SWEDISH ORIENT LINE

Press Release 13 August, 2001
from Svenska Orient Linien AB (publ)

INTERIM REPORT
January – June, 2001

Sharp improvement in result following restructuring of business operations.
Profit in line with forecast:

- ***Profit after tax for the first six months MSEK 6 (–29), excluding surplus funds from Alecta***
- ***All business areas now showing a profit***
- ***Sharply improved liquidity and 30% equity/assets ratio***

Operations

Increased international trade and higher demands on more efficient transportation are two factors that benefit shipping and a niche-oriented shipping company such as Swedish Orient Line (SOL).

SOL's core business is liner shipping between the Nordic countries and the Mediterranean. Since 1 October, 2000, this service has been operated via a joint venture, SolNiver Lines, with SOL holding 60% of the shares. This service is based on four RoRo vessels, which are chartered from SOL and supplemented by chartered tonnage when the need arises. In addition to being the general agent for SolNiver Lines in Scandinavia, the Baltic States and the UK, SOL is also the agent for Pol-Levant Shipping Lines, which also operates liner traffic between the Nordic countries and the Mediterranean. SolNiver Lines has a traffic collaboration agreement with Pol-Levant Shipping Lines.

SOL also operates a container service between the Nordic countries and southern Africa and carries out liner agencies operations for traffic to and from West Africa as well as international project assignments.

With 90 years of experience and close cooperation with its customers, SOL has professional know-how in shipping, which also represents a potential for continued development.

Consolidated Result

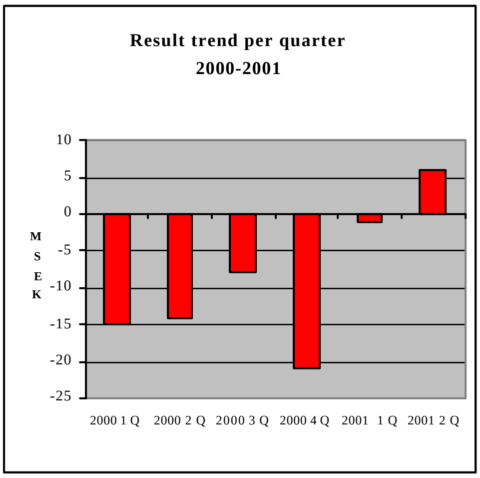
The consolidated result continued to improve during the second quarter with a profit of MSEK 7 (-14). This improvement was mainly accounted for by the liner service between the Nordic countries and the Mediterranean and is a consequence of the restructuring of the business operations.

The profit for the first half of the year was thus MSEK 6, which is a MSEK 35 improvement over the result for the same period in 2000, excluding surplus funds received from Alecta.

Cargo volumes in the liner service to and from the Mediterranean continued to increase during the second quarter. Together with higher freight rates and a higher SEK/USD exchange rate, this means that shipping sales, in comparable terms, were 35% higher than during the equivalent period, last year. However, only a portion of this increase can be seen in the consolidated income statement since SolNiver Lines is consolidated proportionally and the revenues for the RoRo vessels are partly in the form of time-charter hire.

Swedish Orient Line's sale and charter-back of the four RoRo vessels, which took place at the end of last year, have resulted in lower overall costs for the vessels. Another consequence of this is that all the vessel costs are now shown as an operating cost, which means that consolidated depreciation has decreased sharply at the same time as a positive net financial result has arisen due to the fact that all the ship loans were repaid during the last quarter of 2000.

The container service between the Nordic countries and South Africa and the international project assignments also recorded sharply increased cargo volumes together with substantially higher profits.



The diagram shows the profit/loss after the net financial result, excluding capital gains and non-recurring items

Financial Position

The equity/assets ratio in the Group was 30% compared with 31% on 31 December, 2000.

On 30 June, consolidated liquid funds, including investments and unutilised credit facilities, amounted to MSEK 49 compared with MSEK 33 at the end of last year. During the first half of the year, MSEK 5 was repaid by Alecta to cover the pension premiums for the early retirement of employees at the end of last year. In addition, unutilised credit facilities have been increased by MSEK 7. Investments during the period amounted to MSEK 1 (2).

Parent Company

The Parent Company's sales amounted to MSEK 68 (0). The operating result before depreciation was MSEK 0 (-6) and the result before allocations and tax was MSEK 0 (-10). Total assets were MSEK 94 (191).

Liquid funds, including investments and unutilised credit facilities, totalled MSEK 23 (31-12-2000: MSEK 13).

Extraordinary General Meeting

It has not been possible to register the resolutions passed at the annual general meeting concerning share consolidation and the reduction of the share capital. In order to make this possible, the board has decided to convene an extraordinary general meeting at which it will propose the necessary issue of 6 new shares so that the total number of shares can be evenly divided by ten as well as an option program for the employees.

Prospects for 2001

Exports from the Nordic countries to SOL's traffic areas are expected to remain at a satisfactory level during the year. This, together with the restructuring of SOL's business activities, will provide the necessary conditions for efficient operation and, thus, continued profitability in the long term.

Assuming that the situation in the Middle East does not deteriorate still further, in line with the forecast presented earlier, a profit is anticipated for the second half of the year despite the fact that SOL's business operations are negatively affected by seasonal variations during this period with smaller northbound cargo flows from the Mediterranean.

Next Financial Report

The Interim Report for January–September will be published on Monday, 29 October, 2001.

Gothenburg, 13 August, 2001.

SVENSKA ORIENT LINIEN AB (publ)
Board of Directors

Consolidated income statement

All figures in MSEK		**2001**	2000	**2001**	2000	2000
		1/4-30/6	1/4-30/6	**1/1-30/6**	1/1-30/6	1/1-31/12
Operating income		**166**	119	**273**	225	486
Operating expenses		**-152**	-110	**-255**	-208	-459
Administrative expenses		**-8**	-9	**-13**	-17	-34
Non-recurring items						
Restructuring expenses		**-**	-	**-**	-	-14
Alecta		**-**	17	**-**	17	17
Sale/write-down of fixed assets		**1**	-	**1**	-	4
OPERATING RESULT BEFORE DEPRECIATION		**7**	17	**6**	17	-
Depreciation		**-0**	-7	**-1**	-15	-26
OPERATING RESULT AFTER DEPRECIATION		**7**	10	**5**	2	-26
Financial net		**0**	-7	**1**	-14	-25
RESULT AFTER FINANCIAL NET		**7**	3	**6**	-12	-51
Tax		**-**	-	**-**	-	-
RESULT FOR THE PERIOD		**7**	3	**6**	-12	-51
Result per share	SEK	**0.14**	0.06	**0.12**	-0.24	-1.03
Number of shares	thousand	**49 720**	49 720	**49 720**	49 720	49 720

Consolidated balance sheet

All figures in MSEK	**2001**	2000	2000
	June	June	Dec.
Tangible fixed assets	**6**	355	6
Intangible fixed assets	**9**	11	15
Current assets	**2**	7	4
Current receivables	**86**	114	64
Liquid funds	**29**	7	20
TOTAL ASSETS	**132**	494	109
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	**39**	74	33
Provisions	**2**	1	2
Long-term liabilities	**4**	291	5
Current liabilities	**87**	128	69
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**132**	494	109

Change in consolidated shareholders' equity

All figures in MSEK	**2001**	2000	2000
	June	June	Dec.
OPENING BALANCE	**33**	62	59
New share issue	**-**	24	27
Conversion difference	**-**	-	-2
Result for the period	**6**	-12	-51
CLOSING BALANCE	**39**	74	33

Key ratios and per-share data

		2001 1/1-30/6	2000 1/1-30/6	2000 1/1-31/12
Equity/assets ratio	*%*	**30**	15	30
Return on capital employed	*%*	**neg**	neg.	neg.
Return on shareholders' equity	*%*	**neg**	neg.	neg.
Shareholders' equity per share	*Kr*	**0.78**	1.50	0.66
Result per share	*Kr*	**0.12**	-0.24	-1.03
Operating cash flow per share	*Kr*	**0.12**	0.06	-0.49
Number of shares	*thousand*	**49 720**	49 720	49 720

All key ratios, where appropriate, are based on a rolling 12-month period.

Consolidated cash-flow analysis

All figures in MSEK	**2001 1/1-30/6**	2000 1/1-30/6	2000 1/1-31/12
Operating result	**6**	3	-26
Adjustment for items not included in the cash flow	**-1**	-	-8
CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL	**5**	3	-34
Change in working capital	**5**	-41	-23
CASH FLOW FROM OPERATIONS	**10**	-38	-57
CASH FLOW FROM INVESTMENT ACTIVITIES	**0**	45	498
CASH FLOW FROM FINANCIAL ACTIVITIES	**-1**	-26	-447
CHANGE IN LIQUID FUNDS	**9**	-19	-6
Liquid funds at beginning of period	**20**	26	26
Liquid funds at end of period	**29**	7	20

This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's Recommendation no. 20. The same accounting principles have been used as in the previous year.

This report has not been examined by the company's auditors.

For further information, please contact Kent Flodberg, President, or
Catarina Mikkelä Reinink, Vice President, Finance, Svenska Orient Linien AB,
phone +46 31-64 54 00 or e-mail: info@sollines.se