Press release, February 21, 2006
from ***Rederi AB Transatlantic*** *(publubl)*

YEAR-END REPORT 2005

Strong full-year results despite fourth-quarter disruptions

- ***Transatlantic was formed during the year through the merger of B&N Nordsjöfrakt and Gorthon Lines. A new operative structure and organization were established. The new brand and a new profile were introduced. The Dry Cargo division was divested and the Group's performance is focused on the continued development of its divisions, Transatlantic Services, European Services and Icebreaking/Offshore.***

- ***The full-year results imply a significant improvement compared with pro forma results for the preceding year, confirming earlier forecasts. Net profit was SEK 314 M (98).***

- ***The offshore market remained strong and earnings improved during the fourth quarter, while the trend of earnings for European Services was somewhat weaker than in the preceding year.***

- ***During the year, Transatlantic services were adversely affected by the industrial action in Finland, the volume decline for paper and, particularly during the fourth quarter, by operational disruptions on vessels.***

- ***The Group's operating profit for the fourth quarter amounted to SEK 5 M (total in the preceding year SEK 31 M, and for comparable units, SEK 17 M). Net earnings for the quarter after restructuring and merger items, and before tax, amounted to a loss of SEK 15 M (profit: 25).***

- ***The consolidated financial position improved significantly.***

- ***A dividend of SEK 1.00 per share has been proposed, as well as a bonus dividend of SEK 1.00 per share. In addition, it is proposed that a repurchase for shareto be introduced.***

- ***Consolidated operating profit for 2006 is expected to improve compared with the 2005 results.***

- ***Results for January–December 2005*** *(Sales and income values for 2005, including The Dry Cargo division that was divested during the year. Pro forma for preceding year in parentheses)*
  Net revenue: SEK 2,481 M (2,652)
  Operating profit: SEK 123 M (103)
  Profit before tax: SEK 337 M (97); Earnings per share: SEK 10.90 (3.10)
  Profit after current tax: SEK 336 M (98); Earnings per share: SEK 10.90 (3.20)
  Profit after full tax: SEK 314 M (98); Earnings per share: SEK 10.20 (3.20)

  On December 31, 2005, shareholders' equity per share amounted to SEK 36,80 (24.80 pro forma at end of 2004)
  The equity/assets ratio at the end of the period was 40% (26% at December 31, 2004).

Transatlantic's operations, goals and strategy

Rederi AB Transatlantic was formed at the beginning of 2005 as a result of the merger of B&N Nordsjöfrakt AB and Gorthon Lines AB.

Transatlantic conducts shipping operations, focused on industrial shipping, in an organization that, after the divestment of the Dry Cargo operations, comprises three divisions: Transatlantic Services, European Services and Icebreaking/Offshore. Transatlantic and European Services specialize in contract shipping, primarily for the forest products and steel industries. The operations of the Icebreaking/Offshore division are based on combination vessels on long-term contracts and guaranteed income from icebreaking, in addition to other deployment, mainly for rig-relocation in the offshore market.

Transatlantic's business concept is to market, develop and deliver the market's most efficient transport solutions in close and active cooperation with customers.

Transatlantic's goal is to be the market leader in its segments, with profitability that generates a favorable return for the company's shareholders. The goal is a return of 12% on shareholders' equity and an equity/assets ratio that does not fall below 30%.

Transatlantic's Board of Directors has established the Group's strategy for the next few years. In particular, this emphasizes growth and sustainable profitability within the framework of the organization that the Group now has after the divestment of the dry cargo operations. Growth will be achieved both organically and through acquisitions. The Group is also very open toward the development of various partnerships aimed at broadening operations or implementing various investments and projects.

The ambitions for growth will require investments in new tonnage and replacement tonnage. These include all divisions and will be conducted without jeopardizing the Group's financial targets. It also means that the Group's tonnage requirements will partly be resolved through charter contracts and by external investors becoming wholly or partly involved in the fleet operated by the Group.

The strategy for and development of the Group place major demands on quality, safety and the environment, as well as awareness of customer demands and a willingness to change.

General developments in 2005

The 2005 fiscal year was characterized by extensive activity in Transatlantic. The merger of B&N Nordsjöfrakt and Gorthon Lines was concluded, while a new operating structure and organization were established for the resulting combined operation. A new brand and a new profile were introduced, and an extensive training program was launched to establish the Group’s vision, goals and strategies, as well as common values.

The divestment of the Group’s Dry Cargo division resulted in a substantial injection of liquid funds, placing the Group in a position to improve its financial structure. Interest-bearing liabilities were reduced through additional amortization of loans, while the Group’s loan portfolio was renegotiated. As a result also of changes in ownership and the leasing of tonnage, the financial key ratios and the Group’s liquid funds developed favorably.

Having modified its operational and financial platform, the Group is now in a position to improve its profitability and continue its expansion in accordance with the plans established during the year by the Board of Directors of the Group.

In line with previously announced forecasts, consolidated earnings for the year imply an improvement over pro forma earnings for 2004. The earnings scenario was negatively impacted, however, by a number of disruptions in the fourth quarter, among which the breakdown of a number of older vessels and volume reductions for paper contributed to the weak earnings reported for the quarter.
Measures have been taken to reduce risk exposure referring to older vessels, while the volume of paper products has risen steadily during the first part of 2006.

General developments during the fourth quarter

The period was characterized by continued strength in the shipping economy. Demand in Transatlantic’s segment was mixed, including ongoing strength in the markets for Offshore and European Services, while Transatlantic Services were affected negatively by significant disruptions in the transport of newsprint from Canada to Europe.

- In the Transatlantic Services division, the volume of newsprint from Canada declined mainly because one large supplier temporarily halted its deliveries to Northern Europe. The division was also negatively affected by heavy costs resulting from the breakdown of several of the division’s older vessels during the period.
  Earnings deteriorated significantly compared with the corresponding period in the preceding year.

- In the European Services division, the trend in scheduled services was slightly weaker than in the preceding year, while bulk operations improved. Scheduled traffic for forest products developed according to plan.

- Within Icebreaking/Offshore, demand for tonnage was favorable, although this period is usually seasonally the weakest in the year. Earnings improved significantly compared with the preceding year.

The Group's operating profit for the third quarter amounted to SEK 5 M (31). The figure for the preceding year includes SEK 14 M pertaining to the Dry Cargo division, which was divested during the second quarter of 2005.

During the period, the special merger item relating to the reversal of negative goodwill in accordance with IFRS was negatively affected by a total of SEK 20 M, which is attributable to final reconciliation of merger balances. The amount is primarily attributable to adjustment of vessel values.

Independent, external vessel assessments and completed impairment tests indicate considerable surplus value in the Group's fleet of vessels.

Consolidated earnings for full-year 2005

The Group's net revenue for full-year 2005 declined due partly to the divestment of the Dry Cargo division and partly to the drop in volume resulting from the labor market conflict in Finland and to declining deliveries of Canadian newsprint in the fourth quarter. Consolidated net revenue totaled SEK 2,481 M (2,652).

Operating profit before restructuring items improved by SEK 20 M and amounted to SEK 123 M (103).

Operating profit pro forma, excluding the divested Dry Cargo division, improved by SEK 53 M to SEK 100 M (47).

The Group's pretax profit amounted to SEK 337 M (97). Profit was positively affected by restructuring items in a net amount of SEK 160 M and a reversal (in accordance with IFRS) of negative goodwill in an amount of SEK 54 M in conjunction with the merger of B&N and Gorthon Lines .
Earnings per share after current tax amounted to SEK 10.90 (3.20).

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Group	October - December		Full year	
SEK M (2004 pro forma) incl. minority shares	**2005**	2004	**2005**	2004
Net revenue	**626**	722	**2 481**	2 652
Profit before capital costs (EBITDA)	**61**	79	**595**	332
Operating profit	**5**	38	**408**	157
Profit before tax	**-15**	25	**337**	97
Profit margin	***-2,4%***	*3,5%*	***13,6%***	*3,7%*
Profit before tax by business area				
Transatlantic Services	**-21**	2	**0**	25
European Services	**9**	11	**34**	39
Icebreaking/Offshore	**20**	8	**89**	9
Dry Cargo (*divested)*	**--**	14	**23**	56
Group-wide	**-3**	-4	**-23**	-26
Total operating profit	**5**	31	**123**	103
Restructuring items	**0**	-6	**160**	-6
Reversal of negative goodwill in conjunction with merger	**-20**	--	**54**	--
Profit before tax	**-15**	25	**337**	97
Current tax	-1	0	**-1**	1
Deferred tax	-11	23	**-22**	0
Profit after current tax	**-16**	25	**336**	98
Profit after full tax	**-27**	48	**314**	98
SEK per share (2004 pro forma)				
Operating profit after current tax	**0,10**	1,00	**4,00**	3,40
Profit after current tax	**-0,50**	0,80	**10,90**	3,20
Profit after full tax	**-0,90**	1,60	**10,20**	3,20

Results by division

Transatlantic Services

The Transatlantic Services division, operated by the wholly owned subsidiary Transatlantic Services, comprises three units that cooperate on tonnage and customer contracts with the aim of increasing capacity utilization and capitalizing on identified synergies.

The division's profit for the full year developed less well than expected, and significantly less well than the profit potential that had been identified for the operations. The division's profit for the full year period amounted to SEK 0 M (25). The decline, which occurred primarily in the fourth quarter, consists mainly of the following factors:

- Weather conditions in North America during the year were unusually severe, resulting in major delays that impacted the entire traffic system. Hurricanes Rita and Katrina also had a negative effect on the transport system.
- The impact of the extensive labor market conflict in Finland was not limited to the period of the actual conflict, in the second quarter, but also led to ongoing disruptions during the second half of the year as well.

- In Canada, cut-backs in news print production reduced volumes eastbound to Europe, which affected the second half of the year, particularly the fourth quarter. The decline in the volume of export goods to the US also affected operations in the second half of the year.
- A number of ship breakdowns in the older tonnage created major additional costs in the form of repairs, production deficits and reallocation of the fleet, as well as a need to lease compensatory tonnage.
- High costs for bunker oil and rising USD interest rates.

The trend in LoLo traffic was strong during the year, and the volume of transported goods increased. The vessel Sandön was delivered during the year, which will permit higher volumes. Despite disruptions in connection with the conflict in the Finnish forest industry, the negative impact of high costs for bunker oil and severe weather conditions in Canada, the unit's earnings improved.

The aforementioned production disruptions had a particularly unfavorable effect on RoRo traffic, resulting in a serious decline in earnings compared with the preceding year. Production cut-backs in Canada and reductions in the volume of export goods are believed to be of a temporary nature and volume availability is expected to gradually improve in 2006, which should also cause a gradual increase in profitability and earnings during the current year. Intensified effort is under way to achieve an increased, balanced flow of contracts and cargo.

As a result of the numerous breakdowns in the older tonnage, critical repairs were performed, which in itself creates the conditions for better functioning traffic. Contracts were also signed to sell a number of the division's older vessels, and discussions are under way regarding the divestment of others. The divested vessels will be leased back for a limited period until they are replaced with new, more efficient tonnage. This will reduce the risk to the division of costs for future breakdowns.

The situation as regards demand for 2006 is strong and to meet it, as previously announced, three of the newer vessels will be extended during the first quarter in of 2006, entailing an increase in capacity of 20% per vessel. To further increase total effectiveness, the number of harbors served will also be reduced.

Overall, this means that the extremely weak result, particularly at the end fo 2005, has ben tackled by a number of measures and that a successive earnings improvement is forecast for the division in 2006.

Transatlantic Services	October - December		Full year	
SEK M (2004 pro forma)	**2005**	2004	**2005**	2004
Net revenue	**184**	280	**806**	993
Profit after net financial items	**-21**	2	**0**	25
Profit margin	***-11.4%***	*0.7%*	***0.0%***	*2.5%*

European Services

The operations conducted by the subsidiary Transatlantic European Services comprise scheduled container traffic to the UK and Germany and contract-based small bulk traffic within Europe. In terms of reporting, there is also a unit for European system traffic for forest products.

In scheduled traffic, volume availability and capacity utilization were satisfactory and the cargo balance gradually improved. However, services were affected by heavy costs for leased tonnage, which were immediately offset by corresponding increases in freight charges. Accordingly, full-year earnings for scheduled traffic declined compared with the preceding year.

In order to secure access to strategic tonnage for scheduled traffic, and to reduce and better control future tonnage costs, vessels and shares in vessels were acquired during the year. In response to increased demand for container transport to and from the UK, capacity was increased beginning at year-end, and Helsingborg is now a port of call to better serve southern Sweden. The division has also entered into market cooperation with Schenker AB.

During the year, the trend for contract-based bulk traffic was strong, having benefited from a strong cargo market. During the autumn, the division increased its ownership of the two new bulk vessels Andromeda and Capricorn. Earnings from bulk traffic were favorable and in line with the preceding year.

In terms of its operations, scheduled traffic for forest products developed somewhat less well than planned. During 2006, the three NETSS vessels, which are built by Aker Finnyard in Finland, will be delivered, which will mean an increase in scheduled traffic. In this connection, the Transatlantic Services division's new container line, the TransLumi Line, will start operating between Northern Finland and Germany via Gothenburg. In establishing this traffic, Transatlantic is continuing to pursue its strategy of developing system transport for the forest products industry in the Baltic Sea area. The line, which is expected to be fully established in 2007, is believed to have strong future prospects as regards volume growth and earnings contributions.
The division's profit for the full year amounted to SEK 34 M (39). In view of the market situation and the measures taken to increase the division's cost-effectiveness and strengthen its market position, earnings for the current year are expected to improve compared with 2005.

European Services	October - December		Full year	
SEK M (2004 pro forma)	**2005**	2004	**2005**	2004
Net revenue	**193**	181	**747**	699
Profit after net financial items	**9**	11	**34**	39
Profit margin	***4.7%***	*6.1%*	***4.6%***	*5.6%*

Icebreaking/Offshore

Operations are conducted through the Norwegian joint-venture company TransViking, in which Transatlantic owns 50%.

As a result of a high price for oil and increased prospecting and recovery in the North Sea, demand for tonnage in the offshore sector rose sharply, in a marked departure from the relatively weak offshore market of recent years. Behind the strong trend, which is expected to continue in the next few years, lies increased solid global demand for energy and oil. There is substantial future potential in the arctic regions, creating new development and business opportunities for the Transatlantic Icebreaking and Offshore division.

In 2005, capacity utilization for the division's three combination vessels rose. Cargo rates increased significantly, rising by nearly 90% compared with 2004.
As a result of this, the division's profit improved to SEK 89 M (9), enabling it to exceed the record earnings achieved in 2001.

The year 2006 began according to plan. Discussion of alternative expansion strategies is under way. The demand scenario for the next few years is expected to be favorable, implying that the division is expecting to continue to report strong earnings.

Icebreaking/Offshore	October - December		Full year	
SEK M (2004 pro forma)	**2005**	2004	**2005**	2004
Net revenue	**42**	28	**162**	78
Profit after net financial items	**20**	8	**89**	9
Profit margin	***47.6%***	*28.6%*	***54.9%***	*11.5%*

Dry Cargo

The Dry Cargo division was divested during the second quarter and therefore does not affect the consolidated earnings for the second half of the year.
Profit for the full year amounted to SEK 23 M (56).

Dry Cargo	October - December		Full year	
SEK M (2004 pro forma)	**2005**	2004	**2005**	2004
Net revenue	**--**	145	**154**	459
Profit after net financial items	**--**	14	**23**	56
Profit margin	**--**	*9.7%*	***14.9%***	*12.2%*

Central Group organization

The central Group organization comprises management and the Production support function, as well as central administration and financial management. This comprises vessel management, which is responsible for the Group's fleet, as well as assignments for external vessel-owners. These are responsible for all operating costs, and Transatlantic charges actual operating expenses incurred and fees for the external vessels.
The primary motive for accepting external assignments is to achieve economies of scale for shipboard employees and for the comprehensive purchases undertaken for the Group's fleet of vessels.

Groupwide expenses amounted to a loss of SEK 23 M (loss: 26).

Groupwide	October - December		Full year	
SEK M (2004 pro forma)	**2005**	2004	**2005**	2004
Net revenue	**207**	88	**612**	423
Profit after net financial items	**-3**	-4	**-23**	-26

Restructuring items and reversal of negative goodwill

Restructuring items booked for the first quarter mainly comprise profits from the divestment of the Dry Cargo division and net contributions from sale of vessels undertaken. The European Services division's Dutch-based bulk vessel operations were reorganized and partly phased out, and the limited cost for classification as a restructuring item.

There was an impact of SEK 54 M on consolidated earnings as a result of the new IFRS rules. Negative goodwill, which occurred in the Group as a result of the merger with Gorthon Lines in March, was dissolved and added to shareholders' equity over the income statement. The calculation carried out in connection with the merger, which is based on a calculation of the fair value of assets and liabilities included in the merger, was adjusted as a result of the final reconciliation of the valuation conditions at the time of the merger.

Restructuring and merger items	October - December		Full year	
Profit after net financial items	**2005**	2004	**2005**	2004
Restructuring items	**0**	-6	**160**	-6
Merger item/rev. of negative goodwill	**-20**	--	**54**	--

Corporate tax

As in earlier years, the tax payable is marginal. Accordingly, corporate tax consists to a decisive degree of deferred tax. The low amount of tax payable is attributable to the fact that the Group's operations are partly conducted in countries where taxation is based on tonnage tax or similar tax management and that the depreciation regulations in Sweden make it possible to postpone payable tax. A proposal for at new Swedish tonnage tax is being discussed and reviewed and this is expected to implemented in 2006. Tonnage taxation implies harmonization with most other EU countries and a low annual fee would be charged for current tonnage instead of direct, profit-based taxation. The existing, deferred tax liability can then be dissolved and added to shareholders' equity.

Investments and divestments, financial position and IRFS

Net investments after deductions for loan financing amounted to SEK 147 M (27) and pertained to delivery of a new vessel, the Sandön (intended for Transatlantic operations) during the first quarter and acquisition of the Swing during the third quarter. The Swing was previously leased in on a long-term basis for European operations and consolidated as a financial lease and, consequently, the acquisition has only a minimum effect on the consolidated balance sheet and income statement.

During the third quarter, additional ownership was acquired in the Andromeda, Capricorn, Odin and Frej vessels through share purchases in shipping partnerships. These share acquisitions mean that a deciding influence has been gained in the shipping partnerships and that the consolidation principle was changed from the proportional method to the companies being included as subsidiaries in accordance with the acquisition method. The Group's total assets thus increased by approximately SEK 165 M, of which about SEK 55 M was attributable to minority interests.

During the year, the Forte, Largo, Marine and the Corner Brook vessels were divested, as was the Transbulk (Dry Cargo division) subsidiary. In terms of liquidity, these divestments generated a total of approximately SEK 225 M for the Group and reduced the Group's total assets by about SEK 140 M.

In conjunction with the impending extension work on the Finn class vessels, the Finnwood, Finnpine and Sandön vessels were divested during the fourth quarter and subsequently been leased back for an extended contract period.

At the end of December, the Group's total assets amounted to SEK 2,870 M, while shareholders' equity totaled to SEK 1,135 M, corresponding to SEK 36.80 per share. The equity/assets ratio was strengthened considerably during the year, amounting at year-end to 40% (26% at December 31, 2004). This was also reflected in the improvement of the debt/equity ratio from 188% at year-end 2004 to 71% at year-end 2005. Independent valuations of the fleet of vessels and completed impairment tests indicate satisfactory differentials in relation to the book value of the vessels.

In view of the Group's strengthened liquidity after the merger and divestments, the loan portfolio was reduced through extra amortization, while the terms for remaining loans were improved through refinancing. After amortization carried out after the close of the first quarter, the Group's interest-bearing loans were reduced by approximately SEK 640 M to SEK 1,104 M.

The Group's disposable liquid assets, including unutilized lines of credit, amounted to SEK 313 M at the end of the period (SEK 257 M at December 31, 2004).

At the end of December the Group's booked shareholders' equity totaled SEK 1,135 M, corresponding to SEK 36.80 per share, an increase of SEK 371 M or SEK 12,00 per share since the end of 2004. Minority interest in shareholders' equity amounted to SEK 55 M, corresponding to SEK 1.80 per share.

This report was prepared in accordance with the IFRS rules, which apply to listed companies as of 2005. The consequences of IFRS adaptation for the Transatlantic Group are presented in a special section of the financial report on the following pages. The effect on the Group is limited and is attributable to IAS 39, which refers to reporting of financial instruments.

Financial position

SEK M at end of period (2004 pro forma)	**2005**	2004
Total assets	**2 858**	2 957
Shareholders' equity	**1 135**	764
Equity/assets ratio	***40%***	*26%*
Net debt/equity ratio	**799**	1 439
Debt/equity ratio	***71%***	*188%*
Closing cash and cash equivalents	296	239
SEK per share (2004 pro forma)		
Shareholders' equity incl. minority interests	36,80	24,80

Parent Company

The Parent Company's operations comprise the Group operations and Groupwide expenses and central financial items.

Net revenues in the Parent Company amounted to SEK 181 M (91) for the quarter and SEK 726 M (397) for the full year. Net earnings amounted to a loss of SEK 7 M (65) for the quarter and a loss of SEK 28 M (profit: 58) for the full year. Total assets at the end of the period amounted to SEK 1,284 M (SEK 790 M at December 31, 2004).

At the end of the period, the Parent Company's liquid assets amounted to SEK 237 M (SEK 53 M at December 31, 2004). Investments made during the year totaled SEK 9 M (11) and were mainly attributable to the building of a vessel. The Parent Company's accounts were prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR 32, Reporting for Legal Entities.

Events after the close of the period

- The older vessels, the M/S Toftön and the M/S Margit Gorthon, were divested and leased back for a period of 2-4 years, with an option to extend the period. The transaction has no significant effect on earning, but generates a liquidity contribution of approximately SEK 70 M. An agreement in principle regarding the sale of the Joh. Gorthon and Acacia vessels was reached and the transaction is expected to be closed during recent months. Additional, somewhat older vessels, may be sold during the current year.

- The Transatlantic Services division augmented its cooperation with the StoraEnso Group as regards the operation and development of a new transport system for forest products in the Baltic Sea. The system, which also encompasses significant container volumes for overseas destinations, will start operating in 2006, becoming fully established in 2007.

- As a result of the new cooperation with StoraEnso, Transatlantic Services established a subsidiary, TransLumi Line AB, which is expected to make a favorable contribution to the earnings of the European Services division as early as in the current year.

- The scheduled traffic of the European Services division to the UK was increased through the addition of more ships and establishment of Helsingborg as a port of call. At the same time, market cooperation was launched with the Schenker Group, aimed primarily at the UK market.

Outlook for 2006

The market situation and the demand for tonnage within the Transatlantic Services segment are expected to be favorable in 2006. The price trend in relevant segments is expected to be favorable compared with the preceding year. Several measures have been taken to enhance efficiency and improve the company's market position in its various divisions, which are expected to gradually contribute to a favorable earnings trend and that the Group's operating profit for 2006 is expected to be better than the result for 2005. The ongoing extension of the three Finn vessels will generate improved contributions to earnings to Transatlantic Services, but the divison's earnings are negatively affected during the building period.

Dividend

The Board of Directors proposes that the no change be made to the dividend of SEK 1.00 per share paid to shareholders. A bonus dividend of SEK 1.00 per share is also proposed.

The proposed dividend is motivated by reference to the strong trend of the consolidated earnings and the fact that the Board feels shareholders should be allowed to participate in the year’s extraordinary revenues, consisting mainly of proceeds from the divestment of the Dry Cargo division. The proposal should also been viewed in light of the Group’s financial position, which was considerably strengthened during the year.

In addition, it is proposed that a repurchase program for shares to be introduced.

Financial reports 2006

First quarter 2006:	April 26
Second quarter 2006:	August 17
Third quarter 2006:	October 26

Annual General Meeting

The Annual General Meeting will be held on April 26 and a special notice will be published prior to the meeting.

Skärhamn, February 21, 2006

Rederi AB Transatlantic (publ)

Board of Directors

For further information, please contact President, Håkan Larsson, or
Executive Vice President, Hans Carlweitz,
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The Financial Report for the period January - December 2005, are presented in two separate sections. One with comparative data pro forma, and one with comparative data for the previous B&N Nordsjöfarkt Group (which is required according to IFRS standards).

PRO FORMA COMPARATIVE DATA FOR THE TRANSATLANTIC GROUP

The merged group hereby presents its consolidated accounts from January 1, 2005.
It should be noted that the pro forma comparative data below for the preceding year do not necessarily reflect the result or the financial position that Gorthon Lines and B&N would have had together if they had conducted their operations as a single unit in 2004.

Consolidated income statement

	October - December		January -December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Net sales	**626**	722	**2 481**	2 652
Other operating revenue [1)]	**-10**	-2	**246**	8
Personnel costs	**-166**	-136	**-628**	-586
Other expenses	**-390**	-503	**-1 505**	-1 741
Income from participation in associated companies	**0**	-1	**0**	0
Depreciation / write-downs	**-55**	-42	**-186**	-176
Operating profit/loss	**5**	38	**408**	157
Net financial items	**-20**	-13	**-71**	-60
Profit/loss before tax	**-15**	25	**337**	97
Tax on profit/loss for the period	**-12**	23	**-23**	1
PROFIT/LOSS FOR THE PERIOD [2, 3)]	**-27**	48	**314**	98
Attributable to:				
Shareholders of the parent company	**-31**	48	**308**	97
Minority interests in subsidiaries	**4**	0	**6**	1
PROFIT/LOSS FOR THE PERIOD	**-27**	48	**314**	98

1) The amount for October - December includes the effect of the merger (dissolving negative goodwill) of SEK -20 M (-), and for January - December 2005 SEK 54 M (-).
2) The amount include for October - December capital gains from the sale of vessels and subsidiary totaling SEK 0 M (-6), and for January - December 2005 SEK 160 M (-6).
3) Profit from the division "Dry Cargo", which was sold during 2005, are included with SEK 23 M (35).

Net sales by business area

	October - December		January -December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Transatlantic Services	**184**	280	**806**	993
European Services	**193**	181	**747**	699
Icebreaking/Offshore	**42**	28	**162**	78
Dry Cargo	**0**	145	**154**	459
TOTAL - BUSINESS OPERATIONS	**419**	634	**1 869**	2 229
Joint Group resources	**207**	88	**612**	423
TOTAL NET SALES	**626**	722	**2 481**	2 652

Profit/loss after financial items per business area

	October - December		January -December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Transatlantic Services	**-21**	2	**0**	25
European Services	**9**	11	**34**	39
Icebreaking/Offshore	**20**	8	**89**	9
Dry Cargo	**0**	14	**23**	56
TOTAL - BUSINESS OPERATIONS	**8**	35	**146**	129
Joint Group resources	**-3**	-4	**-23**	-26
OPERATING PROFIT BEFORE TAX	**5**	31	**123**	103
Restructuring items	**0**	-6	**160**	-6
Dissolving negative goodwilll	**-20**	-	**54**	-
PROFIT BEFORE TAX	**-15**	25	**337**	97
Attributable to:				
Shareholders of the parent company	**-19**	25	**331**	96
Minority interests in subsidiaries	**4**	0	**6**	1

Consolidated balance sheet

	Dec 31.	
All amounts in SEK M	**2005**	2004
Fixed assets [1)]	**2 115**	2 413
Current assets	**755**	544
TOTAL ASSETS [2)]	**2 870**	2 957
Shareholders' equity [3)]	**1 135**	764
Long-term liabilities [4)]	**1 273**	1 789
Current liabilities [4)]	**462**	404
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**2 870**	2 957

1) Amount includes goodwill of SEK 1 M (1).

2) Balance has during year been reduced by sales of subsidiary by SEK 165 M (-).

3) Minority interests are included with SEK 55 M (1).

4) The total of the Group's long- and short-term interest-bearing liabilities amounts to SEK 1,104 M (1,683).

Consolidated cash-flow statement in brief

	October - December		January -December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Cash flow from operating activities	**48**	0	**304**	145
Investing activities	**593**	10	**703**	-257
Financing activities	**-611**	-38	**-932**	63
Dividend	**-**	-	**-31**	-18
Change in liquid funds	**30**	-28	**44**	-67
LIQUID FUNDS AT END OF PERIOD [1)]	**296**	239	**296**	239

1) Liquid funds, excluding utilized overdraft facility, of SEK 305 M (244) are included in the balance sheet among current assets.

The cash-flow statement's "liquid funds at end of period" comprise liquid funds, including utilized overdraft facility of SEK -9 M (-5).

Data per share

All amounts in SEK	October - December 2005	2004	January -December 2005	2004
Earnings before capital expenses (EBITDA)	**2.0**	2.6	**19.3**	10.8
Earnings before interest expenses (EBIT)	**0.3**	1.3	**13.4**	5.3
Profit after current tax	**-0.5**	0.8	**10.9**	3.2
Profit after full tax	**-0.8**	1.6	**10.2**	3.2
Shareholders' equity at end of period	**36.8**	n/a	**36.8**	24.8
Cash flow from operating activities	**1.9**	4.0	**9.7**	10.7
Total cash flow	**0.9**	-1.6	**1.4**	-2.2
Number of shares (´000) at end of period	**30 858**	30 858	**30 858**	30 858

Key data

		October - December 2005	2004	January -December 2005	2004
Earnings before capital expenses (EBITDA)	SEK M	**61**	79	**595**	332
Earnings before interest expenses (EBIT)	SEK M	**10**	40	**414**	163
Shareholders' equity	SEK M	**1 135**	n/a	**1 135**	764
Net interestbearing debts [1)]	SEK M	**799**	n/a	**799**	1 439
Operating cash flow [2, 3)]	SEK M	**60**	118	**300**	324
Total cash flow	SEK M	**30**	-48	**44**	-67
Return on capital employed [3)]	%	**5.1**	n/a	**15.6**	7.4
Return on shareholders' equity [3)]	%	**-0.2**	n/a	**27.4**	12.7
Interest-coverage ratio	multiple	**3.2**	n/a	**7.1**	5.1
Equity/assets ratio	%	**40**	n/a	**40**	26
Debt/equity ratio	%	**71**	n/a	**71**	188
Profit margin [3)]	%	**0.7**	3.5	**11.4**	3.7

1) Interestbearing debts deducted with cash and bank balances.

2) Operating cash flow = Earnings after net financial items adjusted for capital gains/losses, depreciation according to plan and write-downs.

3) The calculation does not include the dissolution of negative goodwill in conjunction with the merger.

This interim report has been prepared in accordance with IAS 34.
Special shipping (B&N Viking Icebreaking & Offshore) is reported in accordance with the proportional method.
The new accounting principles to be applied from 2005 are described separately in the 2004 Annual Report.

This pro forma report has not been audited.

The information below has been prepared in accordance with the IFRS standards that apply as of January 1, 2005 for listed companies. The comparative data have also been recalculated in accordance with these standards, except for IAS 39, which is applied from January 1, 2005. Since new standards and recommendations may be added during the year, the figures for 2005 are to be regarded as preliminary until the 2005 Annual Report is published. The comperative data is reflecting the previous B&N Group. There are tables on following page that present the impact of the introduction of IFRS on shareholders' equity and earnings. In addition, more information is included in Note 32 of the B&N Group's Annual Report regarding the effects of the introduction of IFRS.

Consolidated income statement

	October - December		January - December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Net sales	**626**	520	**2 481**	1 995
Other operating revenue [1)]	**-10**	0	**246**	8
Personnel costs	**-166**	-120	**-628**	-479
Other costs	**-390**	-354	**-1 505**	-1 338
Income from participations in associated companies	**0**	0	**0**	5
Depreciation / write-downs	**-55**	-21	**-186**	-85
Operating profit/loss	**5**	25	**408**	106
Net financial items	**-20**	-9	**-71**	-42
Profit/loss before tax	**-15**	16	**337**	64
Tax on profit/loss for the period [2)]	**-12**	7	**-23**	-7
PROFIT/LOSS FOR THE PERIOD [3, 4)]	**-27**	23	**314**	57
Attributable to:				
Shareholders of the parent company	**-31**	23	**308**	56
Minority interests in subsidiaries	**4**	0	**6**	1
PROFIT/LOSS FOR THE PERIOD	**-27**	23	**314**	57

1) The amount for October - December includes the effect of the merger (dissolving negative goodwill) of SEK -20 M (-), and for January - December 2005 SEK 54 M (-).

2) The tax expense for the period comprises deferred tax for the period.

3) The amount include for October - December capital gains from the sale of vessels and subsidiary totaling SEK 0 M (-6), and for January - December 2005 SEK 160 M (-6).

4) Profit from the division "Dry Cargo", which was sold during 2005, are included with SEK 23 M (35).

Net sales by area of operation

	October - December		January - December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Transatlantic Services	**184**	93	**806**	391
European Services	**193**	166	**747**	644
Icebreaking/Offshore	**42**	28	**162**	78
Dry cargo	**0**	145	**154**	459
TOTAL - BUSINESS OPERATIONS	**419**	432	**1 869**	1 572
Joint group resources	**207**	88	**612**	423
TOTAL NET SALES	**626**	520	**2 481**	1 995

Profit/loss after financial items per business area

All amounts in SEK M	October - December 2005	October - December 2004	January - December 2005	January - December 2004
Transatlantic Services [1)]	**-21**	-1	**0**	13
European Services	**9**	6	**34**	19
Icebreaking/Offshore	**20**	8	**89**	9
Dry Cargo	**0**	14	**23**	56
TOTAL - BUSINESS OPERATIONS	**8**	27	**146**	97
Joint group resources	**-3**	-5	**-23**	-27
OPERATING PROFIT AFTER FINANCIAL ITEMS	**5**	22	**123**	70
Restructuring items	**0**	-6	**160**	-6
Dissolving negative goodwill	**-20**	-	**54**	-
PROFIT BEFORE TAX	**-15**	16	**337**	64
Attributable to:				
Shareholders of the parent company	**-19**	16	**331**	63
Minority interests in subsidiaries	**4**	0	**6**	1

1) Includes participation in earnings after tax from Gorthon Lines of SEK 0 M for Oct - Dec 2004, SEK 4 M for Jan - Dec 2004.

Consolidated balance sheet

All amounts in SEK M	Dec 31. 2005	Dec 31. 2004
Vessels	**1 994**	1 205
Other tangible fixed assets	**46**	92
Intangible fixed assets[1)]	**11**	5
Financial assets	**64**	192
Total fixed assets	**2 115**	1 494
Current assets	**755**	324
TOTAL ASSETS [2)]	**2 870**	1 818
Shareholders' equity [3)]	**1 135**	445
Long-term liabilities [4)]	**1 273**	1 011
Current liabilities [4)]	**462**	362
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**2 870**	1 818

1) Amount includes goodwill of SEK 1 M (1).

2) Balance has during year been reduced by sales of subsidiary by 165 M (-).

3) Minority interests are included with SEK 55 M (1).

3) The total of the Group's long- and short-term interest-bearing liabilities amounts to SEK 1,104 M (1,061).

Pledged assets	**1 472**	1 849
Contingent liabilities	**8**	8

Consolidated cash-flow statement

	October - December		January - December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Cash flow from operating activities before change in working capital	**58**	25	**286**	127
Change in working capital	**-10**	2	**18**	-31
Cash flow from operating activities	**48**	27	**304**	96
Investing activities	**593**	-27	**842**	-24
Financing activities	**-611**	-4	**-932**	-58
Dividend	**-**	-	**-31**	-
Change in liquid funds	**30**	-4	**183**	14
Liquid funds at beginning of period	**263**	106	**100**	88
Exchange-rate difference in liquid funds	**3**	-2	**13**	-2
LIQUID FUNDS AT END OF PERIOD 1)	**296**	100	**296**	100

1) Liquid funds, excluding utilized overdraft facility, of SEK 305 M (105) are included in the balance sheet among current assets.
The cash-flow statement's "liquid funds at end of period" comprise liquid funds, including utilized overdraft facility of SEK -9 M (-5).

Consolidated shareholders' equity

	October - December		January - December	
All amounts in SEK M	**2005**	2004	**2005**	2004
Shareholders' equity at beginning of period	**1 149**	441	**445**	393
Effect of change in accounting principle IFRS 39	**-**	-	**19**	-
Dividend	**-**	-	**-31**	-
New share issue (in conjunction with merger)	**-**	-	**282**	-
Translation differences / cash flow hedges	**10**	-19	**52**	-6
Profit/loss for the period	**-27**	23	**314**	57
Change in minority interests	**3**	0	**54**	1
SHAREHOLDERS' EQUITY AT END OF PERIOD 1)	**1 135**	445	**1 135**	445

There are no warrants or other equity instruments in B&N.

1) Shareholders' equity includes minority interests of SEK 55 M (1)

Data per share

	October - December		January - December	
All amounts in SEK	**2005**	2004	**2005**	2004
Earnings before capital expenses (EBITDA)	**2.0**	2.3	**19.3**	9.9
earnings before interest expenses (EBIT)	**0.3**	1.4	**13.4**	5.7
Profit after current tax	**-0.5**	0.9	**10.9**	3.3
Profit after full tax	**-0.8**	1.0	**10.2**	2.8
Shareholders' equity at end of period	**36.8**	23.3	**36.8**	23.3
Operating cash flow	**1.9**	2.0	**9.7**	8.0
Total cash flow	**0.9**	0.0	**5.9**	1.0
Number of shares (´000) at end of period	**30 858**	19 119	**30 858**	19 119
Average number of shares (´000)	**30 858**	19 119	**30 858**	18 967

Key data

		October - December		January - December	
		2005	2004	**2005**	2004
Earnings before capital expenses (EBITDA)	SEK M	**61**	47	**595**	191
Earnings before interest expenses (EBIT)	SEK M	**10**	26	**414**	108
Shareholders' equity	SEK M	**1 135**	445	**1 135**	445
Net interestbearing debts 1)	SEK M	**799**	956	**799**	956
Operating cash flow 2)	SEK M	**60**	36	**300**	149
Total cash flow	SEK M	**30**	-4	**183**	14
Return on capital employed 3)	%	**5.1**	6.7	**19.6**	6.5
Return on shareholders' equity 3)	%	**-0.2**	20.8	**32.9**	12.5
Interest-coverage ratio	TIMES	**3.2**	4.7	**7.1**	4.3
Equity/assets ratio	%	**40**	25	**40**	25
Debt/equity ratio	%	**71**	215	**71**	215
Profit margin 3)	%	**0.7**	3.1	**11.4**	3.1

1) Interestbearing debts deducted with cash and bank balances. 2) Operating cash flow = Earnings after net financial items adjusted for capital gains/losses, depreciation according to plan and write-downs. 3) The calculation does not include the dissolution of negative goodwill in conjunction with the merger.

Effect of transition to IFRS

	October - December	January - December
All amounts in SEK M	2004	2004
EFFECT ON CONSOLIDATED EARNINGS		
Earnings according to earlier principle	13	53
Consequence of adaptation to IFRS	1	4
Earnings in accordance with IFRS	14	57

All amounts in SEK M	Jan 1. 2005	Dec 31. 2004	Jan 1. 2004
EFFECT ON CONSOLIDATED SHAREHOLDERS' EQUITY			
Shareholders' equity in accordance with earlier principle	445	444	390
Consequence of adaptation to IFRS 1)	19	1	3
Shareholders' equity in accordance with IFRS	464	445	393

1) This change is mainly attributable to IAS 39.

This interim report has been prepared in accordance with IAS 34.
Special shipping (B&N Viking Icebreaking & Offshore) is reported in accordance with the proportional method.
The new accounting principles to be applied from 2005 are described separately in the 2004 Annual Report.

This report has not been audited.