Press release, *April 29, 2008*
from Rederi AB Transatlantic (publ)

INTERIM REPORT JANUARY – MARCH 2008

Continued strong Group earnings.

- ***Earnings during the first quarter rose by 17 % to SEK 74 M (63).***
- ***On a rolling 12-month basis, the Group's operating profit amounted to SEK 287 M.***
- ***The offshore market was strong during the first quarter and earnings for the Offshore/Icebreaking business area were in line with the year-earlier period.***
- ***The European Services division reported improved earnings as a result of a continued strong market and marketing activities undertaken.***
- ***Earnings in the Group's Transatlantic Services division were unsatisfactory and were in line with the year-earlier period.***
- ***Takeover of technical operation and manning of the Swedish Government's five state-owned icebreakers will go into effect June 1, 2008.***
- ***Net profit per share amounted to SEK 2.60 (2.20)***
- ***Strengthened financial position, with an increase in the equity/assets ratio to 41% and a decrease of the debt/equity ratio to 53%.***
- ***Carl-Johan Hagman will leave his position as President at the end of the year or once a new President has been recruited.***

- ***Results for January - March 2008:***

  Net revenue: SEK 585 M (623)
  Operating profit before tax: SEK 74 M (68)
  Profit before tax: SEK 79 M (66)
  Profit after current tax: SEK 79 M (65)
  Profit after full tax: SEK 74 M (63)
  On March 31, 2008 shareholders' equity per share amounted to SEK 45.30 per share (SEK 43.60 per share on December 31, 2007)
  The equity/assets ratio on the closing date was 41% (39% on December 31, 2007)
  Return on equity 24 % (22%)
  Return on capital employed 16% (15%)

**Operating profit: earnings before tax and restructuring costs*

Transatlantic's operations, goals and strategy

Transatlantic consists of the Offshore/Icebreaking business area and the Industrial Shipping business area, which comprises two divisions – Atlantic and European. 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. Atlantic- and European divisions focus on contract shipping, primarily for the forest products and steel industries.

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 at least 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 first quarter

During the first quarter of 2008, continued favorable shipping trends were reported despite the worries in the financial markets. Capacity utilization was generally satisfactory and price structures were somewhat better than the year-earlier period.
With the Transatlantic segment, demand and deployment were favorable in the Offshore/Icebreaking business area, while the situation was somewhat varied in the Industrial Shipping business area, mainly due to the continued weakening of the US dollar.

The Offshore/Icebreaking business area noted continued strong demand for tonnage with freight levels in line with the strong earnings during the year-earlier period. The business area's operating profit was SEK 58 M (64).

The Industrial Shipping business area improved its operating profit, which amounted to SEK 21 M (11) for the quarter.
Volumes for westbound Transatlantic Services were lower and one vessel experienced a serious grounding, creating an imbalance in service. The division's operating profit amounted to a loss of SEK 2 M (loss: 3).
The European Services division reported higher earnings from the TransLumi Line due to increased third-party shipments, and earnings improved compared with the year-earlier period. The division's operating profit was SEK 23 M (14).

Consolidated earnings for the first quarter of 2008

The Group's net revenues amounted to SEK 585 M (623). The change in sales was due mainly to lower revenues from transatlantic traffic, as well as the currency effects of a lower US dollar, the disposal of certain external vessel management tasks and the sale and leaseback of one vessel.

The Group's operating profit was SEK 74 M (68) and profit before tax amounted to SEK 79 M (66). Earnings include positive restructuring costs of SEK 5 M, mainly attributable to the sale of the M/S Holmön.

Net profit after full tax amounted to SEK 74 M (63).

Group	July - March		Full-year	Rolling
SEK M	**2008**	2007	2007	12-month [1)]
Net revenue	**585**	623	2 530	2 492
Profit before capital costs ("EBITDA")	**128**	113	462	477
Operating profit	**90**	78	317	329
Profit before tax	**79**	66	278	291
Profit margin	***13,6%***	*10,6%*	*11,0%*	*11,7%*
Profit before tax by business area				
Offshore/Icebreaking business area	**58**	64	230	224
Industrial Shipping business area				
Transatlantic Services division	**-2**	-3	21	22
European Services division	**23**	14	60	69
	21	11	81	91
Ship Management/Group-wide	**-5**	-7	-30	-28
Total operating profit	**74**	68	281	287
Restructuring items	**5**	-2	-3	4
Profit before tax	**79**	66	278	291
Current tax [2)]	**0**	-1	-93	-92
Deferred tax	**-5**	-2	1	-2
Profit after tax	**74**	63	186	197
SEK per share				
Operating profit after current tax	**2,60**	2,30	6,60	6,90
Profit after current tax	**2,80**	2,30	6,50	7,10
Profit after tax	**2,60**	2,20	6,60	7,00

1) Refers to the period April 2007 to march 2008.

2) Tax payable for the current year.

Offshore/Icebreaking business area

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

During the first quarter, the trend was favorable in the Offshore/Icebreaking business area. Demand for AHTS/tonnage during the period, which is normally a seasonally weak period, was just as strong as the corresponding period in 2007. Freight levels were high, although the market and pricing continues to be characterized by high volatility.

The building of an additional four anchor-handling vessels continues according to plan.

The business area's quarterly earnings amounted to SEK 58 M (64).

Offshore/Icebreaking	January - March		Full-year
SEK M	**2008**	2007	2007
Net revenue	**92**	96	359
Profit after net financial items	**58**	64	230
Profit margin	***63,0%***	*66,7%*	*64,1%*

Industrial Shipping business area

The business area consists of two divisions, Transatlantic Services and European Services. The business area's earnings improved compared with the year-earlier period.

Industrial shipping	January - March		Full-year
SEK M	**2008**	2007	2007
Net revenue	**468**	488	2 005
Profit after net financial items	**21**	11	81
Profit margin	***4,5%***	*2,3%*	*4,0%*

Transatlantic Services

The Transatlantic Services division, which comprises three integrated units, had lower volume overall than the preceding year. Volumes of coated paper to the US declined, in particular, due to difficulties in maintaining sales. Imbalances in traffic flows remained, and were even reinforced during the period due to a serious grounding of the M/S Finnpine and repairs to M/S TransOak. The anticipated earnings improvement from Transatlantic's traffic did not materialize despite price increases and implementation of improved cost compensation clauses for bunker oil and currency.

Earnings for the LoLo unit were satisfactory and were mainly in line with the preceding year.

The division's earnings for the period were unsatisfactory. An action plan to improve the division's profitability is ongoing, with a focus on achieving a balance between eastbound and westbound cargo, increasing freight levels and expanding the customer base.

New vessels for shipping routes remain under review.

Quarterly earnings amounted to a loss of SEK 2 M (loss: 3).

Transatlantic Services	January – March		Full-year
SEK M	**2008**	2007	2007
Net revenue	**165**	196	748
Profit after net financial items	**-2**	-3	21
Profit margin	***-1,2%***	*-1,5%*	*2,8%*

European Services

These operations 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.

Container traffic to the UK (**TransPal Line**) has reduced its volumes as part of an effort to improve profitability. One vessel was taken out of service and vessel rotation has been adjusted. Quarterly earnings strengthened in relation to the preceding year, but continued to be negative.

Feeder traffic (**TransFeeder Line**) saw a small volume increase and vessels of slightly larger size are being successively added to the shipping routes. Earnings were in line with the preceding year, but not at a satisfactory level.

RoRo traffic in the Baltic Sea (**TransLumi Line)** has exceeded the preceding year in terms of earnings, despite slightly weaker volumes of forestry products. The increased share of third-party cargo loads resulted in vessels being fully utilized. Larger so-called project loads are beginning to take on greater significance both in terms of volume and earnings.

Contract-based small bulk traffic (**TransBulk Services**) experienced favorable growth during the period. A vessel from TransPal line has strengthened service, which has been expanded and now regularly plies a route from the eastern Mediterranean to Northern Europe. The operation reported improved earnings, compared with the preceding year. The vessel M/S Holmön, which had previously been sold, was delivered to its new owner during the quarter.

The European Service division, which reported a margin improvement and increased revenues during the quarter, reported earnings of SEK 23 M (14) for the first quarter.

European Services	January - March		Full-year
SEK M	**2008**	2007	2007
Net revenue	**303**	292	1 257
Profit after financial items	**23**	14	60
Profit margin	***7,6%***	*4,8%*	*4,8%*

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.

A new task, to man and conduct technical operation of the Swedish government's five icebreakers, has been secured through cooperation with the Norwegian ship management company OSM. This assignment is expected to secure Transatlantic's position as the leading global shipping company within the offshore sector, with the ability to operate in Arctic regions. There is a shortage of available skilled and experienced personnel in this area and this will give the shipping company competitive advantages.

Earnings for the unit, which include net financial items for the central finance management, amounted to a loss of SEK 5 M (loss: 7) for the quarter.

Central Group	January - March		Full-year
SEK M	**2008**	2007	2007
Net revenues	**25**	39	166
Loss after financial items	**-5**	-7	-30
Profit margin	***-20,0%***	*-17,9%*	*-18,1%*

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 so-called tonnage tax, or similar tax structures, and tax and depreciation/amortization regulations that provide opportunities to defer tax liability payments.

During the quarter, no costs for actual (payable) taxes were recorded, only deferred tax liability of SEK 5 M. The recognized, deferred tax liability for Swedish operations amounted to SEK 108 M at March 31, 2008 (120 at December 31, 2007).

Transatlantic's jointly held company, TransViking, has been included since 2007 in the new Norwegian tonnage tax system, which means that in the future only a low annual tax will have to be paid, without any other taxable consequences. The tax consequences of participating in the new system of SEK 90 M, were assumed in their entirety during 2007, with the liability being repaid over a ten-year period.

The shipping company is still waiting for a political decision regarding whether Swedish tonnage tax will be introduced. A decision is required and expected during the year.

Financial position, investments and divestments

The Group's cash and cash equivalents amounted to SEK 486 M at the end of the quarter (SEK 393 M at December 31, 2007). In addition, the Group has unutilized committed lines of credit in the amount of SEK 400 M.

At the end of March, the Group's shareholders' equity totaled SEK 1,264 M (corresponding to SEK 45.30 per share). Minority interest in the year's closing shareholders' equity amounted to SEK 27 M, corresponding to SEK 1.00 per share.

The equity/assets ratio amounted to 41% at the end of the quarter (39% at December 31, 2007).

Gross investments during the quarter amounted to SEK 43 M (15). Expenses were primarily attributable to capitalized docking fees.

Financial position	**March**	December
SEK M at the close of each period	**2008**	2007
Total assets	**3 064**	3 124
Shareholders' equity (incl. minority)	**1 264**	1 217
Equity/assets ratio	***41%***	*39%*
Net indebtedness	**664**	823
Debt/equity ratio, %	***53%***	*68%*
Closing cash and cash equivalents	**486**	393
SEK per share		
Shareholders' equity incl. minority interests	**45,30**	43,60

Repurchase of shares

During the first quarter, no repurchase of shares occurred. At the end of March, there was a total of 504,800 own shares held, which were acquired at an average price of SEK 45.41 per share. Prior to the Annual General Meeting, the Board of Directors has proposed that these shares shall be held in treasury.

Events after the close of the reporting period

Two vessels from the TransPal Line were damaged, which will negatively impact the European Services division's earnings.

President Carl-Johan Hagman will be leaving the company at the end of the year. Recruitment of a new president has begun. There is no conflict between the shipping company and Hagman.

Risks and uncertainties

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 annual report for 2007 (page 35).

Transactions with closely related parties

No transactions have taken place between Transatlantic and closely related parties that have significantly affected the company's positions 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 and in accordance with the Swedish financial Reporting Board's recommendation RfR 2:1 Accounting for legal entities. 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, 2008, have not had any significant impact on the Group's earnings or balance sheets.

Outlook for 2008

Despite the financial crisis, the general shipping market is expected to remain favorable. Ongoing structural measures, in the Industrial Shipping business area, and price increases in the Transatlantic Services division, are expected to generate improved earnings for the Industrial Shipping business area.

The Offshore market is anticipated to remain strong during the rest of the year, but with a slight increase in the number of vessels in the market, it is uncertain whether the favorable revenues from last year can be repeated. The volatility in our industry remains.

Telephone conference

In conjunction with the interim report, a telephone conference is scheduled for Wednesday, April 30, 2008 at 8:30 a.m. with Transatlantic's President Carl-Johan Hagman and CFO Stefan Eliasson. For further information, please check our website: www.rabt.se

Financial reports 2008

Second quarter	August 27
Third quarter	October 20

Skärhamn, April 29, 2008

Rederi AB Transatlantic

(Corp. Reg. No. 556161-0113)
Board of Directors

This report is unaudited

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TRANSATLANTIC

Consolidated income statement

All amounts in SEK M	January - March 2008	2007	Year 2007
Net sales	**585**	623	2 530
Other operating revenue	**6**	1	7
Personnel costs	**-111**	-113	-451
Other costs	**-352**	-398	-1 624
Depreciation / write-downs	**-38**	-35	-145
Operating profit/loss	**90**	78	317
Net financial items	**-11**	-12	-39
Profit/loss before tax	**79**	66	278
Tax on profit/loss for the period [1)]	**-5**	-3	-92
PROFIT/LOSS FOR THE PERIOD [2)]	**74**	63	186
Attributable to:			
Shareholders of the parent company	**73**	63	186
Minority interests in subsidiaries	**1**	0	0
PROFIT/LOSS FOR THE PERIOD	**74**	63	186

1) The tax expense for the period includes actual tax amounting SEK 0 M (Jan - Mar 2007: -1, Jan - Dec 2007: -93).

2) The amount includes restructuring costs, mainly book-gains from sale of the vessel "Holmon", with SEK 5 M (Jan - Mar 2007: -2, Jan - Dec 2007: -3).

Net sales by area of operation

All amounts in SEK M	January - March 2008	2007	Year 2007
Offshore/Icebreaking	**92**	96	359
Industrial Shipping			
Transatlantic Services	**165**	196	748
European Services	**303**	292	1257
	468	488	2 005
TOTAL - BUSINESS OPERATIONS	**560**	584	2 364
Ship Management/Group-wide items	**25**	39	166
TOTAL NET SALES	**585**	623	2 530

Profit/loss after financial items per business area

All amounts in SEK M	January - March 2008	2007	Year 2007
Offshore/Icebreaking	**58**	64	230
Industrial Shipping			
Transatlantic Services	**-2**	-3	21
European Services	**23**	14	60
	21	11	81
TOTAL - BUSINESS OPERATIONS	**79**	75	311
Ship Management/Group-wide items	**-5**	-7	-30
OPERATING PROFIT/LOSS BEFORE TAX	**74**	68	281
Restructuring items	**5**	-2	-3
PROFIT/LOSS BEFORE TAX	**79**	66	278
Attributable to:			
Shareholders of the parent company	**78**	66	278
Minority interests in subsidiaries	**1**	0	0

Consolidated balance sheet

All amounts in SEK M	**Mar 31. 2008**	Dec 31. 2007
Vessels	**1 994**	2 047
Other tangible fixed assets	**61**	64
Intangible fixed assets 1)	**14**	14
Financial assets	**75**	73
Total fixed assets	**2 144**	2 198
Current assets	**920**	926
TOTAL ASSETS	**3 064**	3 124
Shareholders' equity 2)	**1 264**	1 217
Long-term liabilities 3)	**1 341**	1 365
Current liabilities 3)	**459**	542
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**3 064**	3 124

1) Amount includes goodwill of SEK 2 M (2).

2) Minority interests are included with SEK 27 M (25).

3) The total of the Group's long- and short-term interest-bearing liabilities amounts to SEK 1 149 M (1 215).

Pledged assets	**2 003**	2 061
Contingent liabilities	**-**	-

Consolidated cash-flow statement

All amounts in SEK M	January - March **2008**	2007	Year 2007
Cash flow from current operations before changes in working capital	**108**	98	414
Changes in working capital	**54**	-55	-116
Cash flow from current operations	**162**	43	298
Investing operations 1)	**-21**	-15	-40
Financing operations	**-41**	-44	-86
Dividend	**-**	-	-57
Change in cash equivalents	**100**	-16	115
Cash equivalents at beginning of period	**393**	264	264
Exchange-rate difference in cash equivalents	**-7**	8	14
CASH EQUIVALENTS AT END OF PERIOD 2)	**486**	256	393

1) Gross investments, mainly capitalized docking expenses, amounted for the period January - March SEK 43 M.

2) Cash equivalents, including utilized overdraft facilities, of SEK 486 M (Jan - Mar 2007: 256, Jan - Dec 2007: 393) 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 overdraftfacility of SEK 0 M (Jan - Mar 2007: 0, Jan - Dec 2007: 0).

Consolidated shareholders' equity

All amounts in SEK M	January - March 2008	2007	Year 2007
Shareholders' equity at beginning of period	**1 217**	1 085	1 085
Dividend	**-**	-	-57
Acquisition of own shares	**-**	-11	-34
Translation differences / cash flow hedges	**-27**	22	37
Profit/loss for the period	**74**	63	186
SHAREHOLDERS' EQUITY AT END OF PERIOD [1)]	**1 264**	1 159	1 217

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

1) Shareholders' equity includes minority interests of SEK 27 M (31 Mar 2007: 25, 31 Dec 2007: 25).

Number of shares ('000)	January - March 2008	2007	Year 2007
Number of outstanding shares at beginning of period	**27 926**	28 642	28 642
Buy-back of shares	**-**	-211	-716
Number of outstanding shares at end of period	**27 926**	28 431	27 926
Number of shares held as treasury shares	**505**	2 427	505
Total number of shares at end of period	**28 431**	30 858	28 431
Average number of outstanding shares	**27 926**	28 466	28 346

1) In August -07 the share capital was reduced with the at that time bought back shares, total 2,427,000.

Data per share

All amounts in SEK	January - March 2008	2007	Year 2007
Earnings before capital expenses (EBITDA)	**4.6**	4.0	16.3
Earnings before interest expenses (EBIT)	**3.5**	2.9	12.0
Profit after current tax	**2.8**	2.3	6.5
Profit after full tax	**2.6**	2.2	6.6
Shareholders' equity at end of period	**45.3**	40.8	43.6
Operating cash flow	**4.0**	3.5	14.9
Total cash flow	**3.6**	-0.6	4.1

Key data [1)]

		January - March 2008	2007	Year 2007
Earnings before capital expenses (EBITDA)	SEK M	**128**	113	462
Earnings before interest expenses (EBIT)	SEK M	**97**	83	341
Shareholders' equity	SEK M	**1 264**	1 159	1 217
Net interestbearing debts	SEK M	**664**	883	823
Operating cash flow	SEK M	**112**	101	423
Total cash flow	SEK M	**100**	-16	115
Return on capital employed	%	**16.0**	15.0	14.8
Return on shareholders' equity	%	**23.8**	22.4	16.2
Interest-coverage ratio	TIMES	**7.7**	6.8	7.7
Equity/assets ratio	%	**41.3**	40.4	39.0
Debt/equity ratio	%	**52.5**	76.2	67.6
Profit margin	%	**13.6**	10.6	11.0

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.

TRANSATLANTIC

Parent company income statement

All amounts in SEK M	January - March 2007	2006	Year 2006
Net sales [1]	**177**	57	317
Other operating revenue	**7**	1	7
Personnel costs	**-52**	-6	-35
Other costs [1]	**-135**	-58	-297
Depreciation / write-downs	**-6**	-6	-17
Operating profit/loss	**-9**	-12	-25
Net financial items [2]	**-8**	0	120
Profit/loss before tax	**-17**	-12	95
Tax on profit/loss for the period [3]	**4**	2	3
PROFIT/LOSS FOR THE PERIOD	**-13**	-10	98

1) Increase in sales and costs relates to the vessels Transpaper, Transpulp and Transtimber 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 0 M (Jan - Mar 2007: 0, Jan - Dec 2007: 118).

3) The tax expense for the period includes actual tax amounting SEK 0 M (Jan - Mar 2007: 0, Jan - Dec 2007: 0).

Parent company balance sheet

All amounts in SEK M	**Mar 31. 2008**	Dec 31. 2007
Other tangible fixed assets	**19**	19
Intangible fixed assets[1]	**56**	59
Financial assets	**694**	672
Total fixed assets	**769**	750
Current assets [2]	**244**	244
TOTAL ASSETS	**1 013**	994
Shareholders' equity	**747**	759
Provisions	**43**	43
Long-term liabilities [3]	**24**	24
Current liabilities [3]	**199**	168
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**1 013**	994

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

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

Pledged assets	**51**	51
Contingent liabilities	**320**	322