# THIRD QUARTER 2017 RESULTS

## Highlights third quarter

- The Awilco LNG Group (Awilco LNG or the Group) reported freight income of MUSD 5.7 (MUSD 2.6 in Q2 2017) and EBITDA of MUSD 1.2 (MUSD -1.8 in Q2 2017)
- Vessel utilisation of 88 % compared to 83 % in Q2 2017
- Reduced bareboat payments to Teekay LNG Partners L.P. (Teekay LNG) with effect from July 2017
- Repair offering MUSD 1.4 completed in July

## Key financial figures

| USD million | Q3’17 | Q2’17 | Q1’17 | 2016 |
|---|---|---|---|---|
| Freight income | 5.7 | 2.6 | 2.5 | 34.8 |
| Voyage related expenses | 1.3 | 1.6 | 1.6 | 2.8 |
| EBITDA | 1.2 | (1.8) | (2.0) | 19.8 |
| Net profit/(loss) | (6.8) | (10.1) | (10.4) | (22.8) |
| Total assets | 402.2 | 408.4 | 393.9 | 408.4 |
| Total equity | 131.6 | 137.0 | 122.4 | 132.8 |
| Interest bearing debt | 266.6 | 266.4 | 269.8 | 273.1 |
| Cash and cash equivalents | 30.4 | 34.7 | 19.4 | 30.0 |
| Book equity ratio | 33 % | 34 % | 31 % | 33 % |

## FINANCIAL REVIEW

*Income statement third quarter 2017*

Freight income for the quarter was MUSD 5.7, up from MUSD 2.6 in Q2 2017. Fleet utilisation for the quarter ended at 88 %, compared to 83 % in Q2 2017. Both vessels have been operating in the spot market in 2017. Voyage related expenses amounted to MUSD 1.3, down from MUSD 1.6 in Q2 2017.

Operating expenses were MUSD 2.2 in the quarter, up from MUSD 1.9 in the previous quarter, due to fluctuations in timing of purchases of spares, consumables and stores. Administration expenses were MUSD 0.9 in Q3, same as in the previous quarter. EBITDA for the quarter was MUSD 1.2 (MUSD -1.8 Q2 2017). Depreciation for the quarter increased to MUSD 3.2 (MUSD 2.9 in Q2 2017) due to depreciation of fees incurred in the renegotiation of the bareboat agreements for WilForce and WilPride.

Net financial items were MUSD (4.8), compared to MUSD (5.4) in the previous quarter. Interest expenses on the WilForce and WilPride financial leases amounted to MUSD 5.5, same as in Q2 2017. Finance income MUSD 0.7 was mainly related to appreciation of bank deposits denominated in NOK towards USD. Loss for the period was MUSD 6.8, compared to MUSD 10.1 in Q2 2017.

*Statement of financial position*

Book value of vessels was MUSD 366.3 as at 30 September 2017 (MUSD 368.6 Q2 2017). The decrease reflects ordinary depreciation during the quarter, offset by minor vessel upgrades.

Total current assets were MUSD 35.9 as at 30 September 2017 (MUSD 39.7 Q2 2017), of which cash and cash equivalents were MUSD 30.4 (MUSD 34.7 Q2 2017).

Total equity as at 30 September 2017 was MUSD 131.6, reflecting loss for the period and net proceeds of MUSD 1.3 from the repair offering completed in July, as described in note 3.

Total current liabilities were MUSD 3.5 as at 30 September 2017 (MUSD 3.2 Q2 2017). MUSD 1.5 of the current liabilities relates to the short term portion of the WilForce and WilPride financial leases (MUSD 0.2 as at 30 June 2017).

Total non-current liabilities were MUSD 267.2 as at 30 September 2017 (MUSD 268.2 Q2 2017), of which the long-term portion of the WilForce and WilPride financial leases was MUSD 264.9 (MUSD 265.9 Q2 2017).

## MARKET UPDATE

Gas prices trended upwards throughout the quarter, reflecting the normal seasonal pattern heading into the winter season in the Northern hemisphere. The Far East gas price started the quarter at USD 5.5/MMTBU and ended Q3 at USD 8.4/MMBTU. The UK NBP price increased from about USD 5.1/MMBTU and ended at USD 5.5/MMBTU, while US prices fell marginally from USD 3.0/MMBTU to USD 2.9/MMBTU. In Q4 gas prices for forward delivery have continued to improve in both Europe and Far East while spot prices in the US are unchanged, creating arbitrage opportunities leading to increased fixing activity.

Following increasing production volumes from new plants and the open arbitrage, LNG shipping rates increased in Q3. The quarter started with day rates reported at USD 41,000 and USD 33,000 West and East of Suez respectively, and ended at USD 47,000 and USD 39,000, according to Fearnley. At the end of Q3 eight vessels were available in the spot market across all basins, a reduction from ten at the start of Q3. Average fixture duration in September was 49 days, compared to 26 in the first half of 2017, according to Poten.

30 MTPA of new LNG capacity is scheduled for start-up in 2017. In Q1 construction of Gorgon T3 and Sabine Pass T3 was completed. Sabine Pass T4 commenced production in August, and Wheatstone T1 followed in October 2017. Cove Point and Yamal LNG T1 are scheduled for first LNG by the end of the year. Ramp up to full production generally takes about six months. Due to the new production capacity added in 2016 and 2017, worldwide LNG trade continued to increase and was up by 12 % in the first nine months of 2017 compared to same period last year.

17 vessels were delivered in the first nine months of 2017, and a further 10 vessels are scheduled for delivery in Q4 2017. During Q3 scheduled delivery of six vessels has been delayed from 2017 to 2018.

Six newbuildings were ordered in 2016, and at eight vessels ordered so far in 2017 ordering activity has remained restrained. According to shipbrokers the orderbook at the end of Q3 for LNG vessels above 100,000 cbm (excl. FSRU and FLNG) was 98 vessels, of which only 10 are potentially available for contract.

## ORGANISATION

The principal activity of Awilco LNG ASA and its subsidiaries is to invest in and operate LNG transportation vessels. Awilco LNG's fleet is technically and commercially managed from the Group's office in Oslo, Norway. The Group has 7 employees. Awilco LNG purchases certain administrative and sub-management technical services from two companies in the Awilhelmsen Group; Awilhelmsen Management AS and Awilco Technical Services AS, see note 5 for further details.

## VESSEL CONTRACT STATUS

WilPride: is trading in the spot/short term market.

WilForce: is trading in the spot/short term market.

*Contract overview*

| | 2017 | 2018 |
|---|---|---|
| WilPride | Employed | Available |
| WilForce | Employed | Available |

## OUTLOOK

After a very weak 1st half of 2017, the market in the 2nd half has firmed both in terms of utilisation and rates. Headline rates in Q4 have moved beyond USD 50,000 per day for the first time since Q1 2015 due to increased LNG production, an open arbitrage and fewer available vessels, and the current spot charter rate for December loading in the Atlantic has increased beyond USD 60,000 per day, according to Fearnley.

Newbuilding activity has been low in 2016 and 2017. As a further 79 MTPA of additional LNG production is scheduled to come on stream from 2018 to 2020 the market is set for further improvements, and the long-term outlook for LNG shipping remains promising. Still, in the shorter term, volatility and seasonality must be expected.

Following the comprehensive refinancing undertaken in 2017, Awilco LNG is fully financed until 2020 and is well positioned for the improving market. The improving market fundamentals suggest this is not the right time to commit to long term employment.

Oslo, 16 November 2017

| | | |
|---|---|---|
| Sigurd E. Thorvildsen<br>*Chairman of the Board* | Jon-Aksel Torgersen<br>*Board member* | Henrik Fougner<br>*Board member* |
| Annette Malm Justad<br>*Board member* | Synne Syrrist<br>*Board member* | Jon Skule Storheill<br>*CEO* |

## Interim Condensed Consolidated Income Statement

| *In USD thousands, except per share figures* | Note | Q3 2017 (unaudited) | Q2 2017 (unaudited) | Q3 2016 (unaudited) | 1.1 - 30.9 2017 (unaudited) | 1.1 - 30.9 2016 (unaudited) |
|---|---|---|---|---|---|---|
| Freight income | 2 | 5 723 | 2 590 | 8 435 | 10 804 | 25 671 |
| Voyage related expenses | 5 | 1 349 | 1 600 | 668 | 4 597 | 2 461 |
| **Net freight income** | | **4 374** | **990** | **7 767** | **6 207** | **23 209** |
| Operating expenses | | 2 222 | 1 905 | 2 247 | 6 003 | 6 904 |
| Administration expenses | 5 | 940 | 861 | 937 | 2 721 | 2 590 |
| **Earnings before interest, taxes, depr. and amort. (EBITDA)** | | **1 212** | **(1 777)** | **4 583** | **(2 517)** | **13 716** |
| Depreciation and amortisation | | 3 198 | 2 941 | 2 926 | 9 074 | 9 979 |
| Impairment of vessels | | - | - | - | - | 6 569 |
| **Earnings before interest and taxes** | | **(1 987)** | **(4 718)** | **1 657** | **(11 590)** | **(2 833)** |
| Finance income | | 740 | 199 | 1 | 1 002 | 99 |
| Finance expenses | | 5 552 | 5 596 | 5 875 | 16 693 | 17 570 |
| **Net finance income/(expense)** | | **(4 811)** | **(5 398)** | **(5 874)** | **(15 690)** | **(17 472)** |
| **Profit/(loss) before taxes** | | **(6 798)** | **(10 115)** | **(4 217)** | **(27 281)** | **(20 304)** |
| Income tax expense | | - | - | - | - | - |
| **Profit/(loss) for the period** | | **(6 798)** | **(10 115)** | **(4 217)** | **(27 281)** | **(20 304)** |
| Earnings per share in USD attributable to ordinary equity holders of Awilco LNG ASA: | | | | | | |
| Basic, profit/(loss) for the period | | (0.05) | (0.13) | (0.06) | (0.29) | (0.30) |
| Diluted, profit/(loss) for the period | | (0.05) | (0.13) | (0.06) | (0.29) | (0.30) |

## Interim Consolidated Statement of Comprehensive Income

| | | | | | |
|---|---|---|---|---|---|
| Profit/(loss) for the period | (6 798) | (10 115) | (4 217) | (27 281) | (20 304) |
| **Other comprehensive income:** | | | | | |
| Other comprehensive income items | - | - | - | - | - |
| **Total comprehensive income/(loss) for the period** | (6 798) | (10 115) | (4 217) | (27 281) | (20 304) |

## Interim Condensed Consolidated Statement of Financial Position

| *In USD thousands* | Note | 30.9.2017 (unaudited) | 30.6.2017 (unaudited) | 31.12.2016 (audited) | 30.9.2016 (unaudited) |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Vessels | | 366 271 | 368 610 | 371 847 | 374 666 |
| Other fixed assets | | 13 | 85 | 94 | 99 |
| **Total non-current assets** | | 366 284 | 368 695 | 371 941 | 374 765 |
| **Current assets** | | | | | |
| Trade receivables | | 1 367 | 757 | 552 | 2 619 |
| Inventory | | 1 918 | 2 125 | 1 847 | 572 |
| Other short term assets | | 2 283 | 2 211 | 3 983 | 3 452 |
| Cash and cash equivalents | | 30 366 | 34 654 | 30 047 | 34 505 |
| **Total current assets** | | 35 934 | 39 747 | 36 430 | 41 147 |
| **TOTAL ASSETS** | | **402 218** | **408 442** | **408 371** | **415 913** |
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | | | | | |
| Share capital | 3 | 49 407 | 48 408 | 48 420 | 48 420 |
| Share premium | 3 | 133 384 | 133 050 | 126 463 | 126 463 |
| Other paid-in capital | | 18 157 | 18 157 | - | - |
| Retained earnings | | (69 399) | (62 601) | (42 118) | (39 624) |
| **Total equity** | | 131 550 | 137 014 | 132 764 | 135 258 |
| **Non-current liabilities** | | | | | |
| Pension liabilities | | 252 | 351 | 301 | 300 |
| Long-term interest bearing debt | 4 | 264 928 | 265 869 | 258 984 | 262 575 |
| Other non-current liabilities | 4 | 2 000 | 2 000 | - | - |
| **Total non-current liabilities** | | 267 180 | 268 221 | 259 285 | 262 875 |
| **Current liabilities** | | | | | |
| Short-term interest bearing debt | 4 | 1 450 | 225 | 13 820 | 13 535 |
| Trade payables | | 1 171 | 1 766 | 904 | 261 |
| Income tax payable | | - | - | - | - |
| Provisions and accruals | | 867 | 1 216 | 1 598 | 3 983 |
| **Total current liabilities** | | 3 488 | 3 207 | 16 322 | 17 779 |
| **TOTAL EQUITY AND LIABILITIES** | | **402 218** | **408 442** | **408 371** | **415 913** |

## Interim Consolidated Statement of Changes in Equity

**For the period ended 30 September 2017**

| *In USD thousands* | **Share capital** | **Share premium** | **Other paid-in capital** | **Retained earnings** | **Total equity** |
|---|---|---|---|---|---|
| Equity at 1 January 2017 | 48 420 | 126 463 | - | (42 118) | 132 764 |
| Profit/(loss) for the period | - | - | - | (27 281) | (27 281) |
| Other comprehensive income for the period | - | - | - | - | - |
| *Total comprehensive income* | - | - | - | *(27 281)* | *(27 281)* |
| Share capital reduction | (18 157) | - | 18 157 | - | - |
| Equity issue | 19 145 | 7 658 | - | - | 26 803 |
| Transaction costs equity issue | - | (736) | - | - | (736) |
| **Balance as at 30 September 2017 (unaudited)** | 49 407 | 133 384 | 18 157 | (69 399) | 131 550 |

**For the period ended 30 September 2016**

| *In USD thousands* | **Share capital** | **Share premium** | **Other paid-in capital** | **Retained earnings** | **Total equity** |
|---|---|---|---|---|---|
| Equity at 1 January 2016 | 48 420 | 126 463 | - | (19 320) | 155 563 |
| Profit/(loss) for the period | - | - | - | (20 304) | (20 304) |
| Other comprehensive income for the period | - | - | - | - | - |
| *Total comprehensive income* | - | - | - | *(20 304)* | *(20 304)* |
| **Balance as at 30 September 2016 (unaudited)** | 48 420 | 126 463 | - | (39 624) | 135 258 |

## Interim Condensed Consolidated Cash Flow Statement

| *In USD thousands* | **Q3 2017 (unaudited)** | **Q2 2017 (unaudited)** | **1.1 - 30.9 2017 (unaudited)** | **1.1 - 30.9 2016 (unaudited)** |
|---|---|---|---|---|
| **Cash Flows from Operating Activities:** | | | | |
| Profit/(loss) before taxes | (6 798) | (10 115) | (27 281) | (20 304) |
| Income taxes paid | - | - | - | (12) |
| Interest and borrowing costs expensed | 5 549 | 5 528 | 16 613 | 17 461 |
| *Items included in profit/(loss) not affecting cash flows:* | | | | |
| Depreciation and amortisation | 3 198 | 2 941 | 9 074 | 9 979 |
| Impairment of vessels | - | - | - | 6 569 |
| (Gain)/Loss on sale of other fixed assets | 27 | - | 27 | - |
| *Changes in operating assets and liabilities:* | | | | |
| Trade receivables, inventory and other short term assets | (476) | (1 155) | (464) | 1 055 |
| Trade payables, provisions and accruals | (1 065) | 1 442 | (535) | 224 |
| **i) Net cash provided by / (used in) operating activities** | **435** | **(1 360)** | **(2 565)** | **14 973** |
| **Cash Flows from Investing Activities:** | | | | |
| Investment in vessels / sale of vessels | (856) | (317) | (1 485) | 32 185 |
| Proceeds from sale of other fixed assets | 43 | - | 43 | - |
| **ii) Net cash provided by / (used in) investing activities** | **(813)** | **(317)** | **(1 442)** | **32 185** |
| **Cash Flows from Financing Activities:** | | | | |
| Gross proceeds from equity issue | 1 399 | 25 403 | 26 803 | - |
| Transation costs of equity issue | (66) | (671) | (736) | - |
| Repayment of borrowings | - | (2 293) | (5 580) | (10 552) |
| Interest and borrowing costs paid | (5 244) | (5 465) | (16 161) | (19 399) |
| **iii) Net cash provided by / (used in) financing activities** | **(3 910)** | **16 976** | **4 325** | **(29 951)** |
| **Net change in cash and cash equivalents (i+ii+iii)** | (4 289) | 15 299 | 318 | 17 206 |
| Cash and cash equivalents at start of period | 34 654 | 19 355 | 30 047 | 17 299 |
| **Cash and cash equivalents at end of period** | **30 366** | **34 654** | **30 366** | **34 505** |

## Notes to the Interim Condensed Consolidated Financial Statements

## Note 1 - Corporate information, basis for preparation and accounting policies

**Corporate information**
Awilco LNG ASA (the Parent Company) is a public limited liability company incorporated and domiciled in Norway. The Parent Company's registered office is Beddingen 8, 0250 Oslo, Norway.

The interim consolidated financial statements (the Statements) of the Parent Company comprise the Parent Company and its subsidiaries, together referred to as the Group. The principal activity of the Group is the investment in and operation of LNG transportation vessels. The Group owns and operates two modern TFDE LNG carriers.

**Basis for preparation**
The Statements for the three months ended 30 September 2017 are prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The Statements have not been subject to audit or review. The Statements do not include all of the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, and the Statements should be read in conjunction with the Group's annual consolidated financial statements for the period ended 31 December 2016, which includes a detailed description of the applied accounting policies.

**Significant accounting policies**
The accounting policies adopted in the preparation of the Statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2016. None of the new accounting standards or amendments that came into effect in 2017 had a significant effect on the Statements.

**New and amended standards and interpretations**
The following new standards have been issued and become effective in 2018 onwards:

IFRS 15 - Revenue from contracts with customers (2018): Based on a preliminary assessment including industry discussions, IFRS 15 is expected to have an insignificant effect on the Group's financial position and performance.
IFRS 9 - Financial instruments (2018): The Group has made a preliminary assessment of the effects of replacing IAS 39 with IFRS 9, and has not identified any material impact on the Group's financial position or performance.
IFRS 16 - Leases (2019, subject to EU approval): The Group has made a preliminary assessment of the effects of replacing IAS 17 with IFRS 16, and has not identified any material impact on the Group's financial position or performance.

## Note 2 - Segment information

**Operating segments**
The Group currently owns and operates two modern TFDE LNG vessels. For internal reporting and management purposes the Group's business is organised into one reporting segment, LNG transportation. Performance is not evaluated by geographical region. Revenue from the Group's country of domicile was nil in Q3 2017, same as in Q2 2017.

**Information about major customers**
The Group had three customers contributing with more than 10 per cent of the Group's freight income in Q3 2017, and two in Q2 2017.

## Note 3 - Share capital

The number of issued shares was 132,548,611 at 30 September 2017, compared to 129,188,874 at 30 June 2017. As part of the comprehensive refinancing undertaken in Q2 2017 as described in note 4, a repair offering was carried out in July 2017 resulting in the issue of 3,359,737 new shares. Gross proceeds from the issue were MUSD 1.4, and net of transaction costs (MUSD 0.1) MUSD 1.3 were raised. After the repair offering Awilco LNG ASA's share capital is NOK 331,371,528 (MUSD 49.4), divided into 132,548,611 shares

The share capital is denominated in NOK, and the nominal value per share is NOK 2.5. All issued shares are of equal rights.

## Note 4 - Financing

To strengthen the Group's balance sheet and improve its financial stability, a comprehensive refinancing was completed in Q2 2017. The refinancing included an amended and more flexible agreement with the lessor of the Group's two vessels, Teekay LNG Partners L.P. (Teekay LNG), and an equity issue to re-establish a robust financial platform.

The amended bareboat lease agreements with Teekay LNG includes an extension of the current bareboat agreements for WilForce and WilPride to December 2019, and flexibility through rolling options for early termination at any time before maturity. Furthermore, the amended agreement also includes a front-loaded reduction in the bareboat hire payable to Teekay through the deferral of up to MUSD 29 in charter hire. The deferred amounts will become payable at maturity of the contracts, or by way of a cash sweep mechanism measured on a quarterly basis. Net earnings in excess of cash break even levels, currently at approx USD 48,000 per day, is to be sweeped towards the outstanding deferred charter hire, subject to the Group retaining a minimum cash position after sweeping.

The contractual bareboat hire per day is USD 49,100 per vessel. From July 2017 to March 2018, the bareboat hire payable is USD 28,500 per day, from April 2018 to March 2019 USD 33,500 per day, and from April 2019 to December 2019 USD 38,500 per day. The purchase obligations at maturity of the lease agreements in December 2019 are MUSD 113.3 and MUSD 114.5 for WilForce and WilPride, respectively, in addition to the deferred hire.

According to the amended lease agreements a fee of MUSD 2 is payable to Teekay LNG. The fee is payable either following voluntary prepayment of all, or parts, of the deferred amounts or by refinancing of the vessels. The fee has been capitalised as cost price of the vessels and depreciated over the term of the lease, and presented as other non-current liabilities until paid.

Until Teekay LNG and the Group agrees to not defer any bareboat hire, the Parent Company is not entitled to pay dividends to its shareholders.

## Note 5 - Related party transactions

**Agreements**

| **Related party** | **Description of service** | **Note** |
|---|---|---|
| Awilco Technical Services AS (ATS) | Technical Sub-management Services | 1 |
| Awilhelmsen Management AS (AWM) | Administrative Services | 2 |
| Astrup Fearnley Group | Ship Brokering Services | 3 |

(1) The Group's in-house technical manager, ALNG TM, has entered into a sub-management agreement with ATS, whereby ATS assists ALNG TM in management of the Group's fleet. The sub-management services also include management for hire of the managing director in ALNG TM. ALNG TM pays ATS a management fee based on ATS' costs plus a margin of 7 %, cost being time accrued for the sub-manager's employees involved. The fee is subject to quarterly evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. ATS is 100 % owned by Awilco AS.

(2) AWM provides the Group with administrative and general services including accounting and payroll, legal, secretary function and IT. The Group pays AWM MNOK 2.7 in yearly management fee (approx. MUSD 0.3) based on AWM's costs plus a margin of 5 %. The fee is subject to semi-annual evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. AWM is 100 % owned by Awilhelmsen AS, which owns 100 % of Awilco AS.

(3) One of the Parent Company's Board Members is also the General Manager of the Astrup Fearnley Group. The Astrup Fearnley Group delivers ship brokering services on a competitive basis to the Group.

## Note 5 - Related party transactions - continued

**Purchases from related parties**

| *In USD thousands* | Q3 | Q2 | 1.1 - 30.9 | 1.1 - 30.9 |
|---|---|---|---|---|
| **Related party** | **2017** | **2017** | **2017** | **2016** |
| Awilco Technical Services AS | 184 | 168 | 520 | 542 |
| Awilhelmsen Management AS | 85 | 78 | 242 | 234 |
| Astrup Fearnley Group | | - | - | 320 |

Purchases from related parties are included as part of Administration expenses in the income statement, except from commissions paid to the Astrup Fearnley Group, which in 2016 were included in Voyage related expenses (KUSD 4) and Impairment of vessels (KUSD 316).

## Note 6 - Events after the balance sheet date

There were no material events after the balance sheet date.

## Appendix 1

**ALTERNATIVE PERFORMANCE MEASURES**

Alternative performance measures (APMs), ie financial performance measures not within the applicable financial reporting framework, are used by Awilco LNG to provide supplemental information. Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and it is Awilco LNG's experience that these are frequently used by analysts and investors.

These measures are adjusted IFRS measures defined, calculated and used consistently. Operational measures such as, but not limited to, volumes, utilisation and prices per MMBTU are not defined as financial APMs. Financial APMs should not be considered as a substitute for measures of performance in accordance with the IFRS. Disclosures of APMs are subject to established internal control procedures.

Awilco LNG's financial APMs:

- Net freight income: freight income – voyage related expenses
- EBIT: Net freight income - operating expenses - administration expenses - depreciation and amortisation - impairments
- EBITDA: EBIT + depreciation and amortisation + impairments
- Interest bearing debt: long-term interest bearing debt + short-term bearing debt + pension liabilities
- Book equity ratio: Total equity divided by total assets