

# Stolt-Nielsen Limited



A subsidiary of  
Stolt-Nielsen S.A

Aldwych House  
71-91 Aldwych  
London WC2B 4HN  
England

Tel: +44 20 7611 8960  
Fax: +44 20 7611 8965  
[www.stolt-nielsen.com](http://www.stolt-nielsen.com)

## NEWS RELEASE

**Contact: William W. Galvin**  
**USA 1 203 618 9800**  
**[wwgalvin@galvinpartners.com](mailto:wwgalvin@galvinpartners.com)**

**Valerie Lyon**  
**UK 44 20 7611 8904**  
**[vlyon@stolt.com](mailto:vlyon@stolt.com)**

### **STOLT-NIELSEN S.A. REPORTS IMPROVED THIRD QUARTER RESULTS**

**London, England – September 26, 2001** - Stolt-Nielsen S.A. (Nasdaq: SNSA; Oslo Stock Exchange: SNI) today reported results for the third quarter and the nine-month period ended August 31, 2001. Net income for the latest quarter was \$29.7 million, or \$0.54 per share, on net operating revenue of \$735.4 million, compared with a net loss of \$0.3 million, or \$0.01 per share, on net operating revenue of \$607.8 million for the third quarter in 2000. The weighted basic average number of shares outstanding for the third quarter of 2001 was 54.9 million compared to 54.7 million for the same period of 2000.

Net income for the nine-month period ended August 31, 2001 was \$26.3 million, or \$0.48 per share, on net operating revenue of \$1,912.7 million, compared with net income of \$26.0 million, or \$0.48 per share, on net operating revenue of \$1,637.4 million for the same period of 2000. Before one-time gains resulting from dilution on Stolt-Nielsen S.A.'s (SNSA) interest in Stolt Offshore S.A. and the sale of assets, the net loss for the nine-month period ended August 31, 2000 was \$7.5 million or \$0.14 per share. For the nine-month period of 2001, the weighted basic average number of shares outstanding was 54.9 million, compared with 54.6 million for the same period in 2000.

Niels G. Stolt-Nielsen, Chief Executive Officer of Stolt-Nielsen S.A. said, "I am pleased to report improved results for the third quarter which reflect a continuation of the better market conditions for the Stolt-Nielsen Transportation Group, a higher level of project activity by Stolt Offshore, and improved results from Stolt Sea Farm as a result of our multi-species strategy.

**“Stolt-Nielsen Transportation Group’s** (SNTG) income from operations during the third quarter improved to \$41.1 million, almost doubling the \$21.2 million in the third quarter of 2000, and was also up from the \$35.8 million in the second quarter of 2001. For the nine-month period in 2001, income from operations improved to \$106.1 million from \$60.9 million last year.

"For SNTG's parcel tanker operations, the Stolt Tanker Joint Service Sailed-in Time-Charter Index rose another 7% from the second quarter of 2001 and is now up 15% on a year-to-date basis compared to 2000. Volumes were again up and contracts of affreightment continue to be renewed with increases up to 25%. Results also benefited from lower bunker fuel prices. Income from operations rose to \$29.7 million in the third quarter from \$11.6 million in the third quarter of 2000. In early December, we expect to take delivery of the *M/T Stolt Perseverance*, the last ship of our 24 ship, \$1.3 billion newbuilding program. This delivery will complete our newbuilding program for the foreseeable future.

"SNTG's tank container division reported income from operations of \$5.5 million for the third quarter of 2001 which was up from \$5.0 million from the comparable quarter of 2000. Despite continued weaker utilization, results benefited from lower operating costs, primarily due to lower ocean freight and the return of leased-in third party tanks earlier this year.

"The terminal division again reported improved results with third quarter income from operations increasing to \$5.9 million from \$4.5 million in the comparable quarter of 2000. Activity continues to be strong at all terminals with both utilization and throughput at high levels. Our new Braithwaite, Louisiana terminal is open for business and we expect to complete the first phase of construction shortly.

"Before minority interests, **Stolt Offshore** (SOSA) reported a net profit of \$17.5 million for the third quarter. This compared to a profit of \$0.2 million in 2000. For the nine-month period, before minority interests, SOSA reported a loss of \$4.3 million compared to a loss of \$32.1 million in 2000. The improved results for the quarter reflect the high level of activity in West Africa, the North Sea, and the Gulf of Mexico. In West Africa, a major milestone was reached on the TotalFinaElf Girassol project in July with the successful installation of the three riser towers. SOSA is now working on the installation of umbilicals and flexible flowlines and the hook up of the FPSO. Backlog now stands at \$1.6 billion, of which \$378 million is for the remainder of 2001. This compares with a backlog of \$1.0 billion for this time last year, of which \$274 million was for 2000. The level of bids outstanding now stands at \$3.6 billion compared to \$2.3 billion at this time last year. Fourth quarter results are dependent on progress made on completing phase one of the Girassol project and spot market opportunities in the North Sea and the Gulf of Mexico in the fourth quarter.

"**Stolt Sea Farm's** (SSF) income from operations almost doubled to \$10.3 million from \$5.2 million in the third quarter of 2000 despite continued weak salmon prices in all regions. For the nine-month period of 2001, income from operations was \$15.9 million compared to \$25.0 million for the same period in 2000. The improvement in income from operations for the latest quarter was due to a strong contribution from our multi-species strategy. This includes a strong result from the newly acquired bluefin tuna business in Australia where harvests peak in the third quarter. There were also good contributions due to higher prices and lower production costs for turbot, and improved VAP margins from our Seafood Centers where we benefit from weak whole salmon input prices.

"Progress continues at our two new e-businesses. **Optimum Logistics** (OLL) released a major enhancement of its core TransLink™ product offering for which a new marketing effort will be launched. **SeaSupplier** (SSL) completed development of its key software packages during the third

quarter and anticipates that a majority of its pilot customers will be converted to revenue paying contracts by early 2002.

“For the full year, we are now narrowing our earnings guidance to \$0.70 to \$0.80 per share.

“We are optimistic that SNTG’s results will further improve as the newbuilding order book continues to dwindle. SOSA enters 2002 with a strong backlog and anticipates high ship utilization for the remainder of this year and much of 2002. While we anticipate there will be continued pressure on salmon prices globally, we expect SSF will continue to benefit from its product diversification and a profitable sales and marketing organization in all major markets. To date, we have not seen any slowdown in our businesses since the tragedies of September 11<sup>th</sup>, but continue to monitor the situation closely. We have limited capital expenditure commitments for 2002 and beyond and significant undrawn long-term credit facilities in place. We are therefore confident that we have a sufficiently strong balance sheet and the necessary financial resources to weather any downturn that might occur in any of our markets.”

Mr. Stolt-Nielsen concluded.

Stolt-Nielsen S.A. is one of the world's leading providers of transportation services for bulk liquid chemicals, edible oils, acids, and other specialty liquids. The Company, through its parcel tanker, tank container, terminal, rail and barge services, provides integrated transportation for its customers. The Company also owns 53 percent of Stolt Offshore S.A. (Nasdaq: SOSA; Oslo Stock Exchange: STO), which is a leading offshore contractor to the oil and gas industry. Stolt Offshore specializes in providing technologically sophisticated offshore and subsea engineering, flowline and pipeline lay, construction, inspection, and maintenance services. Stolt Sea Farm, wholly-owned by the Company, produces and markets high quality Atlantic salmon, salmon trout, turbot, halibut, sturgeon, caviar, Bluefin tuna, and tilapia.

This news release contains forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Actual future results and trends could differ materially from those set forth in such statements due to various factors. Additional information concerning these factors is contained from time to time in the Company's U.S. SEC filings, including but not limited to the Company's report on Form 20-F for the year ended November 30, 2000. Copies of these filings may be obtained by contacting the Company or the U.S. SEC.

	Conference Call Details	PostView Facility
Date & Time	September 26, 2001 10AM EDT (3PM BST)	Available directly after the conference until 5:00pm EDT on Thursday, September 27, 2001
Phone	1 212 896 6082	+1 800 633 8284 (in U.S.) +1 858 812 6440 (outside U.S.)
Reservation Number		19732654
Live Webcast conference call is available via the company’s Internet site <a href="http://www.stolt-nielsen.com">www.stolt-nielsen.com</a> commencing on Wednesday, September 26th 2001 at 10:00am EDT (3:00pm BST). A playback of the conference call commences on Wednesday, September 26th 2001 after 12:00 noon EDT (5:00pm BST).		

- end text -  
- tables follow -

**STOLT-NIELSEN S. A. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(in US dollar thousands, except per share information)

<b>STATEMENTS OF INCOME</b>	Three months ended		Nine months ended	
	August 31, 2001 (Unaudited)	August 31, 2000 (Unaudited)	August 31, 2001 (Unaudited)	August 31, 2000 (Unaudited)
Net operating revenue:				
Stolt-Nielsen Transportation Group:				
Stolt Parcel Tankers	\$ 192,873	\$ 176,883	\$ 571,878	\$ 512,183
Stolt Tank Containers	51,841	57,829	160,942	166,926
Stolthaven Terminals	19,488	14,215	58,551	43,762
	264,202	248,927	791,371	722,871
Stolt Offshore	365,578	279,778	838,654	683,896
Stolt Sea Farm	105,418	79,112	282,183	230,607
Optimum Logistics	177	-	448	-
<b>Total net operating revenue</b>	<b>735,375</b>	<b>607,817</b>	<b>1,912,656</b>	<b>1,637,374</b>
Gross profit:				
Stolt-Nielsen Transportation Group:				
Stolt Parcel Tankers	45,416	28,530	121,851	80,336
Stolt Tank Containers	11,306	10,862	29,433	32,972
Stolthaven Terminals	8,076	5,305	23,265	17,802
	64,798	44,697	174,549	131,110
Stolt Offshore	52,317	24,645	76,024	27,788
Stolt Sea Farm	16,531	12,540	34,904	42,423
Optimum Logistics	177	-	448	-
<b>Total gross profit</b>	<b>133,823</b>	<b>81,882</b>	<b>285,925</b>	<b>201,321</b>
Equity in net income of non-consolidated joint ventures	3,774	1,535	10,567	5,933
Administrative and general expenses	(52,677)	(49,598)	(156,775)	(142,361)
<b>Total income from operations</b>	<b>84,920</b>	<b>33,819</b>	<b>139,717</b>	<b>64,893</b>
<b>Analysis of total income from operations</b>				
Stolt-Nielsen Transportation Group:				
Stolt Parcel Tankers	29,664	11,639	74,813	31,229
Stolt Tank Containers	5,507	5,025	12,179	15,204
Stolthaven Terminals	5,902	4,524	19,060	14,476
	41,073	21,188	106,052	60,909
Stolt Offshore	39,347	11,717	35,461	(13,225)
Stolt Sea Farm	10,322	5,197	15,923	24,995
Optimum Logistics	(3,598)	(2,162)	(11,857)	(5,395)
SeaSupplier	(2,224)	(2,121)	(5,862)	(2,391)
<b>Total</b>	<b>84,920</b>	<b>33,819</b>	<b>139,717</b>	<b>64,893</b>
Non-operating income/(expense):				
Interest expense, net	(28,110)	(26,096)	(89,425)	(74,298)
Foreign currency exchange gain (loss), net	(140)	(1,015)	976	(993)
Gain on dilution of interest in Stolt Offshore	-	-	-	32,509
Other	(583)	(1,179)	1,635	3,483
<b>Income (loss) before income tax provision and minority interest</b>	<b>56,087</b>	<b>5,529</b>	<b>52,903</b>	<b>25,594</b>
Income tax provision	(14,653)	(4,942)	(24,741)	(12,119)
<b>Income (loss) before minority interest</b>	<b>41,434</b>	<b>587</b>	<b>28,162</b>	<b>13,475</b>
Minority interest	(11,730)	(865)	(1,886)	12,551
<b>Net income (loss)</b>	<b>\$ 29,704</b>	<b>\$ (278)</b>	<b>\$ 26,276</b>	<b>\$ 26,026</b>
<b>NET INCOME (LOSS) BY SEGMENT</b>				
Stolt Nielsen Transportation Group	\$ 20,757	\$ 846	\$ 42,121	\$ 5,501
Stolt Offshore	17,504	239	(4,265)	(32,140)
Stolt Sea Farm	5,733	3,199	5,211	12,637
Optimum Logistics	(3,505)	(2,213)	(11,553)	(5,474)
SeaSupplier	(2,382)	(2,033)	(6,050)	(2,391)
SNSA				
Gain on dilution of interest in Stolt Offshore	-	-	-	32,509
Minority Interest in Stolt Offshore	(8,205)	(113)	1,995	15,061
Other	(198)	(203)	(1,183)	323
<b>Total</b>	<b>\$ 29,704</b>	<b>\$ (278)</b>	<b>\$ 26,276</b>	<b>\$ 26,026</b>
<b>PER SHARE DATA</b>				
Net income (loss) per share:				
Basic	\$ 0.54	\$ (0.01)	\$ 0.48	\$ 0.48
Diluted	\$ 0.54	\$ (0.01)	\$ 0.47	\$ 0.47
Weighted average number of Common and Class B shares and equivalents outstanding:				
Basic	54,895	54,723	54,867	54,637
Diluted	55,424	54,723	55,335	55,210
<b>SELECTED CASH FLOW DATA</b>				
Capital expenditures and acquisition of subsidiaries	\$ 94,520	\$ 79,294	\$ 251,598	\$ 546,143
Depreciation and amortization (excluding drydocking)	\$ 52,136	\$ 48,308	\$ 152,645	\$ 145,786

**STOLT-NIELSEN S. A. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(in US dollar thousands)

	<u>August 31,</u> <u>2001</u> <u>(Unaudited)</u>	<u>November 30,</u> <u>2000</u> <u>(Audited)</u>	<u>August 31,</u> <u>2000</u> <u>(Unaudited)</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 27,512	\$ 28,770	\$ 62,838
Trade receivables, net	513,444	396,757	404,994
Other current assets	<u>359,825</u>	<u>330,852</u>	<u>344,875</u>
<b>Total current assets</b>	<b><u>900,781</u></b>	<b><u>756,379</u></b>	<b><u>812,707</u></b>
Fixed assets, net of accumulated depreciation	2,587,107	2,550,655	2,534,744
Other non-current assets	528,205	420,269	395,395
<b>Total assets</b>	<b><u>\$ 4,016,093</u></b>	<b><u>\$ 3,727,303</u></b>	<b><u>\$ 3,742,846</u></b>
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>			
Loans payable to banks	\$ 298,668	\$ 131,337	\$ 95,084
Current maturities of long-term debt and capitalized leases	84,261	67,506	120,483
Accounts payable and accrued liabilities	652,542	604,462	619,763
<b>Total current liabilities</b>	<b><u>1,035,471</u></b>	<b><u>803,305</u></b>	<b><u>835,330</u></b>
Long-term debt and capitalized leases	1,357,004	1,347,469	1,340,955
Other non-current liabilities (a)	497,992	480,697	457,483
<b>Total current and non-current liabilities</b>	<b><u>2,890,467</u></b>	<b><u>2,631,471</u></b>	<b><u>2,633,768</u></b>
Capital stock and Founder's shares	62,607	62,533	62,501
Paid-in surplus	351,692	350,844	350,468
Retained earnings	929,970	917,468	923,404
Accumulated other comprehensive loss	(84,619)	(100,989)	(93,271)
Treasury stock	(134,024)	(134,024)	(134,024)
<b>Shareholders' equity</b>	<b><u>1,125,626</u></b>	<b><u>1,095,832</u></b>	<b><u>1,109,078</u></b>
<b>Total liabilities and shareholders' equity</b>	<b><u>\$ 4,016,093</u></b>	<b><u>\$ 3,727,303</u></b>	<b><u>\$ 3,742,846</u></b>
Total interest-bearing debt and capitalized leases net of cash and cash equivalents:	<u>\$ 1,712,421</u>	<u>\$ 1,517,542</u>	<u>\$ 1,493,684</u>
(a) Other non-current liabilities includes minority interest in Stolt Offshore of \$317,223, \$313,704, and \$315,647 at August 31, 2001, November 30, 2000 and August 31, 2000, respectively.			
<b><u>SEGMENT ASSETS:</u></b>			
Stolt Nielsen Transportation Group	\$ 2,070,839	\$ 2,031,288	\$ 2,029,811
Stolt Offshore	1,531,361	1,402,772	1,438,130
Stolt Sea Farm	404,462	284,036	269,894
Optimum Logistics	8,870	9,138	4,829
SeaSupplier	561	69	182
<b>Total</b>	<b><u>\$ 4,016,093</u></b>	<b><u>\$ 3,727,303</u></b>	<b><u>\$ 3,742,846</u></b>

**STOLT-NIELSEN S. A. AND SUBSIDIARIES**  
**UNAUDITED OPERATING YARDSTICKS**

<b>STOLT PARCEL TANKERS DIVISION:</b>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
<b><u>Joint Service sailed-in time-charter index - actual</u></b>				
1999	0.91	0.93	0.94	0.93
2000	0.94	0.93	0.93	0.96
2001	1.02	1.07	1.14	N/A
<b><u>Volume of cargo carried - millions of tonnes</u></b>				
<b><u>Joint Service fleet:</u></b>				
1999	2.9	3.4	3.5	3.5
2000	3.7	3.5	4.1	3.8
2001	3.9	4.1	4.3	N/A
<b><u>Regional fleets:</u></b>				
1999	2.1	2.0	2.2	2.5
2000	2.0	2.6	2.7	2.9
2001	3.0	2.7	2.7	N/A
<b><u>Operating days</u></b>				
<b><u>Joint Service fleet:</u></b>				
1999	6,375	6,441	6,354	6,437
2000	6,516	6,485	6,734	6,642
2001	6,792	6,881	6,826	N/A
<b><u>Regional fleets:</u></b>				
1999	5,694	5,656	5,819	5,878
2000	6,037	6,134	6,252	6,293
2001	5,565	5,688	5,681	N/A
<b><u>Average number of ships operated in the period</u></b>				
<b><u>Joint Service fleet:</u></b>				
1999	69	70	70	71
2000	72	70	73	73
2001	76	75	74	N/A
<b><u>Regional fleets:</u></b>				
1999	62	61	64	65
2000	66	67	68	69
2001	62	62	62	N/A

Notes:

- (a) Joint Service and Regional fleet statistics include those for time-chartered ships  
(b) Regional fleet statistics include total joint venture activity and all cargo carried on behalf of the Joint Service  
(c) Regional fleet statistics include the results of both the Northern Europe and US Gulf barging activities

**STOLT TANK CONTAINERS DIVISION:**

<b><u>Tank containers operated and leased at end of period</u></b>				
1999	12,098	12,450	13,010	14,074
2000	14,752	15,017	15,089	15,923
2001	15,670	15,295	14,737	N/A
<b><u>Tank container utilization - %</u></b>				
1999	63.2%	66.8%	69.8%	70.3%
2000	68.2%	69.4%	69.7%	69.8%
2001	67.7%	67.4%	66.5%	N/A

**STOLTHAVEN TERMINALS DIVISION:**

<b><u>Average marketable shell barrel capacity (millions of barrels)</u></b>				
1999	4.90	4.92	4.96	4.96
2000	4.96	4.96	4.98	5.00
2001	5.11	5.13	5.14	N/A
<b><u>Tank capacity utilization - %</u></b>				
1999	92.8%	90.7%	87.3%	89.9%
2000	88.6%	92.9%	92.5%	90.9%
2001	94.5%	95.8%	94.7%	N/A