



ODFJELL ASA
REPORT FOR THE FIRST NINE MONTHS OF 2000

- Better operating result due to market improvement
- Growth in turnover due to Seachem merger and acquisition of Odfjell Terminals (Rotterdam)
- Stable operating cost level
- Increased currency cost due to the strengthening of the NOK/USD exchange rate

RESULTS

Turnover increased from USD 142 mill. in the first quarter and USD 147 mill. in the second quarter to USD 201 mill. in the third quarter, an increase of 42% over the period. Operating result before depreciation was USD 75 mill. (USD 65 mill.). Third quarter operating result was USD 16 mill., an increase from USD 4 mill. in the first quarter and USD 6 mill. in the second quarter.

The result for the first nine months came in at a loss of USD 17 mill. (compared to a profit of USD 16 mill. first nine months 1999 including, then, a non-recurring sale profit of USD 16 mill.). Cash flow was USD 33 mill. (USD 58 mill.). The third quarter result was a loss of USD 9 mill. compared to a loss of USD 7 mill. the first quarter and a loss of USD 1 mill. the second quarter.

From the first to the second quarter, the market for chemical tankers improved with freight rates expressed in USD per day increasing by about 7%. The improvement continued in the third quarter with an additional 5%. All three quarters were negatively impacted by high bunker costs, which were about USD 19 mill. higher than the corresponding period in 1999. Operating cost on a comparable fleet basis was about 15% lower than the average for 1999, half of which was due to the strong USD.

Odfjell Terminals (Baytank) had a positive result of USD 5.5 mill. (USD 6.5 mill.). The result for Odfjell Terminals (Rotterdam) was USD 2.6 mill. for the third quarter (after the take over date). Our 50% share of Hoyer-Odfjell gave a loss of USD 2.3 mill. (loss of USD 0.6 mill.), but we have more than doubled the tank container business from about 2,300 to about 4,900 units since start-up less than two years ago.

General and Administrative costs on par with the corresponding period in 1999. Increase in depreciation cost was primarily caused by delivery of new vessels and acquisition of the Botlek terminal, now renamed Odfjell Terminals (Rotterdam). Increased net financial cost caused by a higher level of net debt, and by higher interest rates.

The average NOK/USD exchange rate was 8.63 (7.76). The strengthening of the NOK/USD rate from 8.04 at year-end 1999 to 9.10 as of 30 September 2000 negatively impacts the currency hedging portfolio. Net currency hedging cost amounted to USD 7 mill. (USD 3 mill.).

LIQUIDITY AND FINANCING

Group liquid assets as of 30 September 2000 amounted to USD 212 mill. compared to USD 218 mill. as of 31 December 1999.

Long-term financing to cover 65% of the Seachem investment amount as well as the two remaining newbuildings at Kleven Florø has been arranged at satisfactory terms.

SHAREHOLDER INFORMATION

During the first nine months of the year the price of the Odfjell A-share rose by 35%, from NOK 100 to NOK 135. The B-share increased from NOK 95 to NOK 132, an increase of 39%. The Oslo Stock Exchange shipping index rose by 15%.

Earnings per share for the first nine months of the year were negative USD 0.72 (positive USD 0.72) and, cash flow per share was positive USD 1.41 (USD 2.62).

Through our stock repurchase program we have so far this year acquired 274,000 A-shares at an average price of NOK 126.30 per share and 641,600 B-shares at an average price of NOK 117.85 per share, at a total cost of NOK 110.2 mill. Odfjell now holds about 3.4% of total issued shares in the company.

MAJOR TRANSACTIONS

In connection with the merger with Seachem 4,926,734 shares were issued to Chemlog ApS at NOK 208 per share, equalling NOK 1,024.8 mill. in new equity. In the period June to August 2000 nine Seachem vessels and four newbuilding contracts have been transferred to our ownership. The 11 Seachem vessels to be time-chartered have all been delivered on a pool basis.

Odfjell Terminals (Rotterdam) was taken over 19 June 2000 with financial effect from 1 February 2000. The immediate positive result from February to June 2000 has been applied towards reducing the total investment in the terminal to about USD 66 mill.

On 21 January 2000, we took delivery of M/T "BOW CENTURY" from Kleven Florø.

PROSPECTS

The chemical tanker market continued its improvement in the third quarter and we expect the market to continue to strengthen during the balance of the year. The product tanker market is strong.

We believe in reduced growth in supply of new tonnage next year and a healthy demand due to a strong world economy, which should translate into further improvement in the market. Through the merger with Seachem and the acquisition of Odfjell Terminals (Rotterdam) the company has significantly strengthened its market position, and as a total logistics service provider.

Bergen, 2 November 2000
The Board of Directors of Odfjell ASA

Odfjell is the leading player in the global market of transporting chemicals and related logistical services. After the merger with Seachem the fleet totals 90 vessels, trading both globally and regionally, of which 49 are owned by the group. Odfjell additionally owns and operates tank terminals and tank containers. Priority has been given to further developing the company's integrated logistical services.

Odfjell ASA - Group
Report 3rd quarter 2000

	1.1.-31.3	1.4-30.6	1.7-30.9	1.7-30.9	1.1-30.9	1.1-30.9	1.1-31.12
STATEMENT OF INCOME (USD mill.)	2000	2000	2000	1999	2000	1999	1999
Gross freight revenue	134	140	178	133	453	379	519
Voyage cost	(56)	(58)	(79)	(49)	(193)	(132)	(193)
Freight income time-charter basis	78	82	99	84	260	248	326
Time-charter hire	(32)	(34)	(41)	(33)	(108)	(98)	(130)
Operating cost	(24)	(23)	(26)	(24)	(72)	(77)	(100)
Net result from vessels' operation	22	25	32	26	80	73	97
Other income	8	7	23	9	38	24	33
Other cost	(4)	(5)	(13)	(4)	(22)	(12)	(17)
General and administrative cost	(7)	(7)	(8)	(6)	(21)	(20)	(27)
Operating result before depreciation and gain (loss) on sale of fixed assets	19	21	35	25	75	65	86
Depreciation	(15)	(15)	(19)	(14)	(50)	(42)	(56)
Gain (loss) on sale of fixed assets	(0)	0	-	-	-	16	16
Operating result	4	6	16	10	26	40	46
Interest received	3	3	3	3	9	10	13
Interest and fees paid	(13)	(13)	(16)	(11)	(42)	(31)	(42)
Other financial items	0	0	(1)	(0)	(1)	(0)	1
Currency gain (loss)	(2)	4	(9)	(2)	(7)	(3)	(3)
Net financial items	(11)	(6)	(23)	(10)	(41)	(23)	(30)
Net result before extraordinary items and taxes	(7)	(1)	(8)	1	(15)	16	16
Taxes	(0)	0	(1)	(0)	(1)	(0)	1
Net profit before minority interest	(7)	(1)	(9)	1	(17)	16	16
Minority interest	0	0	0	0	0	0	0
Net profit after minority interest	(7)	(1)	(9)	1	(17)	16	16
Earnings per share (USD)	(0,34)	(0,03)	(0,37)	0,02	(0,72)	0,72	0,74
Cashflow per share (USD)	0,35	0,63	0,46	0,68	1,41	2,62	3,32
	31.03	30.06			30.09	30.09	31.12
BALANCE SHEET (USD mill.)	2000	2000			2000	1999	1999
Vessels	885	910			994	814	826
Newbuilding contracts	8	14			31	23	11
Tankterminals	114	175			179	109	111
Other long-term receivables and fixed assets	41	49			52	41	42
Other current assets	70	92			99	72	63
Bank deposits and marketable securities	216	217			212	220	218
TOTAL ASSETS	1.335	1.457			1.569	1.279	1.271
Shareholder's equity	430	513			532	463	451
Minority interest	0	0			5	0	0
Long-term debt	818	845			941	737	749
Short-term debt	86	99			90	80	71
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1.335	1.457			1.569	1.279	1.271
KEY FIGURES							
Share price per A-share in USD	15,40	12,83			14,84	13,53	12,40
Book equity per share (USD)	19,70	20,62			19,87	21,19	20,60
Debt repayment capability (Years)	19,90	14,31			16,65	9,47	9,50
USD/NOK rate	8,44	8,57			9,10	7,76	8,04