



**ODFJELL**

# First Quarter 2018 Report

May 9 2018

# First quarter report 2018

## Highlights – First quarter 2018

- The chemical tanker market remains challenging, despite good underlying activity. The market for tank terminals was stable compared to 4Q 17
- EBITDA of USD 34 mill, compared with USD 41 mill in 4Q17
- Net results of USD -12 mill compared to USD 104 mill in last quarter
- EBITDA of USD 27 mill from Odfjell Tankers compared to USD 31 mill in 4Q 17. Higher costs related to deliveries and less revenue days was the main variance
- EBITDA of USD 6 mill from Odfjell Terminals compared to USD 10 mill in 4Q17. Sale of Singapore terminal in 4Q was the main variance
- A dividend of NOK 1.50 per share was approved at the AGM

*“The first quarter of 2018 was a busy quarter for Odfjell as we executed on our extensive vessel delivery and re-delivery programme. The chemical tanker market remained challenging during the quarter, but we continue to outperform the general market”*

*Kristian Mørch, CEO Odfjell SE*

## Subsequent events

- Lindsay Goldberg (LG) are considering a sale of its 49% shareholding in Odfjell Terminals B.V. (OTBV). Odfjell SE considers Odfjell Terminals as core business, but may evaluate selling its 51% shareholding in Odfjell Terminals Rotterdam (OTR)

## Key figures, USD mill

(USD mill, unaudited)	2Q17	3Q17	4Q17	1Q18	1Q17	FY17	FY16
Odfjell Tankers	208.9	207.6	213.2	211.6	212.8	842.5	832.4
Odfjell Terminals	27.5	27.0	28.4	25.2	27.8	110.8	122.7
<b>Revenues*</b>	<b>238.5</b>	<b>236.7</b>	<b>243.5</b>	<b>238.9</b>	<b>243.0</b>	<b>961.7</b>	<b>967.2</b>
Odfjell Tankers	30.5	28.0	30.6	26.9	36.0	125.0	187.7
Odfjell Terminals	10.3	8.7	9.9	6.3	9.5	38.4	46.5
<b>EBITDA*</b>	<b>41.4</b>	<b>37.3</b>	<b>40.8</b>	<b>33.9</b>	<b>46.2</b>	<b>165.8</b>	<b>237.6</b>
EBIT	14.2	3.6	97.3	3.0	17.7	132.8	144.6
Net profit	(4.7)	(10.5)	104.3	(12.1)	1.5	90.6	100.0
<b>EPS**</b>	<b>(0.06)</b>	<b>(0.13)</b>	<b>1.33</b>	<b>(0.15)</b>	<b>0.02</b>	<b>1.15</b>	<b>1.27</b>
ROE***	(1.2%)	(7.0%)	16.4%	(6.3%)	0.6%	11.8%	14.6%
ROCE***	3.1%	0.5%	10.9%	0.6%	3.8%	7.8%	7.9%

\*Includes figures from Odfjell Gas

\*\* Based on 78.6 million outstanding shares

\*\*\* Ratios are annualised

## Key Financial figures

### Odfjell Group

(USD mill, unaudited)	3Q17	4Q17	1Q18	1Q17	FY17
<b>Total revenue</b>	<b>236.7</b>	<b>243.5</b>	<b>238.9</b>	<b>243.0</b>	<b>961.7</b>
Chemical Tankers	207.6	213.2	211.6	212.8	842.5
Tank Terminals	27.0	28.4	25.2	27.8	110.8
Gas Carriers	2.1	1.9	2.1	2.3	8.4
Eliminations	-	-	-	-	-
<b>EBITDA</b>	<b>37.3</b>	<b>40.8</b>	<b>33.9</b>	<b>46.2</b>	<b>165.8</b>
Chemical Tankers	28.0	30.6	26.9	36.0	125.0
Tank Terminals	8.7	9.9	6.3	9.5	38.4
Gas Carriers	0.6	0.3	0.6	0.8	2.3
<b>EBIT**</b>	<b>3.6</b>	<b>97.3</b>	<b>3.0</b>	<b>17.7</b>	<b>132.8</b>
Chemical Tankers	3.6	(18.3)	4.4	16.2	14.0
Tank Terminals*	(0.3)	115.5	(2.1)	1.1	117.9
Gas Carriers	0.2	0.1	0.6	0.4	1.0
Elimination	-	-	-	-	-
<b>Net finance</b>	<b>(13.4)</b>	<b>(11.3)</b>	<b>(15.8)</b>	<b>(15.3)</b>	<b>(58.3)</b>
<b>Net result (loss)</b>	<b>(10.5)</b>	<b>104.3</b>	<b>(12.1)</b>	<b>1.5</b>	<b>90.6</b>
Chemical Tankers	(8.5)	(28.5)	(10.4)	2.5	(38.9)
Tank Terminals***	(2.0)	132.9	(2.1)	(1.1)	129.8
Gas Carriers	0.1	(0.1)	0.5	0.3	0.4
Eliminations	-	-	-	(0.2)	(0.8)

### Proportionate method

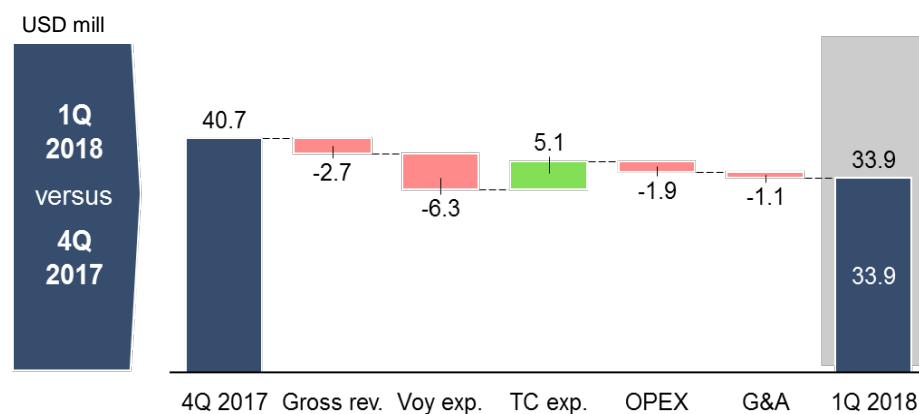
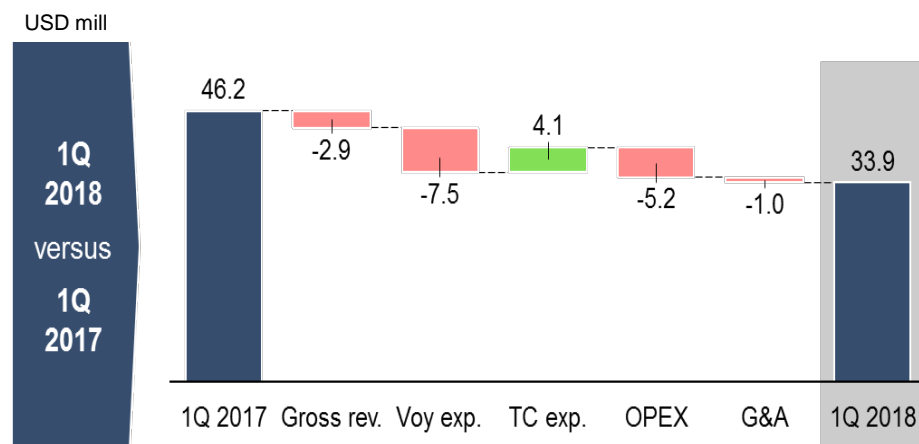
While the equity method provides a fair presentation of the Group's financial position in joint ventures, the Group's internal financial segment reporting is based on the proportionate method. A large part of the Group's activity is joint ventures; hence, the proportionate method provides more detailed information and thus, a more representative picture of the Group's operations.

\* Includes capital gain of USD 136 mill for the sale of the Singapore terminal in 4Q-17

\*\* Includes USD 41 mill of impairments in 4Q-17

\*\*\* USD 18 mill of tax gain in 4Q 17

### EBITDA variance - Odfjell Group



#### 1Q 2018 versus 1Q 2017

- Gross revenue down 1%
- Voyage expenses up 8%
- TC expenses down 16%
- Ship days up 1%
- OPEX up 12%
- G&A up 5%

#### 1Q 2018 versus 4Q 2017

- Gross revenue down 2%
- Voyage expenses up 6%
- TC expenses down 17%
- Ship days down 4%
- OPEX up 3%
- G&A up 5%

## Chemical Tankers

Odfjell Tankers EBITDA declined during 1Q18 relative to 4Q17. Timecharter results improved by 2.3% (ODFIX) with main improvement driven by improved performance from our deep-sea tankers.

The timecharter improvement was countered by less revenue days due to redelivery of four timecharter vessels. The Sinochem vessels was initially delivered on commercial management therefore providing limited revenues during the quarter. While our timecharter costs declined, this was slightly offset by higher OPEX and newbuilding deliveries resulting in additional positioning costs.

During 1Q18 Odfjell Tankers took delivery of 10 vessels while four were redelivered. Another three vessels will be delivered in 2Q18.

Average bunker cost was USD 406 per tonne in first quarter, up from USD 381 per tonne the previous quarter.

Chemical Tankers (USD mill)	3Q17	4Q17	1Q18	1Q17	FY17	FY16
Revenues	207.6	213.2	211.6	212.8	842.5	832.4
Gross Result	45.3	47.1	44.7	53.2	193.1	259.6
EBITDA	28.0	30.6	26.9	36.0	125.0	187.7
EBIT	3.6	(18.3)	4.4	16.2	14.0	98.1
Bunker cost per tonne (USD) <sup>3</sup>	369	381	406	385	377	350

Indices	31.12.17	31.03.18	31.03.17
Odfix (1990=100) <sup>1</sup>	113	116	126
Opex (2002=100) <sup>2</sup>	123	125	120

<sup>1</sup> The Odfix index is a weighted time-charter earnings index for a selection of vessels

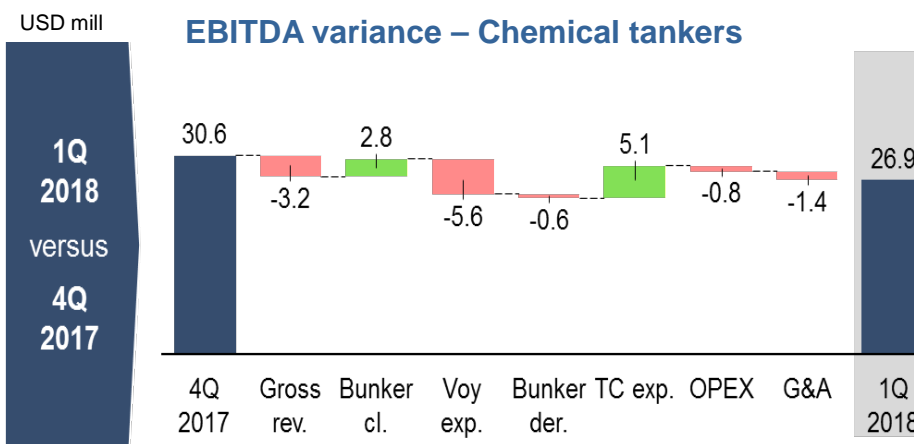
<sup>2</sup> The Opex index includes owned and bareboat chartered vessels

<sup>3</sup> Including effect from bunker adjustment clauses

We have 64% of our bunker exposure covered through bunker adjustment clauses and we do not have any remaining financial hedging for bunkers.

### Outlook 1Q18

The chemical tanker market continues to be challenging, but we expect a gradual improvement to materialise from 2H18.

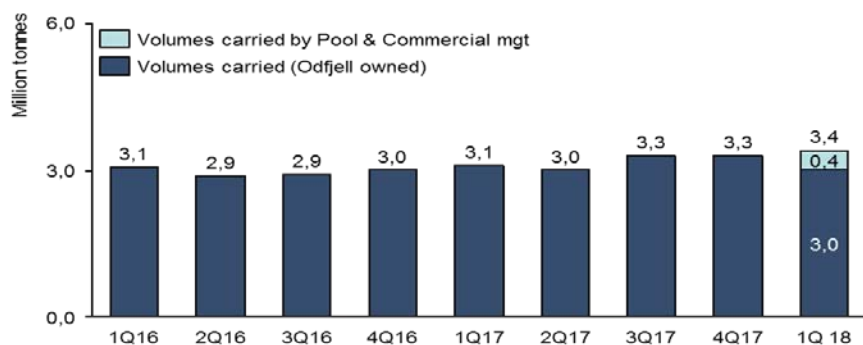
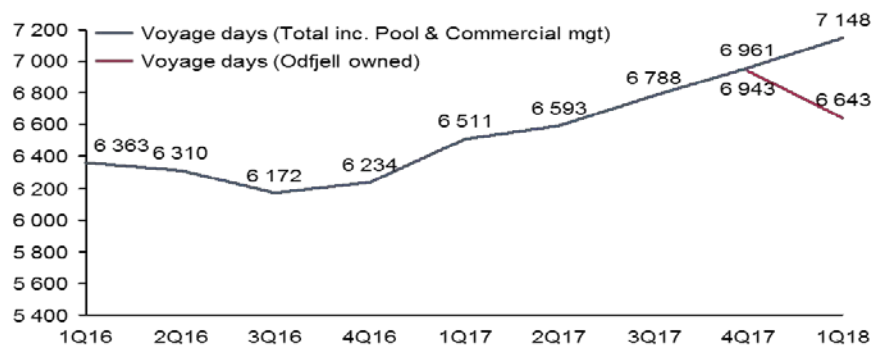


### 1Q 2018 versus 4Q 2017

- Gross revenue down 1%
- Voyage expenses up 6%
- TC expenses down 17%
- Ship days down 4%
- OPEX up 2%
- G&A up 8%

### Odfjell SE volume and voyage days

Odfjell SE carried 3.0 million tonnes during 1Q which is lower than 4Q volumes. Volume development in 1Q was impacted by redeliveries of vessels and four Sinochem vessels initially being delivered on commercial management. Including vessels on commercial management and pools, our volumes increased to 3.4 million tonnes. Total voyage days in 1Q was 7,148 days of which 222 off-hire days, this was an increase from 6,961 days from the previous quarter with 148 off-hire days. Adjusting for pool voyage days, Odfjell owned and timecharter-in voyage days decreased by 462 revenue days due to net re-deliveries of four vessels on timecharter.



### Fleet growth programme

During 1Q18, Odfjell SE took delivery of two new vessels from CTG on financial leases. Four vessels owned by CTG was delivered to the pool operated by Odfjell SE and three Sinochem vessels entered commercial management with Odfjell SE. We also added one vessel on time-charter during the quarter.

The four vessels on bareboat charters from Sinochem are expected to be delivered during 2018. In the meantime, the vessels will be on commercial management with Odfjell SE.

### Remaining ship deliveries

Yard	Tanks	DWT	2018	2019	2020
Hudong	Stainless	49,000	-	3	3
AVIC	Stainless	25,000	1	-	-
Shin-Kurush	Stainless	35,500	1	1	-
Undisclosed	Stainless	36,000	-	1	1
Sinochem*			4	-	-
Total			6	5	4

\* Subject to satisfactory completion of competition law assessment and customary closing conditions

**Market development**

The improvement seen in the chemical tanker markets towards the end of the fourth quarter continued into the new year, until Chinese New Year and other festivities reduced activity and put pressure on rates. Market improvement failed to materialise in the latter half of the quarter.

The global deep-sea fleet based on vessels larger than 18,000 dwt grew by 27 vessels in 1Q as 37 vessels were delivered and 10 vessels were scrapped. New orders were limited to 4 swing/other vessels.

**Market outlook**

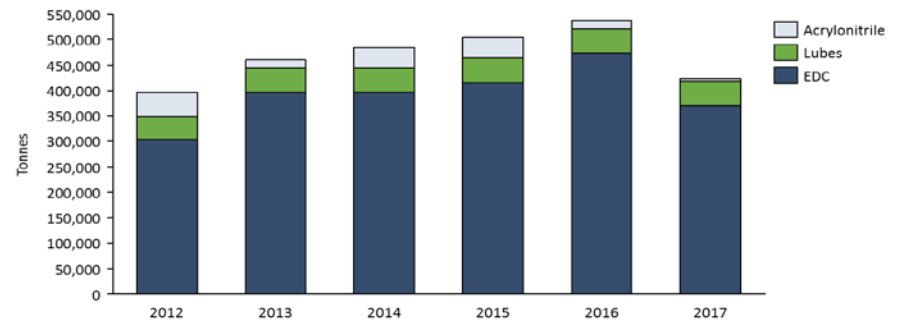
The rhetoric regarding a potential trade dispute between the US and China intensified during the quarter. Although not yet implemented, the US announced tariffs on aluminium and steel imports and China countered by announcing tariffs on 106 assorted products originated from the US. The list of 106 products includes 44 industrial and chemical raw materials. The liquid chemicals potentially being impacted by tariffs is limited to EDC, Acrylonitrile and Lubes totalling approximately 400,000 tonnes of seaborne trade between the US and China as of 2017. The quantifiable impact on seaborne trade of chemicals is therefore negligible so far.

We reiterate our view that the markets for chemical tankers will be turning a corner in 2018 and we expect a gradual pick-up from 2H 2018 with demand outgrowing new additions to the fleet.

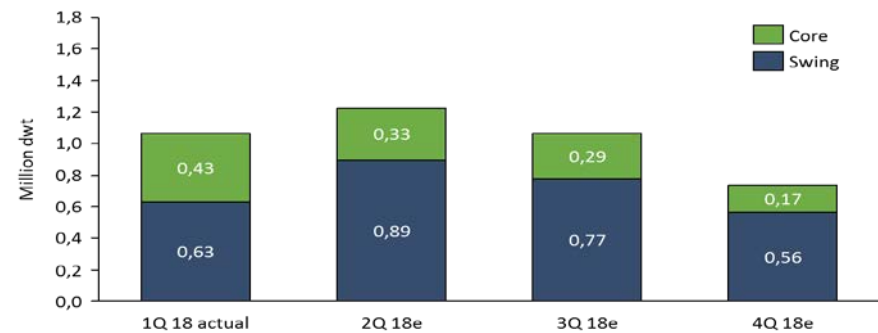
Demand growth will in part be driven by the US becoming a net exporter of Methanol alongside new Iranian Methanol volumes, recovery of the Palm oil trade and continued strong GDP growth supporting end-user demand for chemicals.

1Q 18 is projected as the quarter with the highest number of deliveries to the core fleet. Deliveries to the swing tonnage fleet is also projected to decline in pace from 2H 2018.

**US - China trade of products on proposed tariff list**



**Scheduled vessel deliveries – Swing & Core tonnage**



Source: ICIS, Odfjell SE

# TANK TERMINALS

Tank Terminals (USD mill) Odfjell share	3Q17	4Q17	1Q18	1Q17	FY17	FY16
Revenues	27.0	28.4	25.2	27.8	110.8	122.7
Gross Result	13.6	15.6	11.7	14.5	58.5	69.0
EBITDA	8.7	9.9	6.3	9.5	38.4	46.5
EBIT	(0.3)	115.5	(2.1)	1.1	117.9	52.6

EBITDA by geo-graphical segment	3Q17	4Q17	1Q18	1Q17	FY17	FY16
Europe	1.8	2.2	0.7	1.5	7.5	7.0
North America	4.3	4.8	4.8	4.9	18.9	19.5
Asia	2.7	3.0	0.9	3.0	11.9	12.5
Middle East	-	-	-	-	0.0	7.5
Total	8.7	9.9	6.3	9.5	38.4	46.5

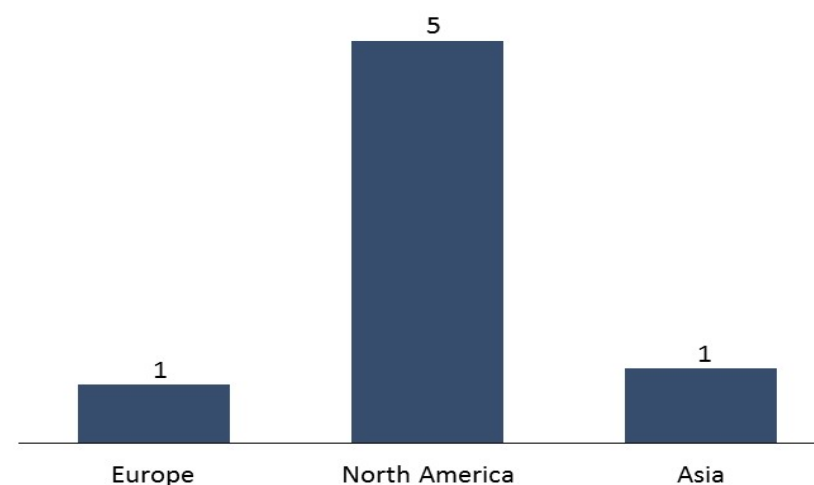
Odfjell Terminals delivered an EBITDA of USD 6.3 mill in 1Q18 versus USD 9.9 mill in the previous quarter. The decrease is mainly due to the sale of the Singapore terminal in December 2017, but is also related to lower storage and PID revenue at our Rotterdam terminal. The latter is due to a one-month shutdown of PID unit 2 due to a heat exchanger replacement.

Based on strong market demand and high activity levels from its customers, the terminal in Houston performed well.

The total average occupancy rate of commercially available capacity was 89%, compared to 87% last quarter. The total average available capacity amounted to 2,438,000 cbm, a decrease of 457,000 cbm versus last quarter due to the Singapore terminal now being excluded. Despite the one-month shutdown of one unit, the distillation activities (PID) at our Rotterdam terminal continue to report stable results and

counter the negative market effects for conventional storage at the terminal. 1Q18 revenues for the PID reached USD 8.0 mill compared to USD 8.5 mill in 4Q17. Storage revenues at the terminal dropped to USD 8.1 mill from USD 8.4 mill in the same period.

**Tank Terminals EBITDA YTD 2018**



### Gas Carriers

We have launched a process to sell our remaining gas carriers and the vessels are classified as assets held for sale

<b>Gas Carriers (USD mill) Odfjell share</b>	<b>3Q17</b>	<b>4Q17</b>	<b>1Q18</b>	<b>1Q17</b>	<b>FY17</b>	<b>FY16</b>
Revenues	2.1	1.9	2.1	2.3	8.4	12.3
Gross Result	0.7	1.0	0.7	1.3	4.7	3.6
EBITDA	0.6	0.3	0.6	0.8	2.3	3.3
EBIT	0.2	(0.2)	0.6	0.4	1.0	(7.0)



## Finance

Key figures (USD mill)*	30.09.17	31.12.17	31.03.18	31.03.17
Cash and available-for - sale investments	111.7	206.6	181.4	212.3
Interest bearing debt	1,124.4	1,083.8	1,147.8	1 075.2
Net interest bearing debt	1,012.7	877.2	966.4	862.9
Available drawing facilities	-	-	-	-
Total equity	711.7	815.9	815.2	723.4
Equity ratio	37.0%	40.8%	39.7%	37.9%

\*According to equity method

Odfjell's cash balance decreased during the quarter, and cash and cash equivalents end 1Q18 amounted to USD 181 mill, compared with USD 207 mill end 4Q17. Main changes in the cash position are related to repayment of debt and increase in working capital.

Revenue and voyage expenses related to external vessels managed by Odfjell's pool arrangements are included in the reported figures. The net time-charter results from the same vessels are deducted from the P&L as "pool distribution".

Our newbuilding portfolio consists of six vessels from Hudong shipyard in China. We have one remaining vessels from AVIC Dingheng shipyard in China set for delivery in May 2018. Two Hudong newbuildings are financed through traditional mortgage financing. The remaining nine newbuildings are financed through long term financial leases. Our remaining capex equity required for the entire newbuilding program at end 1Q18 is limited to USD 24 mill.

We have USD 84 mill outstanding on our bond maturing in December 2018. We will consider refinancing as soon as we feel the market conditions are right for Odfjell.

Based on the company's profit from the sale of the Singapore terminal, the Company's Annual General Meeting approved a dividend of NOK 1.50 per share. The Odfjell share will trade ex-dividend 9 May 2018, the record date is 11 May 2018, and the payment date will be 23 May 2018.

### Shareholder information

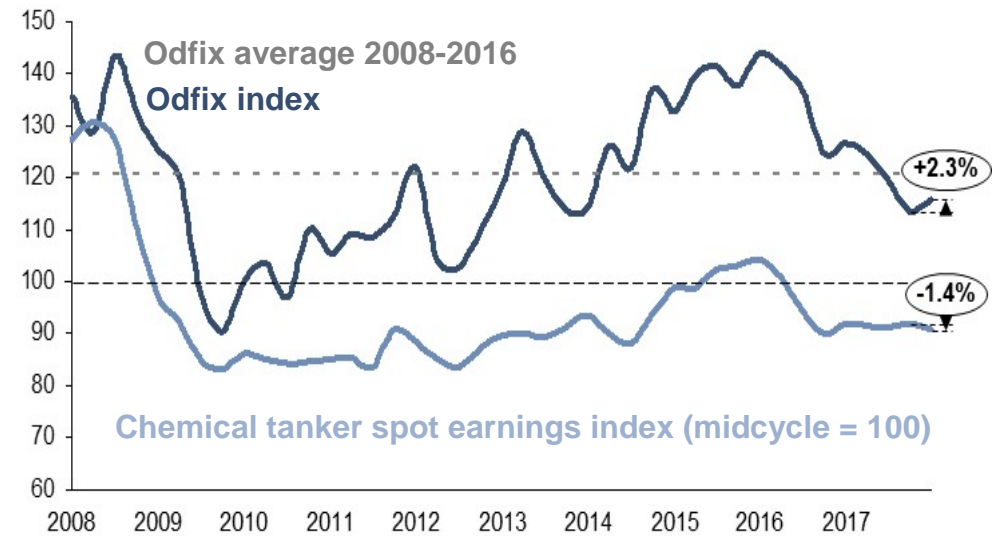
By end of March, Odfjell A and B shares were trading at NOK 31.80 and NOK 30.00 respectively, against NOK 31.90 and NOK 30.80 respectively at the close of previous quarter. In the same period the Oslo Stock Exchange Benchmark Index fell 1.0% and the Transportation Index fell 4.5%.

As of 28 March 2017, Odfjell SE had a market capitalisation of NOK 2,467 mill, which was equivalent to around USD 314 mill, including our 8.1 mill treasury shares, the market capitalisation was USD 347 mill.

# Prospects

- We expect 2Q18 timecharter results to be largely in line with 1Q18
- The chemical tanker market continues to be challenging, but we expect a gradual improvement to materialise from 2H18.
- We expect Odfjell Terminals results to be stable throughout 2018

Odfix quarterly average index (1990=100)



Bergen, 8 May 2018  
THE BOARD OF DIRECTORS OF ODFJELL SE

# Interim financial information - ODFJELL GROUP (figures based on equity method)

## CONSOLIDATED INCOME STATEMENT

	Note	4Q17	1Q18	1Q17	FY17
Gross revenue	1	213.2	211.6	212.8	842.5
Voyage expenses	1	(82.0)	(87.0)	(80.6)	(319.2)
Time-charter expenses		(48.9)	(40.5)	(48.0)	(194.9)
Pool distribution		-	(3.3)	-	-
Operating expenses		(35.2)	(36.0)	(31.1)	(135.5)
<b>Gross Result</b>		<b>47.1</b>	<b>44.7</b>	<b>53.2</b>	<b>193.1</b>
Share of net result from associates and joint ventures	5	132.9	(1.7)	(0.8)	130.0
General and administrative expenses		(16.5)	(17.9)	(17.2)	(68.0)
<b>Operating result before depreciation, amortisation and capital gain (loss) on non-current assets (EBITDA)</b>		<b>163.5</b>	<b>25.2</b>	<b>35.2</b>	<b>255.0</b>
Depreciation and amortization	4	(27.1)	(22.6)	(19.9)	(89.0)
Impairment of ships, property, plant and equipment	4	(21.9)	-	-	(21.9)
Capital gain (loss) from ships, property, plant and equipment	4	0.2	0.1	-	0.2
<b>Operating result (EBIT)</b>		<b>114.6</b>	<b>2.7</b>	<b>15.4</b>	<b>144.3</b>
Interest income		1.0	1.3	1.2	4.7
Interest expenses		(16.0)	(16.2)	(14.6)	(60.5)
Other financial items	6	4.7	0.8	0.6	4.4
<b>Net financial items</b>		<b>(10.4)</b>	<b>(14.1)</b>	<b>(12.8)</b>	<b>(51.4)</b>
<b>Result before taxes</b>		<b>104.2</b>	<b>(11.4)</b>	<b>2.6</b>	<b>92.9</b>
Income tax expense		0.1	(0.7)	(1.0)	(2.3)
<b>Net Result</b>		<b>104.3</b>	<b>(12.1)</b>	<b>1.5</b>	<b>90.6</b>

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – USD mill</b>	<b>4Q17</b>	<b>1Q18</b>	<b>1Q17</b>	<b>FY17</b>
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>				
Cash-flow hedges changes in fair value	(1.6)	2.6	0.7	(0.4)
Cash-flow hedges transferred to profit and loss statement	(0.8)	(0.1)	(0.6)	(2.7)
Net unrealised gain/(loss) on available-for-sale-investments	(0.8)	-	-	(0.7)
Share of comprehensive income on investments accounted for using equity method	3.2	6.9	2.7	23.1
<b>Net other comprehensive income not being reclassified to profit or loss in subsequent periods:</b>				
Net actuarial gain/(loss) on defined benefit plans	0.3	-	-	0.3
<b>Other comprehensive income</b>	<b>0.3</b>	<b>9.4</b>	<b>2.8</b>	<b>19.5</b>
<b>Total comprehensive income</b>	<b>104.6</b>	<b>(2.7)</b>	<b>4.3</b>	<b>110.1</b>
Earnings per share (USD) – basic/diluted	1.33	(0.15)	0.02	1.15

Net result and total comprehensive income is allocated 100% to the owners of the parent.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

First Quarter 2018 - Odfjell Group

<b>Assets - USD mill</b>	<b>Note</b>	<b>31.03.18</b>	<b>31.03.17</b>	<b>31.12.17</b>
Ships	4	1,354.6	1,211.6	1,293.5
Property, plant and equipment	4	8.1	11.2	8.4
Investments in associates and joint ventures	5	362.0	340.8	357.3
Loan to associates and joint ventures		-	1.8	-
Derivative financial instruments		14.8	-	3.3
Non-current receivables		14.3	10.5	12.0
<b>Total non-current assets</b>		<b>1,753.8</b>	<b>1,576.0</b>	<b>1,674.5</b>
Current receivables		87.1	85.9	83.4
Bunkers and other inventories		15.6	15.2	20.9
Derivative financial instruments		-	1.0	-
Available-for-sale investments		-	10.0	-
Loan to associates and joint ventures		14.8	13.9	14.8
Cash and cash equivalents		181.4	202.3	206.6
<b>Total current assets</b>		<b>299.4</b>	<b>328.2</b>	<b>325.6</b>
Assets held for sale		-	4.6	-
<b>Total assets</b>		<b>2,053.2</b>	<b>1,908.8</b>	<b>2,000.1</b>
<b>Equity and liabilities – USD mill</b>				
	<b>Note</b>	<b>31.03.18</b>	<b>31.03.17</b>	<b>31.12.17</b>
Paid in equity		199.1	199.0	199.0
Other equity		616.1	524.3	616.9
<b>Total equity</b>		<b>815.1</b>	<b>723.4</b>	<b>815.9</b>
Other non-current liabilities		9.5	12.1	9.6
Derivatives financial instruments		-	31.0	-
Non-current interest bearing debt	3	905.4	883.5	845.3
<b>Total non-current liabilities</b>		<b>914.8</b>	<b>926.6</b>	<b>855.0</b>
Current portion interest bearing debt	3	242.4	191.7	238.5
Derivative financial instruments		18.3	10.9	23.8
Current liabilities		62.6	56.3	66.8
<b>Total current liabilities</b>		<b>323.3</b>	<b>258.9</b>	<b>329.2</b>
<b>Total equity and liabilities</b>		<b>2,053.2</b>	<b>1,908.8</b>	<b>2,000.1</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(USD mill)	Paid in equity	Exchange rate differences	Cash-flow hedge reserves	Available for sale reserve	Pension remeasurement	OCI associates and JVs	Retained equity	Total other equity	Total equity
Equity as at January 1, 2017	199.0	-	0.4	0.7	1.1	(19.1)	536.7	519.8	718.8
Other comprehensive income	-	-	(3.1)	(0.7)	0.3	23.1	-	19.5	19.5
Net result	-	-	-	-	-	-	90.6	90.6	90.6
Dividend payment	-	-	-	-	-	-	(13.6)	(13.6)	(13.6)
Sale of treasury shares <sup>1)</sup>	-	-	-	-	-	-	0.2	0.2	0.2
Other adjustments	-	-	0.7	-	-	-	(0.4)	0.3	0.3
<b>Equity as at December 31, 2017</b>	<b>199.0</b>	<b>-</b>	<b>(2.0)</b>	<b>-</b>	<b>1.4</b>	<b>4.0</b>	<b>613.5</b>	<b>616.9</b>	<b>815.9</b>
Equity as per January 1, 2018	199.0	-	(2.0)	-	1.4	4.0	613.5	616.9	815.9
Other comprehensive income	-	-	2.5	-	-	6.9	-	9.4	9.4
Net result	-	-	-	-	-	-	(12.1)	(12.1)	(12.1)
Sale of treasury shares <sup>1)</sup>	0	-	-	-	-	-	0.1	0.1	0.1
Other adjustments	-	-	-	-	-	-	1.8	1.8	1.8
<b>Equity as at December 31, 2018</b>	<b>199.1</b>	<b>-</b>	<b>0.5</b>	<b>-</b>	<b>1.4</b>	<b>10.9</b>	<b>603.2</b>	<b>616.1</b>	<b>815.1</b>

- 1) Sale of treasury shares in accordance with Long Term Incentive program for senior management, expensed with NOK 1.4 million in the first quarter 2018 and NOK 5.3 million in the first quarter 2017. The net amount, reduced with withholding tax, has been used to buy Treasury shares.

**KEY FIGURES**

<b>PROFITABILITY</b>	<b>4Q17</b>	<b>1Q18</b>	<b>1Q17</b>	<b>FY17</b>
Earnings per share (USD) – basic/diluted	1.33	(0.15)	0.02	1.15
Return on total assets <sup>1)</sup>	2.8%	0.7%	3.3%	7.8%
Return on equity <sup>1)</sup>	16.4%	(6.3%)	0.6%	11.8%
Return on capital employed <sup>1)</sup>	10.7%	0.6%	3.8%	8.8%
<b>FINANCIAL RATIOS</b>				
Average number of outstanding shares (mill) <sup>2)</sup>	78.6	78.6	78.6	78.6
Basic/diluted equity per share (USD)	10.38	10.36	9.20	10.38
Share price per A-share (USD)	3.87	4.10	3.92	3.87
Current ratio	1.0	0.9	1.3	1.0
Equity ratio	40.8%	39.7%	37.9%	40.8%
USD/NOK rate at period end	8.24	7.75	8.58	8.24

<sup>1)</sup> Return ratios are based on annualised results, except for non-recurring items that are included in the relevant period.

<sup>2)</sup> Per end March 2018 Odfjell holds 5,796,078 Class A shares and 2,322,482 Class B shares.

## CONSOLIDATED CASH-FLOW STATEMENT

USD mill	4Q17	1Q18	1Q17	FY17
<b>CASH-FLOW FROM OPERATING ACTIVITIES</b>				
Profit before income taxes	104.3	(11.4)	2.6	92.9
Taxes paid in the period	0.9	(1.1)	(0.8)	(1.3)
Depreciation and impairment	49.0	22.6	19.9	111.0
Capital (gain) loss on non-current assets	0.4	(0.1)	-	(0.2)
Inventory (increase) decrease	(1.7)	5.3	2.8	(3.0)
Trade debtors (increase) decrease	13.6	(8.4)	(5.8)	2.6
Trade creditors increase (decrease)	7.4	5.9	(0.4)	5.9
Share of net result from associates and JVs	(132.9)	1.7	0.8	(130.0)
Unrealised changes in derivatives	6.0	(15.1)	0.5	(22.2)
Net interest expenses	15.0	14.9	13.4	55.8
Interest received	1.4	0.3	0.7	3.6
Interest paid	(15.9)	(16.1)	(14.1)	(61.0)
Effect of exchange differences	(8.6)	14.7	(1.7)	11.4
Change in other current accruals	(14.3)	(2.7)	(11.4)	(12.0)
<b>Net cash-flow from operating activities</b>	<b>24.6</b>	<b>10.5</b>	<b>6.2</b>	<b>53.5</b>
<b>CASH-FLOW FROM INVESTING ACTIVITIES</b>				
Sale of non-current assets	-	-	-	4.0
Investment in non-current assets	(12.3)	(83.4)	(3.0)	(173.2)
Dividend/other from investments in associates and JV's	117.2	-	-	130.8
Changes in non-current receivables	2.3	(0.9)	(0.7)	2.8
Change in available-for-sale-investment	10.0	-	-	10.0
<b>Net cash-flow from investing activities</b>	<b>117.2</b>	<b>(84.2)</b>	<b>(3.7)</b>	<b>(25.5)</b>



USD mill	4Q17	1Q18	1Q17	FY17
<b>CASH-FLOW FROM FINANCING ACTIVITIES</b>				
New interest bearing debt	-	78.0	83.7	343.1
Repayment of interest bearing debt	(30.8)	(28.8)	(48.7)	(310.4)
Other financing items	(5.7)	(1.4)	-	(5.7)
Dividend payment	-	-	-	(13.9)
<b>Net cash-flow from financing activities</b>	<b>(36.5)</b>	<b>47.8</b>	<b>35.1</b>	<b>13.1</b>
Effect on cash balance from currency exchange rate fluctuations	(0.4)	0.7	0.4	1.0
<b>Net change in cash and cash equivalents</b>	<b>104.9</b>	<b>(25.2)</b>	<b>37.8</b>	<b>42.1</b>
Opening cash and cash equivalents	101.7	206.6	164.5	164.5
<b>Closing cash and cash equivalents</b>	<b>206.6</b>	<b>181.4</b>	<b>202.3</b>	<b>206.6</b>

# Notes to the consolidated financial statements

## Note 1 – Accounting principles

Odfjell SE is ultimate parent company of the Odfjell Group. Odfjell SE is a public listed company traded on the Oslo Stock Exchange. The company's address is Conrad Mohrs veg 29, Bergen, Norway.

### **Basis of preparation and changes to the Group's accounting policies**

The interim consolidated financial statements ended 31 March 2018 for the Odfjell Group and have been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2017. The interim financial statements are unaudited.

The accounting principles used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2017, except for the implementation of IFRS 15 Revenue from contracts with customers which is adopted 1 January 2018. Some new standards and amendments to standard and interpretations are not yet effective, and have not yet been applied in preparing consolidated financial statements. The Group's assessment of the impacts on these new standards is set out below.

### **IFRS 15 Revenue from Contracts with Customers – Implemented January 1, 2018**

The Odfjell Group has adopted IFRS 15 Revenues from Contracts with Customers for reporting periods beginning on and after January 1, 2018. IFRS 15 has replaced IAS 18 Revenues and IAS 11 Construction Contracts.

Under IAS 18 / IAS 11 Odfjell recognised revenue from all customer contracts for one voyage over the estimated duration of the voyage, from first load port to the last discharge port of the voyage. Variable considerations, including estimated demurrage, was included in revenue. The number of voyage days sailed compared to total estimated days for the voyage was used as a measure for recognizing revenue over time.

IFRS 15 requires Odfjell to recognize revenue from each freight service (performance obligation) in customer contracts over the period from load port to discharge port. Compared to previous accounting principle of Odfjell, this implies that a voyage is separated into many performance obligations with separate timing of revenues. Revenue includes variable considerations, including demurrage. Freight services are performed over time as the customer benefits from and controls the service received as it is being performed. Number of days sailed from load port compared to total estimated days until discharge port for each performance obligation is used as a measure for recognizing revenue over time.

Under IAS 18 /IAS 11 voyage costs was estimated and recognized over the estimated duration of the voyage, using the same pattern as for revenue. From 1 January 2018, under IFRS 15, Odfjell recognizes voyage costs as they incur.

Odfjell operates pools of ships delivering freight services to customers and external ships may participate in the pools. Under IFRS 15 Odfjell acts as a principal, not an agent, for those external ships in the pool since the freight service delivered to the customer is controlled by Odfjell. Revenues generated by external ships in the pool are therefore recognized as gross revenue in the income statement. Under the past accounting practice under IAS 18, Odfjell may have been considered as an agent for the external ships participating in the pools, recognizing only pool fee as revenue. However, the pools have commenced operations as IFRS 15 is being implemented and there is no transition impact related to principal versus agent from implementing the new standard.

The new standard has been implemented in Odfjell using the modified retrospective approach as transition method, which requires the recognition of the cumulative effect of initially applying IFRS 15 to the opening balance of equity as at January 1, 2018, and not restate prior years. Odfjell has not identified a significant impact to the Group's financial statements as a result of implementing the new standard. As a result, no cumulative adjustment to equity as at January 1, 2018 is made and the revenues and voyage expenses presented for 1Q 2018 would have been the same if reported under the past accounting policy.

### **IFRS 16 Leases – effective from 1 January 2019**

Under 'IFRS 16 leases' lessees no longer distinguish between a finance lease (on balance sheet) and an operating lease (off balance sheet). Instead, for virtually all lease contracts the lessee recognises a lease liability reflecting future lease payments and a 'right-of-use' asset. The new model is based on the rationale that economically a lease contract is equal to acquiring the right to use an asset with the purchase price paid in instalments. The only exceptions are short-term and low-value leases.

Lessees recognize interest expense on the lease liability and a depreciation charge on the 'right-of-use' asset. Compared to the accounting for operating leases under IAS 17, this does not only change the presentation within the income statement (under IAS 17 lease payments are presented as a single amount within operating expenses) but also the total amount of expenses recognised in each period. Straight-line depreciation of the right-of-use asset and application of the effective interest rate method to the lease liability will result in a higher total charge to profit or loss in the initial periods, and decreasing expenses during the latter part of the lease term.

The new IFRS 16 is mandatory from 1 January 2019. Applying the IFRS 16 will have an impact on the Financial Statements for lessee arrangements which exists on 1 January 2019 as estimated per tables below.

The estimated impact of IFRS 16 as if implemented 31 March 2018 is illustrated below.

The Odfjell Group has a number of operating leases, mainly vessels under time charter contracts, which will be recognised "on balance sheet" when IFRS 16 is implemented. Over the lease term the net impact of IFRS 16 Leases on the income statement is nil, however expenses will be higher under IFRS 16 in the beginning of the lease term and lower later in the lease term as the carrying amount of right of use assets under IFRS 16 will be depreciated on a linear basis, while the interest expense related to the unwinding of lease liability will be higher in the beginning of the lease period.

Consolidated Statement of Financial Position (USD mill)	31.03.2018	IFRS 16 impact	31.03.18 Revised
<b>ASSETS:</b>			
Ships	1,354.5	-	1,354.5
Right of Use assets, ships	a) -	136.6	136.6
Other non-current assets	8.0	-	8.0
Right of Use assets, other	b) -	23.8	23.8
Investments in associates and JVs	362.0	-	362.0
Derivative and financial instruments	14.8	-	14.8
Non-current receivables	14.4	-	14.4
<b>Total non-current assets</b>	<b>1,753.7</b>	<b>160.4</b>	<b>1,914.1</b>
<b>Total current assets</b>	<b>299.4</b>	<b>-</b>	<b>299.4</b>
<b>Total assets</b>	<b>2,053.2</b>	<b>160.4</b>	<b>2,213.6</b>
<b>EQUITY AND LIABILITIES:</b>			
Paid in equity	199.0	-	199.0
Other equity	616.1	-	616.1
<b>Total equity</b>	<b>815.1</b>	<b>-0.8</b>	<b>814.3</b>
<b>Total non-current liabilities</b>	<b>914.8</b>	<b>90.2</b>	<b>1,005.0</b>
<b>Total current liabilities</b>	<b>323.3</b>	<b>71.0</b>	<b>394.3</b>
<b>Total equity and liabilities</b>	<b>2,053.2</b>	<b>160.4</b>	<b>2,213.6</b>
	0.0	-	0.0
<b>Off balance sheet commitments:</b>			
Nominal value of future estimated operating expenses arising from time charter			
	d)		<b>83.1</b>
Present value of lease not yet commenced			<b>313.0</b>

- a) **Right of Use assets – vessel bare-boat and time-charter contracts:** At the end of 1Q18, the net present value of future lease payments less operating expenses for vessels currently operating for Odfjell is estimated to USD 136.6 million.
- b) **Right of Use asset – other lease contracts:** The estimated net present value of future lease payments of office premises is USD 23.8 million.
- c) The total **lease liability** represents USD 160.4 million and represent the net present value of the lease payments not paid at the end of 1Q18. USD 71.0 million shall be paid within 12 months.
- d) **Off balance sheet commitments:** The estimated service element in the time-charter contracts not paid for at the end of 1Q18 is USD 83.1 million. This represent services to be received over the remaining lease period by the Odfjell Group.

In addition to the calculated lease liabilities, the Group has entered into several long term bare-boat and time-charter agreements commencing in 2018 and through 2020. At the end of 1Q18 the net present value of the bare-boat element is calculated to USD 274 million and the nominal value of the service element is estimated to USD 39 million, total USD 313.0 million.

Consolidated income statement (USD mill)		YTD 2018 Actuals	IFRS 16 impact	YTD 2018 Revised
Gross revenue		211.6	0.0	211.6
Voyage expenses		(87.0)	0.0	(87.0)
Time-charter expenses	e)	(40.5)	40.9	0.4
Pool distribution		(3.3)		(3.3)
Operating expenses	f)	(36.0)	(14.4)	(50.4)
<b>Gross result</b>		<b>48.0</b>	<b>26.5</b>	<b>74.5</b>
Share of net result from JV		(1.7)	0.0	(1.7)
General and administrative	g)	(17.9)	0.7	(17.2)
<b>EBITDA</b>		<b>28.5</b>	<b>27.2</b>	<b>55.7</b>
Capital gain / loss		0.1	0.0	0.1
Depreciation, capital gain/loss	h)	(22.5)	(25.8)	(48.3)
Net financial items	i)	(14.1)	(2.3)	(17.7)
Taxes		(0.7)	0.0	(0.7)
<b>Net result</b>		<b>(8.8)</b>	<b>(1.0)</b>	<b>(11.1)</b>

Consolidated cash flow statement (USD mill)		YTD 2018 Actuals	IFRS 16 impact	YTD 2018 Revised
<b>Net cash flow from operations</b>	j)	10.5	24.8	35.3
<b>Net cash flow from investments</b>	k)	(84.2)	0.0	(84.2)
<b>Net cash flow from financing</b>	l)	47.8	(24.8)	23.0
Effect on cash balance from FX		0.7	0.0	0.7
<b>Net change in cash and cash equivalents</b>		(25.2)	0.0	(25.2)
Opening Cash and cash equivalents		206.6	0.0	206.6
<b>Closing Cash and cash equivalents</b>		<b>181.4</b>	<b>0.0</b>	<b>181.4</b>

- e) **Reclassify the lease expense:** Total operating lease expense during the period is USD 40.5 million, of which USD 0.4 million is change in short term leases, i.e. less than 12 months from commencement date. Remaining USD 40.9 million represent time-charter and bare-boat expense included in calculation of right of use of assets and hence reclassified under IFRS 16.
- f) **Service element of time charters:** IFRS 16 only applies to the bare-boat element of time-charters. The service element for time-charter ships are estimated to USD 6.500 per day and classified as operating expense.
- g) The Odfjell Group leases office premises in different areas. The lease of these premises exceeds 12 months and capitalized as right of use of assets and thus USD 0.7 million is removed from General and administrative expenses.
- h) **Depreciation of the right-of-use assets:** The lease of assets is subject for a straight-line depreciation over the lease term. The lease term ('useful life') is the non-cancellable period including option to extend the lease period if the option is reasonable certain to be exercised.
- i) **Interest expense on the lease liability:** The lease liabilities are discounted with 5%.
- j) **Net cash flow from operations** increases with USD 24.8 million which is the negative net result before tax of USD 1.0 million and added back depreciation of USD 25.8 million.
- k) **Net cash flow from investments:** During first quarter one new time charter ship is contracted, where the net present value of future bareboat element is calculated at USD 19.1 million. There is no cash outflow, hence no impact on the cash flow statement.
- l) **Net cash flow from financing** of USD 24.8 million represents the repayment of the lease liability. The net impact on the cash flow statement is nil.

The table below illustrate how the right of use of assets and lease liability is estimated to change during 2018:

<b>Estimated changes assets</b>	<b>1Q18</b>	<b>2Q18</b>	<b>3Q18</b>	<b>4Q18</b>
Opening balance		160.4	136.1	115.2
Depreciation		24.3	20.9	17.6
<b>Closing balance</b>	<b>160.4</b>	<b>136.1</b>	<b>115.2</b>	<b>97.6</b>

<b>Estimated changes liabilities</b>	<b>2Q18</b>	<b>3Q18</b>	<b>4Q18</b>
Opening balance	160.4	136.9	116.5
Instalments	23.5	20.4	17.3
<b>Closing balance</b>	<b>160.4</b>	<b>136.9</b>	<b>116.5</b>

## Notes to the consolidated financial statements

### Note 2 – Segment information

Management has determined the operating segments based on the information regularly review by senior management. In accordance with the internal financial reporting, investments in joint venture are reported by applying the proportionate consolidation method. The Group has three reportable segments:

**Chemical Tankers:** The Chemical Tankers segment involves a 'round the world' transportation of chemicals with ships. The composition of the ships enables the Group to offer both global and regional transportation.

**Tank Terminals:** The tank terminal segment offers storage and distillation of various chemical and petroleum products. The segment is operated through the joint venture Odfjell Terminals BV.

**Gas Carriers:** The Group re-entered into the LPG market in 2012 by acquiring two LPG/Ethylene carriers, and Odfjell Gas ordered in 2014 in total eight vessels in addition for agreed delivery between 2016 and 2017. Due to substantially delays, all eight vessels have been cancelled. The Group continue to pursue an exit from gas, and the two existing vessels are assets held for sale. The segment is operated through the joint venture Odfjell Gas AS.

## Note 2 – Segment information, continued

	Chemical Tankers *)				Tank Terminals				Gas Carriers				Eliminations				Total			
	4Q17	1Q18	1Q17	FY17	4Q17	1Q18	1Q17	FY17	4Q17	1Q18	1Q17	FY17	4Q17	1Q18	1Q17	FY17	4Q17	1Q18	1Q17	FY17
USD mill																				
Gross revenue	213.2	211.6	212.8	842.5	28.4	25.2	27.8	110.8	1.9	2.1	2.3	8.4	-	-	-	-	243.5	238.9	243.0	961.7
Voyage expenses	(82.0)	(87.0)	(80.6)	(319.2)	-	-	-	-	(0.8)	(0.9)	(1.0)	(3.7)	-	-	-	-	(82.8)	(87.9)	(81.6)	(322.9)
TC expenses	(48.9)	(40.6)	(48.0)	(194.9)	-	-	-	-	-	-	-	-	-	-	-	-	(48.9)	(40.6)	(48.0)	(194.9)
Pool distribution	-	(3.3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.3)	-	-
Operating expenses	(35.2)	(36.0)	(31.1)	(135.5)	(12.8)	(13.5)	(13.4)	(52.3)	(0.7)	(0.5)	(0.5)	(2.2)	-	-	-	-	(48.7)	(50.1)	(44.9)	(189.9)
General and administrative expenses	(16.5)	(17.9)	(17.2)	(68.0)	(5.7)	(5.3)	(5.0)	(20.0)	(0.0)	(0.0)	(0.0)	(0.2)	-	-	-	-	(22.2)	(23.2)	(22.2)	(88.2)
<b>Operating result before depreciation (EBITDA)</b>	<b>30.6</b>	<b>26.9</b>	<b>36.0</b>	<b>125.0</b>	<b>9.9</b>	<b>6.3</b>	<b>9.5</b>	<b>38.4</b>	<b>0.3</b>	<b>0.6</b>	<b>0.8</b>	<b>2.3</b>	-	-	-	-	<b>40.8</b>	<b>33.9</b>	<b>46.2</b>	<b>165.8</b>
Depreciation	(27.1)	(22.6)	(19.9)	(89.0)	(8.9)	(8.4)	(8.4)	(34.4)	(0.2)	(0.0)	(0.4)	(1.3)	-	-	-	-	(36.2)	(31.0)	(28.6)	(124.7)
Impairment	(21.9)	-	-	(21.9)	(20.7)	-	-	(20.7)	-	-	-	-	-	-	-	-	(42.6)	-	-	(42.6)
Capital gain/loss on fixed assets/sale of business	0.2	0.1	0.1	(0.1)	135.2	-	-	134.5	0.0	-	-	(0.1)	-	-	-	-	135.3	0.1	0.1	134.4
<b>Operating result (EBIT)</b>	<b>(18.3)</b>	<b>4.4</b>	<b>16.2</b>	<b>14.0</b>	<b>115.5</b>	<b>(2.1)</b>	<b>1.1</b>	<b>117.9</b>	<b>0.1</b>	<b>0.6</b>	<b>0.4</b>	<b>1.0</b>	-	-	-	-	<b>97.3</b>	<b>3.0</b>	<b>17.7</b>	<b>132.8</b>
Net finance	(10.3)	(14.0)	(12.6)	(50.6)	(0.6)	(1.5)	(2.3)	(6.3)	(0.2)	(0.2)	(0.1)	(0.5)	(0.3)	(0.0)	(0.2)	(0.8)	(11.3)	(15.8)	(15.3)	(58.3)
Taxes	0.1	(0.7)	(1.0)	(2.3)	17.9	1.4	0.1	18.3	-	-	-	-	-	-	-	-	18.0	0.7	(0.9)	16.0
<b>Net result</b>	<b>(28.5)</b>	<b>(10.4)</b>	<b>2.5</b>	<b>(38.9)</b>	<b>132.9</b>	<b>(2.1)</b>	<b>(1.1)</b>	<b>129.8</b>	<b>(0.1)</b>	<b>0.5</b>	<b>0.3</b>	<b>0.4</b>	-	-	<b>(0.2)</b>	<b>(0.8)</b>	<b>104.3</b>	<b>(12.1)</b>	<b>1.5</b>	<b>90.6</b>
Non current assets	1,317.7	1,376.9	1,234.4	1,317.7	502.3	526.4	518.7	502.3	0.0	-	38.7	0.0	4.4	5.0	4.9	4.4	1,824.4	1,908.2	1,796.7	1,824.4
Current assets	325.3	314.3	330.6	325.3	81.7	65.2	61.3	81.7	3.7	3.7	5.4	3.7	(9.6)	(10.0)	(12.4)	(9.6)	401.1	373.1	385.0	401.1
Assets held for sale	-	-	4.6	-	-	-	-	-	21.3	21.4	-	21.3	-	-	-	-	21.3	21.4	4.6	21.3
<b>Total</b>	<b>1,643.0</b>	<b>1,691.1</b>	<b>1,569.6</b>	<b>1,643.0</b>	<b>584.1</b>	<b>591.6</b>	<b>580.0</b>	<b>584.1</b>	<b>25.0</b>	<b>25.0</b>	<b>44.1</b>	<b>25.0</b>	<b>(5.2)</b>	<b>(5.1)</b>	<b>(7.5)</b>	<b>(5.2)</b>	<b>2,246.8</b>	<b>2,302.7</b>	<b>2,186.2</b>	<b>2,246.8</b>
Equity	459.2	453.1	381.8	459.2	341.5	345.7	312.4	341.5	15.8	16.3	29.2	15.8	(0.5)	-	-	(0.5)	815.9	815.2	723.4	815.9
Non current liabilities	890.0	914.8	926.5	890.0	165.7	182.7	217.5	165.7	-	0.0	-	-	-	(0.0)	-	-	1,055.7	1,097.5	1,144.0	1,055.7
Current liabilities	293.8	323.2	261.3	293.8	76.9	63.2	50.2	76.9	9.2	8.7	14.9	9.2	(4.8)	(5.1)	(7.5)	(4.8)	375.1	390.1	318.8	375.1
Liabilities held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,643.0</b>	<b>1,691.1</b>	<b>1,569.6</b>	<b>1,643.0</b>	<b>584.1</b>	<b>591.6</b>	<b>580.0</b>	<b>584.1</b>	<b>25.0</b>	<b>25.0</b>	<b>44.1</b>	<b>25.0</b>	<b>(5.2)</b>	<b>(5.1)</b>	<b>(7.5)</b>	<b>(5.2)</b>	<b>2,246.8</b>	<b>2,302.7</b>	<b>2,186.2</b>	<b>2,246.8</b>
<b>Reconciliation of revenue:</b>																				
Total segment revenue	213.2	211.6	212.8	842.5	28.4	25.2	27.8	110.8	1.9	2.1	2.3	8.4	-	-	-	-	243.5	238.9	243.0	961.7
Segment revenue from associates and JV's - Tank Terminals**	-	-	-	-	(28.4)	(25.2)	(27.8)	(110.8)	-	-	-	-	-	-	-	-	(28.4)	(25.2)	(27.8)	(110.8)
Segment revenue from associates and JV's - Chemical Tankers**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment revenue from associates and JV's - Gas Carriers**	-	-	-	-	-	-	-	-	(1.9)	(2.1)	(2.3)	(8.4)	-	-	-	-	(1.9)	(2.1)	(2.3)	(8.4)
<b>Consolidated revenue in income statement</b>	<b>213.2</b>	<b>211.6</b>	<b>212.8</b>	<b>842.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>213.2</b>	<b>211.6</b>	<b>212.8</b>	<b>842.5</b>
<b>Reconciliation of result:</b>																				
Total segment EBIT	(18.3)	4.4	16.2	14.0	115.5	(2.1)	1.1	117.9	0.1	0.6	0.4	1.0	-	-	-	-	97.3	3.0	17.7	132.8
Segment EBIT from associates and JV's - Tank Terminals**	-	-	-	-	(115.5)	2.1	(1.1)	(117.9)	-	-	-	-	-	-	-	-	(115.5)	2.1	(1.1)	(117.9)
Segment EBIT from associates and JV's - Chemical Tankers**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Segment EBIT from associates and JV's - Gas Carriers**	-	-	-	-	-	-	-	-	(0.1)	(0.6)	(0.4)	(1.0)	-	-	-	-	(0.1)	(0.6)	(0.4)	(1.0)
Share of net result from associates and JV's***	-	-	-	-	132.9	(2.1)	(1.1)	129.8	(0.1)	0.5	0.3	0.4	-	-	-	-	132.9	(1.7)	(0.8)	130.3
<b>Consolidated EBIT in income statement</b>	<b>(18.3)</b>	<b>4.4</b>	<b>16.2</b>	<b>14.0</b>	<b>132.9</b>	<b>(2.1)</b>	<b>(1.1)</b>	<b>129.8</b>	<b>(0.1)</b>	<b>0.5</b>	<b>0.3</b>	<b>0.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114.6</b>	<b>2.7</b>	<b>15.4</b>	<b>144.3</b>
<b>Reconciliation of assets and liabilities**</b>																				
Total segment asset	1,643.0	1,691.1	1,569.6	1,643.0	584.1	591.6	580.0	584.1	25.0	25.0	44.1	25.0	(5.2)	(5.1)	(7.5)	(5.2)	2,246.9	2,302.7	2,186.3	2,246.9
Segment asset from Tank Terminals, Chemical Tankers and Gas Carriers**	-	-	-	-	(584.1)	(591.6)	(580.0)	(584.1)	(25.0)	(25.0)	(44.1)	(25.0)	4.8	5.1	5.9	4.8	(604.3)	(611.5)	(618.2)	(604.3)
Investment in JV's***	-	-	-	-	341.5	345.7	312.4	341.5	15.8	16.3	28.5	15.8	-	-	-	-	357.3	362.0	340.8	357.3
<b>Total consolidated assets in statement of financial position</b>	<b>1,643.0</b>	<b>1,691.1</b>	<b>1,569.6</b>	<b>1,643.0</b>	<b>341.5</b>	<b>345.7</b>	<b>312.4</b>	<b>341.5</b>	<b>15.8</b>	<b>16.3</b>	<b>28.5</b>	<b>15.8</b>	<b>(0.4)</b>	<b>0.0</b>	<b>(1.6)</b>	<b>(0.4)</b>	<b>2,000.1</b>	<b>2,053.2</b>	<b>1,908.8</b>	<b>2,000.1</b>
Total segment liabilities	1,183.8	1,238.0	1,187.8	1,183.8	242.6	245.9	267.7	242.6	9.2	8.7	14.9	9.2	(4.8)	(5.1)	(7.5)	(4.8)	1,430.8	1,487.6	1,462.8	1,430.8
Segment liability from Tank Terminals, Chemical Tankers and Gas Carriers**	-	-	-	-	(242.6)	(245.9)	(267.7)	(242.6)	(9.2)	(8.7)	(14.9)	(9.2)	5.1	-	5.2	5.1	(246.7)	(254.6)	(277.3)	(246.7)
<b>Total consolidated liabilities in statement of financial position</b>	<b>1,183.8</b>	<b>1,238.0</b>	<b>1,187.8</b>	<b>1,183.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>(5.1)</b>	<b>(2.3)</b>	<b>0.3</b>	<b>1,184.2</b>	<b>1,232.9</b>	<b>1,185.5</b>	<b>1,184.2</b>

\*This segment also includes «corporate».

\*\*Investments in joint ventures are presented according to the proportionate consolidation method in the segment reporting.

\*\*\*Investments in joint ventures are presented according to the equity method in the consolidated income statement and balance sheet.

**Note 3 – Net interest bearing liabilities**

<b>USD mill</b>	<b>31.03.18</b>	<b>31.03.17</b>	<b>31.12.17</b>
Loans from financial institutions – floating interest rate	366.0	425.7	388.1
Financial leases and sale-leaseback	327.4	145.9	257.9
Bonds	219.4	318.2	206.3
Current portion interest bearing debt	242.4	191.7	238.5
Debt transaction fees	(7.4)	(6.3)	(6.8)
<b>Total interest bearing debt</b>	<b>1,147.8</b>	<b>1,075.1</b>	<b>1,083.8</b>
Cash and cash equivalent	(181.4)	(202.3)	(206.6)
Available for sale investments	-	(10.0)	-
<b>Net interest bearing debt</b>	<b>966.4</b>	<b>862.8</b>	<b>877.2</b>

<b>USD mill</b>	<b>1Q18</b>	<b>1Q17</b>	<b>4Q17</b>
New interest bearing debt	78.0	83.7	-
Repayment of interest bearing debt	(28.8)	(48.7)	(30.8)

**Note 4 – Ships, property, plant and equipment**

<b>USD mill</b>	<b>31.03.18</b>	<b>31.03.17</b>	<b>FY17</b>
Net carrying amount beginning *	1,301.9	1,239.7	1,239.7
Investments in property, plant and equipment	83.4	3.0	173.2
Sale of property, plant and equipment	-	-	-
Depreciation and impairment	(22.6)	(19.9)	(111.0)
<b>Net carrying amount end</b>	<b>1,362.7</b>	<b>1,222.8</b>	<b>1,301.9</b>

\*Ships, newbuilding contracts and other non-current assets

Total impairment is USD 21.9 million in 2017 which is related to write-down of ship values (regional fleet). Depreciation include one-off expenses of total USD 2.3 million. In addition changes in depreciation period for some of our ships has increased depreciation in 2017 with USD 5 million.



**Note 5 – Investments in associates and joint ventures**

The share of result and balance sheet items from investments in associates and joint ventures are recognised based on equity method in the interim financial statements. The figures below show our share of revenue and expenses, total assets, total liabilities and equity:

USD mill	YTD18			YTD17		
	Tank Terminals	Gas Carriers	Total	Tank Terminals	Gas Carriers	Total
Gross revenue	25.2	2.1	<b>27.3</b>	27.8	2.3	<b>30.1</b>
EBITDA	6.3	0.6	<b>6.9</b>	9.5	0.8	<b>10.3</b>
EBIT	(2.1)	0.6	<b>(1.4)</b>	1.1	0.4	<b>1.5</b>
Net result	(2.1)	0.5	<b>(1.7)</b>	(1.1)	0.3	<b>(0.8)</b>
Non-current assets	526.4	-	<b>526.4</b>	518.7	37.9	<b>556.6</b>
Current assets	65.3	3.7	<b>69.0</b>	61.4	4.7	<b>66.1</b>
Assets held for sale	-	21.4	<b>21.4</b>	-	-	<b>-</b>
<b>Total assets</b>	<b>591.6</b>	<b>25.0</b>	<b>616.6</b>	<b>580.0</b>	<b>43.3</b>	<b>623.3</b>
<b>Total equity closing balance</b>	<b>345.7</b>	<b>16.3</b>	<b>362.0</b>	<b>312.4</b>	<b>28.5</b>	<b>340.9</b>
Non-current liabilities	182.7	-	<b>182.7</b>	217.5	-	<b>217.5</b>
Current liabilities	63.2	8.7	<b>71.9</b>	50.2	14.9	<b>65.1</b>
Liabilities held for sale	-	-	<b>-</b>	-	-	<b>-</b>
<b>Total liabilities</b>	<b>245.9</b>	<b>8.7</b>	<b>254.6</b>	<b>267.7</b>	<b>14.9</b>	<b>282.6</b>

**Note 6 – Other financial items**

<b>USD mill</b>	<b>4Q17</b>	<b>1Q18</b>	<b>1Q17</b>	<b>FY17</b>
Changes in fair value in derivatives	(6.0)	15.1	(0.5)	22.2
Currency gains (losses)	10.8	(15.3)	1.0	(14.6)
Other	(0.1)	1.0	0.1	(3.2)
<b>Total other financial items</b>	<b>4.7</b>	<b>0.8</b>	<b>0.6</b>	<b>4.4</b>

In June 2017 Odfjell SE completed a new unsecured bond issue of NOK 500 million with maturity date in June 2022. In conjunction with the issuance Odfjell bought back NOK 327 million of the outstanding bonds maturing in December 2018. The repurchase of bonds had a negative effect of USD 2.5 million in 2Q 2017.

## Note 7 – Figures presented based on Proportionate method

CONSOLIDATED INCOME STATEMENT (USD mill)	YTD18	YTD17
Gross revenue	238.9	243.0
Voyage expenses	(87.9)	(81.6)
Time-charter expenses	(40.5)	(48.0)
Pool distribution	(3.3)	-
Operating expenses	(50.1)	(44.9)
<b>Gross result</b>	<b>57.1</b>	<b>68.5</b>
General and administrative expenses	(23.2)	(22.2)
<b>Operating result before depreciation, amortisation and capital gain (loss) on non-current assets (EBITDA)</b>	<b>33.9</b>	<b>46.2</b>
Depreciation	1 (31.0)	(28.6)
Impairment	-	-
Capital gain (loss) on non-current assets/sale of business	0.1	0.1
<b>Operating result (EBIT)</b>	<b>3.0</b>	<b>17.7</b>
Interest income	1.2	1.2
Interest expenses	(18.3)	(17.1)
Other financial items	1.3	0.6
<b>Net financial items</b>	<b>(15.8)</b>	<b>(15.3)</b>
<b>Result before taxes</b>	<b>(12.8)</b>	<b>2.5</b>
Taxes	0.7	(0.9)
<b>Net result</b>	<b>(12.1)</b>	<b>1.5</b>

1) Depreciation influenced by changes in depreciation period, and one-off expenses, see note 5.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (USD mill)	YTD18	YTD17
Intangible assets	50.4	53.9
Ships	1,299.9	1,208.4
Newbuilding contracts	54.8	41.2
Tank terminals assets	387.8	422.6
Other non-current assets	45.2	49.2
Non-current receivables	70.2	21.4
<b>Total non-current assets</b>	<b>1,908.2</b>	<b>1,796.7</b>
Current receivables	112.0	112.3
Bunkers and other inventories	16.5	15.9
Derivative financial instruments	15.3	1.0
Available-for-sale investments	-	10.0
Cash and cash equivalent	229.3	245.7
Assets held for sale	21.4	4.6
<b>Total current assets</b>	<b>394.5</b>	<b>389.6</b>
<b>Total assets</b>	<b>2,302.7</b>	<b>2,186.3</b>
Paid in equity	199.1	199.0
Other equity	616.1	524.3
<b>Total equity</b>	<b>815.1</b>	<b>723.4</b>
Non-current liabilities	43.0	35.2
Derivative financial instruments	0	31.5
Non-current interest bearing debt	1,054.5	1,077.3
<b>Total non-current liabilities</b>	<b>1,097.5</b>	<b>1,144.0</b>
Current portion of interest bearing debt	280.2	218.7
Derivative financial instruments	18.3	10.9
Current liabilities	91.6	89.3
<b>Total current liabilities</b>	<b>390.1</b>	<b>318.9</b>
<b>Total equity and liabilities</b>	<b>2,302.7</b>	<b>2,186.3</b>

Fleet list as per March 31, 2018

VESSEL TYPE	CHEMICAL TANKERS	DWT	BUILT	OWNERSHIP	CBM	STAINLESS		VESSEL TYPE	CHEMICAL TANKERS	DWT	BUILT	OWNERSHIP	CBM	STAINLESS	
						STEEL, CBM	TANKS							STEEL, CBM	TANKS
Super-segregator	Bow Sea	49,592	2006	Owned	52,107	52,107	40	Coated	Bow Pioneer	75,000	2013	Owned	86,000	0	30
Super-segregator	Bow Summer	49,592	2005	Owned	52,128	52,128	40	Coated	Flumar Brasil	51,188	2010	Owned	55,452	0	14
Super-segregator	Bow Saga	49,559	2007	Owned	52,126	52,126	40	Coated	Bow Triumph	49,622	2014	Owned	53,188	0	22
Super-segregator	Bow Sirius	49,539	2006	Owned	52,155	52,155	40	Coated	Bow Trident	49,622	2014	Owned	53,188	0	22
Super-segregator	Bow Star	49,487	2004	Owned	52,127	52,127	40	Coated	Bow Tribute	49,622	2014	Leased	53,188	0	22
Super-segregator	Bow Sky	49,479	2005	Leased	52,126	52,126	40	Coated	Bow Trajectory	49,622	2014	Leased	53,188	0	22
Super-segregator	Bow Spring	49,429	2004	Owned	52,127	52,127	40	Coated	Bow Elm	46,098	2011	Owned	48,698	0	29
Super-segregator	Bow Sun	42,459	2003	Owned	52,127	52,127	40	Coated	Bow Lind	46,047	2011	Owned	48,698	0	29
Super-segregator	Bow Chain	37,518	2002	Owned	40,621	40,621	47								
Super-segregator	Bow Jubail	37,499	1996	Bareboat	41,488	34,209	52								
Super-segregator	Bow Faith	37,479	1997	Owned	41,487	34,208	52	Regional	Bow Oceanic	17,460	1997	Owned	19,616	19,616	24
Super-segregator	Bow Cedar	37,455	1996	Owned	41,488	41,488	52	Regional	Bow Atlantic	17,460	1995	Owned	19,588	19,588	24
Super-segregator	Bow Cardinal	37,446	1997	Owned	41,487	34,208	52	Regional	Bow Condor	16,121	2000	Owned	17,622	17,622	30
Super-segregator	Bow Firda	37,427	2003	Owned	40,645	40,645	47	Regional	Bow Andes	16,020	2000	Owned	17,120	17,120	22
Super-segregator	Bow Fortune	37,395	1999	Owned	40,619	40,619	47	Regional	SG Pegasus	13,086	2011	Time charter	14,523	14,523	16
Super-segregator	Bow Fagus	37,375	1995	Owned	41,608	34,329	52	Regional	Sun Triton	12,670	2017	Time charter	13,228	13,228	16
Super-segregator	Bow Flora	37,369	1998	Owned	40,515	33,236	47								
Super-segregator	Bow Cecil	37,369	1998	Owned	40,515	33,236	47								
Super-segregator	Bow Mekka	37,272	1995	Bareboat	41,606	34,257	52	Regional	Stellar Wisteria	12,601	2011	Time charter	14,715	14,715	18
Super-segregator	Bow Clipper	37,221	1995	Owned	41,596	34,328	52	Regional	Stellar Orchid	12,571	2011	Time charter	14,713	14,713	18
Super-segregator	Bow Riyad	37,221	1995	Bareboat	41,492	34,213	52	Regional	Marex Noa	12,478	2015	Time charter	14,067	14,067	16
Super-segregator	Bow Flower	37,221	1994	Owned	41,492	34,213	52	Regional	Bow Querida	10,106	1996	Owned	11,181	11,181	18
Large Stainless steel	Bristol Trader	35,863	2016	Time charter	38,315	37,549	18	Regional	Bow Asia	9,901	2004	Bareboat	11,088	11,088	20
Large Stainless steel	Bow Hector	33,694	2009	Time charter	37,384	37,384	16	Regional	Bow Singapore	9,888	2004	Bareboat	11,089	11,089	20
Large Stainless steel	Bow Sagami	33,641	2008	Time charter	38,000	38,000	16	Regional	Bow Nangang	9,156	2013	Owned	10,523	10,523	14
Large Stainless steel	Bow Kiso	33,641	2008	Time charter	37,974	37,974	16	Regional	Bow Dalian	9,156	2012	Owned	10,523	10,523	14
Large Stainless steel	Bow Tone	33,625	2009	Time charter	37,974	37,974	16	Regional	Bow Fuling	9,156	2012	Owned	10,523	10,523	14
Large Stainless steel	Bow Harmony	33,619	2008	Leased	38,052	38,052	16	<b>Total Chemical Tankers:</b>		<b>1,658,825</b>	<b>74</b>		<b>1,820,390</b>	<b>1,746,775</b>	<b>1,653</b>
Large Stainless steel	Bow Compass	33,609	2009	Owned	37,994	37,994	16	<b>3rd party*</b>							
Large Stainless steel	Bow Engineer	30,086	2006	Leased	36,274	36,274	28	<b>VESSEL TYPE</b>	<b>CHEMICAL TANKERS</b>	<b>DWT</b>	<b>BUILT</b>	<b>OWNERSHIP</b>	<b>CBM</b>	<b>STEEL, CBM</b>	<b>TANKS</b>
Large Stainless steel	Bow Architect	30,058	2005	Leased	36,290	36,290	28	Super-segregator	SC Taurus	40,964	2017	Commercial Management	42,793	42,793	30
Medium Stainless steel	RT Star	26,199	2011	Time charter	27,912	27,912	18	Super-segregator	SC Scorpio	40,964	2017	Commercial Management	42,786	42,786	30
Medium Stainless steel	Southern Quokka	26,077	2017	Time charter	29,049	29,049	24	Super-segregator	SC Draco	40,924	2016	Pool	42,827	42,827	30
Medium Stainless steel	Southern Owl	26,057	2016	Time charter	27,656	27,656	26	Super-segregator	SC Aquarius	40,901	2016	Commercial Management	42,813	42,813	30
Medium Stainless steel	Southern Puma	26,057	2016	Time charter	27,079	27,079	24	Super-segregator	SC Hercules	40,900	2017	Commercial Management	42,832	42,832	30
Medium Stainless steel	Southern Shark	25,500	2018	Time charter	27,112	27,112	26	Super-segregator	SC Gemini	40,895	2017	Pool	42,832	42,832	30
Medium Stainless steel	Bow Platinum	25,000	2017	Leased	27,091	27,091	24	Super-segregator	SC Virgo	40,870	2017	Commercial Management	42,832	42,832	30
Medium Stainless steel	Bow Neon	24,786	2017	Leased	28,644	28,644	24	Super-segregator	SC Capricorn	40,929	2016	Commercial Management	43,552	43,552	30
Medium Stainless steel	Bow Titanium	24,764	2018	Leased	27,091	27,091	24	Medium Stainless steel	CTG Mercury	25,000	2018	Pool	17,139	17,139	24
Medium Stainless steel	Bow Palladium	24,764	2017	Leased	29,041	29,041	24	Medium Stainless steel	CTG Cobalt	25,000	2018	Pool	17,139	17,139	24
Medium Stainless steel	Southern Koala	21,290	2010	Time charter	20,008	20,008	20	Medium Stainless steel	CTG Argon	24,761	2017	Pool	17,139	17,139	24
Medium Stainless steel	Celsius Mayfair	19,999	2007	Time charter	21,714	21,714	20	<b>Total 3rd party:</b>		<b>402,108</b>	<b>11</b>		<b>394,684</b>	<b>394,684</b>	<b>312</b>
Medium Stainless steel	Bow Santos	19,997	2004	Owned	21,846	21,846	22								
Medium Stainless steel	Celsius Mumbai	19,993	2005	Time charter	22,186	22,186	22								
Medium Stainless steel	Flumar Maceio	19,975	2006	Owned	21,713	21,713	22								
Medium Stainless steel	Horin Trader	19,856	2015	Time charter	22,129	22,129	18								
Medium Stainless steel	Celsius Manhattan	19,807	2006	Time charter	22,143	22,143	22								
Medium Stainless steel	Moyra	19,806	2005	Time charter	22,838	22,838	18								
Medium Stainless steel	Bow Fuji	19,805	2006	Time charter	22,140	22,140	22								
Medium Stainless steel	Gwen	19,702	2008	Time charter	21,651	21,651	26								
Medium Stainless steel	Kristin Knutsen	19,152	1998	Time charter	19,409	19,409	34	<b>SUMMARIZED</b>	<b>NUMBER</b>	<b>DWT</b>	<b>CBM</b>	<b>STEEL, CBM</b>	<b>STEEL, CBM</b>	<b>TANKS</b>	
								Owned	35	1,246,725	1,360,441	847,579	847,579	1,193	
								Time charter	24	543,170	593,920	593,154	593,154	486	
								Leased	10	341,800	380,985	274,609	274,609	252	
								Bareboat	5	131,781	146,764	124,857	124,857	196	
								Pool	5	156,580	137,076	137,076	137,076	132	
								Commercial Management	6	245,528	257,608	257,608	257,608	180	
								<b>Total Chemical Tankers:</b>	<b>85</b>	<b>2,665,584</b>	<b>2,876,794</b>	<b>2,234,883</b>	<b>2,234,883</b>	<b>2,439</b>	

\* Pool participation and commercial management

<b>NEWBUILDINGS ON ORDER:</b>							
<b>CHEMICAL TANKERS</b>	<b>NUMBER</b>	<b>DWT</b>	<b>CBM</b>	<b>STEEL, CBM</b>	<b>TANKS</b>	<b>STAINLESS DELIVERY</b>	<b>OWNERSHIP</b>
China Shipbuilding Trading Co., Ltd/	4	49,000	54,600	54,600	33	2019 - 2020	Owned/leased
Hudong-Zhonghua Shipbuilding (Grc	2	38,000	45,000	45,000	40	2020	Leased
AVIC Dingheng / CTG*	1	25,000	27,100	27,100	24	2017-2018	Leased
Shin-Kurushima	2	35,500	37,300	37,300	28	2018-2019	Time charter
Undisclosed	2	36,000	40,000	40,000	28	2019-2020	Bareboat
<b>Total newbuildings:</b>	<b>11</b>	<b>440,000</b>	<b>490,100</b>	<b>490,100</b>	<b>348</b>		

\*In addition Chemical Transportation Group, Inc (CTG) continue to own 2 sister vessels which will be placed in a pool managed by Odfjell Tankers

<b>GAS CARRIERS</b>	<b>BUILT</b>	<b>DWT</b>	<b>CBM</b>	<b>TYPE</b>	<b>TANKS</b>	<b>OWNERSHIP</b>
Bow Gallant	2008	10,282	8,922	LPG/Ethylene	2	Pool
Bow Guardian	2008	10,282	8,922	LPG/Ethylene	2	Pool
<b>Total Gas Carriers:</b>	<b>2</b>	<b>20,564</b>	<b>17,844</b>		<b>4</b>	

<b>FLEET CHANGES SINCE LAST QUARTER:</b>							
<b>CHEMICAL TANKERS</b>	<b>BUILT</b>	<b>DWT</b>	<b>CBM</b>	<b>STAINLESS STEEL, CBM</b>	<b>TANKS</b>	<b>OWNERSHIP</b>	<b>MONTH</b>
<b>Fleet additions:</b>							
SC Aquarius	2016	40,901	26,364	26,364	30	Commercial Management	January
Bow Platinum	2017	25,000	16,000	16,000	24	Leased	January
SC Virgo	2017	40,870	26,568	26,568	30	Commercial Management	January
Southern Shark	2018	25,500	14,965	14,965	26	Time charter	January
SC Hercules	2017	40,900	26,364	26,364	30	Bareboat	January
SC Gemini	2017	40,895	26,364	26,364	30	Pool	February
SC Draco	2016	40,924	26,364	26,364	30	Pool	February
CTG Cobalt	2018	25,000	17,139	17,139	24	Pool	February
CTG Mercury	2018	25,000	17,139	17,139	24	Pool	February
Bow Titanium	2018					Leased	March
<b>Fleet redeliveries:</b>							
Celsius Monaco	2004	19,999	11,986	11,986	20	Time charter	January
Bow Heron	2008	33,707	38,000	38,000	16	Time charter	January
Southern Ibis	2009	19,905	22,158	22,158	20	Time charter	January
Southern Jaguar	2009	19,997	11,757	11,757	20	Time charter	February
Gion Trader	2015	19,833	22,130	22,130	18	Time charter	March

<b>TANK TERMINALS</b>	<b>LOCATION</b>	<b>OWNERSHIP<sup>1</sup></b>	<b>CBM</b>	<b>STAINLESS STEEL, CBM</b>	<b>NUMBER OF TANKS</b>
Odfjell Terminals (Rotterdam) B.V.	Rotterdam, NL	51%	1,636,135	32,550	281
Odfjell Terminals Maritiem B.V.	Rotterdam, NL	51%	0	0	0
Odfjell Terminals (Houston) Inc.	Houston, USA	51%	379,982	113,180	119
Odfjell Terminals (Charleston) LLC	Charleston, USA	51%	79,243	0	9
Odfjell Terminals (Jiangyin) Co. Ltd	Jiangyin, China	28%	99,800	30,000	22
Odfjell Terminals (Dalian) Co. Ltd	Dalian, China	25.50%	119,750	18,350	51
Odfjell Terminals (Korea) Co. Ltd	Ulsan, Korea	25.50%	313,710	15,860	85
Odfjell Nangang Terminals (Tianjin) Co.,Ltd	Tianjin, China	24.99%	137,800	7,000	26
Noord Natie Terminals NV	Antwerp, Belgium	12.75%	348,499	37,980	241
<b>Total terminals</b>	<b>8 terminals</b>		<b>3,114,919</b>	<b>254,920</b>	<b>834</b>

jetty services

<b>PROJECTS AND EXPANSIONS</b>	<b>LOCATION</b>	<b>OWNERSHIP<sup>1</sup></b>	<b>CBM</b>	<b>STAINLESS STEEL, CBM</b>	<b>ESTIMATED COMPLETION</b>
Odfjell Changxing Terminals (Dalian) Co.Ltd	Changxing, China	20.4%			TBD
<b>Total expansion terminals</b>			<b>0</b>	<b>0</b>	

<b>TANK TERMINALS PARTLY OWNED BY RELATED PARTIES</b>	<b>LOCATION</b>	<b>CBM</b>	<b>STAINLESS STEEL, CBM</b>	<b>NUMBER OF TANKS</b>
Depositos Quimicos Mineros S.A.	Callao, Peru	66,230	1,600	55
Granel Quimica Ltda	Santos I, Brazil	97,720	19,880	99
Granel Quimica Ltda	Rio Grande, Brazil	61,150	2,900	32
Granel Quimica Ltda	Sao Luis I, Brazil	75,710	0	35
Granel Quimica Ltda	Sao Luis II, Brazil	49,680	0	14
Granel Quimica Ltda	Ladario, Brazil	8,050	0	6
Granel Quimica Ltda	Triunfo, Brazil	12,030	0	2
Granel Quimica Ltda	Teresina, Brazil	7,640	0	6
Granel Quimica Ltda	Palmas, Brazil	16,710	0	12
Odfjell Terminals Tagsa S.A.	Buenos Aires, Argentina	38,720	530	60
Odfjell Terminals Tagsa S.A.	Campana, Argentina	68,670	10,190	102
Terquim S.A.	San Antonio, Chile	33,590	0	25
Terquim S.A.	Mejillones, Chile	16,840	0	7
<b>Total tank terminals partly owned by related parties</b>	<b>13 terminals</b>	<b>552,740</b>	<b>35,100</b>	<b>455</b>

<b>PROJECTS AND EXPANSIONS TANK TERMINALS PARTLY OWNED BY RELATED PARTIES</b>	<b>LOCATION</b>	<b>CBM</b>	<b>ESTIMATED COMPLETION</b>
Granel Quimica Ltda	Santos II, Brazil	51,910	Q2 2019
<b>Total expansion tank terminals partly owned by related parties</b>		<b>51,910</b>	<b>0</b>

<b>Grand total (incl. related tank terminals partly owned by related parties)</b>	<b>21 existing terminals</b>	<b>3,667,659</b>	<b>290,020</b>
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<sup>1</sup>Odfjell SE's indirect ownership share

# Contact

Investor Relations: Bjørn Kristian Røed | Tel: +47 55 27 47 33 | Email: [bkr@odfjell.com](mailto:bkr@odfjell.com)

Media: Anngun Dybsland | Tel: + 41 54 88 54 | Email: [anngun.dybsland@odfjell.com](mailto:anngun.dybsland@odfjell.com)



ODFJELL

ODFJELL SE | Conrad Mohrs veg 29 | P.O. Box 6101 Postterminalen | 5892 Bergen, Norway

Tel: +47 55 27 00 00 | Email: [ir@odfjell.com](mailto:ir@odfjell.com) | Org. no: 930 192 503

[Odfjell.com](http://Odfjell.com)