

Press release

7 August 2014

TransAtlantic Interim Report January – June 2014

Second quarter 2014

- Net revenues amounted to SEK 737 M (787)
- Result before capital costs, EBITDA, amounted to SEK 123 M (109)
- Operational result before tax amounted to SEK 42 M (-24)¹
- Result before tax amounted to SEK 35 M (-42)
- Result after tax amounted to SEK 34 M (-62)
- Earnings per share after tax amounted to SEK 0.2 (-0.6)

January – June 2014

- Net revenues amounted to SEK 1 466 M (1 511)
- Result before capital costs, EBITDA, amounted to SEK 133 M (91)
- Operational result before tax amounted to SEK -9 M (-162)¹
- Result before tax amounted to SEK -73 M (-180)
- Result after tax amounted to SEK -78 M (-199)
- Earnings per share after tax amounted to SEK -0.5 (-1.8)

Major events second quarter

- The Group's operational quarterly result amounted SEK 42 M (-24) which is an improvement compared to the previous quarter and year. In addition restructuring items and provisions for loss contracts have impacted the quarterly result by SEK -7 M (-18).
- The new share issue approved by the Annual General Meeting, which brought SEK 148 M, was completed during the quarter and is used for ongoing restructuring measures.
- The business area Industrial Shipping has changed name to TransAtlantic.
- The TransPal Line related business sites in Hull, Szczecin and Daugava were exited during the quarter.
- The TransAtlantic service in northern Sweden has been expanded by a new port call in Piteå.
- Viking Supply Ships (VSS) was awarded a contract for the AHTS Icebreaker Tor Viking with a major oil company for a period of 11 months, commencing in June 2014. The total value of the firm contract period is USD 34.5 M.
- All four of VSS AHTS vessels contacted by a major oil company started performing on the contract at the end of May.
- VSS has completed the acquisition of SBS Typhoon by use of a call option at a purchase price below current market value.
- Six of VSS AHTS vessels are operating in Russian waters. The political situation in the Ukraine and the sanctions directed against Russia has until now not negatively impacted the operations. It is difficult to predict how the situation will develop, but it is carefully monitored.
- VSS has refinanced the PSV fleet with maturity in 2016. The loan, which secures a long term financing and enables the acquisitions of SBS Typhoon and Freyja Viking, amounts SEK 490 M.

- VSS has secured a firm commitment to refinance three AHTS Icebreakers to the amount of SEK 680 M with maturity in 2019.

Major events after the second quarter

- A bareboat charter agreement has been renegotiated after the end of the period to better match the charter agreements through which the same vessels are chartered out.

Viking Supply Ships

The quarter saw an improvement in both sales and profit. The rate level for the AHTS vessels increased during the quarter, while the utilization rate has remained stable. The contract that was signed in Q4 2013 with a major oil company for four AHTS vessels was initiated during May, and towards the end of the second quarter 2014 seven AHTS vessels were on term contract and one vessel on the spot market. In the PSV segment both rate and utilization levels decreased somewhat during the quarter. The Services and Ship Management segments are progressing as planned. Furthermore, Viking Supply Ships has secured the refinancing of ship loans within both the AHTS and PSV segments. In addition, the previously communicated evaluation of a possible sale of the Viking Supply Ships PSV fleet has not been concluded.

Industrial Shipping

As in previous quarters, TransAtlantic is still exposed to weak market conditions. The operational result for the quarter improved, but is still not at a satisfactory level. Meanwhile, sales fell mainly as a result of operations being divested and closed down. The line and vessel capacity have been adapted to current market conditions. In addition, a new port call in Piteå for container traffic, which is a breakthrough in northern Sweden, creating a new market for the operations. The restructuring activities remain in focus with an emphasis on a clearer business model, focusing on RoRo and Container Feeder Service. The structure of the business area has been refined into a separate group under Rederi AB Transatlantic (RABT), within which Line and Ship Management operations are organized separately.

The Group

The Annual General Meeting was conducted on April 23 in Gothenburg as planned. The new rights issue approved by the Annual General Meeting of 148 MSEK was concluded during the quarter. Excluding shares subscribed for by Kistefos, approximately 99.1 percent of the A-shares and 100.7 percent of the B-shares were subscribed for. Including shares subscribed for by Kistefos on the basis of subsidiary preferential rights, the rights issue is, however, fully subscribed. The purpose of the rights issue is to accelerate the restructuring process and implement additional efficiency, as well as to facilitate a potential the split of the Group.

Outlook

The market conditions for Viking Supply Ships are expected to improve going forward, although modestly for the AHTS segment. Efforts to increase the proportion of long-term contracts within the business area are still in focus. Viking Supply Ships also deem that the political situation in the Ukraine could lead to future threats to the company's activities in Russia, although it is difficult to predict the consequences of potential reactions.

The market for TransAtlantic is expected to remain weak but stable in 2014 and the business is expected to contribute with a negative result for the year. The earnings capacity remains sensitive to

changes in volumes. The restructuring and efficiency efforts will continue and we expect to implement further cost savings to improve efficiency and increase competitiveness.

The same long-term objective remains – to create two independently strong operations with the right prerequisites to successful competition in their respective markets.

Press and analyst conference

Due to the publishing of Rederi AB Transatlantic's Interim report, a teleconference will be held for media, investors and analysts today 7 August at 10:00 am CET. Dial in details as follows:

Phone number: +46 8 50520424 or +47 2 156 3318

Password: TransAtlantic

Please dial in 5-10 minutes before the start of the conference.

In conjunction with the teleconference a presentation will be available on the Company's webpage, www.rabt.se. Please be referred to Investor Relations/Presentations.

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

Investor Relations

Tomas Bergendahl, CFO, phone: 031-763 23 78, tomas.bergendahl@rabt.se

Rederi AB Transatlantic (RABT) is a leading Swedish shipping company with the headquarter in Gothenburg, Sweden. Rederi AB Transatlantic is organized into two business areas: TransAtlantic and Viking Supply Ships. Viking Supply Ships, is active in offshore and icebreaking. The TransAtlantic business areas are primarily focused on liner services with Container and RoRo vessels. The Group has about 800 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. www.rabt.com

TransAtlantic is obliged to make this information public according to the Financial Markets Act and/or the Financial Instruments Trading Act (Sw: lagen om värdepappersmarknaden and lagen om handel med finansiella instrument). The information was submitted for publication on 7 August at 08:30 am.