

The logo for Frontline, featuring a stylized 'F' with a green and white color scheme, is positioned above the word 'FRONTLINE' in a bold, white, serif font. The text is overlaid on a dark, semi-transparent image of an offshore oil rig or ship, which is set against a background of a blue-toned satellite image of the Earth. The entire scene is framed by several thin, glowing blue lines that create a sense of motion or a digital interface.

FRONTLINE

The "waiting game" is over....

Presentation to Orkla Finans May 22th.

Our Market Scenario

“We are in the beginning of a 2-3 year strong cyclical upswing in the tanker market. The world wide economic growth, and the current oil storage situation will force increased OPEC - AG production. A fixed orderbook, an over aged fleet, and new rules and market practice as a function of the “Erika” incidents, will tighten the utilisation. The increased utilisation will push freight rates significantly and put upwards pressure on second-hand prices. The positive development has been delayed by the Asian Crisis and an artificially low OPEC production. We anticipate that the market will be kick started when OPEC in the next weeks will open for more production. The consolidation in the industry has just started. The chartering markets as well as the capital market will force M&A activities. Frontline will as we have since 1996 lead this trend.”

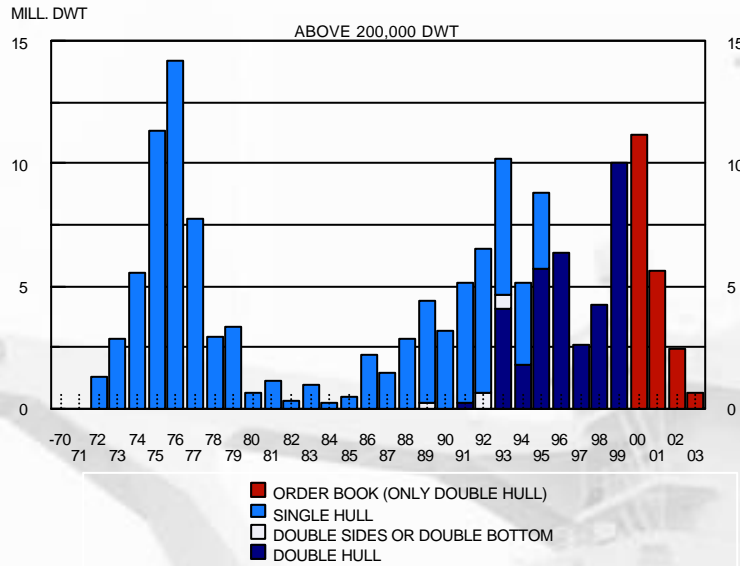
Frontline Management
New York - March 2000

The Market Status

- The increase in the OPEC production and the after effects of the “Erika” accident have caused a significant recovery in the freight market for tankers.
- Modern VLCC rates have improved gradually from its low of USD 10,000 per day last autumn to current fixing level in excess of USD 40 - 45,000 per day. Most of the positive development has taken place in the second quarter 2000.
- Modern Suezmax rates improved from a USD 12,000 per day level last autumn to a USD 20,000 + level in the first quarter. Rates have improved further in the second quarter, and current fixing levels are USD 27 - 30,000 per day.
- 17 newbuildings VLCCs have been delivered this year while 19 VLCCs have been scrapped.
- New building prices and especially secondhand prices show a strengthening.

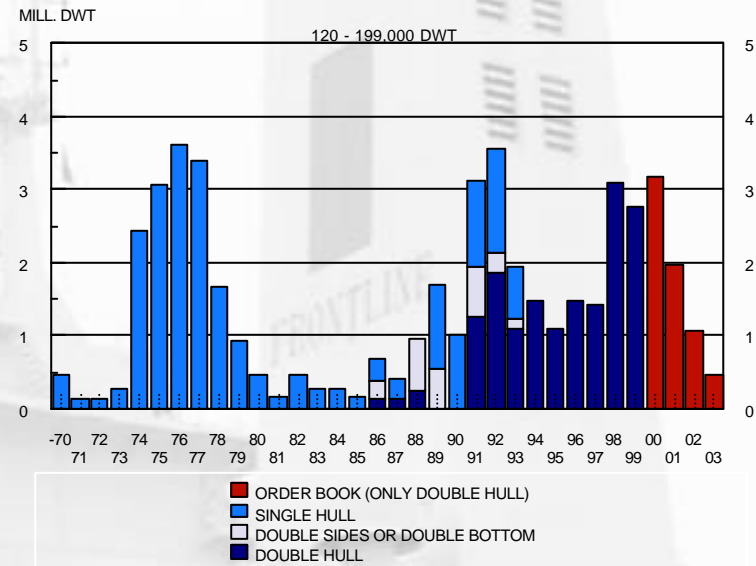
Tanker Supply

VLCC BY BUILDING YEAR AND TYPE OF HULL
AS AT 1.1.00



- TOTAL FLEET AS OF JAN 1, 2000: 457 VLCCs - 128.3 MDWT
- ON ORDER: 66 VESSELS - 15 % OF EXISTING FLEET
- 33% OF EXISTING FLEET SUBJECT TO HBL BEFORE END 2002
- IF NEW EU PROPOSAL EXCLUDES TANKERS OVER 20 YEARS OF AGE: 40% OF THE EXISTING FLEET WILL BE PHASED OUT OF EUROPEAN WATERS WITHIN END 2002.

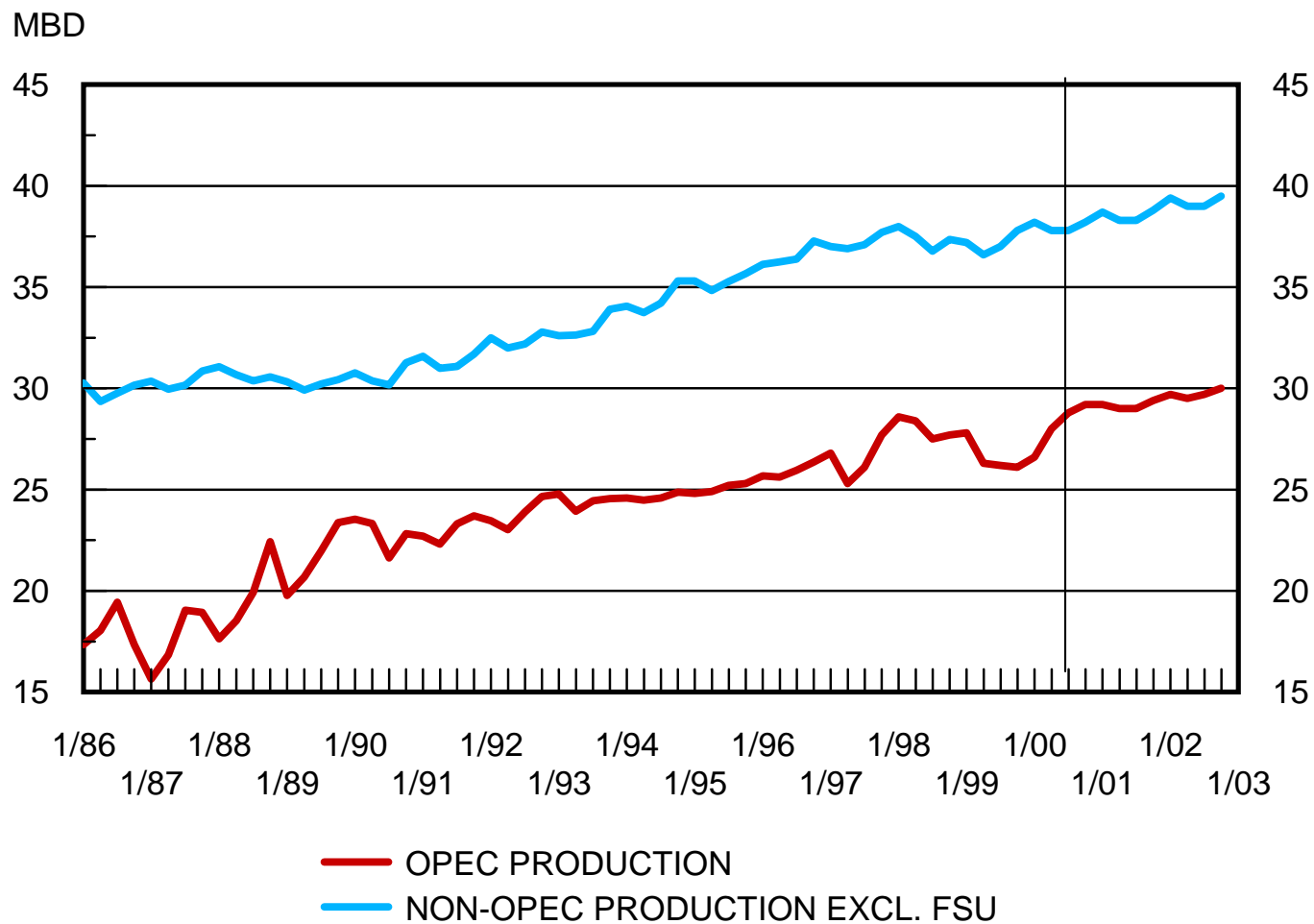
SUEZMAX TANKERS BY BUILDING YEAR AND TYPE OF HULL
AS AT 1.1.2000



- TOTAL FLEET AS OF JAN 1, 2000: 312 SUEZMAXES - 41.9 MDWT
- ON ORDER: 43 VESSELS - 15 % OF EXISTING FLEET
- 32% OF EXISTING FLEET SUBJECT TO HBL BEFORE END 2002
- IF NEW EU PROPOSAL EXCLUDES TANKERS OVER 20 YEARS OF AGE: 41% OF THE EXISTING FLEET WILL BE PHASED OUT OF EUROPEAN WATERS WITHIN END 2002.
- OPA 90 WILL EXCLUDE FROM US WATERS 10 MDWT OF SUEZMAXES IN THE YEARS 2000-2002

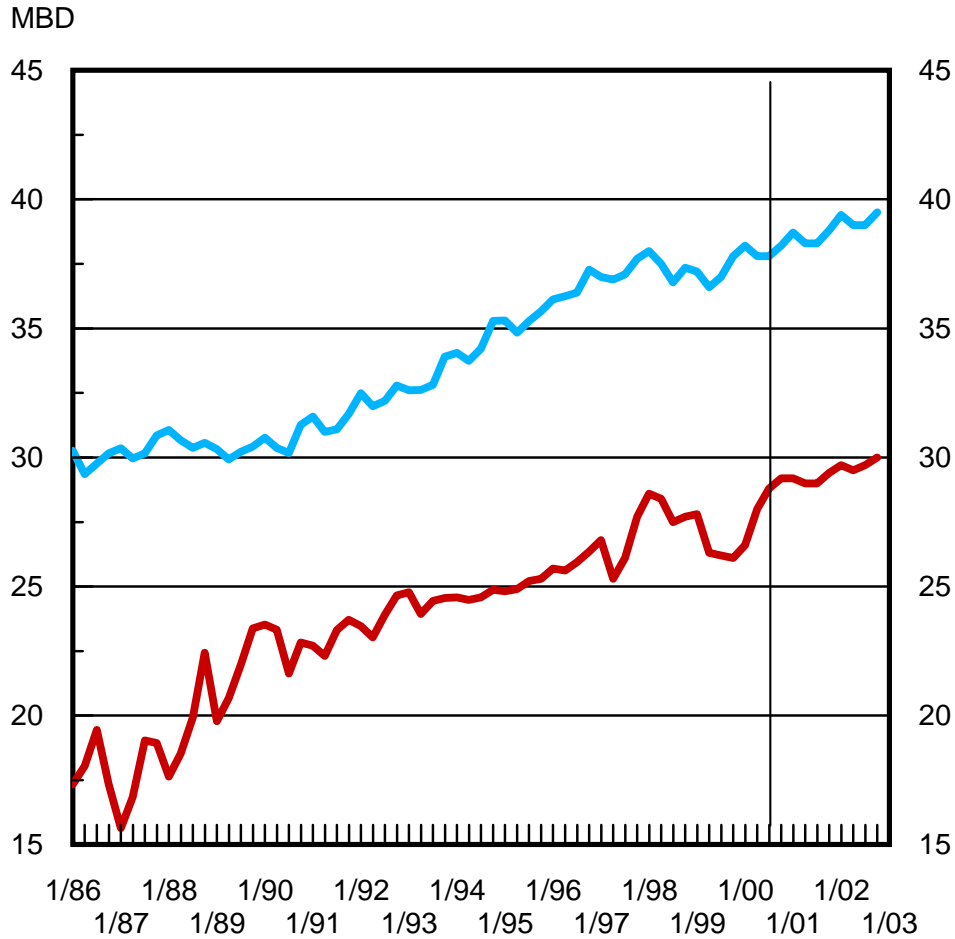
CRUDE OIL PRODUCTION

QUARTERLY 1986 - 2002



CRUDE OIL PRODUCTION

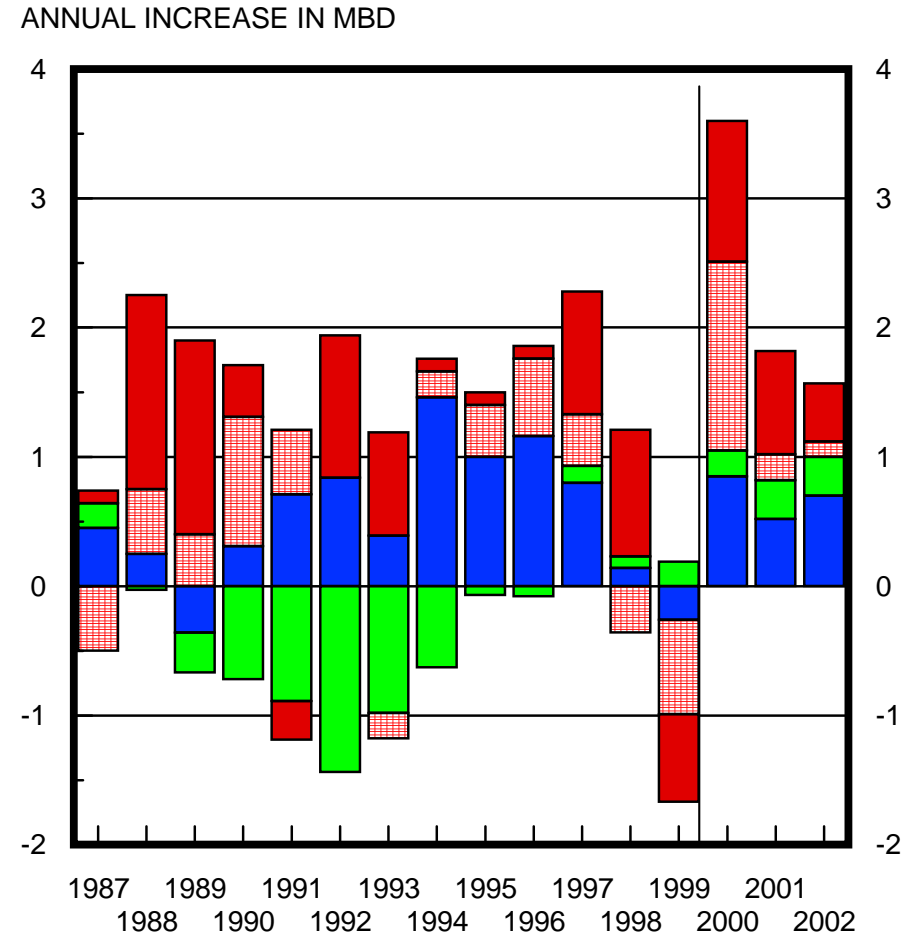
QUARTERLY 1986 - 2002



— OPEC PRODUCTION
— NON-OPEC PRODUCTION EXCL. FSU

CRUDE OIL PRODUCTION GROWTH 1987-2002

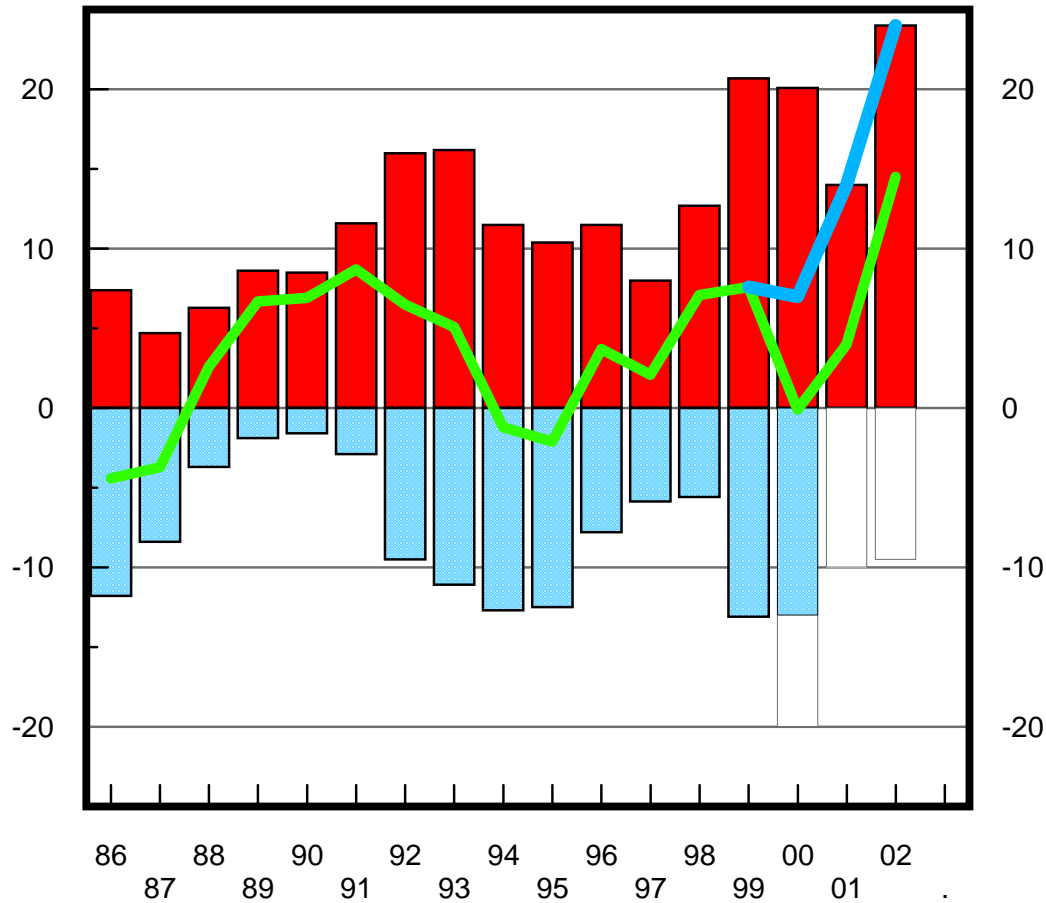
OPEC VS NON-OPEC



■ OPEC MIDDLE EAST ■ FSU
■ OTHER OPEC ■ NON-OPEC EXCL. FSU

TANKER FLEET TREND 1986-2002

MILL. DWT



- DELIVERIES OF TANKERS
- REMOVALS OF TANKERS
- ANNUAL CHANGE IN MILL DWT
- ANNUAL CH IN MILL DWT IF NO SCRAPPING FROM JUNE 2000

IF SCRAPPING SHOULD STOP COMPLETELY...

How much should Middle East output increase to compensate for a complete stop in scrapping without weakening freight rates?

Rough estimates indicate:

Note: In addition to the Base Case

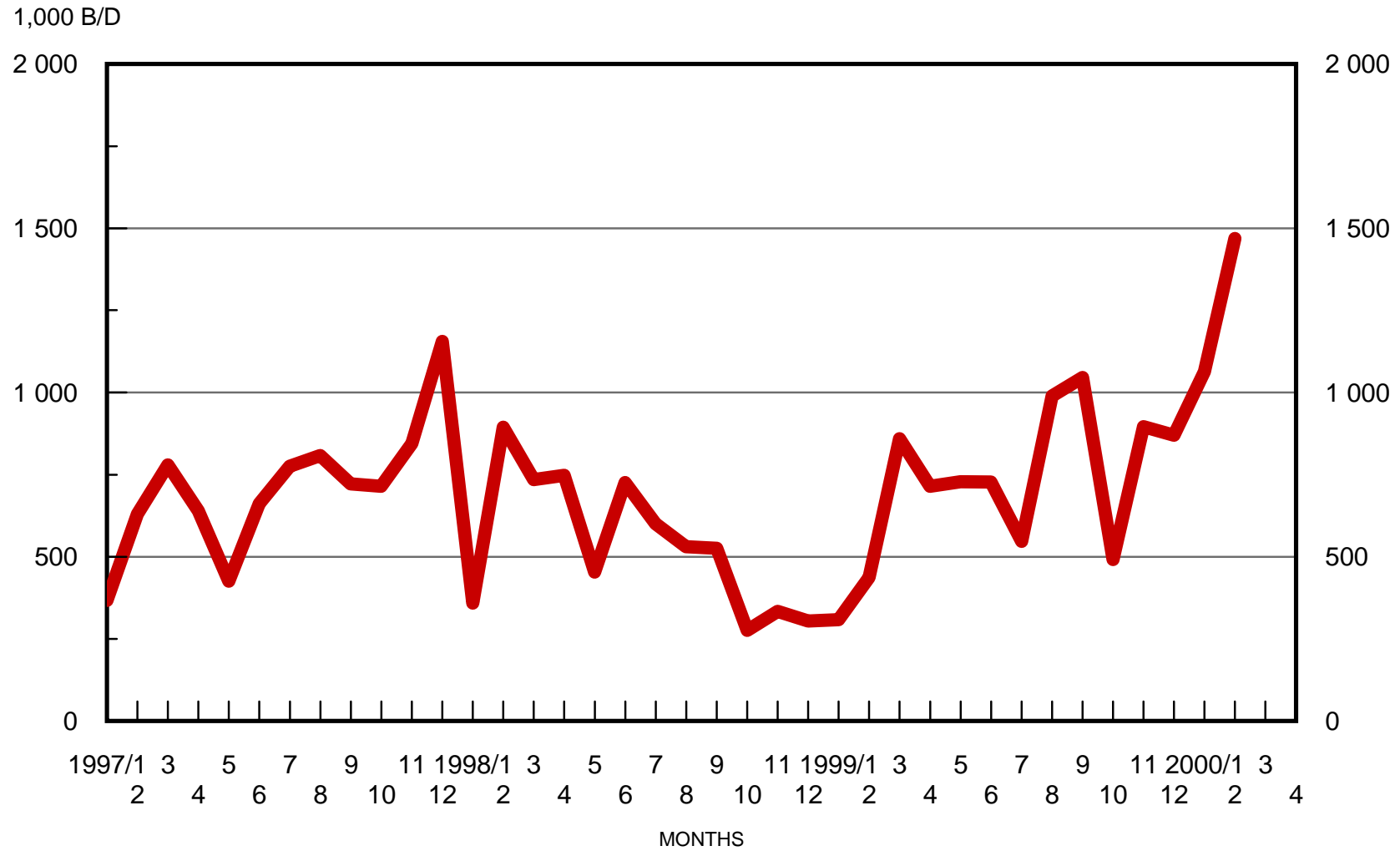
2000: +0.2 mbd

2001: +1.0 mbd

2002: +0.9 mbd

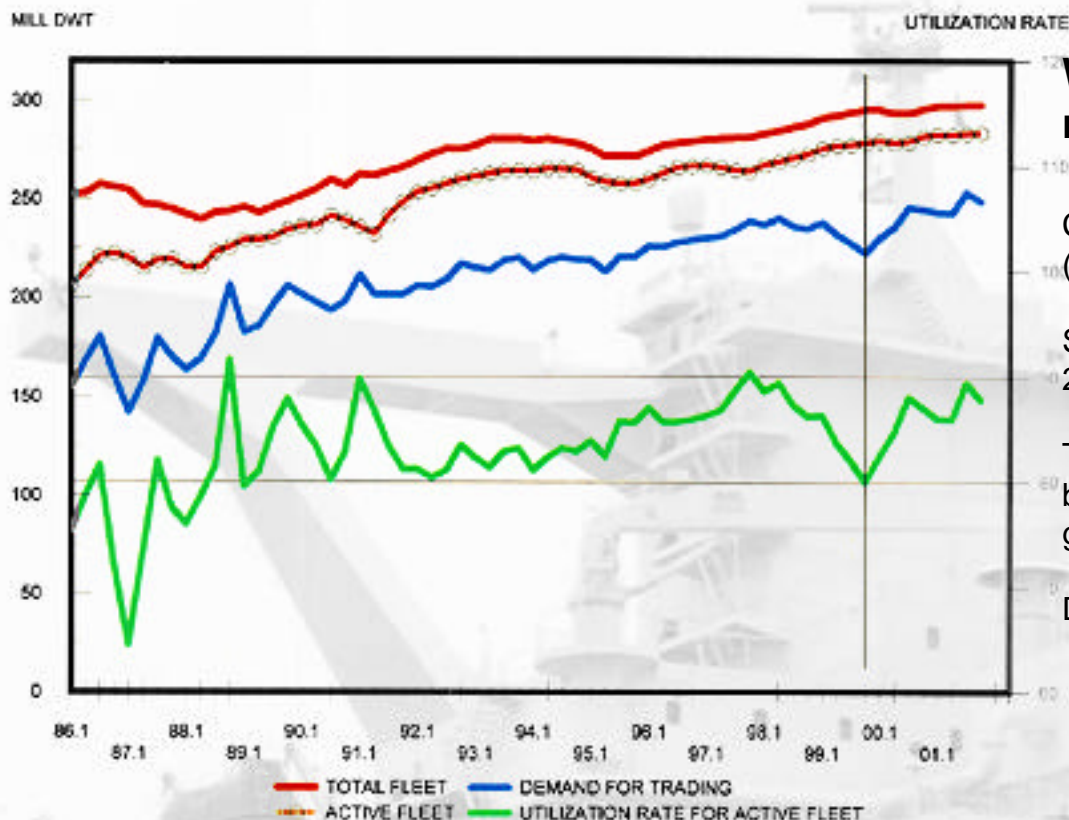


CHINA - CRUDE OIL IMPORTS 1997-2000



Market Balance

SUPPLY, DEMAND AND UTILIZATION RATE
TANKER FLEET 10,000 DWT +



Why a VLCC boom now could be more long-lasting: A scenario

- Current Yard output (1999/2000): 35 units per year
- Scrapping based on 27 years (2000-2005): 26 units per year
- To cover trade growth - based on 2% oil cons growth and 60% from M East: 30 units per year
- Demand growth: 56 units per year

The Frontline Assets

14.4 VLCCs

18 Suezmaxes

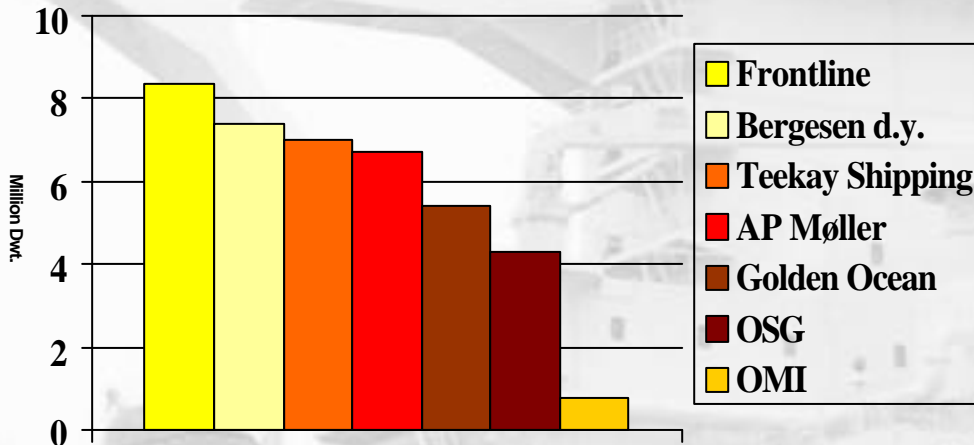
8 Suezmax OBOs



= 8,4 Million Dwt = 59 Million barrels

Fleet Size

Crude exposure Dwt.



Fleet Age

Company	Fleet Age / Years
Golden Ocean	2
OMI	4
Frontline	5
AP Møller	7
Teekay Shipping	9
OSG	13
Bergesen	19
Average Tanker fleet	14

Daily Cash Generation in Current Market

An “Number Exercise”

T/C VLCC USD = 42.500 per day

T/C Suezmax USD = 28.500 per day

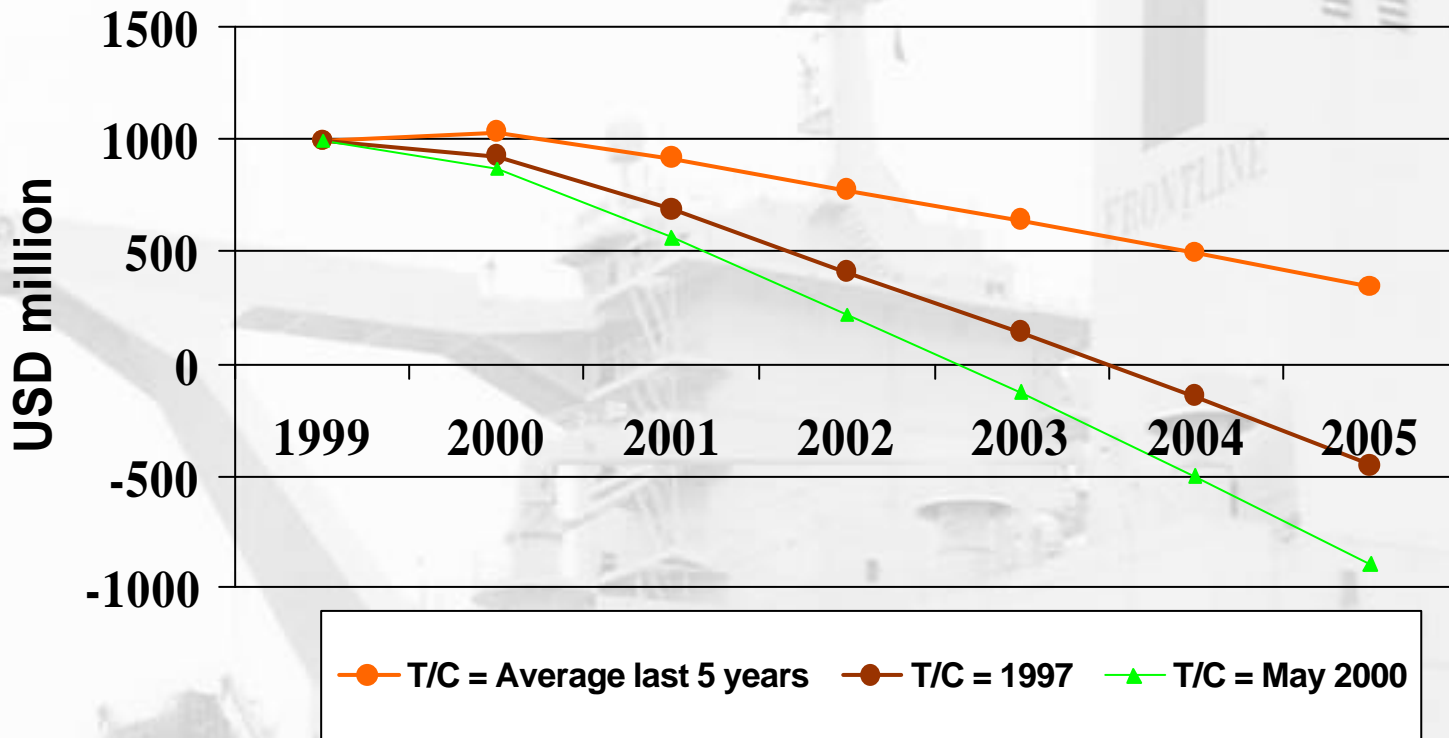
	<i>USD/Day</i>
Gross Freight Income	1 353 000
Operating expenses	-230 000
Interest Expenses	-240 000
Instalments	-310 000
Administration	- 20 500
Net Daily Cash Generation	552 500

Per 12 months

USD 202 million

High Leverage - Strong Cash Flow

Development in Net Debt Existing Fleet



Frontline - The Industry Consolidator

Actions since 1996	Owners	Ships
Corporate Acquisitions	3	18
Ship Purchases	4	5
Tankers Int. Pool	5	42
Alliance Chartering "Pool"	4	12
Purchase ITC lease structure	3	10
Total Consolidation	19	97
Frontline tonnage 1996		6
Frontline newbuilding Program		10
Total Fleet		113

Tankers International - A success story.

- Tankers Int. has been in operation since February 1.
- New organisation established in London - 25 people.
- Totally fixed 90 cargoes
- More direct access to clients.
- Average time waiting for cargo less than 2 days.
- Strong back haul position including key contracts WAF - Asia.
- Co-ordinated newbuilding strategy.
- Initiated structural discussion.

Back Haul Trading - Effective Utilisation of a VLCC

EXAMPLE ROUNDTRIP		CARGO MT	DAYS	USD/DAY
<u>LOOP-AG-LOOP</u>	<u>WS 85</u>	<u>270,000</u>	<u>56</u>	<u>40,000</u>

EXAMPLE COMBINATION

LOOP-WAF-CHINA	WS 80	270,000	50	45,000
<u>CHINA - AG - LOOP</u>	<u>WS 85</u>	<u>270,000</u>	<u>56</u>	<u>55,800</u>
<u>TOTAL COMBINATION</u>		<u>270,000</u>	<u>106</u>	<u>50,700</u>



Total Back haul benefit USD 10,700 per day.

The Frontline Investment Case

Asset exposure :

Every USD 1 invested in Frontline gives approximately USD 3.50 in modern tanker exposure.

Return to OPEC AG production favours VLCC and Suezmax vs. Aframax.

Operating Sensitivity :

Every +1,000 USD increase in T/C levels improves overall earnings with USD 15 million equal to USD 0.20 per share.

Pricing :

Current rates (VLCC 42,500/ Suezmax 28,500) creates annualised earnings of approx USD 200 million after USD 80 million in depreciation. Current Market Cap. USD700 million.

Where do we go from here.....

Management Strategy 2000

- Stick to existing strategy - Post 90' VLCC - Suezmax.
- Seek full take-over of Golden Ocean.
- Target one more Corporate Acquisition.
- Do ship for share deals with single ship owners.
- Increase Alliance and Tankers Int. Pool with 10 ships each.
- Increase contract coverage for fleet.
- Consider alternative debt financing alternatives incl. bonds.
- Increase Frontline's profile in the US equity market.
- Keep low cost / trimmed ship operation.



Thank you

Frontline information available at
www.frontline.bm

FRONTLINE

The Oil Demand/Supply

	Area	1998	1999	2000	2001	2002
DEMAND	Total	74.0	75.3	76.7	78.4	79.8
	OECD	46.9	47.6	48.3	49.0	49.7
	Non-OECD	27.1	27.7	28.4	29.4	30.1
SUPPLY	Total	75.3	74.0	76.8	78.5	80.0
	OPEC Crude	27.8	26.6	28.4	29.6	30.5
	Non OPEC Crude	47.5	47.4	48.4	48.9	49.5
STOCK CHANGES		1.3	- 1.3	0.1	0.1	0.2

All numbers in mill. Barrels

Source IEA