

4th Quarter 2010 Result

Oslo February 9, 2011





AGENDA

- Highlights
- Financials 4Q/2010
- Development 2010
- Market Update
- Prospects



HIGHLIGHTS

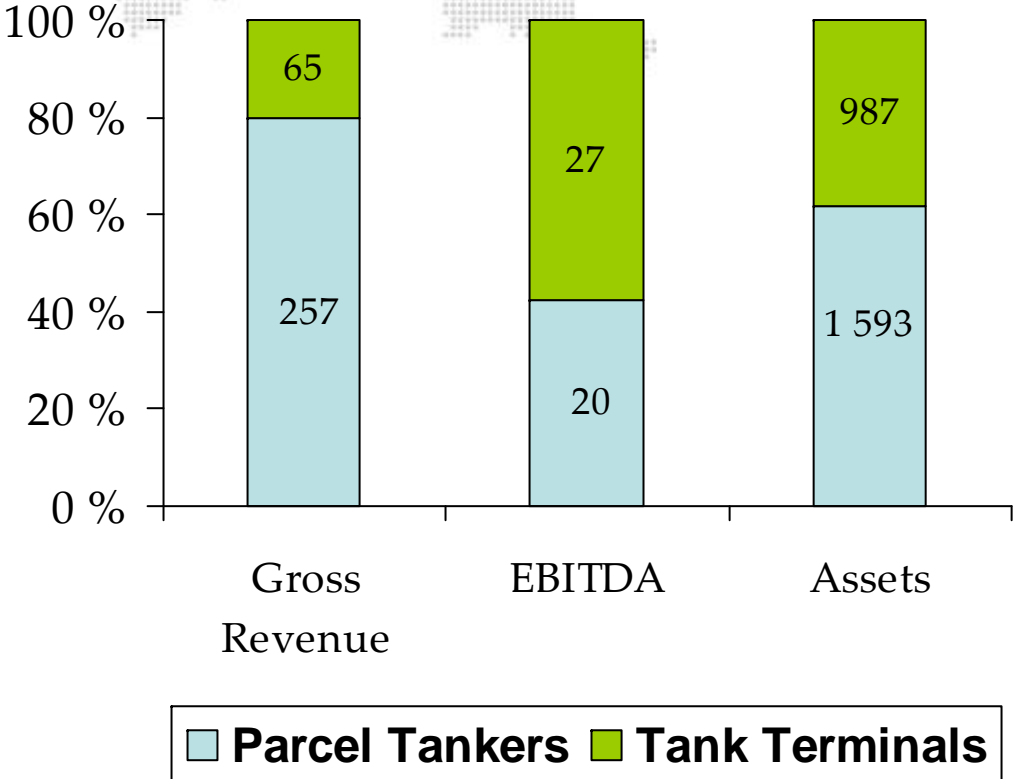
- Time-charter results up 11% compared to third quarter
- Continued solid results from tank terminals
- Break-even net result in fourth quarter
- EBITDA 2010 USD 169 million
- Net result 2010, including non-recurring tax of USD 42 million, negative USD 79 million

RESULT 4th QUARTER 2010

(USD million)	4Q2010	3Q2010	Change
Gross Revenue	321	301	20
Voyage Expenses	(112)	(112)	0
TC Expenses	(51)	(50)	(1)
Operating Expenses	(82)	(77)	(5)
General and Administrative Expenses	(30)	(26)	(4)
Operating Result before Depr. (EBITDA)	46	35	11
Depreciation	(37)	(36)	(1)
Capital Gain/Loss on Fixed Assets	(4)	3	(7)
Operating Result (EBIT)	5	3	2
Net finance	(1)	(10)	9
Taxes	(5)	(4)	(1)
Net Result	0	(11)	11

GROSS REVENUE, EBITDA AND ASSETS PER SEGMENT

4Q2010





EBITDA 4Q2010 VERSUS 3Q2010

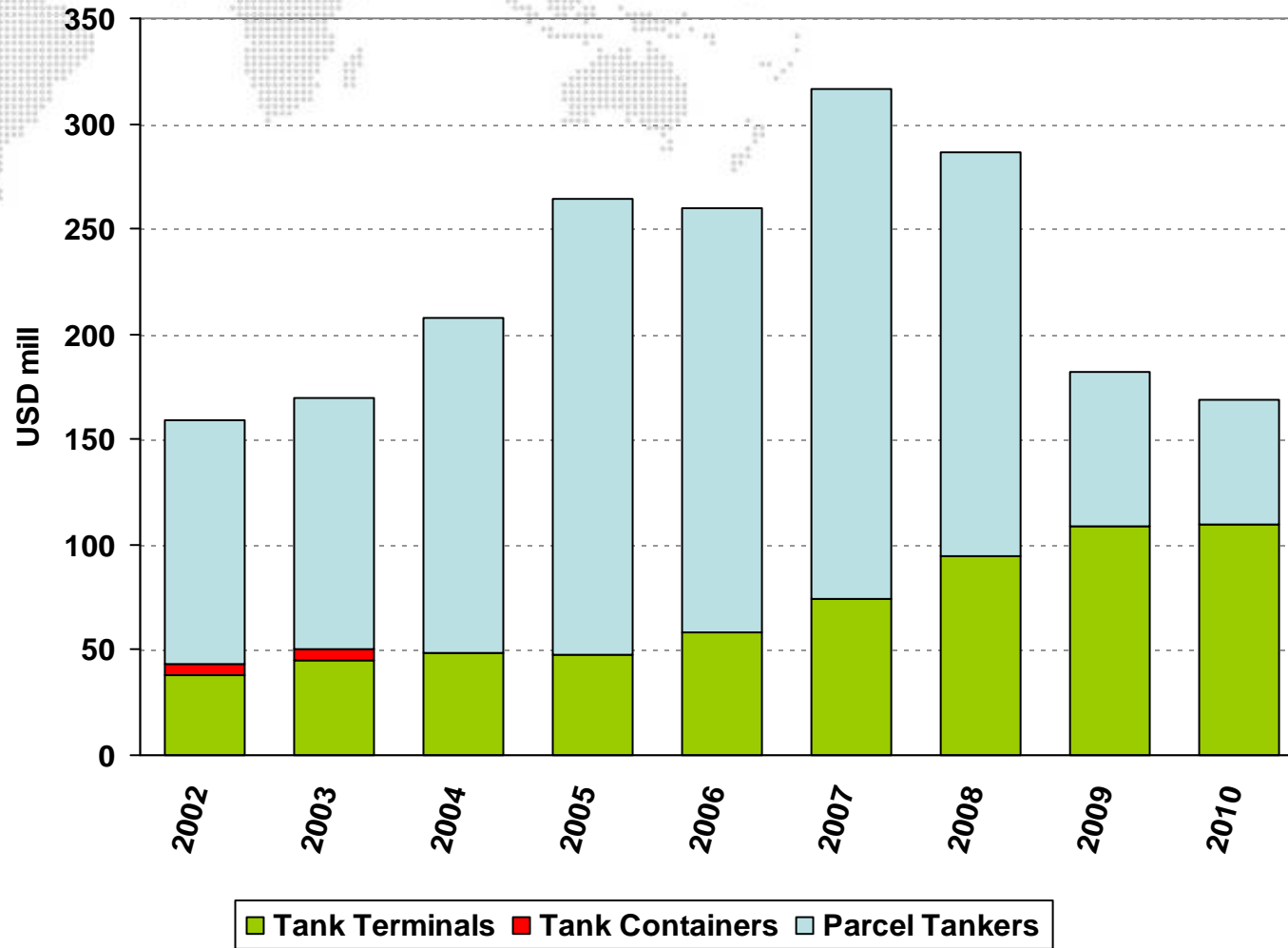
Parcel Tankers;

- EBITDA USD 12 mill. higher
 - Gross revenue USD 15 mill. higher
 - Voyage expenses Unchanged
 - TC expenses Unchanged
 - Operating expenses USD 2 mill. higher
 - G&A USD 1 mill. higher

Tank Terminals;

- EBITDA USD 1 mill. lower
 - Gross revenue USD 5 mill. higher
 - Operating expenses USD 3 mill. higher
 - G&A USD 3 mill. higher

EBITDA

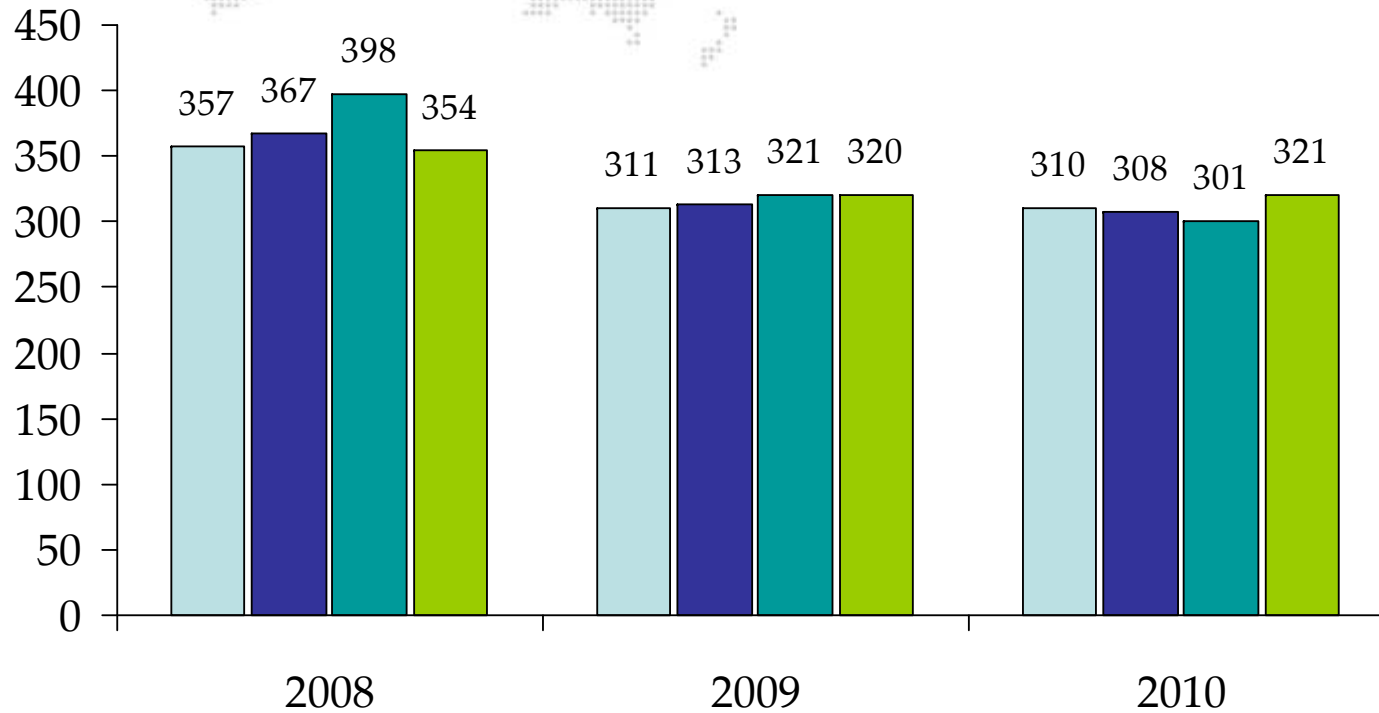


FULL YEAR 2010

(USD million)	1.1-31.12.10	1.1-31.12.09	Change
Gross Revenue	1 239	1 264	(25)
Voyage Expenses	(451)	(449)	(2)
TC Expenses	(198)	(191)	(7)
Operating Expenses	(312)	(329)	17
General and Administrative Expenses	(110)	(113)	3
Operating Result before Depr. (EBITDA)	169	182	(13)
Depreciation	(146)	(151)	5
Compensation	-	43	(43)
Impairment fixed assets	-	(14)	14
Capital Gain/Loss on Fixed Assets	(6)	1	(7)
Operating Result (EBIT)	17	61	(44)
Net finance	(36)	(35)	(1)
Taxes	(60)	95	(155)
Net Result	(79)	121	(200)

GROSS REVENUE

Per Quarter (in USD million)



Accumulated

1,476

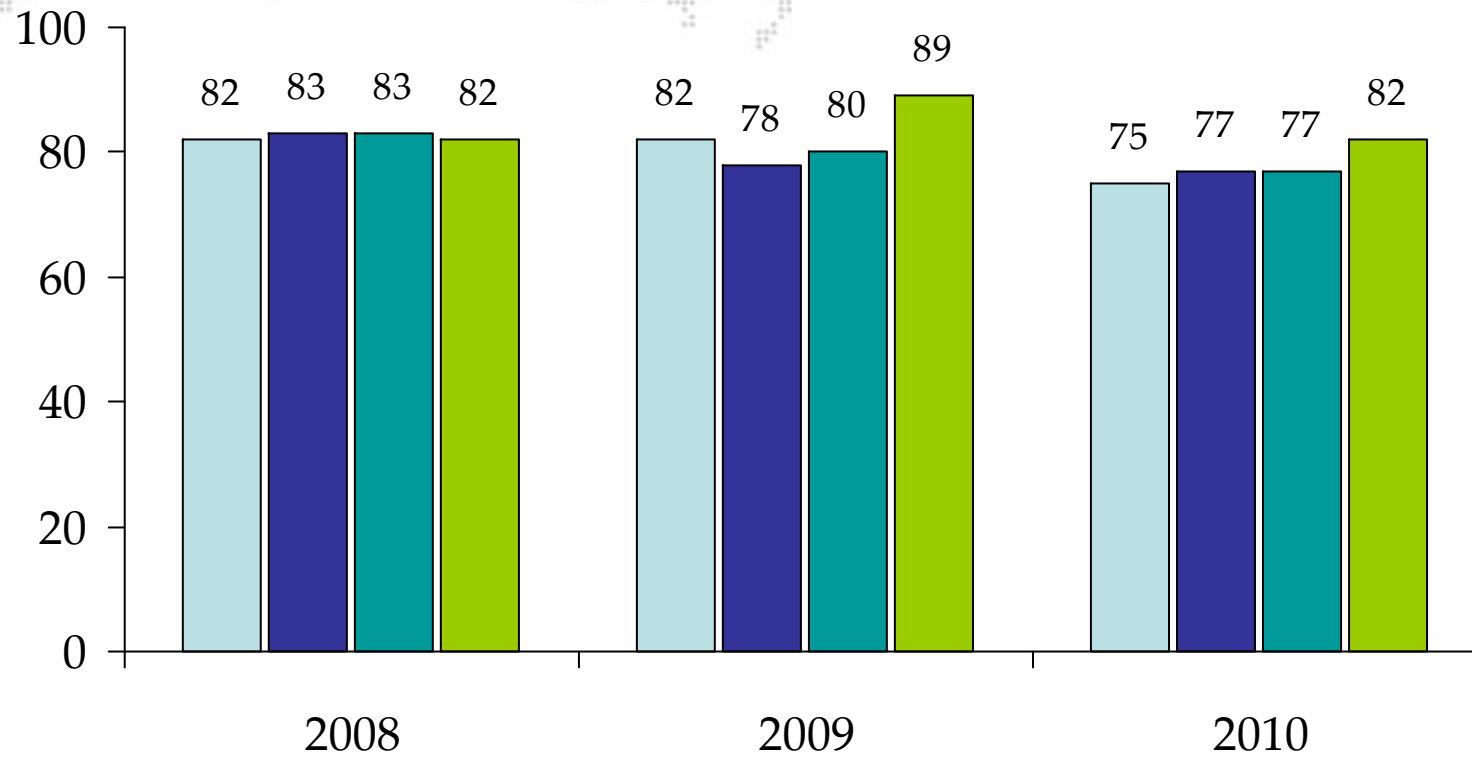
1,264

1,239



OPERATING EXPENSES

Per Quarter (in USD million)

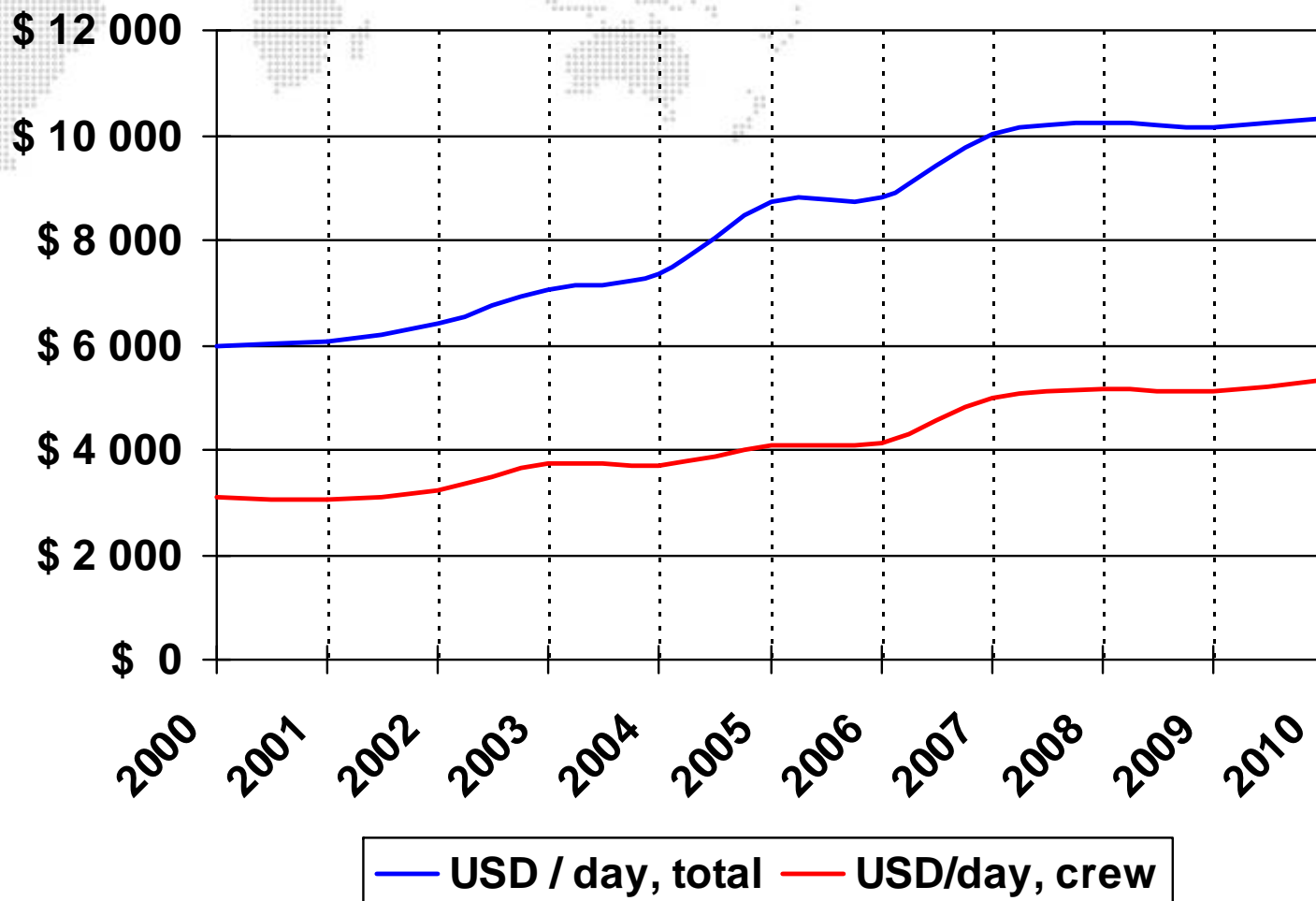


Accumulated
330
329
312



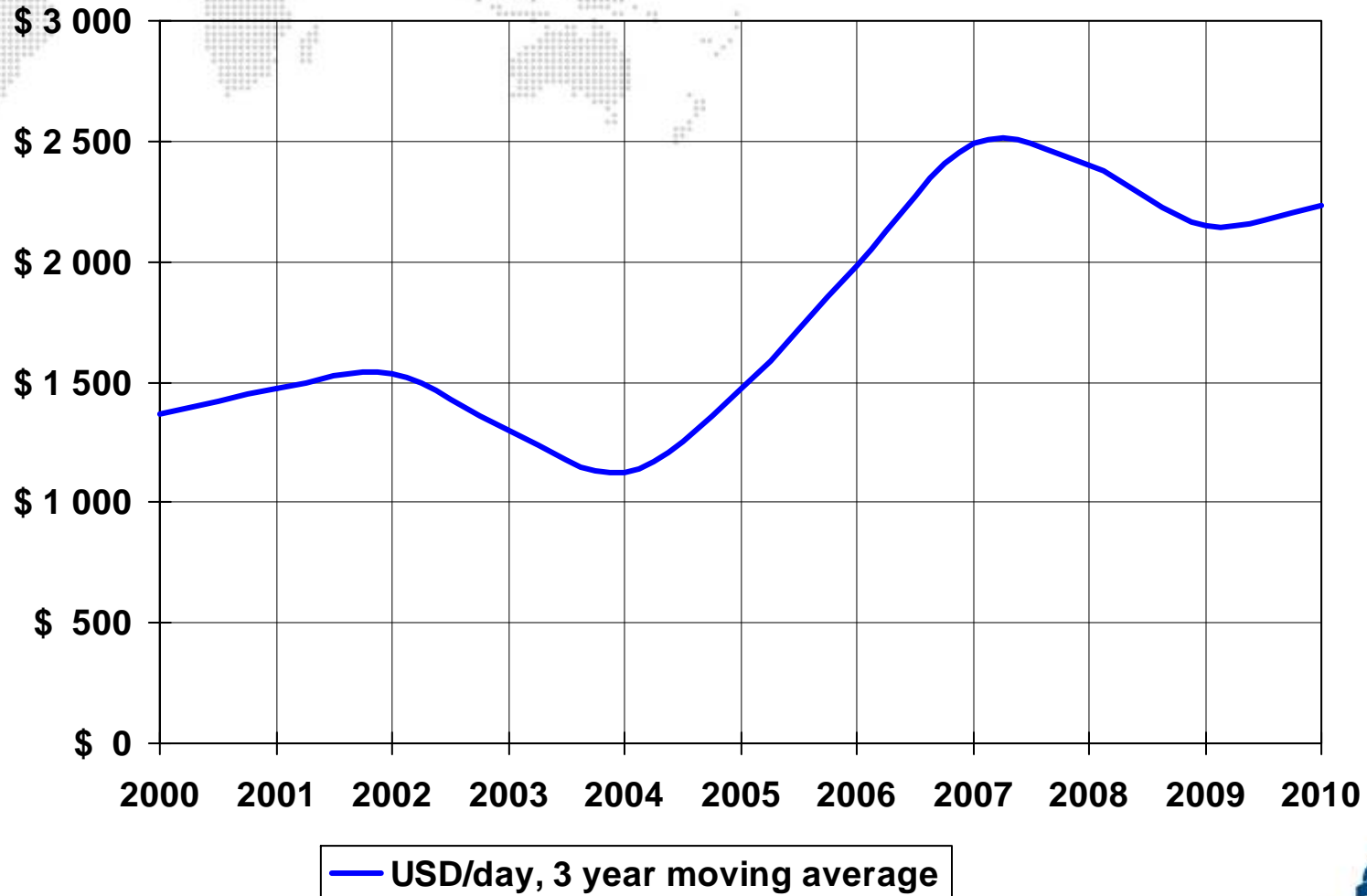
VESSEL OPERATING EXPENSES

(Large Parcel Tankers)



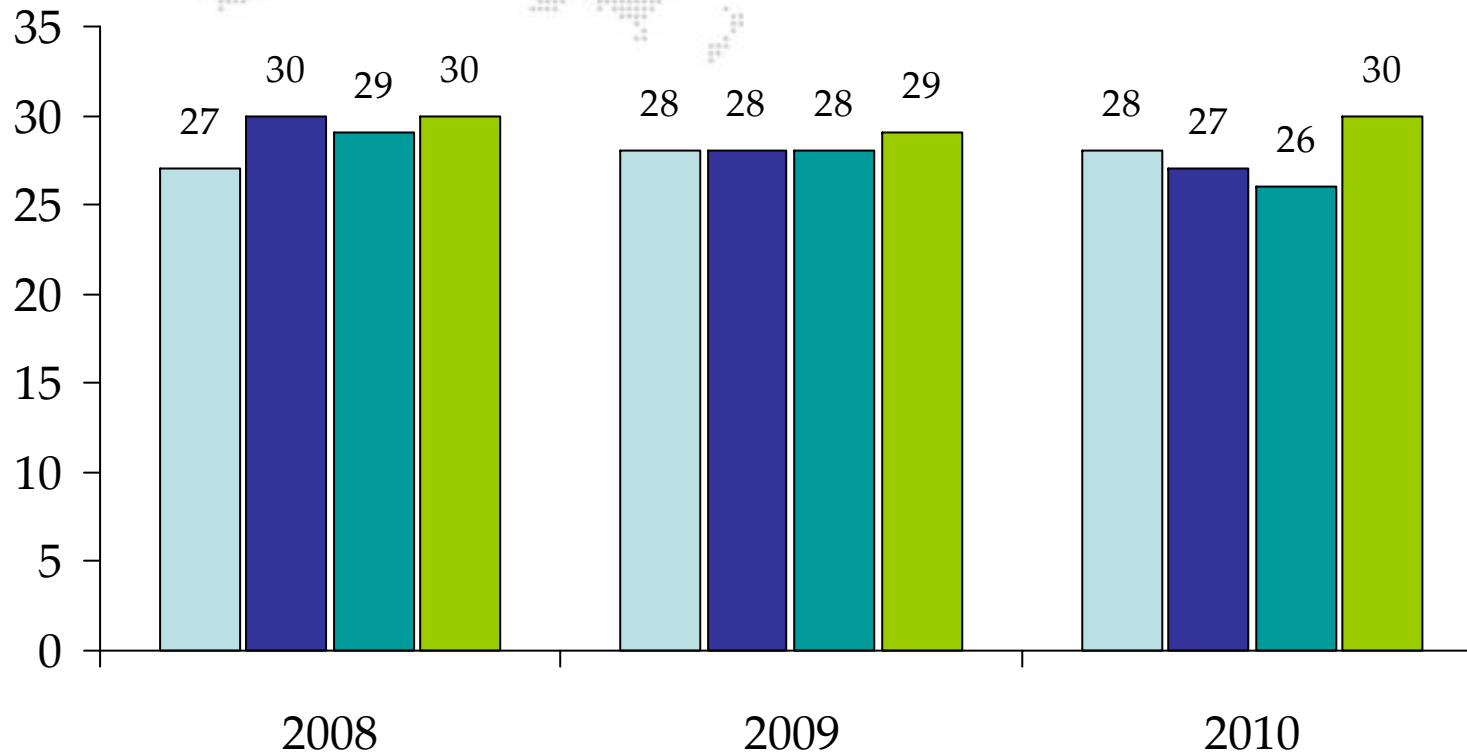
DRY-DOCKING COST

(Large Parcel Tankers)



ADMINISTRATIVE EXPENSES

Per Quarter (in USD million)



Accumulated

116

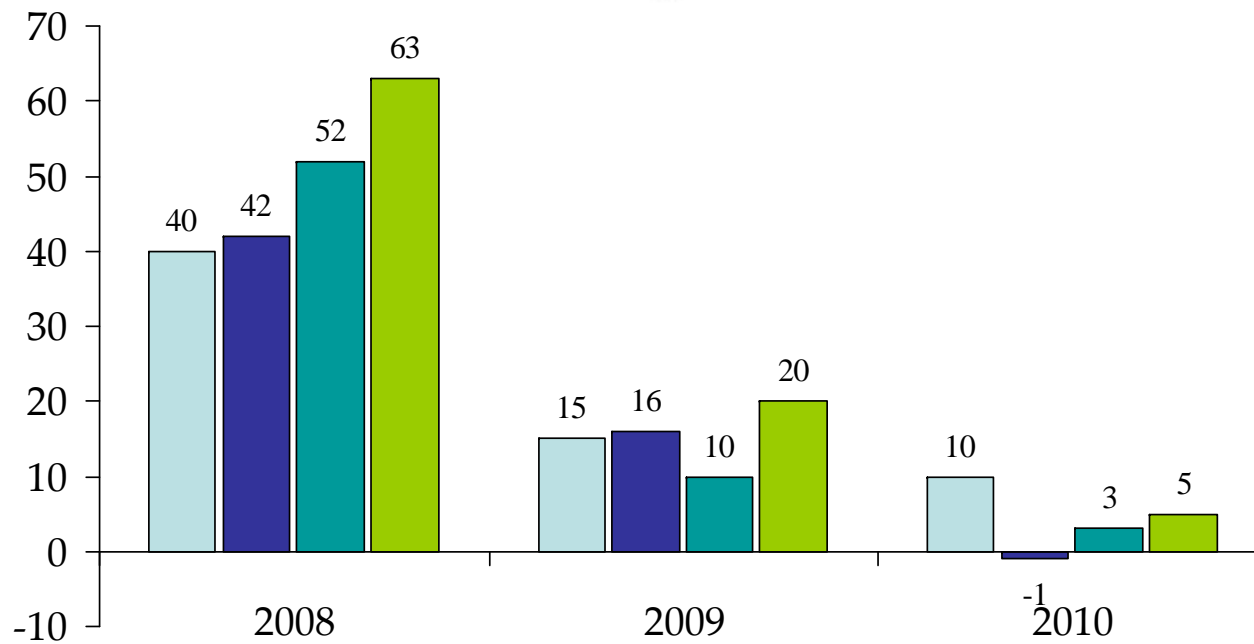
113

110



OPERATING RESULT (EBIT)

Per Quarter (in USD million)



Accumulated

197

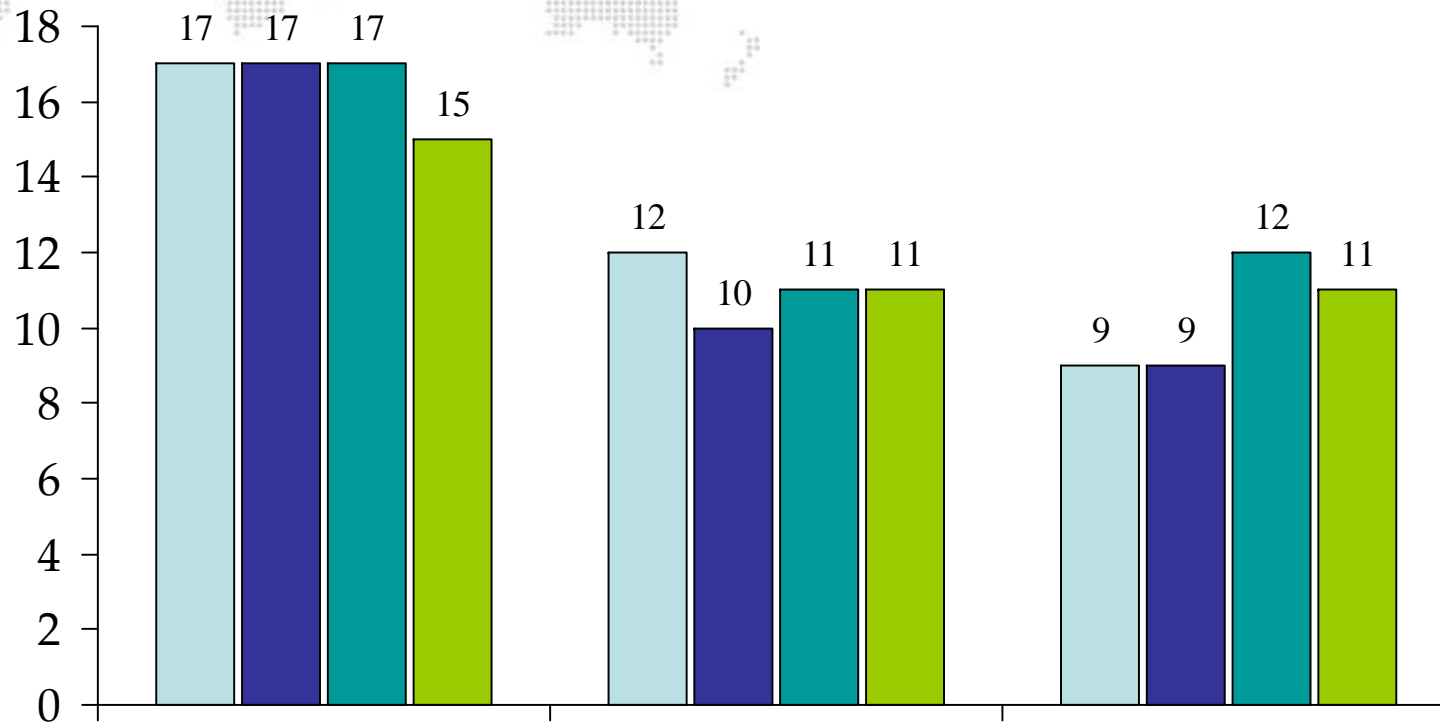
61

17



NET INTEREST EXPENSES

Per Quarter (in USD million)

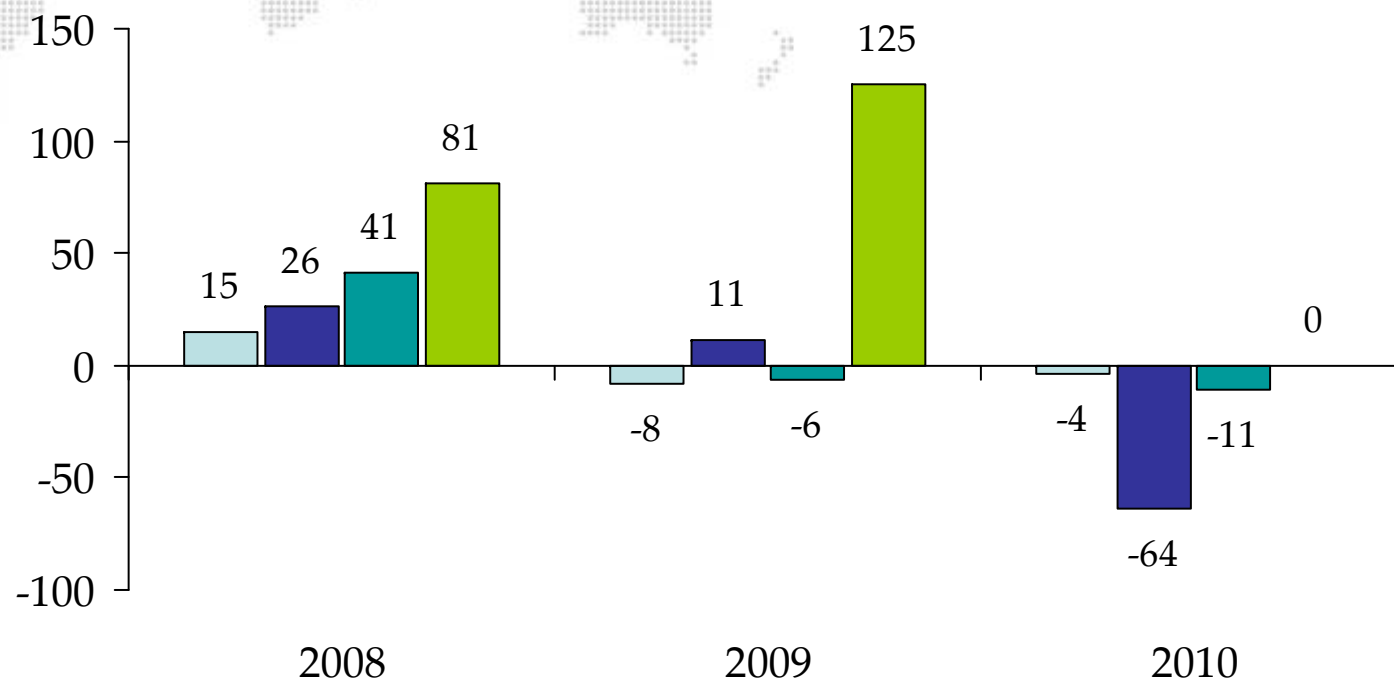


Accumulated
2008: 66
2009: 44
2010: 41



NET RESULT

Per Quarter (in USD million)



Accumulated

163

121

(79)



OPERATING RESULT PER SEGMENT

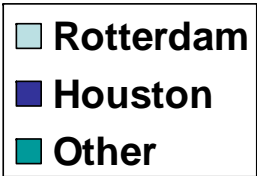
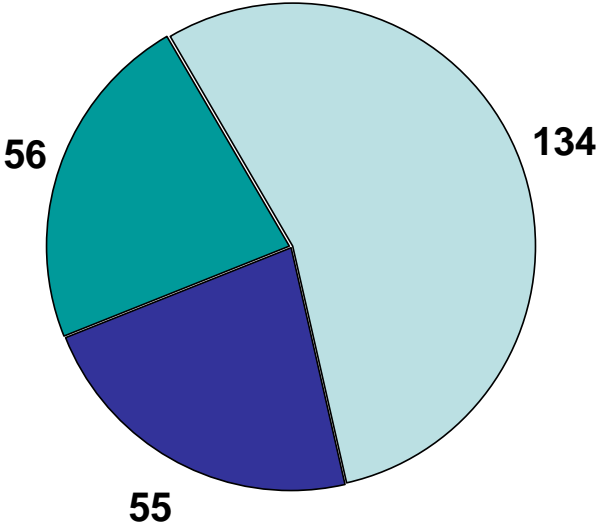
USD million	4Q09	1Q10	2Q10	3Q10	4Q10
Parcel Tankers	6	19	13	7	20
Tank Terminals	27	30	25	28	27
Sum EBITDA	32	49	38	35	46

USD million	4Q09	1Q10	2Q10	3Q10	4Q10
Parcel Tankers	14	(11)	(19)	(17)	(12)
Tank Terminals	6	21	18	19	17
Sum EBIT	20	10	(1)	3	5

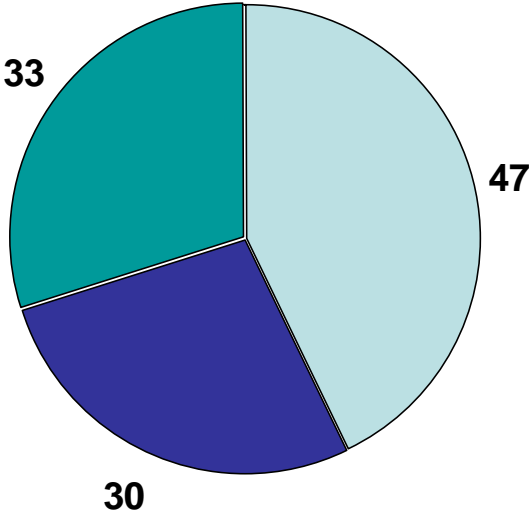
TANK TERMINALS GROSS REVENUE

Per 31.12.10

Gross Revenue

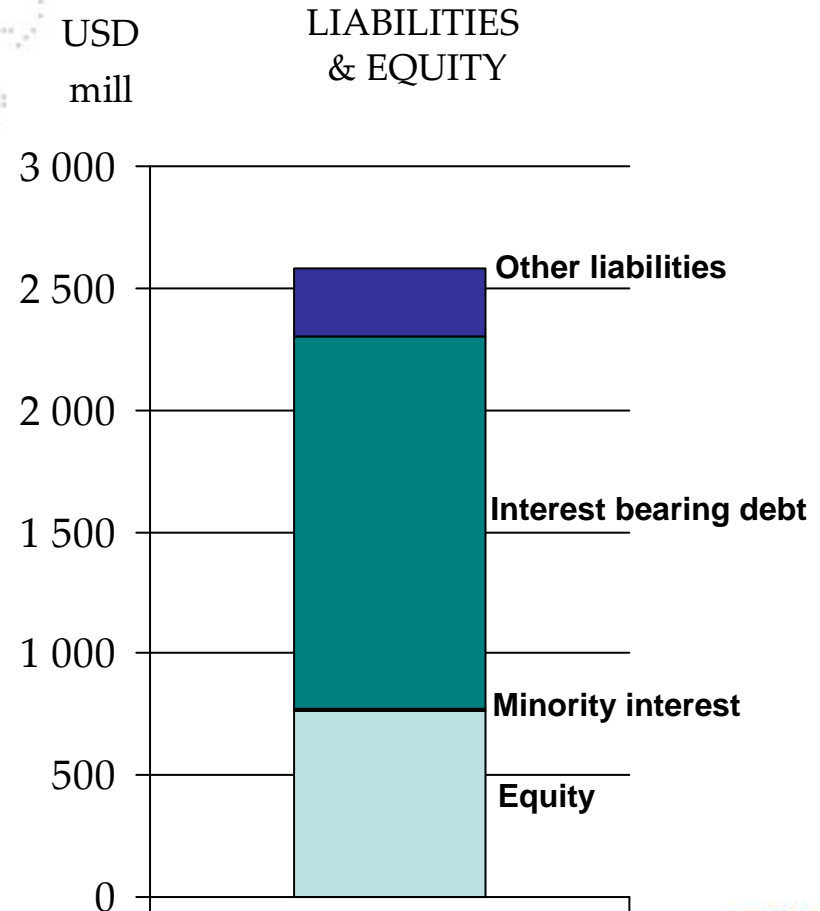
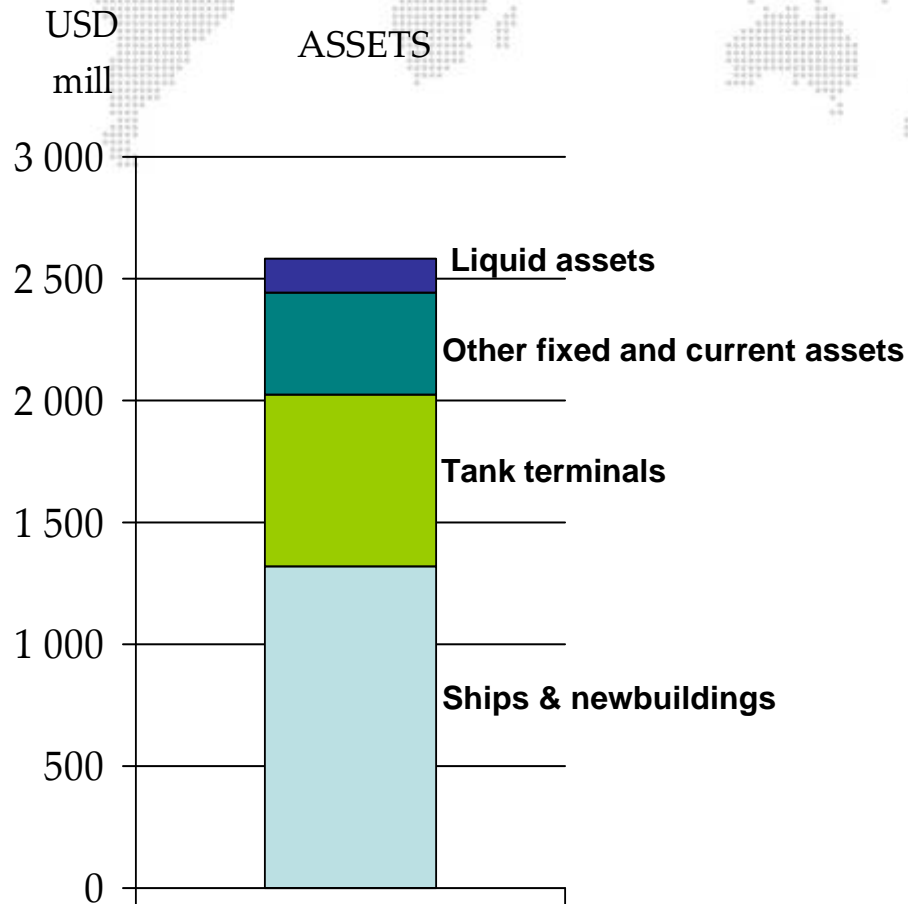


EBITDA



BALANCE SHEET

Per 31.12.10



BUNKERS

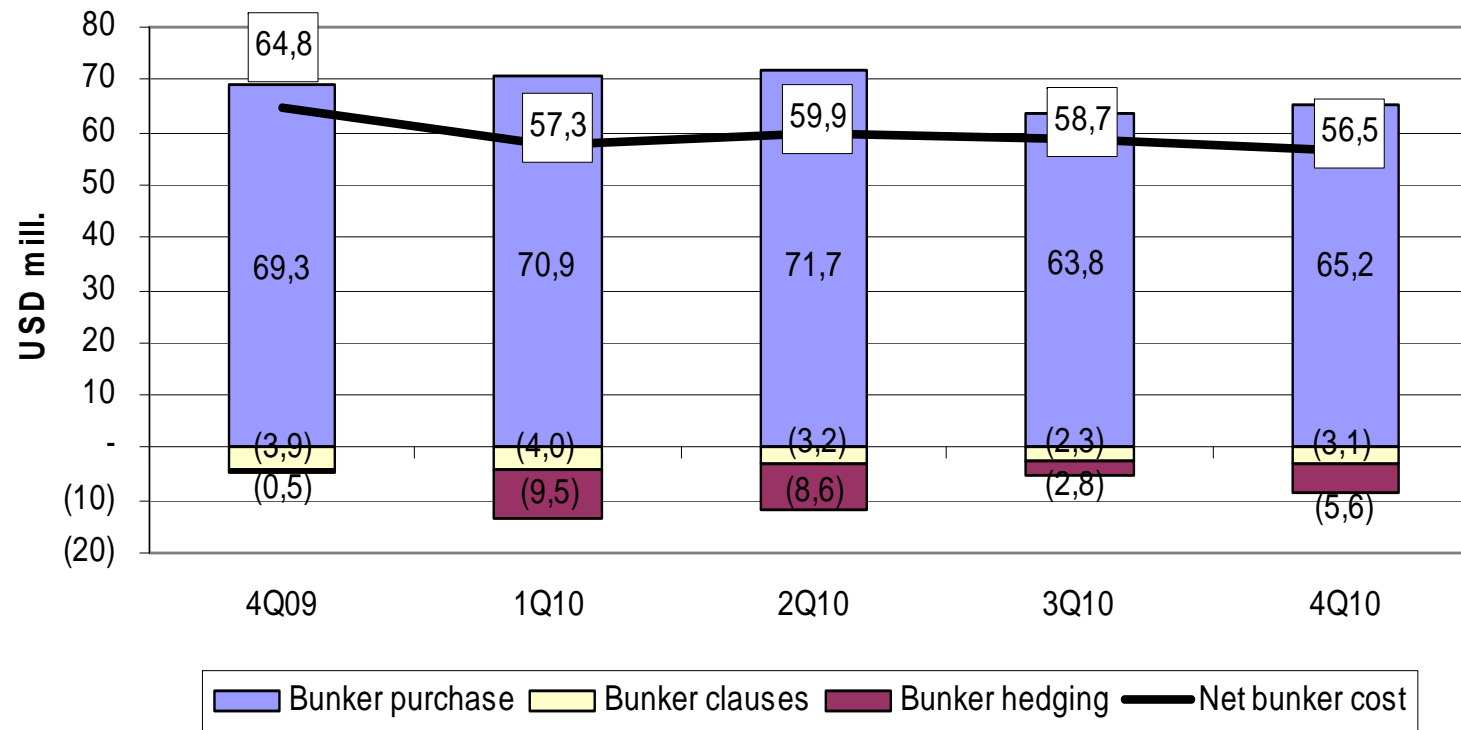
3.5% FOB Rotterdam

USD/mt

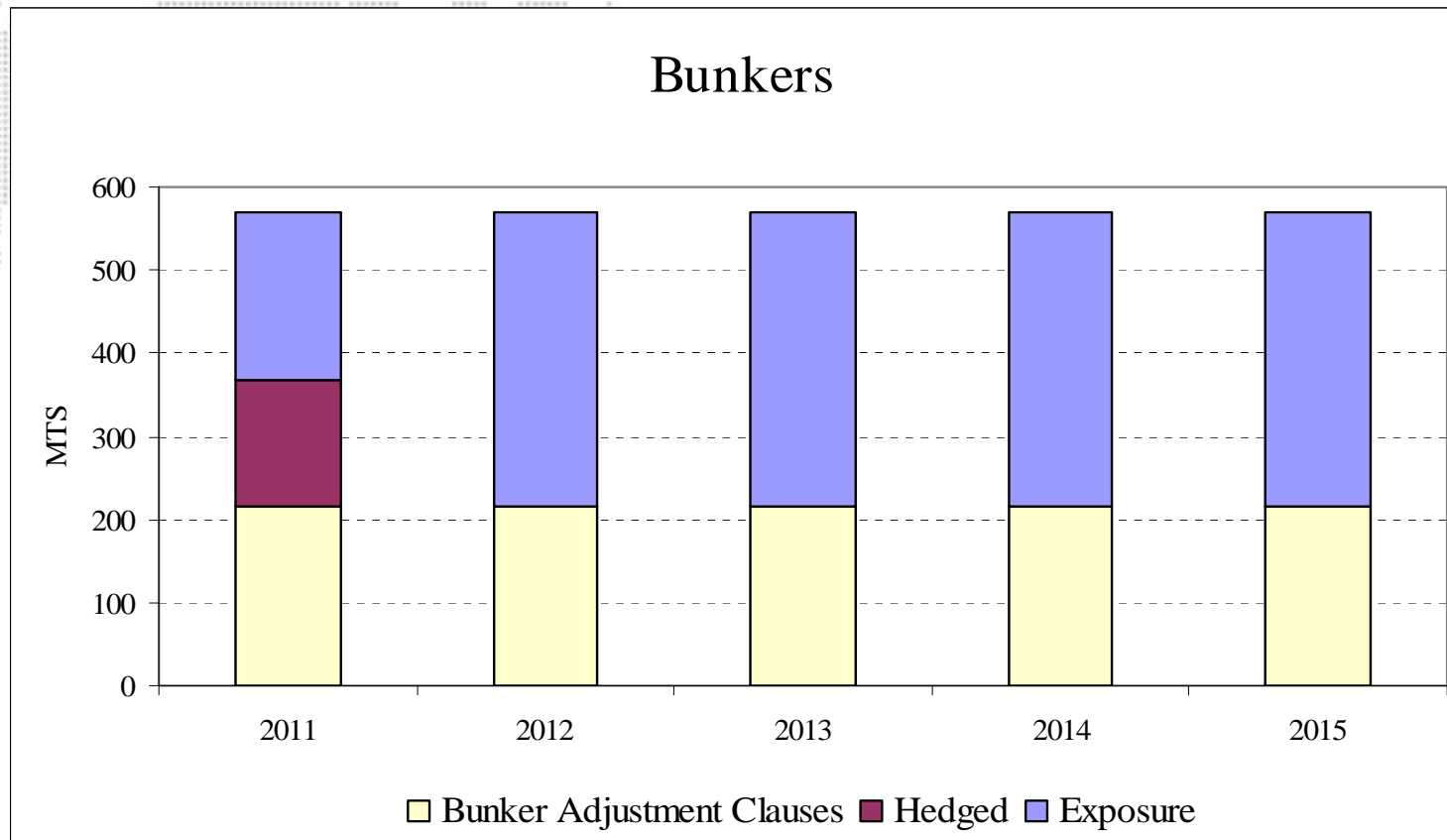


NET BUNKER COST

Per 31.12.10



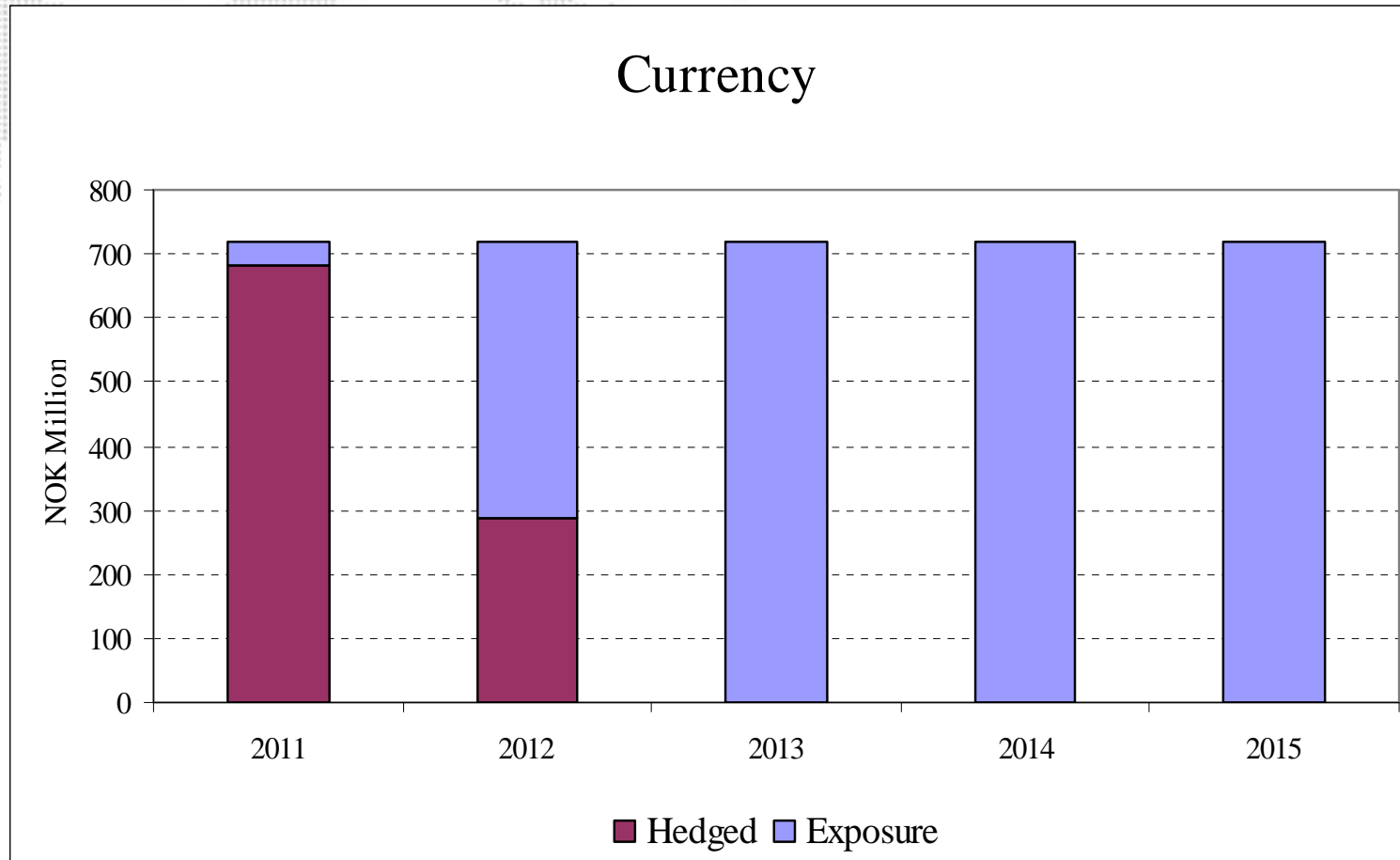
HEDGING – BUNKERS



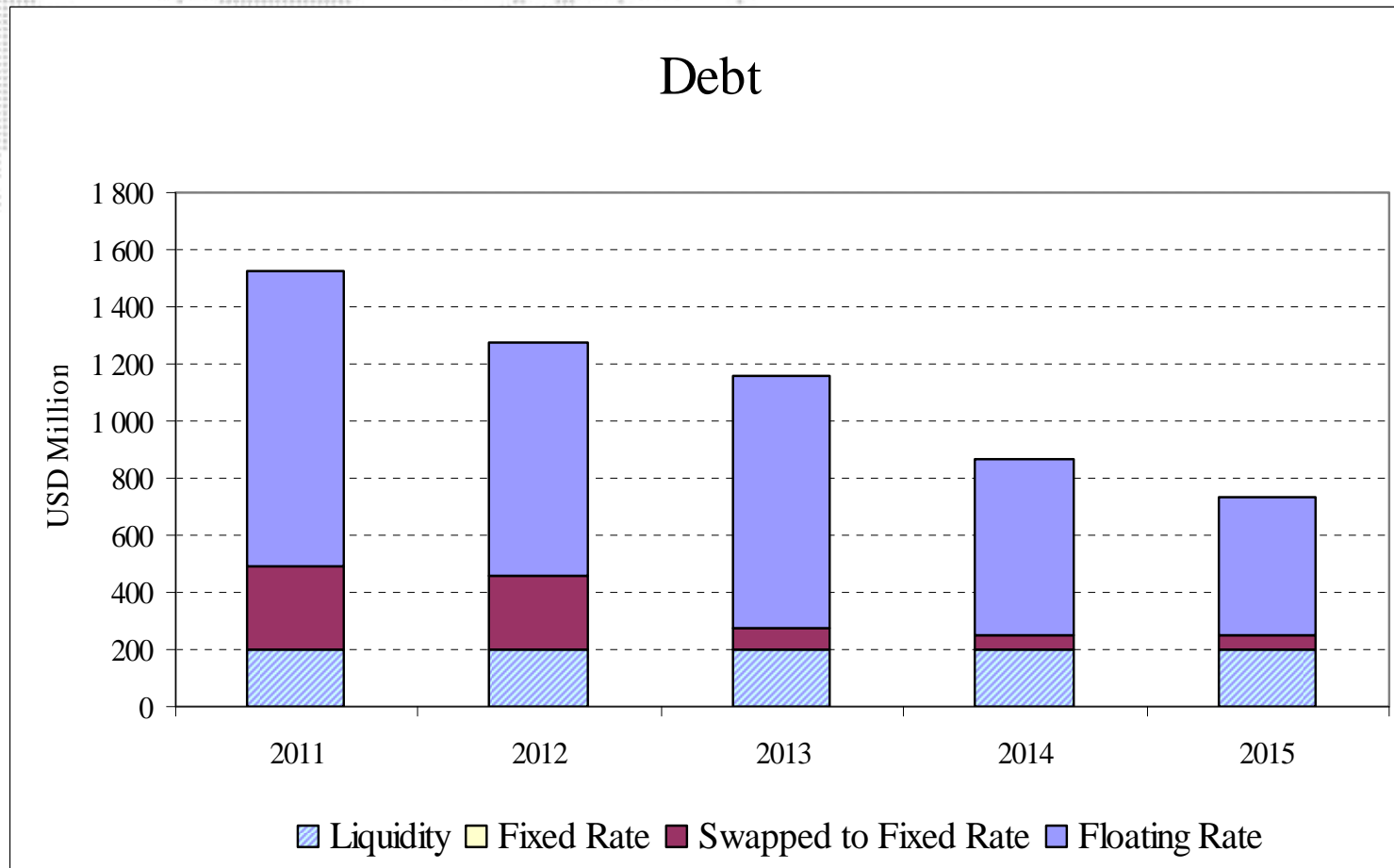
Estimated result from bunkers hedging based on current prices (USD 500 PMT);

(in USD mill)	1Q11	2Q11	3Q11	4Q11
Volume	45 000	30 000	30 000	45 000
Bunker hedge Gain/(Loss)	5,9	4,3	2,0	3,8

HEDGING – CURRENCY



HEDGING – DEBT

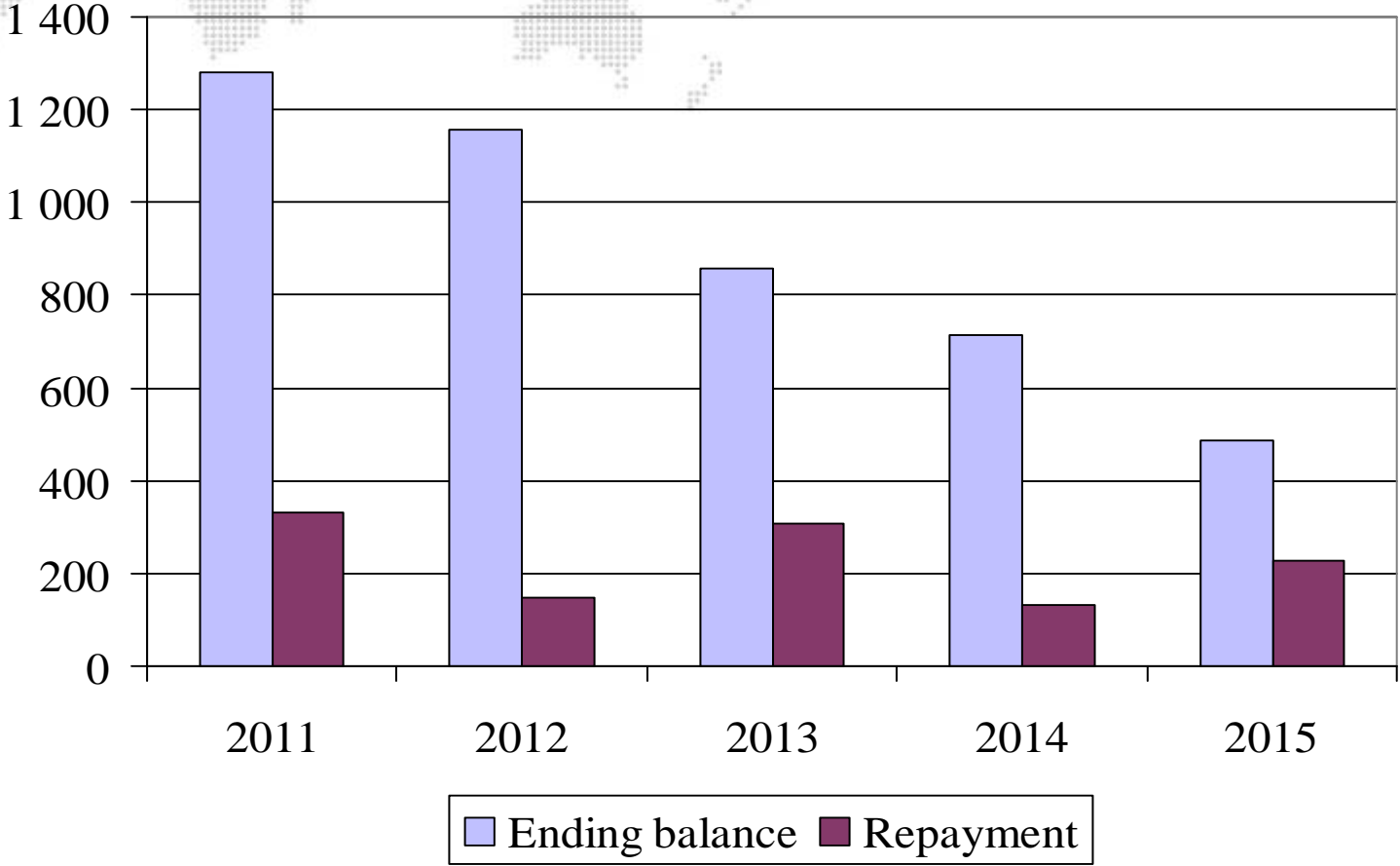


CAPITAL EXPENSES

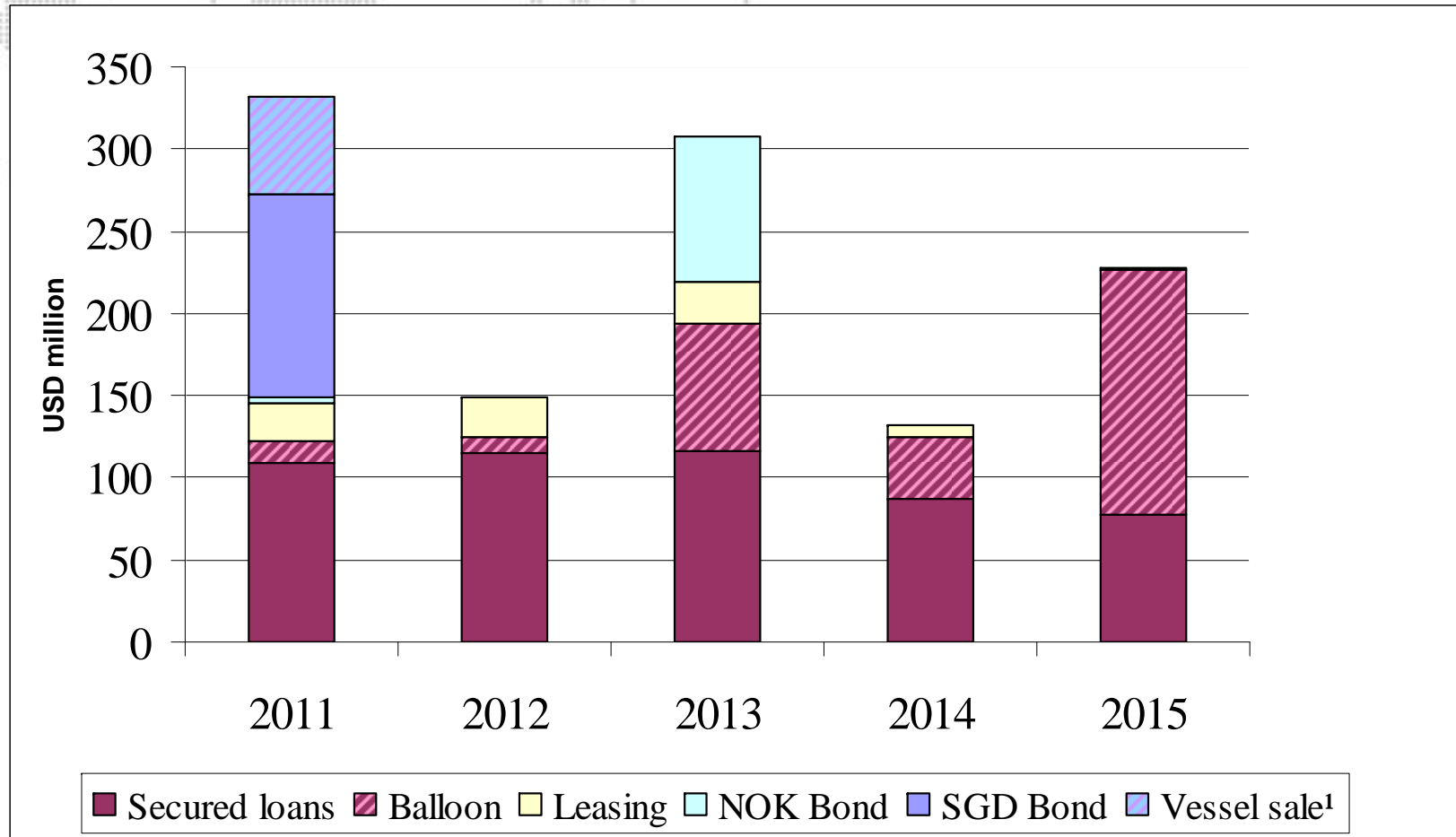
(per 31.12.10 – our share)

(In USD million)	2011	2012	2013	2014	2015
SLS (2 x 44 000 dwt)	84				
Daewoo (1 x 75 000 dwt)	13	26	13		
Chuangdong (3 x 9 000 dwt)	6	3			
Docking	30	35	35	35	35
Terminals	72	62	41	41	41
Total	205	126	89	76	76

DEBT PORTFOLIO



DEBT REPAYMENTS



¹Repayment of debt at a total of MUS\$ 59, associated sale of Bow Favour and Bow Century during Q1 2011.

FLEET DEVELOPMENT 2010 - 2011

Time chartered vessels:

- In February 2010 Odfjell Tankers took MT Southern Jaguar (19,997 DWT/2009) on two years time charter for worldwide trading.
- Redelivery of the vessels Bow Pioneer, Bow West, Bow Hunter, Bow Octavia, Bow Omaria, Bow Orelia, Bow Orania and Bow Olivia to owners.

Owned vessels:

- Late April 2010, Odfjell took delivery of one 51,000 DWT IMO III product tanker from SLS Shipbuilding Co Ltd, Korea.
- Six ships have been sold for recycling, Bow Maasslot, Bow Maasstroom, Bow Power, Bow Fighter, Bow Prima and Bow Panther.
- Bow Favour and Bow Century sold with delivery Q1 2011.

Commercial management:

- Nine vessels on commercial management.

Newbuildings:

Yard	Number	DWT	Delivery
• Chuan Dong	3	9,000	2011/2012
• Daewoo	1	75,000	2013
• SLS	2	44,000	2011

TANK TERMINAL DEVELOPMENT 2010 - 2011

- New tank terminal site in Charleston, South Carolina, USA; total capacity of 45 tanks or 150,000 cbm
- Expansion at OTH; 2 tanks, total 10,700 cbm completed
- Shell connectivity project at OTR; completion expected March 1, 2011



Artist rendition of new terminal, Charleston



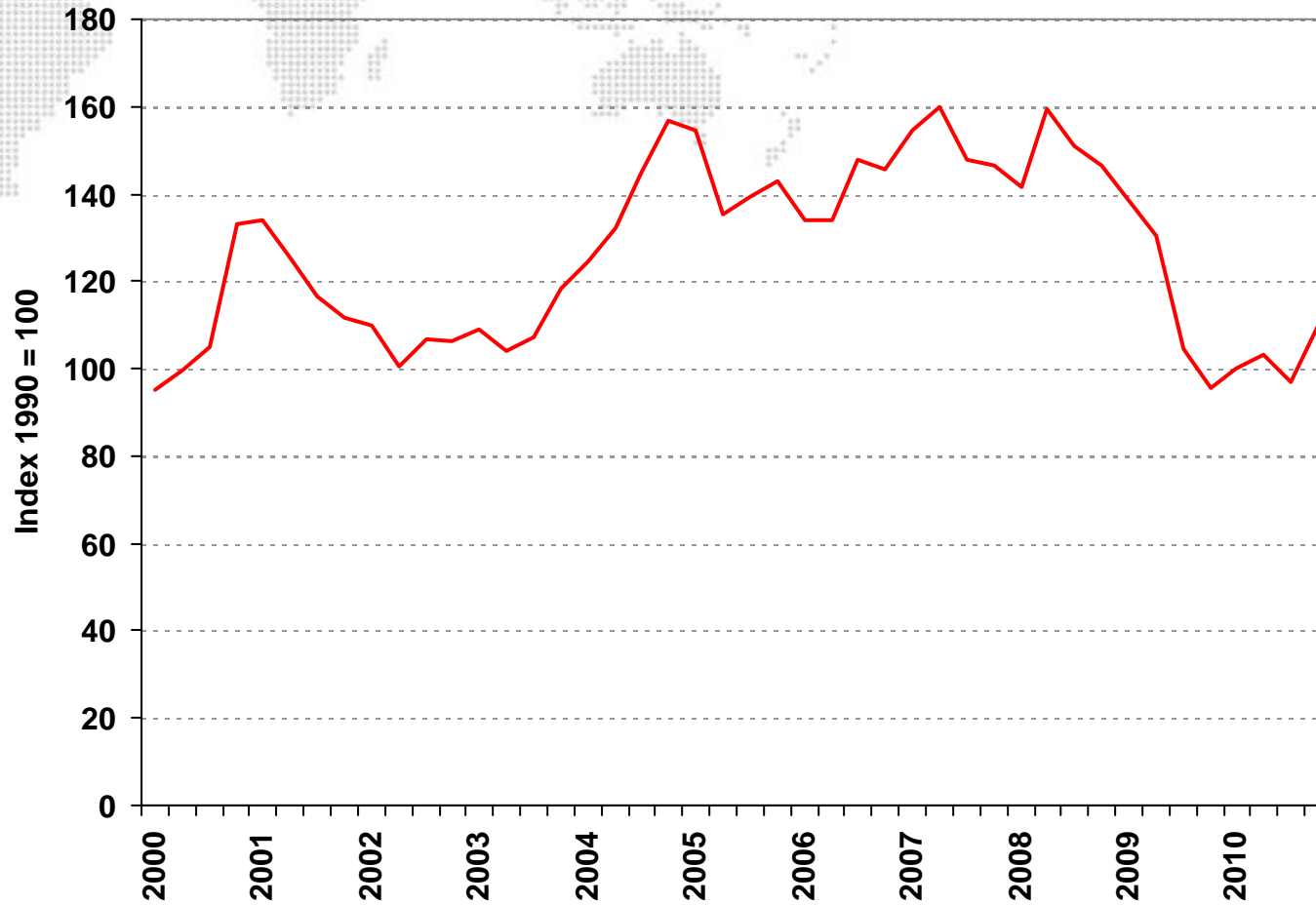
OTK expansion underway

Location	CBM Expansion	New total	Completion
Oman	425 000	1 267 500	Q2 2011
Korea	63 120	313 710	Q3 2011
Charleston	56 000	56 000	Q1 2013

MARKET UPDATE – HIGHLIGHTS

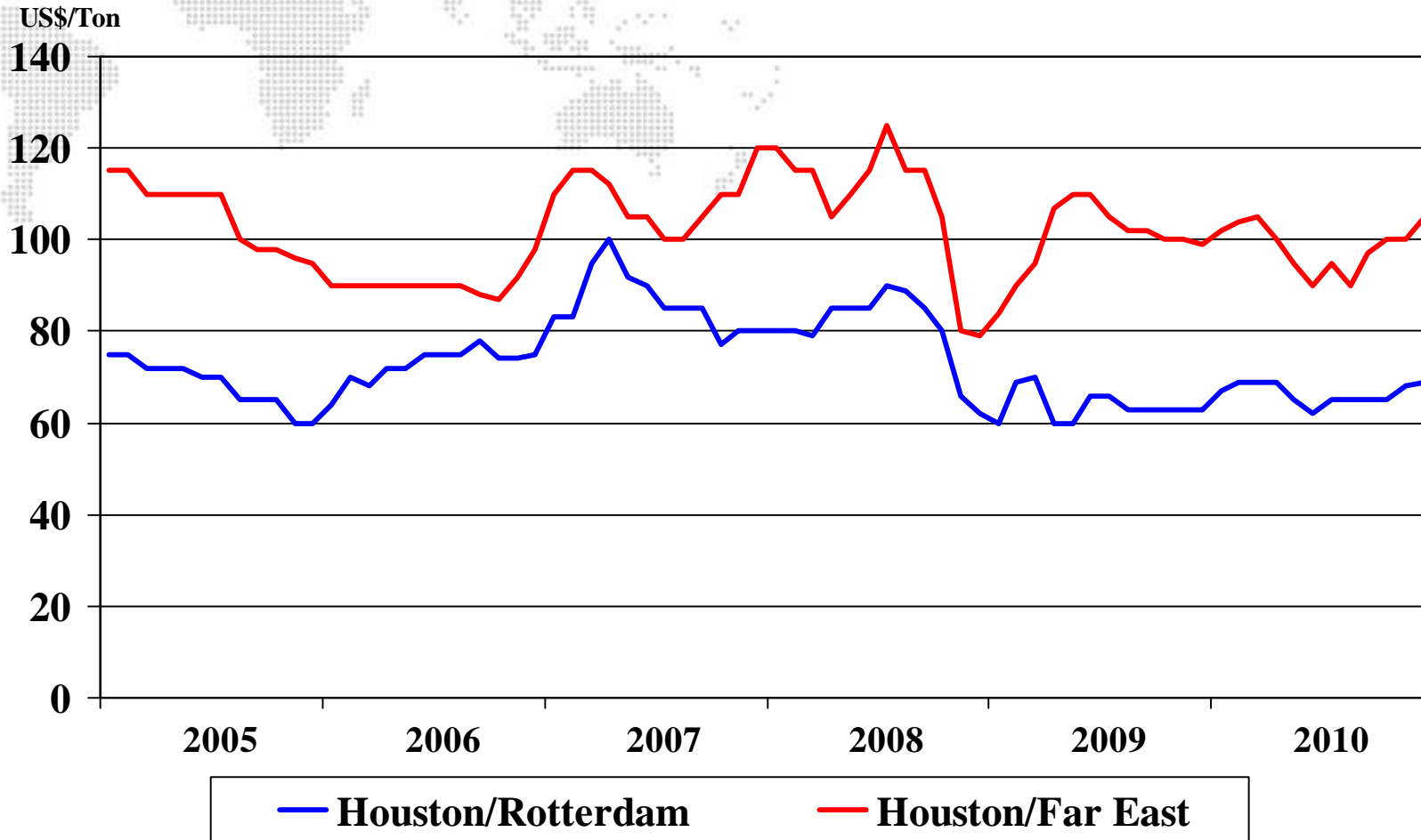
- Overall activity picked up in 4Q10 with improving efficiency and results.
- The CoA coverage (volume) came to 53% (vs 57 % in Q3), reflecting the increased spot activity during the period.
- Exports out of US Gulf was strong, especially to Asia
- Stable activity out of the Middle East, all directions
- CPP was disappointing during the quarter
- Stable activity also out of Europe
- Heavy exports of sulphuric acid from Asia

ODFIX



FREIGHT RATE DEVELOPMENT

1,000 mts stainless steel grade chemicals

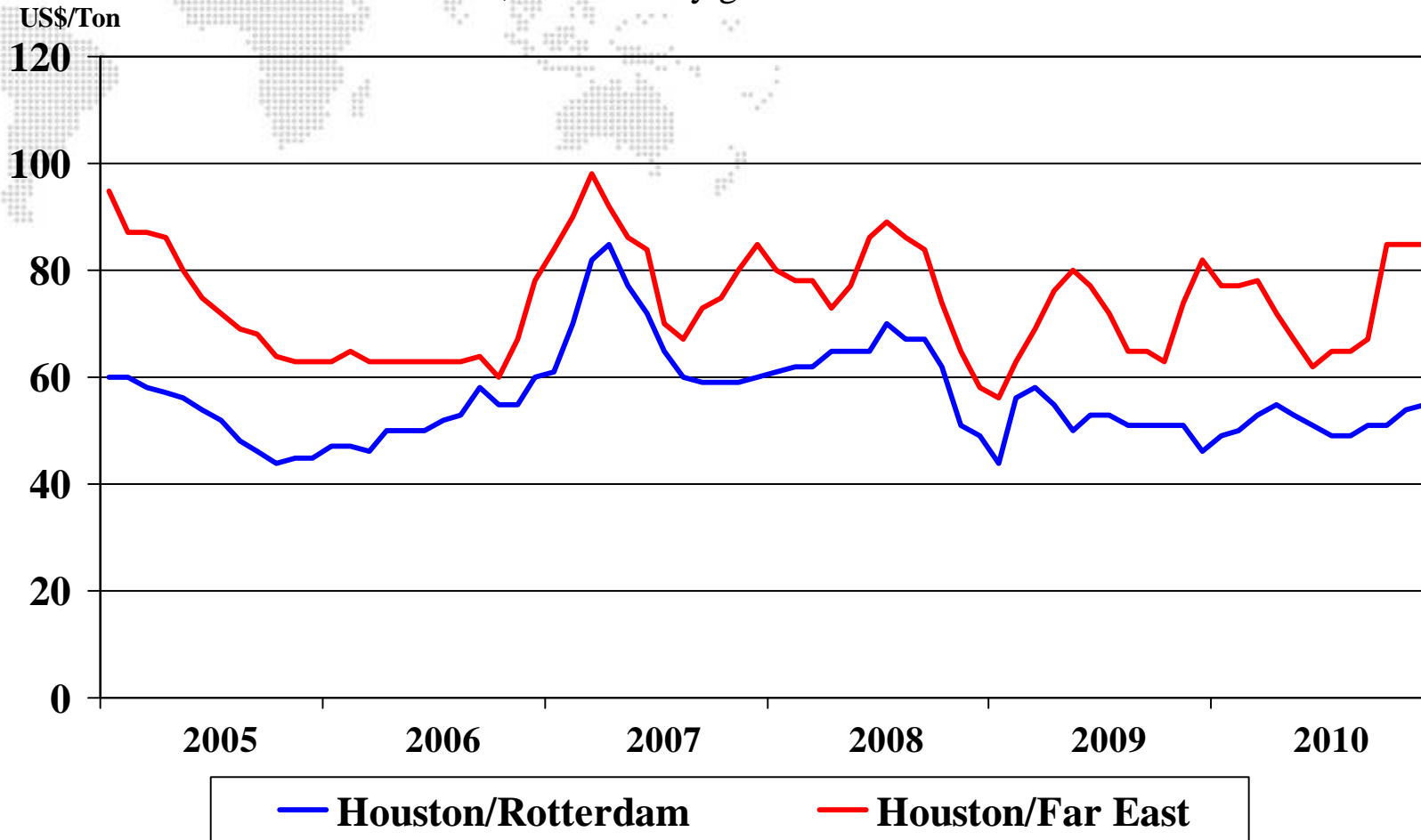


Source: Quincannon Associates, Inc.



FREIGHT RATE DEVELOPMENT

3,000 mts easy grade chemicals

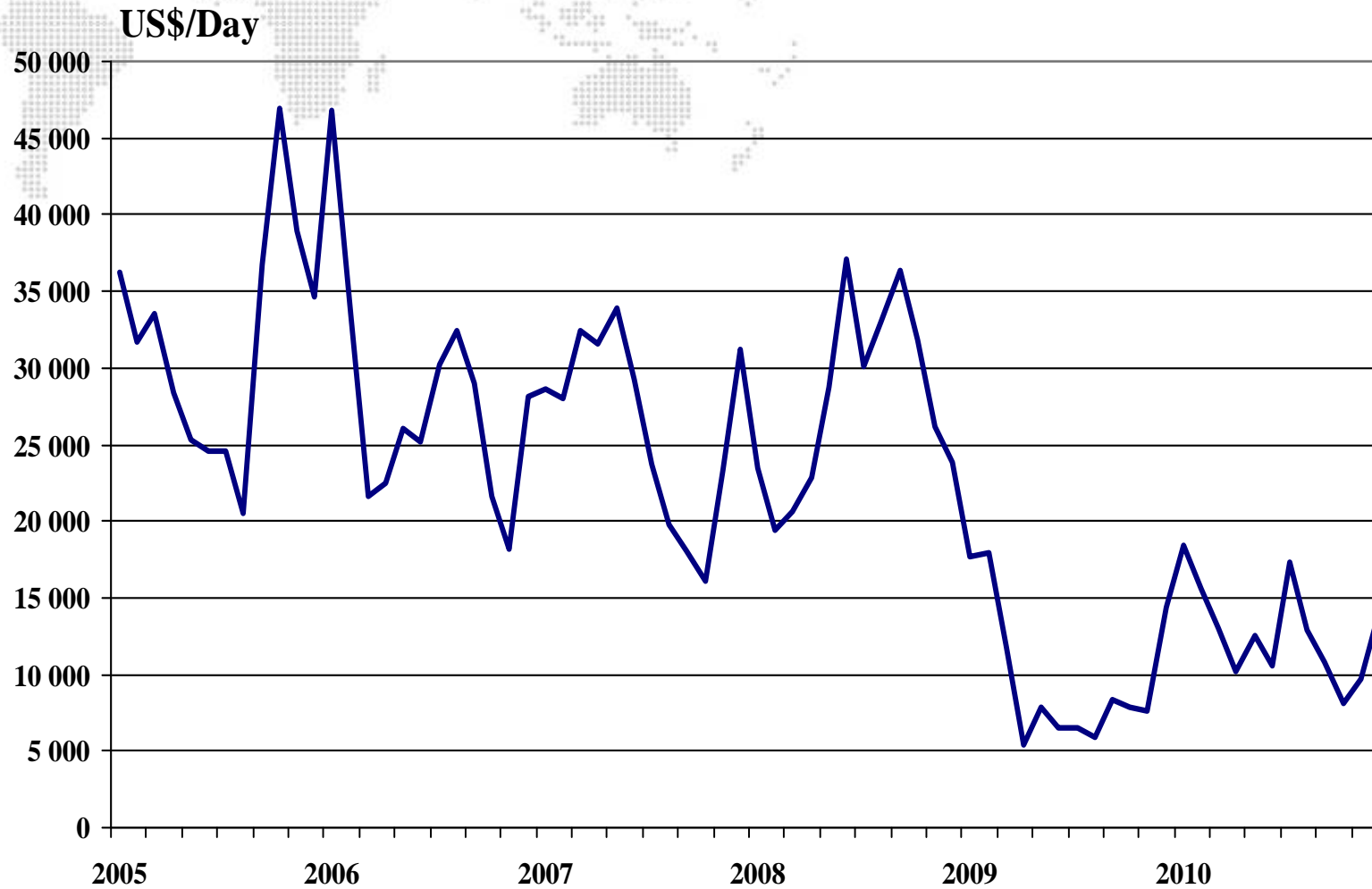


Source: Quincannon Associates, Inc.



MARKET DEVELOPMENT CPP

Monthly averages

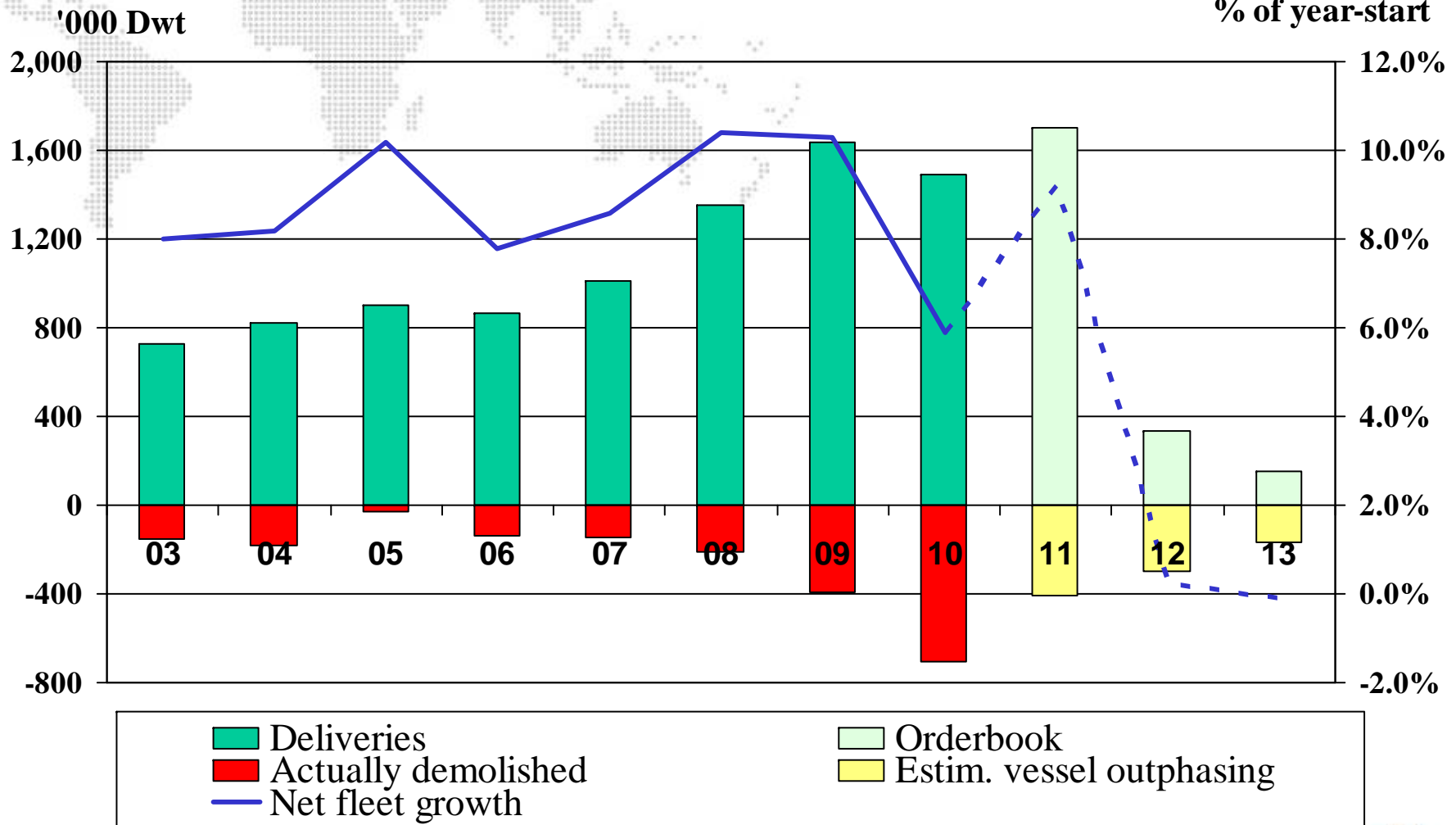


Source: Clarkson



Core Chemical Deep-sea Fleet 2003-2013

Orderbook and estimated demolition per 31.12.10



Source: Odfjell

* Outphasing 30 years (Europe built) and 25 years (Asian built)



PROSPECTS

- On the shipping side overall activity has improved into 2011
- Increased activity out of the US Gulf and the Middle East Gulf, however, all areas still suffer from fierce competition
- Piracy activities continue to be a concern
- Improving balance between supply and demand
- Higher geopolitical uncertainty
- We expect tank terminals results to remain strong
- We anticipate the first quarter of 2011 to be similar to fourth quarter 2010

Thank you for listening. Questions?

