
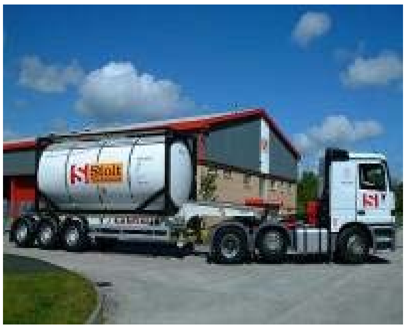


STOLT-NIELSEN LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Six Months Ended May 31, 2018

STOLT-NIELSEN LIMITED

TABLE OF CONTENTS

Interim Operational and Financial Review

Consolidated Income Statement

Stolt-Nielsen Limited's (the "Company" or "SNL") unaudited consolidated financial data for the six months ended May 31, 2018 and 2017 is summarised below. The financial statements are presented in US dollars.

	For the Six Months Ended	
	May 31, 2018	**May 31, 2017**
	(in thousands, except per share)	
Operating revenue	**$ 1,056,276**	$ 976,498
Gross profit	**194,821**	199,789
Operating profit	**103,434**	100,048
Net profit	**48,439**	30,914
Net profit attributable to SNL shareholders	**48,263**	30,759
EPS attributable to SNL shareholders – diluted	**0.78**	0.50

The increase in net profit in 2018 of $17.5 million was a result of various items, the most significant being a one-time gain of $24.9 million, reflecting a reduction in the Company's net deferred tax liability following the lowering of the US federal corporate income tax rate effective January 2018.

	For the Six Months Ended	
	May 31, 2018	**May 31, 2017**
	(in thousands)	
Operating revenue:		
Stolt Tankers	**$ 603,729**	$ 575,974
Stolthaven Terminals	**126,392**	120,427
Stolt Tank Containers	**275,679**	243,242
Stolt Sea Farm	**48,045**	30,927
Corporate and Other	**2,431**	5,928
Total	**$ 1,056,276**	$ 976,498
Operating profit (loss):		
Stolt Tankers	**$ 37,426**	$ 56,102
Stolthaven Terminals	**46,123**	32,732
Stolt Tank Containers	**35,046**	22,686
Stolt Sea Farm	**9,345**	1,136
Corporate and Other	**(24,506)**	(12,608)
Total	**$ 103,434**	$ 100,048

Operating Profit

The main reasons for changes in operating profit for the first six months of 2018, compared with the first six months of 2017, were:

- Stolt Tankers' operating profit decreased by $18.7 million due to lower results in the deep-sea fleet and higher bunker prices, partly offset by higher bunker hedge gains and higher spot rates. Results from regional fleets increased, particularly in the European coastal fleet due to an improved market situation.
- Stolthaven Terminals' operating profit increased by $13.4 million due to a higher equity income from the joint venture with Oiltanking in Antwerp arising from a reduction in deferred tax liabilities of $8.2 million and a one-time cancellation fee from a customer of $1.6 million.
- Stolt Tank Containers' operating profit increased by $12.3 million due to an increase in shipment volumes of 4.9% as well as an increase in demurrage revenue. This was partially offset by increased tank rental and administrative and general costs.

- Stolt Sea Farm's operating profit increased by $8.2 million due to favourable fair value adjustment recognised in the six months ended May 31, 2018 of $4.7 million, compared with a $1.8 million decrease in the six months ended May 31, 2017. The 2018 favourable fair value adjustment is mostly due to higher turbot and sole prices.
- Corporate and Other reported an operating loss of $24.5 million, versus an operating loss of $12.6 million reflecting $11.8 million of impairment for two Bitumen ships and higher administrative and general expenses.

Business Segment Information

This section summarises the Company's operating performance for each of the business segments. The "Corporate and Other" category includes corporate-related expenses, and all other operations not reported under the other segments.

Stolt Tankers

Operating revenue increased to $603.7 million in the six months ended May 31, 2018 from $576.0 million in the same period in 2017. Deep-sea revenues increased by $24.4 million over the period while regional revenues increased by $3.4 million. The increase in deep-sea revenues was primarily due to higher operating days because the fleet has grown through the deliveries of newbuildings in 2017 and early 2018. Bunker surcharge revenues increased by $11.5 million in the first half of 2018 compared to the six months ended May 31, 2017. The increase in regional fleet revenues of $3.4 million was primarily due to higher demurrage revenue in the regional fleets due to port congestion and weather.

The Sailed-In Time-Charter Index is a measure of the daily sailed-in rate for the Stolt Tankers Joint Service ("STJS") indexed to the rate for the fleet in the first quarter of 1996. The average Sailed-In Time-Charter Index for the first six months of 2018 was 0.58, compared to 0.68 for the same period in 2017. This is due to a decrease in the average deep-sea freight rate reflecting the impact of the oversupply of ships resulting from a large orderbook in the stainless steel chemical tanker market and swing tonnage from the product tanker market and higher bunker prices.

Operating profit decreased by $18.7 million to $37.4 million, between the first six months of 2018 and 2017. An increase in revenues of $27.7 million was more than offset by higher bunker costs, port expenses, depreciation and ship management expense. Bunker expenses increased by $22.7 million, to $128.7 million during the first six months of 2018, compared to $106.0 million in the same period in 2017. The average price of Intermediate Fuel Oil consumed was $375 per ton, or 20% more than the level of $312 per ton same period last year. The gain from bunker hedging during the six months ended May 31, 2018 was $8.9 million compared to $0.2 million in the same period last year. Port and other operating expenses were higher due to more port calls and higher canal transits due to the larger fleet.

Ship-owning and depreciation expenses increased by $8.4 million between the periods, primarily due to the impact of the delivery of four newbuildings during 2017. These deliveries completed the newbuilding program. Administrative and general expenses increased by $1.2 million, partly due to a higher Euro against the US dollar.

Joint venture income was $1.6 million for the first six months of 2018, decreasing by $2.0 million from the same period last year. Income from the joint venture, NYK Stolt Tankers S.A. and from the joint venture Hassel Shipping 4 A.S. was lower due to reduced deep-sea earnings, which are explained above.

Stolthaven Terminals ("Stolthaven")

Stolthaven's revenues for the first half of 2018 increased by $6.0 million to $126.4 million from $120.4 million in the first half of 2017. The higher operating revenue was driven by rate escalations, higher billable throughput and higher nitrogen consumption. During the second half of 2017 and first half of 2018, new capacity was commissioned in Singapore and Dagenham (UK). The utilisation rate was unchanged in the first half of 2018 in comparison with the first half of 2017 at 89.3%. The positive impact of new contracts in Houston and New Orleans (USA) was offset by lower utilisation in Port Alma (Australia) and a lost contract in Singapore.

Stolthaven's first-half operating profit increased by $13.4 million to $46.1 million from $32.7 million in the same period in 2017. The increase in operating profit was the result of a higher equity income from joint ventures. Equity income from joint ventures increased by $12.1 million for the six months ended May 31, 2018, to $21.6 million from $9.5 million. This was as a result of higher equity income from the joint venture with Oiltanking in Antwerp due to a reduction in net deferred tax liabilities of $8.2 million and one-time customer penalty fee of $1.6 million as well as a positive impact of capacity expansion in Ulsan (Korea).

Stolt Tank Containers

Stolt Tank Containers' revenues were $275.7 million in the first half of 2018, compared with $243.2 million in the first half of 2017, reflecting an increase in shipment volumes, demurrage revenue and increased services at Stolt-owned depots. Operating revenues were further impacted by the pass-through of higher freight costs and an increase in ancillary billings. Shipments increased by 4.9% as activity continues to recover in several major markets.

Stolt Tank Containers' operating profit increased by $12.4 million, with the operating margin increasing to 12.7% in the first half of 2018, compared with 9.3% in the first half of 2017. The operating margin improved in line with the 4.9% increase in shipments and higher demurrage and ancillary revenues. These improvements were partially offset by higher tank rental costs due to an increase in leased tank containers and higher administrative and general expenses.

Stolt Sea Farm

Stolt Sea Farm's revenues increased by $17.1 million in the first half of 2018 compared with the first half of 2017, mainly due to additional sales volumes from traded turbot. Turbot volumes increased by 42%, while turbot average prices increased by 2%. Sole volumes rose by 13%, as the Iceland farm increased its production, and sole prices increased by 5%.

Stolt Sea Farm's operating profit was $9.3 million, up from $1.1 million, with higher prices and volumes sold for turbot and sole. These higher prices combined with higher inventory of caviar resulted in the $4.7 million positive fair value adjustment in the first half of 2018, compared with a $1.8 million negative fair value adjustment during the same period in 2017. Excluding the fair value adjustment, operating profit increased by $1.7 million compared to the same period last year.

Corporate and Other

Corporate and Other includes Bitumen and SNL's investments in Gas.

Corporate and Other reported an operating loss of $24.5 million for the six months ended May 31, 2018, compared with a $12.6 million operating loss for the six months ended May 31, 2017. Included in the operating loss for the first half of 2018 was $11.8 million impairment of Stolt Bitumen ships. The operating loss from the Gas division was $4.2 million compared to $6.7 million in the same period in the prior year.

Liquidity and Capital Resources

During the six months ended May 31, 2018, SNL met its liquidity needs through a combination of cash generated from operations, collateralised borrowings, commercial borrowings and sales of assets. SNL generated $148.0 million of net cash from operating activities during the first six months of 2018, which, along with $7.6 million of proceeds from the sale of assets, was used for capital expenditures of $62.1 million, payment of dividends of $27.5 million, a $15.7 million net repayment of short-term and long-term debt, purchase of own shares of $10.3 million and a deposit of $7.3 million for newbuildings. As of May 31, 2018, the Group had cash of $80.0 million and available committed short-term credit lines of $197.1 million.

With the final delivery of *Stolt Loyalty*, in the fourth quarter of 2017, the Group drew down $7.6 million on the second tranche for this ship during the first quarter of 2018. This was the final tranche of the $291.8 million term loan with the Export-Import Bank of China and Standard Chartered Bank.

The Group also drew down $2.3 million during the quarter on a facility with Australia and New Zealand Banking Group Limited.

SNL believes that its cash flow from operations, secured financing and available credit facilities will continue to provide the liquidity necessary to satisfy its working capital requirements, scheduled debt repayments and committed capital expenditures for the 12 months after the date of issuance of the interim financial statements.

Outlook

Stolt Tankers

The first half of 2018 saw the impact of the oversupply of ships resulting from a large order book in the deep-sea stainless-steel chemical tanker market. Stolt Tankers' total deep-sea volume increased by 5% with the larger fleet, with cargo carried under Contracts of Affreightment ("COA") remaining steady and spot cargo volume increasing by 16%. Average deep-sea freight rates decreased by 2%. COA rates declined by 4%, of which 3.5% was due to rate reductions and 0.5% was due to shifts in cargo portfolios and adjustments for bunker surcharge clauses. At the same time, spot rates increased by 4%. Stolt Tankers maintained its high level of COA cover, with 69% of volume derived from COA in the first half of 2018, compared with 72% in the same period of 2017.

Stolt Tankers' outlook on market fundamentals remains unchanged. The order book decreased from 17% in June 2017 to 11% in June 2018, but continuing deliveries will supply more tonnage than required by current cargo demand through 2018. The Clean Petroleum market remains weak, with earnings of medium range ships – which can "swing" into the commodity end of the chemical trade – remaining below $10,000 per day which is increasing competition for simple commodity cargos. This combination will keep pressure on rates through 2018. Chemical production in the US Gulf and Arabian Gulf is expected to increase, boosting exports that will fill the supply/demand gap over time, but this growth will take time to develop, and depends on uncertain market growth and potential impact from protectionist policies.

Stolthaven Terminals

In the first half of 2018, Stolthaven Terminals continued to focus on improving its services to its customers along with selective expansion. New capacity was only commissioned at its fully-owned terminal in Dagenham for 3,000 cbm.

Stolthaven Terminals currently has ongoing expansion projects in three countries. It is expected that by the first quarter of 2019, construction of 16,300 cbm capacity will be completed at Santos, Brazil, and 164,600 cbm will be completed at Jeong IL Stolthaven Ulsan Co. Ltd., a 50% joint venture in South Korea. In the third quarter of 2019, the storage capacity at Stolthaven Westport Sdn. Bhd., a 49% joint venture in Malaysia, will be expanded by 26,800 cbm. New jetties at Houston and Newcastle are expected to be operational by January 2019 and December 2018, respectively.

Stolt Tank Containers

Stolt Tank Containers volume is expected to continue to increase gradually in the second half of 2018 as demand for tank containers is expected to be strong in major markets worldwide. Margins are projected to remain flat or rise slightly, as rising operating costs are recovered through pricing.

Stolt Sea Farm ("SSF")

The first half of 2018 for SSF saw a progressive rise in turbot market prices. Market prices are expected to continue the trend and keep going up in the seasonably strong summer months. Sole prices increased during 2018 and the demand for SSF's sole remains strong. Market prices are expected to increase in the second half of the year. Caviar volumes decreased by 8% in the first half of 2018, as SSF tries to grow its customer base for direct sales in the United States.

Significant Risk Factors

Each business segment considers strategic, operational and financial risks, and identifies actions to mitigate those risks. These risk profiles are updated at least annually. The significant risks which are unchanged since the year end and uncertainties for the remaining six months of the financial year are discussed below.

Bunker Fuel and Freight Costs

Bunker fuel constitutes the single largest component of operating costs of the tanker fleet and increasing prices can have a material impact on the results. Although Stolt Tankers has successfully reduced the impact of price increases through bunker fuel adjustment clauses with contract customers, a significant portion of increased fuel costs is incurred solely by Stolt Tankers. Approximately 69% of Stolt Tankers' total volume in the first six months of 2018 was derived from Contract of Affreightments ("COA"). During that same time period, approximately 90% of the revenue earned under COA was under contracts that included provisions for bunker fuel adjustment clauses intended to share the risks with customers. The profitability of spot contracts and COAs without bunker fuel adjustment clauses, which comprised 38% of Stolt Tankers' revenue, was directly affected by changes in fuel prices, subject to the board-approved bunker hedging program. The policy is to hedge a minimum of 50% of expected bunker purchases within the next 12 months through either bunker surcharges included in the COA or hedging actions. Note that in periods where bunker prices are below the agreed-upon price in the individual COA, use of bunker fuel adjustment clauses results in Stolt Tankers reimbursing customers for fuel prices.

Further, Stolt Tankers enters into bunker hedges with the goal of hedging that portion of Stolt Tankers' bunker exposure not covered by bunker surcharges.

For Stolt Tank Containers, as in prior years, the impact of increasing freight costs due to market conditions for container ships in most major regions, as well as rising fuel and cleaning prices, can result in downward pressure on margins. In those instances, cost increases are passed on to customers when possible. Given quoted rate validity periods to customers, there is typically a negative lag on margins until rates can be increased.

Tanker Industry Risk

The tanker industry is cyclical and volatile, which may lead to reductions and volatility in freight rates and ship values. Fluctuations in the rates that Stolt Tankers can charge result from changes in the supply and demand for ship capacity and changes in the supply and demand for the products carried, particularly the bulk liquids, chemicals, edible oils, acids and other specialty liquids that constitute the majority of the products that Stolt Tankers transports. Factors influencing demand include supply of products shipped, the distances that products are moved by sea, industrial production, economic growth, environmental developments and protectionist policies. Factors influencing supply include the number of new ships being built, the number of old ships being recycled, changes in regulations and availability of shipyards.

Stolt Tankers mitigates this risk by actively managing the mix of business between COA and spot while also utilising various tools to increase fleet flexibility and reduce risk. COA business tends to be less volatile than spot business, in terms of both rates and volumes. Management endeavours to increase the contract percentage and lengthen contract duration during periods of uncertainty or when management determines that market conditions are likely to deteriorate. In general, Stolt Tankers maintains a relatively high percentage of contract business. Stolt Tankers also maintains a mix of owned and time-chartered ships. Use of time-chartered ships facilitates quicker balancing of the fleet in response to fluctuations in demand. Ships are ideally chartered prior to periods of high demand and redelivered during periods of soft demand. Within the owned fleet, Stolt Tankers endeavours to maintain a balanced age profile. Through this technique, fleet size can be managed by early retirement of older ships when demand is soft and life extension of ships during periods of strong demand.

Newbuilding Risk

SNL expends substantial sums during the construction of parcel tanker newbuildings without earning revenue and without assurance that the ships will be completed on time or at all. Stolt-Nielsen Gas BV has ordered two LNG carriers for delivery in 2019. SNL is typically required to pay substantial amounts as progress payments during the construction of a newbuilding but does not derive any revenue from the ship until after its delivery. SNL's receipt of newbuildings can be delayed temporarily or indefinitely because of:

- quality or engineering problems;
- work stoppages or other labour disturbances at the shipyard;
- bankruptcy or other financial crisis of the shipyard;
- backlog of orders at the shipyard;
- changes to the original ship specifications at the request of SNL; or
- shortages of, or delays in, the receipt of necessary equipment or construction materials, such as steel.

If delivery of a ship is materially delayed, it could adversely affect the business, results of operations, cash flow and financial condition. SNL manages these risks by agreeing to standard industry provisions dealing with compensation for delays and rights to terminate the newbuilding contract. Any progress or down payments made by the Company under the newbuilding contracts are secured by refund guarantees issued by commercial banks or government institutions to cover the repayment obligation by the shipyards in case of a yard default.

Political and Geopolitical Risk

SNL has international operations, and the business, financial condition and results of operations may be adversely affected by changing economic, political and government conditions in the countries and regions where SNL's ships and tank containers are employed and terminals are located.

Although SNL is not expected to be significantly impacted by the vote in the United Kingdom to exit the European Union ("Brexit"), the full consequence of Brexit is not yet known. As the Company is typically short GBP, a weakening of the currency is typically good for the Company.

SNL is also exposed to geopolitical risks where territorial and other disputes between countries could lead to the outbreak of war or the existence of international hostilities that could damage the world economy, adversely affect the availability of, and demand for, petroleum and chemical products and adversely affect SNL's ability to operate ships, terminals or tank containers. Moreover, SNL operates in a sector of the economy that is likely to be adversely affected by the impact of political instability, terrorist or other attacks, war or international hostilities.

For an effective and competitive global chemical shipping business, managing geopolitical risk is a strategic imperative. Cross-border expansion to facilitate corporate growth is a significant contributor to growth. In some cases, cargoes are located in, or destined for, troubled or developing markets where considerable cultural, infrastructure, security or technology challenges must be met. At the same time, economic and population growth, especially in Asia, is creating new demand for petroleum and chemical products. Sufficient supply must be in place with supporting infrastructure and distribution to meet demand in these high growth markets.

Risk to Terminal Projects

Stolthaven Terminals is at various stages of designing and building tanks and jetties at some of its existing terminal locations. The development of terminal operations and jetties involves significant up-front investments in infrastructure and there are certain risks inherent to such developments, including political, regulatory, currency exchange, environmental, liquidity, financial and contractual risks. Different countries carry varying degrees of risk depending on social, cultural, political and financial development and stability. Stolthaven Terminals attempts to mitigate these risks by employing local country and regional representatives to act as liaisons with local authorities. While customer commitments are usually secured in advance for new capacity, securing such commitments is currently challenging. Experienced and dedicated commercial teams are in place globally, regionally and locally to focus on marketing new capacity.

Value of Biological Assets at Stolt Sea Farm

All mature turbot and sole are held at fair value less both costs to sell and costs related to harvest. Sturgeon and the caviar that sturgeon produce are fair valued at the point of harvest. A fair value adjustment is also made at the point when juvenile turbot and sole are considered to become mature, which typically occurs when the fish reach a specified weight. Fair value is determined on the basis of market prices, and gains and losses from changes in fair value are recognised in the income statement.

The fair value of these assets fluctuates significantly based upon seasonality, competition, market conditions and existing supply. The fair value adjustment recognised in the six months ended May 31, 2018 was a $4.7 million increase in profit, compared with a $1.8 million decrease in profit in the six months ended May 31, 2017. There is a risk that future fair value adjustments could negatively impact the income statement.

Gas Industry Risk

The Company has investments in Avance Gas Holding Limited ("AGHL"), which specialises in the transportation of liquified petroleum gas ("LPG") and Golar LNG Ltd. ("Golar"), which operates liquid natural gas ("LNG") carriers, floating liquefaction and regassification units. SNL is developing opportunities for the distribution of LNG to off-the-grid customers. The gas industry is volatile and subject to geopolitical risk, which may lead to fluctuations in gas prices, freight rates, volumes and ship values. Fluctuations in the rates that can be charged result from changes in the supply and demand for ship capacity and changes in the supply and demand for the products carried. Factors influencing demand include supply of products shipped, the distances that products are moved by sea and environmental developments. Factors influencing supply include the number of new ships being built, the number of old ships being recycled, and the number of ships in lay-up or used for storage.

The operations of Golar are subject to higher political and security risks than operations in other areas of the world. For example, its contracts in West Africa have experienced instability in its socio-political environment. Any extreme levels of political instability resulting in changes of governments, internal conflict, unrest and violence, especially from terrorist organizations prevalent in the region.

As AGHL and Golar operate most of their ships in the spot market, the businesses are exposed to fluctuations in rates. Spot rates have historically been very volatile, driven by short-term variations in export volume. This volatility could adversely affect the value of these investments and result in an impairment.

Currency Risk

Most of the revenue earned by Stolt Tankers and Stolt Tank Containers is in US dollars, while a significant portion of their operating expenses is incurred in other currencies, primarily the Euro, the Norwegian kroner, the Singapore dollar, Japanese yen and the British pound. Where there is a mismatch between revenues and expense currencies, any depreciation of the revenue currency relative to the expense currency will decrease profit margins.

Safety and Environmental Risks

Safety for people and the environment are a top priority and a core value of SNL and its operating units. The Company manages its activities to eliminate incidents, minimise risk and promote excellence in operational performance. Incidents can affect the Company's "license to Operate" and therefore constitute the highest potential business risk. The Safety, Health and Environmental policies, procedures and practices of SNL, combined with rigorous training and the implementation of industry best practices, are aimed at maximising safety and minimising risk. Even so, there could be environmental incidents in the form of spills, damage to marine life or animal habitat. The consequence of such environmental damage could be significant costs related to the clean-up of spills, salvage costs and fines, as well as costs related to reputational damage. Although SNL carries insurance against such eventualities, the full cost could exceed the coverage afforded by the insurance.

Cyber Security Risk

There is a risk that an external third-party could gain unauthorised access to SNL's information technology systems for the purpose of financial gain, industrial espionage, sabotage or terrorism.

SNL has virus, spam and malware protection, an isolated environment for its business applications, firewalls and other network and data centre protection and an identity management system. As with all companies, these security measures are subject to third-party security breaches, employee error, malfeasance, faulty password management or other irregularities. For example, third parties may attempt to fraudulently induce employees or customers into disclosing user names, passwords or other sensitive information, which may, in turn, be used to access SNL's information technology systems.

SNL devotes significant resources to network security, data encryption and other security measures to protect its systems and data, but these security measures cannot provide absolute security. To the extent, SNL was to experience a breach of its systems and was unable to protect sensitive data, such a breach could negatively impact SNL's financial position.

Forward-Looking Statements

The Interim Financial Statements contain "forward-looking statements" based on information available to SNL on the date hereof, and SNL assumes no obligation to update any such forward-looking statement. These statements may be identified by the use of words like "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," "will," "should," "seek," and similar terms. The forward-looking statements reflect SNL's current views and assumptions and are subject to risks and uncertainties. SNL does not represent or warrant that actual future results, performance or achievements will be as discussed in those statements, and assumes no obligation to, and does not intend to, update any of those forward-looking statements other than as may be required by applicable law.

Condensed Consolidated Interim Financial Statements
and Auditor's Review Report

For the Three and Six Months Ended May 31, 2018

STOLT-NIELSEN LIMITED

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

(UNAUDITED)

	Notes	Three months ended May 31, 2018	Three months ended May 31, 2017	Six months ended May 31, 2018	Six months ended May 31, 2017
		(in thousands)			
Operating Revenue	4	**$ 540,997**	$ 500,847	**$ 1,056,276**	$ 976,498
Operating Expenses		**(362,915)**	(334,843)	**(714,171)**	(647,613)
Gross Margin		**178,082**	166,004	**342,105**	328,885
Depreciation and amortisation	4	**(68,234)**	(64,237)	**(135,480)**	(129,096)
Impairment of plant, property and equipment	4, 7	**(11,804)**	–	**(11,804)**	–
Gross Profit		**98,044**	101,767	**194,821**	199,789
Share of profit of joint ventures and associates	4, 8	**7,076**	4,411	**21,046**	8,377
Administrative and general expenses		**(57,496)**	(54,085)	**(114,512)**	(105,757)
Loss on disposal of assets, net	6	**(702)**	(623)	**(708)**	(2,667)
Other operating income		**1,914**	485	**3,204**	995
Other operating expense		**(350)**	(327)	**(417)**	(689)
Operating Profit		**48,486**	51,628	**103,434**	100,048
Non-Operating Income (Expense):					
Finance expense		**(34,644)**	(32,514)	**(70,146)**	(65,632)
Finance income		**748**	758	**1,674**	2,170
Foreign currency exchange loss, net		**(37)**	(1,271)	**(1,581)**	(519)
Other non-operating income, net		**41**	478	**196**	605
Profit before Income Tax		**14,594**	19,079	**33,577**	36,672
Income tax (expense) benefit	11	**(4,935)**	(3,387)	**14,862**	(5,758)
Net Profit		**$ 9,659**	$ 15,692	**$ 48,439**	$ 30,914
***Attributable to*:**					
Equity holders of SNL		**9,532**	15,572	**48,263**	30,759
Non-controlling interests		**127**	120	**176**	155
		$ 9,659	$ 15,692	**$ 48,439**	$ 30,914
Earnings per Share:					
Net profit attributable to SNL shareholders					
Basic		**$ 0.15**	$ 0.25	**$ 0.78**	$ 0.50
Diluted		**$ 0.15**	$ 0.25	**$ 0.78**	$ 0.50

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF

OTHER COMPREHENSIVE INCOME

(UNAUDITED)

	Three months ended		Six months ended	
	May 31, 2018	**May 31, 2017**	**May 31, 2018**	**May 31, 2017**
	(in thousands)			
Net profit for the period	**$ 9,659**	$ 15,692	**$ 48,439**	$ 30,914
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit and other post-employment benefit obligations	**7,611**	(1,960)	**7,611**	(1,960)
Deferred tax adjustment on defined benefit and other post-employment benefit obligations	**(1,875)**	1,500	**(4,599)**	1,500
Items that may be reclassified subsequently to profit or loss:				
Net income (loss) on cash flow hedges	**17,237**	(13,139)	**61,672**	(6,593)
Reclassification of cash flow hedges to income statement	**(16,928)**	5,846	**(39,957)**	3,954
Net (loss) income on cash flow hedges held by joint ventures and associates	**(125)**	128	**2,559**	1,786
Deferred tax adjustment on cash flow hedges	**(55)**	—	**(533)**	—
Exchange differences arising on translation of foreign operations	**(26,209)**	18,492	**(12,518)**	24,008
Deferred tax on translation of foreign operations	**944**	1	**912**	(346)
Exchange differences arising on translation of joint ventures and associates	**(5,963)**	9,054	**731**	10,865
Change in value of investment in equity instruments	**(2,423)**	(9,413)	**2,959**	(2,633)
Net (loss) income recognised as other comprehensive income	**(27,786)**	10,509	**18,837**	30,581
Total comprehensive (loss) income	**$ (18,127)**	$ 26,201	**$ 67,276**	$ 61,495
Attributable to:				
Equity holders of SNL	**$ (18,254)**	$ 26,081	**$ 67,100**	$ 61,340
Non-controlling interests	**127**	120	**176**	155
	$ (18,127)	$ 26,201	**$ 67,276**	$ 61,495

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN LIMITED

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

(UNAUDITED)

	Notes	May 31, 2018	November 30, 2017
		(in thousands)	
ASSETS			
Current Assets:			
Cash and cash equivalents		**$ 80,001**	$ 58,308
Restricted cash		**88**	98
Receivables		**261,680**	241,115
Inventories		**14,965**	8,851
Biological assets		**46,226**	45,696
Prepaid expenses		**74,267**	66,699
Derivative financial instruments	10	**15,041**	9,025
Income tax receivable		**7,169**	7,648
Assets held for sale		**1,987**	2,275
Other current assets		**33,607**	44,150
Total Current Assets		**535,031**	483,865
Property, plant and equipment	6	**3,341,196**	3,440,609
Investments in and advances to joint ventures and associates	8	**558,373**	531,930
Investments in equity instruments		**60,529**	57,570
Deferred tax assets		**12,540**	13,699
Intangible assets and goodwill	6	**50,521**	51,635
Employee benefit assets		**4,681**	5,498
Deposit for newbuildings	6	**14,623**	7,297
Derivative financial instruments	10	**8,108**	4,742
Other assets		**17,734**	18,014
Total Non-Current Assets		**4,068,305**	4,130,994
Total Assets		**$ 4,603,336**	$ 4,614,859
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Short term bank loans	9	**$ 8,700**	$ —
Current maturities of long-term debt and finance leases	9	**346,400**	432,568
Accounts payable		**95,481**	89,891
Accrued voyage expenses		**62,077**	53,356
Accrued expenses		**184,282**	183,253
Provisions		**3,247**	2,529
Income tax payable		**9,978**	10,691
Dividend payable	5	**—**	13,814
Derivative financial instruments	10	**12,477**	60,871
Other current liabilities		**37,804**	37,299
Total Current Liabilities		**760,446**	884,272
Long-term debt and finance leases	9	**2,152,397**	2,037,144
Deferred tax liabilities		**45,755**	66,411
Employee benefit liabilities		**31,438**	39,638
Derivative financial instruments	10	**82,840**	99,175
Long-term provisions		**2,068**	2,367
Other liabilities		**6,288**	7,023
Total Non-Current Liabilities		**2,320,786**	2,251,758
Total Liabilities		**3,081,232**	3,136,030
Shareholders' Equity			
Founder's shares		**16**	16
Common shares		**64,134**	64,134
Paid-in surplus		**150,108**	150,108
Retained earnings		**1,520,766**	1,483,143
Other components of equity		**(154,064)**	(169,889)
		1,580,960	1,527,512
Less – Treasury shares	5	**(61,835)**	(51,486)
Equity Attributable to Equity Holders of SNL		**1,519,125**	1,476,026
Non-controlling interests		**2,979**	2,803
Total Shareholders' Equity		**1,522,104**	1,478,829
Total Liabilities and Shareholders' Equity		**$ 4,603,336**	$ 4,614,859

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN LIMITED

CONDENSED CONSOLIDATED INTERIM

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(UNAUDITED)

	Attributable to Equity Holders of SNL										
	Common Shares	**Founder's Shares**	**Paid-in Surplus**	**Treasury Shares**	**Retained Earnings**	**Foreign Currency**	**Hedging**	**Fair Value**	**Total**	**Non-Controlling Interests**	**Shareholders' Equity Total**
	(in thousands, except for share data)										
Balance, November 30, 2016	**$ 64,134**	**$ 16**	**$ 150,108**	**$ (51,486)**	**$ 1,466,551**	**$ (172,788)**	**$ (29,978)**	**$ (46,536)**	**$ 1,380,021**	**$ 3,567**	**$ 1,383,588**
Comprehensive income (loss)											
Net profit	—	—	—	—	30,759	—	—	—	30,759	155	30,914
Other comprehensive income (loss)											
Translation adjustments, net	—	—	—	—	—	34,527	—	—	34,527	—	34,527
Net loss on cash flow hedges	—	—	—	—	—	—	(853)	—	(853)	—	(853)
Remeasurement of post-employment benefit obligations, net of tax	—	—	—	—	(460)	—	—	—	(460)	—	(460)
Fair value adjustment equity investments	—	—	—	—	—	—	—	(2,633)	(2,633)	—	(2,633)
Total other comprehensive income (loss)	—	—	—	—	(460)	34,527	(853)	(2,633)	30,581	—	30,581
Total other comprehensive income (loss)	**—**	**—**	**—**	**—**	**30,299**	**34,527**	**(853)**	**(2,633)**	**61,340**	**155**	**61,495**
Transactions with shareholders											
Cash dividend paid -$0.50 per Common Share	—	—	—	—	(27,472)	—	—	—	(27,472)	—	(27,472)
Acquisition of 20% of Shanghai Stolt Kingman	—	—	—	—	—	—	—	—	—	(799)	(799)
Total transactions with shareholders	**—**	**—**	**—**	**—**	**(27,472)**	**—**	**—**	**—**	**(27,472)**	**(799)**	**(28,271)**
Balance, May 31, 2017	**$ 64,134**	**$ 16**	**$ 150,108**	**$ (51,486)**	**$ 1,469,378**	**$ (138,261)**	**$ (30,831)**	**$ (49,169)**	**$ 1,413,889**	**$ 2,923**	**$ 1,416,812**
Balance, November 30, 2017	**$ 64,134**	**$ 16**	**$ 150,108**	**$ (51,486)**	**$ 1,483,143**	**$ (106,645)**	**$ (17,430)**	**$ (45,814)**	**$ 1,476,026**	**$ 2,803**	**$ 1,478,829**
Comprehensive income (loss)											
Net profit	—	—	—	—	48,263	—	—	—	48,263	176	48,439
Other comprehensive income (loss)											
Translation adjustments, net	—	—	—	—	—	(10,875)	—	—	(10,875)	—	(10,875)
Remeasurement of post-employment benefit obligations, net of tax	—	—	—	—	3,012	—	—	—	3,012	—	3,012
Fair value adjustment equity investments	—	—	—	—	—	—	—	2,959	2,959	—	2,959
Net income on cash flow hedge	—	—	—	—	—	—	23,741	—	23,741	—	23,741
Total other comprehensive income (loss)	—	—	—	—	3,012	(10,875)	23,741	2,959	18,837	—	18,837
Total comprehensive income (loss)	**—**	**—**	**—**	**—**	**51,275**	**(10,875)**	**23,741**	**2,959**	**67,100**	**176**	**67,276**
Transactions with shareholders											
Cash dividend paid -$0.25 per Common Share	—	—	—	—	(13,652)	—	—	—	(13,652)	—	(13,652)
Purchase of own shares	—	—	—	(10,349)	—	—	—	—	(10,349)	—	(10,349)
Total transactions with shareholders	**—**	**—**	**—**	**(10,349)**	**(13,652)**	**—**	**—**	**—**	**(24,001)**	**—**	**(24,001)**
Balance, May 31, 2018	**$ 64,134**	**$ 16**	**$ 150,108**	**$ (61,835)**	**$ 1,520,766**	**$ (117,520)**	**$ 6,311**	**$ (42,855)**	**$ 1,519,125**	**$ 2,979**	**$ 1,522,104**

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN LIMITED

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

(UNAUDITED)

	Notes	For the Six months ended May 31, 2018	May 31, 2017
		(in thousands)	
Cash generated from operations	3	**$ 223,415**	$ 227,012
Interest paid		**(68,009)**	(60,587)
Debt issuance costs		**(125)**	(2,640)
Interest received		**1,108**	1,275
Income taxes paid		**(8,386)**	(4,802)
Net cash generated by operating activities		**148,003**	160,258
Cash flows from investing activities:			
Capital expenditures	6	**(60,257)**	(216,077)
Purchase of intangible assets	6	**(1,854)**	(2,074)
Cash from sale of marketable securities		—	11,507
Deposit for newbuildings	6	**(7,326)**	(7,295)
Proceeds from sale of ships and other assets		**7,617**	5,783
Final payment on business acquisition		—	(21,009)
Acquisition of non-controlling interest		—	(1,311)
Advances to joint ventures and associates, net		**(7,506)**	(11,613)
Other, net		**398**	(583)
Net cash used in investing activities		**(68,928)**	(242,672)
Cash flows from financing activities:			
Increase (decrease) in short-term bank loans, net	9	**8,700**	(8,100)
Proceeds from issuance of long-term debt	9	**215,069**	544,286
Repayment of long-term debt	9	**(239,463)**	(367,201)
Finance lease payments		**(52)**	(49)
Purchase of treasury shares	5	**(10,349)**	—
Dividends paid	5	**(27,465)**	(55,022)
Net cash (used in) provided by financing activities		**(53,560)**	113,914
Net increase in cash and cash equivalents		**25,515**	31,500
Effect of exchange rate changes on cash		**(3,822)**	(2,727)
Cash and cash equivalents at beginning of the period		**58,308**	92,784
Cash and cash equivalents at end of the period		**$ 80,001**	$ 121,557

See notes to the condensed consolidated interim financial statements.

1. Basis of Preparation

The condensed consolidated interim financial statements of Stolt-Nielsen Limited (the "Company" or "SNL"), a Bermuda-registered company, and its subsidiaries (collectively, the "Group") are prepared using accounting policies consistent with International Financial Reporting Standards as adopted by the European Union ("IFRS") and in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The unaudited condensed consolidated interim financial statements should be reviewed in conjunction with the audited Consolidated Financial Statements for the year ended November 30, 2017, to fully understand the current financial position of the Group.

2. Significant Accounting Policies

The accounting policies applied are consistent with those described in Note 2 of the Consolidated Financial Statements for the year ended November 30, 2017, with the exception of income taxes which for the purpose of interim financial statements are calculated based on the expected effective tax rate for the full year.

3. Reconciliation of Net Profit to Cash Generated from Operations

	For the Six Months Ended	
	May 31, 2018	**May 31, 2017**
	(in thousands)	
Net profit	**$ 48,439**	$ 30,914
Adjustments to reconcile net profit to net cash from operating activities:		
Depreciation of property, plant and equipment	**133,080**	127,579
Amortisation of intangible assets	**2,400**	1,517
Impairment of property, plant and equipment	**11,804**	—
Finance expense, net	**68,472**	63,462
Net periodic benefit expense of defined benefit pension plans	**1,378**	1,601
Income tax (benefit) expenses	**(14,862)**	5,758
Share of profit of joint ventures and associates	**(21,046)**	(8,377)
Fair value adjustment on biological assets	**(4,745)**	1,820
Foreign currency related loss	**1,581**	519
Unrealised bunker hedge (gain) loss	**(3,145)**	3,183
Loss on disposal of assets, net	**708**	2,667
Changes in assets and liabilities, net of effect of acquisitions and divestitures:		
Increase in receivables	**(21,318)**	(25,943)
Increase in inventories	**(6,140)**	(2,727)
Decrease in biological assets	**3,562**	399
Decrease (increase) in prepaid expenses and other current assets	**2,727**	(5,241)
Increase in accounts payable and other current liabilities	**15,034**	20,867
Contributions to defined benefit pension plans	**(1,137)**	(1,253)
Dividends from joint ventures and associates	**6,836**	7,122
Other, net	**(213)**	3,145
Cash generated from operations	**$ 223,415**	$ 227,012

4. Business and Geographic Segment Information

The segment information is provided on the same basis as stated in the consolidated financial statements for the year ended November 30, 2017.

The following tables show the summarised financial information, in US thousands of dollars, for each reportable segment:

	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Corporate and Other (a)	Total
For the three months ended May 31, 2018						
Operating revenue	$ 308,619	$ 63,888	$ 143,151	$ 24,389	$ 950	$ 540,997
Depreciation, amortisation and impairment including drydocking	(44,806)	(14,363)	(6,200)	(1,480)	(13,189)	(80,038)
Share of profit (loss) of joint ventures and associates	1,160	7,291	477	—	(1,852)	7,076
Operating profit (loss)	26,543	20,203	18,799	3,887	(20,946)	48,486
Capital expenditures (b)	6,355	18,997	752	1,648	2,834	30,586
For the six months ended May 31, 2018						
Operating revenue	603,729	126,392	275,679	48,045	2,431	1,056,276
Depreciation, amortisation and impairment, including drydocking	(89,076)	(28,417)	(12,292)	(3,000)	(14,499)	(147,284)
Share of profit (loss) of joint ventures and associates	1,583	21,635	673	—	(2,845)	21,046
Operating profit (loss)	37,426	46,123	35,046	9,345	(24,506)	103,434
Capital expenditures (b)	20,566	35,054	1,808	2,553	11,184	71,165
As of May 31, 2018						
Investments in and advances to joint ventures and associates	239,982	258,418	31,073	—	28,900	558,373
Segment assets	2,420,369	1,287,289	536,554	141,321	217,803	4,603,336

	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Corporate and Other (a)	Total
For the three months ended May 31, 2017						
Operating revenue	$ 292,561	$ 60,683	$ 129,625	$ 15,281	$ 2,697	$ 500,847
Depreciation and amortisation including drydocking	(41,760)	(13,402)	(6,016)	(1,466)	(1,593)	(64,237)
Share of profit (loss) of joint ventures and associates	2,072	5,012	17	—	(2,690)	4,411
Operating profit (loss)	27,632	16,066	13,728	2,371	(8,169)	51,628
Capital expenditures (b)	59,900	24,804	1,957	792	1,184	88,637
For the six months ended May 31, 2017						
Operating revenue	575,974	120,427	243,242	30,927	5,928	976,498
Depreciation, amortisation and impairment, including drydocking	(83,743)	(26,544)	(13,354)	(2,583)	(2,872)	(129,096)
Share of profit (loss) of joint ventures and associates	3,588	9,511	487	—	(5,209)	8,377
Operating profit (loss)	56,102	32,732	22,686	1,136	(12,608)	100,048
Capital expenditures (b)	172,870	42,491	5,568	1,180	2,177	224,286
As of November 30, 2017						
Investments in and advances to joint ventures and associates	235,680	242,153	23,148	—	30,949	531,930
Segment assets	2,469,911	1,267,717	530,172	136,012	211,047	4,614,859

(a) Corporate and Other include Stolt-Nielsen Gas and Stolt Bitumen.

(b) Capital expenditures include additions to property, plant and equipment, ship deposits and intangible assets other than goodwill including additions resulting from acquisitions through business combinations.

5. Shareholders' Equity and Dividends

The Group's authorised share capital consists of 65,000,000 Common shares, par value of $1 per share, and 16,250,000 Founder's shares, par value of $0.001 per share.

As of November 30, 2017, there were 64,133,796 Common shares issued and 16,033,449 Founder's shares issued, of which 61,944,855 Common shares and 15,486,214 Founder's shares were outstanding.

As at May 31, 2018, the number of Common and Founder's shares issued remain identical to November 30, 2017 of which 61,197,320 Common shares and 15,299,330 Founder's shares were outstanding.

Treasury Shares

On February 7, 2018, the Board authorised continuation of the share buy-back programme initially announced on March 2, 2016. Under that 2016 buy-back programme, the Board had authorised the purchase of up to $30.0 million worth of the Company's Common Shares, of which the Company only utilised $1.7 million, leaving $28.3 million available for further purchases. In the six months ended May 31, 2018, a further 747,535 shares had been repurchased for $10.3 million.

Treasury Shares – Transfer

The Group pledged 7,000,000 Treasury shares as collateral for the SEB $60.0 million revolver facility. In order to comply with Bermuda law, the ownership of these shares was transferred from Stolt-Nielsen Limited to Stolt-Nielsen Finance Limited, a wholly owned subsidiary. Stolt-Nielsen Finance Limited holds these shares on behalf of the lender and they are no longer included in Treasury Shares. These shares are now included within Paid-In Surplus on the Balance Sheet. These shares are considered outstanding for the purposes of the Earnings Per Share calculation.

Dividends

On February 7, 2018, the Group's Board of Directors recommended a final dividend for 2017 of $0.25 per Common share, payable on May 9, 2018 to shareholders of record on April 26, 2018. The dividend was approved at the Company's Annual General Meeting of Shareholders held on April 19, 2018 in Bermuda. The total gross amount of the dividend was $13.7 million and paid on May 9, 2018.

On November 15, 2017, the Group's Board of Directors declared an interim dividend of $0.25 per Common share and $0.005 per Founder's share to shareholders of record as of November 29, 2017. The total gross amount of the dividend was $13.8 million, which was classified as an interim dividend and paid on December 12, 2017.

6. Property, Plant and Equipment and Intangible Assets

During the three months ended May 31, 2018, the Group spent $30.0 million on property, plant and equipment. Cash spent during the quarter primarily reflected (a) $17.3 million on terminal capital expenditures, (b) $7.5 million on drydocking of ships, (c) $0.8 million on tankers capital expenditures and (d) $0.7 million on the purchase of tank containers and construction at depots. Interest of $1.0 million was capitalised on the new construction of terminals and gas newbuildings.

During the six months ended May 31, 2018, the Group spent $60.3 million on property, plant and equipment. Cash spent during the quarter primarily reflected (a) $34.1 million on terminal capital expenditures, (b) $12.6 million on drydocking of ships, (c) $5.6 million on tankers capital expenditures and (d) $2.3 million on the purchase of tank containers and construction at depots. Interest of $2.0 million was capitalised on the new construction of terminals and gas newbuildings.

For the six months ended May 31, 2018, the Group paid deposits of $7.3 million for the gas newbuildings.

Proceeds of $7.6 million were received from the sale of ships, retirement of tank containers and other assets.

During the six months ended May 31, 2018, the Group spent $1.9 million on intangible assets, mainly on computer software. Revaluation for foreign exchange differences on goodwill and other intangibles amounted to a loss of $0.6 million in the same period.

7. Impairment of Bitumen Ships

The Group used Fair Value Less Cost of Disposal ("FVLCD") for the Bitumen ships to determine the recoverable amount of $10.0 million based on indicative broker values from independent ship brokers. As a result, the Group recognised an impairment of $11.8 million for the three-months ended May 31, 2018 for two Bitumen ships. The impairment charge is recorded in the income statement for the three and six-month period. The Bitumen division's assets are reflected under Corporate and Other Business Segment.

8. Investment in Joint Ventures and Associates

During the six months ended May 31, 2018, the Group's Belgian joint venture reduced its net deferred tax liabilities by $8.2 million due to the reduction in Belgian Corporate Tax rates. The amount is included within Share of profit from joint ventures and associates.

9. Short and Long-Term Debt

Short-term debt consists of debt obligations to banks under uncommitted lines of credit and bank overdraft facilities. Where the Group has the discretion to rollover its obligations for a period of more than 12 months and there is no expectation of settlement within 12 months, the debt is presented as long-term. This is the case at May 31, 2018 and November 30, 2017 for the $650.0 million reducing revolving credit facility.

As of May 31, 2018, the Group had available committed credit lines of $197.1 million. Long-term debt consists of debt collateralised by mortgages on the Group's ships, tank containers, terminals and investments, as well as $626.8 million unsecured bond financing at May 31, 2018.

	Cash flows For the Six Months Ended May 31, 2018	May 31, 2017
	(in thousands)	
Bank loan additions (repayments), net	**$ 8,700**	$ (8,100)
Proceeds from issuance of long-term debt	**215,069**	544,286
Repayment of long-term debt	**(239,463)**	(367,201)

With the final delivery of *Stolt Loyalty*, in the fourth quarter of 2017, the Group drew down $7.6 million on the second tranche for this ship during the first quarter of 2018. This was the final tranche of the $291.8 million term loan with The Export-Import Bank of China and Standard Chartered Bank.

The Group had $375.0 million drawn on its revolving credit facility as at May 31, 2018, compared to $221.0 million as at November 30, 2017 and had $60.0 million drawn on the SEB share collateral revolving facility as at May 31, 2018 compared to $11.0 million drawn as at November 30, 2017.

In the six months ended May 31, 2018, $239.5 million of debt was repaid, of which $148.7 million was paid on maturity of the NOK 873.5 million bond (SNI03), $30.9 million was settled on the Danish Ship Finance loan facility, $10.2 million was paid on the $291.8 million term loan with The Export Import Bank of China, $12.5 million was repaid on the $275.0 million acquisition finance facility and a further $10.5 million was repaid on various secured ship debt facilities. $11.8 million was repaid on Terminal loans and $12.0 million was repaid on the senior secured credit facilities for Container Financing. The Group remains in compliance with all financial covenants and believes that it will be able to satisfy working capital, capital expenditures and debt requirements for at least the next 12 months from July 5, 2018.

10. Fair Value Measurements for Financial Assets and Liabilities

The following estimated fair value amounts have been determined by the Group, using appropriate market information and valuation methodologies. Considerable judgement is required to develop these estimates of fair value, thus the estimates provided herein are not necessarily indicative of the amounts that could be realised in a current market exchange:

	May 31, 2018		November 30, 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(in thousands)			
Financial Assets (Amortised Cost):				
Cash and cash equivalents	$ 80,001	$ 80,001	$ 58,308	$ 58,308
Restricted cash	88	88	98	98
Receivables	261,680	261,680	241,115	241,115
Other current assets	33,607	33,607	44,150	44,150
Financial Assets (Fair Value):				
Investments in equity instruments	60,529	60,529	57,570	57,570
Financial Liabilities (Amortised Cost):				
Accounts payables (excluding withholding and value added tax)	89,122	89,122	84,834	84,834
Accrued expenses	246,359	246,359	236,609	236,609
Dividend payable	—	—	13,814	13,814
Debt and finance leases including current maturities (excluding debt issuance costs)	2,537,444	2,586,270	2,503,293	2,597,212
Derivative Financial Instruments (Fair Value):				
Assets				
Bunker swaps	14,627	14,627	8,907	8,907
Bunker call options	883	883	3,458	3,458
Foreign exchange forward contracts	32	32	5	5
Interest rate swaps	6,271	6,271	1,132	1,132
Cross-currency interest rate swaps	1,336	1,336	265	265
	$ 23,149	**$ 23,149**	$ 13,767	$ 13,767
Liabilities				
Foreign exchange forward contracts	(335)	(335)	(50)	(50)
Interest rate swaps	(2,935)	(2,935)	(10,969)	(10,969)
Cross-currency interest rate swaps	(92,047)	(92,047)	(149,027)	(149,027)
	$ (95,317)	**$ (95,317)**	$ (160,046)	$ (160,046)

The carrying amount of cash and cash equivalents, receivables, other current assets, accounts payable (excluding withholding and value added tax payables), accrued expenses and dividend payable are a reasonable estimate of their fair value, due to the short maturity thereof. The Group's investment in Golar LNG Limited is measured using quoted prices in an active market, while derivative financial instruments are measured using inputs other than quoted values. There have been no changes in the fair value methodology since November 30, 2017.

The estimated value of the Group's financial assets and equity instruments are based on traded value. The estimated value of its senior unsecured bond issues is based on traded values, while the value on the remaining long-term debt is based on interest rates as of May 31, 2018 and November 30, 2017, respectively, using the discounted cash flow methodology. The fair values of the Group's foreign exchange and bunker contracts are based on their estimated market values as of May 31, 2018 and November 30, 2017, respectively. Market value of interest rate and cross-currency interest rate swaps was estimated based on the amount the Group would receive or pay to terminate its agreements as of May 31, 2018 and November 30, 2017.

Long-term debt in the table above excludes debt issuance costs of $29.9 million and $31.6 million, respectively, as of May 31, 2018 and November 30, 2017.

Derivatives

The Group has derivative assets of $23.1 million and $13.8 million as of May 31, 2018 and November 30, 2017, respectively and derivative liabilities of $95.3 million and $160.0 million as of May 31, 2018 and November 30, 2017, respectively. All the Group's derivative activities are financial instruments entered with major financial institutions for hedging the Group's committed exposures or firm commitments with major financial credit institutions, shipbuilders and ship-repair yards. The fair values of the Group's foreign exchange contracts and cross-currency interest rate swaps are based on their estimated market values as of May 31, 2018 and November 30, 2017, respectively. There were no changes in the valuation techniques during the period. Net derivative liabilities for cross-currency interest rate swaps are lower by $58.1 million primarily due to the maturity of the NOK bond in March 2018. This bond was fully hedged using cross-currency interest rate swaps.

The Group had purchased forward contracts and options for 111,000 tons for delivery in each of 2017 and 2018, and 48,000 tons for delivery in 2019 with initial expiration dates ranging from three to 24 months forward. The bunker contracts were marked-to-market through the Income Statement and a realised and unrealised gain of $8.9 million was recorded for the six months ended May 31, 2018.

11. US Tax Reform

On December 22, 2017, the US enacted the Tax Cuts and Jobs Act ("the Act"), which reduced the US federal corporate income tax rate from 35% to 21%, among other provisions, as of the effective date January 1, 2018.

In the first quarter of fiscal year 2018, based on actual calculations of the deferred tax position as of November 30, 2017, a deferred tax credit of $24.9 million has been recorded in the profit and loss account offset by a $22.2 million reduction in the US deferred tax liability and a tax charge to the Other Comprehensive Income of $2.7 million relating to the US defined benefit pension scheme. The provision for income taxes during interim quarterly reporting periods is based on our estimate of the US effective tax rate for the full fiscal year, which uses a blended rate of 22.17% for fiscal year 2018.

The ultimate impact of the Act is subject to complex provisions in the legislation with further guidance and clarification expected to be issued by the US authorities.

12. Commitments and Contingencies

As of May 31, 2018, and November 30, 2017, the Group had total capital expenditure purchase commitments outstanding of approximately $111.0 million and $113.7 million, respectively. At May 31, 2018, the total purchase commitments consisted of one newbuilding contract for two 7,500 cbm LNG carriers of $66.2 million, new and existing terminal expansion projects of $40.4 million and tank container projects of $4.4 million. Of the total purchase commitments at May 31, 2018, $40.4 million is expected to be paid over the next 12 months, $5.9 million of that amount has financing in place. The remaining $34.5 million will be paid out of existing liquidity.

Newbuilding Contract

The above newbuilding contract for the 7,500 cbm LNG carriers was announced on May 24, 2017. These ships will be built by Keppel Singmarine with expected delivery in 2019. The first newbuilding deposit of $7.3 million was paid in June 2017. The second newbuilding deposit of $7.3 million was paid in December 2017. The total cost for both ships is approximately $80.0 million, including site team costs and capitalised interest. The Group has options to purchase two additional similar ships.

Environmental

Environmental disclosures are described in Note 26 of the Consolidated Financial Statements for the year ended November 30, 2017. There have been no significant changes that have occurred since that date.

Joint Ventures and Associates Purchase Commitments

The Group's joint ventures and associates had an additional $39.1 million of purchase commitments on May 31, 2018, which are non-recourse to the Group. These commitments primarily relate to $36.5 million for terminal's capital projects and $2.6 million for tank containers' depot expansions. Of the total 2018 purchase commitments at joint ventures and associates, $23.6 million is expected to be paid over the next 12 months and financing has been arranged by the joint venture for $13.4 million. The remaining terminals and tank container projects will be paid out of the existing liquidity of those joint ventures.

The last ship ordered by Hassel Shipping 4 A.S., a joint venture of the Group, was delivered on January 11, 2018 and was named the *Stolt Palm.*

On March 15, 2018, the Group's joint venture NYK Stolt Tankers, S.A. took delivery of *Stolt Excellence*, the last 38,000 dwt fully stainless-steel newbuilding from Hudong Zhonghua Shipbuilding (Group) Co. Ltd in China.

13. Legal Proceedings

The Group is party to various legal proceedings arising in the ordinary course of business and in cases where it believes the likelihood of losses are probable and can be estimated, provisions would be recorded for those legal cases. Disclosure of legal proceedings has been described in Note 27 of the consolidated financial statements for the year ended November 30, 2017. There have been no significant changes to any ongoing legal proceedings since that time and the Group believes that none of the ongoing legal proceedings will have a material adverse effect on its business or financial condition.

To the extent that they are not covered by insurance, the Group expects to incur legal costs until these matters are resolved.

General

The ultimate outcome of governmental and third-party legal proceedings is inherently difficult to predict. The Group's operations are affected by international environmental protection laws and regulations. Compliance with such laws and regulations may entail considerable expense, including ship modifications and changes in operating procedures.

14. Related Party Transactions

The Group continues to transact with related parties as in prior years. Except as disclosed below, there were no new types of related party transactions nor new related parties identified since the year ended November 30, 2017.

In the six months ended May 31, 2018, a member of the Board was given a loan of $0.3 million at an interest rate of 5.25%. The full amount, including accrued interest is expected to be repaid within 12 months.

15. Seasonality

Sales of seafood are generally stronger in the first quarter of the year as this coincides with increased sales over the Christmas and New Year holidays. Stolt Tank Containers shipment volumes may be negatively affected in the first quarter by the seasonality inherent in their key customers' businesses. Stolt Tanker's results can be negatively affected in the winter months in the Northern Hemisphere, because of weather conditions such as fog, ice and winter storms that cause port delays, congestion and waiting time. There is no significant seasonality in any of the other businesses.

16. Subsequent Events

From June 1, 2018 to July 5, 2018, a further 231,500 shares have been repurchased for $3.5 million under the share buy-back program, leaving $14.4 million available for further purchases.

STOLT-NIELSEN LIMITED

RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period December 1, 2017 to May 31, 2018 has been prepared in accordance with IAS 34 as adopted by the European Union and gives a true and fair view of the Group's financial position and profit or loss and cash flows as a whole.

The maintenance and integrity of the Stolt-Nielsen Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in Bermuda governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

London
July 5, 2018

Signed for and on behalf of the Board of Directors

N.G. Stolt-Nielsen

Niels G. Stolt-Nielsen
Chief Executive Officer

Jens F. Grüner-Hegge
Chief Financial Officer

Independent review report to Stolt-Nielsen Limited

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Stolt-Nielsen Limited's condensed consolidated interim financial statements (the "interim financial statements") for the three months and six months ended 31 May 2018. Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Norwegian Securities Trading Act.

What we have reviewed

The condensed consolidated interim financial statements, which are prepared by Stolt-Nielsen Limited, comprise:

- the condensed consolidated interim balance sheet as at 31 May 2018;
- the condensed consolidated interim income statement and condensed consolidated interim statement of other comprehensive income for the three months and six months period then ended;
- the condensed consolidated interim statement of cash flows for the six months period then ended;
- the condensed consolidated interim statement of changes in shareholders' equity for the six months period then ended; and
- the explanatory notes to the condensed consolidated interim financial statements.

As disclosed in note 1, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Norwegian Securities Trading Act.

Responsibilities for the condensed consolidated interim financial statements and the review

Our responsibilities and those of the directors

The document which contains the condensed consolidated interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the condensed consolidated interim financial statements in accordance with the Norwegian Securities Trading Act.

Our responsibility is to express to the company a conclusion on the condensed consolidated interim financial statements based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of ensuring that the format of the interim report complies with the International Accounting Standard 34 as set out in the Norwegian Securities Trading Act and for no other purpose. Our report may not be made available to any other party without our prior written consent. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of condensed consolidated interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the document which contains the condensed consolidated interim financial statements and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants

5 July 2018

London