



Stolt-Nielsen Limited

First-Quarter 2017
Results Presentation

April 06, 2017

Forward-Looking Statements

Included in this presentation are various “forward-looking statements”, including statements regarding the intent, opinion, belief or current expectations of the Company or its management with respect to, among other things, (i) goals and strategies, (ii) plans for new development, (iii) marketing plans, the Company’s target market, (iv) evaluation of the Company’s markets, competition and competitive positions, and (v) trends which may be expressed or implied by financial or other information or statements contained herein. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other facts that may cause the actual results, performance and outcomes to be materially different for any future results, performance or outcomes expressed or implied by such forward-looking statements. These factors include in particular, but not limited to, the matters described in the section “Principal Risks” (p55 et seq.) in the most recent annual report available at www.stolt-nielsen.com.



Company Representatives

- Niels G. Stolt-Nielsen
CEO
Stolt-Nielsen Limited

- Jan Chr. Engelhardtzen
CFO
Stolt-Nielsen Limited



Agenda

- SNL 1Q17 Highlights
 - Stolt Tankers
 - Stolthaven Terminals
 - Stolt Tank Containers
 - Stolt Sea Farm
 - Stolt-Nielsen Gas
- Financials
- Q&A



First-Quarter 2017 Highlights

Operating

- Stolt Tankers operating profit of \$28.5M, down from \$30.4M, reflecting continued softness in the chemical tanker market, higher bunker fuel costs and a loss on the recycling of a ship brought forward, partly offset by the positive impact of the JOT acquisition
- Stolthaven Terminals operating profit of \$16.7M, up from \$14.0M, mainly reflecting improved results from Stolthaven Houston, Stolthaven Singapore and increased income from JVs
- Stolt Tank Containers operating profit of \$9.0M, down from \$15.1M, reflecting seasonally lower revenue and continued price competition; 4Q16 was impacted positively by one-offs
- Stolt Sea Farm operating profit before FV adjustment of inventories was \$2.2M, marginally up from \$2.1M; strong wild catch in the quarter drove market supply up and prices down; the FV adjustment was a negative \$3.5M compared with positive impact of \$0.6M in the prior quarter
- Corporate and Other operating loss of \$4.6M, compared with a loss of \$10.0M; previous quarter reflected legal costs related to JOT acquisition and provision towards doubtful accounts in Stolt Bitumen Service

Financial

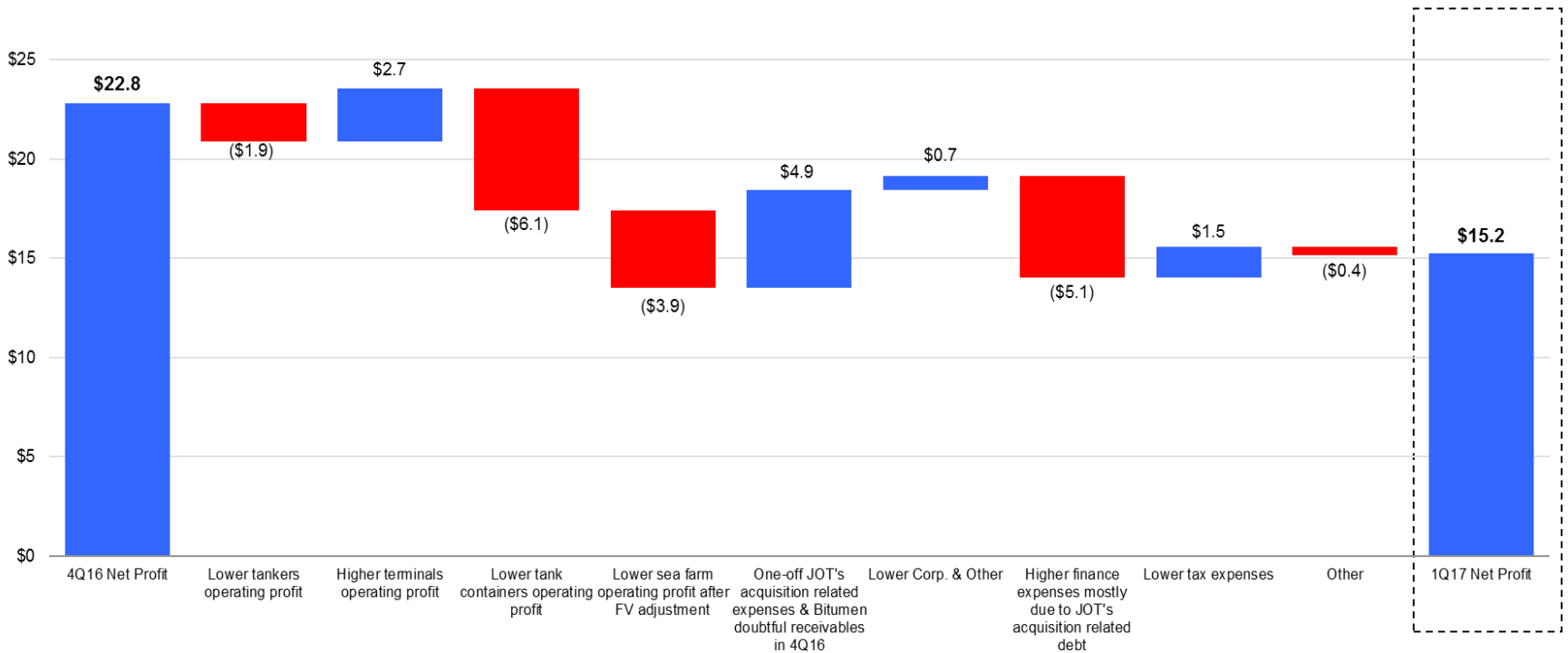
(Unaudited)	Quarter			Full Year
	<u>1Q17</u>	<u>4Q16</u>	<u>1Q16</u>	<u>2016</u>
Revenue	\$475.7	\$463.0	\$464.0	\$1,879.9
Operating Profit	48.4	52.1	57.8	231.8
Net Profit (attributable to SNL equity holders)	15.2	22.8	30.4	113.1
EPS Diluted	0.25	0.41	0.55	2.05
Weighted average number of shares outstanding diluted	62.0	55.6	55.1	55.2

Note: Weighted average number of shares in 1Q17 includes 7m shares released from treasury shares, which we are using as collateral asset for a share pledge facility



SNL: 4Q16 to 1Q17 Net Profit Variance

Figures in USD Millions



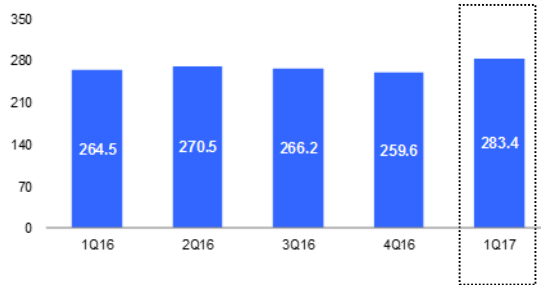
Note: Net Profit attributable to equity holders of SNL



Stolt Tankers

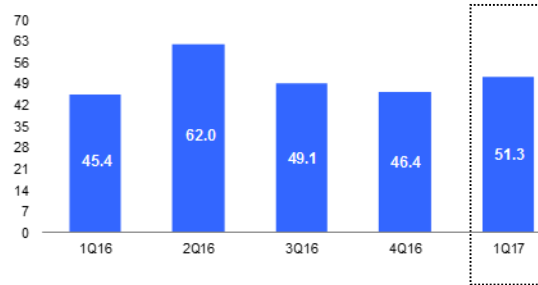
\$US Millions

REVENUE



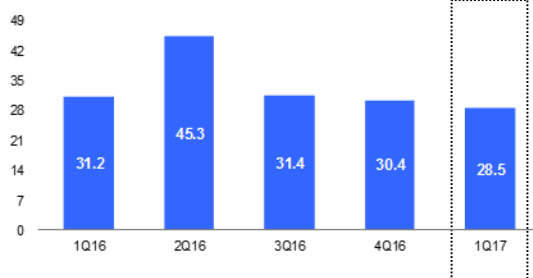
\$US Millions

GROSS PROFIT



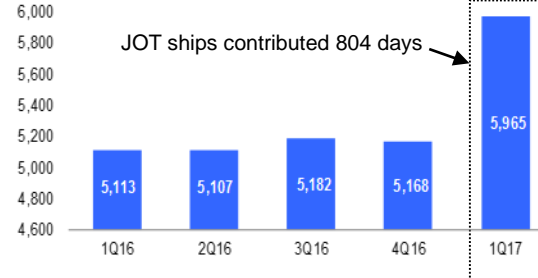
\$US Millions

OPERATING PROFIT/(LOSS)



Days

STJS - OPERATING DAYS

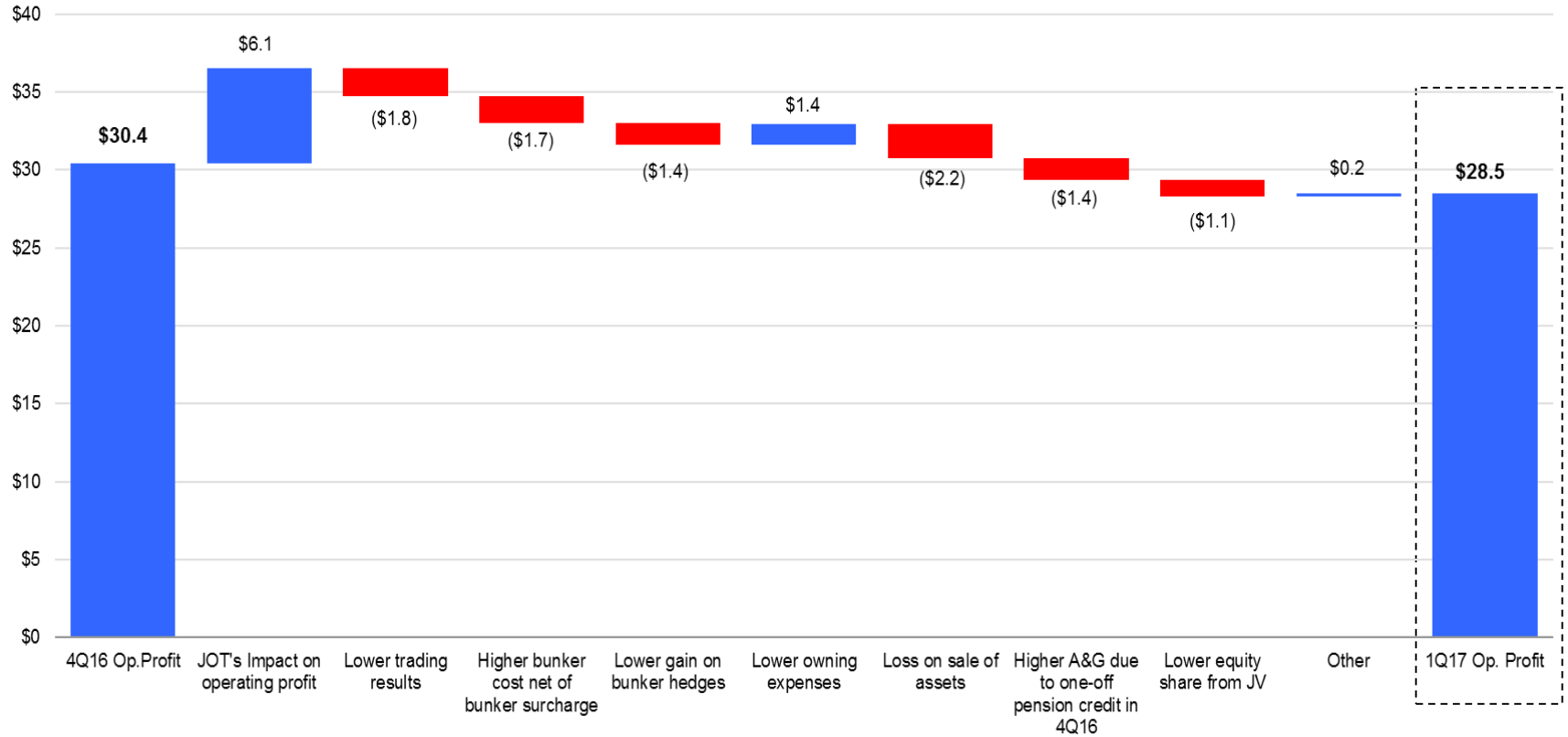


Stolt Pride

- Operating revenue increased by 9.2% from previous quarter, mainly due to the addition of the JOT ships, which helped push operating days up 15.4% and volume up 17.3%, offset by soft market conditions and increasing bunker costs
- Comparing like-for-like (excluding the impact of JOT) COA rates were down 3.6% whilst spot rates dropped by 8.9%; although the JOT ships contributed positively to net profit, their trade routes were typically shorter, contributing to a drop in overall average COA rates by 5.4% and spot rates by 12.0%
- COA renewals during the quarter were on average down by 6.1%

Tankers: 4Q16 to 1Q17 Operating Profit Variance

Figures in USD Millions



Stolt Tankers: Bunker Costs

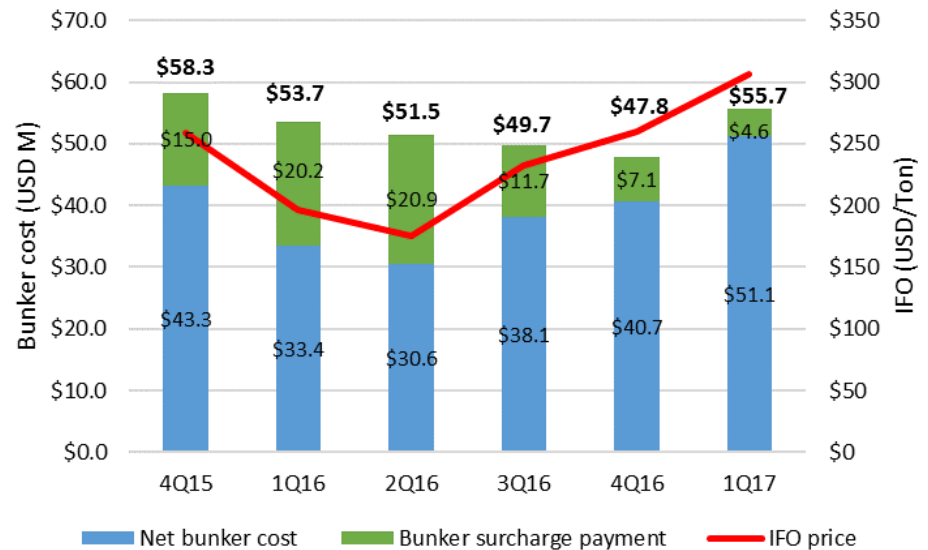
- Bunker cost net of bunker surcharge, but excluding bunker hedges, increased by \$7.9M from 4Q16
- Average price of IFO consumed increased to \$306/ton from \$261/ton in 4Q16
- Average price of IFO purchased increased to \$328/ton from \$273/ton in 4Q16
- COA bunker surcharge clauses covered on average 69.1% of total volume in 1Q17

Figures in USD Million

Bunker Hedge:

Qtr	Realised gain/(loss)	Unrealised gain/(loss)
1Q16	(0.35)	(1.73)
2Q16	0.45	6.08
3Q16	1.02	(1.47)
4Q16	1.29	2.16
FY 2016	2.40	5.04
1Q17	2.01	0.03

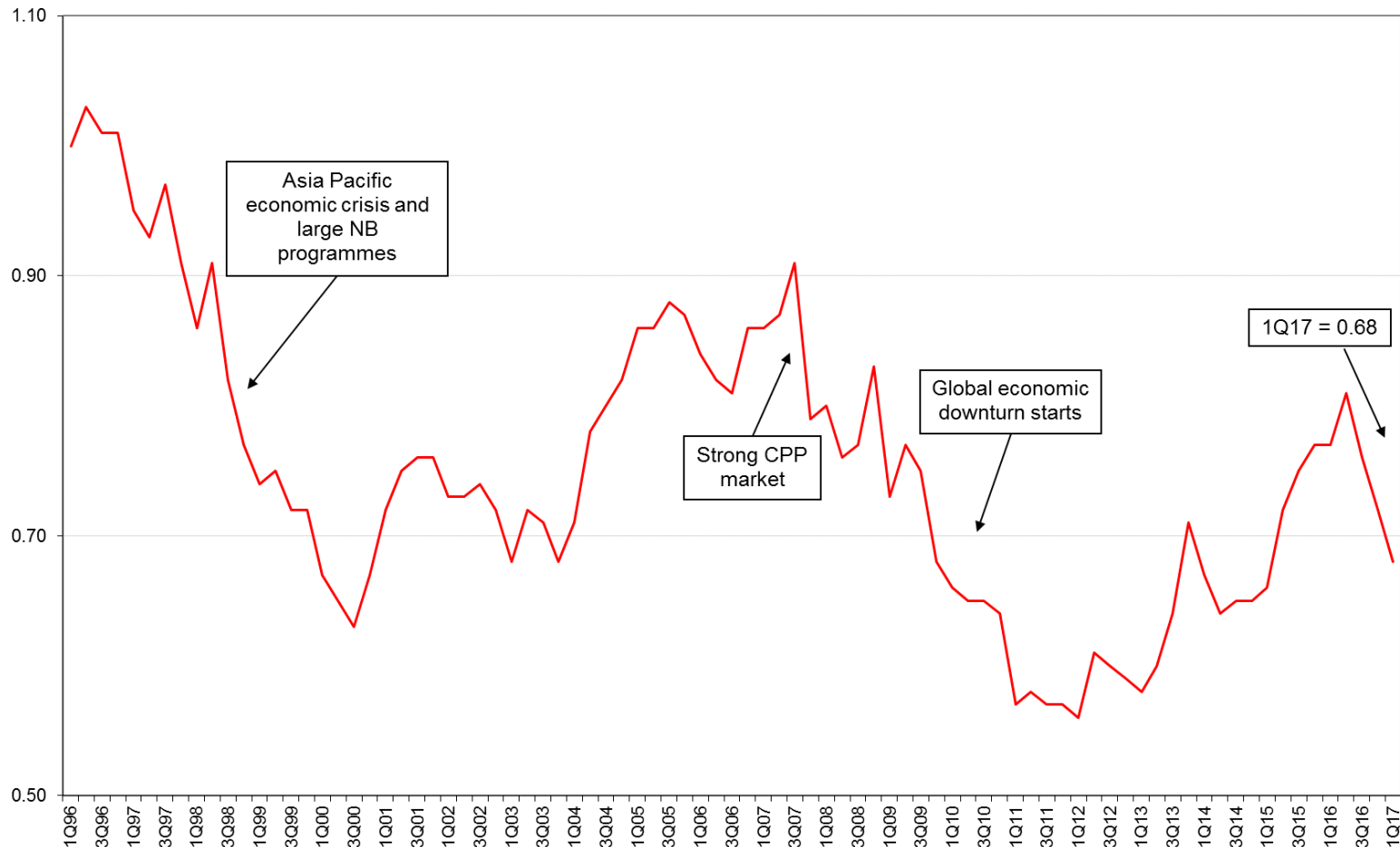
- In 2017, bunker swaps cover 72,000mt and bunker call options cover 15,000mt for a combined hedge of about 40% of the spot exposure



Source: Stolt-Nielsen

Note: Excludes bunker hedge results

Stolt Tankers Joint Service Sailed-in T/C Index

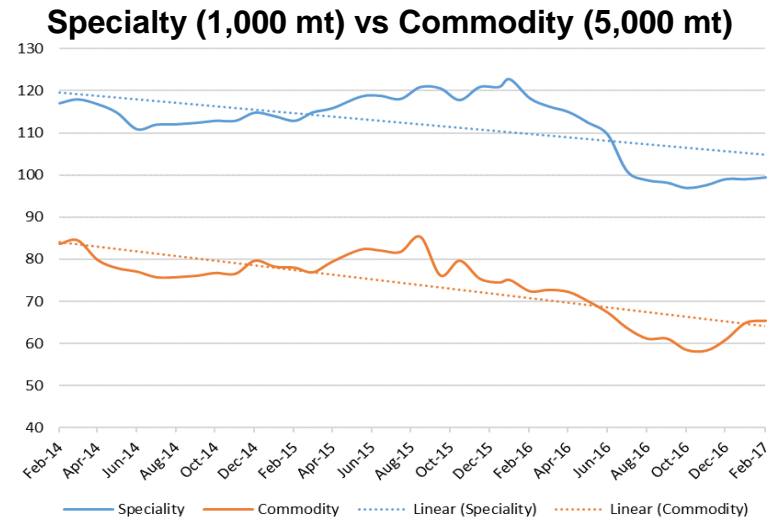
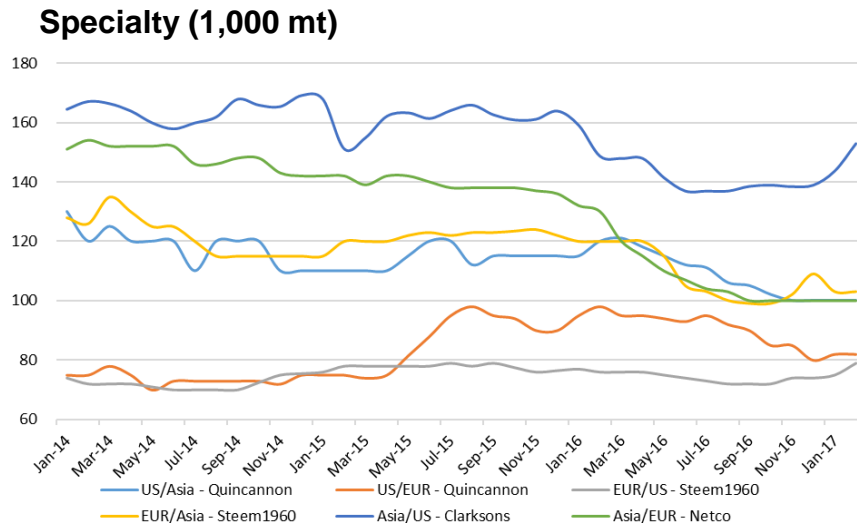


Index as published through 2013, based on SIR STJS member-ships + net result outside T/C ships, base is 1Q96 + adjusting for inflation based on U.S. Consumer Price Index (CPI)

Source: Stolt-Nielsen and the Bureau of Labor Statistics (U.S. CPI)



Deep Sea Market Spot Rate Development



*Inge Steensland AS Shipbrokers has from 1st of January become Steem1960 Steensland Shipbrokers AS

- Commodity rates recovered by 12% in 1Q17 following a 32% drop in 2016
- Specialty rates remained flat quarter-on-quarter, which is down 19% from their 2016 peak
- The MR market recovered, as European refinery margins and ship delays in West Africa combined to cause steep increases, in some cases above chemical earnings; whether swing tonnage will move out of chemicals, reducing chemical tonnage oversupply, depends on how long it is expected that the improved MR market will last
- Spot freight rates appear to have bottomed out but the significant chemical orderbook and an uncertain MR market present challenges for recovery in 2017

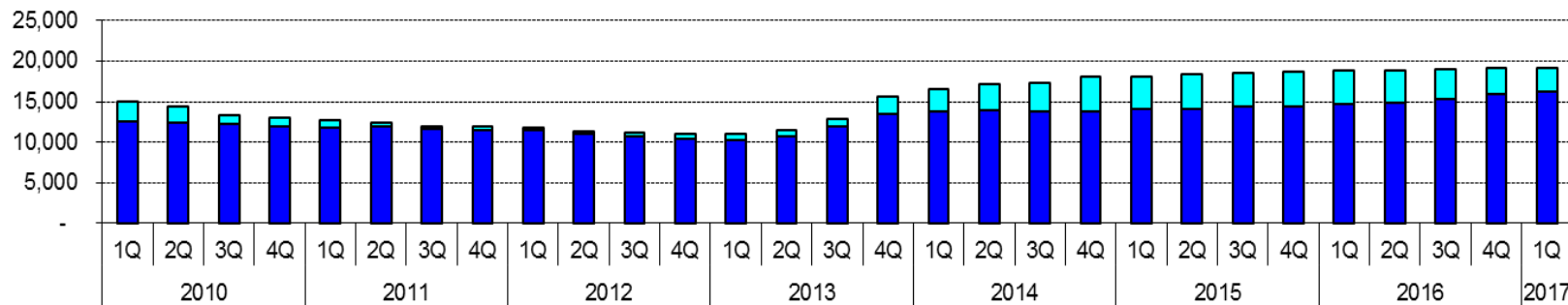
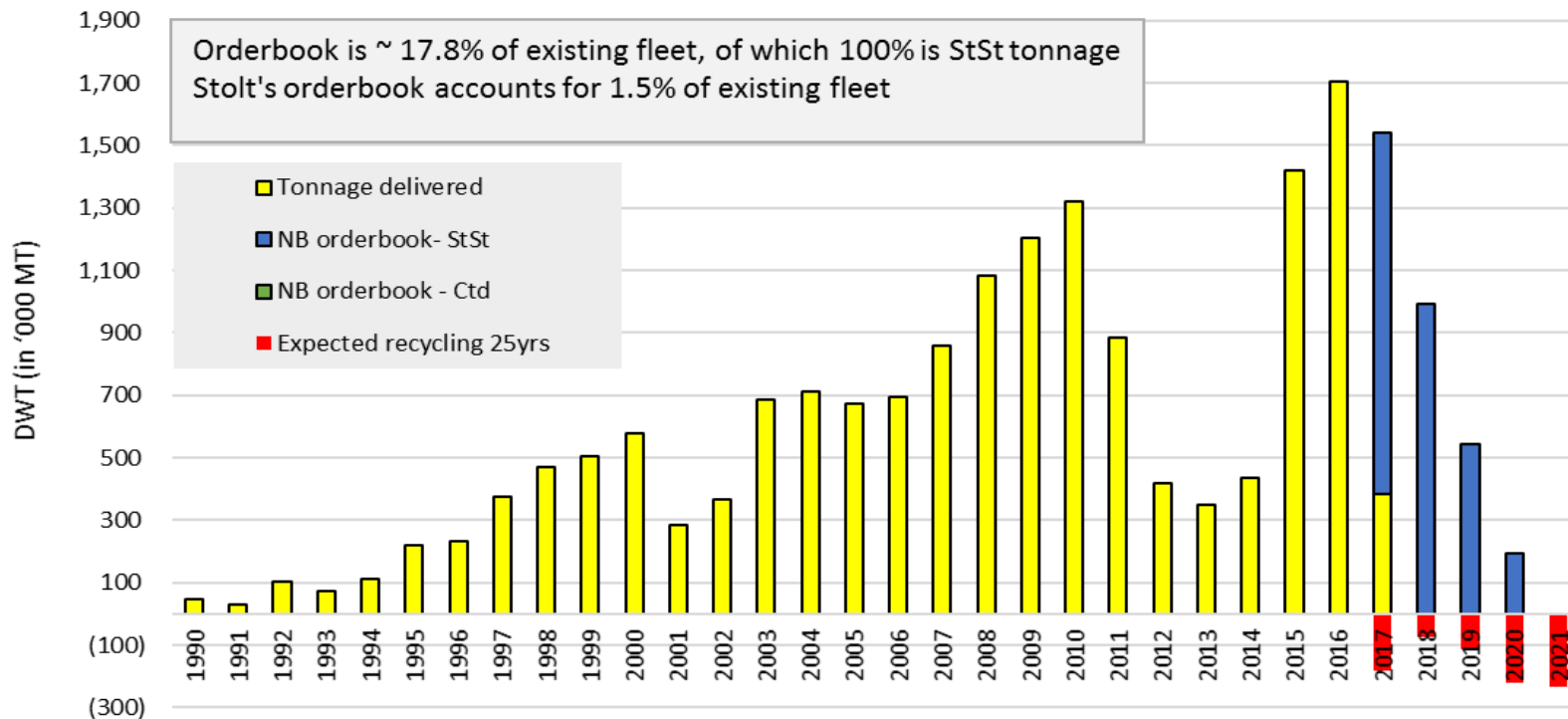
STJS Spot Rate and the Impact on Earnings

STJS average quarterly Spot rates / bunker purchase prices - 2009 till 2017 1Q17 in USD



- Our 71% COA coverage protects us from the impact of short term swings in spot rates; low spot ratio allows us to be more selective on spot cargoes
- COA coverage decreased to 71%, from 77% in 4Q16, due to the addition of JOT with a slightly lower COA coverage
- 1Q17 was impacted mostly by JOT ships' short-haul repositioning fixtures at lower spot rates
- Spot market weakness does impact COA rate negotiations but the change in COA rates is typically less than the change in spot rates, as evidenced by a decrease of 6.1% on COA renewals during the quarter

Chemical Tanker Fleet and Orderbook – 1Q17



Source: Stolt-Nielsen and Drewry, as of March 1, 2017



New Building Delivery Schedule



Stolt Integrity (Third in a series of six newbuilds from China)



Stolt Lerk and Stolt Lind
(Third and fourth in a series of eight JV newbuilds from China)

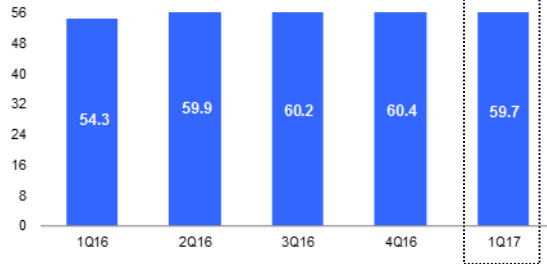
Name	Expected Delivery
<i>Stolt Pride</i>	Delivered - Jul 22, 2016
<i>Stolt Sincerity</i>	Delivered - Dec 02, 2016
<i>Stolt Integrity</i>	Delivered - Feb 24, 2017
<i>Hull 1710A</i>	2Q17
<i>Hull 1711A</i>	2Q17
<i>Hull 1712A</i>	3Q17

Name (JV Ships)	Expected Delivery
<i>Stolt Apal</i>	Delivered - Jun 30, 2016
<i>Alm</i>	Delivered - Oct 24, 2016
<i>Stolt Lerk</i>	Delivered - Feb 22, 2017
<i>Stolt Lind</i>	Delivered - Mar 15, 2017
<i>Hull 305</i>	3Q17
<i>Hull 306</i>	3Q17
<i>Hull 307</i>	4Q17
<i>Hull 308</i>	1Q18

Stolthaven Terminals

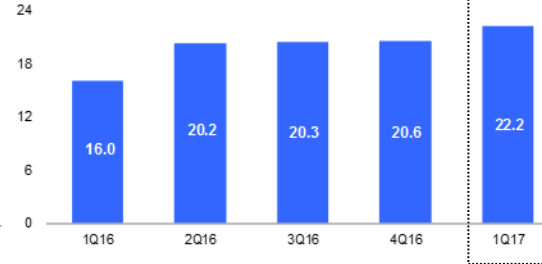
\$US Millions

REVENUE



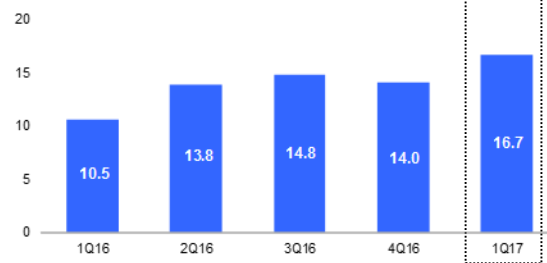
\$US Millions

GROSS PROFIT



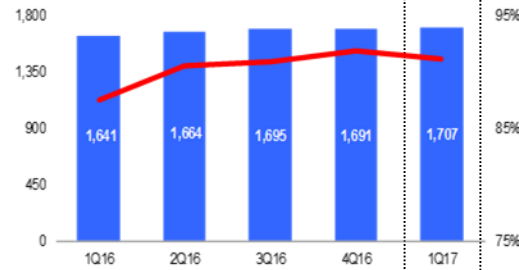
\$US Millions

OPERATING PROFIT



Thousand cubic metres - (owned terminals)

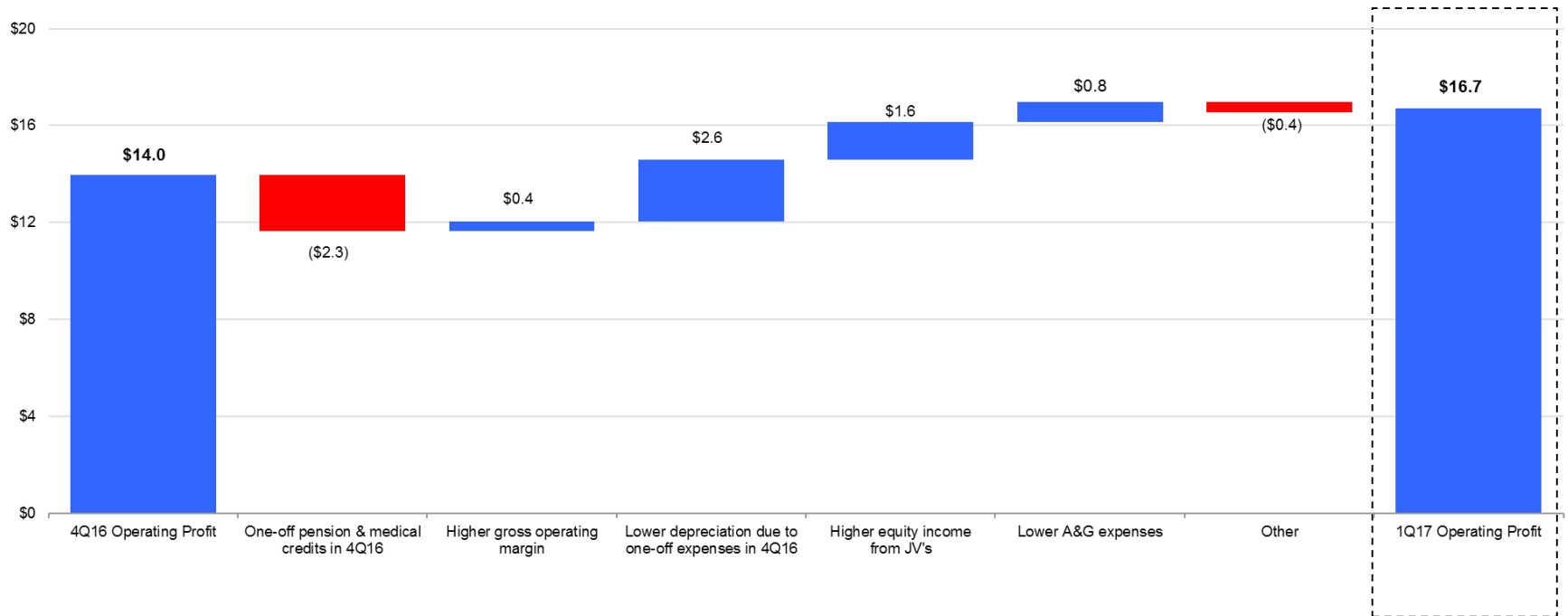
AVERAGE CAPACITY - UTILISATION



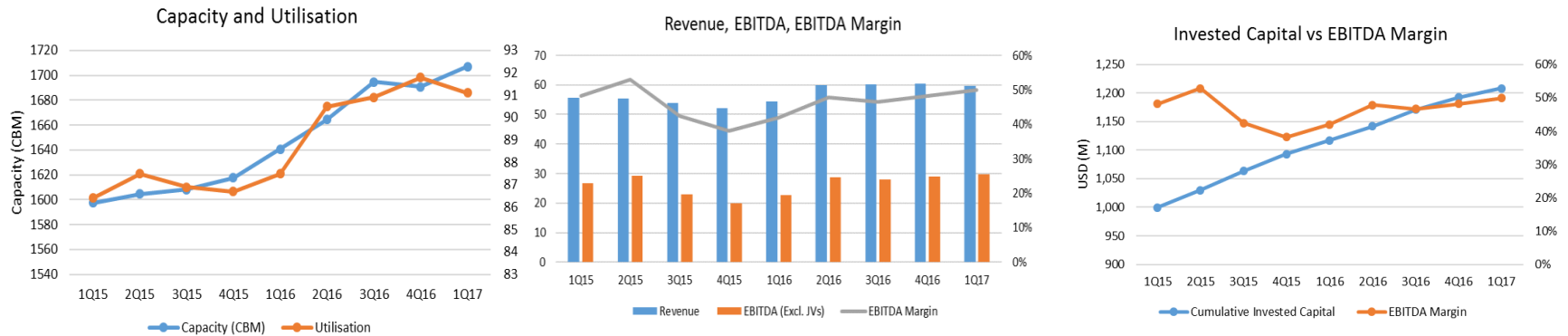
- Revenue decreased slightly in the first quarter, with slightly lower throughput revenue offset by higher utility revenue
- Leased capacity was unchanged, whilst utilisation dropped from 91.8% to 91.1% due to a 1% increase in overall capacity
- Cost savings initiatives are slowly starting to have a positive impact (cost per cubic metre)

Terminals: 4Q16 to 1Q17 Operating Profit Variance

Figures in USD Millions



Stolthaven Owned Terminals Key Initiatives



- Modernise the terminals with the latest technology in order to optimise operational performance, whilst improving safety and efficiency
- Seek organic growth at current facilities in order to leverage the existing infrastructure and fully utilise the land available for expansion
- Develop long-term contracts with potential pipeline-connected industrial customers in order to improve throughput, utilisation and revenue
- Focus on the Ship-to-Shore interface, including the construction of a new ship dock in Houston to start in mid-2017, to reduce both waiting times and turnaround times, while increasing tonnes per hour and terminal throughput volumes
- These actions will take time but will have a gradually positive impact on the financial performance of Stolthaven Terminals



Stolthaven Houston – East Property Expansion

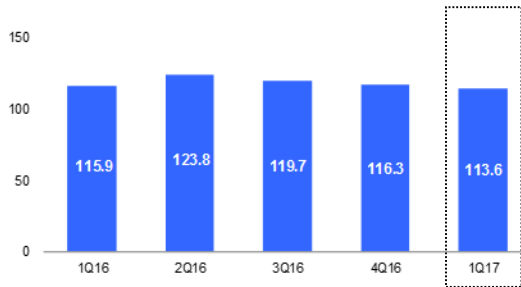


- 50+ acres available land for expansion opportunities for over 2M barrels of storage capacity, additional jetties and railcar and truck racks

Stolt Tank Containers

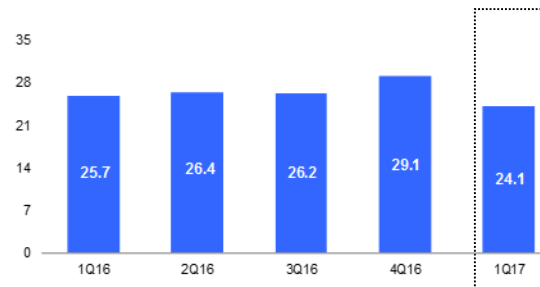
\$US Millions

REVENUE



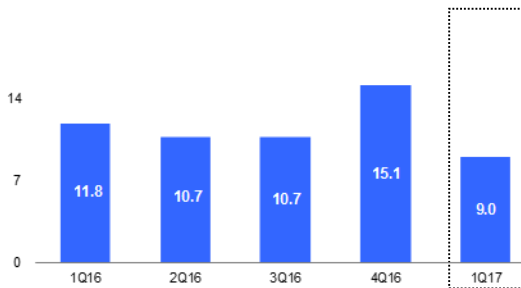
\$US Millions

GROSS PROFIT

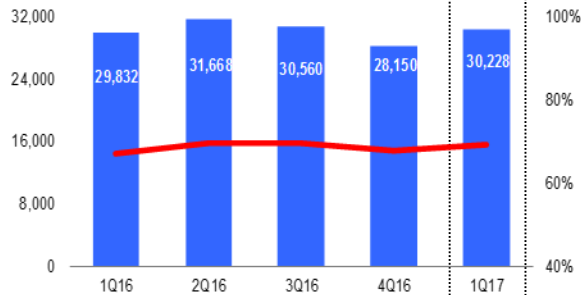


\$US Millions

OPERATING PROFIT



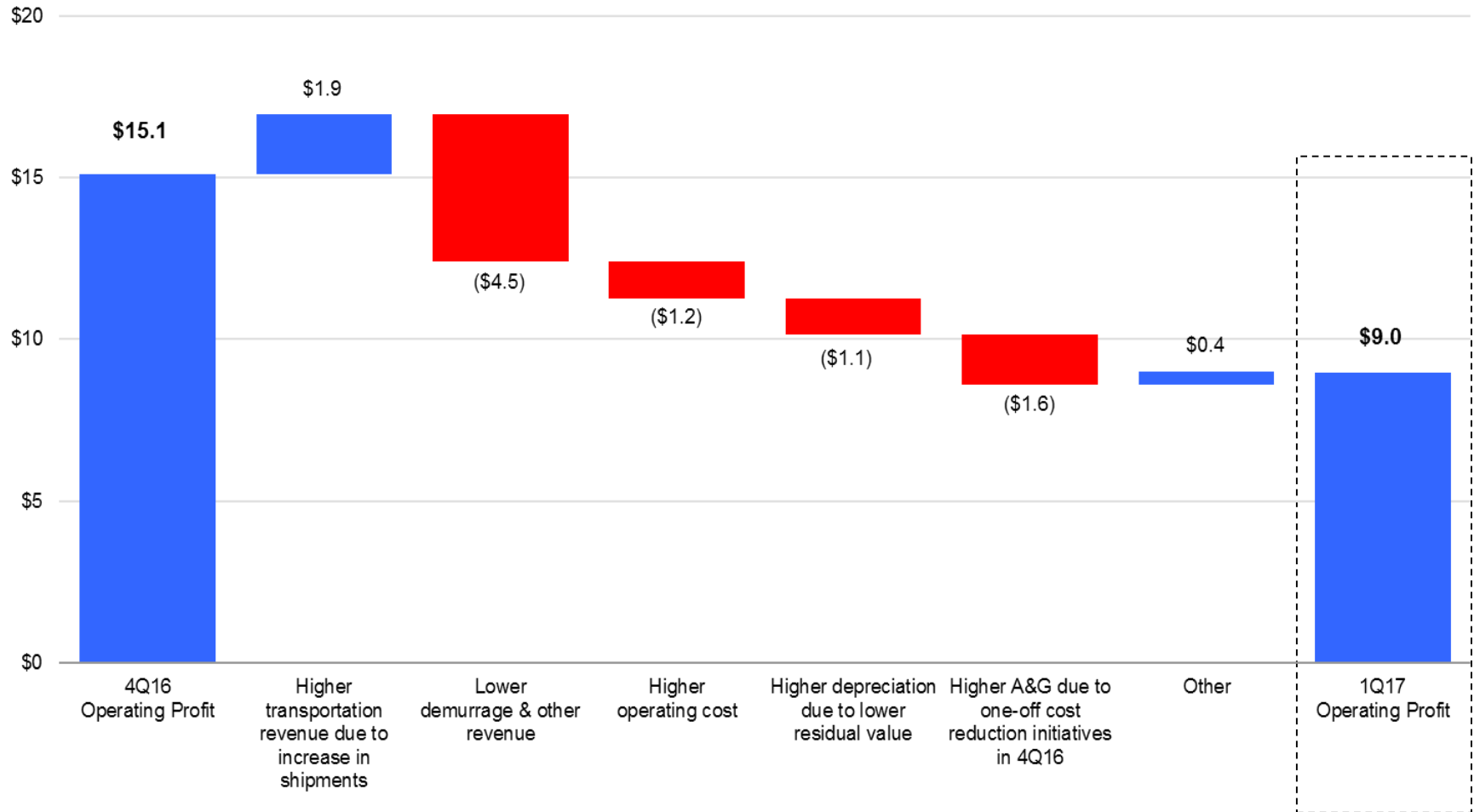
SHIPMENTS - UTILISATION



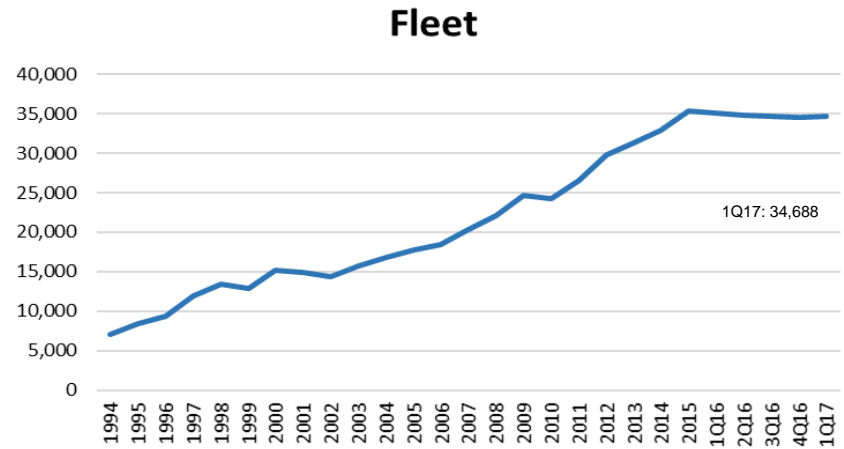
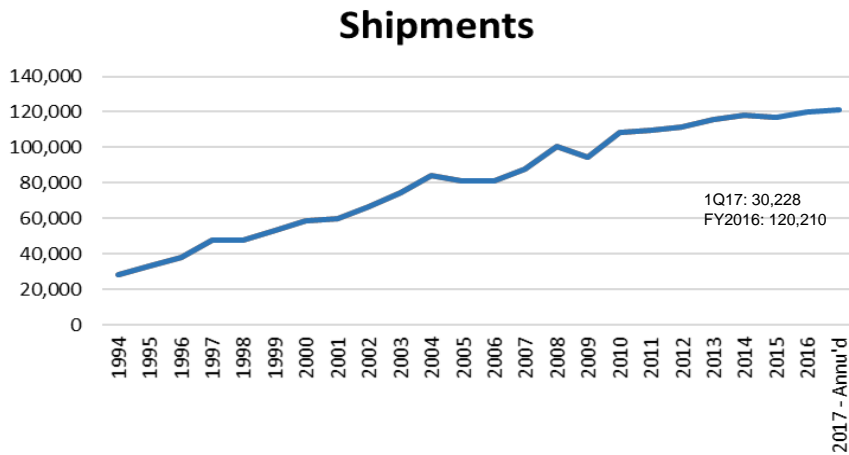
- Revenue down 2.3% in the first quarter, consistent with seasonal patterns; transportation revenue was up 2.2% due to increase in shipments, which was offset by lower prices and lower demurrage revenue
- Depreciation was up as the residual value of tanks was adjusted down in line with falling steel prices
- Administrative and general expenses up in first quarter due to one-off adjustments related to pension and post-retirement medical plans in 4Q16

STC: 4Q16 to 1Q17 Operating Profit Variance

Figures in USD Millions



Stolt Tank Containers Key Initiatives

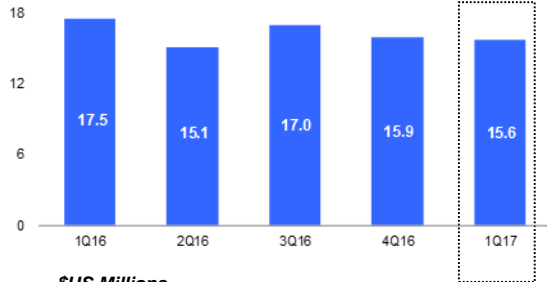


- Strong demand for shipments but competition is driving the margin down
- Continue to remain aggressive on pricing to improve utilisation and increase turns per tank
- Focus on systems development and implementation of global platforms to reduce expenses and to increase scale, the efficiency of operations and effectiveness of sales
- Continue to develop our depot network in strategic locations in order to support global operations
- Going forward, lease tanks when needed to meet future demand
- Margin deterioration has slowed and may have bottomed out

Stolt Sea Farm

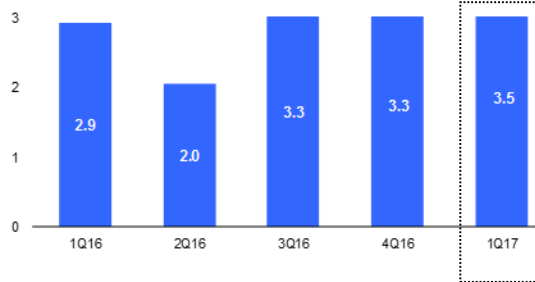
\$US Millions

REVENUE



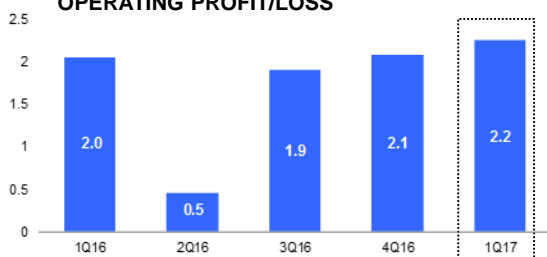
\$US Millions

GROSS PROFIT (before IFRS adjustment)



\$US Millions

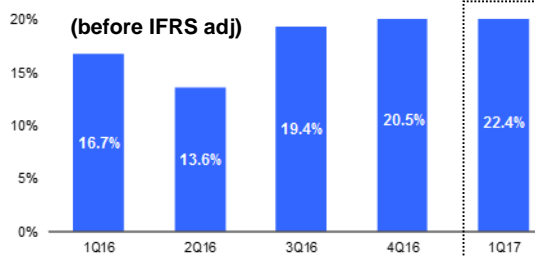
OPERATING PROFIT/LOSS^{a)}



a) Excludes the accounting for inventories at fair value

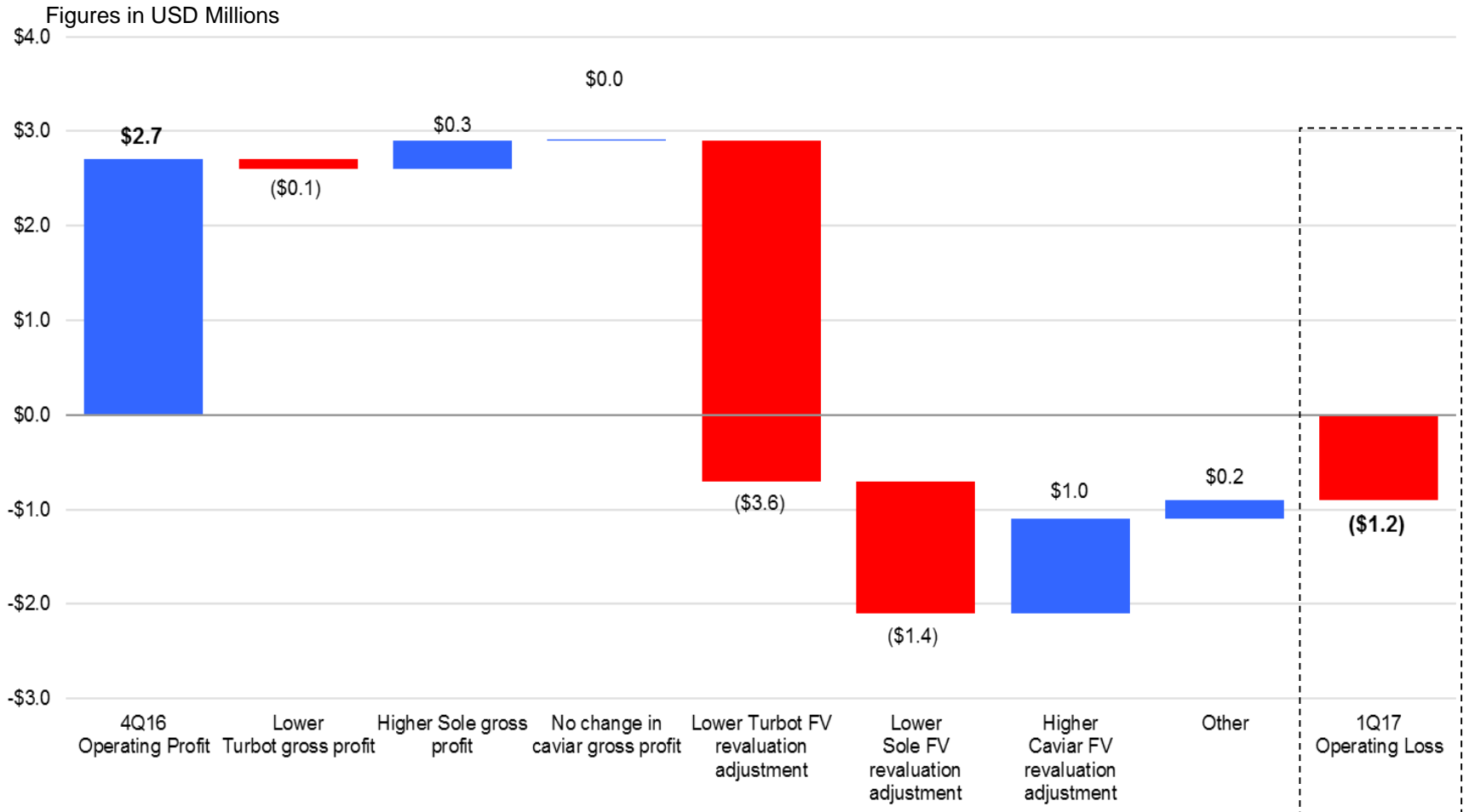
%

GROSS OPERATING PROFIT MARGIN (before IFRS adj)

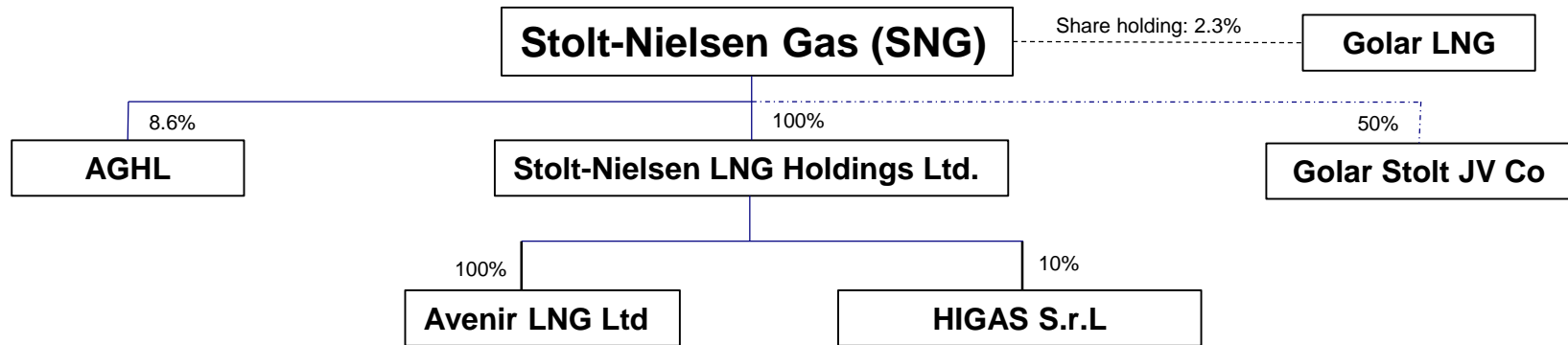


- Volume of turbot was up 12% but prices were down 5% due to significant wild catch
- Sole prices and volume were down due to increased wild catch
- For caviar, whereas volume was down during the quarter, which typically is the peak season, prices in 1Q17 increased by 29% due to a higher proportion of direct sales resulting in better margins
- FV adjustment of inventory had a negative impact of \$3.5M compared to a positive impact of \$0.6M in the prior quarter

SSF: 4Q16 to 1Q17 Operating Profit Variance



Stolt-Nielsen Gas



LNG Strategy:



Financials



Stolt Pride sea trial

Net Profit

Figures in USD Millions

	Quarter			Full Year
	<u>1Q17</u>	<u>4Q16</u>	<u>1Q16</u>	<u>2016</u>
Operating Profit (before one offs)	\$51.8	\$55.0	\$63.5	\$248.3
Tanker accelerated depreciation	-	(1.9)	(6.9)	(15.6)
Terminals accelerated depreciation, claims	(0.6)	(1.5)	-	(1.5)
(Loss) / gain on sale of assets	(2.0)	(0.2)	2.5	(0.1)
US pension plan & post retirement medical	-	5.6	-	5.6
Impairment of Bitumen accounts receivable	(0.3)	(2.7)	-	(2.7)
JOT acquisition costs	(0.4)	(2.2)	-	(2.2)
Other	-	-	(1.3)	-
Operating Profit (as reported)	\$48.4	\$52.1	\$57.8	\$231.8
Net Interest Expense	(31.7)	(26.6)	(26.1)	(103.6)
FX Gain / (loss), net	0.8	1.1	0.1	(1.6)
Income Tax	(2.4)	(3.9)	(3.1)	(15.7)
Other	0.1	0.0	1.7	2.3
Net Profit	\$15.2	\$22.8	\$30.4	\$113.2
EBITDA^{a)}	\$120.4	\$110.2	\$115.1	\$461.3

a) EBITDA before fair value of biological assets, insurance reimbursements and other one-time, non-cash items



Balance Sheet

Figures in USD Millions

	Period ended
	<u>Feb.28.17</u>
Cash and cash equivalents	\$108
Marketable securities	-
Receivables	237
Other current assets	167
Total current assets	<u>512</u>
Property, plant and equipment, deposits	3,309
Investment in and advances to JV and associates	543
Other non-current assets	193
Total non-current assets	<u>4,044</u>
Total assets	\$4,557
ST bank loans	4
Current mat. of LT debt and fin. leases	443
Accounts payable and ac. expenses	328
Other current liabilities	56
Total current liabilities	<u>831</u>
LT debt and finance leases	2,030
Other non-current liabilities	278
Total non-current liabilities	<u>2,308</u>
Total liabilities	\$3,138
Shareholders equity	\$1,418
Total liabilities and SH equity	\$4,557

Figures in USD Millions (Except ratios)

At the end of:

	<u>February 2017</u>
Debt	\$2,477
Tangible Net Worth (TNW)	\$1,597
Debt:TNW	1.55:1
EBITDA / Interest expense	3.51:1
Cash	\$108
Unused committed available credit lines	\$268

- 60.8% fixed / 39.2% variable interest rate at February 28, 2017
- Average interest rate of 4.4% at February 28, 2017
- 2Q17 net interest expense expected to be approximately \$31M



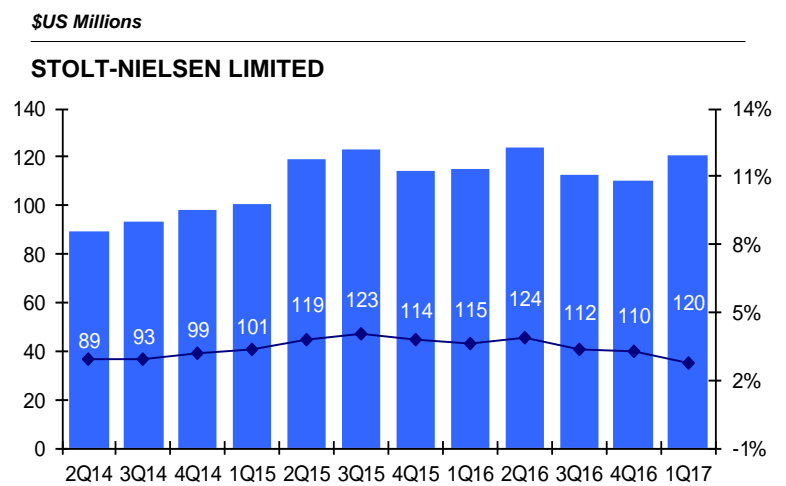
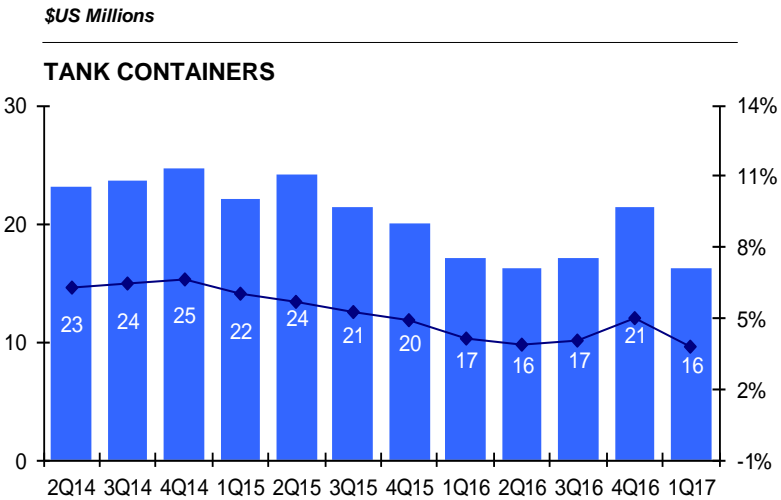
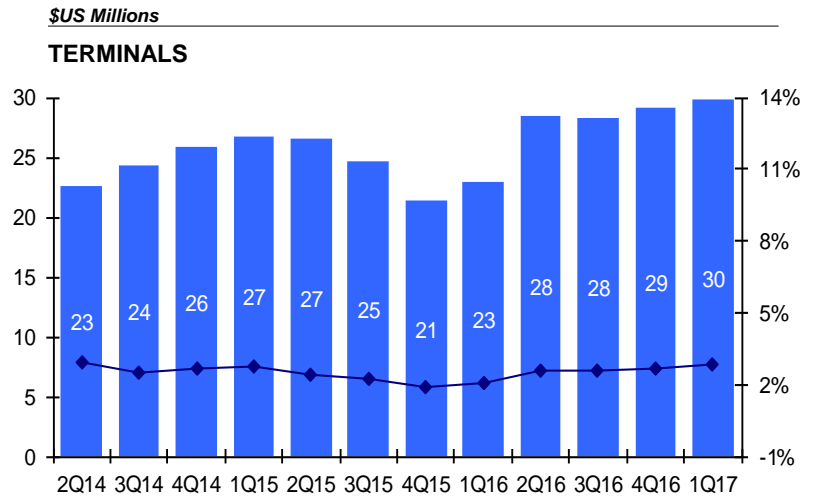
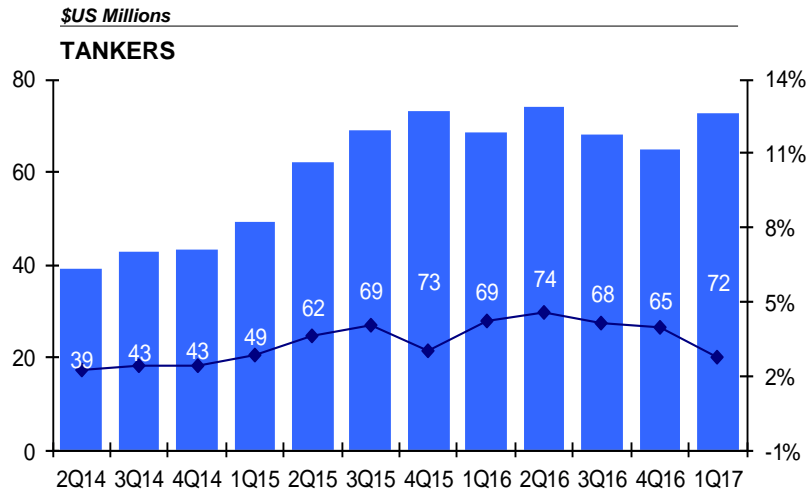
Cash Flow

Figures in USD Millions

	Quarter		Full Year
	1Q17	4Q16	2016
Net income	\$15	\$23	\$113
Depreciation, amortisation and non-cash items	67	44	187
Changes in working capital	(26)	4	(3)
Other receipts, net	1	0	22
Net cash generated by operating activities	\$57	\$71	\$319
Capital expenditures and intangible assets	(127)	(95)	(291)
Amounts from advances to affiliates	0	(0)	8
Sale of assets	14	7	32
Newbuilding deposits	(7)	-	(35)
Business acquisition	(1)	(275)	(275)
JOT Cash on hand less advance	-	25	25
Investments and advances to JV and associates	-	(6)	(12)
Other	(0)	(3)	(5)
Net cash used in investing activities	(\$122)	(\$347)	(\$553)
Increase in short-term bank loans & revolver	(4)	303	348
Proceeds from issuance of long term debt	301	139	602
Purchase of treasury shares	-	-	(2)
Repayment of long-term debt	(193)	(148)	(645)
Dividend and other	(24)	-	(55)
Net cash provided by (used in) financing activities	\$80	\$294	\$248
Total Cash Flow	\$16	\$18	\$14
Cash and cash equivalents at beginning of period	\$93	\$75	\$78
Cash and cash equivalents at end of period	\$108	\$93	\$93



EBITDA



EBITDA

Quarterly EBITDA as a % to NAB

EBITDA before fair value of biological assets, insurance reimbursements and other one-time, non-cash items in 2016 & 2017



Administrative and General Expenses

Figures in USD Millions

	Quarter			Full Year	Updated Quarterly Guidance
	<u>1Q17</u>	<u>4Q16</u>	<u>1Q16</u>	<u>2016</u>	
Stolt Tankers	\$22.5	\$18.5	\$19.7	\$77.2	\$22.5
Stolthaven Terminals	10.1	9.9	10.1	42.8	10.5
Stolt Tank Containers	15.7	14.2	14.9	61.0	16.0
Stolt Sea Farm	1.2	1.2	1.0	5.0	1.0
<u>SNL Corporate</u>					
SNL Corporate and Other	(1.0)	0.8	(1.4)	0.9	0.0
Cost relating to JOT acquisition	-	2.2	-	2.2	-
Profit Sharing / LTIP	3.1	3.1	4.2	14.4	3.1
Total	\$51.7	\$49.9	\$48.5	\$203.5	\$53.1

Depreciation and Amortisation

Figures in USD Millions

	Quarter			Full Year	Updated Quarterly Guidance
	<u>1Q17</u>	<u>4Q16</u>	<u>1Q16</u>	<u>2016</u>	
Stolt Tankers	\$42.0	\$33.4	\$38.1	\$141.4	\$44.0
Stolthaven Terminals	13.1	15.7	13.5	57.6	13.6
Stolt Tank Containers	7.3	6.2	5.7	24.0	7.1
Stolt Sea Farm	1.1	1.4	1.5	5.6	1.5
SNL Corporate	1.3	1.4	1.4	5.6	1.5
Total	\$64.9	\$58.0	\$60.1	\$234.1	\$67.7

Share of Profit of JVs and Taxes

Figures in USD Millions

Share of Profit of JVs

	Quarter			Full Year	Updated Quarterly Guidance
	<u>1Q17</u>	<u>4Q16</u>	<u>1Q16</u>	<u>2016</u>	
Stolt Tankers	\$1.5	\$2.5	3.4	\$13.4	\$3.0
Stolthaven Terminals	4.5	3.6	4.5	18.9	5.0
Tank Containers	0.5	0.3	0.7	1.5	0.3
Corporate and Other	(2.5)	(0.9)	2.1	(0.2)	(1.8)
	\$4.0	\$5.5	\$10.7	\$33.6	\$6.5

Taxes

	Quarter			Full Year
	<u>1Q17</u>	<u>4Q16</u>	<u>1Q16</u>	<u>2016</u>
Tankers, Terminals and T. Containers	2.3	\$3.5	\$1.2	\$9.2
Stolt Sea Farm	(0.3)	(0.6)	1.4	3.7
SNL Corporate	0.4	(0.2)	0.5	2.8
Total Taxes	\$2.4	\$3.9	\$3.1	\$15.7



Capital Expenditures Programme

Figures in USD Millions

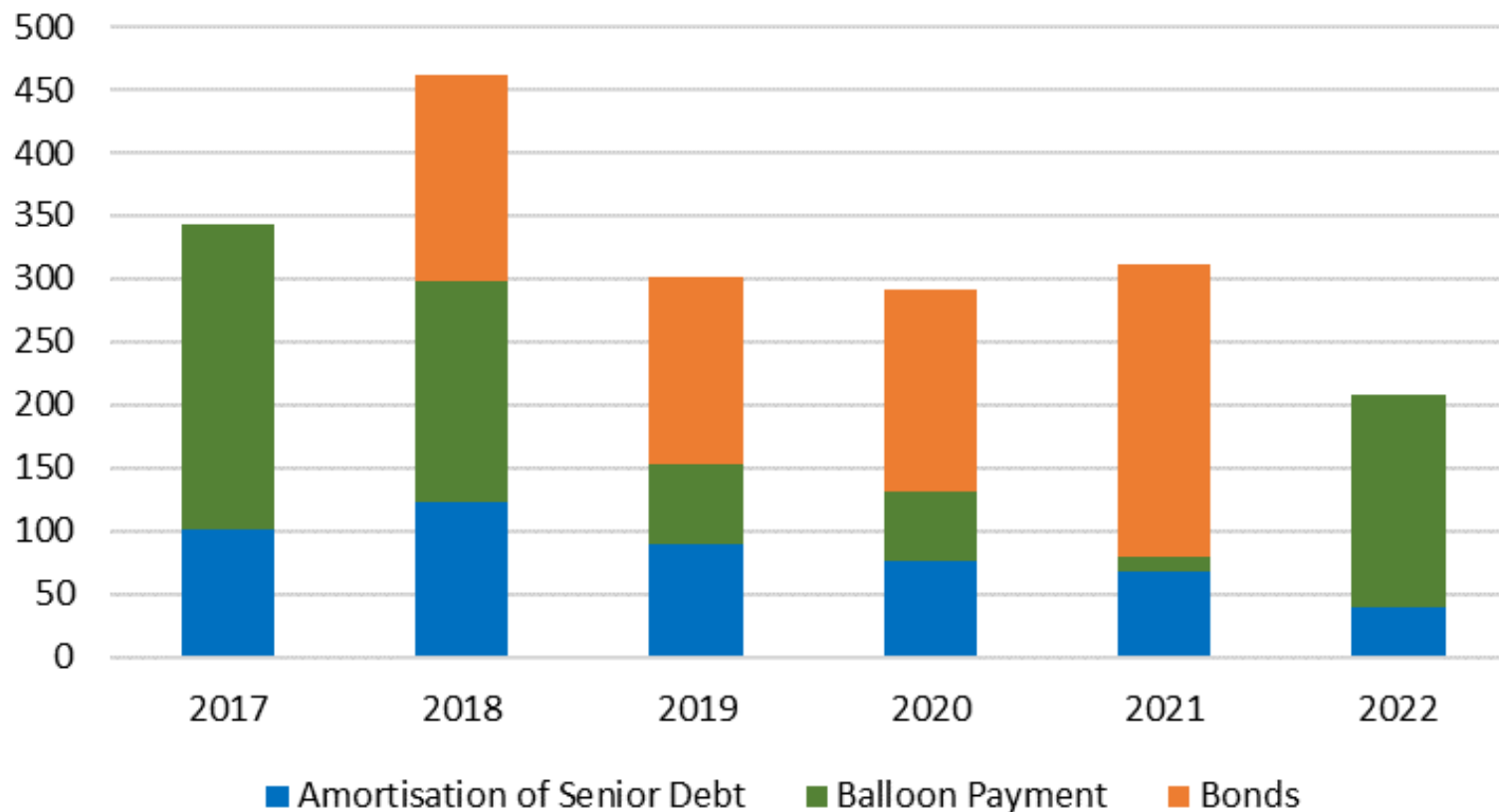
	Actual	Projections					Projected Total
	1Q17	2Q17 - 4Q17	2018	2019	2020	2021	
Stolt Tankers	\$109	\$133	\$24	\$18	\$12	\$6	\$192
Stolthaven Terminals	16	112	70	35	21	17	255
Stolt Tank Containers	4	28	3	-	-	-	31
Stolt Sea Farm	0	5	6	17	10	4	42
SNL Other	-	-	-	-	-	-	-
Total	\$129	\$278	\$102	\$70	\$43	\$27	\$520

- Capital Expenditures Programme includes business acquisitions and newbuilding deposits; excludes capitalised interest



Debt Maturity Profile

Figures in USD Millions



Notes:

\$362M drawn under revolver as of April 3rd, 2017



Key Takeaways

- 1Q17 net profit of \$15.2M; 1Q17 EPS of \$0.25
- Integration of JOT progressing as planned; focus on realising synergies and improving operations for the benefit of our stakeholders
- Weaker market in tankers and tank containers, but we believe we are near the bottom in both; fundamentals in terminals remain solid; volume and price negatively impacting turbot and sole
- Current dividend yield of 6% basis \$1 per share and a share price of NOK 145
- Good relationship with lenders and investors, which helps us raise competitive funding; the group has sufficient liquidity and the capex is mostly funded
- Diversified portfolio of businesses makes us well positioned to weather a potential further downturn in our markets



Note: Share price as of March 31, 2017 (NOK 145 per share) and NOK/USD exchange rate of 8.60



For more information please visit our website:
www.stolt-nielsen.com