


STOLT-NIELSEN S.A.

INTERIM FINANCIAL STATEMENTS

For the Six Months Ended May 31, 2010
(Unaudited)

STOLT-NIELSEN S.A.

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Interim Operational and Financial Review

Stolt-Nielsen S.A.'s ("SNSA") consolidated financial data for the six months ended May 31, 2010 and 2009 are summarised below. The financial statements are presented in U.S. dollars.

	Six Months Ended May 31, 2010	Six Months Ended May 31, 2009
	(in thousands, except per share)	
Operating revenue	$ **891,354**	$ 785,618
Gross profit	**129,753**	132,664
Operating profit	**70,707**	55,531
Net profit	**46,405**	42,285
Net profit attributable to SNSA shareholders	**46,260**	42,061
EPS – diluted	**0.77**	0.70

Consolidated Income Statement

Net profit attributable to SNSA shareholders was $46.3 million for the first half of 2010, up from $42.1 million for the first half of 2009 while operating income was $70.7 million, a 27.0% increase between the same time periods. Highlights for the first six months of 2010, compared with the first six months of 2009, included:

- Stolt Tankers reported operating income of $12.8 million versus an operating loss of $0.8 million, reflecting increased freight rates, stable volumes, a higher gain on sale of assets and lower administrative and general expenses.
- Stolthaven Terminals reported an operating profit of $29.1 million up from $21.4 million, driven by increased capacity.
- Stolt Tank Containers reported an operating profit of $26.5 million down from $31.3 million as margins tightened due to rate pressure from customers, lower demurrage billings and increased freight costs.
- Stolt Sea Farm reported an operating profit of $6.2 million, a slight increase from $6.0 million as a result of higher demand because of reduced competition. This was offset by seasonably lower prices.
- Stolt-Nielsen Gas reported an operating loss of $5.3 million, an increase from a $0.6 million loss, as a result of start-up operations and a continued weak market for VLGCs.

Business Segment Information

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

	Six Months Ended May 31, 2010	Six Months Ended May 31, 2009
	(in thousands)	
Operating revenue:		
Stolt Tankers	$ **548,919**	$ 491,255
Stolthaven Terminals	**61,773**	57,174
Stolt Tank Containers	**232,226**	208,488
Stolt Sea Farm	**28,598**	23,871
Stolt-Nielsen Gas	**6,669**	—
Corporate and Other	**13,169**	4,830
Total	$ **891,354**	$ 785,618
Operating profit (loss):		
Stolt Tankers	$ **12,800**	$ (756)
Stolthaven Terminals	**29,084**	21,442
Stolt Tank Containers	**26,491**	31,294
Stolt Sea Farm	**6,193**	6,030
Stolt-Nielsen Gas	**(5,337)**	(631)
Corporate and Other	**1,476**	(1,848)
Total	$ **70,707**	$ 55,531

Stolt Tankers

Operating revenue increased by 11.7% to $548.9 million in the first six months of 2010 from $491.3 million in the same period in 2009. The revenue increase was partially attributable to higher spot and Contracts of Affreightment ("COA") rates which were approximately 3.6% higher during the first half of 2010, with less reliance on spot cargo as COA customer demand has strengthened.

Volumes have begun to recover from the global recession that began in late 2008 and were stable in the first six months from the same period last year. Trading days, though, decreased by 2.3% or approximately 260 days compared with the same period last year. The decrease in trading days reflected the recycling of seven ships in the course of 2009 and 2010, partly offset by the delivery of five newbuildings over the same period and the net increase of an average of three time charter ships.

Revenue for the six months ended May 31, 2010 also benefited from a $24.6 million increase in bunker-surcharge billings, due to higher bunker fuel prices.

The Sailed-In Time-Charter Index is a measure of the daily sailed-in rate for the STJS indexed to the rate for our fleet during the first quarter of 1990. During the period from 1990 to 2007, the average annual Sailed-In Time-Charter Index ranged from a high of 1.35 to a low of 0.93 and averaged 1.14 over this period. The average Sailed-In Time-Charter Index for the first six months of 2010 was 1.15 compared with 1.04 for the same time period in 2009.

Stolt Tankers' operating profit increased to $12.8 million in the first half of 2010 from an operating loss of $0.8 million in the first half of 2009. The operating profit and the related margin increased primarily due to higher rates, higher bunker surcharge revenue and lower bunker hedge losses. This was offset by higher bunker costs and time charter costs.

Bunker expenses, excluding hedging losses, increased by $55.2 million during the first six months of 2010 compared with the same period of 2009. Although usage of Intermediate Fuel Oil ("IFO") decreased by approximately 6% from the first half of 2009 as trading days declined, the average price of IFO consumed during the six months ended May 31, 2010 was approximately $473 per ton compared with $285 per ton during the same period in 2009. The effect of this net increase was partially offset by the effect of bunker hedging, which resulted in a gain of $1.8 million in the first six months of 2010 and a loss of $31.0 million in the first six months of 2009. Time charter costs were higher as short-term time charter ships were hired during the first half of 2010 to replace ships being drydocked.

Stolthaven Terminals

Stolthaven revenues increased against the first half of 2009, reflecting increased capacity in the New Orleans and Santos facilities and increased throughput in the Houston terminal.

Stolthaven's operating profit increased by $7.7 million and the operating margin increased to 47.1% for the first half of 2010 compared with 37.4% in the first half of 2009. The increase in operating margin reflected increased capacity as well as higher share of profit from joint ventures as a result of the weaker U.S. dollar and recognition of engineering fees from the joint venture in Antwerp.

Stolt Tank Containers

Stolt Tank Container revenues were up 11.4% or $23.7 million in the first half of 2010 over the first half of 2009, reflecting an increase in utilization to 72% in the first half of 2010 from 65% in the first half of 2009. Shipment volumes increased 25.7% between the periods. This was mainly due to the markets rebounding from the global recession that began in 2008 which affected global demand for tank containers in the first half of 2009.

Stolt Tank Container's operating profit decreased by $4.8 million while its operating margin decreased to 11.4% in the first half of 2010, compared with 15.0% in the first half of 2009. The operating margin declined due to increased rate pressure from customers, increased freight costs, and the reduction of demurrage billings back to more traditional levels as customers have rebalanced their stock levels with their production cycles.

Stolt Sea Farm

Stolt Sea Farm revenues increased by 19.8% or $4.7 million in the first half of 2010, from the first half of 2009. Turbot volumes sold were up 23% from the first half of 2009, reflecting reduced competition in a low demand market. Turbot demand is weak because 60% of turbot is sold in Spain which is still suffering from the economic downturn. Prices fell by approximately 5% from the first half of 2009. Caviar volumes also increased during the first six months of 2010 from the first six months of 2009, while prices fell.

Sea Farm's operating profit increased by $0.2 million and the operating margin fell to 21.7% in the first half of 2010 compared to 25.1% in the first half of 2009, due to a decline in market prices.

Stolt-Nielsen Gas

The first half of 2010 was the first period of operation for Stolt-Nielsen Gas ("SNG") following the delivery of the time charter ship the *Yuhsho* on November 17, 2009 and the delivery of the *Stolt Avance* on January 28, 2010. The ships generated revenue of $6.7 million over 305 operating days in which they carried 256.5 tons of cargo. SNG's operating loss for the first half of 2010 was $5.3 million compared with $0.6 million for the first half of 2009 as the rates within VLGC market remained depressed.

Liquidity and Capital Resources

During the six months ended May 31, 2010, SNSA met its liquidity needs through a combination of cash generated from operations, borrowings from commercial banks and proceeds from the sale of ships. SNSA generated $91.4 million of cash from operating activities during the first six months of 2010, which along with a $58.1 million net increase in short-term and long-term loans and finance leases and $103.7 million proceeds from the sale of ships, was used for capital expenditures and the acquisition of intangible assets of $192.6 million, a contribution to SNSA's joint venture, Gulf Stolt Tankers FZCO ("Gulf Stolt Tankers") for $19.6 million and payment of dividends of $29.9 million.

The increase in long-term loans in the first half of 2010 was collateralized with existing ships and newbuildings. In the six months ended May 31, 2010, SNSA drew down $125.0 million on the Eksportfinans ASA and DnB Nor Bank ASA facility for the final two newbuildings from STX Norway Florø AS ("STX Yards") in Norway. In December 2009, SNSA made a final drawdown of $36.0 million on the Danish Ship Finance A/S $150.0 million top-up facility. SNSA has $333.2 million available from its committed overdraft facilities at May 31, 2010.

SNSA believes that its cash flow from operations 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.

Market Review and Strategic Outlook

Stolt Tankers

Markets remained weak during the first half of 2010 although rates have generally stabilised and volumes have begun to recover. The recovery has been uneven led primarily by traditional front-haul markets. Contract volumes have firmed in all markets, thus reducing reliance on volatile spot trading. Lower spot rates and increased competitive pressure have forced some declines in COA rates, although these reductions have been significantly less than the reduction in spot rates, and most of the COA customers continue to renew at reasonable terms. While Stolt Tankers' earnings have generally been better than the industry, they have been unsatisfactory especially relative to the capital required to maintain a modern sophisticated chemical fleet.

Most of the very large newbuilding orderbook from 2007 and 2008 have now been delivered, although shipyard delays are stretching deliveries into 2011. This new tonnage has put downward pressure on rates especially out of Asia where new deliveries are competing for limited cargo. There have not been any significant new orders of chemical ships for some time. It is not known how long the effects of this over supply will last, but since there is a 2-3 year lead time on newbuilding orders, subdued fleet growth is anticipated over the next several years. Recycling has also accelerated in 2010, somewhat relieving supply pressure. SNSA continues to achieve supply flexibility by operating a certain level of chartered ships.

SNSA took delivery of the last two ships in the newbuilding program at STX Yards. The *Stolt Groenland* was delivered on December 11, 2009 and the *Stolt Breland* on March 12, 2010. In January 2010, an agreement was reached with SLS Shipbuilding Co. Ltd. ("SLS") in Korea to purchase at a reduced price all four of the 44,000 dead weight ton ("dwt") ships that had been contracted for earlier. The *Stolt Sisto* and *Stolt Facto* were delivered on February 4, 2010 and March 15, 2010, respectively. Delivery of the third and fourth ships is expected to be in the third quarter. These ships have been or will be sold into Gulf Stolt Tankers. The joint venture with Nippon Yusen Kaisha took delivery of the *Stolt Sakura* on May 21, 2010, the first in a series of four 12,800 dwt stainless steel chemical carriers on order. The series of eight 43,000 dwt stainless steel chemical carriers also ordered at SLS is seriously delayed. See ***SLS Solvency*** below for further discussion.

We anticipate a stable rate environment for the remainder of the fiscal year. Any further recovery in rates will depend upon world economic recovery and the pace of ship deliveries.

Stolthaven Terminals

Stolthaven had a solid first half of the year due to increased capacity and throughput, despite a decline in utilization of approximately 4% that was a result of delays in new business by strategic customers. Stolthaven has instituted cost-cutting measures that have mitigated the decrease in operating profit per cubic meter and is now seeing signals of market stabilisation, resulting in increased terminal activities.

Stolthaven continues to focus on further expanding its terminal business through expansions at currently owned terminals, development of new terminals in hubs where SNSA parcel tankers operate and increasing Stolthaven's presence in emerging markets. Stolthaven is also focusing on diversifying the range of products stored by adding products such as gas, clean petroleum products and vegetable oils on long term contracts. Stolthaven currently has three greenfield projects at various stages of development. The first phase of the Lingang joint venture terminal in China became operational early in 2009. At Ningbo, the first tanks became operational in the fourth quarter of 2009 while others are nearing completion. In Singapore, a Terminal Services Agreement has been signed with an anchor customer. The formal land occupation licence has also been signed and construction started. In Ulsan, Korea, negotiations with the tank constructor are underway for the new port development. The latest of a series of expansions at the Santos terminal will result in an additional 8,700 cubic metres of storage. At the JV terminal in Antwerp, a new installation for one customer is being finalized and a new quay wall project is ongoing. Further expansion opportunities are being pursued in Brazil, Sweden, the West coast of India and at current joint venture locations.

Stolt Tank Containers

Stolt Tank Containers experienced a substantial increase in demand globally for its services through May 2010, when compared with the same period in 2009. This has resulted in an increase in utilization from under 65% to 72% as global markets continue to recover from the recession that began in late 2008. Utilization is expected to improve slightly for the second half of 2010 as global demand is expected to continue its recovery. Demand for tank containers is expected to remain strong, with North American, Latin American and Asian demand for tanks continuing to increase while demand in Europe remains at its current high levels. Despite the fall in the value of the euro, demand continues to be very strong with no significant change in demand forecasted. Shipments during the first half of 2010 compared with the same period last year were strongest out of the US, Southern Europe and most of Asia while shipments out of the UK and the Middle East remained slightly depressed due to a shortage of tanks and delays in projects coming on line.

Stolt Tank Containers has also seen strong demand in the flexitank business with growing demand in the US, Latin America, Taiwan and Thailand. Demand for flexitanks is expected to continue to increase throughout 2010 and 2011. The flexitank business is still a relatively small proportion of the business.

Stolt Tank Containers continues a limited off-hire program of leased units over the past 18 months. This is part of an ongoing effort to reduce fleet costs while maximizing the efficiency of the entire fleet. Almost 2,500 units have been off-hired since the inception of the program and redelivery of an additional 500-600 leased tanks from the fleet is expected by the end of 2010.

Margins have been under pressure for the first half of the year due in large part to increased rate pressure from customers, increased freight costs, and the reduction of demurrage billings back to more traditional levels as customers have rebalanced their stock levels with their production cycles. Margins are projected to increase in the coming months as increases in operating expenses are passed on to customers despite constant pressure from shippers for rate reductions.

Stolt Sea Farm

Stolt Sea Farm had a weak first half year's trading due to the low demand for high quality seafood as a consequence of the global economic downturn. This was partially offset by the weak competition. This caused prices to remain fairly stable from the very low 2009 year-end levels followed by a slow recovery toward the end of the second quarter of 2010. Market conditions are expected to be slow in recovering prior to the commencement of a meaningful economic recovery.

Stolt-Nielsen Gas

On November 17, 2009 SNG took delivery of the VLGC *Yuhsho* under a three-year time-charter arrangement, with options for up to two additional years. On January 28, 2010 SNG took delivery of VLGC *Stolt Avance*. Both ships are trading in the spot market out of the Middle East Gulf. Following the market collapse in mid 2008, SNG has seen rates at continued weak levels barely covering operating expenses. Whereas the weak market created the opportunity for SNG to enter the market at cost competitive levels, it is also resulting in significant trading losses. However, since the market hit its low in February of this year, there have been some improvements in rates and hence results.

Expectations are for the VLGC freight markets to continue to improve as the newbuilding order book declines and the new LPG exports in the Middle East Gulf ramp up toward full production.

Principal Risks

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 principal risks and uncertainties for the remaining six months of the financial year are discussed below.

SLS Solvency

SNSA has entered into eight shipbuilding contracts with SLS Shipbuilding in South Korea ("SLS") for stainless steel chemical carriers. In the event that SLS enters into bankruptcy, administration, receivership or other similar proceedings in Korea or elsewhere prior to the delivery of the eight ships, it is possible that SNSA's ability to recover instalment payments from the yard or under the bank-issued refund guarantees may take considerable time. In particular if the yard disputes SNSA's ability to cancel the delivery of any ship(s) and/or claim recovery of the instalment payments, the liquidator, administrator or receiver may be able to suspend or delay the ability of SNSA to seek an arbitration award required under the shipbuilding agreements in such case entitling SNSA to a refund of the instalment payments until such time as such proceedings have been completed.

Bunker Fuel and Freight Costs

Bunker fuel constitutes one of the major operating costs of the tanker fleet and increasing prices can have a material impact on the results. Although Stolt Tankers seeks to reduce the impact of price changes through bunker fuel escalation clauses with customers or through the bunker hedging program, a significant portion is incurred solely by Stolt Tankers. Approximately 75% of total Stolt Tanker revenue in the first six months of 2010 was derived by COA. During that same time period, approximately 85% of the revenue earned under COA was under contracts that included provisions for bunker fuel escalation clauses intended to recover from customers fluctuations in fuel prices. The profitability of the spot contracts and the COA contracts without bunker fuel escalation clauses, which was 36.3% of Stolt Tanker revenue, was directly affected by changes in fuel prices, subject to the 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.

For Stolt Tank Containers, in prior years, the impact of increased freight costs due to tight capacity on container ships in certain markets (such as the U.S.) and increased fuel prices has resulted in downward pressure on margins. In those instances, cost increases are passed on to customers when possible but given quoted rate validity periods to customers, there is a negative effect 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 rate volumes and ship values. Fluctuations in the rates that Stolt Tankers can charge results 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 carries. Factors influencing demand include supply for products shipped, industrial production, economic growth, environmental developments and the distances that products are moved by sea. 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 and utilises various tools to increase fleet flexibility and risk management. COA business tends to be less volatile in terms of both rate and volume than spot business. 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 supply and demand and spreads asset risks among other shipowners. Ships are chartered during periods of high demand and redelivered during periods of soft demand. Stolt Tankers actively manages its charter fleet to allow a certain number of ships to be redelivered on short notice. 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.

Terminal Projects Risk

Stolthaven Terminals has entered into three joint ventures in China to build two chemical and oil products terminals in Lingang and Ningbo and to establish an ownership interest in jetties in Lingang. Stolthaven has also been awarded an opportunity to construct a chemical storage terminal on Jurong Island, Singapore. The development of terminal operations and jetties involves significant up-front investment in infrastructure and there are certain risks inherent in such developments, including political, regulatory, currency exchange, liquidity, financial and contractual risks. Different countries carry varying degrees of risk depending on social, cultural, political and financial development and stability. Stolthaven attempts to mitigate these risks by employing local country and regional representatives to act as liaisons with local authorities and to devise appropriate exit strategies for the operations.

Value of Biological Assets at Stolt Sea Farm

All mature turbot are held at fair value less point-of-sale costs and costs related to harvest. Sturgeon and the caviar that the sturgeon produce are fair valued at the point of harvest. A fair-value adjustment is also made at the point when previously juvenile turbot 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 the seasonality, competition, market conditions and existing supply. The fair-value adjustment recognised in the six months ended May 31, 2010 was a $2.4 million increase in profit as compared with a $3.4 million increase in the six months ended May 31, 2009. There is a risk that future fair-value adjustments could negatively impact the income statement.

Gas Carrier Industry Risk

The gas carrier industry is volatile, which may lead to fluctuations in freight rates, volumes and ship values. Fluctuations in the rates that SNG can charge results from changes in the supply and demand for ship capacity and changes in the supply and demand for the liquid petroleum gases carried. Factors influencing demand include supply for products shipped, environmental developments and the distances that products are moved by sea. Factors influencing supply include the number of new ships being built, the number of old ships being recycled, and number of ships in storage. As SNG operates its ships in the spot market, the business is exposed to fluctuations in rates. Spot rates have historically been very volatile, driven by short-term variations in export volume from the Middle East Gulf and availability of ships ready to load. SNG’s earnings could therefore fluctuate significantly.

Currency Risk

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

On average, in the first six months of 2010, the U.S. dollar appreciated by approximately 18% against the euro, causing an increase in profit margins. The risk of depreciation of currency is partially mitigated through the foreign currency hedging programme. SNSA’s policy is to hedge approximately 50% to 80% of expected future foreign currency exposure and 100% of the future committed capital expenditures denominated in foreign currencies.

Forward-Looking Statements

The Interim Financial Statements contain “forward-looking statements” based on information available to SNSA on the date hereof, and SNSA 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 expressions. The forward-looking statements reflect SNSA’s current views and assumptions and are subject to risks and uncertainties. SNSA does not represent or warrant that actual future results, performance or achievements will be as discussed in the those statements, and assume no obligation to, and do 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 Six Months Ended May 31, 2010

STOLT-NIELSEN S.A.

CONDENSED CONSOLIDATED INCOME STATEMENT

(UNAUDITED)

	Six months ended	
	May 31, 2010	**May 31, 2009**
	(in thousands, except per share data)	
Operating Revenue	**$ 891,354**	$ 785,618
Operating Expenses	**(761,601)**	(652,954)
Gross Profit	**129,753**	132,664
Share of profit of joint ventures and associates	**11,852**	8,282
Administrative and general expenses	**(76,166)**	(85,183)
Restructuring charges	**(21)**	(16)
Gain (loss) on disposal of assets, net	**2,723**	(210)
Other operating income	**2,593**	373
Other operating expense	**(27)**	(379)
Operating Profit	**70,707**	55,531
Non-Operating Income (Expense):		
Finance expense	**(19,734)**	(14,552)
Finance income	**1,968**	3,853
Foreign currency exchange gain, net	**4,032**	5,694
Other non-operating expense	**(141)**	(182)
Profit before Income Tax	**56,832**	50,344
Income tax	**(10,427)**	(8,059)
Net Profit for the Period	**$ 46,405**	$ 42,285
***Attributable to*:**		
Equity holders of SNSA	**46,260**	42,061
Non-controlling interests	**145**	224
	$ 46,405	$ 42,285
Earnings per Share:		
Net profit attributable to SNSA shareholders		
Basic	**$ 0.78**	$ 0.71
Diluted	**$ 0.77**	$ 0.70
Weighted average number of Common shares		
Basic	**59,655**	59,645
Diluted	**59,816**	59,726

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN S.A.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(UNAUDITED)

	For the six months ended	
	May 31, 2010	**May 31, 2009**
	(in thousands)	
Net profit for the period	**$ 46,405**	$ 42,285
Net (loss) gain on cash flow hedges recognised in equity	**(13,142)**	70,388
Deferred tax adjustment on cash flow hedges	**(927)**	—
Net loss on cash flow hedge held by a joint venture recognised in equity	**(3,694)**	(992)
Exchange differences arising on translation of foreign operations	**(34,331)**	19,976
Deferred tax credit on translation of foreign operations	**529**	—
Exchange differences arising on translation of joint ventures and associates	**(20,436)**	10,894
Actuarial loss on pension schemes	**(255)**	(6,944)
Deferred tax credit on actuarial loss on pension schemes	**666**	1,744
Net (loss) income recognised directly in equity	**(71,590)**	95,066
Other comprehensive (loss) income for the period, net of tax	**$ (25,185)**	$ 137,351
Attributable to:		
Equity holders of SNSA	**(25,330)**	137,127
Non-controlling interests	**145**	224
	$ (25,185)	$ 137,351

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN S.A.

CONDENSED CONSOLIDATED BALANCE SHEET

(UNAUDITED)

	As per period ended	
	May 31, 2010	**November 30, 2009**
	(in thousands)	
ASSETS		
Current Assets:		
Cash and cash equivalents	**$ 41,973**	$ 38,459
Receivables	**165,855**	147,626
Inventories	**10,034**	7,501
Biological assets	**28,101**	30,426
Prepaid expenses	**55,609**	46,340
Assets held for sale	**1,449**	3,646
Derivative financial instruments	**701**	11,863
Income tax receivable	**2,405**	9,884
Other current assets	**20,109**	22,601
Total Current Assets	**326,236**	318,346
Property, plant and equipment	**2,515,378**	2,508,656
Investments in and advances to joint ventures and associates	**316,993**	306,095
Deferred tax assets	**11,196**	15,263
Intangible assets and goodwill	**33,162**	34,821
Employee benefit assets	**12,369**	14,507
Derivative financial instruments	**696**	1,276
Other assets	**12,939**	12,008
Total Non-current Assets	**2,902,733**	2,892,626
Total Assets	$ **3,228,969**	$ 3,210,972
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term bank loans	$ **293,650**	$ 355,900
Current maturities of long-term debt and finance leases	**103,962**	84,035
Accounts payable	**58,175**	59,601
Accrued voyage expenses	**63,000**	61,267
Dividend payable	**—**	29,900
Accrued expenses	**143,672**	129,429
Provisions	**15,493**	14,770
Income tax payable	**9,159**	12,691
Derivative financial instruments	**13,588**	9,895
Other current liabilities	**17,742**	15,546
Total Current Liabilities	**718,441**	773,034
Long-term debt and finance leases	**943,779**	840,472
Deferred tax liabilities	**6,817**	7,017
Employee benefits	**55,664**	59,881
Derivative financial instruments	**10,796**	12,220
Other liabilities	**2,504**	2,515
Total Non-current Liabilities	**1,019,560**	922,105
Shareholders' Equity		
Founder's shares	**—**	—
Common shares	**64,134**	64,134
Paid-in surplus	**348,683**	348,655
Retained earnings	**1,233,939**	1,187,268
Other components of equity	**(28,555)**	43,446
	1,618,201	1,643,503
Less – Treasury stock	**(130,532)**	(130,854)
Equity Attributable to Equity Holders of SNSA	**1,487,669**	1,512,649
Non-controlling interests	**3,299**	3,184
Total Shareholders' equity	**1,490,968**	1,515,833
Total Liabilities and Shareholders' Equity	**$ 3,228,969**	$ 3,210,972

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN S.A.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(UNAUDITED)

	Capital Stock	Paid-in Surplus	Treasury Stock	Retained Earnings	Foreign Currency Reserves	Hedging Reserves	Attributable to equity holders of SNSA	Non-controlling Interest	Total
	(in thousands, except for share data)								
Balance, December 1, 2008	**$ 64,134**	**$ 347,499**	**$ (131,307)**	**$ 1,131,672**	**$ (14,829)**	**$ (84,134)**	**$ 1,313,035**	**$ 3,066**	**$ 1,316,101**
Comprehensive Income									
Profit for the period	—	—	—	42,061	—	—	42,061	224	42,285
Other comprehensive income (loss)									
Translation adjustments, net	—	—	—	—	30,870	—	30,870	—	30,870
Net actuarial loss on pension schemes	—	—	—	(5,200)	—	—	(5,200)	—	(5,200)
Net gains on cash flow hedges	—	—	—	—	—	69,396	69,396	—	69,396
Total other comprehensive income	—	—	—	(5,200)	30,870	69,396	95,066	—	95,066
Total comprehensive income	—	—	—	36,861	30,870	69,396	137,127	224	137,351
Transactions with shareholders									
Exercise of share options for 12,123 Treasury shares	—	(259)	354	—	—	—	95	—	95
Share-based compensation	—	645	—	—	—	—	645	—	645
Total transactions with shareholders	—	386	354	—	—	—	740	—	740
Balance, May 31, 2009	**$ 64,134**	**$ 347,885**	**$ (130,953)**	**$ 1,168,533**	**$ 16,041**	**$ (14,738)**	**$ 1,450,902**	**$ 3,290**	**$ 1,454,192**
Balance, December 1, 2009	**$ 64,134**	**$ 348,655**	**$ (130,854)**	**$ 1,187,268**	**$ 40,180**	**$ 3,266**	**$ 1,512,649**	**$ 3,184**	**$ 1,515,833**
Comprehensive Income									
Profit for the period	—	—	—	46,260	—	—	46,260	145	46,405
Other comprehensive income (loss)									
Translation adjustments, net	—	—	—	—	(54,238)	—	(54,238)	—	(54,238)
Net actuarial loss on pension Schemes	—	—	—	411	—	—	411	—	411
Net gains on cash flow hedges	—	—	—	—	—	(17,763)	(17,763)	—	(17,763)
Total other comprehensive income	—	—	—	411	(54,238)	(17,763)	(71,590)	—	(71,590)
Total comprehensive income	—	—	—	46,671	(54,238)	(17,763)	(25,330)	145	(25,185)
Transactions with shareholders									
Exercise of share options for 11,048 Treasury shares	—	(213)	322	—	—	—	109	—	109
Dividends	—	—	—	—	—	—	—	(30)	(30)
Share-based compensation	—	241	—	—	—	—	241	—	241
Total transactions with shareholders	—	28	322	—	—	—	350	(30)	320
Balance, May 31, 2010	**$ 64,134**	**$ 348,683**	**$ (130,532)**	**$ 1,233,939**	**$ (14,058)**	**$ (14,497)**	**$ 1,487,669**	**$ 3,299**	**$ 1,490,968**

See notes to the condensed consolidated interim financial statements.

STOLT-NIELSEN S.A.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	For the six months ended	
	May 31, 2010	**May 31, 2009**
	(in thousands)	
Cash generated from operations (Note 3)	**$ 112,546**	$ 132,076
Interest paid	**(24,111)**	(25,217)
Interest received	**1,608**	6,508
Income taxes received	**1,312**	5,460
Net cash generated by operating activities	**91,355**	118,827
Cash flows from investing activities:		
Capital expenditures	**(187,629)**	(147,989)
Purchase of intangible assets	**(4,954)**	(1,551)
Proceeds from sales of ships and other assets	**103,693**	14,175
Investment in joint ventures and associates	**(19,616)**	(884)
(Advances) repayment of advances to joint ventures and associates	**(3,000)**	46,346
Other, net	**604**	389
Net cash used in investing activities	**(110,902)**	(89,514)
Cash flows from financing activities:		
Decrease in short-term bank loans, net	**(62,250)**	(45,538)
Proceeds from issuance of long-term debt	**161,000**	100,926
Repayment of long-term debt	**(39,347)**	(31,132)
Deferred debt issuance costs	**(178)**	(1,841)
Finance lease payments	**(1,258)**	(643)
Proceeds from exercise of stock options	**111**	94
Dividends paid	**(29,900)**	(29,892)
Net cash provided by (used in) financing activities	**28,178**	(8,026)
Effect of exchange rate changes on cash	**(5,117)**	(3,407)
Net increase in cash and cash equivalents	**3,514**	17,880
Cash and cash equivalents at beginning of the period	**38,459**	34,257
Cash and cash equivalents at end of the period	**$ 41,973**	$ 52,137

See notes to the condensed consolidated interim financial statements.

1. Basis of Preparation

The condensed consolidated interim financial statements of Stolt-Nielsen S.A. (the "Company" or "SNSA"), a Luxembourg company and its subsidiaries (collectively, the "Group") have been 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 condensed consolidated interim financial statements should be reviewed in conjunction with the final consolidated financial statements for the year ended November 30, 2009, to fully understand the current financial position of the Group.

2. Significant Accounting Policies

The accounting policies applied are consistent with those described in footnote 2 of the annual consolidated financial statements for the year ended November 30, 2009.

The following new or amendments to standards and interpretations have been issued and become effective in 2010 and beyond but will have no material impact on the financial statements of the Group:

- IAS 23 (Amendment), Borrowing Costs, effective from January 1, 2009
- IAS 32 (Amendment), Financial Instruments: Presentation, effective January 1, 2009 and Amendments, effective February 1, 2010
- IFRS 2 (Amendment), Share-based Payment, effective January 1, 2009 and January 1, 2010
- IFRIC 15, Agreement for Construction of Real Estate, effective from January 1, 2009
- IFRIC 16, Hedges of a Net Investment in a Foreign Operation, effective July 1, 2009
- IFRIC 17, Distributions of Non-cash Assets to Owners, effective from July 1, 2009
- IFRIC 18, Transfer of Assets from Customers, effective from July 1, 2009
- IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments, effective July 1, 2010
- IFRS Improvements to IFRSs, effective dates vary, but primarily from January 1, 2009
- IFRS Improvements to IFRSs (April 2009), dates vary, but primarily from January 1, 2010
- IFRS Improvements to IFRSs (May 2010), dates vary, but primarily from January 1, 2011
- IFRS 1 and IAS 27 Amendments, Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate, effective January 1, 2009
- IAS 32 and IAS 1 Amendments, Puttable Financial Instruments and Obligations Arising on Liquidations, effective January 1, 2009
- IAS 39 Amendments, Eligible Hedged Items, effective July 1, 2009
- IFRS 7 (Amendment), Improving Disclosures about Financial Instruments, effective January 1, 2009
- IFRIC 9 and IAS 39 (Amendments) Regarding Embedded Derivatives, effective July 1, 2008
- IFRIC 9 and IAS 39, Embedded Derivatives, effective June 30, 2009
- IFRS 9, Financial Instruments, effective January 1, 2013
- IFRS 1 (revised), First Time Adoption, effective July 1, 2009 and additional exemptions effective January 1, 2010
- IAS 39, Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures Amendments, effective July 1, 2008
- IAS 24 (Amendment), Related Party Disclosures, effective January 1, 2011

3. Reconciliation of Net Profit to Cash Generated from Operations

	Six months ended May 31, 2010	Six months ended May 31, 2009
	(in thusands)	
Net profit	**$ 46,405**	$ 42,285
Adjustments to reconcile profit to net cash from operating activities:		
Depreciation of property, plant and equipment	**72,319**	67,304
Amortization of intangible assets	**1,231**	1,298
Amortization of debt issuance costs	**1,256**	1,146
Net periodic benefit costs of defined benefit pension plans	**2,650**	2,792
Provisions for reserves and deferred taxes	**4,671**	3,800
Share of profit of joint ventures and associates	**(11,852)**	(8,282)
Fair value adjustment on biological assets	**(2,391)**	(3,421)
Foreign currency related (gains) losses	**(5,417)**	2,522
(Gain) loss on disposal of assets, net	**(2,723)**	210
Share-based compensation expense	**241**	606
Changes in assets and liabilities, net of effect of acquisitions and divestitures:		
(Increase) decrease in trade receivables	**(21,399)**	20,307
Increase in inventories	**(2,606)**	(1,723)
(Increase) decrease in biological assets	**(14)**	2,714
(Increase) decrease in prepaid expenses and other current assets	**(7,167)**	30,775
Increase (decrease) in accounts payable and other current liabilities	**43,796**	(22,449)
Contributions to defined benefit pension plans	**(6,497)**	(5,476)
Dividends from joint ventures and associates	**540**	460
Other, net	**(497)**	(2,792)
Cash generated from operations	**$ 112,546**	$ 132,076

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, 2009, except for the separation of Stolt-Nielsen Gas as a separate segment from Corporate and Other. Comparative information has been restated. This is due to their starting operations during the first half of 2010.

The following tables show the summarized financial information, in U.S. thousand dollars, for each reportable segment and the underlying operating segments:

	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Stolt-Nielsen Gas	Corporate and Other	Total
For the six months ended May 31, 2010							
Operating revenue	$ 548,919	$ 61,773	$ 232,226	$ 28,598	$ 6,669	$ 13,169	$ 891,354
Depreciation and amortization including drydocking	(52,274)	(8,026)	(8,890)	(1,729)	(843)	(1,788)	(73,550)
Share of profit of joint ventures and associates	3,137	8,480	235	—	—	—	11,852
Operating profit (loss)	12,800	29,084	26,491	6,193	(5,337)	1,476	70,707
Capital expenditures *	114,923	6,567	15,569	740	52,605	3,939	194,343
As of May 31, 2010							
Investments in and advances to joint ventures and associates	162,045	152,170	2,778	—	—	—	316,993
Segment assets	2,214,299	473,945	305,691	73,929	55,099	106,006	3,228,969

	Tankers	Terminals	Tank Containers	Stolt Sea Farm	Stolt-Nielsen Gas	Corporate and Other	Total
For the six months ended May 31, 2009							
Operating revenue	$ 491,255	$ 57,174	$ 208,488	$ 23,871	$ —	$ 4,830	$ 785,618
Depreciation and amortization including drydocking	(48,227)	(6,687)	(10,440)	(1,512)	—	(1,736)	(68,602)
Share of profit of joint ventures and associates	5,207	3,092	(17)	—	—	—	8,282
Operating (loss) profit	(756)	21,442	31,294	6,030	(631)	(1,848)	55,531
Capital expenditures *	124,404	17,211	2,120	7,717	—	2,600	154,052
As of November 30, 2009							
Investments in and advances to joint ventures and associates	140,790	163,105	2,200	—	—	—	306,095
Segment assets	2,222,868	498,273	290,007	80,397	1,499	117,928	3,210,972

* Capital expenditures include additions to property, plant and equipment and intangible assets other than goodwill.

5. Dividends

On February 19, 2010, the Company's Board of Directors recommended no final dividend payment for 2009. The action by the Board reflected the Company's focus on conserving cash.

On December 9, 2009, the Company paid an interim dividend of $0.50 per common share and $0.005 per founder's share. The dividend resulted in cash payments of $29.8 million and $0.1 million respectively.

6. Property, Plant and Equipment

During the six months ended May 31, 2010, the Group spent $187.6 million on property, plant and equipment, primarily reflecting (a) $91.9 million related to installments on the Group's newbuilding tanker program, (b) acquisition of the VLGC *Stolt Avance* for $52.6 million, (c) acquisition of tank containers for $13.0 million, (d) $7.6 million on terminal projects, (e) purchase of the *Stolt Voyager* for $6.8 million and (f) $6.0 million on drydocking of ships. Interest of $8.8 million was capitalized on the newbuildings. The *Stolt Groenland, Stolt Breland, Stolt Avance, Stolt Voyager, Stolt Sisto and Stolt Facto* were delivered in the first six months of 2010. See Note 9 for discussion of the sale of the latter two ships to Gulf Stolt Tankers FZCO ("Gulf Stolt Tankers") in the first six months of 2010.

The Group recorded net gain on sale of assets of $2.8 million, primarily relating to the sale of the *Stolt Sisto, Stolt Facto, Stolt Integrity*, *Stolt Protector* and *Stolt Falcon* during the six months ended May 31, 2010. Net proceeds received were $103.7 million.

During the six months ended May 31, 2009, the Group spent $148.0 million, primarily reflecting (a) $113.7 million related to installments on the Group's newbuilding tanker program, (b) $5.1 million on drydocking of ships, (c) $16.7 million on terminal projects and (d) $6.0 million on a new farm for growing sole. Interest of $15.5 million was capitalized on the newbuildings. The *Stolt Island* was delivered in the first six months of 2009.

The Group recorded net loss on sale of assets of $0.2 million, primarily consisting of the sale of the *Stolt Excellence, Stolt Eagle, Stolt Condor* and *Stolt Loyalty* during the six months ended May 31, 2009. Net proceeds received were $14.2 million.

The Group has reviewed its plant, property and equipment for impairment at May 31, 2010 by comparing its carrying amount to the higher of its fair value less costs to sale or future discounted cash flows that the asset is expected to generate over its remaining useful life. If a ship or equipment is considered to be impaired, impairment is recognised in an amount equal to the excess of the carrying value of the asset over its recoverable value. The tanker ships are reviewed for impairment on a fleet basis at the end of the period. No impairment of ships was considered necessary.

A projected 5% decrease in the deep sea tanker trading gross margins assumed in the discounted cash flow models used in the impairment testing would result in a decrease in the present value of the deep sea fleet of ships by approximately $154.8 million. Despite the decrease, the present value would still be greater than net book value and would not result in an impairment of the Group's ships.

An increase in the weighted average cost of capital used in the present value calculation of 2% would result in the decrease in present value of the deep sea fleet of ships by approximately $250.2 million which would not result in an impairment of the Group's ships.

7. Short and Long Term Debt

Certain of the Group's credit facilities require an annual valuation of the ships used as loan collateral. In May 2010, the annual valuation of one such credit facility was performed. Based upon the broker valuations, the maximum available facility amount has been reduced by approximately $39.0 million.

8. Commitments and Contingencies

As of May 31, 2010, the Group had total capital expenditure purchase commitments outstanding of approximately $908.3 million, including the shipbuilding agreements discussed below.

Shipbuilding Contracts

The Group has entered into two agreements with SLS for a total of eight 43,000 dwt parcel tankers. The aggregate price for the eight ships is expected to be approximately $723.0 million, with deliveries scheduled to take place between mid 2010 and early 2012. The SLS new ships will have a combination of 24 stainless tanks and 15 coated tanks. The outstanding commitment, net of deposits, is $427.2 million. Financing has been obtained for these commitments. With the financial and operational difficulties facing the yard, SNSA management believes it is unlikely the yard will be able to deliver the ships under the terms of the contracts. For these ships, the Group holds refund guarantees issued by South Korean banks covering progress payments of $296 million plus interest.

The Group has also entered into an agreement with SLS for four 44,000 dwt parcel tankers. The original agreement was that upon delivery, one parcel tanker would be sold to Gulf Navigation with the remaining three to have been sold to Gulf Stolt Tankers.

On March 18, 2009, the Group cancelled the first 44,000 dwt ship, citing extended delivery delays. This was followed by the cancellation of the second ship on March 30, 2009 and the third ship on October 19, 2009, also citing extended delivery delays. SLS challenged the Group's right to cancel these ships. The disputes were referred to arbitration.

Following negotiations, the Group, on January 11, 2010, announced that it had reached an agreement with SLS to purchase all four 44,000 dwt ships that had been originally contracted at a reduced price. The terms of the agreement require SLS to deliver the four ships between February 2010 and July 2010. Arbitration proceedings have been suspended pending delivery of the ships. The *Stolt Sisto* and the *Stolt Facto* were delivered in February 2010 and March 2010, respectively. The advance payments on the remaining two ships under the original shipbuilding contracts continue to be covered by refund guarantees by the Korean Development Bank.

In the event that SLS enters into bankruptcy, administration, receivership or other similar proceedings in Korea or elsewhere prior to completion of the delivery of the above ships, it is possible that the Group's ability to recover instalment payments from the yard or under the bank-issued refund guarantees may take considerable time. In particular if the yard disputes the Group's ability to cancel the delivery of any ship(s) and/or claim recovery of the instalment payments, the liquidator, administrator or receiver may be able to suspend or delay the ability of the Group to seek an arbitration award (required under the shipbuilding agreements in such case) entitling the Group to a refund of the instalment payments until such time as such proceedings have been completed.

The Group entered into six shipbuilding contracts with Aker Yards in 2006 (since then acquired by STX and now referred above as STX Yards) to build six 43,000 dwt parcel tankers which have all been delivered.

The last four ships were to be constructed pursuant to the Common Structural Rules ("CSR") for tankers issued by the International Association of Classification Societies although the precise impact of this was still to be resolved at the time the contracts were agreed. STX Yards has claimed an additional total cost of $10.8 million for the above four ships for complying with the CSR requirements and permissible delay varying from 35 to 90 days for each ship. The Group has disputed this claim as it considers the yard claim to be excessive and that STX Yards is entitled to $3.7 million. Further, it disputes their entitlement to permissible delay. The dispute, including liquidated damages that could be owed to the Group if permissible delay is not allowed, totals approximately $11.4 million for the four ships.

Under the shipbuilding agreements, the Group must pay disputed amounts in order to take delivery of each ship. As of May 31, 2010, the Group has paid all of the disputed $11.4 million against the delivery of the four ships. These disputed payments have been secured by bank refund guarantees. The final hearing on the arbitration is scheduled to be heard later in 2010.

The Group has provided guarantees to the Usuki Shipyards Co. Ltd ("Usuki") for 50% of the cost for four 12,500 dwt ships to be constructed by Usuki for NYK Stolt Shipholding Inc., the Group's 50% owned joint venture. The first of the four ships, the *Stolt Sakura* was delivered on May 21, 2010. At May 31, 2010, the guarantee is for the Group's remaining share of expenditures of $34.5 million and extends until June 2011. The Group has recorded a liability of $0.1 million and $0.3 million at May 31, 2010 and November 30, 2009, respectively, in relation to the fair value of this guarantee.

Perth Amboy

During 2001, the Group sold its tank storage terminals in Perth Amboy, New Jersey and Chicago, Illinois. Under the terms of the sales agreements, the Group had retained responsibility for certain environmental contingencies, should they arise during the covered period which ended two years after the closing dates, in connection with these two sites. As of November 30, 2009, the Group has not been notified of any such contingencies having been incurred by the purchaser of the two sites and neither does it anticipate any such contingencies being incurred in the future. The Chicago, Illinois terminal property had been leased under a long-term agreement with the Illinois International Port District. In addition, as part of the Chicago, Illinois sale, the Group assigned its rights to the terminal property to a third party. The Group is contingently liable if the third party does not return the facility in acceptable condition at the end of the sublease period, on June 30, 2026. The Group retained ownership of approximately 77 acres at Perth Amboy. The proposed sale of such property to a third party has now terminated due to the purchaser's inability to close the transaction. Accordingly, responsibility for remediation of environmental matters at the site has reverted to the Group. In a bankruptcy proceeding involving a previous owner of the property, the bankruptcy court approved a remediation fund designated for and to be held in escrow for use in connection with such cleanup costs, which funds have been paid from the court and are being held in escrow.

9. Related Party Transactions

The Group continues to transact with related parties as in prior years. On April 26, 2010, the Group sold the *Stolt Sisto* and the *Stolt Facto* to Gulf Stolt Tankers for $95.4 million plus interest of $1.6 million. A gain on sale of $0.8 million was recognized on the sale. At the same time, SNSA and Gulf Navigation PJSC contributed $19.2 million each to Gulf Stolt Tankers. The two remaining ships from SLS will also be sold to Gulf Stolt Tankers upon delivery which is expected to be in the third quarter 2010. SNSA has also provided a working capital loan to its joint venture, NYK Stolt Tankers S.A. for $3.0 million.

10. Seasonality

Sales of seafood are generally stronger for Caviar and Turbot in the first quarter of the year as this coincides with increased sales over the Christmas and New Year holidays.

11. Legal Proceedings

For the matters described below, the Company incurred legal costs of $0.3 million in the first half of 2010 and $4.3 million in the first half of 2009, which are included in "Administrative and general expenses" in the consolidated income statements. The Group records provisions for certain legal cases where it believes the likelihood of losses is probable, and it has recorded provisions for the *Menkes* matter referenced below. Ongoing legal proceedings could have a material adverse effect on the Group's consolidated financial positions or results of operations in the future.

The Company expects that it will continue to incur additional legal costs until these matters are resolved. During 2010, the Company was involved in a number of antitrust-related legal proceedings, which are described below.

Governmental Investigations into the Company's Parcel Tanker Business

The Company is not aware of any change in the status or position of the Company with respect to the Canadian governmental investigation, the only pending antitrust investigation into the Company's parcel tanker business, since February 1, 2010, the date of the last audited financial statements for the year ended November 30, 2009. Please see Note 25 of the annual consolidated financial statements for the year ended November 30, 2009.

Antitrust Civil Class Action Litigations and Arbitrations

In first half of 2010, there were two putative private antitrust class action lawsuits pending during 2009 that remained outstanding against the Company in U.S. federal and state courts for alleged violations of antitrust laws:

1. *Karen Brock, on behalf of herself and all others similarly situated, v. Stolt-Nielsen S.A., Stolt-Nielsen Transportation Group Ltd., Odfjell ASA, Odfjell USA, Inc., Jo Tankers BV, Jo Tankers USA, Inc., Tokyo Marine Co. Ltd and Does 1 through 100 inclusive, No. CGC 04429758 (Superior Court of Cal., County of San Francisco) ("Brock"); and*

2. *AnimalFeeds International Corp., Inversiones Pesqueras S.A., Central Pacific Protein Corp, and Atlantic Shippers of Texas, Inc., individually and on behalf of all other similarly situated v. Stolt-Nielsen S.A., Stolt-Nielsen Transportation Group Ltd., Odfjell ASA; Odfjell USA Inc., Jo Tankers BV, Jo Tankers USA, Inc., and Tokyo Marine Co. Ltd, 2:03-CV-5002 (E.D. Pa.) ("AnimalFeeds").*

The *Brock* action, an indirect-purchaser class action pending in California state court, remains stayed by agreement of the parties. Please see Note 25 of the annual consolidated financial statements for the year ended November 30, 2009.

The *AnimalFeeds* legal proceeding is a putative class action arbitration brought by a direct purchaser customer of the Company, which had claimed on behalf of a putative class, that it paid higher prices under its contracts with the defendants as a result of the defendants' alleged collusive conduct. As a result of a 2004 ruling in a related case, AnimalFeeds was required to proceed in arbitration rather than in federal district court. In November 2008, the U.S. Court of Appeals for the Second Circuit upheld a ruling by the arbitral panel that the arbitration clauses permitted class arbitration of the *AnimalFeeds* antitrust claims. The Company sought review by the U.S. Supreme Court of that decision.

On April 27, 2010, the U.S. Supreme Court reversed the judgment of the Second Circuit and held that the arbitrators exceeded their authority by construing the Company's arbitration agreements with AnimalFeeds to permit class arbitration. Although the arbitration may now resume, the U.S. Supreme Court has held that the arbitration cannot include class claims; thus, the arbitration is currently limited to AnimalFeeds' claims of overcharges on a limited number of spot contracts.

The Company is not able to determine whether a negative outcome in any of these ongoing civil damages actions is probable, is unable to estimate a range of possible losses, and has therefore made no provisions for any of these claims in the accompanying consolidated financial statements. It is possible that the outcomes of any or all of these proceedings could have a material adverse effect on the Company's financial condition, cash flows and results of operations.

Customer Settlements

There has been no change in the status or position of the Company's settlements with its customers since February 1, 2010, the date of the last annual consolidated financial statements for the year ended November 30, 2009. Please see Note 25 of the annual consolidated financial statements for the year ended November 30, 2009.

Federal Securities Class Action Litigation – Menkes Matter

On July 6, 2009, the parties submitted settlement papers to the United States District Court for the District of Connecticut. The proposed *Menkes* settlement agreement admits no liability or wrongdoing on the part of the Company, its officers or directors, and the settlement requires the Company to make payments totaling $2.0 million. The parties await preliminary approval from the Court, which cannot be assured. There has been no change in the status or position of this legal proceeding since February 1, 2010, the date of the last audited financial statements for the year ended November 30, 2009. Please see Note 25 of the annual consolidated financial statements for the year ended November 30, 2009.

General

The Company is a party to various other legal proceedings arising in the ordinary course of business. The Company believes that none of those matters will have a material adverse effect on its business or financial condition.

The ultimate outcome of governmental and third-party legal proceedings is inherently difficult to predict. The Company's operations are affected by U.S. and foreign environmental protection laws and regulations. Compliance with such laws and regulations entails considerable expense, including ship modifications and changes in operating procedure.

Due to the uncertainty over the resolution of the matters described above, other than for the *Menkes* securities class action referenced above, as of May 31, 2010, the Company had not established any reserves for legal fees and costs related to these proceedings.

12. Events After the Balance Sheet Date

On June 11, 2010, the Group sold the *Stolt Hikawa*.

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Auditor's Report on Review of
Condensed Consolidated Interim Financial Information
To the Board of Directors of
Stolt-Nielsen S.A.

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Stolt-Nielsen S.A. and its subsidiaries (the "Group") as of May 31, 2010, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in Shareholders' equity and the condensed consolidated statement of cash flows for the period from December 1, 2009 to May 31, 2010 and the related notes (the "condensed consolidated interim financial information"). The Board of Directors is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union applicable to interim financial reporting ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". A review of interim financial information consists of making inquiries, 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 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.

PricewaterhouseCoopers S.à r.l. — Luxembourg, July 1, 2010
Represented by

Laurence Demelenne

Cabinet de révision agréé
Expert-comptable (autorisation gouvernementale n°95992)
R.C.S. Luxembourg B 65 477 - Capital social EUR 516 950 - TVA LU17564447

Responsibility Statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period December 1, 2009 to May 31, 2010 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 assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the Interim Operational and Financial Review includes a fair review of important events that have occurred during the six months ended May 31, 2010 and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties facing the Group and major related parties transactions.

London
July 1, 2010

Signed for and on behalf of the Board of Directors

N.G. Stolt-N

Niels G. Stolt-Nielsen
Chief Executive Officer

Jan Chr. Engelhardtsen
Chief Financial Officer