



SWEDISH ORIENT LINE

Pressrelease, 4 May, 2000
from Swedish Orient Line

REPORT FROM ANNUAL GENERAL MEETING

President's speech at the Meeting

In his speech, Kent Flodberg, President, commented on the improved conditions for the development of SOL's liner shipping operations following the winding up of its reefer shipping operation, the completed new issue of shares and new owners. These conditions will be utilised in order to expand in liner shipping by means of strategic alliances and collaboration. This year, the company will concentrate on this as well as continuing with its cost-cutting program.

Lower costs in the future will be achieved by means of the agreement in principle reached with Imperial Ltd and Navalmar Transportes Maritimos Lda. According to the terms of this agreement, SOL will sell the four RoRo vessels for a total of MUSD 43.5, an amount equivalent to all the loans in SOL. At the same time, a long-term contract will be signed which means that the vessels will continue to sail for SOL for at least seven years. The sale is expected to generate a limited capital gain in 2000 at the present USD exchange rate. As a result of the agreement, future ship operating costs will be reduced by about MSEK 14 per year and liquidity will be improved by about MSEK 30 per year.

Finally, the President commented on the company's financial position during the first quarter, which was affected by the steeply increased bunker prices and strikes in Israeli ports. These factors resulted in a loss of MSEK 15 (-8) for the first quarter.

Organisational and board membership changes

At the Meeting, Lennart Bylock, who had announced his intention to resign from the board, was thanked for his services. At a statutory meeting, Kent Flodberg was elected as working Chairman in place of Lennart Bylock.

At the same time, Hans Erikson, the present Executive Vice President, will take over the post as President from Kent Flodberg. Peter Weitemeyer was re-elected to the Board of Directors and Enrico Bogazzi and Michael Kjellberg were elected as new members of the board. The Board also decided to co-opt Martin Bjäringer from Alfred Berg as an additional member of the board for the next year.

The Board also includes employee representatives John Andersson and Gunilla Lundström, deputy board member.

Dividend

The Meeting decided in favour of not paying a dividend for the financial year 1999.

Authorisation

The Meeting authorised the Board of Directors to decide up until the next Annual General Meeting on a new issue of a maximum of 10 million Series B shares. It also authorised the Board to decide against the shareholders' preferential right to subscription.

Gothenburg, 4 May, 2000

SVENSKA ORIENT LINIEN AB (publ)
The Board of Directors

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