



## INTERIM REPORT 1 January–30 June 2015

- Result before tax, Q2: SEK 44.0 (42.1) million  
6 months: SEK 72.2 (52.3) million
- EBITDA, Q2: SEK 99.5 (86.5) million  
6 months: SEK 181.7 (138.2) million
- Average income for product tankers (spot),  
Q2: USD 21,800 (10,700) per day  
6 months: USD 20,900 (13,300) per day

### AFTER THE END OF THE REPORTING PERIOD

- At the end of July, the Company took delivery of another chartered suezmax tanker. The charter period is for one year, with an option for another year. Concordia Maritime's position in the vessel corresponds to a 50 percent share.

### Key ratios

	Q2 (Apr–Jun)		6 months (Jan–Jun)		Full year
	2015	2014	2015	2014	2014
Total income, SEK million	204.3	166.2	382.8	301.4	531.2
EBITDA, SEK million	99.5	86.5	181.7	138.2	201.0
EBITDA, USD million	11.8	13.2	21.7	21.2	29.3
Operating result, SEK million	52.3	52.2	91.4	68.1	56.4
Result after tax, SEK million	44.0	40.1	72.2	52.3	8.7
Equity ratio, %	42	44	42	44	42
Growth in equity, %	-2	8	10	8	22
Return on equity, %	2	2	2	2	1
Available liquid funds, including unutilised credit facilities, SEK million	229.5	362.0	229.5	362.0	233.5
Result per share after tax, SEK	0.92	0.84	1.51	1.10	0.18
Equity per share, SEK	36.30	29.26	36.30	29.26	32.99



## PRESIDENT'S OVERVIEW

# Strong quarter, strong market, good positions

Successful fleet dispositions combined with a continuing strong market situation brought a stable second quarter for Concordia Maritime. Overall, we are able to report a profit before tax for the quarter of SEK 44.0 (42.1 – of which vessel sales generated 80) million. Operating cash flow (EBITDA) was SEK 99.5 (86.5 – of which vessel sales generated 80) million, corresponding to USD 11.8 (13.2, of which vessel sales generated 12.2) million.

The seasonal decline that usually characterises the tanker market in the second quarter did not materialise this year and the market remained strong instead. Among the main drivers was the low price of oil, which continued to drive demand for oil and oil products. It is worth noting in this context that a large proportion of the oil appears to be being consumed more or less immediately, i.e. not everything is going to storage. This reduces the risk of a sudden and sharp rebound in demand, which might otherwise occur when the oil industry takes oil from storage rather than importing it.

Turning to our own operations, we have continued to arrange the fleet using the strategy we are now working from. Looking at the product tanker segment, over the last year we have put a lot of effort into analysing the market and then concentrating employment on trades and cargo systems where the P-MAX tankers' unique properties come into their own – trades with specific requirements and conditions. This has been a successful process and it is very encouraging to note that we had essentially all the vessels in the P-MAX fleet employed in this type kind of "niche trade" during the quarter. Three of the six vessels carrying lighter oil products were employed for transportation to and from Australia and New Zealand, with the other three employed between Europe and West Africa. In both cases, the utilisation rate in terms of the vessels' carrying capacity was high, at between 90 and 100 percent. In a market where small differences in the utilisation rate make a big difference in income, this is a positive factor.

At the beginning of the quarter, we took delivery of *Stena Image*, the first of two IMOIIIMAX vessels on order. With them, we are

taking the next step in the evolution of our fleet. The vessels in the IMOIIIMAX series represent the next generation of chemical and product tankers and set a new standard in terms of both bunker consumption and load efficiency. The maiden voyage was from the Far East to Europe with vegetable oil in the tanks. Since delivery, the vessel has been very well received by the market and customers. She is being employed according to plan and has already started to deliver a profit. We are now very much looking forward to delivery of the sister vessel *Stena Important*. The vessel, which will also be employed within Stena Weco's pool, is scheduled for delivery in October.

After the end of the period, in late July, we expanded our fleet with another chartered suezmax tanker. The charter period is for one year, with an option for a further year. As with the existing chartered suezmax tanker, our position in the vessel corresponds to a 50 percent share. The transaction strengthens our presence in the interesting crude oil segment. The segment has performed strongly in the first half of 2015 and we expect the market to remain good in the period ahead.

### Outlook for the second half of 2015

For the remainder of 2015, we expect a continuing robust market. It is likely that there will be some dips, but we do not think they will be as deep and prolonged as in recent years. Our view of the future is therefore the same as before – with generally better markets, a higher proportion of niche trades and more vessels in the fleet, conditions for increased earning capacity are good.

Kim Ullman  
CEO





## Business activities

The second quarter of the year was marked by a continuation of the strong demand for transportation of both crude oil and refined products. For Concordia Maritime, this meant good income for all vessels in the fleet.

### The product tanker fleet

The ten 65,200 dwt P-MAX tankers are the backbone of Concordia Maritime's fleet. During the period, eight of the vessels were employed in the spot market through agreements with Stena Bulk, Stena Weco and ExxonMobil. *Stena Perros* and *Stena President* were employed on time charters with Stena Bulk during the quarter. The contract runs until the end of December 2015. At the beginning of the second quarter, the Company took delivery of the first of two IMOIIIMAX vessels on order, *Stena Image*. She is now employed via the cooperation with Stena Weco and performed entirely according to plan during the period.

Average income for the entire product tanker fleet, spot and TC, during the second quarter was USD 20,700 (12,600) per day. For vessels employed on the spot market, average income for the quarter was USD 22,000 (9,100) for light products and USD 21,100 (12,300) for heavy products.

Looking at the first six months of 2015, the average income for the product tanker fleet was USD 19,900 (14,100) per day. For vessels employed on the spot market, average income for the period was USD 21,000 (11,800) for light products and USD 21,000 (14,800) for heavy products.

### Suezmax

The suezmax tanker *Stena Supreme* (158,000 dwt) is employed on the spot market via Stena Sonangol Suezmax Pool, controlled by Stena Bulk and the Angolan state oil company Sonangol. The pool is a long-time market leader in terms of suezmax tanker income.

The market remained strong during the second quarter. Average income for *Stena Supreme* was USD 39,500 (17,200) per day for the quarter and USD 41,800 (25,200) per day for the first six months of 2015. In addition to *Stena Supreme*, Concordia Maritime also has a position in Stena Bulk's suezmax fleet corresponding to a 50 percent charter of one tanker. This vessel is also employed on the global open market through the Stena Sonangol Suezmax Pool. The contract runs until December 2015.

### Newbuilding program

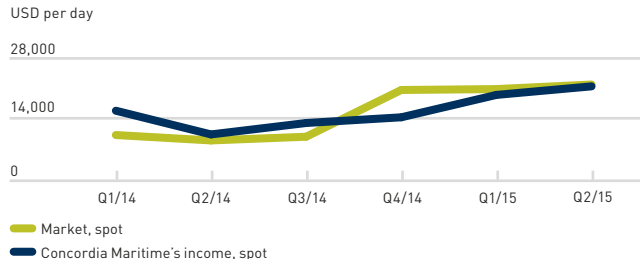
Construction of the second IMOIIIMAX tanker, *Stena Important*, continued according to plan during the quarter. Delivery is scheduled for the fourth quarter of 2015. The two IMOIIIMAX vessels, which are part of a series being designed with Stena Bulk and Stena Weco, are being developed by Stena Teknik and Guangzhou Shipyard International in China.

The orders, which were placed during a low and favourable price situation, are the first step in Concordia Maritime's new investment in the future and an important part of the long-term process of expanding the fleet. The vessels are at the absolute forefront in both energy efficiency and cargo flexibility.

### Repairs and drydock

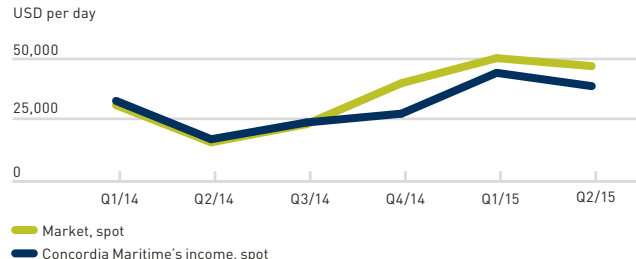
No scheduled five-year drydock was carried out during the quarter. However, maintenance was carried out on *Stena Performance's* tanks, which led to six days' offhire.

### Product tanker fleet's average income (spot)



Source: Clarksons "Average MR Clean Earnings"

### Suezmaxfleet's average income (spot)



Source: Clarksons "Average Suezmax Long Run Historical Earnings"

Income for Concordia Maritime's product tanker fleet for first quarter of 2015 was somewhat lower than the theoretical average income for new contracts in the market. The main reason for this is that Concordia Maritime had certain vessels in the fleet committed to time charters on different occasions towards the end of 2014. When the market then continued to be strong during the first quarter, there was a kind of time lag effect that can arise in new contracts in the case of sharp ups and downs

in the market. The fact that Q2 income for the suezmax fleet was lower than the overall market is largely due to demurrage, i.e., the charge for the time spent in port in excess of the contracted period. In strong markets, the charge is often lower than the expected voyage result. In practice, demurrage therefore pulls down the average income, which is not the case in the theoretical index calculation.

### Income, spot

USD per day	Number of vessels	Average income, Concordia Maritime			Average income, market		
		Q2 2015	Q2 2014	6 months 2015	6 months 2014	Q2 2015	Q2 2014
Product tankers	9	21,800	10,700	20,900	13,300	22,000	9,200
Suezmax	1,5	38,800	17,200	41,800	25,200	46,900	16,000

### EBITDA per quarter

USD millions	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
P-MAX, time charter	0.9	1.3	0.4	0.4	1.6	2.6 <sup>3)</sup>	2.4	4.3
P-MAX, spot	7.5	6.0	4.4	2.2	0.5	3.7	-0.2	2.4
IMOIIIMAX	1.3	—	—	—	—	—	—	—
Panamax	—	—	—	—	11.9 <sup>4)</sup>	1.1	0.9	0.8
Suezmax	3.2	3.7	1.9	1.3	0.6	2.1	0.9	0.8
Admin. and other	-1.1	-1.1	-1.4	-1.1	-1.4	-1.5	-2.6 <sup>2)</sup>	-1.4
<b>Total</b>	<b>11.8<sup>1)</sup></b>	<b>9.9<sup>1)</sup></b>	<b>5.3<sup>1)</sup></b>	<b>2.8<sup>1)</sup></b>	<b>13.2<sup>1)</sup></b>	<b>8.0<sup>1)</sup></b>	<b>1.4</b>	<b>6.9</b>

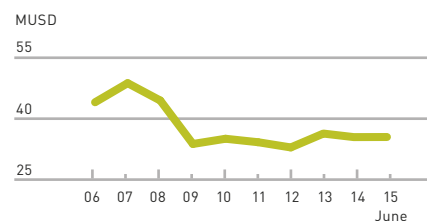
1) The company reports depreciation of drydock as an operating cost. This is SEK 5.7 million for Q2 2015, SEK 5.1 million for Q1 2015, Q1 2015: SEK 5.1 million, Q4 2014: SEK 2.2 million, Q3 2014: SEK 4.4 million, Q2 2014: SEK 3.7 and Q1 2014: SEK 3.4 million.

2) For Q4 2013, CEO termination benefits of USD 1.1 million are included.

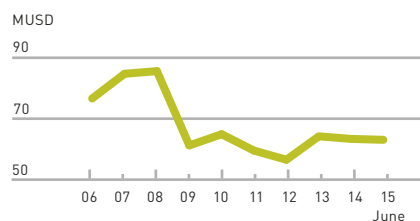
3) Includes one-time payment of USD 1.3 million for redelivery of *Stena Progress*.

4) Includes one-time payment of USD 3.6 million for lost charter income in jointly-controlled entities: *Stena Poseidon* and *Palva*. Includes result from sale of shares in jointly-controlled entities (vessels) of USD 8.6 million.

### Newbuilding prices Product tankers



### Newbuilding prices Suezmax



At the end of June, the price of a standard product tanker was about USD 37 million. The price of an IMOII class MR tanker like our IMOIIIMAX vessels on order was about USD 40 million. This is about 15 percent higher than when we placed our order with the shipyard in 2012. The price of a standard suezmax tanker at the end of the quarter was about USD 65 million.

The charts show the value at the end of each period and refer to standard vessels.

Source: Clarkson



## Financial summary

### Equity

Equity per share was SEK 36.30 (29.26).

### Changes in translation and hedging reserves

The parent company's functional currency is SEK, but the majority of the transactions in the Group are in USD. The Group's result is generated in USD, which means the result in SEK is a direct function of the SEK/USD exchange rate trend. The accumulated exchange differences, which are recognised in equity, amounted to SEK 373.7 (76.9) million. The changes are recognised in equity through OCI.

### Investments

Investments during the quarter amounted to SEK 211.9 (31.1) million. The investments are mainly related to payments for the two IMOIIIMAX vessels.

### Valuation of the fleet

The Group's fleet is assessed on a six-monthly basis to determine whether there is any indication of impairment. The fleet is defined as a cash-generating unit, and an impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value (external valuations) and value in use (future discounted cash flows). Impairment testing of asset values at 30 June 2015 did not indicate any impairment.

### Seasonal variations

At the end of the quarter, two vessels from our fleet of 12.5 vessels (plus one vessels under construction and one position corresponding to 50 percent of a suezmax tanker activated in Q3) were chartered out on fixed contracts and 10.5 were employed on the open market.

This arrangement of the fleet means that income is affected by the seasonal variations that occur in tanker shipping.

### Employees

The number of employees in the Group at 30 June 2015 was 6 (6). The Group employed 450 (394) temporary seagoing employees through Stena Sphere's manning company.

### Financial investments

The bond portfolio was divested on 31 March 2014 and generated a positive earnings impact of SEK 3.8 million.

### Parent company

The parent company's total income for the second quarter amounted to SEK 3.3 (0.4) million. Intragroup invoicing represented SEK 0.0 (0.3) million of this amount. The parent company's result before tax for the period January to June was SEK -21.4 (-26.4) million. The parent company's available liquid funds amounted to SEK 1,564.7 (1,378.0) million, which includes receivables from Group companies in the cash pool and unutilised credit facilities.

### Demand for damages

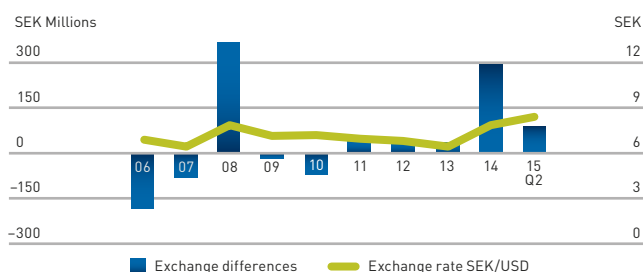
In July 2013, the vessel owner received an application for arbitration for the damage the customer believes the company has caused them in connection with *Stena Primorsk's* grounding in the Hudson River in December 2012 and the Company's decision to stop operating the vessel in this shipping channel. In July 2013, the customer requested that the matter be settled by arbitration in the United States. The vessel owner strongly rejects the claim of approx. USD 21 million and is preparing for arbitration. The case is currently in a discovery phase, which means that both parties' standpoints and demands are being

examined carefully. This phase will be completed during the third quarter of 2015. A possible conciliation procedure may be implemented between the fourth quarter of 2015 and the first quarter of 2016. If the conciliation procedure is not implemented, the process will be handled through arbitration, probably not before the second half of 2016. The Company's fees for legal and similar assistance regarding this matter are charged to the Company's earnings as incurred.

#### Sale of investments in jointly-controlled entities

In the first quarter of 2014, a process was initiated for the sale of *Stena Poseidon* and *Palva*, owned with Neste in jointly-controlled entities. Sales contracts were signed in March 2014 and the two vessels were delivered at the end of April and the beginning of May. Investments in joint ventures were previously accounted for using proportionate consolidation. The result of the sale is classified as "Result from sale of investments in jointly-controlled entities" in the consolidated income statement and cash flow statement.

#### Exchange differences (reported in other comprehensive income)



As a result of the SEK/USD exchange rate, the company's profit in SEK has changed, while profit in USD remains unchanged.

#### Liquidity and financial position

SEK millions	30 June 2015	30 June 2014
Available liquid funds <sup>1)</sup>	229.5	362.0
Interest-bearing liabilities	2,260.8	1,669.0
Equity	1,734.5	1,396.5
Equity ratio, %	42	44

1) Includes unutilised available credit facilities.

#### The Group's total income and earnings

SEK millions	Quarter 2		6 months	
	2015	2014	2015	2014
Total income	204.3	166.2	382.8	301.4
Operating result	52.3	52.2	91.4	68.1
Result after financial items	44.0	42.1	72.2	52.3
Result per share after tax, SEK	0.92	0.84	1.51	1.10

## Other information

#### Related party transactions

Concordia Maritime has a small internal organisation, and purchases services from related-party companies in Stena Sphere, which include Stena Bulk. The latter company conducts tanker business that competes with Concordia Maritime in some respects. Accordingly, there is an agreement, entered into many years ago, which regulates the relationship between the two companies with respect to new business. Under the terms of this agreement, Concordia Maritime has the right to opt for 0, 50 or 100 percent participation in each new transaction.

#### Stena Weco

At the beginning of April 2011, Stena Bulk and the Danish company Weco started a 50-50 joint venture which resulted in a newly established company, Stena Weco, Stena Weco specialises mainly in the transportation of vegetable oils. Under a new agreement with Stena Bulk, Concordia Maritime is entitled to the financial result arising from vessels that may from time to time be chartered in by Stena Weco for a period of more than one year, should Concordia Maritime decide to participate in such charters. Other business generated by Stena Weco is not available to Concordia Maritime.

#### Concordia Maritime purchases services on a regular basis from the Stena Sphere in the following areas

- Vessel charter**  
 Payment is based on a commission of 1.25 percent on freight rates.
- Commission on the purchase and sale of vessels**  
 Payment is based on a commission of 1 percent.
- Operation and manning of the Group's vessels, also referred to as ship management**  
 Payment is based on a fixed price per year and vessel.
- Purchases of bunker oil**  
 Payment is based on a fixed commission per ton purchased.
- Commercial operation, administration, marketing, insurance, technical monitoring and development of Concordia Maritime's fleet**  
 Payment is based on a fixed price per month and vessel. With regard to technical consulting services for newbuild projects, an hourly rate is applied on a cost-plus basis, which is then charged to the project.
- Office rent and office services**  
 A fixed annual price is charged.

All related party transactions are conducted on commercial terms and at market-related prices.



## GROUP

# Income statement, other comprehensive income and per-share data

SEK millions	Quarter 2 2015	Quarter 2 2014	6 months 2015	6 months 2014	Full year 2014
<b>Consolidated income statement</b>					
Average exchange rate SEK/USD	8.42	6.60	8.38	6.53	6.86
Time charter income	24.2	47.5	51.5	90.2	119.4
Spot charter income	180.0	62.5	331.2	155.0	351.2
Result from sale of investments in jointly-controlled entities	0.0	56.1	0.0	56.1	57.4
Other external income	0.0	0.1	0.0	0.1	3.2
<b>Total income</b>	<b>204.3</b>	<b>166.2</b>	<b>382.8</b>	<b>301.4</b>	<b>531.2</b>
Operating costs, ships	-42.7	-34.7	-82.0	-71.0	-137.0
Personnel costs, seagoing	-46.5	-33.1	-86.7	-65.5	-138.0
Other external costs	-11.1	-8.2	-21.4	-17.7	-38.0
Personnel costs, land-based	-4.6	-3.7	-11.0	-9.0	-17.0
Depreciation	-47.1	-34.3	-90.3	-70.1	-144.7
<b>Total operating costs</b>	<b>-152</b>	<b>-114.0</b>	<b>-291.4</b>	<b>-233.3</b>	<b>-474.8</b>
<b>Operating result</b>		<b>52.2</b>		<b>68.1</b>	<b>56.4</b>
Interest and similar income	0.0	0.1	0.0	5.3	5.6
Interest and similar expense	-8.3	-10.2	-19.2	-21.1	-45.4
<b>Financial net</b>	<b>-8.3</b>	<b>-10.1</b>	<b>-19.2</b>	<b>-15.8</b>	<b>-39.8</b>
<b>Result before tax</b>	<b>44.0</b>	<b>42.1</b>	<b>72.2</b>	<b>52.3</b>	<b>16.5</b>
Tax	0.0	-2.0	0.0	0.0	-7.8
<b>Result after tax</b>	<b>44.0</b>	<b>40.1</b>	<b>72.2</b>	<b>52.3</b>	<b>8.7</b>
<b>Other comprehensive income</b>					
Items that have been/can be transferred to result for the period					
Translation differences	-77.2	48.2	84.4	47.5	259.8
Equity hedges	0.0	0.0	0.0	0.0	0.0
Available-for-sale financial assets	0.0	0.0	3.2	-3.2	-3.2
Cash flow hedges, currency-related	0.0	0.0	0.0	0.0	0.0
Cash flow hedges, interest-related	0.0	3.9	0.0	7.6	17.1
Tax attributable to items that have been, or can be, transferred to result for the period	0.0	-0.1	0.0	0.0	0.0
<b>Comprehensive income for the period</b>	<b>-33.2</b>	<b>92.1</b>	<b>159.8</b>	<b>104.2</b>	<b>282.4</b>
<b>Per-share data, SEK</b>					
Number of shares	47,729,798	47,729,798	47,729,798	47,729,798	47,729,798
Result per share, before/after dilution	0.92	0.84	1.51	1.10	0.18
Equity per share, SEK	36.34	29.26	36.34	29.26	32.99

## GROUP

# Condensed balance sheet

SEK millions	30 Jun 2015	30 Jun 2014	31 Dec 2014
Closing exchange rate SEK/USD	8.24	6.74	7.81
<b>Assets</b>			
Ships and equipment	3,527.9	2,769.6	3,129.7
Ships under construction	124.2	130.8	205.8
Financial assets	0.1	8.5	0.8
<b>Total non-current assets</b>	<b>3,652.2</b>	<b>2,908.9</b>	<b>3,336.3</b>
Current receivables	315.9	173.7	242.9
Short-term investments	0.0	0.0	0.0
Cash and bank balances	137.2	94.2	136.6
<b>Total current assets</b>	<b>453.1</b>	<b>267.9</b>	<b>379.5</b>
<b>Total assets</b>	<b>4,105.3</b>	<b>3,176.8</b>	<b>3,715.8</b>
<b>Equity and liabilities</b>			
Equity	1,734.5	1,396.5	1,574.7
Non-current liabilities	2,021.5	1,647.4	2,013.9
Current liabilities	349.3	132.9	127.2
<b>Total equity and liabilities</b>	<b>4,105.3</b>	<b>3,176.8</b>	<b>3,715.8</b>

## Changes in equity

SEK millions	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total
<b>Changes Jan–Jun 2015</b>							
Opening balance 01.01.2015	381.8	61.9	289.3	-3.2	0.0	844.9	1,574.7
Comprehensive income for the period			84.4	3.2	0.0	72.2	159.8
<b>Closing balance 30.06.2015</b>	<b>381.8</b>	<b>61.9</b>	<b>373.7</b>	<b>0.0</b>	<b>0.0</b>	<b>917.1</b>	<b>1,734.5</b>
<b>Changes Jan–Jun 2014</b>							
Opening balance 01.01.2014	381.8	61.9	29.4	-20.3	3.2	836.3	1,292.3
Comprehensive income for the period			47.5	7.6	-3.2	52.3	104.2
<b>Closing balance 30.06.2014</b>	<b>381.8</b>	<b>61.9</b>	<b>76.9</b>	<b>-12.7</b>	<b>0.0</b>	<b>888.6</b>	<b>1,396.5</b>



## GROUP

# Condensed cash flow statement

SEK millions	Quarter 2 2015	Quarter 2 2014	6 months 2015	6 months 2014	Full year 2014
<b>Operating activities</b>					
Result before tax	44.0	42.1	72.2	52.3	16.5
Adjustments:					
Depreciation	52.8	38.0	101.2	77.2	150.5
Result from sale of securities	0.0	-0.1	0.0	-3.9	-4.0
Result from sale of investments in jointly-controlled entities	0.0	-56.1	0.0	-56.1	-58.9
Other items	-35.9	-2.0	-25.3	-5.5	17.7
<b>Cash flow from operating activities before changes in working capital</b>	<b>60.8</b>	<b>21.9</b>	<b>148.0</b>	<b>64.0</b>	<b>121.8</b>
Changes in working capital	-5.6	16.4	-16.1	25.3	-36.2
<b>Cash flow from operating activities</b>	<b>55.2</b>	<b>38.3</b>	<b>131.9</b>	<b>89.3</b>	<b>85.6</b>
<b>Investing activities</b>					
Investment in non-current assets	-211.9	-26.0	-237.8	-31.1	-87.9
Investment in financial assets	0.0	0.0	0.0	0.0	0.0
Sale of financial assets	0.0	85.3	0.0	85.9	90.2
Sale of investments in jointly-controlled entities	0.0	226.2	0.0	226.2	237.6
<b>Cash flow from investing activities</b>	<b>-211.9</b>	<b>285.5</b>	<b>-237.8</b>	<b>281.0</b>	<b>239.9</b>
<b>Financing activities</b>					
New loans	217.8	0.0	217.8	12.9	117.2
Amortisation of loans	-104	-362.5	-104	-398.3	-434.9
Dividend to shareholders	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>113.8</b>	<b>-362.5</b>	<b>113.8</b>	<b>-385.4</b>	<b>-317.7</b>
Cash flow for the period	-42.9	-38.7	7.9	-15.1	7.8
Balance at beginning of period (Note 1)	201.4	129.6	136.6	106.0	106.0
Exchange differences (Note 2)	-21.5	3.3	-7.5	3.3	22.8
<b>Balance at end of period (Note 1)</b>	<b>137.2</b>	<b>94.2</b>	<b>137.2</b>	<b>94.2</b>	<b>136.6</b>
Note 1. Consists of cash, bank balances and credit facility					
Note 2. Exchange differences attributable to:					
Cash and cash equivalents at beginning of year	0.0	0.0	0.0	0.0	0.0
Cash flow for the period	-21.5	3.3	-7.5	3.3	22.8
	<b>-21.5</b>	<b>3.3</b>	<b>-7.5</b>	<b>3.3</b>	<b>22.8</b>

# Quarterly overview

SEK millions	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
<b>Profit/loss items</b>								
Total income	204.3	178.4	125.7	104.0	166.2	135.2	95.7	125.4
Operating costs excluding impairment	-152.0	-139.4	-123.6	-117.9	-114.0	-119.3	-122.7	-116.2
Operating result (EBIT)	52.3	39.0	2.2	-13.9	52.2	15.9	-27.0	9.2
of which result from sale of investments in jointly-controlled entities (vessels)	—	—	—	—	56.1	—	—	—
Financial net	-8.3	-10.9	-14.9	-9.2	-10.1	-5.7	-8.0	-10.3
Result after financial net	44.0	28.1	-12.7	-23.1	42.1	10.2	-35.0	-1.1
Result after tax	44.0	28.1	-16.6	-27.0	40.1	12.2	-30.8	0.6
Cash flow from operating activities	55.2	87.0	34.0	23.8	21.9	42.1	13.2	28.3
EBITDA	99.5	82.2	40.5	22.3	86.5	51.7	9.2	45.5
<b>Balance-sheet items</b>								
Ships (number)	3,527.9 (12)	3,415.1 (11)	3,129.7 (11)	2,944.9 (11)	2,769.6 (11)	2,708.6 (12)	2,915.6 (12)	2,905.4 (12)
Ships under construction (number)	124.2 (1)	243.4 (2)	205.8 (2)	142.0 (2)	130.8 (2)	102.0 (2)	100.5 (2)	75.1 (2)
Liquid funds incl. investments	137.1	201.4	136.6	71.4	94.2	211.8	187.7	215.0
Other assets	315	267.5	243.7	261.6	182.2	364.6	202.7	185.6
Interest-bearing liabilities	2,260.8	2,250.7	2,038.9	1,792.2	1,669.0	1,970.6	1,994.0	1,959.9
Other liabilities and provisions	109.3	109.2	102.2	152.7	111.3	112.0	120.2	120.9
Equity	1,734.5	1,767.6	1,574.7	1,474.9	1,396.5	1,304.4	1,292.3	1,300.3
Total assets	4,105.3	4,127.5	3,715.8	3,419.8	3,176.8	3,387.0	3,406.5	3,381.1
<b>Key ratios, %</b>								
Equity ratio	42	43	42	43	44	39	38	38
Return on total capital	2	2	2	1	0	2	-3	1
Return on capital employed	2	2	2	1	0	2	-3	1
Return on equity	2	2	1	0	0	1	-9	1
Operating margin	25	22	2	-13	31	12	-28	7
<b>Share data</b>								
Total income	4.28	3.71	2.63	2.18	3.48	2.83	2.00	2.63
Operating costs excluding impairment	3.18	-2.92	-2.59	-2.47	-2.39	-2.50	-2.57	-2.43
Operating result before impairment	1.10	0.82	0.05	-0.29	1.09	0.33	-0.57	0.19
Financial net	-0.17	-0.23	-0.31	-0.19	-0.21	-0.12	-0.17	-0.22
Result after tax	0.92	0.59	-0.48	-0.57	0.84	0.26	-0.64	0.01
Cash flow	1.16	1.82	-5.76	0.50	0.46	0.88	0.28	0.59
EBITDA	2.08	1.72	0.85	0.47	1.81	1.08	0.19	0.95
Equity	36.34	37.03	32.99	30.90	29.26	27.33	27.07	27.24

Please note that there has been no dilution effect since 2002.  
Definitions: see page 12

## PARENT COMPANY

# Condensed income statement and balance sheet

SEK millions	6 months 2015	6 months 2014
Net sales	8.2	0.4
Other external costs	-7.5	-8.1
Personnel expenses	-8.5	-7.1
<b>Operating result</b>	<b>-7.7</b>	<b>-14.8</b>
Result from subsidiaries		
Other interest and similar income	7.6	6.3
Interest and similar expense	-21.2	-17.9
<b>Result before tax</b>	<b>-21.4</b>	<b>-26.4</b>
Tax	0	0.0
<b>Result for the period</b>	<b>-21.4</b>	<b>-26.4</b>

SEK millions	30/06/2015	30/06/2014
<b>Assets</b>		
Ships and equipment	0.1	0.1
Financial assets	36.0	34.3
Investments in Group companies	745.8	745.8
<b>Total non-current assets</b>	<b>781.8</b>	<b>780.2</b>
Current receivables	11.1	2.5
Receivables from Group companies	1,375.2	1,168.7
Cash and bank balances	112.8	50.4
<b>Total current assets</b>	<b>1,499.5</b>	<b>1,221.6</b>
<b>Total assets</b>	<b>2,281.3</b>	<b>2,001.8</b>
<b>Equity and liabilities</b>		
Equity	515.3	577.4
Non-current liabilities	1,759.3	1,416.0
Current liabilities	6.7	8.4
<b>Total equity and liabilities</b>	<b>2,281.3</b>	<b>2,001.8</b>
Pledged assets	82.4	67.4
Contingent liabilities <sup>1)</sup>	316.4	280.4

1) The parent company has provided a guarantee for a subsidiary, which relates to vessel financing.

The Concordia Maritime Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group applies the same accounting policies and calculation methods in the quarterly reports as in the annual report for 2013, in addition to those described in this report.

The Group's interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

The report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act. The Board of Directors and CEO confirm that the six-monthly report provides a true and fair overview of the operations, financial position and performance of the parent company and Group, and describes material risks and uncertainties faced by the parent company and Group companies.

Gothenburg, 13 August 2015

Carl-Johan Hagman  
*Chairman*

Stefan Brocker  
*Deputy Chairman*

Daniel Holmgren

Mats Jansson

Helena Levander

Mahmoud Sifaf

Jörgen Lorén

Michael G:son Löw

Morten Chr. Mo

Dan Sten Olsson

Kim Ullman  
*CEO*



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## Calendar

Q3 Interim report 11 November 2015  
Year-end 28 January 2016

## Risks

For a description of risks and uncertainties, see Concordia Maritime's 2014 Annual Report or visit [www.concordiamaritime.com](http://www.concordiamaritime.com)

**Distribution** Our quarterly reports are no longer being printed for environmental reasons, but are only published digitally. Concordia Maritime's interim reports as well as additional financial information about the Company can be read or downloaded at our website [www.concordiamaritime.com/en/investor-relations](http://www.concordiamaritime.com/en/investor-relations)

The information in this report is information that Concordia Maritime is required to disclose in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was made public on 13 August 2015, at approx. 2.30 p.m.

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## Fleet at 30/06/2015

		Employment	Partner/customer
<b>P-MAX</b>	Stena Premium	Spot (light)	Stena Weco
	Stena Polaris	Spot (light)	Stena Weco
	Stena Performance	Spot (light)	Stena Weco
	Stena Provence	Spot (light)	Stena Weco
	Stena Progress	Spot (light)	Stena Weco
	Stena Paris	Spot (light)	Stena Weco
	Stena Primorsk	Spot (heavy)	Concordia Maritime/Stena Bulk Pool
	Stena Penguin	Spot (heavy)	Concordia Maritime/Stena Bulk Pool
	Stena Perros	Time charter to Jan 2016 (heavy)	Concordia Maritime/Stena Bulk Pool
	Stena President	Time charter to Jan 2016 (heavy)	Concordia Maritime/Stena Bulk Pool
<b>Suezmax</b>	Stena Supreme	Spot	Stena Sonangol Suezmax Pool
	Unnamed vessel <sup>1)</sup>	Spot	Stena Sonangol Suezmax Pool
	Unnamed vessel <sup>2)</sup>	Spot Delivery 21 July	Stena Sonangol Suezmax Pool
<b>IMOIMAX</b>	Stena Image	Spot (light)	Stena Weco
	Stena Important	Delivery Oct 2015	Stena Weco

## Accounting policies

This interim financial report in summary for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and relevant provisions of the Swedish Annual Accounts Act. The interim report for the parent company has been

prepared in accordance with chapter 9 of the Swedish Annual Accounts Act. For the Group and parent company, the same accounting principles and computation methods have been applied as in the most recent annual report.<sup>3)</sup> The report has not been reviewed by the Company's auditors.

## Definitions

**Cash flow from operating activities** Result after financial net plus depreciation minus tax paid (cash flow before change in working capital and investments and before effect of ship sales).

**Return on equity** Result after taxes an average of the last twelve months expressed as a percentage of average equity on a 12-month rolling basis.

**Return on total capital** Result after financial net plus finance costs as an average of the last twelve months expressed as a percentage of average total assets on a 12-month rolling basis.

**Return on capital employed** Result after financial net plus finance costs as an average of the last twelve months expressed as a percentage of average capital employed on a 12-month rolling basis. Capital employed refers to total assets minus non-interest-bearing liabilities, including deferred tax liability.

**Equity ratio** Equity as a percentage of total assets.

**Spot charter (open market)** Hiring of vessels on a voyage-by-voyage basis.

**Time charter** Hiring of vessels for a specified period at a fixed rate.

1) 50% charter December 2014–December 2015.

2) 50% charter July 2015–June 2016.

3) No new or revised IFRS recommendations or IFRIC interpretations have had any material effect on the Group's or parent company's financial position, results or disclosures.