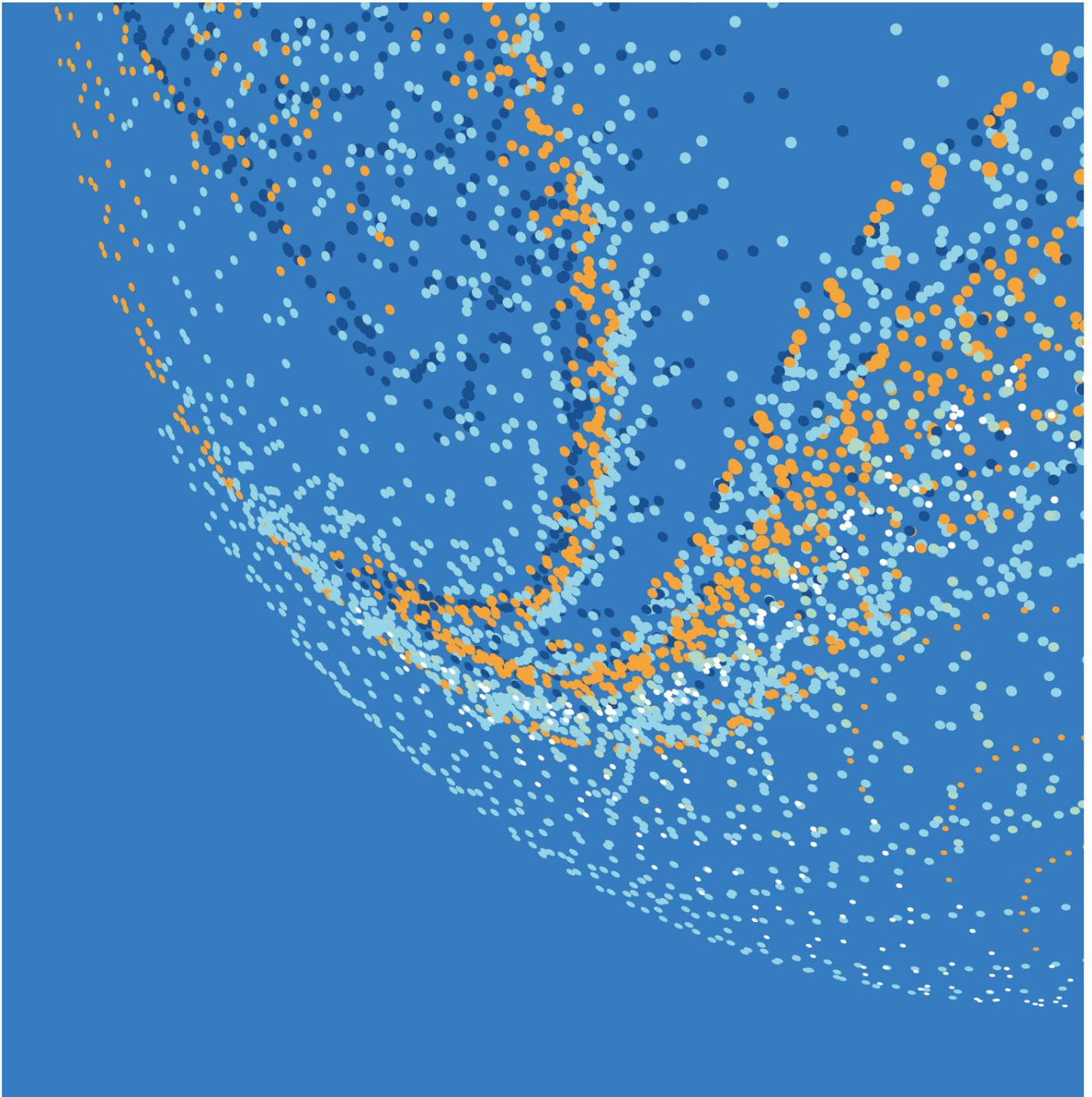


WILH. WILHELMSSEN HOLDING ASA

First quarter 2020

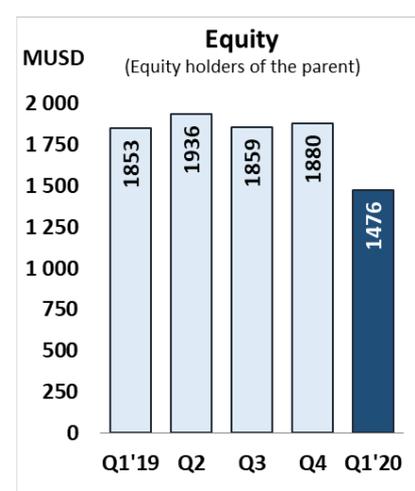
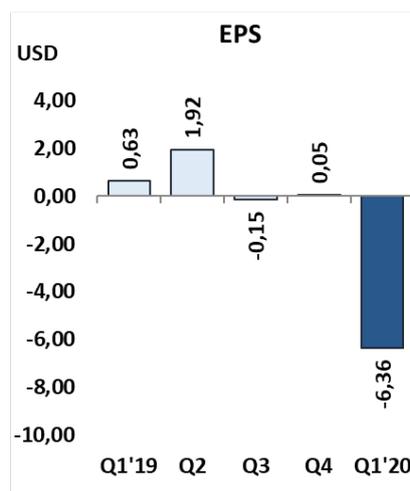
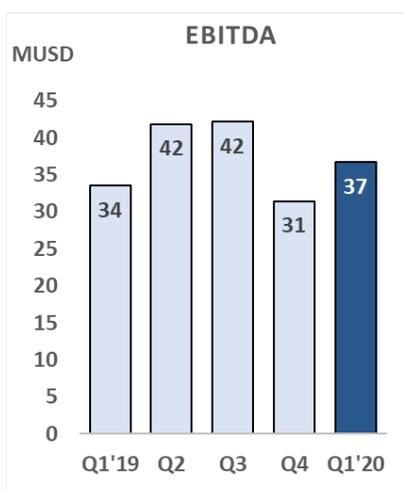


Highlights for the quarter

Good operational performance overtaken by significant fall in financial asset values, leading to a USD 284 million loss after non-controlling interests.

- USD 37 million in EBITDA
 - Year-over-year revenue growth and improved margin in maritime services
 - Supply services income lifted by increase in supply base and project activities
- USD 60 million loss from associates
 - Wallenius Wilhelmsen hit by reduced volumes and non-cash expenses
- USD 305 million loss on investments and other financial items
 - Reduction in Hyundai Glovis market value
 - Net loss on other investments
 - Marked-to-market valuation loss on FX hedges
- Board proposed a reduced dividend for the year of NOK 2.00 per share, payable in May. The proposal was later approved by the annual general meeting on 29. April.

Key figures



Financial performance

USD mill - unless otherwise indicated	Q1'20	Q4'19	Q-on-Q Change	Q1'19	Y-o-Y Change
Total income	215	224	-4 %	199	8 %
- of which operating revenue	213	225	-5 %	192	11 %
- of which gain/(loss) on sale of assets	1	-1		7	
EBITDA	37	31	17 %	34	9 %
Operating profit/EBIT	21	12	68 %	17	25 %
Share of profit from associates	-60	12	neg.	15	neg.
Change in fair value financial assets	-256	-25		-3	
Other financial income/(expenses)	-48	3		8	
Profit/(loss) before tax/EBT	-344	2	neg.	37	neg.
Tax income/(expenses)	5	-9		-6	
Profit/(loss) for the period	-339	-6	neg.	31	neg.
Profit/(loss) to owners of the parent	-284	2	neg.	29	neg.
EPS (USD)	-6,36	0,05	neg.	0,63	neg.
Other comprehensive income	-124	33		5	
Total comprehensive income	-464	26	neg.	36	neg.
Total comprehensive income owners of parent	-404	33	neg.	33	neg.
Total assets	2 765	3 293	-16 %	3 276	-16 %
Equity parent	1 476	1 880	-21 %	1 853	-20 %
Total equity	1 616	2 082	-22 %	2 051	-21 %
Equity ratio	58 %	63 %	-5 %	63 %	-4 %

Group result

Total income for the Wilh. Wilhelmsen Holding ASA group (referred to as Wilhelmsen or group) was USD 215 million in the first quarter of 2020. This was up 8% from the corresponding period last year, reflecting an increase in income for maritime services and supply services. Compared with the previous quarter, income was down 4%.

EBITDA was USD 37 million, up 9% from one year earlier. The improvement followed increased contribution from maritime services, while supply services had a stable development when adjusting for last year sales gain. Compared with the previous quarter, EBITDA was up 17%.

Share of profit from associates was a loss of USD 60 million, with negative contribution from Wallenius Wilhelmsen ASA offsetting a gain in supply services.

Change in fair value of financial assets was negative with USD 256 million, with falling equity market prices reducing the value of Hyundai Glovis and other investments. Other financials were an expense of USD 48 million, mainly related to marked-to-market valuation of FX hedges in maritime services.

Net loss to owners of the parent was USD 284 million for the quarter, equal to a USD 6.36 loss per share (EPS).

Other comprehensive income for the quarter was a loss of USD 124 million, primarily related to currency translation differences on non-USD assets.

Total comprehensive income, including net profit and other comprehensive income, attributable to owners of the parent was a loss of USD 404 million.

Group balance sheet

Total assets were down 16% in the first quarter due to reduced value of financial assets and other financial losses.

The loss for the period reduced equity attributable to owners of the parent with 21%, to USD 1 476 million. As of 31 March 2020, the group equity ratio was 58%.

Group cash, liquidity, and debt

USD mill	Cash & cash equiv.	Curr. fin. inv.	Leasing IBD	debt	NIBD
Maritime services	109	0	199	45	134
Supply services	0	0	235	110	345
Holding and investments	15	77	9	18	-63
Elimination	0	0	-13	-5	-17
Wilhelmsen group	124	77	430	169	398

Cash and cash equivalents were USD 124 million at the end of the first quarter, down USD 29 million from the previous quarter. Cash from operating activities was offset by net debt repayments and other financial items.

Total interest-bearing debt including leasing debt was USD 599 million by the end of the quarter. This was a USD 76 million reduction from the previous quarter, partly due to currency effect of non-USD loans.

Segment information

Maritime services

The maritime services segment includes ships service, ship management and other maritime services activities.

USD mill			Q-on-Q		Y-o-Y
- unless otherwise indicated	Q1'20	Q4'19	Change	Q1'19	Change
Total income	147	151	-3 %	144	2 %
- Ships service	133	137	-3 %	133	0 %
- Ship management	14	15	-4 %	10	39 %
- Other/eliminations	0	0		0	
EBITDA	26	23	16 %	20	28 %
- EBITDA margin (%)	18 %	15 %		14 %	
Operating profit/EBIT	19	14	35 %	14	41 %
- EBIT margin (%)	13 %	9 %		10 %	
Share of profit from associates	1	1	-35 %	1	-38 %
Change in fair value financial assets	0	0		0	
Other financial income/(expenses)	-48	4		-6	
Tax income/(expense)	6	-10		-4	
Profit/(loss)	-21	9	neg.	6	neg.
- Profit margin (%)	-15 %	6 %		4 %	
- Non controlling interest	0	1		0	
Profit/(loss) to owners of the parent	-22	8	neg.	6	neg.

Maritime services result

Total income from maritime services was USD 147 million in the first quarter, up 2% from the first quarter last year but down 3% when compared with the previous quarter.

EBITDA was USD 26 million, up 28% from one year earlier and up 16% from the previous quarter.

Total financial items were negative with USD 48 million, of which USD 43 million were related to currencies. Tax was included with an income of USD 6 million.

The quarter ended with a net loss after non-controlling interests of USD 22 million.

Ships service

Wilhelmsen Ships Service is a global provider of standardised product brands and service solutions to the maritime industry, focusing on marine products, maritime logistics and ships agency. Ships service is fully owned by Wilhelmsen.

Total income for ships service was USD 133 million, on par with the corresponding period last year, but 3% below the fourth quarter. Sale of marine products was down in Asia at the beginning of the quarter before making a strong rebound in March, when sale started to fall in Europe. Income from agency services was stable, but with a fall in port calls towards the end of the period. Non-marine sale was stable, with sale of sanitizing products offsetting a reduction in other income.

EBITDA was up for the quarter, supported by an appreciation of the USD.

Ship management

Wilhelmsen Ship Management provides full technical management, crewing and related services for all major vessel types, and includes 50% of NorSea Wind. Ship management is fully owned by Wilhelmsen.

Total income for ship management was USD 14 million, up 39% from the corresponding period last year due to an increase in ships on full technical management and new offshore wind activities. Compared with the previous quarter, income was down 4%.

EBITDA was stable, with improved contribution from ship management activities offsetting a loss on new offshore wind activities when compared with the first quarter last year.

Other maritime services activities

This includes Wilhelmsen Insurance Services (fully owned by Wilhelmsen) and certain corporate activities and investments.

Wilhelmsen Insurance Services had a stable performance, with total income and EBITDA in line with previous quarters.

Segment information

Supply services

The supply services segment includes NorSea Group, WilNor Governmental Services and other supply services activities.

USD mill					
- unless otherwise indicated	Q1'20	Q4'19	Q-on-Q Change	Q1'19	Y-o-Y Change
Total income	66	71	-8 %	54	22 %
- NorSea Group	65	70	-7 %	54	21 %
- Other/eliminations	1	1	-25 %	1	38 %
EBITDA	13	12	7 %	17	-25 %
- EBITDA margin (%)	19 %	17 %		32 %	
Operating profit/EBIT	5	3	94 %	8	-41 %
- EBIT margin (%)	7 %	4 %		15 %	
Share of profit from associates	4	-5	neg.	6	-39 %
Other financial income/(expenses)	-6	-5		-5	
Tax income/(expense)	0	0		-1	
Profit/(loss)	3	-8	neg.	8	-66 %
- Profit margin (%)	4 %	-11 %		15 %	
- Non controlling interest	1	-2		2	
Profit/(loss) to owners of the parent	2	-6	neg.	6	-68 %

Supply services result

Total income from supply services was USD 66 million in the first quarter. This was up 22% from the corresponding period last year due to an increase in supply base and project activities. Compared with the previous quarter, income was down 8% mainly due to seasonality.

EBITDA was USD 13 million for the quarter, down 22% from one year earlier. Adjusted for sales gains, EBITDA was up 6% from both the corresponding period last year and from the previous quarter.

Share of profit from associates was a gain of USD 4 million in the first quarter, while other financials were a net expense of USD 6 million.

Net profit after minority interests was USD 2 million for the quarter.

NorSea Group

NorSea Group provides supply bases and integrated logistics solution to the offshore industry. Wilhelmsen owns ~75,2% of NorSea Group.

Total income for NorSea Group was USD 66 million in the first quarter, up 21% from one year earlier. All main supply bases experienced higher activity level and income than in the corresponding period last year. There was also an increase in project related activities provided to WilNor Governmental Services. Compared with the previous quarter, income was down mainly due to a normal slowdown during the winter season.

EBITDA was stable for the quarter when adjusting for sales gains.

Other supply services activities

This includes WilNor Governmental Services (owned 51% directly and 49% through NorSea Group) and certain minor supply services activities.

Activity level was up for the quarter, mainly related to a planned NATO exercise.

Segment information

Holding and investments

The holding and investments segment includes investments in Wallenius Wilhelmsen ASA and Treasure ASA, financial assets, and other holding and investments activities.

USD mill					
- unless otherwise indicated	Q1'20	Q4'19	Q-on-Q Change	Q1'19	Y-o-Y Change
Total income	4	4	20 %	2	91 %
- Operating revenue	4	4	20 %	2	91 %
- Gain on sale of assets	0	0		0	
EBITDA	-2	-3		-4	
Operating profit/EBIT	-3	-4		-5	
Share of profit from associates	-65	17	neg.	8	neg.
- Wallenius Wilhelmsen ASA	-65	17	neg.	8	neg.
- Other/eliminations	0	0		0	
Change in fair value financial assets	-256	-25		-3	
- Hyundai Glovis	-224	-28		-12	
- Qube Holdings/other financial assets	-32	3		9	
Other financial income/(expenses)	5	4	29 %	18	-73 %
- Investment management (Holding)	-15	3		6	
- Treasure ASA (incl. NAL)	12	0		13	
- WWHI (incl. WWHIM)	3	0		1	
- Other financial income/(expense)	4	1		-2	
Tax income/(expense)	-1	2		-1	
Profit/(loss) for the period	-321	-8		17	
- Non controlling interest	-57	-8		0	
Profit/(loss) to owners of the parent	-264	0		17	

Holding and investments result

The holding and investments segment reported a USD 264 million loss after non-controlling interests in the first quarter. This followed a net loss in Wallenius Wilhelmsen and a negative change in fair value of Hyundai Glovis and other investments.

Wallenius Wilhelmsen ASA

Wallenius Wilhelmsen ASA is a global provider of ocean and land-based logistics services towards car and ro-ro customers and is listed on Oslo Børs. Wilhelmsen owns ~37,8% of the company, which is reported as associate in Wilhelmsen's accounts.

Total income for Wallenius Wilhelmsen ASA was USD 834 million in the first quarter, down 18% compared to the same period last year as a result of lower revenues in both the ocean and landbased segments. The decrease in ocean revenues was a result of a 20% fall in volumes and less other operating income, whereas landbased revenue was down as a result of lower volumes. The reduced volumes are driven by a combination of impact from the covid-19 pandemic, commercial priorities, and generally slower markets. Compared to the fourth quarter, total income was down 11%.

EBITDA in the first quarter of 2020 was USD 130 million, down by USD 88 million compared to the same quarter last year. Both the ocean and landbased segment declined as a result of lower volumes.

Negative impact from change in valuation of put-call arrangement related to EUKOR, impairment of vessels and goodwill, and interest rate and FX derivatives, contributing to a net loss of USD 188 million for Wallenius Wilhelmsen ASA for the quarter.

Wilhelmsen's share was a loss of USD 65 million.

Treasure ASA

Treasure ASA holds a 12.04% ownership interest in Hyundai Glovis and is listed on Oslo Børs. Wilhelmsen owns ~73,6% of Treasure ASA (adjusted for shares cancelled at the 2020 AGM).

Change in fair value of the shareholding in Hyundai Glovis was negative with USD 224 million for the quarter, following a 37% reduction in the share price and a 6% depreciation of the KRW versus USD. The market value of the investment in Hyundai Glovis was USD 335 million at the end of the first quarter.

During the quarter, Treasure ASA had a USD 12 million dividend income from Hyundai Glovis.

Financial investments

Financial investments include cash and cash equivalents, current financial investments and other financial assets held by the parent and fully owned subsidiaries.

Change in fair value of the shareholdings in Qube Holdings and other non-current financial assets was a loss of USD 32 million for the quarter. Financial assets to fair value reported under the holding and investments segment was USD 71 million at the end of the first quarter (excluding Hyundai Glovis).

Net income from investment management was a loss of USD 15 million for the quarter. The market value of the current financial investment portfolio was USD 77 million by the end of the first quarter. The portfolio primarily included listed equities and investment-grade bonds.

Outlook

Maritime services

For ships services, the reduction in global economic activity due to measures taken to contain spread of covid-19 is expected to reduce operating income for the rest of 2020. The largest impact will be from reduction in cruise activities, representing 10-15% of operating income.

For ship management, development in operating income will remain sensitive to any change in ships on management. Reduced global shipping activities due to reduced trade may result in a reduction in ships on full technical management and an increase in lay-up activities.

Supply services

The recent reduction in offshore exploration activities due to fall in the oil price is expected to have a negative impact on NorSea Group income for the rest of 2020. The final impact will depend on measures implemented by the various parties involved and is highly uncertain. Present estimates indicate a drop in NorSea Group income for the rest of 2020.

Other holding and investments activities

Holding/other activities include general holding activities and certain non-financial investments, including Raa Labs AS (100% owned), Massterly AS (50%) and Dolittle AS (46%).

Income and EBITDA were broadly at normal levels for the quarter.

Holding and investments

Wallenius Wilhelmsen will in the near term be impacted by a sharp drop in volumes driven by the impact of measures taken globally to fight the covid-19 pandemic. Significant measures are taken to reduce cost and strengthen cash flow, including recycle, lay-up, idling and slow-steaming of ships.

Investments accounted for on a mark-to-market basis will be impacted by an expected continued volatile market.

Wilhelmsen group

The spread of covid-19 and the measures undertaken to contain it have reduced global economic activity and values. For operating activities, the impact of the difficult market conditions will mainly have an effect from the second quarter onwards.

The extent of future impact on operating income and result and on asset prices remains uncertain. Wilhelmsen retains its robustness and capacity to meet this uncertainty.

Lysaker, 15 May 2020

The board of directors of Wilh. Wilhelmsen Holding ASA

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

Income statement - financial report

USD mill	Note	Q1 2020	Q1 2019	Full year 2019
Operating revenue		213	192	836
Other income				
Gain/(loss) on sale of assets		1	7	14
Total income		215	199	850
Operating expenses				
Cost of goods and change in inventory		(64)	(56)	(247)
Employee benefits		(76)	(75)	(306)
Other expenses		(39)	(34)	(148)
Operating profit before depreciation and amortisation		37	34	149
Depreciation and impairments	6/7	(16)	(17)	(71)
Operating profit		21	17	78
Share of profit/(loss) from joint ventures and associates	4	(60)	15	49
Change in fair value financial assets	9	(256)	(3)	34
Other financial income/(expenses)		(48)	8	(17)
Profit/(loss) before tax		(344)	37	144
Tax income/(expense)		5	(6)	(15)
Profit/(loss) for the period		(339)	31	130
Attributable to: non-controlling interests		(56)	2	16
owners of the parent		(284)	29	114
Basic earnings per share (USD)	8	(6,36)	0,63	2,46

Comprehensive income - financial report

USD mill	Q1 2020	Q1 2019	Full year 2019
Profit/(loss) for the period	(339)	31	130
Items that may be reclassified to income statement			
Cash flow hedges (net after tax)	(2)	(0)	1
Comprehensive income from associates	(1)	1	(2)
Currency translation differences	(120)	3	(2)
Items that will not be reclassified to income statement			
Remeasurement pension liabilities, net of tax			(1)
Other comprehensive income, net of tax	(124)	5	(3)
Total comprehensive income for the period	(464)	36	127
Total comprehensive income attributable to:			
Owners of the parent continued operations	(404)	33	111
Non-controlling interests	(60)	2	16
Total comprehensive income for the period	(464)	36	127

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

Balance sheet - financial report

USD mill	Note	31.03.2020	31.03.2019	31.12.2019
Deferred tax asset	5	61	53	57
Goodwill and other intangible assets	6	127	156	151
Vessels, property and other tangible assets	6	484	565	555
Right-of-use assets	7	156	219	173
Investments in joint ventures and associates	4	914	1 000	1 003
Financial assets to fair value	9	406	650	675
Other non current assets		24	21	25
Total non current assets		2 173	2 664	2 638
Inventory		75	73	82
Current financial investments		77	90	102
Other current assets		317	288	317
Cash and cash equivalents		124	162	153
Total current assets		592	612	655
Total assets		2 765	3 276	3 293
Paid-in capital	8	122	122	118
Retained earnings	8/10	1 354	1 731	1 762
Attributable to equity holders of the parent		1 476	1 853	1 880
Non-controlling interests		140	198	202
Total equity		1 616	2 051	2 082
Pension liabilities		18	20	20
Deferred tax	5	10	12	11
Non-current interest-bearing debt	11	394	432	429
Non-current lease liabilities	7	143	196	154
Other non-current liabilities		26	103	28
Total non current liabilities		591	762	643
Current income tax		8	13	9
Public duties payable		10	6	12
Current interest-bearing debt	11	36	66	65
Current lease liabilities	7	26	24	27
Other current liabilities		478	355	455
Total current liabilities		558	464	568
Total equity and liabilities		2 765	3 276	3 293

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

Cash flow statement - financial report

USD mill	Note	Q1 2020	Q1 2019	Full year 2019
Cash flow from operating activities				
Profit/(loss) before tax		(344)	37	144
Share of (profit)/loss from joint ventures and associates		60	(15)	(49)
Change in fair value financial assets	8	256	3	(34)
Other financial (income)/expenses		48	(8)	17
Depreciation/impairment	6/7	16	17	71
(Gain)/loss on sale of fixed assets	6	(1)	3	(8)
(Gain)/loss from sale of subsidiaries, joint ventures and associates		-	(6)	(6)
Change in net pension asset/liability		(1)	-	-
Change in inventory		1	2	(9)
Change in other working capital		(20)	11	(19)
Tax paid (company income tax, withholding tax)		(1)	(3)	(8)
Net cash provided by operating activities		14	40	98
Cash flow from investing activities				
Dividend received from joint ventures and associates		1	6	33
Proceeds from sale of fixed assets	6/7	5	-	17
Investments in fixed assets	6	(13)	(9)	(40)
Net proceeds from sale of subsidiaries		-	3	3
Net proceeds from sale of joint ventures and associates		-	34	34
Investments in subsidiaries, joint ventures and associates		-	-	(3)
Loan repayments received from sale of subsidiaries		-	-	6
Loans granted to joint ventures and associates		-	-	-
Proceeds from sale of financial investments		19	6	65
Current financial investments		(14)	(5)	(38)
Interest received		-	-	4
Net cash flow from investing activities		(2)	36	81
Cash flow from financing activities				
Proceeds from issue of debt		5	9	93
Repayment of debt		(25)	(48)	(136)
Repayment of leasing debt		(1)	(7)	(24)
Interest paid including interest derivatives		(6)	(5)	(25)
Interest paid leasing debt		(3)	(3)	(11)
Cash from/ to financial derivatives		(10)	-	-
Dividend to shareholders/purchase of own shares		(2)	(1)	(62)
Net cash flow from financing activities		(41)	(54)	(165)
Net increase in cash and cash equivalents ¹		(29)	22	14
Cash and cash equivalents at the beg. of the period ¹		153	140	140
Cash and cash equivalents at the end of the period ¹		124	162	153

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 statement of cash flows should be read in conjunction with the accompanying notes.

Statement of changes in equity - financial report

Statement of changes in equity - Year to date

USD mill	Share capital	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 31.12.2019	118	1 761	1 880	202	2 082
Profit for the period		(284)	(284)	(56)	(339)
Other comprehensive income		(120)	(120)	(4)	(124)
Paid dividends to shareholders				(3)	(2)
Balance 31.03.2020	118	1 358	1 476	140	1 616

Balance at 31.12.2018	122	1 698	1 820	196	2 017
Implementation of IFRS 16 leasing			(0)		(0)
Profit for the period		29	29		31
Other comprehensive income		5	5		5
Buy own shares		(1)	(1)		(1)
Paid dividends to shareholders				(1)	(1)
Balance 31.03.2019	122	1 731	1 853	198	2 051

Statement of changes in equity - Full year 2019

USD mill	Share capital	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 31.12.2018	122	1 698	1 820	196	2 017
Implementation of IFRS 16 leasing			0		0
Profit for the period		114	114	16	130
Other comprehensive income		(3)	(3)	(0)	(3)
Change in non-controlling interests*		5	5	(5)	(0)
Own shares in WWH ASA and Treasure ASA **	(4)	(27)	(31)		(31)
Paid dividends to shareholders		(26)	(26)	(5)	(31)
Balance 31.12.2019	118	1 761	1 880	202	2 082

*Liquidation of 2 200 000 own shares in Treasure ASA.

** WWH acquired own shares 30 September 2019 for USD 30.4 million, represented 537 092 A- shares and 1 286 732 B- shares. Average cost per shares was NOK 144.00. After the liquidation of 2 200 000 shares in Treasure ASA in first half year 2019, Treasure ASA acquired 465 000 own shares, cost was USD 715 thousand.

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

Notes - financial report

Note 1 - Accounting principles

General information

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 2019 for Wilh. Wilhelmsen Holding ASA group (WWI), which has been prepared in accordance with IFRS endorsed by the EU.

Basic policies

The accounting policies implemented are consistent with those of the annual financial statements for WWI for the year end 31 December 2019.

Roundings

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

Critical accounting estimates and assumptions

The significant volatility in financial and non-financial markets during Q1 and the start of Q2, has resulted in increased measurement uncertainty for assets and liabilities.

Accounts receivable

Maritime Services and Supply Services's customers are impacted by the covid-19 pandemic. The global economic development is currently uncertain for customers operations and liquidity.

Note 2 - Significant acquisitions and disposals

2020

No material disposal or acquisition.

2019

No material disposal or acquisition.

Notes - financial report

Note 3 - Segment reporting: Income statement per operating segment

USD mill	Maritime Services		Supply Services		Holding & Investments		Eliminations		WWH group total	
	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019
Quarter										
Operating revenue	147	143	65	48	4	2	(3)	(2)	213	192
Gain on sale of assets	0		1	6					1	7
Total income	147	144	66	54	4	2	(3)	(2)	215	199
Operating expenses										
Cost of goods and change in inventory	(44)	(46)	(19)	(10)	(0)				(64)	(56)
Employee benefits	(51)	(51)	(21)	(20)	(4)	(4)	0		(76)	(75)
Other expenses	(26)	(26)	(13)	(8)	(2)	(2)	2	1	(39)	(34)
Operating profit/(loss) before depreciation and amortisation	26	20	13	17	(2)	(4)	(0)		37	34
Depreciation and impairments	(7)	(7)	(8)	(9)	(1)	(1)	0		(16)	(17)
Operating profit/(loss)	19	14	5	8	(3)	(5)	(0)		21	17
Share of profit from associates	1	1	4	6	(65)	8			(60)	15
Change in fair value financial assets					(256)	(3)			(256)	(3)
Other financial income/(expenses)	(48)	(6)	(6)	(5)	5	18	0		(48)	8
Profit/(loss) before tax	(28)	10	3	9	(320)	18	0		(344)	37
Tax income/(expense)	6	(4)	0	(1)	(1)	(1)			5	(6)
Profit/(loss)	(21)	6	3	8	(321)	17	0		(339)	31
Non-controlling interests			1	2	(57)				(56)	2
Profit/(loss) to the owners of parent	(22)	6	2	6	(264)	17	0		(284)	29
Currency through Income Statement										
Including in other financial income/(expenses)										
Operating currency, net	12		2	1	0				13	2
Financial currency, net	(6)		(3)	(1)	14	(2)			5	(3)
Currency derivatives, realised	(7)	(1)			(3)				(10)	(1)
Currency derivatives, unrealised	(43)	(1)			(6)	1			(49)	
Net currency items in other financial income/(expenses)	(43)	(2)	(2)	0	5	(1)	0	0	(40)	(2)
Through other comprehensive income										
Currency translation differences through OCI	(23)	1	(10)	2	(87)	0			(120)	3
Total net currency effects	(66)	(1)	(12)	3	(82)	(1)	0	0	(161)	1

For Maritime Services, Supply Services and Holding and Investments, material translation risks are booked to other comprehensive income due to the functional currency for most of the entities being different from the reporting currency USD

Economic currency hedging (through Income Statement)

The group's operating segments are responsible for hedging their own material transaction risk. Within Maritime Services, USDNOK, EURUSD and USDSGD exposures are subject to a systematic 3-year rolling hedge program, utilizing a portfolio of currency options and currency forwards. Remaining exposures are non-material and not hedged

Notes - financial report

Cont note 3 - Segment reporting: Balance sheet per operating segment

USD mill	Maritime Services		Supply Services		Holding & Investments		Eliminations		Total	
	31.03 2020	31.03 2019	31.03 2020	31.03 2019	31.03 2020	31.03 2019	31.03 2020	31.03 2019	31.03 2020	31.03 2019
Year to date										
Assets										
Deferred tax asset	48	42	5	4	9	8	-	-	61	53
Intangible assets	123	148	3	6	0	2	-	-	127	156
Tangible assets	168	186	313	377	2	2	-	-	484	565
Right of use assets	42	58	101	120	18	51	(4)	(11)	156	219
Investments in joint ventures and associates	9	11	108	132	797	857	-	-	914	1 000
Financial assets to fair value		27	(0)		406	622	-	-	406	650
Other non current assets	18	13	19	6	13	23	(25)	(21)	24	21
Current financial investments					77	89	-	-	77	90
Other current assets	318	284	254	67	28	25	(208)	(15)	392	360
Cash and cash equivalents	109	137	(0)	6	15	19	-	-	124	162
Total assets	837	908	803	717	1 364	1 698	(238)	(47)	2 765	3 276
Equity and liabilities										
Equity majority	134	243	123	160	1 220	1 451	-	-	1 476	1 853
Equity non-controlling interest			50	56	90	143	-	-	140	198
Deferred tax	10	12							10	12
Interest-bearing debt	199	197	235	289	9	30	(13)	(17)	430	499
Leasing debt	45	58	110	120	18	51	(5)	(11)	169	218
Other non current liabilities	21	99	30	18	5	9	(12)	(4)	43	123
Other current liabilities	428	300	256	74	21	15	(208)	(15)	497	374
Total equity and liabilities	837	908	803	717	1 364	1 698	(238)	(47)	2 765	3 276

Notes - financial report

Cont note 3 - Segment reporting: Cash flow per segment

USD mill Quarter	Maritime Services		Supply services		Holding & Investments	
	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019
Profit/(loss) before tax	(28)	10	3	9	(320)	18
Change in fair value financial assets	-	-	-	-	256	3
Share of profit/(loss) from joint ventures and associates	(1)	(1)	(4)	(6)	65	(8)
Other financial (income)/expenses	48	5	6	5	(5)	(18)
Depreciation/impairment	7	7	8	9	1	1
Change in working capital	(17)	16	(1)	(4)	(2)	(1)
Net (gain)/loss from sale of subsidiaries and fixed assets	0	3	(1)	(6)	-	-
Net cash provided by operating activities	9	38	11	7	(4)	(5)
Dividend received from joint ventures and associates	1	-	-	5	-	-
Net sale/(investments) in fixed assets	(2)	(4)	1	(2)	-	-
Net sale/(investments) in entities and segments	(0)	-	(8)	34	-	-
Current financial investments	0	-	0	-	6	1
Net changes in other investments	0	-	0	-	-	-
Net cash flow from investing activities	(1)	(3)	(6)	38	6	1
Net change of debt	(4)	(3)	(8)	(47)	(12)	4
Net change in other financial items	(10)	(4)	(4)	(3)	(3)	1
Net dividend from other segments/ to shareholders	0	(1)	1	-	(3)	-
Net cash flow from financing activities	(14)	(8)	(12)	(51)	(17)	5
Net increase in cash and cash equivalents	(6)	27	(7)	(6)	(16)	1
Cash and cash equivalents at the beg. of the period	116	110	7	12	31	18
Cash and cash equivalents at the end of period	109	137	0	6	15	19

Notes - financial report

Note 4 - Investment in joint ventures and associates

Joint ventures and associates at end March 2020 are:

USD mill

	Ownership	31.03.2020 Booked value	31.03.2019 Booked value
Holding and Investments segment:			
Wallenius Wilhelmsen ASA	37.8%	794	855
Other	40%-50%	3	
Maritime services segment:			
Associates	20 - 50%	9	11
Supply services segment:			
<i>Joint venture</i>			
Coast Center Base	50 %	88	102
Vikan Næringspark Invest AS	50 %	14	17
<i>Associates</i>			
Risavika Havn AS	42.8%		
Risavika Eiendom AS	42 %		8
Hammerfest Næringsinvest AS	32 %	1	1
Other	33 - 49%	6	5
Total investment in joint ventures and associates		914	1 000
Share of profit from joint ventures and associates			
Wallenius Wilhelmsen ASA		Q1 2020 (65)	Q1 2019 8
Other joint ventures and associates in Holding and Investments		(0)	
Joint ventures and associates in Supply Services		4	6
Associates in Maritime Services		1	1
Share of profit from joint ventures and associates		(60)	15

Note 5 - 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.

Notes - financial report

Note 6 - Tangible and intangible assets

USD mill	Vessels	Property	Other tangible assets	Intangible assets	Total tangible and intangible assets
2020 - Year to date					
Cost 1.1	35	560	244	227	1 066
Acquisition		7	3	3	13
Reclass/disposal		(1)	(1)	(5)	(7)
Currency translation differences	(6)	(81)	(21)	(34)	(142)
Cost 31.03	29	484	225	192	930
Accumulated depreciation and impairment losses 1.1	(19)	(175)	(90)	(77)	(361)
Depreciation/amortisation		(4)	(3)	(2)	(8)
Reclass/disposal			1	5	6
Impairment				(4)	(4)
Currency translation differences	3	23	9	12	48
Accumulated depreciation and impairment losses 31.03	(16)	(156)	(82)	(65)	(320)
Carrying amounts 31.03	13	328	143	127	611

USD mill	Vessels	Property	Other tangible assets	Intangible assets	Total tangible and intangible assets
2019 - Year to date					
Cost 1.1	35	550	251	225	1 061
Acquisition		5	3	1	9
Reclass/disposal		(1)	(8)		(9)
Currency translation differences		3	1	2	6
Cost 31.03	36	557	247	227	1 067
Accumulated depreciation and impairment losses 1.1	(18)	(162)	(89)	(68)	(337)
Depreciation/amortisation		(4)	(3)	(2)	(9)
Reclass/disposal		2	1		3
Currency translation differences				(1)	(1)
Accumulated depreciation and impairment losses 31.03	(18)	(165)	(91)	(71)	(345)
Carrying amounts 31.03	17	393	155	156	722

USD mill	Vessels	Property	Other tangible assets	Intangible assets	Total tangible and intangible assets
2019 - Full year					
Cost 1.1	35	550	251	225	1 061
Acquisition		19	17	5	40
Reclass/disposal		(5)	(24)		(29)
Currency translation differences		(5)	1	(2)	(6)
Cost 31.12	35	560	244	227	1 066
Accumulated depreciation and impairment losses 1.1	(18)	(162)	(89)	(68)	(337)
Depreciation/amortisation	(1)	(17)	(11)	(7)	(36)
Reclass/disposal		4	10		13
Impairment		(1)		(2)	(3)
Currency translation differences		1	1	1	3
Accumulated depreciation and impairment losses 31.12	(19)	(175)	(90)	(77)	(361)
Carrying amounts 31.12	16	384	154	151	705

Notes - financial report

Note 7 - Leases

The IFRS 16 Leasing standard was effective from 1 January 2019. The standard significantly changed how the group accounts for its lease contracts for land, buildings and equipment previously accounted for as operating leases. All leases are brought into the balance sheet increasing the groups assets and liabilities, in addition to affecting income statement figures. This note summarizes the impact on the financial reporting of Wilhelmsen group from implementing the new standard.

The Lease Contracts

The group has a number of leases related to property and land that account for the significant part of the lease liability. The group also leases vehicle and equipment. A lease liability and right-of-use asset are presented for these contracts which previously were reported as operating leases.

Recognition and Measurement Approach on Transition

The group applied IFRS 16 retrospectively with recognition of the cumulative implementation effect recognised at the date of initial application 1 January 2019. By doing this, comparative financial information shall not be restated, but the cumulative effect of initially applying this standard shall be reflected as an

adjustment to the opening balance. At the time of transition, leases entered under IAS 17 will not be reassessed. In calculating the present value of lease payments, the group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To arrive at the incremental borrowing rate the group applies the respective country's (economic environment) risk free rate for the term corresponding to the lease term, adjusted for own credit risk.

The right-of-use assets are measured at an amount equal to the lease liability. The standard has provided options on scope and exemptions and below the group's policy choices are described:

- The standard will not be applied to leases of intangible assets and these will continue to be recognized in accordance with IAS 38 Intangible assets.
- All leases deemed short-term by the standard are exempt from reporting.
- All leases deemed to be of low value by the standard are exempt from reporting.
- Non-lease components shall be separated from the lease component in all vessel leases. For other lease agreements, the group will apply a materiality threshold when evaluating separation.

Implementation effect

The net effect of implementation of IFRS 16 at January 1, 2019 is presented below.

USD million

Lease liability at 1 January 2019	220
Right-of-use asset at 1 January 2019	222
Difference between lease liability and right-of-use asset at 1 January 2019	2
Prepayments and currency translation	2

Reconciliation of lease commitment and lease liability

Material operating lease commitment as at 31 December 2018	204
Operating lease commitment as at 31 December 2018 (not included in material operating lease commitment)	16
Relief option for leases of low-value assets	(1)
Option periods not previously reported as lease commitments	15
Undiscounted lease liability	234
Effect of discounting lease commitment to net present value	(14)
Lease liability at 1 January 2019	220

Notes - financial report

Cont. note 7 - Leases

Right-of-use-assets

The group leases several assets such as buildings, machinery, equipment and vehicles. The group's right-of-use assets are categorised and presented in the table below:

	Property	Other tangible assets	Total lease assets
2020 Lease assets Right of use - Year to date			
Cost 1.1	191	12	203
Acquisition	6	3	9
Reclass/disposal	(6)	(3)	(9)
Currency translation differences	(25)	(1)	(26)
Cost 31.03	166	11	177
Accumulated depreciation and impairment losses 1.1	(27)	(4)	(30)
Depreciation/amortisation	(7)	(1)	(7)
Reclass/disposal	1		1
Impairment	13	2	14
Currency translation differences	2		2
Accumulated depreciation and impairment losses 31.03	(18)	(2)	(20)
Carrying amounts 31.03	147	9	156
2019 Lease assets Right of use - Year to date			
	Property	Other tangible assets	Total lease assets
Implementation IFRS 16	210	12	222
Additional	6		6
Currency translation differences	(1)		(1)
Cost 31.03	215	12	227
Accumulated depreciation and impairment losses 1.1			
Depreciation/amortisation	(7)	(1)	(8)
Currency translation differences			
Accumulated depreciation and impairment losses 31.03	(7)	(1)	(8)
Carrying amounts 31.03	208	11	220
2019 Lease assets Right of use - Full year			
	Property	Other tangible assets	Total lease assets
Implementation IFRS 16	210	12	222
Reclassification *	(11)		(11)
Currency translation differences	(8)		(8)
Cost 31.12	191	11	203
Accumulated depreciation and impairment losses 1.1			
Depreciation/amortisation	(26)	(4)	(30)
Reclass/disposal	1		1
Currency translation differences	(1)		(1)
Accumulated depreciation and impairment losses 31.12	(27)	(4)	(30)
Carrying amounts 31.12	165	8	173

Notes - financial report

Note 8 - Shares

The share capital is as follow with a nominal value of NOK 20:

A - shares	34 537 092
B - shares	11 866 732
Total shares	46 403 824

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.

Earnings per share is calculated based on 44 580 000 shares for 2020, and

based on an average of 45 947 868 shares in 2019.

Total outstanding shares as of 31 March 2020 are 34 000 000 A-shares and 10 580 000 B-shares.

Note 9 - Financial assets to fair value

USD mill	31.03.2020	31.03.2019	31.12.2019
Financial assets to fair value			
At 31 December	675	650	650
Acquisition	1		9
Reclassified			2
Sale during the year			(20)
Currency translation adjustment through other comprehensive income	(13)	3	
Change in fair value through income statement	(256)	(3)	34
Total financial assets to fair value	406	650	675

Financial assets to fair value are held in subsidiaries with different functional currencies and thereby creating translation adjustment.

Note 10 - Other financial income/(expenses)

	Q1 2020	Q1 2019
Investment management	(15)	6
Interest income	0	
Other financial income	16	14
Interest expenses	(9)	(10)
Net financial currency	18	(2)
Net financial currencies derivatives	(59)	(1)
Other financial income/(expenses)	(48)	8

Note 11 - Paid dividend

Dividend for fiscal year 2018 was NOK 5.00 per share, where NOK 2.50 per share was paid in May 2019 and NOK 2.50 per share was paid in November 2019.

The proposed dividend for fiscal year 2019 in 2020, of NOK 2.00 per share, was approved by the annual general meeting on 29 April 2020.

The dividend will have effect on retained earnings in second quarter of 2020.

Notes - financial report

Note 12 - Interest-bearing debt including leasing debt

USD mill	31.03.2020	31.03.2019	31.12.2019
Non current interest-bearing debt	394	432	429
Current interest-bearing debt	36	66	65
Non current leasing debt	143	196	154
Current leasing debt	26	24	27
Total interest-bearing debt	599	718	675
Cash and cash equivalents	124	162	153
Current financial investments	77	90	102
Net interest-bearing debt	398	466	420

Loan agreements entered into by group companies contain financial covenants related to equity ratio, liquidity, current ratio and net interest-bearing debt / EBITDA measured in respect of the relevant borrowing company or group of

companies. The group was in compliance with these covenants at 31 March 2020 (analogous for 31 March 2019).

Specification of interest-bearing debt

USD mill	31.03.2020	31.03.2019	31.12.2019
Interest-bearing debt			
Bankloan	430	498	494
Leasing debt	169	220	181
Total interest-bearing debt	599	718	675
Repayment schedule for interest-bearing debt			
Due in 1 year	62	90	92
Due in 2 year	29	54	40
Due in 3 year	211	37	40
Due in 4 year	11	245	251
Due in 5 year and later	287	291	252
Total interest-bearing debt	599	718	675

Notes - financial report

Note 13 - Financial level

USD mill	Level 1	Level 2	Level 3	Total
2020				
Financial assets at fair value				
Equities	38			38
Bonds	39			39
Financial derivatives		1		1
Financial assets at fair value	388		19	406
Total financial assets 31.03	465	1	19	484
Financial liabilities at fair value				
Financial derivatives	(1)	(12)		(12)
Total financial liabilities 31.03	(1)	(12)	0	(12)
2019				
Financial assets at fair value				
Equities	44			44
Bonds	46			46
Financial derivatives		1		1
Financial assets at fair value	610		40	650
Total financial assets 31.03	699	1	40	740
Financial liabilities at fair value				
Financial derivatives		(8)		(8)
Total financial liabilities 31.03	0	(8)	0	(8)

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 by financial counterparties (banks) to value financial derivatives include:

- Quoted market prices or dealer quotes for similar derivatives
- The fair value of interest rate swaps is calculated as the net 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. Options are typically valued by applying the Black-Scholes model.
- 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 net present value
- The fair value of foreign exchange option contracts is determined using observable forward exchange rates, volatility, yield curves and time-to-maturity parameters at the balance sheet date, resulting in an option premium. Options are typically valued by applying the Black-Scholes model.

The carrying value less impairment provision of 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 derivatives.

The fair values, except for bond debt, are based on cash flows discounted using a

rate based on market rates including margins and are within level 2 of the fair value hierarchy. The fair values of the bond debt are based on quoted prices and are also classified within level 2 of the fair value hierarchy due to limited trading in an active market.

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 at the end of March 2020 are liquid investment grade bonds (analogous for 2019).

The fair value of financial instruments that are not traded in an active market (over-the-counter contracts) are based on third party quotes (Mark-to-Market). These quotes use the maximum number of observable market rates for price discovery. The different 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 derivatives is in level 3. Primarily illiquid investment funds and structured notes are included in level 3.

Notes - financial report

Note 14 - Related party transactions

WWH delivers services to the Wallenius Wilhelmsen group. These include primarily 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 Maritime Services have several transactions with associates. The contracts governing such transactions are based on commercial market terms.

Note 15 - Contingencies

The size and global activities of the group dictate that companies in the group will be involved from time to time in disputes and legal actions.

The group is not aware of any financial risk associated with disputes and legal actions which are not largely covered through insurance arrangements.

Nevertheless, any such disputes/actions which might exist are of such a nature that they will not significantly affect the group's financial position.

Note 16 - Events occurring after the balance sheet date

The outbreak of Coronavirus will still continue to affect economic conditions and the demand for Maritime Services and Supply services regionally and globally. The ultimate severity of the covid-19 outbreak is still uncertain on the group's future operations and the health of our employees.

No material events occurred between the balance sheet date and the date when

the accounts were presented providing new information about the conditions prevailing on the balance sheet date.

Notes 17 Alternative performance measures

This section describes non-GAAP financial alternative performance measures (APM) that may be used in the quarterly and annual reports and related presentations.

The following measures are not defined nor specified in the applicable financial reporting framework of IFRS. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to the IFRS. These APMs are intended to enhance comparability of the results, balance sheet and cash flows from period to period and it is the Company's experience that these are frequently used by investors, analysts and other parties. Internally, these APMs are used by the management to measure performance on a regular basis. The APMs should not be considered as a substitute for measures of performance in accordance with IFRS.

EBITDA is defined as Total income (Operating revenue and gain/(loss) on sale of assets) adjusted for Operating expenses. EBITDA is used as an additional measure of operational profitability, excluding the impact from financial items, taxes, depreciation and amortization.

EBITDA adjusted is defined as EBITDA excluding certain income and/or cost items which are not regarded as part of the underlying operational performance for the period. The Company do not report EBITDA adjusted on a regular basis, but may use it on a case by case basis to better explain operational performance.

EBITDA margin is defined as EBITDA as a per cent of of Total income.

EBITDA margin adjusted is defined as EBITDA adjusted as a per cent of Total income, with Total income also adjusted for the same income elements as those which have been adjusted for in EBITDA adjusted.

EBIT is defined as Total income (Operating revenue and

gain/(loss) on sale of assets) less Operating expenses, Other gain/loss and depreciation and amortization. EBIT is used as a measure of operational profitability excluding the effects of how the operations were financed, taxed and excluding foreign exchange gains & losses.

EBIT adjusted, EBIT margin and EBIT margin adjusted will, if used, be prepared in the same manner as described under EBITDA.

Net interest-bearing debt (NIBD) is defined as total interest bearing debt (Non-current interest-bearing debt and Current interest-bearing debt) less Cash and cash equivalents and Current financial investments.

Equity ratio is defined as Total equity as a percent of Total assets.

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