INTERIM FINANCIAL REPORT, Q3 2014

W Bunker

1 JULY – 30 SEPTEMBER 2014
Company Announcement no. 23/2014

23 October 2014

Third quarter earnings hit by unrealised risk management loss. Full-year volume outlook lowered to focus on higher margin business

USD million	Q3 2014	Q3 2013	9M 2014	9M 2013	2013
INCOME STATEMENT					
Volumes (million tonnes)	8.01	7.82	22.88	21.27	29.15
Gross profit	29.0	59.8	143.7	155.7	225.1
Gross profit per tonne (USD/tonne)	3.62	7.65	6.28	7.32	7.72
Profit before tax (EBT) before special items	-6.2	26.7	36.7	56.5	86.5
EBT before special items per tonne (USD/tonne)	-0.77	3.41	1.60	2.66	2.97
Profit for the period before special items and tax effect hereof	-5.8	20.7	27.6	44.0	68.4

CEO Jim Pedersen commented:
"Overall the third quarter result was very disappointing. The fall in the oil price in particular in September was exceptional and led to a USD 24.5 million unrealised risk management loss. The margin pressure seen in the second quarter continued, but seems to have stabilised. We reduce our full-year volume forecast in a move to focus on higher margin business."

Third quarter 2014 highlights

- Due to the slide in oil price, in particular in September, risk management resulted in an unrealised loss of USD 24.5 million, USD 2.5 million higher than estimated in Company Announcement 22/2014 on October 7 2014.
  - Since a jump in the oil price to a 9-month high of above USD 115 (Brent) in the second half of June 2014, the oil price dropped around 20% in Q3 2014 to the lowest level in over two years. This steep fall led to market disruptions in September, and negatively affected the risk management as well as other parts of the business.
  - The oil price development included a structural change in the oil futures market from backwardation to contango. Backwardation is the predominant market structure, and the sudden structural change in late September had a negative effect on risk management.
- Marine fuel transaction volume rose 2% to 8.01 million tonnes (Q3 2013: 7.82 million tonnes). 9M 2014 volume was 22.88 million tonnes against 21.27 million tonnes in the same period 2013, an increase of 8%. Volume growth in the third quarter was below expectations, but satisfactory in a difficult market affected by a steep decline in the oil price.
- Gross profit fell to USD 29.0 million (Q3 2013: USD 59.8 million), mainly driven by the unrealised risk management loss of USD 24.5 million. 9M 2014 gross profit was USD 143.7 million against USD 155.7 million in the same period 2013.
- Gross profit per tonne fell to 3.62 USD (Q3 2013: USD 7.65 per tonne). Excluding the unrealised risk management loss gross profit per tonne was USD 6.67 in Q3 2014. 9M 2014 gross profit per tonne was USD 6.28 against USD 7.32 in the same period 2013. Excluding the unrealised risk management loss, 9M 2014 gross profit per tonne was USD 7.35. Gross profit includes interest income from trade credit.
- Profit before tax (EBT) before special items fell to USD -6.2 million (Q3 2013: USD 26.7 million). 9M 2014 EBT before special items was USD 36.7 million, down from USD 56.5 million in the same period 2013.
- Profit for the period before special items and tax effect hereof was USD -5.8 million (Q3 2013: USD 20.7 million). 9M 2014 profit for the period before special items and tax effect hereof was USD 27.6 million against USD 44.0 million in the same period 2013.
- Return on equity before special items and tax effect hereof was -10% (Q3 2013: 34%). 9M 2014 return on equity before special items and tax effect hereof was 15% against 24% in 9M 2013.

- OW Bunker reduces its expected full-year 2014 volume growth to around 6% compared to 2013 from previously approx. 10% in a move to focus on higher margin business. Company Announcement 22/2014 on October 7, 2014, implied a full-year net profit before special items of approx. USD 55 million. This included a possible reduction of the risk management loss, assuming unchanged or higher oil prices. Excluding the possible reduction of the unrealised risk management loss, net profit before special items is expected around USD 44 million. See further details of the full-year 2014 outlook on page 8.

Appendix

Q3 2014 Investor presentation

Conference call

OW Bunker hosts a conference call 23 October 2014 at 10.00 am CET. Presentation material will be available on www.owbunker.com approx. one hour before the call. Please use the following dial-in numbers:

+45 3272 8018 (Denmark)
+44 (0) 1452 555131 (UK/international)
+1 866 682 8490 (US – free dial-in).

Contact for further information

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About OW Bunker A/S

OW Bunker is a leading global independent marine fuel (bunker) company founded in Denmark in 1980 with operations in 29 countries, including the world's busiest and most important ports. OW Bunker acts as a physical distributor as well as reseller of marine fuel, and operates a global fleet of approx. 30 bunker vessels. OW Bunker also provides advanced risk management solutions aimed at controlling costs, minimising risk and protecting against market fluctuations. Headquartered in Nørresundby, Denmark, OW Bunker is listed on the NASDAQ OMX Copenhagen and has over 600 employees globally.

CONSOLIDATED FINANCIAL HIGHLIGHTS AND KEY RATIOS

USD million	Q3 2014	Q3 2013	9M 2014	9M 2013	2013
INCOME STATEMENT					
Revenue	4,520.9	4,413.1	13,173.1	12,486.2	16,993.1
Gross profit	29.0	59.8	143.7	155.7	225.1
Special items	-	-	-11.1	0.1	-3.0
Profit before tax (EBT)	-6.2	26.7	25.6	56.6	83.5
Profit before tax (EBT) before special items	-6.2	26.7	36.7	56.5	86.5
Profit for the period before special items and tax effect hereof	-5.8	20.7	27.6	44.0	68.4
Profit for the period	-5.8	20.7	17.4	44.1	63.4
BALANCE SHEET					
Total non-current assets	151.2	144.6	151.2	144.6	147.1
Total current assets	1,699.6	1,701.0	1,699.6	1,701.0	1,617.5
Total assets	1,850.8	1,845.6	1,850.8	1,845.6	1,764.6
Total equity	254.6	264.8	254.6	264.8	222.8
Total non-current liabilities	29.6	36.5	29.6	36.5	37.6
Total current liabilities	1,566.6	1,544.3	1,566.6	1,544.3	1.504.2
Net working capital, including bank credit facility for working capital purposes	141.0	113.4	141.0	113.4	122.1
Net interest bearing debt	654.3	505.4	654.3	505.4	503.7
Fixed assets acquired in the year	1.4	1.2	4.8	29.7	37.1
CASH FLOW					
Cash flow from operating activities	-69.4	-83.8	-151.0	-64.8	-14.8
Cash flow from investing activities	-12.0	-1.1	-15.3	-29.4	-35.9
Cash flow from financing activities	-2.7	3.7	-8.3	-12.1	-35.9
Change in cash and cash equivalents	-84.1	-81.2	-174.7	-106.2	-86.7
FINANCIAL RATIOS					
Gross profit per tonne (USD) (*)	3.62	7.65	6.28	7.32	7.72
Staff costs per tonne (USD)	2.21	2.37	2.42	2.45	2.45
Other external costs per tonne (USD)	1.19	1.07	1.25	1.38	1.19
EBT before special items per tonne (USD)	-0.77	3.41	1.60	2.66	2.97
EBT before special items conversion ratio	-21%	45%	26%	36%	38%
Equity ratio	14%	14%	14%	14%	13%
Return on equity (ROE) (**)	-10%	34%	15%	24%	31%
OTHER KEY FIGURES					
Volume (million tonnes)	8.01	7.82	22.88	21.27	29.15
Growth in volume	2%		8%		32%
Number of employees, average	642	611	626	595	594
Number of employees, end of period	645	619	645	619	622
Share price end of period, DKK per share	136.0	n.a.	136.0	n.a.	n.a.

For a definition of financial ratios refer to page 79 of the 2013 Annual Report. (*) Ratios are based on new accounting policies as described in note 1.
(**) Return on equity adjusted for special items and tax-effect hereof.

SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS AND KEY RATIOS IN DKK

Selected financial highlights are translated into DKK as additional information - the translation is based on the average exchange rate for the income statement and the exchange rate at the balance sheet date for balance sheet items.

DKK million	Q3 2014	Q3 2013	9M 2014	9M 2013	2013
INCOME STATEMENT					
Revenue	25,433.6	24,851.3	72,515.2	70,693.2	95,408.6
Gross profit	163.0	336.7	808.3	875.7	1,228.8
Profit before tax (EBT)	-34.6	150.1	144.0	318.5	468.8
Profit before tax (EBT) before special items	-34.6	150.1	206.4	318.1	485.7
Profit for the period before special items and tax effect hereof	-32.6	116.5	155.3	247.5	384.2
Profit for the period	-32.9	116.3	98.1	248.3	355.9
BALANCE SHEET					
Total equity			1,506.2	1,509.9	1,206.0
Net interest bearing debt			3,870.1	2,882.2	2,726.4

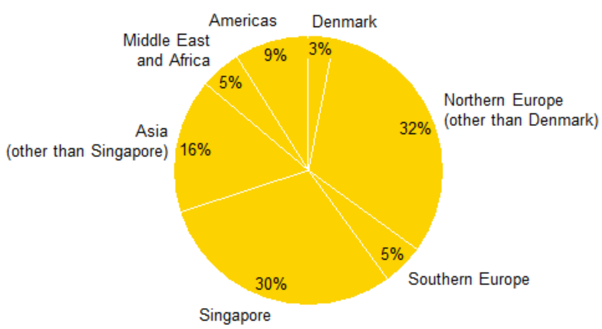
OPERATING AND FINANCIAL REVIEW, Q3 2014

Volume

Volumes were 8.01 million tonnes in Q3 2014, an increase of 2% compared to Q3 2013. 9M 2014 volumes rose 8% to 22.9 million tonnes from 21.3 million tonnes in the first three quarters of 2013.

Volume growth in the third quarter was below expectations but satisfactory in a difficult market. The slide in oil prices in the third quarter has put a pressure on in particular contract volume margins. Therefore, OW Bunker has reduced its volumes based on contract business in mainly Singapore and ARA (Amsterdam, Rotterdam, Antwerp), which is the main reason for the lower than expected volume in the quarter.

BREAKDOWN OF REVENUE (9M 2014)



Revenue is classified geographically in respect of the place where goods were delivered.

Income statement

Gross profit

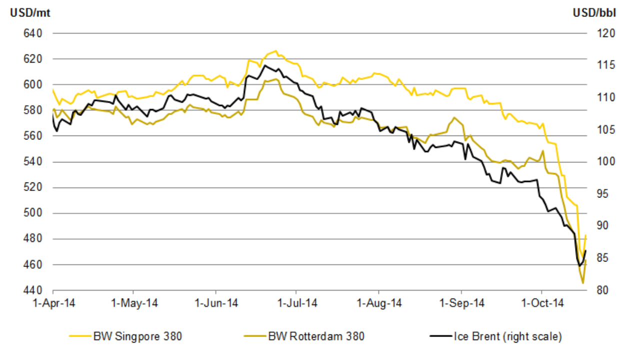
Gross profit was USD 29.0 million in Q3 2014, a decrease of 52% from Q3 2013. Gross profit includes interest income from trade credit, which has previously been booked as financial income. Comparison numbers have been adjusted accordingly.

9M 2014 gross profit was USD 143.7 million, down 8% from the same period in 2013.

The margin pressure seen in Q2 2014 continued in Q3 2014 and in particular in September, due to less profitable contract volumes, lower discounts from suppliers and realisation of inventories by certain market participants.

Q3 2014 gross profit was affected by unrealised losses of USD 24.5 million on fair value adjustments of risk management derivatives contracts. The unrealised loss is USD 2.5 million higher than estimated in Company Announcement 22/2014 on October 7, 2014. The main components of the risk management loss are a protection against further oil price falls, change in the structure of the oil futures market and impact of the oil price fall in general.

The unrealised loss follows the extraordinary fall in oil prices (Brent as well as marine fuel prices), in particular during September.



As part of the risk management policy, OW Bunker hedges the commercial inventory and marine fuel transactions within an expected oil price range. Oil price fluctuations within the expected range only have a marginal effect on OW Bunker's results. When the oil price moves outside the expected range, it affects a given quarter by changes in the valuation (mark to market) of the derivative contracts used for hedging of the commercial activities.

Historically, OW Bunker has experienced unrealised losses on derivative contracts without compromising the long-term ability to grow earnings and deliver a stable gross profit per tonne on an annual basis.

Gross profit per tonne

As a result of the unrealised loss on risk management derivative contracts and the realised margin pressure, gross profit per tonne fell to USD 3.62 in Q3 2014, down from USD 7.65 per tonne in Q3 2013. Excluding unrealised risk management loss gross profit per tonne was USD 6.67 in Q3 2014.

9M 2014 gross profit per tonne was USD 6.28 against 7.32 in the same period 2013. 9M 2014 gross profit per tonne excluding the unrealised risk management loss was USD 7.35.

Other external costs

Other external costs were USD 9.5 million, up USD 0.9 million in Q3 2013. Other external costs per tonne rose to USD 1.2 from USD 1.1 in Q3 2013.

Staff costs

Q3 2014 staff costs decreased 5% to USD 17.7 million from Q3 2013. The decrease was primarily attributable to a reduction in bonuses due to lower earnings.

Staff costs per tonne fell to USD 2.2 from USD 2.4 in Q3 2013.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment costs were USD 2.7 million in Q3 2014, USD 0.7 million higher than in Q3 2013. The increase was driven by payment of contingent consideration regarding prior years' investments.

Special items

Q3 2014 special items are unchanged compared to Q2 2014. Special items for 2014 are directly linked to the listing of the company on NASDAQ OMX in March 2014. No further IPO-related one-off costs are expected.

Net financials

Q3 2014 net financials ended at USD -5.2 million compared with USD -4.3 million in Q3 2013. The increase in net financial costs is mainly due to an increase in the average use of the credit facilities. Interest income from customers using trade credit facilities is now included in gross profit. The USD -4.3 million in Q3 2013 has thus been adjusted for interest income from trade credit.

Profit before tax (EBT)

Profit before tax (EBT) and profit before tax and special items in Q3 2014 ended at USD -6.2 million, down from USD 26.7 million in Q3 2013 corresponding to an EBT per tonne of USD -0.8 in Q3 2014 against USD 3.4 in Q3 2013. Excluding the unrealised risk management loss EBT per tonne was USD 2.29. 9M 2014 EBT before special items fell to USD 36.7 million from USD 56.5 million in the same period 2013.

The conversion ratio (EBT before special items as % of gross profit) excluding the unrealised risk management loss was 34% in Q3 2014, down from 45% in Q3 2013.

Income taxes

Q3 2014 income taxes were USD +0.3 million compared to USD 6.0 million (cost) in Q3 2013.

The effective tax rate was 5% against 23% in Q3 2013. The effective tax rate for 9M 2014 adjusted for non-deductible special items was 25% against 22% in the same period 2013.

The effective tax rate is impacted by the fact that part of the risk management loss does not generate a tax asset.

Profit for the period

Q3 2014 profit for the period before special items including tax effect hereof was USD -5.8 million, down from USD 20.7 million in Q3 2013.

9M 2014 profit for the period before special items including tax effect hereof was USD 27.6 million, down from USD 44.0 million in same period 2013.

Balance sheet

The total balance sheet at 30 September 2014 was USD 1,850.8 million compared to USD 1,764.6 million at 31 December 2013. The assets consist primarily of relatively liquid current assets, such as trade receivables and commercially hedged inventories, representing 87% of total assets as at 30 September 2014.

Trade receivables amounted to USD 1,412.8 million representing 76% of total assets. As part of OW Bunker's conservative credit risk management, more than 70% of receivables are insured.

Net working capital including the drawn bank credit facility for working capital purposes was at 30 September 2014 USD 141.0 million compared to USD 141.8 million at 30 June 2014 and USD 122.1 million at 31 December 2013.

Total equity amounted to USD 256.6 million at 30 September 2014, corresponding to an equity ratio of 14%.

Borrowings were USD 665.0 million and consist of drawn bank credit facilities for working capital purposes and vessel loans.

Cash flows

Cash flow from operating activities

Cash flow from operating activities was USD -69.4 million in Q3 2014 compared to USD -83.8 million in Q3 2013. Cash flow from operating activities was primarily negatively affected by reduced trade payables.

Cash flow from investing activities

Cash flow from investing activities was USD -12.0 million in Q3 2014 compared to USD -1.1 million in Q3 2013. Investments in Q3 2014 were mainly the acquisition of Wilhelmsen Marine Fuel AS.

Cash flow from financing

Cash flow from financing activities was USD -2.7 million in Q2 2014 against USD 3.7 million in Q2 2013.

Liquidity reserves at 30 September 2014 were USD 138.2 million, down from USD 303.2 million at December 2013. The reduction is mainly related to increased liquidity needs due to new operations, increased receivables and reduced trade payables.

Events after the balance sheet date

On October 3, 2014 Kent Larsen was appointed Executive Vice President and CFO, replacing Morten Skou, who takes up a new role as Head of Strategic Development (Company Announcement no. 21/2014).

On October 7, 2014, OW Bunker adjusted its full-year 2014 profit outlook (Company Announcement no. 22/2014). While the volume guidance of approx. 10% growth compared to 2013 was unchanged, the outlook for profit for the year (before special items) was revised to around 20% lower than the result (before special items) in 2013. Previously, profit for the year (before special items) was expected to grow at least in line with the growth in volume.

Outlook 2014

OW Bunker reduces its expected full-year 2014 volume growth to approx. 6% compared to 2013 from previously approx. 10%. The main reason for the lower volume forecast is that OW Bunker will avoid further margin pressure by continuing to refrain from low margin contract volume and low margin spot deals in Q4 2014.

The negative impact of the lower volume forecast is offset by higher margins than anticipated in the announcement from October 7, 2014 (Company Announcement 22/2014). A review of operations has shown that reduced margins in September to a high degree was related to one-offs and market disruption due to the falling oil price, and not caused by further underlying margin pressure. The updated outlook assumes a gross profit margin of USD 6.8 in Q4 2014, marginally above the level seen in Q3 2014 (USD 6.67 excluding the unrealised risk management loss). This means that the profit outlook, excluding a possible reduction of the unrealised risk management loss as a result of increasing oil prices, is unchanged compared to the October 7, 2014 announcement.

The estimated unrealised risk management loss of approx. USD 22 million as announced in Company Announcement 22/2014 on October 7, 2014, ended at a USD 24.5 million loss when final calculations were made. In connection with the announcement on October 7, 2014 it was furthermore stated that an unchanged or higher oil price at the end of the year could reduce the unrealised loss by around USD 10 million (USD 8 million after tax). Since then, the oil price has continued its slide, hitting an around four-year low of around USD 84 a barrel (Brent) in mid-October.

A possible reduction of the unrealised risk management loss, including the additional USD 2.5 million risk management loss, requires a Brent oil price of around USD 92 per barrel. In case of an average Brent oil price of USD 92 per barrel in Q4 2014, the unrealised risk management loss may be reduced by around USD 12.5 million (USD approx. 11 million after tax).

In case of an oil price below this level, OW Bunker does not expect a reduction of the unrealised loss in 2014. However, OW Bunker is protected against further losses than the above mentioned without additional cost to protect against further oil price falls.

In summary, full-year net profit (before special items), excluding a possible reduction of the unrealised risk management loss as a result of increasing oil prices, is expected around USD 44 million.

In case of an average oil price of USD 92 in Q4 2014, the full-year net profit (before special items) is expected around USD 55 million.

This Interim Financial Report contains forward-looking statements. Any forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance, achievements or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, our actual financial condition, cash flows or results of operations could differ materially from what is described herein as anticipated, believed, estimated or expected.

MANAGEMENT STATEMENT

The Board of Directors and the Executive Management have today considered and approved the Interim Financial Report of OW Bunker A/S for the period 1 July – 30 September 2014.

The Interim Financial Report, which has not been audited or reviewed by the Company auditor, has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the Interim Financial Report gives a true and fair view of the OW Bunker´s assets, equity, liabilities and financial position at 30 September 2014 and of the results of the Group's activities and the cash flow for the three-month period ended 30 September 2014.

We also find that the Management's Review provides a fair statement of developments in the activities and financial situation of the Group, financial results for the period, the general financial position of the Group and a description of the major risks and elements of uncertainty faced by the Group.

Nørresundby, 23 October 2014

BOARD OF DIRECTORS

Niels Henrik Jensen Chairman	Søren Johansen Deputy Chairman	Tom Behrens-Sørensen
Jakob Brogaard	Kurt K. Larsen	Petter Samlin

EXECUTIVE MANAGEMENT

Jim Pedersen Chief Executive Officer	Kent Larsen Chief Financial Officer

APPENDIX 1: CONSOLIDATED INCOME STATEMENT

USD '000	Q3 2014	Q3 2013	9M 2014	9M 2013	2013
Revenue	**4,520,880**	**4,413,070**	**13,173,094**	**12,486,213**	**16,993,102**
Cost of goods sold	-4,467,741	-4,325,028	-12,947,574	-12,254,866	-16,667,232
Operating costs	-24,157	-28,200	-81,842	-75,680	-100,786
Gross profit	**28,982**	**59,842**	**143,678**	**155,667**	**225,084**
Other external costs	-9,499	-8,355	-28,605	-29,354	-34,570
Staff costs	-17,719	-18,568	-55,459	-52,227	-71,563
Depreciation, amortisation and impairment	-2,683	-1,942	-7,006	-5,590	-7,638
Special items	0	0	-11,083	60	-3,008
Profit before interest and tax (EBIT)	**-919**	**30,977**	**41,525**	**68,556**	**108,306**
Financial income	725	3,002	2,419	6,775	6,771
Financial costs	-5,960	-7,304	-18,342	-18,724	-31,609
Profit before tax (EBT)	**-6,154**	**26,675**	**25,602**	**56,607**	**83,468**
Corporate income taxes	305	-6,000	-8,173	-12,476	-20,096
Profit for the period	**-5,849**	**20,675**	**17,429**	**44,131**	**63,372**
Profit attributable to:					
Owners of OW Bunker A/S	-4,133	20,545	19,479	44,034	61,984
Non-controlling interests	-1,716	130	-2,050	97	1,388
	-5,849	**20,675**	**17,429**	**44,131**	**63,372**
Earnings per share of DKK 1 (USD):					
Earnings per share for the period	-0.1	3.0	0.7	6.4	9.0
Diluted earnings per share for the period	-0.1	2.9	0.7	6.2	8.7

Earnings per share and diluted earnings per share decrease due to increased number of shares issued in connection with capital increases during March 2014.

Average numbers of shares were 36,771,811 in Q3 2014 (Q3 2013: 6,892,477). Numbers of shares at 30 September 2014 were 36,771,811.

APPENDIX 2: CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

USD '000	Q3 2014	Q3 2013	9M 2014	9M 2013	2013
Profit for the period	**-5,849**	**20,675**	**17,429**	**44,131**	**63,372**
Other comprehensive income					
Items that will be reclassified subsequently to income statement:					
Foreign currency translation adjustments, foreign enterprises	-2,135	1,769	-918	2,055	572
Cash flow hedges:					
Fair value adjustment of cash flow hedges	-542	-2,963	-386	109	7.407
Reclassification adjustments for amounts recognised in income statement	448	364	363	364	510
Income tax relating to items that will be reclassified to income statement	22	650	5	-117	-1.980
Other comprehensive income for the period	-2,207	-180	-936	2,411	6.509
Total comprehensive income for the period	**-8,056**	**20,495**	**16,493**	**46,542**	**69,881**
Total comprehensive income attributable to:					
Owners of OW Bunker A/S	-6,340	20,365	18,543	46,445	68,493
Non-controlling interests	-1,716	130	-2,050	97	1,388
	-8,056	20,495	16,493	46,542	69,881

APPENDIX 3: CONSOLIDATED BALANCE SHEET, ASSETS

USD '000	30 Sep 2014	30 Sep 2013	31 Dec 2013
Intangible assets	76,077	70,559	69,777
Property, plant and equipment	72,725	71,913	74,424
Deferred tax asset	1,910	1,811	2,406
Other receivables	507	329	516
Total non-current assets	**151,219**	**144,612**	**147,123**
Inventories	191,855	192,442	201,776
Trade receivables	1,412,766	1,354,784	1,354,105
Receivables from related parties	-	55,649	-
Current tax	1,831	1,251	2,475
Derivatives	42,654	28,119	9,649
Other receivables	27,049	37,781	27,215
Prepayments	12,754	12,620	8,443
Cash and cash equivalents	10,683	18,308	13,792
Total current assets	**1,699,592**	**1,700,954**	**1,617,455**
Total assets	**1,850,811**	**1,845,566**	**1,764,578**

APPENDIX 3: CONSOLIDATED BALANCE SHEET, EQUITY AND LIABILITIES

USD '000	30 Sep 2014	30 Sep 2013	31 Dec 2013
Share capital	6,832	1,256	1,256
Reserves	-7,134	-7,306	-3,208
Retained earnings	257,454	271,098	225,257
Equity shareholders in OW Bunker A/S	**257,152**	**265,048**	**223,305**
Non-controlling interests	-2,520	-256	-490
Total equity	**254,632**	**264,792**	**222,815**
Borrowings	24,691	30,876	29,251
Deferred tax liabilities	4,346	2,287	4,785
Provisions	563	668	668
Other payables	0	2,646	2,846
Total non-current liabilities	**29,600**	**36,478**	**37,550**
Borrowings	640,262	492,867	468,704
Payables to related parties	0	13,423	567
Provisions	506	206	206
Derivatives	29,568	3,897	11,890
Trade payables	839,853	934,868	947,542
Current tax	20,000	20,961	18,284
Other payables	36,390	78,073	57,020
Total current liabilities	**1,566,579**	**1,544,295**	**1,504,213**
Total liabilities	**1,596,179**	**1,580,773**	**1,541,763**
Total equity and liabilities	**1,850,811**	**1,845,565**	**1,764,578**

APPENDIX 4: CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

USD '000		Reserves						
	Share capital	Hedging reserve	Foreign currency translation reserve	Treasury shares	Retained earnings	Equity attributable to owners of OW Bunker A/S	Non-controlling interests	Total equity
1 January 2014	1,256	-264	-2,944	-	225,257	223,305	-490	222,815
Profit for the period	-	-	-	-	19,479	19,479	-2,050	17,429
Other comprehensive income	-	-18	-918	-	-	-936	-	-936
Total comprehensive income for the period	**-**	**-18**	**-918**		**19,479**	**18,543**	**-2,050**	**16,493**
Increase of share capital	5,576	-	-	-	13,955	19,531	-	19,531
Transaction cost of equity transactions	-	-	-	-	-1,414	-1,414	-	-1,414
Income tax relating to transaction cost of equity	-	-	-	-	21	21	-	21
Purchase of treasury shares	-	-	-	-3,686	-	-3,686	-	-3,686
Sale of treasury shares	-	-	-	696	156	852	-	852
Minority adjustments	-	-	-	-	-	-	20	20
Transactions with shareholders	**5,576**	**-**	**-**	**-2,990**	**12,718**	**15,304**	**20**	**15,324**
Total at 30 September 2014	**6.832**	**-282**	**-3.862**	**-2.990**	**257,454**	**257,152**	**-2,520**	**254,632**
1 January 2013	1,256	-6,201	-3,516	-	227,064	218,603	-362	218,241
Profit for the year	-	-	-	-	44,034	44,034	97	44,131
Other comprehensive income	-	334	2,077	-	-	2,411	-	2,411
Total comprehensive income for the period	**-**	**334**	**2,077**	**-**	**44,034**	**46,445**	**97**	**46,542**
Minority adjustments	-	-	-	-	-	-	9	9
Transactions with shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**9**	**9**
Total at 30 September 2013	**1,256**	**-5,867**	**-1,439**	**-**	**271,098**	**265,046**	**-256**	**264,792**

Treasury shares are purchased in connection with an expected employee share offering as described in in the prospectus published in connection with the IPO.

Share capital (DKK)	36,771,811
Number of shares	36,771,811
Share classes	one class
ISIN code	DK0060548386

APPENDIX 5: CONSOLIDATED CASH FLOW STATEMENT

USD '000	Q3 2014	Q3 2013	9M 2014	9M 2013	2013
Profit before interest and tax (EBIT)	-919	31,808	41,525	68,556	102,005
Depreciation, amortisation and impairment	2,683	1,942	7,006	5,590	7,638
Other non-cash movements	-935	-83	468	-53	2,946
	829	33,667	48,999	74,093	112,589
Interest received	0	3,002	1,694	6,772	13,072
Interest paid	-6,138	-7,304	-18,521	-18,724	-31,609
Adjustments:					
Changes in working capital	-63,070	-110,365	-177,463	-124,319	-96,646
Income taxes paid	-1,031	-2,776	-5,735	-2,618	-12,238
Cash flow from operating activities	**-69,410**	**-83,776**	**-151,026**	**-64,796**	**-14,832**
Purchase of intangible assets	-8	-	-249	-18	-37
Purchase of property, plant and equipment	-1,372	-1,239	-4,509	-29,647	-37,050
Sale of property, plant and equipment	-	124	-	314	1,157
Acquisition of subsidiaries, net of cash acquired	-10,582	-	-10,582	-	
Cash flow from investing activities	**-11,962**	**-1,115**	**-15,340**	**-29,351**	**-35,930**
Proceeds from borrowings	-	1,502	-	25,595	21,428
Repayment of borrowings	-2,711	-1,341	-23,017	-23,547	-22,226
Proceeds from finance arrangements with related parties	-	1,898	-	13,423	28,645
Repayment to finance arrangements with related parties	-	1,599	-567	-27,571	-
Purchase of treasury shares	-	-	-3,686	-	-
Disposal of treasury shares	-	-	850	-	-
Paid in share capital	-	-	19,531	-	-
Special items expensed in equity	-	-	-1,414	-	-
Proceeds from carved out entities	-	-	-	-	161,105
Repayment of share premium and buy-back of shares	-	-	-	-	-224,896
Cash flow from financing activities	**-2,711**	**3,658**	**-8,303**	**-12,100**	**-35,944**
Change in cash and cash equivalents	**-84,083**	**-81,233**	**-174,669**	**-106,247**	**-86,706**
Cash and cash equivalents as of beginning of period	-539,508	-387,284	-448,857	-362,244	-362,244
Currency exchange gain/loss on cash and cash equivalents	65	12	0	-14	93
Total cash and cash equivalents at end of period	**-623,526**	**-468,505**	**-623,526**	**-468,505**	**-448,857**
Cash and cash equivalents					
Cash and cash equivalents			10,683	18,308	13,792
Drawn bank credit facilities			-634,209	-486,813	-462,649
Total			**-623,526**	**-468,505**	**-448,857**

Drawn bank credit facilities are included in borrowings. Borrowings consist of bank credit facilities and vessel loans.

APPENDIX 6: NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 ACCOUNTING POLICIES

The Interim Financial Report has been presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and Danish disclosure requirements for listed companies.
Due to the corporate restructuring as described in the Annual Report 2013 note 30, the Group was not formally structured with bunker business as the only activity in the first three quarters of 2013. However, in order to give a true and fair picture of the Group, and similar to the Annual Report of 2013, only the bunker business is included in the comparable figures.

Presentation of revenue has been changed compared to the interim financial report for Q2 2014 and the 2013 consolidated financial statements. All consideration from customers within 120 days of delivery is now considered as a part of the revenue which defers from the prior accounting policies where a part of the consideration was considered as a financial income depending on the terms of the single client. The change has been incorporated in the income statement for both 2013 and 2014 causing the following:

- USD 3.6 million increased revenue and gross profit for Q3 2014,
- USD 12.4 million increased revenue and gross profit for 2014
- USD 2.1 million increased revenue and gross profit for Q3 2013.
- USD 3.4 million increased revenue and gross profit for Q1 to Q3 2013.

Financial income has decreased the same amounts for the corresponding periods. The change of accounting principles has no effect on the profit, assets, liabilities or equity for any period.

The accounting policies applied are consistent with those applied in the 2013 consolidated financial statements besides the change described above. The 2013 consolidated financial statements provide a full description of the accounting policies applied.

NOTE 2 ACCOUNTING ESTIMATES AND JUDGEMENTS

For the preparation of the Interim Financial Report, Management makes various accounting estimates and judgements that affect the application of accounting policies and the recognition of assets, liabilities and income and expense items. Actual operating results may deviate from such estimates. Critical accounting estimates and judgements relates primarily to goodwill, property, plant and equipment, trade receivables and special items and are consistent with those applied in the 2013 consolidated financial statements.

NOTE 3 REVENUE

Revenue is classified geographically in respect of the place where goods were delivered

USD '000	Q3 2014	Q3 2013	9M 2014	9M 2013	2013
Denmark	82,521	117,152	355,833	422,145	527,245
Northern Europe (other than Denmark)	1,497,934	1,471,802	4,291,624	4,337,651	5,676,493
Southern Europe	271,867	263,595	735,459	815,643	1,075,628
Singapore	1,302,194	1,380,461	3,865,598	3,388,422	4,832,759
Asia (other than Singapore)	660,954	631,230	2,028,813	1,874,473	2,634,475
Middle East and Africa	220,212	194,042	608,430	594,734	788,436
Americas	485,198	354,788	1,287,337	1,053,145	1,451,766
Total	**4,520,880**	**4,413,070**	**13,173,094**	**12,486,213**	**16,986,802**

APPENDIX 6: NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 FAIR VALUE HIERARCHY – FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE
To increase consistency and comparability in fair value measurements IFRS establishes a fair value hierarchy that categorises into three levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Financial instruments measured at fair value comprise only derivatives and can be specified as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). To a large extent level 2 is based on observable quoted prices, however, in some instances forward prices are not observable. In these situations we use the most liquid forward curves and derive a spread to the specific location. For options theoretical pricing models with implied volatilities from Ice (option smile) are used to calculated market prices.
These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to calculate the fair value of an instrument are observable, the instrument is included in Level 2;

Level 3 – Inputs for the asset or liability that are not based on observable market data.

Our derivatives are classified in the fair value hierarchy as follows on the next page:

APPENDIX 6: NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 (CONTINUED)

USD '000	Level 1	Level 2	Level 3	Total
30 September 2014				
Financial assets				
Risk management portfolio and commercial hedging	-	42,654	-	**42,654**
	-	**42,654**	**-**	**42,654**
Offsetting				
Margin deposits				-
Total at 30 September				**42,654**
Financial liabilities				
Risk management portfolio and commercial hedging	-15,954	-13,614	-	**-29,568**
Derivatives used for hedging	-	-	-	**-**
Total at 30September	**-15,954**	**-13,614**	**-**	**-29,568**
Offsetting				
Margin deposits				-
Total at 30 September				**-29,568**

USD '000	Level 1	Level 2	Level 3	Total
31 December 2013				
Financial assets				
Risk management portfolio and commercial hedging	25,880	9,243	-	**35,123**
	25,880	**9,243**	**-**	**35,123**
Offsetting				
Margin deposits				-25,474
Total at 31 December 2013				**9,649**
Financial liabilities				
Risk management portfolio and commercial hedging	-249	-11,289	-	**-11,538**
Derivatives used for hedging	-	-352	-	**-352**
Total at 31 December 2013	**-249**	**-11,641**	**-**	**-11,890**

USD '000	Level 1	Level 2	Level 3	Total
30 September 2013				
Financial assets				
Risk management portfolio and commercial hedging	20,599	7,520	-	**28,119**
Total at 30 September 2013	**20,599**	**7,520**	**-**	**28,119**
Financial liabilities				
Risk management portfolio and commercial hedging	-	-3,897	-	**-3,897**
Derivatives used for hedging	-	-	-	**-**
	-	**-3,897**	**-**	**-3,897**
Offsetting				
Margin deposits				-
Total at 30 September 2013				**-3,897**

Level 1 consist of commodity swaps (exchange) and commodity futures (exchange).
Level 2 consist of commodity swaps (OTC), fixed price physical, options, currency swaps, forward exchange contracts and interest swaps.
There have been no transfers between level 1 and level 2 in the fair value hierarchy.

APPENDIX 6: NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5

On 1st July 2014, the Group acquired 100% of the share capital and voting rights of Wilhelmsen Marine Fuel AS, a leading marine bunker broker company in Norway with offices in UK and Singapore, for a total consideration of USD 10.6 million.

As a result of the acquisition, the group is expected to increase its presence in the broker market worldwide. The goodwill arising from the acquisition mainly arises from employee traders. The goodwill is not expected to be deductible for tax purposes.

The following table summarises the consideration paid for Wilhelmsen Marine Fuel AS, the fair value of assets acquired and liabilities assumed at the acquisition date:

USD '000	1 July 2014
Assets acquired and liabilities recognised at the date of acquisition:	
Current assets	
Cash and cash equivalents	3,289
Trade receivables	4,041
Other receivables	128
Non-current assets	
Property, plant and equipment	122
Other receivables	152
Financial assets	0
Current liabilities	
Trade creditors	-3,201
Other payables	-962
Total allocation to net assets	**3,569**
Goodwill arising on acquisition	**7,013**
Total purchase price allocation	**10,582**

Acquisition-related costs of USD 0.2 million have been charged to other expenses in the consolidated income statement for the year ending 31 December 2014

Included in the group profit is 0.3 mUSD and included in the group revenue is 17.7 mUSD for Q3 attributable to the additional business generated by Wilhelmsen Marine Fuel AS.