



VIKING SUPPLY SHIPS

Press release

November 12th 2015

Viking Supply Ships AB Interim Report January – September 2015

Third quarter

- Total revenue was MSEK 458 (930)
- EBITDA was MSEK 38 (303)
- Result after tax was MSEK -282 (170)
- Result after tax per share was SEK -1.6 (1.0)

Year to date 2015

- Total revenue was MSEK 1,520 (2,396)
- EBITDA was MSEK 182 (435)
- Result after tax was MSEK -317 (92)
- Result after tax per share was SEK -1.8 (0.6)

Summary of events in third quarter

- The market conditions have been challenging during the quarter, characterized with abundant supply and decreasing demand. Consequently, during Q3, the PSV vessels Idun, Frigg and Nanna Viking have been laid up. The decision will reduce operational costs going forward and will have a positive impact on the results from the fourth quarter of 2015, with full effect expected from the first quarter of 2016. The remaining two PSV vessels are operating in the North Sea spot market.
- Impairments of the PSV fleet value impacted the Q3 result negatively by MSEK 185.
- Impairments and provisions related to the ongoing restructuring of the subsidiary TransAtlantic AB impacted the Q3 result negatively by MSEK 23.
- Unrealized currency effects impacted the Q3 result negatively by MSEK 37.
- During Q3, Brage Viking was upgraded to Ice-Class 1A-Super in Singapore and is now back on-hire in Sakhalin. The upgrade was achieved below budget costs, but due to necessary off-hire it impacted the Q3 result negatively with MSEK 19.
- The contract for Njord Viking has been extended. The vessel is now firm till 31st December 2016, with options to extend the contract with 2 x 6 months. The total value of the extended period is about MSEK 270 including optional periods.
- Shell US has announced that the company will not continue the exploration program offshore Alaska within the foreseeable future due to the current market conditions, which means that Shell US will not declare the optional period for Tor Viking for the 2016 drilling season. The Shell US decision will not impact the 2015 results.

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- As a response to the continued weak market conditions, VSS A/S has initiated a new Market Adaption Program (MAP), with the ambition to reduce yearly operational costs with up to MSEK 70. This comes as an addition to already implemented yearly cost reductions of MSEK 45.
- The average fixture rate in Q3 was NOK 407,000 (522,000) for the AHTS fleet and GBP 3,660 (13,700) for the PSV fleet. The average utilization in Q3 was 63% (95) for the AHTS fleet and 39% (69) for the PSV fleet.
- Ulrik Hegelund was appointed Chief Financial Officer in Viking Supply Ships A/S as well as Viking Supply Ships AB with effect as of 1st September 2015.

Subsequent events

- As a consequence of the weak market conditions for conventional AHTS vessels, VSS A/S has, after the end of the quarter, decided to lay-up Odin Viking. VSS A/S will commence negotiations with the employees with the ambition to minimize lay-offs.
- The Group is after the balance day, according to contract coverage clauses and loan-to-value clauses, requested to deposit additional security (see note 5, Operational and financial risk).
- TransAtlantic AB has signed agreements to divest its container and ship management operations. Both transactions are expected to be closed in the fourth quarter of 2015.

Earnings call

In conjunction with the publication of this interim report, an earnings call will take place on November 12th, 2015 at 10.00 am (CET) with Viking Supply Ships AB's CEO, Christian W. Berg and CFO Ulrik Hegelund. In connection with the conference, a presentation will be available on the company's website, www.vikingsupply.com. Please see Investor Relations/reportingcenter.

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Please dial in 5-10 minutes before the call starts.

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Viking Supply Ships AB (publ) is a Swedish company with headquarter in Gothenburg, Sweden. Viking Supply Ships A/S is a subsidiary of Viking Supply Ships AB (publ). In addition Viking Supply Ships AB (publ) has 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 750 employees and the turnover in 2014 was MSEK 3,190. The company's B-shares are listed on the NASDAQ Stockholm, Small Cap segment. For further information, please visit: www.vikingsupply.com

Viking Supply Ships AB 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 November 12th, 2015 at 08:30 am.