

*Press release, August 22, 2007*

*From Rederi AB Transatlantic (publ)*

## **INTERIM REPORT JANUARY - JUNE 2007**

### ***Positive trend for Industrial Shipping***

- *The Group's net revenue rose by 20% to SEK 1,260 M (1,050). Operating profit\* for the period increased by SEK 41 M and amounted to SEK 109 M (68).*
- *On a rolling 12-month basis, the Group's operating profit amounted to SEK 257 M, which corresponds to SEK 8.40 per share after current tax.*
- *During the second quarter, the offshore market weakened, but earnings remain strong.*
- *In the Industrial Shipping business area the European Services division reported improved earnings as a result of increased volumes and the effects of implemented market activities but in the Transatlantic Services division the earning declined slightly compared with the corresponding period in the preceding year.*
- *Consolidated operating profit for full-year 2007 is expected to be in line or higher than the result for 2006.*
- ***Results for January – June 2007:***
  - Net revenue: SEK 1,260 M (1,050)*
  - Operating profit before tax: SEK 109 M (68)*
  - Profit before tax: SEK 107 M (64)*
  - Profit after current tax: SEK 107 M (64)*
  - Profit after full tax: SEK 96 M (63)*
  - On June 30, 2007, shareholders' equity per share amounted to SEK 39.90 (37.90 per share on December 31, 2006).*
  - The equity/assets ratio on the closing date was 38% (40% on December 31, 2006).*

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\* *Operating profit: Profit before tax and restructuring items*

## **Transatlantic's operations, goals and strategy**

Transatlantic consists of the Industrial Shipping business area, which comprises two divisions – Transatlantic Services and European Services – and the Offshore/Icebreaking business area. Transatlantic Services and European Services focus on contract shipping, primarily for the forest products and steel industries. The operations of the Offshore/Icebreaking business area are based on combination vessels on long-term contracts and guaranteed income for icebreaking, in addition to other deployment, mainly for rig-relocation in the offshore market.

Transatlantic's business concept is to market, develop and deliver the market's most efficient transport solutions in close and active cooperation with customers.

Transatlantic's goal is to be the market leader in its segments, with profitability that generates a favorable return for shareholders. The goal is a return of not less than 12% on shareholders' equity and an equity/assets ratio that does not fall below 30%.

The Group's strategy for the next few years emphasizes growth and sustainable profitability. Growth will be achieved organically and through acquisition. The Group is also very open to the development of various partnerships aimed at broadening operations or implementing various investments and projects.

The ambitions for growth will require investments in new tonnage and replacement tonnage. These include all divisions and will be conducted without jeopardizing the Group's financial targets. This also means that the Group's tonnage requirements will be partly resolved through charter contracts and by external investors becoming wholly or partly involved in the fleet operated by the Group.

The strategy for and development of the Group places major demands on quality, safety and the environment, as well as awareness of customer demands and a willingness to change.

## **General developments during the second quarter**

During the second quarter of 2007, shipping trends remained favorable as a result of a continued positive global economic trend.

Within Transatlantic's segments, demand and deployment varied. The Offshore/Icebreaking business area noted a slight decline in freight rates as a result of a fewer number of rig-relocations than forecast. In the Industrial Shipping business area, the European Services division reported a favorable volume trend and strong revenue growth during the interim period. The Transatlantic Services division recorded a certain imbalance in the traffic flow across the Atlantic, which adversely impacted capacity utilization.

The Industrial Shipping business area improved its operating profit, which amounted to SEK 22 M (15) for the quarter.

- Earnings for Transatlantic Services were somewhat lower than the preceding year, although the total volume of goods transported was higher than the corresponding period in the preceding year. The fall in earnings was due to imbalances in the traffic flow, with larger volumes from North America than to North America. Results for the quarter were also negatively impacted as a result of traffic disruptions caused by an engine breakdown in leased tonnage.

The division's operating profit was SEK 6 M (10).

- The European Services division benefited from positive volume growth as a result of implemented market activities, and earnings improved compared with the year-earlier period. The division's operating profit was SEK 16 M (5).

During the quarter, deployment and freight rates in the Offshore/Icebreaking business area declined due to a lower degree of offshore activity, which was particularly evident during May. During the period, two vessels commenced long-term contracts, which were entered into at good freight levels. The business area's operating profit was SEK 28 M (38).

The consolidated operating profit for the second quarter was SEK 41 M (50).

## Consolidated earnings for the first six months and the second quarter of 2007

The Group's net revenues for the first six months amounted to SEK 1,260 M (1,050). Revenues increased for the three divisions by slightly more than 27%, while revenues for external ship-management assignments declined by SEK 33 M.

For the first six months, the Group's operating profit totaled SEK 109 M (68) and on a rolling 12-month basis, the Group's earnings amounted to SEK 257 M.

Profit before tax totaled SEK 107 M (64). Results include restructuring expenses of SEK 2 M (expense: 4).

Net profit after tax for the six-month period amounted to SEK 96 M (63).

The Group's results are also presented in the following table:

<i>Group</i>	April - June		January - June		Full-year	Rolling
<i>SEK M</i>	2007	2006	2007	2006	2006	12-month <sup>1)</sup>
Net revenue	637	540	1 260	1 050	2 252	2 462
Profit before capital costs ("EBITDA")	85	96	198	161	409	446
Operating profit	50	55	128	80	252	300
Profit before tax	41	50	107	64	207	250
<i>Profit margin</i>	6,4%	9,1%	8,5%	6,0%	9,2%	10,2%
Profit before tax by business area						
Industrial Shipping business area						
Transatlantic Services division	6	10	3	7	12	8
European Services division	16	5	30	13	37	54
	22	15	33	20	49	62
Offshore/Icebreaking business area	28	38	92	60	191	223
Ship Management/ Group-wide	-9	-3	-16	-12	-24	-28
Total operating profit	41	50	109	68	216	257
Restructuring items	0	0	-2	-4	-9	-7
Profit before tax	41	50	107	64	207	250
Current tax	0	0	0	0	-7	-8
Deferred tax	-8	-1	-11	-1	-12	-21
Profit after current tax	41	50	107	64	200	242
Profit after full tax	33	49	96	63	188	221
<i>SEK per share</i>						
Operating profit after current tax	1,40	1,60	3,70	2,20	6,90	8,40
Profit after current tax	1,40	1,60	3,70	2,10	6,70	8,20
Profit after full tax 1)	1,20	1,60	3,40	2,10	6,20	7,50

1) Pertains to 12-month period July 2006 – June 2007.

## Industrial Shipping business area

The business area consists of two divisions, Transatlantic Services and European Services. The trend in the business area was generally positive with volume growth, a strong price structure and improved earnings compared with the corresponding period in the preceding year.

The business area's profit for the period January – June amounted to SEK 33 M (20).

<i>Industrial Shipping</i>	April - June		January - June		Full-year	Rolling
<i>SEK M</i>	<b>2007</b>	2006	<b>2007</b>	2006	2006	12-month
Net revenue	<b>516</b>	414	<b>1 004</b>	816	1 715	1 923
Profit after financial items	<b>22</b>	15	<b>33</b>	20	49	62
<i>Profit margin</i>	<b>4,3%</b>	3,6%	<b>3,3%</b>	2,5%	2,9%	3,2%

Continued improved earnings compared with the preceding year are forecast for the full-year 2007.

## Transatlantic Services

The Transatlantic Services division, operated by the wholly owned subsidiary Transatlantic Services AB, comprises three units that cooperate on tonnage and customer contracts with the aim of increasing capacity utilization and capitalizing on identified synergies.

In general, cargo volumes increased slightly during the first six months of 2007 compared with the corresponding period in the preceding year. However, the traffic pattern has changed since 2006, which has meant that the transport system has been affected by imbalances. Through various measures, the negative effects are expected to be lessened during the second half of the year.

Despite this imbalance problem and increased operating costs, Transatlantic RoRo services has improved its earnings compared with the first quarter of the year and the first six months of 2006. The continued stabilization of the unit's development can also be identified in the third quarter.

Overall, Transatlantic bulk services had a favorable trend. The unit was positively affected by revenue generated from the chartering-out of vessel capacity during the period. Six-month earnings were on a par with those in 2006.

Transports of paper products along the US East Coast were affected by engine breakdown on one of the leased vessels. Volume availability was favorable and growing.

Negotiations are ongoing concerning new orders of vessels to be deployed in Transatlantic Services and are these are expected to be concluded during the autumn of 2007.

The division's profit for the six-month period amounted to SEK 3 M (7).

<i>Transatlantic Services</i>	April - June		January - June		Full-year	Rolling
<i>SEK M</i>	<b>2007</b>	2006	<b>2007</b>	2006	2006	12-month
Net revenue	<b>185</b>	216	<b>381</b>	418	798	773
Profit after financial items	<b>6</b>	10	<b>3</b>	7	12	8
<i>Profit margin</i>	<b>3,2%</b>	4,6%	<b>0,8%</b>	1,7%	1,5%	1,0%

## *European Services*

The operations, which are conducted through the subsidiary Transatlantic European Services AB, comprise scheduled feeder traffic of containers to the UK and Germany and contract-based small bulk traffic within Europe, as well as an expanding unit for European system traffic for forest products.

In terms of volumes, container traffic to the UK (**TransPal Line**) developed positively and several new customers were added to the operation. However, this resulted in a negative impact on the balance of goods and increased handling costs. Traffic to Helsingborg will be further developed through traffic cooperation with the Icelandic shipping company Samskip whereby it will be possible to offer an expanded service and higher frequency. The unit reported a poorer earnings trend compared with the year-earlier period. An action program aimed at improving profitability was implemented and is expected to entail a gradual improvement in earnings during the second half of the year.

In feeder traffic to Germany (**TransFeeder Line**), volumes increased significantly compared with 2006. A general volume increase was noted as a result of the continued favorable economic trend and the positive development of the new feeder service that was started between Northern Finland and Hamburg/Bremerhaven. The unit's results improved compared with the preceding year.

The trend for **TransLumi Line**, which commenced operations in the autumn of 2006, was positive. The number of customers with third-party cargos increased and earnings gradually improved during the first six months of 2007.

The system traffic in forest products generated satisfactory results.

Contract-based small bulk traffic (**TransBulk Services**) developed favorably during the period and reported higher earnings than for the corresponding year-earlier period.

Earnings for the European division, which reported an improvement in margins and a distinct increase in revenues, amounted to SEK 30 M (13) for the first six months.

<i>European Services</i>	April - June		January - June		Full-year	Rolling
SEK M	2007	2006	2007	2006	2006	12-month
Net revenue	331	198	623	398	917	1 150
Profit after financial items	16	5	30	13	37	54
Profit margin	4,8%	2,5%	4,8%	3,3%	4,0%	4,7%

## **Offshore/Icebreaking business area**

Operations are conducted through the Norwegian joint-venture company TransViking AS, in which Transatlantic owns 50%.

In general, the Offshore/Icebreaking business area displayed a favorable trend during the first six months. Lower demand for AHTS vessels during the second quarter, particularly in May, resulted in lower deployment and lower freight rates. Accordingly, earnings declined compared with both the preceding year and with earnings during the strong first quarter of 2007.

It has been deemed that no change in demand for anchor-handling vessels, either structurally or in terms of the market, has taken place. However, as a result of a slight increase in the number of new vessels delivered, the spot market prices for the second half of the year are expected to be lower than in the corresponding period in 2006, when revenues were extremely favorable.

During the second quarter, long-term contracts were signed for two vessels at satisfactory freight rates. The vessels are expected to be fully deployed for the remainder of the year.

The new construction of a further two anchor-handling vessels is proceeding according to plan. Final negotiations are in progress concerning the terms and conditions for financing of a further two similar vessels. These are expected to be concluded in September.

Earnings for the business area amounted to SEK 92 M (60) for the first six months.

<i>Offshore/Icebreaking</i>	April - June		January - June		Full-year	Rolling
SEK M	2007	2006	2007	2006	2006	12-month
Net revenue	59	61	155	100	294	349
Profit after financial items	28	38	92	60	191	223
Profit margin	47,5%	62,3%	59,4%	60,0%	65,0%	63,9%

The forecast for the second half of the year is for a continued strong market, but with lower demand than in the corresponding period in the preceding year, which is expected to entail lower, but nevertheless, favorable earnings for the full-year compared with 2006.

### Central Group organization

The central Group organization comprises management and the Production support function, as well as central administration and finance management. This includes ship management, which is responsible for Transatlantic's own fleet, and assignments for external vessel owners. These are responsible for all operating costs and Transatlantic invoices actual operating expenses incurred and fees for operating the external vessels. The primary motive for accepting external assignments is to achieve economies of scale for shipboard employees and for the comprehensive purchases undertaken for the Group's fleet of vessels. Certain non-profitable external assignments were discontinued, which resulted in reduced net revenue compared with the preceding year.

Central Group organization expenses, which include net financial items for central finance management, amounted to SEK 9 M (expense: 3) for the second quarter. The preceding year was significantly impacted by an interest refund of a nonrecurring nature.

<i>Central Group</i>	April - June		January - June		Full-year	Rolling
SEK M	2007	2006	2007	2006	2006	12-month
Net revenue	62	65	101	134	243	190
Loss after financial items	-9	-3	-16	-12	-24	-28
Profit margin	-14,5%	-4,6%	-15,8%	-9,0%	-9,9%	-14,7%

## Corporate tax

The general situation for the Group's current structure is that taxes payable are very limited. Accordingly, corporate tax consists mainly of estimated, deferred tax. The low level of taxes payable arises since some of the Group's operations are conducted in countries where taxation is based on tonnage tax, or similar tax structures, and amortization regulations that provide opportunities to defer tax liability payments.

The booked, deferred tax liabilities for the Swedish operation amounted to SEK 132 M at the end of June (SEK 116 M on March 31, 2006). For the Norwegian business, which includes the Offshore operations, there were corresponding deferred tax liabilities of SEK 64 M (Transatlantic's share). Since the decision pertaining to dividends and repatriation of accrued profits was not made, this was not recorded, in accordance with applicable accounting principles. There were no deferred tax liabilities to consider for the Group's other operations.

Tonnage tax has been introduced in most EU countries and comprises a low annual fee on current tonnage instead of a direct profit-based tax. There are current discussions in both Sweden and Norway regarding the introduction of EU-adapted tonnage tax that could replace the current system and provide possibilities for deferred tax. The introduction of tonnage taxation, as was the case in the EU, is expected to signify that deferred tax may be dissolved.

## Financial position, investments and divestments

The Group's cash and cash equivalents amounted to SEK 298 M at the end of the period (264 on December 31, 2006). In addition, the Group has unutilized committed lines of credit in the amount of SEK 340 M.

At the end of June, the Group's shareholders' equity totaled SEK 1,134 M (corresponding to SEK 39.90 per share). Minority interest in the year's closing shareholders' equity amounted to SEK 24 M, corresponding to SEK 0.80 per share.

The increasing activity within European Services has resulted in a certain increase in working capital, and accordingly, a slight decrease in the equity/assets ratio to 38% (40% on December 31, 2006).

Gross investments during the first six months amounted to an expense of SEK 128 M (expense: 152). The expenses were primarily attributable to ongoing new construction of two AHTS vessels within the Offshore/Icebreaking business area and the acquisition of the TransNjord container vessel within the Industrial Shipping business area.

<i>Financial position</i>	<b>June</b>	December
<i>SEK M at the close of each period</i>	<b>2007</b>	2006
Total assets	<b>2 953</b>	2 744
Shareholders' equity	<b>1 134</b>	1 085
Equity/assets ratio	<b>38%</b>	40%
Net indebtedness	<b>906</b>	818
Debt/equity ratio, %	<b>80%</b>	75%
Closing cash and cash equivalents	<b>298</b>	264
<i>SEK per share</i>		
Shareholders' equity incl. minority interests	<b>39,90</b>	37,90

## **Repurchase of shares**

During the first quarter, 210,780 own shares were repurchased. The company subsequently held a total of 2,427,180 treasury shares, which were cancelled in accordance with a resolution at the Annual General Meeting held in April. No further repurchasing of shares was conducted during the first six months of 2007.

## **Events after the close of the reporting period**

- Negotiations reached a positive conclusion with the Spanish shipyard Zamakona relating to the exercise of options to order a further two AHTS vessels for arctic waters. Final negotiations are in progress concerning the terms and conditions of financing and these are expected to be concluded during September.
- Negotiations have continued with several shipyards concerning orders of new vessels for Transatlantic Services. These negotiations are expected to be concluded during the autumn.
- As announced in a press release dated April 24, Transatlantic's President and CEO Håkan Larsson will step down from his position and will be succeeded by Carl-Johan Hagman. Since the publication of the press release, the date that Carl-Johan Hagman was scheduled to assume the position has been deferred to January 1, 2008. Håkan Larsson will remain in his position as President of Transatlantic until December 31.

## **Risks and uncertainty factors**

Transatlantic is a Group comprising a high degree of international operations, thereby exposing it to a number of operational and financial risks. Transatlantic works actively to identify and manage these risks and risk management is included as an element of the ongoing reviews of the operations. It has been deemed that no further key risks and uncertainties have arisen in addition to those risks and uncertainties described in Transatlantic's most recent annual report (page 37).

## **Transactions with closely related parties**

No transactions have taken place between Transatlantic and closely related parties that have significantly affected the company's position or earnings.

## **Accounting principles**

This interim report was prepared in accordance with the Swedish Annual Accounts Act and with the application of IAS 34, Interim Financial Reporting. The same accounting principles and basis for estimation for both the Group and Parent Company have been applied as those used in the most recent annual report. New or revised IFRS standards that have come into effect since January 1, 2007 have not had any significant impact on the Group's earnings or balance sheets.

## **Outlook for 2007**

The general shipping market is expected to remain favorable for the rest of the year. Investments that were made in the Group, primarily in the European Services division, higher transport volumes, a strong price structure and efforts implemented to adjust vessel capacity in the Transatlantic Services division are expected to generate significant improvement in earnings for the Industrial Shipping business area.

The Offshore market is expected to remain strong, but with a slight increase in the number of vessels in the market and a marginal deterioration in the demand situation in the spot market, it is uncertain if last year's favorable revenues can be repeated in the second half of the year.

Overall, earnings for the full-year 2007 are expected to be better than the outcome for 2006.

## **Telephone conference**

In conjunction with the interim report, a telephone conference is scheduled for Thursday, August 23, 2007 at 8:00 a.m. with Transatlantic's President Håkan Larsson and Executive Vice President Hans Carlweitz. For further information, please check our website: [www.rabt.se](http://www.rabt.se).

## Financial reports

Third quarter                      October 24, 2007  
Year-end report                  February 20, 2008

The Board of Directors and the President certify that the interim report gives a true and fair overview of the Parent Company's and Group's operations, their financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and other companies in the Group.

Skärhamn, August 22, 2007

Rederi AB Transatlantic  
(Corp, Reg. No. 556161-0113)

*Folke Patriksson*  
*Chairman of the Board*

*Håkan Larsson*  
*President and CEO*

*Helena Levander*  
*Board member*

*Ulf G Lindén*  
*Board member*

*Christer Lindgren*  
*Board member and*  
*Employee representative*

*Christer Olsson*  
*Board member*

*Lena Patriksson Keller*  
*Board member*

*Björn Rosengren*  
*Board member*

This report is unaudited.

*For further information, please contact President Håkan Larsson*  
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### Consolidated income statement

All amounts in SEK M	April - June		January - June		Jan - Dec
	2007	2006	2007	2006	2006
Net sales	637	540	1 260	1 050	2 252
Other operating revenue	1	0	2	2	11
Personnel costs	-90	-134	-203	-257	-486
Other costs	-463	-310	-861	-634	-1 367
Depreciation / write-downs	-35	-41	-70	-81	-158
Operating profit/loss	50	55	128	80	252
Net financial items	-9	-5	-21	-16	-45
Profit/loss before tax	41	50	107	64	207
Tax on profit/loss for the period <sup>1)</sup>	-8	-1	-11	-1	-19
PROFIT/LOSS FOR THE PERIOD <sup>2)</sup>	33	49	96	63	188

#### Attributable to:

Shareholders of the parent company	33	48	96	58	182
Minority interests in subsidiaries	0	1	0	5	6
PROFIT/LOSS FOR THE PERIOD	33	49	96	63	188

1) The tax expense for the period includes actual tax amounting SEK 0 M (Jan - Jun 2006: 0, Jan - Dec 2006: -7).

2) The amount includes restructuring costs with SEK -2 M (Jan - Jun 2006: -4, Jan - Dec 2006: -9).

### Net sales by area of operation

All amounts in SEK M	April - June		January - June		Jan - Dec
	2007	2006	2007	2006	2006
Industrial Shipping					
Transatlantic Services	185	216	381	418	798
European Services	331	198	623	398	917
	516	414	1 004	816	1 715
Offshore/Icebreaking	59	61	155	100	294
TOTAL - BUSINESS OPERATIONS	575	475	1 159	916	2 009
Ship Management/Group-wide items	62	65	101	134	243
TOTAL NET SALES	637	540	1 260	1 050	2 252

### Profit/loss after financial items per business area

All amounts in SEK M	April - June		January - June		Jan - Dec
	2007	2006	2007	2006	2006
Industrial Shipping					
Transatlantic Services	6	10	3	7	12
European Services	16	5	30	13	37
	22	15	33	20	49
Offshore/Icebreaking	28	38	92	60	191
TOTAL - BUSINESS OPERATIONS	50	53	125	80	240
Ship Management/Group-wide items	-9	-3	-16	-12	-24
OPERATING PROFIT/LOSS BEFORE TAX	41	50	109	68	216
Restructuring items	0	0	-2	-4	-9
PROFIT/LOSS BEFORE TAX	41	50	107	64	207

#### Attributable to:

Shareholders of the parent company	41	49	107	62	202
Minority interests in subsidiaries	0	1	0	2	5

**Consolidated balance sheet**

	Jun 30. 2007	Dec 31. 2006
All amounts in SEK M		
Vessels	2 008	1 902
Other tangible fixed assets	68	64
Intangible fixed assets <sup>1)</sup>	13	12
Financial assets	109	118
Total fixed assets	2 198	2 096
Current assets	755	648
<b>TOTAL ASSETS</b>	<b>2 953</b>	<b>2 744</b>
Shareholders' equity <sup>2)</sup>	1 134	1 085
Long-term liabilities <sup>3)</sup>	1 283	1 207
Current liabilities <sup>3)</sup>	536	452
<b>TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>	<b>2 953</b>	<b>2 744</b>
1) Amount includes goodwill of SEK 1 M ( 1 ).		
2) Minority interests are included with SEK 24 M ( 25 ).		
3) The total of the Group's long- and short-term interest-bearing liabilities amounts to SEK 1 204 M ( 1 082 ).		
Pledged assets	1 928	1 626
Contingent liabilities	-	-

**Consolidated cash-flow statement**

	April - June		January - June		Jan - Dec
All amounts in SEK M	2007	2006	2007	2006	2006
Cash flow from current operations before changes in working capital	80	78	178	142	363
Changes in working capital	-1	-28	-56	-48	-81
Cash flow from current operations	79	50	122	94	282
Investing operations <sup>1)</sup>	-12	-41	-27	-86	-1
Financing operations	31	-9	-13	-63	-234
Dividend	-57	-62	-57	-62	-62
Change in cash equivalents	41	-62	25	-117	-15
Cash equivalents at beginning of period	256	238	264	296	296
Exchange-rate difference in cash equivalents	1	-6	9	-9	-17
<b>CASH EQUIVALENTS AT END OF PERIOD<sup>2)</sup></b>	<b>298</b>	<b>170</b>	<b>298</b>	<b>170</b>	<b>264</b>

1) Gross investments amounted for the period January - June SEK 122 M and are mainly due to the acquisition of a container vessel, TransNjord, ongoing newbuilding of two anchorhandlers and dockings.

2) Cash equivalents, including utilized overdraft facilities, of SEK 298 M (Jan - Jun 2006: 170, Jan - Dec 2006: 264) are included in the balance sheet among current assets. In addition the group have unutilized standby facilities amounting SEK 400 M. The cash-flow statement's "Cash equivalents at end of period" comprise liquid funds, including utilized overdraft facility of SEK 0 M (Jan - Jun 2006: 0, Jan - Dec 2006: 0).

### Consolidated shareholders' equity

All amounts in SEK M	April - June		January - June		Jan - Dec
	2007	2006	2007	2006	2006
Shareholders' equity at beginning of period	<b>1 159</b>	1 153	<b>1 085</b>	1 135	1135
Dividend	<b>-57</b>	-62	<b>-57</b>	-62	-62
Acquisition of own shares	-	-14	<b>-11</b>	-14	-93
Translation differences / cash flow hedges	<b>-1</b>	-18	<b>21</b>	-14	-48
Profit/loss for the period	<b>33</b>	49	<b>96</b>	63	188
Effect of acquisitions <sup>1)</sup>	-	-	-	-	-35
<b>SHAREHOLDERS' EQUITY AT END OF PERIOD <sup>2)</sup></b>	<b>1 134</b>	1 108	<b>1 134</b>	1 108	1 085

*There are no warrants or other equity instruments in Transatlantic Group.*

*1) In 2006 outstanding shares in two dutch companies was acquired whereby the minority shares was bought out.*

*2) Shareholders' equity includes minority interests of SEK 24 M (30 Jun 2006: 54, 31 Dec 2006: 25).*

Number of shares ('000)	April - June		January - June		Jan - Dec
	2007	2006	2007	2006	2006
Number of shares at beginning of period	<b>28 431</b>	30 858	<b>28 642</b>	30 858	30 858
Buy-back of shares	-	-437	<b>-211</b>	-437	-2 216
Number of shares at end of period	<b>28 431</b>	30 421	<b>28 431</b>	30 421	28 642
Average number of shares	<b>28 431</b>	30 650	<b>28 448</b>	30 754	30 137
Total number of shares bought back	-2 427				

### Data per share

All amounts in SEK	April - June		January - June		Jan - Dec
	2007	2006	2007	2006	2006
Earnings before capital expenses (EBITDA)	<b>3.0</b>	3.1	<b>7.0</b>	5.2	13.6
Earnings before interest expenses (EBIT)	<b>1.9</b>	2.1	<b>4.9</b>	2.9	8.9
Profit after current tax	<b>1.4</b>	1.6	<b>3.7</b>	2.1	6.7
Profit after full tax	<b>1.2</b>	1.6	<b>3.4</b>	2.1	6.2
Shareholders' equity at end of period	<b>39.9</b>	36.4	<b>39.9</b>	36.4	37.9
Operating cash flow	<b>2.7</b>	3.0	<b>6.2</b>	4.8	12.4
Total cash flow	<b>1.4</b>	-2.0	<b>0.9</b>	-3.8	-0.5

### Key data <sup>1)</sup>

		April - June		January - June		Jan - Dec
		2007	2006	2007	2006	2006
Earnings before capital expenses (EBITDA)	SEK M	<b>85</b>	96	<b>198</b>	161	409
Earnings before interest expenses (EBIT)	SEK M	<b>55</b>	63	<b>138</b>	89	268
Shareholders' equity	SEK M	<b>1 134</b>	1 108	<b>1 134</b>	1 108	1 085
Net interestbearing debts	SEK M	<b>906</b>	967	<b>906</b>	967	818
Operating cash flow	SEK M	<b>76</b>	91	<b>177</b>	149	374
Total cash flow	SEK M	<b>41</b>	-62	<b>25</b>	-117	-15
Return on capital employed	%	<b>9.5</b>	11.4	<b>12.3</b>	7.8	12.0
Return on shareholders' equity	%	<b>11.3</b>	17.4	<b>17.3</b>	11.2	17.0
Interest-coverage ratio	TIMES	<b>6.4</b>	8.0	<b>6.6</b>	6.7	7.0
Equity/assets ratio	%	<b>38.4</b>	39.0	<b>38.4</b>	39.0	39.5
Debt/equity ratio	%	<b>80.0</b>	87.0	<b>80.0</b>	87.0	75.4
Profit margin	%	<b>6.4</b>	9.1	<b>8.5</b>	6.0	9.2

1) The principles used calculating key data are the same that were used in the group's latest annual report, where you also can find definitions.



### Parent company income statement

All amounts in SEK M	April - June		January - June		Jan - Dec
	2007	2006	2007	2006	2006
Net sales <sup>1)</sup>	90	30	147	64	170
Other operating revenue	1	0	2	0	1
Personnel costs	-7	-7	-13	-15	-35
Other costs <sup>1)</sup>	-82	-32	-140	-65	-159
Depreciation / write-downs	-5	-4	-11	-8	-17
Operating profit/loss	-3	-13	-15	-24	-40
Net financial items <sup>2)</sup>	90	-2	90	206	198
Profit/loss after financial items	87	-15	75	182	158
Reversal of tax allocation reservs	-	-	-	-	29
Profit/loss before tax	87	-15	75	182	187
Tax on profit/loss for the period <sup>3)</sup>	3	1	5	2	14
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>90</b>	<b>-14</b>	<b>80</b>	<b>184</b>	<b>201</b>

1) Increase in sales and costs relates to the vessels Transpaper, Transpulp and Transtimmer which by the parent company are bare-boat chartered in, and time-chartered out to Stora Enso.

2) The amount includes dividends from group companies with SEK 94 M (Jan - Jun 2006: 201, Jan - Dec 2006: 279).

3) The tax expense for the period includes actual tax amounting SEK 0 M (Jan - Jun 2006: 0, Jan - Dec 2006: 0).

### Parent company balance sheet

All amounts in SEK M	Jun 30. 2007	Dec 31. 2006
Other tangible fixed assets	17	19
Intangible fixed assets <sup>1)</sup>	66	73
Financial assets	719	718
Total fixed assets	802	810
Current assets <sup>2)</sup>	192	179
<b>TOTAL ASSETS</b>	<b>994</b>	<b>989</b>
Shareholders' equity	739	727
Provisions	41	45
Long-term liabilities <sup>3, 4)</sup>	21	96
Current liabilities <sup>3, 5)</sup>	193	121
<b>TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>	<b>994</b>	<b>989</b>

1) Amount includes goodwill of SEK - M ( - ).

2) Liquid funds are included with SEK 40 M ( 104 ).

3) The total of the parent companys long- and short-term interest-bearing liabilities amounts to SEK 60 M ( 75 ).

4) The amount has been reduced by dividends settled against long-term liabilities to group companies.

5) Current liabilities has been increased due to credit facilities SEK 60 M utilized 2nd quarter.

Pledged assets	50	50
Contingent liabilities	20	20