



# TransAtlantic becomes owner of 100% of Trans Viking

# Summary

## TransAtlantic acquires outstanding shares in Trans Viking

- TransAtlantic acquires the outstanding shares in the JV Trans Viking, which it has together with Norwegian company Kistefos
- Kistefos contributes SEK 150 M to Trans Viking
- Payment will be in the form of newly issued A- and B-shares
- Kistefos becomes new majority owner with just above 50% of the votes and the capital
- The transaction strengthens TransAtlantic's financial position and makes the group structure more transparent
- TransAtlantic's Board of Directors unanimously recommend the shareholders to vote for the transactions.
- TransAtlantic's main shareholders are supportive of the transaction

# Background

## TransAtlantic and Kistefos in cooperation since 1998

- Trans Viking was established in 1998 as a JV between TransAtlantic and Kistefos
- Today the JV's fleet consists of 5 vessels and with 3 vessels in a new building program
- The vessels has mainly operate on offshore assignments in the North Sea
- In 2008 an agreement was made to split the ownership, which fell through due to changed market conditions in 2009
- The parties have kept an ongoing dialogue to find an optimal long-term solution for Trans Viking
- This has led to TransAtlantic's acquisition of Trans Viking

# Rationale

## Increased strength in Arctic offshore

- Offshore/Icebreaking is one of the most important areas in TransAtlantic's strategy
- Safety will gain importance within offshore
- This will lead to increased demand for services offered by Trans Viking
- Trans Viking will strengthen TransAtlantic's already strong position in this segment
- Trans Viking will be coordinated with TransAtlantic's concept for Arctic offshore:
  - TransAtlantic IceMaster
  - TransAtlantic IceAcademy
  - TransAtlantic IceCouncil

# The transaction in brief

## Share based transaction makes Kistefos new main owner

- Payment will be in the form of newly issued A- and B-shares
- Based on the closing price in TransAtlantic during the last 10 days of trading the total consideration is approx. SEK 645M
- Kistefos becomes the majority owner of TransAtlantic with just above 50% of the votes and capital
- The transaction means that one of the two parties currently contributing to the financing of new vessels will disappear
  - Kistefos contributes SEK 150 M in cash to Trans Viking for financing of new vessels

# The transaction in brief

## Shareholders to vote on the issuance in kind in September

- The shareholders will vote on the issuance in kind on an EGM, which is to be held in the end of September
- TransAtlantic's board of directors unanimously recommends the shareholders to approve the issuance in kind to Kistefos
- A proposal for a new Board of Directors will be published in advance of the EGM
- The intention is that Christen Sveaas, owner of Kistefos, will be proposed as Chairman of the Board and that Folke Patriksson will be proposed as vice Chairman
- The transaction is supported by TransAtlantic's main shareholders, Folke Patriksson, Jenny Lindén Urnes and the Ernström Group, together holding approx. 49% of the votes and 23% of the capital before the transaction

# Timing

Beginning of September 2010	Summoning to the Extraordinary General Meeting in TransAtlantic
Middle of September 2010	The information document for the Extraordinary General Meeting is made public
Around September 22, 2010	Extraordinary General Meeting in TransAtlantic
Beginning of October 2010	The Swedish Companies Registration Office registers the issuance in kind and the transaction is completed. Kistefos becomes the new main owner in TransAtlantic
October 28, 2010	Publication of TransAtlantic's interim report for the third quarter of 2010

# Pro forma financial information

## Income statements full year 2009

MSEK	Full year 2009			
	TransAtlantic	Acquired share of Trans Viking	Other effects of the transaction <sup>1</sup>	Pro forma
Net sales	2,284	119	10	2,413
Other operating revenue	3	0		3
Direct voyage costs	-1,116	-8		-1,124
Personnel costs	-648	-45		-693
Other costs	-531	-31		-562
Depreciation/write-downs	-235	-41	-58	-334
<b>Operating result</b>	<b>-243</b>	<b>-6</b>	<b>-48</b>	<b>-297</b>
Net financial items	-33	-6	-2	-41
<b>Profit before tax</b>	<b>-276</b>	<b>-12</b>	<b>-50</b>	<b>-338</b>
Tax on profit/loss for the period	55	0	1	56
<b>Profit for the period</b>	<b>-221</b>	<b>-12</b>	<b>-49</b>	<b>-282</b>
Other total profits	51	0		51
<b>Total profit for the period</b>	<b>-170</b>	<b>-12</b>	<b>-49</b>	<b>-231</b>

1) The effects include depreciations/releases of the revaluations of assets and liabilities that have been made in connection with the preliminary acquisition analysis.

# Pro forma financial information

## Income statements January-June 2010

MSEK	January - June 2010			Pro forma
	TransAtlantic	Acquired share of Trans Viking	Other effects of the transaction <sup>1</sup>	
Net sales	1,161	65	5	1,231
Other operating revenue	0	0		0
Direct voyage costs	-613	-5		-618
Personnel costs	-362	-29		-391
Other costs	-207	-22		-229
Depreciation/write-downs	-77	-21	-29	-127
<b>Operating result</b>	<b>-98</b>	<b>-12</b>	<b>-24</b>	<b>-134</b>
Net financial items	-17	-5	-1	-23
<b>Profit before tax</b>	<b>-115</b>	<b>-17</b>	<b>-25</b>	<b>-157</b>
Tax on profit/loss for the period	156	0	1	157
<b>Profit for the period</b>	<b>41</b>	<b>-17</b>	<b>-24</b>	<b>0</b>
Other total profits	-41	-7		-48
<b>Total profit for the period</b>	<b>0</b>	<b>-24</b>	<b>-24</b>	<b>-48</b>

1) The effects include depreciations/releases of the revaluations of assets and liabilities that have been made in connection with the preliminary acquisition analysis.

# Pro forma financial information

## Balance sheet

MSEK	30/06/2010			
	TransAtlantic	Acquired share of Trans Viking	Other effects of the transaction <sup>1</sup>	Pro forma
Vessels	2,259	1,570	467	4,296
Other tangible fixed assets	81			81
Intangible fixed assets	12			12
Financial assets	87			87
<b>Total non-current assets</b>	<b>2,439</b>	<b>1,570</b>	<b>467</b>	<b>4,476</b>
Current assets	633	312	-7	938
<b>Total assets</b>	<b>3,072</b>	<b>1,882</b>	<b>460</b>	<b>5,414</b>
Shareholder's equity	1,175	981	415	2,571
Long-term liabilities	1,262	889	45	2,196
Current liabilities	635	12		647
<b>Total shareholders' equity and liabilities</b>	<b>3,072</b>	<b>1,882</b>	<b>460</b>	<b>5,414</b>

1) The items include effects at revaluation of assets and liabilities that affects TransAtlantic's holding in Trans Viking.

2) Interest bearing debt amounts to 2,131 MSEK