



## **Prospectus**

Odfjell SE

# **Supplement to Registration Document** Dated 4 July 2012

Bergen (Norway), 17 December 2012

Joint Lead Managers:



Words with capital initial letter are defined under "Definitions" in Registration Document for Odfjell SE dated 4 July 2012.

## Business overview

As per Quarterly Report 3<sup>rd</sup> quarter 2012

### Chemical Tankers

The chemical tanker market remained unchanged during third quarter of 2012. Volumes shipped were only marginally up as compared to the previous quarter, yet much lower than in the first quarter of 2012, due to fewer vessels in the fleet. The average freight rate per tonne shipped was lower as the market remained soft. The average price of bunkers purchased in the quarter was USD 654 per metric ton, approximately USD 30 per metric ton lower than in the previous quarter. There were some encouraging developments in specific trades, but as the product tanker market remains weak, the Company continues to face increased competition in selected segments from the product tanker fleet. The results are being cushioned by the reduction in bunker prices. CoA's are continuing to be renewed at higher rates and the contract coverage remains at around 50% of total volume shipped. The Company's earnings on time-charter basis are basically unchanged compared to second quarter.

The market remains low as it enters a seasonally busier period. There is still little encouragement from product trades, but the Company is beginning to see positive impacts from increased chemical production. The supply/demand balance continues to develop favourably.

### LPG/Ethylene

During August and September 2012, Odfjell Gas took delivery of two 2008 built LPG/Ethylene carriers with cargo carrying capacity of about 9,000 cbm. Both vessels are currently trading spot in Asia and have so far performed in accordance with expectations. Per September the Company's gas carriers have delivered a turnover of USD 1 million and EBITDA of negative USD 1 million, reflecting positioning voyages.

The Company is evaluating various projects to secure further growth in the segment.

### Fleet changes

As part of the Company's fleet renewal programme, it has this year both sold older ships and contracted replacement tonnage. By late November the Company expects to have received the second of three newbuildings from the Chongqing Chuandong yard in China. These are 9,000 DWT chemical tankers with 14 stainless steel tanks, all planned for employment in regional Asian trade. The third and final vessel is scheduled for delivery in the first quarter of 2013. The pool company NOCT Dubai received in September two additional NCC vessels from the Shina Shipbuilding yard in Korea, whilst Odfjell Tankers has taken one new vessel on one-year time charter for participation in the NOCT pool.

The Company has sold two older chemical tankers with coated cargo tanks for recycling and has two vessels scheduled for sale later this year. All vessels sold for recycling have green passports, with the buyers required to submit a working plan in accordance with IMO guidelines for ship recycling.

Fleet additions		DWT	Built	Tanks	Transaction
November 2012	Bow Dalian	9,000	2012	Stainless	New delivery
October 2012	Chemroad Hope	33,552	2011	Stainless	1 year TC
September 2012	UACC Masafi	45,352	2012	Coated	1 year TC
September 2012	NCC Reem	45,544	2012	Coated	Pool
September 2012	Bow Guardian	9,000 cbm	2008	LPG	Purchase
August 2012	Bow Gallant	9,000 cbm	2008	LPG	Purchase
August 2012	NCC Najem	45,499	2012	Coated	Pool
June 2012	Bow Fuling	9,156	2012	Stainless	New delivery
May 2012	NCC Shams	45,468	2012	Coated	Pool
January 2012	Bow Andes	16,020	2000	Stainless	Purchase
January 2012	Southern Ibis	19,905	2009	Stainless	2 year TC

Fleet disposals, owned		DWT	Built	Tanks	Transaction
November 2012	Bow Fraternity	45,507	1987	Coated	Recycling
October 2012	Bow Lion	39,423	1988	Coated	Recycling
June 2012	Bow Viking	33,644	1981	Stainless	Sale
June 2012	Bow Fertility	45,507	1987	Coated	Recycling
June 2012	Bow Pride	45,655	1987	Coated	Recycling
May 2012	Bow Peace	45,655	1987	Coated	Recycling
February 2012	Bow Pacifico	18,657	1982	Stainless	Sale
January 2012	Bow Prosper	45,655	1987	Coated	Recycling

The above sales have only had a limited impact on the financial statements but have contributed USD 45 million in cash.

## Tank Terminals

Construction of the terminal in Charleston has now started and the project is on course to deliver 80,000 CBM of new tank capacity in 2013. The project in Tianjin is also progressing according to schedule.

Following the Company's decision on 27 July 2012 to temporarily shut down Odfjell Terminals (Rotterdam) to initiate immediate verification and upgrading of certain safety systems, around 45% of the total capacity has been reapproved for usage. The Company expects that 75% will be operational during the first quarter of 2013. Any additional storage capacity will only be recommissioned when the market can justify the investments required. The Company has initiated several major programs to increase safety, efficiency and to align the cost base at Odfjell Terminals (Rotterdam) with the cost base of the other Odfjell tank terminals. Odfjell Terminals (Rotterdam) has embarked on several cost-cutting initiatives and is in the process of negotiating a plan to bring the workforce in line with the reduced activities at the terminal.

EBITDA at Odfjell Terminals (Rotterdam) for this quarter were negative USD 20 million and for 2012 we expect an EBITDA of around negative USD 25-30 million. Total investments at the terminal for the next four years will amount to about USD 100–133 million, an increase of around 30% compared with the original investment plan. The above figures are based on Odfjell's 51% share in the terminal.

## Administrative, management and supervisory bodies

### New member of the Management group

**Åke Gregertsen.** Åke Gregertsen has previously held various positions within Odfjell, amongst which as President of Odfjell Terminals (Houston) from 1996 to 2001 and SVP of Odfjell Terminals from 2001 to 2002. He has also recently been connected to Odfjell Terminals B.V. on a consultancy basis.

### New member of the Board of Directors

**Jannicke Nilsson.** Mrs Nilsson holds a Master of Science in cybernetics and process automation Stavanger University and has 25 years of experience in the upstream oil and gas industry. She is currently Senior Vice President Operation North Sea West, Development and Production Norway for Statoil and Statoil's Location Manager in Bergen. Independent Board member.

## Trend information

### Prospects as of Quarterly Report 3<sup>rd</sup> quarter 2012

The difficult fiscal situation in Europe and in the US, and slower growth in China, are negatively impacting trade and thus, delay the upturn for the chemical tankers.

The supply picture, however, continues to move in the Company's favour as the expected annual growth of the chemical tankers fleet the next three years is the lowest in decades. A number of older vessels have been recycled following the implementation of sanctions on chemical trade out of Iran, thus further improving the balance.

The Company expects to deliver stable results from the tank terminal division; however, the situation at Odfjell Terminals (Rotterdam) will continue to negatively impact the results of its tank terminal activities for the coming

quarters. The Company expects that based on a successful implementation of its recovery plan, Odfjell Terminals (Rotterdam) will deliver improved results in 2013.

Nevertheless, despite some improvements going forward, the Company still expects to deliver negative results also in the fourth quarter 2012.

## Major shareholders

### Ownership

Below is the list of the 20 largest shareholders as of December 4, 2012:

	Name	A-shares	B-shares	Total	Percent of votes	Percent of shares
1	NORCHEM A/S	25,966,492	1,591,176	27,557,668	39.53 %	31.76 %
2	DNB NOR BANK ASA	5,911,547	2,375,965	8,287,512	9.00 %	9.55 %
3	REDERIET ODFJELL AS ODFJELL SHIPPING	3,497,472		3,497,472	5.32 %	4.03 %
4	BERMUDA LTD.	2,750,000	715,760	3,465,760	4.19 %	3.99 %
5	PARETO AKSJE NORGE SHB STOCKHOLM CLIENTS	2,051,842	1,229,529	3,281,371	3.12 %	3.78 %
6	ACCOUNT <sup>1</sup>	1,495,670	1,430,680	2,926,350	2.28 %	3.37 %
7	SIX SIS AG 5 PCT NOM <sup>1</sup>	1,036,400	1,600,800	2,637,200	1.58 %	3.04 %
8	ODIN NORDEN JP MORGAN CLEARING CORP. <sup>1</sup>	2,120,819	29,690	2,150,509	3.23 %	2.48 %
10	FOLKETRYGDFONDET		1,688,400	1,688,400		1.95 %
11	SIX SIS AG <sup>1</sup>	1,099,600	577,100	1,676,700	1.67 %	1.93 %
12	SKAGEN VEKST	1,664,725		1,664,725	2.53 %	1.92 %
13	FONDSFINANS SPAR	1,500,000		1,500,000	2.28 %	1.73 %
14	PARETO AKTIV	878,287	530,823	1,409,110	1.34 %	1.62 %
15	KLP AKSJE NORGE VPF	726,450	223,534	949,984	1.11 %	1.09 %
16	SES AS	210,000	670,000	880,000	0.32 %	1.01 %
17	PARETO VERDI	471,714	283,420	755,134	0.72 %	0.87 %
18	AS SS MATHILDA	600,000	150,000	750,000	0.91 %	0.86 %
19	BERGER	732,400		732,400	1.11 %	0.84 %
20	KLP AKSJE NORDEN VPF	721,731		721,731	1.10 %	0.83 %
	<b>Total 20 largest shareholders</b>	<b>53,435,149</b>	<b>15,313,610</b>	<b>68,748,759</b>	<b>81.34 %</b>	<b>79.23 %</b>
	Other shareholders	12,255,095	5,765,094	18,020,189	18.66 %	20.77 %
	<b>Total</b>	<b>65,690,244</b>	<b>21,078,704</b>	<b>86,768,948</b>	<b>100.00 %</b>	<b>100.00 %</b>
	International shareholders	37,388,914	7,180,936	44,569,850	56.92 %	51.37 %

\*Nominee account

\*\* No voting rights for own shares ref. Public Limited Companies Act § 5 – 4

Odfjell Chemical Tankers AS, a subsidiary of Odfjell SE, owns 500 000 A shares in Odfjell SE

## Financial information concerning the Company's assets and liabilities, financial position and profits and losses

### Historical Financial Information

The accounting principles is presented in Annual Report 2011, page 56, note 1 Accounting Principles for Odfjell SE and in Annual Report 2011 page 22, note 2 Summary of significant accounting principles for the Group.

According to the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council, information in a prospectus may be incorporated by reference. Because of the complexity in the historical financial information and financial statements this information is incorporated by reference to the [Quarterly Report 3th quarter 2012](#) and [Quarterly Report 2nd quarter 2012](#) as follows:

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	Quarterly Report 2012	
	3Q*	2Q*
<b>Odfjell Group</b>		
Profit and loss statement	Page 7	Page 7
Balance sheet	Page 8	Page 8
Cash flow statement	Pages 9-10	Page 9
Notes to the Group Financial Statement	Pages 10-12	Pages 10-12

\*) including comparative figures for 2011

## Fleet and terminal overview as per 14 November 2012

CHEMICAL TANKERS OWNED:	SHIP	YEAR	DWT	CBM	STAINLESS	NUMBER OF TANKS
		BUILT			STEEL, CBM	
	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 <sup>1</sup>	2007	40 085	52 126	52 126	40
	Bow Sinus <sup>1</sup>	2006	49 539	52 155	52 155	40
	Bow Sea	2006	49 511	52 107	52 107	40
	Flumar Maceio	2006	19 975	21 713	21 713	22
	Bow Summer	2005	49 592	52 128	52 128	40
	Bow Spring <sup>1</sup>	2004	39 942	52 127	52 127	40
	Bow Star	2004	39 832	52 127	52 127	40
	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 Fortune	1999	37 395	40 619	40 619	47
	Bow Master	1999	6 046	7 018	7 018	14
	Bow Mate	1999	6 001	7 004	7 004	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 Eagle	1988	24 728	32 347	19 662	25
	Bow Cheetah	1988	40 257	43 811	-	29
	Bow Leopard	1988	39 512	43 772	-	29
	Bow Fraternity	1987	45 507	52 180	2 167	23
	Bow Victor	1986	33 000	34 500	21 975	31
<b>TIME CHARTERED:</b>	NCC Reem	2012	45 544	52 591	-	22
	UACC Masafi	2012	45 352	52 565	-	22
	NCC Najem <sup>3</sup>	2012	45 499	52 590	-	22
	NCC Shams <sup>3</sup>	2012	45 468	52 590	-	22
	Chemroad Hope	2011	33 552	37 161	37 161	18
	SG Pegasus	2011	13 086	14 523	14 523	16
	NCC Danah <sup>3</sup>	2011	45 578	52 590	-	22
	NCC Nasma <sup>3</sup>	2011	45 550	52 590	-	22
	NCC Safa <sup>3</sup>	2011	45 544	52 590	-	22
	NCC Ama <sup>3</sup>	2011	45 544	52 590	-	22
	NCC Huda <sup>3</sup>	2011	45 459	52 590	-	22
	NCC Noor <sup>3</sup>	2011	45 565	52 590	-	22
	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 Cape	2008	19 975	22 158	22 158	20
	Bow Kiso	2008	33 641	37 974	37 974	16
	Bow Heron	2008	33 707	37 365	37 365	16
	NCC Haie <sup>3</sup>	2008	45 953	54 401	-	22
	NCC Dammam <sup>3</sup>	2008	45 965	54 401	-	22
	NCC Sudair <sup>3</sup>	2007	46 012	54 401	-	22
	Bow Lima	2007	19 971	22 157	22 157	20
	Bow Fuji	2006	19 805	22 140	22 140	22
	Bow Plata	2006	19 807	22 143	22 143	22
	Bow Engineer	2006	30 086	36 274	36 274	28
	Crystal Topaz <sup>3</sup>	2006	11 340	11 870	11 870	20
	Crystal Diamond <sup>3</sup>	2006	11 340	11 870	11 870	20
	Bow Sky <sup>2</sup>	2005	40 005	52 126	52 126	40
	Bow Architect	2005	30 058	36 290	36 290	28
	Bow Rio	2005	19 999	21 851	21 851	22
	Bow Santos <sup>2</sup>	2004	19 997	21 846	21 846	22
	Bow Asia <sup>2</sup>	2004	9 901	11 088	11 088	20
	Bow Singapore <sup>2</sup>	2004	9 888	11 089	11 089	20
	Bow Americas	2004	19 707	22 735	22 735	36
	Bow de Rich	2003	12 452	13 571	13 571	22
	Bow Andino	2000	16 121	17 622	17 622	30
	Crystal Amaran <sup>3</sup>	1999	9 887	10 893	10 893	24
	Crystal Skye <sup>3</sup>	1998	9 554	10 442	10 442	24
	Bow Jubail <sup>2</sup>	1996	37 499	41 488	34 209	52
	Bow Mekka <sup>2</sup>	1995	37 272	41 606	34 257	52
	Bow Riyad <sup>2</sup>	1995	37 221	41 492	34 213	52
	Crystal Amethyst <sup>3</sup>	1994	8 104	9 346	9 346	17
	Crystal Emerald <sup>3</sup>	1994	8 143	9 346	9 346	17
	Crystal Pear <sup>3</sup>	1994	8 143	9 346	9 346	17
	Bow Baha	1988	24 728	32 363	19 662	25
	JBU Sapphire <sup>3</sup>	2009	19 860	22 144	22 144	16
	JBO Opa <sup>3</sup>	2009	19 865	30 301	30 301	16
	JBU Onyx <sup>3</sup>	2008	19 865	21 712	21 712	16
<b>COMMERCIAL MANAGEMENT:</b>	Northern Wolverine	2006	16 000	18 397	10 056	35
	Northern Lynx	2003	16 533	18 397	10 056	35
	Crystal Atlantica	2000	16 630	17 350	17 350	22
	<b>Number of ships:</b>	<b>95</b>	<b>2 703 330</b>	<b>3 075 269</b>	<b>1 968 304</b>	
	<sup>1</sup> Vessel beneficially owned through financial lease.					
	<sup>2</sup> Vessel on bare-boat charter.					
	<sup>3</sup> Vessel on variable time charter/pool.					

## Supplement to Registration Document

GAS CARRIERS OWNED:	SHIP	YEAR		CBM	TYPE	NUMBER OF TANKS
		BUILT	DWT			
	Bow Gallant	2 008	10 282	8 922	LPG/Ethylene	2
	Bow Guardian	2 008	10 282	8 922	LPG/Ethylene	2
<b>ON ORDER:</b>	<b>YARD</b>	<b>DELIVERY</b>	<b>DWT</b>		<b>OWNER</b>	<b>COMMENT</b>
	ShinaSB (ex. SLS Shipbuilding)	2012	45 000		NCC	2 vessels
	Chongqing Chuandong Shipbuilding Industry Co.Ltd	2012	9 000		Odfjell	
	"	2013	9 000		Odfjell	
	Daewoo Shipbuilding and Marine Engineering Co Ltd	2013	75 000		Odfjell	
	"	2013	75 000		NCC	
	Hyundai Mipo Dockyard., Ltd	2014	46 000		Odfjell	
	"	2014	46 000		Odfjell	
	"	2014	46 000		Odfjell	
	"	2014	46 000		Odfjell	
	<b>Number of newbuildings:</b>	<b>10</b>	<b>487 000</b>			
<b>TANK TERMINALS OWNED</b>	<b>LOCATION</b>	<b>SHARE</b>		<b>CBM</b>	<b>STAINLESS STEEL, CBM</b>	<b>NUMBER OF TANKS</b>
Odfjell Terminals (Rotterdam) BV	Rotterdam, NL	51 %		1 636 100	32 550	281
Odfjell Terminals (Houston) Inc	Houston, USA	51 %		331 339	82 033	100
Odfjell Terminals (Jiangyin) Co Ltd	Jiangyin, China	55 %		99 800	30 000	22
Odfjell Terminals (Dalian) Ltd	Dalian, China	50 %		119 750	18 350	51
Odfjell Terminals (Korea) Co Ltd	Onsan, Korea	50 %		313 710	15 860	85
Oiltanking Odfjell Terminal Singapore Ltd	Singapore	50 %		365 000	13 520	79
Oiltanking Odfjell Terminal & Co. LLC	Sohar, Oman	29.75 %		1 294 800	-	66
Noord Natie Odfjell Terminals	Antwerp, Belgium	12.5%		297 000	50 800	250
Eür Chemical Terminals PJSCO	BIK, Iran	35 %		22 000	1 000	18
Vopak Terminal Ningbo Ltd	Ningbo, China	12.5%		71 050	8 000	39
<b>Total owned terminals</b>	<b>10 terminals</b>			<b>4 550 549</b>	<b>252 113</b>	<b>991</b>
<b>PROJECTS AND EXPANSIONS OWNED</b>	<b>LOCATION</b>	<b>SHARE</b>		<b>CBM</b>	<b>STAINLESS STEEL, CBM</b>	<b>ESTIMATED COMPLETION</b>
Odfjell Terminals (Charleston) LLC	Charleston, USA	51 %		79 491	-	ready Q2 2013
Odfjell Nangang Terminals (Tianjin) Co.,Ltd	Tianjin, China	49 %		145 000	7 000	ready Q4 2013
<b>Total expansion owned terminals</b>	<b>2 new terminals</b>			<b>224 491</b>	<b>7 000</b>	
<b>TANK TERMINALS PARTLY OWNED BY RELATED PARTIES*)</b>	<b>LOCATION</b>			<b>CBM</b>	<b>STAINLESS STEEL, CBM</b>	<b>NUMBER OF TANKS</b>
Depositos Químicos 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, 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
Odfjell Terminals Tagsa S.A.	Buenos Aires, Argentina			38 826	530	56
Odfjell Terminals Tagsa S.A.	Campana, Argentina			62 980	10 190	88
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
<b>Total related parties partly owned terminals</b>				<b>759 936</b>	<b>40 600</b>	<b>452</b>
<b>PROJECTS AND EXPANSIONS PARTLY OWNED BY RELATED PARTIES*)</b>	<b>LOCATION</b>			<b>CBM</b>		<b>COMPLETION</b>
Granel Quimica Ltda	Aracruz, Brazil			30 000	-	ready Q3 2014
Granel Quimica Ltda	Santos II, Brazil			52 000	-	ready Q4 2013
Terquim S.A.	Mejillones, Chile			50 000	-	ready Q3 2013
Granel Quimica Ltda	Palmas, Brazil			10 000	-	ready Q2 2014
<b>Total expansion terminals partly owned by related parties</b>	<b>3 new terminals</b>			<b>142 000</b>	<b>-</b>	
<b>Grand total (incl. related tank terminals partly owned by related parties)</b>	<b>22 terminals</b>			<b>5 310 485</b>	<b>292 713</b>	

\*) Tank terminals and projects partly owned by Odfjell family.

## **Joint Lead Managers' disclaimer**

DNB Bank ASA, Nordea Bank Norge ASA and Swedbank First Securities, the Joint Lead Managers, have assisted the Company in preparing the Supplement to the Registration Document. The Joint Lead Managers have not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Joint Lead Managers expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this Supplement to the Registration Document or any other information supplied in connection with the issuance or distribution of bonds by Odfjell SE.

Each person receiving this Supplement to the Registration Document acknowledges that such person has not relied on the Joint Lead Managers, nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

Oslo (Norway), 17 December 2012

DNB Bank ASA

Nordea Bank Norge ASA

Swedbank First Securities

## **Persons responsible**

### ***Persons responsible for the information***

Persons responsible for the information given in this Supplement to the Registration document are as follows: Odfjell SE, P.O Box 6101 Postterminalen, N-5892 Bergen, Norway.

### ***Declaration by persons responsible***

The Company confirms that, having taken all reasonable care to ensure that such is the case, the information contained in the Supplement to the Registration Document is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Bergen (Norway), 17 December 2012

Odfjell SE