

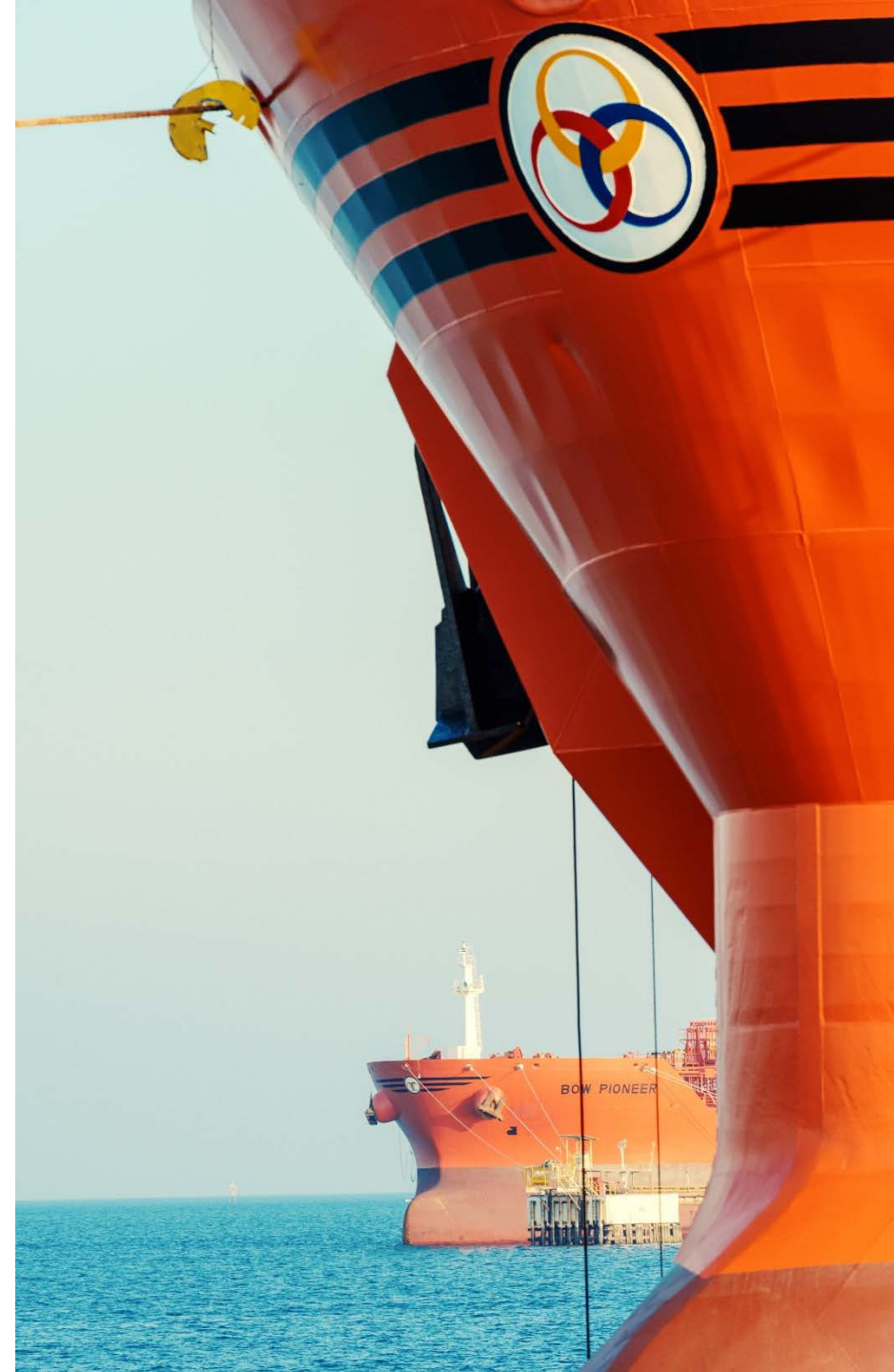


DNB Oil, Offshore & Shipping Conference
March 2018



Agenda

- **Odfjell at a glance**
- Our recent history
- Positioning for the future
- Market outlook



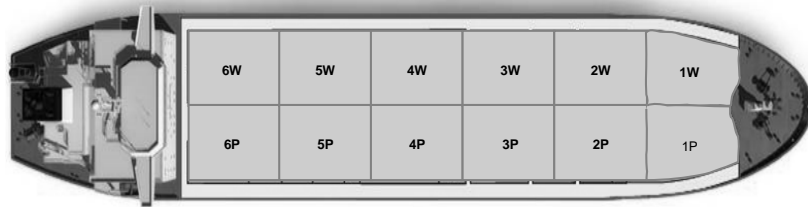
Odfjell has more than 100 years experience in the chemical tanker industry, and is today one of the leading companies in our industry

- Established in 1914 with headquarters in Bergen, Norway
- Listed on Oslo stock exchange
- We are a leading operator of chemical tankers operating 80 vessels, which are among the most sophisticated tankers in the world
- About 50-60% contract coverage
- We own (j/v) and operate 8 tank terminals worldwide
- After a period of crisis, the company is emerging from a turn-around with a stronger balance sheet and a significantly more competitive platform



Our vessels are sophisticated and built for serving very complex and demanding trades, with multiple parcels of highly specialized chemicals

Basic chemical tanker

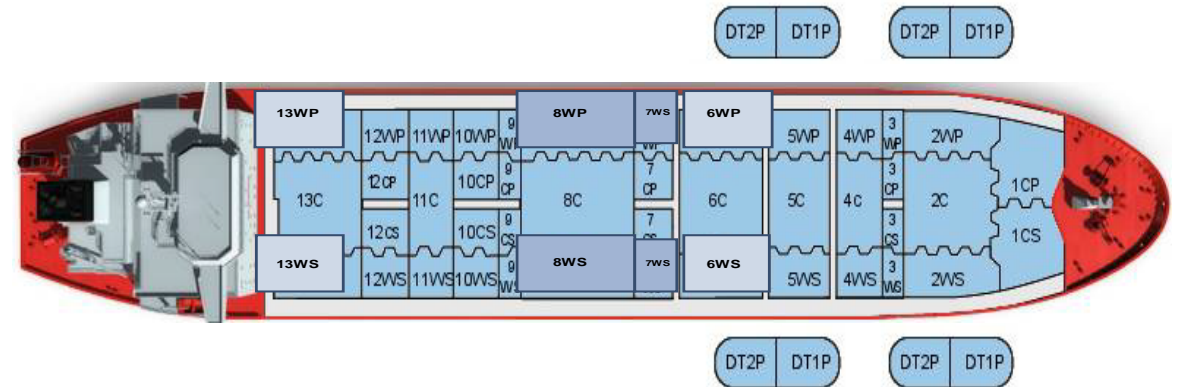


Standardized and cost efficient

Scale effect on basic equipment across similar ships

Experienced crew with cost focus

Sophisticated super-segregator



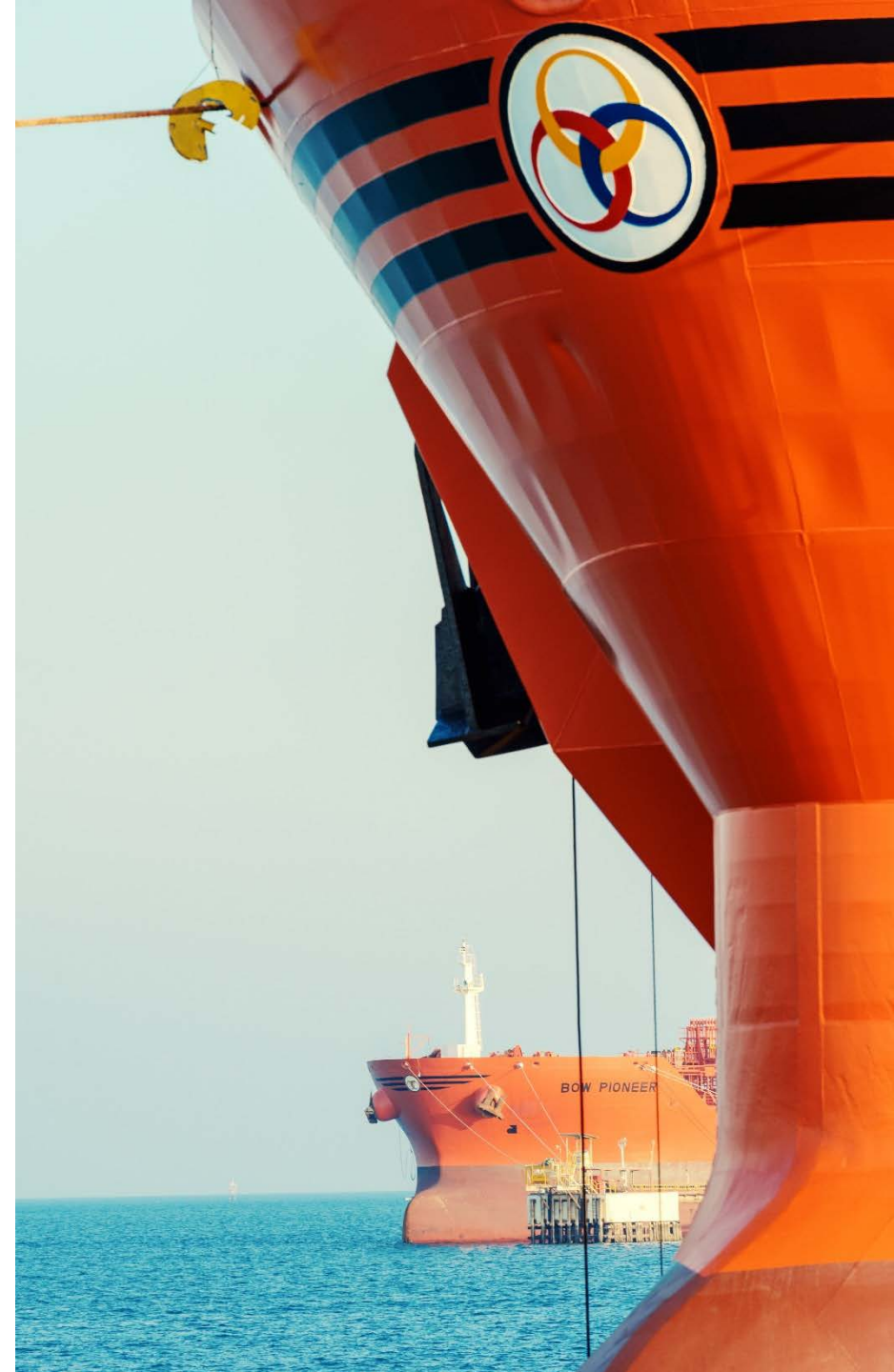
Tailor-made and responsive

Complex and flexible equipment

Experienced crew with cost focus, comprehensive technical competencies and training

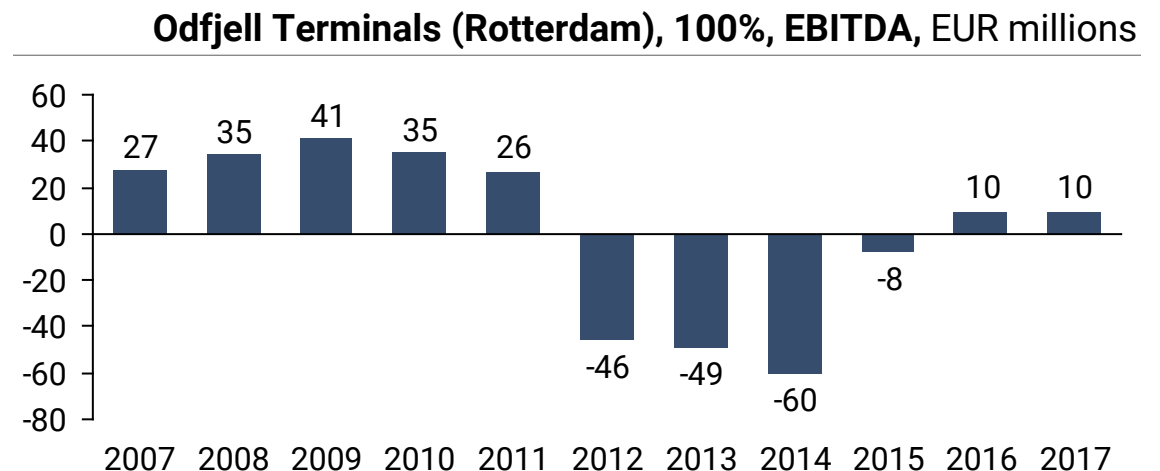
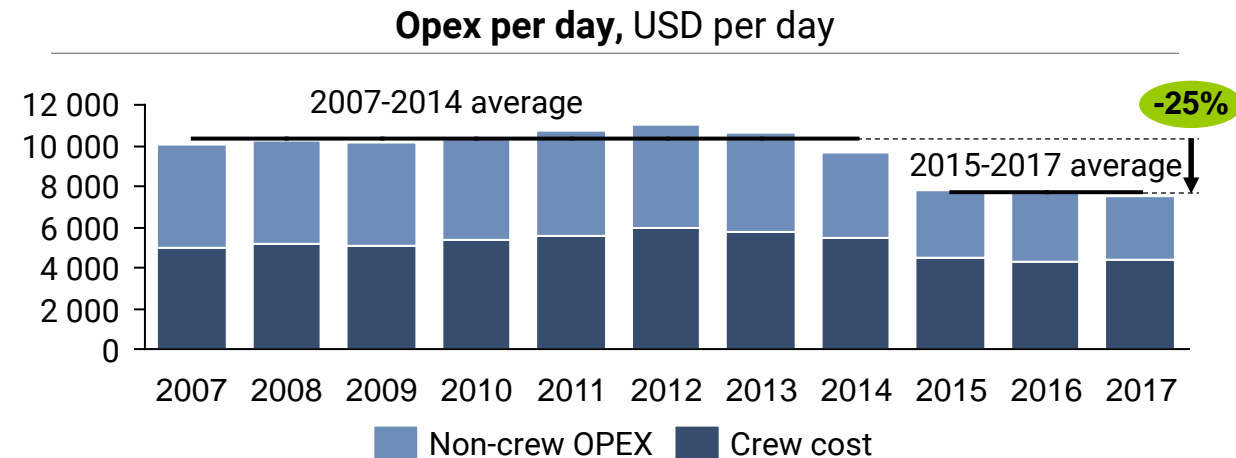
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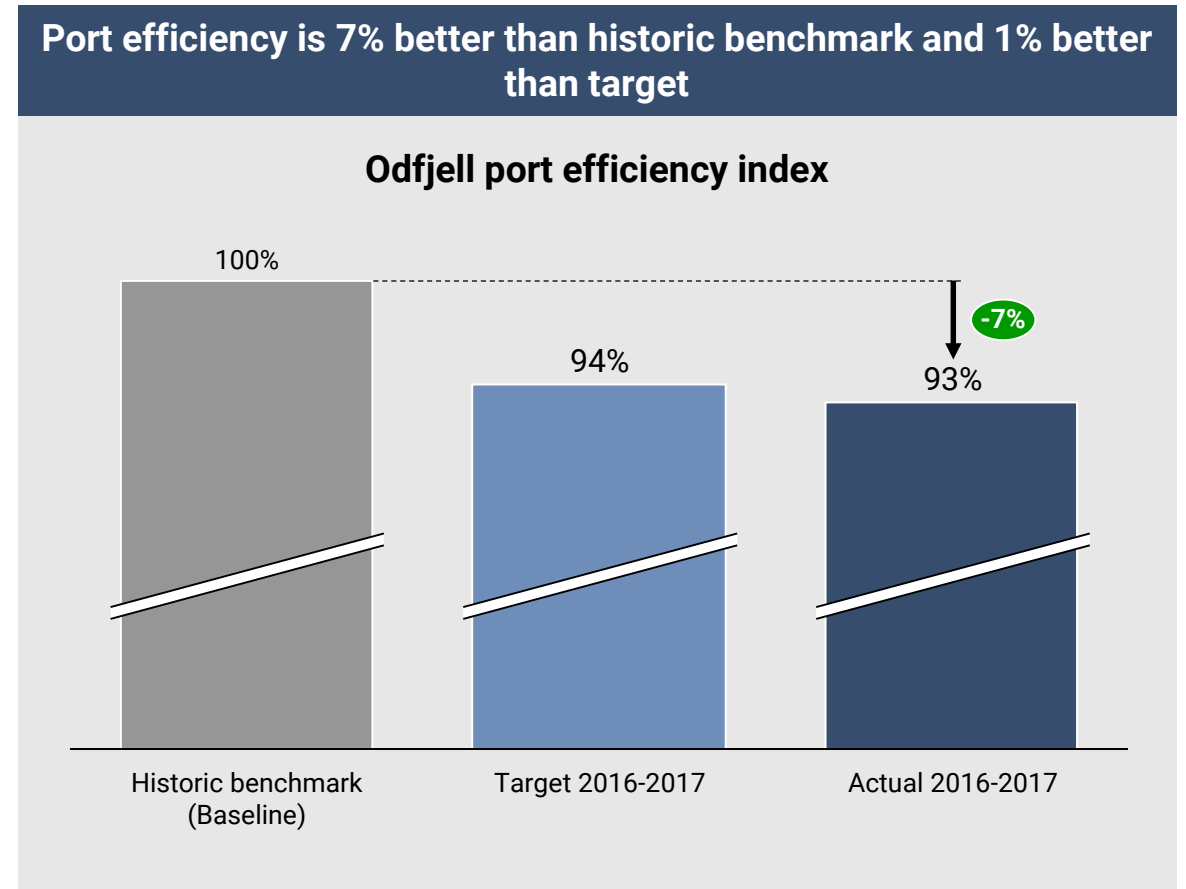
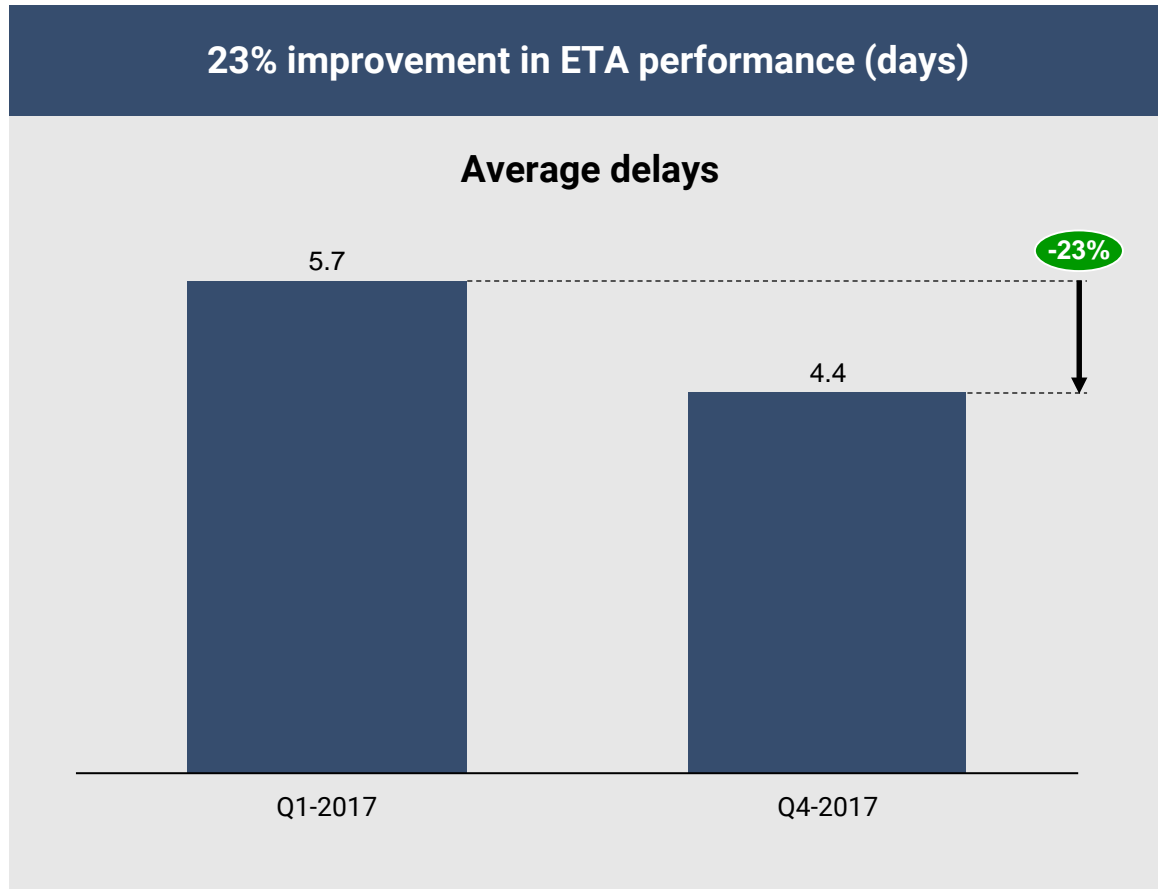
Odfjell is emerging from a turn around, and is today stronger and leaner, with a robust balance sheet

- In 2013/2014 Odfjell was in a «perfect storm» with erosion of market shares, financial losses, a weakening balance sheet and a significant cost problem
- In 2011 our largest terminal faced a shut down, which for a period has required a significant part of Odfjell's capital and attention
- The core of the business continued to work, but it was clear to all stakeholders that we had to change course to regain strength
- Since 2015 the company has been undergoing a significant transition
 - Material cost cuts of +USD 100m (OPEX, fuel cost and G&A)
 - Rotterdam terminal under control
 - We solved our tonnage renewal and growth ambitions at the bottom of the cycle, in a very capital efficient way
 - Introduction of top to bottom business intelligence system



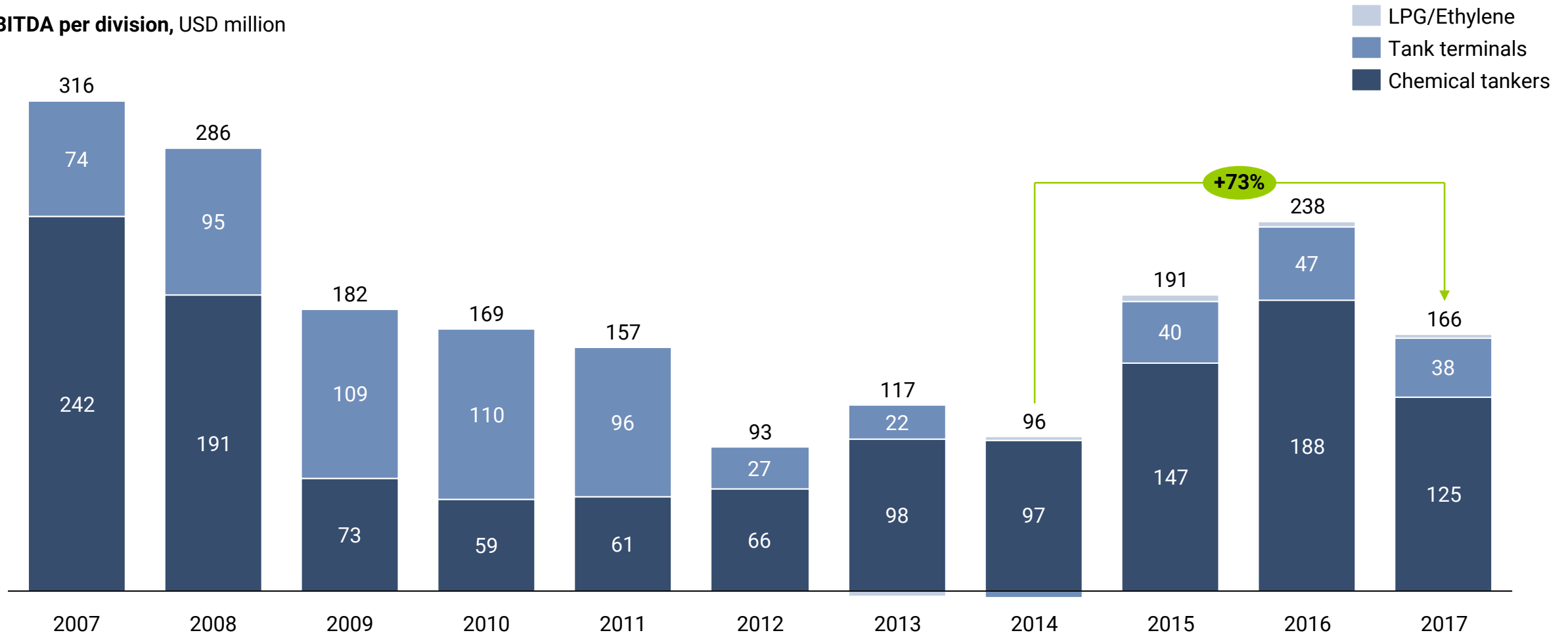
..and we are seeing real and measurable effects from our operational excellence initiatives

Project Moneyball status, End Q4 2017



Our EBITDA performance improved, despite the challenging markets, which means we are today significantly more competitive

EBITDA per division, USD million



Source: Odfjell

2017 marks a year where we continued to make good progress as a company and Odfjell is now well positioned for the future



Growth

- Tonnage renewal / fleet growth
- Take part in consolidation

- The “100 vessel” target reached
- CTG and Sinochem concluded



High quality service

- Safety, predictability and reliability

- Successful efficiency programmes and improved safety performance



Operational excellence

- Tankers: OPEX + SG&A
- Terminals: implementing operational excellence project

- Reduced by USD 8 mill in 2017
- Being implemented



Financial strength

- Further improve balance sheet to be able to act quickly as opportunities may arise
- Cost of capital

- Equity Ratio and cash improved
- Ongoing process



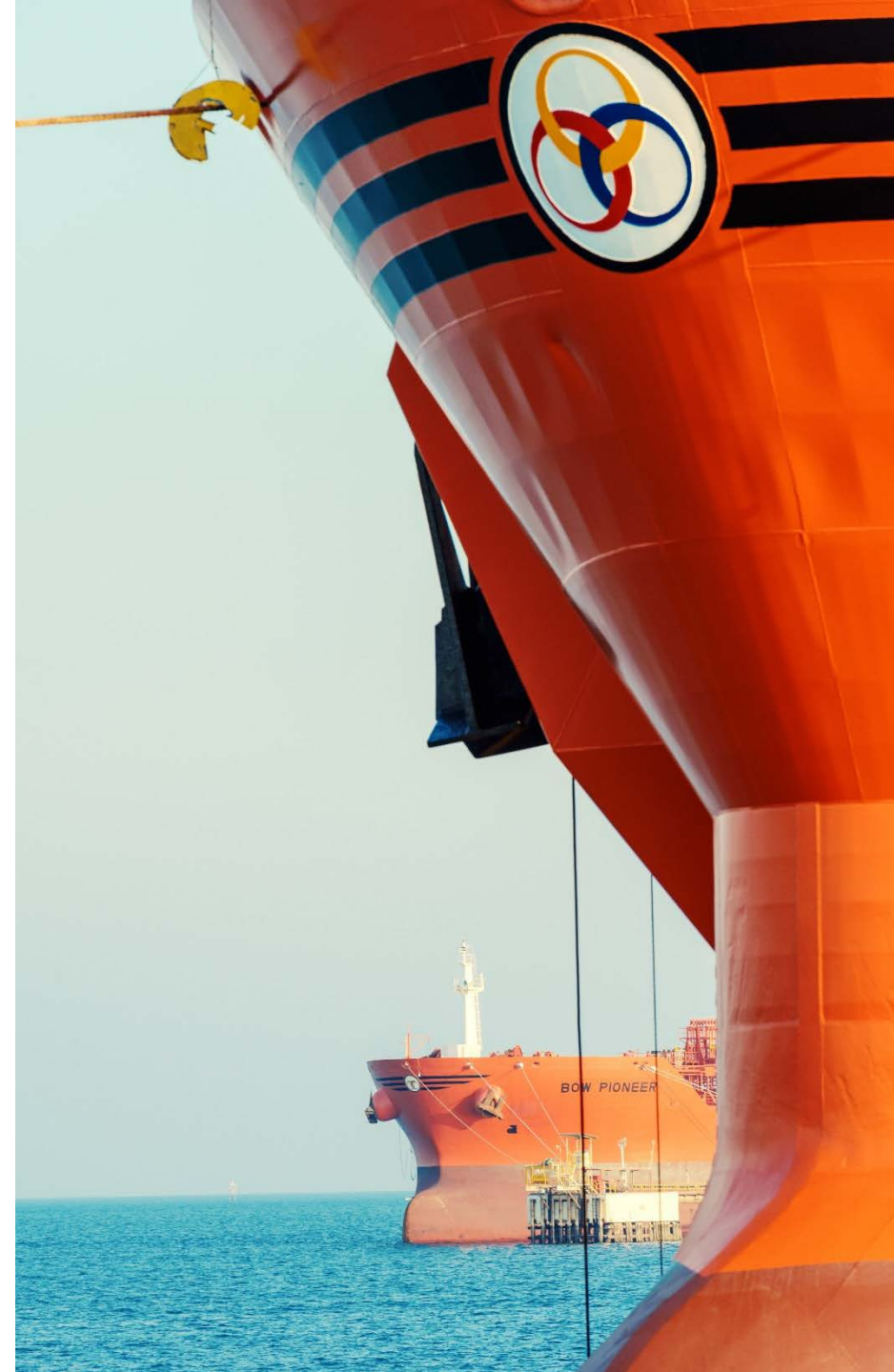
Terminals – back to profitability

- Implementation of the «value creation program»

- Ongoing process

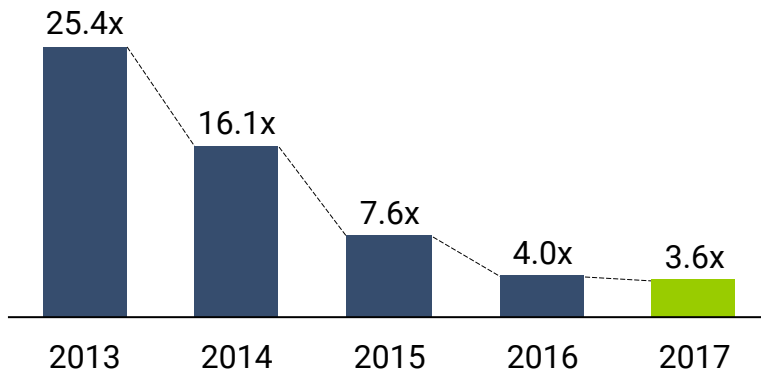
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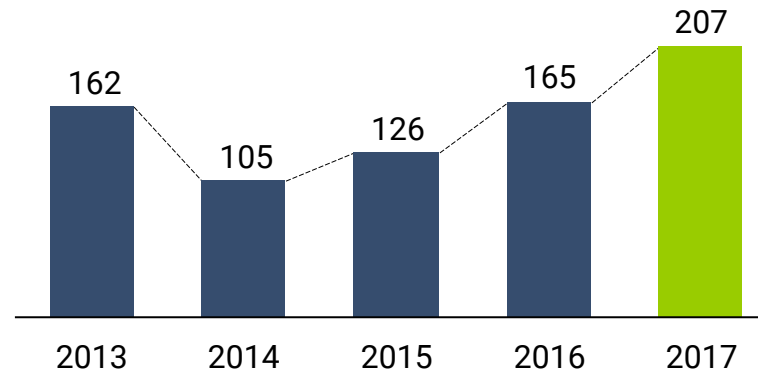


Our balance sheet is robust and we have a strong liquidity position, which we believe will translate into a lower cost of capital and ultimately to appreciation by the equity markets

Net interest bearing debt / EBITDA



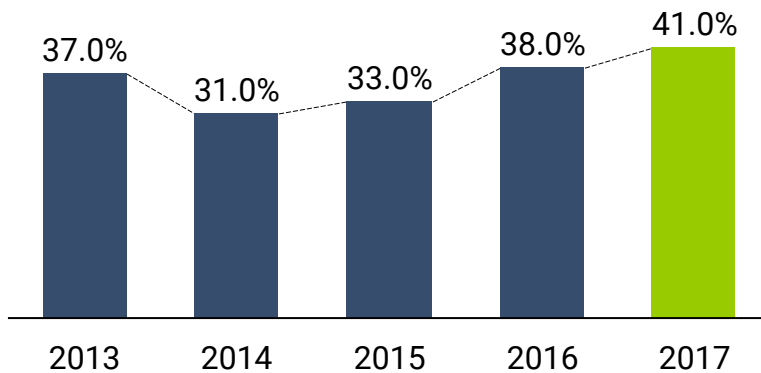
Odfjell SE cash position



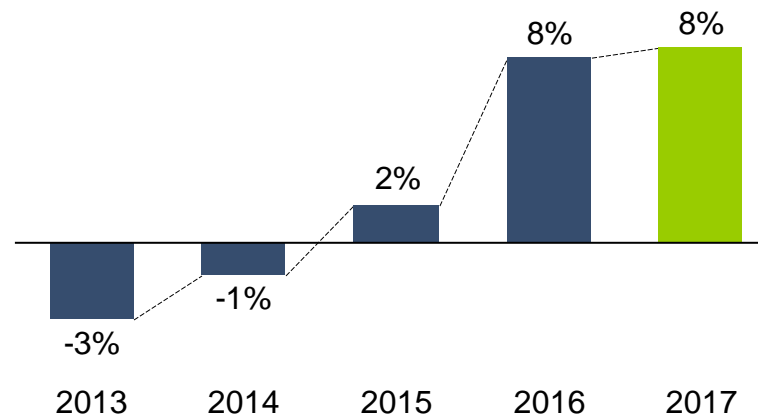
Comments

- Key ratios has improved since 2015
- Equity instalments on newbuilding programme limited to USD 24 mill
- We got liquidity and a balance sheet to act if attractive opportunities arises
- Dividends have been reinstated from 2016
- Lowering our cost of capital is an ongoing process.

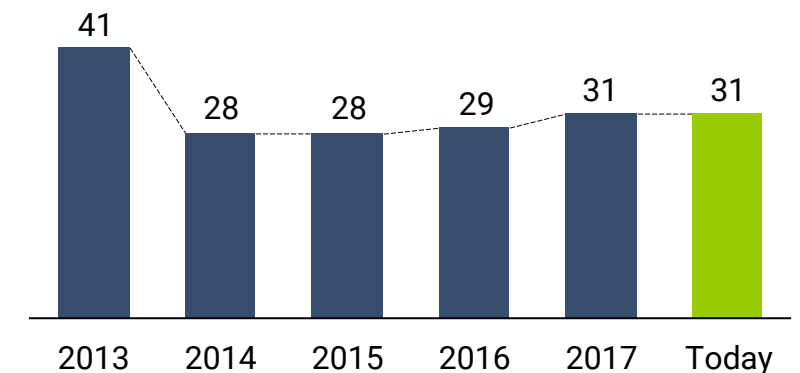
Equity ratio



Return on capital employed



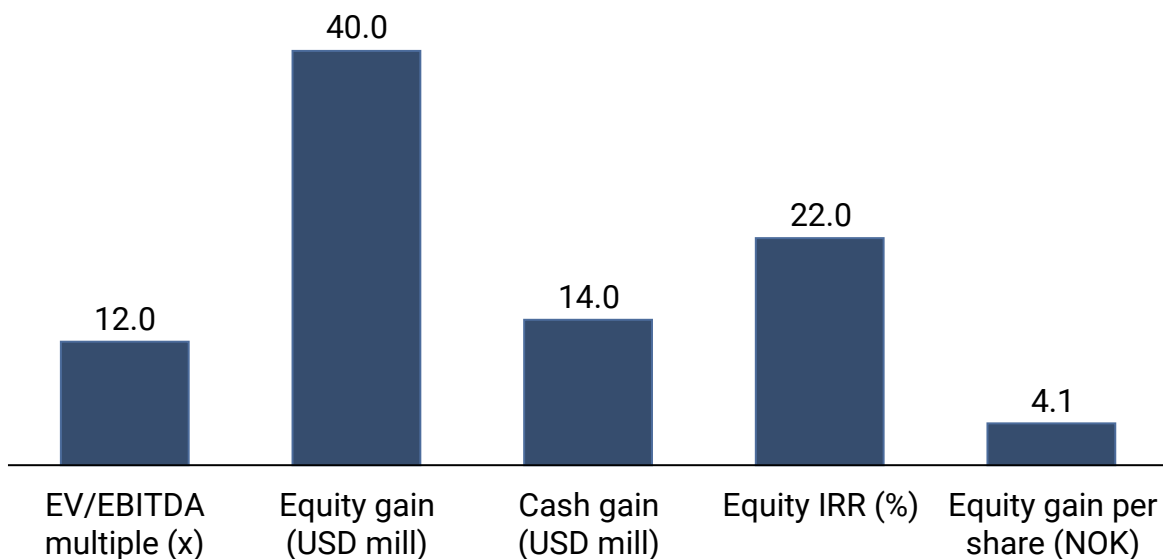
Share price development (NOK per share)*



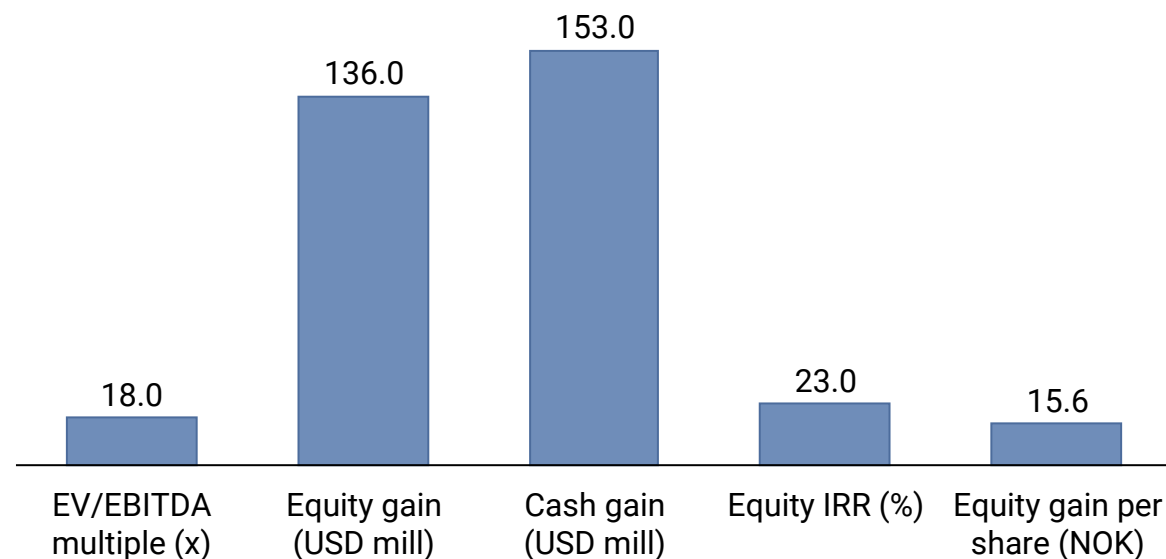
*

The main reason for the strengthened balance sheet is the sale of two non-operated terminals in Oman (2016) and Singapore (2017) at attractive valuations

Oman transaction



Singapore transaction



- Odfjell announced a strategy of divesting terminals where we did not have operational control
- In late 2016 we divested our minority stake in the Oman terminal. Generated an equity IRR of 22%
- In late 2017 we divested our minority stake in the Singapore terminal. Generated an equity IRR of 23%
- Assets were sold at attractive multiples and contributed with material cash to Odfjell SE
- Our focus is now turned to terminals where we have operational control in key hubs like Houston, Rotterdam and growth initiatives in China

Our long-term ambition level and targets



Safety performance

Zero incidents



Customer service

Delivering safely, on time, on spec and being competitively priced



Revenue / Top-line

Average revenue growth of 10% per year (over time)



Profitability

Industry leading EBITDA margin

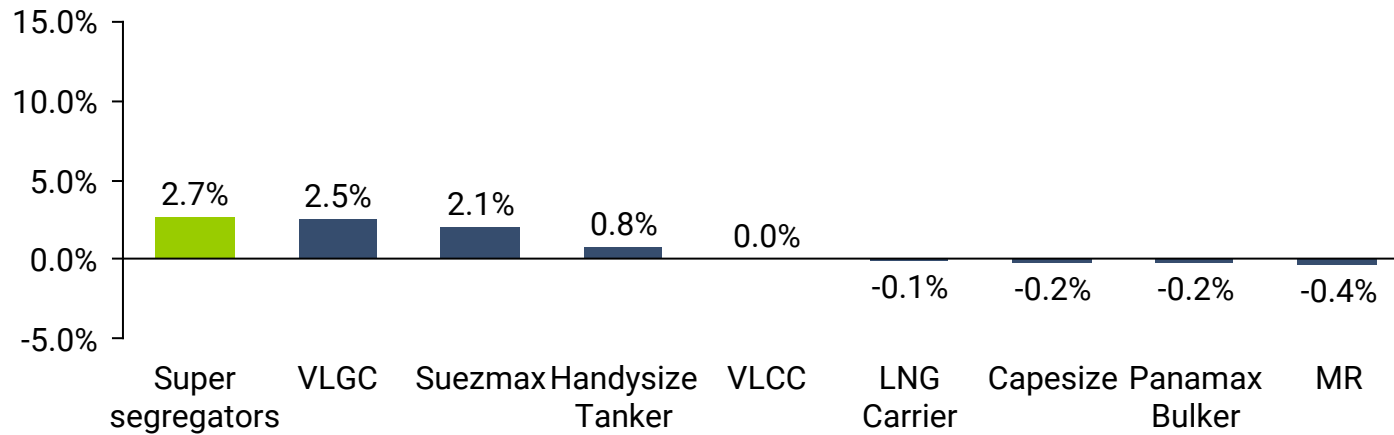


Tankers scale

Target an operated fleet of about 100 vessels, to benefit from scale advantages

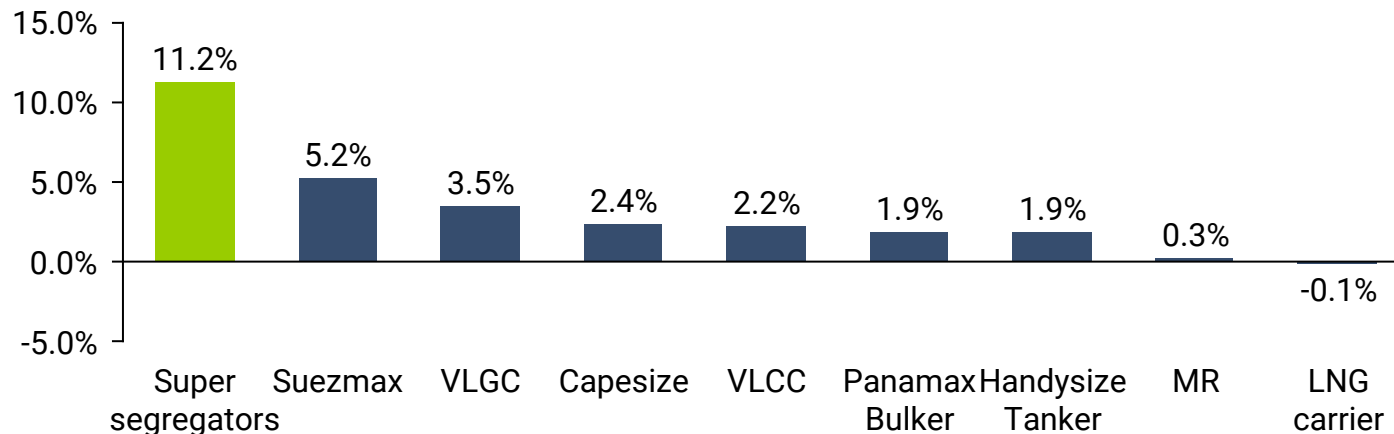
Our investments and growth initiatives on tankers have been concluded at a very low point on the cycle – even at historic earnings, the investments are attractive

ROIC based on 2008 asset values and 2008-2017 EBIT



- Based on 2008 asset prices and 10 year median TCE rates as quoted by brokers
- Super segregator asset values based on quotes from shipyards in 2008 and TCE based on internal calculations

ROIC based on 2018 asset values and 2018-2027 EBIT assumed in line with 2008-2017

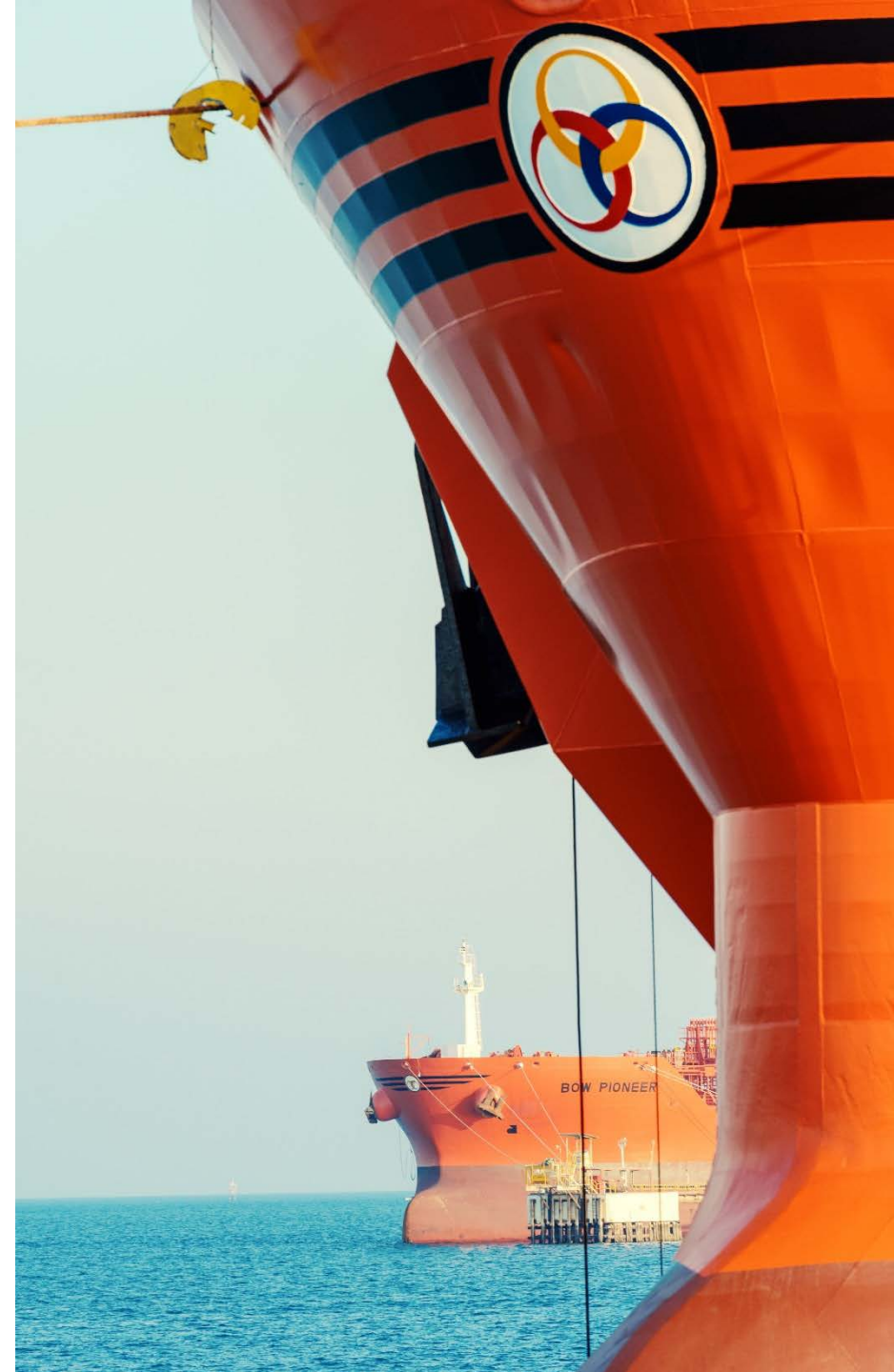


- Based on 2018 asset prices and last 10 year median TCE rates as quoted by brokers
- Super segregator asset values based on Odfjell's growth/renewal initiatives
- Super segregators will be more than 65% of our book values by 2020

Source: Clarksons Platou, Odfjell

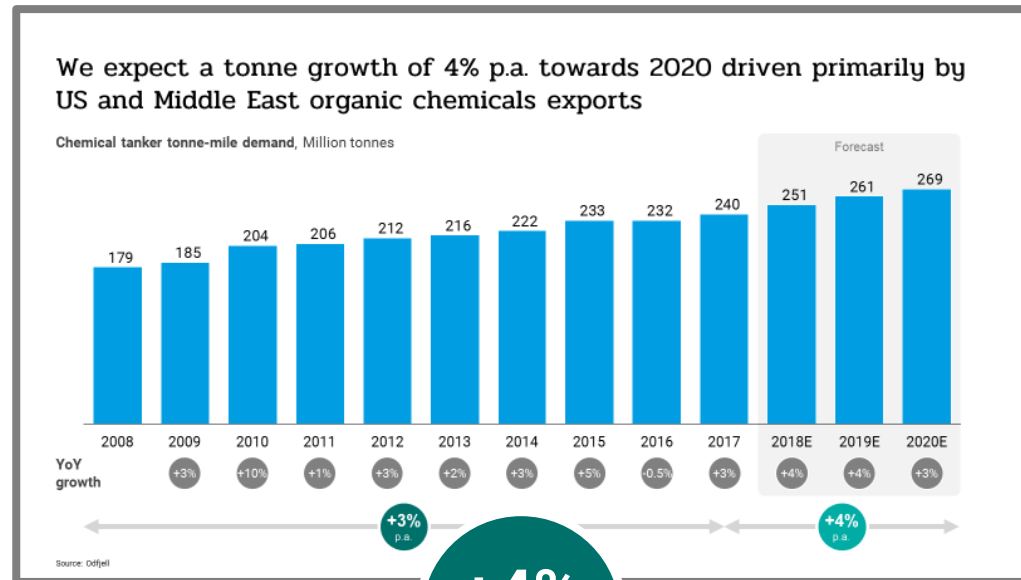
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We believe that demand growth in chemical tankers will outpace supply growth towards 2020 and that tonne-mile growth will add further upside to demand.

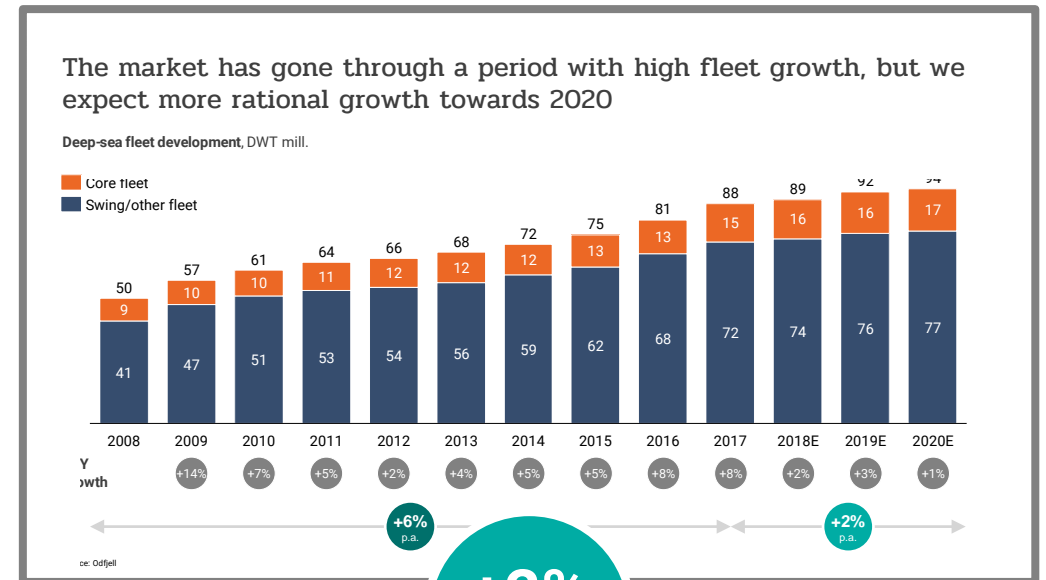
We expect volumes to grow by 4% p.a. primarily driven by organic chemicals...



+4% p.a.
+ tonne-mile effect

Degree of Chinese self-sufficiency could impact this picture in both directions

...while supply growth is reduced to 2% p.a. following a period of rapid growth

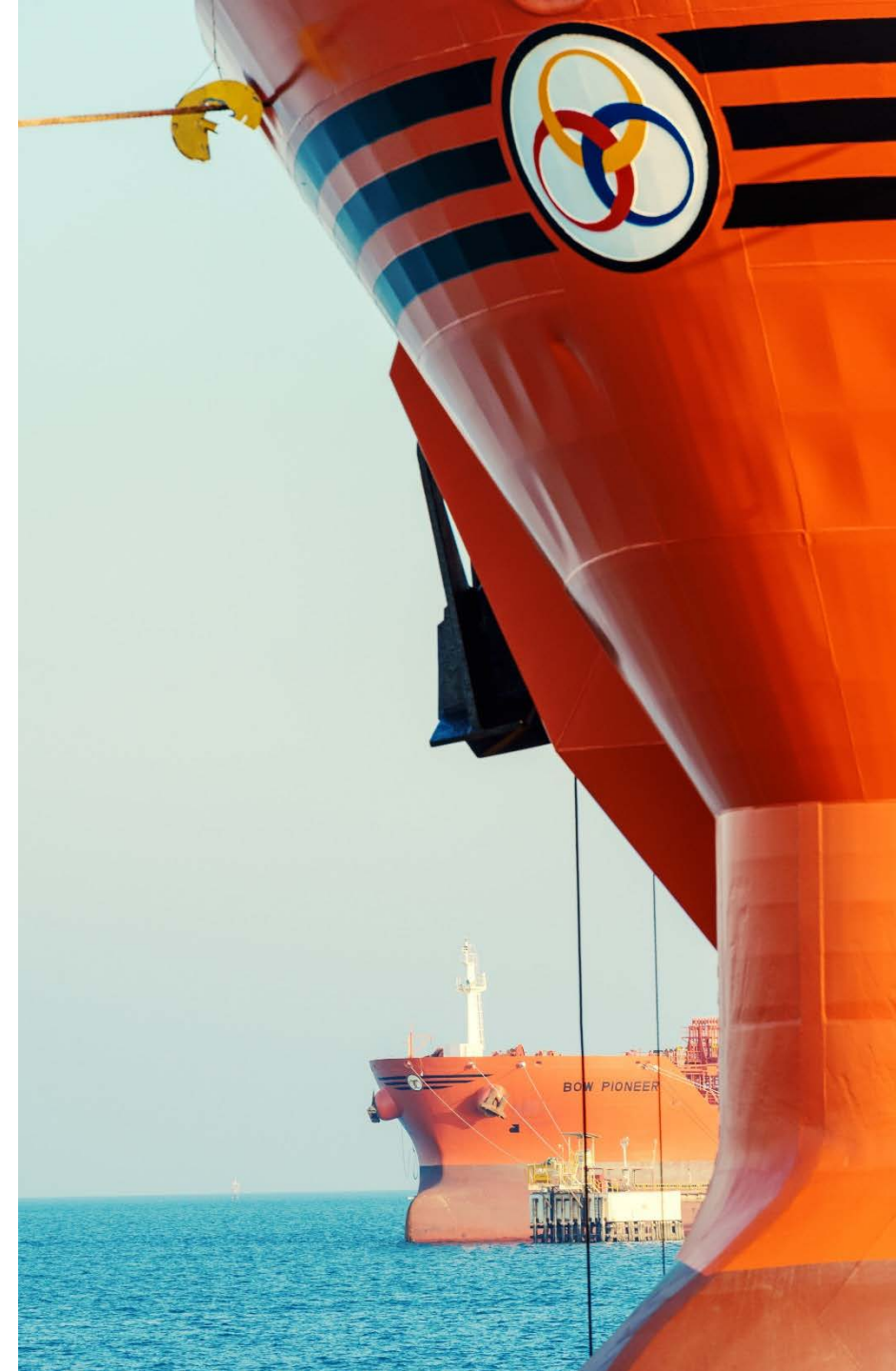


+2% p.a.
Core fleet +3.6% p.a

Potential downside from CPP markets (swing tonnage)

Key take-aways

- Odfjell SE is emerging from a crisis and is now standing on a solid platform for the future
- We are leaner, smarter and more competitive
- We have completed our fleet renewal and tonnage ambitions, while strengthening our balance sheet and cash position
- We have renewed and grown our fleet at what appears to be the bottom of the market in a capital efficient way
- We are implementing a turnaround plan for our terminal activities
- We believe chemical tanker market is fundamentally healthy and we expect that 2018 will be the turning point for our markets



Thank you



Appendix

Odfjell SE Profit & Loss

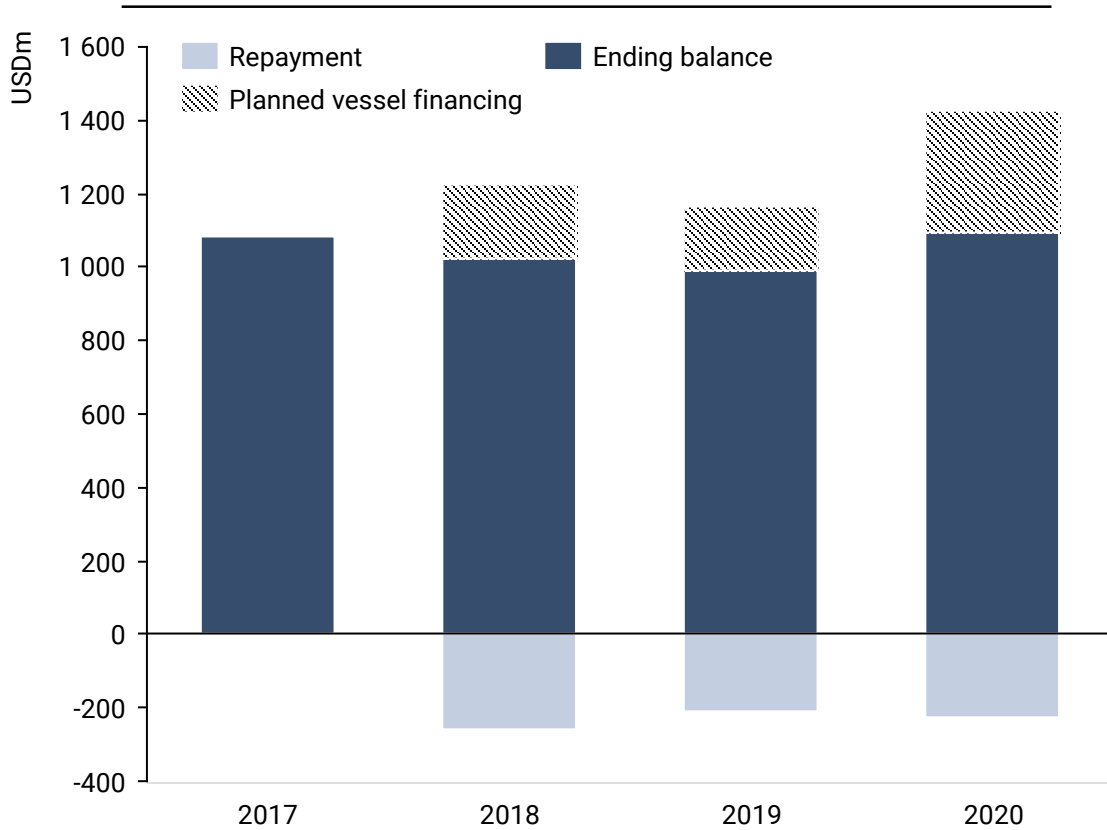
USD mill	Tankers		Terminals		Gas**		Total*	
	2016	2017	2016	2017	2016	2017	2016	2017
Gross revenue	832.4	842.5	122.7	110.1	12.3	8.4	967.2	961.1
Voyage expenses	(275.6)	(319.2)	-	-	(5.9)	(3.7)	(281.5)	(322.9)
TC expenses	(164.1)	(194.9)	-	-	(0.5)	-	(164.6)	(194.9)
Opex	(133.1)	(135.5)	(53.7)	(51.9)	(2.2)	(2.2)	(189.1)	(189.5)
G&A	(71.8)	(68.0)	(22.5)	(19.9)	(0.3)	(0.2)	(94.4)	(88.1)
EBITDA	187.7	125.0	46.5	38.3	3.3	2.3	237.6	165.7
Depreciation	(89.6)	(89.0)	(34.1)	(34.4)	(1.4)	(1.3)	(125.1)	(124.7)
Impairment	(12.7)	(21.9)	(3.8)	(20.7)	(8.9)	-	(24.5)	(42.6)
Capital gain/loss	12.7	(0.1)	44.0	135.7	-	(0.4)	56.7	135.5
EBIT	98.1	14.0	52.6	119.0	(7.0)	(0.6)	144.6	134.0
Net finance	(22.2)	(50.6)	(14.7)	(6.3)	(0.6)	(0.5)	(38.3)	(58.3)
Taxes	(7.1)	(2.3)	0.7	9.3	-	-	(6.4)	(7.0)
Net result	68.8	(38.9)	38.7	121.9	(7.6)	0.1	100.0	82.7
EPS	0.86	(0.49)	0.49	1.55	(0.10)	0.00	1.25	1.05

Odfjell SE Balance sheet

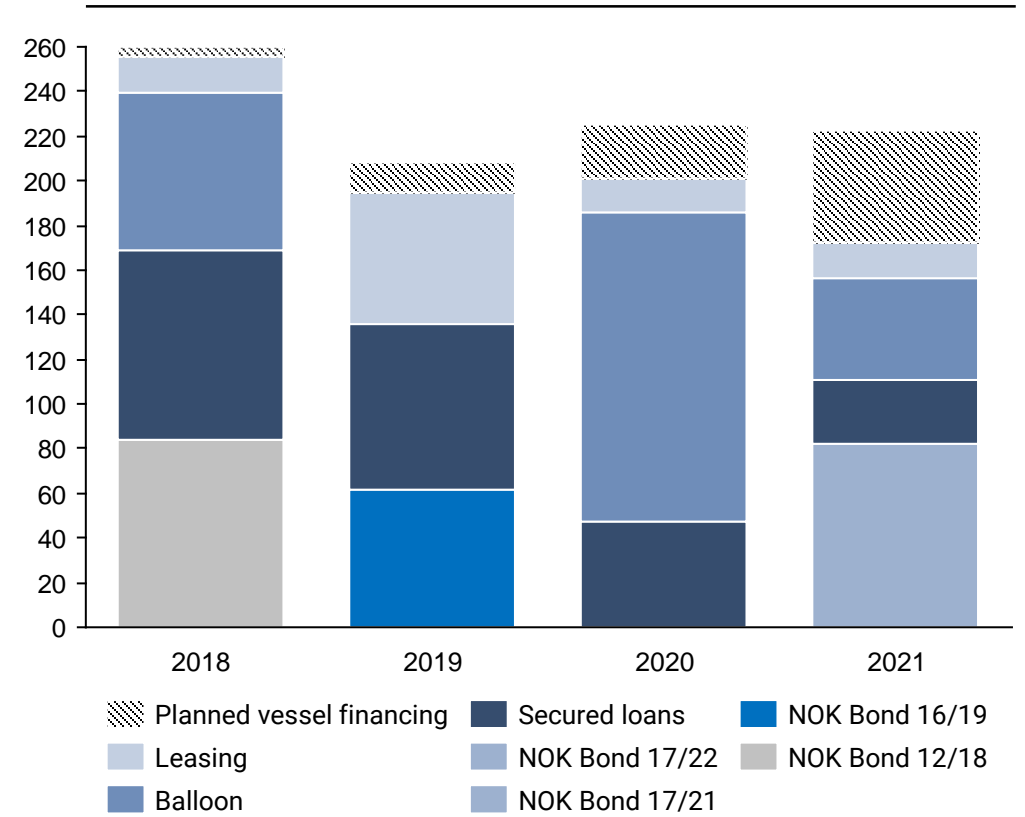
Assets, USD mill	FY 16	FY 17	Equity and liabilities, USD mill	FY 16	FY 17
Ships and newbuilding contracts	1 227.8	1 293.5	Paid in equity	199.0	199.0
Other non-current assets	11.9	8.4	Other equity	519.8	609.0
Investments in associates and JVs	337.6	349.5	Total equity	718.8	808.0
Other Non current receivables	12.0	15.3	Non-current liabilities	11.3	9.6
Total non-current assets	1 589.3	1 666.7	Derivative financial instruments	29.4	-
Current receivables	81.1	83.4	Non-current interest bearing debt	837.6	845.3
Bunkers and other inventories	17.9	20.9	Total non-current liabilities	878.3	854.9
Derivative financial instruments	1.8	-	Current portion of interest bearing debt	204.2	238.5
Available for sale investments	14.5	-	Current interest bearing debt	-	-
Loan to associates and JVs	13.6	14.8	Derivative financial instruments	12.9	23.8
Cash and cash equivalent	164.5	206.6	Current liabilities	68.5	66.8
Total current assets	293.4	325.7	Total current liabilities	285.6	329.1
Total assets	1 882.7	1 992.2	Total equity and liabilities	1 882.7	1 992.2

Odfjell SE Debt overview

Debt portfolio, USD mill



Debt Repayments, USD mill



Capital expenditure programme – 31.12.2017

USD mill	2018	2019	2020	2021	2022
Chemical Tanker newbuildings					
Hudong 4 x 49,000 dwt (USD 60 mill)	24	144	42	-	-
Hudong 2 x 38,000 dwt (USD 58 mill)	6	12	87	-	-
AVIC 3 x 25,000 dwt (USD 40 mill)	108	-	-	-	-
Total	138	156	129	-	-
Instalment structure – Newbuildings					
Debt instalment	126	144	130	-	-
Equity instalment	12	12	-	-	-
Tank Terminals, (Odfjell share)					
Planned capex	34	19	17	13	-

- We have secured financing for all chemical tanker newbuildings have secured and remaining equity instalments are limited to USD 24 mill
- Other chemical tanker investments for the next three years amounts to about USD 33 million, mainly related to installation of ballast water treatment systems.
- We expect the average annual docking capitalization to be about USD 15 million in the years ahead.

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