

The Q3 Report 2012

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Overall result



- Third-quarter earnings represented an improvement over the second quarter for TransAtlantic
 - Both VSS and Industrial Shipping improved sequentially
- VSS had positive cash flow in the quarter for the first time this year
 - Higher contract coverage and slightly better spot market are the main reasons for the improved performance
- Settlement reached over rescued third party vessel
- Heléne Mellquist appointed CEO of Industrial Shipping

Q3, 2012

July-September 2012

- Net revenues amounted to SEK 784 M (847)
- EBITDA, amounted to SEK 112 M (22)
- Profit before tax amounted to SEK -39 M (-167)
- Net income amounted to SEK -42 M (-136)
- Earnings per share amounted to SEK -0.4 (-2.1)

January – September 2012

- Net revenues amounted to SEK 2 509 M (2 086)
- EBITDA, amounted to SEK 132 M (76)
- Profit before tax amounted to SEK -295 M (-305)
- Net income amounted to SEK -298 M (-241)
- Earnings per share after tax amounted to SEK -2.7 (-3.7)

Group income statement

Group

		Jul-Sep		Jan-Sep	Full Year
SEK M	2012	2011	2012	2011	2011
Net sales	784	847	2 509	2 086	2 989
EBITDA	112	22	132	76	67
Operating Income (Loss)	29	-133	-119	-233	-348
Profit (Loss) before taxes	-39	-167	-295	-305	-466
<i>Profit before tax by business area</i>					
Viking Supply Ships business area	-2	0	-139	-64	-110
Industrial Shipping business area	-31	-62	-148	-95	-162
Operating income (Loss)	-33	-62	-287	-159	-272
Restructuring items	-6	-101	-14	-139	-187
Acquisition effects	-	-4	6	-7	-7
Profit (Loss) before taxes	-39	-167	-295	-305	-466
Taxes	-3	31	-3	64	31
Result	-42	-136	-298	-241	-435
Profit margin	-5,0%	-19,7%	-11,8%	-14,6%	-15,6%
<i>SEK per share</i>					
Earnings per share	-0.4	-2.1	-2.7	-3.7	-6.6

Financial position

Financial position

	September	December
SEK M at the close of each period	2012	2011
Total assets	5 987	6 283
Shareholders' equity	2 146	2 493
Equity/assets ratio, %	35,8%	39,5%
Debt/equity ratio, %	137,6%	97,7%
Cash and cash equivalents	235	548
Number of shares outstanding	110 902 700	110 902 700
Shareholders' equity per share	19,4	22,5

Q3 2012 Viking Supply Ships

- As a result of a slightly improved spot market and increased contract coverage VSS had a positive cash flow in Q3 for the first time this year
- Centrica Energy has extended an existing contract with VSS for one year firm with a further one year option
- A settlement was reached relating to the rescue of the vessel Golden Seas



Viking Supply Ships

	July-September		January-September		Full year
	2012	2011	2012	2011	2011
Net sales	322	232	820	494	730
EBITDA	127	n.a.	210	n.a.	n.a.
Operating income (Loss)	-2	0	-139	-64	-110
Operating income (Loss) %	-0,6%	0,0%	-17,0%	-13,0%	-15,1%

Q3 2012 Industrial Shipping



- Cost-saving measures
- Developed growth strategy – implementation started
Market base will be strengthened in the Baltic Sea and service offering will be more streamlined, encompassing entire logistics chain
- On October 12, TransAtlantic expanded the scheduled service between Poland and the UK
- On October 19, TransAtlantic acquired the operations of the Finnish shipping company Merilinja
- On October 9, Heléne Mellquist was promoted to CEO Industrial Shipping.

Industrial Shipping

	July-September		January-September		Full year
	2012	2011	2012	2011	2011
Net sales	462	615	1 689	1 592	2 259
EBITDA	-15	n.a.	-78	n.a.	n.a.
Operating income (Loss)	-31	-62	-148	-95	-162
Operating income (Loss) %	-6,7%	-10,1%	-8,8%	-6,0%	-7,2%

Initiatives

TransAtlantic - overall

- Focus on liquidity (through refinancing and possible sale of non-core assets)

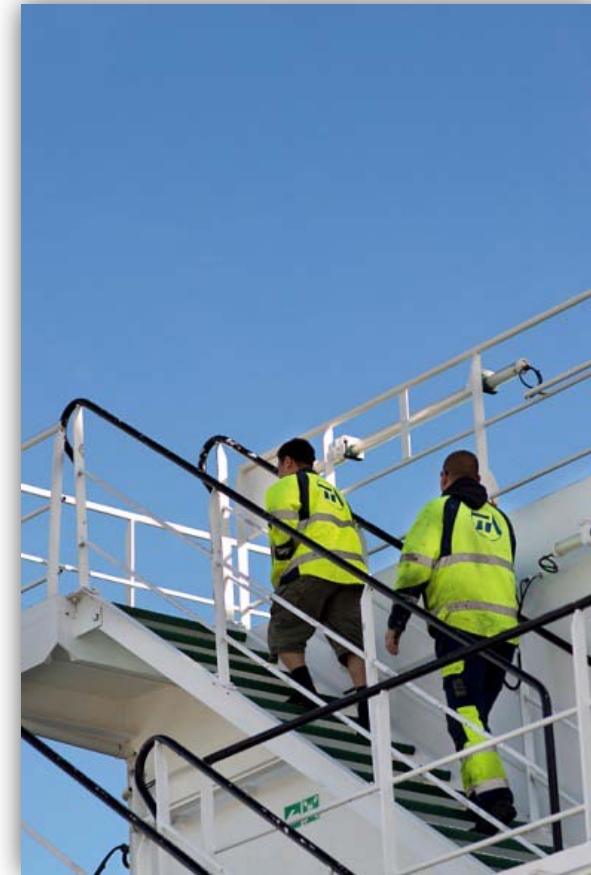
Viking Supply Ships

- Further position VSS as harsh environment specialist
- Increase contract coverage and duration
- Focus on core business

Industrial Shipping

Return to profitability through:

- Cost savings and profitable growth
 - Continue adjustment of ship capacity
 - Renegotiate TC costs
 - Improve bunker efficiency
 - Increase sales/volume/load and streamline service portfolio
 - End-to-end solution providers
 - Act as consolidator for smaller players in the market



Outlook

Q4 expected to be similar to Q3.

Viking Supply Ships

- A moderately growing market with higher demands in our area of expertise and focus, where VSS is well positioned
- Focus on winning more medium and long term contracts

Industrial Shipping

- Continued challenging market
- Continued focus on profitable growth, cost savings and additional sales
- Development of organization to become asset-lighter and to provide a streamlined service portfolio



Thank you!

