

Third quarter 2019 report

November 6, 2019



ODFJELL

Third quarter 2019 report

Highlights – 3Q19

- The chemical tanker earnings were seasonally weaker this quarter. Volumes were lower, but freight rates remained stable and with a firmer underlying trend
- EBITDA of USD 51 mill, compared with USD 57 mill 2Q19
- EBITDA of USD 45 mill from Odfjell Tankers compared with USD 50 mill 2Q19.
- EBITDA of USD 6 mill from Odfjell Terminals compared to USD 6 mill 2Q19
- Net result of USD -1 mill compared to USD -10 mill last quarter. Adjusted for sales gain, net results were USD -15 mill in 3Q19
- Spot rates on main tradelanes increased by 2% compared to 2Q19, and our COA rate renewals are up 6.1% YTD 2019
- Repaid our Sep-19 bond without any new issue. Secured new attractive financing which reduces future cash break-even levels
- Concluded the sale of our Jiangyin terminal generating USD 21 mill in cash proceeds and an equity gain of USD 14 mill
- Took delivery of Bow Orion, the world's largest and most energy efficient stainless steel chemical tanker

Key figures, USD mill

(USD mill, unaudited)	4Q18	1Q19	2Q19	3Q19	3Q18	FY18	FY17
Odfjell Tankers	221.3	218.3	223.1	214.2	208.8	850.8	842.5
Odfjell Terminals	17.2	17.6	17.9	16.4	22.6	91.0	110.8
Revenues*	241.1	238.3	243.2	232.7	233.7	950.5	961.7
Odfjell Tankers	27.0	39.7	49.9	44.7	26.8	108.7	125.0
Odfjell Terminals	4.8	6.7	6.2	6.0	3.9	24.0	38.4
EBITDA*	32.7	47.2	56.8	51.4	31.5	135.3	165.8
EBIT	(13.0)	7.0	14.4	25.9	(13.5)	(76.4)	132.8
Net result	(47.6)	(15.4)	(10.1)	(1.1)	(31.2)	(210.8)	90.6
EPS**	(0.60)	0.00	(0.13)	(0.01)	(0.40)	(2.68)	1.15
ROE***	(17.6%)	(10.5 %)	(6.1 %)	(7.6 %)	(13.8 %)	(29.8)%	11.8%
ROCE***	(1.1%)	1.4 %	2.8 %	2.7 %	(1.5)%	(8.1)%	8.8%

1) Historical figures not adjusted for IFRS16 (2017 and 2018)

*Includes figures from Odfjell Gas

** Based on 78.7 million outstanding shares

*** Ratios are annualised

“Third quarter was impacted by the usual seasonal slowdown in volumes while rates remained stable. Since then, the market has normalized and we are encouraged to see the improvement in volumes, and the improved crude and product tanker markets, which should positively impact our markets going forward. We are further encouraged by ongoing improvement in contract rates and that customers are accepting a pass-through of potentially higher bunker costs related to IMO 2020. We expect to report improved results in the fourth quarter”.

Kristian Mørch, CEO Odfjell SE

Key Financial figures

Odfjell Group

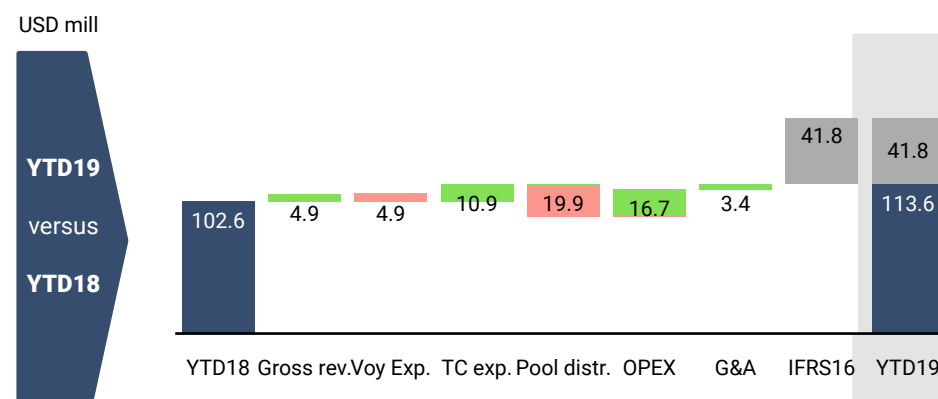
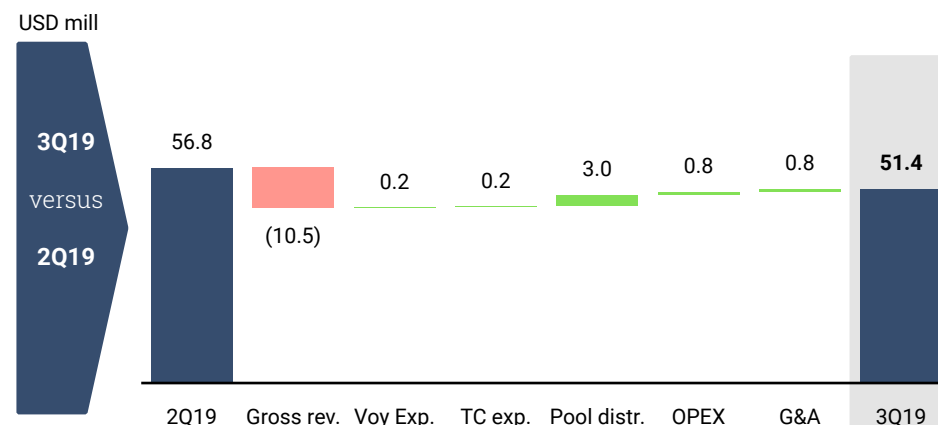
(USD mill, unaudited)	2Q19	3Q19	3Q18	YTD19	YTD18	FY18
Total revenue	243.2	232.7	233.7	714.2	709.3	950.5
Chemical Tankers	223.1	214.2	208.8	655.6	629.4	850.8
Tank Terminals	17.9	16.4	22.6	51.8	73.7	91.0
Gas Carriers	2.2	2.1	2.3	6.7	6.2	8.8
Eliminations	—	—	—	—	—	—
EBITDA	56.8	51.4	31.5	155.4	102.6	135.3
Chemical Tankers	49.9	44.7	26.8	134.3	81.7	108.7
Tank Terminals	6.2	6.0	3.9	18.9	19.2	24.0
Gas Carriers	0.7	0.6	0.7	2.2	1.7	2.6
EBIT	14.4	25.9	(13.5)	47.3	(63.4)	(76.4)
Chemical Tankers	14.4	8.7	1.9	28.5	10.2	8.1
Tank Terminals	(0.7)	16.6	(16.1)	16.7	(75.3)	(83.7)
Gas Carriers	0.7	0.6	0.7	2.2	1.7	(0.7)
Elimination	—	—	—	—	—	—
Net finance	(23.0)	(24.7)	(15.6)	(68.7)	(54.8)	(85.3)
Net result (loss)	(10.1)	(1.1)	(31.2)	(26.7)	(163.3)	(210.8)
Chemical Tankers	(8.0)	(14.8)	(12.0)	(38.0)	(38.5)	(71.4)
Tank Terminals	(2.7)	13.2	(19.8)	9.5	(125.9)	(138.0)
Gas Carriers	0.6	0.6	0.6	1.8	1.3	(1.3)
Eliminations	—	—	—	—	(0.1)	(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
- 2018 figures not adjusted for IFRS16, so figures not fully comparable, see waterfall chart

EBITDA variance - Odfjell Group



3Q 2019 versus 2Q 2019

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

YTD19 versus YTD18

- Gross revenues up 1%
- Voyage expenses up 2%
- TC expenses down 11%
- Ship days down 5%
- OPEX down 11%
- G&A down 5%

Chemical Tankers

Odfjell Tankers EBITDA decreased to USD 45 mill 3Q19 compared to an EBITDA of USD 50 mill in 2Q19.

The main deviation was reduced revenue driven by lower volumes carried compared to the previous quarter. This is in line with seasonal trends. Lower volumes were in particular evident on back-haul routes with added supply pressure from increased share of swing tonnage. Volumes did not recover as quickly as expected following the summer downturn due to the geopolitical unrest in the Middle East.

Our contract coverage was stable at 55% in 3Q19. COA rates were concluded at higher levels this quarter, but only a small amount of volumes were up for renegotiations. COA rate renewals are up 6.1% on average during the first nine months of 2019 (5.7% as of 1H19). The ODFIX declined with 7.8% driven by the reduced volumes while freight rates were largely in line with previous quarter. Spot rates were up 2% on main tradelanes compared to the previous quarter.

Chemical Tankers (USD mill)	1Q19	2Q19	3Q19	3Q18	FY18
Revenues	218.3	223.1	214.2	208.8	850.8
Gross Result	57.3	65.3	60.5	42.7	178.3
EBITDA	39.7	49.9	44.7	26.8	108.7
EBIT	5.4	14.4	8.7	1.9	8.1
Bunker cost per tonne (USD) ³	430	442	431	446	432

Indices	30.06.19	30.09.19	30.09.18	31.12.18
Odfix (1990=100) ¹	124	114	113	110
Opex (2002=100) ²	120	120	121	118

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

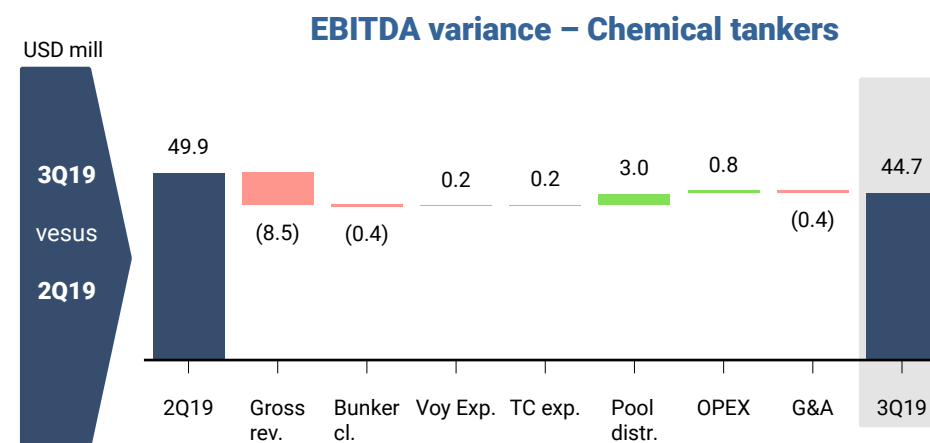
³ Including effect from bunker adjustment clauses

Odfjell Tankers bunker costs, net of bunker adjustment clauses, was USD 40 mill in 3Q19, compared with USD 39 mill in 2Q19.

Our technical preparations for the new 2020 sulfur requirements are progressing according to plan. On the commercial side, renewed and new contracts include new bunker adjustment clauses which include a new reference price in relation to IMO 2020.

Outlook 4Q19

We expect improved results in 4Q19 driven by improved chemical tanker fundamentals and a lower supply of swing tonnage in the Chemical tanker market.



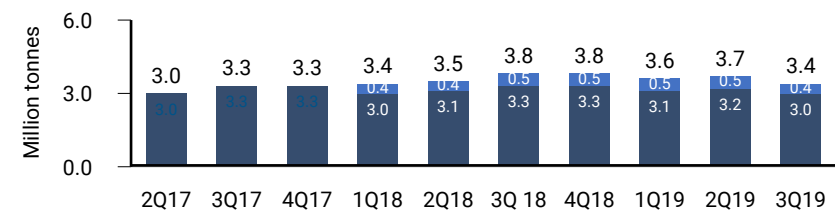
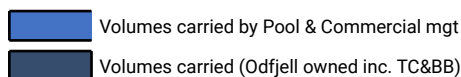
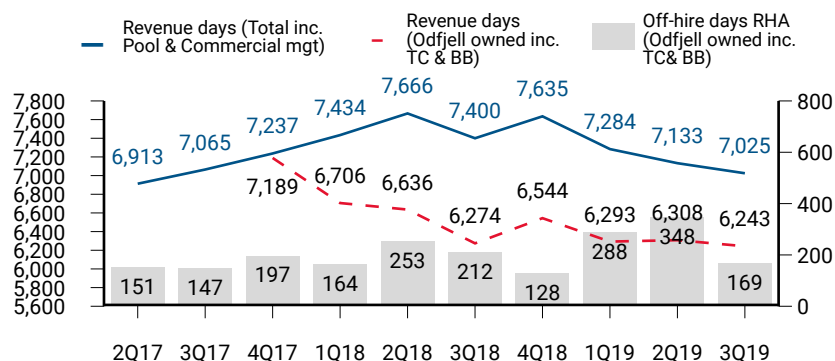
3Q19 versus 2Q19

- Gross revenues down 4%
- Bunkering compensation down 18%
- Voyage expenses unchanged
- TC expenses down 2%
- OPEX down 2%
- G&A up 3%

Volume and voyage days

We carried 3.0 mill tonnes during 3Q which is below 2Q volumes. Decreased volumes relates to seasonally weaker chemical tanker markets, where especially volumes on the back-haul was challenging. Including vessels on commercial management and pools, volumes carried was 3.4 mill tonnes.

Total revenue days for Odfjell SE in 3Q was 6,243 days including 169 off-hire days, this was a decrease from 6,308 days from the previous quarter with 348 off-hire days. This relates mainly to a higher share of scheduled dockings and change of management on vessels in the previous quarter.



Fleet growth programme

We redelivered one large stainless steel vessel during the quarter and took delivery of the company's first super-segregator newbuilding (49,000 dwt) from Hudong. This is the largest stainless steel chemical tanker ever build.

The second newbuilding is scheduled for delivery in November 2019 and the third newbuilding is set for delivery in February 2020.

The two vessels from Fukuoka Shipbuilding is scheduled to be delivered in 1H20 on long-term bareboat contracts.

Remaining ship deliveries

Yard	Tanks	DWT	2019	2020
Hudong	Stainless	38,000/49,000	1	4
Fukuoka shipbuilding	Stainless	36,000	-	2
Total			1	6

Bow Dalian

On 28 September, an explosion and fire occurred on Stolt Groenland while the ship was berthed in Ulsan. Odfjell's Bow Dalian was moored alongside Stolt Groenland at the time of the incident. One of our crew members got minor burns from the explosion, for which he received medical treatment.

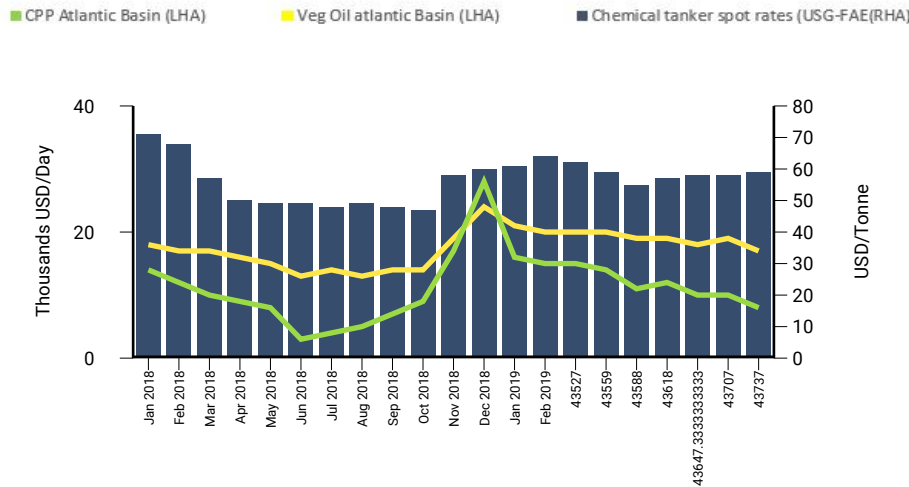
We extend our gratitude to our crew for reacting quickly and following procedures by releasing sprinkler and foam immediately, before evacuating the vessel. Their professionalism mitigated a potentially worse outcome. The ship has been repaired and has recommenced operations.

Market development

The chemical tanker market was impacted by the seasonally weaker third quarter. Spot rates were stable to slightly stronger on the front haul routes but strong competition and seasonally lower volumes on the back-haul routes had a negative impact on the overall market. A high share of plant turnarounds and the attacks on oil installations in Saudi Arabia disrupted feedstock for chemical plants and refineries in September, and led to a slower recovery after the summer slowdown than normal.

The global chemical tanker orderbook stands at 8.3% of the current fleet. The global deep-sea fleet based on vessels larger than 18,000 dwt grew by 8 vessels in 3Q19 as 8 vessels were delivered, and zero vessels were scrapped. There were zero new orders for core chemical tankers concluded during the quarter.

Rate development



Source: Clarksons Platou

Market outlook

Geopolitical tensions accelerated in the Middle East this quarter, a major export area for liquid chemicals. The situation culminated with an attack on oil installations in Saudi Arabia and also US sanctions on vessels controlled by affiliates of COSCO, an owner of a large fleet of crude and product tankers. As a consequence, freight rates for crude and product tankers has improved. Supply & demand fundamentals for the larger tanker segments were already improving, and is also expected to remain stronger going forward. We expect this to reduce competition from swing tonnage and positively impact supply within the chemical tanker market.

Vegoil rates has remained strong in 2019 driven by Palm oil exports which has grown 8% compared to the corresponding period last year. Europe passed a legislation which will freeze Palm Oil subsidies at 2019 levels, which will reduce demand growth on this trade lane. This is expected to be partly compensated by China removing tariffs on Palm Oil and continued strong demand from India. In sum, Palm Oil shipments is expected to normalize and grow in line with GDP growth from 2020 onwards.

The start-up of new liquid chemical export plants in the Atlantic basin is ongoing. There has been some delays on on new plant start-ups, these are now scheduled to commence operations first half 2020. This, together with new plants increasing its utilization after a period of high turnarounds, is expected to support chemical tanker demand through the remainder of the year and into 2020.

Net fleet growth for the chemical tanker orderbook (core & swing) is projected to 1.4% for 2020 before adjusting for potential impact from reduced swing tonnage and slippage. We forecast chemical tanker supply growth of 1.5 % and chemical tanker demand of 5% on average per year through 2021.

Tank Terminals

Tank Terminals (USD mill) Odfjell share	1Q19	2Q19	3Q19	3Q18	FY18
Revenues	17.6	17.9	16.4	22.6	91.0
Gross Result	10.7	11.0	9.6	10.1	44.8
EBITDA	6.7	6.2	6.0	3.9	24.0
EBIT	0.8	(0.7)	16.6	(16.1)	(83.7)
Net result	(1.0)	(2.7)	13.2	(19.8)	(138.0)

EBITDA by geo-graphical segment	1Q19	2Q19	3Q19	3Q18	FY18
Europe	1.4	1.3	1.5	(1.1)	3.5
North America	4.3	4.4	4.9	4.4	18.1
Asia	1.0	0.5	(0.3)	0.6	2.5
Total	6.7	6.2	6.0	3.9	24.0

Our share of Odfjell Terminals amounted to an EBITDA of USD 6 mill in 3Q19 which was in line with previous quarter.

Net results improved to USD 13 mill compared to -USD 3 mill in 2Q19. The improvement was driven by a impairment made in 2Q19 and a USD 14 mill gain on the sale of the Jiangyin terminal in 3Q19.

Total average occupancy rate of commercially available capacity remained at a stable level of 93%. The total average available capacity decreased slightly by 4,197 cbm to 1,482,858 cbm. 1,478,661

Odfjell Terminals US reported improved EBITDA mainly driven by lower allocated costs as a consequence of the closure of the headquarter in Rotterdam. Utilization at the Houston terminal remained at 100% for the quarter and throughput was stable compared to previous quarter.

In July 2019, Odfjell Terminals sold its 55% ownership (28% Odfjell SE share) in Odfjell Terminals Jiangyin for a price of USD 46 mill. The transaction resulted in a capital gain of USD 14 mill and net cash proceeds of USD 21 mill for Odfjell SE.

Total capital expenditure (Odfjell SE share) amounted to USD 2.0 mill for 3Q19, of which USD 1.3 mill for maintenance and USD 0.7 mill is for expansion/improvements. Our capital expenditure program for 2020-2022 will be updated when a new strategy has been concluded together with our new JV partner at the US terminals.

Odfjell's share of Odfjell Terminals' book value of equity stood at USD 146 mill as of 3Q19. Odfjell's share of net debt amounts to USD 119 mill.

Lindsay Goldberg exit process

As a part of LG's exit from Asia, Odfjell SE may consider to tag along on a sale of its ownership in the terminals in China. We expect the process to be concluded in the coming quarters. In connection with LG's exit, Odfjell has reorganized its Terminal division to reflect the current portfolio and governance requirements. As part of this restructuring, Odfjell has moved its Terminal division to Bergen and closed Odfjell Terminal's previous headquarter in Rotterdam and its office in Singapore.

Gas Carriers

We have launched a process to sell our remaining gas carriers.

Gas Carriers (USD mill) Odfjell share	1Q19	2Q19	3Q19	3Q18	FY18
Revenues	2.4	2.2	2.1	2.3	8.8
Gross Result	0.8	0.7	0.7	0.7	2.7
EBITDA	0.8	0.7	0.6	0.7	2.6
EBIT	0.8	0.7	0.6	0.7	(0.7)
Net result	0.7	0.6	0.6	0.6	(1.3)

Finance

Key figures (USD mill)	31.03.19	30.06.19	30.09.19	30.09.18
Cash and available-for-sale investments	138.6	104.6	111.5	206.8
Interest bearing debt	1,110.8	1,090.1	1,092.6	1,217.9
Debt, right of use assets	218.5	234.7	223.0	–
Net debt	1,190.7	1,220.1	1,204.0	1,011.1
Available drawing facilities	–	–	–	–
Total equity	583.5	564.2	554.6	652.0
Equity ratio	28.7 %	28.0 %	27.7 %	32.9 %

Odfjell's cash balance end 3Q19 amounts to USD 112 mill, compared with USD 105 mill end 2Q19. Our cash balance was impacted by several financing transactions, dividend from terminal sale and an improved working capital.

During the quarter, we concluded a sale- leaseback of one vessel, Bow Cecil, and entered into an agreement to sell our ownership share of the Jiangyin terminal in China. We also refinanced three term loan facilities due to mature in 1Q20, 3Q20 and 4Q21 with a USD 180 mill revolving credit facility. Net cash proceeds from these transactions totaled approximately USD 70 mill.

Our ODF07 bond matured during the quarter and was repaid with cash on balance sheet total NOK 500 mill (USD 61 mill).

Installments and capital repayments on mortgaged loans and financial leases totaled USD 24 mill during the quarter, and USD 46 mill was drawn related to our newbuilding commitments. 3Q19 capital repayments of debt related to right of use of assets was USD 12 mill.

Net debt, including debt related to right of use of assets (IFRS 16), end 3Q19 was USD 1,204 mill, compared with USD 1,220 mill end 2Q19. The equity ratio was 27.7% end 3Q19.

In October 2019, we concluded the refinancing of two facilities due to mature in 4Q19 and 4Q20. The newbuilding program is fully financed and there are limited refinancing needs in Odfjell Tankers going forward.

Shareholder information

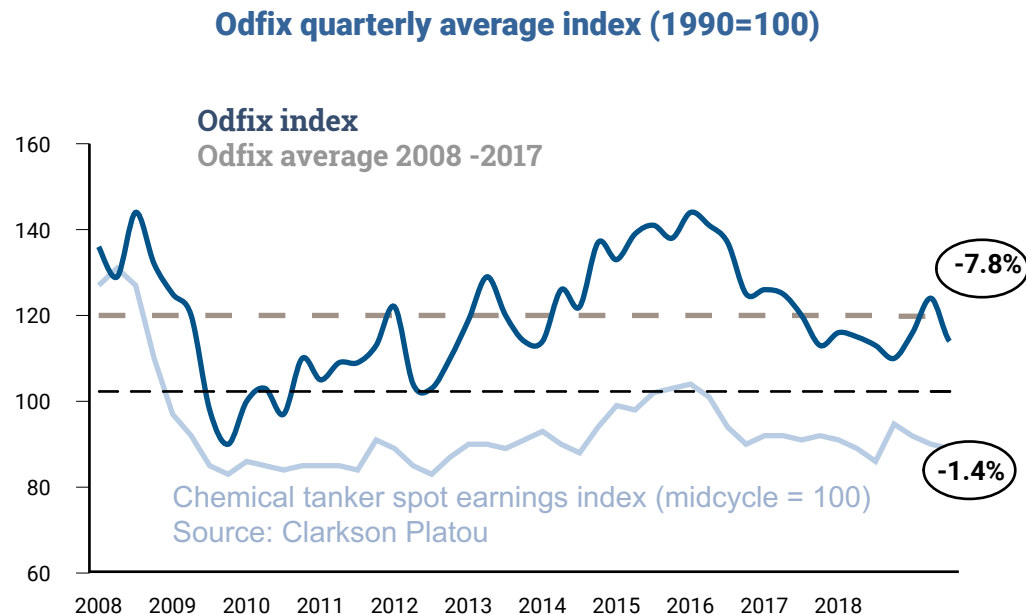
By end of 3Q19, Odfjell's A and B shares were trading at NOK 28.60 and NOK 28.40 respectively, compared with NOK 25.70 and NOK 25.20 at the close of the previous quarter. The market capitalization was NOK 2,249 mill (USD 248 mill) excluding treasury shares and NOK 2,477 mill (USD 273 mill) including treasury shares.

Prospects

We expect improved results next quarter driven by a recovery in volumes, positive effect from improved crude and product tanker markets and further improvement in chemical tanker supply/demand fundamentals.

Bergen, 5 November 2019

THE BOARD OF DIRECTORS OF ODFJELL SE



Interim financial information – ODFJELL GROUP

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Figures based on equity method (IFRS 16 implemented as from January 1, 2019, historical figures are not adjusted).

(USD mill)	Note	1Q19	2Q19	3Q19	3Q18	YTD19	YTD18	FY18
Gross revenue	1	218.3	223.2	214.2	208.8	655.6	629.4	850.8
Voyage expenses	1	(90.2)	(88.4)	(88.2)	(89.9)	(266.8)	(262.1)	(356.6)
Pool distribution		(13.0)	(16.0)	(13.0)	(6.3)	(42.0)	(14.2)	(23.9)
Time-charter earnings		115.1	118.8	113.0	112.6	346.8	353.1	470.3
Time-charter expenses		(15.4)	(10.7)	(10.5)	(33.3)	(36.6)	(111.5)	(146.4)
Operating expenses		(37.2)	(37.1)	(36.3)	(36.6)	(110.6)	(108.5)	(145.4)
Operating expenses - IFRS 16 adjustments	7	(5.3)	(5.6)	(5.6)	–	(16.5)	–	–
Gross result		57.2	65.4	60.5	42.7	183.2	133.2	178.4
Share of net result from associates and joint ventures	5	0.9	(0.7)	13.8	(19.2)	14.0	(124.7)	(139.3)
General and administrative expenses		(18.2)	(17.0)	(15.7)	(15.9)	(50.9)	(51.5)	(69.7)
Operating result before depreciation, amortization and capital gain (loss) on non-current assets (EBITDA)		39.9	47.8	58.6	7.7	146.3	(43.0)	(30.7)
Depreciation and amortization	4	(22.8)	(22.8)	(23.4)	(24.4)	(69.0)	(71.3)	(95.3)
Depreciation - IFRS 16 adjustments	7	(11.4)	(12.8)	(12.8)	–	(37.0)	–	–
Impairment of ships, property, plant and equipment	4	–	–	–	–	–	–	(5.0)
Capital gain (loss)	4	(0.6)	0.2	–	(0.6)	(0.3)	(0.2)	(0.3)
Operating result (EBIT)		5.2	12.4	22.5	(17.3)	40.1	(114.5)	(131.3)
Interest income		1.2	1.1	1.1	1.6	3.5	4.5	6.4
Interest expenses		(18.4)	(18.7)	(19.7)	(19.4)	(56.8)	(53.6)	(73.8)
Interest expenses - IFRS 16 adjustments	7	(2.9)	(3.3)	(3.2)	–	(9.4)	–	–
Other financial items	6	0.6	(0.5)	(1.3)	4.4	(1.2)	2.8	(7.3)
Net financial items		(19.4)	(21.4)	(23.0)	(13.4)	(63.8)	(46.3)	(74.8)
Result before taxes		(14.2)	(9.0)	(0.5)	(30.7)	(23.7)	(160.8)	(206.0)
Income tax expense		(1.2)	(1.1)	(0.5)	(0.5)	(2.9)	(2.5)	(4.8)
Net Result		(15.4)	(10.1)	(1.1)	(31.2)	(26.7)	(163.3)	(210.8)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures based on equity method

(USD mill)	Note	1Q19	2Q19	3Q19	3Q18	YTD19	YTD18	FY18
Net other comprehensive income to be reclassified to profit or loss in subsequent periods:								
Net changes in cash-flow hedges		(1.7)	(8.7)	(6.6)	0.8	(17.0)	1.1	(1.6)
Translation differences on investments of foreign operations		–	0.1	–	(0.1)	–	(0.1)	0.1
Share of comprehensive income on investments accounted for using equity method		0.5	(1.0)	(1.2)	6.4	(1.7)	(0.1)	0.7
Share of other comprehensive income reclassified to income statement on disposal		–	–	–	9.8	–	9.8	9.8
Net other comprehensive income not being reclassified to profit or loss in subsequent periods:								
Net actuarial gain/(loss) on defined benefit plans		–	–	(0.4)	–	(0.4)	–	0.1
Other comprehensive income		(1.2)	(9.7)	(8.3)	16.8	(19.2)	10.7	9.0
Total comprehensive income		(16.6)	(19.8)	(9.4)	(14.4)	(45.9)	(152.6)	(201.8)
Earnings per share (USD) –basic/diluted		(0.20)	(0.13)	(0.01)	(0.40)	(0.34)	(2.08)	(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	30.06.19	30.09.19	30.09.18	31.12.18
Deferred tax assets		0.2	0.3	0.3	–	0.3
Ships	4	1,354.0	1,345.0	1,379.4	1,373.4	1,359.9
Property, plant and equipment	4	8.9	9.3	9.2	7.4	8.4
Right of use assets	7	216.8	231.3	218.3	–	–
Investments in associates and joint ventures	5	172.1	169.8	161.2	243.1	170.9
Derivative financial instruments		–	–	–	5.3	–
Non-current receivables		17.8	16.3	15.8	15.2	16.1
Total non-current assets		1,769.8	1,772.0	1,784.2	1,644.4	1,555.6
Current receivables		99.3	110.1	79.5	92.3	87.5
Bunkers and other inventories		20.8	24.4	23.8	27.0	27.9
Derivative financial instruments		1.9	0.6	–	1.5	–
Loan to associates and joint ventures		0.7	0.8	–	11.8	0.7
Cash and cash equivalents		138.6	104.6	111.5	206.8	167.8
Assets classified as held for sale		–	–	–	–	2.5
Total current assets		261.3	240.6	214.9	339.5	286.4
Total assets		2,031.1	2,012.6	1,999.0	1,983.9	1,841.9
Equity		583.5	564.2	554.6	652.0	600.6
Non-current interest bearing debt	3	891.9	865.4	893.2	907.2	909.7
Non-current debt, right of use assets	7	175.2	188.1	177.1	–	–
Derivatives financial instruments		14.3	19.2	29.0	–	10.0
Other non-current liabilities		9.0	9.0	8.9	8.3	8.7
Total non-current liabilities		1,090.3	1,081.8	1,108.3	915.5	928.4
Current portion interest bearing debt	3	218.9	224.6	199.3	310.6	212.9
Current debt, right of use assets		43.3	46.6	45.9	–	–
Derivative financial instruments		10.1	9.5	16.2	16.3	13.6
Other current liabilities		84.9	85.9	74.8	89.4	86.5
Total current liabilities		357.3	366.6	336.2	416.4	313.0
Total equity and liabilities		2,031.1	2,012.6	1,999.0	1,983.9	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	—	—	(17.0)	(0.4)	(1.7)	—	(19.2)	(19.2)
Net result	—	—	—	—	—	(26.7)	(26.7)	(26.7)
Sale of treasury shares (1)	—	—	—	—	—	0.2	0.2	0.2
Other adjustments	—	—	—	—	—	(0.4)	(0.4)	(0.4)
Equity as at September 30, 2019	199.2	0.2	(20.7)	(0.9)	4.3	372.4	355.3	554.6

(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. In the second quarter 2019, senior management received a second transaction bonus in relation to this exit/sales process, which was used to purchase 58,488 class A shares at a total value of NOK 1.7 million. In the third quarter 2019, senior management received their third transaction bonus which was used to purchase 11,796 class A shares at a total value of NOK 0.3 million.

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

KEY FIGURES

Figures based on equity method

	1Q19	2Q19	3Q19	3Q18	YTD19	YTD18	FY18
PROFITABILITY							
Earnings per share (USD) –basic/diluted	(0.20)	(0.13)	(0.01)	(0.40)	(0.34)	(2.08)	(2.68)
Return on equity ¹⁾	(10.5 %)	(6.1 %)	(7.6 %)	(13.8 %)	(6.8 %)	(24.5 %)	(29.8 %)
Adjusted return on equity ³⁾	–	–	–	–	–	–	(9.9 %)
Return on capital employed ¹⁾	1.4 %	2.8 %	2.7 %	(1.5 %)	2.8 %	(6.8 %)	(8.1 %)
Adjusted return on capital employed ³⁾	–	–	–	–	–	–	0.1 %
FINANCIAL RATIOS							
Average number of outstanding shares (mill) ²⁾	78.7	78.7	78.7	78.6	78.7	78.6	78.7
Basic/diluted equity per share (USD)	7.41	7.16	7.04	8.29	7.04	8.29	7.63
Share price per A-share (USD)	3.6	3.0	3.2	3.8	3.2	3.8	3.4
Current ratio	0.7	0.7	0.6	0.8	0.6	0.8	0.9
Equity ratio	28.7 %	28.0 %	27.7 %	32.9 %	27.7 %	32.9 %	32.6 %
USD/NOK rate at period end	8.63	8.51	9.08	8.16	9.08	8.16	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 September 2019 Odfjell holds 5,669,954 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)	1Q19	2Q19	3Q19	3Q18	YTD19	YTD18	FY18
Profit before income taxes	(14.2)	(9.0)	(0.5)	(30.7)	(23.7)	(160.8)	(206.0)
Taxes paid in the period	(0.7)	(0.5)	(1.2)	(0.2)	(2.5)	(2.5)	(3.2)
Depreciation, impairment and capital (gain) loss fixed assets	34.7	35.4	36.1	24.3	106.2	70.9	99.8
Change in inventory, trade debtors and creditors (increase) decrease	(5.8)	(14.8)	21.8	(16.9)	1.2	(16.4)	(20.5)
Share of net result from associates and JV's	(0.9)	0.7	(13.8)	19.2	(14.0)	124.7	139.3
Unrealized changes in derivatives	(2.8)	(3.1)	10.6	(6.9)	4.7	(10.0)	18.0
Net interest expenses	20.0	20.9	21.8	17.8	62.7	49.1	67.5
Interest received	1.7	0.8	1.1	2.5	3.6	4.2	6.0
Interest paid	(22.0)	(21.4)	(24.2)	(20.5)	(67.7)	(53.4)	(73.5)
Effect of exchange differences	1.9	3.5	(7.7)	0.9	(2.3)	3.0	(13.3)
Change in other current accruals	(0.7)	4.7	1.5	14.6	5.6	25.7	28.7
Net cash-flow from operating activities	11.2	17.1	45.3	4.1	73.7	34.5	42.7
Sale of ships, property, plant and equipment	2.0	–	–	–	2.0	–	–
Investment in ships, property, plant and equipment	(17.4)	(14.3)	(57.7)	(18.3)	(89.4)	(150.2)	(169.1)
Dividend/other from investments in associates and JV' s	–	–	20.7	–	20.7	–	81.1
Investment in shares	–	–	–	–	–	–	(24.8)
Other non-current receivables and investments	0.1	(0.1)	0.8	(1.0)	0.8	2.9	14.0
Net cash-flow from investing activities	(15.3)	(14.4)	(36.1)	(19.3)	(65.8)	(147.3)	(98.8)
New interest bearing debt (net of fees paid)	20.5	(0.6)	248.6	64.7	268.5	261.1	299.9
Repayment of interest bearing debt	(35.8)	(24.8)	(238.9)	(34.4)	(299.5)	(133.0)	(267.8)
Repayment of lease debt related to right of use assets	(9.9)	(11.3)	(11.7)	–	(32.9)	–	–
Dividend payment	–	–	–	–	–	(14.6)	(14.6)
Sale/purchase of treasury shares	–	–	–	–	–	–	0.2
Net cash-flow from financing activities	(25.2)	(36.7)	(2.0)	30.3	(63.9)	113.6	17.7
Effect on cash balance from currency exchange rate fluctuations	–	0.1	(0.3)	(1.2)	(0.2)	(0.5)	(0.4)
Net change in cash and cash equivalents	(29.2)	(34.0)	6.9	13.9	(56.3)	0.3	(38.7)
Opening cash and cash equivalents	167.8	138.6	104.6	192.9	167.8	206.6	206.6
Closing cash and cash equivalents	138.6	104.6	111.5	206.8	111.5	206.8	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 September 30, 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 for the Company.

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 - 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 was in 3Q 2018 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 assets 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)	1Q19	2Q19	3Q19	3Q18	YTD19	YTD18	FY18
Gross revenue	–	–	–	7.1	–	27.2	27.2
Operating expenses	–	–	–	(5.9)	–	(19.7)	(19.7)
General and administrative expenses	–	–	–	(1.4)	–	(5.0)	(5.0)
Operating result before depreciation (EBITDA)	–	–	–	(0.2)	–	2.5	2.5
Depreciation	–	–	–	(2.9)	–	(9.9)	(9.9)
Impairment	–	–	–	–	–	(58.1)	(58.1)
Capital gain/loss on fixed assets/sale of business	–	–	–	(12.5)	–	(12.5)	(12.5)
Operating result (EBIT)	–	–	–	(15.6)	–	(78.0)	(78.0)
Net finance	–	–	–	(0.5)	–	(2.7)	(2.7)
Taxes	–	–	–	(3.3)	–	(44.5)	(44.5)
Net result	–	–	–	(19.4)	–	(125.2)	(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	30.06.19	30.09.19	30.09.18	31.12.18
Loans from financial institutions, floating interest rate	433.8	410.8	462.0	464.0	447.2
Financial leases and sale-leaseback	429.9	427.9	451.3	432.1	430.6
Bonds, unsecured	255.0	258.5	187.2	330.6	253.1
Debt, right of use assets	218.5	234.7	223.0	–	–
Subtotal debt	1,337.1	1,331.9	1,323.4	1,226.7	1,130.9
Debt transaction fees	(7.8)	(7.2)	(7.9)	(8.8)	(8.3)
Total debt	1,329.3	1,324.8	1,315.5	1,217.9	1,122.6
Cash and cash equivalent	138.6	104.6	111.5	206.8	167.8
Net debt	1,190.7	1,220.1	1,204.0	1,011.1	954.8

(USD mill)	1Q19	2Q19	3Q19	YTD18	FY18
Total debt, beginning of period	1,122.6	1,329.3	1,324.8	1,083.8	1,083.8
New loans and financial leases	20.9	–	252.0	266.8	306.2
Repayment of loans and financial leases	(35.8)	(24.8)	(232.3)	(132.9)	(251.4)
Change in debt, right of use assets	218.5	16.2	(11.7)	–	–
Debt transaction fees, net paid and amortized	0.5	0.7	(1.6)	(2.1)	(1.6)
Currency translation differences	1.9	3.5	(15.6)	2.3	(14.4)
Total debt, end of period	1,329.3	1,324.8	1,315.5	1,217.9	1,122.6

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

Note 4 – Ships, property, plant and equipment

(USD mill)	1Q19	2Q19	3Q19	3Q18	FY18
Net carrying amount, beginning of period	1,368.2	1,362.8	1,354.3	1386,8	1,301.9
Investments in ships, property, plant and equipment	17.4	14.3	57.7	18.3	169.1
Depreciation	(22.8)	(22.8)	(23.4)	(24.4)	(95.3)
Impairment	–	–	–	–	(5.0)
Assets classified as held for sale	–	–	–	–	(2.5)
Net carrying amount, end of period	1,362.8	1,354.3	1,388.6	1,380.8	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	57.2	6.7	63.9	73.7	6.2	79.9
EBITDA	20.9	2.2	23.1	19.2	1.7	20.9
EBIT	19.2	2.2	21.4	(75.3)	1.7	(73.6)
Net result	12.2	1.8	14.0	(126.0)	1.3	(124.7)
Non-current assets	303.2	–	303.2	295.3	–	295.3
Current assets	45.2	3.3	48.5	131.9	2.6	134.5
Assets held for sale	–	19.0	19.0	–	22.2	22.2
Total assets	348.4	22.3	370.7	427.2	24.8	452.0
Total equity closing balance	144.8	16.4	161.2	226.0	17.1	243.1
Non-current liabilities	63.5	–	63.5	168.9	–	168.9
Current liabilities	140.1	5.9	146.0	32.3	7.7	40.0
Liabilities held for sale	–	–	–	–	–	–
Total equity and liabilities	348.4	22.3	370.7	427.2	24.8	452.0

Note 6 – Other financial items

(USD mill)	1Q19	2Q19	3Q19	3Q18	YTD19	YTD18	FY18
Changes in fair value in derivatives	2.8	3.1	(10.6)	6.9	(4.7)	10.0	(1.3)
Currency gains (losses)	(1.9)	(3.5)	9.5	(1.6)	4.2	(6.7)	(5.7)
Other	(0.3)	(0.1)	(0.3)	(0.9)	(0.7)	(0.5)	(0.3)
Total other financial items	0.6	(0.5)	(1.3)	4.4	(1.2)	2.8	(7.3)

In September 2019 NOK bond ODF07 matured and outstanding amount of NOK 500 million was repaid in full.

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	2Q19	3Q19
Net carrying amount, beginning of period	187.8	216.8	231.3
New right of use assets	40.4	27.3	(0.1)
Depreciation	(11.4)	(12.8)	(12.8)
Net carrying amount, end of period	216.8	231.3	218.3

(USD mill)	31.03.19	30.06.19	30.09.19
Non current debt, right of use assets	175.2	188.1	177.1
Current debt, right of use assets	43.3	46.6	45.9
Total	218.5	234.7	223.0

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)	
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	714.2	709.3
Voyage expenses	(269.7)	(264.8)
Pool distribution	(42.0)	(22.1)
Time-charter earnings	402.5	422.4
Time-charter expenses	(36.6)	(103.6)
Operating expenses	(132.8)	(149.5)
Operating expenses - IFRS 16 adjustments	(16.5)	–
Gross result	216.6	169.4
General and administrative expenses	(61.2)	(66.8)
EBITDA	155.4	102.6
Depreciation	(84.8)	(95.1)
Depreciation - IFRS 16 adjustments	(37.2)	–
Impairment of ships, property, plant and equipment	(1.6)	(58.1)
Capital gain (loss) on property, plant and equipment	15.5	0.4
Operating result (EBIT)	47.3	(63.4)
Interest income	3.7	3.7
Interest expenses	(61.3)	(60.1)
Interest expenses - IFRS 16 adjustments	(9.5)	–
Other financial items	(1.7)	1.7
Net financial items	(68.7)	(54.8)
Result before taxes	(21.4)	(118.2)
Taxes	(5.3)	(45.1)
Net result	(26.7)	(163.3)

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

(USD mill)	30.09.19	30.09.18
Intangible assets	59.3	49.4
Ships	1,379.4	1,373.4
Tank terminals assets	222.5	221.4
Other property, plant and equipment	29.8	28.2
Right of use assets	219.0	–
Receivables and derivatives	15.8	24.2
Total non-current assets	1,925.8	1,696.6
Current receivables	92.6	109.4
Bunkers and other inventories	24.1	27.3
Derivative financial instruments	–	1.5
Cash and cash equivalent	126.9	323.9
Assets held for sale	19.0	22.2
Total current assets	262.7	484.4
Total assets	2,188.4	2,181.0
Total equity	554.6	652.0
Non-current interest bearing debt	928.8	1,052.7
Non-current debt, right of use assets	177.4	–
Derivative financial instruments	29.1	–
Other non-current liabilities	36.5	31.6
Total non-current liabilities	1,171.8	1,084.4
Current portion of interest bearing debt	307.8	323.4
Current debt, right of use assets	46.2	–
Derivative financial instruments	16.2	16.3
Other current liabilities	91.8	104.8
Total current liabilities	462.1	444.6
Total equity and liabilities	2,188.4	2,181.0

Fleet list as per September 30,
2019

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	—	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	Coated	Gulf Mirdif	46 021	2011	Time charter	48 698	—	29	
Super-segregator	Bow Faith	37 479	1997	Owned	41 487	34 208	52									
Super-segregator	Bow Cedar	37 455	1996	Owned	41 488	41 488	52	Regional	Bow Oceanic	17 460	1997	Owned	19 616	19 616	24	
Super-segregator	Bow Cardinal	37 446	1997	Owned	41 487	34 208	52	Regional	Bow Atlantic	17 460	1995	Owned	19 588	19 588	24	
Super-segregator	Bow Firda	37 427	2003	Owned	40 645	40 645	47	Regional	Bow Condor	16 121	2000	Owned	17 622	17 622	30	
Super-segregator	Bow Fortune	37 395	1999	Leased	40 619	40 619	47	Regional	Bow Andes	16 020	2000	Owned	17 120	17 120	22	
Super-segregator	Bow Fagus	37 375	1995	Owned	41 608	34 329	52	Regional	SG Pegasus	13 086	2011	Time charter	14 523	14 523	16	
Super-segregator	Bow Flora	37 369	1998	Leased	40 515	33 236	47	Regional	Sun Triton	12 670	2017	Time charter	13 228	13 228	16	
Super-segregator	Bow Cecil	37 369	1998	Owned	40 515	33 236	47	Regional	Stellar Orchid	12 571	2011	Time charter	14 713	14 715	18	
Super-segregator	Bow Clipper	37 221	1995	Owned	41 596	34 328	52	Regional	Marex Noa	12 478	2015	Time charter	14 067	14 713	18	
Super-segregator	Bow Flower	37 221	1994	Owned	41 492	34 213	52	Regional	Bow Querida	10 106	1996	Owned	11 181	14 067	16	
Super-segregator	Bow Hercules	40 900	2017	Bareboat	42 832	42 832	30	Regional	Bow Nangang	9 156	2013	Owned	10 523	11 089	20	
Super-segregator	Bow Gemini	40 895	2017	Bareboat	42 832	42 832	30	Regional	Bow Dalian	9 156	2012	Owned	10 523	10 523	14	
Super-segregator	Bow Aquarius	40 901	2016	Bareboat	42 813	42 813	30	Regional	Bow Fuling	9 156	2012	Owned	10 523	10 523	14	
Super-segregator	Bow Precision	35 155	2018	Time charter	36 668	36 668	28									
Super-segregator	Bow Capricorn	40 929	2016	Bareboat	43 552	43 552	30									
Super-segregator	Bow Performer	35 000	2019	Time charter	36 668	36 668	28									
Super-segregator	Bow Orion	49 000	2019	Owned	55 000	55 000	33									
Total Chemical Tankers:																
										2 272 140	69			2 476 297	1 928 391	2 017
STAINLESS																
VESSEL TYPE	CHEMICAL TANKERS	DWT	BUILT	OWNERSHIP	CBM	STEEL_CBM	TANKS	VESSEL TYPE	CHEMICAL TANKERS	DWT	BUILT	OWNERSHIP	CBM	STEEL_CBM	TANKS	
Large Stainless steel	Bristol Trader	35 863	2016	Time charter	38 315	37 549	18	Super-segregator	SC Taurus	40 964	2017	Pool	42 793	42 793	30	
Large Stainless steel	Bow Hector	33 694	2009	Time charter	37 384	37 384	16	Super-segregator	SC Scorpio	40 964	2017	Pool	42 786	42 786	30	
Large Stainless steel	Bow Harmony	33 619	2008	Leased	38 052	38 052	16	Super-segregator	SC Draco	40 924	2016	Pool	42 827	42 827	30	
Large Stainless steel	Bow Compass	33 609	2009	Owned	37 994	37 994	16	Super-segregator	SC Virgo	40 870	2017	Pool	42 832	42 832	30	
Large Stainless steel	Bow Engineer	30 086	2006	Leased	36 274	36 274	28	Medium Stainless steel	CTG Mercury	25 000	2018	Pool	28 078	28 078	24	
Large Stainless steel	Bow Architect	30 058	2005	Leased	36 290	36 290	28	Medium Stainless steel	CTG Cobalt	25 000	2018	Pool	28 078	28 078	24	
Medium Stainless steel	RT Star	26 199	2011	Time charter	27 912	27 912	18	Medium Stainless steel	CTG Argon	24 761	2017	Pool	27 067	27 067	24	
Medium Stainless steel	Southern Owl	26 057	2016	Time charter	27 656	27 656	26	Medium Stainless steel	CTG Bismuth	24 755	2016	Pool	27 654	27 654	24	
Medium Stainless steel	Southern Puma	26 057	2016	Time charter	27 079	27 079	24	Medium Stainless steel	CTG Magnesium	25 000	2017	Pool	28 078	28 078	24	
Medium Stainless steel	Southern Shark	25 500	2018	Time charter	27 112	27 112	26	Total 3rd party:		288 238	9		310,193	240		
Medium Stainless steel	Bow Platinum	25 000	2017	Leased	27 091	27 091	24									
Medium Stainless steel	Bow Neon	24 786	2017	Leased	28 644	28 644	24									
Medium Stainless steel	Bow Titanium	24 764	2018	Leased	27 091	27 091	24									
Medium Stainless steel	Bow Palladium	24 764	2017	Leased	29 041	29 041	24									
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									
Medium Stainless steel	Bow Santos	19 997	2004	Owned	21 846	21 846	22									
Medium Stainless steel	Flumar Maceio	19 975	2006	Owned	21 713	21 713	22									
Medium Stainless steel	Moyra	19 806	2005	Time charter	22 838	22 838	18									
Medium Stainless steel	Gwen	19 702	2008	Time charter	21 651	21 651	26									
Medium Stainless steel	Shamrock Mercury	19 000	2010	Time charter	22 204	22 204	22									
SUMMARIZED																
										NUMBER	DWT	CBM	STEEL_CBM	TANKS		
Owned										34	1,220,961	1,334,309	948,874	1,136		
Time charter										18	446,226	479,773	430,957	391		
Leased										13	441,328	490,186	376,531	370		
Bareboat										4	163,625	172,029	172,029	120		
Pool										9	288,238	310,193	310,193	240		
Total Chemical Tankers:										78	2,560,378	2,786,490	2,238,584	2,257		

NEWBUILDINGS ON ORDER:							
CHEMICAL TANKERS	NUMBER	DWT	CBM	STAINLESS STEEL, CBM	TANKS	DELIVERY	OWNERSHIP
China Shipbuilding Trading Co., Ltd/	3	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
Fukuoka Shipbuilding	2	36 000	40 000	40 000	28	2019-2020	Bareboat
Total newbuildings:	7	295 000	333 800	333 800	235		

ODFJELL GAS	BUILT	DWT	CBM	VESSEL TYPE	TANKS	OWNERSHIP
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	

Fleet changes since last quarter:

CHEMICAL TANKERS	BUILT	DWT	CBM	STEEL, CBM	TANKS	OWNERSHIP	DELIVERED/RE-DELIVERED
Fleet additions:							
Bow Orion	2016	49 000	55 000	55 000	—	Owned	August
Fleet redeliveries:							
Bow Tone	2004	33 625	37 794	37 794	16	Timecharter	September

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 (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	6 terminals		1 412 379	225 932	543

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	OWNERSHIP ¹	CBM	STAINLESS STEEL, CBM	NUMBER OF TANKS
Depositos Quimicos Mineros S.A.	Callao, Peru		66 230	1 600	55
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	12 terminals		455 020	15 220	356

PROJECTS AND EXPANSIONS PARTLY OWNED BY RELATED PARTIES	LOCATION	OWNERSHIP ¹	CBM	STAINLESS STEEL, CBM	ESTIMATED
Granel Quimica Ltda	Santos II, Brazil		51 910	0	Q4 2019
Total expansion tank terminals partly owned by related parties			51 910	—	

Grand total (incl. related tank terminals partly owned by related parties)	18 existing terminals		1 867 399	241 152	
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