



# **Wilh. Wilhelmsen Holding ASA**

## **Fourth Quarter 2015**

Thomas Wilhelmsen – group CEO and Nils P Dyvik – group CFO

February 2016

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# Agenda

1. Highlights for the fourth quarter and the year 2015
2. Prospects
3. Financials – Nils P. Dyvik, group CFO



# WWH group

## Highlights for the quarter

### Slight increase in total income

### Stable underlying EBIT

- Mixed development in WWASA
- Continued strong performance in WMS

### Strong EPS (USD 2,27)



# WWASA group

## Highlights for the quarter

### Slight decrease in total income

- Shipping flat - unfavorable cargo mix
- Logistics down 7% q-o-q

### Underlying EBIT stable

- Positive impact from reduced operating expenses
- Contribution down from logistics (Hyundai Glovis “one-offs”)

### EUKOR – HMG contract renewal

### WWL logistics investments (North America, South Africa)

### General sentiment

- Slow down in world economy
- Margin pressure



Photo: WWL acquires full ownership of South Africa-based CAT-WWL  
Source: WWL

# WMS group

## Highlights for the quarter

### Total income up q-o-q

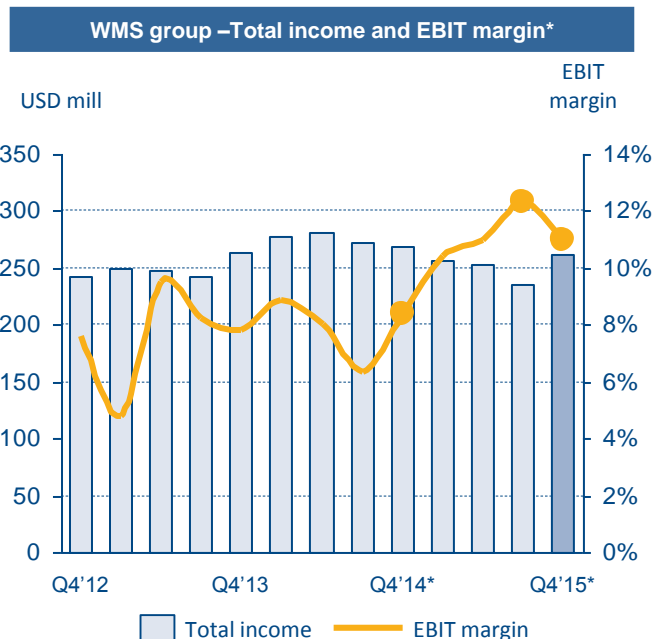
- Increase in ships service
- Rebound in technical solutions
- Stable ship management

### Strong underlying EBIT margin

- Strong dollar
- Pension related accounting gain

### General sentiment

- Currency risk
- Challenging shipping environment



\*Main "one-offs":

Q4'14: Pension related accounting gain (**not included**)

Q3'15: Impairment charge (**not included**)

Q4'15: Pension related accounting gain (**not included**)





**Live 4 January 2016**

**“Big Bang” globally, 2000 users in 165 locations**

**New System platform covering**

- Marine Products
- Technical Services

**Business adoption progressing**

- High work-load with work-arounds and backlog
- Impacting results and cash-flow



# Holding and investments

Highlights for the quarter

## Reduced contribution from NSG

- Seasonality
- Sale of properties (Sales gain in Q1'16)

## Investment

- Qube unconditional offer for Asciano

## General sentiment

- Soft commodity prices
- Weak offshore industry



Photo: Polar base - Hammerfest



Photo: Qube consortium proposal to acquire Asciano



# The year 2015

## The group:

- Reduced total income
- Improved underlying result - main “one-offs”
- Paid dividend of NOK 5.00 per share

## Wilh. Wilhelmsen ASA:

- Volumes down 4% - mix not optimal
- USD 200 mill anti-trust provision
- Hyundai/ Kia contract renewal

## Wilhelmsen Maritime Services:

- Reduced total income - currency impact
- Adjusted EBIT margin 11.1% - impairment charge
- Ongoing restructuring process

## Holding and investments:

- Stable contribution from NSG - weak offshore market



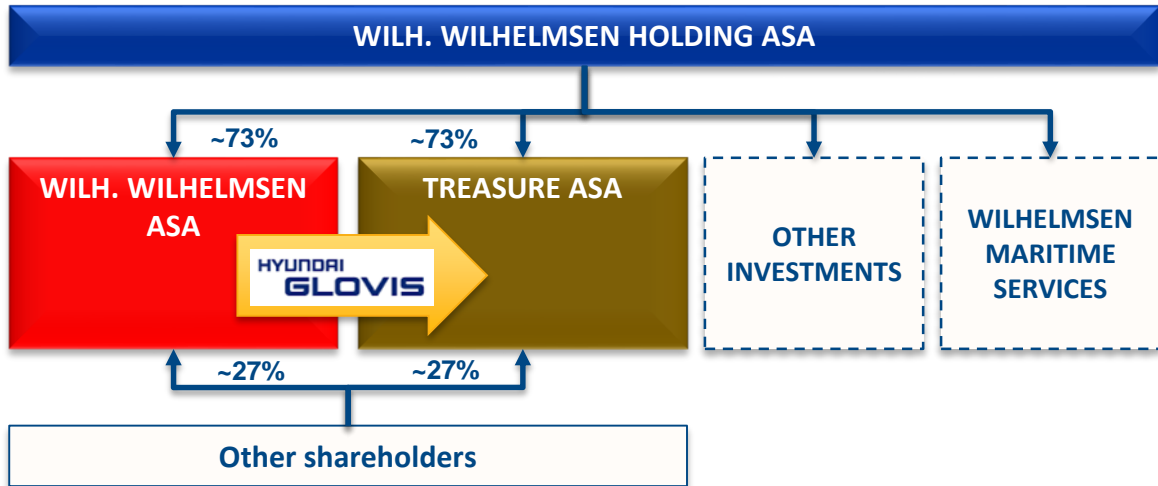
Morning Calypso  
Source: EUKOR Car Carriers Inc



Warehouse and office, Dusavika base, Norway  
Source: NorSea Group

# WWASA de-merger

Separating Hyundai Glovis investment into new listed entity



Creating Treasure ASA as new listed entity on Oslo Stock Exchange

1:1 share split

Joint responsible for WWASA (parent) liabilities at time of de-merger

Target completion Q2'2016

# WWH group prospects

**The board expects a stable development  
in the first quarter compared with the fourth quarter.**



# Wilh. Wilhelmsen Holding ASA

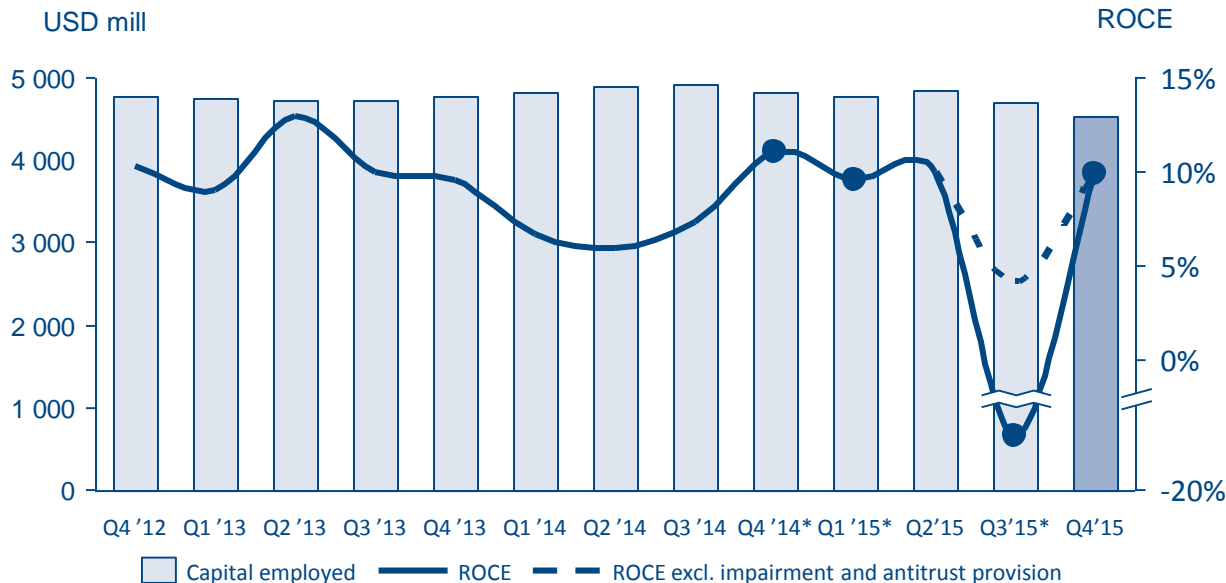
## Fourth Quarter 2015

Nils Petter Dyvik – group CFO

February 2016

# WWH group

## Return on capital employed



\*Main "one-offs" (included):

- Q4'14: Pension related accounting gain
- Q1'15: Sales gain Hyundai Glovis
- Q3'15: Anti-trust accrual WWASA and impairment charge WMS
- Q4'15: Pension related accounting gain

\*\*Based on proportionate method

- Capital employed: Equity plus interest bearing debt (average for period)
- ROCE: EBT plus interest expenses / average capital employed



# WWH group

## Key segment information Q4'15

USD mill	WWASA group		WMS group		Holding and Investments		Total	
Quarter	Q4'15	Q3'15	Q4'15	Q3'15	Q4'15	Q3'15	Q4'15	Q3'15
<b>Total income</b>	545	558	263	236	6	6	807	795
<b>Operating profit</b>	<b>66</b>	<b>-134</b>	<b>32</b>	<b>-21</b>	<b>-2</b>	<b>-2</b>	<b>96</b>	<b>-157</b>
Financial income/(expenses)	-13	-73	5	3	3	0	-5	-69
Tax income/(expense)	30	-5	7	-11	0	0	37	-16
<b>Profit/(loss)</b>	<b>82</b>	<b>-212</b>	<b>45</b>	<b>-29</b>	<b>2</b>	<b>-2</b>	<b>129</b>	<b>-243</b>
Minority interests	23	-58	1	0	0	0	23	-57
<b>Profit/(loss) after minority interests</b>	<b>60</b>	<b>-155</b>	<b>44</b>	<b>-29</b>	<b>2</b>	<b>-2</b>	<b>105</b>	<b>-186</b>
Equity majority	1 204	1 100	273	211	278	292	1 754	1 602
Equity minority interests	451	488	0	0	0	0	452	489
<b>Total Equity</b>	<b>1 655</b>	<b>1 588</b>	<b>273</b>	<b>211</b>	<b>278</b>	<b>292</b>	<b>2 206</b>	<b>2 091</b>

Stable development in total income and underlying operating profit



# WWH group

## Financial income/(expenses)

USD mill	Q4'15	Q3'15
Net financial items	5	-15
<i>Investment management</i>	4	-9
<i>Interest income</i>	2	2
<i>Other financial items</i>	0	-8
Interest expenses	-18	-17
Interest rate derivatives - realised	-7	-9
Interest rate derivatives - unrealised	20	-15
Net financial - currency	-1	-9
Net financial derivatives bunkers	-4	-4
<b>Financial income/(expense)</b>	<b>-5</b>	<b>-69</b>

1. Gain from Investment management (WWASA & H&I)
2. Net interest rate derivatives gain (WWASA)

# WWH group

## Key segment information FY15

USD mill	WWASA group		WMS group		Holding and Investments		Total	
Quarter	FY15	FY14	FY15	FY14	FY15	FY14	FY15	FY14
<b>Total income</b>	2 308	2 592	1 010	1 101	28	32	3 321	3 693
<b>Operating profit</b>	<b>103</b>	<b>253</b>	<b>65</b>	<b>122</b>	<b>-4</b>	<b>6</b>	<b>165</b>	<b>381</b>
Financial income/(expenses)	-128	-131	3	7	9	16	-117	-108
Tax income/(expense)	23	46	-16	-25	2	-1	8	20
<b>Profit/(loss)</b>	<b>-3</b>	<b>168</b>	<b>52</b>	<b>104</b>	<b>7</b>	<b>21</b>	<b>56</b>	<b>293</b>
Minority interests	0	47	2	4	0	0	2	51
<b>Profit/(loss) after minority interests</b>	<b>-3</b>	<b>121</b>	<b>50</b>	<b>100</b>	<b>7</b>	<b>21</b>	<b>54</b>	<b>241</b>
Equity majority	1 204	1 242	273	307	278	312	1 754	1 860
Equity minority interests	451	465	0	4	0	0	452	469
<b>Total Equity</b>	<b>1 655</b>	<b>1 707</b>	<b>273</b>	<b>310</b>	<b>278</b>	<b>312</b>	<b>2 206</b>	<b>2 329</b>

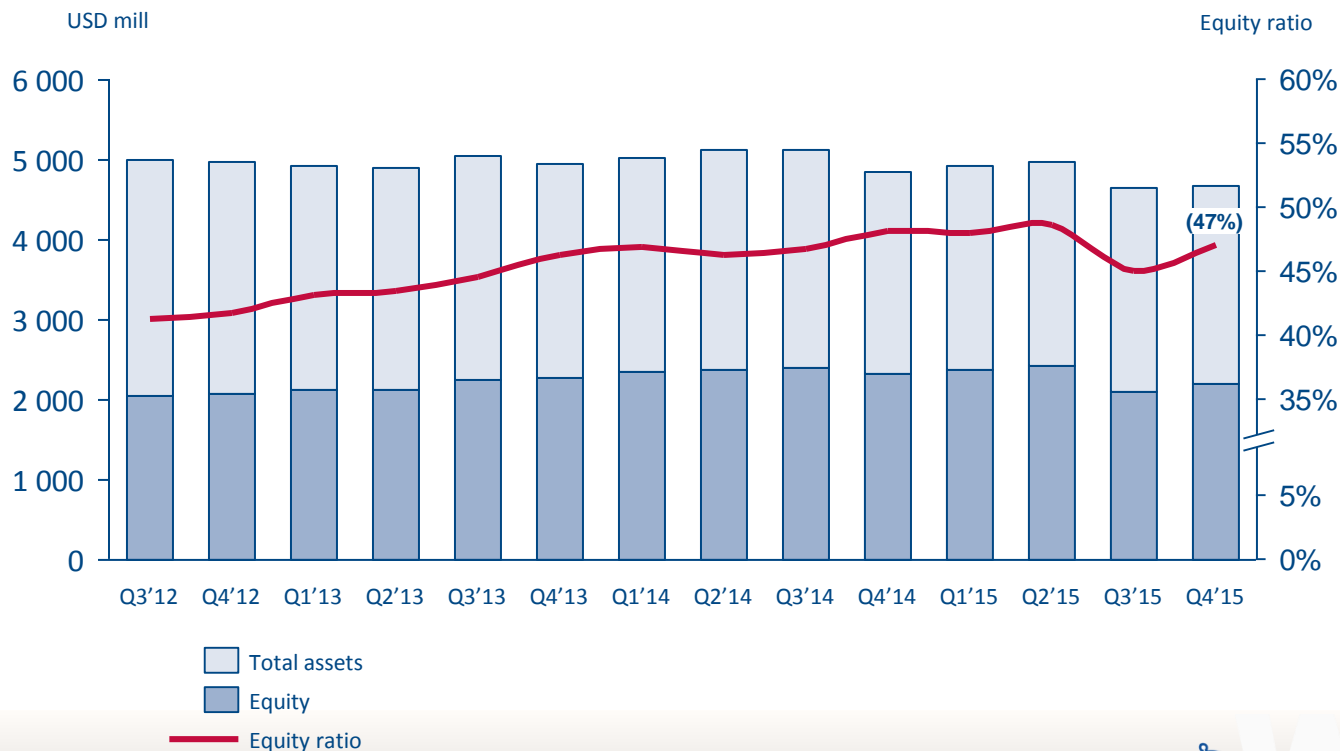
Results reflect WWASA anti-trust provision and WMS impairment





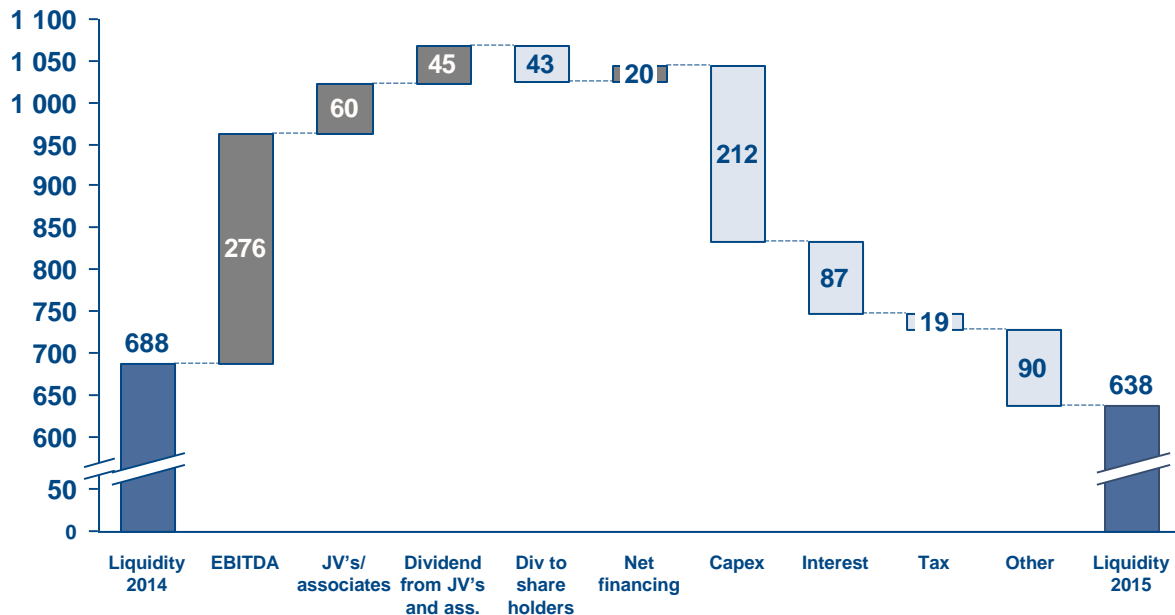
# WWH group

## Equity ratio \*)



# WWH group –Liquidity development 2015

(Equity method)

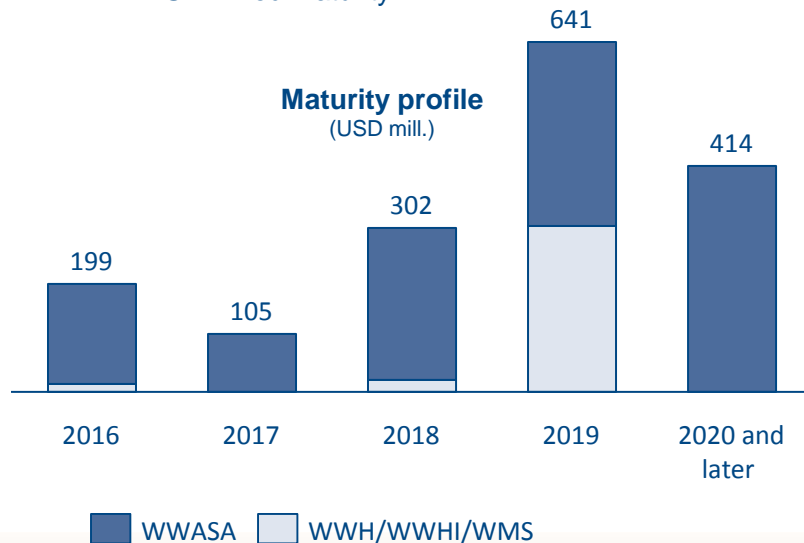


# WWH group

## Interest bearing debt (Equity method)

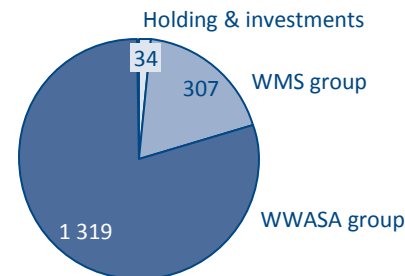
### Maturity profile

- WWH facilities maturing in 2017/19 (one year extension in Q1'16 )
- WMS facilities maturing in 2018/19
- WWHI facility maturing in 2017
- WWASA mixed maturity



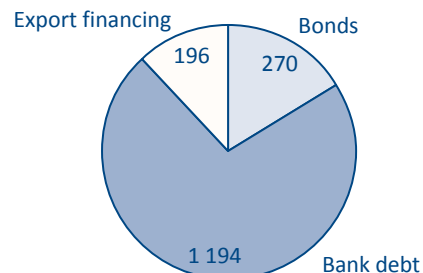
### Split by business segment

(USD mill)



### Split by source

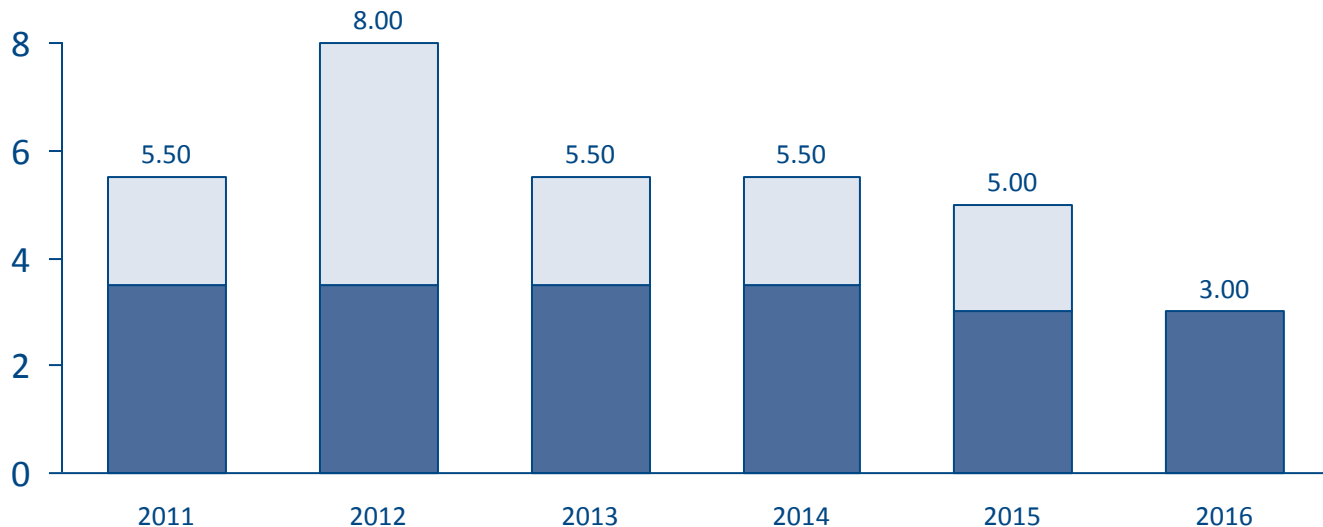
(USD mill)



# WWH ASA

## Dividend per share

NOK/share



- Proposed dividend of NOK 3.00 per share to be paid May 2016
- Proposed board authority to approve further dividend of up to maximum NOK 3.00 per share



# The new WWH group

Key financials – pro forma based on adjusted 2015 accounts

USD mill	WWASA <sup>3)</sup> (~72,7%)	WMS	Treasure ASA (~72,7%)		Holding & Investments
			"Associate"	"Available for sale" <sup>4)</sup>	
Total income <sup>1)</sup>	2 245	1 010	36 <sup>7)</sup>	Nil	28
Operating profit <sup>1)</sup>	241 <sup>5)</sup>	115 <sup>6)</sup>	36 <sup>7)</sup>	Nil	-4
Total Assets <sup>2)</sup>	2 962 <sup>8)</sup>	1 063	337 <sup>9)</sup>	741 <sup>10)</sup>	326
Book equity <sup>2)</sup>	1 318 <sup>8)</sup>	273	337 <sup>9)</sup>	741 <sup>10)</sup>	278
WWH equity share	958	273	245	539	278

1) Based on 2015 accounts - proportionate method

2) Based on 31.12.15 balance - equity method

3) Excluding income from and book value of Hyundai Glovis

4) Comparable figures based on Hyundai Glovis shares reported as "available-for-sale financial asset"

5) Adjusted for USD 200 mill. anti trust

6) Adjusted for USD 50 mill. impairment

7) Adjusted for USD 26 mill. sales gain

8) Adjusted for USD 337 mill. Book value of Hyundai Glovis shares

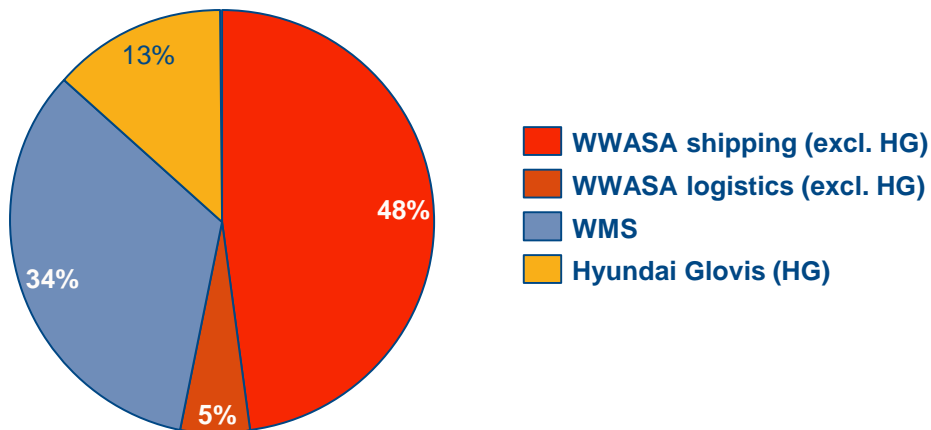
9) Book value of Hyundai Glovis shares

10) Market value Hyundai Glovis shares as per 31.12.15 based on share price 193 000 and KRW/USD 1 176



## More than a shipping company

**2015 Adjusted operating profit (EBIT) <sup>1)</sup>**  
USD million





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