

## FRONTLINE LTD.

## CONSOLIDATED STATEMENT OF CASH FLOWS

For nine months and third quarter 2001

	9m	Q3
<b>OPERATING ACTIVITIES</b>		
Net income (loss)	339 040	39 286
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation and amortization	91 129	31 668
Unrealised foreign currency exchange gain	(10 233)	9 657
(Gain) loss from sale of assets	(34 838)	(18 115)
Results from associated companies	(15 954)	(685)
Interest receivable on loans to joint ventures, capitalised	(1 573)	(513)
Change in accounting principle	(32 339)	-
Adjustment of financial derivatives to market value	11 638	7 178
Other, net	(2 292)	(127)
Changes in operating assets and liabilities		
Assets	76 286	19 230
Liabilities	(6 438)	140
Net cash provided by operating activities	414 425	87 719
<b>INVESTING ACTIVITIES</b>		
Additions to newbuildings, vessel and equipment	(327 119)	(87 563)
Advances to associated companies, net	(52 500)	(35 143)
Acquisition of businesses net of cash acquired (Mosvold)	(65 052)	(1 197)
Proceeds from sale of assets	177 806	72 587
Net cash used in investing activities	(266 865)	(51 317)
<b>FINANCING ACTIVITIES</b>		
Proceeds from long term debt, net of fees paid	294 881	86 604
Repayments of long term debts	(289 242)	(93 975)
Repayment of capital leases	(8 051)	(2 631)
Dividends	(107 566)	(30 563)
Repurchase of shares, net	(36 326)	(8 552)
Net cash used in financing activities	(146 304)	(49 117)
Net increase (decrease) in cash and cash equivalents	1 257	(12 715)
Cash and cash equivalents at beginning of period	116 094	130 066
Cash and cash equivalents at end of period	117 351	117 351
Net increase:	1 257	(12 715)