

# WILSON ASA

## 3rd quarter - 2009

### Summary

- **Somewhat improved activity**
- **Further reduction in cost yields improved EBITDA**
- **Financial items contributes to a positive result before tax**
- **Expectations about increased industrial production for 2010**

Figures in MNOK except day figures and per share	3Q-2009	3Q-2008	2Q-2009	Change	
				3Q-2008	2Q-2009
Daily	<b>24,601</b>	39,671	22,800	(15,070)	1,801
Gross freight income	<b>414</b>	538	392	(124)	22
EBITDA	<b>25</b>	136	7	(111)	18
Operating result	<b>(22)</b>	95	(40)	(117)	18
Financial result	<b>39</b>	(20)	(12)	59	51
Result before tax and minority	<b>17</b>	75	(52)	(58)	69
Result per share	<b>0.28</b>	1.38	(0.86)	(1.10)	1.14

### Wilson ASA – Business idea

Wilson's main activity is the chartering and operation of small dry bulk vessels between 1,500 and 10,000 dwt in the European short sea trade. Wilson is a premier player in this market. Per 11.11.2009 the Wilson system operated 108 ships, whereof 76 are owning-wise controlled by the company.

Wilson's strategy is to offer Norwegian and European industry competitive, reliable, flexible and long-term transportation services. By controlling large contract volumes and long-term contract portfolios Wilson may optimize vessel operations and secure stable and long term income levels.

### Result 3rd quarter 2009

In 2008 the company had its highest activity historically with a corresponding cash flow and result. The effect of the financial unrest which affected the world in the latter part of 2008 yielded a marked downfall in volumes in the company's market as a consequence of the general weak trading conditions. Earnings and activity levels in 2008 is now considered as a long term objective, wherefore comparisons towards the previous quarter is being emphasized in the following, rather than a comparison towards the corresponding quarter in 2008.

In the 3rd quarter 2009 the company achieved freight income on TC basis of MNOK 204 compared to MNOK 200 in the previous quarter and MNOK 313 in the 3rd quarter 2008. The development compared to the 2nd quarter is positive, but the increase is lower than expected. Substantial increase in the nominations under the company's contracts is still awaited, whereas the spot market shows a somewhat more positive activity development.

The company's operating cost (excl. depreciations) in the quarter is MNOK 182 compared to MNOK 194 in the 3rd quarter 2008 and MNOK 196 in the 2nd quarter 2009. The decline compared to the previous quarter comes as a consequence of reduced cost for TC tonnage and crew cost. The reduction in TC tonnage cost is primarily due to renegotiated rates and less TC activity in the period whereas the reduction in crew cost is primarily due to a weaker USD.

The operating result before depreciations (EBITDA) in the 3rd quarter is MNOK 25 compared to MNOK 124 in the corresponding period in 2008. Compared to the 2nd quarter 2009 EBITDA is strengthened by MNOK 18 from MNOK 7 where the reason is lower cost (MNOK 14) and somewhat improved earnings (MNOK 4).

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The financial result in the quarter shows MNOK 39 compared to MNOK -12 in the previous quarter and MNOK 35 in the 3rd quarter 2008. The change of MNOK 51 from the 2nd quarter can chiefly be attributed to positive currency effects due to a stronger NOK per 30.09.09.

The company's result before minority interests and calculated tax is MNOK 17 in the 3rd quarter, an improvement of MNOK 69 compared to the 2nd quarter (MNOK -52). In the 3rd quarter 2008 the period's result before minority interest and calculated tax was MNOK 113.

### **The market**

During the quarter the company has had contracts coverage of 46 % compared to 42 % in the 2nd quarter. Historically the company has had contracts coverage levels of around 2/3. The low contracts coverage in 2009 reflects the substantial fall in volume in the market. An improvement in contracts coverage from 2nd quarter to 3rd quarter contributes however positively towards expectations about increased future nominations under the contracts.

During the 3rd quarter the spot market has shown a positive activity development. The income level is still substantially below the levels of 2007/2008 and during 2009 has not shown particular improvement, but the activity is on the increase. Increased volume in the spot market contributes to increased efficiency in the company's sailing patterns and thereby an improvement in net earnings.

The activity level measured as the number of sailing days in the 3rd quarter shows a decline of 4 % compared to the 2nd quarter. The decline is in main due to an increase in the docking activity in the quarter as well as redelivery of TC tonnage.

### **Financing and capital structure**

Per 30.09.2009 interest bearing mortgage- and leasing obligations in the balance are totaling MNOK 1,374 compared to MNOK 1,389 per 30.06.2009. The decline is reflecting a stronger NOK per 30.09 than per 30.06, whereby the NOK-value of the company's currency debt becomes lower.

The company's booked equity per 30.09.2009 is MNOK 771 compared to MNOK 758 per 30.06.2009. Booked equity is thereby 32.2 % compared to 31.9 % per 30.06.

The company has agreed with the lender to temporarily cancel the requirements to EBITDA for interest bearing debt against an increase in the interest margin.

Bank and cash deposits per 30.09.2009 are MNOK 28 in addition to an available credit facility totaling MNOK 55.

The company's new building program totaling 16 ships is fully financed through a committed financing agreement. Payment on the remaining equity is determined by the progress of the new building program, but there is not expected any major payments for the remaining period of 2009.

### **Prospects**

The company is still experiencing a low number of nominations from the industrial customers due to the general economic downturn. However, the industry increasingly provides positive signals about the activity being on its way up. This will be positive when considering the activity level and the results for 2010.

# **WILSON ASA**

## **3rd quarter - 2009**

### **Financial principles for the quarterly report**

The quarterly report has been established on the basis of international accounting standards (IAS 34).

**The Board of Directors in  
Wilson ASA  
Bergen, 11th November 2009**

# WILSON ASA

## 3rd quarter - 2009

### Profit and loss

#### Wilson Group

(All figures in TNOK)

OPERATING REVENUE AND EXPENSES	Q3 2009	Q3 2008	1.1 - 30.09. 2009	1.1 - 30.09. 2008	1.1 - 31.12. 2008
Freight income	413,512	573,739	1,204,405	1,600,416	2,156,560
Voyage related expenses	209,664	260,422	595,384	708,192	974,807
Ships income on TC basis	203,848	313,317	609,021	892,224	1,181,753
Other operating income	3,107	5,348	8,848	16,649	23,428
<b>Total operating revenue</b>	<b>206,955</b>	<b>318,665</b>	<b>617,869</b>	<b>908,873</b>	<b>1,205,181</b>
Profit from purchase or sale of assets	0	0	-379	-19	-19
Crew cost ships	50,498	52,925	173,358	155,839	220,458
Other operating expenses	46,390	62,266	151,293	184,164	244,834
T/C and BB hires	56,071	49,207	190,856	141,438	210,249
Administration cost	28,905	30,003	90,758	86,153	125,790
Depreciations	47,065	46,265	143,106	126,226	170,254
<b>Operating result (EBIT)</b>	<b>-21,974</b>	<b>77,999</b>	<b>-131,881</b>	<b>215,034</b>	<b>233,577</b>
<b>FINANCIAL INCOME AND EXPENSES</b>					
Interest income	166	961	847	2,699	6,605
Other financial income	-774	2,347	-1,607	6,497	7,411
Agio	58,484	2,886	206,532	11,134	96,379
Value changes in financial instruments	6,841	76,107	-30,675	65,658	83,872
Interest cost	14,816	22,512	48,447	63,577	89,020
Disagio	10,801	23,550	29,606	46,488	166,940
Other finance cost	318	1,024	1,191	6,670	1,782
<b>Financial result</b>	<b>38,782</b>	<b>35,215</b>	<b>95,853</b>	<b>-30,747</b>	<b>-63,475</b>
<b>Result before tax</b>	<b>16,808</b>	<b>113,214</b>	<b>-36,028</b>	<b>184,287</b>	<b>170,102</b>
Tax cost	5,038	28,303	-10,047	46,071	-79,476
<b>Result</b>	<b>11,770</b>	<b>84,911</b>	<b>-25,981</b>	<b>138,216</b>	<b>249,578</b>
Minority interest	64	11	-71	-20	-40
<b>The majority's share of the profit</b>	<b>11,706</b>	<b>84,900</b>	<b>-25,910</b>	<b>138,236</b>	<b>249,618</b>
Result per share	0.28	2.01	(0.62)	3.27	5.91
Number of shares	42,216	42,216	42,216	42,216	42,216
<b>OTHER COMPREHENSIVE INCOME</b>					
Translations differences	1,542	-308	2791	-1270	-521
Income from purchases and acquisitions	0	0	0	0	3,439
<b>Total income and cost</b>	<b>13,312</b>	<b>84,603</b>	<b>-23,190</b>	<b>136,946</b>	<b>252,496</b>

**WILSON ASA**  
**3rd quarter - 2009**

**Balance**

**Wilson Group**

(All figures in TNOK)

<b>ASSETS</b>	<b>30.09.09</b>	<b>30.09.08</b>	<b>31.12.08</b>
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
Intangible fixed assets	0	375	250
Deferred tax assets	0	0	0
Goodwill	154,704	130,151	154,704
Total intangible fixed assets	<u>154,704</u>	<u>130,526</u>	<u>154,954</u>
<b>Tangible non-current assets</b>			
Property	2,502	2,653	2,615
Vessels	1,604,051	1,565,023	1,679,213
New buildings	332,724	156,944	233,561
Fixtures and furniture, office machines etc.	7,188	3,834	10,388
Total tangible non-current assets	<u>1,946,465</u>	<u>1,728,454</u>	<u>1,925,777</u>
<b>Financial fixed assets</b>			
Investments in non-consolidated investees	26,878	45,153	28,485
Loan to non-consolidated investees	5,585	21,897	6,477
Financial instruments	0	27,775	74,554
Other long term receivables	3,549	3,714	4,330
Total financial fixed assets	<u>36,012</u>	<u>98,539</u>	<u>113,846</u>
<b>Total fixed assets</b>	<b><u>2,137,181</u></b>	<b><u>1,957,519</u></b>	<b><u>2,194,577</u></b>
<b>Current assets</b>			
<b>Stores and fuel</b>			
	<u>20,054</u>	<u>36,687</u>	<u>29,281</u>
<b>Receivables</b>			
Accounts receivable	96,702	113,543	109,670
Other receivables	104,642	109,969	120,677
Total receivables	<u>201,344</u>	<u>223,512</u>	<u>230,347</u>
<b>Investments</b>			
Financial instruments	6,728	749	54,698
<b>Cash at bank, at hand, etc.</b>	<u>28,447</u>	<u>75,464</u>	<u>74,767</u>
<b>Total current assets</b>	<b><u>256,573</u></b>	<b><u>336,412</u></b>	<b><u>389,093</u></b>
<b>TOTAL ASSETS</b>	<b><u>2,393,754</u></b>	<b><u>2,293,931</u></b>	<b><u>2,583,670</u></b>

# WILSON ASA

## 3rd quarter - 2009

### Wilson Group

(All figures in TNOK)

SHAREHOLDERS' FUND AND LIABILITIES	30.09.09	30.09.08	31.12.08
<b>Equity</b>			
<b>Paid-in capital</b>			
Share capital (42,216,000 share a kr 5.-)	211,080	211,080	211,080
Total paid-in capital	<u>211,080</u>	<u>211,080</u>	<u>211,080</u>
<b>Retained earnings</b>			
Group funds	553,106	501,560	618,690
Total retained earnings	<u>553,106</u>	<u>501,560</u>	<u>618,690</u>
Minority interest	<u>6,749</u>	<u>7,631</u>	<u>6,821</u>
<b>Total equity</b>	<b><u>770,935</u></b>	<b><u>720,271</u></b>	<b><u>836,591</u></b>
<b>Liabilities</b>			
<b>Accrued liabilities</b>			
Accrued pension liabilities	11,435	10,147	10,181
Deferred tax	6,027	120,171	17,067
Total provisions	<u>17,462</u>	<u>130,318</u>	<u>27,248</u>
<b>Other long term debt</b>			
Liabilities to financial institutions (interest bear	1,171,155	891,906	1,241,739
Leasing obligations (interest bearing)	51,415	55,556	54,218
Liabilities to concern company	20,000	0	0
Financial instruments	835	0	0
Other long term debt	1,470	1,438	1,705
Total other long term liabilities	<u>1,244,875</u>	<u>948,900</u>	<u>1,297,662</u>
<b>Current liabilities</b>			
Current liability of long term debt	131,663	186,115	129,588
Financial instruments	0	0	0
Accounts payable	64,640	82,481	73,449
Tax payable	0	8,323	0
Social security tax, withholding tax, etc.	7,210	8,931	10,380
Financial obligations purchase options	37,915	83,656	85,267
Other short term liabilities	119,054	124,936	123,485
Total current liabilities	<u>360,482</u>	<u>494,442</u>	<u>422,169</u>
<b>Total liabilities</b>	<b><u>1,622,819</u></b>	<b><u>1,573,660</u></b>	<b><u>1,747,079</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>2,393,754</u></b>	<b><u>2,293,931</u></b>	<b><u>2,583,670</u></b>

The Board of Directors of Wilson ASA

Bergen, 11th November 2009

# WILSON ASA

## 3rd quarter - 2009

### Equity changes

	01.01-30.09 2009	01.01-30.09 2008	01.01-31.12 2008
Equity at start of period	836,591	625,887	625,887
Dividend Wilson ASA	-42,216	-42,216	-42,216
Minority	-250	-346	423
Total income and expenses	-23,190	136,946	252,497
Equity at end of period	770,935	720,271	836,591

## Cash flow statement

### Group

#### Cash flow

(All figures TNOK)	01.01-30.09 2009	01.01-30.09 2008	01.01-31.12 2008
Cash flow from operating activities	-10,319	276,012	383,826
Cash flow from investing activities	-16,859	-346,651	-618,959
Cash flow from financing activities	-19,142	34,414	198,211
Changes in bank deposits and cash at hand	-46,320	-36,225	-36,922
Bank balances and cash at hand at start of period	74,767	111,689	111,689
Bank balances and cash at hand at end of period	28,447	75,464	74,767

# WILSON ASA

## 3rd quarter - 2009

### Notes to the quarterly report

#### Note 1 – Accounting principles

The quarterly report has been established according to the IFRS requirements for interim reporting, IAS 34. The Financial Statement for 2009 has been established according to the IFRS standards, the same accounting principles that have been applied and explained in the Annual Report for 2008.

The financial method regarding the put option concerning the purchase of Nesskip hf has changed in 2008. The financial statement for the 1st quarter 2008 has been changed accordingly. Reference is otherwise made to Note 2 in the annual accounts for 2008.

Norwegian kroner is used as functional- and reporting currency. Numbers are stated as whole 1,000 kr (TNOK).

#### Note 2 – Segment information

##### 2.000 dwt / System

The operating income in the segment in the 3rd quarter 2009 is MNOK 47 compared to MNOK 49 in the 2nd quarter. The operating result is MNOK 10 compared to MNOK 1 in the 2nd quarter. The improvement in the operating result is primarily due to lower operating cost. Booked value ships per 30.09.2009 shows MNOK 300 compared to MNOK 272 per 30.06.2009.

##### 3-4.500 dwt

The operating result in the segment shows MNOK -18 for the 3rd quarter compared to MNOK -32 for the 2nd quarter 2009. The operating income has increased with MNOK 11 from MNOK 79 in the 2nd quarter to MNOK 90 in the 3rd quarter. At the same time operating cost is MNOK 2 lower; MNOK 90 in the 2nd quarter compared to MNOK 88 in the 3rd quarter. Booked value ships per 30.09.2009 shows MNOK 883 compared to MNOK 874 per 30.06.2009.

##### 6-10.000 dwt

The segment shows total operating income of MNOK 42 in the quarter which is a decline of MNOK 6 compared to the 2nd quarter 2009. The operating result shows a comparable decline; MNOK -15 compared to MNOK -10 in the 2nd quarter. Booked value ships shows MNOK 593 per 30.09.2009 compared to MNOK 596 per 30.06.2009.

#### Other

As from the 4th quarter 2008 the company's wholly owned container activity is included in this segment. The segment as a whole shows total operating income of MNOK 28 which is a marginal increase from MNOK 27 in the 2nd quarter. The operating result is unchanged from the 2nd quarter and shows in the 3rd quarter MNOK 1. Booked value ships shows MNOK 161 per 30.09.2009 compared to MNOK 164 per 30.06.2009.



## WILSON ASA 3rd quarter - 2009

<b>01.07-30.09.09</b>	<b>2,000 t / system</b>	<b>3,500-4,500 dwt</b>	<b>6,000-10,000 dwt</b>	<b>Other **</b>	<b>Sum</b>
Operating income	46,844	89,965	42,440	27,705	206,954
Operating expenses *	28,219	87,892	44,437	21,316	181,864
Operating result before depreciations (EBITDA)	18,625	2,073	-1,997	6,389	25,090
Depreciations	8,466	19,969	13,488	5,141	47,064
Operating result (EBIT)	10,159	-17,896	-15,485	1,248	-21,974
Ships net book value	300,403	882,653	593,205	160,515	1,936,776
New buildings					
Ships aquisition	-	-	-	-	0
Ships being built	-	471	-	-	471
	<b>Import</b>	<b>Export</b>	<b>Domestic</b>	<b>Abroad</b>	<b>Sum</b>
Operating income	51,739	62,086	12,417	80,712	206,954
in %	25%	30%	6%	39%	100%

\* Operating expenses includes TC hires

\*\* Includes profit through sale of ships

<b>01.07-30.09.08</b>	<b>2,000 t / system</b>	<b>3,500-4,500 dwt</b>	<b>6,000-10,000 dwt</b>	<b>Other**</b>	<b>Sum</b>
Operating income	54,790	151,393	97,424	15,059	318,666
Operating expenses *	39,021	97,839	51,327	6,214	194,401
Operating result before depreciations (EBITDA)	15,769	53,554	46,097	8,845	124,265
Depreciations	6,144	22,684	15,771	1,667	46,266
Operating result (EBIT)	9,625	30,870	30,326	7,178	77,999
Ships net book value	211,507	981,601	520,067	34,700	1,747,875
New buildings					
Ships aquisition	-	-	-	-	0
Ships being built	-	17,851	-	-	17,851
	<b>Import</b>	<b>Export</b>	<b>Domestic</b>	<b>Abroad</b>	<b>Sum</b>
Operating income	79,667	95,600	22,307	121,093	318,666
in %	25%	30%	7%	38%	100%

\* Operating expenses includes TC hires

\*\* Includes profit through sale of ships

## WILSON ASA 3rd quarter - 2009

<b>01.01 - 30.09.09</b>	<b>2,000 t / system</b>	<b>3,500-4,500 dwt</b>	<b>6,000-10,000 dwt</b>	<b>Other**</b>	<b>Sum</b>
Operating income	144,744	252,707	133,067	86,971	617,489
Operating expenses *	119,961	276,176	139,215	70,913	606,265
Operating result before depreciations (EBITDA)	24,783	-23,469	-6,148	16,058	11,224
Depreciations	25,848	61,907	39,776	15,575	143,106
Operating result (EBIT)	-1,065	-85,376	-45,924	483	-131,882
Ships net book value	300,403	882,653	593,205	160,515	1,936,776
New buildings					
Ships aquisition	-	-	-	-	0
Ships being built	-	418	55,586	-	56,004
	<b>Import</b>	<b>Export</b>	<b>Domestic</b>	<b>Abroad</b>	<b>Sum</b>
Operating income	154,372	197,596	37,049	228,471	617,489
in %	25%	32%	6%	37%	100%

\* Operating expenses includes TC hires

\*\* Includes profit through sale of ships

<b>01.01 - 30.09.08</b>	<b>2,000 t / system</b>	<b>3,500-4,500 dwt</b>	<b>6,000-10,000 dwt</b>	<b>Other **</b>	<b>Sum</b>
Operating income	152,865	439,160	271,944	44,884	908,853
Operating expenses *	111,990	282,055	156,411	17,138	567,594
Operating result before depreciations (EBITDA)	40,875	157,105	115,533	27,746	341,259
Depreciations	16,278	65,410	39,450	5,088	126,226
Operating result (EBIT)	24,597	91,695	76,083	22,658	215,033
Ships net book value	211,507	981,601	520,067	34,700	1,747,875
New buildings					
Ships aquisition	-	143,014	-	-	143,014
Ships being built	-	54,603	-	-	54,603
	<b>Import</b>	<b>Export</b>	<b>Domestic</b>	<b>Abroad</b>	<b>Sum</b>
Operating income	236,302	272,656	63,620	336,276	908,853
in %	26%	30%	7%	37%	100%

\* Operating expenses includes TC hires

\*\* Includes profit through sale of ships

# WILSON ASA

## 3rd quarter - 2009

### Note 4 – The Company's major shareholders per 30.09.2009

The share capital in the company per 30.09.2009 consists of 42,216,000 shares à NOK 5 totaling TNOK 211,080.

<b>Navn</b>	<b>Aksjer</b>	<b>Eierandel</b>
Caiano AS	38 070 599	90,18 %
Pareto Aksje Norge	956 800	2,27 %
Ivan AS	623 000	1,48 %
Pareto Aktiv	530 600	1,26 %
Sum > 1 % eierandel	40 180 999	95,18 %
Sum øvrige	2 035 001	4,82 %
Totalt antall aksjer	42 216 000	100,00 %

Via Caiano AS as associate party Kristian Eidesvik controls a total of 90.18 % of Wilson ASA.

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*In case of contradiction between the Norwegian and the English version of this Report the Norwegian version shall prevail.*