Q4

Year-end report 2013

February 27, 2014 from Rederi AB TransAtlantic (publ)

TRANSATLANTIC

Year-end report 2013

Fourth quarter 2013

- Net revenues amounted to SEK 661 M (765)
- Result before capital costs, EBITDA, amounted to SEK 71 M (-12)
- Operational result before tax amounted to SEK -24 M (-40)[1]
- Result before tax amounted to SEK -185 M (-61)
- Result after tax amounted to SEK -203 M (-95)
- Earnings per share after tax amounted to SEK -1.7 (-0.9)

Full year 2013

- Net revenues amounted to SEK 2 925 M (3 274)
- Result before capital costs, EBITDA, amounted to SEK 270 M (120)
- Operational result before tax amounted to SEK -137 M (-327)[1]
- Result before tax amounted to SEK -321 M (-356)
- Result after tax amounted to SEK -359 M (-393)
- Earnings per share after tax amounted to SEK -3.2 (-3.5)

Major events fourth quarter

- The Group's operational quarterly result amounted SEK -24 M which is an improvement compared to previous year.
- Tom Ruud assumed his position as the Group's new President and CEO in December.
- The rights issue of SEK 148 M was completed in December. The net proceeds of SEK 144 M, less transaction costs, was used to repay a short term debt certificate of SEK 140 M.
- An agreement was signed in December to divest the two small container vessels TransOdin and TransFrej, trading within the TransPal Line. The transaction was concluded in January 2014 with a 0 result and a positive cash effect of SEK 11 M.
- A receivable related to a terminated tax-lease structure was divested during Q4 with a positive cash effect of SEK 52 M.
- Viking Supply Ships entered into a long term contract with a major international oil company for four AHTS vessels in October. The total contract value for the firm period, the drilling seasons June to November 2014 and 2015, is estimated to USD 120 M.
- Viking Supply Ships was awarded a two-year consultancy services contract. The contract value is estimated to USD 50-60 M.
- The Group has been in breach of certain covenants during Q4, for which waivers have been received from relevant parties.
- The board of Directors proposes that no dividend be paid for the 2013 fiscal year.

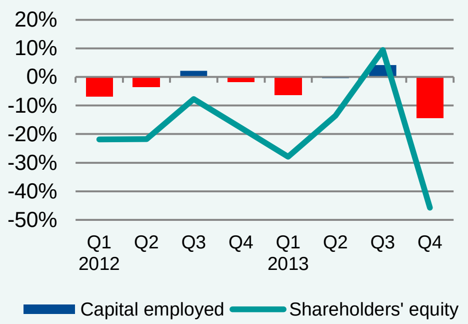
Major events after the fourth quarter

- Due to the poor results and negative cash-flows within business area Industrial Shipping a new rights issue of about SEK 150 M is proposed in order to enable and accelerate the ongoing restructuring within Industrial Shipping and to facilitate a faster split of the Group.
- As a part of the effort to improve the profitability within Industrial Shipping it has been decided to immediately close down the unprofitable container service TransPal Line and associated operations.
- Viking Supply Ships is evaluating a possible sale of the PSV-vessels by reasons of indications from interested parties.
- As a result of having entered into the long term contract with an oil major for four of our AHTS vessels, VSS has limited tonnage available in the North Sea for the peak drilling seasons for the next years. Consequently, VSS has entered into a principle agreement with certain subjects, for a 5 year bareboat agreement for two large, high specification AHTS newbuild vessels to be delivered mid-2014 and mid-2015 respectively.

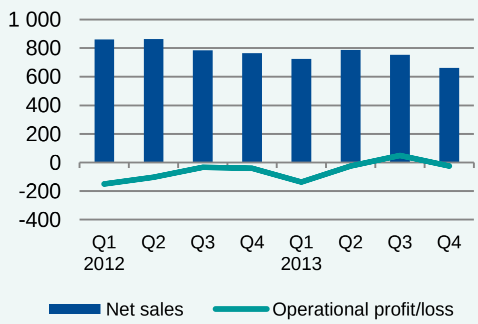
Key figures, full year	**2013**	2012
Net sales, SEK M	2 925	3 274
EBITDA	270	120
Operational result before tax, SEK M [1]	-137	-327
Result before tax, SEK M	-321	-356
Result after tax, SEK M	-359	-393
Earnings per share after tax, SEK	-3.2	-3.5
Shareholders' equity, SEK/share	11.8	19.0
Return on equity, %	-18.6	-17.1
Return on capital employed, %	-4.1	-2.7
Equity/asset ratio at balance day, %	35.8	36.6

1. *Operational result: Earnings before tax, restructuring costs and acquisition effects.*

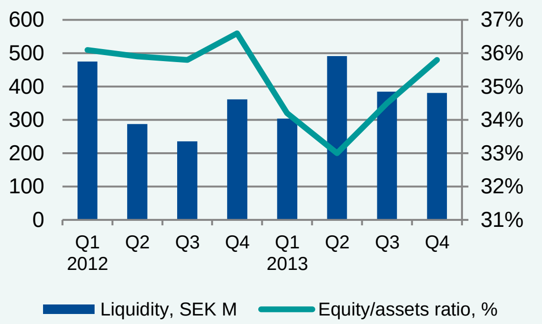
Return on capital employed and sharholders' equity, %



Net sales and operational profit, SEK M



Liquidity and equity/assets ratio SEK M and %



CEO statement

The fourth quarter 2013 has, in line with the year as a whole, been another period marked by a high level of activity within both business areas. Viking Supply Ships entered into a agreement with a major oil company for four AHTS vessels with a total contract value of USD 120 million for the firm period. Industrial Shipping is facing continued weak market conditions. Despite focus on restructuring and efficiency measures the business area has not been able to counteract the volume decline, resulting in an very weak financial performance. The fourth quarter has however, for the Group as a whole, shown an improvement in operational result. For the full-year, profit before tax for the Group amounted to SEK -321 M (-356). For the fourth quarter, profit before tax was SEK -185 M (-61), largely due to year-end write downs and restructuring items of SEK -161 M (-21).

Viking Supply Ships

The market for AHTS vessels improved during 2013, but remained volatile, the utilization rate increased during the fourth quarter in comparison to the average for the year. The supply of AHTS vessels in the North Sea was stable for most of the year, as there was a limited influx of newbuilds. The PSV market saw a modest improvement of both rate levels and utilization in 2013, with a slight detoriation during the fourth quarter in comparison with the year as a whole. Despite several newbuilds entering the market, increased demand from other regions caused the North Sea PSV fleet to remain stable throughout the year.

A major milestone for Viking Supply Ships in 2013 was the contract, signed in the fourth quarter, with a major oil company for four AHTS vessels. The agreement which covers the drilling seasons of June to November 2014 and 2015, with an option for 2016 and 2017, has a contract value for the firm period of USD 120 M. With this recent contract the AHTS fleet has a contract coverage including charterer options of 63% for 2014 and 59% for 2015. The contract backlog, including charterer options, amounts to SEK 3,250 M and Viking Supply Ships is thus less exposed to the North-Sea spot market going forward.

Other highlights during the year include the establishment of an office in Canada in order to increase the presence in the region, as well as the award of a two-year contract with a value USD 50-60 M for consulting services for a company owned by a major oil company. During 2013 Viking Supply Ships completed the centralization of the operational and support functions to the company's head office in Copenhagen. Viking Supply Ships raised an additional tranch of NOK 85 M under the existing debt certificate, and issued a new debt certificate of NOK 100 M in the Norwegian bond market.

Industrial Shipping

For Industrial Shipping, 2013 has, as preceding years, been characterized by very weak market conditions. Even though the fourth quarter ended with an improved operational result by SEK 27 M, the result for the quarter and 2013 as a whole are highly unsatisfactory. In order to adapt the operations to the market situation the efforts to enhance efficiency is continuing. Key restructuring activities in 2013 include the sale of several owned vessels, redelivery of chartered vessels, change of vessel schedules, dissolvement of two taxlease structures, close down of several regional offices and centralization of operations to Gothenburg as well as further right-sizing of the organisation. As part of focusing on the core operations, the commercial activities related to the small bulk operations have from September 2013 been outsourced to AtoB@C.

Other restructuring activities during the fourth quarter include the sale of a number of non-core assets, including the ship agency Percy Tham and Västerviks Logistik och Industri AB that operate the Västervik port. Measures have also been taken to reduce the complexity of the operations, the number of legal entities have been reduced to less than half during the year.

The Group

An rights issue of SEK 148 M, which net less transaction costs brought SEK 144 M, was conducted in the last quarter of 2013 in order to facilitate the repayment of a short term debt certificate issued in June 2013. The SEK 140 M debt certificate proceeds were used to finance the strategic and restructuring activities within Industrial Shipping.

The restructuring activities have unfortunately not been sufficient to compensate for the weak market and declining volumes within Industrial Shipping. Therefore, the Board propose to conduct a new rights issue in the first half of 2014 to accelerate the restructuring process and implement further efficiency measures. A substantial and important new measure in this process is the decision to close down the TransPal Line and associated operations. A total of about 70 employees in Göteborg, Poland and Great Britain will be affected. The terminal lease and associated operations in Hull will be put up for sale.

Outlook

The improved term contract coverage within Viking Supply Ships will result in a reduced exposure to the spot market going forward. The offshore market has in the beginning of 2014 been characterized by relatively high rates and utilization.

As a result of having entered into the long term contract with an oil major for four of our AHTS vessels, VSS has limited tonnage available in the North Sea for the peak drilling seasons for the next years. Consequently, VSS has entered into a principle agreement with certain subjects, for a five year bareboat agreement for two large, high specification AHTS newbuild vessels to be delivered mid-2014 and mid-2015 respectively.

Viking Supply Ships is evaluating a possible sale of the PSV-vessels (Platform Supply Vessels) by reasons of indications from interested parties.

The market for Industrial Shipping market is expected to be challenging also in 2014, and will continue to contribute with negative results during the year.

Thus, the restructuring and efficiency measures will continue and we expect to carry on with divestments of non-profitable operations and further cost rationalizing going forward. An important step in this process is the close down of theTransPal Line and associated operations

The same long-term objectives apply as in the past – to create two independently strong operations with the right prerequisites to successfully compete in their respective markets

Gothenburg, February 27, 2014

Tom Ruud,
CEO

Consolidated earnings for January-December

Consolidated net sales for the full year amounted to SEK 2 925 M (3 274). The Group reported a result after tax of SEK -359 M (-393), of which net restructuring costs and acquisition effects amounted a total of SEK -184 M (-29). The result before tax amounted to SEK -321 M (-356). The major restructuring items consisted of one-off revenues and provisions related to long term charter agreements, which also has been part of a during the year terminated tax lease arrangements, write downs of intangible assets and vessels both whithin business area Industrial Shipping as well as in Viking Supply Ships.

Transatlantic Group

	October - December		January - December	
SEK M	**2013**	2012	**2013**	2012
Net sales	661	765	2 925	3 274
Result before capital costs, EBITDA	71	-12	270	120
Operating result	-162	-25	-194	-144
Result before tax	**-185**	**-61**	**-321**	**-356**
Profit margin	-28,0%	-7,9%	-11,0%	-10,9%

Result before tax by business area

Viking Supply Ships	9	20	50	-119
Industrial Shipping	-33	-60	-187	-208
Total operational result	**-24**	**-40**	**-137**	**-327**
Restructuring items	-161	-21	-184	-35
Acquisition effects	-	-	-	6
Result before tax	**-185**	**-61**	**-321**	**-356**
Tax	-18	-34	-38	-37
Result for the period	**-203**	**-95**	**-359**	**-393**

SEK per share

Result after current tax	-1,6	-0,5	-2,9	-3,2
Result after full tax	-1,7	-0,9	-3,2	-3,5

For further information, please see tables on page 11-17.

Financial position, investments and divestments

The table below summarizes changes in cash and cash equivalents for the period:

Consolidated cash-flow statement

SEK M	October - December 2013	October - December 2012	January - December 2013	January - December 2012
Cash flow from operations before changes in working capital	30	-65	56	-119
Changes in working capital	70	142	6	28
Cash flow from current operations	**100**	**77**	**62**	**-91**
Cash flow from investing activities	-7	315	-4	26
Cash flow from financing activities	-97	-269	-30	-115
Changes in cash and cash equivalents	**-4**	**123**	**28**	**-180**
Cash flow at beginning of period	385	235	361	548
Exchange-rate difference in cash and cash equivalents	0	3	-8	-7
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**381**	**361**	**381**	**361**

Consolidated cash and cash equivalents at the end of the year amounted to SEK 381 M (361). Cash assets include client funds of SEK 48 M. Some of the Group's loan agreements contain cash covenants, i.e. cash level should be the higher of either 5% of the Group's interest-bearing debt or equivalent of NOK 150 M.

At the end of year, the Group's equity amounted SEK 1 749 M (equivalent to 11.8 SEK / share), including non-controlling interests amounted to SEK 5 M (or 0.04 SEK / share). The performed impairment tests on the AHTS vessels prove, with good margin, the current book values. A rights issue of SEK 144 M, less cost for issuance, was conducted in the last quarter of 2013. Equity declined by SEK -359 M due to the loss for the year, which includes write-downs of total SEK -223 M whereof SEK -135 M relates to Industrial Shipping and SEK -88 M to Viking Supply Ships. Further a change in the translation reserve of SEK -141 M attributable to currency differences on net investments in subsidiaries with functional currency NOK has affected equity negatively. Viking Supply Ships has during the first quarter raised an additional tranch under the existing debt certificate, which in addition to the during second quarter new issued debt certificate, yielded a total Viking Supply Ships net proceeds of approximately SEK 211 M. Rederi AB TransAtlantic has during the second quarter issued short-term debt certificates, generating net of SEK 137 M. The debt certificate was repaid in conjunction with the rights issue that was concluded during the fourth quarter.

Gross investments during the year amounted to SEK 75 M (489) before financing. These consisted mainly of capitalized docking expenses and complementary investments in vessels within Viking Supply Ships. The two bulk vessels TransFalcon and TransEagle have during the third quarter been divested at a total salesprice of SEK 54 M. The divestments resulted in a limited cash flow injection to the operations as the proceeds was used to amortize ship loans. The financial asset related to a UK tax-lease structure (dissolved during the second quarter), was sold in the beginning of the fourth quarter and brought a positive cash effect of SEK 52 M. Agreement of the sale of TransOdin and TransFrej was compleded in December. The transaction brought a positive cash effect of SEK 11 M in January 2014.

Financial position

At close of each period	2013	2012
Total assets, SEK M	4 884	5 745
Shareholders' equity, SEK M	1 749	2 105
Equity/assets ratio, %	35,8	36,6
Debt/equity ratio, %	128,9	124,7
Cash and cash equivalents, SEK M	381	361
Number of shares outstanding	147 870 264	110 902 700

Industrial Shipping business area

The business area offers liner services within the Baltic Sea and and northern Europe as its primary markets. The operation is primarily based on system traffic with RoRo and container vessels, as well as chartering of bulk vessels.

The operating result for the business area during Q4 was SEK -33 M (-60) and the result for the full year was SEK -187 M (-208). The steps that have been initiated during the year, have during Q4 started to show effect, resulting in a reduction by half of the operational loss.

The market has continously deteriorated over the last quarters, which is why restructuring and cost-saving activities have not yielded the expected results to reach profitability. Further structural measures are now taken to adapt the business to current market conditions. As a consequense the TransPal Line will be closed down, which means that a labor intensive and unprofitable business will be exited. Focus will now be on RoRo- and feederservices in the northern parts of Baltic Sea and southern Sweden. Further restructuring costs, comprising of write-downs of ingangible assets, vessels and provisions for rent obligations of total -73 MSEK (-14) have been taken to accelerate the restructuring process in order to bring the business into profitability.

RoRo

Scheduled liner services has been operated between Finland and Sweden/Germany/Belgium on four lines: TransLumi Line, TransBothnia Line, TransFeeder North and TransBothnia Container Line. The volumes from one of the division's largest customers declined during Q4 compared to same period last year due to a reduction in production rate. The shortfall in volumes has been compensated by bunker savings and increased efficiency in ship operations.

Container

A comprehensive restructuring of TransPal Line has been implemented during the autumn. Despite all the measures taken, rescheduling the system and replacement to more efficient vessels, the service is still unprofitable. As a consequence, Industrial Shipping has decided to close down TransPal Line.TransFeeder South will continue as usual with services between southern Sweden and Germany.

Bulk

Industrial Shipping has in effect withdrawn from the Bulk segment in Q3 as the commercial operations of Short Sea Bulk was outsourced to AtoB@C.

Outlook

Industrial Shipping's strategy is to focus on expected growth markets by operating liner operations in the RoRo and feeder segments, with the Baltic Sea and Bothnian Bay as a base. The commercial activities are therefore focused to these geographical areas. A number of key positions in sales and business development have been filled and task to expand the offering to new and existing customers has been accelerated.

A new rights issue is proposed in order to strengthen and accelerate the restructuring program within Industrial Shipping. The aim is to enable the business area to stand on its own quicker, with focus on the strong RoRo and Feeder systems in the Bothnian Bay and the Baltic Sea.

Industrial Shipping

	October - December		January - December	
SEK M	**2013**	2012	**2013**	2012
Net sales	382	523	1 787	2 212
Result before capital costs, EBITDA	-9	-47	-83	-125
Operational result [1)]	-33	-60	-187	-208
Result before tax	-106	-74	-283	-230
Operational profit margin	-9%	-11%	-10%	-9%

1) Result before tax, restructuring- and acquisitions items

Viking Supply Ships business area

The business area encompasses arctic offshore operations, the spot market for offshore in the North Sea and the global offshore sector. The fleet comprises of 14 offshore vessels, seven of which are equipped for operating in ice and harsh environments, such as Arctic regions.

The operational result for Q4 amounted to SEK 9 M (20) and the operational result for the full year to SEK 50 M (-19). The operational result in Q4 was lower compared to the preceding quarter due to seasonal low activity. The average rate of utilization for the full year was 73 % (65) for the AHTS fleet and 76 % (75) for the PSV fleet.

Compared with the same quarter in 2012, earnings were positively impacted by operational improvements of SEK 45 M. VSS has performed an impairment review of the estimated net selling prices and values in use. The conclusion was that the PSV vessels are impaired resulting in an impairment loss of SEK 88 M. The PSV segment has functional currency GBP and the impairment is primarily caused by the depreciated NOK versus GBP during 2013. The adjustment is not related to real decline in value on these vessels and ongoing evaluation of a possible sale seeks to optimize the outcome regardless of these accounting effects.

Anchor Handling Tug Supply (AHTS)

During the fourth quarter of 2013, three vessels were on long term contracts, while five traded the North Sea spot market. The vessels that entered into charter contracts generated average daily revenues of SEK 422 T (408). The vessels in the spot market generated average daily revenues of SEK 285 T (277), with a rate of utilization of 63 % (37). During the fourth quarter, the AHTS fleet generated combined average daily revenues of SEK 352 T (359), with a utilization of 77 % (60). For the full year 2013 the AHTS fleet obtained an average fixture rate of SEK 346 T (328) and a utilization of 76 % (75).

Magne Viking returned from its charter with ChevronCanada at the end of the fourth quarter, and is now trading the North Sea spot market.

In connection with on-going refinancing of two loans maturing in December 2014 the maturity date was extended to 2015 on unchanged terms. In February VSS completed refinancing of one of these loans with a new maturity in 2018.

Platform Supply Vessels (PSV)

Three of the vessels were on contract during the quarter. The vessels on charter contracts generated average daily revenues of SEK 114 T (126). The vessels in the spot market generated average daily revenues of SEK 78 T (77), with an utilization of 45 % (39). During the fourth quarter, the PSV fleet generated combined average daily revenues of SEK 101 T (117), with a utilization of 65% (69). For the full year the PSV fleet obtained an average fixture rate of SEK 118 T (120) and a utilization of 76 % (75). An adjustment of the vessel values within the PSV segment has been made in the fourth quarter related to currency exchange differences as described above.

Outlook

For the AHTS segment, the North Sea winter season will be dependent on weather conditions. Activity is expected to be seasonal weak, but tight periods will most likely occur due to weather causing delays in the scheduled operations. Due to improved market fundamentals and a limited order book of new builds,we expect the market to tighten in the second quarter.

For the PSV segment, we expect the market to remain volatile during the winter season. With a limited delivery of new-builds and several new rigs scheduled to commence contracts in the North Sea during first half of 2014 the market is expected to improve in the second quarter.

The contract coverage ratio for all Viking Supply Ships vessels are 42 % for 2014 and 34 % for 2015, whereof for AHTS 63 % and 59 % and for PSV 14 % and 0 %.

Viking Supply Ships

	October - December		January - December	
SEK M	**2013**	2012	**2013**	2012
Net sales	279	242	1 138	1 062
Result before capital costs, EBITDA	80	35	353	245
Operational result [1)]	9	20	50	-119
Result before tax	-79	13	-38	-126
Operational profit margin	3%	8%	4%	-11%

1) Result before tax, restructuring- and acquisitions items

Viking Supply Ships business area (cont.)

Parent Company

Earnings and financial position

The Parent Company's result before tax for the full year amounted to SEK -339 M (-211). The result after tax for the period amounted to SEK -362 M (-278). The parent company has during the year been affected by one-off revenues related to long term charter agreements, which also has been part of a termination of two taxlease arrangements during the year, of SEK 109 M. The result for full year also include write downs of shareholdings in subsidiaries by SEK -259 M. The rights issue of SEK 148 M, which less cost for issuance brought SEK 144 M, was completed in December of 2013. The proceeds was used to repay the debt certificate of SEK 140 M that was issued in June 2013 with purpose to strengthen the Group´s liquidity.

A restructuring of the Groups' legal structure to streamline the businesses in the two segments, has continued throughout 2013, where part of the business and shareholdings has been transferred from the Parent company Rederi AB Transatlantic to its wholly owned subsidiary Transatlantic AB.

At end of the year the Parent Company's equity amounted to SEK 2 388 M (2 607 on Dec 31, 2012), total assets to SEK 2 726 M (3 466 on Dec 31, 2012). The equity/assets ratio on the balance day was 88 % (75% on Dec 31, 2012). Cash and cash equivalents at the end of the period amounted to SEK 105 M (84).

Number of shares

Share distribution on December 31, 2013 is presented below:

Number of Series A shares	9 695 789
Number of Series B shares, listed	138 174 477
Total number of shares	147 870 266

See also Changes in Group's shareholders' equity, page 15.

Other

Corporate tax

The general situation for the Group is that taxes payable are highly limited. Accordingly, recognized corporate tax mainly comprises deferred tax. The tax losses carry forward amounted at end of the period, net for Swedish entities, to SEK 769 M. The recognized net deferred tax asset for the Swedish operations amounted by the end of the quarter to SEK 40 M (74, on Dec 31, 2012). The recognized deferred tax liability for the operations outside Sweden amounted to SEK 0 M (-18, on Dec 31, 2012).

Transactions with closely related parties

Kistefos has, through a consulting agreement, made management and financial services available to the Group, for which compensation has been paid to a total of SEK 12 M for the full year and SEK 3 M for the fourth quarter.

Rederi AB Transatlantic has to Viking Invest AS, a wholly owned subsidiary of Kistefos AS, paid a fee of SEK 822 T for their guarantee of the rights issue concluded in December.

TransAtlantic has a lease of a container ship, TransAlrek, owned by a German shipping company, in which TransAtlantic's Vice Chairman Folke Patriksson has a minority interest via his company Enneff Rederi AB. The agreement is on market terms and will run until December 31, 2014 with a quarterly rent of SEK 3 M.

Vessel operations for three of the Group's Dutch-owned ships was during first quarter 2013 operated by an external company, partly owned by Felix Feleus, who also was the former CEO of TransAtlantic Netherlands BV. Fees for vessel operations was on commercial terms and amounted to SEK 246 T for the three vessels during the first quarter. The agreement ceased at the end of March 2013.

Rederi AB TransAtlantic raised on commercial terms an unsecured loan on May 29, 2013 of SEK 17 M from Viking Invest, which is 100% owned by Kistefos AS. The loan was repaid in full with interests on of July 2, 2013.

The subsidiary Västerviks Logistik & Industri AB (VLI) was divested during the fourth quarter to its CEO and board member Carl-Johan Carlstedt, after approval at the extra general shareholder’s meeting held on November 5, 2013.

Rederi AB Transatlantic divested a real property at commercial terms during the fourth quarter to TransAtlantic´s Vice Chairman Folke Patriksson. The salesprice, based on two independent broker valuations, amounted SEK 850 T.

Apart from the above, there were no other significant transactions.

Risks and uncertainties

TransAtlantic operates in a highly competitive market with flat/negative growth and declining profit margins. The profitability is negative and the liquidity is strained. TransAtlantic is exposed to various operational and financial risk factors. The financial risk is mainly related to liquidity risk, funding risk and currency risk.

The main operational risk factors relates to the overall macro economic market conditions, degree of competition, flow of goods in prioritized market segments and finally the overall balance of supply and demand of vessels affecting rates and profit margins.

The objective of the overall risk management policy of the Group is to ensure a balanced risk and return relationship.

TransAtlantic has been in breach of certain covenants during the fourth quarter, and has received waivers from relevant parties.There is risk for continued breaches in coming quarters. The assessment is that waivers will, with high likelihood, be obtained for potential future covenant breaches, therefore none of the concerned loans have been reclassified from long to short term.

Viking Supply Ships concluded a negotiation in February 2014 to refinance vessel loan to the amount of NOK 630 M. Negotiations are also ongoing regarding refinancing of another loan facility that will come due in 2015, with the aim to secure long-term financing stability.

Accounting policies

This interim report, for the Group, was prepared in accordance with the application of IAS 34 Interim Financial Reporting and applicable rules in the Swedish Annual Accounts Act and for the Parent Company, in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board’s recommendation FRF 2 Accounting for Legal Entities. Unless otherwise noted, the same accounting policies for both the Group and the Parent Company have been applied as those used in the most recent Annual Report.

The revised IAS 19, Employee Benefits, entered into force on January 1, 2013, with retrospective application. The biggest change is the option to defer actuarial gains and losses using the corridor approach disappears, they should on a current basis instead be included in other comprehensive income. Pension liabilities have been restated accordingly and included debt has been reduced by about SEK 2 M, with corresponding positive impact on equity capital.

Viking Supply Ships will publish a separate report as a result of the issued debt certificates. Some values in that report are not comparable since there are different acquisition values and depreciation plans in

VSS and the Group. VSS has from Q3 in 2011 been built through Group-internal transfers of vessels and operations at then current marketing prices, why disparities have arisen.

Number of employees

The average number of employees in the Group during 2013 was 950 (Jan-Dec 2012: 843). The increase due to the insourcing of Ship Management. The number of ashore employees has decreased during the year.

Events after the close of the reporting period

The Board of Directors has proposed a new rights issue of SEK 150 M to enable and accelerate the ongoing restructuring within Industrial Shipping.

As part of the effort to improve the profitability within Industrial Shipping it has been decided to immediately close down the unprofitable container service TransPal Line and associated operations.

In Feb 2014 Viking Supply Ships completed the refinancing of ship loans at the amount NOK 630 M.

As a result of having entered into the long term contract with an oil major for four of our AHTS vessels, VSS has limited tonnage available in the North Sea for the peak drilling seasons for the next years. Consequently, VSS has entered into a principle agreement with certain subjects, for a 5 year bareboat agreement for two large, high specification AHTS newbuild vessels to be delivered mid-2014 and mid-2015 respectively.

Annual General Meeting

Rederi AB TransAtlantic's Annual General Meeting will be held on Wednesday, April 23, 2014 at 4:00 p.m at the Lindholmen Science Park, Lindholmspiren 5, 417 56 Gothenburg. The notice convening the Annual General Meeting will be published not later than four weeks prior to this date on the company's website and Post & Inrikes Tidning and will be advertised in Göteborgs-Posten and Dagens Industri.

Annual Report

Rederi AB TransAtlantic's Annual will be available on the website: www.rabt.com during week 14.

Nominations Committee

Information on the Nominations Committee is available on the website: www.rabt.com

Press and analyst conference

In conjunction with the publication of the year-end report 2013, an earnings call will take place on February 27, 2014 at 10.00 am (GMT + 1) with TransAtlantic's CEO, Tom Ruud and CFO Tomas Bergendahl. In connection with the conference, a presentation will be available at the company's website, www.rabt.se. Please see Investor Relations/presentations.

Dividend

The Board of Directors proposes that no dividend (-) be paid for the 2013 fiscal year.

This information is such that TransAtlantic is obligated to publish in accordance with the Swedish Securities Act and/or the Swedish Financial Instruments Trading Act. This report has been prepared in both Swedish and English versions. In case of variations in the content between the two versions, the Swedish version shall govern. This report was submitted for publication at 8:30 am (CET). on February 27, 2014.

The undersigned certify that the interim report gives a true and fair picture of the Group's financial position and results, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Gothenburg, February 27, 2014

The Board of Directors of Rederi AB TransAtlantic

This year-end report is unaudited

For further information, please contact CFO Tomas Bergendahl, ph +46 (0) 31-763 2378.

Financial calendar 2014

February 27	Year end report
April 23	Annual General Meeting
May 15	Interim report January-March
August 7	Interim report January-June
October 30	Interim report January-September

The interim report is available in its entirety on the company's website.

Consolidated income statement

All amounts in SEK M	October - December 2013	2012	January - December 2013	2012
Net sales	661	765	2 925	3 274
Other operating revenue	2	8	107	28
Direct voyage cost	-155	-341	-1 059	-1 489
Personnel costs	-170	-159	-710	-670
Other costs	-266	-287	-992	-1 024
Depreciation/impairment	-234	-11	-465	-263
Operating result	**-162**	**-25**	**-194**	**-144**
Net financial items	-23	-36	-127	-212
Result before tax	**-185**	**-61**	**-321**	**-356**
Tax	-18	-34	-38	-37
Result for the period	**-203**	**-95**	**-359**	**-393**
Attributable to:				
Parent Company's shareholders	-203	-93	-353	-392
Non-controlling interests	0	-2	-6	-1
INCOME FOR THE PERIOD	**-203**	**-95**	**-359**	**-393**
Earnings per share, attributable to Parent Company's shareholders, per share in SEK (before and after dilution)	-1.7	-0.9	-3.1	-3.5

Consolidated statement of comprehensive income

All amounts in SEK M	October - December 2013	2012	January - December 2013	2012
Result for the period	**-203**	**-95**	**-359**	**-393**
Other comprehensive income for the period:				
Change in hedging reserve, net	0	1	0	0
Change in translation reserve, net	11	51	-141	3
Other comprehensive income	**11**	**52**	**-141**	**3**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-192**	**-43**	**-500**	**-390**
Total comprehensive income attributable to:				
Parent Company's shareholders	-192	-39	-494	-387
Non-controlling interests	0	-4	-6	-3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-192**	**-43**	**-500**	**-390**

Net sales by business area

All amounts in SEK M	October - December 2013	2012	January - December 2013	2012
Viking Supply Ships business area	279	242	1 138	1 062
Industrial Shipping business area	382	523	1787	2 212
TOTAL NET SALES	**661**	**765**	**2 925**	**3 274**

Result before tax by business area

All amounts in SEK M	October - December 2013	2012	January - December 2013	2012
Viking Supply Ships	9	20	50	-119
Industrial Shipping	-33	-60	-187	-208
OPERATIONAL RESULT BEFORE TAX	**-24**	**-40**	**-137**	**-327**
Restructuring items	-161	-21	-184	-35
Acquisition effects	-	-	-	6
RESULT BEFORE TAX	**-185**	**-61**	**-321**	**-356**
Attributable to:				
Parent Company's shareholders	-185	-59	-315	-355
Non-controlling interests	0	-2	-6	-1

Assets allocated by business area

All amounts in SEK M	31.12.2013	31.12.2012
Viking Supply Ships	4 326	4 777
Industrial Shipping	558	968
TOTAL ASSETS	**4 884**	**5 745**

Consolidated balance sheet

All amounts in SEK M	31.12.2013	31.12.2012
Vessels	3 925	4 608
Other tangible fixed assets	12	50
Intangible fixed assets	7	34
Financial assets	141	207
Total fixed assets	**4 085**	**4 899**
Current assets	799	846
TOTAL ASSETS	**4 884**	**5 745**
Shareholders' equity	1 749	2 105
Long-term liabilities	2 411	2 785
Current liabilities	724	855
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**4 884**	**5 745**

Valuation of financial assets and liabilities

The valuation of financial assets and liabilities in the balance sheet are based on aquisition value or fair value. The valuation of FX derivatives and interest rate derivatives are based on fair value. The balance items "Current assets" includes derivatives by SEK 1 M (0), "Long-term liabilities" by SEK 8 M (43) and "Current liabilities" by SEK 0 M (2). Valuation of other financial assets and liabilities items in the balance sheets are based on aquisition value.

Assessment of fair value of financial instruments

The input used in the valuation of financial instruments base the three level classification:
Level 1, fair values based on market values, where the instruments are traded on an active market, are available. Level 2, no market values based on an active market are available, valuations are instead based on measurements of discounted cash flows. Level 3, at least one variable is based on own assessments. The fair value valuation of the Group´s FX- and intrerest rate instruments are based on input according to level 2.

Consolidated cash-flow statement

MSEK	October - December 2013	2012	January - December 2013	2012
Cash flow from operations before changes in working capital	30	-65	56	-119
Changes in working capital	70	142	6	28
Cash flow from current operations	**100**	**77**	**62**	**-91**
Cash flow from investing activities	-7	315	-4	26
Cash flow from financing activities	-97	-269	-30	-115
Changes in cash and cash equivalents	**-4**	**123**	**28**	**-180**
Cash flow at beginning of period	385	235	361	548
Exchange-rate difference in cash and cash equivalents	0	3	-8	-7
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**381**	**361**	**381**	**361**

Changes in the Group's shareholders' equity

All amounts in SEK M	October - December 2013	2012	January - December 2013	2012
Equity at beginning of period	1 797	2 146	2 105	2 493
Effect of change in accounting principles	-	2	-	2
Adjusted equity at beginning of period	1 797	2 148	2 105	2 495
New share issue less cost for issuance	144	-	144	-
Total comprehensive income for the period	-192	-43	-500	-390
SHAREHOLDERS' EQUITY AT END OF PERIOD	**1 749**	**2 105**	**1 749**	**2 105**

Share capital in SEK M	October - December 2013	2012	January - December 2013	2012
Share capital at beginning of period	111	111	111	1 109
Reduction of the share capital	-	-	-	-998
New share issue	37	-	37	-
Share capital at end of period	**148**	**111**	**148**	**111**

Number of shares ('000)	October - December 2013	2012	January - December 2013	2012
Number of outstanding shares at beginning of period	110 903	110 903	110 903	110 903
Total number of shares at end of period	**110 903**	**110 903**	**110 903**	**110 903**
Average number of shares outstanding (´000)	118 135	110 903	112 726	110 903

Data per share

All amounts in SEK	October - December **2013**	2012	January - December **2013**	2012
Earnings before capital expenses (EBITDA)	0.6	-0.1	2.4	1.1
Operating result (EBIT)	-1.4	-0.2	-1.7	-1.3
Result after current tax	-1.6	-0.5	-2.9	-3.2
Result after full tax	-1.7	-0.9	-3.2	-3.5
Shareholders' equity end of period incl. non-contr. interests	11.8	19.0	11.8	19,0
Operating cash flow	0.4	-0.3	1.3	-0.8
Total cash flow	0,0	1.2	0.3	-1.6

Key data

		October - December **2013**	2012	January - December **2013**	2012
Earnings before capital expenses (EBITDA)	SEK M	71	-12	270	120
Operating result (EBIT)	SEK M	-162	-24	-194	-143
Shareholders' equity	SEK M	1 749	2 105	1 749	2 105
Net indebtedness	SEK M	2 256	2 623	2 256	2 623
Operating cash flow	SEK M	49	-35	144	-94
Total cash flow	SEK M	-4	123	28	-180
Return on capital employed	%	-14.4	-1.8	-4.1	-2.7
Return on shareholders' equity	%	-45.8	-17.8	-18.6	-17.1
Equity/assets ratio	%	35.8	36.6	35.8	36.6
Debt/equity ratio	%	128.9	124.7	128.9	124.7
Profit margin	%	-28.0	-7.9	-11.0	-10.9

Parent Company income statement

All amounts in SEK M	October - December 2013	2012	January - December 2013	2012
Net sales	260	361	1 132	1 247
Other operating revenue	2	0	107	18
Direct voyage costs	-110	-120	-496	-486
Personnel costs	-43	-49	-160	-166
Other costs	-79	-217	-613	-695
Depreciation/impairment	-20	-1	-24	-3
Operating result	**10**	**-26**	**-54**	**-85**
Net financial items	-209	-77	-285	-126
Result before tax	**-199**	**-103**	**-339**	**-211**
Tax on result for the year	-3	-93	-23	-67
RESULT FOR THE PERIOD	**-202**	**-196**	**-362**	**-278**
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-202**	**-196**	**-362**	**-278**

Parent Company balance sheet

All amounts in SEK M	31.12.2013	31.12.2013
Tangible fixed assets	2	3
Intangible fixed assets	-	23
Financial fixed assets	2 539	2 793
Total fixed assets	**2 541**	**2 819**
Current asstes	185	647
TOTAL ASSETS	**2 726**	**3 466**
Shareholders' equity	2 388	2 607
Provisions	6	7
Longterm liabilities	175	584
Current liabilities	157	268
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**2 726**	**3 466**

Changes in Parent Company's shareholders' equity

All amounts in SEK M	October - December 2013	2012	January - December 2013	2012
Shareholders' equity at beginning of period	2 447	2 801	2 607	2 883
Effect of change in accounting principles	-	2	-	2
Adjusted equity at beginning of period	2 447	2 803	2 607	2 885
New share issue less cost for issuance	144	-	144	-
Total comprehensive income for the period	-202	-196	-362	-278
SHAREHOLDERS' EQUITY AT END OF PERIOD	**2 388**	**2 607**	**2 388**	**2 607**

Definitions

Capital employed
Interest-bearing liabilities and shareholders' equity.

Debt/equity ratio
Interest-bearing liabilities minus cash and cash equivalents divided by shareholders' equity.

Dividend yield
Dividend per share divided by the closing share price at year-end.

Earnings per share
Profit after financial items less 1) current tax, 2) tax on profit for the year (current and deferred tax) in accordance with the consolidated income statement.

EBIT
Earnings before interest and taxes.

EBITDA
Earnings before interest, taxes, depreciation and amortization, corresponding to profit/loss before capital expenses and tax.

Equity/assets ratio
Shareholders' equity divided by total assets.

Equity per share
Equity divided by the number of shares outstanding.

Hedging
A general term for financial measures taken to avoid undesirable effects on earnings due to variations in interest rates, exchange rates, etc.

IFRS
International Financial Reporting Standards – an international accounting standard used by all listed companies. Some older standards included in IFRS include IAS (International Accounting Standards).

Interest coverage ratio
Operating profit/loss before depreciation plus interest income divided by interest expense.

Net indebtedness
Interest-bearing liabilities less cash and cash equivalents.

Operating cash flow
Profit/loss after financial income/expense adjusted for capital gains/losses, depreciation/amortization and impairment.

Operating profit/loss (before tax)
Profit/loss before tax and before restructuring costs.

Operating profit/loss
Profit/loss before financial items and tax, and before restructuring costs.

Profit margin
Profit after financial items divided by net sales.

Return on equity
Profit after financial items less tax on profit for the year, divided by average shareholders' equity.

Return on capital employed
Profit before interest and tax (EBIT) divided by average capital employed.

Restructuring costs
Includes revenues and expenses of a non-recurring nature, such as capital gains/losses from the sale of vessels, impairment of vessels and costs related to personnel cutbacks.

Share of interest-bearing capital
Equity and deferred tax (including minority share) divided by total assets.

Total cash flow
Cash flow from operating activities, investing activities and financing activities

Rederi AB TransAtlantic (RABT) is a leading Swedish shipping company with headquarters in Gothenburg, Sweden, and additional offices in Europe. TransAtlantic is organized into two business areas: Industrial Shipping and Viking Supply Ships. Viking Supply Ships, which is active in offshore and icebreaking, is also a wholly owned subsidiary of RABT. The Industrial Shipping business area consists of three divisions: Container, RoRo and Bulk. The Group has about 950 employees and generated sales of SEK 2,925 M in 2013. The company's Series B shares are listed on the NASDAQ OMX Stockholm, Small Cap segment.
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