



2013 FOURTH QUARTER REPORT



Investor Relations contact

Tom A. Haugen
Phone: + 47 55 27 46 69
Mobile: + 47 90 59 69 44
tom.haugen@odfjell.com

Media contact

Margrethe Gudbrandsen
Phone: + 47 55 27 45 48
Mobile: + 47 48 07 47 47
margrethe.gudbrandsen@odfjell.com



Fourth Quarter Report 2013
Odfjell SE - Consolidated

Highlights 4Q 2013

- *Time-charter results down 5% compared with last quarter.*
- *EBITDA of USD 18 million, compared with USD 17 million in the fourth quarter of 2012.*
- *Impairment of net USD 76 million recognised related to Odfjell Terminals (Rotterdam) OTR*
- *The terminal construction project at Charleston has been completed in December, thereby making the initial 80,000 cbm available for service.*

Key figures

(USD mill. unaudited)	4Q13	3Q13	FY2013	4Q12	FY2012
Revenue	284	296	1,165	296	1,212
Gross result	50	64	242	52	222
EBITDA	18	37	117	17	93
EBIT	(99)	23	(75)	(23)	(43)
Net finance	(11)	(13)	(40)	(19)	(68)
Tax	9	(0)	7	3	0
Net result (loss)	(102)	9	(108)	(40)	(111)

Business segments

Chemical Tankers

Activities slowed somewhat during the fourth quarter, and combined with significant delays, scheduling constraints and ensuing cancellations, the result for the quarter trailed the previous quarter. Although volumes and rates out of the US and Europe firmed and remained strong, a decline in exports out of Asia and the Middle East has put increased pressure on rates. Storms and heavy weather caused delays as well as increased fuel consumption. Whilst the third quarter 2013 average Odfix closed at 120, the fourth quarter came in at 114. This was lower than expected, with December in particular disappointing.

West of the Suez there are buoyant activities in basically all markets, with volumes and rates holding firm. Contracts of Affreightment (COA) nominations are healthy, and most COAs are being renewed at higher rates. The average rate per tonne shipped was higher than the previous quarter; however, volume shipped was lower, due to delays and scheduled off-hires. Bunker prices proved somewhat softer. The average price of bunkers purchased during the quarter was approximately USD 623 per tonne, and thus almost equal to previous quarter.

Chemical Tankers (USD mill)	4Q13	3Q13	FY2013	4Q12	FY2012
Revenue	258	262	1,028	258	1,066
Gross Result	42	52	193	35	158
EBITDA	19	30	98	12	65
EBIT	(6)	7	3	(19)	(35)
Net bunker per tonne (USD)	553	565	556	556	542

Indices	31.12.13	30.09.13	31.12.12
Odfix (1990 = 100) ¹	114	120	110
Opex (2002 = 100) ²	167	168	173

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.

LPG/Ethylene

Ethylene export volumes east of Suez were reduced due to production issues in Al Jubail and Ruwais. In Asia, ethylene export from Taiwan to Southeast Asia was the most active trade route, and Odfjell secured several consecutive voyages. Otherwise, a large number of open vessels east of Suez pressed freight rates downwards. West of Suez, however, ethylene shipping had a strong quarter. This was primarily due to increased exports from Houston, which resulted in full utilisation of production capacity with cargoes moving to South America, Europe and South East Asia.

Fourth quarter results were weaker than expected, with total revenues for the fourth quarter at USD 2 million, and an EBITDA at negative USD 1 million.

Fleet changes

Since the start of the fourth quarter the Company has added three time-charter vessels with stainless steel tanks to its fleet. A total of ten time-charter vessels were added in 2013, all but two with stainless steel tanks. In December 2013 we acquired the Bow Santos, a 20,000 dwt vessel with 22 stainless steel tanks built in 2004. Prior to the acquisition, the Bow Santos was on a long-term bare-boat charter to Odfjell.

Effective 1 January 2014, Odfjell and Euroceanica have agreed to dissolve the pool of stainless steel tankers trading in the Baltic, Northwest Europe and the Mediterranean. We will continue trading our vessels in this area under our former name "Odfjell Europe AS". Both parties will retain their original contracts and customer base, and customer service will not be affected. The discontinuation of the pool will have a very limited direct impact on the Odfjell Group's financial statements.

In December 2013 we sold the 1999-built Bow Mate, a 6,000 dwt vessel that was engaged in the inter-Asia regional trade. The sale gave a loss of USD 5.4 million.

The first two of the four 46,000 dwt coated chemical tankers on order at the Hyundai Mipo Yard in Korea will be delivered in late February and mid-March. The two remaining vessels are on schedule to be delivered in early May and late July 2014 respectively.

Fleet additions (last 12 months)		DWT	Built	Tanks	Transaction
January 2014	Celsius Mumbai	19,993	2005	Stainless	1.5 years TC
December 2013	RT Star	26,199	2011	Stainless	3 years TC
December 2013	Celsius Miami	19,991	2005	Stainless	1.5 years TC
November 2013	Celsius Manhattan	19 807	2006	Stainless	1.5 years TC
November 2013	Bow Condor	16,121	2000	Stainless	Purchase, J/V
October 2013	Bow Eagle	24,700	1988	stainless	1 year TC



August 2013	Southern Koala	21,290	2010	Stainless	2 years TC
August 2013	Golden Top	12,705	2004	Stainless	2.5 years TC
July 2013	Celsius Mayfair	20,000	2007	Stainless	2 year TC
June 2013	Bow Pioneer	75,000	2013	Coated	New delivery
May 2013	Bow Engineer	30,086	2006	Stainless	Purchase
March 2013	UACC Messila	45,352	2012	Coated	1 year TC
March 2013	Bow Nangang	9,000	2013	Stainless	New delivery
March 2013	Chembulk Sydney	14,271	2005	Stainless	1-2 year TC
January 2013	Chembulk Wellington	14,312	2004	Stainless	1-2 years TC

Fleet disposals, owned (last 12 months)		DWT	Built	Tanks	Transaction
December 2013	Bow Mate	6,008	1999	Stainless	Sale
October 2013	Bow Eagle	24,700	1988	Stainless	Sale
May 2013	Bow Cheetah	40,257	1988	Coated	Recycling
January 2013	Bow Leopard	39,512	1988	Coated	Recycling

Tank Terminals

Odfjell's shareholding in our tank terminals business contributed an EBITDA of negative USD 0.6 million in the fourth quarter.

With the exception of OTR, terminal results were mainly in line with our expectations. In Houston the higher throughput was sustained throughout the fourth quarter. Activities in Asia were on budget, but occupancy went down in Korea as considerable new capacity has been brought on-stream in Ulsan.

The terminal construction project at Charleston has been completed in December, thereby making the initial 80,000 cbm available for service. Our terminal project in Tianjin is progressing and construction is planned to be completed by Q4 2014. The expansion project at our terminal in Houston to add 30,000 cbm of stainless steel tanks is in construction and expected to be completed by end of Q2 2014, reaching then a total terminal capacity of 362,000 cbm.

OTR's fourth-quarter EBITDA came in negative USD 9.1 million, slightly lower compared with the third quarter. The EBITDA included USD 1.9 million in non-recurring items related to legal fees and fines.

In order to reflect the current and planned activities at the terminal, in line with commitments to the Rotterdam municipality, OTR has started the process of renewal of its environmental operating permit. The new permit will replace a number of existing licenses and cover the new regulatory requirements and the future activities of the terminal. In order to more effectively implement the improvements at the terminal, we have decided to slow down the pace at which new capacity is brought on stream. Planned maintenance inspections will temporarily reduce the commercial available capacity at end of December 2013. Occupancy by end of December was 72% of the commercially available capacity of 730,000 cbm, reflecting also a softer storage market in Europe.

OTR reported substantial losses in 2013 due to reduced capacity and ongoing challenges at the terminal over the last 18 months. While the long-term plans are being developed,

substantial efforts will be made to improve the profitability of the terminal through bringing back further tank capacity in service and by adjusting the cost structure to the expected activity levels for the coming years. This first phase will focus on stabilising the current position, both operationally and financially.

In parallel OTR continues to develop its long-term business plan. This second phase plan will reflect the new regulatory environment and addresses long-term business opportunities provided by the terminal's strategic location, including a series of projects which are currently under evaluation. In view hereof, including expected reduced available capacity and throughput level at OTR in the coming years, we have recognised an impairment of USD 76 million (net of tax income of USD 5 million) in the fourth quarter in respect of certain assets, including customer relations and goodwill.

Tank Terminals (USD mill)	4Q13	3Q13	FY2013	4Q12	FY2012
Revenue	25	33	129	34	145
Gross result	8	13	53	16	63
EBITDA	(0)	7	22	5	27
EBIT	(91)	17	(72)	(5)	(8)

EBITDA by geographical segment (USD mill.) ¹	4Q13	3Q13	FY2013	4Q12	FY2012
Europe	(8)	(8)	(33)	(11)	(32)
North America	3	4	14	3	14
Asia	3	6	23	6	27
Middle East	2	4	18	6	18
Total	0	7	22	5	27

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

Finance

Two of the four vessels under construction in Korea are being financed through a long-term sale/lease-back arrangement, which will be effective on delivery of the vessels. The two remaining vessels are being financed through export credit financing in combination with a commercial tranche. Since the start of the fourth quarter the Company has agreed new loan facilities and refinanced maturing loans resulting in around USD 90 million in new liquidity. An Odfjell bond that matured in December was repaid with USD 62.5 million.

We are assessing various sources of finance for the order of four 17,000 cbm LPGA/Ethylene vessels (with up to four options), and are also evaluating potential sources of financing to fund further growth of our LPG/ethylene activities, including partnerships with industrial or financial stakeholders.



Key figures (USD mill.)	4Q13	3Q13	4Q12
Cash and available-for-sale investments	162	213	175
Interest bearing debt	1,350	1,326	1,221
Net interest bearing debt	1,188	1,113	1,046
Available drawing facilities	0	102	94
Total equity	759	829	914
Equity ratio	32.2%	33.8%	36.9%

Shareholder information

By end of December, Odfjell A and B shares were trading at NOK 41.00 and NOK 39.50 respectively, against NOK 40.10 and NOK 39.00 respectively at the close of the previous quarter. In the same period the Oslo Stock Exchange Benchmark Index gained 7% and the Transportation Index gained 15%.

As of 31 December 2013 Odfjell had a market capitalisation of around NOK 3,905 million, which is equivalent to around USD 643 million.

Prospects

The US posted its strongest GDP growth for the last three years on the back of acceleration in private sector demand led by stronger consumer spending and a pickup in exports.

The European economy has continued its gradual improvement, with Germany and the UK leading the way. Confidence is also slowly returning to the Mediterranean countries, reflected by an investor appetite for sovereign debt not seen in years. China's economic growth is decelerating, with growth of still healthy 7.7% in the fourth quarter.

The fundamentals within the LPG/Ethylene segment continue to improve, and we expect stronger earnings in 2014.

US shale gas and tight oil is breathing new life into the US chemical industry, with both cheap feedstock and energy fuelling a significant competitive edge. We expect this to have a positive impact in all our segments in the medium to long term, by boosting the number of cargoes on the market, sailing distances and demand for storage.

Based on the above we expect a slow but steady increase in demand for Odfjell's services. Orders for chemical tankers are picking up, but the order book within the core chemical segment still remains moderate, although cash rich private equity is also entering this space.

We expect the first quarter of 2014 to be similar to or slightly better than the fourth quarter for the company's chemical tankers. With regard to terminals, with the exception of OTR, we expect continued stable results.

Bergen, 12 February 2014
THE BOARD OF DIRECTORS OF ODFJELL SE



ODFJELL GROUP

STATEMENT OF COMPREHENSIVE INCOME	1Q13	2Q13	3Q13	4Q13	4Q12 ³⁾	FY 2013	FY 2012 ³⁾
(USD mill)							
Gross revenue	291	294	296	284	296	1 165	1 212
Net income from associates and joint ventures	0	0	0	0	0	1	1
Voyage expenses	(122)	(116)	(127)	(127)	(130)	(491)	(532)
Time-charter expenses	(44)	(39)	(37)	(45)	(43)	(165)	(173)
Operating expenses	(68)	(69)	(68)	(63)	(72)	(268)	(285)
Gross result	58	70	64	50	52	242	222
General and administrative expenses	(32)	(34)	(28)	(32)	(35)	(125)	(129)
Operating result before depreciation, amortisation and capital gain (loss) on non-current assets (EBITDA)	27	36	37	18	17	117	93
Depreciation	(31)	(31)	(33)	(31)	(34)	(126)	(132)
Impairment	-	-	-	(81)	-	(81)	-
Capital gain (loss) on non-current assets	(1)	3	19	(5)	(7)	16	(4)
Operating result (EBIT)	(6)	8	23	(99)	(23)	(75)	(43)
Interest income	1	1	2	1	1	5	3
Interest expenses	(13)	(12)	(14)	(12)	(14)	(51)	(53)
Other financial items	4	1	(5)	(2)	(5)	(1)	(16)
Currency gains (losses)	2	(0)	4	2	(1)	7	(3)
Net financial items	(6)	(10)	(13)	(11)	(19)	(40)	(68)
Result before taxes	(11)	(2)	10	(110)	(43)	(114)	(111)
Taxes	(2)	(0)	(0)	9	3	7	0
Net result	(13)	(2)	9	(102)	(40)	(108)	(111)
OTHER COMPREHENSIVE INCOME							
Net other comprehensive income to be reclassified to profit or loss in subsequent periods:							
Cash flow hedges changes in fair value	(2)	(1)	8	1	0	5	26
Cash flow hedges transferred to profit and loss statement	(2)	(0)	(3)	(1)	(2)	(7)	(15)
Net gain/(loss) on available-for-sale investments	(0)	(0)	0	(0)	0	0	1
Exchange rate differences on translating foreign operations	(4)	3	(10)	(3)	8	(14)	11
Net other comprehensive income not being reclassified to profit or loss in subsequent periods:							
Net actuarial gain/(loss) on defined benefit plans	-	-	-	27	(3)	27	(10)
Other comprehensive income	(9)	2	(5)	24	3	12	13
Total comprehensive income	(22)	(1)	5	(78)	(37)	(96)	(98)
Net result allocated to:							
Non-controlling interests	0	0	0	-	(0)	0	0
Owner of parent	(13)	(2)	9	(102)	(40)	(108)	(111)
Total comprehensive income allocated to:							
Non-controlling interests	0	0	0	-	0	0	0
Owner of parent	(22)	(1)	5	(78)	(37)	(96)	(98)
Earnings per share (USD) – basic/diluted	(0.16)	(0.03)	0.12	(1.29)	(0.46)	(1.36)	(1.37)

STATEMENT OF FINANCIAL POSITION	1Q13	2Q13	3Q13	FY2013	FY2012³⁾
(USD mill)					
Intangible assets	107	107	107	44	110
Ships	1 198	1 272	1 256	1 256	1 190
Newbuilding contracts	88	40	46	69	103
Tank terminals	441	454	482	492	448
Other non-current assets	76	75	77	85	70
Investments in associates	22	22	22	23	23
Non-current receivables	65	74	48	33	49
Total non-current assets	1 996	2 044	2 038	2 002	1 993
Current receivables	168	162	165	155	139
Bunkers and other inventories	19	25	31	37	37
Derivative financial instruments	6	1	3	4	7
Available-for-sale investments	15	9	10	10	17
Cash and cash equivalents	118	226	203	152	153
Total current assets	325	423	412	357	358
Assets held for sale	223	173	-	-	224
Total assets	2 543	2 641	2 451	2 360	2 569
Paid in equity	199	199	199	199	83
Other equity	626	633	630	560	825
Non-controlling interests	7	-	-	-	7
Total equity	832	832	829	759	914
Non-current liabilities	127	123	118	65	130
Derivatives financial instruments	15	15	17	17	16
Non-current interest bearing debt	1 041	1 095	1 128	1 216	995
Total non-current liabilities	1 183	1 233	1 262	1 298	1 141
Current portion of interest bearing debt	243	244	198	134	226
Derivative financial instruments	20	13	12	9	24
Current liabilities	137	149	150	159	136
Total current liabilities	400	406	360	302	386
Liabilities held for sale	129	171	-	-	129
Total equity and liabilities	2 543	2 641	2 451	2 360	2 569

STATEMENT OF CHANGES IN EQUITY (USD mill)	Paid in equity	Exchange rate differences	Cash flow hedge reserves	Available for sale reserve	Pension remeasurement	Retained equity	Total other equity	Non-controlling interests	Total equity
Equity as at 1.1.2012 ³⁾	80	13	(23)	(1)	-	903	892	6	979
Comprehensive income	-	11	11	1	(10)	(111)	(98)	0	(98)
Share sale	3	-	-	-	-	30	30	-	33
Equity as at 31.12.2012	83	24	(12)	0	(10)	822	825	6	914
Equity as at 1.1.2013	83	24	(12)	0	(10)	822	825	6	914
Comprehensive income	-	(14)	(1)	(0)	27	(108)	(96)	-	(96)
Other adjustments	-	-	12	-	-	(23)	(12)	-	(12)
Share repurchases	(3)	-	-	-	-	(39)	(39)	-	(42)
Demerger	119	-	-	-	-	(119)	(119)	-	-
Disposal minority	-	-	-	-	-	-	-	(6)	(6)
Equity as at 31.12.2013	199	10	(1)	0	17	533	560	-	759

PROFITABILITY	1Q13	2Q13	3Q13	4Q13	4Q12³⁾	FY2013	FY2012³⁾
Earnings per share (USD) - basic/diluted	(0.16)	(0.03)	0.12	(1.29)	(0.46)	(1.36)	(1.37)
Return on total assets ¹⁾	0.1%	2.3%	3.00%	(29.1%)	(6.5%)	(2.3%)	(2.3%)
Return on equity ¹⁾	(5.5%)	(2.1%)	(2.4%)	(49.3%)	(14.7%)	(12.9%)	(11.3%)
Return on capital employed ¹⁾	(0.9%)	1.2%	1.7%	(19.7%)	(3.7%)	(3.5%)	(2.0%)
FINANCIAL RATIOS							
Average number of shares (mill.) ²⁾	82.0	80.2	78.6	78.6	86.7	79.4	80.6
Basic/diluted equity per share (USD)	10.5	10.6	10.5	9.67	11.9	9.67	11.9
Share price per A-share (USD)	5.0	4.5	6.7	6.7	4.3	6.7	4.3
Debt repayment capability (Years)	14.8	10.6	15.5	19.3	1 053	14.1	46
Current ratio	1.0	1.0	1.1	1.2	1.1	1.2	1.1
Equity ratio	32.7%	31.5%	33.8%	32.2%	35.6%	32.2%	35.6%
USD/NOK rate at period end	5.83	6.03	6.0	6.08	5.59	6.08	5.59

CASH FLOW STATEMENT
 (USD mill)

	FY2013	FY2012
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income taxes	(114)	(111)
Taxes paid in the period	(29)	1
Depreciation and impairment	207	132
Capital (gain) loss on non-current assets	(15)	4
Inventory (increase) decrease	0	(1)
Trade debtors (increase) decrease	(11)	12
Trade creditors increase (decrease)	45	(5)
Difference in pension cost and pension premium paid	(3)	4
Effect of exchange differences	(7)	3
Other current accruals	(14)	(8)
Net cash flow from operating activities	58	31
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of non-current assets	22	45
Investment in non-current assets	(284)	(212)
Investments in shares and in other companies	0	(21)
External investments in terminal companies	92	-
Available-for-sale investments	7	9
Changes in non-current receivables	17	12
Net cash flow from investing activities	(145)	(168)

	FY2013	FY2012
CASH FLOW FROM FINANCING ACTIVITIES		
New interest bearing debt	474	439
Payment of interest bearing debt	(345)	(361)
Treasury shares transaction	(42)	33
Net cash flow from financing activities	87	111
Effect on cash balances from currency exchange rate fluctuations	(0)	(0)
Net change in cash and cash equivalents	(1)	(27)
Opening cash and cash equivalents	153	180
Ending cash and cash equivalents	152	153

- 1) Return ratios are based on annualised results, except for non-recurring items that are included in the relevant period.
- 2) On 1 October 2012 Odfjell SE entered into a Total Return Swap (TRS) agreement with DNB Markets. The TRS comprised 5,891,166 A-shares and 2,322,482 B-shares with pre agreed strike prices. The TRS was terminated 5 February 2013.
- 3) See note 7.

Notes to the consolidated financial statements

Note 1 – Accounting principles

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

Basis of preparation

The interim consolidated financial statements for Odfjell Group have been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". The interim financial statements are unaudited.

Significant accounting principles

The accounting principles used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2012. These consolidated condensed financial statements should be read in conjunction with the 2012 annual financial statements, which include a full description of the Group's accounting principles.

IASB has issued some standards or Interpretation, which are effective from 1 January 2014 or later:

IFRS 9 Financial Instruments
 IFRS 10 Consolidated Financial Statements
 IFRS 11 Joint Arrangement
 IFRS 12 Disclosure of Involvements with Other Entities
 IAS 27 Separate Financial Statement (revised)
 IAS 28 Investments in Associates and Joint Ventures (revised)

It is expected that changes in IFRS 11 will have material effect in how Odfjell presents its joint arrangement. Net result will not be changed, while total assets will be reduced and equity ratio will increase. Odfjell has presented figures based on equity method in a separate note, see note 10. All other changes are expected to have no or only immaterial effect on the financial statement.



Note 2 – Segment information

(USD mill)	1Q13	2Q13	3Q13	4Q13	4Q12	FY2013	FY2012
Chemical Tankers	253	255	262	258	258	1 028	1 066
LPG/Ethylene	4	3	2	2	5	11	6
Tank Terminals	35	36	33	25	34	129	145
Gross revenue from internal customers	(1)	(1)	(2)	(1)	(1)	(3)	(5)
Total gross revenue	291	294	296	284	296	1 165	1 212
Chemical Tankers	18	30	30	19	12	98	65
LPG/Ethylene	(0)	(1)	(1)	(1)	2	(3)	1
Tank Terminals	9	7	7	(0)	5	22	27
Total operating result before depreciation, amortisation and capital gain (loss) on non-current assets (EBITDA)	27	36	37	18	17	117	93
Chemical Tankers	(4)	6	7	(6)	(19)	3	(35)
LPG/Ethylene	(1)	(2)	(2)	(2)	1	(6)	(0)
Tank Terminals	(1)	3	17	(91)	(5)	(72)	(8)
Total operating result (EBIT)	(6)	8	23	(99)	(23)	(75)	(43)
Chemical Tankers	(14)	(11)	(0)	(21)	(40)	(46)	(97)
LPG/Ethylene	(2)	(2)	(2)	(2)	0	(8)	(1)
Tank Terminals	3	10	12	(78)	0	(53)	(13)
Total net result	(13)	(2)	9	(102)	(40)	(108)	(111)
Chemical Tankers	1 630	1 661	1 615	1 625	1 634	1 625	1 634
LPG/Ethylene	59	57	65	50	102	50	102
Tank Terminals	632	750	771	685	609	685	609
Assets held for sale	223	173	-	-	224	-	224
Total assets	2 543	2 641	2 451	2 360	2 569	2 360	2 569

Note 3 - Net interest bearing liabilities

(USD mill)	FY2013	FY2012
Loans from financial institutions – floating interest rate	748	602
Financial leases	183	191
Bonds	294	211
Current portion interest bearing debt (incl. bonds)	134	226
Transaction costs	(9)	(9)
Subtotal interest bearing debt	1 350	1 221
Held for sale	-	105
Total interest bearing debt	1 350	1 325
Cash and cash equivalent	(152)	(153)
Available for sale investments	(10)	(17)
Interest bearing liabilities	1 188	1 156
Held for sale	-	(17)
Net interest bearing liabilities	1 188	1 138

(USD mill)	FY2013	FY2012
New interest bearing debt	474	439
Payment of interest bearing debt	(345)	(361)

Note 4 – Transactions with related parties

In the normal course of the conduct of its business, the Group enters into a number of transactions with related parties. Odfjell considers these arrangements to be on reasonable market terms.

Note 5 – Non-current assets

(USD mill)	FY2013	FY2012
Net carrying amount beginning (incl. held for sale)	1 999	1 964
Investments in non-current assets	284	213
Sale of non-current assets	(231)	(46)
Depreciation and impairment	(139)	(127)
Exchange differences	(9)	(4)
Assets held for sale	-	(188)
Net carrying amount end	1 903	1 811

Note 6 – Intangible assets

(USD mill)	FY2013	FY2012
Net carrying amount beginning (incl. held for sale)	113	115
Depreciation and impairment	(68)	(4)
Exchange differences	2	2
Assets held for sale	-	(3)
Disposal assets held for sale	(3)	-
Net carrying amount end	44	110

Note 7 – Implementation of IAS 19 in 2012 figures

According to IAS 19 Employee Benefits, which came into effect per 1 January 2013, the corridor mechanism has been removed and unrecognised net actuarial gain and losses are recognised in other comprehensive income. Changes have been applied for retrospectively in accordance with IAS 8 Accounting Policies.

As a result of the changes the following adjustments have been made to the financial statements (USD 1 000):

As of 1 January 2012:

Decrease in pension assets: USD 2 800
 Increase in pension liabilities: USD 20 623
 Decrease in opening other equity: USD 23 423

As of 31 December 2012:

Decrease in pension assets: USD 1 637
 Increase in pension liabilities: USD 31 995
 Decrease in other equity: USD 33 632
 Net cost recognised in other comprehensive income: USD 10 210

Note 8 – Fair value and financial instruments

The group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The measurement used by Odfjell is either level 1 or 2, where level 1 is quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity has access to at the measurement date, and level 2 are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. For some non-derivative financial assets and liabilities we consider carrying amount to be the best estimate of fair value due to short maturity date and valid terms, i.e. current receivables and payables.

During fourth quarter of 2013 there have been no transfers between levels of the fair value hierarchy. The group accounts for transfers between levels of the fair value hierarchy from the date of the event or change in circumstances that caused the transfer.

Assets and liabilities which are measured at fair value in the Consolidated Balance Sheet and their level of the fair value hierarchy were as follows:

	4Q13 Level 1	4Q13 Level 2	4Q12 Level 1	4Q12 Level 2
Recurring fair value measurement				
Financial assets at fair value through profit or loss:				
Derivatives instruments – non hedging	-	0	-	0
Derivatives instruments - hedging	-	4	-	6
Financial liabilities at fair value through profit or loss:				
Derivatives instruments – non hedging	-	20	-	28
Derivatives instruments - hedging	-	6	-	12
Available-for-sale-investments	10		17	

Note 9 – Held for sale

Odfjell announced 18 June that the transaction with Lindsay Goldberg to expand the joint venture with Lindsay Goldberg to include substantially all of the Odfjell's tank terminals business globally had been closed. As part of the transaction, Lindsay Goldberg has acquired a 49% interest in Odfjell Terminals AS ("OTAS"), the holding company for Odfjell's tank terminals activities. In exchange for a 49% share in OTAS, Lindsay Goldberg made a cash investment in OTAS, by way of a capital increase of USD 219.2 million. OTAS is now owned 51% by Odfjell and 49% by Lindsay Goldberg. Odfjell realized a book gain of USD 24.5 million related to the transaction.

Assets and liabilities classified as held for sale (USD 1 000):

Assets	4Q13	3Q13	2Q13	1Q13	FY 2012
Intangible assets	-	-	2 187	2 785	2 837
Tank terminals	-	-	145 488	181 996	184 356
Other non-current assets	-	-	6 862	8 558	8 694
Non-current receivables	-	-	3 085	3 854	3 746
Total non-current assets	-	-	157 623	197 193	199 632
Current receivables	-	-	4 593	6 480	6 281
Bunkers and other inventories	-	-	411	494	492
Cash and cash equivalents	-	-	10 536	18 344	17 335
Total current assets	-	-	15 540	25 317	24 109
Total assets held for sale	-	-	173 163	222 510	223 741
Liabilities					
Non-current liabilities	-	-	6 183	7 039	6 887
Derivatives financial instruments	-	-	2 583	5 060	4 381
Non-current interest bearing debt	-	-	72 544	93 219	94 072

Total non-current liabilities	-	-	81 310	105 318	105 340
Current portion of interest bearing debt	-	-	5 882	9 079	10 543
Current liabilities	-	-	83 432	14 589	13 018
Total current liabilities	-	-	89 314	23 668	23 561
Total liabilities held for sale	-	-	170 624	128 986	128 900

Note 10 – Figures presented based on equity method

Changes in IFRS 11 will have material effect in how Odfjell presents its joint arrangement. Odfjell has decided to wait until January 1st 2014 to implement equity method. Below are figures presented based on equity method.

STATEMENT OF INCOME (EQUITY METHOD)	1Q13	2Q13	3Q13	4Q13	FY2013	FY2012
(USD mill)						
Gross revenue	256	256	258	256	1 027	1 066
Net income from associates and joint ventures	(4)	(1)	30	(77)	(52)	(10)
Voyage expenses	(121)	(115)	(127)	(126)	(489)	(530)
Time-charter expenses	(43)	(39)	(37)	(44)	(164)	(173)
Operating expenses	(48)	(48)	(47)	(46)	(189)	(202)
Gross result	40	53	79	(37)	134	150
General and administrative expenses	(25)	(27)	(18)	(23)	(93)	(99)
Operating result before depreciation, amortisation and capital gain (loss) on non-current assets (EBITDA)	14	26	61	(60)	41	50
Depreciation	(22)	(23)	(23)	(20)	(89)	(98)
Capital gain (loss) on non-current assets	(1)	3	(5)	(5)	(9)	(6)
Operating result (EBIT)	(9)	6	32	(86)	(57)	(54)
Interest income	0	(0)	1	(1)	0	2
Interest expenses	(9)	(7)	(8)	(10)	(34)	(40)
Other financial items	4	1	(4)	(1)	1	(14)
Currency gains (losses)	3	(2)	(11)	(5)	(14)	(2)
Net financial items	(1)	(8)	(21)	(16)	(46)	(54)
Result before taxes	(10)	(2)	11	(102)	(103)	(108)
Taxes	(3)	(0)	(2)	1	(5)	(3)
Net result	(13)	(2)	9	(102)	(108)	(111)

STATEMENT OF FINANCIAL POSITION (EQUITY METHOD)	1Q13	2Q13	3Q13	FY2013	FY2012
(USD mill)					
Ships	1 192	1 267	1 256	1 255	1 185
Newbuilding contracts	88	40	40	64	103
Tank terminals	-	-	-	-	-
Other non-current assets	56	55	55	55	57
Investments in associates and joint ventures	314	337	454	375	332
Loan to associates and joint ventures	30	65	-	-	29
Non-current receivables	59	68	42	30	44
Total non-current assets	1 739	1 833	1 847	1 780	1 750
Current receivables	129	125	124	126	107
Bunkers and other inventories	17	25	30	35	36
Derivative financial instruments	6	1	3	4	7
Available-for-sale investments	14	9	9	10	17
Cash and cash equivalents	83	202	108	84	122
Total current assets	249	362	275	260	288
Net assets held for sale	94	3	-	-	95
Total assets	2 084	2 197	2 122	2 040	2 133
Paid in equity	199	199	199	199	80
Other equity	626	633	630	560	824
Non-controlling interests	7	-	-	-	7
Total equity	832	832	829	759	914
Non-current liabilities	43	48	53	28	49
Derivatives financial instruments	10	12	14	14	11
Non-current interest bearing debt	888	957	952	1 000	860
Total non-current liabilities	941	1 017	1 018	1 043	920
Current portion of interest bearing debt	202	205	159	124	183
Derivative financial instruments	20	13	12	9	24
Current liabilities	90	130	104	105	92
Total current liabilities	312	348	275	237	299
Total equity and liabilities	2 084	2 197	2 122	2 040	2 133

Under the equity method the Group's share of net result in associates and joint ventures for the year is included in net result. The Group's interests in joint ventures and associates are carried on the balance sheet at an amount that reflects its share of the net assets of the company. The carrying value of investment in a joint venture or associate will never be negative, unless the Group has incurred or guaranteed obligations in respect of the company. Goodwill is included in the carrying amount of the investment and is not amortized.

FINANCIAL RATIOS – EQUITY METHOD

	1Q13	2Q13	3Q13	4Q13	FY2012
Equity ratio	39.9%	37.8%	39.1%	37.2%	42.9%

FLEET & TERMINAL OVERVIEW as per 7 February 2014

CHEMICAL TANKERS OWNED:

SHIP	YEAR BUILT	DWT	CBM	STAINLESS STEEL, CBM	NUMBER OF TANKS
Bow Pioneer	2013	75 000	86 000	-	30
Bow Nangang	2013	9 156	10 523	10 523	14
Bow Dalian	2012	9 156	10 523	10 523	14
Bow Fuling	2012	9 156	10 523	10 523	14
Bow Lind	2011	46 047	48 698	-	29
Bow Elm	2011	46 098	48 698	-	29
Flumar Brasil	2010	51 188	55 452	-	14
Bow Saga ¹	2007	40 085	52 126	52 126	40
Bow Sirius ¹	2006	49 539	52 155	52 155	40
Bow Sea	2006	49 511	52 107	52 107	40
Bow Engineer	2006	30 086	36 274	36 274	28
Flumar Maceio	2006	19 975	21 713	21 713	22
Bow Summer	2005	49 592	52 128	52 128	40
Bow Spring	2004	39 942	52 127	52 127	40
Bow Star	2004	39 832	52 127	52 127	40
Bow Santos	2004	19 997	21 846	21 846	22
Bow Sun	2003	39 842	52 127	52 127	40
Bow Firda	2003	37 427	40 645	40 645	47
Bow Chain	2002	37 518	40 621	40 621	47
Bow Andes	2000	16 020	17 120	17 120	22
Bow Condor	2000	16 121	17 622	17 622	30
Bow Fortune	1999	37 395	40 619	40 619	47
Bow Master	1999	6 046	7 018	7 018	14
Bow Pilot	1999	6 008	7 005	7 005	14
Bow Sailor	1999	6 008	7 011	7 011	14
Bow Cecil	1998	37 369	40 515	33 236	47
Bow Flora	1998	37 369	40 515	33 236	47
Bow Balearia	1998	5 846	6 075	6 075	20
Bow Oceanic	1997	17 460	19 616	19 616	24
Bow Bracaria	1997	5 846	6 071	6 071	20
Bow Brasilia	1997	5 800	6 067	6 067	20
Bow Cardinal	1997	37 446	41 487	34 208	52
Bow Faith	1997	37 479	41 487	34 208	52
Bow Aratu	1997	13 843	15 834	15 834	29
Bow Querida	1996	10 106	11 181	11 181	18
Bow Cedar	1996	37 455	41 488	41 488	52
Bow Atlantic	1995	17 460	19 588	19 588	24
Bow Fagus	1995	37 375	41 608	34 329	52
Bow Clipper	1995	37 221	41 596	34 328	52
Bow Flower	1994	37 221	41 492	34 213	52
Bow Victor	1986	33 000	34 500	21 975	31

TIME CHARTERED/POOL:

UACC Marach	2013	45 249	52 565	-	22
UACC Messila	2012	45 352	52 256	-	22
UACC Masafi	2012	45 352	52 565	-	22
Chemroad Hope	2011	33 552	37 161	37 161	18
RT Star	2011	26 199	27 912	27 912	18
SG Pegasus	2011	13 086	14 523	14 523	16
Southern Koala	2010	21 290	20 008	20 008	20
Stream Luna	2010	19 998	22 161	22 161	20
Bow Tone	2009	33 625	37 974	37 974	16
Bow Hector	2009	33 694	37 384	37 384	16
Southern Ibis	2009	19 905	22 158	22 158	20
Southern Jaguar	2009	19 997	22 157	22 157	20
Stream Mia	2008	19 702	22 094	22 094	26
Bow Sagami	2008	33 641	38 000	38 000	16
Bow Harmony	2008	33 619	38 052	38 052	16
Bow Kiso	2008	33 641	37 974	37 974	16
Bow Heron	2008	33 707	37 365	37 365	16
Celsius Mayfair	2007	19 999	21 714	21 714	20
Bow Fuji	2006	19 805	22 140	22 140	22
Celsius Manhattan	2006	19 807	22 143	22 143	22
Moyra	2005	19 806	22 838	22 838	18
Bow Sky ²	2005	40 005	52 126	52 126	40
Bow Architect	2005	30 058	36 290	36 290	28
Celsius Monaco	2005	19 999	21 851	21 851	22
Celsius Mumbai	2005	19 993	22 186	22 186	22
Celsius Miami	2005	19 991	22 192	22 192	22
Chembulk Sydney	2005	14 271	16 571	16 571	20
Golden Top	2004	12 705	13 388	13 388	22
Chembulk Wellington	2004	14 312	15 591	15 591	20
Bow Asia ²	2004	9 901	11 088	11 088	20
Bow Singapore ²	2004	9 888	11 089	11 089	20
Bow Americas	2004	19 707	22 735	22 735	36
Bow Jubail ²	1996	37 499	41 488	34 209	52
Bow Mekka ²	1995	37 272	41 606	34 257	52
Bow Riyad ²	1995	37 221	41 492	34 213	52
Bow Eagle	1988	24 728	32 347	19 662	25
JBU Sapphire ³	2009	19 860	22 144	22 144	16
JBU Opal ³	2009	19 865	22 129	22 129	16
JBU Onyx ³	2008	19 865	21 712	21 712	16
Northern Wolverine	2006	16 000	18 397	10 056	35
Northern Lynx	2003	16 533	18 397	10 056	35
Number of ships:	82	2 225 740	2 507 893	1 996 918	2 296

¹ Vessel beneficially owned through financial lease.
² Vessel on bare-boat charter.
³ Vessel on variable time charter/pool.

LPG/ETHYLENE CARRIERS OWNED:

SHIP	YEAR BUILT	DWT	CBM	TYPE	NUMBER OF TANKS
Bow Gallant	2 008	10 282	8 922	LPG/Ethylene	2
Bow Guardian	2 008	10 282	8 922	LPG/Ethylene	2

TIME CHARTERED:

Berlian Ekuator	2 004	26 776	35 000	LPG/Ammonia	3
Number of ships:	3	47 340	52 844		7

ON ORDER: CHEMICAL TANKERS

YARD	DELIVERY	DWT	OWNER	COMMENT
Hyundai Mipo Dockyard., Ltd	2014	46 000	Odfjell	

"	2014	46 000	Od fjell
"	2014	46 000	Od fjell
"	2014	46 000	Od fjell

LPG/ETHYLENE CARRIERS

YARD	DELIVERY	CBM	OWNER	COMMENT
Nantong Sinopacific Offshore & Engineering Co., Ltd	2015	17 000	Od fjell	Optional 2+2
"	2015	17 000	Od fjell	
"	2016	17 000	Od fjell	
"	2016	17 000	Od fjell	
Number of newbuildings:	8			

TANK TERMINALS	LOCATION	OWNER SHIP**	CBM	STEEL, CBM	TANKS
Od fjell Terminals (Rotterdam) BV	Rotterdam, NL	51 %	1 636 100	32 550	281
Od fjell Terminals (Houston) Inc	Houston, USA	51 %	331 334	82 033	100
Od fjell Terminals (Charleston) LLC	Charleston, USA	51 %	79 491	-	9
Od fjell Terminals (Jiangyin) Co Ltd	Jiangyin, China	28.05 %	99 800	30 000	22
Od fjell Terminals (Dalian) Ltd	Dalian, China	25.5 %	119 750	18 350	51
Od fjell Terminals (Korea) Co Ltd	Onsan, Korea	25.5 %	313 710	15 860	85
Oiltanking Od fjell Terminal Singapore Ltd	Singapore	25.5 %	365 051	13 520	79
Oiltanking Od fjell Terminal & Co. LLC	Sohar, Oman	15.17 %	1 294 780	-	66
Noord Natie Od fjell Terminals	Antwerp, Belgium	12.75%	325 000	50 800	235
Exir Chemical Terminals PJSCO	BIK, Iran	35 %	22 000	1 000	18
Vopak Terminal Ningbo Ltd	Ningbo, China	12.5%	71 050	8 000	39
Total terminals	10 terminals		4 658 066	252 113	985

PROJECTS AND EXPANSIONS	LOCATION	OWNER SHIP**	CBM	STEEL, CBM	COMPLETION
Od fjell Nangang Terminals (Tianjin) Co.,Ltd	Tianjin, China	24.99%	137 800	7 000	Q4 2014
Noord Natie Od fjell Terminals	Antwerp, Belgium	12.5%	25 000	-	Q2 2014
Od fjell Terminals (Houston) Inc	Houston, USA	51 %	30 800	30 800	Q2 2014
Oiltanking Od fjell Terminal Singapore Ltd	Singapore	25.5 %	12 000	-	Q1 2015
Od fjell Terminals Quanzhou (Fujian)	Quanzhou, China	25.5%	184 000	-	Q1 2016
Total expansion terminals	3 new terminals		389 600	37 800	

TANK TERMINALS PARTLY OWNED BY RELATED PARTIES*)	LOCATION	CBM	STEEL, CBM	TANKS
Depositos Quimicos Mineros S.A.	Callao, Peru	52 980	1 600	43
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	-	35
Granel Quimica Ltda	Ladario, Brazil	8 060	-	6
Granel Quimica Ltda	Triunfo, Brazil	12 030	-	2
Granel Quimica Ltda	Teresina, Brazil	7 640	-	6
Od fjell Terminals Tagsa S.A.	Buenos Aires, Argentina	38 826	530	56
Od fjell Terminals Tagsa S.A.	Campana, Argentina	68 580	10 190	102
Terquim S.A.	San Antonio, Chile	32 840	-	25
Terquim S.A.	Mejillones, Chile	16 870	-	7
IMTT-Quebec	Quebec, Canada	293 130	5 500	53
Total tank terminals partly owned by related parties	12 terminals	765 536	40 600	466

OWNED BY RELATED PARTIES*)	LOCATION	CBM	COMPLETION
Granel Quimica Ltda	Aracruz, Brazil	30 000	- ready Q3 2015
Granel Quimica Ltda	Santos II, Brazil	52 000	- ready Q4 2015
Granel Quimica Ltda	Sao Luis II, Brazil	52 750	- ready Q3 2014
Terquim S.A.	Mejillones, Chile	50 000	- ready Q3 2015
Granel Quimica Ltda	Palmas, Brazil	10 000	- ready Q2 2014
Total expansion tank terminals partly owned by related parties	4 new terminals	194 750	

Grand total (incl. related tank terminals partly owned by related parties) 22 existing terminals 5 423 602 292 713

*) Tank terminals and projects partly owned by Od fjell family.

**) Od fjell SE's indirect ownership share



ODFJELL

ODFJELL SE

Conrads Mohrs veg 29,
P.O. Box 6101 Postterminalen
5892 Bergen, Norway
Tel: +47 5527 0000
Fax: +47 5528 4741
E-mail: ir@odfjell.com
Org. no: 930 192 503
www.odfjell.com

