

# QUARTERLY REPORT



Wilh. Wilhelmsen

# '16

Wilh. Wilhelmsen Holding ASA

FOURTH QUARTER 2016

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# Report for the fourth quarter of 2016 and preliminary year-end Proportionate method<sup>1</sup>

## Highlights for the fourth quarter

Wilh. Wilhelmsen Holding group:

- Increase in total income and operating profit
- Board proposes first dividend of NOK 3.50 per share and shareholder approval to declare a second dividend of up to NOK 2.50 per share

Wilh. Wilhelmsen ASA:

- Higher ocean transported volumes and positive underlying results from logistics segment
- Results negatively impacted by non-recurring items
- New ownership structure for jointly owned shipping and logistics investments agreed. Completion of merger pending competition authorities approval

Wilhelmsen Maritime Services:

- Stable underlying result when adjusting for discontinued operations
- Sale transactions of safety portfolio and Callenberg Technology Group completed with a total net gain
- Reduced debt from cash sales proceeds

Holding and investments:

- Increased net result contribution from Treasure ASA's investment in Hyundai Glovis (reported one quarter in arrears)
- Positive contribution from NorSea Group due to property sales gain

## Key financial figures

Proportional method

<i>USD mill</i> <i>- unless otherwise indicated</i>	Q4'16	Q3'16	Q-on-Q Change	Q4'15	Y-o-Y Change	01.01- 31.12.16	01.01- 31.12.15	Y-o-Y Change
<b>Total income</b>	<b>710</b>	<b>656</b>	<b>8 %</b>	<b>770</b>	<b>-8 %</b>	<b>2 843</b>	<b>3 173</b>	<b>-10 %</b>
- Wilh. Wilhelmsen ASA	450	418	8 %	506	-11 %	1 832	2 124	-14 %
- Wilhelmsen Maritime Services	233	225	3 %	263	-11 %	928	1 010	-8 %
- Holding & Investments	33	18		7		106	64	
- Eliminations	-5	-6		-6		-23	-42	
<b>EBITDA</b>	<b>129</b>	<b>105</b>	<b>22 %</b>	<b>143</b>	<b>-10 %</b>	<b>538</b>	<b>398</b>	<b>35 %</b>
- Wilh. Wilhelmsen ASA	43	69	-38 %	106	-60 %	340	227	50 %
- Wilhelmsen Maritime Services	63	25	>100%	37	70 %	131	138	-6 %
- Holding & Investments	23	11		0		67	32	
- Eliminations	0	0		0		0	0	
<b>Operating profit/EBIT</b>	<b>86</b>	<b>62</b>	<b>37 %</b>	<b>96</b>	<b>-11 %</b>	<b>367</b>	<b>165</b>	<b>&gt;100%</b>
- Wilh. Wilhelmsen ASA	4	32	-87 %	65	-93 %	192	67	>100%
- Wilhelmsen Maritime Services	59	19	>100%	32	84 %	108	65	66 %
- Holding & Investments	23	11		0		67	32	
- Eliminations	0	0		0		0	0	
<b>Financial income/(expenses)</b>	<b>-10</b>	<b>-3</b>		<b>-5</b>		<b>-60</b>	<b>-117</b>	
<b>Tax income/(expenses)</b>	<b>-28</b>	<b>-9</b>		<b>37</b>		<b>-53</b>	<b>8</b>	
<b>Minority interests</b>	<b>2</b>	<b>11</b>		<b>23</b>		<b>53</b>	<b>2</b>	
<b>Profit/(loss) after minority</b>	<b>45</b>	<b>40</b>	<b>13 %</b>	<b>105</b>	<b>-57 %</b>	<b>201</b>	<b>54</b>	<b>&gt;100%</b>
- Wilh. Wilhelmsen ASA	-15	18	neg.	59	neg.	82	-29	neg.
- Wilhelmsen Maritime Services	38	12	>100%	44	-14 %	64	50	28 %
- Holding & Investments	22	9		3		55	33	
- Eliminations	0	0		0		0	0	
<b>EPS (USD)</b>	<b>0,97</b>	<b>0,86</b>	<b>13 %</b>	<b>2,27</b>	<b>-57 %</b>	<b>4,33</b>	<b>1,16</b>	<b>&gt;100%</b>

<sup>1</sup> While the equity method provides a fair presentation of the group's financial position in joint ventures, the group's internal financial segment reporting is based on the proportionate method. The major contributors in Wilh. Wilhelmsen ASA are joint ventures and hence the proportionate method gives management a higher level of information and a fuller picture of the group's operations. For Wilhelmsen Maritime Services and Holding and Investments the financial reporting will be the same for both the equity and the proportionate methods.

The same accounting principles are applied in both the management reports and the financial accounts, and comply with the International Financial Reporting Standards (IFRS).

## Financial summary

### Result for the fourth quarter

Total income for the Wilh. Wilhelmsen Holding ASA group (WWH) was USD 710 million in the fourth quarter of 2016, up 10% from the previous quarter.

All business segments experienced higher income for the quarter. Increased volumes in shipping and higher operating revenue from logistics lifted income for Wilh. Wilhelmsen ASA (WWASA). Total income in Wilhelmsen Maritime Services (WMS) was positively impacted from the sale of safety business to Survitec Group Ltd. The underlying operating revenue in WMS reflected a positive catch up towards the end of the quarter. Total income was also up in Holding and Investment mainly due to increased net result in Hyundai Glovis and NorSea Group.

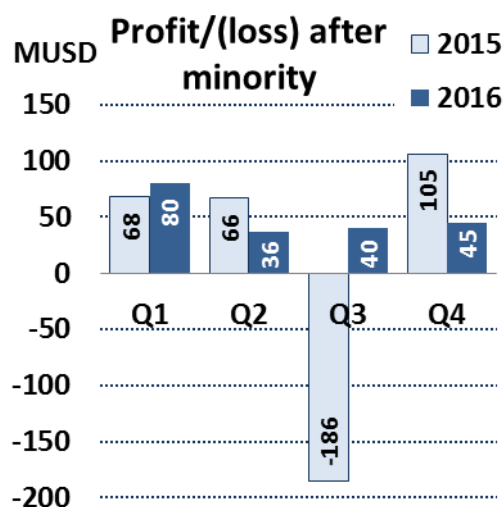
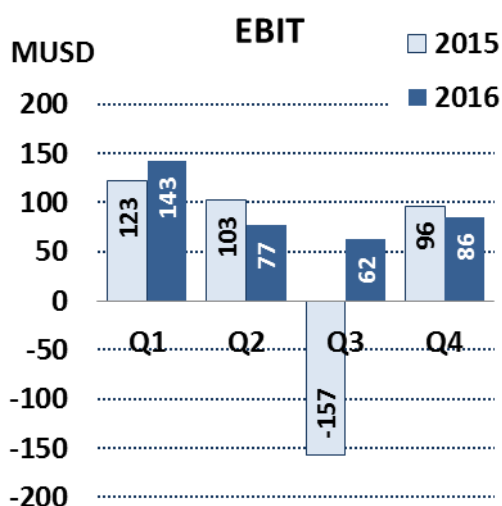
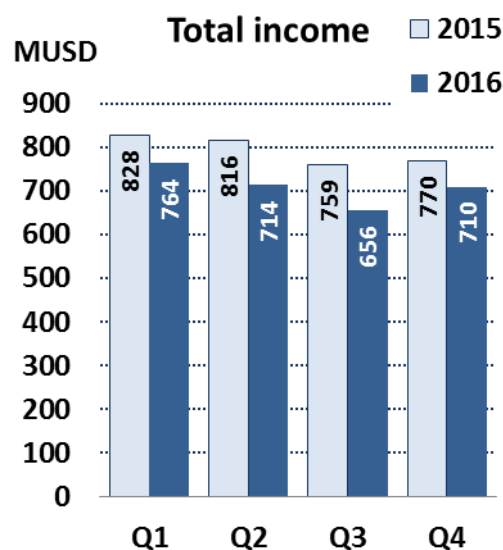
The operating profit for the quarter was USD 86 million, which is an increase of 37% from the previous quarter. When adjusting for non-recurring items in WWASA mainly due to anti-trust provisions, and WMS net sales gain and restructuring costs, operating profit increased with 29%.

Net financials were negative with USD 10 million in the fourth quarter. Net interest rate derivatives were positive, offset by a net financial currency loss.

Tax expense was included with USD 28 million in the fourth quarter.

Minority interests' share of net profit for the quarter was USD 2 million.

Profit after tax and minority interests totalled USD 45 million in the fourth quarter, up from USD 40 million in the third quarter.



## Preliminary result for the year

Total income for WWH was USD 2 843 million in the year 2016 compared with USD 3 173 million in 2015, a 10% reduction. A slowdown in global trade, weak commodity prices and a strong USD continued to negatively impact total income for the group.

WWASA's total income was down 14% from the previous year. Operating revenue from shipping related activities declined, mainly due to reduced Korean car volumes. Income from logistics activities was up, supported by a non-recurring acquisition gain.

WMS experienced an 8% reduction in total income compared with 2015. Weak shipping and offshore markets and a strong USD continued to have a negative impact on income. Sale of activities further reduced operating revenue in the fourth quarter, while a corresponding net sales gains had a positive impact on total income.

Income from the Holding and Investment segment was up for the year, mainly due to increased profit in Hyundai Glovis.

Operating profit amounted to USD 367 million in the year compared with USD 165 million in the previous year. The improvement was due to material non-recurring items negatively impacting 2015 results, while having a positive impact on 2016 results.

Year 2015	MUSD
<b>Reported EBIT</b>	<b>165</b>
Q1'15 WWASA HG share reduction gain	26
Q3'15 WWASA anti-trust provision	-200
Q3'15 WMS impairment charge	-50
Q4'15 WMS pension gain	4
<b>Total material non-recurring items</b>	<b>-220</b>
<b>Adjusted EBIT</b>	<b>385</b>

Year 2016	MUSD
<b>Reported EBIT</b>	<b>367</b>
Q1'16 WWASA logistics gain	80
Q4'16 WWASA anti-trust accrual	-31
Q4'16 WWASA restructuring cost	-6
Q4'16 WMS sales gain	60
Q4'16 WMS transaction cost	-8
Q4'16 WMS restructuring cost	-8
<b>Total material non-recurring items</b>	<b>87</b>
<b>Adjusted EBIT</b>	<b>280</b>

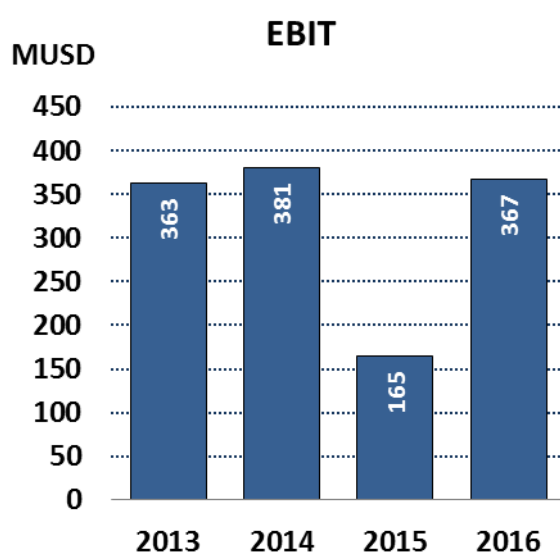
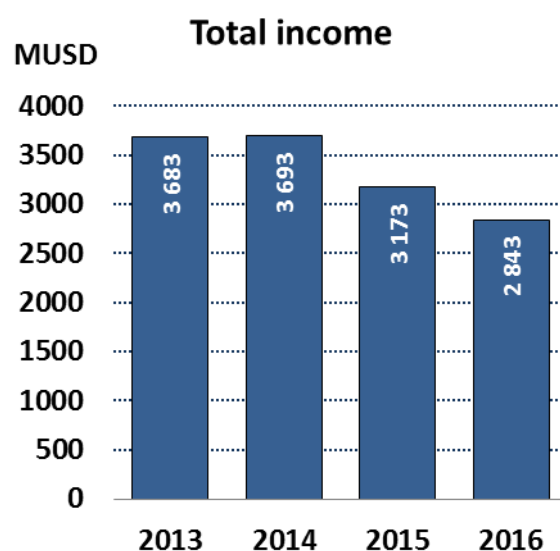
Excluding these main non-recurring items, the operating profit was down 27% for the year.

Net financials was an expense of USD 60 million in 2016. Investment management and interest income contributed positively with a total of USD 25 million while interest expenses were USD 80 million. Combined interest rate and bunker derivatives and net financial currency were a loss of USD 8 million for the year.

Tax was included with an expense of USD 53 million.

Minority interests' share of profit was USD 53 million, of which USD 34 million was related to minority shareholders in WWASA and USD 18 million was related to minority shareholders in Treasure ASA.

Net profit after tax and minority interests was USD 201 million in 2016 compared with USD 54 million in 2015.



## Wilh. Wilhelmsen ASA

The Wilh. Wilhelmsen ASA group (WWASA) is a global provider of shipping and logistics services towards car and ro-ro customers. WWH owns 72.7% of WWASA. In line with accounting standards, all revenue and expenses in WWASA are reported in full with minority interest included after net profit/(loss).

### Key figures - Wilh. Wilhelmsen ASA

USD mill - unless otherwise indicated	Q4'16	Q3'16	Q-on-Q Change	Q4'15	Y-o-Y Change	01.01- 31.12.16	01.01- 31.12.15	Y-o-Y Change
<b>Total income</b>	<b>450</b>	<b>418</b>	<b>8 %</b>	<b>506</b>	<b>-11 %</b>	<b>1 832</b>	<b>2 124</b>	<b>-14 %</b>
- Shipping	365	337	8 %	433	-16 %	1 431	1 800	-20 %
- Logistics	92	89	4 %	83	11 %	444	389	14 %
- Holding/eliminations	-8	-8		-8		344	-29	
<b>EBITDA</b>	<b>43</b>	<b>69</b>	<b>-38 %</b>	<b>106</b>	<b>-60 %</b>	<b>340</b>	<b>227</b>	<b>50 %</b>
- EBITDA margin (%)	9,5 %	16,5 %		20,9 %		18,6 %	10,7 %	
<b>Operating profit/EBIT</b>	<b>4</b>	<b>32</b>	<b>-87 %</b>	<b>98</b>	<b>-96 %</b>	<b>192</b>	<b>67</b>	<b>&gt;100%</b>
- EBIT margin (%)	0,9 %	7,6 %		19,3 %		10,5 %	3,2 %	
- Financial income/(expense)	0	0		-13		-37	-128	
- Tax income/(expense)	-24	-6		30		-39	23	
<b>Profit/(loss)</b>	<b>-20</b>	<b>26</b>		<b>81</b>		<b>116</b>	<b>-38</b>	
- Profit margin (%)	-4,4 %	6,1 %		16,0 %		6,4 %	-1,8 %	
- Minority interests	-4	8		22		34	-9	
<b>Profit/(loss) after minority</b>	<b>-15</b>	<b>18</b>		<b>59</b>		<b>82</b>	<b>-29</b>	

### Result for the fourth quarter

The results reported under the WWASA segment exclude historic results from activities demerged into Treasure ASA on 8 June 2016. The WWH segment accounts for WWASA will as such deviate from the results reported by WWASA prior to the demerger.

The total income for the Wilh. Wilhelmsen ASA group (WWASA) was USD 450 million in the fourth quarter, up 8% from the third quarter 2016. The operating profit ended at USD 4 million, down from USD 32 million in the previous quarter.

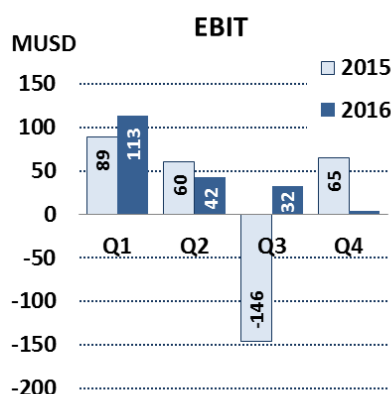
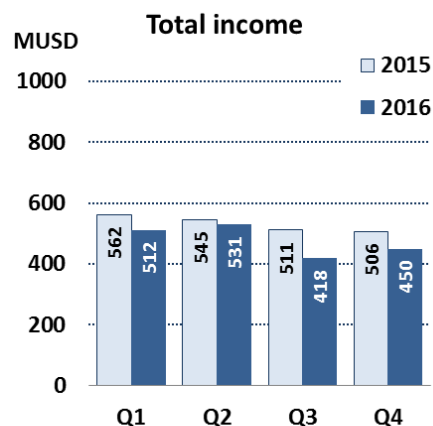
The underlying result in the fourth quarter improved quarter on quarter with increased volumes in the shipping segment and positive contribution from the logistics segment.

The quarter was negatively affected by two larger non-recurring items. An additional provision of USD 31 million was made in relation to the ongoing anti-trust investigations in joint venture companies EUKOR Car Carriers and Wallenius Wilhelmsen Logistics. In connection to the proposed merger, WWASA has recorded initial expenses related to severance pay and pensions of USD 6 million.

Net financial expenses amounted to USD nil million both in the fourth quarter and the previous quarter, positively affected by unrealised gains from financial instruments.

The group recorded a tax expense of USD 24 million for the quarter, up compared with a tax expense of USD 6 million in third quarter.

Net loss after tax was USD 20 million in the fourth quarter, of which a loss of USD 15 million was attributed to WWH.



## WWASA shipping

WWASA's shipping segment includes shipping activities within Wallenius Wilhelmsen Logistics (WWL, owned 50%), EUKOR Car Carrier (EUKOR, owned 40%) and American Roll-on-Roll-off Carrier (ARC, owned 50%), as well as certain shipowning activities outside the operating companies.

WWASA's operating entities transported 16.2 million cubic metres (CBM) of cargo in the fourth quarter, a 7% increase quarter on quarter. Increased volumes in the fourth quarter had a positive effect on the operating profit. But the cargo mix and rate pressure continued to be unfavourable.

## Automotive and high and heavy markets

In key markets, total light vehicle sales in the fourth quarter rose by 10% from the third quarter. Japanese car exports developed positively with a 13% growth quarter on quarter. Car exports out of Korea were 28% higher in the quarter than the previous one.

The global construction equipment market continued its overall relatively soft development in the fourth quarter. The global demand for mining equipment remained flat at a low level, while global demand for agriculture equipment continued the weak trend.

## Tonnage update

The WWASA group companies reduced their operated fleet from 130 to 127 vessels in the fourth quarter. One vessel was sold for green recycling while two were redelivered to external owners. The group companies control approximately 22% of the global fleet. The group companies have a combined lifting capacity of 865 000 CEU. The group companies including owners have six vessels under construction at shipyards in Korea and China.

## WWASA logistics

WWASA's logistics segment includes logistics activities within Wallenius Wilhelmsen Logistics (WWL, owned 50%) and American Shipping and Logistics Group (ASL, owned 50%).

The total income and operating profit were USD 92 million and USD 6 million respectively. Due to internal cost allocations, the operating profit was weaker compared with the previous quarter. However, underlying results were positive.

## WWASA share price development

As of 31 December 2016, the market value of WWH's shares in WWASA was NOK 5 408 million. This represented NOK 117 per outstanding share in WWH (WWI and WWIB).

Value of investment:	End
<b>Wilh. Wilhelmsen ASA</b>	<b>Q4'16</b>
WWASA share price (NOK)	33,80
WWASA shares held by WWH (million)	160
Value of WWH shareholding (NOK million)	5 408
<b>Value per WWI/WWIB share (NOK)</b>	<b>117</b>

## Update on the anti-trust investigation

Additional provisions of USD 31 million for WWASA's share have been made related to anti-trust investigations in joint venture companies. This totals a provision of USD 231 million when including the provision made in the third quarter of 2015.

The ongoing investigations of WWL and EUKOR are confidential. WWASA is therefore not in a position to comment on the remaining investigations. The processes are expected to continue to take time, but further clarifications are expected during 2017.

## New ownership structure for joint ventures

Wilhelmsen and Wallenius have signed an agreement leading to a new ownership structure for their jointly owned investments in Wallenius Wilhelmsen Logistics, EUKOR Car Carriers and American Roll on Roll off Carrier. The extraordinary general meetings of the respective owning companies have approved the proposed merger.

The completion of the merger is pending approval from competition authorities, which is expected during April 2017.

WWASA will issue shares to Wallenius in exchange for their shares in the currently joint investments. At the completion of the merger, WWH and Wallenius will hold respectively 37.8% and 48% of the new entity to be named Wallenius Wilhelmsen Logistics ASA. The parties have agreed that Wallenius will reduce its shareholding subsequent to the merger, whereby both parties eventually will have an equal shareholding in the new entity. For a full description of the transaction agreement, please refer to the Stock Exchange Notices from WWH and WWASA dated 22 December 2016.

In addition to establishing a common owner and governance structure, the proposed merger is expected to enable synergies in the high end of a USD 50-100 million range by combining the assets and harvesting economies of scale, including more optimal tonnage planning, and administrative, commercial and operational efficiencies between the entities.

# Wilhelmsen Maritime Services

The Wilhelmsen Maritime Services group (WMS) is a global provider of ships service and ship management towards the maritime industry. WMS is a wholly-owned subsidiary of WWH.

## Key figures - Wilhelmsen Maritime Services

USD mill - unless otherwise indicated	Q4'16	Q3'16	Q-on-Q Change	Q4'15	Y-o-Y Change	01.01- 31.12.16	01.01- 31.12.15	Y-o-Y Change
<b>Total income</b>	<b>233</b>	<b>225</b>	<b>3 %</b>	<b>263</b>	<b>-11 %</b>	<b>928</b>	<b>1 010</b>	<b>-8 %</b>
- Ships service	159	150	6 %	163	-3 %	611	646	-5 %
- Ship management	12	11	5 %	13	-8 %	47	53	-10 %
- Technical solutions	19	63	-71 %	86	-78 %	224	306	-27 %
- Corporate/other/eliminations	44	1		1		47	6	
<b>EBITDA</b>	<b>63</b>	<b>25</b>	<b>&gt;100%</b>	<b>37</b>	<b>70 %</b>	<b>131</b>	<b>138</b>	<b>-6 %</b>
- EBITDA margin (%)	27,2 %	11,0 %		14,2 %		14,1 %	13,7 %	
<b>Operating profit/EBIT</b>	<b>59</b>	<b>19</b>	<b>&gt;100%</b>	<b>32</b>	<b>84 %</b>	<b>108</b>	<b>65</b>	<b>66 %</b>
- EBIT margin (%)	25,1 %	8,5 %		12,1 %		11,7 %	6,5 %	
- Financial income/(expense)	-15	-2		5		-28	3	
- Tax income/(expense)	-6	-4		7		-15	-16	
<b>Profit/(loss)</b>	<b>38</b>	<b>13</b>		<b>45</b>		<b>65</b>	<b>52</b>	
- Profit margin (%)	16,4 %	5,6 %		17,0 %		7,0 %	5,2 %	
- Minority interests	0	0		1		1	2	
<b>Profit/(loss) after minority</b>	<b>38</b>	<b>12</b>		<b>44</b>		<b>64</b>	<b>50</b>	

## Result for the fourth quarter

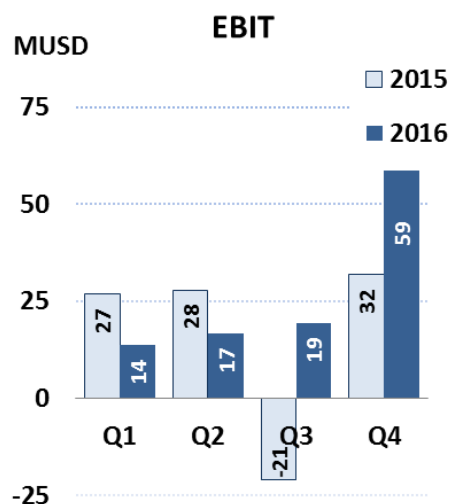
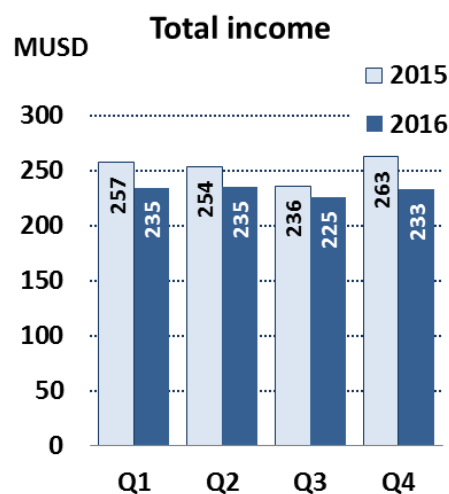
WMS' total income of USD 233 million was 3% up from the third quarter. The increase was mainly due to a sales gain from the transaction with Survitec Group Ltd, while sale of the Callenberg group was included with a net sales loss. Loss of operating revenue from sold activities also reduced total income in the fourth quarter. Operating income from retained business did a catch towards the end of the quarter.

Operating profit ended on USD 59 million compared with USD 19 million the previous quarter. The operating profit for the fourth quarter included a net sales gain of USD 60 million from the Survitec and Callenberg transaction. In addition, cost of USD 8 million related to above transactions and a WMS restructuring cost of USD 8 million were included in the fourth quarter operating result. Adjusted for these non-recurring items and loss of profit from discontinued operations, operating profit was in line with the third quarter.

The last quarter of 2016 continued to be tied up to a difficult year for the maritime industry with price pressure for many of WMS' customers.

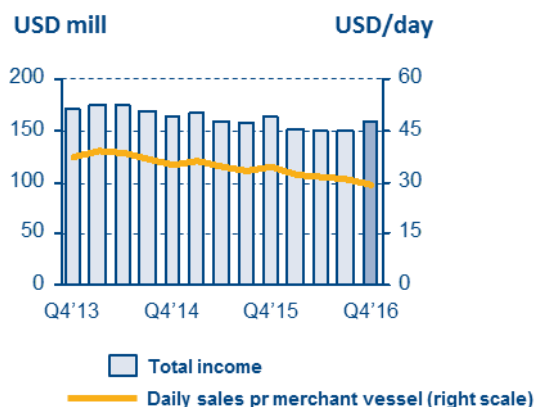
Financial expense for WMS amounted to USD 15 million. This was mainly due to net financial currency losses. Tax expense was USD 6 million for the quarter.

The net profit after tax and minority for the quarter was USD 38 million.



## Ships service

Wilhelmsen Ships Service (WSS) is a global provider of standardised product brands and service solutions to the maritime industry, focusing on marine products, marine chemicals, maritime logistics and ships agency. WSS is a wholly owned subsidiary of WMS.



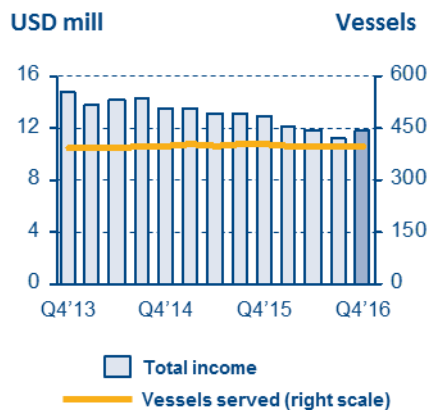
The total income for WSS was up 6% from previous quarter. Marine Products and Ships Agency experiences increased sales, while Maritime Logistics' income was down for the quarter. WSS total income also reflected a sales gain related to the sales of safety activities. Overall, troubled markets, restructuring and cost-cutting initiatives among customers continued to put a price pressure on WSS.

Operating profit was influenced by the sale of safety activities.

When measured against the total global merchant fleet, WSS generated income of USD 30 per day/vessel in the fourth quarter. Reduction from previous was due to sale of safety activities.

## Ship management

Wilhelmsen Ship Management (WSM) provides full technical management, crewing and related services for all major vessel types with exception of oil tankers. WSM is a wholly owned subsidiary of WMS.



Total income was up 5% and net operating profit increased compared with the previous quarter. The increase was mainly from ad-hoc earnings and special assignment.

Average number of vessels on full technical management were on par with the previous quarter. By the end of December, WSM served 398 ships worldwide, of which approximately 33% were on full technical management and 13% were on layup management. The remaining contracts were related to crewing services.

## Technical solutions

The technical solutions business area (WTS) included Wilhelmsen Technical Solutions and Callenberg Technology Group. These two business entities were sold in fourth quarter 2016.

The total income was down as a result from Trident acquiring Callenberg 3 October and the Survitec Group Ltd. acquiring Wilhelmsen Technical Solutions on 30 November.

## Corporate/other activities

This includes Survitec Group Ltd (owned ~20%), WMS group activities, Wilhelmsen Insurance Services (WIS) and certain corporate services.

Survitec Group Ltd is reported as available for sale financial assets, with changes in market value reported under comprehensive income.

Total income was up for the quarter due to net gain from sale of the WTS business entities.



## Holding and investments

Holding and investments include activities performed by the holding company and investments outside WWASA and WMS. This includes investments held by Wilh. Wilhelmsen Holding Invest (WWHI), a wholly owned subsidiary of WWH, and Treasure ASA, owned 72.7%.

### Key figures - Holding and investments

USD mill - unless otherwise indicated	Q4'16	Q3'16	Q-on-Q Change	Q4'15	Y-o-Y Change	01.01- 31.12.16	01.01- 31.12.15	Y-o-Y Change
<b>Total income</b>	<b>33</b>	<b>18</b>	<b>78 %</b>	<b>7</b>	<b>&gt;100%</b>	<b>106</b>	<b>64</b>	<b>66 %</b>
- Holding	5	5	-5 %	6	-7 %	28	21	33 %
- NorSea Group	4	2	>100%	0	>100%	12	7	67 %
- Treasure ASA (Hyundai Glovis)	23	11	>100%	1	>100%	66	35	86 %
- Eliminations	0	0		0		0	0	
<b>EBITDA</b>	<b>23</b>	<b>11</b>		<b>0</b>		<b>67</b>	<b>32</b>	
<b>Operating profit/EBIT</b>	<b>23</b>	<b>11</b>		<b>0</b>		<b>67</b>	<b>32</b>	
<b>Financial income/(expenses)</b>	<b>5</b>	<b>-1</b>	<b>neg.</b>	<b>3</b>	<b>48 %</b>	<b>4</b>	<b>9</b>	<b>-49 %</b>
- Investment management	4	-1		1		3	4	
- Qube	0	1		1		6	3	
- Other financial income/(expense)	0	-1		0		-4	2	
- Tax income/(expense)	1	2		0		2	2	
<b>Profit/(loss)</b>	<b>28</b>	<b>12</b>		<b>3</b>		<b>73</b>	<b>43</b>	
- Minority interests	6	3		0		18	10	
<b>Profit/(loss) after minority</b>	<b>22</b>	<b>9</b>		<b>3</b>		<b>55</b>	<b>33</b>	

### Result for the fourth quarter

The results reported under the Holding and Investment segment include historic results from activities demerged from WWASA into Treasure ASA. These activities were previously reported under the WWASA segment.

Total income for the Holding and investments segment was USD 33 million in the fourth quarter, an increase of 78% when compared with the third quarter. Income from Hyundai Glovis and NorSea Group was up, while the contribution from holding activities was flat.

The operating profit of USD 23 million was also up from previous quarter, primarily reflecting increased contribution from Hyundai Glovis and NorSea Group.

Net financials was a gain of USD 5 million, primarily being gain from investment management.

Net profit after tax was USD 28 million in the fourth quarter, of which USD 22 million was attributed to WWH.

### Treasure ASA

Treasure ASA is a Norwegian public limited liability company, holding a 12.04% ownership interest in Hyundai Glovis. WWH owns 72.7% of Treasure ASA. 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.

Hyundai Glovis reported a net profit of KRW 219 billion for the third quarter of 2016. This represented an increase of 112% when

compared with the previous quarter. Treasure ASA's share of the net profit, equivalent to USD 23 million, was reported as operating income in WWH's accounts in the fourth quarter.

As of 31 December 2016, the market value of WWH's shares in Treasure ASA was NOK 2 672 million. This represented NOK 58 per outstanding share in WWH (WWI and WWIB).

Value of investment:	End
<b>Treasure ASA</b>	<b>Q4'16</b>
TRE share price (NOK)	16,70
TRE shares held by WWH (million)	160
Value of WWH shareholding (NOK million)	2 672
<b>Value per WWI/WWIB share (NOK)</b>	<b>58</b>

### NorSea Group (NSG)

NSG is a leading provider of supply bases and integrated logistics solution to the Norwegian and Danish offshore industry. Through WWHI, WWH owns 40% of NSG. NSG is reported as "associate" in WWH's accounts, with share of net result reported as "share of profit from associates".

Preliminary total income for NSG was NOK 613 million in the fourth quarter, including share of profits from associates and joint ventures and sales gains.

Operating profit for the quarter was positively impacted by a gain related to a property sale in the Stavanger region, while a write down on the Viking Fighter supply vessel had a negative impact. Contribution from operating activities was at a low level, reflecting a general slowdown in offshore activities and a traditionally weak season.

WWHI share of net result in NSG was USD 4 million for the fourth quarter.

## Financial investments

*This includes cash and cash equivalents, current financial investments and available for sale financial assets held by the parent company, Wilh. Wilhelmsen Holding Invest, Treasure ASA and other subsidiaries reported under the Holding and investments segment.*

*Available for sale financial assets includes shares in Qube Holdings Limited and Kaplan Equity Limited. Changes in market value of these shareholdings are reported under comprehensive income, while dividend income and sales gains/losses are reported as financial income.*

<b>Holding and investments</b>	
<b>USD mill. - unless otherwise indicated</b>	<b>31.12.16</b>
Cash and cash equivalent	54
Current financial investments	83
Available for sale financial assets	130
<b>Total financial assets</b>	<b>266</b>
<b>Total debt</b>	<b>34</b>

The financial investment portfolio held by WWH was USD 83 million by the end of the fourth quarter. The portfolio primarily included Nordic equities and investment-grade bonds. Net income from investment management was a gain of USD 4 million in the fourth quarter.

Available for sale financial assets was USD 130 million by the end of the fourth quarter, down from USD 131 million by the end of the previous quarter. During the third quarter, Qube Holdings Limited acquired the remaining 50% shareholding in AAT, Australia's largest Ro-Ro terminal operator.

## Other activities

*Holding/other activities includes WillNor Governmental Services (owned 51%) and general holding activities.*

Income was stable in the fourth quarter.

## Health and safety

*Health and safety metrics are reported using industry standard methods for two types of operations within the group: vessel based operations where health and safety exposure is 24 hours per day and onshore operations where health and safety exposure is approximately 8 hours per day.*

*WWH uses an operational control approach for consolidating health and safety data from businesses and operations in order to consistently account for result*

### Exposure hours

In the fourth quarter of 2016, there were approximately 10 million exposure hours (work hours) in reporting entities. Vessel based operations accounted for about 76% of total exposure hours and onshore operations for the remaining hours.

### Sickness absence

In the fourth quarter of 2016, the sickness absence rate for onshore operations was 1.48%. This was slightly up from the third quarter, but below the 2015 base year result of 1.67%.

### Lost time injuries and total recordable cases

In the fourth quarter, lost-time injury frequency rate for vessel based operations was 0.66. This was above all previous quarters and slightly above the target not to exceed 0.60 for 2016.

The total recordable case frequency rate for vessel based operations result was 2.49 against the target of 2.8.

For onshore operations, the lost-time injury frequency rate was 0.26 and the total recordable case frequency rate was 0.35. These figures were below levels experienced in the third quarter.

## WWH share price and dividend

The WWH share price was up 17% in the fourth quarter. The WWI share price was NOK 198.00 and the WWIB share price was NOK 194.50 by the end of the quarter.

WWH paid a second dividend of USD 2.00 per share in November. A first dividend of NOK 3.00 per share was paid in May.

The board of directors has proposed an ordinary dividend for the fiscal year 2016 amounting to NOK 3.50 per share to be resolved by the Annual General Meeting on 27 April 2017. The proposed dividend is not accrued in the year-end balance sheet, and if resolved, will be payable on 11 May 2017.

The board has also proposed that the Annual General Meeting authorises the board to pay

additional dividend of up to NOK 2.50 per share during the period up to the next General Meeting, though not later than 30 June 2018.

Share price and outstanding shares:	End	End
Wilh. Wilhelmsen Holding ASA	Q4'16	Q3'16
WWI share price (NOK)	198,00	169,00
WWIB share price (NOK)	194,50	159,50
WWI shares	34 637 092	34 637 092
- of which owned by the company	100 000	100 000
WWIB shares	11 866 732	11 866 732
- of which owned by the company	0	0
<b>Total outstanding shares</b>	<b>46 403 824</b>	<b>46 403 824</b>

Return:	Q4'16	YTD
Wilh. Wilhelmsen Holding ASA		
WWI dividend (NOK per share)	2,00	5,00
WWI price return (share price development)	17 %	48 %
WWI total return (incl. dividend; not reinvested)	18 %	52 %
WWIB dividend (NOK per share)	2,00	5,00
WWIB price return (share price development)	22 %	50 %
WWIB total return (incl. dividend; not reinvested)	23 %	54 %

## Prospects

### Wilh. Wilhelmsen ASA

With continued rate pressure, the volume decline appears to have bottomed out and WWASA expects a soft volume recovery in the first half of 2017.

In addition, WWASA expects the proposed merger and the following effects, to have positive long-term impact for the group's competitiveness.

### Wilhelmsen Maritime Services

A continued challenging maritime services market combined with the sale of Callenberg and the safety business will further reduce WMS' revenues in the short term.

### Holding and investments

With most investments in traded shares, the short term value development of the Holding and investments segment will remain sensitive to the global stock market.

The net result of Hyundai Glovis was down in the fourth quarter. With share of net result reported one quarter in arrears, this will negatively impact WWH's income in the first quarter.

### WWH ASA group

Facing a challenging market, the board has and will continue to implement structural changes and optimise the organisation to improve operating margin and position the group for future growth.

Lysaker, 9 February 2017  
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. WWH cannot give assurances that expectations regarding the future outlook will be achieved or accomplished.

## Income statement - segment reporting <sup>1</sup>

Joint ventures based on proportionate method (restated figures for WWASA group and Holding & Investments)

USD mill	WWASA group			WMS group			Holding and Investments <sup>3</sup>			Eliminations			Total		
	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015
<b>Quarter</b>															
Operating revenue	450	504	2 095	173	260	998	6	6	21	(5)	(6)	(25)	623	763	3 089
<b>Other income</b>															
Share of profits from associates		0	1	1	2	5	27	2	43				28	3	49
Gain on sale of assets		2	29	59	1	7							59	3	35
<b>Total income</b>	<b>450</b>	<b>506</b>	<b>2 124</b>	<b>233</b>	<b>263</b>	<b>1 010</b>	<b>33</b>	<b>7</b>	<b>64</b>	<b>(5)</b>	<b>(6)</b>	<b>(25)</b>	<b>710</b>	<b>770</b>	<b>3 173</b>
<b>Operating expenses</b>															
Voyage expenses	(164)	(184)	(818)										(164)	(184)	(818)
Vessel expenses	(18)	(18)	(85)										(18)	(18)	(85)
Charter expenses	(65)	(76)	(316)										(65)	(76)	(316)
Inventory cost				(63)	(122)	(458)			(1)				(63)	(122)	(460)
Employee benefits	(47)	(44)	(168)	(62)	(62)	(263)	(5)	(4)	(16)			1	(113)	(110)	(446)
Other expenses	(114)	(77)	(510)	(45)	(41)	(150)	(5)	(3)	(14)	5	6	24	(159)	(116)	(651)
Depreciation and impairments	(38)	(41)	(160)	(5)	(5)	(73)							(43)	(47)	(233)
<b>Total operating expenses</b>	<b>(446)</b>	<b>(441)</b>	<b>(2 057)</b>	<b>(174)</b>	<b>(231)</b>	<b>(944)</b>	<b>(10)</b>	<b>(8)</b>	<b>(31)</b>	<b>5</b>	<b>6</b>	<b>25</b>	<b>(624)</b>	<b>(673)</b>	<b>(3 008)</b>
<b>Operating profit <sup>2</sup></b>	<b>4</b>	<b>65</b>	<b>67</b>	<b>59</b>	<b>32</b>	<b>65</b>	<b>23</b>	<b>(0)</b>	<b>33</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>86</b>	<b>96</b>	<b>165</b>
Financial income/(expenses)		(13)	(128)	(15)	5	3	5	3	9				(10)	(5)	(117)
<b>Profit/(loss) before tax</b>	<b>4</b>	<b>51</b>	<b>(61)</b>	<b>44</b>	<b>37</b>	<b>69</b>	<b>27</b>	<b>3</b>	<b>41</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>75</b>	<b>91</b>	<b>48</b>
Tax income/(expense)	(24)	30	23	(6)	7	(16)	1		2				(28)	37	8
<b>Profit/(loss)</b>	<b>(20)</b>	<b>81</b>	<b>(38)</b>	<b>38</b>	<b>45</b>	<b>52</b>	<b>28</b>	<b>3</b>	<b>43</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>47</b>	<b>129</b>	<b>56</b>
Minority interests	(4)	22	(9)		1	2	6		10				2	23	2
<b>Profit/(loss) to the owners of parent</b>	<b>(15)</b>	<b>59</b>	<b>(29)</b>	<b>38</b>	<b>44</b>	<b>50</b>	<b>22</b>	<b>3</b>	<b>33</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>45</b>	<b>105</b>	<b>54</b>

<sup>1</sup> The report is based on the proportionate method for all material joint ventures in the WWH group.

In Wilh. Wilhelmsen Holding group's financial interim reports, the equity method is applied for consolidation of joint ventures. This method provides a fair presentation of the group's financial position. However, during the day to day operations, management are using the proportionate method for their analysis and decision making.

<sup>2</sup> Cash settled portion of bunker hedge swaps is included in net operating profit by reduction/(increase) of voyage related expenses.

<sup>3</sup> Holding and Investments includes Wilh. Wilhelmsen Holding ASA, Wilh. Wilhelmsen Holding Invest group and minor activities which fail to meet the definition for other segments.

### 2016: Material gain/(loss) from disposal of assets and impairment charges

Q4 - Gain and loss from sale of Callenberg Group and Wilhelmsen Safety division

Disposal of 100% shares in Callenberg group by a loss of USD 15 mill. Disposal of Wilhelmsen safety activities (100% of shares in Wilhelmsen Technical Solution AS and safety division in Wilhelmsen Ships Service group) by a gain of USD 71 mill.

No material acquisitions or disposals in third and second quarter.

WWASA group: 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). Loss of USD 3.5 million related to recycling of three vessels.

### 2015: Disposals gain/(loss) of assets and impairment charges (Included in share of profits from joint ventures and associates)

WMS group Q4 2015: Gain from termination of defined benefit plan USD 4 mill. Included in employee benefits.

No material acquisitions or disposals in third and second quarter.

WWASA group: Q1 - Disposal of 0.5% shares in Hyundai Glovis by a gain of USD 26 mill.

## Income statement - segment reporting <sup>1</sup>

Joint ventures based on proportionate method (restated figures for WWASA group and Holding & Investments)

USD mill	WWASA group		WMS group		Holding and Investments <sup>3</sup>		Eliminations		Total	
	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015
<b>Year to date</b>										
Operating revenue	1 751	2 095	862	998	29	21	(23)	(25)	2 618	3 089
<b>Other income</b>										
Share of profits from associates		1	4	5	77	43			82	48
Gain on sale of assets	80	29	62	7					143	35
<b>Total income</b>	<b>1 831</b>	<b>2 124</b>	<b>928</b>	<b>1 010</b>	<b>106</b>	<b>64</b>	<b>(23)</b>	<b>(25)</b>	<b>2 843</b>	<b>3 173</b>
<b>Operating expenses</b>										
Voyage expenses	(638)	(818)							(638)	(818)
Vessel expenses	(77)	(85)							(77)	(85)
Charter expenses	(260)	(316)							(260)	(316)
Inventory cost			(376)	(458)	(1)	(1)			(377)	(459)
Employee benefits	(170)	(168)	(263)	(263)	(17)	(16)	1	1	(449)	(446)
Other expenses	(346)	(510)	(158)	(150)	(21)	(14)	22	24	(504)	(651)
Depreciation and impairments	(148)	(160)	(22)	(73)					(171)	(232)
<b>Total operating expenses</b>	<b>(1 640)</b>	<b>(2 057)</b>	<b>(820)</b>	<b>(944)</b>	<b>(39)</b>	<b>(32)</b>	<b>23</b>	<b>25</b>	<b>(2 476)</b>	<b>(3 008)</b>
<b>Operating profit <sup>2</sup></b>	<b>191</b>	<b>67</b>	<b>108</b>	<b>65</b>	<b>67</b>	<b>32</b>	<b>0</b>	<b>(0)</b>	<b>367</b>	<b>165</b>
Financial income/(expenses)	(37)	(128)	(28)	3	4	9			(60)	(117)
<b>Profit/(loss) before tax</b>	<b>155</b>	<b>(61)</b>	<b>80</b>	<b>69</b>	<b>71</b>	<b>41</b>	<b>0</b>	<b>(0)</b>	<b>307</b>	<b>49</b>
Tax income/(expense)	(39)	23	(15)	(16)	2	2			(53)	8
<b>Profit/(loss)</b>	<b>116</b>	<b>(38)</b>	<b>65</b>	<b>52</b>	<b>73</b>	<b>43</b>	<b>0</b>	<b>(0)</b>	<b>254</b>	<b>57</b>
Minority interests	35	(9)	1	2	18	10			54	2
<b>Profit/(loss) to the owners of parent</b>	<b>82</b>	<b>(29)</b>	<b>64</b>	<b>50</b>	<b>55</b>	<b>33</b>	<b>0</b>	<b>(0)</b>	<b>201</b>	<b>54</b>

<sup>1/2/3</sup> Comments - see previous page

2016: Disposals gain/(loss) of assets and impairment charges (Included in share of profits from joint ventures and associates)

see previous page

2015: Disposals gain/(loss) of assets and impairment charges (Included in share of profits from joint ventures and associates)

see previous page

USD mill	WWASA group		WMS group		Holding and Investments <sup>3</sup>		Eliminations		Total	
	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015
<b>Restatement</b>										
<b>Reported operating income</b>	1 751	2 243	862	998	29	21	(23)	(25)	2 618	3 237
2) Operating revenue		(148)								(148)
<b>Restated operating income</b>	1 751	2 095								3 089
2) Other expenses		148								148
<b>Reported operating profit</b>	204	103	108	65	54	(4)			367	165
Share of profit from associates	(13)	(36)			13	36				0
<b>Operating profit after restatement</b>	191	67	108	65	67	32			367	165
<b>Profit/(loss) after restatement</b>	116	(38)	65	52	73	43			254	57
Minority interests before restatement	38		1	2	14				54	2
1) Change in minority interests	(4)	(9)			4	10				0
<b>Profit/(loss) to the owners of parent</b>	<b>82</b>	<b>(29)</b>	<b>64</b>	<b>50</b>	<b>55</b>	<b>33</b>			<b>201</b>	<b>54</b>

## Income statement - segment reporting <sup>1</sup>

Joint ventures based on proportionate method (restated figures for WWASA group and Holding & Investments)

USD mill	WWASA group					Holding & Investments <sup>3</sup>					Total WWH group incl eliminations				
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
<b>Quarter on quarter</b>															
Operating revenue	535	545	511	504	432	5	6	5	6	6	787	796	743	763	665
<b>Other income</b>															
Share of profits from associates						10	18	13	2	18	12	18	15	4	19
Gain on sale of assets	26			2	80						29	2	1	3	80
<b>Total income</b>	<b>562</b>	<b>545</b>	<b>511</b>	<b>506</b>	<b>512</b>	<b>15</b>	<b>23</b>	<b>18</b>	<b>7</b>	<b>23</b>	<b>828</b>	<b>816</b>	<b>759</b>	<b>770</b>	<b>764</b>
<b>Operating expenses</b>															
Voyage expenses	(215)	(217)	(202)	(184)	(160)						(215)	(217)	(202)	(184)	(160)
Vessel expenses	(23)	(22)	(23)	(18)	(20)						(23)	(22)	(23)	(18)	(20)
Charter expenses	(79)	(84)	(76)	(76)	(67)						(79)	(84)	(76)	(76)	(67)
Inventory cost											(118)	(116)	(103)	(122)	(109)
Employee benefits	(41)	(42)	(40)	(44)	(43)	(4)	(4)	(3)	(4)	(4)	(113)	(114)	(108)	(110)	(114)
Other expenses	(77)	(81)	(275)	(77)	(73)	(3)	(3)	(4)	(3)	(4)	(114)	(115)	(306)	(116)	(110)
Depreciation and impairments	(38)	(40)	(41)	(41)	(35)						(43)	(45)	(98)	(47)	(41)
<b>Total operating expenses</b>	<b>(473)</b>	<b>(486)</b>	<b>(657)</b>	<b>(441)</b>	<b>(398)</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>	<b>(8)</b>	<b>(705)</b>	<b>(713)</b>	<b>(916)</b>	<b>(674)</b>	<b>(621)</b>
<b>Operating profit <sup>2</sup></b>	<b>89</b>	<b>60</b>	<b>(146)</b>	<b>65</b>	<b>113</b>	<b>7</b>	<b>16</b>	<b>10</b>	<b>(0)</b>	<b>15</b>	<b>123</b>	<b>103</b>	<b>(157)</b>	<b>96</b>	<b>143</b>
Financial income/(expenses)	(46)	4	(73)	(13)	(15)	4	1		3	(2)	(35)	(8)	(69)	(5)	(23)
<b>Profit/(loss) before tax</b>	<b>43</b>	<b>64</b>	<b>(219)</b>	<b>51</b>	<b>98</b>	<b>11</b>	<b>17</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>88</b>	<b>95</b>	<b>(226)</b>	<b>91</b>	<b>120</b>
Tax income/(expense)	5	(7)	(5)	30	(6)		2			(2)	(4)	(9)	(16)	37	(10)
<b>Profit/(loss)</b>	<b>47</b>	<b>57</b>	<b>(224)</b>	<b>81</b>	<b>92</b>	<b>11</b>	<b>18</b>	<b>10</b>	<b>3</b>	<b>11</b>	<b>84</b>	<b>86</b>	<b>(243)</b>	<b>129</b>	<b>110</b>
Minority interests	13	16	(61)	22	25	2	4	3		4	16	20	(57)	23	29
<b>Profit/(loss) to the owners of parent</b>	<b>34</b>	<b>41</b>	<b>(163)</b>	<b>59</b>	<b>67</b>	<b>9</b>	<b>15</b>	<b>7</b>	<b>3</b>	<b>8</b>	<b>68</b>	<b>66</b>	<b>(186)</b>	<b>105</b>	<b>80</b>

1) The listing of Treasure ASA in June has effect on the segment financial reporting for WWASA and Holding & Investment. The share of profit from Hyundai Glovis has been moved from WWASA segment to Holding & Investment and corresponding minority interests.

2) During 2016 the WWASA group has reviewed and analysed the intercompany transactions between the group joint venture's WWL and EUKOR. EUKOR revenues where WWL acted as collector has previously been eliminated in the consolidated accounts. These revenues are a part of the group revenues in Income statement based on proportionate consolidation for joint ventures. The figures are restated from Q1 2015 to Q2 2016. The adjustments have no effect on EBIT or net profit.

No changes for WMS group.

The total figures for the WWH group is not affected by the demerger of WWASA and the listing of Treasure ASA.

USD mill	WWASA group					Holding & Investments <sup>3</sup>					Total WWH group incl eliminations				
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
<b>Reported operating income</b>	573	583	546	541	515						825	833	779	800	748
2) Operating revenue	(38)	(38)	(36)	(37)	(84)						(38)	(38)	(36)	(37)	(84)
<b>Restated operating income</b>	<b>535</b>	<b>545</b>	<b>511</b>	<b>504</b>	<b>432</b>						<b>787</b>	<b>796</b>	<b>743</b>	<b>763</b>	<b>665</b>
2) Other expenses	38	38	36	37	84						38	38	36	37	84
<b>Reported operating profit</b>	<b>98</b>	<b>73</b>	<b>(134)</b>	<b>66</b>	<b>126</b>	<b>(2)</b>	<b>2</b>	<b>(2)</b>	<b>(2)</b>	<b>2</b>	<b>123</b>	<b>103</b>	<b>(157)</b>	<b>96</b>	<b>143</b>
1) Share of profit from associates	(9)	(13)	(12)	(2)	(13)	9	13	12	2	13					
<b>Operating profit after restatement</b>	<b>89</b>	<b>60</b>	<b>(146)</b>	<b>65</b>	<b>113</b>	<b>7</b>	<b>15</b>	<b>10</b>	<b>(0)</b>	<b>15</b>	<b>123</b>	<b>103</b>	<b>(157)</b>	<b>96</b>	<b>143</b>
<b>Profit/(loss) after restatement</b>	<b>47</b>	<b>57</b>	<b>(224)</b>	<b>81</b>	<b>92</b>	<b>11</b>	<b>18</b>	<b>10</b>	<b>3</b>	<b>11</b>	<b>84</b>	<b>86</b>	<b>(243)</b>	<b>129</b>	<b>110</b>
Minority interests before restatement	16	19	(58)	23	29						16	20	(57)	23	29
1) Change in minority interests	(2)	(4)	(3)		(4)	2	4	3		4					
<b>Profit/(loss) to the owners of parent</b>	<b>34</b>	<b>41</b>	<b>(163)</b>	<b>59</b>	<b>67</b>	<b>9</b>	<b>15</b>	<b>7</b>	<b>3</b>	<b>8</b>	<b>68</b>	<b>66</b>	<b>(186)</b>	<b>105</b>	<b>80</b>

## Income statement - segment reporting

Joint ventures based on proportionate method

USD mill	WWASA group restated				WMS group (no changes)				Holding & Investments restated				Total incl eliminations (no effect of EBIT)			
	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016
<b>Quarter on quarter</b>																
Operating revenue	432	452	418	450	233	233	223	173	6	12	6	6	664	691	641	623
<b>Other income</b>																
Share of profits from associates					1	1	1	1	18	20	13	27	19	21	14	28
Gain on sale of assets	80					1	1	59					80	1	1	59
<b>Total income</b>	<b>512</b>	<b>452</b>	<b>418</b>	<b>450</b>	<b>235</b>	<b>235</b>	<b>225</b>	<b>233</b>	<b>23</b>	<b>32</b>	<b>18</b>	<b>33</b>	<b>764</b>	<b>714</b>	<b>656</b>	<b>710</b>
<b>Operating expenses</b>																
Voyage expenses	(160)	(160)	(155)	(164)									(160)	(160)	(155)	(164)
Vessel expenses	(20)	(20)	(19)	(18)									(20)	(20)	(19)	(18)
Charter expenses	(67)	(69)	(59)	(65)									(67)	(69)	(59)	(65)
Inventory cost					(109)	(104)	(101)	(63)					(109)	(104)	(101)	(63)
Employee benefits	(43)	(40)	(41)	(47)	(68)	(68)	(65)	(62)	(4)	(4)	(4)	(5)	(114)	(112)	(110)	(113)
Other expenses	(73)	(83)	(76)	(114)	(38)	(40)	(35)	(45)	(4)	(10)	(2)	(5)	(115)	(133)	(113)	(159)
Depreciation and impairments	(35)	(38)	(37)	(38)	(6)	(6)	(6)	(5)					(41)	(44)	(43)	(43)
<b>Total operating expenses</b>	<b>(398)</b>	<b>(410)</b>	<b>(386)</b>	<b>(446)</b>	<b>(221)</b>	<b>(218)</b>	<b>(206)</b>	<b>(174)</b>	<b>(8)</b>	<b>(14)</b>	<b>(7)</b>	<b>(10)</b>	<b>(627)</b>	<b>(642)</b>	<b>(599)</b>	<b>(625)</b>
<b>Operating profit</b>	<b>113</b>	<b>42</b>	<b>32</b>	<b>4</b>	<b>14</b>	<b>17</b>	<b>19</b>	<b>59</b>	<b>15</b>	<b>17</b>	<b>11</b>	<b>23</b>	<b>143</b>	<b>77</b>	<b>62</b>	<b>86</b>
Financial income/(expenses)	(15)	(21)		0	(5)	(7)	(2)	(15)	(2)	3	(1)	5	(23)	(25)	(3)	(10)
<b>Profit/(loss) before tax</b>	<b>98</b>	<b>22</b>	<b>32</b>	<b>4</b>	<b>9</b>	<b>10</b>	<b>17</b>	<b>44</b>	<b>13</b>	<b>20</b>	<b>11</b>	<b>27</b>	<b>120</b>	<b>52</b>	<b>60</b>	<b>75</b>
Tax income/(expense)	(6)	(3)	(6)	(24)	(2)	(3)	(4)	(6)	(2)	1	2	1	(10)	(5)	(9)	(28)
<b>Profit/(loss)</b>	<b>92</b>	<b>18</b>	<b>26</b>	<b>(20)</b>	<b>7</b>	<b>8</b>	<b>13</b>	<b>38</b>	<b>11</b>	<b>21</b>	<b>12</b>	<b>28</b>	<b>110</b>	<b>47</b>	<b>51</b>	<b>47</b>
Minority interests	25	6	8	(4)					4	5	3	6	29	11	11	2
<b>Profit/(loss) to the owners of parent</b>	<b>67</b>	<b>12</b>	<b>18</b>	<b>(15)</b>	<b>6</b>	<b>7</b>	<b>12</b>	<b>38</b>	<b>8</b>	<b>16</b>	<b>9</b>	<b>22</b>	<b>80</b>	<b>36</b>	<b>40</b>	<b>45</b>

USD mill	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016
<b>Reported operating income</b>	515	530	418	450	233	233	223	173	6	12	6	6	748	769	641	623
2) Operating revenue	(84)	(78)											(84)	(78)		
<b>Restated operating income</b>	<b>432</b>	<b>452</b>	<b>418</b>	<b>450</b>	<b>233</b>	<b>223</b>	<b>223</b>	<b>173</b>	<b>6</b>	<b>12</b>	<b>6</b>	<b>6</b>	<b>664</b>	<b>691</b>	<b>641</b>	<b>623</b>
2) Other expenses	84	78											84	78		
<b>Reported operating profit</b>	<b>113</b>	<b>42</b>	<b>32</b>	<b>4</b>	<b>14</b>	<b>17</b>	<b>19</b>	<b>59</b>	<b>15</b>	<b>17</b>	<b>11</b>	<b>23</b>	<b>143</b>	<b>77</b>	<b>62</b>	<b>86</b>
1) Share of profit from associates	(13)								13							
<b>Operating profit after restatement</b>	<b>101</b>	<b>42</b>	<b>32</b>	<b>4</b>	<b>14</b>	<b>17</b>	<b>19</b>	<b>59</b>	<b>28</b>	<b>17</b>	<b>11</b>	<b>23</b>	<b>143</b>	<b>77</b>	<b>62</b>	<b>86</b>
<b>Profit/(loss) after restatement</b>	<b>92</b>	<b>18</b>	<b>26</b>	<b>(20)</b>	<b>7</b>	<b>8</b>	<b>13</b>	<b>38</b>	<b>11</b>	<b>21</b>	<b>12</b>	<b>28</b>	<b>110</b>	<b>47</b>	<b>51</b>	<b>47</b>
Minority interests before restatement	29	6	8	(4)	1			0		5	3	6	29	11	11	2
1) Change in minority interests	(4)								4							
<b>Profit/(loss) to the owners of parent</b>	<b>67</b>	<b>12</b>	<b>18</b>	<b>(15)</b>	<b>6</b>	<b>7</b>	<b>12</b>	<b>38</b>	<b>8</b>	<b>16</b>	<b>9</b>	<b>22</b>	<b>80</b>	<b>36</b>	<b>40</b>	<b>45</b>

## Notes - segment reporting

Joint ventures based on proportionate method

### Note 1 - Financial income/(expenses)

USD mill	01.10-31.12 2016	01.10-31.12 2015	YTD 2016	YTD 2015
<b>Financial items</b>				
Investment management <sup>1</sup>	9.5	3.5	14.7	6.0
Interest income	2.4	1.8	10.0	7.0
Other financial items	0.5	(0.1)	2.6	(9.5)
<b>Net financial items</b>	<b>12.3</b>	<b>5.2</b>	<b>27.3</b>	<b>3.5</b>
<b>Financial - interest expenses</b>				
Interest expenses	(20.2)	(17.8)	(79.8)	(68.7)
Interest rate derivatives - realised	(6.9)	(7.2)	(29.6)	(34.1)
<b>Net financial - interest expenses</b>	<b>(27.0)</b>	<b>(24.9)</b>	<b>(109.4)</b>	<b>(102.8)</b>
<b>Interest rate derivatives - unrealised</b>	<b>30.0</b>	<b>19.7</b>	<b>25.1</b>	<b>24.3</b>
<b>Financial currency</b>				
Net currency gain/(loss)	2.0	13.2	(27.3)	25.7
Currency derivatives - realised	(9.8)	(7.1)	(22.6)	(1.8)
Currency derivatives - unrealised	(8.2)	(0.6)	32.1	(26.2)
Cross currency derivatives - realised	(18.3)	(0.3)	(19.9)	(11.5)
Cross currency derivatives - unrealised	6.7	(6.5)	27.1	(21.4)
<b>Net financial currency</b>	<b>(27.7)</b>	<b>(1.3)</b>	<b>(10.5)</b>	<b>(35.4)</b>
<b>Financial derivatives bunkers</b>				
Valuation of bunker hedges	2.4	(3.7)	9.3	(6.3)
Realised portion bunker hedges	(0.3)		(2.2)	
<b>Net financial derivatives bunkers</b>	<b>2.1</b>	<b>(3.7)</b>	<b>7.0</b>	<b>(6.3)</b>
<b>Financial income/(expenses)</b>	<b>(10.4)</b>	<b>(4.9)</b>	<b>(60.4)</b>	<b>(116.5)</b>

<sup>1</sup> Includes financial derivatives for trading

### Realised bunker and fuel hedges included in operating expenses

USD mill	01.10-31.12 2016	01.10-31.12 2015	YTD 2016	YTD 2015
Cash settled bunker and fuel hedges	0.2	(2.6)	(5.4)	(5.3)



# FINANCIAL REPORT



Wilh. Wilhelmsen

# 16

Wilh. Wilhelmsen Holding ASA

## FOURTH QUARTER 2016

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# Report for the fourth quarter of 2016 and preliminary year-end

## Financial report

In Wilh. Wilhelmsen Holding's financial report the equity method is applied for consolidation of joint ventures. This method provides a fair presentation of the group's financial position.

## Key figures

Equity method

(USD mill)	Q4'16	Q3'16	Q-on-Q Change	Q4'15	Y-o-Y Change	01.01- 31.12.16	01.01- 31.12.15	Y-o-Y Change
<b>Total income</b>	<b>310</b>	<b>312</b>	-1 %	<b>370</b>	-16 %	<b>1 374</b>	<b>1 281</b>	7 %
<b>EBITDA</b>	<b>100</b>	<b>80</b>	24 %	<b>113</b>	-12 %	<b>431</b>	<b>275</b>	57 %
<b>Operating profit/EBIT</b>	<b>74</b>	<b>54</b>	37 %	<b>88</b>	-16 %	<b>327</b>	<b>122</b>	>100%
<b>Profit(loss) after minority</b>	<b>45</b>	<b>40</b>	13 %	<b>105</b>	-57 %	<b>201</b>	<b>54</b>	>100%
<b>EPS (USD)</b>	<b>0,97</b>	<b>0,86</b>	13 %	<b>2,27</b>	-57 %	<b>4,34</b>	<b>1,16</b>	>100%

## Financial summary

### Result for the fourth quarter

Total income for the Wilh. Wilhelmsen Holding ASA group (WWH) was USD 310 million in the fourth quarter of 2016, down 1% from the previous quarter.

Total income for Wilh. Wilhelmsen ASA (WWASA) was positively impacted by increased operating revenue from shipping activities, while a USD 31 million anti-trust accrual reduced share of profit from joint ventures. Total income in Wilhelmsen Maritime Services (WMS) was positively impacted from the sale of safety business to Survitec Group Ltd. The underlying income in WMS reflected a positive catch up towards the end of the quarter. Total income was also up in Holding and Investment mainly due to increased net result in Hyundai Glovis and NorSea Group.

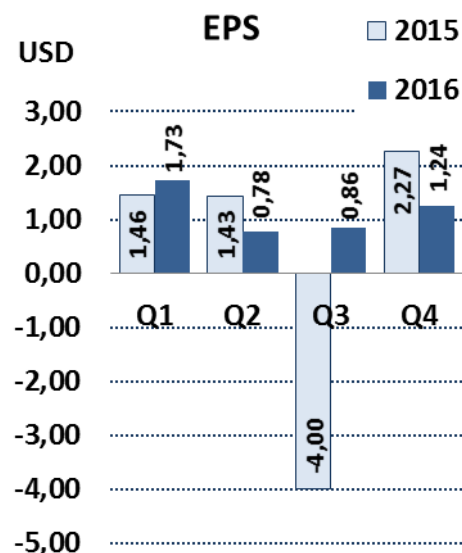
The operating profit for the quarter was USD 74 million, which is an increase of 37% from the previous quarter. When adjusting for WWASA anti-trust accruals, WMS net sales gain and restructuring costs in both business segments, operating profit increased with 27%.

Net financials were negative with USD 5 million in the fourth quarter. Net interest rate derivatives were positive, but offset by a net financial currency loss.

Tax expense was included with USD 23 million in the fourth quarter.

Minority interests' share of net profit for the quarter was USD 1 million.

Profit after tax and minority interests totalled USD 45 million in the fourth quarter, up from USD 40 million in the third quarter.



## Financial summary

### Preliminary result for the year

Total income for WWH was USD 1 374 million in the year 2016 compared with USD 1 281 million in 2015, a 7% increase. The increase was mainly due to non-recurring items. A slowdown in global trade, weak commodity prices and a strong USD continued to negatively impact total income for the group.

WWASA's total income was up 57% from the previous year, mainly due to ongoing anti-trust accruals effecting share of profit in joint ventures. Total income in 2016 also included a non-recurring logistics gain. Operating revenue from shipping related activities declined.

WMS experienced an 8% reduction in total income when compared with 2015. Weak shipping and offshore markets and a strong USD continued to have a negative impact on income. Sale of activities further reduced operating income in the fourth quarter, while a corresponding net sales gains had a positive impact on total income.

Income from the Holding and investment segment was up for the year, mainly due to increased profit in Hyundai Glovis.

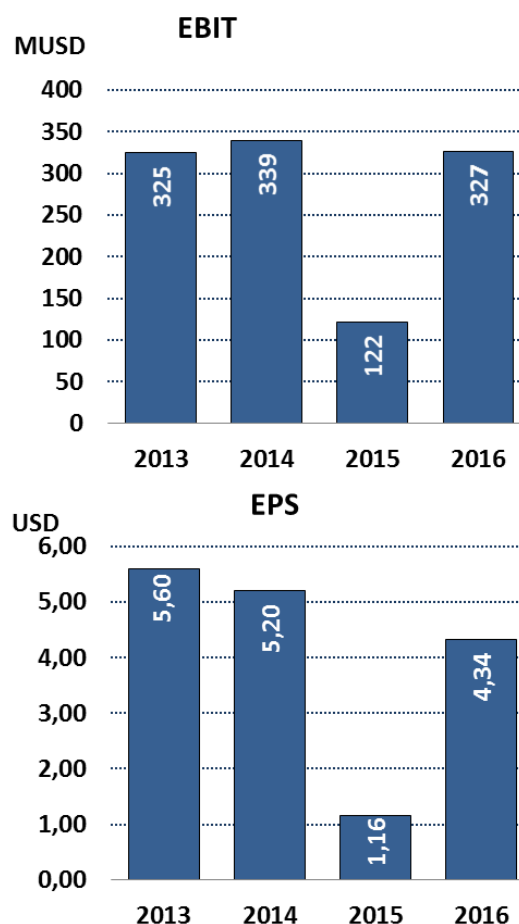
Operating profit was USD 327 million in 2016 compared with USD 122 million in the previous year. The improvement was due to material non-recurring items negatively impacting 2015 results, while having a positive net impact on 2016 result.

Net financials was an expense of USD 41 million in 2016. Investment management and interest income contributed positively with a total of USD 17 million while interest expenses were USD 52 million. Combined interest rate and bunker derivatives and net financial currency were a loss of 7 million for the year.

Tax was included with an expense of USD 35 million.

Minority interests' share of profit was USD 49 million, of which USD 31 million was related to minority shareholders in WWASA and USD 18 million was related to minority shareholders in Treasure ASA.

Net profit after tax and minority interests was USD 201 million in 2016 compared with USD 54 million in 2015.



### Comprehensive income

Other comprehensive income for the year was a gain of USD 65 million compared with a loss of USD 134 million in the previous year. This mainly reflected currency translation differences on non-USD assets and liabilities when converting into USD.

Total comprehensive income for the period was a profit of USD 315 million (loss of USD 80 million in 2015), of which a profit of USD 264 million (loss of USD 77 million in 2015) was attributable to owners of the parent.

## Cash flow, liquidity and debt

The WWH group had a net decrease in cash and cash equivalents of USD 67 million in the third quarter.

Cash flow from operating activities was USD 88 million. This reflected increased contribution from operations, as well as higher dividend from joint ventures and associates compared with the third quarter. Cash flow from investing activities was positive with USD 152 million, including proceeds from sales of WMS subsidiaries and reduced financial investments in WWASA. Cash flow from financing activities was negative with USD 308 million, reflecting debt repayment in WMS and WWASA, normal interest paid during the period, and WWH dividend payment.

<b>Cash flow</b>		
<i>USD mill. - unless otherwise indicated</i>	<b>Q4'16</b>	<b>Q3'16</b>
Cash from operations	74	44
Dividend received from joint ventures and associates	15	1
<b>Net cash provided by operating activities</b>	<b>88</b>	<b>46</b>
Investments in fixed assets	-27	-19
Sale of assets/subsidiaries	128	3
Net financial investments	72	-18
Other	-22	-6
<b>Net cash flow from investing activities</b>	<b>152</b>	<b>-40</b>
Net repayment of debt	-247	4
Dividend to shareholders and minorities	-12	-1
Interest payment/other	-49	-24
<b>Net cash flow from financing activities</b>	<b>-308</b>	<b>-21</b>
<b>Net increase in cash and cash equivalents</b>	<b>-67</b>	<b>-15</b>

Cash and cash equivalents for the group amounted to USD 296 million by end of the fourth quarter of 2016. Total liquid assets including current financial investments amounted to USD 563 million. In addition to this, the main group companies also have undrawn credit facilities to cover investments and any short-term cash flow needs, including where relevant back stop for outstanding

certificates and bonds with a remaining term of less than 12 months to maturity.

The WWH group carries out active financial asset management of part of the group's liquidity. The value of the group's investment portfolio was reduced to USD 285 million at the end of the fourth quarter, with investments in various asset classes including Nordic shares and investment grade bonds. Of this, USD 83 million were in the parent company.

<b>Liquidity and debt</b>		
<i>USD mill. - unless otherwise indicated</i>	<b>31.12.16</b>	<b>30.09.16</b>
<b>Cash and cash equivalent</b>	<b>296</b>	<b>363</b>
- Wilh. Wilhelmsen ASA	81	150
- Wilhelmsen Maritime Services	161	162
- Holding & Investments	54	51
- Eliminations	0	0
<b>Current financial investments</b>	<b>285</b>	<b>343</b>
- Wilh. Wilhelmsen ASA	202	261
- Wilhelmsen Maritime Services	0	0
- Holding & Investments	83	82
- Eliminations	0	0
<b>Interest bearing debt</b>	<b>1 533</b>	<b>1 798</b>
- Wilh. Wilhelmsen ASA	1 320	1 441
- Wilhelmsen Maritime Services	179	319
- Holding & Investments	34	38
- Eliminations	0	0

The group funds its investments and operations from several capital sources, including the commercial bank loan market, financial leases, export financing and the Norwegian bond market. Business activities are primarily financed over the balance sheet of the relevant subsidiary or joint venture.

As of 31 December 2016 the group's total interest-bearing debt amounted to USD 1 533 million, of which USD 34 million was related to Holding and Investments, USD 179 million related to the WMS group and USD 1 320 million related to the WWASA group.

Lysaker, 9 February 2017

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. WWH cannot give assurances that expectations regarding the future outlook will be achieved or accomplished.

## Income statement - financial report

Joint ventures based on equity method

USD mill	Note	01.10-31.12 2016	01.10-31.12 2015	YTD 2016	YTD 2015
Operating revenue		239	340	1 125	1 307
<b>Other income</b>					
Share of profits/ (loss) from joint ventures and associates		12	28	187	(60)
Gain on sale of assets	2	59	2	62	34
<b>Total income</b>		<b>310</b>	<b>370</b>	<b>1 374</b>	<b>1 281</b>
<b>Operating expenses</b>					
Vessel expenses		(9)	(8)	(36)	(42)
Charter expenses		(7)	(6)	(25)	(22)
Inventory cost		(63)	(122)	(377)	(460)
Employee benefits	3	(81)	(79)	(330)	(331)
Other expenses		(51)	(41)	(175)	(151)
Depreciation and impairments	4	(26)	(26)	(104)	(154)
<b>Total operating expenses</b>		<b>(236)</b>	<b>(282)</b>	<b>(1 048)</b>	<b>(1 159)</b>
<b>Operating profit</b>		<b>74</b>	<b>88</b>	<b>327</b>	<b>122</b>
Financial income/(expenses)	5	(5)	1	(41)	(86)
<b>Profit before tax</b>		<b>69</b>	<b>88</b>	<b>286</b>	<b>36</b>
Tax income/(expense)	6	(23)	40	(35)	19
<b>Profit for the period</b>		<b>46</b>	<b>128</b>	<b>251</b>	<b>55</b>
Attributable to: minority interests		1	23	49	1
owners of the parent		45	105	201	54
Basic earnings per share (USD)	7	0.97	2.27	4.34	1.16

## Comprehensive income - financial report

Joint ventures based on equity method

USD mill		01.10-31.12 2016	01.10-31.12 2015	YTD 2016	YTD 2015
<b>Profit for the period</b>		<b>46</b>	<b>128</b>	<b>251</b>	<b>55</b>
<b>Items that will be reclassified to income statement</b>					
Net investment hedge/cash flow hedges (net after tax)		2	(8)	12	(8)
Revaluation market to market value		6	23	2	(1)
Currency translation differences		(12)	(19)	51	(131)
<b>Items that will not be reclassified to income statement</b>					
Remeasurement postemployment benefits, net of tax		0	7	0	5
<b>Other comprehensive income, net of tax</b>		<b>(3)</b>	<b>2</b>	<b>65</b>	<b>(134)</b>
<b>Total comprehensive income for the period</b>		<b>43</b>	<b>130</b>	<b>315</b>	<b>(80)</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		41	109	264	(77)
Minority interests		2	21	52	(3)
<b>Total comprehensive income for the period</b>		<b>43</b>	<b>130</b>	<b>315</b>	<b>(80)</b>

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

## Balance sheet - financial report

Joint ventures based on equity method

USD mill	Note	31.12.2016	31.12.2015
<b>Non current assets</b>			
Deferred tax asset	6	75	92
Goodwill and other intangible assets	4	145	205
Vessels, property and other tangible assets	4	2 047	2 011
Investments in joint ventures and associates		1 259	1 116
Investments in available-for-sale financial assets	8	209	122
Other non current assets	8	47	19
<b>Total non current assets</b>		<b>3 781</b>	<b>3 566</b>
<b>Current assets</b>			
Inventory		65	107
Current financial investments		285	327
Other current assets		268	375
Cash and cash equivalents		296	311
<b>Total current assets</b>		<b>914</b>	<b>1 120</b>
<b>Total assets</b>		<b>4 695</b>	<b>4 686</b>
<b>Equity</b>			
Paid-in capital	7	122	122
Retained earnings	7/9	1 868	1 632
<b>Attributable to equity holders of the parent</b>		<b>1 990</b>	<b>1 754</b>
Minority interests		502	452
<b>Total equity</b>		<b>2 492</b>	<b>2 206</b>
<b>Non current liabilities</b>			
Pension liabilities		63	67
Deferred tax	6	12	20
Non current interest-bearing debt	10	1 418	1 461
Other non current liabilities		233	291
<b>Total non current liabilities</b>		<b>1 727</b>	<b>1 839</b>
<b>Current liabilities</b>			
Current income tax		15	8
Public duties payable		7	9
Current interest-bearing debt	10	115	199
Other current liabilities		340	425
<b>Total current liabilities</b>		<b>477</b>	<b>640</b>
<b>Total equity and liabilities</b>		<b>4 695</b>	<b>4 686</b>

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

## Cash flow statement - financial report

Joint ventures based on equity method

USD mill	Note	01.10-31.12 2016	01.10-31.12 2015	Full year 2016
<b>Cash flow from operating activities</b>				
Profit before tax		69	88	286
Financial (income)/expenses		33	52	134
Financial derivatives unrealised		(28)	(46)	(93)
Depreciation/impairment	4	26	26	104
Loss/ (gain) on sale of fixed assets	4	(6)	(2)	(3)
(Gain)/loss from sale off subsidiaries, joint ventures and associates	2	(56)		(56)
Change in net pension asset/liability		(7)	(13)	(4)
Change in inventory		20	8	19
Change in working capital		38	(11)	76
Share of profit from joint ventures and associates		(12)	(28)	(187)
Dividend received from joint ventures and associates		15	10	72
Tax paid (company income tax, withholding tax)		(3)	(12)	(11)
<b>Net cash provided by operating activities</b>		<b>88</b>	<b>71</b>	<b>336</b>
<b>Cash flow from investing activities</b>				
Proceeds from sale of fixed assets	4	21	3	44
Investments in fixed assets	4	(27)	(31)	(205)
Net proceeds from sale of subsidiaries		107		107
Investments in joint ventures and associates		0		(10)
Loans granted to joint ventures and associates		0		(7)
Proceeds from sale of financial investments		84	30	168
Current financial investments		(12)	(26)	(131)
Interest received		1	1	4
Changes in other investments		(23)	3	(23)
<b>Net cash flow from investing activities</b>		<b>152</b>	<b>(21)</b>	<b>(53)</b>
<b>Cash flow from financing activities</b>				
Proceeds from issue of debt		0	6	291
Repayment of debt		(247)	(40)	(432)
Interest paid including interest derivatives		(21)	(17)	(84)
Cash from financial derivatives		(28)	(7)	(45)
Dividend to shareholders/purchase of own shares		(12)	(14)	(30)
<b>Net cash flow from financing activities</b>		<b>(308)</b>	<b>(73)</b>	<b>(299)</b>
<b>Net increase in cash and cash equivalents <sup>1</sup></b>		<b>(67)</b>	<b>(23)</b>	<b>(16)</b>
Cash and cash equivalents at the beg. of the period <sup>1</sup>		363	334	312
<b>Cash and cash equivalents at the end of the period <sup>1</sup></b>		<b>296</b>	<b>311</b>	<b>296</b>

<sup>1</sup> Excluding restricted cash.

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

Joint ventures based on equity method

### Statement of changes in equity - Year to date

USD mill	Share capital	Retained earnings	Total	Minority interests	Total equity
<b>Balance at 31.12.2015</b>	122	1 632	1 754	452	2 206
Profit for the period		201	201	49	251
Comprehensive income		62	62	2	65
Paid dividends to shareholders		(28)	(28)	(2)	(30)
<b>Balance 31.12.2016</b>	<b>122</b>	<b>1 868</b>	<b>1 990</b>	<b>502</b>	<b>2 492</b>

### Statement of changes in equity - Full year 2015

USD mill	Share capital	Retained earnings	Total	Minority interests	Total equity
<b>Balance at 31.12.2014</b>	122	1 738	1 861	469	2 329
Profit for the period		54	54	1	55
Comprehensive income		(131)	(131)	(3)	(135)
Paid dividends to shareholders		(29)	(29)	(15)	(44)
<b>Balance 31.12.2015</b>	<b>122</b>	<b>1 632</b>	<b>1 754</b>	<b>452</b>	<b>2 206</b>

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



## Notes - financial report

### Joint ventures based on equity method

#### 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 2015 for Wilh. Wilhelmsen Holding ASA group (WWI), which has been prepared in accordance with IFRS's endorsed by the EU.

#### Note 2 - Significant acquisitions and disposals

##### 2016

###### Fourth quarter

Disposal of 100% shares in Callenberg group by a loss of USD 15 mill. Disposal of Wilhelmsen safety activities (100% of shares in Wilhelmsen Technical Solution AS and safety division in Wilhelmsen Ships Service group) by a gain of USD 71 mill. The net proceeds (cash) from both disposals were USD 150 mill.

###### Third quarter

There has not been any significant acquisitions or disposals during the third quarter

###### Second quarter

Treasure ASA was demerger from WWASA and the company was listed at 8 June 2016. Treasure ASA hold 12.04% ownership in the listed company Hyundai Glovis. Treasure ASA group is a part of Holding & Investment segment. See separate note for restated figures.

##### 2015

###### Fourth, third and second quarter

There has not been any significant acquisitions or disposals during the three quarters.

#### Note 3 - Employee benefits / pension cost

Up to 31 December 2014 WWH ASA and WWASA had two pension schemes for employees in Norway; a defined benefit scheme and a defined contribution scheme. Effective 1 January 2015 most of the Norwegians legal entities entered into a defined contribution pension scheme with improved saving rates. In 2015

##### Basic policies

The accounting policies implemented are consistent with those of the annual financial statements for WWI for the year end 31 December 2015.

##### Roundings

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

##### First quarter

###### Investments in WWASA segment

WWL has 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.

##### First quarter

In the first quarter of 2015, WWASA sold 187 500 shares in Hyundai Glovis with net proceeds of approximately USD 39 million. The net gain recorded in the 2015 group's accounts amounted to USD 26 million.

the subsidiary Wilhelmsen Chemical terminated the defined benefit scheme and implemented the same pension plan as the rest of the Norwegian part of the group.

	31.12.2015
Employee benefits (excluding pension cost)	(305)
Pension cost	(30)
Gain related to termination of defined benefit plan	4
<b>Employee benefits income statement</b>	<b>(331)</b>
Pension cost	(30)
Gain related to termination of defined benefit plan	4
Other comprehensive income pension before tax	7
<b>Net equity effect of pension cost before tax (parent and subsidiaries)</b>	<b>(19)</b>

USD mill	WWASA group	WMS group	Holding & Investments	Eliminations	Total WWH group
	31.12	31.12	31.12	31.12	31.12
<b>One off pension</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
<b>Operating profit before one off pension</b>	<b>60</b>	<b>65</b>	<b>(4)</b>	<b>(0)</b>	<b>122</b>
Gain: termination of defined benefit plan for Norwegian employees (included in employees benefit)		4			4
<b>Total one off pension</b>		<b>4</b>			<b>4</b>
<b>Operating profit after one off pension</b>	<b>60</b>	<b>61</b>	<b>(4)</b>	<b>(0)</b>	<b>118</b>

## Notes - financial report

Joint ventures based on equity method

### Note 4 - Tangible and intangible assets

USD mill	Vessels / Newbuilding contracts	Other tangible assets	Intangible assets	Total tangible and intangible assets
<b>2016</b>				
Cost price 1.1	2 472	307	325	3 105
Acquisition	149	50	6	206
Reclass/disposal	(164)	(75)	(126)	(365)
Currency translation differences		(4)	2	(2)
<b>Cost price 31.12</b>	<b>2 457</b>	<b>278</b>	<b>208</b>	<b>2 944</b>
Accumulated depreciation and impairment losses 1.1	(646)	(122)	(121)	(889)
Depreciation/amortisation	(81)	(14)	(9)	(104)
Reclass/disposal	148	25	66	239
Currency translation differences		1		1
<b>Accumulated depreciation and impairment losses 31.12</b>	<b>(579)</b>	<b>(110)</b>	<b>(63)</b>	<b>(752)</b>
<b>Carrying amounts 31.12</b>	<b>1 878</b>	<b>168</b>	<b>145</b>	<b>2 191</b>
<b>2015</b>				
Cost price 1.1	2 400	307	353	3 059
Acquisition	154	39	168	362
Reclass/disposal	(81)	(7)	(154)	(242)
Currency translation differences		(32)	(42)	(74)
<b>Cost price 31.12</b>	<b>2 472</b>	<b>307</b>	<b>325</b>	<b>3 105</b>
Accumulated depreciation and impairment losses 1.1	(640)	(116)	(76)	(833)
Depreciation/amortisation	(80)	(14)	(7)	(102)
Reclass/disposal	75	(3)	4	76
Impairment		(2)	(50)	(52)
Currency translation differences		13	9	22
<b>Accumulated depreciation and impairment losses 31.12</b>	<b>(646)</b>	<b>(122)</b>	<b>(121)</b>	<b>(889)</b>
<b>Carrying amounts 31.12</b>	<b>1 827</b>	<b>185</b>	<b>205</b>	<b>2 216</b>

## Notes - financial report

Joint ventures based on equity method

### Note 5 - Financial income/(expenses)

USD mill	01.10-31.12 2016	01.10-31.12 2015	YTD 2016	YTD 2015
<b>Financial items</b>				
Investment management	9.5	3.4	13.2	5.2
Interest income	0.9	0.9	3.5	4.4
Other financial items	(0.5)	0.5	1.8	(9.0)
<b>Net financial items</b>	<b>9.8</b>	<b>4.7</b>	<b>18.5</b>	<b>0.6</b>
<b>Financial - interest expenses</b>				
Interest expenses	(12.9)	(11.9)	(52.4)	(47.4)
Interest rate derivatives - realised	(6.6)	(7.9)	(28.1)	(31.5)
<b>Net financial - interest expenses</b>	<b>(19.4)</b>	<b>(19.7)</b>	<b>(80.5)</b>	<b>(78.9)</b>
<b>Interest rate derivatives - unrealised</b>	<b>26.9</b>	<b>17.4</b>	<b>24.7</b>	<b>23.6</b>
<b>Financial currency</b>				
Net currency gain/(loss)	5.2	15.1	(27.7)	36.2
Currency derivatives - realised	(9.8)	(7.1)	(22.6)	(1.8)
Currency derivatives - unrealised	(8.2)	0.8	32.1	(26.2)
Cross currency derivatives - realised	(18.3)	(0.3)	(19.9)	(11.5)
Cross currency derivatives - unrealised	6.7	(6.5)	27.1	(21.4)
<b>Net financial currency</b>	<b>(24.5)</b>	<b>2.0</b>	<b>(10.9)</b>	<b>(24.9)</b>
<b>Financial derivatives bunkers</b>				
Valuation of bunker hedges	2.4	(3.7)	9.3	(6.3)
Realised portion bunker hedges	(0.3)		(2.2)	
<b>Net financial derivatives bunkers</b>	<b>2.1</b>	<b>(3.7)</b>	<b>7.0</b>	<b>(6.3)</b>
<b>Financial income/(expenses)</b>	<b>(5.2)</b>	<b>0.7</b>	<b>(41.1)</b>	<b>(85.9)</b>
<b>Total net currencies effect</b>				
Net currency gain/(loss) - Operating currency	(0.7)	16.6	(8.5)	28.0
Net currency gain/(loss) - Financial currency	5.8	(1.5)	(19.1)	8.1
Currency derivatives - realised	(9.8)	(7.1)	(22.6)	(1.8)
Currency derivatives - unrealised	(8.2)	0.8	32.1	(26.2)
Cross currency derivatives - realised	(18.3)	(0.3)	(19.9)	(11.5)
Cross currency derivatives - unrealised	6.7	(6.5)	27.1	(21.4)
<b>Net financial currency</b>	<b>(24.5)</b>	<b>2.0</b>	<b>(10.9)</b>	<b>(24.9)</b>
Currency translation differences through other comprehensive income	(11.7)	(19.5)	50.6	(130.7)
<b>Total net currency effect</b>	<b>(36.2)</b>	<b>(17.5)</b>	<b>39.7</b>	<b>(155.6)</b>

### Note 6 - Tax

The effective tax rate for the group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method and tax exempt revenues from tonnage tax regimes.

## Notes - financial report

Joint ventures based on equity method

### Note 7 - Shares

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

A - shares	34 637 092
B - shares	11 866 732
<b>Total shares</b>	<b>46 503 824</b>

Earnings per share taking into consideration the number of outstanding shares in the period. The group acquired 100.000 own A shares during August 2011.

Earnings per share is calculated based on 46 403 824 shares for 2015, and each quarter in 2016.

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

### Note 8 - Available-for-sale financial assets

USD mill	31.12.2016	31.12.2015
<b>Available-for-sale financial assets</b>		
At 1 January	122	131
Acquisition	91	6
Sale during the year	(7)	
Mark to market valuation	4	(1)
Currency translation adjustment	(2)	(14)
<b>Total available-for-sale financial assets</b>	<b>209</b>	<b>122</b>

Available-for-sale financial assets is held in subsidiaries with different functional currencies and thereby creating translation adjustment.

### Note 9 - Paid dividend

Dividend for fiscal year 2014 was NOK 5.00 per share, where 3.00 per share was paid in May 2015 and NOK 2.00 per share was paid in November 2015.

Dividend for fiscal year 2015 was NOK 5.00 per share, where NOK 3.00 per share was paid in May 2016 and NOK 2.00 per share was paid in November 2016.

The proposed dividend for fiscal year 2016 in 2017 is NOK 3.50 per share, payable in the second quarter of 2017.

A decision on this proposal will be taken by the annual general meeting on 27 April 2017. The proposed dividend is not accrued in the year-end balance sheet. The dividend will have effect on retained earnings in second quarter of 2017.

## Notes - financial report

Joint ventures based on equity method

### Note 10 - Interest-bearing debt

USD mill	31.12.2016	31.12.2015
Non current interest-bearing debt	1 418	1 461
Current interest-bearing debt	115	199
<b>Total interest-bearing debt</b>	<b>1 533</b>	<b>1 660</b>
Cash and cash equivalents	296	311
Current financial investments	285	327
<b>Net interest-bearing debt</b>	<b>953</b>	<b>1 022</b>

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 December 2016 (analogous for 31 December 2015).

#### Net interest-bearing debt in joint ventures (the group's share part of investments)

USD mill	31.12.2016	31.12.2015
Non current interest-bearing debt	668	640
Current interest-bearing debt	93	67
<b>Total interest-bearing debt</b>	<b>761</b>	<b>707</b>
Cash and cash equivalents	181	262
<b>Net interest-bearing debt</b>	<b>580</b>	<b>446</b>

#### Specification of interest-bearing debt

USD mill	31.12.2016	31.12.2015
<b>Interest-bearing debt</b>		
Mortgages	886	1 049
Leasing commitments	239	
Bonds	196	270
Bank loan	213	341
<b>Total interest-bearing debt</b>	<b>1 533</b>	<b>1 660</b>

#### Repayment schedule for interest-bearing debt

Due in 2017	115	199
Due in 2018	325	105
Due in 2019	486	302
Due in 2020	83	641
Due in 2021 and later	523	414
<b>Total interest-bearing debt</b>	<b>1 533</b>	<b>1 660</b>

## Notes - financial report

### Joint ventures based on equity method

#### Note 11 - Financial level

USD mill	Level 1	Level 2	Level 3	Total
<b>2016</b>				
<b>Financial assets at fair value</b>				
Equities	100			100
Bonds	185			185
Available-for-sale financial assets	123		86	209
<b>Total financial assets 31.12</b>	<b>408</b>	<b>0</b>	<b>86</b>	<b>494</b>
<b>Financial liabilities at fair value</b>				
Financial derivatives		147		147
<b>Total financial liabilities 31.12</b>	<b>0</b>	<b>147</b>	<b>0</b>	<b>147</b>
<b>2015</b>				
<b>Financial assets at fair value</b>				
Equities	116			116
Bonds	210			210
Financial derivatives		2		2
Available-for-sale financial assets	122			122
<b>Total financial assets 31.12</b>	<b>449</b>	<b>2</b>	<b>0</b>	<b>450</b>
<b>Financial liabilities at fair value</b>				
Financial derivatives		248		248
<b>Total financial liabilities 31.12</b>	<b>0</b>	<b>248</b>	<b>0</b>	<b>248</b>

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 December 2016 are liquid investment grade bonds (analogous for 2015).

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

Joint ventures based on equity method

### Note 12 - Segment reporting: Income statement per operating segments

USD mill	WWASA group			WMS group			Holding & Investments <sup>2</sup>			Eliminations			Total		
	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015	Q4 2016	Q4 2015	Full year 2015
<b>Quarter</b>															
Operating revenue	66	81	313	173	260	998	6	6	21	(5)	(6)	(25)	239	341	1 307
<b>Other income</b>															
Share of profits from joint ventures and associates	(16)	24	(108)	1	2	5	27	2	43				12	28	(60)
Gain on sale of assets			27	59	1	7							59	2	34
<b>Total income</b>	<b>50</b>	<b>106</b>	<b>231</b>	<b>233</b>	<b>263</b>	<b>1 010</b>	<b>33</b>	<b>8</b>	<b>64</b>	<b>(5)</b>	<b>(6)</b>	<b>(25)</b>	<b>310</b>	<b>370</b>	<b>1 281</b>
EBITDA	14	76	104	63	37	138	23		33				100	113	275
Depreciation and impairments	(21)	(20)	(80)	(5)	(5)	(73)			(1)				(26)	(26)	(154)
<b>Operating profit<sup>1</sup></b>	<b>(7)</b>	<b>56</b>	<b>24</b>	<b>59</b>	<b>32</b>	<b>65</b>	<b>23</b>		<b>32</b>				<b>74</b>	<b>88</b>	<b>122</b>
Financial income/(expenses)	5	(8)	(98)	(15)	5	3	5	3	9				(5)	1	(86)
<b>Profit/(loss) before tax</b>	<b>(2)</b>	<b>48</b>	<b>(73)</b>	<b>44</b>	<b>37</b>	<b>69</b>	<b>27</b>	<b>3</b>	<b>41</b>				<b>69</b>	<b>88</b>	<b>36</b>
Tax income/(expense)	(18)	32	33	(6)	7	(16)	1		2				(23)	40	19
<b>Profit/(loss)</b>	<b>(21)</b>	<b>80</b>	<b>(40)</b>	<b>38</b>	<b>45</b>	<b>52</b>	<b>28</b>	<b>3</b>	<b>42</b>				<b>46</b>	<b>128</b>	<b>55</b>
Minority interests	(6)	22	(11)		1	2	6		10				1	23	1
<b>Profit/(loss) to the owners of parent</b>	<b>(15)</b>	<b>59</b>	<b>(29)</b>	<b>38</b>	<b>44</b>	<b>50</b>	<b>22</b>	<b>3</b>	<b>33</b>				<b>45</b>	<b>105</b>	<b>54</b>

USD mill	WWASA group		WMS group		Holding & Investments <sup>2</sup>		Eliminations		Total	
	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015	YTD 2016	YTD 2015
<b>Year to date</b>										
Operating revenue	257	313	862	998	29	21	(23)	(25)	1 125	1 307
<b>Other income</b>										
Share of profits from joint ventures and associates	106	(108)	4	5	77	43	0		187	(60)
Gain on disposals of assets	0	27	62	7	0	0	0		62	34
<b>Total income</b>	<b>363</b>	<b>231</b>	<b>928</b>	<b>1 010</b>	<b>106</b>	<b>64</b>	<b>(23)</b>	<b>(25)</b>	<b>1 374</b>	<b>1 281</b>
EBITDA	233	104	131	138	67	33	0		431	275
Depreciation and impairments	(81)	(80)	(22)	(73)	0	(1)	0		(104)	(154)
<b>Operating profit<sup>1</sup></b>	<b>151</b>	<b>24</b>	<b>108</b>	<b>65</b>	<b>67</b>	<b>32</b>	<b>(0)</b>	<b>(0)</b>	<b>327</b>	<b>122</b>
Financial income/(expenses)	(17)	(98)	(28)	3	4	9			(41)	(86)
<b>Profit/(loss) before tax</b>	<b>134</b>	<b>(73)</b>	<b>80</b>	<b>69</b>	<b>71</b>	<b>41</b>	<b>(0)</b>	<b>(0)</b>	<b>286</b>	<b>36</b>
Tax income/(expense)	(22)	33	(15)	(16)	2	2	0		(35)	19
<b>Profit/(loss)</b>	<b>113</b>	<b>(40)</b>	<b>65</b>	<b>52</b>	<b>73</b>	<b>42</b>	<b>(0)</b>	<b>(0)</b>	<b>251</b>	<b>55</b>
Minority interests	31	(11)	1	2	18	10	0		49	1
<b>Profit/(loss) to the owners of parent</b>	<b>82</b>	<b>(29)</b>	<b>64</b>	<b>50</b>	<b>55</b>	<b>33</b>	<b>(0)</b>	<b>(0)</b>	<b>201</b>	<b>54</b>

<sup>1</sup> Cash settled portion of bunker hedge swaps is included in net operating profit by reduction/(increase) of voyage related expenses.

<sup>2</sup> Holding and Investments includes Wilh. Wilhelmsen Holding ASA, Wilh. Wilhelmsen Holding Invest group and minor activities which fail to meet the definition for other segments.

**Notes - financial report**

Joint ventures based on equity method

Cont note 12 - Segment reporting: Balance sheet per operating segments

USD mill	WWASA group		WMS group		Holding & Investments		Eliminations		Total	
	31.12 2016	31.12 2015	31.12 2016	31.12 2015	31.12 2016	31.12 2015	31.12 2016	31.12 2015	31.12 2016	31.12 2015
<b>Year to date</b>										
<b>Assets</b>										
Deferred tax asset	55	67	15	22	5	3			75	92
Intangible assets	6	6	138	199	0				145	205
Tangible assets	1 879	1 827	166	182	2	2			2 047	2 011
Investments in joint ventures and associates	768	689	13	15	479	412			1 259	1 116
Other non current assets	1	1	108	9	147	131			256	141
Current financial investments	202	242			83	85			285	327
Other current assets	22	24	307	455	7	6	(2)	(3)	333	482
Cash and cash equivalents	81	108	161	181	54	22			296	311
<b>Total assets</b>	<b>3 013</b>	<b>2 963</b>	<b>908</b>	<b>1 063</b>	<b>776</b>	<b>663</b>	<b>(2)</b>	<b>(3)</b>	<b>4 695</b>	<b>4 686</b>
<b>Equity and liabilities</b>										
Equity majority	1 146	959	330	273	514	522			1 990	1 754
Equity minority interests	289	359	(1)	0	214	92			502	452
Deferred tax		1	12	20					12	20
Interest-bearing debt	1 320	1 319	179	307	34	34			1 533	1 660
Other non current liabilities	169	225	120	126	7	7			296	358
Other current liabilities	89	100	267	336	7	7	(2)	(3)	362	441
<b>Total equity and liabilities</b>	<b>3 013</b>	<b>2 963</b>	<b>908</b>	<b>1 063</b>	<b>776</b>	<b>663</b>	<b>(2)</b>	<b>(3)</b>	<b>4 695</b>	<b>4 686</b>



**Notes - financial report**

Joint ventures based on equity method

**Cont note 12 - Segment reporting: Cash flow per segment**

USD mill Quarter	WWASA group		WMS group		Holding & Investments	
	Q4 2016	Q4 2015	Q4 2016	Q4 2015	Q4 2016	Q4 2015
Profit before tax	(2)	48	44	37	27	3
Net financial (income)/expenses	(5)	8	12	(6)	(5)	(9)
Depreciation/impairment	21	20	5	5	0	0
Change in working capital	(26)	(14)	57	(14)	2	2
Share of profit from joint ventures and associates	32	(24)	(1)	(2)	(27)	(2)
Net (gain)/loss from sale of subsidiaries and fixed assets	-	-	(62)	-	-	-
Dividend received from joint ventures and associates	11	8	2	1	2	2
<b>Net cash provided by operating activities</b>	<b>30</b>	<b>46</b>	<b>57</b>	<b>22</b>	<b>(1)</b>	<b>(4)</b>
Net sale/(investments) in fixed assets	(3)	(3)	2	(9)	(1)	-
Net sale/(investments) in entities and segments	-	-	107	(9)	1	(34)
Current financial investments	54	1	0	1	16	3
Net changes in other investments	0	(1)	(23)	9	-	-
<b>Net cash flow from investing activities</b>	<b>51</b>	<b>(3)</b>	<b>87</b>	<b>(9)</b>	<b>16</b>	<b>(31)</b>
Net change of debt	(105)	(30)	(140)	(7)	(2)	3
Net change in other financial items	(46)	(24)	(5)	(2)	(0)	-
Net dividend from other segments/ to shareholders	-	(13)	-	34	(9)	(3)
<b>Net cash flow from financing activities</b>	<b>(151)</b>	<b>(67)</b>	<b>(145)</b>	<b>24</b>	<b>(12)</b>	<b>(1)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(70)</b>	<b>(24)</b>	<b>(1)</b>	<b>37</b>	<b>3</b>	<b>(35)</b>
Cash and cash equivalents at the beg.of the period	150	132	162	144	50	58
<b>Cash and cash equivalents at the end of period</b>	<b>81</b>	<b>108</b>	<b>161</b>	<b>181</b>	<b>54</b>	<b>22</b>

USD mill YTD	WWASA group		WMS group		Holding & Investments	
	2016	2015	2016	2015	2016	2015
Profit before tax	134	(73)	80	69	71	41
Net financial (income)/expenses	17	98	25	(5)	(4)	(15)
Depreciation/impairment	81	80	22	73	-	1
Change in working capital	33	(26)	50	(53)	(9)	(16)
Share of (profit)/ loss from joint ventures and associates	(106)	108	(4)	(5)	(77)	(43)
Net (gain)/loss from sale of associate	-	(26)	(62)	-	-	-
Dividend received from joint ventures and associates	52	33	7	4	13	10
<b>Net cash provided by operating activities</b>	<b>212</b>	<b>194</b>	<b>118</b>	<b>83</b>	<b>(6)</b>	<b>(23)</b>
Net sale/(investments) in fixed assets	(137)	(147)	(25)	(33)	(1)	-
Net sale/(investments) in entities and segments	0	39	107	(7)	(8)	-
Net investment in subsidiaries	0	-	-	-	-	(34)
Current financial investments	43	(32)	2	2	(3)	(4)
Net changes in other investments	(2)	2	(23)	-	-	-
<b>Net cash flow from investing activities</b>	<b>(95)</b>	<b>(138)</b>	<b>61</b>	<b>(38)</b>	<b>(12)</b>	<b>(38)</b>
Net change of debt	(11)	43	(128)	(22)	(2)	-
Net change in other financial items	(115)	(91)	(13)	(12)	(2)	(1)
Net dividend from other segments/ to shareholders	(17)	(41)	(59)	(8)	53	38
<b>Net cash flow from financing activities</b>	<b>(143)</b>	<b>(89)</b>	<b>(200)</b>	<b>(42)</b>	<b>49</b>	<b>37</b>
<b>Net increase in cash and cash equivalents</b>	<b>(27)</b>	<b>(33)</b>	<b>(20)</b>	<b>3</b>	<b>31</b>	<b>(23)</b>
Cash and cash equivalents at the beg.of the period	108	140	181	179	22	46
<b>Cash and cash equivalents at the end of period</b>	<b>81</b>	<b>108</b>	<b>161</b>	<b>181</b>	<b>54</b>	<b>22</b>

## Notes - financial report

### Joint ventures based on equity method

#### Note 13 - Related party transactions

WWH delivers services to the WWASA group. These include primarily human resources, tax, communication, treasury and legal services ("Shared Services") and in-house services such as canteen, post, switchboard, accounting 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, WWASA group and WMS group have several transactions with associates. The contracts governing such transactions are based on commercial market terms and mainly relate to the chartering of vessels on short and long term charters.

#### Note 14 - Restructuring of the group

The demerger of Den Norske Amerikaline AS (owning the 12% shareholding in Hyundai Glovis) from WWASA was effective on 8th June 2016.

The demerged entity named Treasure ASA was listed on the Oslo Stock Exchange on 8th June and is part of the Holding & Investment segment.

All shareholders of WWASA received 1 share in Treasure ASA for every share held in WWASA.

#### Note 15 - Contingencies

##### Update on anti-trust investigations

The ongoing investigations of WWL and EUKOR are confidential. WWASA is therefore not in a position to comment on the ongoing investigations within remaining jurisdictions. The processes are expected to continue to take time, but further clarifications are expected during 2017.

#### Note 16 - Events occurring after the balance sheet date

##### New ownership structure for joint ventures

Wilhelmsen and Wallenius have signed an agreement leading to a new ownership structure for their jointly owned investments in Wallenius Wilhelmsen Logistics, EUKOR Car Carriers and American Roll on Roll off Carrier. The extra ordinary general meetings of the respective companies have approved the proposed merger.

The completion of the merger is pending approval from competition authorities, which is expected during april 2017.

No other material events occurred between the balance sheet date and the date when the accounts were presented providing new information about conditions prevailing on the balance sheet date.

BLANK



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