



# Wilh. Wilhelmsen Holding ASA

Second Quarter 2016

Thomas Wilhelmsen – group CEO

August 2016

# Agenda

1. Highlights for the second quarter
2. Prospects
3. Financials – Christian Berg, group CFO

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# WWH group

Highlights for the quarter

**Continued slow growth in world economy**

**Improved results excluding one-offs**

**WWASA/Treasure ASA de-merger**

**Delivering on WMS strategy**



Photo: Liferrafts service – Marine Safety  
Source: WWH - WSS

# WWASA group

## Highlights for the quarter

### Soft shipping market

### De-merger completed

### Improved results excluding one-offs

- Shipping volumes up - mainly seasonal
- Stable logistics performance

### Ongoing anti-trust investigation

- Settlement with DoJ in the US (post Q2)



Photo: MV Themis – WWLWWASA's fourth Post-Panamax class vessel  
Source: WWASA - WWL



Photo: Expanded Panama Canal – inaugurated June 26  
Source: Panama Canal Authorities

# WMS group

## Highlights for the quarter

Market sentiment unchanged

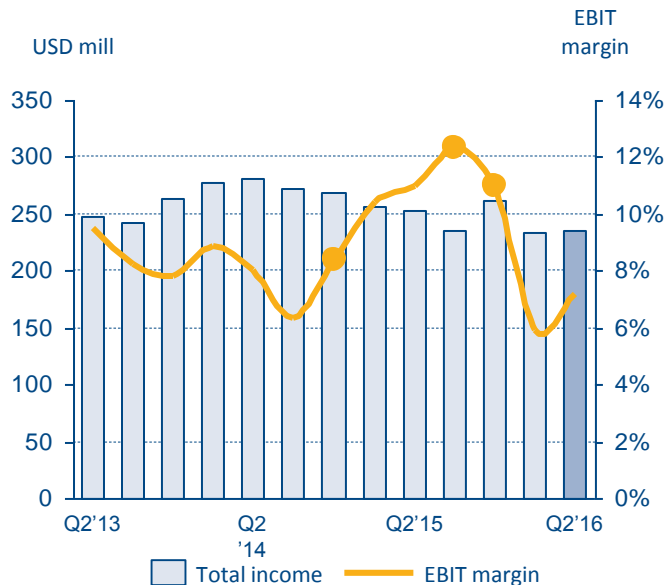
Flat total income

Improved EBIT margin

- Continued support from strong USD

Marine safety merger

WMS group – Total income and EBIT margin\*



\*Main "one-offs":

Q4'15: Pension related accounting gain (**not included**)

Q3'15: Impairment charge (**not included**)

Q4'14: Pension related accounting gain (**not included**)



# WMS group

Delivering on portfolio strategy



## Ambition to regain historical strong growth

- Seek growth through acquisitions within core areas
- Continue to develop business area synergies across current structures
- Further develop our global platform
- Pursue organic growth

# WMS group

Consolidating the safety market

## Merging Wilhelmsen safety with Survitec Group Ltd

- Agreement signed 23 June
- WMS will take 20% ownership stake in Survitec
- Completion expected in Q4'16
- USD ~60 mill. sales gain
- USD ~110 mill. net cash proceed



Photo: Liferaft exchange WSS service station – Marine Safety  
Source: WWH - WSS

### Survitec Group Ltd

- ~2300 employees worldwide
- USD 400 mill. revenue
- 10 manufacturing locations
- 46 owned service stations, 450+ partner owned
- Covering 2000+ ports

### Wilhelmsen Safety

- ~700 employees worldwide
- USD 210 mill. revenue
- Consisting of WSS Technical Services, WSS Safety products and WTS
- 33 in-house service stations and 30 subcontracted

Product portfolio in the safety area	 Wilhelmsen Maritime Services	 Survitecgroup "Today"	 Survitecgroup "Tomorrow"
Lifeboats		✓	✓
Rescue boats		✓	✓
Life rafts	✓	✓	✓
Safety clothing		✓	✓
Life-saving appliances	✓	✓	✓
Fire-fighting equipment	✓		✓
Inert gas system	✓		✓
Fire suppression system	✓		✓
Detection systems			



# Holding and investments

## Highlights for the quarter – Treasure ASA/Hyundai Glovis

### Treasure ASA listed on 8 June

- Reported under Holding and investment
- WWH shareholding 72,7%



Listing of Treasure ASA on June 6  
Photo: Thomas Brun/ NTB Scanpix

### Increased contribution Hyundai Glovis

- Q1'16 net result up 40% (WWH Q2'16)



Photo: Hyundai Glovis



# Holding and investments

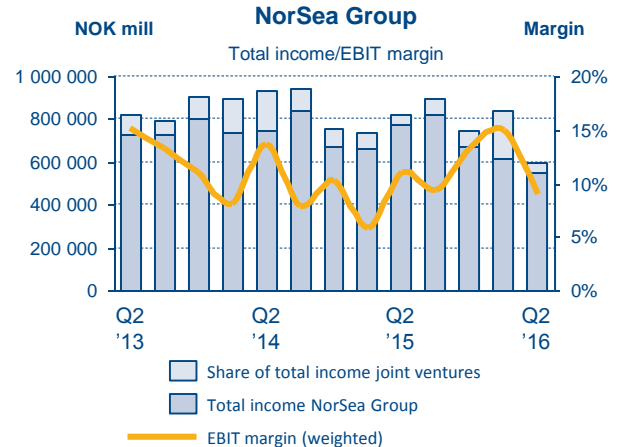
## Highlights for the quarter

### Reduced contribution from NSG

- Weak oil and gas market
- Stable adjusted for one-offs
- Increased participation in shareholder loan

### Gain from Qube investment

- Sale of 3.5 million shares
- 70 million shares (4,8% ownership)



Patrick Port Botany, Sydney, Australia, Container Terminal  
Photo (video): Asciano/Patrick

# WWH group prospects

**The board expects the general business environment to remain soft, impacting most group activities and performance.**





# Wilh. Wilhelmsen Holding ASA

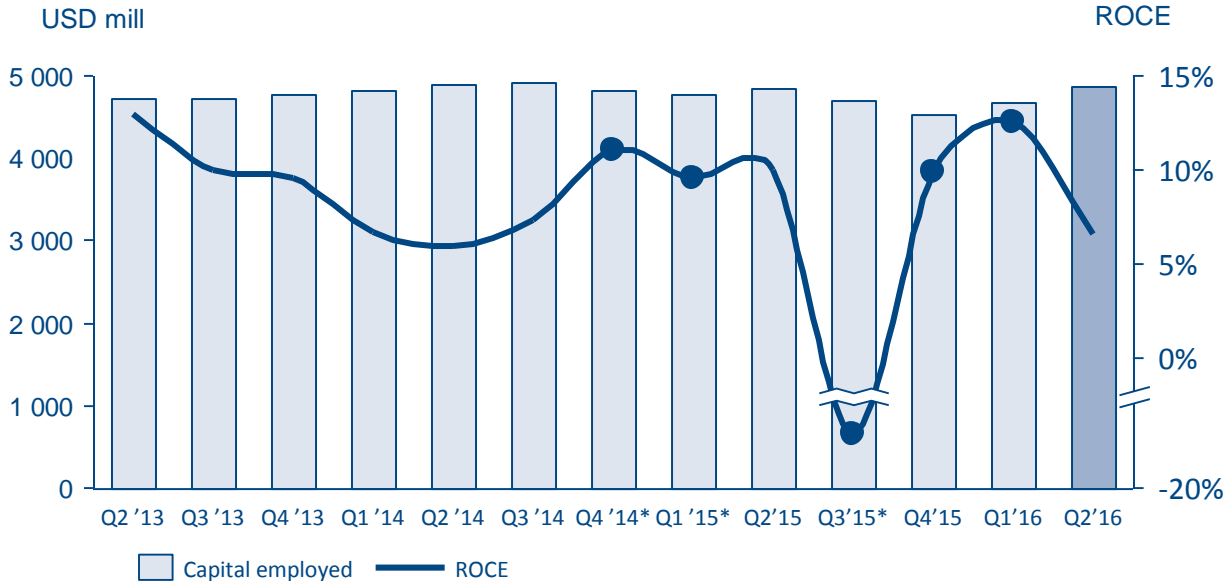
## Second Quarter 2016

Christian Berg – group CFO

August 2016

# WWH group

## Return on capital employed



\*Main "one-offs" (included):

- Q4'14: Pension related accounting gain
- Q1'15: Sales gain Hyundai Glovis
- Q3'15: Anti-trust accrual WWASA and impairment charge WMS
- Q4'15: Pension related accounting gain
- Q1'16: Sales gain related to WWASA logistics

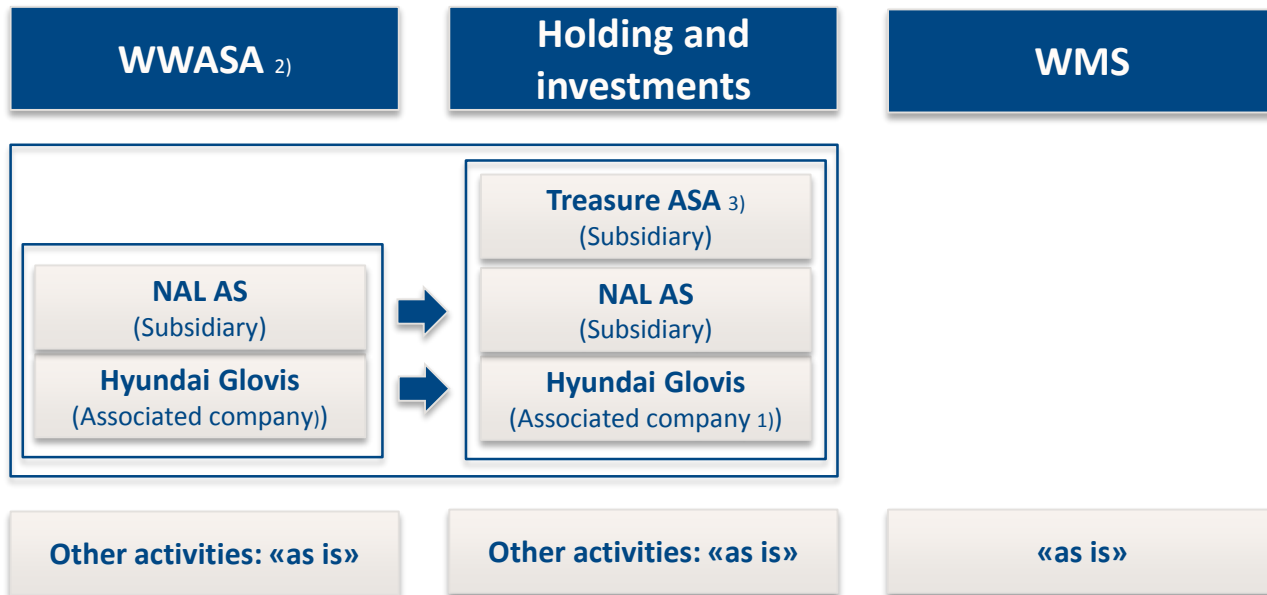
\*\*Based on proportionate method

- Capital employed: Equity plus interest bearing debt (average for period)
- ROCE: EBT plus interest expenses / average capital employed



# WWH group

## New WWH segment reporting – Restatement of historic figures



- 1) Hyundai Glovis is reported as “associate” in WWH’s accounts, with share of net result reported as “share of profit from associates” one quarter in arrears. WWH’s segment reporting is restated, with Hyundai Glovis reported under Holding and investment segment also for previous periods.
- 2) WWASA’s own reporting include NAL/Hyundai Glovis ownership until date of de-merger. WWH’s segment reporting for WWASA will for period up to de-merger therefor deviate from WWASA’s own reporting.
- 3) Treasure ASA’s own reporting treat shareholding in Hyundai Glovis as “available for sale financial assets”. WWH segment reporting for Hyundai Glovis will therefor deviate from Treasure ASA’s own reporting.



# WWH group

## Key segment information Q2'16

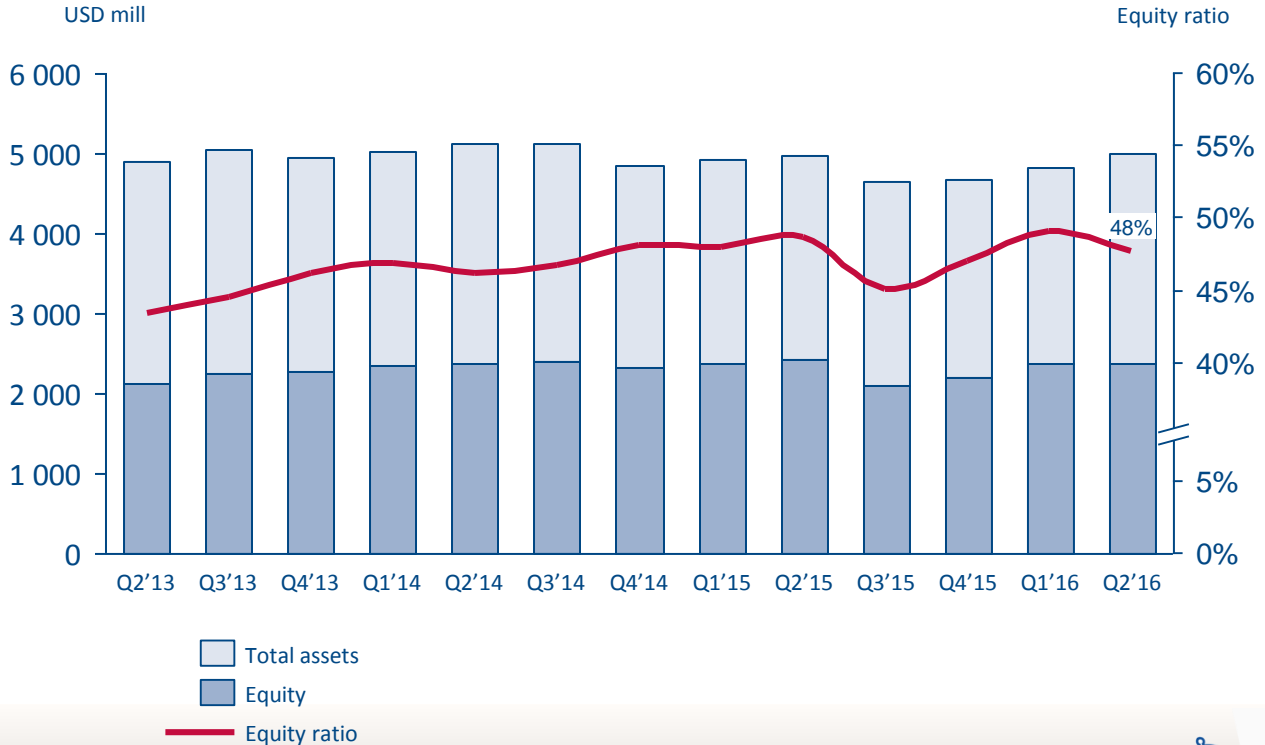
USD mill	WWASA group		WMS group		Holding and Investments		Total	
	Q2'16	Q1'16	Q2'16	Q1'16	Q2'16	Q1'16	Q2'16	Q1'16
<b>Total income</b>	531	595	235	235	32	23	792	848
<b>Operating profit</b>	<b>42</b>	<b>113</b>	<b>17</b>	<b>14</b>	<b>17</b>	<b>15</b>	<b>77</b>	<b>143</b>
Financial income/(expenses)	-21	-15	-7	-5	3	-2	-25	-23
Tax income/(expense)	-3	-6	-3	-2	1	-2	-5	-10
<b>Profit/(loss)</b>	<b>18</b>	<b>105</b>	<b>8</b>	<b>7</b>	<b>21</b>	<b>11</b>	<b>47</b>	<b>110</b>
Minority interests	6	29	0	0	5	4	11	29
<b>Profit/(loss) after minority interests</b>	<b>12</b>	<b>76</b>	<b>7</b>	<b>6</b>	<b>16</b>	<b>8</b>	<b>36</b>	<b>80</b>
Equity majority	1 142	1 282	253	311	490	292	1 885	1 885
Equity minority interests	288	480	0	1	204	0	492	481
<b>Total Equity</b>	<b>1 430</b>	<b>1 762</b>	<b>252</b>	<b>312</b>	<b>695</b>	<b>292</b>	<b>2 377</b>	<b>2 366</b>

- Improved operating profit all segments adjusted for WWASA Q1'16 gain
- Weak underlying WWASA/WMS operating income and profit



# WWH group

## Equity ratio \*)

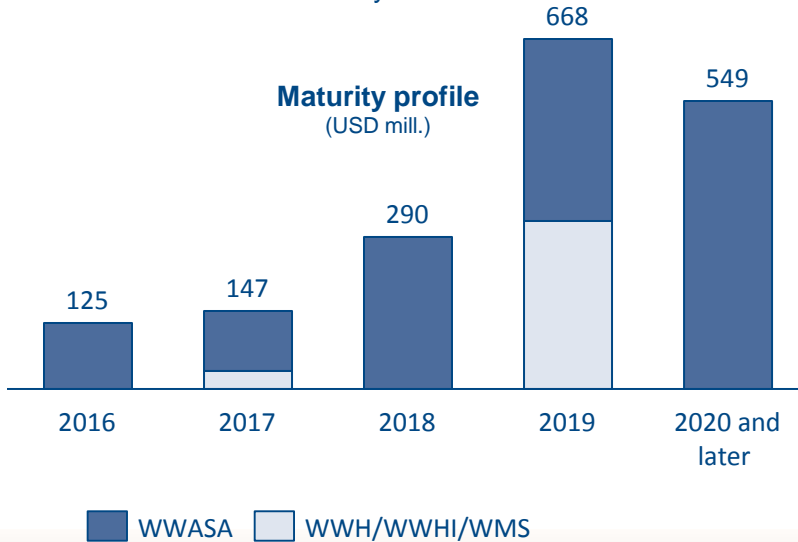


# WWH group

Interest bearing debt (Equity method – excluding JVs)

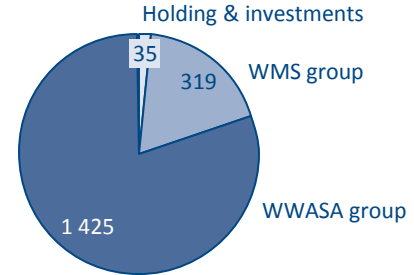
## Maturity profile

- WWH facilities maturing in 2019 (post July refinancing)
- WMS facilities maturing in 2019
- WWHI facility maturing in 2017
- WWASA mixed maturity



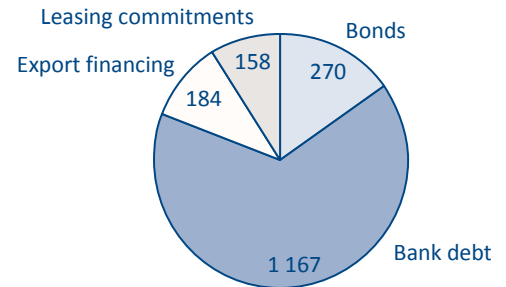
## Split by business segment

(USD mill)



## Split by source

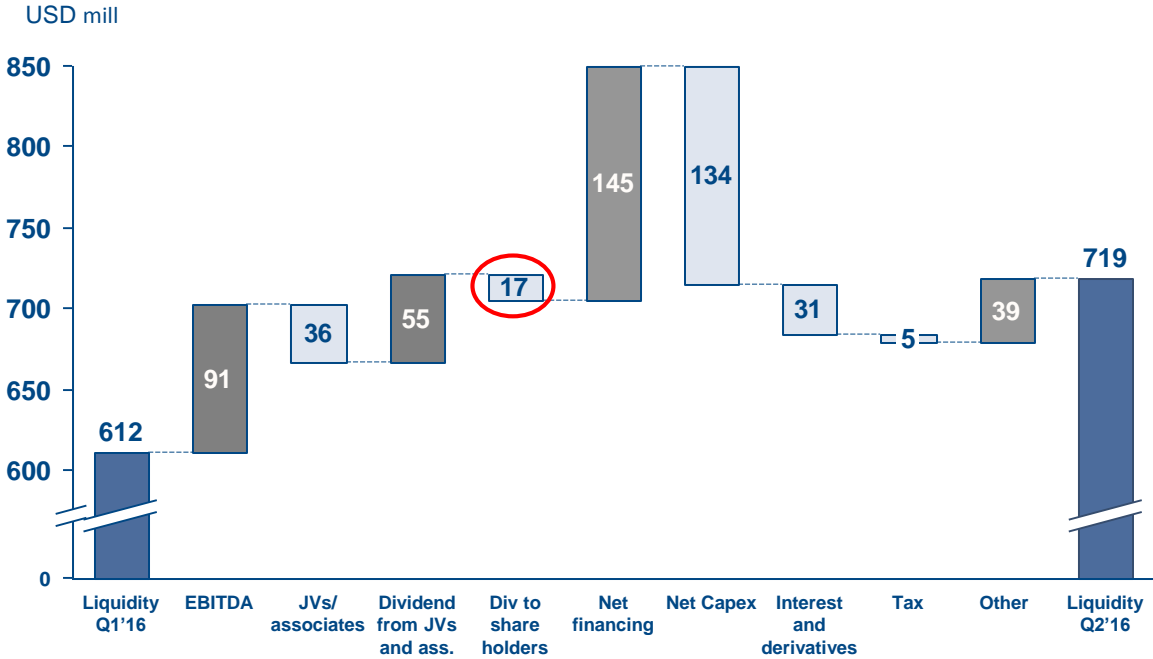
(USD mill)





# WWH – Liquidity development

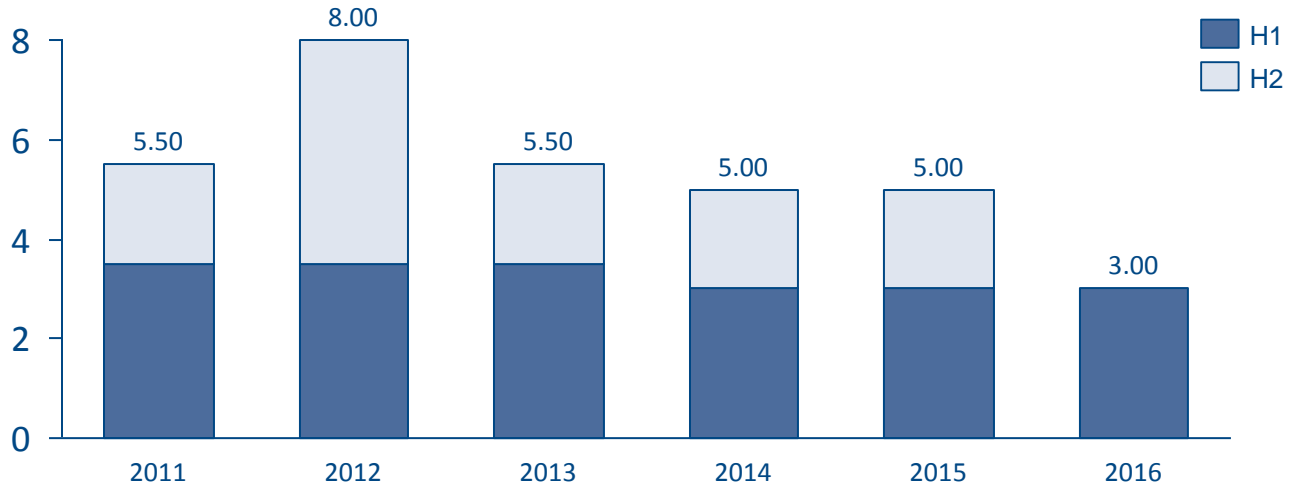
(Equity method)



# WWH group

## Dividend per share

NOK/share



- First dividend of NOK 3.00 per share paid 13 May 2016
- Board authority to approve further dividend of up to maximum NOK 3.00 per share (valid until next AGM or 30.6.2017)





Thank you!

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