Year-end report 2012

February 26, 2013

from Rederi AB TransAtlantic (publ)

Year End Report 2012

Fourth quarter 2012

- Net revenues amounted to SEK 765 M (903)
- Result before capital costs, EBITDA, amounted to SEK -12 M (-9)
- Result before tax amounted to SEK -61 M (-161)
- Result after tax amounted to SEK -95 M (-194)
- Earnings per share after tax amounted to SEK -0.9 (-2.7)

January-December 2012

- Net revenues amounted to SEK 3 274 M (2 989)
- Result before capital costs, EBITDA, amounted to SEK 120 M (67)
- Result before tax amounted to SEK -356 M (-466)
- Result after tax amounted to SEK -393 M (-435)
- Earnings per share after tax amounted to SEK -3.5 (-6.6)

Significant events

- The operation of the Finnish shipping company Merilinja was acquired.
- Continued implementation of the savings and expansion program launched earlier in Industrial Shipping (IS), which included staff cuts on land and at sea, the adaptation of the vessel fleet, centralization of the head office to Gothenburg and higher focus on sales with increased service offering.
- Heléne Mellquist was promoted to CEO of Industrial Shipping.
- Viking Supply Ships A/S (VSS) entered into a sale- and leaseback transaction with Norseman Offshore AS for the AHTS vessel Odin Viking.
- Due to a changed assessment pertaining to the residual value of the vessels in Viking Supply Ships, applicable from January 1, 2012, depreciation for the year was reduced by SEK 81 M.
- The Board of Directors proposes that no dividend be paid for the 2012 fiscal year.

Key figures[1]

	January-December 2012	January-December 2011
Net sales, SEK M	**3 274**	2 989
Operating result before tax, SEK M [2]	**-327**	-272
Result before tax, SEK M	**-356**	-466
Result after tax, SEK M	**-393**	-435
Earnings per share after tax, SEK	**-3.5**	-6.6
Shareholders' equity, SEK/share	**19.0**	22.5
Return on equity, %	**-17.1**	-17.8
Return on capital employed, %	**-2.7**	-6.9
Equity/asset ratio at balance day, %	**36.6**	39.5

1) The comparability with previous year is affected by the acquisitions of Österströms International AB and Viking Supply Ships Ltd. only being included part of 2011.
2) Operating result: Earnings before tax, restructuring costs and acquisition effects.

CEO's statement for January-December 2012

Although we are putting behind us another year with an unacceptable loss, we are able to look back at a year where we significantly increased the pace of our improvement efforts. This applies primarily to the Industrial Shipping division, where we responded to a continued weakening and highly competitive market by becoming even more efficient. For the full-year, profit before tax for the Group amounted to SEK -356 M (-466), which is not satisfactory, but does represent an improvement of SEK 110 M vs. 2011. Profit before taxes was positively impacted by a reduction in restructuring costs as well as a reduction in depreciation charges through adapting a change in the residual value assumptions of vessels in Viking Supply Ships. For the fourth quarter, profit before tax was SEK -61 M (-161), which is an improvement of SEK 100 M, and largely related to the above mentioned change in residual value.

Viking Supply Ships
During the year, this division faced a market where supply exceeded demand, which resulted in low earnings for vessels deployed in the North Sea spot market. However, the long-term prospects for Viking Supply Ships remain positive. We are well positioned in the market and we have taken measures to strengthen liquidity in this difficult market. At the beginning of 2013, we announced the centralization of the operational and support functions to Viking Supply Ships' head office in Copenhagen, starting July 1st, 2013 as an efficiency improvement and cost reduction action. In the fourth quarter of 2012, we had improved contract coverage compared with the previous quarters. This led to the fourth quarter seeing improved earnings. During the same quarter, Odin Viking was divested through a sale-and leaseback transaction with a duration of eight years.

Industrial Shipping
With respect to the Industrial Shipping business area, we implemented several cost-reduction and growth initiatives during the year. A further weakening market, however, almost entirely offset the positive effects of the cost and growth initiatives. As a result of this we are charging ahead with additional cost and growth initiatives with special emphasis on the growth initiatives. We cannot only cost save our way to prosperity – increased growth is key to improving efficiencies and improving our profitability. Therefore, we have strengthened our sales organization, broadened our offerings, and increased our geographical coverage, which has already generated several new customer contracts. We also acquired the operation of the Finnish shipping company Merilinja and opened a new vessel route between Szczecin in Poland and Hull in the UK. The underlying results were slowly strengthened during the year, with the exception of the seasonally weak fourth quarter. It is difficult to assess when the market will improve. Our objective is to turn Industrial Shipping into a more competitive and flexible business unit that is less dependent on prevailing market conditions.

RABT Transatlantic earlier announced that a demerger of the Group can, at the earliest, be implemented in 2013 when market conditions have improved and we are able to see the results of the improvement initiatives primarily in Industrial Shipping. Based on the current market situation, it is unlikely that such a split will be completed in 2013.

We are upbeat about that our intense improvement efforts will make Industrial Shipping more dynamic and competitive, which will generate results in the future. Likewise for Viking Supply Ships, we remain optimistic about our unique positioning and competitive cost structure in a market that we see as improving.

Gothenburg, February 26, 2013

Henning E. Jensen,
President and CEO

Consolidated earnings for January-December

Consolidated net sales for the year amounted to SEK 3 274 M (2 989). The Group reported a result after tax of SEK -393 M (-435), of which restructuring costs and acquisition effects amounted total SEK -29 M (-194). The result before tax amounted to SEK -356 M (-466).

Group [1)]

	Oct-Dec		Full Year	
SEK M	**2012**	2011	**2012**	2011
Net sales	**765**	903	**3 274**	2 989
Result before capital costs, EBITDA	**-12**	-9	**120**	67
Operating result	**-25**	-115	**-144**	-348
Result before tax	**-61**	-161	**-356**	-466
Profit margin	**-7.9%**	-17.9%	**-10.9%**	-15.6%
Profit before tax by business area [1)]				
Viking Supply Ships business area	**20**	-46	**-119**	-110
Industrial Shipping business area	**-60**	-67	**-208**	-162
Total operational result	**-40**	-113	**-327**	-272
Restructuring items	**-21**	-48	**-35**	-187
Acquisition effects	**-**	-	**6**	-7
Result before tax	**-61**	-161	**-356**	-466
Tax	**-34**	-33	**-37**	31
Result	**-95**	-194	**-393**	-435
SEK per share				
Result after current tax	**-0.5**	2.5	**-3.2**	-7.3
Result after full tax	**-0.9**	-2.7	**-3.5**	-6.6

1) For further information, please see tables on page 11-17.

Financial position, investments and divestments

The table below summarizes changes in cash and cash equivalents for the period:

Consolidated cash-flow statement

	Oct-Dec		Full Year	
SEK M	**2012**	2011	**2012**	2011
Cash flow from current activities before changes in working capital	**-65**	-69	**-119**	-37
Changes in working capital	**142**	63	**28**	152
Cash flow from current operations	**77**	-6	**-91**	115
Cash flow from investing activities	**315**	-325	**26**	-478
Cash flow from financing activities	**-269**	522	**-115**	273
Change in cash and cash equivalents	**123**	191	**-180**	-90
Opening cash flow	**235**	369	**548**	637
Exchange-rate difference in cash and cash equivalents	**3**	-12	**-7**	1
Cash and cash equivalents at end of period	**361**	548	**361**	548

Consolidated cash and cash equivalents at the end of the period amounted to SEK 361 M (548). At the end of December, the Group's shareholders' equity amounted to SEK 2 103 M (corresponding to SEK 18.96/share), of which non-controlling interests in shareholders' equity amounted to SEK 11 M, corresponding to SEK 0.10/share.

A factoring agreement was concluded during the fourth quarter which gave a positive liquidity effect of MSEK 22.

Gross investments during the year amounted to SEK 489 M (1 239) before deductions for financing. Investments pertained primarily to cash payment for the delivery of the Brage Viking in January 2012, the acquisition of the operation of Merilinja, and dockings. Effects from sale of real estate amounted to SEK 32 M. During the fourth quarter 2012, the AHTS-vessel Odin Viking was divested which, after amortization of loans, generated a positive liquidity by SEK 164 M. MultiDocker Cargo Handling AB was divested, according to decision at the Annual General Meeting, to Skärdgårdshavet AB. Issued corporate bonds in 2012 have for the year generated a positive liquidity effect by SEK 345 M.

Financial position

	December	December
SEK M at the close of each period	**2012**	2011
Total assets	**5 745**	6 283
Shareholders' equity	**2 103**	2 493
Equity/assets ratio, %	**36.6%**	39.5%
Debt/equity ratio, %	**124.7%**	97.7%
Cash and cash equivalents	**361**	548
Number of shares outstanding	**110 902 700**	110 902 700
Shareholders' equity per share	**19.0**	22.5

Viking Supply Ships business area

The business area's vessels conduct operations for Arctic offshore, the offshore spot market in the North Sea and in the global offshore sector. The fleet comprises 14 offshore vessels that are equipped for and have the capacity to operate in areas with cold and severe weather conditions, such as the Arctic areas.

The Q4 and full year results were influenced by a weak North Sea spot market characterized by oversupply of vessels. The result of the fourth quarter amounted to SEK 20 M and SEK -119 M for the full year. Due to a changed assessment pertaining to the residual value of the vessels in VSS, applicable from January 1, 2012, depreciation for the year was reduced by SEK 81 M.

Anchor Handling Tug Supply vessels (AHTS)
During the fourth quarter of 2012 three vessels were on term charters through the entire period, while five were traded in the spot market. The vessels on term charters obtained an average daily income of SEK 418 000. The vessels on the spot market obtained an average daily income of SEK 112 000 and a utilization of 37%.

Tor Viking ll finished the long term charter with Shell US for their 2012 Alaska drilling campaign. The vessel has now returned to the spot market in the North Sea, and is available for ice-breaking services for Swedish Maritime Authority together with Balder Viking. Magne Viking was fixed during 2012 to Chevron Canada for an ice management assignment. The contract covers 150 days firm plus a 30 days option. Due to the rig being delayed at its current operation, commencement is planned for April 2013. Odin Viking was sold on a sale and lease back transaction for a duration of 8 years. In the transaction the vessel was sold for SEK 346 M. An accounting loss of SEK 8 M was recorded and the liquidity was improved by SEK 164 M.

Platform Supply Vessels (PSV)
The PSV market was dominated by several new builds entering the market and after a positive start on the year, the market was weak for the latter three quarters. Three of the vessels have been on medium term contracts during the fourth quarter, while three vessels have traded in the North Sea spot market. The vessels on term charters obtained an average daily income of SEK 128 000. The vessels on the spot market obtained an average daily income of SEK 34 000 and a utilization of 44%. SBS Tempest finished the long term charter with Talisman in December, and has now returned to the North Sea spot market. Freya Viking continued the long term charter with Centrica. The charter has been extended until September 2013 with an option to extend the charter for one year. SBS Typhoon was extended with RWE, with the firm period lasting two wells with an optional period for another well.

It is a continued focus to increase the number of vessels on term contract. Currently VSS is participating with bids in several AHTS tenders and PSV tenders.

The first quarter of 2013 will likely be influenced by low activity typical for the season and the market is expected to remain weak during the beginning of the year. The supply of AHTS vessels will most likely reduce slightly through 2013. This, along with the start of the construction season will gradually improve market conditions towards the end of the first quarter. An increased tender-activity is also noticed in the Arctic, and this market is expected to be significant in 2013 onwards.

A large number of new-built PSVs will be delivered in 2013 and some of these will enter the North Sea market. Despite the balance of the PSV market will most likely improve during the year, the market is not expected to improve significantly.

Viking Supply Ships [1]	October-December		January-December	
	2012	2011	**2012**	2011
Net sales	**242**	236	**1 062**	730
Result before capital costs, EBITDA [2]	**35**	n.a.	**245**	n.a.
Operational result	**20**	-46	**-119**	-110
Profit margin	**8.3%**	-19.5%	**-11.2%**	-15.1%

1) The comparability between the years are affected by the acquisition of Viking Supply Ships Ltd. in Q4 2011.

2) Due to the restructuring of the Group, comparable figures are not applicable for 2011.

Industrial Shipping business area

The business area offers integrated logistics solutions for vessel transports, with the Baltic Sea and northern Europe as the primary markets. The operation is driven primarily through system traffic with RoRo, container vessels and contract bulk and small-bulk traffic.

The year was characterized by a weak market, with low demand, more intense competition and surplus capacity. The weak euro also impacted the earnings trend, as did increased customer competition that occurred during the second quarter. The operating loss for the business area amounted to SEK -60 M (-67) for the fourth quarter and the operating profit for the full-year amounted to SEK -208 M (-162).

Despite the tough market situation, earnings in the fourth quarter were slightly better than the year-earlier period, due largely to the cost-savings program launched mid-year. This resulted in an optimization of traffic and vessel planning, adaptation of the vessel fleet, as well as cost reductions for leased tonnage. During the year, intense work was also implemented to establish and strengthen the company's head office in Gothenburg, which has now generated results in the form of efficiency enhancement and a more streamlined organization, with higher focus on customers and sales.

RoRo
During the year, scheduled traffic was conducted between Finland and Sweden/Germany/Belgium with three lines, TransLumi Line, TransBothnia Line and Trans Feeder North. The Division's volumes to Europe during the year declined due to the prevailing economic climate, which became highly palpable during the fourth quarter, but the volume of container-based sea cargo increased. In October, the operations of the Finnish shipping company Merilinja were acquired, which added a new major customer. The acquisition also entailed a line between Kokkola, Finland and Antwerp, Belgium, the TransBothnia Container Line.

Container
During the entire year, the container-based scheduled services to the UK, (TransPal Line) and feeder traffic to Germany (TransFeeder South) were impacted by the weak market, which was also significant in the fourth quarter. The prevailing economic climate, combined with more intense competition and surplus capacity, had a negative impact on the Division's lines, with lower volumes and reduced freight rates. To offset the lower volumes, the Division focused on increasing sales of inter-European cargo, as well as increasing services via the TransPal Line service to also include Szczecin, Poland. A major container customer was added in the fourth quarter.

Bulk
The weak market during the year impacted the Large Bulk (LB), as well as the Short Sea Bulk segment (SSB). However, export of grain and fertilizer boosted the market somewhat during part of the fourth quarter, which was counteracted by poor weather conditions late in the quarter. During the year, the SSB adapted its fleet to market requirements, which resulted in higher revenue, compared with the year-earlier period.

The ongoing cost-efficiency enhancements and growth initiatives are anticipated to generate positive effects in the coming quarter, but a continued weak market with low demand and negative seasonal effects will offset the effect of the initiatives.

Industrial Shipping [1]	October-December		January-December	
	2012	2011	**2012**	2011
Net sales	**523**	667	**2 212**	2 259
Result before capital costs, EBITDA [2]	**-47**	n.a.	**-125**	n.a.
Operational result	**-60**	-67	**-208**	-162
Profit margin	**-11.5%**	-10.0%	**-9.4%**	-7.2%

1) The comparability between the years are affected by the acquisition of Österströms International AB in Q2 2011.

2) Due to the restructuring of the Group, comparable figures are not applicable for 2011.

Parent company

Earnings and financial position

The Parent Company's result before tax for the full year amounted to SEK -211 M (1 224). The result after tax for the period amounted to SEK -278 M (1 216). The amount includes capital gain from sale of real estate of SEK 11 M, capital gain from intergroup sales of shares in subsidiaries amounting to SEK -30 M, positive outcome from completion of acquisition of Österströms International AB by SEK 6 M, capital loss of SEK -30 M from intra-Group divestments of subsidiaries, impairment of shares in subsidiaries totaling SEK -203 M, as well as Group contributions received, net, totaling SEK 128 M. The full-year 2011 includes anticipated dividends of SEK 1 377 M from subsidiaries, Group contributions of SEK 215 M, capital gains of SEK 27 M from intra-Group divestments of subsidiaries, impairment of shareholdings in subsidiaries totaling SEK -433 M, as well as capital gains of SEK 244 M from divestment of the holding companies for Obbola, Östrand and Ortviken.

The Parent Company's shareholders' equity amounted to SEK 2 605 M (2 883); total assets amounted to SEK 3 466 M (4 543). The equity/assets ratio on the balance-sheet date was 75 % (63). Cash and cash equivalents at the end of the period amounted to SEK 84 M (202).

Number of shares

Share distribution on December 31, 2012 is presented below:

Number of Series A shares	7 271 842
Number of Series B shares, listed	103 630 858
Total number of shares	110 902 700

See also Changes in Group's shareholders' equity, page 14.

Other

Corporate tax

The general situation for the Group is that taxes payable are highly limited. Accordingly, recognized corporate tax mainly comprises deferred tax. In November 2012, the Swedish Parliament decided to adopt the Swedish Government's proposal to reduce income tax from 26.3 % to 22 %. The new rules are effective as from January 1, 2013. The reduction has resulted in a decrease of the Group's deferred liabilities and receivables related to Swedish units as per December 31, 2012. The change has negatively influenced the net value of the Group's deferred taxes by SEK 17 M. The recognized net deferred tax asset for the Swedish operations amounted to SEK 75 M (106). The recognized deferred tax liability for the operations outside Sweden amounted to SEK -18 M (-43).

Transactions with closely related parties

Kistefos AS has provided consulting services amounting to SEK 7 M for the January – December 2012 period. In addition, fee for commercial management has been paid to TransAtlantic by SEK 4 M. During the period guarantee provisions by SEK 4 M has been paid to Kistefos AS regarding two ship loans. As decided at Annual General Meeting in April, MultiDocker Cargo Handling AB was divested according to market conditions to Skärgårdshavet AB, where Percy Österström, previously CEO at Industrial Shipping, has owner's interests. During the year, TransAtlantic extended the lease contract pertaining to a container vessel, TransAlrek, owned by a German shipping partnership, in which TransAtlantic's Deputy Chairman Folke Patriksson has a minority interest via his company Enneff Rederi AB. In 2012 the annual fee amounted to SEK 12 M. The agreement is based on market conditions and extends to 2014, with an option for TransAtlantic to extend the contract for an additional two years. Securities were sold to Kistefos totaling approximately SEK 3 M, according to the current share rate. There were no other significant transactions.

Risks and uncertainties

TransAtlantic is a Group characterized by a high degree of international operations, thereby exposed to a number of operational and financial risks. TransAtlantic works actively to identify, assess and manage these risks. Risk management is included as an element of the ongoing reviews of the operations. The company's liquidity is strained. Accordingly, the company has defined and initiated tangible measures to strengthen the company's profitability and liquidity. In parallel, active efforts are in progress with banks to secure short and long-term stable financing.
The 2011 Annual Report (page 47) includes a report on the relevant risks facing TransAtlantic.

Accounting policies

This interim report, for the Group, was prepared in accordance with the application of IAS 34 Interim Financial Reporting and applicable rules in the Swedish Annual Accounts Act and for the Parent Company, in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation FRF 2 Accounting for Legal Entities. Unless otherwise noted, the same accounting policies for both the Group and the Parent Company have been applied as those used in the most recent Annual Report.

Due to a changed assessment pertaining to the residual value of the vessels in Viking Supply Ships (VSS), applicable from January 1, 2012, depreciation for the year was reduced by SEK 81 M.

Due to finishing the operational split of the Group during the second quarter the segment "Ship management/Group-wide" has ceased to work as an independent area. From previous report the remainings are included in the segments "Viking Supply Ships" and "Industrial shipping". Key-data have been recalculated due to changes in segments. For further information, please see Note 1 on page 17.

Viking Supply Ships will publish a separate report which is demanded due to the issued bond. Some values in that report are not comparable since there are different acquisition values and depreciation plans in VSS and the Group. VSS has from Q3 in 2011 been built through Group-internal transfers of vessels and operations at then current marketing prices, why disparities have arisen.

Number of employees

The number of employees in the Group at the end of the year was 787 (833).

Events after the close of the reporting period

The majority owner of Rederi AB TransAtlantic (RABT), Kistefos AS, reorganized its structure of entities through which Kistefos AS owns the shares in RABT. After the reorganization, Viking Invest AS is the formal owner of the Kistefos Group's 62.9 % shares in RABT.

Erik Hansen was in January 2013 appointed interim CFO for Rederi AB TransAtlantic.

Viking Supply Ships has proposed a new organizational structure to centralize all support functions as well as operational management at the head office in Copenhagen with effect from July 1, 2013. The proposal includes the Kristiansand office to proceed as a commercial office and the Gothenburg office will be closed.

Annual General Meeting

Rederi AB TransAtlantic's Annual General Meeting will be held on Wednesday, April 24, 2013 at 4:00 p.m at the Quality Hotel 11, Eriksberg, Gothenburg. The notice convening the Annual General Meeting will be published not later than four weeks prior to this date on the company's website and Post & Inrikes Tidning and will be advertised in Göteborgs-Posten and Dagens Industri.

Nominations Committee

Information on the Nominations Committee is available on the website: www.rabt.com

Press and analyst conference

In conjunction with the publication of the Year-end report 2012, a teleconference will be held on February 26, 2013 at 09.30 am (GMT + 1) with TransAtlantic's President and CEO, Henning E. Jensen. In connection with the conference, a presentation will be available at the company's website, www.rabt.se. Please see Investor Relations/Year-end report, 2012.

Dividend

The Board of Directors proposes that no dividend (-) be paid for the 2012 fiscal year.

This information is such that TransAtlantic is obligated to publish in accordance with the Swedish Securities Act and/or the Swedish Financial Instruments Trading Act. This report has been prepared in both Swedish and English versions. In case of variations in the content between the two versions, the Swedish version shall govern. This report was submitted for publication at 8:30 a.m. on February 26, 2013.

The Board of Directors and the CEO confirm that the year-end report gives an accurate summary of the Company's and the Groups' activities, position and results and describes the noteworthy risks and uncertainty faced by the Company and companies that are includes within the Group.

Gothenburg, February 26, 2013

The Board of Directors of Rederi AB TransAtlantic

For further information, please contact Head of Corporate Communications Carina Dietmann +46 (0) 31-763 2334.

Financial calendar 2013

February 26	Year-end report 2012
April 24	Annual General Meeting
May 15	Interim report January – March
August 7	Interim report January-June
October 30	Interim report January – September

The Year-end report is available in its entirety on the company's website.

Consolidated income statement

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Net sales	**765**	903	**3 274**	2 989
Other operating revenue 1)	**8**	7	**28**	10
Direct voyage cost	**-341**	-541	**-1 489**	-1 574
Personnel costs 2)	**-159**	-225	**-670**	-701
Other costs 3)	**-287**	-153	**-1 024**	-657
Depreciation/impairment 4, 5)	**-11**	-106	**-263**	-415
Operating result	**-25**	-115	**-144**	-348
Net financial items	**-36**	-46	**-212**	-118
Result before tax	**-61**	-161	**-356**	-466
Tax on result for the period 6)	**-34**	-33	**-37**	31
Result for the period	**-95**	-194	**-393**	-435
Attributable to:				
Parent Company's shareholders	**-93**	-194	**-392**	-430
Non-controlling interests	**-2**	0	**-1**	-5
INCOME FOR THE PERIOD	**-95**	-194	**-393**	-435
Earnings per share, attributable to Parent Company's shareholders, per share in SEK (before and after dilution)	**-0.9**	-2.8	**-3.5**	-6.5

1) Amount for full year 2012 includes a bookgain of SEK 11 M attributable to sale of real estate, bookgain of SEK 2 M from sale of TransNjord and final settlement of SEK 6 M related to the aquisition of Österströms International AB and bookgain from sale of previous subsidiary Multidocker Cargo Handling AB with SEK 6 M.

2) The amount for the full year 2012 includes provisions of SEK -18 M due to the ongoing reflagging of four vessels and reductions of personnel ashore.

3) Early redelivery of a timechartered vessel has negative impact on the twelve month period 2012 by SEK -4 M, reorganization of ashore organization with SEK -5 M, provision for restructuring of lease arrangement with SEK -13 M, bookloss from sale of Odin Viking with SEK -8 M and insurance compensation/bookloss from sale of TransAgila.

4) The amount for full year 2011 includes write-down of vessels with SEK -20 M and write-down of goodwill with SEK -55 M.

5) A change in the assessment of residual values of Viking Supply Ships Fleet, with effect from 1 January 2012, reduced this Year's depreciation by SEK 81 M.

6) The amount for full year 2012 includes current tax totaling SEK -1 M (Jan-Dec 2011; -18).

Consolidated statement of comprehensive income

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Result for the period	**-95**	-194	**-393**	-435
Other comprehensive income for the period:				
Change in hedging reserve, net	**1**	3	**0**	-24
Change in translation reserve, net	**51**	-29	**3**	14
Other comprehensive income	**52**	-26	**3**	-10
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-43**	-220	**-390**	-445
Total comprehensive income attributable to:				
Parent Company's shareholders	**-41**	-220	**-389**	-441
Non-controlling interests	**-2**	0	**-1**	-4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-43**	-220	**-390**	-445

Net sales by business area [1)]

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Viking Supply Ships business area	**242**	236	**1 062**	730
Industrial Shipping business area	**523**	667	**2 212**	2 259
TOTAL NET SALES	**765**	903	**3 274**	2 989

1) Due to finishing the operational split of the Group the segment "Ship management/Group-wide" has ceased to work as an independent area . In this report and in the future the remainings is included in the segments "Viking Supply Ships" and "Industrial shipping". Key-data have been recalculated due to changes in segments. For further information see Note 1, page 17.

Result before tax by business area [1)]

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Viking Supply Ships [2)]	**20**	-46	**-119**	-110
Industrial Shipping	**-60**	-67	**-208**	-162
OPERATING RESULT BEFORE TAX	**-40**	-113	**-327**	-272
Restructuring item [3)]	**-21**	-48	**-35**	-187
Acquisition effects [4)]	**-**	-	**6**	-7
RESULT BEFORE TAX	**-61**	-161	**-356**	-466
Attributable to:				
Parent Company's shareholders	**-59**	-161	**-355**	-461
Non-controlling interests	**-2**	0	**-1**	-5

1) See Note 1 above.

2) A change in the assessment of residual values of Viking Supply Ships Fleet, with effect from 1 January 2012, depreciation for the year was reduced by SEK 81 M.

3) The amount for full year 2012 includes costs related to early redelivered timechartered vessel by SEK -4 M, bookgain from sale of real estate by SEK 11 M, bookgain from sale of vessel TransNjord by SEK 2 M, provisions of SEK -23 M related to reflagging of four vessels and personnel reductions ashore, sale of Multidocker Cargo Handling AB by SEK 6 M, provisions for restructuring of lease arrangement by SEK -13 M, bookloss from sale of Odin Viking of SEK -8 M, insurance compensation/bookloss from sale of TransAgila of SEK -6 M. The result for full year 2011 was impacted by a capital loss from the sale of vessels, including provisions of SEK -2 M concerning a dispute from a previous vessel sale, expenses and impairment totaling SEK -48 M related to the establishment of the Danish offshore structure and preparation for the introduction of Viking Supply Ships on the Oslo Stock Exchange, restructuring of the Group, Industrial Shipping and the integration of Österströms, totaling SEK -46 M, and costs of SEK -5 M for the former CEO. In addition, depreciation of vessels amounted to SEK -20 M and impairment of goodwill to SEK -58 M.

4) The amount for full year 2012 includes final settlement by SEK 6 M related to the acquisition of Österströms International AB. The expense of SEK -7 M, full-year 2011, was related tothe acquisitions of Österströms International AB and Viking Supply Ships Ltd.

Assets allocated by business area [1)]

All amounts in SEK M	**31.12.2012**	31.12.2011
Viking Supply Ships	**4 777**	4 962
Industrial Shipping	**968**	1 321
TOTAL ASSETS	**5 745**	6 283

1) See Note 1 above.

Consolidated balance sheet

All amounts in SEK M	**31.12.2012**	31.12.2011
Vessels	**4 608**	4 839
Other tangible fixed assets 1)	**50**	75
Intangible fixed assets	**34**	14
Financial assets	**206**	187
Total fixed assets	**4 898**	5 115
Current assets 2)	**847**	1 168
TOTAL ASSETS	**5 745**	6 283
Shareholders' equity 3)	**2 103**	2 493
Long-term liabilities 4)	**2 787**	2 182
Current liabilities 4)	**855**	1 608
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**5 745**	6 283

1) The increase relates to the aquisition of Merilinja, also see Note 2, page 17.

2) Current assets includes cash and cash equivalents SEK 361 M (548) and short term investmentportfolio in public shares SEK - M (14).

3) Including non-controlling interests amounting to SEK 11 M (14).

4) The total of the Group's long and short-term interest-bearing liabilities amounted to SEK 2 983 M (2 983).

Consolidated cash-flow statement

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Cash flow from operations before changes in working capital	**-65**	-69	**-119**	-37
Changes in working capital	**142**	63	**28**	152
Cash flow from current operations	**77**	-6	**-91**	115
Cash flow from investing activities 1, 3)	**315**	-325	**26**	-478
Cash flow from financing activities 2, 3)	**-269**	522	**-115**	273
Changes in cash and cash equivalents	**123**	191	**-180**	-90
Cash flow at beginning of period	**235**	369	**548**	637
Exchange-rate difference in cash and cash equivalents	**3**	-12	**-7**	1
CASH AND CASH EQUIVALENTS AT END OF PERIOD 4)	**361**	548	**361**	548

1) Gross investments for the full year amounted to SEK 489 M (1 239) before financing deductions. Investments pertained primarily to cash down payments for the delivery of the Brage Viking in January 2012, the aquisition of Merilinja (also see note 2, page 17) and capitalized dockings. The amount also includesa positiv liquidity effect from real estate transaction SEK 32 M.

2) The amount for the nine month period ncludes a positiv liquidity effect by SEK 345 M related to the by Viking Supply Ships A/S issued corporate bor

3) The sale of AHTS vessel Odin Viking in December 2012 brought, after down payment of shiploans, a positive liquidity effect of SEK 164 M.

4) In addition to cash and cash equivalents the Group had credit facilities in the form of unutilized overdraft totaling SEK 0 M (93). Utilized overdraft at the end of the period amounted to SEK 13 M (10).

Changes in the Group's shareholders' equity

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Equity at beginning of period	**2 146**	2 171	**2 493**	2 396
New share issue less costs for issuance	**-**	542	**-**	542
Total comprehensive income for the period	**-43**	-220	**-390**	-445
SHAREHOLDERS' EQUITY AT END OF PERIOD [1)]	**2 103**	2 493	**2 103**	2 493

There are no options program in the Group that may generate dilution effects.
1) Shareholders' equity includes non-controlling interests totaling SEK 11 M (14).

	Oct - Dec		Jan - Dec	
Share capital in SEK M	**2012**	2011	**2012**	2011
Share capital at beginning of period	**110,9**	554,5	**1 109,0**	554,5
New share issue	**-**	554,5	**-**	554,5
Reduction of the share capital	**-**	-	**-998,1**	-
Share capital at end of period	**110,9**	1 109,0	**110,9**	1 109,0

	Oct - Dec		Jan - Dec	
Number of shares ('000)	**2012**	2011	**2012**	2011
Number of outstanding shares at beginning of period	**110 903**	55 452	**110 903**	55 452
Newly issued shares	**-**	55 451	**-**	55 451
Total number of shares at end of period	**110 903**	110 903	**110 903**	110 903
Average number of shares outstanding (´000)	**110 903**	64 762	**110 903**	57 798
Bonus issue element [1)]	**-**	7 309	**-**	8 448
Total	**110 903**	72 071	**110 903**	66 246

1) In a new share issue with preferential rights for old shareholders, where the issue price is lower than the share´s fair value, a so-called bonus-issue element arises, which impacts the calculation of earnings per share for the comparative periods. The bonus-issue element in the new share issue represents the value that the company´s shareholders are deprived of through a discount price on the share.

Data per share [1)]

	Oct - Dec		Jan - Dec	
All amounts in SEK	**2012**	2011	**2012**	2011
Earnings before capital expenses (EBITDA)	**-0.1**	-0.2	**1.1**	1.0
Operating result (EBIT)	**-0.2**	-1.6	**-1.3**	-5.2
Result after current tax	**-0.5**	-2.5	**-3.2**	-7.3
Result after full tax	**-0.9**	-2.7	**-3.5**	-6.6
Shareholders' equity end of period incl. non-controlling interests	**19.0**	22.5	**19.0**	22.5
Operating cash flow	**-0.3**	-0.8	**-0.8**	-0.8
Total cash flow	**1.2**	3.0	**-1.6**	-1.4

1) In a new share issue with preferential rights for old shareholders, where the issue price is lower than the share´s fair value, a so-called bonus-issue element arises, which impacts the calculation of earnings per share for the comparative periods. The bonus-issue element in the new share issue represents the value that the company´s shareholders are deprived of through a discount price on the share.

Key data [1)]

		Oct - Dec		Jan - Dec	
		2012	2011	**2012**	2011
Earnings before capital expenses (EBITDA)	MSEK	**-12**	-9	**120**	67
Operating result (EBIT)	MSEK	**-24**	-115	**-143**	-348
Shareholders' equity	MSEK	**2 103**	2 493	**2 103**	2 493
Net indebtedness	MSEK	**2 623**	2 407	**2 623**	2 407
Operating cash flow	MSEK	**-35**	-55	**-94**	-51
Total cash flow	MSEK	**123**	191	**-180**	-90
Return on capital employed	%	**-1.8**	-9.0	**-2.7**	-6.9
Return on shareholders' equity	%	**-17.8**	-33.2	**-17.1**	-17.8
Equity/assets ratio	%	**36.6**	39.5	**36.6**	39.5
Debt/equity ratio	%	**124.7**	97.7	**124.7**	97.7
Profit margin	%	**-7.9**	-17.9	**-10.9**	-15.6

1) Key figures are calculated in the same manner as in the most recent Annual Report, where the definitions are also published.

Parent Company income statement

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Net sales	**361**	380	**1 247**	1 333
Other operating revenue [1)]	**0**	-6	**18**	0
Direct voyage costs	**-120**	-134	**-486**	-436
Personnel costs [2)]	**-49**	-77	**-166**	-307
Other costs	**-217**	-255	**-695**	-756
Depreciation/impairment	**-1**	-2	**-3**	-23
Operating result	**-26**	-94	**-85**	-189
Net financial items [3)]	**-77**	1250	**-126**	1413
Result before tax	**-103**	1 156	**-211**	1 224
Tax on result for the year [4)]	**-93**	-34	**-67**	-8
RESULT FOR THE PERIOD	**-196**	1 122	**-278**	1 216
Other comprehensive income	**-**	-	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-196**	1 122	**-278**	1 216

1) Amount for full year 2012 includes a bookgain of SEK 11 M attributable to sale of real estate and positive effect by SEK 6 M related to final settlement of the aquisition of Österströms International AB.
2) The reduction in personnel costs mainly relates to transferred employees to companies within Viking Supply Ships Group.
3) Included in the figures for the year 2012 is a capital loss related to intra-group sale of subsidiaries by SEK-30 M, impairment of share holdings in subsidiaries by SEK -203 M and received capital contributions from subsidiaries with SEK 128 M.
4) The recognized amount includes only deferred tax.

Parent Company balance sheet

All amounts in SEK M	**31.12.2012**	31.12.2011
Tangible fixed assets	**3**	26
Intangible fixed assets [1)]	**23**	0
Financial fixed assets [2)]	**2 793**	3 878
Total fixed assets	**2 819**	3 904
Current asstes [3)]	**647**	639
TOTAL ASSETS	**3 466**	4 543
Shareholders' equity	**2 605**	2 883
Provisions	**9**	28
Longterm liabilities [2, 4)]	**584**	1 204
Current liabilities [4)]	**268**	428
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**3 466**	4 543

1) The increase relates to the acquisition of Merilinja, also see Note 2, page 17.

2) The reduction of financial fixed assets, current assets and longterm liabilities are related to the internal restructuring before the split of the Group.

3) Current assets includes cash and cash equivalents SEK 84 M (202), and short term investmentportfolio in public shares SEK - (14).

4) The total of the Parent Company´s long and short-term interest-bering liabilities amounted to SEK 583 M (1 232).

Changes in Parent Company's shareholders' equity

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	**2012**	2011
Shareholders' equity at beginning of period	**2 801**	1 219	**2 883**	1 125
New share issue (less issue costs)	**-**	542	**-**	542
Total comprehensive income for the period	**-196**	1 122	**-278**	1 216
SHAREHOLDERS' EQUITY AT END OF PERIOD	**2 605**	2 883	**2 605**	2 883

NOTE 1 - EFFECTS DUE TO CHANGES IN SEGMENT REPORTING

1) Due to finishing the operational split of the Group during the second quarter the segment "Ship management/Group-wide" has ceased to work as an independent business area. In this report and in the future the remainings is included in the segments "Viking Supply Ships" and "Industrial shipping". Key-data have been recalculated due to chagnes in business areas. How net sales, result before tax and assets are distributed to remaining segments is illustrated below.

Net sales by business area

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	2012	2011
Earlier reported as business area Viking Supply Ships	**242**	203	**1 062**	568
Allocated from Ship management/Group-wide	**-**	33	**-**	162
Total business area Viking Supply Ships	**242**	236	**1 062**	730
Earlier reported as business area Industrial Shipping	**523**	667	**2 212**	2 259
Allocated from Ship management/Group-wide	**-**	-	**-**	-
Total business area Industrial Shipping	**523**	667	**2 212**	2 259
Earlier reported as business area Ship management/Group-wide	**-**	33	**-**	162
Allocated to business areas above	**-**	-33	**-**	-162
Total business area Ship management/Group-wide	**-**	-	**-**	-
TOTAL NET SALES	**765**	903	**3 274**	2 989

Result before tax allocated by business area

	Oct - Dec		Jan - Dec	
All amounts in SEK M	**2012**	2011	2012	2011
Earlier reported as business area Viking Supply Ships	**20**	-36	**-119**	-72
Allocated from Ship management/Group-wide	**-**	-10	**-**	-38
Total business area Viking Supply Ships	**20**	-46	**-119**	-110
Earlier reported as business area Industrial Shipping	**-60**	-59	**-208**	-113
Allocated from Ship management/Group-wide	**-**	-8	**-**	-49
Total business area Industrial Shipping	**-60**	-67	**-208**	-162
Earlier reported as business area Ship management/Group-wide	**-**	-18	**-**	-87
Allocated to business areas above	**-**	18	**-**	87
Total business area Ship management/Group-wide	**-**	-	**-**	-
TOTALT RESULT BEFORE TAX	**-40**	-113	**-327**	-272

Assets allocated by business area

All amounts in SEK M	31.12.2012	**31.12.2011**
Earlier reported as business area Viking Supply Ships	4 750	**4 664**
Allocated from Ship management/Group-wide	-	**298**
Total business area Viking Supply Ships	4 750	**4 962**
Earlier reported as business area Industrial Shipping	995	**822**
Allocated from Ship management/Group-wide	-	**499**
Total business area Industrial Shipping	995	**1 321**
Earlier reported as business area Ship management/Group-wide	-	**797**
Allocated to business areas above	-	**-797**
Total business area Ship management/Group-wide	-	**-**
TOTAL ASSETS ALLOCATED BY BUSINESS AREA	5 745	**6 283**

NOTE 2 - ACQUISITIONS

The Finnish container feeder line "Merilinja" operations was in October 2012 taken over through acquisition of the significant customer contracts. The vessel capacity was secured through take over of existing leasing agreements. The business persists of container feeder services from the Finnish ports Oulu and Kokkola to Antwerp. No employees were taken over. The purchase price amounted to EUR 2,8 M of which EUR 1,5 M was payed in cash during 2012.

Definitions

Capital employed
Interest-bearing liabilities and shareholders' equity.

Debt/equity ratio
Interest-bearing liabilities minus cash and cash equivalents divided by shareholders' equity.

Disinvestment
Divestment of fixed assets.

Dividend yield
Dividend per share divided by the closing share price at year-end.

Earnings per share
Profit after financial items less 1) current tax, 2) tax on profit for the year (current and deferred tax) in accordance with the consolidated income statement.

EBIT
Earnings before interest and taxes, corresponding to operating profit/loss.

EBITDA
Earnings before interest, taxes, depreciation and amortization, corresponding to profit/loss before capital expenses and tax.

Equity/assets ratio
Shareholders' equity divided by total assets.

Equity per share
Equity divided by the number of shares outstanding.

Hedging
A general term for financial measures taken to avoid undesirable effects on earnings due to variations in interest rates, exchange rates, etc.

IFRS
International Financial Reporting Standards – an international accounting standard used by all listed companies. Some older standards included in IFRS include IAS (International Accounting Standards).

Interest coverage ratio
Operating profit/loss before depreciation plus interest income divided by interest expense.

Net indebtedness
Interest-bearing liabilities less cash and cash equivalents.

Operating cash flow
Profit/loss after financial income/expense adjusted for capital gains/losses, depreciation/amortization and impairment.

Operating profit/loss (before tax)
Profit/loss before tax and before restructuring costs.

Operational profit/loss per business area
Profit/loss after financial items and before Group-wide expenses and central/Group-wide net financial income/expenses.

Operating profit/loss
Profit/loss before financial items and tax, and before restructuring costs.

Profit margin
Profit after financial items divided by net sales.

Return on equity
Profit after financial items less tax on profit for the year, divided by average shareholders' equity.

Return on capital employed
Profit before depreciation and amortization (EBIT) divided by average capital employed.

Restructuring costs
Includes revenues and expenses of a non-recurring nature, such as capital gains/losses from the sale of vessels, impairment of vessels and costs related to personnel cutbacks.

Share of interest-bearing capital
Equity and deferred tax (including minority share) divided by total assets.

Total cash flow
Cash flow from operating activities, investing activities and financing activities.

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