003-2017 - Orderbook and estimated demolition per May 5th, 2014



Source: Odfjell FLEETBASE

* Outphasing 30 years (Europe built) and 25 years (Asian built)

Prospects

- Pace of the US economic growth is poised to snap back
- The unrest in Ukraine is the biggest risk to an optimistic economic growth for the Euro zone
- Disappointing economic indicators in China and debt default risk is rising
- Second quarter expected to be better than first quarter for the chemical tanker and LPG/Ethylene segments
- For our tank terminals, with the exception of OTR, we expect continued stable results



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Thank you



For more information please visit our webpage at www.odfjell.com

