WALLENIUS WILHELMSEN
LOGISTICS ASA

Fourth Quarter and Preliminary Results 2017

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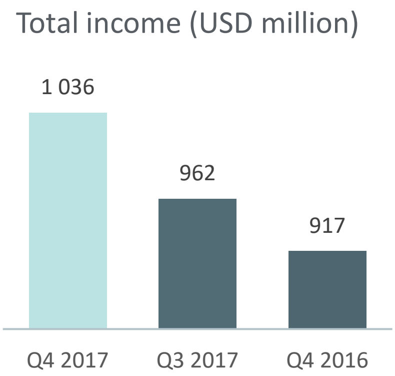
Highlights fourth quarter 2017

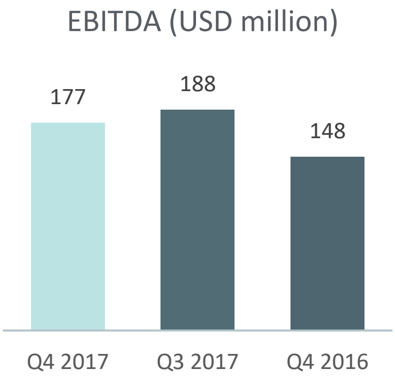
- Strong underlying results with EBITDA adjusted for non-recurring items of USD 182 million
- Results in the fourth quarter negatively impacted by increased bunker prices by USD 10 million
- Continued positive development for ocean volumes, up 11% q-o-q and 14% y-o-y
- Solid underlying performance for the landbased segment
- Acquisition of Keen Transport Inc ("Keen") with effect from December 7th 2017
- Synergy target increased to USD 120 million of which about USD 75 million has been confirmed
- Antitrust provision increased with USD 140 million. The preliminary purchase price allocation has been updated to reflect the increased liability

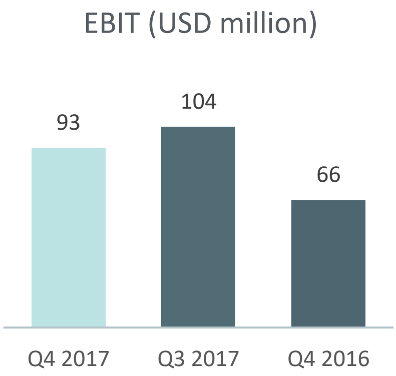
Commenting on the fourth quarter results, Craig Jasienski, President and CEO of WWL ASA, says:

"We are pleased to see the good underlying results for the fourth quarter, although down from the third quarter. The positive impact of stronger ocean volumes was partly offset by increased net bunker costs and increased space charter expenses to handle said volumes. After close evaluation we have decided to increase antitrust provision with USD 140 million. The situation is regrettable, and we look forward to putting this matter behind us"

Key financials[1)]







1) *Proforma numbers Q4 2016*

WWL ASA consolidated results – Fourth quarter 2017

Underlying performance (EBITDA) for the fourth quarter 2017 adjusted for non-recurring items ended at USD 182 million, a decline of 5% compared with the previous quarter.

	Q4 2017	Q3 2017	% change q-o-q	Proforma Q4 2016[1)]	% change y-o-y
Total income	**1 036**	962	8%	917	13%
EBITDA	**177**	188	-5%	148	20%
EBIT	**93**	104	-11%	66	41%
Profit /(loss) for the period	**86**	55	57%	17	391%
EPS[2)]	**0.20**	0.12	n/a	n/a	n/a
Net interest-bearing debt	**2 968**	2 995	n/a	n/a	n/a
ROCE[3)]	**5.9%**	6.6%	n/a	n/a	n/a
Equity ratio	**35.8%**	35.5%	n/a	n/a	n/a
Total income adjusted	**1 033**	959	8%	917	13%
EBITDA adjusted	**182**	193	-5%	148	23%

1) *WWL ASA pre-merger proforma accounts are prepared as if the merger had taken place Jan 1st 2016 and adjusted for demerger of Treasure ASA and VSA acquisition as well as 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 – Fourth quarter 2017

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

Total income for WWL ASA was USD 1 036 million in the fourth quarter, up 8% from previous quarter. Total income for the fourth quarter includes an USD 2 million sales gain on fixed asset in the US. Adjusted for the sales gain the total income was USD 1 033 million. The positive development was mainly driven by strong volume development which was up 11% q-o-q and 14% y-o-y. Volumes increased in all foundation trades, but the growth was strongest for Europe-Asia and the Atlantic trade. This was primarily driven by seasonally strong auto volumes which negatively impacted both the trade and cargo mix.

EBITDA ended at USD 177 million in the fourth quarter, a decline of 5% from USD 188 million in the previous quarter. In the fourth quarter non-recurring costs of about USD 7 million were recorded, related to write down of capitalised IT costs and restructuring costs. EBITDA adjusted for non-recurring items came in at USD 182 million, a decline of 5% from last quarter.

For ocean, the operating costs in the fourth quarter increased compared with previous quarter, primarily driven by a negative USD 10 million effect from higher bunker prices and increased space charter expenses of about USD 5 million to handle the seasonally strong volumes. Furthermore, project cargo shipments in the Atlantic remained strong, but not at the same level as experienced in the third quarter. These factors combined with a less optimal trade and cargo mix offset the positive volume development, high utilisation and increased synergy realisation.

WWL group has increased the synergy target to USD 120 million of which about USD 75 million of the targeted annualised synergies have been confirmed. In the fourth quarter, about USD 10 million was added to the confirmed synergies, mainly related to IT and procurement gains. The annualised run rate for the synergies was about USD 65 million in the fourth quarter, up from about USD 50 million in the third quarter. The remaining part of the confirmed synergies will gradually come into effect over the next 3-6 months.

Net financial expenses were USD 35 million in the fourth quarter, which is an increase of USD 13 million compared with the third quarter driven by movements in currency. Net financials expenses in the fourth quarter was negatively impacted by USD 4 million related to movements in currency compared with a gain of USD 6 million in the third quarter. Net interest expenses were USD 41 million, stable compared with previous quarter. Net financial expenses were positively impacted by USD 12 million in unrealised gains from interest rate hedges (similar level as for the third quarter).

WWL group recorded a tax income of USD 27 million for the fourth quarter, compared with an expense of USD 28 million in the third quarter. A significant part of this is caused by the reduction of the federal tax rate in the US from 35% to 21% which in turn has caused a significant reduction in WWL group's deferred tax liability and is consequently a tax income.

Net result for the fourth quarter was USD 86 million. Adjusted for non-recurring items of net negative 5 million, the adjusted net result for the fourth quarter ended at USD 90 million, an improvement of about 51% compared with adjusted net result in the third quarter, mainly driven by changes in the deferred tax liability.

The average Return on Capital employed (ROCE) in the fourth quarter was 5.9%

Capital and financing

The equity ratio for WWL group was 35.8% in the fourth quarter, slightly up compared with previous quarter, mainly related to the positive net result of USD 86 million. Cash and cash equivalents in WWL group by the end of the fourth quarter was USD 796 million. In addition, WWL group has approximately USD 275 million in undrawn credit facilities. Net interest-bearing debt in WWL group was USD 2 968 million at the end of the fourth quarter. WWL group has four vessels on order and the outstanding instalments for these vessels is USD 170 million. The vessels have been financed through regular bank facilities.

The board has decided not to recommend a dividend for 2017 at this time as the board would like to see a further strengthening of the solidity of the group before declaring a dividend.

Ocean Operations – Fourth quarter 2017

Adjusted earnings (EBITDA) declined 6% quarter on quarter despite increase in volumes, negatively impacted by weaker cargo and trade mix coupled with increased bunker costs.

	Q4 2017	Q3 2017	% change q-o-q	Proforma Q4 2016 1)	% change y-o-y
Total income	**832**	775	7%	748	11%
EBITDA	**157**	162	-3%	135	19%
EBIT	**84**	88	-5%	63	33%
Volume ('000 cbm) 2)	**18 445**	16 685	11%	16 202	14%
High & Heavy share	**25.8%**	26.4%	n/a	22.6%	n/a
Total income adjusted	**832**	775	7%	748	11%
EBITDA adjusted	**160**	170	-6%	135	19%

1) *WWL ASA pre-merger proforma accounts are prepared as if the merger had taken place Jan 1st 2016 and adjusted for demerger of Treasure ASA and VSA acquisition as well as inclusion of SG&A costs in WallRoll AB.*
2) *Prorated volumes*

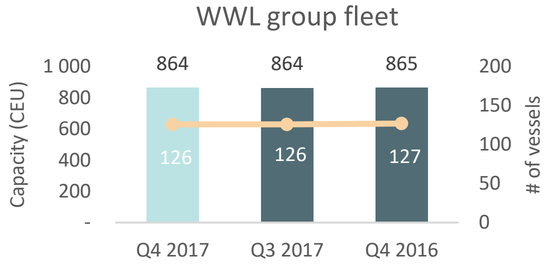
Total income for the ocean segment was USD 832 million in the fourth quarter, up 7% compared with third quarter and 11% compared to the same period last year. The positive development was mainly driven by strong volume development which were up 11% q-o-q and 14% y-o-y. Volumes increased in all foundation trades, but the growth was strongest for EU-AS and the Atlantic trade. This was primarily driven by seasonally strong auto volumes which negatively impacted both the trade and cargo mix. High & heavy volumes also increased in the period, but the seasonally strong auto volumes reduced the H&H share to 25.8% (down from 26.4% in the third quarter). The strike in December at Hyundai Motor Group (HMG) production facilities in South Korea negatively impacted shipped volumes ex-Asia in the fourth quarter. The strike ended in late January and caused a total production loss/delay of about 45 000 units in December and January combined.

EBITDA ended at USD 157 million in the fourth quarter, down 3% from USD 162 million in the previous quarter. The fourth quarter included non-recurring items of net USD 3 million related to write down of capitalised IT costs and restructuring costs. Hence the adjusted EBITDA was USD 160 million, representing a decline of 6% compared with adjusted figures in the third quarter.

The ocean results were impacted by a negative USD 10 million effect from increased bunker prices during the fourth quarter of which about two thirds relate to lag in BAF compensation. Furthermore, WWL group had to buy space from other operators (space charter) to handle excess volumes, representing an additional cost of USD 5 million. Project cargo shipments in the Atlantic remained strong, but not at the same level as experienced in third quarter. These factors combined with the less optimal trade and cargo mix more than offset the positive volume development and increased synergy realisation.

WWL group fleet

WWL group operated a core fleet of 126 vessels with carrying capacity of 864K CEU accounting for about 20% of the global car carrier fleet in the fourth quarter. In addition, WWL group had 6 vessels on short term time charters (contracts up towards one year). The size of the core fleet and number of short-term charters were at the same level as in third quarter.



Source: WWLASA

Currently, the group has flexibility to redeliver 10 vessels in 2018 and 22 vessels in the period from 2019 to 2023.

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 USD 170 million. The vessels have been financed through regular bank facilities.

Anti-trust update

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. WWL groups' provision stood at USD 300 million at the end of the third quarter and no payments are currently outstanding. Based on updated evaluations, taking into account the possible outcome of pending investigations and the possibility for civil claims, WWL group see it as necessary to increase the provision for anti-trust obligations by USD 140 million. The total provision will then amount to USD 440 million. The preliminary purchase price allocation has been updated to reflect the increased fair value of liability. As such, the increased provision did not impact the income statement for WWL group.

Landbased Operations – Fourth quarter 2017

Underlying performance (EBITDA adjusted) was stable quarter on quarter with strong results for the terminals while technical services in North America was negatively impacted by congestions at certain facilities coupled with year-end adjustments.

	Q4 2017	Q3 2017	% change q-o-q	Proforma Q4 2016 1)	% change y-o-y
Total income	**221**	203	9%	184	20%
EBITDA	**23**	29	-21%	21	7%
EBIT	**12**	19	-36%	11	6%
Total income adjusted	**219**	199	10%	184	19%
EBITDA adjusted	**24**	24	-2%	21	12%

1) WWL ASA pre-merger proforma accounts are prepared as if the merger had taken place Jan 1st 2016 and adjusted for demerger of Treasure ASA and VSA acquisition as well as inclusion of SG&A costs in WallRoll AB.

The total income and EBITDA for the fourth quarter was USD 221 million and USD 23 million respectively. The fourth quarter included non-recurring items of net USD 1 million related to sales gain for property in the US and write down of capitalised IT costs. EBITDA adjusted for the non-recurring items was USD 24 million, stable compared with previous quarter.

During the quarter, technical services in North America experienced an increase in volumes of 3% compared with the third quarter. However, the strong volumes in the fourth quarter combined with continued high auto inventories caused congestions at certain facilities which led to an increase in operational costs and reduced operational efficiencies.

Terminals delivered solid results supported by the overall increase in ocean volumes. The improvement was driven by the terminals in Zeebrugge, Port Hueneme, Baltimore, Pyeongtaek and Southampton. In Southampton, the majority of the volumes that was shifted to Bristol earlier in the year due to construction work returned in early December 2017. The terminal results continue to be negatively impacted by planned low volumes as part of the start-up of the Melbourne terminal, which will be fully operational from January 2018, and continued low volumes into Kotka (Finland).

In November, an agreement was reached to sell the landbased business in Australia to Prixcar Services in exchange for an ownership stake of 20%. In December, WWL group acquired Keen for USD 64 million on a cash and debt free basis. The acquisition of Keen contributed to about USD 6 million in income and USD 1 million in EBITDA for the quarter.

WWL group consolidated results – Full year 2017

Underlying performance (adjusted EBITDA) for 2017 was USD 706, up 19% from 2016. The improvement was primarily driven by an increase in ocean volumes, improved cargo mix, realisation of synergies and improved results for the landbased segment across the board.

	FY 2017 4)	Proforma FY 2016 1)	% change y-o-y
Total income	**3 800**	3 581	6%
EBITDA	**614**	592	4%
EBIT	**280**	266	5%
Profit /(loss) for the period	**154**	116	32%
EPS 2)	**0.20**	n/a	n/a
Net interest-bearing debt	**2 968**	n/a	n/a
ROCE 3)	**5.4%**	n/a	n/a
Equity ratio	**35.8%**	n/a	n/a
Total income adjusted	**3 857**	3 581	8%
EBITDA adjusted	**706**	592	19%

1) WWL group pre-merger proforma accounts are prepared as if the merger had taken place Jan 1st 2016 and adjusted for demerger of Treasure ASA and VSA acquisition as well as 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 for Q2-Q4 2017
4) WWL group pre-merger proforma accounts Q1 2017 in addition to WWL group actuals Q2-Q4 2017

On April 4th 2017, the merger between Wilh. Wilhelmsen ASA and WallRoll AB was completed, with Wilh. Wilhelmsen ASA as the surviving company, renamed to Wallenius Wilhelmsen Logistics ASA (WWL ASA). Historical figures used for comparison with the full year below are the proforma WWL group figures.

Total income for WWL group was USD 3 800 million for the full year of 2017, an increase of 6% compared with the full year of 2016. Income for the full year of 2017 includes non-recurring items of USD 57 million during the year. Adjusted for the non-recurring items, total income was USD 3 857 million, up 8% compared with full year 2016.

For 2017, EBITDA ended at USD 614 million compared to USD 592 million in 2016, up 4%. However, 2017 included negative non-recurring items of USD 92 million, mainly related to the merger accounting loss and organisational restructuring costs. EBITDA adjusted for these items came in at USD 706 million, which is an underlying improvement of 19%. The improved performance was primarily driven by an increase in transported volumes; improved cargo mix; realisation of synergies; project cargo shipments in the Atlantic, and improved results for the landbased segment.

The group recorded a tax expense of USD 3 million for the full year of 2017 compared to an expense of USD 22 million in 2016. The reduction in tax expense was caused by the significant reduction in WWL group's deferred tax liability as a consequence of the reduction in federal tax rate in the US from 35% to 21%.

The net result for the full year of 2017 ended at USD 154 million compared to USD 116 million for 2016. Adjusted for the non-recurring items in 2017 the net result came in at USD 245 million, an improvement of 111% compared with 2016.

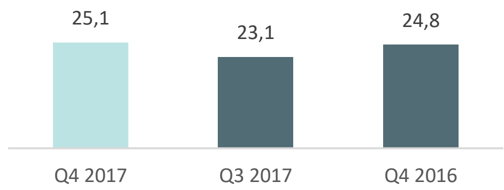
Market Update

Overall, auto export development was positive in the quarter with an increase of 3.6% compared to the same period last year. The High & heavy markets continue to recover globally, with construction equipment trade growing and increasing demand for mining equipment.

Auto markets

Total light vehicle (LV) sales in the fourth quarter increased by 1.3% compared to the corresponding period last year and increased 8.9% compared to third quarter of 2017. Preliminary figures for the total sales of LVs in 2017 indicated annual global volume of 94 million units, up 2.5% compared to 2016

Global light vehicle sales (mill units)



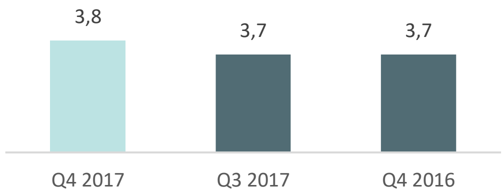
Source: IHS Markit

Sales in the US continued the soft development, and were down 2.7% quarter on quarter (q-o-q) due to seasonality and down 3.1% year on year (y-o-y). Despite softer sales, the absolute sales figures are still strong. Sales in Western Europe developed positively in the quarter, up about 1% both q-o-q and y-o-y.

The Chinese market ended the year on a solid note growing 27% q-o-q. Compared to the same period last year sales showed a flat development (-0.5%). The tax incentives are now confirmed from Chinese officials to end in December 2017. Both the Russian (+12.7% q-o-q and +14.2% y-o-y) and the Brazilian (+4.0% q-o-q and +15.0% y-o-y) markets continued to show a positive development in the fourth quarter.

Total exports in the fourth quarter were up 2.7% q-o-q while growing 3.6% compared to the corresponding period last year. Total deep-sea exports of LVs in 2017 is estimated to 14.8 million units, up 1.3 % compared to 2016.

Global light vehicle exports (mill units)



Source: IHS Markit

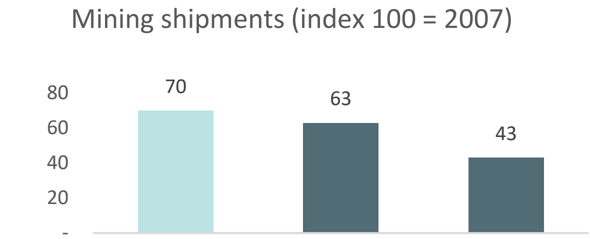
Exports out of North America in the fourth quarter increased 1.2% q-o-q and 9.6% y-o-y as Mexican exports are ramping up. European exports were up 4.7% q-o-q and 3.0% y-o-y in the fourth quarter. Japanese exports in the fourth quarter were down 2.5% q-o-q and up 4.2% y-o-y. Exports out of South Korea developed flat both q-o-q and y-o-y.

High & heavy markets

The recovery in global high & heavy markets continued to develop positively, and shipped construction, mining and agricultural volumes are up 14% in the first nine months of 2017 compared to 2016.

The construction equipment markets remain the driver for growth due to a broad-based cyclical upturn across most advanced and emerging economies. Global trade volumes continue to grow strongly into all regions except for Africa. The locally supplied Chinese equipment market is still the global growth engine, and full year excavator sales more than doubled compared to 2016. Construction machinery shipments from US manufacturers increased 6% q-o-q and 18% y-o-y, and a strong housing market lifted construction spending compared to last year. European construction equipment demand is growing in the key markets of Germany, UK and France, and the Eurozone construction sector continued to experience increased activity in the period. However, the UK construction PMI is barely in expansion mode, and there is a subdued degree of optimism for the sector over worries about the wider economic outlook. The Australian construction industry extended its period of increased activity despite some slowing towards the end of the quarter.

The fourth quarter was another strong one for mined commodity prices, with double-digit gains for industrial metals, non-precious metals and iron ore after a December rally. OEMs again reported strong sales growth in their mining divisions, and while aftermarket sales continue to be a key driver, new equipment demand is strengthening on replacement cycles. Global deliveries of large mining equipment continued to recover in the quarter, with broad-based y-o-y growth to all continents, but volumes to Oceania remains at a low level, although slowly improving.



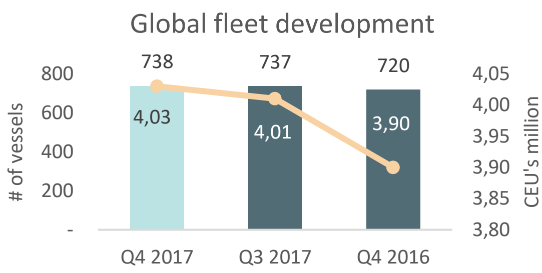
Source: The Parker Bay Company

Agriculture equipment markets are still mixed, but some are showing signs of improvement on replacement needs. Fourth quarter US large tractor sales grew 16% y-o-y after a very strong October (-7% YTD y-o-y), and inventories were managed down another 3% q-o-q. The big European tractor markets of Germany (+158% y-o-y and +6% YTD y-o-y), France (+51% y-o-y and +0% YTD y-o-y) and UK (-34% y-o-y and +13% YTD y-o-y) experienced solid registrations in the quarter, but there was potentially a disconnect from overall end-user demand due to a pull-forward related to a January 1, 2018 EU registration deadline. Australian tractor sales extended the good run and increased 7% y-o-y (+10% YTD y-o-y).

Global fleet

The global car carrier fleet totalled 738 vessels with a capacity of 4.03 million CEU at the end of the quarter.

Five vessels were delivered, and four vessels were sold for recycling, resulting in a net increase of one vessel in the fourth quarter. The order of two LNG-fuelled vehicle carriers made in previous quarters was confirmed. No cancellations or conversions were reported.



Source: Seaweb

The orderbook for vehicle carriers stands at around 30-35 vessels, representing 6% of the total fleet.

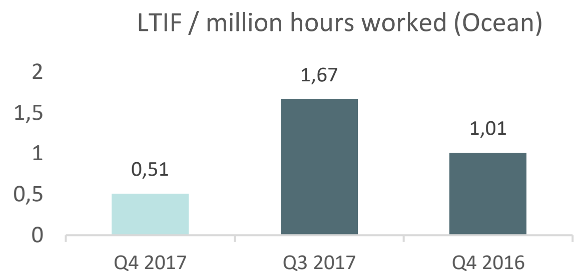
Health, safety and environment (ocean Transportation)

Improvement in LTIF result as the number of incidents was reduced in the quarter. Increases were observed in both total and relative CO2 emissions, reflecting a strengthening cargo market.

Health and safety

There were three lost time incidents on fleet vessels during the quarter. Two of the three incidents involved impact or crush injuries. The third was a hot water burn that occurred during maintenance in rough weather.

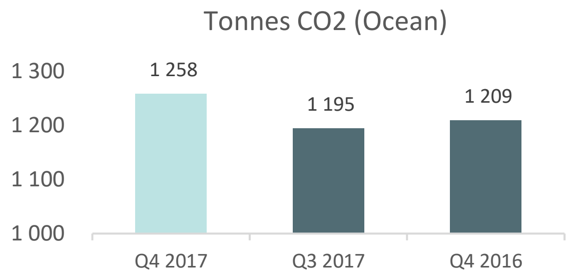
Note the LTIF result of the third quarter has been revised down (i.e. an improvement) from 1.91 to 1.67.



Source: WWL group

Environment

The total CO2 emissions for the fleet increased by 6% compared with the third quarter. The increase corresponded with the solid increase in transported volumes coupled with winter weather. During the winter season there is more adverse weather, and more energy is required for the vessel to maintain the same sailing speed.



Source: WWL group

The fleet's relative CO2 emissions, measured in terms of grams of CO2 per tonne kilometre, were 2% greater in the fourth quarter compared with previous quarter, mainly driven by more adverse winter weather, but also slightly higher sailing speed.

The total and relative CO2 results reflect the performance of the entire fleet, both owned and chartered, for the quarter.

Prospects

The board maintains a balanced view on the prospects for WWL group. The positive volume development combined with continued recovery in the high & heavy markets, and increased realisation of synergies will positively impact the results. However, increased volumes will only partly be translated into increased earnings as the utilisation of the fleet is high and additional capacity could be needed to handle the volumes.

The results are expected to be impacted by the contracted reduction in Hyundai Motor Group (HMG) volumes (from 50% to 40% as from Jan 2018) as well as rate reductions from contract renewals during 2017 that will come into effect in 2018. In addition, rate pressure for the ocean segment is expected to continue for some time, although the supply demand balance is forecasted to slowly improve during 2018.

Lysaker, 13 February 2018

The board of directors of Wallenius Wilhelmsen Logistics 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. WWL ASA cannot give assurances that expectations regarding the outlook will be achieved or accomplished.

Income statement

USD mill	Notes	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Operating revenue		1 033	66	3 024	257
Share of profit/(loss) from joint ventures and associates			(16)	15	119
Loss on previously held equity interest				(64)	
Gain on sale of assets	2/10	2		16	375
Total income		**1 036**	**50**	**2 992**	**751**
Operating expenses		(858)	(36)	(2 467)	(130)
Operating profit before depreciation, amortisation and impairment (EBITDA)		**177**	**14**	**524**	**620**
Depreciation and amortisation	3	(85)	(21)	(272)	(81)
Operating profit/(loss) (EBIT)		**93**	**(7)**	**253**	**539**
Financial income/(expenses) - net	4	(35)	5	(104)	(17)
Profit/(loss) before tax		**58**	**(2)**	**148**	**522**
Tax income/(expense)	6	27	(18)	(3)	(22)
Profit/(loss) for the period		**86**	**(21)**	**146**	**500**
Profit/(loss) for the period attributable to:					
Owners of the parent		83	(21)	134	500
Non-controlling interests		3		11	
Basic and diluted earnings per share (USD)	7	0,20	(0,09)	0,32	2,27

Statement of comprehensive income

USD mill	Notes	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Profit/(loss) for the period		86	(21)	146	500
Other comprehensive income:					
Items that may be subsequently reclassified to the income statement					
Cash flow hedges, net of tax		(1)	2	(3)	12
Currency translation adjustment and recycling of currency translation adjustment related to previously equity investment		(5)	(2)	(4)	(2)
Items that will not be reclassified to the income statement					
Remeasurement pension liabilities, net of tax		1	1	1	1
Other comprehensive income, net of tax		**(5)**	**1**	**(6)**	**10**
Total comprehensive income for the period		**81**	**(20)**	**140**	**510**
Total comprehensive income attributable to:					
Owners of the parent		84	(20)	134	510
Non-controlling interests		(4)		6	
Total comprehensive income for the period		**81**	**(20)**	**140**	**510**

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

Balance sheet

USD mill	Notes	31.12.2017	31.12.2016
ASSETS			
Non current assets			
Deferred tax assets		99	55
Goodwill and other intangible assets	3	774	6
Investments in vessels and other tangible assets	3	5 364	1 879
Pension assets		2	
Investments in joint ventures and associates		1	768
Other non current assets		82	1
Total non current assets		**6 322**	**2 708**
Current assets			
Current financial investments			202
Other current assets		691	22
Cash and cash equivalents		796	81
Total current assets		**1 487**	**305**
Total assets		**7 809**	**3 013**
EQUITY and LIABILITIES			
Equity			
Share capital	7	28	16
Retained earnings and other reserves		2 538	1 419
Total equity attributable to owners of the parent		**2 566**	**1 435**
Non-controlling interests		230	
Total equity		**2 796**	**1 435**
Non current liabilities			
Pension liabilities		73	40
Deferred tax liabilities		106	
Non current interest-bearing debt	9	3 103	1 205
Other non current liabilities		272	128
Total non current liabilites		**3 554**	**1 374**
Current liabilities			
Current income tax liabilities		13	7
Public duties payable		4	1
Other current liabilities		1 441	197
Total current liabilities		**1 458**	**204**
Total equity and liabilities		**7 809**	**3 013**

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

Cash flow statement

USD mill	Note	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Cash flow from operating activities					
Profit/(loss) before tax		58	(2)	148	522
Financial (income)/expenses, excluding unrealised financial derivates		52	39	157	117
Financial derivatives unrealised		(17)	(44)	(53)	(100)
Depreciation/impairment	3	85	21	272	81
(Gain)/loss on sale of tangible assets		3		(2)	3
(Gain)/loss on demerger					(375)
Loss on previously held equity interest				64	
Change in net pension assets/liabilities		(7)	(3)	(2)	(1)
Other change in working capital		(17)	(5)	(74)	22
Share of (profit)/loss from joint ventures and associates			16	(15)	(119)
Dividend received from joint ventures and associates			11		64
Tax paid (company income tax, witholding tax)		(11)	(2)	(32)	(5)
Net cash flow provided by/(used in) operating activities		**145**	**30**	**462**	**211**
Cash flow from investing activities					
Proceeds from sale of tangible assets		4		154	13
Investments in vessels, other tangible and intangible assets	3	(17)	(3)	(83)	(149)
Investments in subsidaries		(64)		(64)	
Proceeds from sale of financial investments			55	218	117
Investments in financial investments			(2)	(15)	(79)
Dividend received (financial investments)					3
Interest received		1		4	
Cash and cash equivalents, incoming entities merger				494	
Changes in other investments		(1)		1	
Net cash flow provided by/(used in) investing activities		**(76)**	**51**	**710**	**(95)**
Cash flow from financing activities					
Proceeds from issue of debt		143		281	248
Repayment of debt		(187)	(105)	(568)	(258)
Loan to related party				(15)	
Interest paid including interest derivatives		(35)	(18)	(119)	(73)
Realised financial derivatives		(15)	(28)	(31)	(42)
Dividend to non-controlling interests				(5)	
Dividend to shareholders/ demerger Den Norske Amerikalinje AS					(17)
Net cash flow provided by/(used in) financing activities		**(94)**	**(151)**	**(457)**	**(143)**
Net increase in cash and cash equivalents		(25)	(70)	715	(27)
Cash and cash equivalents, excluding restricted cash, at beginning of period		820	150	81	108
Currency on cash and cash equivalents*					
Cash and cash equivalents at end of period		**796**	**81**	**796**	**81**

* The group is located and operating world wide and every entity has several bank accounts in different currencies. Unrealised currency effe

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
2017 - Year to date					
Balance at 31.12.2016	16	1 419	1 435		1 435
Profit for the period		134	134	11	146
Other comprehensive income		(1)	(1)	(5)	(6)
Total comprehensive income	**0**	**133**	**133**	**6**	**139**
Merger with Wallroll AB	12	989	1 002	224	1 225
Change in non-controlling interest		(3)	(3)	5	2
Dividend to non-controlling interests			0	(5)	(5)
Balance 31.12.2017	**28**	**2 539**	**2 566**	**230**	**2 796**

USD mill	Share capital	Retained earnings and other reserves	Total	Non-controlling interests	Total equity
2016 - Year to date					
Balance at 31.12.2015	30	1 623	1 654		1 655
Profit for the period		500	500		500
Other comprehensive income		10	10		10
Total comprehensive income	**0**	**510**	**510**	**0**	**510**
Demerger Den Norske Amerikalinje AS	(15)	(716)	(730)		(730)
Balance 31.12.2016	**16**	**1 419**	**1 435**	**0**	**1 435**

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

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 2016 for Wilh.Wilhelmsen ASA group (WWASA), 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 WWASA for the year end 31 December 2016.

There are no new standards or amendments to standards released during 2017.

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

Acquisitions in the landbased segment

In December, WWL group acquired KTI Holding Corporation (Keen). The acquisition of Keen contributed to about USD 6 million in revenues and USD 1 million in EBITDA for the fourth quarter.

For further information see note 13.

New ownership structure for joint ventures

The merger between Wall Roll AB (part of Wallenius Rederiarne AB) and WWASA was completed in beginning of April.

For further information see note 11.

Demerger of NAL (Hyundai Glovis)

The demerger of Den Norske Amerikalinje AS (owns the Hyundai Glovis shareholding) from the group was effective on 8 June 2016. The demerger was accounted for at fair value and contributed with a significant non-recurring gain in the second quarter of USD 375 million. The book value of equity, after the accounting gain, was reduced with 730 million by the demerger.

The demerged entity named Treasure ASA was listed on the Oslo Stock Exchange on 8 June 2016. All shareholders of WWASA received 1 share in Treasure ASA for every share held in WWASA.

Investments in logistics in WWL

In the first quarter of 2016, WWL acquired the full ownership of WWL Vehicle Services Americas (VSA), previously a joint venture, based in USA. The company employs 3 400 employees and handles some 4.7 million units annually.

With full ownership, WWL strengthens its position as a leading provider of vehicle processing for automotive manufacturers in North America.

WWL has also acquired the full ownership of CAT-WWL, previously a joint venture, based in South Africa.

With full ownership in CAT-WWL, a network of ten vehicle-processing facilities, WWL becomes one of the top independent providers of vehicle processing services to support automotive manufacturers in South Africa.
The business employs more than 900 workers and handles some 680 000 units.

In addition, WWL has sold Vehicle Services Europe (VSE) to Groupe CAT. The company employs some 400 employees with truck based inland distribution in Europe and three vehicle processing centres in Germany.

Note 3 - Vessels, property and other tangible assets

USD mill	Property & land	Other tangible assets	Vessels & docking	Newbuilding contracts	Total tangible assets
2017 - Year to date					
Cost price at 01.01		2	2 457		2 459
Additions		14	29	35	78
Acquisitions through business combination	95	334	3 416	186	4 031
Reclassification from newbuilding contracts to vessels			101	(101)	
Disposal		(10)	(164)		(174)
Currency translation adjustment	2	1			3
Cost price at 31.12	**97**	**341**	**5 840**	**120**	**6 398**
Accumulated depreciation and impairment losses at 01.01		(1)	(579)		(581)
Accumulated depreciation through business combination	(12)	(252)			(264)
Depreciation	(3)	(13)	(208)		(224)
Disposal		5	31		36
Currency translation adjustment		(1)			(2)
Accumulated depreciation and impairment losses at 31.12	**(16)**	**(262)**	**(757)**	**0**	**(1 034)**
Carrying amounts at 31.12	**81**	**79**	**5 083**	**120**	**5 364**
2016 - Year to date					
Cost price 01.01		2	2 439	33	2 474
Additions			11	138	149
Reclassification from newbuilding contracts to vessels			172	(172)	
Disposal			(164)		(164)
Cost price at 31.12		**2**	**2 457**	**2 457**	**2 459**
Accumulated depreciation and impairment losses 01.01		(1)	(646)		(648)
Depreciation			(81)		(81)
Disposal			148		148
Accumulated depreciation and impairment losses at 31.12		**(1)**	**(579)**	**0**	**(581)**
Carrying amounts at 31.12		**0**	**1 878**	**0**	**1 879**

Cont. Note 3 - Goodwill, customer relations/contracts and other intangible assets

USD mill	Goodwill	Customer relations/ contracts	Other	Total intangible assets
2017 - Year to date				
Cost price at 01.01	6		1	7
Additions			4	4
Acquisitions through business combination	370	398	177	945
Disposal			(14)	(14)
Cost price at 31.12	**375**	**398**	**168**	**942**
Accumulated amortisation and impairment losses at 01.01			(1)	(1)
Accumulated amortisation through business combination			(135)	(135)
Amortisation		(37)	(11)	(48)
Disposal			8	8
Accumulated amortisation and impairment losses at 31.12	**0**	**(37)**	**(139)**	**(176)**
Carrying amounts at 31.12	**375**	**362**	**29**	**766**

2016 - Year to date				
Cost price 01.01	7			7
Cost price at 31.12	**7**	**0**	**0**	**7**
Accumulated amortisation and impairment losses 01.01	(1)			(1)
Accumulated amortisation and impairment losses at 31.12	**(1)**	**0**	**0**	**(1)**
Carrying amounts at 31.12	**6**	**0**	**0**	**6**

Note 4 - Financial income/(expenses)

USD mill	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Financials				
Investment management [1]		5	3	11
Interest income	1		4	
Other financial items	(3)		(3)	(1)
Net financial items	**(2)**	**5**	**4**	**10**
Net financials - interes rate				
Interest expenses	(35)	(10)	(111)	(41)
Interest rate derivatives - realised	(6)	(7)	(26)	(28)
Net interest expenses	**(41)**	**(17)**	**(137)**	**(69)**
Interest rate derivatives - unrealised	**12**	**27**	**25**	**25**
Net financial - currency				
Net currency gain/(loss)	7	1	5	(14)
Derivatives for hedging of cash flow risk - realised	(6)	(10)	(21)	(23)
Derivatives for hedging of cash flow risk - unrealised	4	8	20	39
Derivatives for hedging of translation risk - realised	(9)	(18)	(11)	(20)
Derivatives for hedging of translation risk - unrealised		7	11	27
Net financial - currency	**(4)**	**(13)**	**4**	**10**
Financial derivatives bunkers				
Valuation of bunker hedges		2	(3)	9
Realised portion of bunker hedges			3	(2)
Net financial derivatives bunkers	**0**	**2**	**0**	**7**
Financial income/(expenses)	**(35)**	**5**	**(104)**	**(17)**

[1] Includes financial derivatives for trading

Realised portion of bunker and fuel hedges included in operating expenses

USD mill	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Cash settled portion of bunker and fuel hedges	1,1		2,7	

Note 5 - 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		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**
Financial assets at fair value through the income statement				
Financial derivatives		9		9
Equities	59			59
Bonds	143			143
Total financial assets 31.12.2016	**202**	**9**	**0**	**210**
Financial liabilities at fair value through the income statement				
Financial derivatives		153		153
Total financial liabilities 31.12.2016	**0**	**153**	**0**	**153**

No financial assets in level 3 as of 31 December 2017 (31 December 2016).

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 6 - Tax

The effective tax rate for the WWL ASA 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.

WWL group recorded a tax income of USD 27 million for the fourth quarter, compared with an expense of USD 28 million in the third quarter. A significant part of this is caused by the reduction of the federal tax rate in the US from 35% to 21%, which in turn has caused a significant reduction in WWL group's deferred tax liability and is consequently a tax income. 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 have been held, but 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 7 - 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.

The demerger of Den Norske Amerikalinje AS from the group led to a reduction of the share capital with NOK 106 million / USD 15 million in the second quarter of 2016.

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 minority interests, by average number of total outstanding shares.

From 30 June 2017, earnings per share is calculated based on 423 104 938 shares.
For the first quarter of 2017 and each quarter of 2016, earnings per share was calculated based on 220 000 000 shares.

Note 8 - Paid/ proposed dividend

Dividend/Equity transaction
The board has decided not to recommend a dividend for 2017.

In line with the company's new dividend policy where the board shall consider future capital requirements and the groups' financial standing before deciding on a dividend, the annual general meeting held 20 June 2017 decided not to pay dividend for the fiscal year 2016.

The demerger of Den Norske Amerikalinje AS (owns the Hyundai Glovis shareholding) from the group was effective on 8 June 2016. The demerged entity named Treasure ASA was listed on the Oslo Stock Exchange on 8 June 2016. All shareholders of WWASA received 1 share in Treasure ASA for every share held in WWASA. Visualising values for WWASA's shareholders through the spin-off, the annual general meeting held 3 May 2016 resolved not to pay dividend for the fiscal year 2015.

Note 9 - Interest-bearing debt

USD mill	31.12.2017	31.12.2016
Non current interest-bearing debt	3 103	1 205
Current interest-bearing debt	661	115
Total interest-bearing debt	**3 764**	**1 320**
Cash and cash equivalents	796	81
Current financial investments		202
Net interest-bearing debt	**2 968**	**1 038**

Specification of interest-bearing debt	31.12.2017	31.12.2016
Bank loans	1 712	886
Leasing commitments	1 653	239
Bonds	388	196
Bank overdraft	12	
Total interest-bearing debt	**3 764**	**1 320**
Repayment schedule for interest-bearing debt		
Due in year 1	661	115
Due in year 2	709	292
Due in year 3	609	307
Due in year 4	292	83
Due in year 5 and later	1 493	523
Total interest-bearing debt	**3 764**	**1 320**

Note 10 - Segments

USD mill	Ocean			Landbased			Holding			Eliminations			Total		
Quarter	Q4 2017	Q4 2016	Full year 2016	Q4 2017	Q4 2016	Full year 2016	Q4 2017	Q4 2016	Full year 2016	Q4 2017	Q4 2016	Full year 2016	Q4 2017	Q4 2016	Full year 2016
Operating revenue	832	66	257	219				1	4	(18)	(1)	(4)	1 033	66	257
Share of profit/(loss) from joint ventures and associates		(16)	12			106								(16)	119
Loss on previously held equity interest															
Gain on sale of assets				2					375				2		375
Total income	**832**	**50**	**269**	**221**	**(0)**	**106**	**0**	**1**	**379**	**(18)**	**(1)**	**(4)**	**1 036**	**50**	**751**
Operating expenses	(675)	(28)	(115)	(198)			(3)	(9)	(19)	18	1	4	(858)	(36)	(130)
Operating profit before depreciation, amortisation and impairment (EBITDA)	**157**	**22**	**155**	**23**	**(0)**	**106**	**(3)**	**(9)**	**359**	**(0)**	**(0)**	**0**	**177**	**14**	**620**
Depreciation and amortisation	(74)	(21)	(81)	(11)									(85)	(21)	(81)
Operating profit/(loss) (EBIT)[1]	**84**	**1**	**73**	**12**	**(0)**	**106**	**(3)**	**(9)**	**359**	**0**	**0**	**0**	**93**	**(7)**	**539**
Financial income/(expenses)	(29)	5	(12)	(1)			(5)	(0)	(5)				(35)	5	(17)
Profit/(loss) before tax	**55**	**6**	**62**	**11**	**(0)**	**106**	**(8)**	**(9)**	**354**	**0**	**0**	**0**	**58**	**(2)**	**522**
Tax income/(expense)	16	(13)	(17)	14			(3)	(5)	(5)				27	(18)	(22)
Profit/(loss) for the period	**71**	**(7)**	**45**	**26**	**(0)**	**106**	**(11)**	**(14)**	**349**	**0**	**0**	**0**	**86**	**(21)**	**500**
Profit/(loss) for the period attributable to:															
Owners of the parent	69	(7)	45	25		106	(11)	(14)	349				83	(21)	500
Non-controlling interests	2			1									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.

Note 10 - Segments

USD mill	Ocean		Landbased		Holding		Eliminations		Total	
Year to date	YTD 2017	YTD 2016	YTD 2017	YTD 2016	YTD 2017	YTD 2016	YTD 2017	YTD 2016	YTD 2017	YTD 2016
Operating revenue	2 464	257	609		3	4	(51)	(4)	3 024	257
Share of profit/(loss) from joint ventures and associates	10	12	5	106					15	119
Loss on previously held equity interest					(64)				(64)	
Gain on sale of assets	9		7			375			16	375
Total income	**2 483**	**269**	**621**	**106**	**(61)**	**379**	**(51)**	**(4)**	**2 992**	**751**
Operating expenses	(1 967)	(115)	(538)		(13)	(19)	51	4	(2 467)	(130)
Operating profit before depreciation, amortisation and impairment (EBITDA)	**515**	**155**	**83**	**106**	**(74)**	**359**	**(0)**	**0**	**524**	**620**
Depreciation and amortisation	(240)	(81)	(32)						(272)	(81)
Operating profit/(loss) (EBIT)[1]	**275**	**73**	**51**	**106**	**(74)**	**359**	**0**	**0**	**253**	**539**
Financial income/(expenses)	(91)	(12)	(1)		(13)	(5)			(104)	(17)
Profit/(loss) before tax	**185**	**62**	**50**	**106**	**(87)**	**354**	**0**	**0**	**148**	**522**
Tax income/(expense)	(5)	(17)	4		(2)	(5)			(3)	(22)
Profit/(loss) for the period	**179**	**45**	**55**	**106**	**(88)**	**349**	**0**	**0**	**146**	**500**
Profit/(loss) for the period attributable to:										
Owners of the parent	171	45	52	106	(88)	349			134	500
Non-controlling interests	8		3						11	

[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.

2017: Material gain/(loss) from disposal of assets and impairment charges
> Ocean Q1 - Gain of USD 8.6 mill from sale of vessel to joint venture.
> Landbased Q2 - The sale of 25% of WWL Vehicle Services South Africa led to a loss of USD 3 million, taken directly to equity.
> 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.

2016: Material gain/(loss) from disposal of assets and impairment charges
> Landbased: Q1 - An accounting gain of USD 80 million as a result of step acquisition in Vehicle Services Americas (VSA) and CAT-WWL, and sale of Vehicle Services Europe (VSE).
> Ocean Q1 - Loss of USD 3.5 million related to recycling of three vessels.
> Ocean Q2 - Loss of USD 1.5 million related to recycling of one vessel.
> Holding: Q2 - The demerger of Den Norske Amerikalinje AS (owns the Hyundai Glovis shareholding) contributed with a non-recurring gain of USD 375 million in the second quarter.
> Q3 - No material gain/(loss)
> Q4 - No material gain/(loss)

Note 11 - Business combinations - merger

On 4 April, 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 shall be Wallenius Wilhelmsen Logistics ASA.

After completion of the merger and following share transactions on 20 April, Wilh. Wilhelmsen Holding ASA and Wallenius Lines AB each owns 160 000,000 shares in the company, each representing 37.8% of the share capital and the votes in the company. The merger led to an increase of the share capital with NOK 106 million / USD 12 million.

The intention of the transaction is to merge the ownership in the jointly owned entities Wallenius Wilhelmsen Logistics (jointly owned 100%), EUKOR (jointly owned 80%), Tellus Shipping AS (jointly owned 100%) and American Roll-on Roll-off Carrier (jointly owned 100%), in addition to the ownership of the majority of their vessels and affected assets and liabilities.

The markets in which the jointly owned entities operate are going through rapid change and require a more agile and efficient business model. In addition to establishing one common owner and governance structure, the merger is expected to enable synergies combining the assets and harvesting economies of scale, including more optimal tonnage planning, and administrative, commercial, and operational efficiencies between the entities. The merger will create a world-leading, sustainable transporter of car and ro-ro cargoes, and will facilitate an improved grow path for the land-based logistics offering as well as the ocean business.

For a full description of the transaction, please refer to the Stock Exchange Notice from WWASA dated 20 January 2017.

Details of net assets acquired and goodwill is as follows:

USD mill	
Share consideration	1 002
Bond consideration	80
Total purchase consideration	1 082
Non-controlling interest	224
Fair value of previously held interests	710
Cost of business combination	2 015
Fair value of net identifiable assets acquired (see below)	(1 642)
Goodwill	**373**

Based on updated evaluations, taking into account the outcome of closed investigations, the possible outcome of pending investigations and the possibility for civil damages claims, WWL group see it as transparent and prudent to increase the provision for anti-trust obligations by USD 140 million. Increased provision impacted goodwill, non current assets and non-current liability in the purchase price allocation.

The goodwill is attributable to the companies' strong position in the market and the synergies expected to arise after the merger.

The goodwill will not be deductible for tax. The non-controlling interests is measure to fair value at the merger date.

The purchase price allocation is as follows:

USD mill	Fair value
Intangible assets, incl customer relations/contracts and other intangible assets	403
Property, fixtures and vessels	3 748
Other non current assets	186
Other current assets	624
Cash and cash equivalents	494
Non current interest-bearing debt	(2 246)
Other non current liabilities	(756)
Other current liabilities	(812)
Net identifiable assets acquired	**1 642**
Goodwill	373
Net assets acquired	**2 015**

Revenue and profit contribution

WWL ASA pre-merger proforma accounts are under the assumption that the merger took place on 1 January 2016. See note 12 for information.

Purchase consideration - cash flow

Cash consideration April 2017	0
Less balance acquired	
Cash incoming entities through the merger	494
Net	494
Net flow of cash	**494**

Acquisition related costs
Merger-related costs of USD 9 million that were not directly attributable to the issue of shares are included in other expenses in income statement and in operating cash flows in the statement of cash flows.

Note 12 - Pre-merger proforma accounts

WWL ASA 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.

USD mill	Ocean						Landbased						Holding						Eliminations						Total					
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016	Q1 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016	Q1 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016	Q1 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016	Q1 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016	Q1 2017
Total income	724	759	707	748	2 938	719	166	176	177	184	703	186	1	1	1	1	4	1	(15)	(18)	(16)	(16)	(65)	(16)	875	919	869	917	3 581	890
Operating expenses	(601)	(618)	(582)	(613)	(2 414)	(597)	(148)	(154)	(157)	(163)	(620)	(164)	(3)	(4)	(3)	(9)	(19)	(4)	15	18	16	16	65	16	(736)	(758)	(726)	(769)	(2 988)	(748)
Operating profit before depreciation, amortisation and impairment (EBITDA)	**123**	**142**	**125**	**135**	**525**	**123**	**18**	**23**	**20**	**21**	**83**	**22**	**(2)**	**(3)**	**(2)**	**(8)**	**(15)**	**(3)**	**0**	**0**	**0**	**0**	**0**	**0**	**139**	**162**	**143**	**148**	**592**	**143**
Depreciation and amortisation	(71)	(71)	(72)	(72)	(286)	(72)	(9)	(10)	(10)	(10)	(40)	(10)													(81)	(81)	(82)	(82)	(326)	(82)
Operating profit/(loss) (EBIT)[1]	**52**	**71**	**53**	**63**	**238**	**51**	**9**	**13**	**10**	**11**	**43**	**12**	**(2)**	**(3)**	**(2)**	**(8)**	**(15)**	**(3)**	**0**	**0**	**0**	**0**	**0**	**0**	**59**	**80**	**61**	**66**	**266**	**60**
Profit/(loss) for the period	**(4)**	**49**	**32**	**15**	**92**	**26**	**9**	**5**	**8**	**2**	**24**	**8**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**5**	**54**	**40**	**17**	**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 13 - Business combinations - acquisition

Keen Transport
Wallenius Wilhelmsen Logistics ASA signed an agreement to acquire 100% of the shares in KTI Holding Corporation (Keen) from Platinum Equity for USD 64 million.

Keen operates 14 high & heavy equipment processing centres (EPC's) and a specialty trucking entity in the US. With its 450 employees Keen provides value-added facility services, equipment modification, transportation and load consolidation for about 20 original equipment manufacturers (OEMs).
Keen's customer relationships encompass decades of continuous service with median relationship length of more than 23 years for the top 10 OEM customers. Keen's book of business is built on the back of a 45-year long relationship with several customers. As a highly differentiated service offering, Keen operates near most of its major customers, and in many cases as an extension of the customer's manufacturing facility (much like WWL in the vehicle processing space with VSA).

The transaction will be financed through existing credit facilities.

The purchase price allocation is preliminary due to final calculation of intangible assets/ customer relationship's fair value.

Details of net assets acquired and goodwill is as follows:

USD mill	
Share consideration	67
Total purchase consideration	**67**
Fair value of net identifiable assets acquired (see below)	62
Goodwill	**5**

The goodwill is attributable to the strong position in the market and the synergies expected to arise after the acquisition.

The preliminary purchase price allocation is as follows:

USD mill	Fair value
Intangible assets, incl customer relations/contracts and other intangible assets	36
Property, fixtures and vessels	25
Other current assets	18
Cash and cash equivalents	3
Deferred tax liabilities	(13)
Other current liabilities	(7)
Net identifiable assets acquired	**62**
Goodwill	5
Net assets acquired	**67**

Revenue and profit contribution
The acquired business contributed revenues of USD 5.6 million and net profit before tax of USD 0.5 million to the group for the period from 7 December to 31 December 2017.

If the acquisition had occurred on 1 January 2017, consolidated pro-forma revenue and profit for the period from 1 January to 7 December 2017 would have been USD 84.3 million and USD 5.3 million respectively.

Purchase consideration - cash outflow

Cash consideration December 2017	67
Less balance acquired	
Cash	3
Net	3
Net outflow of cash = investing activities	**(64)**

Acquisition related costs
Acquisition-related costs of USD 1 million that were not directly attributable to the issue of shares are included in other expenses in income statement and in operating cash flows in the statement of cash flows.

Note 14 - Related party transactions

Wilh. Wilhelmsen Holding ASA (WWH) delivers services to the WWL ASA group related to accounting services ("Shared Services") and 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 accounting services and rent of office facilities to the WWL ASA group.

Historically and currently the majority shareholders, WWH and Soya (through Walleniusrederierna AB), further delivers 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

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. Based on updated evaluations, taking into account the possible outcome of pending investigations and the possibility for civil claims, the group increased the provision for anti-trust obligations by USD 140 million in fourth quarter.

Note 16 - Events occurring after the balance sheet date

No 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.