



*World leader in the international
seaborne transportation of crude oil*

August 31, 2016

Forward Looking Statements

MATTERS DISCUSSED IN THIS DOCUMENT MAY CONSTITUTE FORWARD-LOOKING STATEMENTS. THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 PROVIDES SAFE HARBOR PROTECTIONS FOR FORWARD-LOOKING STATEMENTS IN ORDER TO ENCOURAGE COMPANIES TO PROVIDE PROSPECTIVE INFORMATION ABOUT THEIR BUSINESS. FORWARD-LOOKING STATEMENTS INCLUDE STATEMENTS CONCERNING PLANS, OBJECTIVES, GOALS, STRATEGIES, FUTURE EVENTS OR PERFORMANCE, AND UNDERLYING ASSUMPTIONS AND OTHER STATEMENTS, WHICH ARE OTHER THAN STATEMENTS OF HISTORICAL FACTS.

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IMPORTANT FACTORS THAT, IN FRONTLINE'S VIEW, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE DISCUSSED IN THE FORWARD-LOOKING STATEMENTS INCLUDE, WITHOUT LIMITATION: THE STRENGTH OF WORLD ECONOMIES AND CURRENCIES, GENERAL MARKET CONDITIONS, INCLUDING FLUCTUATIONS IN CHARTERHIRE RATES AND VESSEL VALUES, CHANGES IN DEMAND IN THE TANKER MARKET, INCLUDING BUT NOT LIMITED TO CHANGES IN OPEC'S PETROLEUM PRODUCTION LEVELS AND WORLD WIDE OIL CONSUMPTION AND STORAGE, CHANGES IN FRONTLINE'S OPERATING EXPENSES, INCLUDING BUNKER PRICES, DRYDOCKING AND INSURANCE COSTS, THE MARKET FOR FRONTLINE'S VESSELS, AVAILABILITY OF FINANCING AND REFINANCING, ABILITY TO COMPLY WITH COVENANTS IN SUCH FINANCING ARRANGEMENTS, FAILURE OF COUNTERPARTIES TO FULLY PERFORM THEIR CONTRACTS WITH US, CHANGES IN GOVERNMENTAL RULES AND REGULATIONS OR ACTIONS TAKEN BY REGULATORY AUTHORITIES, POTENTIAL LIABILITY FROM PENDING OR FUTURE LITIGATION, GENERAL DOMESTIC AND INTERNATIONAL POLITICAL CONDITIONS, POTENTIAL DISRUPTION OF SHIPPING ROUTES DUE TO ACCIDENTS OR POLITICAL EVENTS, VESSEL BREAKDOWNS, INSTANCES OF OFF-HIRE AND OTHER IMPORTANT FACTORS. FOR A MORE COMPLETE DISCUSSION OF THESE AND OTHER RISKS AND UNCERTAINTIES ASSOCIATED WITH FRONTLINE'S BUSINESS, PLEASE REFER TO FRONTLINE'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION, INCLUDING, BUT NOT LIMITED TO, ITS ANNUAL REPORT ON FORM 20-F.

THIS PRESENTATION IS NOT AN OFFER TO PURCHASE OR SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE OR SELL, ANY SECURITIES OR A SOLICITATION OF ANY VOTE OR APPROVAL.



Company Highlights

Q2 2016 Highlights

Solid Performance

- Achieved net income attributable to the Company of \$48.7 million, or \$0.31 per share, adjusted for non-cash charges
- Cash dividend of \$0.20 per share for the second quarter

Fleet Development

- Acquired two VLCC newbuildings at \$84 million each
- Sold six MR tankers at an enbloc price of \$172.5 million
- The company took delivery of two LR2 newbuildings
- Terminated long term charter for Front Vanguard blt '98

Subsequent Events

Newbuilding Program

- Unclear whether STX will deliver the four VLCC newbuildings Frontline has on order

Attractive Financing Secured

- Secured up to \$548 million in bank debt financing
- In the final stages of obtaining further bank debt financing of up to \$325 million

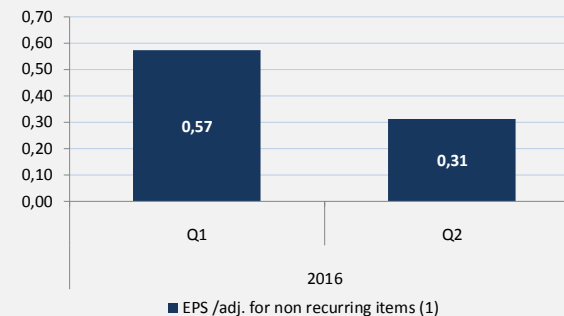
Q2 2016 Financial Highlights

<i>(Million \$ except per share)</i>	2016		
	Apr - Jun	Jan - Mar	YTD
Total operating revenues net of voy.exp	160	192	352
EBITDA*	72	141	213
EBITDA excl gain/loss and impairment charges	98	141	239
Net income	14	79	93
Net income adj**	49	89	138
Impairment loss on assets	25	0	25
Impairment loss on marketable securities	5	2	7
Mark-to-Market derivatives/minority	4	8	12
Earnings per share	0,09	0,50	0,60
Earnings per share (adjusted)	0,31	0,57	0,88
Interest bearing debt	962	916	
Cash	135	272	
Cash dividend declared	0,20	0,40	0,60

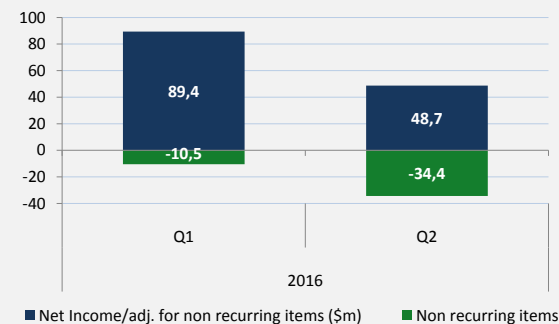
*Earnings Before Interest, Tax, Depreciation and Amortization

** Excl impairment charges, mark-to-market and minority interest

Earnings Per Share (1)



Net Income



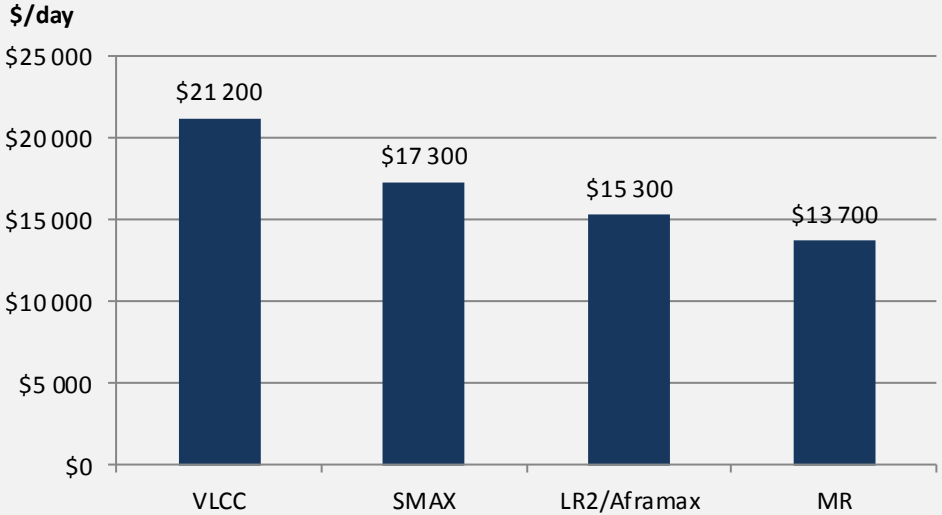
(1) Based on 156,386,506 shares outstanding as of June 30, 2016

Income statement

<i>(in thousands of \$)</i>	2016	2016
	Apr - Jun	Jan - Mar
Total operating revenues	191 756	227 103
Gain on cancellation and sale of newbuilding contracts	-	-
Voyage expenses and commission	31 989	35 525
Contingent rental (income) expense	732	(3 386)
Ship operating expenses	32 487	29 458
Charter hire expenses	20 500	14 052
Impairment loss on vessels	25 480	-
Administrative expenses	8 114	10 773
Depreciation	35 414	37 907
Total operating expenses	154 716	124 329
Net operating income	37 040	102 774
Interest income	96	87
Interest expense	(13 829)	(13 944)
Share in results of associated companies	-	-
Impairment loss on shares	(4 563)	(2 351)
Foreign currency exchange gain (loss)	(155)	338
Mark to market (loss) gain on derivatives	(4 210)	(8 050)
Other non-operating items	137	174
Net income before income taxes and non-controlling interest	14,526	79 028
Income tax expense	(54)	(50)
Net income	14 472	78 978
Net (income) loss attributable to non-controlling interest	(150)	(72)
Net income attributable to the Company	14 322	78 906

Low cash breakeven levels

Estimated average daily cash breakeven rates⁽¹⁾



- Cash breakeven levels down 3 % since Q1-16
- All figures include all costs
- Not adjusted for TC Cover contribution

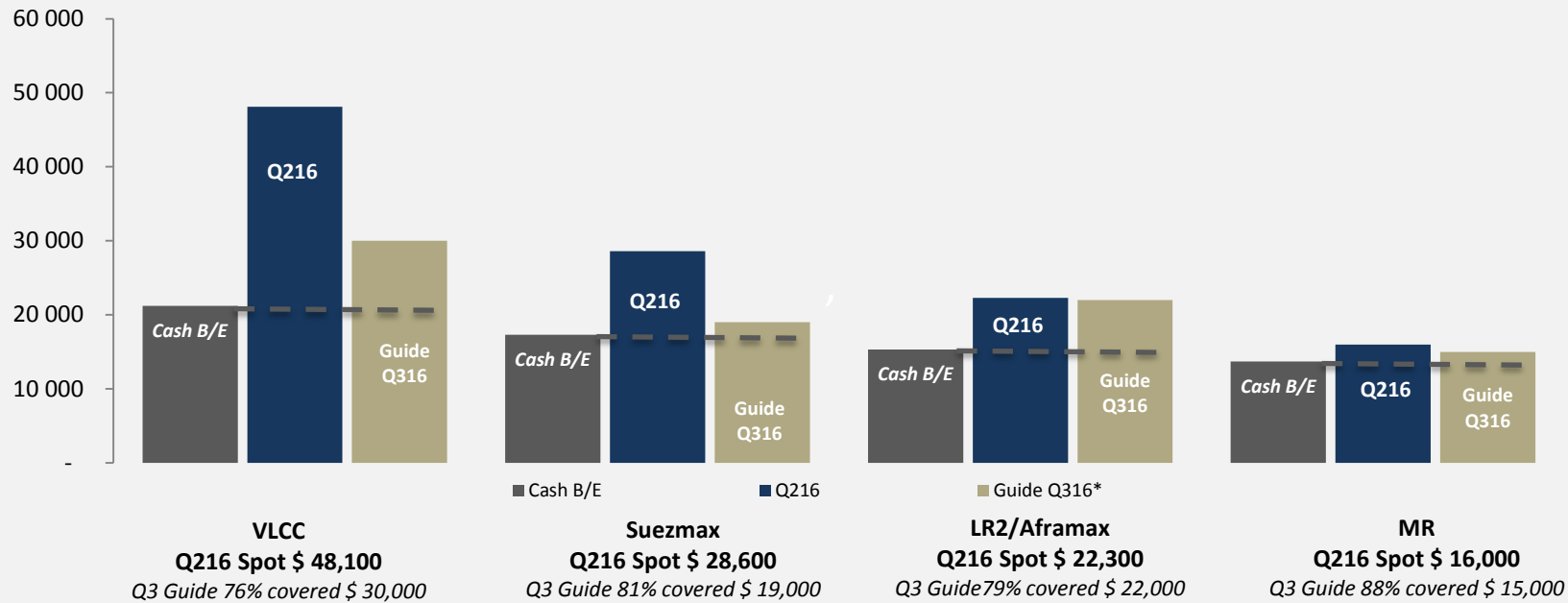
(1) Estimated cash cost breakeven rates for the remainder of 2016 includes bareboat hire / installments, interest loans, opex/drydock, and G&A expenses.

Balance sheet

<i>(in \$ million)</i>	2016 Jun 30	2016 Mar 31	2015 Dec 31
Cash	130	272	265
Restricted cash	5,5	0,7	0,4
Other Current assets	166	174	203
Long term assets:			
Newbuildings	326	243	266
Vessels	2 095	2 066	1 924
Goodwill	225	225	225
Other long term assets			0,4
Total assets	2 948	2 980	2 883
Current liabilities	233	227	242
Long term debt	896	852	746
Obligations under capital lease	394	431	447
Other long term liabilities	3	3	3
Noncontrolling interest	0,1	0,1	0,1
Frontline Ltd. stockholders' equity	1 421	1 467	1 446
Total liabilities and stockholders' equity	2 948	2 980	2 883

Q2 Performance and Q3 Guidance

Q3 2016 Guidance - Daily TCE rates (USD thousands)



(1) Estimated cash cost breakeven rates for the remainder of 2016 includes bareboat hire / installments, interest loans, opex/drydock, and G&A expenses.



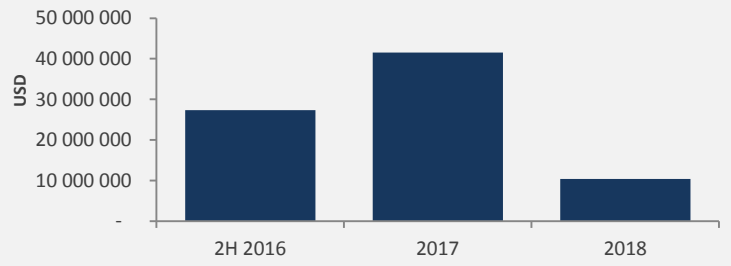
Time Charter Coverage Secures Cash Flow

Time charters secured during the recent strong market

- For the balance of 2016 the cover is 28%
- In 2017 the cover is 13%

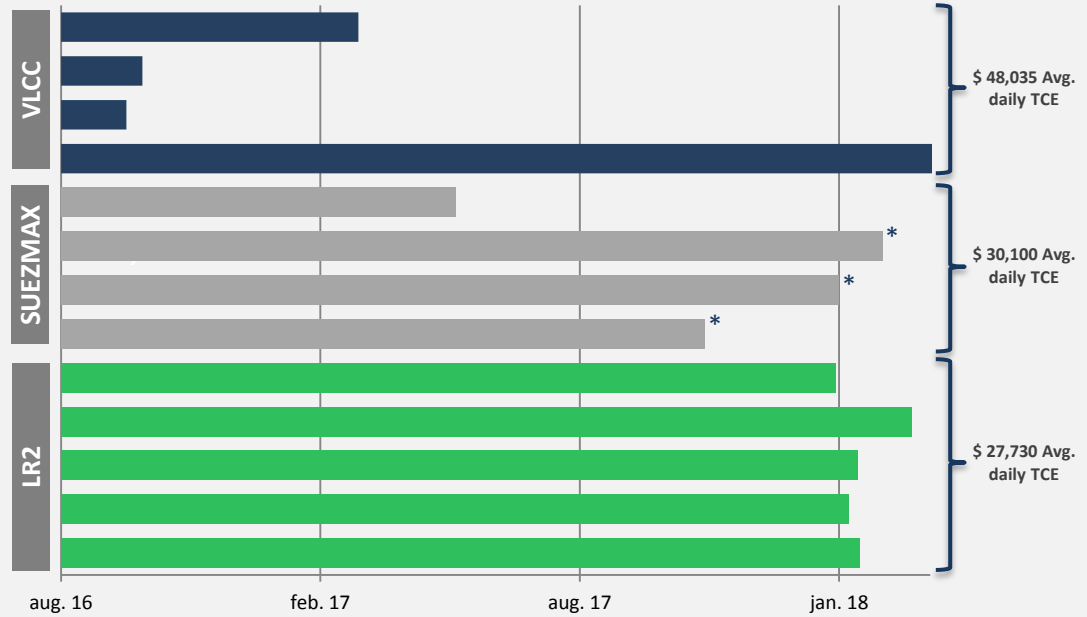
Breakeven levels are lowered by time charter cover

Forward Contribution from TC cover *



* Net free cash flow after current cash break even

Time Charter Coverage

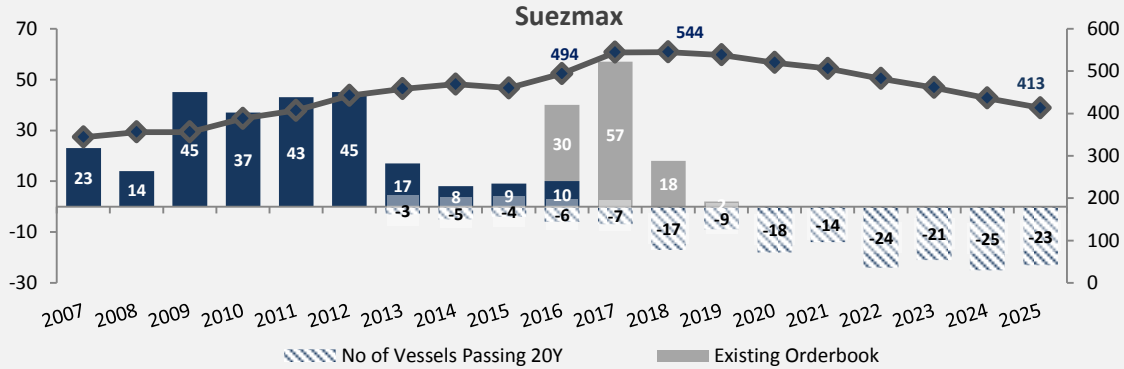
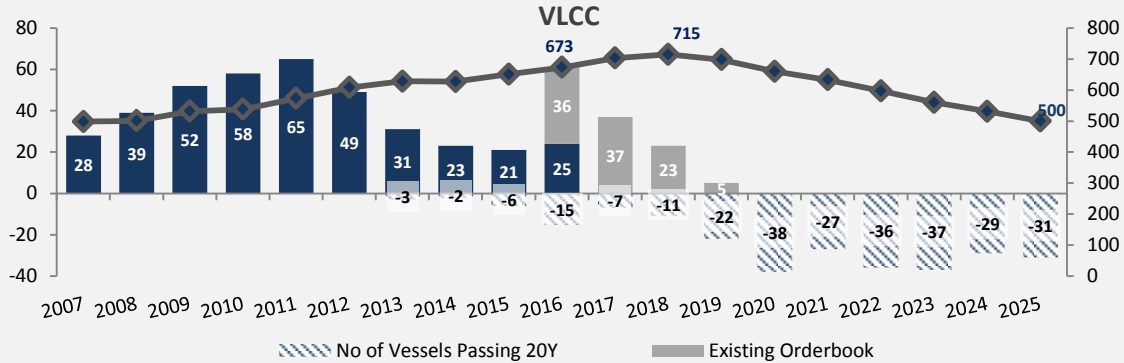


* Chartering pool with SFL

Crude Tanker Orderbook

Fleet growth is significant

- The crude tanker order book remains substantial on VLCC and Suezmax
- Cancellation and slippage can be expected
- At the same time the fleet is aging
- New orders have slowed down significantly
- A lot of secondhand tonnage for sale
- The current market could lead to scrapping
- It is expected that older tonnage will become increasingly difficult to trade



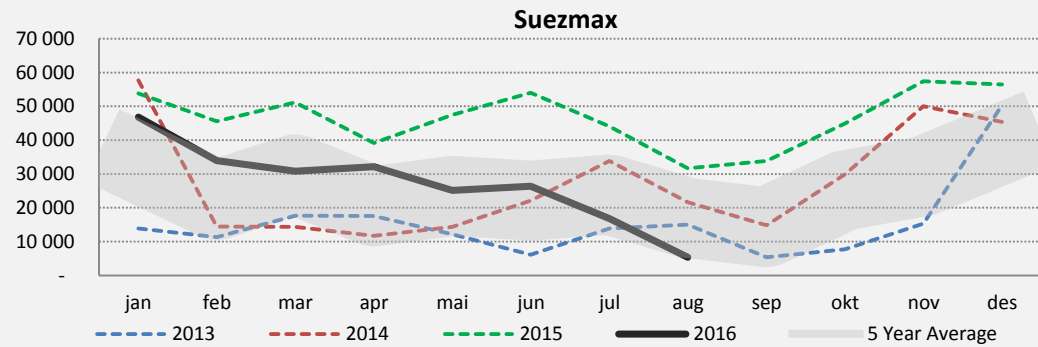
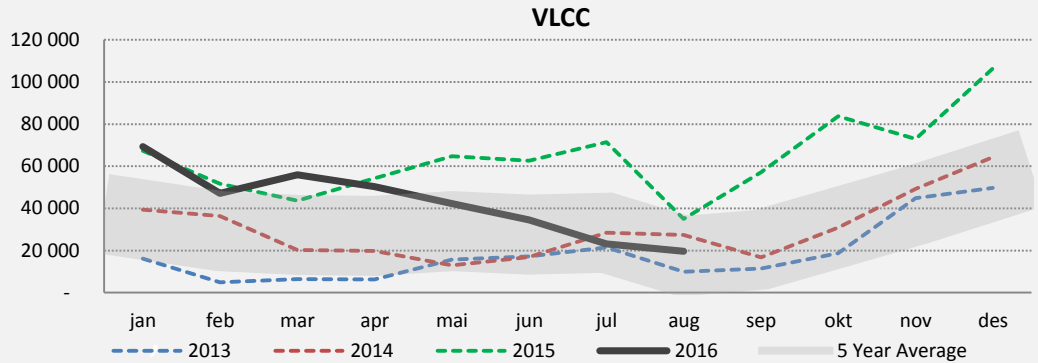
Source: Fearnleys Jul-16

Current Market

Q3 is often the slow season, especially so in 2016

- Significant drop in ton mile over the summer, primarily due to supply disruption in the Atlantic Basin
- Refinery maintenance is high
- Easing congestion in ports worldwide, especially in Iraq and China, where it has more than halved versus Q1 '16
- 25 VLCC's delivered 1H 2016
- Virtually no scrapping of older tonnage

History is in favor of a market improvement as we move towards Q4, but higher vessel utilization is required.



Frontline

- Significant commercial scale and financial flexibility
- Low breakeven levels lowered by time charter coverage
- Disciplined, yet opportunistic approach to dynamic market



Long history of returning value to shareholders