Viking Supply Ships AB (publ)
Financial Report
Q1 2015

VIKING SUPPLY SHIPS

Viking Supply Ships AB (publ) *is a Swedish company with headquarter in Gothenburg, Sweden. Viking Supply Ships AB (publ) is organised into five segments: Anchor Handling Tug Supply vessels (AHTS), Platform Supply Vessels (PSV), Services, Ship Management as well as the subsidiary TransAtlantic AB. The operations are focused on offshore and icebreaking primarily in Arctic and subarctic areas as well as on RoRo and container feeder services mainly between the Baltic Sea and the Continent. The company has in total about 800 employees and the turnover in 2014 was MSEK 3,190.*

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Front picture: Njord Viking together with the Goliat FPSO

Q1 2015

- Total revenue was MSEK 509 (729)
- EBITDA was MSEK 58 (10)
- Result after tax was MSEK -71 (-112)
- Result after tax per share was SEK -0.4 (-0.8)

SUMMARY OF EVENTS IN Q1

- EBITDA for the first quarter was MSEK 58 (10), which is an improvement of MSEK 48 compared to last year.
- A contract with an Oil-major for the charter of Brage Viking has been entered into. The vessel is firm until December 2017, with options to extend the contract until June 2019.
- In order to remain competitive and reduce costs, management has decided to close down the Aberdeen office with effect from July 2015. The change in the organisation will reduce the overhead costs, and ensure that the financial position remains strong.
- The average fixture rate for the AHTS fleet in Q1 was NOK 423,000 (390,000) and GBP 5,000 (10,000) for the PSV fleet. The average utilisation for the AHTS fleet for Q1 was 71% (68) and 33% (81) for the PSV fleet.
- The sale of the small bulk vessel TransForte was concluded in February 2015. The transaction brought positive cash effects of net MSEK 3 after repayment of related ship loans.

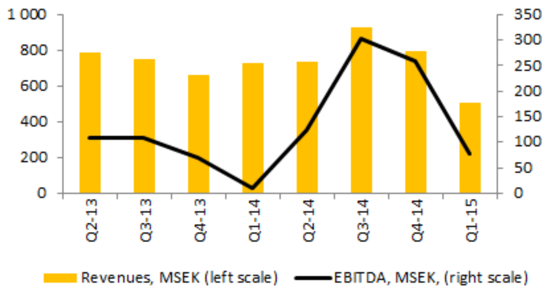
SUBSEQUENT EVENTS

- A new contract with an oil and gas company for Vidar Viking has been entered into. The vessel is now firm until August 2016, with options to extend the vessel until February 2017.
- At Rederi AB Transatlantic's (RABT) Annual General Meeting it was resolved, in accordance with the proposal of the Board of Directors, to amend the Articles of Association resulting in the change of name from Rederi AB Transatlantic to Viking Supply Ships AB (VSS AB). The Board of VSS AB has decided to appoint Christian W. Berg as CEO of VSS AB with immediate effect. Mr. Berg will also continue as CEO of the subsidiary Viking Supply Ships A/S (VSS A/S).

KEY FINANCIALS

	Q1 2015	Q1 2014
Net sales, MSEK	509	729
EBITDA, MSEK	58	10
Result after tax, MSEK	-71	-112
Earnings per share after tax, SEK	-0,4	-0,8
Shareholders´equity per share, SEK	11,5	11,1
Return on equity, %	-13,9	-26,5
Equity ratio, %	39,1	34,1
Market adjusted equity ratio, %	45,3	41,6

FINANCIAL DEVELOPMENT



CEO STATEMENT

For more than 40 years, Rederi AB Transatlantic has been a significant contributor in the Scandinavian world of logistics. During this period, the market environment in which we operate has gone through several changes, providing us with challenges as well as opportunities. In recent years, the company has comprised of two business areas; Offshore and Industrial Shipping. To better reflect the changed focus and scope within the group, Rederi AB Transatlantic has now been renamed Viking Supply Ships AB, which is reflected in the operational reporting. Further, the previous business area Industrial Shipping, now referred to as a subsidiary, changed name to TransAtlantic AB in 2014. The Group result after tax for Q1 2015 was MSEK -71 (-112).

Since the Kara Sea contract for four of our AHTS vessels was terminated, our focus has been to secure alternative work for these vessels. So far this year, we have secured long term contracts for both Brage Viking and Vidar Viking in harsh environment regions. Both contracts reflect the area of operation and VSS A/S has obtained premium rates in an otherwise difficult offshore market. These contracts improve our contract coverage considerably and increase the contract backlog (including optional periods) with MUSD 100 and MUSD 45, respectively. The new contracts would not have been possible without the experience and competence obtained by our crew and office staff during more than 15 years of operations in ice and harsh environment offshore regions. This has combined with highly capable vessels with high ice-class, given us the opportunity to take advantage of a weak offshore cycle.

The subsidiary TransAtlantic AB is, as in previous quarters, still exposed to weak market conditions. The revenue decline is mainly due to operations being divested or closed down.

The North Sea offshore market has been challenging during Q1 2015. Especially the PSV market has been characterised by ample supply, but also the AHTS market has suffered with weak rates and utilisation. Despite this, our ATHS segment improved on both utilization and fixture rates compared to last year, while the PSV segment did not see a satisfying development during the quarter. As a result, it has been decided to close down our PSV focused Aberdeen office with effect from July 2015.

Despite the sanctions on Russia, the region continues to be a key market for us going forward. It is only certain regions that are affected by the sanctions, and we have had vessels operating in Sakhalin during the entire period. Currently we also have Balder Viking supporting Gazprom Neft in the Pechora Sea on a short-term contract. Going forward we will continue to spend time and resources on monitoring the situation in the region, not only to protect our interests, but also to take advantage of opportunities that may arise.

OUTLOOK

The Offshore market is challenging on the back of the reduced oil price and consequently lower activity among exploration and production companies. Despite most plans for 2015 already being in place, the industry is trying to scrutinise costs where possible, both in terms of increased efficiency and postponed activity. VSS A/S expects that the North Sea market will continue to be challenging going forward, with especially the PSV segment being challenged by a weak market balance. In the Arctic and Sub-Arctic regions, VSS A/S has secured several contracts during the last quarter, indicating that there is still demand for vessels in these regions. VSS A/S is still pursuing contract opportunities in these markets, and has a clear ambition to increase the contract coverage going forward.

Gothenburg May 7, 2015.

Christian W. Berg,
CEO and President

RESULTS AND FINANCE

Results for Q1 2015

Total revenue for the Group in Q1 2015 was MSEK 509 (729), of which offshore operations contributed with MSEK 290 (MSEK 360) and TransAtlantic AB contributed with MSEK 219 (369).

The Group's EBITDA for Q1 was MSEK 58 (10), of which offshore operations contributed with MSEK 78 (80) and TransAtlantic AB contributed with MSEK -20 (-70).

Net financial items were MSEK -76 (-65). Financial items include unrealised currency loss of MSEK -48 (-9) and realised value-adjustments on interest rate swaps of MSEK -1 (0).

The Group's result after tax for Q1 was MSEK -71 (-112), of which offshore operations contributed with MSEK -36 (-13) and other shipping operations contributed with MSEK -35 (-95).

OPERATIONAL HIGHLIGHTS FOR Q1

Anchor Handling Tug Supply vessels (AHTS)

Total AHTS revenue was MSEK 232 (205) in Q1. Total EBITDA was MSEK 103 (72).

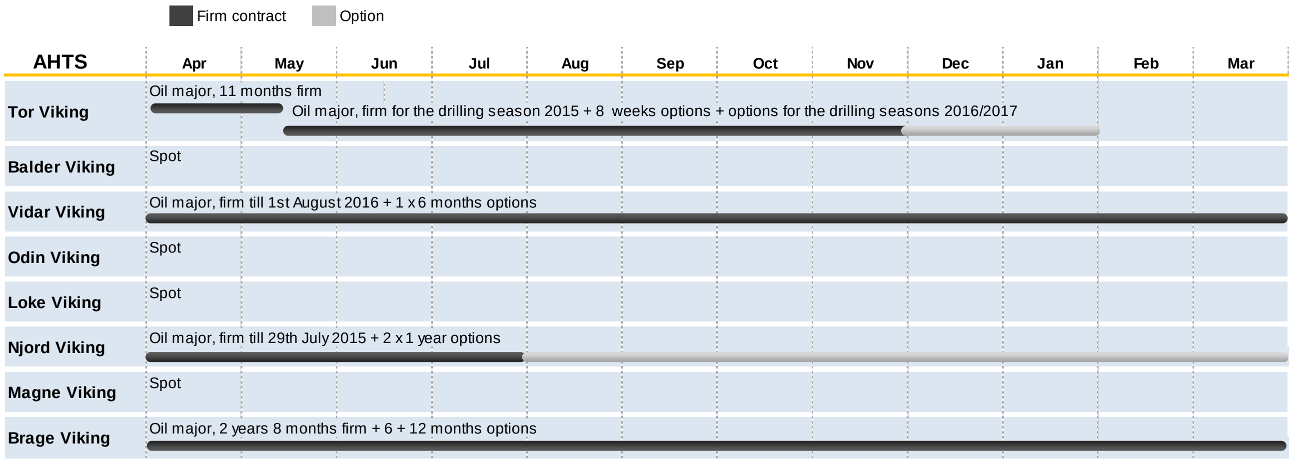
During Q1, five vessels have been operating in the North Sea spot market. At the end of the quarter, Brage Viking mobilised out of the region to commence a term contract in a Sub-Arctic region.

VSS A/S is actively pursuing additional term opportunities for the AHTS fleet. Despite a challenging Offshore Support Vessel (OSV) market, the company is confident that the long term outlook for the particular niche of Arctic and harsh-environment offshore is positive.

Despite the North Sea rig fleet being reduced, the North Sea activity has remained relatively high. This has however failed to materialise into any significant increases in rate levels.

The total AHTS contract backlog at the end of the quarter was MSEK 4,971 and represents 50% of the 2015 vessel capacity, 47% of the 2016 vessel capacity and 30% of the 2017 vessel capacity. The calculations include firm periods and options.

	Fixture rate (NOK)	Utilisation (%)
AHTS vessels on term charters	581,600 (379,500)	100 (100)
AHTS vessels in the spot market	236,500 (396,000)	53 (57)
Total AHTS fleet	**423,000 (390,000)**	**71 (68)**



Platform Supply Vessels (PSV)

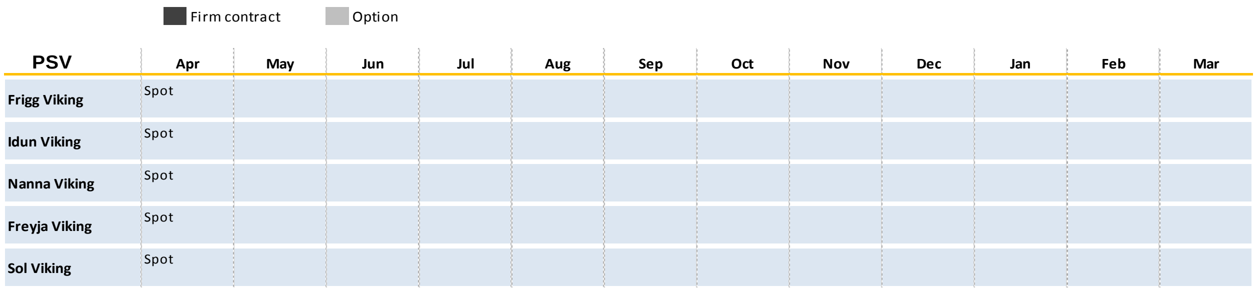
Total PSV revenue was MSEK 9 (48) in Q1. Total EBITDA was MSEK -26 (3).

During Q1, all five vessels were trading in the North Sea spot market. Increased supply of vessels, combined with reduced demand from charterers has led to a challenging market in the region. Despite several owners putting vessels into lay-up, the market has not been significantly improved, and especially the medium sized vessels have been suffering from low utilisation.

Consequently, both rates and utilisation have been weak for the quarter. VSS A/S is currently pursuing alternative areas of operation for the PSV fleet and has a clear ambition to increase the term coverage going forward.

The total PSV contract backlog at the end of the quarter was MSEK 0.

	Fixture rate (GBP)	Utilisation (%)
PSV vessels on term charters	0 (9,900)	0 (100)
PSV vessels in the spot market	5,000 (10,400)	33 (57)
Total PSV fleet	5,000 (10,000)	33 (81)



Services and Ship Management

Total Services and Ship Management revenue was MSEK 49 (107) in Q1. Total EBITDA was MSEK 1 (5).

During Q1 Viking Ice Consultancy conducted ice trials simulating oil spill in the Barents Sea in cooperation with several partners. The purpose of the ice trials is to create better solutions for preventing oil spill and to increase safety in future ice operations. Last year VSS A/S was involved in a drilling campaign in the Russian Arctic. Due to the ongoing sanction regime, it is unlikely to see any drilling campaigns in the region this summer. VSS A/S through the subsidiary Viking Ice Consultancy is however seeking other opportunities for consultancy work.

TransAtlantic AB

The previous business area Industrial Shipping, now referred to as a subsidiary, changed name to TransAtlantic AB in 2014.

The subsidiary TransAtlantic AB recorded revenues of MSEK 219 (MSEK 369) in Q1. EBITDA was MSEK -20 (-70).

The subsidiary TransAtlantic AB is, as in previous quarters, still exposed to weak market conditions. The revenue decline is mainly due to operations being divested and closed down. Within the container business the new port Härnösand was added to the services, while within RoRo business new contract opportunities are being explored.

FINANCING AND CAPITAL STRUCTURE

Viking Supply Ships AB is a limited liability company registered in Sweden, with its domicile in Gothenburg, and corporate registration number 556161-0113. Viking Supply Ships AB is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange in Stockholm under the ticker VSSAB (previously RABT).

At the end of the period, the Group's equity amounted to MSEK 2,036 (equivalent to 11.5 SEK/share). Equity declined during the quarter by net MSEK 6 due to the loss for the period of MSEK -71 and a positive change in the translation reserve of MSEK 65 attributable to currency differences on net investments in subsidiaries.

Gross investments during the quarter amounted to MSEK 113 (22) mainly related to dockings and the increase in financial assets related to cash which during the quarter has been deposited as additional pledge for ship loans (for further information see note 3). The sale of the small bulk vessel TransForte was concluded in February 2015. The transaction brought positive cash effects of net MSEK 3 after repayment of related ship loans.

For information of financing and cash situation, see note 3 and 4.

This information is such that Viking Supply Ships AB 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 May 7, 2015.

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.

This interim report is unaudited.

Gothenburg, 7th May 2015

Board of Directors:

Christen Sveaas *Chairman*	Folke Patriksson *Vice chairman*	Bengt A. Rem
Håkan Larsson	Magnus Sonnorp	

CEO:
Christian W. Berg

Press and analyst conference

In conjunction with the publication of this interim report, an earnings call will take place on May 7, 2015 at 10.00 am (CET) with Viking Supply Ships AB's CEO, Christian W. Berg and CFO Tomas Bergendahl. In connection with the conference, a presentation will be available on the company's website, www.rabt.se. Please see Investor Relations/presentations.

Financial calendar 2015

August 7	Interim report January-June
November 12	Interim report January-September

Investor relations

Please contact Christian Wilhelm Berg, CEO, ph +45 41 77 83 80.

The interim report is available on the company's website, www.rabt.se.

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

Consolidated income statement

(MSEK)	Note	Q1 2015	Q1 2014	FY 2014
Net sales		509	729	3,190
Other operating revenue		0	0	1
Direct voyage cost		-107	-216	-651
Personnel costs		-179	-187	-743
Other costs		-165	-316	-1,118
Depreciation/impairment	1	-52	-53	-195
Operating result		**6**	**-43**	**484**
Net financial items		-76	-65	-267
Result before tax	2	**-70**	**-108**	**217**
Tax	6	-1	-4	-17
RESULT FOR THE PERIOD		**-71**	**-112**	**200**
Attributable to:				
Parent Company's shareholders		-71	-112	200
Non-controlling interests		0	0	0
RESULT FOR THE PERIOD		**-71**	**-112**	**200**
Earnings attributable to Parent Company's share-holders, per share in SEK (before and after dilution)		-0.4	-0.8	-3.1

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of comprehensive income

(MSEK)	Q1 2015	Q1 2014	FY 2014
Result for the period	**-71**	**-112**	**200**
Other comprehensive income for the period:			
Items that will not be restored to the income statement			
Revaluation of net pension obligations	0	0	-2
Items that later can be restored to the income statement			
Change in translation reserve, net	65	9	-50
Other comprehensive income	**65**	**9**	**-52**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-6**	**-103**	**148**
Total comprehensive income attributable to:			
Parent Company's shareholders	-6	-103	153
Non-controlling interests	0	0	-5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-6**	**-103**	**148**

CONDENSED CONSOLIDATED BALANCE SHEET

(MSEK)		Q1 2015	Q1 2014	FY 2014
Vessels	1	4,083	3,924	3,982
Other tangible fixed assets		4	9	5
Intangible fixed assets		7	7	7
Financial assets		275	131	163
Total fixed assets		**4,369**	4,071	**4,157**
Current assets	4	832	749	1,103
TOTAL ASSETS	2	**5,201**	4,820	**5,260**
Shareholders' equity		2,036	1,646	2,042
Long-term liabilities	3	2,415	2,363	2,362
Current liabilities	3	750	811	856
TOTAL EQUITY, PROVISIONS AND LIABILITIES		**5,201**	**4,820**	**5,260**

Valuation of financial assets and liabilities

The valuation of financial assets and liabilities in the balance sheet is based on acquisition value or fair value. The valuation of FX derivatives and interest rate derivatives is based on fair value. The balance items "Long-term liabilities" includes derivatives of MSEK 23 (14) and "Current liabilities" of MSEK 0 (4). Valuation of other financial assets and liability items in the balance sheets are based on acquisition value.

Assessment of fair value of financial instruments

The input used in the valuation of financial instruments base the three level classifications: 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 interest rate instruments are based on input according to level 2.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(MSEK)	Q1 2015	Q1 2014	FY 2014
Cash flow from operations before changes in working capital	45	0	527
Changes in working capital	62	-5	-97
Cash flow from current operations	**107**	**-5**	**430**
Cash flow from investing activities	-73	15	-132
Cash flow from financing activities	-136	-65	-251
Changes in cash and cash equivalents	**-102**	**-55**	**47**
Cash and cash equivalents at beginning of period	450	381	381
Exchange-rate difference in cash and cash equivalents	26	2	22
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**374**	**328**	**450**

CHANGES IN THE GROUP'S SHAREHOLDERS' EQUITY

Shareholders' equity (MSEK)	Q1 2015	Q1 2014	FY 2014
Equity at beginning of period	2,042	1,749	1,749
New share issue less cost for issuance	-	-	145
Total comprehensive income for the period	-6	-103	148
SHAREHOLDERS' EQUITY AT END OF PERIOD	**2,036**	**1,646**	**2,042**

Share capital (MSEK)	Q1 2015	Q1 2014	FY 2014
Share capital at beginning of period	177	148	148
New share issue	-	-	29
Share capital at end of period	**177**	**148**	**177**

Number of shares ('000)	Q1 2015	Q1 2014	FY 2014
Number of outstanding shares at beginning of period	177,444	147,870	147,870
New issued shares	-	-	29,574
Total number of shares at end of period	**177,444**	**147,870**	**177,444**
Average number of shares outstanding (´000)	177,444	147,870	164,804

DATA PER SHARE

(MSEK)	Q1 2015	Q1 2014	FY 2014
EBITDA	0.3	0.1	4.2
Result after tax (EPS)	-0.4	-0.8	1.2
Equity	11.5	11.1	11.5
Operating cash flow	-0.1	-0.3	2.5
Total cash flow	-0.6	-0.4	0.3

PARENT COMPANY

The Parent Company's result before and after tax for the period was MSEK 1 (-28).

The activity in the Parent Company mainly consists of the shareholdings in VSS A/S and TransAtlantic AB, as well as limited Group wide administration.

At the end of the quarter the Parent Company's equity was MSEK 2,418 (2,417 on Dec 31, 2014), and the total assets was MSEK 2,730 (2,723 on Dec 31, 2014). The equity ratio on the balance day was 89 % (89 on Dec 31, 2014). Cash and cash equivalents at the end of the period was MSEK 77 (97 on Dec 31, 2014).

PARENT COMPANY INCOME STATEMENT

(MSEK)	Q1 2015	Q1 2014	FY 2014
Net sales	84	79	325
Other operating revenue	-	0	0
Direct voyage costs	-	0	-2
Personnel costs	0	-40	-66
Other costs	-83	-70	-261
Depreciation/impairment	-	0	0
Operating result	**1**	**-31**	**-4**
Net financial items	-	3	-110
Result before tax	**1**	**-28**	**-114**
Tax on result for the year	-	0	-
RESULT FOR THE PERIOD	**1**	**-28**	**-114**
Other comprehensive income for the period:			
Items that will not be restored to the income statemement			
Revaluation of net pension obligations	-	-	-2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1**	**-28**	**-116**

PARENT COMPANY BALANCE SHEET

(MSEK)	Q1 2015	Q1 2014	FY 2014
Financial fixed assets	2,627	2,537	2,612
Total fixed assets	**2,627**	**2,539**	**2,612**
Current asstes	103	133	111
TOTAL ASSETS	**2,730**	**2,672**	**2,723**
Shareholders' equity	2,418	2,360	2,417
Provisions	8	6	8
Longterm liabilities	219	175	220
Current liabilities	85	131	78
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**2,730**	**2,672**	**2,723**

CHANGES IN PARENT COMPANY SHAREHOLDERS' EQUITY

(MSEK)	Q1 2015	Q1 2014	FY 2014
Equity at beginning of period	2,417	2,388	2,388
New share issue less cost for issuance	-	-	145
Total comprehensive income for the period	1	-28	-116
SHAREHOLDERS' EQUITY AT END OF PERIOD	**2,418**	**2,360**	**2,417**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Depreciation

Tangible fixed assets are recognised at cost or after deductions for accumulated depreciation according to plan and possible impairment. Straight-line amortisation according to plan is applied.

Impairment test as at 31st March shows no need for impairment or reversal of previous impairment.

2. Segment information

The segment information is presented in five segments:

-The segments AHTS and PSV comprise 13 offshore vessels that are equipped for and have the capacity to operate in areas with harsh environment, further 7 of the Anchor Handling Tug Supply (AHTS) vessels are equipped to operate in Arctic areas.

-The segment Services provides ice management services and logistical support in the Arctic regions.

-The segment Ship Management is involved in commercial management of five icebreakers owned by the Swedish Maritime Administration.

-The segment TransAtlantic AB offers liner services in the Baltic Sea 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.

(MSEK)	AHTS	PSV	Services	Ship Management	Trans-Atlantic AB	Total
Net sales	232	9	8	41	219	**509**
EBITDA	103	-26	2	-1	-20	**58**
Result before tax	13	-48	1	-1	-35	**-70**
Total assets	3,725	1,026	0	0	450	**5,201**

There are no significant revenue transactions between the segments.

3. Interest bearing liabilities

The vessels owned by the Group are primarily financed through bank loans with pledge in the vessels. Further securities have been given in the form of pledge in revenue and insurance policies. The total interest-bearing debt at the end of the quarter was MSEK 2,730 (2,611).

The interest bearing liabilities are associated with so-called covenants, according to which the Group must fulfil certain key ratios. The Group is proactively managing the risk. At the balance date all covenants were in compliance.

The early termination of the contract for the 2015 and optional 2016 and 2017 drilling seasons received in December 2014 caused two of the AHTS vessels not to have sufficient contract coverage pursuant to the loan agreement for the relevant vessels. In line with the terms of the loan agreement, the Group in February 2015 agreed with the lenders to provide additional security in an amount of MUSD 18.8. The amount in deposit will vary up or down and the variation is dependent upon currency exchange rates, amortisations under the loan and vessel valuations. If the vessels yet again will reach the contract coverage agreed in the loan agreement, the obligation of providing additional security will cease.

Prior to the balance date the Group had provided the lenders with MUSD 12.6 out of the MUSD 18.8 additional security. Further, prior to the balance date, the Group has secured additional term contract coverage on the relevant vessels. As a combination of the secured additional term contract coverage and the loan-to-value clause in the same loan agreement the lenders have, after the balance date, agreed to reduce the MUSD 18.8 to MUSD 12.6.

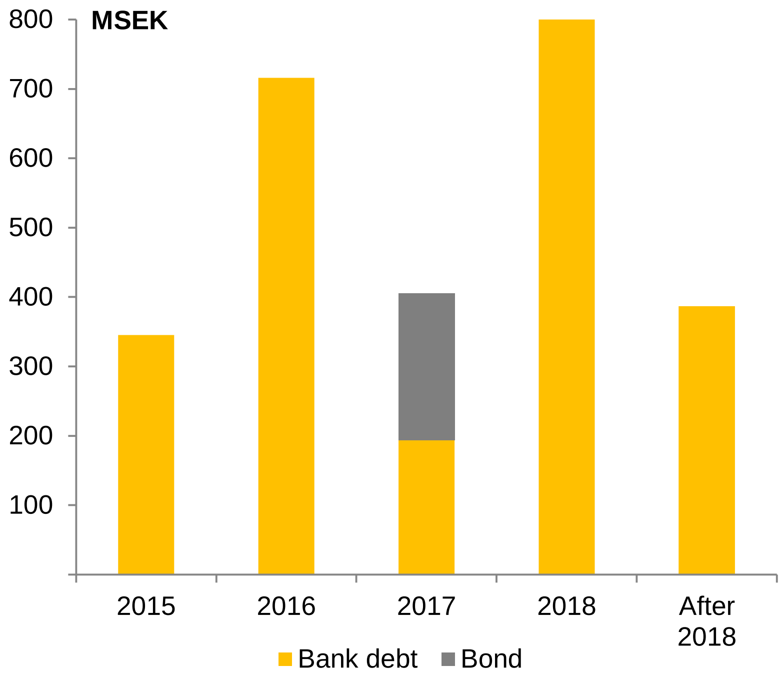
In March 2012 the Group issued a 5 year senior unsecured bond loan in the Norwegian capital market, with maturity in March 2017, totaling MNOK 300. The bond agreement has a limit of MNOK 750. The net proceeds from the bond shall be employed for investments, capital expenditures related to fleet expansion and general corporate purposes. The bond was listed on Nordic ABM in Oslo on 28th June, 2012. In March 2013 an additional MNOK 85 was drawn in a tap issue. As at balance date the Group is holding nominal MNOK 189 of this bond, consequently 196 MNOK is outstanding.

The Group has 43% (39) of its interest bearing debt in USD, 19% (0) in GBP, 1% (3) in EUR and 37% (58) in NOK. The Group has 86% (90) of the total loan portfolio swapped into fixed interest rates within the interval of 90 days up to three years and 10% (10) of the total loan portfolio swapped into fixed interest rates for more than 3 years. The remaining part is fully exposed to floating market rates.

3.1. Classification by type of debt

(MSEK)	Q1 2015	Q1 2014	FY 2014
Long-term bond loan	211	337	205
Short-term bond loan	0	108	0
Long-term debt to credit institutions	2,100	1,941	2,059
Short-term debt to credit institutions	418	225	431
TOTAL INTEREST BEARING LIABILITIES	**2,730**	**2,611**	**2,695**

3.2. Debt maturity



4. Cash and cash equivalents

Consolidated cash and cash equivalents at the end of the quarter amounted to MSEK 374 (328). Cash assets include client funds of MSEK 70.

(MSEK)	Q1 2015	Q1 2014	FY 2014
Restricted cash [1)]	113	18	4
Free cash and cash equivalents	374	328	450
TOTAL	**487**	**346**	**454**

1) The amount is included in the item "Financial Assets" in the balance sheet.

5. Operational and financial risk

The Group operates in highly competitive markets and 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 macroeconomic market conditions, degree of competition, flow of goods in prioritised 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.

The market for Offshore operations is in a high degree dependent on the investment level in the oil industry which in turn is driven by the oil price development on the global market. The refinancing of the loans that have been completed within the Group has ensured a long term financing structure. The political situation in Ukraine and the sanctions against Russia have indirectly affected the Group through the earlier published contract cancellations. It is difficult to assess the long term impact of these sanctions. The Group is carefully monitoring the development to protect its interests in the region. The business activities in the TransAtlantic AB segment operate in a market with negative growth and competitive profit margins.

The group is exposed to changes in the freight rates. To mitigate this operational risk, the Group has a clear focus on increasing the number of vessels on term contracts within the offshore operations.

6. Other information

Corporate tax

The general situation for the Group is that taxes payable are limited to foreign entities. Accordingly, recognised corporate tax mainly comprises deferred tax. The tax losses carry forward amounted at end of the period, net for Swedish entities, to MSEK 1,037, of which MSEK 182 corresponding to a tax value of MSEK 40 have been capitalised and considered likely to be offset against future taxable profits. The recognised net deferred tax asset for the Swedish operations amounted by the end of the period to MSEK 40 (40 on Dec 31, 2014). The recognised deferred tax liability for the operations outside Sweden amounted to MSEK 16 (16 on Dec 31, 2014).

Transactions with closely related parties

Kistefos has, through a consultancy agreement, made management and financial services available to the Group, for which compensation has been paid to a total of MSEK 0.3 for the first quarter. Apart from this, there were no other significant transactions with closely related parties.

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.

VSS A/S publishes a separate report as a result of the issued debt certificates. Some values in that report are not comparable to the values in this report, as a result of different acquisition values and depreciation schedules between VSS A/S and the Group. VSS A/S has as of Q3 2011 been built through Group-internal transfers of vessels and operations at then current market prices, which is why differences in acquisition values have arisen.

Number of employees

The average number of full time employees in the Group for the quarter was 743 (Jan-Dec 2014: 796).

Number of shares

Share distribution on March 31, 2015:

Number of Series A shares	11,634,946
Number of Series B shares, listed	165,809,372
Total number of shares	177,444,318

DEFINITIONS

AHTS
Anchor Handling Tug Supply vessel

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 amortisation, corresponding to profit/loss before capital expenses and tax

Equity ratio
Shareholders' equity divided by total assets.

The Group
Viking Supply Ships AB - Limited Liability Company registered in Sweden

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)

Market adjusted equity ratio
Shareholders' equity divided by total assets adjusted for market valuations

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

Operating cost
Operating cost consists of crew, technical and administration costs

Operating profit/loss
Profit/loss before financial items and tax

OSV
Offshore Support Vessels

Profit margin
Profit after financial items divided by net sales

PSV
Platform Supply Vessel

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

RoRo
Roll-on/roll-off ships are vessels designed to carry wheeled cargo, such as automobiles, trucks etc.

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