

# QUARTERLY REPORT



Wilh. Wilhelmsen

# '14



Wilh. Wilhelmsen Holding ASA

THIRD QUARTER 2014

**Investor Relations contact:**

Åge S. Holm  
Phone: +47 67 58 41 95  
Mobile: +47 90 08 76 70  
aage.s.holm@wilhelmsen.com

**Media contact:**

Benedicte Teigen Gude  
Phone: +47 67 58 41 77  
Mobile: +47 95 90 79 51  
benedicte.teigen.gude@wilhelmsen.com

[www.wilhelmsen.com](http://www.wilhelmsen.com)



# Report for the third of 2014

## Proportionate method<sup>1</sup>

### Key financial figures

<i>USD mill</i> <i>- unless otherwise indicated</i>	Q3'14	Q2'14	Q-on-Q Change	Q3'13	Y-o-Y Change	01.01- 30.09.14	01.01- 30.09.13	Y-o-Y Change
<b>Total income</b>	<b>924</b>	<b>965</b>	<b>-4 %</b>	<b>913</b>	<b>1 %</b>	<b>2 803</b>	<b>2 749</b>	<b>2 %</b>
- Wilh. Wilhelmsen ASA	650	682	-5 %	667	-3 %	1 968	2 002	-2 %
- Wilhelmsen Maritime Services	273	281	-3 %	243	12 %	832	741	12 %
- Holding & Investments	9	10		9		27	27	
- Eliminations	-8	-8		-7		-25	-21	
<b>EBITDA</b>	<b>133</b>	<b>125</b>	<b>6 %</b>	<b>141</b>	<b>-6 %</b>	<b>377</b>	<b>413</b>	<b>-9 %</b>
- Wilh. Wilhelmsen ASA	110	95	16 %	116	-5 %	295	340	-13 %
- Wilhelmsen Maritime Services	23	30	-21 %	27	-12 %	84	74	13 %
- Holding & Investments	0	1		-1		-2	-1	
- Eliminations	0	0		0		0	0	
<b>Operating profit/EBIT</b>	<b>83</b>	<b>80</b>	<b>3 %</b>	<b>96</b>	<b>-14 %</b>	<b>239</b>	<b>280</b>	<b>-15 %</b>
- Wilh. Wilhelmsen ASA	66	57	16 %	78	-15 %	177	227	-22 %
- Wilhelmsen Maritime Services	17	23	-24 %	20	-14 %	64	55	16 %
- Holding & Investments	-1	0		-1		-2	-1	
- Eliminations	0	0		0		0	0	
<b>Financial income/(expenses)</b>	<b>-17</b>	<b>-40</b>		<b>-7</b>		<b>-73</b>	<b>12</b>	
<b>Tax income/(expenses)</b>	<b>-4</b>	<b>-2</b>		<b>-8</b>		<b>-16</b>	<b>-36</b>	
<b>Minority interests</b>	<b>16</b>	<b>8</b>		<b>18</b>		<b>34</b>	<b>61</b>	
<b>Profit/(loss) after minority</b>	<b>46</b>	<b>30</b>	<b>52 %</b>	<b>63</b>	<b>-27 %</b>	<b>115</b>	<b>196</b>	<b>-41 %</b>
- Wilh. Wilhelmsen ASA	39	18	>100%	43	-9 %	80	149	-46 %
- Wilhelmsen Maritime Services	5	6	-17 %	11	-55 %	26	34	-24 %
- Holding & Investments	1	6		8		9	13	
- Eliminations	0	0		0		0	0	
<b>EPS (USD)</b>	<b>0,99</b>	<b>0,65</b>	<b>52 %</b>	<b>1,36</b>	<b>-27 %</b>	<b>2,48</b>	<b>4,22</b>	<b>-41 %</b>

### Highlights for the third quarter

#### Wilh. Wilhelmsen ASA:

- Decline in ocean transported volumes, mainly seasonal
- Profitability still negatively impacted by cargo and trade mix
- Lower contribution from logistics, mainly due to considerable reduced activities in American Shipping and Logistics group
- Impairment and restructuring cost in American Shipping and Logistics group offset by non-recurring gain in Hyundai Glovis

#### Wilhelmsen Maritime Services:

- Continued income growth on a year over year basis driven by technical solutions
- Stable income quarter on quarter adjusted for seasonality, sales gain and currency
- Reduced operating profit following lower contribution from ships service
- Continued growth in technical solutions' order reserve

#### Holding and investments:

- Steady contribution from NorSea Group supported by seasonality and Danish acquisition
- Continued positive development in Qube net result and market value
- Board declares second dividend of NOK 2.00 per share

<sup>1</sup> While the equity method provides a fair presentation of the group's financial position in joint ventures, the group's internal financial segment reporting is based on the proportionate method. The major contributors in Wilh. Wilhelmsen ASA are joint ventures and hence the proportionate method gives management a higher level of information and a fuller picture of the group's operations. For Wilhelmsen Maritime Services and Holding and Investments the financial reporting will be the same for both the equity and the proportionate methods.

The same accounting principles are applied in both the management reports and the financial accounts, and comply with the International Financial Reporting Standards (IFRS).

## Financial summary

### Result for the third quarter

Total income for the Wilh. Wilhelmsen Holding ASA group (WWH) was USD 924 million for the third quarter of 2014 compared with USD 913 million in the corresponding period last year, representing an increase of 1% (figures for the corresponding period of 2013 will hereafter be shown in brackets). Compared with the previous quarter, total income declined by 4%.

Wilh. Wilhelmsen ASA (WWASA) reported a decline in income due to seasonal reduction in shipping volumes and loss of a logistics contract. Wilhelmsen Maritime Services (WMS) continued to grow the top line on a year over year basis supported by increased activities within technical solution. Compared with the second quarter the WMS income was stable adjusted for seasonality, sales gain and currency.

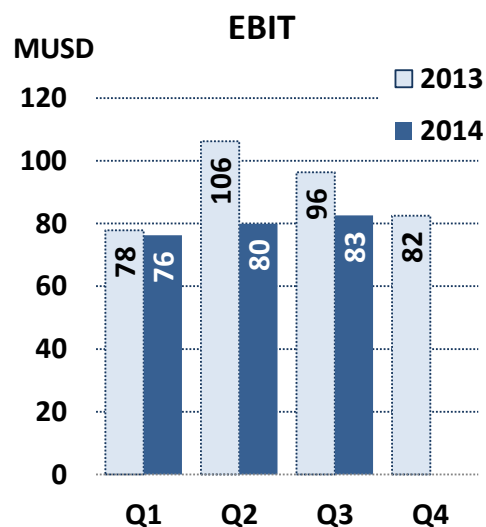
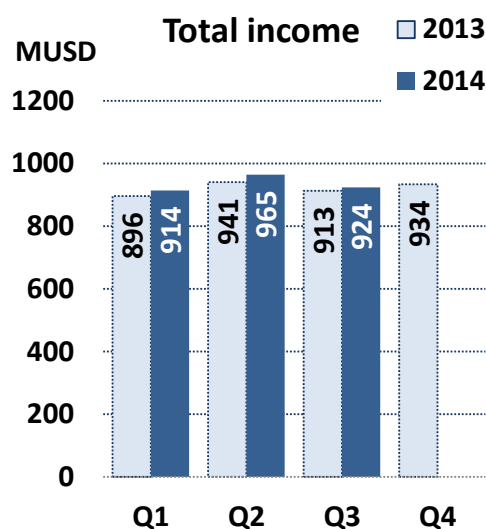
Operating profit for the third quarter was USD 83 million (USD 96 million), down by 14% compared with the same period last year and a 3% increase compared with the previous quarter. The second quarter was impacted by a USD 22 million restructuring cost in WWASA as well as a USD 4 million sales gain in WMS, while the third quarter included a net positive USD 2 million non-recurring gain related to WWASA logistics. Adjusted for these items, operating profit was down 18% compared with the previous quarter mainly due to reduced contribution from WWASA shipping and a less favourable product mix in WMS.

Net financials was an expense of USD 17 million in the third quarter (expense of USD 7 million). It was positively impacted by a USD 2 million gain on interest rate derivatives (loss of USD 7 million) but negatively influenced by a net financial currency expense of USD 2 million (income of USD 1 million). Investment management reported a gain of USD 2 million for the quarter (gain of USD 14 million).

Tax was included with an expense of USD 4 million (expense of USD 8 million).

Minority interests' share of profit in the third quarter was USD 16 million (USD 18 million), of which USD 15 million was related to minority shareholders in WWASA (USD 17 million).

Net profit after minority interests was USD 46 million in the third quarter (USD 63 million), up from USD 30 million in the second quarter.



## Wilh. Wilhelmsen ASA

The Wilh. Wilhelmsen ASA group (WWASA) is a global provider of shipping and logistics services towards car and ro-ro customers. WWH owns 72.7% of WWASA. In line with accounting standards, all revenue and expenses in WWASA are reported in full with minority interest included after net profit/(loss).

### Key figures - Wilh. Wilhelmsen ASA

USD mill - unless otherwise indicated	Q3'14	Q2'14	Q-on-Q Change	Q3'13	Y-o-Y Change	01.01- 30.09.14	01.01- 30.09.13	Y-o-Y Change
<b>Total income</b>	<b>650</b>	<b>682</b>	<b>-5 %</b>	<b>667</b>	<b>-3 %</b>	<b>1 968</b>	<b>2 002</b>	<b>-2 %</b>
- Shipping	512	539	-5 %	525	-3 %	1 549	1 590	-3 %
- Logistics	143	147	-3 %	149	-4 %	435	431	1 %
- Holding/eliminations	-5	-5		-8		-16	-19	
<b>EBITDA</b>	<b>110</b>	<b>95</b>	<b>16 %</b>	<b>116</b>	<b>-5 %</b>	<b>295</b>	<b>340</b>	<b>-13 %</b>
- EBITDA margin (%)	16,9 %	13,9 %		17,3 %		15,0 %	17,0 %	
<b>Operating profit/EBIT</b>	<b>66</b>	<b>57</b>	<b>16 %</b>	<b>78</b>	<b>-15 %</b>	<b>177</b>	<b>227</b>	<b>-22 %</b>
- EBIT margin (%)	10,2 %	8,3 %		11,7 %		9,0 %	11,3 %	
- Financial income/(expense)	-9	-31		-14		-56	1	
- Tax income/(expense)	-3	0		-4		-9	-21	
<b>Profit/(loss)</b>	<b>55</b>	<b>26</b>		<b>60</b>		<b>112</b>	<b>206</b>	
- Profit margin (%)	8,4 %	3,8 %		9,0 %		5,7 %	10,3 %	
- Minority interests	15	8		17		32	57	
<b>Profit/(loss) after minority</b>	<b>39</b>	<b>18</b>		<b>43</b>		<b>80</b>	<b>149</b>	

### Result for the third quarter

Total income for WWASA for the third quarter was USD 650 million (USD 667 million), a reduction of 3% year over year and down 5% from the previous quarter. Operating profit for the quarter was USD 66 million (USD 78 million), a reduction of 15% compared with the corresponding period last year but up 16% from the previous quarter.

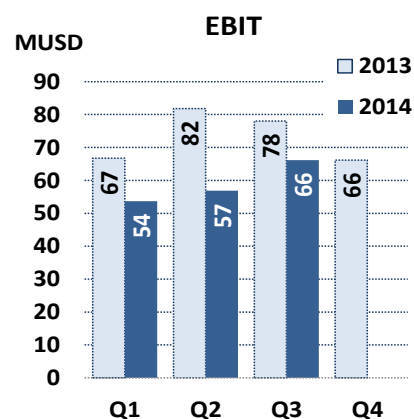
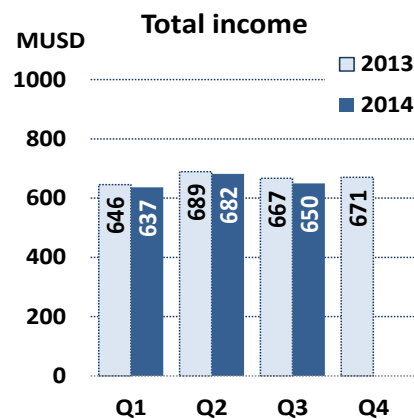
The third quarter of 2014 included a non-recurring gain of USD 12 million in Hyundai Glovis and non-recurring expense items of USD 10 million related to American Shipping and Logistics group (ASL), while the second quarter was impacted by total restructuring costs of USD 22 million related to Wallenius Wilhelmsen Logistics (WWL) and the reduction of Scandinavian seafares. Adjusted for above items operating profit was down 19% compared with the second quarter.

Seasonal decline in demand for deep-sea transportation and unfavourable cargo and trade mix had a negative impact on operating profit. Contribution from the logistics segment was also lower mainly due to loss of the ASL contract.

Financial expense for WWASA amounted to USD 9 million in the third quarter (expense of USD 14 million). It was positively impacted by USD 2 million gain on interest rate derivatives (loss of USD 6

million). Tax expense for the quarter was USD 3 million (expense of USD 4 million).

Net profit after tax was USD 55 million (USD 60 million) in the third quarter, of which USD 39 million (USD 43 million) was attributed to WWH.



**Market development**

Total sale of light vehicles in key markets fell by 7% to 16.0 million units quarter on quarter. Sales in North America and Europe declined after strong sales growth in the second quarter. The demand declined for new cars in the BRIC countries, except in India where auto sales increased. Chinese sales were still strong, but decreased after a prolonged period of growth.

Japanese export volumes totalled approximately 1 million cars for the quarter, representing a 5% increase from the second quarter. Exports were, however, 5% lower compared with the same quarter last year, due to weak demand from European consumers and a high share of transplant production by Japanese manufacturers. Korea reported a 20% decline in car exports quarter on quarter, mainly due to labour strikes.

Estimated global construction spending continued to indicate growth in absolute terms both quarter on quarter and year over year, thus contributing to stronger demand for equipment.

Given the general negative development in commodity prices from mid-2012, most mining companies refrained from initiating new investment projects. They continued to show a strict capital expenditure discipline. Cost cutting initiatives also kept up in the quarter. Despite the negative sentiment, Australian iron ore export from Port Hedland was at record high levels. The value of US mining equipment inventory fell in the quarter, but remained at a high level.

Most key agricultural commodity prices continued to decline from the high levels seen at the beginning of the year. Large farm tractor sales in North America were down 13% the first two months of the quarter compared to the same period last year.

**WWASA shipping**

*WWASA's shipping segment includes shipping activities within Wallenius Wilhelmsen Logistics (WWL, owned 50%), EUKOR Car Carrier (EUKOR, owned 40%), American Roll-on-Roll-off Carrier (ARC, owned 50%) and Hyundai Glovis (owned 12.5%), as well as certain shipowning activities outside the operating companies.*

Volumes shipped by group companies in the third quarter totalled 18.8 million CBM (18.9 million CBM), a decline equivalent to 8% quarter on quarter, mainly driven by

seasonality. The operating entities reported a decline in transported auto volumes impacted by strikes, which reduced export out of Korea, and a slight decrease in demand for high and heavy transportation.

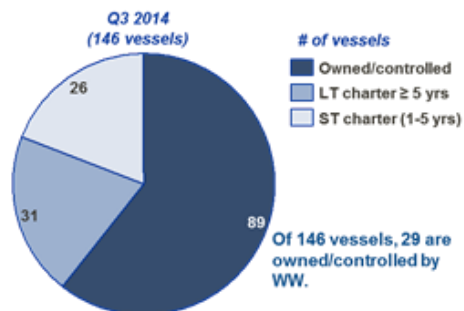
Decline in volumes transported deep-sea and unfavourable cargo and trade mix were the main reasons for the reduced results in the third quarter compared with the second quarter. Compared with the corresponding period last year, volumes were stable.

WWL transported volumes were on par with the same quarter last year with positive development in all main trades driven by increased demand for transportation from Asia to Europe and from Asia to North America. Quarter on quarter volumes were down, mainly due to seasonality. The cargo mix was in line with the previous quarter. However, the combined cargo and trade mix continued to reduce fleet utilisation and thereby profitability.

EUKOR volumes saw a seasonal dip following labour strikes, but were on par with the same quarter last year. Quarter on quarter, lower demand for transportation had a negative effect on operational efficiency, and an unfavourable trade mix created an imbalance in certain trades requiring a need to reposition vessels and thereby increasing cost.

ARC experienced reduced total income year over year in line with reduced activity level, while the operating profit improved slightly. Quarter on quarter ARC benefitted from cost control initiatives and increased volumes.

With a net decrease of one vessel compared with the second quarter, the group controlled 146 vessels (145 vessels) at the end of the third quarter.



The fleet, which represented 24% share of the global car carrying capacity measured

in CEUs, totalled 924 000 CEUs at the end of September 2014, representing a 0.6% decrease quarter on quarter or 2.1% increase year over year.

No newbuildings were delivered to group companies in the third quarter. Two vessels were sold for recycling in the quarter, one - the ro-ro vessel Taiko – for WWASA’s account. The demolitions will take place at a green recycling facility in China. At the end of the third quarter, the newbuilding programme for group companies counted eight vessels (64 000 CEUs) to be delivered in 2014-2016. The newbuildings equalled 16% of the world car carrier orderbook measured in CEUs. Four of the vessels are for WWASA’s own account, of which the first Post-Panamax vessel will be delivered in the fourth quarter 2014.

#### Update on anti-trust investigation

WWL and EUKOR continue to be part of anti-trust investigations of the car carrying industry in several jurisdictions, including the US and the EU. WWASA is not in a position to comment on the ongoing investigations which WWL and EUKOR are part of. However, WWASA expects further clarification during 2015.

Cost of process management related to the investigations is charged on an ongoing basis.

#### WWASA logistics

*WWASA’s logistics segment includes logistics activities within Wallenius Wilhelmsen Logistics (WWL, owned 50%), American Shipping and Logistics Group (ASL, owned 50%) and Hyundai Glovis (owned 12.5%).*

Contribution from Hyundai Glovis included a non-recurring gain of USD 12 million in the third quarter of 2014, positively affecting the operating profit and total income. The gain resulted from the merger of Amco and Hyundai Engineering in the second quarter. The operating profit was, however, negatively impacted by non-recurring items totalling USD 10 million related to impairment and restructuring costs in ASL.

WWL handled 477 000 units (500 000 units) at its terminals in the quarter, 1.5 million units (1.5 million units) at the technical services facilities and transported 630 000 units (623 000 units) through its inland distribution network. With a slight reduction in activity level, WWL contributed with slightly less than the previous quarter.

#### Hyundai Glovis

*Hyundai Glovis is a global integrated logistics company listed on the KRX Korea Exchange. WWASA owns 12.5% of Hyundai Glovis. The investment is reported in WWASA’s accounts as “associated company”, with share of net result reported as income partly under shipping and partly under logistics one quarter in arrears.*

The contribution from Hyundai Glovis in WWASA’s accounts for the quarter was USD 27 million (USD 13 million), of which USD 3 million was reported under shipping (USD 2 million) and USD 24 million under logistics (USD 11 million). The contribution for the third quarter of 2014 included a non-recurring gain of USD 12 million.

The Hyundai Glovis share price improved during the third quarter of 2014, and the market value of WWASA’s shares in Hyundai Glovis was valued at USD 1 432 million as of 30 September 2014.

#### WWASA share price development

Value of investment:	End	End
Wilh. Wilhelmsen ASA	Q3’14	Q2’14
WWASA share price (NOK)	50,25	52,50
WWASA shares held by WWH (million)	160	160
Value of WWH shareholding (NOK million)	8 040	8 400
<b>Value per WWI/WWIB share (NOK)</b>	<b>173</b>	<b>181</b>

Return:	Q3’14	YTD
Wilh. Wilhelmsen ASA	Q3’14	YTD
Dividend (NOK per share)	0,00	1,00
Price return (share price development)	-4 %	-11 %
Total return (incl. dividend; not reinvested)	-4 %	-10 %

The WWASA share price was down 4% during the third quarter of 2014, reducing the market value of WWH’s shares in WWASA to NOK 8 040 million as of 30 September 2014. This represented NOK 173 per outstanding share in WWH (WWI/WWIB).

## Wilhelmsen Maritime Services

The Wilhelmsen Maritime Services group (WMS) is a global provider of ships service, ship management and technical solutions towards the maritime industry. WMS is a wholly-owned subsidiary of WWH.

### Key figures - Wilhelmsen Maritime Services

USD mill <i>- unless otherwise indicated</i>	Q3'14	Q2'14	Q-on-Q Change	Q3'13	Y-o-Y Change	01.01- 30.09.14	01.01- 30.09.13	Y-o-Y Change
<b>Total income</b>	<b>273</b>	<b>281</b>	<b>-3 %</b>	<b>243</b>	<b>12 %</b>	<b>832</b>	<b>741</b>	<b>12 %</b>
- Ships Service	170	174	-2 %	169	0 %	520	510	2 %
- Ship Management	14	14	1 %	13	7 %	42	42	2 %
- Technical Solutions	88	87	1 %	58	50 %	260	182	43 %
- Corporate/other/eliminations	1	6		3		10	7	
<b>EBITDA</b>	<b>23</b>	<b>30</b>	<b>-21 %</b>	<b>27</b>	<b>-12 %</b>	<b>84</b>	<b>74</b>	<b>13 %</b>
- EBITDA margin (%)	8,6 %	10,6 %		11,0 %		10,1 %	10,0 %	
<b>Operating profit/EBIT</b>	<b>17</b>	<b>23</b>	<b>-24 %</b>	<b>20</b>	<b>-14 %</b>	<b>64</b>	<b>55</b>	<b>16 %</b>
- EBIT margin (%)	6,3 %	8,0 %		8,2 %		7,7 %	7,5 %	
- Financial income/(expense)	-9	-13		-2		-26	-4	
- Tax income/(expense)	-2	-2		-5		-10	-13	
<b>Profit/(loss)</b>	<b>6</b>	<b>7</b>		<b>13</b>		<b>29</b>	<b>38</b>	
- Profit margin (%)	2,1 %	2,5 %		5,3 %		3,4 %	5,1 %	
- Minority interests	1	1		2		3	4	
<b>Profit/(loss) after minority</b>	<b>5</b>	<b>6</b>		<b>11</b>		<b>26</b>	<b>34</b>	

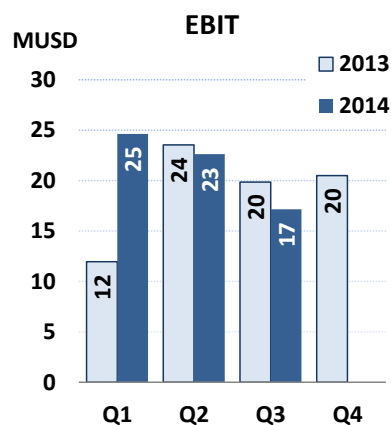
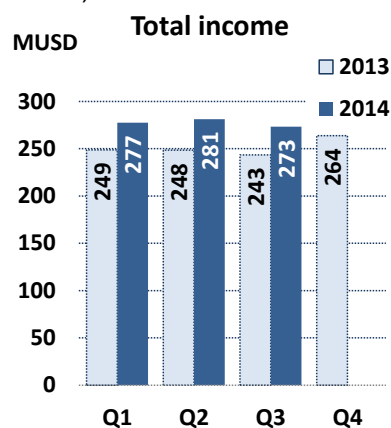
### Result for the third quarter

Total income for WMS in the third quarter was USD 273 million (USD 243 million), an increase of 12% compared with the corresponding period last year and a reduction of 3% compared with the second quarter which included a sales gain. Technical solutions continued to be the main driver behind the increase in total income year over year, supported by revenue growth within most business streams. Ship management also enjoyed a positive development in total income compared with the corresponding period last year, while income within the larger ships service business area was stable. When compared with the previous quarter, total income was slightly down in ships service while income for other activities was stable. The general appreciation of the USD had a negative impact on income.

Operating profit for the quarter was USD 17 million (USD 20 million), down 14% compared with the corresponding period last year and down 24% compared with the second quarter. The second quarter included a gain of USD 4 million from sale of Wilhelmsen Marine Fuel. When excluding the sales gain the operating profit was down 9% quarter on quarter. The decrease was mainly due to reduced contribution from ships service. The operating margin for the quarter was 6.3%.

Financial income/(expenses) for WMS amounted to an expense of USD 9 million

(expense of USD 2 million), including a net financial currency expense of USD 7 million (income of USD 1 million). Tax expense was USD 2 million for the quarter (expense USD 5 million), representing normal tax for the quarter. Net profit after tax and minority for the quarter was USD 5 million (USD 11 million).



## Market development

Development in the general shipping market was mixed in the third quarter. Development in shipping rates affect owners' purchasing capabilities and as such demand for certain WMS products and services.

Newbuilding ordering activity was down both on a quarter on quarter basis, as well as on a year over year basis. The LNG segment however experienced an increase in new orders in the third quarter.

The total merchant fleet increased by 3% in the third quarter when compared with the corresponding period last year. A net increase in the merchant fleet increases the potential customer base for WMS.

### Wilhelmsen Ships Service (WSS)

*WSS is a global provider of standardised product brands and service solutions to the maritime industry, focusing on marine products, marine chemicals, safety products and services, maritime logistics and ships agency. WSS is a wholly owned subsidiary of WMS.*

WSS total income in the third quarter remained flat compared with the corresponding period last year, while it decreased compared with the second quarter partly due to a strong USD. Among the business streams, marine product sales remained stable, while others witnessed a reduction. When measured against the total global merchant fleet<sup>1</sup>, WSS generated income of USD 37 per day/vessel in the third quarter, which was slightly below the 3 years average.

The WSS operating profit decreased in the third quarter, both compared with the corresponding period last year and the second quarter. The reduction was mainly due to increased costs coupled with unfavourable product mix.

### Wilhelmsen Ship Management (WSM)

*WSM provides full technical management, crewing and related services for all major vessel types with exception of oil tankers. WSM is a wholly owned subsidiary of WMS.*

The total income for WSM increased compared with the corresponding period

last year and with the second quarter. Average number of vessels on full technical management increased during the quarter. By the end of September, WSM served close to 400 ships worldwide, out of which approximately 40% were on full technical management and 4% were on layup management. The remaining contracts were related to crewing services.

Operating profit increased when compared with the corresponding period last year while it decreased slightly compared with the second quarter 2014.

### Wilhelmsen Technical Solutions (WTS)

*WTS is a global provider of fully engineered solutions, equipment and services towards the maritime and offshore industries, focusing on safety systems, power distribution and control, HVAC-R and insulation for newbuilds and retrofits. WTS is a wholly owned subsidiary of WMS.*

Total income for WTS increased 50% compared with the corresponding period last year (37% adjusted for acquisition), and was in line with the second quarter. Most business streams reported increased operating revenue on a year over year basis.

New order intake remained strong. Total order reserve was USD 399 million at the end of the third quarter compared with USD 347 million by the end of the corresponding period last year and USD 333 million by the end of the second quarter.

The WTS operating profit continued to develop positively on a year over year basis, though from a low base.

### Corporate/other activities

*This includes Wilhelmsen Insurance Services (WIS), and certain corporate services, as well as Wilhelmsen Marine Fuel (WMF) up for sale in June 2014.*

Income and operating profit was down from the second quarter, which included a gain of USD 4 million from sale of Wilhelmsen Marine Fuel. Wilhelmsen Insurance Services had a stable development in total income and operating profit for the quarter.

---

<sup>1</sup> Total global merchant fleet >1000gt, revised fleet base from previous years (excl. repair/rebuildings/layup); source IHS Fairplay



## Holding and investments

Holding and investments include activities performed by the holding company and investments outside WWASA and WMS. This includes investments held by Wilh. Wilhelmsen Holding Invest (WWHI), a wholly owned subsidiary of WWH.

### Key figures - Holding and investments

USD mill - unless otherwise indicated	Q3'14	Q2'14	Q-on-Q Change	Q3'13	Y-o-Y Change	01.01- 30.09.14	01.01- 30.09.13	Y-o-Y Change
<b>Total income</b>	<b>9</b>	<b>10</b>	<b>-9 %</b>	<b>9</b>	<b>6 %</b>	<b>27</b>	<b>27</b>	<b>1 %</b>
- Holding	6	7	-3 %	7	-2 %	20	18	
- NorSea Group	3	4	-20 %	2	31 %	8	9	
- Other investments	0	0		0		0	0	
- Eliminations	0	0		0		0	0	
<b>EBITDA</b>	<b>0</b>	<b>1</b>		<b>-1</b>		<b>-2</b>	<b>-1</b>	
<b>Operating profit/EBIT</b>	<b>-1</b>	<b>0</b>		<b>-1</b>		<b>-2</b>	<b>-1</b>	
<b>Financial income/(expenses)</b>	<b>1</b>	<b>4</b>	<b>-77 %</b>	<b>9</b>	<b>-89 %</b>	<b>8</b>	<b>16</b>	<b>-48 %</b>
- Investment management	2	3		5		9	11	
- Qube	0	1		3		1	5	
- Other financial income/(expense)	-1	0		1		-3	0	
- Tax income/(expense)	0	1		1		2	-1	
<b>Profit/(loss)</b>	<b>1</b>	<b>6</b>		<b>8</b>		<b>9</b>	<b>13</b>	
- Minority interests	0	0		0		0	0	
<b>Profit/(loss) after minority</b>	<b>1</b>	<b>6</b>		<b>8</b>		<b>9</b>	<b>13</b>	

### Result for the third quarter

Total income for the Holding and Investments segment was USD 9 million in the third quarter (USD 9 million), up 6% compared with the corresponding period last year but down 9% compared with the previous quarter. Income in Holding mainly representing intra group services on a pass through basis was slightly lower. Contribution from NorSea Group (NSG) increased compared with the corresponding period last year, but was reduced compared with the second quarter. Holding and Investments had an operating loss of USD 1 million in the third quarter (profit of USD 1 million).

Net financials was a net income of USD 1 million (USD 9 million), including a net income of USD 2 million (USD 5 million) from investment management and nil (USD 3 million) from Qube.

Net profit/(loss) after minorities was a profit of USD 1 million (profit of USD 8 million).

### NorSea Group (NSG)

NSG is a leading provider of supply bases and integrated logistics solution to the Norwegian offshore industry. Through WWHI, WWH owns 40% of NSG. NSG is reported in WWH's accounts as "associated investment", with share of net result reported as income from associated investments.

Preliminary total income for NSG for the third quarter was NOK 868 million, including share of profits from associates and joint ventures and sales gains. This is an increase both compared with the corresponding period last year and the previous quarter. Income for the quarter was positively impacted by normal seasonality, strong activity at bases serving the central part of the Norwegian sector and the full effect from consolidation of the Danbor acquisition.

Operating profit was some up compared with the corresponding period last year, but below a strong second quarter.

WWHI share of net result in NSG was USD 3 million for the quarter (USD 2 million), an improvement compared with corresponding period last year but down from the second quarter. Result for the last two quarters reflects the increase in WWHI ownership in NSG from 35.4% to 40% in April 2014.

### Qube Holdings Limited (Qube)

Qube is Australia's largest integrated provider of import and export logistics services, and listed on the Australian Securities Exchange. Through WWHI, WWH owns 6.3% of Qube. The Qube investment is reported in WWH's accounts as "investment available for sale", with changes in market value of the shareholding reported under comprehensive income and dividend income reported as financial income.

Qube released its results for the full year to 30 June 2014 in late August. The results showed increase in underlying yearly revenue and earnings per share (EPS) of 27% and 13% respectively.

The Qube share price was up during the third quarter, increasing the market value of WWH's 66 million shares in Qube to AUD 165 million (equivalent to USD 144 million) as of 30 September 2014.

In September, Qube declared a second dividend of AUD 0.027 per share, payable in October. Total proceeds to WWHI of USD 2 million will be reported as financial income in the fourth quarter.

Value of investment:	End	End
Qube Logistics Holding Limited	Q3'14	Q2'14
Qube share price (AUD)	2,50	2,28
Qube shares held by WWH (million)	66	66
Value of WWH shareholding (AUD million)	165	150
Value of WWH shareholding (USD million)	144	141
Value of WWH shareholding (NOK million)	928	870
<b>Value per WWH/WWIB share (NOK)</b>	<b>20</b>	<b>19</b>

Return (in AUD):	Q3'14	YTD
Qube Logistics Holding Limited	Q3'14	YTD
Dividend (AUD per share)	0,000	0,024
Price return (share price development)	10 %	21 %
<b>Total return (incl. dividend; not reinvested)</b>	<b>10 %</b>	<b>22 %</b>

## Investment management

*Investment management include investment in equities, bonds and other financial assets available for sale and managed as part of an investment portfolio.*

The financial investment portfolio held by WWH was USD 103 million (USD 97 million) by the end of the third quarter, down from USD 105 million by the end of the previous quarter. The portfolio primarily included Nordic equities and investment-grade bonds. Net income/(expenses) from investment management was USD 2 million in the third quarter (income USD 5 million) .

## WWH share price and dividend

Share price and outstanding shares:	End	End
Wilh. Wilhelmsen Holding ASA	Q3'14	Q2'14
WWI share price (NOK)	175,00	193,00
WWIB share price (NOK)	176,00	197,50
WWI shares	34 637 092	34 637 092
- of which owned by the company	100 000	100 000
WWIB shares	11 866 732	11 866 732
- of which owned by the company	0	0
<b>Total outstanding shares</b>	<b>46 403 824</b>	<b>46 403 824</b>

Return:	Q3'14	YTD
Wilh. Wilhelmsen Holding ASA	Q3'14	YTD
WWI dividend (NOK per share)	0,00	3,00
WWI price return (share price development)	-9 %	-13 %
<b>WWI total return (incl. dividend; not reinvested)</b>	<b>-9 %</b>	<b>-12 %</b>
WWIB dividend (NOK per share)	0,00	3,00
WWIB price return (share price development)	-11 %	-13 %
<b>WWIB total return (incl. dividend; not reinvested)</b>	<b>-11 %</b>	<b>-11 %</b>

The WWH share price decreased during the third quarter, with the WWI share declining 9% to NOK 175.00 while the WWIB share also declined 9% to NOK 176.00.

WWH held 100.000 of its own WWI shares by the end of the quarter.

WWH's goal is to provide shareholders with a high return over time through a combination of rising value for the company's shares and payment of dividend.

A first dividend of NOK 3.00 per share was paid in May.

On 24 April 2014 the general meeting authorised the board of directors to distribute additional dividend of up to NOK 2.50 per share. In line with this authority, the board of directors has decided to pay a second dividend of NOK 2.00 per share. Last day of trading including dividend will be 13 November with payment of dividend expected to be on or about 27 November.

## Prospects

### **Wilh. Wilhelmsen ASA**

WWASA anticipates the group's profitability to continue to be negatively affected by the challenging market sentiment.

Volumes transported deep sea and handled at the group's logistics facilities is expected to increase slightly in the fourth quarter compared with the third quarter.

Short term, a decrease in the bunker price will have a positive effect on net bunker cost.

WWASA has a strong financial position with a healthy balance sheet. The group is positioned to meet the challenges in the industry and act upon market opportunities.

### **Wilhelmsen Maritime Services**

The general market sentiment will continue to impact WMS income short term. The underlying trend, however, remains positive, supported a gradual increase in world trade and operating fleet and a healthy WTS order reserve.

A process is ongoing related to the restructuring of the WTS business area.

### **Holding and investments**

While a softer market sentiment within the oil and gas sector will impact general purchasing activities, continued high production on the Norwegian shelf combined with new investment in the Danish and UK sectors should have a positive impact on NorSea Group.

Subject the broader economic environment, Qube expects continued growth in revenue and earnings per share in the next financial year.

### **WWH ASA group**

The board expects the market sentiment to remain challenging for the group's main activities. However, the group's underlying performance is anticipated to improve in the fourth quarter.

Lysaker, 10 November 2014

The board of directors of Wilh. Wilhelmsen Holding ASA

Forward-looking statements presented in this report are based on various assumptions. These assumptions were reasonable when made, but as assumptions are inherently subject to uncertainties and contingencies which are difficult or impossible to predict. WWH cannot give assurances that expectations regarding the future outlook will be achieved or accomplished.

## Income statement - segment reporting <sup>1</sup>

Joint ventures based on proportionate method

USD mill	WWASA group			WMS group			Holding and Investments <sup>3</sup>			Eliminations			Total		
	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013
<b>Quarter</b>															
Operating revenue	619	651	2 609	271	241	994	6	7	22	(8)	(7)	(28)	889	893	3 598
<b>Other income</b>															
Share of profits from associates	30	15	62	1	2	7	3	2	11				34	19	80
Gain on disposals of assets			1	1	1	4							1	1	5
<b>Total income</b>	<b>650</b>	<b>667</b>	<b>2 673</b>	<b>273</b>	<b>243</b>	<b>1 004</b>	<b>9</b>	<b>9</b>	<b>33</b>	<b>(8)</b>	<b>(7)</b>	<b>(28)</b>	<b>924</b>	<b>913</b>	<b>3 683</b>
<b>Operating expenses</b>															
Voyage expenses	(264)	(274)	(1 096)										(264)	(274)	(1 096)
Vessel expenses	(21)	(22)	(86)										(21)	(22)	(86)
Charter expenses	(83)	(80)	(335)										(83)	(80)	(335)
Inventory cost				(130)	(102)	(438)			(2)				(131)	(102)	(440)
Employee benefits	(49)	(53)	(204)	(78)	(77)	(304)	(5)	(6)	(20)			1	(133)	(135)	(528)
Other expenses	(123)	(123)	(507)	(41)	(38)	(160)	(4)	(4)	(16)	8	6	27	(160)	(158)	(656)
Depreciation and impairments	(44)	(38)	(152)	(6)	(7)	(26)			(1)				(50)	(45)	(179)
<b>Total operating expenses</b>	<b>(584)</b>	<b>(589)</b>	<b>(2 380)</b>	<b>(256)</b>	<b>(224)</b>	<b>(929)</b>	<b>(10)</b>	<b>(10)</b>	<b>(39)</b>	<b>8</b>	<b>7</b>	<b>28</b>	<b>(842)</b>	<b>(816)</b>	<b>(3 320)</b>
<b>Operating profit <sup>2</sup></b>	<b>66</b>	<b>78</b>	<b>293</b>	<b>17</b>	<b>20</b>	<b>76</b>	<b>(1)</b>	<b>(1)</b>	<b>(6)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>83</b>	<b>96</b>	<b>363</b>
Financial income/(expenses)	(9)	(14)	(8)	(9)	(2)	(4)	1	9	22				(17)	(7)	11
<b>Profit/(loss) before tax</b>	<b>57</b>	<b>64</b>	<b>285</b>	<b>8</b>	<b>18</b>	<b>72</b>	<b>0</b>	<b>7</b>	<b>17</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>66</b>	<b>89</b>	<b>374</b>
Tax income/(expense)	(3)	(4)	(12)	(2)	(5)	(25)	1	1	3				(4)	(8)	(34)
<b>Profit/(loss)</b>	<b>55</b>	<b>60</b>	<b>273</b>	<b>6</b>	<b>13</b>	<b>47</b>	<b>1</b>	<b>8</b>	<b>20</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>62</b>	<b>81</b>	<b>340</b>
Minority interests	15	17	76	1	2	5							16	18	80
<b>Profit/(loss) to the owners of parent</b>	<b>39</b>	<b>43</b>	<b>198</b>	<b>5</b>	<b>11</b>	<b>43</b>	<b>1</b>	<b>8</b>	<b>20</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>46</b>	<b>63</b>	<b>260</b>

<sup>1</sup> The report is based on the proportionate method for all material joint ventures in the WWH group.

In Wilh. Wilhelmsen Holding group's financial interim reports, the equity method is applied for consolidation of joint ventures. This method provides a fair presentation of the group's financial position. However, during the day to day operations, management are using the proportionate method for their analysis and decision making.

<sup>2</sup> Cash settled portion of bunker hedge swaps is included in net operating profit by reduction/(increase) of voyage related expenses.

<sup>3</sup> Holding and Investments includes Wilh. Wilhelmsen Holding ASA, Wilh. Wilhelmsen Holding Invest group and minor activities which fail to meet the definition for other segments.

## Income statement - segment reporting <sup>1</sup>

Joint ventures based on proportionate method

USD mill	WWASA group			WMS group			Holding and Investments <sup>3</sup>			Eliminations			Total		
	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013
<b>Year to date</b>															
Operating revenue	1 912	1 958	2 609	821	733	994	20	18	22	(25)	(21)	(28)	2 728	2 689	3 598
<b>Other income</b>															
Share of profits from associates	56	44	62	4	5	7	8	9	11				68	58	80
Gain on disposals of assets			1	7	3	4							7	3	5
<b>Total income</b>	<b>1 968</b>	<b>2 002</b>	<b>2 673</b>	<b>832</b>	<b>741</b>	<b>1 004</b>	<b>27</b>	<b>27</b>	<b>33</b>	<b>(25)</b>	<b>(21)</b>	<b>(28)</b>	<b>2 803</b>	<b>2 749</b>	<b>3 683</b>
<b>Operating expenses</b>															
Voyage expenses	(807)	(825)	(1 096)										(807)	(825)	(1 096)
Vessel expenses	(63)	(66)	(86)										(63)	(66)	(86)
Charter expenses	(247)	(251)	(335)										(247)	(251)	(335)
Inventory cost				(388)	(317)	(438)	(1)	(1)	(2)				(389)	(319)	(440)
Employee benefits	(171)	(154)	(204)	(232)	(229)	(304)	(16)	(15)	(20)	1	1	1	(418)	(398)	(528)
Other expenses	(385)	(366)	(507)	(128)	(120)	(160)	(12)	(11)	(16)	24	20	27	(501)	(477)	(656)
Depreciation and impairments	(118)	(113)	(152)	(20)	(19)	(26)	(1)	(1)	(1)				(139)	(133)	(179)
<b>Total operating expenses</b>	<b>(1 791)</b>	<b>(1 776)</b>	<b>(2 380)</b>	<b>(768)</b>	<b>(685)</b>	<b>(929)</b>	<b>(30)</b>	<b>(29)</b>	<b>(39)</b>	<b>25</b>	<b>21</b>	<b>28</b>	<b>(2 564)</b>	<b>(2 469)</b>	<b>(3 320)</b>
<b>Operating profit <sup>2</sup></b>	<b>177</b>	<b>227</b>	<b>293</b>	<b>64</b>	<b>55</b>	<b>76</b>	<b>(2)</b>	<b>(1)</b>	<b>(6)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>239</b>	<b>280</b>	<b>363</b>
Financial income/(expenses)	(56)	1	(8)	(26)	(4)	(4)	8	16	22				(73)	12	11
<b>Profit/(loss) before tax</b>	<b>121</b>	<b>227</b>	<b>285</b>	<b>39</b>	<b>51</b>	<b>72</b>	<b>6</b>	<b>14</b>	<b>17</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>166</b>	<b>293</b>	<b>374</b>
Tax income/(expense)	(9)	(21)	(12)	(10)	(13)	(25)	3	(1)	3				(16)	(36)	(34)
<b>Profit/(loss)</b>	<b>112</b>	<b>206</b>	<b>273</b>	<b>29</b>	<b>38</b>	<b>47</b>	<b>9</b>	<b>13</b>	<b>20</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>150</b>	<b>257</b>	<b>340</b>
Minority interests	32	57	76	3	4	5							34	61	80
<b>Profit/(loss) to the owners of parent</b>	<b>80</b>	<b>149</b>	<b>198</b>	<b>26</b>	<b>34</b>	<b>43</b>	<b>9</b>	<b>13</b>	<b>20</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>115</b>	<b>196</b>	<b>260</b>

<sup>1/2/3</sup> Comments - see previous page

### 2014: Disposals gain/(loss) of assets and impairment charges (Included in share of profits from joint ventures and associates)

Q1 - No material gain/loss.

Q2 - No material gain/loss.

Q3 - No material gain/loss.

### 2013: Disposals gain/(loss) of assets and impairment charges (Included in share of profits from joint ventures and associates)

Q1 - No material gain/loss.

Q2 - No material gain/loss.

Q3 - No material gain/loss.

Q4 - No material gain/loss.

## Income statement - segment reporting <sup>1</sup>

Joint ventures based on proportionate method

USD mill	WWASA group				WMS group				Holding & Investments <sup>3</sup>				Total incl eliminations			
	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2013	Q1 2014	Q2 2014	Q3 2014
<b>Quarter on quarter</b>																
Operating revenue	651	626	667	619	260	274	276	271	4	7	7	6	909	898	941	889
<b>Other income</b>																
Share of profits from associates	19	11	15	30	2	2	1	1	2	1	4	3	22	14	19	34
Gain on disposals of assets	1				1	1	4	1					2	1	4	1
<b>Total income</b>	<b>671</b>	<b>637</b>	<b>682</b>	<b>650</b>	<b>264</b>	<b>277</b>	<b>281</b>	<b>273</b>	<b>6</b>	<b>8</b>	<b>10</b>	<b>9</b>	<b>934</b>	<b>914</b>	<b>965</b>	<b>924</b>
<b>Operating expenses</b>																
Voyage expenses	(271)	(261)	(282)	(264)									(271)	(261)	(282)	(264)
Vessel expenses	(21)	(22)	(20)	(21)									(21)	(22)	(20)	(21)
Charter expenses	(84)	(81)	(83)	(83)									(84)	(81)	(83)	(83)
Inventory cost					(121)	(128)	(130)	(130)					(121)	(128)	(130)	(131)
Employee benefits	(50)	(50)	(71)	(49)	(75)	(77)	(77)	(78)	(5)	(6)	(5)	(5)	(130)	(133)	(152)	(133)
Other expenses	(140)	(132)	(131)	(123)	(40)	(42)	(45)	(41)	(5)	(3)	(4)	(4)	(179)	(169)	(172)	(160)
Depreciation and impairments	(39)	(37)	(38)	(44)	(7)	(6)	(7)	(6)					(46)	(43)	(45)	(50)
<b>Total operating expenses</b>	<b>(604)</b>	<b>(583)</b>	<b>(625)</b>	<b>(584)</b>	<b>(243)</b>	<b>(253)</b>	<b>(259)</b>	<b>(256)</b>	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>	<b>(851)</b>	<b>(837)</b>	<b>(885)</b>	<b>(842)</b>
<b>Operating profit <sup>2</sup></b>	<b>66</b>	<b>54</b>	<b>57</b>	<b>66</b>	<b>20</b>	<b>25</b>	<b>23</b>	<b>17</b>	<b>(4)</b>	<b>(2)</b>	<b>0</b>	<b>(1)</b>	<b>82</b>	<b>76</b>	<b>80</b>	<b>83</b>
Financial income/(expenses)	(8)	(16)	(31)	(9)	1	(3)	(13)	(9)	7	3	4	1	(1)	(16)	(40)	(17)
<b>Profit/(loss) before tax</b>	<b>58</b>	<b>38</b>	<b>26</b>	<b>57</b>	<b>21</b>	<b>21</b>	<b>10</b>	<b>8</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>81</b>	<b>60</b>	<b>40</b>	<b>66</b>
Tax income/(expense)	9	(6)		(3)	(12)	(6)	(2)	(2)	4	1	1	1	2	(11)	(2)	(4)
<b>Profit/(loss)</b>	<b>67</b>	<b>32</b>	<b>26</b>	<b>55</b>	<b>10</b>	<b>16</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>2</b>	<b>6</b>	<b>1</b>	<b>83</b>	<b>49</b>	<b>39</b>	<b>62</b>
Minority interests	18	9	8	15	1	1	1	1					19	10	8	16
<b>Profit/(loss) to the owners of parent</b>	<b>48</b>	<b>23</b>	<b>18</b>	<b>39</b>	<b>9</b>	<b>15</b>	<b>6</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>6</b>	<b>1</b>	<b>64</b>	<b>39</b>	<b>30</b>	<b>46</b>

<sup>1/2/3</sup> Comments - see previous page

## Notes - segment reporting

Joint ventures based on proportionate method

### Note 1 - Financial income/(expenses)

USD mill	01.07-30.09 2014	01.07-30.09 2013	YTD 2014	YTD 2013	Full year 2013
<b>Financial items</b>					
Investment management <sup>1</sup>	1,6	13,5	18,5	18,9	29,5
Interest income	1,6	2,5	6,1	7,3	9,6
Other financial items	(3,5)	2,6	(10,2)	2,3	4,3
<b>Net financial items</b>	<b>(0,3)</b>	<b>18,6</b>	<b>14,3</b>	<b>28,5</b>	<b>43,4</b>
<b>Financial - interest expenses</b>					
Interest expenses	(16,4)	(19,8)	(58,5)	(60,1)	(79,7)
Interest rate derivatives - realised	(8,7)	(8,9)	(19,8)	(25,0)	(38,8)
<b>Net financial - interest expenses</b>	<b>(25,1)</b>	<b>(28,7)</b>	<b>(78,3)</b>	<b>(85,1)</b>	<b>(118,5)</b>
<b>Interest rate derivatives - unrealised</b>	<b>10,3</b>	<b>2,3</b>	<b>(1,7)</b>	<b>52,5</b>	<b>71,2</b>
<b>Financial currency</b>					
Net currency gain/(loss)	8,0	(4,1)	(0,3)	48,6	56,5
Currency derivatives - realised	2,5	0,2	(0,8)	(3,8)	(7,7)
Currency derivatives - unrealised	6,4	(3,3)	12,0	(13,1)	(14,2)
Cross currency derivatives - realised	1,0	1,1	9,7	2,4	3,4
Cross currency derivatives - unrealised	(20,0)	7,2	(27,6)	(17,2)	(19,8)
<b>Net financial currency</b>	<b>(2,0)</b>	<b>1,0</b>	<b>(7,0)</b>	<b>16,9</b>	<b>18,1</b>
<b>Financial derivatives bunkers</b>					
Valuation of bunker hedges		(0,6)	(0,3)	(0,7)	(3,2)
<b>Net financial derivatives bunkers</b>	<b>0,0</b>	<b>(0,6)</b>	<b>(0,3)</b>	<b>(0,7)</b>	<b>(3,2)</b>
<b>Financial income/(expenses)</b>	<b>(17,1)</b>	<b>(7,4)</b>	<b>(73,1)</b>	<b>12,1</b>	<b>11,0</b>

<sup>1</sup> Includes financial derivatives for trading

### Realised bunker and fuel hedges included in operating expenses

USD mill	01.07-30.09 2014	01.07-30.09 2013	YTD 2014	YTD 2013	Full year 2013
Cash settled bunker and fuel hedges		2,7	0,5	7,6	10,3

## Notes - segment reporting

Joint ventures based on proportionate method

### Note 2 - Restatement of elimination of related party transactions WWASA segment

Related party transactions (Time charter income, space charter and other income from terminal activities) between Eukor Car Carriers Inc (Eukor) and Wallenius Wilhelmsen Logistics AS (WWL) is eliminated in the consolidated accounts.

During 2014 the group has reviewed and analysed the intercompany transactions between the group joint venture's WWL and EUKOR. EUKOR revenues where

WWL acted as collector has previously been eliminated in the consolidated accounts. These revenues are a part of the group revenues in Income statement based on proportionate consolidation for joint ventures. The adjustments have no effect on EBIT or net profit.

The 2013 figures are restated and showed below.

USD mill	As reported								After restatement											
	WWASA group				WWH group total				Restatement				WWASA group				WWH group total			
	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2013	Q2 2013	Q3 2013	Q4 2013
Operating revenue	597	640	612	610	842	885	853	869	32	38	40	41	628	678	651	651	873	923	893	909
Share of profits from associates and JV's and gain on sale of assets	17	11	16	20	23	18	20	25	0	0	0	0	17	11	16	20	23	18	20	25
<b>Total income</b>	<b>614</b>	<b>652</b>	<b>627</b>	<b>630</b>	<b>864</b>	<b>903</b>	<b>873</b>	<b>893</b>	<b>32</b>	<b>38</b>	<b>40</b>	<b>41</b>	<b>646</b>	<b>689</b>	<b>667</b>	<b>671</b>	<b>896</b>	<b>941</b>	<b>913</b>	<b>934</b>
<b>Operating expenses</b>																				
Voyage expenses	(226)	(239)	(224)	(220)	(226)	(239)	(224)	(220)	(39)	(47)	(50)	(51)	(265)	(286)	(274)	(271)	(265)	(286)	(274)	(271)
Other expenses	(128)	(132)	(133)	(151)	(167)	(169)	(168)	(189)	8	9	10	10	(120)	(123)	(123)	(140)	(159)	(159)	(158)	(179)
Vessel expenses, charter expenses, employee benefits, depreciation and impairments	(193)	(199)	(193)	(193)	(393)	(389)	(384)	(402)	0	0	0	0	(193)	(199)	(193)	(193)	(393)	(389)	(384)	(402)
<b>Total operating expenses</b>	<b>(547)</b>	<b>(570)</b>	<b>(549)</b>	<b>(564)</b>	<b>(786)</b>	<b>(797)</b>	<b>(777)</b>	<b>(811)</b>	<b>(32)</b>	<b>(38)</b>	<b>(40)</b>	<b>(41)</b>	<b>(579)</b>	<b>(608)</b>	<b>(589)</b>	<b>(604)</b>	<b>(818)</b>	<b>(834)</b>	<b>(816)</b>	<b>(851)</b>
<b>Operating profit</b>	<b>67</b>	<b>82</b>	<b>78</b>	<b>66</b>	<b>78</b>	<b>106</b>	<b>96</b>	<b>82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>67</b>	<b>82</b>	<b>78</b>	<b>66</b>	<b>78</b>	<b>106</b>	<b>96</b>	<b>82</b>

This have an effect on the proportionate method figures only. Figures based on equity method will not be effected.



# FINANCIAL REPORT



Wilh. Wilhelmsen

# '14

Wilh. Wilhelmsen Holding ASA

THIRD QUARTER 2014

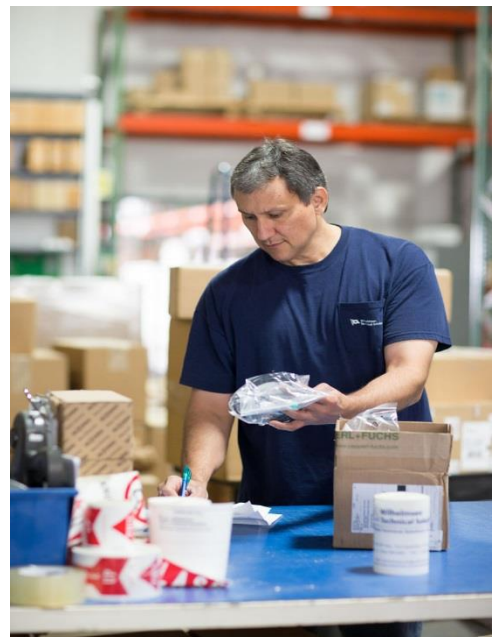
**Investor Relations contact:**

Åge S. Holm  
Phone: +47 67 58 41 95  
Mobile: +47 90 08 76 70  
aage.s.holm@wilhelmsen.com

**Media contact:**

Benedicte Teigen Gude  
Phone: +47 67 58 41 77  
Mobile: +47 95 90 79 51  
benedicte.teigen.gude@wilhelmsen.com

[www.wilhelmsen.com](http://www.wilhelmsen.com)



# Report for the third quarter of 2014

## Financial report

In Wilh. Wilhelmsen Holding's financial report the equity method is applied for consolidation of joint ventures. This method provides a fair presentation of the group's financial position.

## Key figures

(USD mill)	Q3'14	Q2'14	Q-on-Q Change	Q3'13	Y-o-Y Change	01.01- 30.09.14	01.01- 30.09.13	Y-o-Y Change
<b>Total income</b>	<b>391</b>	394	-1 %	375	4 %	<b>1 168</b>	1 139	3 %
<b>EBITDA</b>	<b>103</b>	96	7 %	113	-9 %	<b>291</b>	334	-13 %
<b>Operating profit/EBIT</b>	<b>77</b>	69	12 %	86	-10 %	<b>214</b>	253	-16 %
<b>Profit(loss) after minority</b>	<b>46</b>	30	52 %	63	-27 %	<b>115</b>	196	-41 %
<b>EPS (USD)</b>	<b>0,99</b>	0,65	52 %	1,36	-27 %	<b>2,48</b>	4,22	-41 %

## Financial summary

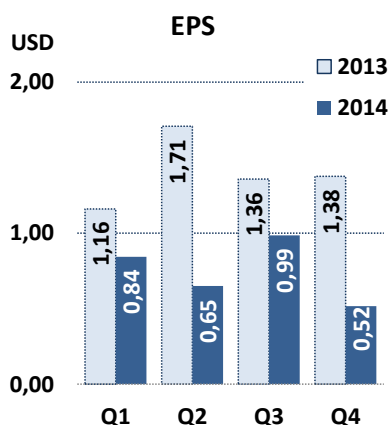
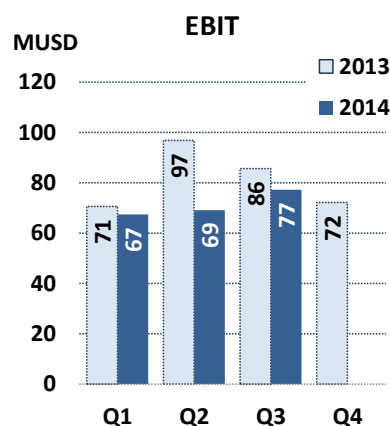
### Result for the third quarter

Total income for the Wilh. Wilhelmsen Holding ASA group (WWH) was USD 391 million for the third quarter of 2014 compared with USD 375 million in the corresponding period last year, representing an increase of 4% (figures for the corresponding period of 2013 will hereafter be shown in brackets). Compared with the previous quarter, total income declined by 1%.

Wilh. Wilhelmsen ASA (WWASA) reported a decline in operating income due to seasonal reduction in shipping volumes and loss of a logistics contract. Wilhelmsen Maritime Services (WMS) continued to grow the top line on a year over year basis supported by increased activities within technical solution. Compared with the second quarter the WMS income was stable adjusted for seasonality, sales gain and currency.

Operating profit for the third quarter was USD 77 million (USD 86 million), down by 10% compared with the same period last year and a 12% increase compared with the previous quarter. The second quarter was impacted by a USD 22 million restructuring cost in WWASA as well as a USD 4 million sales gain in WMS, while the third quarter included a net positive USD 2 million non-recurring gain related to WWASA logistics. Adjusted for these items, operating profit was down 14% compared with the previous quarter mainly due to reduced contribution from WWASA shipping and a less favourable product mix in WMS.

Net financials was an expense of USD 13 million in the third quarter (expense of USD 4 million). It was positively impacted by a USD 1 million gain on interest rate derivatives (loss of USD 6 million) but negatively influenced by a net financial currency expense of USD 2 million (nil). Investment management reported a gain of USD 2 million for the quarter (gain of USD 14 million).



Tax was included with an expense of USD 3 million (expense of USD 1 million).

Minority interests' share of profit in the third quarter was USD 15 million (USD 18 million), of which USD 15 million was related to minority shareholders in WWASA (USD 16 million).

Net profit after minority interests was USD 46 million in the third quarter (USD 63 million), up from USD 30 million in the second quarter.

## Cash flow, liquidity and debt

The WWH group's net cash flow in the third quarter 2014 from operating, investing and financing activities was positive with USD 46 million (positive with USD 14 million). Cash flow from operating activities was USD 40 million (USD 46 million), reflecting a lower operating result year over year. Cash flow from investing activities was negative with USD 12 million (positive with USD 23 million), driven by fixed asset investments. Cash flow from financing activities was positive with USD 18 million (negative with USD 55 million), reflecting increase in debt of USD 30 million.

Cash and cash equivalents were USD 428 million by end of the third quarter of 2014, up from USD 383 million by the end of the previous quarter. Total liquid assets including current financial investments were USD 778 million compared with USD 749 million three months earlier. The main group companies also have undrawn committed drawing rights to cover any short term cash flow needs, including where relevant back stop for outstanding certificates and bonds with a remaining term of less than 12 months to maturity.

The WWH group carries out active financial asset management of part of the group's liquidity. The value of the group's investment portfolio amounted to USD 350 million at the end of the third quarter, with investments in various asset classes including Nordic shares and investment grade bonds. Of this, USD 103 million were in the parent company.

The group funds its investments and operations from several capital sources, including the commercial bank loan market, financial leases, export financing and the Norwegian bond market. Business activities are primarily financed over the balance sheet of the relevant subsidiary or joint venture.

As of 30 September 2014 the group's total interest-bearing debt was USD 1 869 million (USD 1 876 million as per 30 June 2014), of which USD 47 million related to Holding and Investments (USD 49 million as per 30 June 2014), USD 338 million related to the WMS group (USD 337 million as per 30 June 2014) and USD 1 485 million related to the WWASA group (USD 1 489 million as per 30 June 2014).

## Income statement - financial report

Joint ventures based on equity method

USD mill	Note	01.07-30.09 2014	01.07-30.09 2013	YTD 2014	YTD 2013	Full year 2013
Operating revenue		340	318	1 026	972	1 313
<b>Other income</b>						
Share of profits from joint ventures and associates		50	57	135	164	200
Gain on disposals of assets	2	1	1	7	3	5
<b>Total income</b>		<b>391</b>	<b>375</b>	<b>1 168</b>	<b>1 139</b>	<b>1 518</b>
<b>Operating expenses</b>						
Vessel expenses		(11)	(13)	(36)	(41)	(53)
Charter expenses		(6)	(7)	(17)	(21)	(28)
Inventory cost		(131)	(102)	(389)	(318)	(439)
Employee benefits		(99)	(102)	(308)	(304)	(402)
Other expenses		(41)	(38)	(125)	(120)	(161)
Depreciation and impairments	3	(25)	(27)	(78)	(81)	(109)
<b>Total operating expenses</b>		<b>(314)</b>	<b>(290)</b>	<b>(954)</b>	<b>(885)</b>	<b>(1 193)</b>
<b>Operating profit</b>		<b>77</b>	<b>86</b>	<b>214</b>	<b>253</b>	<b>325</b>
Financial income/(expenses)	4	(13)	(4)	(59)	24	28
<b>Profit before tax</b>		<b>64</b>	<b>82</b>	<b>155</b>	<b>277</b>	<b>353</b>
Tax income/(expense)	5	(3)	(1)	(7)	(21)	(15)
<b>Profit for the period</b>		<b>61</b>	<b>81</b>	<b>148</b>	<b>256</b>	<b>339</b>
Attributable to: minority interests		15	18	33	59	79
owners of the parent		46	63	115	196	260
Basic earnings per share (USD)	6	0,99	1,36	2,48	4,22	5,60

## Comprehensive income - financial report

Joint ventures based on equity method

USD mill		01.07-30.09 2014	01.07-30.09 2013	YTD 2014	YTD 2013	Full year 2013
<b>Profit for the period</b>		<b>61</b>	<b>81</b>	<b>148</b>	<b>256</b>	<b>339</b>
<b>Items that will be reclassified to income statement</b>						
Net investment hedge/cash flow hedges (net after tax)		(2)		(1)	(4)	(4)
Revaluation market to market value		13	23	32	22	23
Currency translation differences		(41)	13	(33)	(28)	(39)
<b>Items that will not be reclassified to income statement</b>						
Remeasurement postemployment benefits, net of tax		0				(12)
<b>Other comprehensive income, net of tax</b>		<b>(29)</b>	<b>35</b>	<b>(2)</b>	<b>(10)</b>	<b>(33)</b>
<b>Total comprehensive income for the period</b>		<b>32</b>	<b>116</b>	<b>146</b>	<b>245</b>	<b>306</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the parent		17	98	113	186	230
Minority interests		15	18	34	59	76
<b>Total comprehensive income for the period</b>		<b>32</b>	<b>116</b>	<b>146</b>	<b>245</b>	<b>306</b>

The above consolidated income statement should be read in conjunction with the accompanying notes.

## Balance sheet - financial report

Joint ventures based on equity method

USD mill	Note	30.09.2014	30.09.2013	31.12.2013
<b>Non current assets</b>				
Deferred tax asset	5	21	17	22
Goodwill and other intangible assets	3	306	306	309
Vessels, property and other tangible assets	3	1 979	2 035	2 030
Investments in joint ventures and associates		1 321	1 196	1 218
Other non current assets	7	170	158	150
<b>Total non current assets</b>		<b>3 797</b>	<b>3 713</b>	<b>3 728</b>
<b>Current assets</b>				
Inventory		126	131	125
Current financial investments		350	342	348
Other current assets		416	454	342
Cash and cash equivalents		428	401	403
<b>Total current assets</b>		<b>1 320</b>	<b>1 328</b>	<b>1 218</b>
<b>Total assets</b>		<b>5 117</b>	<b>5 042</b>	<b>4 946</b>
<b>Equity</b>				
Paid-in capital	6	122	122	122
Retained earnings and other reserves	6/8	1 804	1 686	1 715
<b>Attributable to equity holders of the parent</b>		<b>1 926</b>	<b>1 808</b>	<b>1 837</b>
Minority interests		470	440	449
<b>Total equity</b>		<b>2 395</b>	<b>2 249</b>	<b>2 286</b>
<b>Non current liabilities</b>				
Pension liabilities		101	92	108
Deferred tax	5	59	77	62
Non current interest-bearing debt	9	1 647	1 762	1 608
Other non current liabilities		222	201	185
<b>Total non current liabilities</b>		<b>2 028</b>	<b>2 132</b>	<b>1 963</b>
<b>Current liabilities</b>				
Current income tax		2	9	14
Public duties payable		6	10	14
Current interest-bearing debt	9	223	125	243
Other current liabilities		462	517	426
<b>Total current liabilities</b>		<b>694</b>	<b>661</b>	<b>698</b>
<b>Total equity and liabilities</b>		<b>5 117</b>	<b>5 042</b>	<b>4 946</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

## Cash flow statement - financial report

### Joint ventures based on equity method

USD mill	Note	01.07-30.09 2014	01.07-30.09 2013	YTD 2014	YTD 2013	Full year 2013
<b>Cash flow from operating activities</b>						
Profit before tax		64	82	155	277	353
Financial (income)/expenses		4	14	34	2	(1)
Financial derivatives unrealised		5	(6)	18	(20)	(34)
Depreciation/impairment	3	25	27	78	81	109
Loss/ (gain) on sale of fixed assets	3		(1)	(1)	(3)	2
(Gain)/loss from sale off subsidiaries, joint ventures and associates				(4)		
Change in net pension asset/liability		(3)	(4)	(6)	(5)	(9)
Change in inventory		(3)	(22)	(5)	(19)	(14)
Change in working capital		(5)	8	(32)	(32)	(7)
Share of profit from joint ventures and associates		(50)	(57)	(135)	(164)	(200)
Dividend received from joint ventures and associates		5	3	40	36	50
Tax paid (company income tax, withholding tax)		(4)	2	(10)		(7)
<b>Net cash provided by operating activities</b>		<b>40</b>	<b>46</b>	<b>131</b>	<b>153</b>	<b>243</b>
<b>Cash flow from investing activities</b>						
Proceeds from sale of fixed assets	3	9	11	22	16	22
Investments in fixed assets	3	(21)	(9)	(75)	(57)	(92)
Net proceeds from sale of subsidiaries				9		
Net proceeds from sale of joint ventures and associates				1		1
Investments in joint ventures and associates	2			(17)		
Loan repayments received from joint ventures and associates					3	3
Loans granted to joint ventures and associates		1		(1)	1	1
Repayments of loan from joint ventures and associates					(3)	(3)
Proceeds from sale of financial investments		21	35	73	89	127
Investments in financial investments		(24)	(15)	(78)	(187)	(216)
Interest received		1	2	5	6	8
Changes in other investments			(2)			1
<b>Net cash flow from investing activities</b>		<b>(12)</b>	<b>23</b>	<b>(62)</b>	<b>(132)</b>	<b>(148)</b>
<b>Cash flow from financing activities</b>						
Proceeds from issue of debt		177		669	122	122
Repayment of debt		(147)	(35)	(607)	(177)	(205)
Interest paid including interest derivatives		(14)	(21)	(60)	(68)	(103)
Cash from financial derivatives		3	1	8	(1)	(4)
Dividend to shareholders/purchase of own shares		(1)		(37)	(73)	(97)
<b>Net cash flow from financing activities</b>		<b>18</b>	<b>(55)</b>	<b>(27)</b>	<b>(196)</b>	<b>(286)</b>
<b>Net increase in cash and cash equivalents <sup>1</sup></b>		<b>46</b>	<b>14</b>	<b>43</b>	<b>(175)</b>	<b>(191)</b>
Cash and cash equivalents at the beg. of the period <sup>1</sup>		383	387	386	576	576
<b>Cash and cash equivalents at the end of the period <sup>1</sup></b>		<b>428</b>	<b>401</b>	<b>428</b>	<b>401</b>	<b>386</b>

<sup>1</sup> Excluding restricted cash.

The group is located and operating world wide, and every entity has several bank accounts in different currencies. Unrealised currency effects are included in net cash provided by operating activities.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

## Statement of changes in equity - financial report

Joint ventures based on equity method

### Statement of changes in equity - Year to date

USD mill	Share capital	Reserves	Retained earnings	Total	Minority interests	Total equity
<b>Balance at 01.01.2014</b>	<b>122</b>	<b>6</b>	<b>1 707</b>	<b>1 836</b>	<b>450</b>	<b>2 286</b>
Profit for the period			115	115	33	148
Comprehensive income		(2)		(2)	1	(2)
Paid dividends to shareholders			(23)	(23)	(14)	(37)
<b>Balance 30.09.2014</b>	<b>122</b>	<b>3</b>	<b>1 800</b>	<b>1 926</b>	<b>470</b>	<b>2 395</b>
<b>Balance at 01.01.2013</b>	<b>122</b>	<b>36</b>	<b>1 491</b>	<b>1 649</b>	<b>427</b>	<b>2 077</b>
Profit for the period			196	196	59	256
Comprehensive income		(10)		(10)		(11)
Paid dividends to shareholders			(29)	(29)	(44)	(73)
<b>Balance 30.09.2013</b>	<b>122</b>	<b>26</b>	<b>1 659</b>	<b>1 807</b>	<b>442</b>	<b>2 249</b>

### Statement of changes in equity - Full year 2013

USD mill	Share capital	Reserves	Retained earnings	Total	Minority interests	Total equity
<b>Balance at 01.01.2013</b>	<b>122</b>	<b>36</b>	<b>1 491</b>	<b>1 649</b>	<b>427</b>	<b>2 077</b>
Profit for the period			260	260	79	339
Comprehensive income		(30)		(30)	(3)	(33)
Paid dividends to shareholders			(44)	(44)	(53)	(97)
<b>Balance 31.12.2013</b>	<b>122</b>	<b>6</b>	<b>1 707</b>	<b>1 836</b>	<b>450</b>	<b>2 286</b>

The above consolidated statement of statement of changes in equity should be read in conjunction with the accompanying notes.

## Notes - financial report

### Joint ventures based on equity method

#### Note 1 - Accounting principles

##### General information

This consolidated interim financial report has been prepared in accordance with International Accounting Standards (IAS 34), "interim financial reporting". The consolidated interim financial reporting should be read in conjunction with the annual financial statements for the year end 31 December 2013 for Wilh. Wilhelmsen Holding ASA group (WWI), which has been prepared in accordance with IFRS's endorsed by the EU.

##### Basic policies

The accounting policies implemented are consistent with those of the annual financial statements for WWI for the year end 31 December 2013.

IFRS 10 «Consolidated Financial Statements», IFRS 11 «Joint Arrangements» and IFRS 12 "Disclosure of Interest in Other Entities" have been implemented for annual periods beginning 1 January 2014.

According to IFRS 11 a joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The group have assessed its rights and obligations and concluded that all joint arrangements are joint ventures that should be consolidated according to the equity method. Hence, the implementation of the new standards have not had any effect on the group's consolidation of their investment into the financial statements.

##### Roundings

As a result of rounding adjustments, the figures in one or more columns may not add up to the total of that column.

#### Note 2 - Significant acquisitions and disposals

##### 2014

There has not been any significant acquisitions or disposals during the first, second or third quarter.

##### 2013

###### First, second, third and fourth quarter

There has not been any significant acquisitions or disposals during the first, second, third and fourth quarter of 2013.



## Notes - financial report

Joint ventures based on equity method

### Note 3 - Tangible and intangible assets

USD mill	Vessels / Newbuilding contracts	Other tangible assets	Intangible assets	Total tangible and intangible assets
<b>2014</b>				
Cost price 1.1	2 467	336	393	3 196
Acquisition	30	16	29	75
Reclass/disposal	(99)	(8)	(5)	(112)
Currency translation differences		(12)	(26)	(39)
<b>Cost price 30.09</b>	<b>2 398</b>	<b>331</b>	<b>391</b>	<b>3 120</b>
Accumulated depreciation and impairment losses 1.1	(647)	(126)	(84)	(857)
Depreciation/amortisation	(57)	(12)	(9)	(78)
Reclass/disposal	82	4	3	89
Currency translation differences		6	5	11
<b>Accumulated depreciation and impairment losses 30.09</b>	<b>(622)</b>	<b>(129)</b>	<b>(84)</b>	<b>(835)</b>
<b>Carrying amounts 30.09</b>	<b>1 776</b>	<b>203</b>	<b>306</b>	<b>2 285</b>
<b>2013</b>				
Cost price 1.1	2 508	338	398	3 244
Acquisition	25	18	11	54
Reclass/disposal	(59)	(9)	(2)	(70)
Currency translation differences		(14)	(19)	(33)
<b>Cost price 30.09</b>	<b>2 474</b>	<b>334</b>	<b>388</b>	<b>3 196</b>
Accumulated depreciation and impairment losses 1.1	(641)	(123)	(79)	(843)
Depreciation/amortisation	(61)	(12)	(8)	(81)
Reclass/disposal	53	5	1	59
Currency translation differences		6	4	10
<b>Accumulated depreciation and impairment losses 30.09</b>	<b>(649)</b>	<b>(125)</b>	<b>(81)</b>	<b>(855)</b>
<b>Carrying amounts 30.09</b>	<b>1 825</b>	<b>210</b>	<b>306</b>	<b>2 341</b>
<b>2013</b>				
Cost price 1.1	2 508	338	398	3 244
Acquisition	47	25	19	92
Reclass/disposal	(88)	(11)	(3)	(102)
Currency translation differences		(16)	(21)	(38)
<b>Cost price 31.12</b>	<b>2 467</b>	<b>336</b>	<b>393</b>	<b>3 196</b>
Accumulated depreciation and impairment losses 1.1	(641)	(123)	(79)	(843)
Depreciation/amortisation	(82)	(16)	(11)	(109)
Reclass/disposal	76	6	2	84
Currency translation differences		7	5	12
<b>Accumulated depreciation and impairment losses 31.12</b>	<b>(647)</b>	<b>(126)</b>	<b>(84)</b>	<b>(857)</b>
<b>Carrying amounts 31.12</b>	<b>1 820</b>	<b>209</b>	<b>309</b>	<b>2 339</b>

## Notes - financial report

Joint ventures based on equity method

### Note 4 - Financial income/(expenses)

USD mill	01.07-30.09 2014	01.07-30.09 2013	YTD 2014	YTD 2013	Full year 2013
<b>Financial items</b>					
Investment management	1,6	13,5	18,2	18,6	29,2
Interest income	1,3	2,0	5,0	6,1	7,9
Other financial items	(3,5)	2,3	(10,1)	1,5	3,4
<b>Net financial items</b>	<b>(0,6)</b>	<b>17,8</b>	<b>13,1</b>	<b>26,2</b>	<b>40,5</b>
<b>Financial - interest expenses</b>					
Interest expenses	(11,9)	(15,7)	(45,7)	(47,7)	(63,3)
Interest rate derivatives - realised	(8,1)	(8,3)	(17,9)	(23,8)	(36,9)
<b>Net financial - interest expenses</b>	<b>(20,0)</b>	<b>(24,0)</b>	<b>(63,6)</b>	<b>(71,5)</b>	<b>(100,2)</b>
<b>Interest rate derivatives - unrealised</b>	<b>9,3</b>	<b>2,5</b>	<b>(2,0)</b>	<b>50,5</b>	<b>68,3</b>
<b>Financial currency</b>					
Net currency gain/(loss)	10,0	(4,8)	1,8	49,5	57,3
Currency derivatives - realised	2,1	0,4	(1,3)	(3,3)	(7,3)
Currency derivatives - unrealised	5,4	(4,2)	11,1	(13,2)	(14,2)
Cross currency derivatives - realised	1,0	1,1	9,7	2,4	3,4
Cross currency derivatives - unrealised	(20,0)	7,2	(27,6)	(17,2)	(19,8)
<b>Net financial currency</b>	<b>(1,5)</b>	<b>(0,4)</b>	<b>(6,3)</b>	<b>18,3</b>	<b>19,3</b>
<b>Financial income/(expenses)</b>	<b>(12,8)</b>	<b>(4,0)</b>	<b>(58,8)</b>	<b>23,5</b>	<b>28,0</b>

### Note 5 - Tax

WWASA' subsidiary Wilhelmsen Lines Shipowning (WLS) has commenced legal proceedings before Oslo City Court on basis of the tax appeal board's decision to turn down the application for tonnage tax. Basis for the proceedings is that the transition rule valid for companies that exited the old tonnage tax regime (abolished in 2007) into ordinary taxation, is in breach with The Constitution article 97. Such claim is in line with the decision by the Norwegian Supreme Court in the ruling of February 2010 that the transition rule valid for companies that exited the old tonnage tax regime into the new tonnage tax system was in breach with the constitution.

Alternatively WLS claim a compensation for the economic loss caused by the unconstitutional transition rule. WLS had to choose between two transition rules which both was claimed by the authorities to be constitutional. WLS choice to exit into ordinary taxation was hence based on wrong assumptions.

Until WWH group face the final outcome of the litigation process, this case will have no impact on the income statement or balance sheet for the group except for some minor legal cost.

The effective tax rate for the group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method and tax exempt revenues from tonnage tax regimes.

## Notes - financial report

### Joint ventures based on equity method

#### Note 6 - Shares

The share capital is as follow with a nominal value of NOK 20:

A - shares	34 637 092
B - shares	11 866 732
<b>Total shares</b>	<b>46 503 824</b>

Earnings per share taking into consideration the number of outstanding shares in the period. The group acquired 100.000 own A shares during August 2011.

Basic earnings per share is calculated by dividing profit for the period after minority

interests, by average number of total outstanding shares.

Earnings per share is calculated based on 46 403 824 shares for 2013 and 2014.

#### Note 7 - Available-for-sale financial assets

USD mill	30.09.2014	30.09.2013	31.12.2013
<b>Available-for-sale financial assets</b>			
At 1 January	126	132	132
Sale of available-for-sale financial assets	(5)	(12)	(12)
Market to market adjustment on available-for-sale financial assets	26	22	23
Currency translation adjustment	(3)	(11)	(16)
<b>Total available-for-sale financial assets</b>	<b>144</b>	<b>131</b>	<b>126</b>

Available-for-sale financial assets are denominated in Australian Dollar 30 September 2014, Australian Dollar and Norwegian Krone (30 September 2013 and 31 December 2013, only).

The investment in Norwegian Car Carriers ASA was sold in Q1 2014.

#### Note 8 - Paid dividend

Dividend for fiscal year 2012 was NOK 5.50 per share, where NOK 3.50 per share was paid in May 2013 and NOK 2.00 per share was paid in December 2013.

The proposed dividend for fiscal year 2013 in 2014 is NOK 3.00 per share, was approved by the annual general meeting on 24 April 2014, and paid to the shareholders in May 2014.

Based on the company's distributable equity as of 31 December 2013 (less

dividend paid in the first half of 2014), the board will propose to pay a dividend of NOK 2.00 per share.

The dividend will have effect on retained earnings and other reserves in fourth quarter of 2014

## Notes - financial report

Joint ventures based on equity method

### Note 9 - Interest-bearing debt

USD mill	30.09.2014	30.09.2013	31.12.2013
Non current interest-bearing debt	1 647	1 762	1 608
Current interest-bearing debt	223	125	243
<b>Total interest-bearing debt</b>	<b>1 869</b>	<b>1 887</b>	<b>1 851</b>
Cash and cash equivalents	428	401	386
Current financial investments	350	342	348
<b>Net interest-bearing debt</b>	<b>1 091</b>	<b>1 143</b>	<b>1 118</b>

Loan agreements entered into by group companies contain financial covenants related to equity ratio, liquidity, current ratio and net interest-bearing debt / EBITDA measured in respect of the relevant borrowing company or group of

companies. The group was in compliance with these covenants at 30 September 2014 (analogous for 30 September 2013).

#### Net interest-bearing debt in joint ventures (the group's share part of investments)

USD mill	30.09.2014	30.09.2013	31.12.2013
Non current interest-bearing debt	582	544	550
Current interest-bearing debt	78	93	95
<b>Total interest-bearing debt</b>	<b>660</b>	<b>638</b>	<b>646</b>
Cash and cash equivalents	216	237	266
Current financial investments			
<b>Net interest-bearing debt</b>	<b>444</b>	<b>401</b>	<b>380</b>

#### Specification of interest-bearing debt

USD mill	30.09.2014	30.09.2013	31.12.2013
<b>Interest-bearing debt</b>			
Mortgages	948	1 007	974
Leasing commitments	86	88	90
Bonds	451	440	439
Bank loan	384	352	349
<b>Total interest-bearing debt</b>	<b>1 869</b>	<b>1 887</b>	<b>1 851</b>

#### Repayment schedule for interest-bearing debt

Due in 2014	155	33	244
Due in 2015	91	258	110
Due in 2016	200	110	675
Due in 2017	91	667	79
Due in 2018 and later	1 332	819	743
<b>Total interest-bearing debt</b>	<b>1 869</b>	<b>1 887</b>	<b>1 851</b>

## Notes - financial report

### Joint ventures based on equity method

#### Note 10 - Financial level

USD mill	Level 1	Level 2	Level 3	Total
<b>2014</b>				
<b>Financial assets at fair value</b>				
Equities	137			137
Bonds	190	21		211
Financial derivatives		15		15
Available-for-sale financial assets	144			144
<b>Total financial assets 30.09</b>	<b>471</b>	<b>36</b>	<b>0</b>	<b>507</b>
<b>Financial liabilities at fair value</b>				
Financial derivatives		130		130
<b>Total financial liabilities 30.09</b>	<b>0</b>	<b>130</b>	<b>0</b>	<b>130</b>
<b>2013</b>				
<b>Financial assets at fair value</b>				
Equities	106			106
Bonds	226	8		235
Financial derivatives		7		7
Available-for-sale financial assets	131			131
<b>Total financial assets 30.09</b>	<b>463</b>	<b>16</b>	<b>0</b>	<b>478</b>
<b>Financial liabilities at fair value</b>				
Financial derivatives	1	119		120
<b>Total financial liabilities 30.09</b>	<b>1</b>	<b>119</b>	<b>0</b>	<b>120</b>
<b>USD mill</b>			<b>2014</b>	<b>2013</b>
<b>Changes in level 3 instruments</b>				
Opening balance 01.01			0	0
<b>Closing balance</b>			<b>0</b>	<b>0</b>

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The fair value of financial instruments that are not traded in an active market (over-the-counter contracts) are based on third party quotes. These quotes use the maximum number of observable market rates for price discovery. Specific valuation techniques used by financial counterparties (banks) to value financial derivatives include:

- Quoted market prices or dealer quotes for similar derivatives
- The fair value of interest rate swaps is calculated as the net present value of the estimated future cash flows based on observable yield curves
- The fair value of interest rate swap option (swaption) contracts is determined using observable volatility, yield curve and time-to-maturity parameters at the balance sheet date, resulting in a swaption premium. Options are typically valued by applying the Black-Scholes model.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to net present value
- The fair value of foreign exchange option contracts is determined using observable forward exchange rates, volatility, yield curves and time-to-maturity parameters at the balance sheet date, resulting in an option premium. Options are typically valued by applying the Black-Scholes model.

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial derivatives.

The fair values, except for bond debt, are based on cash flows discounted using a rate based on market rates including margins and are within level 2 of the fair value hierarchy. The fair values of the bond debt are based on quoted prices and are also classified within level 2 of the fair value hierarchy due to limited trading in an active market.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the group is the current mid price. These instruments are included in level 1. Instruments included in level 1 at the end of September 2014 are liquid investment grade bonds (analogous for 2013).

The fair value of financial instruments that are not traded in an active market (over-the-counter contracts) are based on third party quotes (Mark-to-Market). These quotes use the maximum number of observable market rates for price discovery. The different techniques typically applied by financial counterparties (banks) were described above. These instruments - FX and IR derivatives - are included in level 2.

If one or more of the significant inputs is not based on observable market data, the derivatives is in level 3. Primarily illiquid investment funds and structured notes are included in level 3.

## Notes - financial report

### Joint ventures based on equity method

#### Note 11 - Segment reporting: Income statement per operating segments

USD mill	WWASA group			WMS group			Holding & Investments <sup>2</sup>			Eliminations			Total		
	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013	Q3 2014	Q3 2013	Full year 2013
<b>Quarter</b>															
Operating revenue	71	77	325	271	241	994	6	7	22	(8)	(7)	(28)	340	318	1 313
<b>Other income</b>															
Share of profits from joint ventures and associates	46	53	182	1	2	7	3	2	11				50	57	200
Gain on disposals of assets			1	1	1	4							1	1	5
<b>Total income</b>	<b>117</b>	<b>130</b>	<b>508</b>	<b>273</b>	<b>243</b>	<b>1 004</b>	<b>9</b>	<b>9</b>	<b>33</b>	<b>(8)</b>	<b>(7)</b>	<b>(28)</b>	<b>391</b>	<b>375</b>	<b>1 518</b>
Primary operating profit	80	87	337	23	27	102		(1)	(5)				103	113	435
Depreciation and impairments	(19)	(20)	(82)	(6)	(7)	(26)			(1)				(25)	(27)	(109)
<b>Operating profit <sup>1</sup></b>	<b>61</b>	<b>67</b>	<b>255</b>	<b>17</b>	<b>20</b>	<b>76</b>	<b>(1)</b>	<b>(1)</b>	<b>(6)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>77</b>	<b>86</b>	<b>325</b>
Financial income/(expenses)	(5)	(11)	9	(9)	(2)	(4)	1	9	22				(13)	(4)	28
<b>Profit/(loss) before tax</b>	<b>56</b>	<b>57</b>	<b>264</b>	<b>8</b>	<b>18</b>	<b>72</b>	<b>0</b>	<b>7</b>	<b>17</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>64</b>	<b>82</b>	<b>353</b>
Tax income/(expense)	(2)	3	7	(2)	(5)	(25)	1	1	3				(3)	(1)	(15)
<b>Profit/(loss)</b>	<b>54</b>	<b>59</b>	<b>272</b>	<b>6</b>	<b>13</b>	<b>47</b>	<b>1</b>	<b>8</b>	<b>20</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>61</b>	<b>81</b>	<b>339</b>
Minority interests	15	16	74	1	2	5							15	18	79
<b>Profit/(loss) to the owners of parent</b>	<b>39</b>	<b>43</b>	<b>198</b>	<b>5</b>	<b>11</b>	<b>43</b>	<b>1</b>	<b>8</b>	<b>20</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>46</b>	<b>63</b>	<b>260</b>

USD mill	WWASA group			WMS group			Holding & Investments <sup>2</sup>			Eliminations			Total		
	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013	YTD 2014	YTD 2013	Full year 2013
<b>Year to date</b>															
Operating revenue	210	241	325	821	733	994	20	18	22	(25)	(21)	(28)	1 026	972	1 313
<b>Other income</b>															
Share of profits from joint ventures and associates	123	150	182	4	5	7	8	9	11				135	164	200
Gain on disposals of assets			1	7	3	4							7	3	5
<b>Total income</b>	<b>333</b>	<b>392</b>	<b>508</b>	<b>832</b>	<b>741</b>	<b>1 004</b>	<b>27</b>	<b>27</b>	<b>33</b>	<b>(25)</b>	<b>(21)</b>	<b>(28)</b>	<b>1 168</b>	<b>1 139</b>	<b>1 518</b>
Primary operating profit	209	261	337	84	74	102	(2)	(1)	(5)				291	334	435
Depreciation and impairments	(57)	(62)	(82)	(20)	(19)	(26)	(1)	(1)	(1)				(78)	(81)	(109)
<b>Operating profit <sup>1</sup></b>	<b>152</b>	<b>199</b>	<b>255</b>	<b>64</b>	<b>55</b>	<b>76</b>	<b>(2)</b>	<b>(1)</b>	<b>(6)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>214</b>	<b>253</b>	<b>325</b>
Financial income/(expenses)	(41)	12	9	(26)	(4)	(4)	8	16	22				(59)	24	28
<b>Profit/(loss) before tax</b>	<b>110</b>	<b>211</b>	<b>264</b>	<b>39</b>	<b>51</b>	<b>72</b>	<b>6</b>	<b>14</b>	<b>17</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>155</b>	<b>277</b>	<b>353</b>
Tax income/(expense)		(6)	7	(10)	(13)	(25)	3	(1)	3				(7)	(21)	(15)
<b>Profit/(loss)</b>	<b>111</b>	<b>205</b>	<b>272</b>	<b>29</b>	<b>38</b>	<b>47</b>	<b>9</b>	<b>13</b>	<b>20</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>148</b>	<b>256</b>	<b>339</b>
Minority interests	30	56	74	3	4	5							33	59	79
<b>Profit/(loss) to the owners of parent</b>	<b>80</b>	<b>149</b>	<b>198</b>	<b>26</b>	<b>34</b>	<b>43</b>	<b>9</b>	<b>13</b>	<b>20</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>115</b>	<b>196</b>	<b>260</b>

<sup>1</sup> Cash settled portion of bunker hedge swaps is included in net operating profit by reduction/(increase) of voyage related expenses

<sup>2</sup> Holding and Investments includes Wilh. Wilhelmsen Holding ASA, Wilh. Wilhelmsen Holding Invest group and minor activities which fail to meet the definition for other segments.

**Notes - financial report**

Joint ventures based on equity method

Cont note 11 - Segment reporting: Balance sheet per operating segments

USD mill	WWASA group		WMS group		Holding & Investments		Eliminations		Total	
	30.09 2014	31.12 2013	30.09 2014	31.12 2013	30.09 2014	31.12 2013	30.09 2014	31.12 2013	30.09 2014	31.12 2013
<b>Year to date</b>										
<b>Assets</b>										
Deferred tax asset	0		18	16	3	6	0		21	22
Intangible assets	6	6	300	303	0		0		306	309
Tangible assets	1 777	1 821	198	205	4	4	0		1 979	2 030
Investments in joint ventures and associates	1 204	1 120	18	18	99	80	0		1 321	1 218
Other non current assets	1	5	12	10	158	135	0		170	150
Current financial investments	246	254	0		103	94	0		350	348
Other current assets	54	25	485	458	6	6	(4)	(5)	542	484
Cash and cash equivalents	219	157	180	193	30	35	0		428	386
<b>Total assets</b>	<b>3 507</b>	<b>3 388</b>	<b>1 211</b>	<b>1 203</b>	<b>403</b>	<b>361</b>	<b>(4)</b>	<b>(5)</b>	<b>5 117</b>	<b>4 946</b>
<b>Equity and liabilities</b>										
Equity	1 709	1 633	348	362	338	291	0		2 395	2 286
Deferred tax	40	50	19	12	0		0		59	62
Interest-bearing debt	1 485	1 502	338	300	47	49	0		1 869	1 852
Other non current liabilities	187	156	125	125	11	12	0		323	293
Other current liabilities	86	47	382	404	7	8	(4)	(5)	471	454
<b>Total equity and liabilities</b>	<b>3 507</b>	<b>3 388</b>	<b>1 211</b>	<b>1 203</b>	<b>403</b>	<b>361</b>	<b>(4)</b>	<b>(5)</b>	<b>5 117</b>	<b>4 946</b>

**Notes - financial report**

Joint ventures based on equity method

Cont note 11 - Segment reporting: Cash flow per segment

USD mill Quarter	WWASA group		WMS group		Holding & Investments	
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
Profit before tax	56	57	8	18		7
Net financial (income)/expenses	5	19	6	6	(2)	(9)
Depreciation/impairment	19	20	7	7		
Change in working capital	(11)	(10)	16	(5)	3	1
Share of profit from joint ventures and associates	(46)	(53)	(1)	(2)	(3)	(2)
Dividend received from joint ventures and associates	5	1		1		
<b>Net cash provided by operating activities</b>	<b>28</b>	<b>34</b>	<b>35</b>	<b>25</b>	<b>(2)</b>	<b>(2)</b>
Net sale/(investments) in fixed assets	(2)	9	(13)	(9)	(1)	
Net sale/(investments) in entities and segments				3		
Net investments in financial investments		8	1	1	(2)	14
Net changes in other investments				(3)		
<b>Net cash flow from investing activities</b>	<b>(2)</b>	<b>17</b>	<b>(12)</b>	<b>(8)</b>	<b>(2)</b>	<b>14</b>
Net change of debt	22	(13)	3	(8)		(12)
Net change in other financial items	(19)	(22)	(2)	(5)		(2)
Net dividend from other segments/ to shareholders			(14)	(4)	12	
<b>Net cash flow from financing activities</b>	<b>3</b>	<b>(36)</b>	<b>(14)</b>	<b>(17)</b>	<b>12</b>	<b>(14)</b>
<b>Net increase in cash and cash equivalents</b>	<b>29</b>	<b>15</b>	<b>9</b>	<b>0</b>	<b>8</b>	<b>(2)</b>
Cash and cash equivalents at the beg. of the period	189	181	171	177	22	29
<b>Cash and cash equivalents at the end of period</b>	<b>219</b>	<b>197</b>	<b>180</b>	<b>177</b>	<b>30</b>	<b>27</b>



## Notes - financial report

Joint ventures based on equity method

### Note 12 - Related party transactions

WWH delivers services to the WWASA group. These include primarily human resources, tax, communication, treasury and legal services ("Shared Services") and in-house services such as canteen, post, switchboard, accounting and rent of office facilities. In addition, according to service level agreements, WWASA delivered accounting services to WWH up to December 2013.

Generally, Shared Services are priced using a cost plus 5% margin calculation, in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually.

In addition, WWASA group and WMS group have several transactions with associates. The contracts governing such transactions are based on commercial market terms and mainly relate to the chartering of vessels on short and long term charters.

### Note 13 - Contingencies

#### Update on anti-trust investigations

WWL and EUKOR continue to be part of anti-trust investigations of the car carrying industry in several jurisdictions, including the US and the EU. WWASA is not in a position to comment on the ongoing investigations which WWL and EUKOR are part of. However, WWASA expects further clarification during 2015.

Cost of process management related to the investigations is charged on an ongoing basis.

### Note 14 - Events occurring after the balance sheet date

No material events occurred between the balance sheet date and the date when the accounts were presented providing new information about conditions prevailing

on the balance sheet date.



**Wilh. Wilhelmsen**

Wilh. Wilhelmsen Holding ASA

PO Box 33

NO-1324 Lysaker, NORWAY

Tel: +47 67 58 40 00

Email: [ww@wilhelmsen.com](mailto:ww@wilhelmsen.com)

<http://www.wilhelmsen.com/>

Follow us on [Twitter](#) | [Facebook](#) | [LinkedIn](#)

Org no 995 227 905