

First quarter 2019 report

May 8 2019



ODFJELL

First quarter report 2019

Highlights – 1Q19

- Chemical tanker spot rates improved compared to previous quarter
- EBITDA of USD 47 mill, compared with USD 33 mill in 4Q18
- EBITDA of USD 40 mill from Odfjell Tankers compared with USD 27 mill 4Q18. Adjusting for new accounting standards (IFRS 16), Odfjell Tankers EBITDA improved to USD 27 mill in 1Q19 from an adjusted EBITDA of USD 23 mill 4Q18
- EBITDA of USD 7 mill from Odfjell Terminals compared to USD 5 mill in 4Q18
- Net result of USD -15 mill compared to USD -48 mill in last quarter
- Spot rates improved by 16% in main tradelanes compared to previous quarter. This was partly offset by fewer revenue days compared to previous quarter
- Contract coverage reduced to 50% compared to 59% in 4Q18 as we did not aggressively pursue contracts at historically low rate levels
- The board decided to not recommend a dividend for FY2018

Key figures, USD mill

(USD mill, unaudited)	2Q18	3Q18	4Q18	1Q19	1Q18	FY18	FY17
Odfjell Tankers	209.0	208.8	221.3	218.3	211.6	850.8	842.5
Odfjell Terminals	25.9	22.6	17.2	17.6	25.2	91.0	110.8
Revenues*	236.7	233.7	241.1	238.3	238.9	950.5	961.7
Odfjell Tankers	28.0	26.8	27.0	39.7	26.9	108.7	125.0
Odfjell Terminals	8.9	3.9	4.8	6.7	6.3	24.0	38.4
EBITDA*	37.2	31.5	32.7	47.2	33.9	135.3	165.8
EBIT	(52.9)	(13.5)	(13.0)	7.0	3.0	(76.4)	132.8
Net result	(120.0)	(31.2)	(47.6)	(15.4)	(12.1)	(210.8)	90.6
EPS**	(1.53)	(0.40)	(0.60)	(0.20)	(0.15)	(2.68)	1.15
ROE***	(22.3%)	(13.8%)	(17.6%)	(10.5 %)	(6.3%)	(29.8)%	11.8%
ROCE***	(5.4%)	(1.5%)	(1.1%)	1.4 %	0.6%	(8.1)%	8.8%

1) Historical figures not adjusted for IFRS16

*Includes figures from Odfjell Gas

** Based on 78.7 million outstanding shares

*** Ratios are annualised

"The chemical tanker markets improved in the first quarter and we expect the trend to continue as a result of the strong fundamentals in our markets, and a firming tanker market in general. We decided not to aggressively pursue or extend contracts at the historically low markets at the end of 2018. This reduces our COA portfolio but also increases our exposure in the firming market. We expect to continue to improve our performance in the coming quarter".

Kristian Mørch, CEO Odfjell SE

Key Financial figures

Odfjell Group

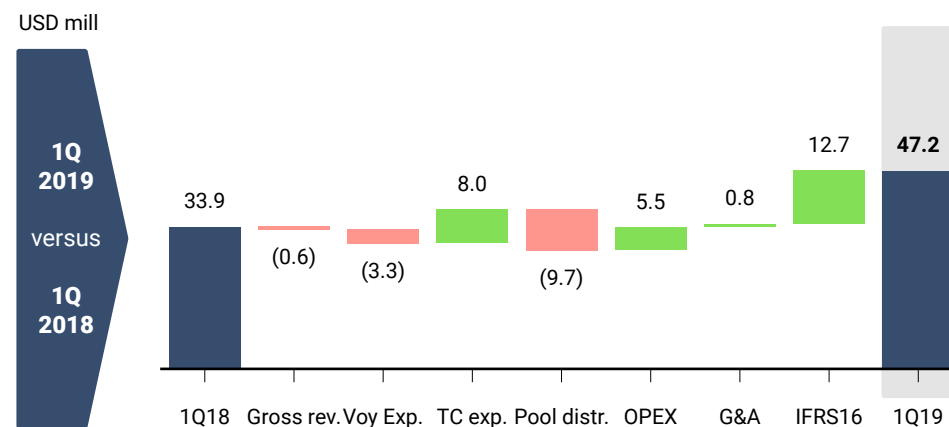
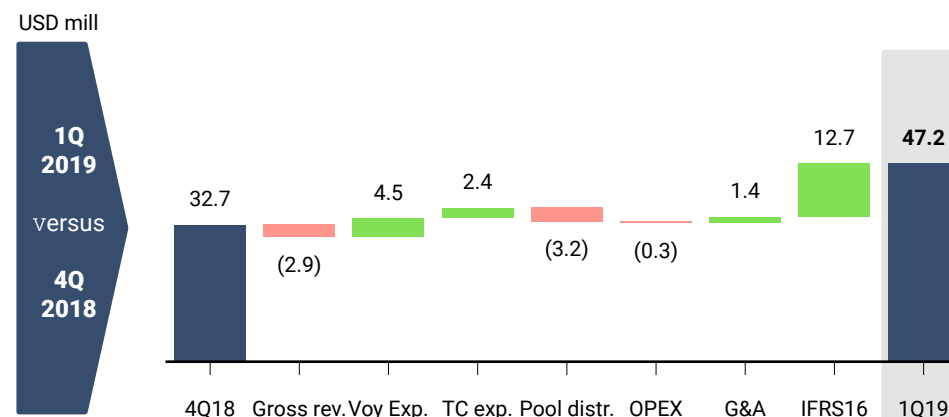
(USD mill, unaudited)	3Q18	4Q18	1Q19	1Q18	FY18
Total revenue	233.7	241.1	238.3	238.9	950.5
Chemical Tankers	208.8	221.3	218.3	211.6	850.8
Tank Terminals	22.6	17.2	17.6	25.2	91.0
Gas Carriers	2.3	2.6	2.4	2.1	8.8
Eliminations	—	—	—	—	—
EBITDA	31.5	32.7	47.2	33.9	135.3
Chemical Tankers	26.8	27.0	39.7	26.9	108.7
Tank Terminals	3.9	4.8	6.7	6.3	24.0
Gas Carriers	0.7	0.9	0.8	0.6	2.6
EBIT	(13.5)	(13.0)	7.0	3.0	(76.4)
Chemical Tankers	1.9	(2.1)	5.4	4.4	8.1
Tank Terminals	(16.1)	(8.5)	0.8	(2.1)	(83.7)
Gas Carriers	0.7	(2.4)	0.8	0.6	(0.7)
Elimination	—	—	—	—	—
Net finance	(15.6)	(30.5)	(20.9)	(15.8)	(85.3)
Net result (loss)	(31.2)	(47.6)	(15.4)	(12.1)	(210.8)
Chemical Tankers	(12.0)	(32.9)	(15.2)	(10.4)	(71.4)
Tank Terminals	(19.8)	(12.1)	(1.0)	(2.1)	(138.0)
Gas Carriers	0.6	(2.6)	0.7	0.5	(1.3)
Eliminations	—	—	—	0.0	(0.1)

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.

- Figures include various non-recurring items related to the changes made in our tank terminal portfolio and others

EBITDA variance - Odfjell Group



1Q 2019 versus 4Q 2018

- Gross revenues down 1%
- Voyage expenses down 5%
- TC expenses down 7%
- Ship days down 5%
- OPEX up 1%
- G&A down 6%

1Q 2019 versus 1Q 2018

- Gross revenues unchanged
- Voyage expenses up 4%
- TC expenses down 20%
- Ship days down 2%
- OPEX down 11%
- G&A down 4%

Chemical Tankers

Odfjell Tankers EBITDA improved to USD 27 mill 1Q19 when adjusting for IFRS 16 impact. This compared to an adjusted EBITDA of USD 23 mill in 4Q18 that included a non-recurring gain of USD 4 mill.

The stronger results was driven by stronger spot rates on main tradelanes and lower bunker costs. This countered lower volumes and fewer revenue days compared to previous quarter.

Our contract coverage was 50% in 1Q19 compared to 59% previous quarter as we did not aggressively pursue contracts at historically low rate levels. This increases our exposure to the firming spot markets for chemicals and CPP.

During the quarter, we sold and redelivered 4 vessels. We took delivery of one vessel; a sophisticated super-segregator on long term time charter agreement. We also renegotiated several time charter agreements at more favorable terms.

Chemical Tankers (USD mill)	3Q18	4Q18	1Q19	1Q18	FY18
Revenues	208.8	221.3	218.3	211.6	850.8
Gross Result	42.7	45.2	57.3	44.7	178.3
EBITDA	26.8	27.0	39.7	26.9	108.7
EBIT	1.9	-2.1	5.4	4.4	8.1
Bunker cost per tonne (USD) ³	446	461	430	406	432

Indices	30.09.2018	31.12.2018	31.03.2019	31.03.2018
Odfix (1990=100) ¹	113	110	116	116
Opex (2002=100) ²	121	118	118	125

¹ The Odfix index is a weighted time-charter earnings index for a selection of vessels

² The Opex index includes owned and bareboat chartered vessels

³ Including effect from bunker adjustment clauses

ODFIX improved 5.5% during the quarter compared to a drop of 3% in 4Q. This compares to a 3% drop in the general market index this quarter and our outperformance this quarter is mainly due to voyages booked at higher rates late 4Q18 being reflected in 1Q19 results.

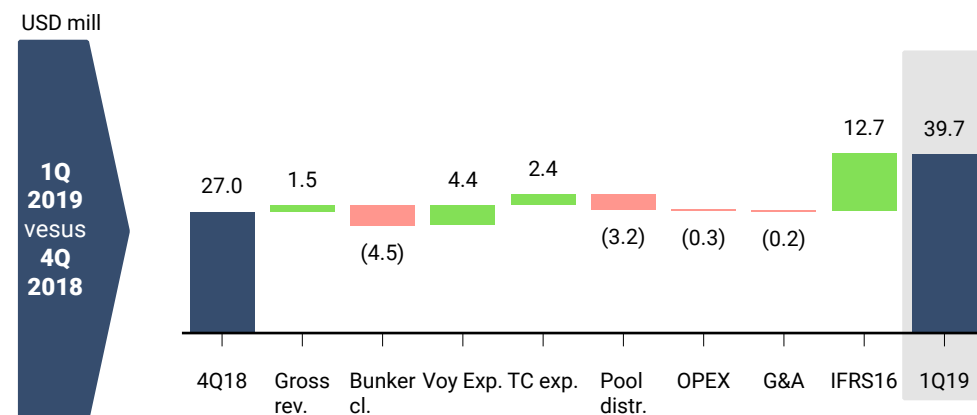
Odfjell Tankers bunker costs, net of bunker adjustment clauses, was USD 41 mill in 1Q19. This compares to USD 47 mill in 4Q18.

Our preparations for the new 2020 sulphur requirements are progressing according to plan.

Outlook 2Q19

We expect the market and Odfjell Tankers result to improve in 2Q19.

EBITDA variance – Chemical tankers



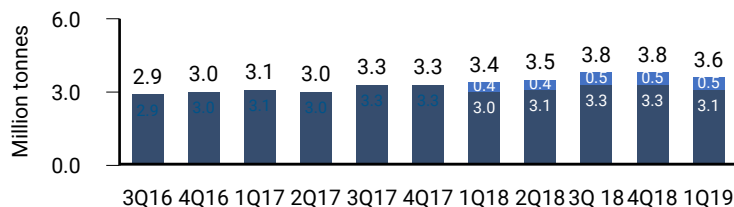
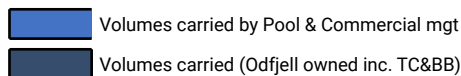
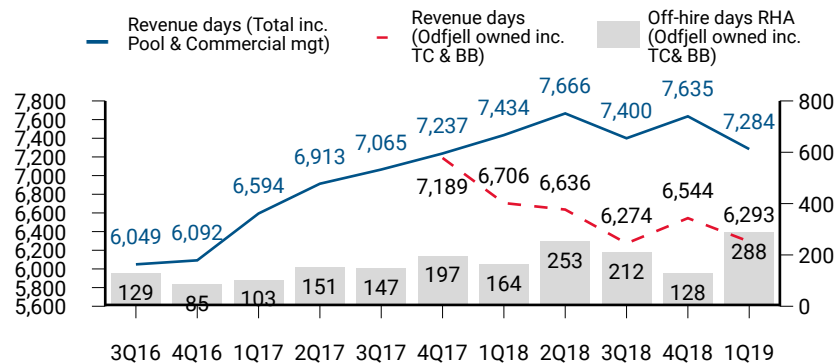
*4Q18 EBITDA of USD 27 mill included a USD 4 mill non-recurring gain associated with legal claims

1Q 2019 versus 4Q 2018

- Gross revenues up 1%
- Bunkering compensation down 82%
- Voyage expenses down 5%
- TC expenses down 7%
- OPEX up 1%
- G&A up 1%

Volume and voyage days

We carried 3.1 mill tonnes during 1Q which is slightly below 4Q volumes. Reduced volumes compared to previous quarter relates to less revenue days during the quarter. Including vessels on commercial management and pools, our volumes was 3.6 mill tonnes. Total revenue days in 1Q was 7,284 days of which 288 off-hire days, this was a decrease from 7,635 days from the previous quarter with 128 off-hire days. The increased off-hire during the quarter mainly relates to 121 unscheduled off-hire days, of which the majority relates to one vessel on timecharter where lost revenue was offset by no timecharter hire paid by Odfjell.



Fleet growth programme

During 1Q19 we took delivery of one super-segregator on long-term timecharter. The last vessel from Sinochem got delivered to Odfjell on a long-term bareboat charter in April and this completed the establishment of the pool of eight super-segregators operated by Odfjell.

Odfjell took delivery of one vessel from Shin-Kurushima in 1Q 19 on long-term timecharter and two vessels from Fukuoka shipbuilding will be delivered in 2020 on a bareboat charter.

The newbuilding programme at Hudong shipyard is progressing as planned. The first newbuilding from Hudong is scheduled for delivery in August 19 and the remaining vessels are scheduled for delivery every three months thereafter.

Remaining ship deliveries

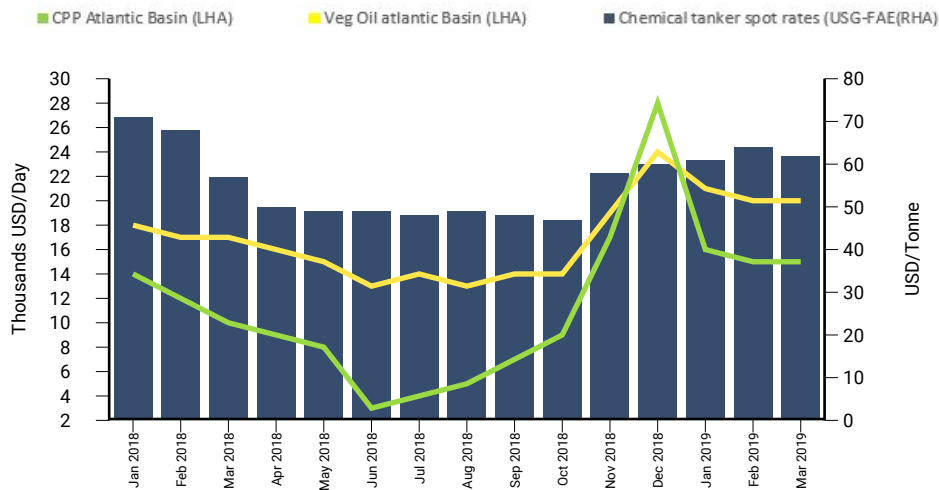
Yard	Tanks	DWT	2019	2020
Hudong	Stainless	49,000	3	3
Fukuoka shipbuilding	Stainless	36,000	-	2
Total			3	5

Market development

The chemical tanker market saw continued improvements into what normally is a seasonally weaker first quarter. Strong exports from the US and Middle East were key drivers in this quarter which also impacted other trade lanes as well. There was less supply pressure from swing tonnage during the quarter, but we experienced some increased competition especially in the Middle East towards the end of the quarter.

The global core chemical tanker orderbook stands at 7% of the current fleet. The global deep-sea fleet based on vessels larger than 18,000 dwt grew by net 10 vessels in 1Q19 as 12 vessels were delivered, and 2 vessels were scrapped. There were zero new orders for core chemical tankers concluded during the quarter.

Rate development



Source: Clarksons Platou

Market outlook

We are seeing the early signs of the impact from new and large export-oriented expansions from the US and Middle East coming on stream. We expect this impact to accelerate further into the second half of 2019 and into 2020. More than 20 million tonnes of low-cost organic liquid chemical capacity is coming onstream between 2019 and 2020, of which the majority is expected to be seaborne traded.

A deficit in China's domestic vegetable oil production is encouraging more seaborne imports. According to USDA, this will lead to Palm oil and Soybean imports increasing by 19% into China this year. Together with continued rebound of strong demand from India, it is therefore expected that the vegoil market will remain stronger and absorb a large share of chemical tanker supply.

The CPP market shows improving fundamentals with rates at considerably higher levels than last year during a seasonally weaker quarter of the year. Refinery maintenance is expected to be lower during the fall, which is expected to boost seaborne trade of CPP products when approaching implementation of new sulphur requirements from January 2020. This is expected to reduce supply from swing tonnage into chemical tankers and give opportunities for chemical tanker tonnage to swing into the CPP trade (reverse swing-tonnage).

Newbuilding deliveries to the chemical tanker fleet continue its declining trend. We forecast 8 core chemical tankers to be delivered in 2H19, of which 3 to Odfjell, compared to 18 vessels delivered in 1H19.

We forecast chemical tanker supply growth of 2% and chemical tanker demand of 5% on average per year through 2021.

Tank Terminals

Tank Terminals (USD mill) Odfjell share	3Q18	4Q18	1Q19	1Q18	FY18
Revenues	22.6	17.2	17.6	25.2	91.0
Gross Result	10.1	10.4	10.7	11.7	44.8
EBITDA	3.9	4.8	6.7	6.3	24.0
EBIT	(16.1)	(8.5)	0.8	(2.1)	(83.7)

EBITDA by geo-graphical segment	3Q18	4Q18	1Q19	1Q18	FY18
Europe	(1.1)	0.4	1.2	0.7	3.5
North America	4.4	4.3	4.4	4.8	18.1
Asia	0.6	0.1	1.0	0.9	2.5
Middle East	—	—	—	—	0.0
Total	3.9	4.8	6.7	6.3	24.0

Odfjell Terminals delivered an EBITDA of USD 7 mill in 1Q18 versus USD 5 mill in previous quarter.

Main changes in results compared to 4Q18 was driven by USD 2 mill of legal and tax restructuring expenses as well as IT unwinding expenses in previous quarter.

Total average occupancy rate of commercially available capacity remained at a stable level of 96%. The total average available capacity increased slightly by 6,353 cbm to 1,489,679 cbm.

Odfjell Terminals will close its headquarter in Rotterdam in June 2019. Odfjell Terminals will thereafter be controlled from Odfjell's headquarter in Bergen, and this will result in reduced costs. As a consequence, Frank Erkelens will step down as CEO for Odfjell Terminals during 2019 and a new global head of terminals will be relocated to Odfjell's headquarter in Bergen.

Total approved capital expenditure (Odfjell SE share) is USD 15 mill for 2019-2021, of which USD 7 mill is for maintenance and USD 8 mill is for expansion. Our capital expenditure programme for the US is expected to be updated when the transaction with the new partner is concluded for the US terminals.

Odfjell's share of Odfjell Terminals' book value of equity stood at USD 158 mill as of 4Q18. Odfjell's share of net debt amounts to USD 133 mill.

Lindsay Goldberg exit process

LG has initiated the sales process of its 49% shareholding in Odfjell Terminals Asia. The transaction for Odfjell Terminals US is expected to conclude in 1H19.

Gas Carriers

We have launched a process to sell our remaining gas carriers and we expect to close a sale of the vessels in 1H19.

Gas Carriers (USD mill) Odfjell share	3Q18	4Q18	1Q19	1Q18	FY18
Revenues	2.3	2.6	2.4	2.1	8.8
Gross Result	0.7	0.9	0.8	0.7	2.7
EBITDA	0.7	0.9	0.8	0.6	2.6
EBIT	0.7	(2.4)	0.8	0.6	(0.7)

Finance

Key figures (USD mill)*	30.09.2018	31.12.2018	31.03.2019	31.03.2018
Cash and available-for-sale investments	206.8	167.8	138.6	181.4
Interest bearing debt	1,217.9	1,122.6	1,110.8	1,147.8
Net interest bearing debt	1,011.1	954.8	972.2	966.4
Available drawing facilities	–	–	–	–
Total equity	652.0	600.6	583.5	815.1
Equity ratio	32.9%	32.6%	28.7 %	39.7%

*According to equity method

Odfjell's cash balance decreased during the quarter, and cash and cash equivalents end 1Q19 amounted to USD 139 mill, compared with USD 168 mill end 4Q18. Main changes in the cash position were related to scheduled debt repayments.

One vessel was refinanced during the quarter, adding USD 4 mill to liquidity reserves. The ODF07 bond maturing in September 2019 of NOK 500 mill will be refinanced if market conditions are right, otherwise redeemed with cash on balance. We have limited refinancing needs in the tankers and terminal segments until 3Q20, but we are in the process of concluding a revolving credit facility that will improve our financial flexibility and strengthen our balance sheet.

One regional vessel previously listed under assets held for sale, was sold during the quarter adding USD 2 mill to liquidity reserves.

New accounting rules for operating leases came into effect from January 2019 (IFRS 16). The charter- and /or bareboat expenses relating to operating leases are now recorded as OPEX, depreciation and interest expenses, in separate lines in the profit and loss statements. Assets and liabilities related to rights of use are shown on separate lines in the balance sheet.

Odfjell's net interest bearing debt, including IFRS 16 leases, end 1Q19 was USD 1,191 mill compared with USD 1,143 mill end 4Q18. Odfjell's equity ratio decreased from 33% end to 29% end 1Q19 (IFRS 16 adjusted).

Remaining deliveries of the newbuilding programme is fully financed with mortgage and lease financing and remaining equity installments as of 1Q19 is limited to USD 12 mill in total.

Shareholder information

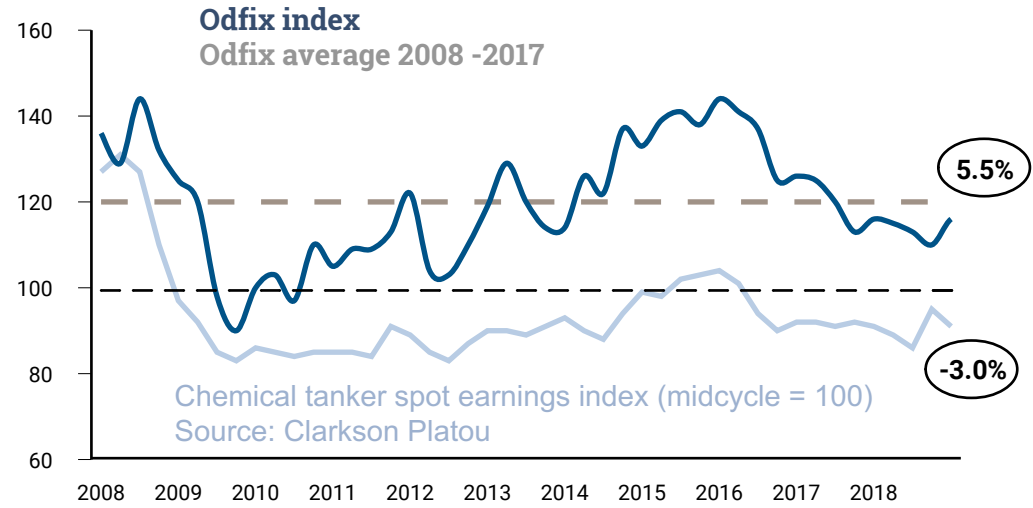
By end of March, Odfjell A and B shares were trading at NOK 31.00 and NOK 30.00 respectively, against NOK 30.90 and NOK 30.20 respectively at the close of previous quarter. The market capitalization was NOK 2,421 mill (USD 281 mill) excluding treasury shares, which was equivalent to around USD 269 mill, and NOK 2,669 mill (USD 309 mill) including treasury shares.

Prospects

We expect results from chemical tankers to improve in the next quarter and throughout 2019.

We expect results from Odfjell Terminals to be stable for the remainder of 2019.

Odfix quarterly average index (1990=100)



Bergen, 7 May 2019

THE BOARD OF DIRECTORS OF ODFJELL SE

Interim financial information – ODFJELL GROUP

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Figures based on equity method

(USD mill)	Note	4Q18	1Q19 *)	1Q18	FY18
Gross revenue	1	221.4	218.3	211.6	850.8
Voyage expenses	1	(94.5)	(90.2)	(87.0)	(356.6)
Pool distribution		(9.7)	(13.0)	(3.3)	(23.9)
Time-charter revenues		117.1	115.1	121.3	470.3
Time-charter expenses		(35.0)	(15.4)	(40.6)	(146.4)
Operating expenses		(36.9)	(37.2)	(36.0)	(145.4)
Operating expenses - IFRS 16 adjustments	7	–	(5.3)	–	–
Gross result		45.2	57.2	44.7	178.4
Share of net result from associates and joint ventures	5	(14.7)	0.9	(1.7)	(139.3)
General and administrative expenses		(18.3)	(18.2)	(17.9)	(69.7)
Operating result before depreciation, amortization and capital gain (loss) on non-current assets (EBITDA)		12.3	39.9	25.2	(30.7)
Depreciation and amortization	4	(24.0)	(22.8)	(22.6)	(95.3)
Depreciation - IFRS 16 adjustments	7	–	(11.4)	–	–
Impairment of ships, property, plant and equipment	4	(5.0)	–	–	(5.0)
Capital gain (loss)	4	–	(0.6)	0.1	(0.3)
Operating result (EBIT)		(16.8)	5.2	2.7	(131.3)
Interest income		1.9	1.2	1.3	6.4
Interest expenses		(20.2)	(18.4)	(16.2)	(73.8)
Interest expenses - IFRS 16 adjustments	7	–	(2.9)	–	–
Other financial items	6	(10.2)	0.6	0.8	(7.3)
Net financial items		(28.4)	(19.4)	(14.1)	(74.8)
Result before taxes		(45.2)	(14.2)	(11.4)	(206.0)
Income tax expense		(2.4)	(1.2)	(0.7)	(4.8)
Net Result		(47.6)	(15.4)	(12.1)	(210.8)

*) Historical figures not adjusted for IFRS 16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures based on equity method

(USD mill)	Note	4Q18	1Q19	1Q18	FY18
Net other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Net changes in cash-flow hedges		(2.7)	(1.7)	2.5	(1.6)
Translation differences on investments of foreign operations		0.2	–	–	0.1
Share of comprehensive income on investments accounted for using equity method		0.7	0.5	6.9	0.7
Share of other comprehensive income reclassified to income statement on disposal		–	–	–	9.8
Net other comprehensive income not being reclassified to profit or loss in subsequent periods:					
Net actuarial gain/(loss) on defined benefit plans		0.1	–	–	0.1
Other comprehensive income		(1.7)	(1.2)	9.4	9.0
Total comprehensive income		(49.2)	(16.6)	(2.7)	(201.8)
Earnings per share (USD) –basic/diluted		(0.60)	(0.20)	(0.15)	(2.68)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures based on equity method

(USD mill)	Note	31.03.19	31.03.18	31.12.18
Ships	4	1,354.0	1,354.6	1,359.9
Property, plant and equipment	4	8.9	8.1	8.4
Right of use assets	7	216.8	–	–
Investments in associates and joint ventures	5	172.1	362.0	170.9
Derivative financial instruments		–	14.8	–
Non-current receivables		17.8	14.3	16.1
Total non-current assets		1,769.8	1,753.8	1,555.6
Current receivables		99.3	87.1	87.5
Bunkers and other inventories		20.8	15.6	27.9
Derivative financial instruments		1.9	0.5	–
Loan to associates and joint ventures		0.7	14.8	0.7
Cash and cash equivalents		138.6	181.4	167.8
Assets classified as held for sale		–	–	2.5
Total current assets		261.3	299.4	286.4
Total assets		2,031.1	2,053.2	1,841.9
Equity		583.5	815.1	600.6
Non-current interest bearing debt	3	891.9	905.3	909.7
Non-current debt, right of use assets	7	175.2	–	–
Derivatives financial instruments		14.3	–	10.0
Other non-current liabilities		9.0	9.5	8.7
Total non-current liabilities		1,090.3	914.8	928.4
Current portion interest bearing debt	3	218.9	242.4	212.9
Current debt, right of use assets	7	43.3	–	–
Derivative financial instruments		10.1	18.3	13.6
Other current liabilities		84.9	62.6	86.5
Total current liabilities		357.3	323.3	313.0
Total equity and liabilities		2,031.1	2,053.2	1,841.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Figures based on equity method

(USD mill)	Paid in equity	Exchange rate differences	Cash-flow hedge reserves	Pension remeasurement	OCI associates and JVs	Retained equity	Total other equity	Total equity
Equity as at January 1, 2018	199.0	—	(2.0)	1.4	4.0	613.5	616.9	815.9
Other comprehensive income	—	0.1	(1.6)	0.1	10.4	—	9.0	9.0
Net result	—	—	—	—	—	(210.8)	(210.8)	(210.8)
Dividend payment	—	—	—	—	—	(14.6)	(14.6)	(14.6)
Sale of treasury shares 1)	0.2	—	—	—	—	0.1	0.1	0.3
Other adjustments	—	—	—	(1.9)	(8.4)	11.1	0.8	0.8
Equity as at December 31, 2018	199.2	0.1	(3.6)	(0.5)	6.1	399.2	401.4	600.6
Equity as per January 1, 2019	199.2	0.1	(3.6)	(0.5)	6.1	399.2	401.4	600.6
Other comprehensive income	—	—	(1.7)	—	0.5	—	(1.2)	(1.2)
Net result	—	—	—	—	—	(15.4)	(15.4)	(15.4)
Other adjustments	—	—	—	—	—	(0.5)	(0.5)	(0.5)
Equity as at March 31, 2019	199.2	0.1	(5.3)	(0.5)	6.6	383.3	384.3	583.5

(1) In fourth quarter 2018, senior management received a transaction bonus from Odfjell SE's joint venture partner in Odfjell Terminals B.V. in relation to its ongoing exit/sales process, which was used to purchase 55,840 Class A shares at a total value of NOK 1.7 mill.

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 nil for 2019. The net amount, reduced with withholding tax, has been used to buy Treasury shares.

KEY FIGURES

Figures based on equity method

	4Q18	1Q19	1Q18	FY18
PROFITABILITY				
Earnings per share (USD) –basic/diluted	(0.60)	(0.20)	(0.15)	(2.68)
Return on equity (1)	(17.6)%	(10.5 %)	(6.3 %)	(29.8 %)
Return on equity - adjusted (3)	–	–	–	(9.9 %)
Return on capital employed (1)	(1.1)%	1.4 %	0.6 %	(8.1 %)
Return on capital employed - adjusted (3)	–	–	–	0.1 %
FINANCIAL RATIOS				
Average number of outstanding shares (mill) (2)	78.7	78.7	78.6	78.7
Basic/diluted equity per share (USD)	7.63	7.41	10.36	7.63
Share price per A-share (USD)	3.39	3.59	4.10	3.39
Current ratio	0.9	0.7	0.9	0.9
Equity ratio	32.6%	28.7 %	39.7%	32.6%
USD/NOK rate at period end	8.69	8.63	7.75	8.69

¹⁾ Return ratios are based on annualized results, except for non-recurring items that are included in the relevant period.

²⁾ Per end March 2019 Odfjell holds 5,740,238 Class A shares and 2,322,482 Class B shares.

³⁾ Adjusted for non-recurring items

CONSOLIDATED CASH FLOW STATEMENT

Figures based on equity method

(USD mill)	4Q18	1Q19	1Q18	FY18
Profit before income taxes	(45.2)	(14.2)	(11.4)	(206.0)
Taxes paid in the period	(0.8)	(0.7)	(1.1)	(3.2)
Depreciation, impairment and capital (gain) loss fixed assets	28.9	34.7	22.5	99.8
Change in inventory, trade debtors and creditors (increase) decrease	(4.1)	(5.8)	2.8	(20.5)
Share of net result from associates and JV's	14.7	(0.9)	1.7	139.3
Unrealized changes in derivatives	27.9	(2.8)	(15.1)	18.0
Net interest expenses	18.3	20.0	14.9	67.8
Interest received	1.9	1.7	0.3	6.0
Interest paid	(20.0)	(22.0)	(16.1)	(73.7)
Effect of exchange differences	(16.4)	1.9	14.7	(13.3)
Change in other current accruals	3.0	(0.7)	(2.7)	28.7
Net cash-flow from operating activities	8.2	11.2	10.5	42.7
Sale of ships, property, plant and equipment	–	2.0	–	–
Investment in ships, property, plant and equipment	(18.9)	(17.4)	(83.4)	(169.1)
Dividend/other from investments in associates and JV' s	81.1	–	–	81.1
Investment in shares	(24.8)	–	–	(24.8)
Other non-current receivables and investments	11.1	0.1	(0.9)	14.0
Net cash-flow from investing activities	48.5	(15.3)	(84.2)	(98.8)
New interest bearing debt (net of fees paid)	38.8	20.5	76.6	299.9
Repayment of interest bearing debt	(134.8)	(35.8)	(28.8)	(267.8)
Repayment of lease debt	–	(9.9)	–	–
Dividend payment	–	–	–	(14.6)
Sale/purchase of treasury shares	0.2	–	–	0.2
Net cash-flow from financing activities	(95.8)	(25.2)	47.8	17.7
Effect on cash balance from currency exchange rate fluctuations	0.1	–	0.7	(0.4)
Net change in cash and cash equivalents	(39.0)	(29.2)	(25.2)	(38.7)
Opening cash and cash equivalents	206.8	167.8	206.6	206.6
Closing cash and cash equivalents	167.8	138.6	181.4	167.8

NOTES TO THE INTERIM 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 March 31, 2019 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 December 31, 2018. 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 December 31, 2018, except for the implementation of 'IFRS 16 Leases' which is adopted January 1, 2019. Some new standards and amendments to standard and interpretations are not yet effective and have not yet been applied in preparing the consolidated financial statements. The Group's assessment of the impacts on these new standards is set out below. From January 1, 2019, the Group has also applied hedge accounting for its interest rate swaps.

IFRS 16 Leases – implementation effect January 1, 2019

The Odfjell Group has adopted 'IFRS 16 Leases' for reporting periods beginning on and after January 1, 2019. The IFRS 16 supersedes IAS 17, IFRIC 4, SIC 15 and SIC 27.

The Odfjell Group has adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of January 1, 2019. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 at the date of application. The Group also elected to use the recognition exemptions for lease contracts that, at January 1, 2019, have a lease term of 12 months or less and for low value assets. Low value assets are non strategic assets and comprises coffee machines, copy machines and smaller equipments.

The effect of adoption of IFRS 16 as per January 1, 2019 is as follows: Right of use of assets increases with USD 187.8 million and lease liability increases with similar amount, distributed between current lease liability of USD 47.8 million and non-current lease liability of USD 140 million. The lease liabilities, and the corresponding right of use of assets, represent the present value of the remaining lease payments, discounted using the incremental borrowing rate estimated at January 1, 2019. The discount rate varies from 5.3% to 5.8%. Some of these vessel lease contracts relates to time charter vessels. The Odfjell Group has elected to separate the service element (operating expenses implicit in the time charter hire) and only to capitalize the estimated bareboat element of the lease. Doing so, the Group has applied judgment and estimated the service element to USD 6,500 per day. Estimated expenses to carry out periodic maintenance (docking) for bareboat vessels are capitalized as part of the vessels. Docking are depreciated over the period to when the periodic maintenance is estimated to be done.

The Odfjell Group has in previous years negotiated and concluded several sale and leaseback agreements. These contracts were accounted as finance transactions (new borrowings) without changing the carrying amount of the vessels. These vessels are therefore retained as 'Ships' in the statement of financial position on January 1, 2019.

IFRS 16 Leases - summary of accounting policies

From the date of application of IFRS 16, the Odfjell Group recognizes right of use of assets at the commencement date of the lease. The commencement date is the date the underlying asset is made available

Right of use of assets are measured at cost, less any accumulated depreciation and impairment. The cost of right of use of assets include the amount of lease liabilities recognized, initial direct costs incurred and prepaid leases made at on before the commencement date. Unless the Group is reasonable certain to obtain ownership to the leased asset at the end of the lease term, the right of use of assets are depreciated on a straight line basis over the lease term. Right of use of assets are are subject to impairment.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. For payment of time charter leases, the service element is estimated and deducted from the payment. As a result, the Odfjell Group only recognizes the estimated bareboat element implicit in the time charter contracts. The service element is estimated based on internal sources of operating expenses for vessels of similar classes as vessels on time charter contracts. Lease payments includes the exercise price of a purchase option if it is reasonable certain that the option will be exercised by the Group.

Variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers payment occurs. Variable lease payments are classified as time charter expense or pool distributions (for external pool vessels).

In calculating the net present value, the Group uses the incremental borrowing rate at the lease commencement date. The nominal lease payments, less the service element, are distributed between interest expense and lease debt repayment. The service element is recognized as an operating expense over the lease term.

The Group applies the short term recognition exemption to its short term leases. Short term leases are leases with lease term of 12 months or less from the commencement date and do not contain purchase options reasonable certain to be exercised. Leases of non strategic assets (minor office equipments) are not capitalized.

The Group determines the lease term as the non cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised on the prevailing terms.

IFRS 9 - hedge accounting for interest rate swaps

Applying hedge accounting for interest rate swaps have no impact on the balance sheet as of January 1, 2019. Interest rate swaps are used to hedge interest rate risk arising on variable interest payable on bank loans and financial leasing. Realized gain or loss on interest rate swaps are recognized as part of interest expense. Interest rate swaps are accounted for at fair value in the balance sheet, while changes in fair value prior to maturity is recognized in other comprehensive income. At January 1, 2019, the Group has formally designated and documented the hedge relationship with the risk management objective and hedging policy.

Note 2 – Segment information

Management has determined the operating segments based on the information regularly review by executive 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 joint ventures owned by the subsidiary 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 continues 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 - continue

USD mill	Chemical Tankers (2)				Tank Terminals				Gas Carriers				Eliminations				Total (1)			
	4Q18	1Q19	1Q18	FY18	4Q18	1Q19	1Q18	FY18	4Q18	1Q19	1Q18	FY18	4Q18	1Q19	1Q18	FY18	4Q18	1Q19	1Q18	FY18
Gross revenue	221.3	218.3	211.6	850.8	17.2	17.6	25.2	91.0	2.6	2.4	2.1	8.8	—	—	—	—	241.1	238.3	238.9	950.5
Voyage expenses	(94.5)	(90.2)	(87.0)	(356.6)	—	—	—	—	(1.1)	(1.0)	(0.9)	(3.9)	—	—	—	—	(95.7)	(91.2)	(87.9)	(360.5)
Pool distribution	(9.7)	(13.0)	(3.3)	(23.9)	—	—	—	—	—	—	—	—	—	—	—	—	(9.7)	(13.0)	(3.3)	(23.9)
TC revenue	117.1	115.2	121.3	470.2	17.2	17.6	25.2	91.0	1.5	1.4	1.2	4.9	—	—	—	—	135.7	134.1	147.7	566.1
TC expenses	(35.0)	(15.4)	(40.6)	(146.4)	—	—	—	—	—	—	—	—	—	—	—	—	(35.0)	(15.4)	(40.6)	(146.4)
Operating expenses	(36.9)	(37.2)	(36.0)	(145.4)	(6.8)	(6.9)	(13.5)	(46.1)	(0.6)	(0.5)	(0.5)	(2.2)	—	—	—	—	(44.3)	(44.6)	(50.1)	(193.8)
Operating expenses -IFRS 16 adjustments	—	(5.3)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(5.3)	—	—
General and administrative expenses	(18.2)	(17.6)	(17.9)	(69.7)	(5.6)	(4.0)	(5.3)	(20.8)	—	—	—	(0.1)	—	—	—	—	(23.8)	(21.6)	(23.2)	(90.6)
EBITDA	27.0	39.7	26.9	108.7	4.8	6.7	6.3	24.0	0.9	0.8	0.6	2.6	—	—	—	—	32.7	47.2	33.9	135.3
Depreciation	(24.0)	(22.7)	(22.6)	(95.3)	(5.3)	(5.4)	(8.4)	(29.1)	—	—	—	—	—	—	—	—	(29.3)	(28.1)	(31.0)	(124.5)
Depreciation - IFRS 16 adjustments	—	(11.4)	—	—	—	(0.1)	—	—	—	—	—	—	—	—	—	—	—	(11.5)	—	—
Impairment	(5.0)	—	—	(5.0)	(10.0)	—	—	(68.1)	(3.3)	—	—	(3.3)	—	—	—	—	(18.3)	—	—	(76.4)
Capital gain/loss	—	(0.2)	0.1	(0.3)	2.0	(0.4)	—	(10.6)	—	—	—	—	—	—	—	—	1.9	(0.6)	0.1	(10.8)
Operating result (EBIT)	(2.1)	5.4	4.4	8.1	(8.5)	0.8	(2.1)	(83.7)	(2.4)	0.8	0.6	(0.7)	—	—	—	—	(13.0)	7.0	3.0	(76.4)
Net finance	(28.4)	(19.4)	(14.0)	(74.6)	(1.9)	(1.4)	(1.5)	(10.0)	(0.1)	(0.1)	(0.2)	(0.6)	—	—	—	(0.1)	(30.5)	(20.9)	(15.8)	(85.3)
Taxes	(2.4)	(1.2)	(0.7)	(4.8)	(1.7)	(0.3)	1.4	(44.3)	—	—	—	—	—	—	—	—	(4.0)	(1.5)	0.7	(49.1)
Net result	(32.9)	(15.2)	(10.4)	(71.4)	(12.1)	(1.0)	(2.1)	(138.0)	(2.6)	0.7	0.5	(1.3)	—	—	—	(0.1)	(47.6)	(15.4)	(12.1)	(210.8)
Non current assets	1,385.1	1,596.1	1,376.9	1,385.1	324.6	324.1	526.4	324.6	—	—	—	—	(0.5)	1.2	5.0	(0.5)	1,709.3	1,921.4	1,908.2	1,709.3
Current assets	276.3	249.9	314.3	276.3	26.9	28.2	65.2	26.9	2.8	3.1	3.7	2.8	2.0	3.9	(10.0)	2.0	307.9	285.2	373.1	307.9
Assets held for sale	2.5	—	—	2.5	—	—	—	—	19.0	19.0	21.4	19.0	—	—	—	—	21.4	19.0	21.4	21.4
Total asset	1,663.9	1,846.0	1,691.1	1,663.9	351.5	352.4	591.6	351.5	21.8	22.0	25.0	21.8	1.5	5.1	(5.1)	1.5	2,038.7	2,225.5	2,302.7	2,038.7
Equity	428.2	411.1	453.1	428.2	158.5	157.9	345.7	158.5	14.6	15.3	16.3	14.6	(0.7)	(0.7)	—	(0.7)	600.6	583.5	815.2	600.6
Non current liabilities	928.4	1,087.9	914.8	928.4	170.8	174.4	182.7	170.8	—	—	—	—	—	—	—	—	1,099.1	1,262.4	1,097.5	1,099.1
Current liabilities	307.3	347.0	323.2	307.3	22.2	20.1	63.2	22.2	7.2	6.8	8.7	7.2	2.2	5.9	(5.1)	2.2	338.9	379.7	390.1	338.9
Total equity and liabilities	1,663.9	1,846.0	1,691.1	1,663.9	351.5	352.4	591.6	351.5	21.8	22.1	25.0	21.8	1.5	5.1	(5.1)	1.5	2,038.7	2,225.6	2,302.7	2,038.7
Reconciliations:																				
Total segment revenue	221.3	218.3	211.6	850.8	17.2	17.6	25.2	91.0	2.6	2.4	2.1	8.8	—	—	—	—	241.1	238.3	238.9	950.5
Segment revenue JV's	—	—	—	—	(17.2)	(17.6)	(25.2)	(91.0)	(2.6)	(2.4)	(2.1)	(8.8)	—	—	—	—	(19.8)	(20.0)	(27.3)	(99.7)
Consolidated revenue in income statement	221.3	218.3	211.6	850.8	—	—	—	—	—	—	—	—	—	—	—	—	221.3	218.3	211.6	850.8
Total segment EBIT	(2.1)	5.4	4.4	8.1	(8.5)	0.8	(2.1)	(83.7)	(2.4)	0.8	0.6	(0.7)	—	—	—	—	(13.0)	7.0	3.0	(76.4)
Segment EBIT JV's	—	—	—	—	8.5	(1.8)	2.1	83.7	2.4	(0.8)	(0.6)	0.7	—	—	—	—	10.9	(2.7)	1.4	84.5
Share of net result JV's (4)	—	—	—	—	(12.1)	0.2	(2.1)	(138.0)	(2.6)	0.7	0.5	(1.3)	—	—	—	—	(14.7)	0.9	(1.7)	(139.3)
Consolidated EBIT in income statement	(2.1)	5.4	4.4	8.1	(12.1)	(0.9)	(2.1)	(138.0)	(2.6)	0.7	0.5	(1.3)	—	—	—	—	(16.8)	5.2	2.7	(131.3)
Total segment asset	1,663.9	1,846.0	1,691.1	1,663.9	351.5	352.4	591.6	351.5	21.8	22.0	25.0	21.8	1.5	5.1	(5.1)	1.5	2,038.7	2,225.5	2,302.7	2,038.7
Segment asset (3)	—	—	—	—	(346.7)	(348.5)	(591.6)	(346.7)	(21.8)	(22.0)	(25.0)	(21.8)	0.8	4.0	5.1	0.8	(367.7)	(366.6)	(611.6)	(367.7)
Investment in JV's (4)	—	—	—	—	156.3	156.9	345.7	156.3	14.6	15.3	16.3	14.6	—	—	—	—	170.9	172.1	362.0	170.9
Total consolidated assets in statement of financial position	1,663.9	1,846.0	1,691.1	1,663.9	161.1	160.7	345.7	161.1	14.6	15.3	16.3	14.6	2.3	9.1	—	2.3	1,841.9	2,031.1	2,053.2	1,841.9
Total segment liabilities	1,235.7	1,434.9	1,238.0	1,235.7	193.0	194.5	245.9	193.0	7.2	6.8	8.7	7.2	2.2	5.9	(5.1)	2.2	1,438.1	1,642.1	1,487.6	1,438.1
Segment liability (3)	—	—	—	—	(190.4)	(191.1)	(245.9)	(190.4)	(7.2)	(6.8)	(8.7)	(7.2)	0.9	3.2	—	0.9	(196.7)	(194.7)	(254.6)	(196.7)
Total consolidated liabilities in statement of financial position	1,235.7	1,434.9	1,238.0	1,235.7	2.6	3.4	—	2.6	—	—	—	—	3.1	9.1	(5.1)	3.1	1,241.4	1,447.4	1,232.9	1,241.4

⁽¹⁾ The table is shown without eliminations, therefore Total doesn't equal sum of Chemical Tankers, Tank Terminals and Gas Carriers.

⁽²⁾ This segment also includes «corporate».

⁽³⁾ Investments in joint ventures are presented according to the proportionate consolidation method in the segment reporting.

⁽⁴⁾ Investments in joint ventures are presented according to the equity method in the consolidated income statement and balance sheet.

Note 2 – Segment information - continued

Tank Terminals: The segment table above includes discontinued operations which is specified below.

- The sale of Odfjell Terminals Rotterdam to Koole terminals B.V. was finalized on September 20, 2018 and a capital loss of USD 12.5 mill was recognized. Included in the capital loss is a negative accumulated currency translation differences of USD 9.8 mill related to the entities that has been sold. This amount has been recognized as other comprehensive income in earlier periods and is in 3Q reclassified to the income statement upon sale of the entities and does not have an impact on total comprehensive income or equity.

In addition to the capital loss the sale of Odfjell Terminals Rotterdam also triggered an impairment loss in 2Q 2018 of USD 58.1 mill related to fixed asset and a write down of tax assets of USD 43.1 mill in 2Q 2018 and USD 2.7 mill in 3Q 2018.

Discontinued operations included in Tank Terminals segment 1)

(USD mill)	4Q18	1Q19	1Q18	FY18
Gross revenue	–	–	9.2	27.2
Operating expenses	–	–	(7.0)	(19.7)
General and administrative expenses	–	–	(3.0)	(5.0)
Operating result before depreciation (EBITDA)	–	–	(0.8)	2.5
Depreciation	–	–	(3.6)	(9.9)
Impairment	–	–	–	(58.1)
Capital gain/loss on fixed assets/sale of business	–	–	–	(12.5)
Operating result (EBIT)	–	–	(4.4)	(78.0)
Net finance	–	–	0.1	(2.7)
Taxes	–	–	0.8	(44.5)
Net result	–	–	(3.6)	(125.2)

¹⁾ Odfjell Terminals Rotterdam is included in all periods until September 20, 2018.

Note 3 – Net interest bearing liabilities

(USD mill)	31.03.19	31.03.18	31.12.18
Loans from financial institutions –floating interest rate	433.8	519.3	447.2
Financial leases and sale-leaseback	429.9	347.1	430.6
Bonds - unsecured	255.0	288.8	253.1
Subtotal interest bearing debt	1,118.6	1,155.2	1,130.9
Debt transaction fees	(7.8)	(7.4)	(8.3)
Total interest bearing debt	1,110.8	1,147.8	1,122.6
Cash and cash equivalent	138.6	181.4	167.8
Net interest bearing liabilities	972.2	966.4	954.8

(USD mill)	1Q19	1Q18	FY18
Interest bearing debt, beginning of period	1,122.6	1,083.8	1,083.8
New interest bearing debt	20.9	78.0	306.2
Repayment of interest bearing debt	(35.8)	(28.8)	(251.4)
Debt transaction fees, net paid and amortized	0.5	(0.6)	(1.6)
Currency translation differences	1.9	15.4	(14.4)
Interest bearing debt, end of period	1,110.8	1,147.8	1,122.6

For debt related to right of use assets see note 7.

Note 4 – Ships, property, plant and equipment

(USD mill)	1Q19	1Q18	FY18
Net carrying amount, beginning of period	1,368.2	1,301.9	1,301.9
Investments in ships, property, plant and equipment	17.4	83.4	169.1
Depreciation	(22.8)	(22.6)	(95.3)
Impairment	–	–	(5.0)
Assets classified as held for sale	–	–	(2.5)
Net carrying amount, end of period	1,362.8	1,362.7	1,368.2

Impairment of USD 5.0 million in 2018 is related to write-down of vessels.

Note 5 – Investments 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. See note 2 for further details about joint ventures.

(USD mill)	YTD19			YTD18		
	Tank Terminals	Gas Carriers	Total	Tank Terminals	Gas Carriers	Total
Gross revenue	19.9	2.4	22.3	25.2	2.1	27.3
EBITDA	7.2	0.8	8.1	6.3	0.6	7.0
EBIT	1.8	0.8	2.6	(2.1)	0.6	(1.4)
Net result	0.2	0.7	0.9	(2.1)	0.5	(1.7)
Non-current assets	324.1	–	324.1	526.4	–	526.4
Current assets	21.2	3.1	24.3	65.2	3.7	68.9
Assets held for sale	–	19.0	19.0	–	21.4	21.4
Total assets	345.3	22.0	367.4	591.6	25.0	616.6
Total equity closing balance	156.9	15.3	172.1	345.7	16.3	362.0
Non-current liabilities	174.4	–	174.4	182.7	–	182.7
Current liabilities	14.1	6.8	20.8	63.2	8.7	71.9
Liabilities held for sale	–	–	–	–	–	–
Total equity and liabilities	345.3	22.0	367.4	591.6	25.0	616.6

Note 6 – Other financial items

(USD mill)	4Q18	1Q19	1Q18	FY18
Changes in fair value in derivatives	(11.3)	2.8	15.1	(1.3)
Currency gains (losses)	1.0	(1.9)	(15.3)	(5.7)
Other	0.2	(0.3)	1.0	(0.3)
Total other financial items	(10.2)	0.6	0.8	(7.3)

In December 2018 NOK bond ODF06 matured and outstanding amount of NOK 436 million was repaid in full. The settlement of the bonds had a negative impact of USD 1.4 million in 4Q 2018.

In September 2018 Odfjell SE completed a new unsecured bond issue of NOK 500 million with maturity date in September 2023. In conjunction with the issuance Odfjell bought back NOK 37 million of the outstanding bonds maturing in December 2018. The repurchase of bonds had a negative impact of USD 0.1 million in 3Q 2018.

Note 7 - IFRS 16 Leases

The Odfjell Group has a number of operating leases, mainly vessels under time charter and bare boat contracts, which are recognized as right of use assets as from January 1, 2019.

(USD mill)	1Q19
Net carrying amount, beginning of period	187.8
New right of use assets	40.4
Depreciation	(11.4)
Net carrying amount, end of period	216.8

(USD mill)	31.03.19
Non current debt, right of use assets	175.2
Current debt, right of use assets	43.3
Total	218.5

The table below explains the reconciliation between operating lease commitments as of December 31, 2018, and lease liabilities as at January 1, 2019.

(USD mill)	31.03.19
Operating lease commitments as at December 31, 2018, nominal amounts	304.2
Less leases with remaining duration < 12 months	(24.1)
Less estimated service element for leases with duration > 12 months	(59.9)
Subtotal	220.2
Interest element, interest rate 5.3%-5.8%	(32.4)
Lease liabilities as at January 1, 2019	187.8

Note 8 – Figures presented based on Proportionate method**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

(USD mill)	YTD19	YTD18
Gross revenue	238.3	238.9
Voyage expenses	(91.2)	(87.9)
Pool distribution	(13.0)	(3.3)
Time-charter revenues	134.1	147.7
Time-charter expenses	(15.4)	(40.6)
Operating expenses	(44.6)	(50.1)
Operating expenses - IFRS 16 adjustments	(5.3)	–
Gross result	68.8	57.1
General and administrative expenses	(21.6)	(23.2)
EBITDA	47.2	33.9
Depreciation	(28.1)	(31.0)
Depreciation - IFRS 16 adjustments	(11.5)	–
Capital gain (loss) on property, plant and equipment	(0.6)	0.1
Operating result (EBIT)	7.0	3.0
Interest income	1.3	1.2
Interest expenses	(19.9)	(18.3)
Interest expenses - IFRS 16 adjustments	(2.9)	–
Other financial items	0.6	1.3
Net financial items	(20.9)	(15.8)
Result before taxes	(13.9)	(12.8)
Taxes	(1.5)	0.7
Net result	(15.4)	(12.1)

Note 8 – Figures presented based on Proportionate method - continued**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(USD mill)	31.03.2019	31.03.2018
Intangible assets	60.7	50.4
Ships	1,354.0	1,354.6
Tank terminals assets	239.3	387.8
Other property, plant and equipment	32.0	45.2
Right of use assets	217.6	–
Receivables and derivatives	17.8	70.2
Total non-current assets	1,921.4	1,908.2
Current receivables	110.3	112.0
Bunkers and other inventories	21.1	16.5
Derivative financial instruments	1.9	15.3
Available-for-sale investments	–	–
Cash and cash equivalent	151.8	229.3
Assets held for sale	19.0	21.4
Total current assets	304.1	394.5
Total assets	2,225.5	2,302.7
Total equity	583.5	815.1
Non-current interest bearing debt	1,034.0	1,054.5
Non-current debt, right of use assets	175.7	–
Derivative financial instruments	14.3	0.1
Other non-current liabilities	38.3	43.0
Total non-current liabilities	1,262.4	1,097.5
Current portion of interest bearing debt	229.8	280.2
Current debt, right of use assets	43.6	–
Derivative financial instruments	10.1	18.3
Other current liabilities	96.0	91.6
Liabilities held for sale	–	–
Total current liabilities	379.6	390.1
Total equity and liabilities	2,225.5	2,302.7

Fleet list as per December 31, 2018

VESSEL TYPE	CHEMICAL TANKERS	DWT	BUILT	OWNERSHIP	STAINLESS			VESSEL TYPE	CHEMICAL TANKERS	DWT	BUILT	OWNERSHIP	STAINLESS		
					CBM	STEEL, CBM	TANKS						CBM	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	—	30
Super-segregator	Bow Summer	49 592	2005	Owned	52 128	52 128	40	Coated	Flumar Brasil	51 188	2010	Owned	55 452	—	14
Super-segregator	Bow Saga	49 559	2007	Owned	52 126	52 126	40	Coated	Bow Triumph	49 622	2014	Owned	53 188	—	22
Super-segregator	Bow Sirius	49 539	2006	Owned	52 155	52 155	40	Coated	Bow Trident	49 622	2014	Owned	53 188	—	22
Super-segregator	Bow Star	49 487	2004	Owned	52 127	52 127	40	Coated	Bow Tribute	49 622	2014	Leased	53 188	—	22
Super-segregator	Bow Sky	49 479	2005	Leased	52 126	52 126	40	Coated	Bow Trajectory	49 622	2014	Leased	53 188	—	22
Super-segregator	Bow Spring	49 429	2004	Owned	52 127	52 127	40	Coated	Bow Elm	46 098	2011	Owned	48 698	—	29
Super-segregator	Bow Sun	42 459	2003	Owned	52 127	52 127	40	Coated	Bow Lind	46 047	2011	Owned	48 698	—	29
Super-segregator	Bow Chain	37 518	2002	Owned	40 621	40 621	47	Regional	Bow Oceanic	17 460	1997	Owned	19 616	19 616	24
Super-segregator	Bow Jubail	37 499	1996	Bareboat	41 488	34 209	52	Regional	Bow Atlantic	17 460	1995	Owned	19 588	19 588	24
Super-segregator	Bow Faith	37 479	1997	Owned	41 487	34 208	52	Regional	Bow Condor	16 121	2000	Owned	17 622	17 622	30
Super-segregator	Bow Cedar	37 455	1996	Owned	41 488	41 488	52	Regional	Bow Andes	16 020	2000	Owned	17 120	17 120	22
Super-segregator	Bow Cardinal	37 446	1997	Owned	41 487	34 208	52	Regional	SG Pegasus	13 086	2011	Time charter	14 523	14 523	16
Super-segregator	Bow Firda	37 427	2003	Owned	40 645	40 645	47	Regional	Sun Triton	12 670	2017	Time charter	13 228	13 228	16
Super-segregator	Bow Fortune	37 395	1999	Leased	40 619	40 619	47	Regional	Stellar Orchid	12 571	2011	Time charter	14 713	14 715	18
Super-segregator	Bow Fagus	37 375	1995	Owned	41 608	34 329	52	Regional	Marex Noa	12 478	2015	Time charter	14 067	14 713	18
Super-segregator	Bow Flora	37 369	1998	Leased	40 515	33 236	47	Regional	Bow Querida	10 106	1996	Owned	11 181	14 067	16
Super-segregator	Bow Cecil	37 369	1998	Owned	40 515	33 236	47	Regional	Bow Asia	9 901	2004	Bareboat	11 088	11 181	18
Super-segregator	Bow Clipper	37 221	1995	Owned	41 596	34 328	52	Regional	Bow Singapore	9 888	2004	Bareboat	11 089	11 088	20
Super-segregator	Bow Flower	37 221	1994	Owned	41 492	34 213	52	Regional	Bow Nangang	9 156	2013	Owned	10 523	11 089	20
Super-segregator	Bow Hercules	40 900	2017	Bareboat	42 832	42 832	30	Regional	Bow Dalian	9 156	2012	Owned	10 523	10 523	14
Super-segregator	Bow Gemini	40 895	2017	Bareboat	42 832	42 832	30	Regional	Bow Fuling	9 156	2012	Owned	10 523	10 523	14
Super-segregator	Bow Aquarius	40 901	2016	Bareboat	42 813	42 813	30								
Super-segregator	Bow Precision	35 155	2018	Time charter	36 668	36 668	28								
<hr/>															
Large Stainless steel	Bristol Trader	35 863	2016	Time charter	38 315	37 549	18	VESSEL TYPE						STAINLESS	
Large Stainless steel	Bow Tone	33 625	2009	Time charter	37 974	37 974	16	Super-segregator	SC Taurus	40 964	2017	Pool	42 793	STEEL, CBM	TANKS
Large Stainless steel	Bow Harmony	33 619	2008	Leased	38 052	38 052	16	Super-segregator	SC Scorpio	40 964	2017	Pool	42 786	42 793	30
Large Stainless steel	Bow Compass	33 609	2009	Owned	37 994	37 994	16	Super-segregator	SC Draco	40 924	2016	Pool	42 827	42 786	30
Large Stainless steel	Bow Engineer	30 086	2006	Leased	36 274	36 274	28	Super-segregator	SC Virgo	40 870	2017	Pool	42 832	42 827	30
Large Stainless steel	Bow Architect	30 058	2005	Leased	36 290	36 290	28	Super-segregator	SC Capricorn	40 929	2016	Commercial	43 552	42 832	30
														43 552	30
Medium Stainless steel	RT Star	26 199	2011	Time charter	27 912	27 912	18								
Medium Stainless steel	Southern Owl	26 057	2016	Time charter	27 656	27 656	26	Medium Stainless steel	CTG Cobalt	25 000	2018	Pool	28 078	28 078	24
Medium Stainless steel	Southern Puma	26 057	2016	Time charter	27 079	27 079	24	Medium Stainless steel	CTG Argon	24 761	2017	Pool	27 067	28 078	24
Medium Stainless steel	Southern Shark	25 500	2018	Time charter	27 112	27 112	26	Medium Stainless steel	CTG Bismuth	24 755	2016	Pool	27 654	27 067	24
Medium Stainless steel	Bow Platinum	25 000	2017	Leased	27 091	27 091	24	Medium Stainless steel	CTG Magnesium	25 000	2017	Pool	28 078	27 654	24
Medium Stainless steel	Bow Neon	24 786	2017	Leased	28 644	28 644	24	Total 3rd party:		329 167	10		353 745	28 078	24
Medium Stainless steel	Bow Titanium	24 764	2018	Leased	27 091	27 091	24	* Pool participation							
Medium Stainless steel	Bow Palladium	24 764	2017	Leased	29 041	29 041	24	SUMMARIZED						353 745	270
Medium Stainless steel	Bow Tungsten	24 764	2018	Leased	28 067	28 067	24								
Medium Stainless steel	Southern Koala	21 290	2010	Time charter	20 008	20 008	20	Owned			32	1161855	1268126	STEEL, CBM	TANKS
Medium Stainless steel	Bow Santos	19 997	2004	Owned	21 846	21 846	22	Time charter			18	433985	469,050.00	879,239.00	1081
Medium Stainless steel	Flumar Maceio	19 975	2006	Owned	21 713	21 713	22	Leased			13	441328	490,186.00	468,284.00	376
Medium Stainless steel	Moyra	19 806	2005	Time charter	22 838	22 838	18	Bareboat			6	179984	192,143.00	376,531.00	178
Medium Stainless steel	Gwen	19 702	2008	Time charter	21 651	21 651	26	Pool			9	288238	310,193.00	184,864.00	182
Medium Stainless steel	Shamrock Mercury	19 000	2010	Time charter	22 204	22 204	22	Commercial			1	40929	43,552.00	310,193.00	216
								Total Chemical Tankers:			83	2546319	2,773,250.00	43,552.00	30
														2,262,663.00	2063

NEWBUILDINGS ON ORDER:							
CHEMICAL TANKERS	NUMBER	DWT	CBM	STAINLESS STEEL, CBM	TANKS	DELIVERY	OWNERSHIP
China Shipbuilding Trading Co., Ltd/	4	49 000	54 600	54 600	33	2019 - 2020	Owned/leased
Hudong-Zhonghua Shipbuilding (Group) Co., Ltd	2	38 000	45 000	45 000	40	—	Leased
Undisclosed	2	36 000	40 000	40 000	28	2019-2020	Bareboat
Total newbuildings:	9	379 500	425 700	425 700	296		

Bow Gallant	2008	10 282	8 922	LPG/Ethylene	2	Pool
Bow Guardian	2008	10 282	8 922	LPG/Ethylene	2	Pool
Total Gas Carriers:	2	20 564	17 844		4	

CHEMICAL TANKERS	STEEL, CBM						
Fleet additions:							
Bow Performer							
Fleet redeliveries:							
Steallar Wisteria	2011	12601	14715	14715	18	Time charter	January
Bow Riyad	1995	37221	41492	34213	52	BB	February
Bow Fuji	2006	19,805	22,140	22,140	22	Timecharter	March
Bow Querida	—	10106	11181	11181	18	Owned	March

TANK TERMINALS	LOCATION	OWNERSHIP ¹	CBM	STAINLESS STEEL, CBM	NUMBER OF TANKS
Odfjell Terminals (Houston) Inc.	Houston, USA	51 %	379 658	113 180	119
Odfjell Terminals (Charleston) LLC	Charleston, USA	51 %	79 400	0	9
Odfjell Terminals (Jiangyin) Co. Ltd	Jiangyin, China	28,05 %	99 800	30 000	22
Odfjell Terminals (Dalian) Co. Ltd	Dalian, China	25,5%	119 750	18 350	51
Odfjell Terminals (Korea) Co. Ltd	Ulsan, Korea	25,5%	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	25,00 %	382 061	71 542	253
Total terminals	7 terminals		1 512 179	255 932	565

PROJECTS AND EXPANSIONS	LOCATION	OWNERSHIP ¹	CBM	STAINLESS STEEL, CBM	ESTIMATED
Odfjell Changxing Terminals (Dalian) Co.Ltd	Changxing, China	20,4%	—	—	TBD
Total expansion terminals			—	—	

TANK TERMINALS PARTLY OWNED BY RELATED PARTIES	LOCATION	CBM	STAINLESS STEEL, CBM	NUMBER OF TANKS
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
Total tank terminals partly owned by related parties	13 terminals	552 740	35 100	455

PROJECTS AND EXPANSIONS PARTLY OWNED BY RELATED PARTIES	LOCATION	CBM	ESTIMATED
Granel Quimica Ltda	Santos II, Brazil	51 910	Q2 2019
Total expansion tank terminals partly owned by related parties		51 910	—
Grand total (incl. related tank terminals partly owned by related parties)	20 existing terminals	2 064 919	291 032

¹Odfjell SE's indirect ownership share

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