

Results for the first quarter 2020

Oslo,
15 May 2020

Good operational performance overtaken by significant fall in financial asset values. This resulted in a USD 284 million net loss for the Wilhelmsen group in the first quarter.

Commenting on the quarter, Thomas Wilhelmsen, group CEO, starts with highlighting the positive results in the maritime and supply services segments: “The quarter was influenced by a continuous need to respond and adapt to the COVID-19 outbreak. Still revenue was on par with the same quarter last year, with EBITDA and margin improving significantly. The organisation has adapted to port restrictions and been able to continue to fulfil customer requirements, even with new products and services. We have also attracted new customers, including 12 new bulker vessels for Ship Management.”

“The supply service segment, sensitive to the development in oil price, have also seen an increase in income, with activities on par with first quarter 2019 despite the collapse of the oil price in March. NorSea also won a significant, new 10-year contract for Total in Denmark,” comments Wilhelmsen.

The underlying business delivered a total income for the Wilhelmsen group of USD 215 million in the first quarter of 2020, up 8% from the corresponding period last year. EBITDA was USD 37 million, up 9% year-over-year.

“No surprise that our investments were negatively hit during the quarter, with a substantial reduction in volumes for car carrying shareholding. Lay-up and recycling of vessels are two of the measures taken to adjust cost,” says Wilhelmsen.

Share of profit from associates was a loss of USD 60 million, with negative contribution from Wallenius Wilhelmsen ASA offsetting a gain in supply services.

Change in fair value of financial assets was negative with USD 256 million. Other financials were a loss of USD 48 million. “We recorded a reduction in the value of our shareholding in Hyundai Glovis and a net loss on other investments and FX hedges,” says Wilhelmsen.

The quarter ended with a net loss to owners of the parent of USD 284 million, equal to a USD 6.36 loss per share (EPS).

The annual general meeting that took place 29 April 2020 approved NOK 2.00 per share in dividend to shareholders, with payment made 14 May 2020.

Going forward, Wilhelmsen expects the group activities to be affected by the reduction in global economic activities following measures taken to contain the spread of COVID-19. “The largest impact will be a reduction in cruise activities, representing 10-15% of operating income for Ships Service. We also expect to see a negative impact of a low oil price, first and foremost for NorSea Group, while the uncertain volume outlook will continue to negatively impact our other investments.”

Even though the future impact of reduced global trade and asset prices remains uncertain, the board underlines that Wilhelmsen retains its robustness and capacity to meet this uncertainty

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