



Stolt-Nielsen Limited Third-Quarter 2019 Results

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October 3, 2019

Stolt-Nielsen 

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 are not limited to, the matters described in the section “Principal Risks” (p. 41 et seq.) in the most recent annual report available at www.stolt-nielsen.com.

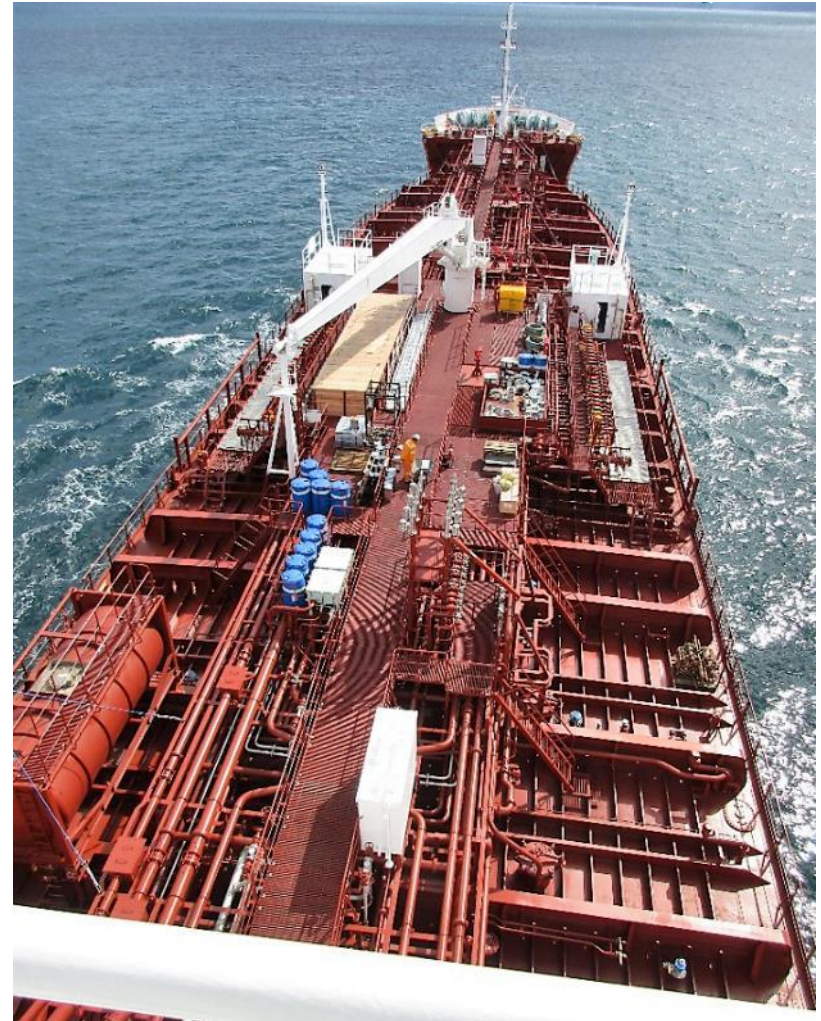
Agenda

- *Stolt Groenland* Update
- SNL 3Q19 Highlights
 - Stolt Tankers
 - Stolthaven Terminals
 - Stolt Tank Containers
 - Stolt Sea Farm
 - Stolt-Nielsen Gas
- Financials
- Q&A



Stolt Groenland

- On September 28, an explosion and fire occurred on Stolt Groenland, while the ship was berthed in Ulsan, South Korea.
- Crew is safe.
- As far as we know, no cargo has been discharged into the sea.
- Safety remains our top priority in all that we do and we are actively cooperating with the investigations to determine the cause of this incident.
- Ship is fully insured.



Stolt-Nielsen Limited Highlights

- The chemical tanker market has bottomed out; Stolt Tankers is well positioned for the recovery; preparations for the IPO are well underway.
- Stolthaven Terminals: With the infrastructure investments made over recent years we are positioned to significantly grow Free Cash Flow without any further capacity expansion.
- STC keeps delivering solid results and is well positioned for growth as it maintains its leadership position.
- At SSF the market outlook for turbot and sole looks positive; the two new farms in Spain and Portugal will support further growth.
- Exciting prospects at Avenir LNG as the business plan is put into effect in a growing LNG market.
- At SNL the balance sheet and liquidity is strong following a refinancing exercise where we raised over \$850m, allowing us to repay more expensive debt and push out our maturity profile.
- All of our businesses will generate positive Free Cash Flow by the end of 2020.

Third-Quarter 2019 Highlights

- **Stolt Tankers** - operating profit of \$15.0m, up from \$12.8m, mainly due to 1.6% decrease in operating expenses.
- **Stolthaven Terminals** - operating profit of \$19.5m, slightly down from \$19.7m. Utilisation was unchanged at 91.0%, while the product handled was down marginally.
- **Stolt Tank Containers** - operating profit of \$12.1m, down from \$12.6m, due to market softness and price competition. Shipments decreased by 1.2%.
- **Stolt Sea Farm** - operating profit before the fair-value adjustment of inventories was \$2.1m, up slightly from the second quarter.
- **Stolt-Nielsen Gas** - operating loss of \$1.1m down from a loss of \$1.4m in the prior quarter, reflecting SNL's share of development expenses at Avenir LNG Ltd.
- **Corporate and Other** - operating loss of \$2.0m, compared with a loss of \$2.1m in the prior quarter, reflecting gain on sale of *Stolt Kilauea*, partially offset by insurance losses.

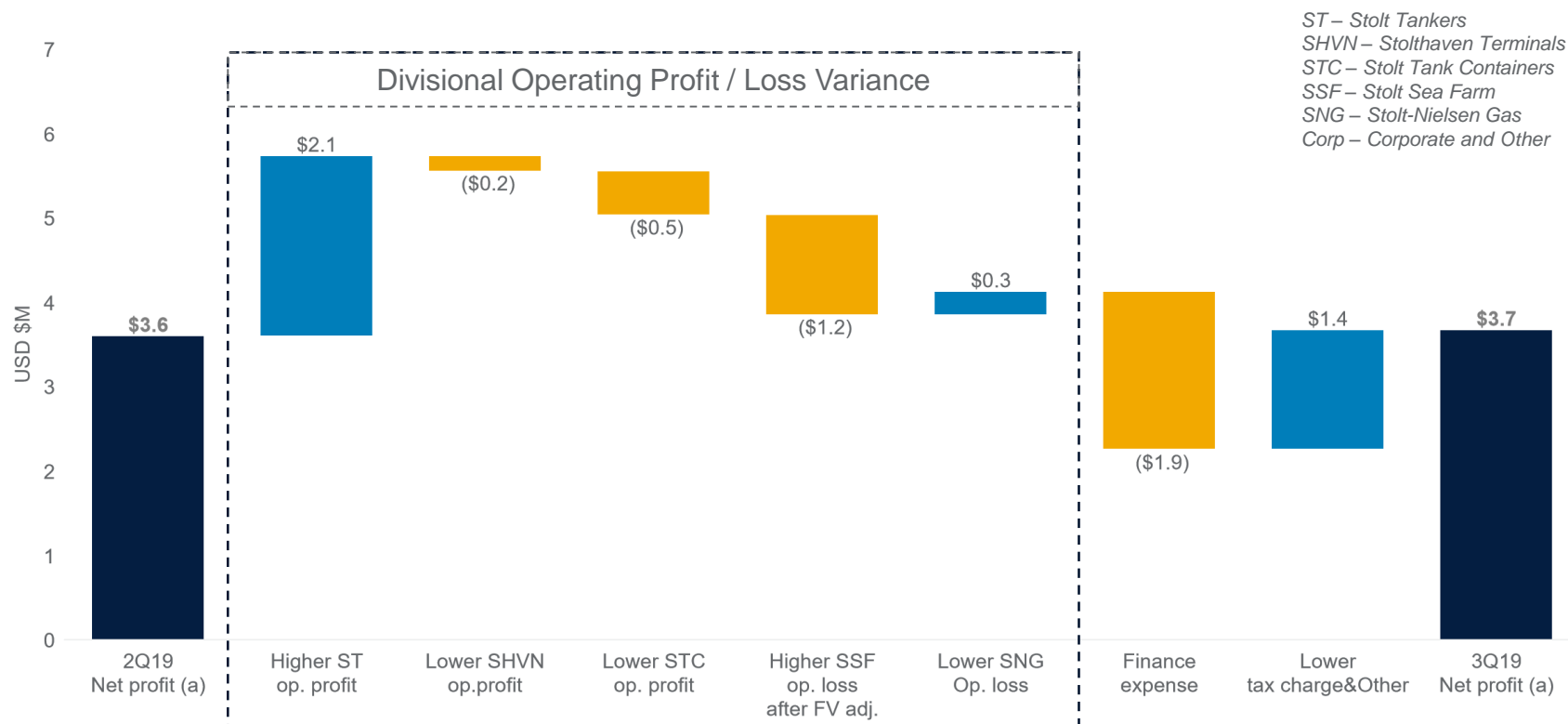
Figures in USD Millions (except per share)	3Q19*	2Q19*	3Q18	YTD	
				2019	2018
Revenue	\$519.0	\$518.9	543.1	1,539.9	1,599.4
Operating Profit	43.1	42.4	54.8	128.3	158.2
Net Profit (attributable to SNL equity holders)	3.7	3.6	3.0	15.8	51.3
EPS Diluted	0.06	0.06	0.05	0.25	0.83
Weighted average number of shares outstanding diluted**	60.5	60.5	61.0	60.6	61.5

*Unaudited financials.

**Weighted average number of shares, excludes 7m shares owned by a subsidiary of SNL.



SNL: 2Q19 to 3Q19 Net Profit Variance



(a) Net profit attributable to equity holders of SNL.

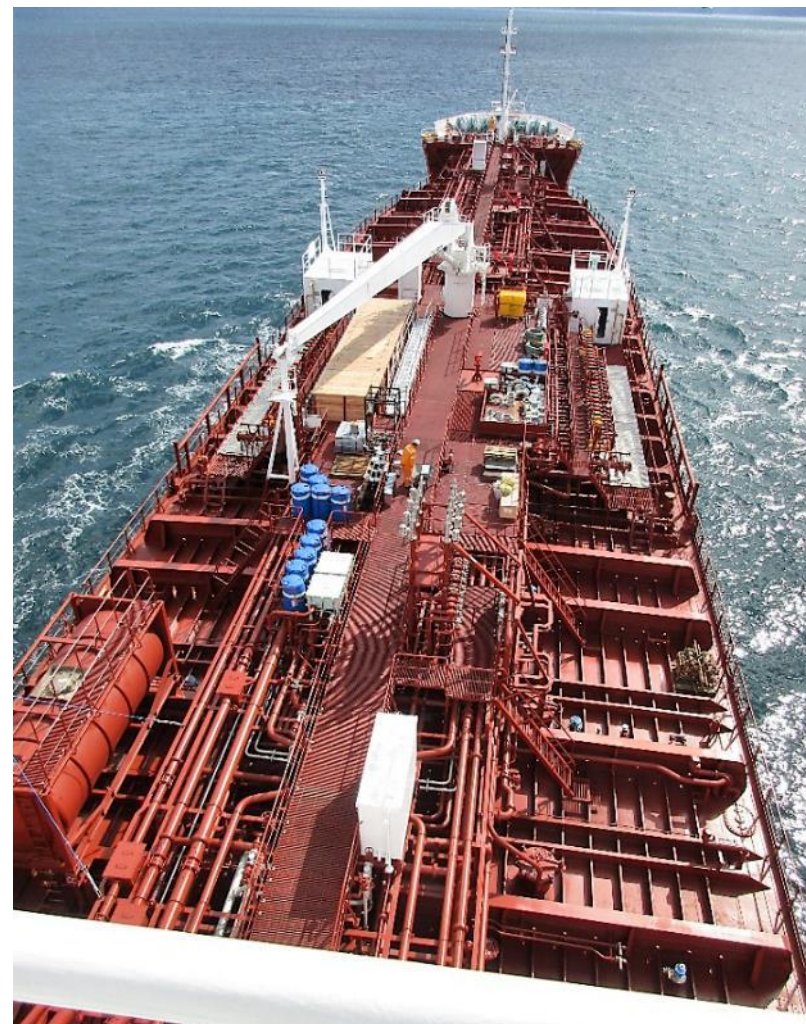
Note:

- SSF operating income is after fair value adjustment.

Stolt Tankers Highlights



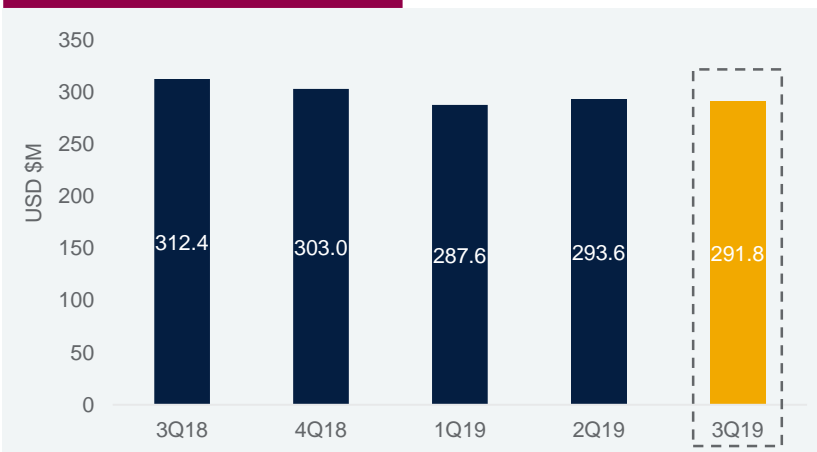
- 3Q19 revenue marginally down compared with second quarter
 - Deep-sea revenue increased 2.2%
 - Regional fleet revenue decreased by 8.5%
- Owning expenses decreased by 3.9%, compared with the second quarter, driven mainly by cost efficiencies.
- Freight rates COA renewals in the quarter were down 1.5%, compared with a decrease of 2.5% in the previous quarter.
- The majority of the contracts renewed in the third quarter were with an increase.



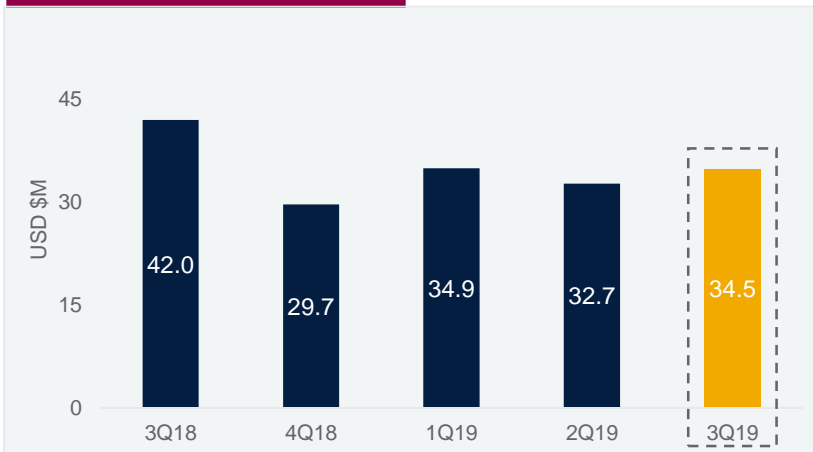
Tanker market has bottomed out



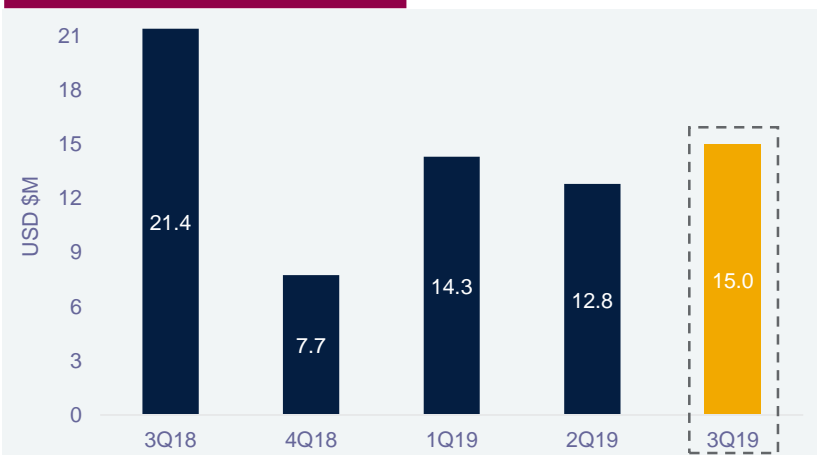
Revenue



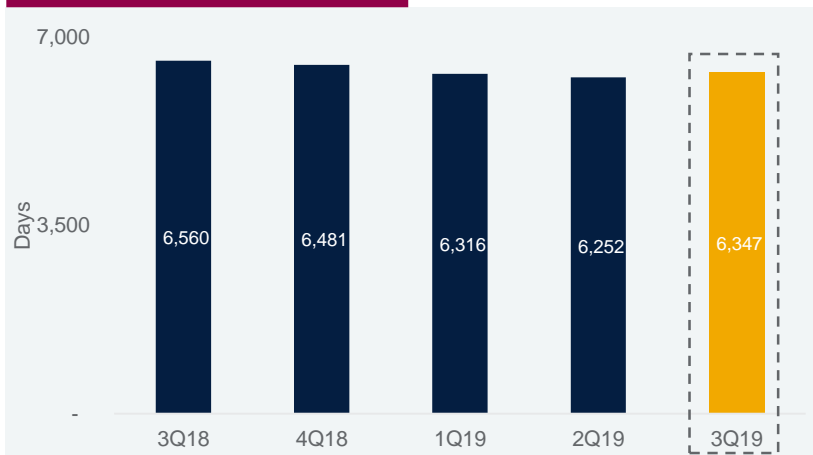
Gross Profit



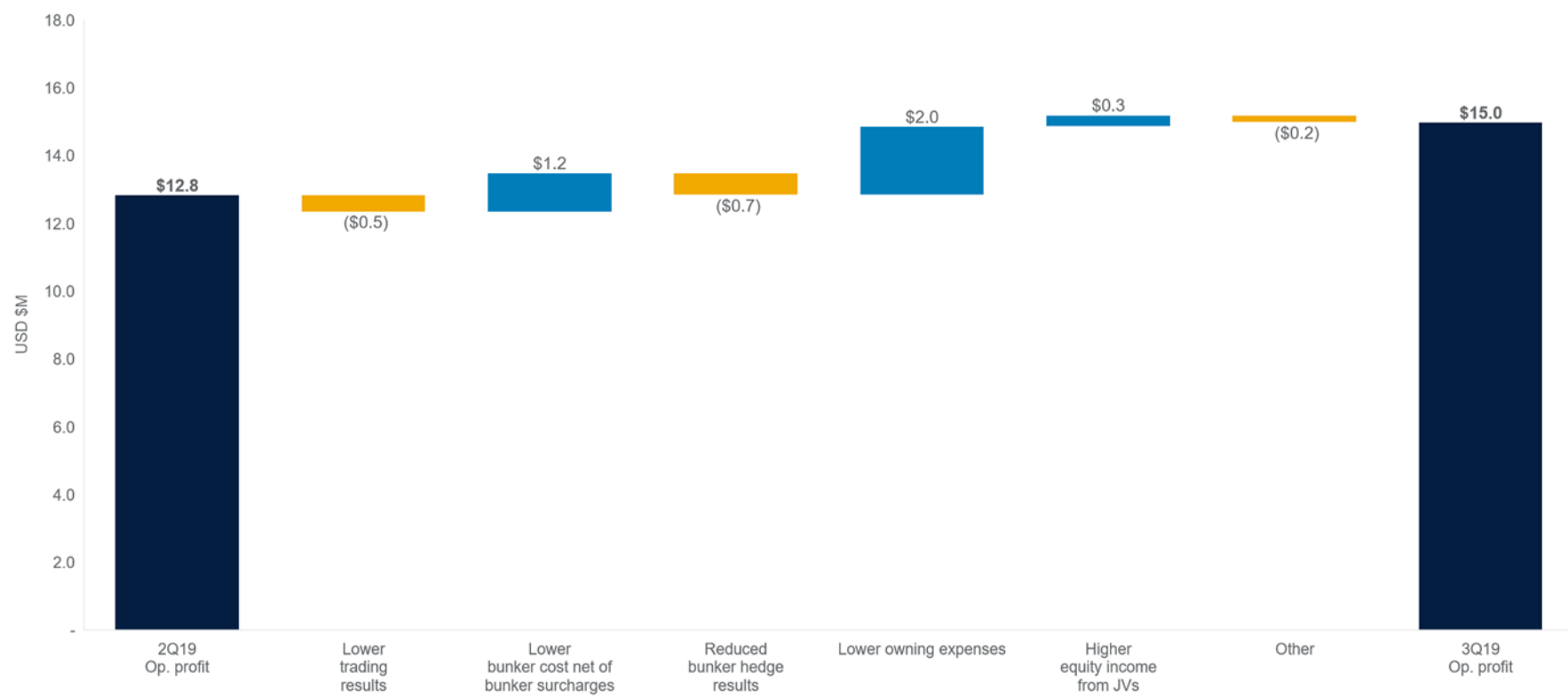
Operating Profit



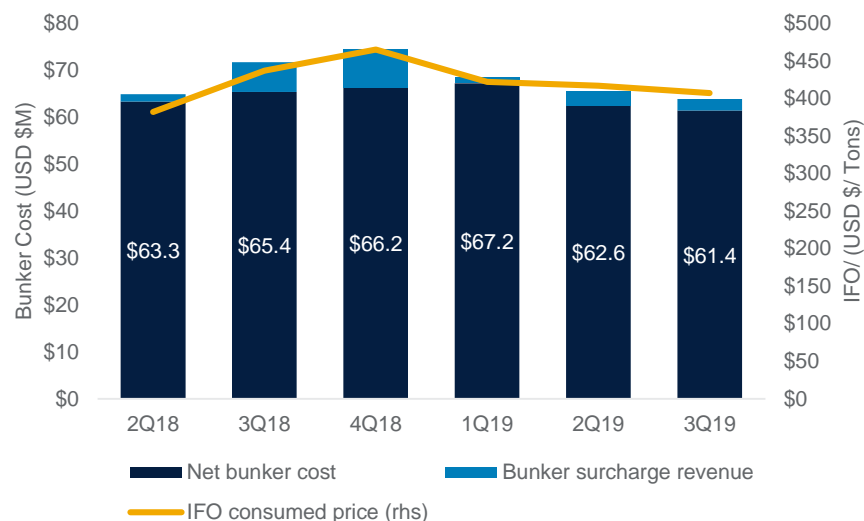
Operating Days



ST: 2Q19 to 3Q19 Operating Profit Variance



Bunker Costs/Hedges



- Average price of IFO consumed decreased to \$407/tonne in 3Q19 from \$417/tonne in 2Q19.
- YTD COA bunker surcharge clauses covered 64% of total volume.
- The \$1.3m loss on 3Q19 bunker hedges, compared with a second quarter loss of \$0.7m, reflected lower prices and an increasingly negative forward curve for HFO.

Bunker Hedge Results

Period	Realised G/(L) USD \$M	Unrealised G/(L) USD \$M	Total Hedge G/(L) USD \$M
FY18	14.4	(8.2)	6.2
2Q19	3.1	(3.8)	(0.7)
3Q19	0.9	(2.2)	(1.3)

STJS Bunker Price Sensitivity

	Per ton USD \$	Net Impact on P&L (excl hedges) USD \$M
IFO average price 3Q19	407	0.0
Base price + 5%	427	(\$1.3)
Base price + 10%	448	(\$2.7)
Base price + \$100	507	(\$6.3)

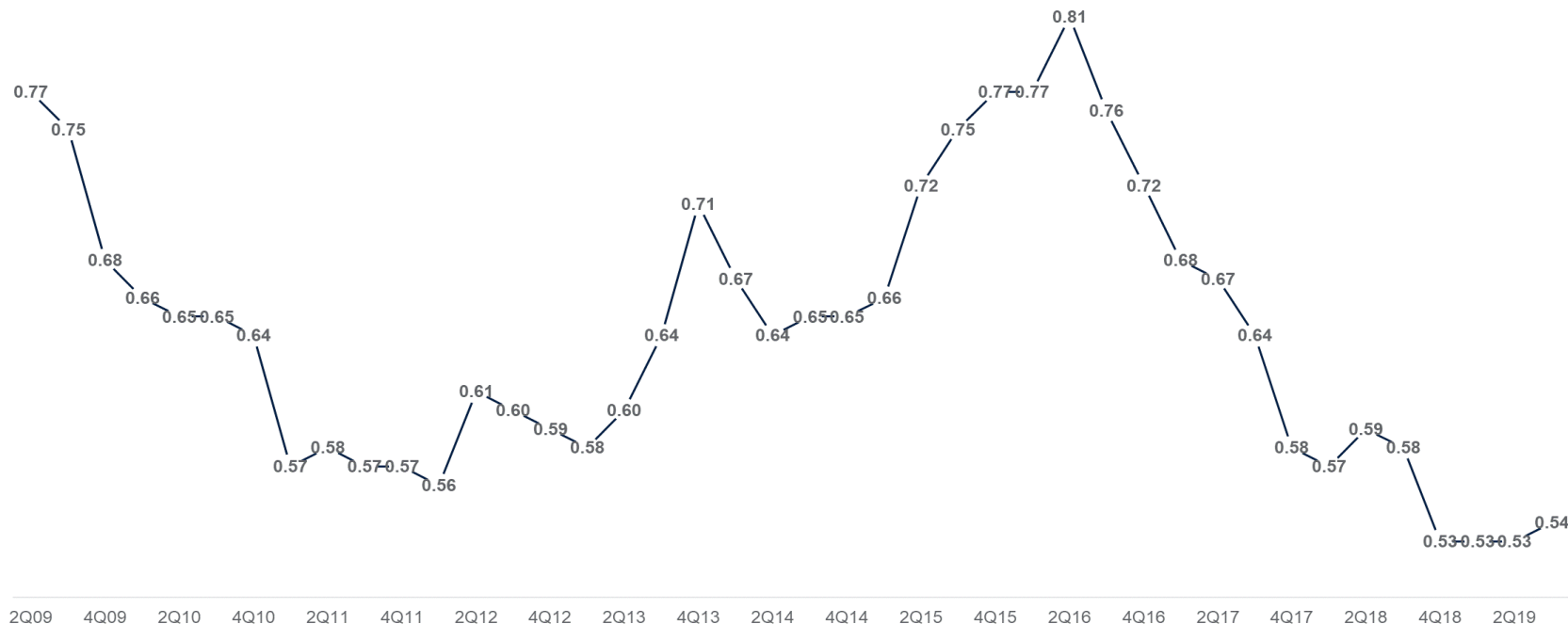
IMO 2020, Stolt Tankers Update



Effective January 1, 2020, all ships must consume low-sulphur fuel (0.5%, down from 3.5%)

- Stolt Tankers Plan: Mix of ships with scrubbers and buy MGO (0.1%) or new fuels(0.5%) not yet in the market.
 - We have a detailed changeover plan for 104 ships including a tank-by-tank inventory of steps
 - Transition time 6 weeks in-service with cleaning plan; target changeover date to ensure full consumption of high-sulfur fuel
- Good progress is being made in passing cost increment to customers:
 - High percentage of contracts extending beyond Dec.31.2019 with bunker surcharge clauses include pass through of cost to customers
 - Bunker pass-through starts as early as mid-October
 - A substantial number of contracts remain to be negotiated over the next 3 months

STJS Sailed-in TC Index and Sensitivity



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

Index based on SIR STJS ships + net result outside T/C ships, base is 1Q96 + adjusting for inflation based on US Consumer Price Index (CPI)

Sensitivity analysis

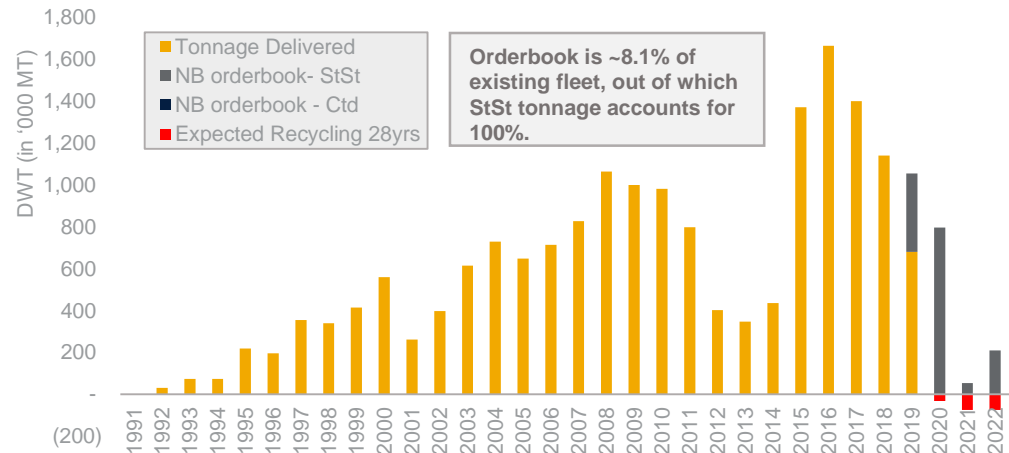
USD\$m	Net Impact on P&L per quarter	
Sailed-in T/C Index 3Q19	0.54	0.0
Sailed-in T/C Index + 5%	0.56	5.3
Sailed-in T/C Index + 10%	0.59	10.6
Sailed-in T/C Index + 15%	0.62	15.9



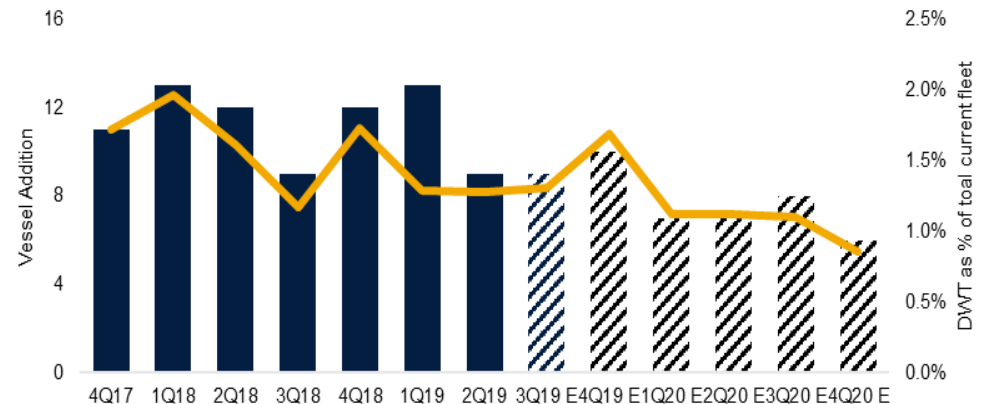
Chemical Tanker Fleet and Orderbook – 3Q19

- Orderbook of 8.1%, up from 7.2% in 3Q with new orders in Japan for 2022 delivery.
- Supply growth will ease to an estimated 2% p.a. in 2020 – its lowest level since 2014 – and less in 2021 as the orderbook continues to shrink.
 - Newbuilding deliveries of 1.4m DWT (~49 ships) still expected from 4Q19 – 2022.
 - 0.2m DWT expected to be recycled from 2019 – 2022.

Order Book



Vessels Addition



Source: Stolt-Nielsen and Drewry, as of September 2019.

Competitor criteria: i) IMO 2 ships between 15,000 and 50,000 dwt, ii) average segregation size less than 3,000 MT, iii) excludes non-core coated ships.

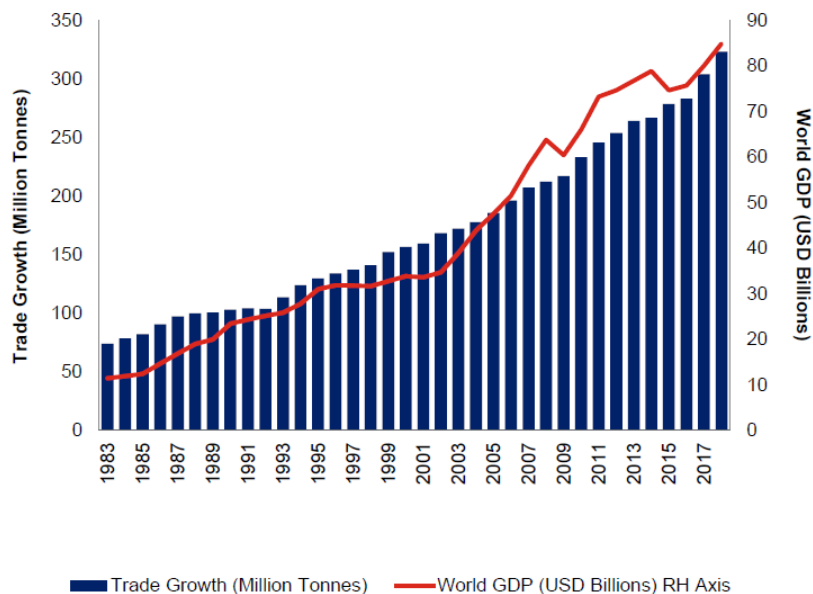


Trade - Demand

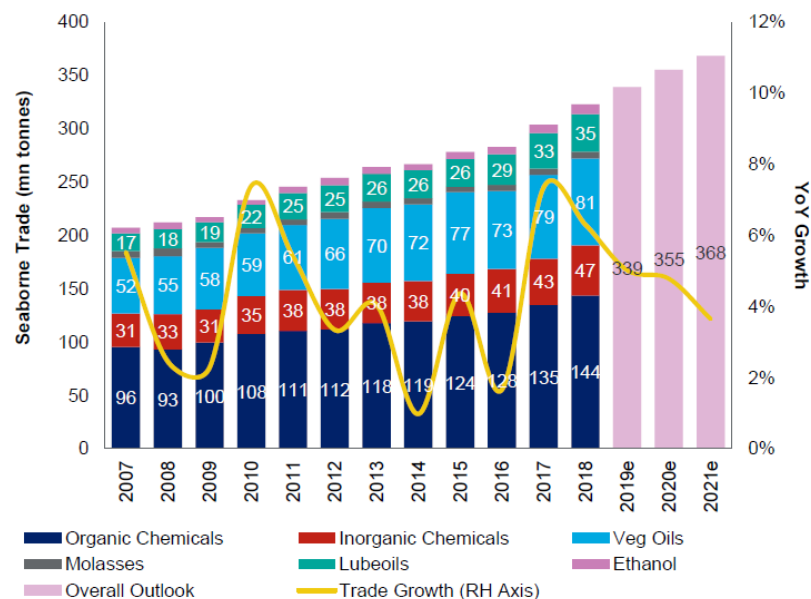


- Global GDP growth for 2019 is forecasted to slow down from 3.2% a year ago to 2.9% while forecasts for 2020 and 2021 are at 2.7% and 2.8% respectively.
- For the chemical market, forecasters predict a wider range of outcomes than in recent years.
- Stolt Tankers see 2% to 4% demand growth for 2020 as a reasonable assumption.
- Product tanker operators expect supply/demand balance to improve in 2020, with IMO 2020 regulations starting on January 1.

World GDP vs. Specialised Products trade = 0.99 correlation



Seaborne Trade Growth by Cargo Parent Group



Source: Clarksons



Third-Quarter 2019 Results

Stolthaven Terminals Highlights



- Operating revenue was flat compared with the second quarter, while expenses decreased by \$1.3m, resulting in a \$0.8m increase in gross profit.
- Equity income from JVs increased by 7.7% to \$5.8m due to higher utilisation at our JV terminal in Antwerp.
- Utilisation for wholly owned terminals remained flat at 91.0%, while total product handled decreased by 0.8% compared with the second quarter.
- Non-strategic Stolthaven's terminal in Altona, Australia was sold at the end of July for AUD \$10m.

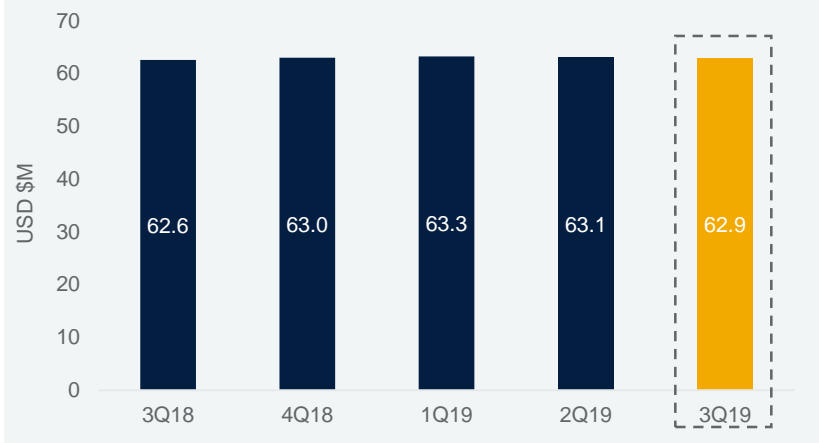


SHVN Santos recently completed the construction of 6 new tanks.

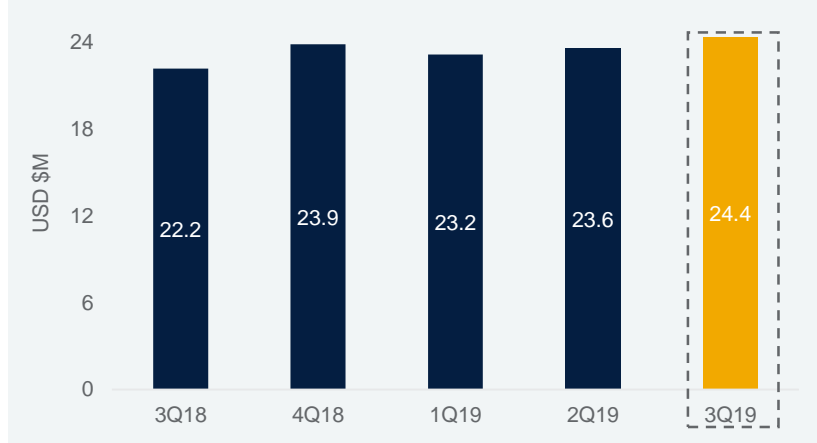
SHVN: Steady Performance



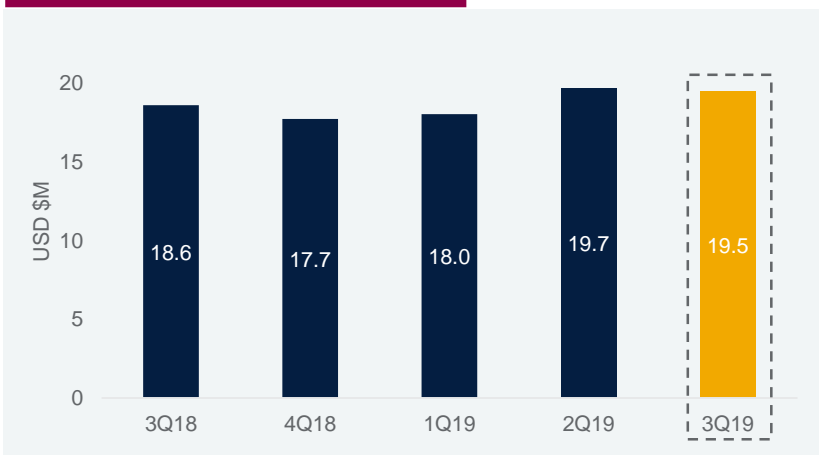
Revenue



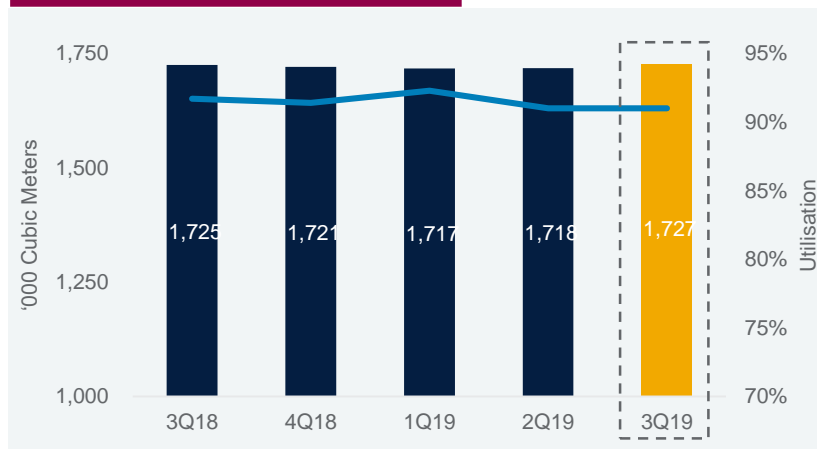
Gross Profit*



Operating profit*



Wholly-owned Terminal KPIs

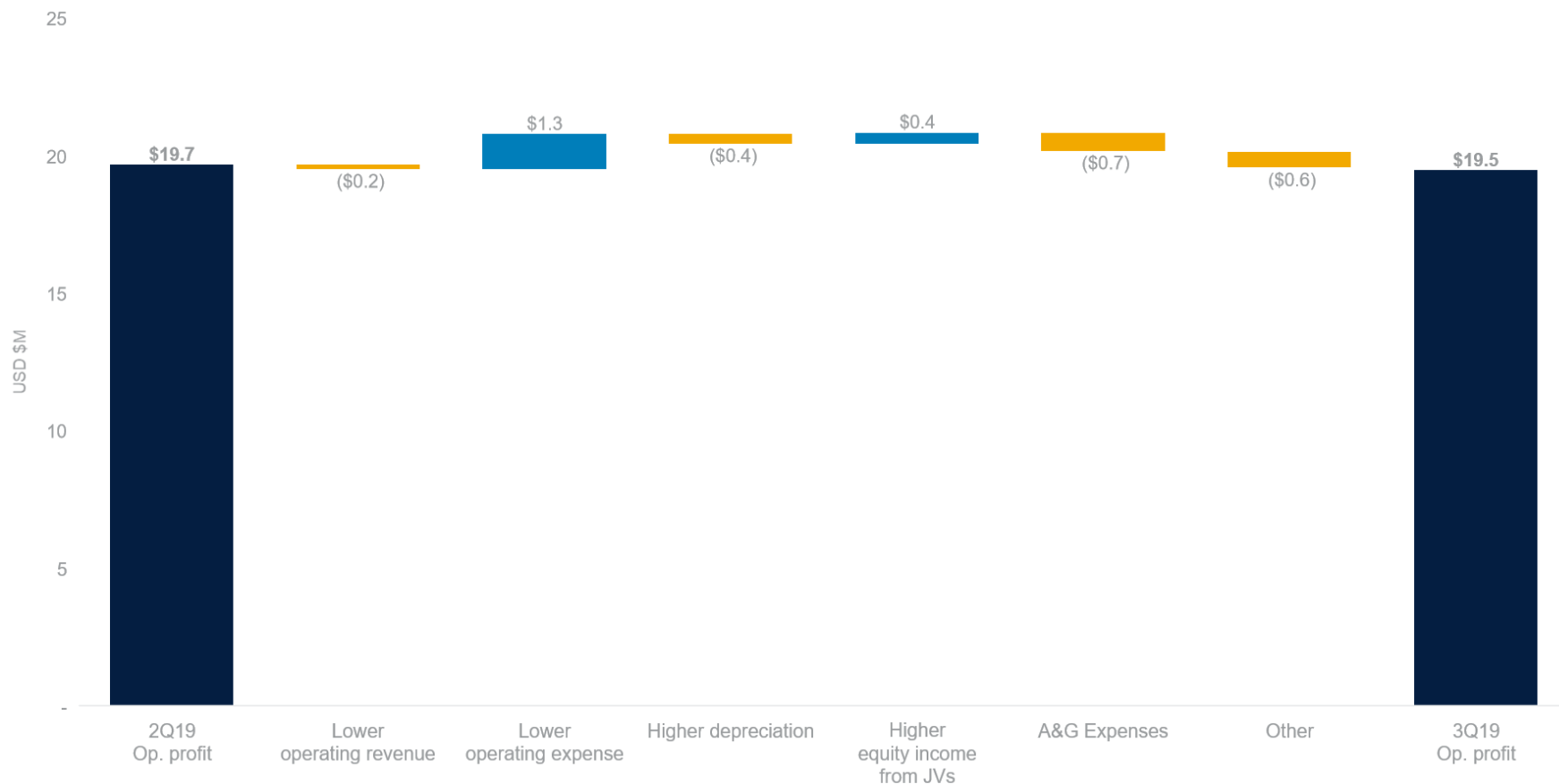


Notes:

*Excludes \$6.1m impairment of assets in 4Q18.



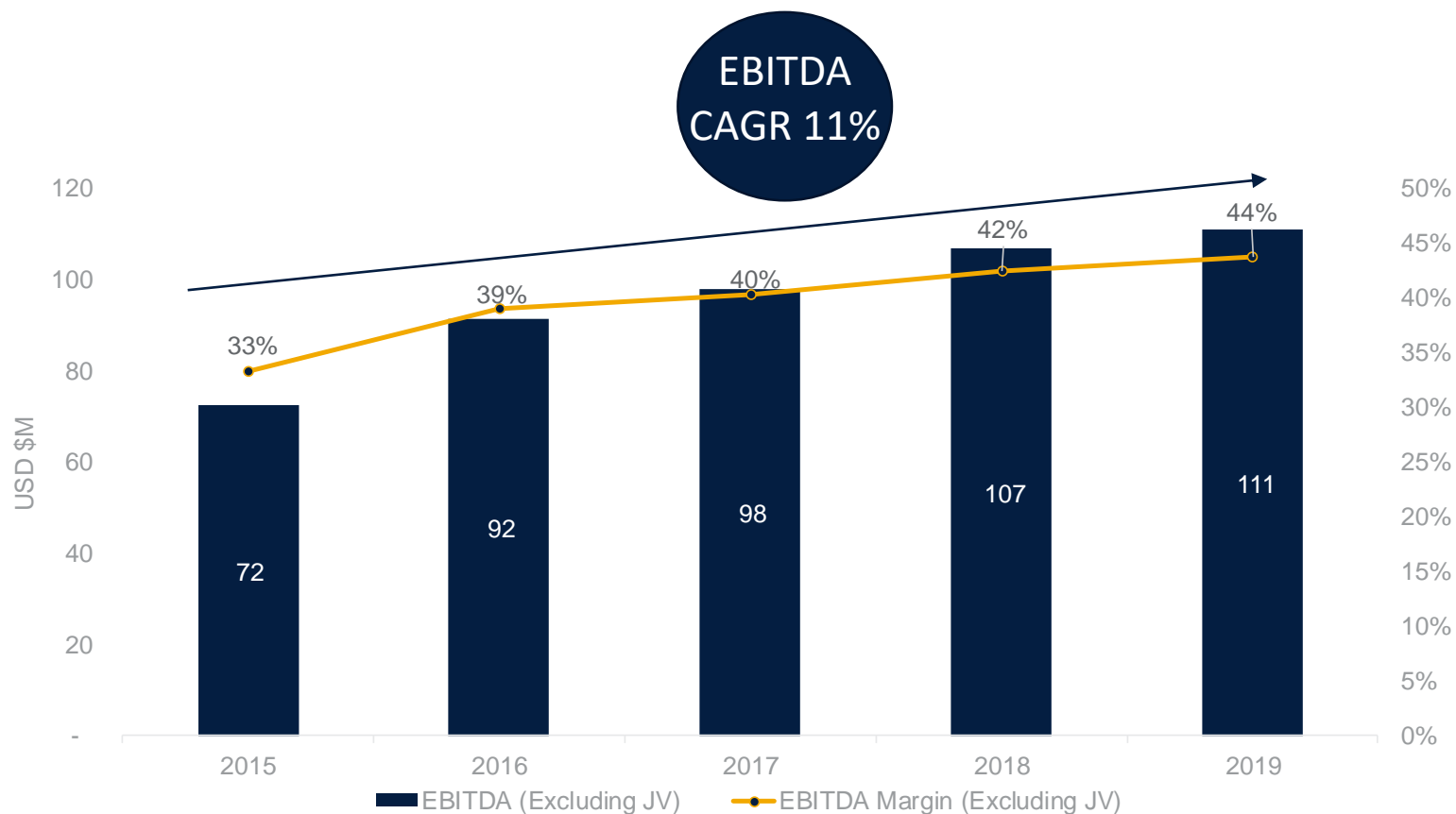
Terminals: 2Q to 3Q Operating Profit Variance



Note:

Other: 2Q included a \$0.7m gain on sale of the Rail business and \$0.7m of other non-operating income for a total of \$1.4m, while 3Q included a gain \$0.6m from the sale of Altona Terminal.

SHVN: EBITDA Margin (Owned Terminals)



Stolthaven Terminals Market Development



- USA: Market has become slightly weaker, reflecting impact of the ongoing US-China trade war, and a general slow down of the economy.
- Europe: demand remains stable for chemicals. The CPP market continues to see storage demand for IMO 2020 bunkers and jet-fuel, although overall market remains weak with rates reflecting the situation.
- Asia: The Chinese market is generally weak, partly due to the US-China trade sanctions. Also because of the ongoing slowdown in the economy. The Korean market remains stable for chemicals.
- Brazil: market remains generally stable for petroleum and chemicals



Stolthaven Singapore.

Stolt Tank Containers Highlights



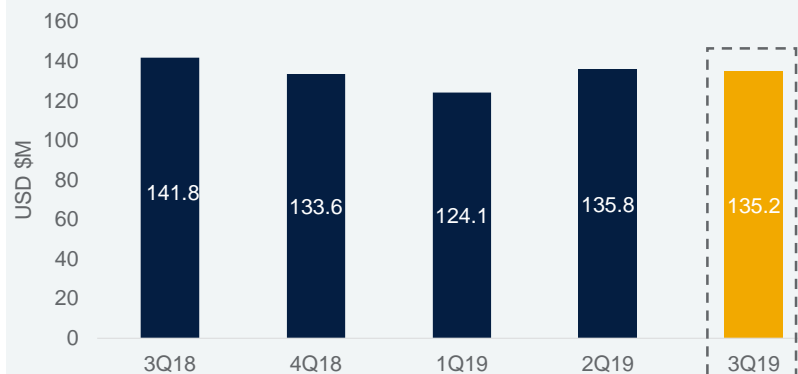
- STC's operating revenue was unchanged from the second quarter, as a \$3.9m decrease in transportation revenue was mostly offset by increases in demurrage and other revenue
- The third quarter saw a 1.2% decrease in shipments due to increased competition in some regions, the ongoing trade war between US and China, and general economic softness.
- During the quarter, operating expenses increased by 0.9%, reflecting higher repositioning and move-related expenses
- Transportation margin per shipment decreased by 14.4% from the second quarter, reflecting a tougher competitive environment.
- Utilisation decreased to 67%, from 69% in the second quarter, reflecting an increase in intra-regional trade with shorter shipments.



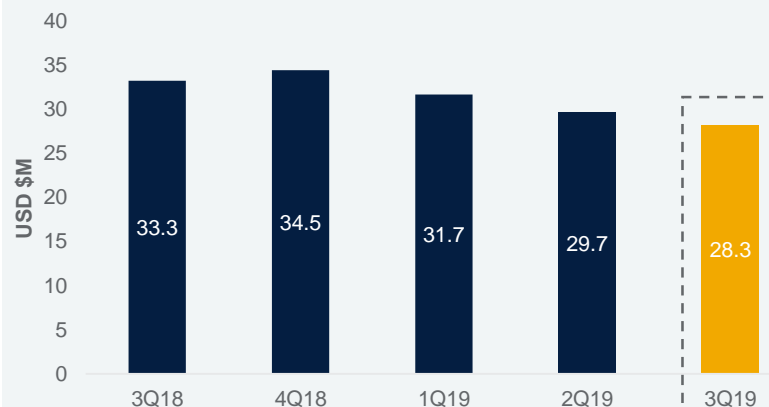
STC: Flat Volume and Squeezed Margin



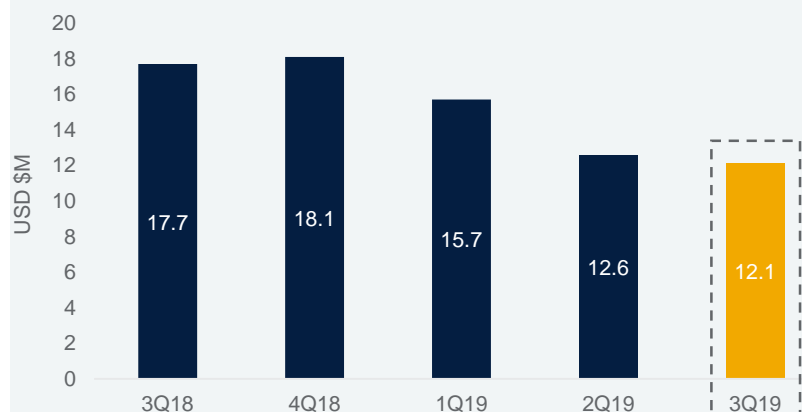
Revenue



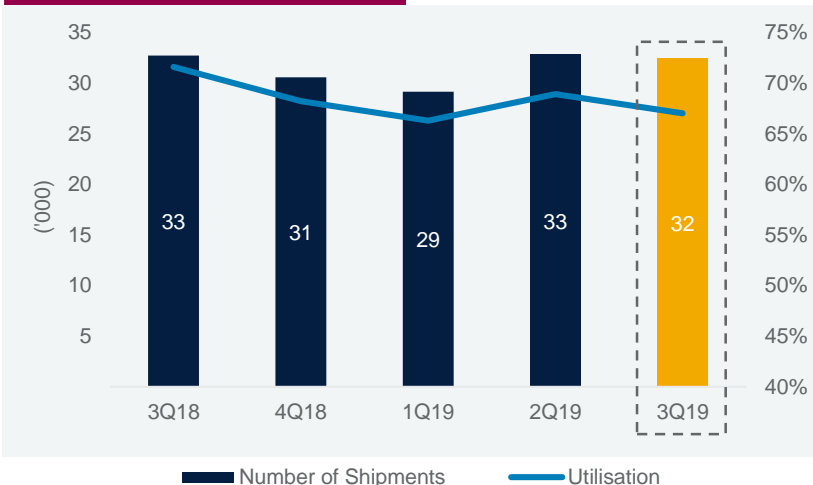
Gross Profit



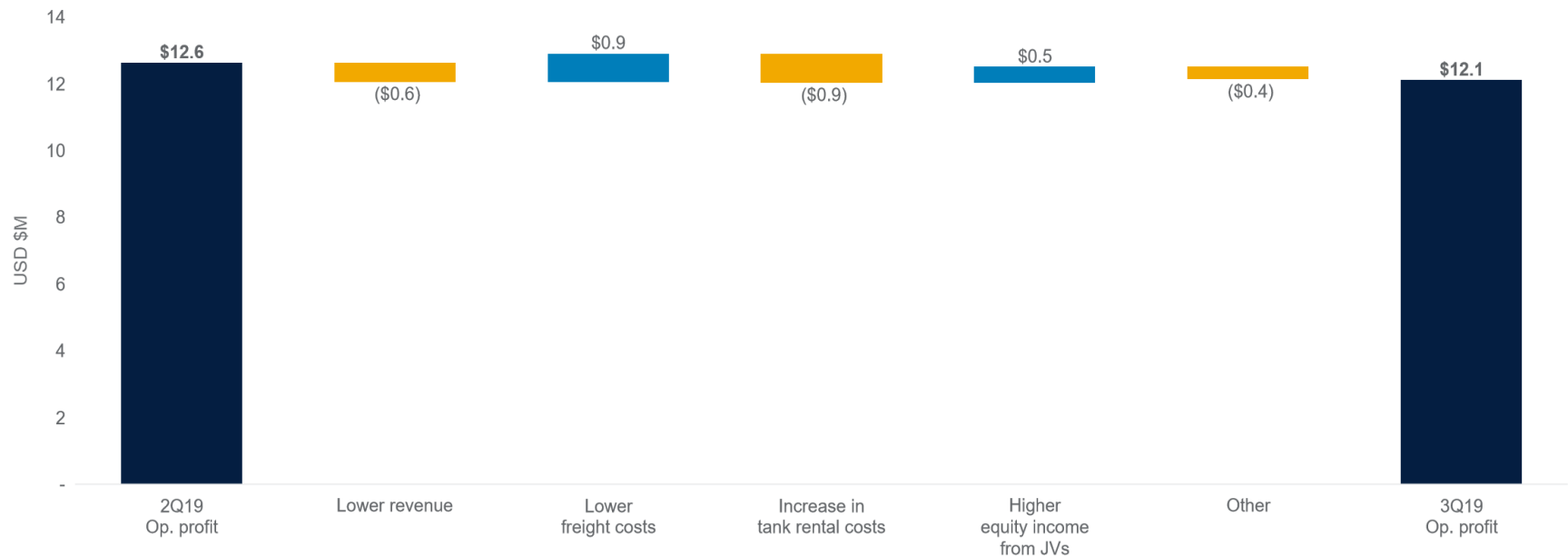
Operating Profit



Shipments



STC: 2Q19 to 3Q19 Operating Profit Variance



Tank Containers Market Development

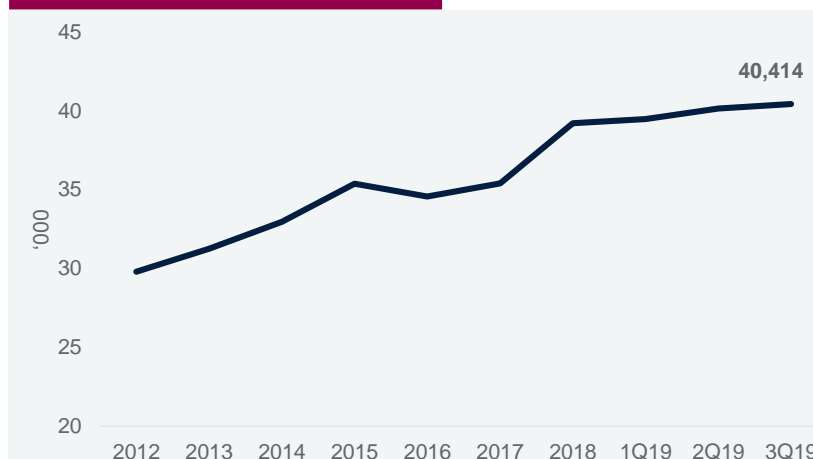


- Global slow down of activity in main markets is putting pressure on margins.
- The trade war between US and China are not affecting trade volumes overall, but we have seen a change in trade flows.
- Year-on-year, we have seen a 65% reduction in shipments from China to US and a 35% reduction from US to China
- Shifts in trade flows is adding margin pressure in some markets where inventories have build-up.
- Ocean freight rates are expected to increase due to:
 - Ocean carrier consolidation and IMO2020 fuel regulations; and,
 - Tighter ocean freight capacity in certain markets.

Shipments



Fleet Development



Stolt Sea Farm Highlights



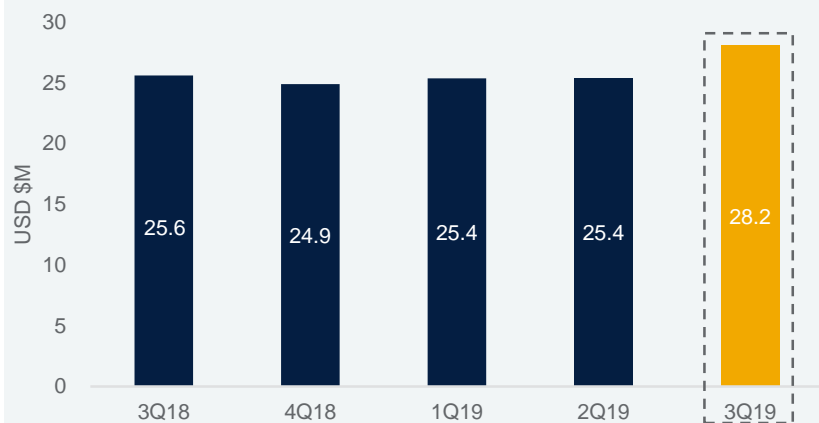
- Turbot revenue increased to \$24.3m from \$21.5m, driven by 21.6% increase in volume sold, partially offset by lower average prices as part of sales promotions.
- Sole revenue decreased to \$2.7m from \$3.0m, driven by 13.8% decrease in volume sold, while prices increased by 3.2%.
- Fair value adjustment had a negative impact of \$2.5m, compared with a negative impact of \$1.2m in the previous quarter.
- New state-of-the-art sole farms under construction in Spain and Portugal, using SSF recirculation technology. Operations in Spain, expected to commence at the end of 2019 in Spain, followed by Portugal in 2020.



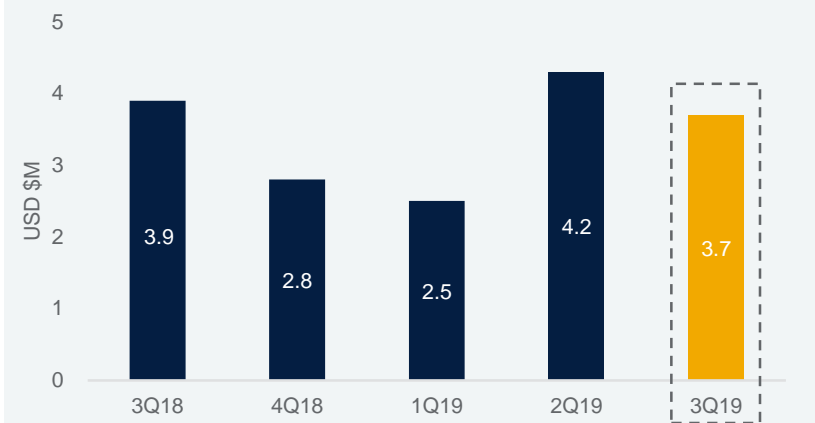
New farm under construction in Cervo, Spain



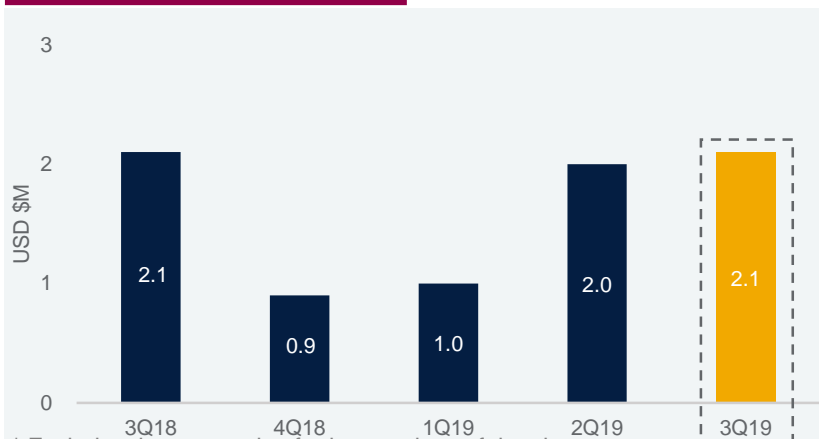
Revenue



Gross Profit*



Operating Profit*



* Excludes the accounting for inventories at fair value.

New Sole Farm in Cervo





■ Vessel Update

- Fixed first 7,500cbm LNG tankers with Petronas for 3 years at attractive TC rate and a Framework Agreement to work together on bunkering and other small-scale projects.
- Second newbuilding is being negotiated with a third party with similar terms than Petronas.

■ Terminal Update

- HIGAS terminal construction progressing well, operations expected to commence in August 2020.
- Negotiating a term sheet with a major industrial offtake customer in Sardinia, which will be the largest single customer (200,000 + mt pa).



Construction site, HIGAS Terminal, Sardinia

Avenir LNG Newbuilding Update



Financial Statements



SNL Net Profit

<i>Figures in USD \$ Million</i>	Quarter			YTD	
	3Q19	2Q19	3Q18	2019	2018
Operating Profit (before one-offs)	\$41.0	\$41.5	\$54.6	\$127.1	\$162.4
Gain/(Loss) on sale of assets	2.1	0.8	0.2	2.9	(0.6)
Write-down of inventory in Sterling Caviar	-	-	-	(1.7)	-
Impairment of Bitumen	-	-	-	-	(11.8)
Reversal of deferred tax liability at JV	-	-	-	-	8.2
Operating Profit (as reported)	\$43.1	\$42.4	\$54.8	\$128.3	\$158.2
Net Interest Expense	(34.7)	(32.8)	(33.0)	(101.8)	(101.5)
FX gain / (loss), net	(1.9)	(1.8)	(2.8)	(3.2)	(4.4)
Income tax	(3.2)	(4.3)	(4.0)	(11.0)	10.9
Other	0.1	0.1	(12.6)	1.2	(12.4)
Net Profit	\$3.4	\$3.5	\$2.3	\$13.5	\$50.8
Attributable to equity holders of SNL	3.7	3.6	3.0	15.2	51.3
Attributable to non-controlling interests	(0.3)	(0.1)	(0.7)	(1.7)	(0.5)
Net Profit	\$3.4	\$3.5	\$2.3	\$13.5	\$50.8
EBITDA a)	\$106.0	\$104.9	\$122.3	\$319.9	\$367.6

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

SNL Balance Sheet

<i>Figures in USD in millions</i>	Aug 31 2019
Cash and cash equivalents	\$143
Receivables	249
Other current assets	161
Total current assets	553
Property, plant and equipment, deposits	3,157
Investment in and advances to JV and associates	543
Other non-current assets	126
Total non-current assets	3,826
Total assets	\$4,379
Current maturity of LT debt and ST loans	434
Accounts payable and accrued expenses	330
Other current liabilities	131
Total current liabilities	895
LT debt and finance leases	1,939
Other non-current liabilities	183
Total non-current liabilities	2,122
Total liabilities	\$3,017
Shareholders equity	\$1,362
Total liabilities and SH equity	\$4,379

<i>Figures in USD \$ Million (Except ratios)</i>	Aug 31 2019
Debt	\$2,373
Tangible Net Worth (TNW)	\$1,600
Debt:TNW	1.48:1
EBITDA / Interest expense	3.05:1
Cash	\$143
Available committed credit lines	\$456

- Interest rate: 88% fixed and 12% variable at August 31, 2019
- Average interest rate of 4.96% at August 31, 2019
- 4Q19 net interest expense expected to be approximately \$35.5m, including write-off of debt-issuance cost
- Net Debt to EBITDA: 5.27

Note: EBITDA and Interest expense based on four rolling quarters.



SNL Cash Flow

Figures in USD \$ Million

	3Q19	2Q19	FY18
Net profit	\$3.4	\$3.6	\$54.0
Depreciation, amortisation and non-cash items	62.7	65.0	274.1
Changes in working capital	4.8	(12.2)	3.0
Other receipts, net	14.0	(8.0)	(3.1)
Net cash generated by operating activities	\$84.9	\$48.5	\$328.1
Capital expenditures and intangible assets	(48.6)	(39.6)	(149.3)
Amounts from/(advances to) affiliates	1.6	(0.6)	(5.9)
Sale of assets	11.4	0.7	11.7
Newbuilding deposits	-	-	(7.3)
Investment in Avenir LNG	-	-	(18.2)
Other	0.4	(0.3)	1.4
Net cash used in investing activities	(\$35.2)	(\$39.8)	(\$167.7)
Increase / (decrease) in short-term bank loans	(41.6)	16.9	-
Proceeds from issuance of long term debt	409.2	67.2	151.3
Increase / (decrease) in revolver	(340.0)	(25.0)	119.0
Repayment of long-term debt	(62.9)	(43.9)	(374.4)
Dividend, purchase of treasury shares and other	-	(13.6)	(42.6)
Net cash used in financing activities	(\$35.3)	1.5	(\$146.7)
Effect of exchange rates	(5.0)	(1.6)	(7.4)
Total Cash Flow	\$9.4	\$8.6	\$6.2
Cash and cash equivalents at beginning of period	\$133.8	\$125.2	\$58.3
Cash and cash equivalents at end of period	\$143.2	\$133.8	\$64.5

PRIORITIES

Reduce Debt

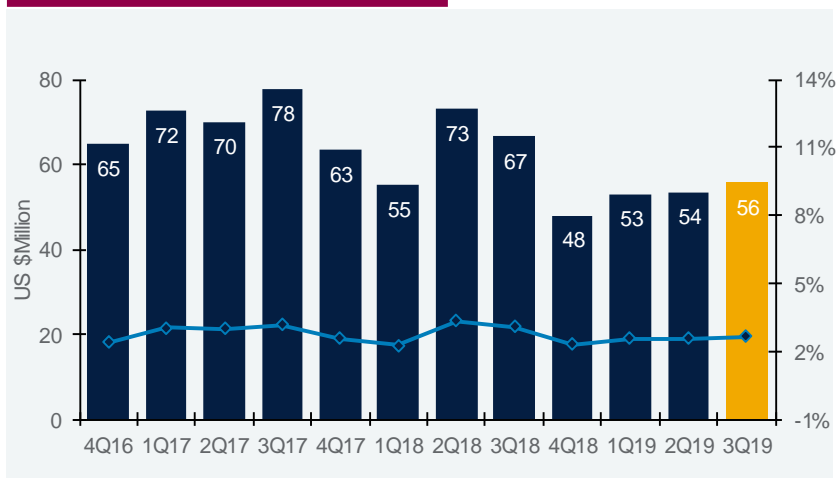
Review Capex

Reduce Opex

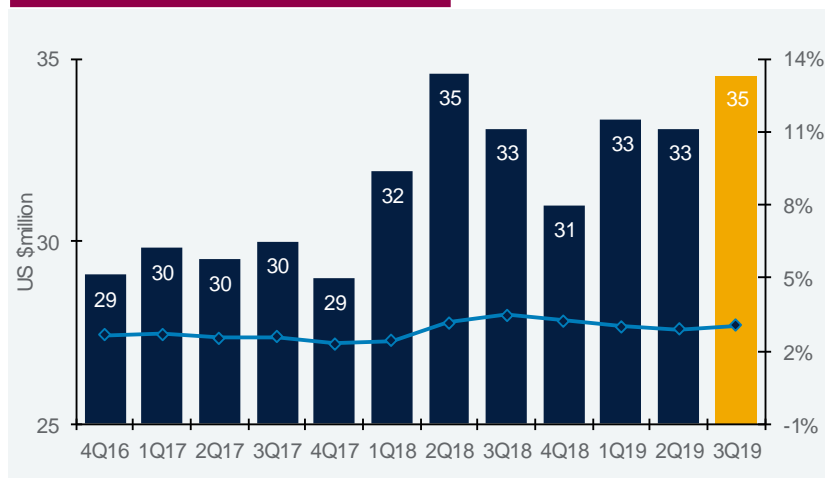


EBITDA and Return on Net Assets

TANKERS



TERMINALS



TANK CONTAINERS



STOLT-NIELSEN LIMITED



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

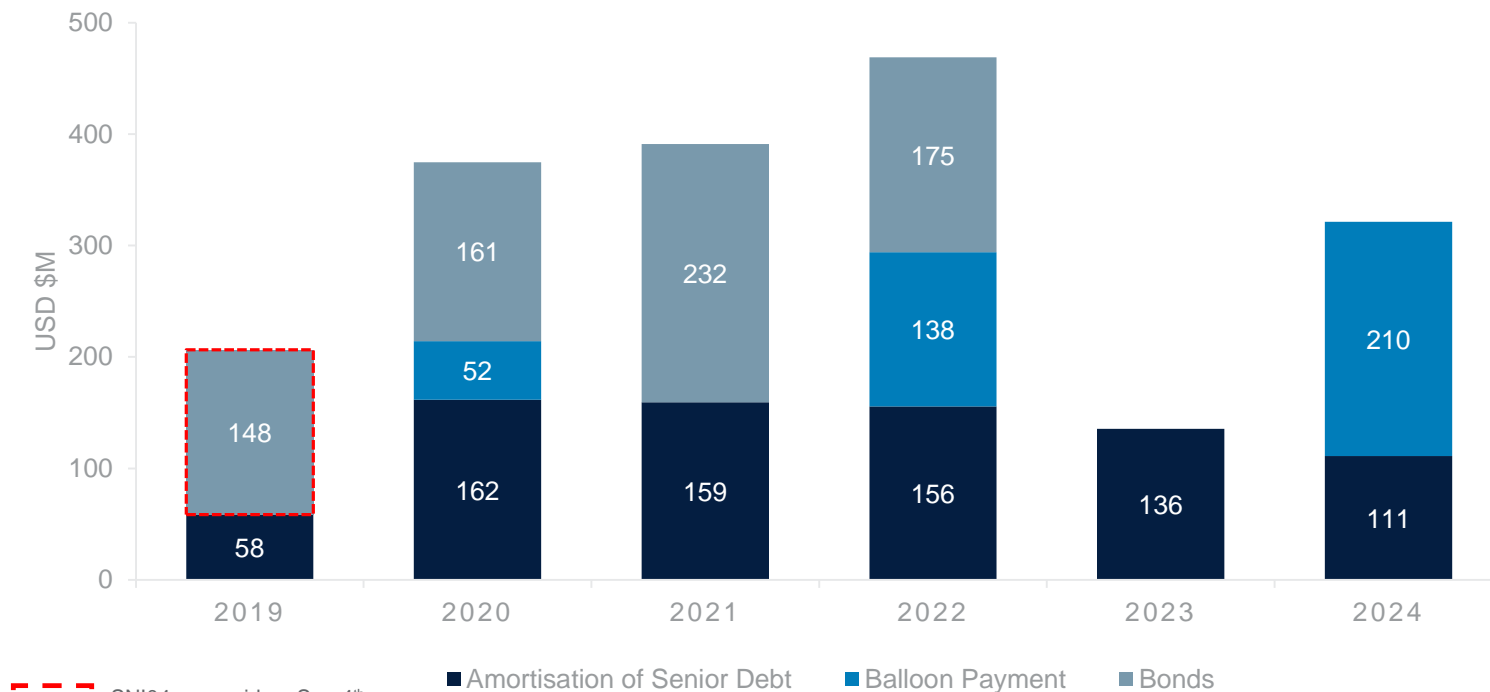


Capital Expenditures Programme

<i>Figures in USD \$ Million</i>	Actuals		Projections				
	YTD 3Q19	Remaining 2019	2020	2021	2022	2023	Total
Stolt Tankers	\$26	\$9	\$45	\$13	\$4	\$7	\$77
Stolthaven Terminals	51	29	78	23	25	22	177
Stolt Tank Containers	4	16	10	-	-	-	26
Stolt Sea Farm	13	11	11	3	7	7	40
Stolt-Nielsen Gas	0	36	-	-	-	-	36
SNL Corporate & Other	4	17	3	-	-	-	20
Total	\$100	\$117	\$148	\$39	\$35	\$36	\$376

- Stolt Tankers capex excludes drydocking (\$21.1) YTD.

Debt Maturity Profile



Note:

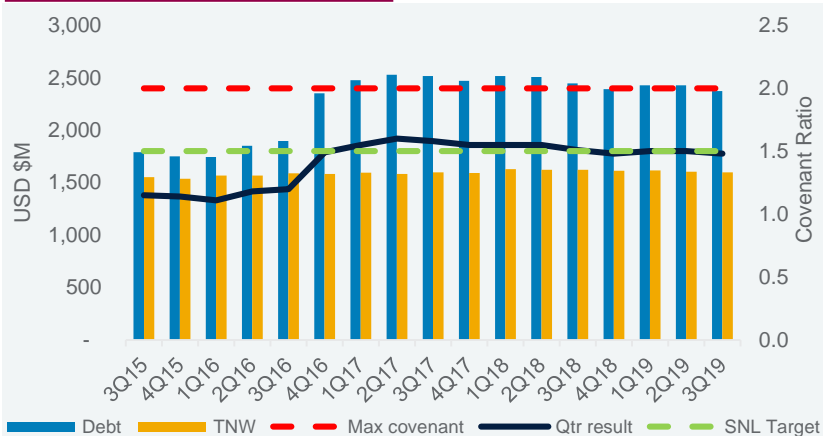
\$0m drawn under the revolver as of August 31, 2019.

Recent Financings

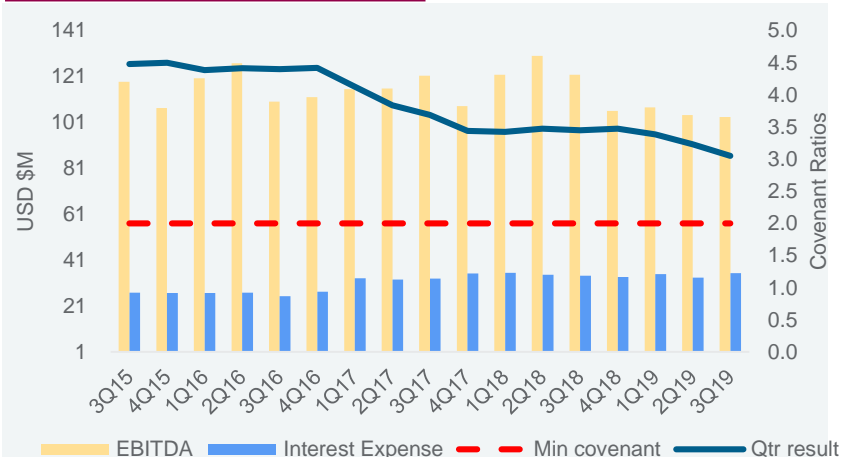
- On July 18, Stolthaven New Orleans issued \$200m in senior secured notes.
- On August 21, Stolt Tankers closed a \$415.6m financing (Sale and Leaseback) using 20 ships.

Consolidated Financial Key Metrics

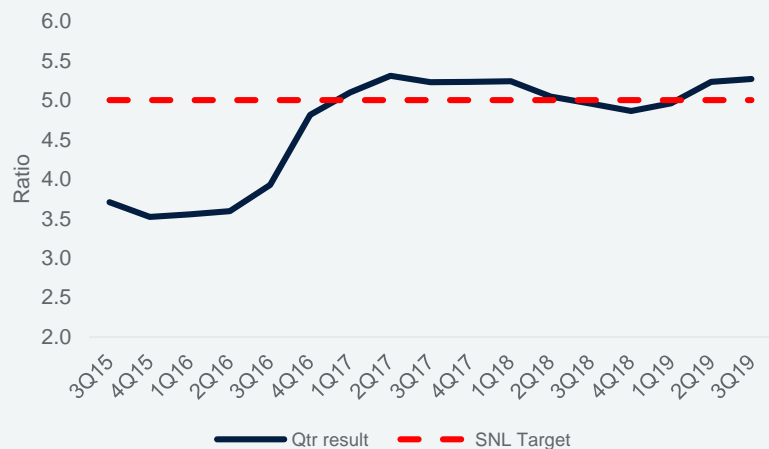
Debt / Tangible Net Worth



EBITDA / Interest Expense *



Net Debt / EBITDA



Free Cash Flow



*2019 Cash from Operations is annualised, and includes expected CAPEX for the FY.



Administrative & General Expenses

	Quarter			YTD		Updated Quarterly Guidance
<i>Figures in US\$ Millions</i>	3Q19	2Q19	3Q18	2019	2018	
Stolt Tankers	\$21.0	\$21.0	\$21.5	\$63.2	\$67.7	\$21.5
Stolthaven Terminals	11.5	10.8	11.0	33.2	33.4	11.5
Stolt Tank Containers	16.5	16.8	16.3	49.7	50.6	17.0
Stolt Sea Farm	1.6	2.0	1.7	5.1	5.0	1.7
Stolt-Nielsen Gas	0.2	0.4	1.7	1.0	3.3	0.2
SNL Corporate	1.0	1.9	0.0	5.8	6.6	
<i>SNL Corporate and Other</i>	0.2	0.3	0.0	0.1	0.8	0.0
<i>Profit Sharing / LTIP</i>	0.8	1.6	0.0	5.7	5.9	0.8
Total	\$51.9	\$52.8	\$52.2	\$157.9	\$166.8	\$52.7

Depreciation and Amortisation

	Quarter			YTD		Updated Quarterly Guidance
<i>Figures in US\$ Millions</i>	3Q19	2Q19	3Q18	2019	2018	
Stolt Tankers	\$40.2	\$40.2	\$45.1	\$119.5	\$134.1	\$40.5
Stolthaven Terminals	15.1	14.8	14.5	44.7	42.9	15.1
Stolt Tank Containers	5.9	6.0	6.1	17.8	18.4	6.0
Stolt Sea Farm	1.7	1.5	1.5	4.8	4.5	1.7
SNL Corporate	1.4	1.3	1.4	3.9	4.1	1.4
Total	\$64.3	\$63.8	\$68.6	\$190.6	\$204.0	\$64.7

Share of Profit of JVs and Tax

	Quarter			YTD		Updated Quarterly Guidance
<i>Figures in US\$ Millions</i>	3Q19	2Q19	3Q18	2019	2018	
Stolt Tankers	\$1.5	\$1.2	\$1.0	\$3.4	\$2.6	\$1.5
Stolthaven Terminals	5.8	5.4	5.8	17.0	27.4	5.8
Stolt Tank Containers	0.2	(0.3)	(0.6)	0.1	1.2	0.3
Stolt-Nielsen Gas	(0.9)	(1.0)	(0.5)	(2.2)	(3.1)	(0.6)
Corporate and Other	-	(0.0)	-	(0.0)	(0.2)	
Total Share Profit of JV's	\$6.6	\$5.3	\$6.9	\$18.2	\$27.9	\$7.0

	Quarter			YTD	
<i>Figures in US\$ Millions</i>	3Q19	2Q19	3Q18	2019	2018
Tankers, Terminals & T. Containers	\$2.8	\$2.6	\$3.6	\$7.7	(\$13.7)
Stolt Sea Farm	(0.1)	0.9	0.8	1.6	3.0
SNL Corporate	0.5	0.8	(0.5)	1.7	(0.2)
Total Taxes	3.2	4.3	3.9	11.0	(\$10.9)

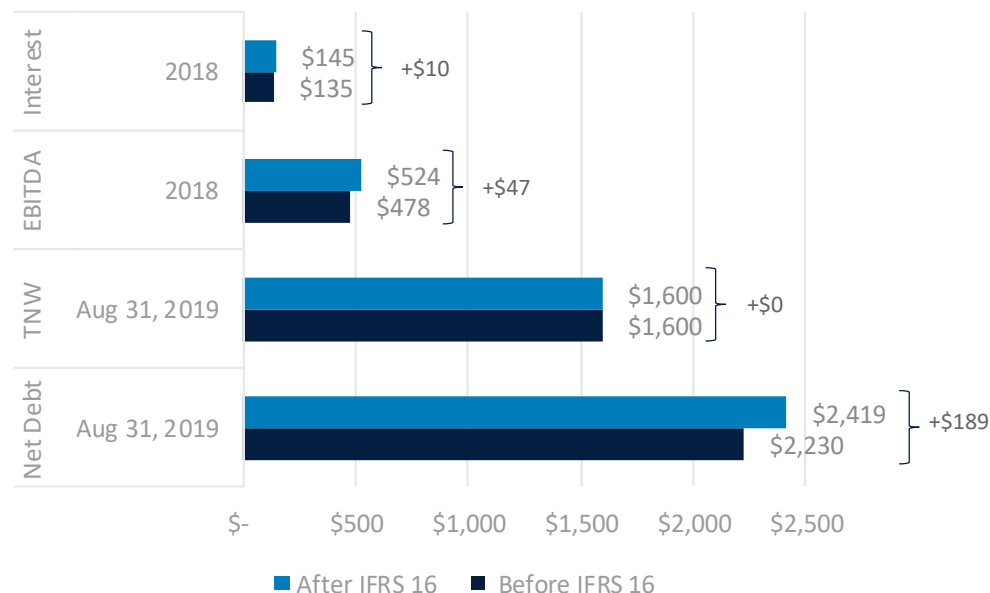
Note: YTD 2018 includes US tax-rate impact.

IFRS 16 Update

- Net impact on EBITDA small but will increase Right to Use Assets and Lease Liability between \$190M-\$220M depending on the leases in place on Dec.1,19 which is the adoption date.
- No restatement of prior years by following the modified retrospective approach. On implementation date, right- to-use assets will equal lease liabilities.
- No impact on actual cash flows.
- Indicative impact shown here, based on:
 - Full year 2018 EBITDA and Interest,
 - Leases at Aug 31, 2019 and,
 - Net Debt and TNW at Aug 31, 2019.

IFRS 16 - Indicative Impact

US \$millions



IFRS 16 - Key Covenant Ratios	Before IFRS 16	After IFRS 16
Debt/TNW	1.48	1.64
Net Debt/EBITDA	4.89	4.73
EBITDA/Interest	3.34	3.63

Key Takeaways

- Net profit of \$3.4m and EBITDA of \$106m.
- The chemical tanker market has bottomed out; Stolt Tankers is well positioned for the recovery and well prepared for an IPO
- Stolthaven Terminals is stable and with a promising outlook
- Stolt Tank Containers seeing increased competition, a change of trade flows and slower economic growth causing pressure on margins, but it is still delivering solid results.
- Stolt Sea Farm continues to show underlying improvements in turbot and sole.
- Significant financings closed in the third quarter have improved the maturity profile and strengthened the liquidity position.



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