



**PRELIMINARY RESULT 2001
ODFJELL ASA - CONSOLIDATED**

- Sharply improved result
- Growth in earnings and cashflow per share
- Time-charter earnings were 31% higher in 2001 than 2000, but somewhat lower in the second half than in the first half
- Strong results from the tank terminal activities
- Stable vessel operating cost
- Bunker cost still at high levels
- Continued low interest rates

RESULTS

Odfjell's consolidated net result after tax was USD 60 million for 2001. The improvement, from a loss of USD 12 million in 2000, reflects a stronger market for the transportation and storage of chemicals and clean petroleum products. Earnings before interest, tax, depreciation and amortisation (EBITDA) was USD 203 million, a sharp increase from USD 112 million in 2000. Operating result (EBIT) was USD 124 million, compared to USD 44 million in 2000. Gain from sale of 50% of the vessel Bow Saphir is included in the figures for 2001 with USD 3.5 million.

Result before currency items and taxes for 2001 came to USD 84 million, compared to a loss of USD 2 million in 2000.

The increase in total operating cost compared to 2000 reflects acquisitions made during the second half of 2000. General and administrative expenses as well as depreciation are higher due to growth of activities. Net interest expenses for 2001 was USD 40 million compared to USD 47 million for 2000.

The average USD/NOK exchange rate was 8.98 compared to 8.78 for 2000. The USD/NOK rate strengthened from 8.89 at year-end 2000 to 9.01 at 31 December 2001. The continued strong USD negatively impacted our currency hedging portfolio. The currency cost in the period was USD 14 million compared to a cost of USD 8 million the previous year. This is offset partly by reduced voyage, operating and general and administrative expenses.

Net result for the fourth quarter 2001 was somewhat lower than each of the first three quarters of 2001, impacted by the reduced growth of the world economy and increased accruals for deferred taxes.

BUSINESS SEGMENTS

Global trade

EBITDA for 2001 was USD 151 million, an increase from USD 81 million in 2000. Operating profit (EBIT) increased from USD 29 million in 2000 to USD 94 million in 2001 including a sales gain of USD 3.5 million.

Freight rate improvements resulted in time-charter income expressed in USD per day increasing by 31 % compared to 2000. We experienced, due to a world economic slowdown, a 7% reduction in time-charter income in the fourth quarter over the third quarter. The 2001 average price of bunkers, still high, was USD 126 per ton, compared to USD 152 per ton the previous year. Operating cost on a comparable fleet basis however was at the same level as in 2000.

On 4 September 2001, we took delivery of the 37.500 dwt. newbuilding Bow Favour from Kleven Florø.

Regional trade

EBITDA for 2001 was USD 14 million, an increase from USD 9 million in 2000, as a consequence of improved market conditions and increased overall activities. EBIT for 2001 was USD 6 million.

Tank terminals

EBITDA for 2001 was USD 35 million, which is a substantial increase over the 2000 figure of USD 24 million. EBIT for 2001 was USD 23 million. The EBITDA of Odfjell Terminals (Houston) was USD 15 million, the same as in 2000. Odfjell Terminals (Rotterdam), acquired in June 2000, showed an EBITDA of USD 18 million for 2001. Our share of the two terminals in China made an EBITDA of USD 1 million.

We increased our ownership in Odfjell Terminals (Dalian) in China from 54% to 64% with effect from 1 July 2001.

In line with our strategy to expand our tank terminal activities at important petrochemical locations around the world, we acquired 50% of a terminal in Singapore. Oiltanking Odfjell Terminal Singapore strategically located on Jurong Island, outside the main island of Singapore, is an important petrochemical centre and chemical transshipment hub for South East Asia. This terminal has a total storage capacity of about 130 000 cbm in 35 storage tanks. The total investment on a 100% basis came to USD 63 million. The terminal became operational in September 2001.

Tank containers

EBITDA for 2001 was USD 3 million, compared to negative USD 2 million in 2000. EBIT for 2001 was at break-even levels. Hoyer-Odfjell is still impacted by difficult market conditions.

KEY FIGURES

Return on assets was 7% and the return on equity increased to 11.4% in 2001. Return on the market cap as per year-end 2001 was 17.5%, caused by the share trading at a discount to book value.

Earnings per share amounted to USD 2.43 (NOK 21.81) in 2001 compared to negative USD 0.50 (negative NOK 4.39) in 2000. Cash flow per share was USD 5.78 (NOK 51.89) compared to USD 2.40 (NOK 21.07).

As per 31 December 2001 the Price/Earnings ratio (P/E) was 6.2 and the Price/Cashflow ratio was 2.6. Book value per share equals an EBITDA multiple of 6.3, while market value per share as per 31 December 2001 corresponds to an EBITDA multiple of 5.4. Interest coverage ratio (EBITDA/Net interest cost) was 5.1 for 2001 compared to 2.4 for 2000.

Cash and bonds as of 31 December 2001 were USD 213 million compared to USD 227 million as of 31 December 2000. Additionally, undrawn credit facilities equalled USD 33 million as per 31 December 2001 compared to USD 40 million as per year-end 2000.

Interest bearing debt increased from USD 955 million as per year-end 2000 to USD 960 million per 31 December 2001. Net interest bearing debt was USD 747 million as per 31 December 2001. The equity ratio was 33% as per year-end 2001 and the ratio between current assets and current liabilities was 290%. We secured a commitment during 2001 for a USD 150 million loan facility which may be used to partly refinance a facility that matures in May 2003.

SHAREHOLDER INFORMATION

During 2001 we acquired altogether 2,991,099 shares representing about 11% of the shares of the company, at an average cost of NOK 120.8 per share. The total investment in treasury shares thus came to NOK 361.3 million (USD 41.2 million). All the treasury shares acquired in 2001 have been or are in the process of being redeemed.

At year-end 2001 the Odfjell A-shares were trading at NOK 135, the same level as a year earlier. The B-shares were trading at NOK 134 at year-end, an increase of 12% from NOK 120 a year earlier. By way of comparison, the Oslo Stock Exchange benchmark index fell by 16% and the transportation index declined by 3% during the year. The A-shares peaked at NOK 145 and fell to NOK 108 at its lowest point during the year whilst the corresponding figures for the B-shares were NOK 136 and NOK 107.

To improve the trading liquidity in the Odfjell share we entered into a market maker agreement with Pareto Securities ASA valid as from 1 January 2002.

The aforementioned acquisition of treasury shares was based upon two separate authorisations, with a redemption in between. The Annual General Meeting on 8 May 2001 approved the redemption of 558,850 A-shares and 806,900 B-shares which became effective 22 August 2001. On 6 November 2001 an Extraordinary General Meeting approved the redemption of 832,600 A-shares and 1,708,349 B-shares, which will become effective mid February 2002.

Further, at the Extraordinary General Meeting held on 6 November 2001, the Board was authorised to acquire further treasury shares of up to 10% of the company's outstanding shares.

The Annual General Meeting will be held on 29 April 2002 at 16:00 hours at the Company's headquarter. The Board recommends an increased dividend, from NOK 4 per share for 2000 to NOK 8 per share for 2001, equal to NOK 182.9 million (USD 20.3 million). Based on the average share price the direct yield, through the dividend, in 2001 equalled about 6.2%.

PROSPECTS

During 2001 world economic growth slowed. There is uncertainty as to the length of the current downturn and its impact on the chemical tanker industry. We expect a continued reduction in the supply of new tonnage, as fewer newbuildings will be delivered the next two years.

For 2002 we expect a net result lower than in 2001. Assuming a mid 2002 pick-up in world economic growth, we expect a better result for the second half than the first half of the year. Through consolidation and by terminal acquisitions the company has steadily strengthened its market position as a total logistics service provider.

Bergen, 13 February 2002
The Board of Directors of Odfjell ASA

Odfjell is the leading player in the global market of transporting chemicals and related logistical services. The fleet now totals 86 vessels, trading both globally and regionally, of which 50 are owned by the group. Odfjell additionally owns and operates tank terminals and tank containers. Priority is being given to further developing the company's integrated logistical services.

Odfjell Group
Report 4th quarter 2001

	1.1-31.3	1.4-30.6	1.7-30.9	1.10-31.12	1.10-31.12	1.1-31.12	1.1-31.12
PROFIT AND LOSS STATEMENT (USD mill)	2001	2001	2001	2001	2000	2001	2000
Gross revenue	220	208	210	208	207	846	696
Voyage expenses	(71)	(61)	(63)	(65)	(73)	(260)	(266)
Time-charter expenses	(48)	(44)	(46)	(45)	(45)	(183)	(152)
Operating expenses	(40)	(38)	(39)	(40)	(39)	(158)	(127)
Gross result	61	65	62	57	50	245	152
General and administrative expenses	(10)	(10)	(11)	(12)	(12)	(42)	(39)
Operating result before depreciation and gain (loss) on sale of fixed assets (EBITDA)	51	55	52	45	38	203	112
Depreciation	(20)	(21)	(20)	(21)	(20)	(83)	(69)
Gain (loss) on sale of fixed assets	3	0	-	0	-	4	-
Operating result (EBIT)	35	34	31	24	19	124	44
Interest income	4	3	3	3	3	13	12
Interest expenses	(16)	(13)	(13)	(11)	(17)	(53)	(59)
Other financial items	0	(0)	(0)	(0)	1	(1)	-
Currency gains (losses)	(5)	(5)	(1)	(3)	(1)	(14)	(8)
Net financial items	(17)	(15)	(11)	(12)	(14)	(55)	(54)
Net result before extraordinary items and taxes	18	19	21	12	5	69	(10)
Taxes	(2)	(2)	(2)	(4)	(0)	(9)	(2)
Net result before minority interests	17	17	19	7	5	60	(12)
Minority interests	(0)	0	0	0	(0)	(0)	-
Net result	17	17	19	7	5	60	(12)
	31.3	30.6	30.09			31.12	31.12
BALANCE SHEET (USD mill)	2001	2001	2001			2001	2000
Intangible assets	17	15	15			17	18
Vessels	962	948	990			974	979
Newbuildings	39	46	35			36	38
Tank terminals	195	191	195			216	195
Tank containers	19	20	20			19	8
Other fixed assets	16	16	17			17	17
Other long-term receivables	36	33	27			22	37
Total fixed assets	1 284	1 269	1 299			1 301	1 292
Bunkers	5	6	7			8	10
Short term receivables	93	73	75			79	79
Investments	6	-	-			-	5
Bank deposits and marketable securities	206	221	200			213	227
Total current assets	310	300	283			299	321
Total assets	1 594	1 569	1 582			1 601	1 613
Paid in equity	145	144	149			141	145
Retained earnings	396	407	395			385	385
Total shareholders' equity	541	551	544			526	530
Minority interests	5	5	4			4	5
Accrued liabilities	6	6	6			8	6
Long-term debt	911	915	935			960	955
Short-term debt	130	92	93			103	117
Total liabilities	1 048	1 013	1 034			1 071	1 078
Total liabilities and shareholders' equity	1 594	1 569	1 582			1 601	1 613

	1.1-31.3	1.4-30.06	1.7-30.09	1.10-31.12	1.10-31.12	1.1-31.12	1.1-31.12
KEY FIGURES	2001	2001	2001	2001	2000	2001	2000
Average number of shares (mill)	25.74	25.36	24.80	22.89	26.80	24.69	23.76
Earnings per share (USD)	0.66	0.67	0.76	0.31	0.18	2.43	(0.50)
Cash flow per share (USD)	1.43	1.48	1.59	1.24	0.90	5.78	2.40
Equity per share (USD)	21.21	21.95	23.59	22.99	20.50	22.99	20.50
Share price per A-share (USD)	14.26	15.13	13.56	14.98	15.18	14.98	15.18

FINANCIAL RATIOS

Equity ratio	34.0 %	35.1 %	34.4 %	32.8 %	33.0 %	32.8 %	33.0 %
Current ratio	2.4	3.3	3.0	2.9	2.7	2.9	2.7
Return on total assets	7.6 %	7.7 %	8.0 %	4.5 %	5.4 %	7.0 %	3.3 %
Return on equity	10.7 %	12.5 %	13.8 %	5.3 %	3.6 %	11.4 %	(2.4%)
Return on capital employed	11.6 %	10.9 %	9.9 %	7.4 %	5.9 %	9.8 %	3.8 %
Debt repayment capability (Years)	5.3	4.6	4.7	6.6	7.4	5.4	12.7
USD/NOK rate at period end	9.12	9.32	8.85	9.01	8.89	9.01	8.89

CASH FLOW STATEMENT (USD mill)

Net cash flow from operating activities	45	38	38	20	54	140	91
Net cash flow from investing activities	(8)	(8)	(54)	(36)	(53)	(107)	(382)
Net cash flow from financing activities	(55)	(13)	(7)	29	19	(47)	302
Effect on cash balances from currency exchange rate fluctuations	(1)	(1)	2	(0)	0	(1)	3
Net change in cash and cash equivalents	(20)	15	(21)	13	20	(14)	14
Opening cash balances	227	206	221	200	207	227	213
Ending cash balances	206	221	200	213	227	213	227

SEGMENT REPORTING (USD mill)

Global trade	165	151	153	152	156	621	532
Regional trade	23	27	27	26	20	103	72
Tank terminals	22	22	22	22	23	89	59
Tank containers	10	8	8	8	8	34	33
Total gross revenue	220	208	211	208	207	846	696
Global trade	39	40	38	34	27	151	81
Regional trade	4	4	4	2	2	14	9
Tank terminals	9	9	9	8	9	35	24
Tank containers	(0)	2	1	1	(1)	3	(2)
Total operating result before depreciation and gain (loss) on sale of fixed assets (EBITDA)	51	55	52	45	38	203	112
Global trade	28	26	23	18	13	94	29
Regional trade	2	2	2	(0)	1	6	2
Tank terminals	6	6	6	6	7	23	16
Tank containers	(0)	0	0	0	(1)	0	(3)
Total operating result (EBIT)	35	34	31	24	19	124	44

SHAREHOLDERS' EQUITY (USD mill)

Opening balances	530	541	551	544	532	530	451
Net result for the period	17	17	19	7	5	60	(12)
Repurchase own shares	(4)	(6)	(28)	(3)	0	(41)	(13)
Share issue	-	-	-	-	-	-	116
Changes to equity	-	1	-	0	0	1	1
Changes in exchange differences	(1)	(2)	2	(2)	5	(3)	(0)
Proposed dividend	-	-	-	(20)	(12)	(20)	(12)
Ending balances	541	551	544	526	530	526	530

ACCOUNTING PRINCIPLES

All items in the periodic financial statements have been reported, valued and accounted for in accordance with the Accounting Act, generally accepted accounting principles in Norway and the preliminary accounting standard regarding periodic accounts.

The same accounting principles have been applied in the periodic accounts as in the annual accounts for 2000.

The periodic accounts are unaudited.