Wallenius Wilhelmsen

Q1 2018

Quarterly report

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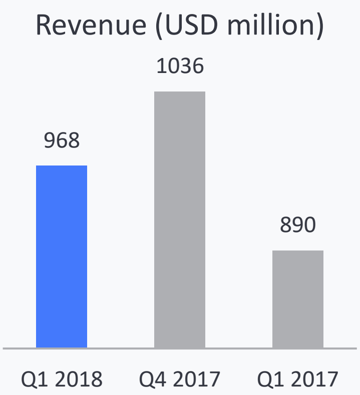
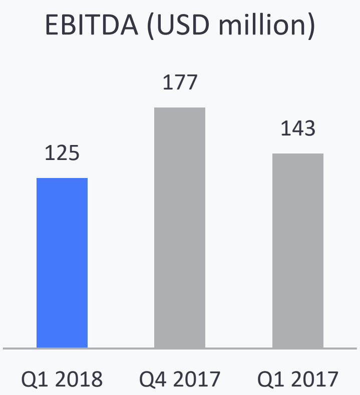
Highlights first quarter 2018

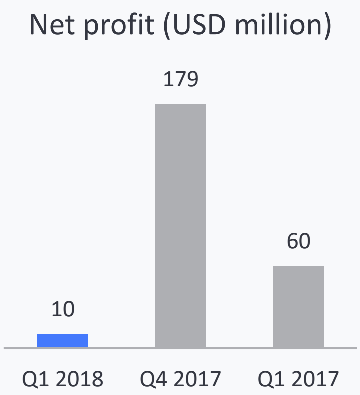
- Seasonally weak results with EBITDA adjusted of USD 128 million, down from USD 143 million in the same period last year
- Underlying positive volume development, especially high & heavy (share up to 27.9%)
- Ocean results negatively impacted by rate reductions, reduced HMG volumes, increased bunker cost and currency movements
- Landbased results down due to increased SG&A cost allocations
- USD 85 million in annualised synergies confirmed
- New Corporate Visual Identity and name; Wallenius Wilhelmsen ASA

Commenting on the first quarter results, Craig Jasienski, President and CEO of Wallenius Wilhelmsen, says:

"The first quarter is seasonally weak, but result were still below our expectations. Volumes continued to develop favourably, especially for high & heavy equipment and we see the beginnings of an improved tonnage supply - demand balance. However, market prices remain at a depressed level."







Consolidated results and key figures

Underlying performance (EBITDA) for the seasonally weak first quarter ended at USD 125 million, a decline of 12% compared to the same period last year due to lower results for the ocean segment.

USD million	Q1 2018	Q4 2017	% change q-o-q	Proforma Q1 2017 [1)]	% change y-o-y
Total income	968	1 036	-6%	890	9%
EBITDA	125	177	-29%	143	-12%
EBIT	41	93	-56%	60	-32%
Profit for the period	10	179	-94%	60	-83%
EPS [2)]	0.02	0.20			
Net interest-bearing debt	2 977	2 968	0%		
ROCE [3)]	2.6%	5.9%	n/a		
Equity ratio	36.3%	35.8%	n/a		
Total income adjusted	968	1 036	-6%	890	9%
EBITDA adjusted	128	182	-30%	143	-10%

1) *Pre-merger proforma accounts are prepared as if the merger had taken place 1 Jan 2017 and inclusion of SG&A costs in WallRoll AB.*
2) *After tax and non-controlling interests*
3) *ROCE calculated as annualised EBIT adjusted for non-recurring items minus restructuring costs divided by average CE in the quarter*

Consolidated results

On 4 April 2017, the merger between Wilh. Wilhelmsen ASA and WallRoll AB was completed, with Wilh. Wilhelmsen ASA as the surviving company, renamed to Wallenius Wilhelmsen ASA. Historical figures used for comparison with the first quarter 2018 are the proforma figures.

Total income was USD 968 million in the seasonally weak first quarter, up 9% from the same period last year mainly driven by increased fuel cost compensation and increased revenues for the landbased segment. Ocean volumes were up 2% on a yearly basis despite reduction in contracted Hyundai Motor Group (HMG) volumes due to strong underlying volume development. Compared to last quarter total income was down 6% driven by a reduction in ocean volumes by 12% partly offset by increased fuel compensation and increased revenues from landbased. Ocean volumes decreased in most foundation trades with the strongest decline in the Asia-North America and Asia-Europe trade due to the planned reduction in contracted HMG volumes (about 0.5 million cbm) and strike at HMG facilities in South Korea in December / January.

EBITDA ended at USD 125 million in the first quarter, a decline of 12% from USD 143 million in first quarter last year. Extraordinary costs of about USD 3 million were recorded in the quarter, related to the restructuring and realization of synergies. EBITDA adjusted for these items came in at USD 128 million, a decline of 10% y-o-y. The decline is mainly driven by the ocean segment which was negatively impacted by contracted reductions in HMG volumes, rate reductions, increased bunker prices and unfavourable currency movements. The negative effects were only partly offset by underlying positive volume and cargo mix development and realization of synergies. EBITDA for the landbased segment was down about USD 2 million due to increased SG&A cost allocations of about

USD 3 million. The results were positively impacted by the Melbourne terminal being fully operational from January 2018 and the acquisition of Keen Transport, while results for technical services in North Americas was negatively impacted by continued congestion and inefficiencies in a few US locations. EBITDA adjusted in the first quarter was down 30% compared to the previous quarter driven by the same factors as described above as well as seasonally significantly lower volumes and less support from project cargo shipments in the Atlantic, which is normally weak in the first quarter compared to rest of the year.

At the end of the first quarter about USD 85 million of the USD 120 million synergy target was confirmed. During the quarter about USD 10 million was added to confirmed synergies, through a combination of fleet optimization, procurement and SG&A savings. The annualized run rate for synergies were about USD 80 million, up from about USD 65 million in the previous quarter. The remaining part of the confirmed synergies will gradually come into effect over the next 3-6 months.

Net financial items were USD 5 million for the first quarter, compared with an expense of USD 35 million in the previous quarter. Net interest expenses were USD 41 million in the first quarter, stable compared with previous quarter last year. Net financial expenses were positively impacted by USD 30 million in unrealised interest derivates and USD 3 million related to movements in currency derivatives.

The group recorded a tax expense of USD 25 million in the first quarter compared with a tax income in the fourth quarter 2017 of USD 27 million. A material part of first quarter tax expense is change in deferred tax of USD 12 million and provision for withholding tax on dividends from EUKOR of USD 7 million. Net result for the first quarter came in at USD 10 million compared with USD 60 million in the first quarter last year. The average Return on Capital Employed (ROCE) in the first quarter was 2.6%.

Capital and financing

The equity ratio was 36.3% in the first quarter, slightly up compared with previous quarter of 35.8%. Cash and cash equivalents by the end of the first quarter was USD 649 million, down from USD 796 million in the previous quarter. The reduction was mainly driven by about USD 90 million in early repayment of ship loans which were refinanced in early April as part of the legal and financial restructuring project that was successfully finalised on 26 April. In addition, Wallenius Wilhelmsen has about USD 250 million in undrawn credit facilities. Net interest-bearing debt was USD 2 977 million at the end of the first quarter. The group has four vessels on order and the outstanding instalments for these vessels is about USD 160 million. The vessels are financed through regular bank facilities.

Antitrust update

On 21 February 2018, the European Competition authorities announced the outcome of the investigation in the form of an industry settlement, including WWL AS, EUKOR and four other carriers. The investigation revealed certain instances of conduct contrary to company policies and in breach of EU competition laws. As a part of the industry settlement, WWL AS and EUKOR were fined EUR 207 million in total with payment due late May 2018. Wallenius WIlhelmsen had made a provision for the outcome of the investigation and consequently the fine did not impact the income statement. About USD 440 million in provisions (including EU) remain to cover potential extraordinary costs in jurisdictions with ongoing anti-trust proceedings and potential civil claims.

Ocean operations

Underlying performance (EBITDA) for the seasonally weak first quarter ended at USD 111 million, a decline of 10% y-o-y due to contracted reduction in HMG volumes, rate reductions, increased bunker prices and unfavorable currency movements partly offset by underlying positive volume development.

USD million	Q1 2018	Q4 2017	% change q-o-q	Proforma Q1 2017 1)	% change y-o-y
Total income	750	832	-10%	719	4%
EBITDA	109	157	-31%	123	-11%
EBIT	37	84	-56%	45	-19%
Volume ('000 cbm) 2)	16 219	18 421	-12%	15 871	2%
High & heavy share	27.9%	26.1%	n/a	24.2%	n/a
Total income adjusted	750	832	-10%	719	4%
EBITDA adjusted	111	160	-31%	123	-10%

1) *Pre-merger proforma accounts are prepared as if the merger had taken place 1 Jan 2017 and inclusion of SG&A costs in WallRoll AB.*
2) *Prorated volumes*

Total income and EBITDA

Total income for the ocean segment was USD 750 million, up 4% from USD 719 million in the first quarter last year, mainly driven by increased fuel cost compensation due to higher bunker prices. Ocean volumes were up 2% y-o-y driven by strong underlying volume development, offset by a reduction in contracted HMG volumes (about 0.5 million cbm) from January 2018 and strike at HMG production facilities in South Korea. The strike ended in late January and caused a total production loss/delay of about 45 000 units (about 0.5 million cbm) in December and January combined.

Total income was down 10% from previous quarter driven by a reduction in ocean volumes of 12% due to seasonality and contracted reduction in HMG volumes. Ocean volumes decreased in most foundation trades with the strongest decline in the Asia-North America and Asia-Europe trade due to said reduction in contracted HMG volumes and for Europe-Asia following a very strong fourth quarter in 2017. The high & heavy share increased to 27.9% (up from about 26% in the previous quarter) due to continued positive development in the high & heavy segment, but also partly driven by reduction in HMG (auto) volumes.

EBITDA for the seasonally weak first quarter ended at USD 109 million, a decline of 11% compared to the same period last year. In the first quarter extraordinary costs of about USD 2 million were recorded, related to the restructuring and realization of synergies. EBITDA adjusted for these items came in at USD 111 million, a decline of 10% y-o-y due to several factors. Firstly, EBITDA was negatively impacted by rate reductions of about USD 15 million and planned contracted reduction in HMG volumes and the strike at HMG production facilities. Furthermore, increased bunker prices had a more than USD 10 million negative effect during the quarter due to lag in bunker cost compensation. In addition, the USD has weakened substantially since the same period last year causing a negative currency effect of about USD 15 million. USD is the functional currency for most customer contracts while local port charges and SG&A costs are partly in other currencies (see annual report for currency risk in the group).

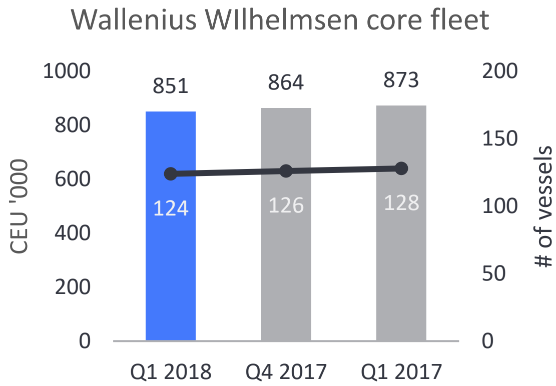
Furtermore, Armacup experienced challenges with the brown marmorated stink bug which caused operational inefficiencies and negatively impacted EBITDA with about USD 3 million. The negative impact from above factors were partly offset by underlying strong volume development, increased high & heavy share and realization of synergies.

EBITDA in the first quarter was down 31% compared to the previous quarter driven by the same factors as described above as well as seasonally significantly lower volumes and less support from project cargo shipments in the Atlantic, which is normally weak in the first quarter compared to rest of the year.

Wallenius Wilhelmsen fleet

Wallenius Wilhelmsen group operated a core fleet of 124 vessels with carrying capacity of 851K CEU, representing about 20% of the global car carrier fleet, in the first quarter. During the quarter two vessels were redelivered to external owners which resulted in a decrease of two vessels in the core fleet.

Therefore, the group continued to increase short-term time charter activities and controlled a fleet of total 133 vessels at the end of the first quarter. Currently, the group retains flexibility to redeliver two vessels in 2018 and up to 19 vessels by 2022 (excluding vessels on short charter; less than 12 months).



Source: Wallenius WIlhelmsen

Four Post-Panamax vessels are under construction with combined capacity of 32K CEU. Two of these vessels are expected to enter service in 2018 and two are scheduled for delivery in 2019. The outstanding instalments for these vessels are about USD 160 million. The vessels have been financed through regular bank facilities.

Landbased Operations

Performance (EBITDA) for the landbased segment was stable compared to last year, but results were pulled down by increased SG&A cost allocations effective from January 2018.

USD million	Q1 2018	Q4 2017	% change q-o-q	Proforma Q1 2017[1]	% change y-o-y
Total income	232	221	5%	186	25%
EBITDA	20	23	-12%	22	-10%
EBIT	8	12	-33%	12	-34%
EBITDA adjusted	20	24	-16%	22	-10%

1) *Pre-merger proforma accounts are prepared as if the merger had taken place 1 Jan 2017 and inclusion of SG&A costs in WallRoll AB.*

Total income and EBITDA

Total income in the first quarter increased from USD 186 million to USD 232 million, up 25% compared with the same quarter last year. This was driven by the Keen Transport acquisition and full operations at the Melbourne terminal as other entities in sum moved sideways with relatively small changes. Total income was also up quarter on quarter (5%) driven by the same factors.

EBITDA for the landbased segment ended at USD 20 million in the first quarter, down from USD 22 million in the same period last year, equivalent to a 10% reduction. Overall, the landbased segment was negatively impacted by increased SG&A cost allocations of USD 3 million (offset by a similar reduction in ocean) following a detailed review of the IT portfolio and cost drivers.

Technical services in North America (VSA) continued to experience high volumes and activity level. However, the strong volumes combined with continued high auto inventories caused congestion at certain facilities which led to an increase in operational costs and reduced operational efficiencies.

Terminals delivered improved results supported by the Melbourne terminal being fully operational from January 2018 and overall increase in Ocean volumes (mainly for Zeebrugge, Baltimore and Southampton).

Keen Transport contributed positively to the results compared to last year and quarter as the entity was acquired 7 December 2017. The technical services and inland distribution portfolio in APAC and EMEA had a negative results development mainly driven by one-off costs in Australia and increased SG&A cost allocations.

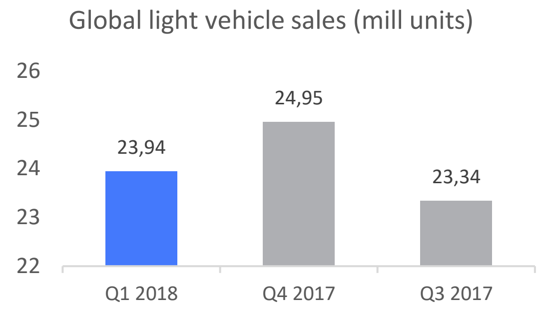
Market update

Overall, auto export development was positive in the quarter with an increase of 4.6% compared to the same period last year. The high & heavy markets continue to strengthen with construction equipment trade growing and mining equipment continuing to show some improvement.

Auto markets

Total light vehicle (LV) sales in the first quarter increased 2.6% compared to the corresponding period last year and declined 4.0% compared to the seasonally stronger fourth quarter of 2017.

North America sales were better than expected, only down 0.2% compared to same period last year and down 8.1% compared to the seasonally stronger fourth quarter. Despite softer sales, the absolute sales figures are still strong.

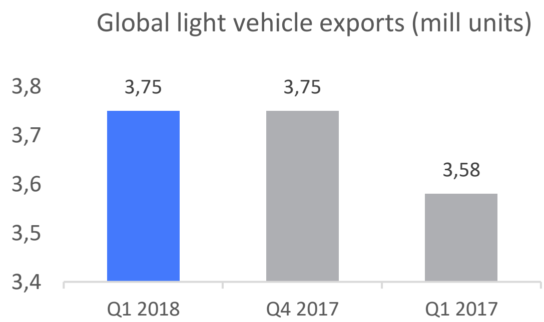


Source: IHS Markit

Sales in Western Europe were down 0.8% y-o-y due to slow sales in the UK compared to last year, but was up about 16.8% q-o-q. The Chinese market started the year with sales up 4.6% y-o-y which was considered positive given that the temporarily tax cut ended in December 2017. Sales were down 16% q-o-q following a very strong fourth quarter in 2017. Both the Russian (+21.4% y-o-y and -16.0% q-o-q) and the Brazilian (12.8% y-o-y and -13.6% q-o-q) markets showed a positive underlying growth in the first quarter.

Total exports in the first quarter were up 4.6% compared to the corresponding period last year, highlighting the positive momentum in global deep-sea volumes.

Exports out of North America in the first quarter increased 6.8% y-o-y and 4.2% q-o-q as Mexican exports are ramping up. European exports were up 6.7% y-o-y and 0.6% q-o-q in the first quarter. Japanese exports in the first quarter were up 6.5% y-o-y and down 2.4% q-o-q. Exports out of South Korea were up 0.9% y-o-y and 1.9% q-o-q. Chinese exports were up 34.6% y-o-y due to higher volumes and new export facilities, but flat q-o-q.



Source: IHS Markit

High and heavy markets

The momentum in global high & heavy trade solidified going into 2018, with exports of construction, mining and farm machinery growing 20% y-o-y[1].

Global construction equipment exports increased 26% y-o-y, against a global economic backdrop that despite trade tensions remain the most encouraging it has been for several years. In the US, seasonally adjusted construction spending edged up from the previous quarter. Construction machinery deliveries from US manufacturers increased 18% y-o-y, while imports of construction equipment lifted 34% y-o-y. The seasonally adjusted construction output in the EU softened somewhat, but the Eurozone construction PMI continued to signal expansion despite weather disruptions in key economies in March. Construction machinery exports to Europe increased 25% y-o-y. The Australian construction industry extended its period of increasing activity to 14 consecutive months in March, and growth in construction machinery imports accelerated to 46% y-o-y.

Following strong gains towards the end of 2017, mined commodity prices softened in the first quarter. The global recovery in the mining machinery market continued in the period. OEM majors again reported strong sales growth in their mining divisions, with broad-based geographical demand. While aftermarket sales remain important for the equipment manufacturers, demand for new equipment continues to strengthen on replacement needs.

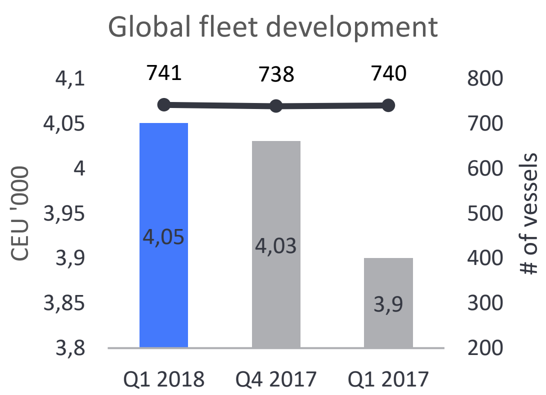
Global agricultural commodity prices edged up in the quarter. Exports of agricultural machinery increased 9% y-o-y, while demand for large agriculture equipment softened in major markets. First quarter US large tractor sales decreased 4% y-o-y, as weak February sales more than offset the modest gains in the other months of the quarter. Registrations of higher HP tractors softened in the three biggest European markets in the quarter, with Germany (-5% y-o-y), France (-18% y-o-y) and UK (-3% y-o-y) all declining from the corresponding period last year, largely explained by the EU registration deadline late in 2017. The Australian market concluded another strong quarter with 15% y-o-y sales growth, while the Brazilian market contraction continued with tractor sales dropping 26% y-o-y from the comparatively strong quarter a year ago.

Global fleet

The global car carrier fleet totaled 741 vessels with a capacity of 4.05 million CEU at the end of the first quarter.

During the quarter five vessels were delivered, and two vessels were sold for recycling, resulting in a net increase of three vessels in the first quarter. Furthermore, no orders, cancellations or conversions were reported.

The orderbook for deep-sea vehicle carriers stands at about 25 vessels, representing less than 5% of the global fleet capacity,



Source: Seaweb

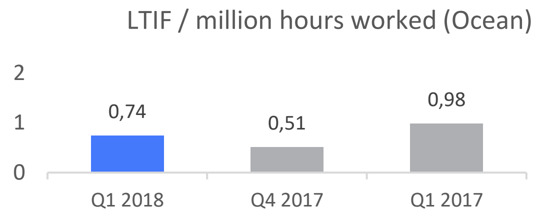
[1] All import/export data refer to the three-month period ending in January, 2018, with the exception of imports to North America and Oceania, referring to the three-month period ending in February, 2018. Source: IHS Markit

Health, safety and environment

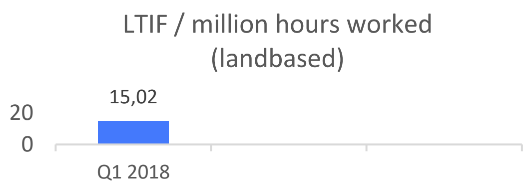
Ocean LTIF rose relative to the previous quarter but remain at a low level. Land LTIF results were reported for the first time. Total CO2 emissions were at similar levels as same period last year. Important IMO regulatory developments on CO2 and sulphur in the quarter.

Health & safety

There were three lost time incidents arising from ocean operations for the quarter which was the same as the previous quarter. The LTIF increased due to an overall reduction in exposure hours.

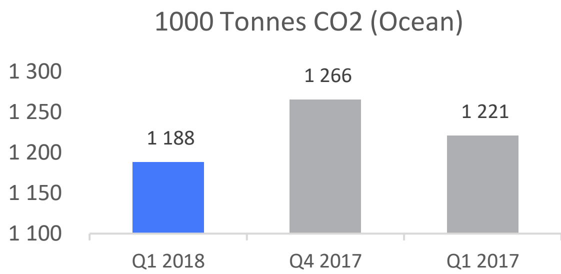


LTIF results for landbased are presented for the first time and will be reported quarterly going forward. Safety is a core focus area for landbased and a Safety 1st program is currently being rolled out to all entities globally with target to reduce number of incidents to an absolute minimum.



Environment

The total CO2 emitted in the quarter was 2.6% less than in the same quarter of 2017, which was marginally greater than the decrease in total cargo work done, as measured in tonne kilometres. This marginal difference is reflected by the slight 0.7% reduction in the grams of CO2 emitted per tonne kilometre. Minor changes, like this, observed over relatively short intervals, are generally not possible to reliably attribute to a particular driver.



IMO's MEPC 72 meeting in April produced two important regulatory developments, both welcomed by Wallenius Wilhelmsen. The first significant regulatory development was IMO's approval of a "Carriage ban" on non-compliant fuels for vessels without scrubbers. The "Carriage ban" has been strongly supported by Wallenius Wilhelmsen for the role it can play in facilitating the effective enforcement of sulphur regulation. Secondly, IMO has now defined its Initial Green House Gas Strategy. The strategy includes a vision, guiding principles and levels of ambition. The latter notably includes a target to reduce total CO2 emissions from shipping by 50% by 2050 relative to 2008.

Prospects

The board maintains a balanced view on the prospects for Wallenius Wilhelmsen. The positive volume development and recovery in the high & heavy segment is expected to continue. Increased realization of synergies will also positively impact the results. The tonnage supply/demand balance has started to improve, but market rates remain at a depressed level.

The results will continue to be impacted by the contracted reduction in HMG volumes and rate reductions from contract renewals during 2017 of which both were reflected in the first quarter results.

Lysaker, 7 May 2018
The board of directors of Wallenius Wilhelmsen ASA

Håkan Larsson – Chair

Thomas Wilhelmsen   Jonas Kleberg   Marianne Lie   Margareta Alestig

Forward-looking statements presented in this report are based on various assumptions. The assumptions were reasonable when made but are inherently subject to uncertainties and contingencies that are difficult or impossible to predict. Wallenius Wilhelmsen ASA cannot give assurances that expectations regarding the outlook will be achieved or accomplished.

Wallenius Wilhelmsen

Income statement

USD mill	Notes	Q1 2018	Q1 2017	Full year 2017
Operating revenue		968	59	3 024
Gain on sale of assets	3		9	16
Total income		**968**	**68**	**3 040**
Operating expenses	6	(843)	(29)	(2 467)
Operating profit before depreciation, amortisation and impairment (EBITDA)		**125**	**39**	**573**
Depreciation and amortisation	4/5	(85)	(20)	(272)
Operating profit (EBIT)		**41**	**18**	**301**
Share of profit/(loss) from joint ventures and associates		1	14	15
Loss on previously held equity interest	2/12/13			(64)
Financial income	7	47	12	70
Financial (expenses)	7	(53)	(20)	(175)
Financial items - net		**(5)**	**6**	**(153)**
Profit before tax		**35**	**25**	**148**
Tax income/(expense)	8	(25)	1	(3)
Profit for the period		**10**	**26**	**146**
Profit for the period attributable to:				
Owners of the parent		10	26	134
Non-controlling interests				11
Basic and diluted earnings per share (USD)	9	0.02	0.12	0.37

Statement of comprehensive income

USD mill	Notes	Q1 2018	Q1 2017	Full year 2017
Profit for the period		10	26	146
Other comprehensive income:				
Items that may be subsequently reclassified to the income statement				
Cash flow hedges, net of tax			2	(3)
Currency translation adjustment and recycling of currency translation adjustment related to previously equity investment		3		3
Items that will not be reclassified to the income statement				
Remeasurement pension liabilities, net of tax				1
Other comprehensive income, net of tax		**3**	**1**	**2**
Total comprehensive income for the period		**13**	**27**	**148**
Total comprehensive income attributable to:				
Owners of the parent		13	27	135
Non-controlling interests				13
Total comprehensive income for the period		**13**	**27**	**148**

The above consolidated income statement and comprehensive income should be read in conjunction with the accompanying notes.

Wallenius Wilhelmsen

Balance sheet

USD mill	Notes	31.03.2018	31.03.2017	31.12.2017
ASSETS				
Non current assets				
Deferred tax assets		91	56	99
Goodwill and other intangible assets	4	762	6	774
Vessels and other tangible assets	5	5 336	1 822	5 364
Investments in joint ventures and associates		3	775	1
Other non current assets		94	1	84
Total non current assets		**6 287**	**2 659**	**6 322**
Current assets				
Current financial investments			150	
Bunkers/ luboil		117		96
Trade receivables		503	2	472
Other current assets		141	13	123
Cash and cash equivalents		649	121	796
Total current assets		**1 410**	**287**	**1 487**
Total assets		**7 697**	**2 946**	**7 809**
EQUITY and LIABILITIES				
Equity				
Share capital	9	28	16	28
Retained earnings and other reserves		2 553	1 446	2 540
Total equity attributable to owners of the parent		**2 581**	**1 462**	**2 568**
Non-controlling interests		214		228
Total equity		**2 795**	**1 462**	**2 796**
Non current liabilities				
Pension liabilities		76	40	73
Deferred tax liabilities		105		106
Non current interest-bearing debt	11	2 908	1 155	3 103
Non current provision		135		183
Other non current liabilities		56	124	89
Total non current liabilites		**3 280**	**1 318**	**3 554**
Current liabilities				
Trade payables		232	4	221
Current income tax liabilities		19	7	13
Current provision		304		257
Other current liabilities		1 067	156	967
Total current liabilities		**1 621**	**166**	**1 458**
Total equity and liabilities		**7 697**	**2 946**	**7 809**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Wallenius Wilhelmsen

Cash flow statement

USD mill	Q1 2018	Q1 2017	Full year 2017
Cash flow from operating activities			
Profit before tax	35	25	148
Financial (income)/expenses	6	8	104
Depreciation/impairment	85	20	272
(Gain)/loss on sale of tangible assets		(9)	(2)
Change in net pension assets/liabilities	2		(2)
Other change in working capital	(19)	(23)	(74)
Tax paid (company income tax, witholding tax)	(6)		(32)
Net cash flow provided by operating activities	**103**	**22**	**413**
Cash flow from investing activities			
Share of (profit)/loss from joint ventures and associates	(1)	(14)	(15)
Loss on previously held equity interest			64
Proceeds from sale of tangible assets	5	54	154
Investments in vessels, other tangible and intangible assets	(50)		(83)
Investments in subsidaries, net of cash aquired			(64)
Proceeds from sale of financial investments		68	218
Investments in financial investments		(15)	(15)
Interest received	2		4
Cash and cash equivalents, incoming entities merger			494
Changes in other investments	(2)		1
Net cash flow provided by/(used in) investing activities	**(45)**	**93**	**710**
Cash flow from financing activities			
Proceeds from issue of debt	37		281
Repayment of debt	(185)	(54)	(568)
Loan to related party			(15)
Interest paid including interest derivatives	(47)	(21)	(119)
Realised other derivatives	5	1	(31)
Dividend to non-controlling interests	(14)		(5)
Net cash flow used in financing activities	**(204)**	**(74)**	**(457)**
Net increase in cash and cash equivalents	(147)	40	715
Cash and cash equivalents, excluding restricted cash, at beginning of period	796	81	81
Currency on cash and cash equivalents*			
Cash and cash equivalents at end of period	**649**	**121**	**796**

* The group is located and operating world wide and every entity has several bank accounts in different currencies. Unrealised currency effects are included in net cash provided by operating activities.

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

Statement of changes in equity

USD mill	Share capital	Retained earnings and other reserves	Total	Non-controlling interests	Total equity
2018 - Year to date					
Balance at 31.12.2017	28	2 540	2 568	228	2 796
Profit for the period		10	10		10
Other comprehensive income		3	3		3
Total comprehensive income	**0**	**13**	**13**	**0**	**13**
Dividend to non-controlling interests			0	(14)	(14)
Balance 31.03.2018	**28**	**2 553**	**2 581**	**214**	**2 795**
2017 - Year to date					
Balance at 31.12.2016	16	1 419	1 435		1 435
Profit for the period		26	26		26
Other comprehensive income		1	1		1
Total comprehensive income	**0**	**27**	**27**	**0**	**27**
Balance 31.03.2017	**16**	**1 419**	**1 463**	**0**	**1 462**
2017 - Full year					
Balance at 31.12.2016	16	1 419	1 435		1 435
Profit for the period		134	134	11	146
Other comprehensive income			0	2	2
Total comprehensive income	**0**	**135**	**135**	**13**	**148**
Merger with Wallroll AB	12	989	1 002	224	1 225
Change in non-controlling interests		(3)	(3)	(4)	(7)
Dividend to non-controlling interests			0	(5)	(5)
Balance 31.12.2017	**28**	**2 540**	**2 568**	**228**	**2 796**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Wallenius Wilhelmsen

Note 1 - Accounting principles

This consolidated interim financial report has been prepared in accordance with International Accounting Standards (IAS 34), "interim financial reporting". The consolidated interim financial reporting should be read in conjunction with the annual financial statements for the year end 31 December 2017 for Wallenius Wilhelmsen ASA group (the group), which has been prepared in accordance with IFRS's endorsed by the EU.

The accounting policies implemented are consistent with those of the annual financial statements for the group for the year end 31 December 2017, with the exception of IFRS 9 and 15:

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments impairment of assets and hedge accounting. The adoption of IFRS 9 Financial instruments from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognized in the financial statements.

The group has only one type of financial asset that are subject to IFRS 9's new expected credit loss model: Trade receivables for sale of services.

The group was required to revise its impairment methodology under IFRS 9 for the class of asset. The impact of the change in impairment on the group's level is immaterial and no adjustments have been done at the retained earnings.

The group has adopted *IFRS 15* Revenue from Contracts with Customers from 1 January 2018 which resulted in no material changes.

There are no other new standards or amendments to standards released during 2018.

Due to the merger transaction described in note 2, 12 and 13 the group's remaining joint ventures and associates are no longer regarded as part of the group's operating activity. Hence, the share of profit/(loss) from joint ventures and associates are reclassified to financial income/expenses. Comparative figures, including loss on previously held equity interest, are also reclassified.

As a result of rounding adjustments, the figures in one or more columns may not add up to the total of that column.

Note 2 - Significant acquisitions and disposals

There has not been any significant acquisitions or disposals during the first quarter of 2018.

2017:
Acquisitions in the landbased segment and new ownership structure for joint ventures, see note 12.

Wallenius Wilhelmsen

Note 3 - Segment reporting

Due to the merger transaction in 2017, described in note 2, 12 and 13, which materially impacts the consolidated historical financial statements for the group, the below segment information for 2017 is not based on historical financial information since the board is of the opinion that this would not provide meaningful information. Therefore, the information is based on unaudited proforma income statement for Q1 2017 and actual figures for the last three quarters of 2017. The proforma income statement for Q1 2017 has been prepared on the basis as if the merger transaction had been effective on 1 January 2016.

USD mill	Ocean			Landbased			Holding			Eliminations			Total		
Year to date	YTD 2018	YTD 2017	Full year 2017	YTD 2018	YTD 2017	Full year 2017	YTD 2018	YTD 2017	Full year 2017	YTD 2018	YTD 2017	Full year 2017	YTD 2018	YTD 2017	Full year 2017
Operating revenue	750	719	3 124	232	186	795		1	3	(16)	(1)	(66)	968	890	3 855
Gain on sale of assets						7									7
Total income	**750**	**719**	**3 125**	**232**	**186**	**802**	**0**	**1**	**(61)**	**(16)**	**(1)**	**(66)**	**968**	**890**	**3 800**
Operating expenses	(641)	(597)	(2 538)	(212)	(164)	(702)	(4)	(4)	(13)	16	1	66	(843)	(748)	(3 186)
Operating profit before depreciation, amortisation and impairment (EBITDA)	**109**	**123**	**587**	**20**	**22**	**100**	**(4)**	**(3)**	**(74)**	**0**	**(0)**	**(0)**	**125**	**143**	**614**
Depreciation and amortisation	(72)	(77)	(297)	(12)	(10)	(42)		5	5				(85)	(82)	(334)
Operating profit/(loss) (EBIT)[1]	**37**	**45**	**290**	**8**	**12**	**58**	**(4)**	**3**	**(69)**	**0**	**(0)**	**0**	**41**	**60**	**280**
Share of profit from joint ventures and associates			1										1		1
Loss on previously held equity interests									(64)						(64)
Financial income/(expense)	(7)	(22)	(106)			(1)	1		(11)				(6)	(22)	(119)
Financial items - net	**(7)**	**(22)**	**(106)**	**0**	**0**	**(1)**	**1**	**0**	**(75)**	**0**	**0**	**0**	**(5)**	**(22)**	**(182)**
Profit/(loss) before tax	**30**	**23**	**184**	**8**	**12**	**57**	**(3)**	**3**	**(144)**	**0**	**(0)**	**0**	**35**	**38**	**98**
Tax income/(expense)	(22)	3	(3)	(4)	22	26	1	(3)	(5)				(25)	22	18
Profit/(loss) for the period	**8**	**26**	**181**	**4**	**34**	**83**	**(2)**	**0**	**(85)**	**(0)**	**0**	**0**	**10**	**60**	**179**
Profit/(loss) for the period attributable to:															
Owners of the parent	8	9	156	4	34	80	(2)	(3)	(85)				10	43	151
Non-controlling interests	1	3	11	(1)		3								3	14

[1] Cash settled portion of bunker hedge swaps is included in net operating profit by reduction/(increase) of voyage related expenses.
As a result of rounding adjustments, the figures in one or more columns may not add up to the total of that column.

2018: Material gain/(loss) from disposal of assets and impairment charges

Q1 - No material gain/(loss)

2017: Material gain/(loss) from disposal of assets and impairment charges

Holding Q2 - Loss on previously held equity interest USD 62 million.

Holding Q3 - Additional loss on previously hold equity interest of USD 2 million after an update of the preliminary purchase price allocation.

Ocean Q3 - A refinancing of two vessels through sale and leaseback agreements led to a loss of USD 8 million.

Landbased Q3 - Gain of USD 4.5 million related to sales of a facility in the US.

Landbased Q4 - Gain of USD 2.4 million related to sales of a facility in the US.

Wallenius Wilhelmsen

Note 3 - Segment reporting

USD mill	Ocean				Landbased				Holding				Total incl elimination			
Quarter	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Operating revenue	750	832	774	798	232	219	198	192			1	1	968	974	958	1 033
Gain on sale of assets						2	5								5	2
Total income	**750**	**832**	**775**	**798**	**232**	**221**	**203**	**192**	**0**	**0**	**(1)**	**(61)**	**968**	**912**	**962**	**1 036**
Operating expenses	(641)	(675)	(613)	(653)	(212)	(198)	(174)	(166)	(4)	(3)	(3)	(4)	(843)	(806)	(774)	(858)
Operating profit before depreciation, amortisation and impairment (EBITDA)	**109**	**157**	**162**	**145**	**20**	**23**	**29**	**26**	**(4)**	**(3)**	**(3)**	**(65)**	**125**	**106**	**188**	**177**
Depreciation and amortisation	(72)	(74)	(73)	(72)	(12)	(11)	(10)	(10)					(85)	(83)	(84)	(85)
Operating profit/(loss) (EBIT)[1]	**37**	**84**	**88**	**73**	**8**	**12**	**19**	**15**	**(4)**	**(3)**	**(3)**	**(65)**	**41**	**23**	**104**	**93**
Share of profit/(loss) from joint ventures and associates			1		0								1		1	
Loss on previously held equity interest											(2)	(62)		(62)	(2)	
Net financial income/(expenses)	(7)	(29)	(24)	(31)		(1)	1	(1)	1	(5)	2	(8)	(6)	(41)	(21)	(35)
Financial items - net	**(7)**	**(29)**	**(23)**	**(31)**	**0**	**(1)**	**1**	**(1)**	**1**	**(5)**	**0**	**(71)**	**(5)**	**(103)**	**(22)**	**(35)**
Profit/(loss) before tax	**30**	**55**	**65**	**42**	**8**	**11**	**20**	**14**	**(3)**	**(8)**	**(3)**	**(136)**	**35**	**(80)**	**82**	**58**
Tax income/(expense)	(22)	16	(21)	(1)	(4)	14	(5)	(5)	1	(3)	(2)	3	(25)	(3)	(28)	27
Profit/(loss) for the period	**8**	**71**	**44**	**41**	**4**	**26**	**15**	**9**	**(2)**	**(11)**	**(4)**	**(71)**	**10**	**(20)**	**55**	**86**
Profit/(loss) for the period attributable to:																
Owners of the parent	8	69	41	38	4	25	14	8	(2)	(11)	(4)	(71)	10	(25)	51	83
Non-controlling interests	1	2	3	4	(1)	1	1	1						4	4	3

[1] Cash settled portion of bunker hedge swaps is included in net operating profit by reduction/(increase) of voyage related expenses.
As a result of rounding adjustments, the figures in one or more columns may not add up to the total of that column.

Wallenius Wilhelmsen

Note 4 - Goodwill, customer relations/contracts and other intangible assets

USD mill	Goodwill	Customer relations/ contracts	Other	Total intangible assets
2018 - Year to date				
Cost at 01.01	383	398	168	950
Additions	2		1	3
Cost at 31.03	**386**	**399**	**169**	**954**
Accumulated amortisation and impairment losses at 01.01		(37)	(139)	(176)
Amortisation		(13)	(3)	(16)
Accumulated amortisation and impairment losses at 31.03	**0**	**(50)**	**(142)**	**(192)**
Carrying amounts at 31.03	**386**	**349**	**28**	**762**
2017 - Year to date				
Cost at 01.01	7			7
Cost at 31.03	**7**			**7**
Accumulated amortisation and impairment losses 01.01	(1)			(1)
Accumulated amortisation and impairment losses at 31.03	**(1)**			**(1)**
Carrying amounts at 31.03	**6**			**6**
2017 - Full year				
Cost at 01.01	6		1	7
Additions			4	4
Acquisitions through business combination*	377	398	42	817
Disposal			(14)	(14)
Cost at 31.12	**383**	**398**	**33**	**815**
Accumulated amortisation and impairment losses at 01.01			(1)	(1)
Amortisation		(37)	(11)	(48)
Disposal			8	8
Accumulated amortisation and impairment losses at 31.12	**0**	**(37)**	**(4)**	**(41)**
Carrying amounts at 31.12	**383**	**362**	**29**	**774**

* See the business combination notes 12 and 13 for more information.

Note 5 - Vessels, property and other tangible assets

USD mill	Property & land	Other tangible assets	Vessels & docking	Newbuilding contracts	Total tangible assets
2018 - Year to date					
Cost at 01.01	97	77	5 840	120	6 134
Additions		3	36	8	46
Disposal	(4)	(5)	(8)		(17)
Currency translation adjustment	(1)	1			1
Cost at 31.03	**92**	**76**	**5 868**	**128**	**6 164**
Accumulated depreciation and impairment losses at 01.01	(16)	2	(757)		(770)
Depreciation	(1)	(5)	(63)		(69)
Disposal	1	4	7		12
Currency translation adjustment		(1)			(1)
Accumulated depreciation and impairment losses at 31.03	**(16)**	**1**	**(813)**		**(828)**
Carrying amounts at 31.03	**76**	**77**	**5 055**	**128**	**5 336**

2017 - Year to date					
Cost at 01.01		2	2 457		2 459
Disposal			(54)		(54)
Cost at 31.03		**2**	**2 404**	**0**	**2 405**
Accumulated depreciation and impairment losses 01.01		(1)	(579)		(581)
Depreciation			(20)		(20)
Disposal			17		17
Accumulated depreciation and impairment losses at 31.03		**(1)**	**(582)**		**(584)**
Carrying amounts at 31.03		**0**	**1 821**	**0**	**1 822**

2017 - Full year					
Cost at 01.01		2	2 457		2 459
Additions		14	29	35	78
Acquisitions through business combination*	87	78	3 416	186	3 767
Reclassification from new building contracts to vessels			101	(101)	0
Disposal	(5)	(5)	(164)		(174)
Currency translation adjustment	2	1			3
Cost at 31.12	**85**	**89**	**5 840**	**120**	**6 134**
Accumulated depreciation and impairment losses at 01.01		(1)	(579)		(581)
Depreciation	(3)	(13)	(208)		(224)
Disposal		5	31		36
Currency translation adjustment		(1)			(2)
Accumulated depreciation and impairment losses at 31.12	**(3)**	**(10)**	**(757)**		**(770)**
Carrying amounts at 31.12	**81**	**79**	**5 083**	**120**	**5 364**
Economic lifetime	30-50 years	3-10 years	30 years		
Depreciation schedule	Straight-line	Straight-line	Straight-line		

* See the business combination notes 12 and 13 for more information.

Note 6 - Operating expenses

USD mill	Q1 2018	Actual Q1 2017	Proforma Q1 2017	Full year 2017
Voyage expenses	(439)		(386)	(1 288)
Charter expenses	(84)	(7)	(74)	(265)
Total ship operating expenses	(55)	(13)	(57)	(182)
Manufacturing cost	(73)		(49)	(162)
Employee benefits	(114)	(6)	(101)	(320)
Loss on sale of assets				(13)
Other administration expenses	(79)	(3)	(81)	(236)
Total operating expenses	**(843)**	**(29)**	**(748)**	**(2 467)**

Note 7 - Financial items

USD mill	Q1 2018	Q1 2017	Full year 2017
Share of profit from joint ventures and associates	**1**	**14**	**15**
Loss on previously held equity interest			**(64)**
Investment management		1	3
Interest income	2		4
Other financial items			(3)
Interest income	**1**	**2**	**4**
Interest expenses	(36)	(10)	(111)
Interest rate derivatives - realised	(5)	(6)	(26)
Interest expenses	**(41)**	**(16)**	**(137)**
Interest rate derivatives - unrealised	**30**	**5**	**25**
Net currency gain/(loss)	(11)	2	5
Derivatives for hedging of foreign currency risk - realised	(1)	1	(31)
Derivatives for hedging of foreign currency risk - unrealised	15	(1)	31
Net financial - currency	**3**	**2**	**4**
Unrealised other financial derivatives		(3)	(3)
Realised other financial derivatives		3	3
Net other financial derivatives	**0**	**0**	**0**
Financial items - net	**(5)**	**6**	**(153)**

Financial income			
Investment management		1	3
Interest income	2		4
Interest rate derivatives - unrealised	30	5	25
Net currency gain/(loss)		2	5
Derivatives for hedging of foreign currency risk - realised		1	
Derivatives for hedging of foreign currency risk - unrealised	15		31
Realised other financial derivatives		3	3
Financial income	**47**	**12**	**70**

Cont. note 7 - Financial level

Total financial instruments and short term financial investments:

USD mill	Level 1	Level 2	Level 3	Total
Financial assets at fair value through the income statement				
Financial derivatives		15		15
Total financial assets 31.03.2018	**0**	**15**	**0**	**15**
Financial liabilities at fair value through the income statement				
Financial derivatives		73		73
Total financial liabilities 31.03.2018	**0**	**73**	**0**	**73**
Financial assets at fair value through the income statement				
Financial derivatives		5		5
Total financial assets 31.12.2017	**0**	**5**	**0**	**5**
Financial liabilities at fair value through the income statement				
Financial derivatives		108		108
Total financial liabilities 31.12.2017	**0**	**108**	**0**	**108**

No financial assets in level 3 as of year to date 2018 (31 December 2017).

Fair value estimation

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The fair value of financial instruments that are not traded in an active market (over-the-counter contracts) are based on third party quotes. These quotes use the maximum number of observable market rates for price discovery. Specific valuation techniques used to value financial instruments include:
- Quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of interest rate swap option (swaption) contracts is determined using observable volatility, yield curve and time-to-maturity parameters at the balance sheet date, resulting in a swaption premium
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value and
- The fair value of foreign exchange option contracts is determined using observable forward exchange rates, volatility, yield curve and time-to-maturity parameters at the balance sheet date, resulting in an option premium.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the group is the current mid price. These instruments are included in level 1. Instruments included in level 1 are listed equities and liquid investment grade bonds.

The fair value of financial instruments that are not traded in an active market are based on third-party quotes (Mark-to-Market). These quotes use the maximum number of observable market rates for price discovery. The different valuation techniques typically applied by financial counterparties (banks) were described above. These instruments - FX and IR derivatives - are included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is in level 3. Primarily illiquid investment funds and structured notes are included in level 3.

Note 8 - Tax

The effective tax rate for the group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method and tax exempt revenues from tonnage tax regimes.
Tonnage tax is considered as operating expense in the accounts.

The group recorded a tax expense of USD 25 million for the first quarter 2018, compared with an income of USD 27 million in the fourth quarter 2017. A material part of first quarter tax expense is change in deferred tax of USD 12 million and withholding tax on dividends from EUKOR of USD 7 million.
In regards to the withholding tax case on dividends from EUKOR to Wilhelmsen Ships Holding Malta Ltd for the period 2010-2014 the company have decided to bring the 2010 decision in National Tax Tribunal before the administrative court in Korea. Hearings are still being held, hence as of today no court decision has been received. The administrative appeal to the Board of Audit and Inspection (BAI) for the period 2011-2014 is still pending.

Note 9 - Shares

The company's share capital is as follows:

	Number of shares	NOK mill	USD mill
Share capital	423 104 938	220	28

The merger between Wilh. Wilhelmsen ASA and Wallroll AB was completed on 4 April 2017 and led to an increase of the share capital with NOK 106 million / USD 12. See note 11 for further information.

Earnings per share taking into consideration the number of outstanding shares in the period.

Basic earnings per share is calculated by dividing profit for the period after non-controlling interests, by average number of total outstanding shares.

From the second quarter 2017, earnings per share is calculated based on 423 104 938 shares.
For the first quarter of 2017, earnings per share was calculated based on 220 000 000 shares.

Note 10 - Paid/ proposed dividend

Dividend/Equity transaction
The board has decided not to recommend a dividend for the annual general meeting on 25 April 2018.

Note 11 - Interest-bearing debt

USD mill	31.03.2018	31.03.2017	31.12.2017
Non current interest-bearing debt	2 908	1 155	3 103
Current interest-bearing debt	717	112	661
Total interest-bearing debt	**3 626**	**1 267**	**3 764**
Cash and cash equivalents	649	121	796
Current financial investments		150	
Net interest-bearing debt	**2 977**	**996**	**2 968**

Specification of interest-bearing debt	31.03.2018	31.03.2017	31.12.2017
Bank loans	1 588	836	1 712
Leasing commitments	1 618	235	1 653
Bonds	402	196	388
Bank overdraft	18		12
Total interest-bearing debt	**3 626**	**1 267**	**3 764**
Repayment schedule for interest-bearing debt			
Due in year 1	509	88	661
Due in year 2	732	289	709
Due in year 3	607	283	609
Due in year 4	290	83	292
Due in year 5 and later	1 488	524	1 493
Total interest-bearing debt	**3 626**	**1 267**	**3 764**

On 4 April 2018. Wallenius Wilhelmsen refinanced a group of vessel loans maturing mainly in 2018 and 2019, hence reducing the amounts due in the next two years substantially. The loans were refinanced through a new term loan and revolving credit facility with core funding banks.

The above repayment schedule is on existing debt at 31 March 2018.

Wallenius Wilhelmsen

Note 12 - Business combinations - merger and acquisition

Merger

On 4 April 2017, the merger between Wilh. Wilhelmsen ASA and Wallroll AB was registered as completed, with Wilh. Wilhelmsen ASA as the surviving company. From 4 April 2017, the new name of Wilh. Wilhelmsen ASA became Wallenius Wilhelmsen ASA.

For a full overview of the net assets acquired and goodwill see annual report 2017

Keen Transport

In December 2017, the group purchased 100% of the shares in KTI Holding Corporation (Keen) for USD 64 million pluss pro contra working capital, total USD 69 million.

Pro contra working capital has been updated with a net cash effect of USD 2 million during Q1 2018. Total acquisition cost is USD 69 million.

The purchase price allocation is preliminary due to final calculation of intangible assets/ customer relationship's fair value.
For a full overview of the net assets acquired and goodwill see annual report 2017

Note 13 - Pre-merger proforma accounts

The group's pre-merger proforma accounts are under the assumption that the merger took place on 1 January 2016. The figures are adjusted for the demerger of Treasure ASA, gain/loss on intercompany transactions and WWL Vehicle Services Americas acquisition as well as inclusion of SG&A costs in WallRoll AB.
The figures are unaudited.

USD mill	Ocean		Landbased		Holding		Eliminations		Total	
	Full year 2016	Q1 2017	Full year 2016	Q1 2017	Full year 2016	Q1 2017	Full year 2016	Q1 2017	Full year 2016	Q1 2017
Total income	2 938	719	703	186	4	1	(65)	(16)	3 581	890
Operating expenses	(2 414)	(597)	(620)	(164)	(19)	(4)	65	16	(2 988)	(748)
Operating profit before depreciation, amortisation and impairment (EBITDA)	**525**	**123**	**83**	**22**	**(15)**	**(3)**	**0**	**0**	**592**	**143**
Depreciation and amortisation	(286)	(72)	(40)	(10)					(326)	(82)
Operating profit/(loss) (EBIT)[1]	**238**	**51**	**43**	**12**	**(15)**	**(3)**	**0**	**0**	**266**	**60**
Profit/(loss) for the period	**92**	**26**	**24**	**8**	**0**	**0**	**0**	**0**	**116**	**34**

[1] Cash settled portion of bunker hedge swaps is included in net operating profit by reduction/(increase) of voyage related expenses.
As a result of rounding adjustments, the figures in one or more columns may not add up to the total of that column.

Note 14 - Related party transactions

The two main shareholders of Wallenius Wilhelmsen ASA are Walleniusrederiarne AB and Wilh. Wilhelmsen Holding ASA with 37.8% of the shares respectively. Wilhelm Wilhelmsen family controls Wilh Wilhelmsen Holding ASA through Tallyman AS, and the Wallenius/Kleberg family controls Walleniusrederierna AB through ”Rederi AB Soya” (Soya group).

The group has undertaken several transactions with related parties within Wilh. Wilhelmsen Holding ASA (WWH), Wilservice AS and Wilhelmsen Maritime Services group (WMS group). All transactions are entered into in the ordinary course of business of the company and the agreements pertaining to the transactions are all entered into on commercial market terms.

Wilh. Wilhelmsen Holding ASA (WWH) delivers services to the WW ASA group related to in-house services such as canteen, post, switchboard and rent of office facilities. Generally, Shared Services are priced using a cost plus 5% margin calculation, in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually. In addition, the Soya group delivers rent of office facilities to the WWL ASA group.
Historically and currently the majority shareholders, WWH and Soya, further deliver several services to the group, all of which are made on an arm’s length principle based on market terms, based on the principles set out in the OECD’s transfer pricing guidelines for group services, including, inter alia, cost plus basis or based on independent broker estimates, as the case may be. In the event services are provided to both external and internal parties, the prices set forth in the contracts regarding such services, are on same level for both the external and the internal customers. The services cover:

- Ship management including crewing, technical and management service
- Insurance brokerage
- Agency services
- Freight and liner services
- Marine products to vessels

As a part of the merger between Wilh. Wilhelmsen ASA and WallRoll AB, Walleniusrederierna AB received a corporate bond, with nominal value of USD 80 million. Interest is 6% annually payable-in-kind and maturity is in 2022. It is based on standard bond agreement and trustee is Nordic Trustee. The corporate bond is fully tradeable and transferable (as any other corporate bond).

Note 15 - Contingencies

Update on the anti-trust investigations

The operating entities WWL and EUKOR have been part of anti-trust investigations in several jurisdictions since 2012. This process is now drawing towards an end with outstanding jurisdictions likely to reach their conclusion in 2018. The European Commission (EC) announed 21 February 2018 the outcome of the investigaton in the form of an industry settlement including WWL and EUKOR and four other carriers. As a part of the industry settlement, the group subsidaries will pay a fine of EUR 207 million. The group has made a provision for the outcome of the investigation. Consequently, the fine will not has a profit and loss effect.
The possible outcome of pending investigations and the possibility for civil claims are reflected in the remaining provision in balance sheet.

Note 16 - Events occurring after the balance sheet date

Refinancing of the vessel loans

As part of the project to establish a legal and funding structure consistent with the business unit structure of Wallenius Wilhelmsen, the group has entered into a new USD 445 million term loan and credit facility agreement with a number of core funding banks to refinance vessel loans maturing in 2018 and 2019 and a revolving credit facility in WW Ocean. The new facility was signed on 22 March 2018, with draw, and refinancing of USD 375 million of outstanding vessel loans, taking place on 4 April 2018. The new loan matures after 6 years, in March 2024. In addition, key conditions in all other loan agreements in WW Ocean have been harmonized with the new facility agreement. Main covenants for WW Ocean following the refinancing process is minimum cash, positive working capital and loan to value clauses for the vessels
No other material events occurred between the balance sheet date and the date when the accounts were presented providing new information about conditions prevailing on the balance sheet date.