STENA AB (publ.)

Interim Report for the six-month period 1January – 30 June 2013

Highlights:

- The result before tax amounts to SEK 645 million for the six month period ending on 30 June 2013, compared to SEK 359 million for the six month period that ended on 30 June 2012.

- Consolidated EBITDA increased by SEK 230 million to SEK 3,420 million for the six month period ending on 30 June 2013, from SEK 3,190 million for the six month period ending on 30 June 2012.

  Ferry Operation

  - Increased EBITDA compared to last year due to increased freight volumes, cost saving programs and newly acquired routes in the Baltic Sea.

  Drilling

  - EBITDA is lower than last year mainly due to Special Periodic Survey (SPS) for *Stena DrillMax* and *Stena Spey*, partly offset by *Stena Clyde* that was off hire in January and February 2012 and *Stena IceMAX* in full operation (delivered in the second quarter of 2012).

  Crude Oil Tanker

  - The operational EBITDA was lower due to weaker performance of the Suezmax and Aframax segments. Sustainable development on our joint venture Stena Weco and an improvement in the MR segment.

  Property

  - Increased EBITDA due to high dividends from property funds and improved operating income and sale of properties.

  Adactum

  - Improved EBITDA compared to last year due to Mediatec, which is now consolidated as a subsidiary and increased operations within Stena Renewable.

- Liquidity is continuously healthy.

- Strong contract coverage and high utilization in our Drilling and LNG fleet.

Date: 30 August 2013
By: Staffan Hultgren
Name: Staffan Hultgren
Title: Vice President & Deputy CEO and Principal Financial Officer

Forward-looking Statements

This Interim Report includes statements that are, or may be deemed to be, forward-looking statements and can be identified as "forward-looking statements" by terms and phrases such as "anticipate," "should," "likely," "foresee," "believe," "estimate," "expect," "intend," "continue," "could," "may," "project," "plan," "predict," "will" and other similar expressions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and industries in which we operate. The report includes references to assumptions that relate to the future prospects, developments and business strategies. Such statements reflect our current views and assumptions in respect to future events and are subject to risks and uncertainties.

Many factors could affect our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by forward-looking statements. Factors that could cause the actual results to differ materially from those expressed or implied in such forward-looking statements, include, but are not limited to:

- changes in general economic and business conditions and markets;
- changes in laws and regulations;
- changes in International Financial Reporting Standards, ("IFRS");
- changes in currency exchange rates and interest rates;
- risks incident to vessel and drilling rig operations, including discharge of pollutants;
- introduction of competing products and services by other companies;
- changes in trading or travel patterns;
- increases in costs of operations or the inability to meet efficiency or cost reduction objectives;
- changes in our business strategy; and
- other risk factors listed in the reports we make available on our website www.stena.com from time to time.

We do not intend, and undertake no obligation, to revise the forward-looking statements included in this report to reflect any future events or circumstances. Our actual results, performance or achievements could differ materially from the results expressed or implied by these forward-looking statements.

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Condensed Consolidated Income Statements (unaudited)

(SEK in millions)	Three month period ended 30 June 2012	Three month period ended 30 June 2013	Six month period ended 30 June 2012	Six month period ended 30 June 2013
Revenues:				
Ferry operations	2,708	2,872	4,655	5,052
Drilling	1,990	1,644	3,316	3,308
Shipping	618	589	1,174	1,220
Property	619	656	1,214	1,268
New Businesses, Adactum	1,487	1,941	2,589	3,357
Other	1	5	6	11
Total revenues	**7,423**	**7,707**	**12,954**	**14,216**
Net valuation on investment properties	0	23	1	51
Net gain on sales of assets	44	45	59	71
Total other income	**44**	**68**	**60**	**122**
Direct operating expenses:				
Ferry operations	(2,014)	(2,161)	(3,729)	(4,020)
Drilling	(853)	(777)	(1,497)	(1,583)
Shipping	(338)	(357)	(643)	(670)
Property	(196)	(186)	(439)	(440)
New Businesses, Adactum	(1,062)	(1,286)	(1,878)	(2,278)
Other	(4)	(3)	(3)	(8)
Total direct operating expenses	**(4,467)**	**(4,770)**	**(8,189)**	**(8,999)**
Selling and administrative expenses	(858)	(922)	(1,635)	(1,919)
Depreciation and amortization	(915)	(1,052)	(1,812)	(2,026)
Total operating expenses	**(6,240)**	**(6,744)**	**(11,636)**	**(12,944)**
Income from operations	**1,227**	**1,031**	**1,378**	**1,394**
Financial income and expense:				
Share of associated companies' results	8	10	6	10
Dividends received	34	12	44	32
Gain (loss) on securities, net	(143)	19	(13)	269
Interest income	92	125	230	244
Interest expense	(586)	(594)	(1,158)	(1,165)
Foreign exchange gains/(losses), net	(16)	(21)	(27)	(17)
Other financial income/(expense), net	(67)	(58)	(101)	(122)
Total financial income and expense	**(678)**	**(507)**	**(1,019)**	**(749)**
Income before taxes	**549**	**524**	**359**	**645**
Income taxes	(109)	75	(33)	115
Net income	**440**	**599**	**326**	**760**
Earnings attributable to:				
Equity holders of the Parent Company	440	587	322	754
Non-controlling interest	0	12	4	6
Net Income	440	599	326	760

Consolidated Statements of Comprehensive Income (unaudited)

(SEK in millions)	**Six month period ended 30 June**	
	2012	**2013**
Result for the period	**326**	**760**
Other comprehensive income		
Items that can be reclassified into profit and loss:		
Fair value (losses)/gains on available-for-sale financial assets, net of tax	75	283
Cash flow hedges, net of tax	190	659
Currency translation differences	(614)	486
Equity hedge, net of tax	17	(82)
Items that cannot be reclassified into profit and loss:		
Changes in revaluation surplus, net of tax	0	1,167
Total comprehensive income for the period	**(6)**	**3,272**
Total comprehensive income attributable to:		
- Equity holders of the Parent company	(10)	3,236
- Non-controlling interest	4	36
	(6)	**3,272**

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Balance Sheets (unaudited)

(SEK in millions)	31 December 2012	30 June 2013
ASSETS		
Noncurrent assets:		
Intangible assets	**3,909**	**4,074**
Tangible fixed assets:		
Vessels	40,708	41,269
Construction in progress	2,647	1,975
Equipment	2,260	4,111
Buildings and land	892	931
Ports	1,817	3,133
Total tangible fixed assets	**48,324**	**51,419**
Investment properties	**26,658**	**26,962**
Financial fixed assets:		
Investment in associated companies	1,073	1,022
Investment in SPEs	5,170	4,697
Marketable securities	5,118	4,860
Other non-current assets	3,437	4,382
Total financial fixed assets	**14,798**	**14,961**
Total noncurrent assets	**93,689**	**97,416**
Current assets:		
Inventories	692	764
Trade debtors	2,823	3,415
Other current receivables	1,802	1,927
Prepaid expenses and accrued income	2,129	2,488
Short-term investments	2,095	2,472
Cash and cash equivalents	1,581	1,681
Total current assets	**11,122**	**12,747**
Total assets	**104,811**	**110,163**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Total shareholders' equity	**30,268**	**33,340**
Noncurrent liabilities:		
Deferred income taxes	3,855	4,259
Pension liabilities	1,493	1,381
Other provisions	768	813
Long-term debt	46,113	47,922
Debt in SPEs	3,974	4,789
Senior notes	5,154	5,264
Capitalized lease obligations	764	699
Other noncurrent liabilities	934	547
Total noncurrent liabilities	**63,055**	**65,674**
Current liabilities:		
Short-term debt	2,724	3,287
Senior Notes	838	0
Capitalized lease obligations	203	242
Trade accounts payable	1,764	2,038
Income tax payable	35	86
Other current liabilities	3,249	1,817
Accrued costs and prepaid income	2,675	3,679
Total current liabilities	**11,488**	**11,149**
Total shareholders' equity and liabilities	**104,811**	**110,163**

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Consolidated Statements of Changes in Shareholders' Equity (unaudited)

(SEK in millions)	Share Capital	Reserves	Retained earnings incl. Net Income/ (loss)	Total	Non-controlling interest	Total Equity
	Attributable to equity holders of the company					
Closing balance as of 31 December 2011	**5**	**(2,316)**	**32,497**	**30,186**	**211**	**30,397**
Changes in accounting policies [1]			**(999)**	**(999)**		**(999)**
Restated Closing balance	**5**	**(2,316)**	**31,498**	**29,187**	**211**	**29,398**
Exchange differences arising on the translation of foreign operations, net of tax		(614)		**(614)**		**(614)**
Change in hedging reserve, net of tax						
- bunker hedge		(141)		**(141)**		**(141)**
- interest swap hedge		331		**331**		**331**
Change in fair value reserve, net of tax		75		**75**		**75**
Change in net investment hedge, net of tax		17		**17**		**17**
Net income recognized directly in equity		**(332)**		**(332)**		**(332)**
Net income			322	**322**	4	**326**
Total recognized income and expense		**(332)**	**322**	**(10)**	**4**	**(6)**
Dividend			(260)	(260)		**(260)**
Transfer to charity trust			(14)	(14)		**(14)**
Closing balance as of 30 June 2012	**5**	**(2,648)**	**31,546**	**28,903**	**215**	**29,118**
Closing balance as of 31 December 2012	**5**	**(2,972)**	**32,955**	**29,988**	**280**	**30,268**
Changes in non-controlling interest					(12)	**(12)**
Changes in accounting policies [2]			1,138	**1,138**	29	**1,167**
Exchange differences arising on the translation of foreign operations, net of tax		485		**485**	1	**486**
Change in hedging reserve, net of tax						
- bunker hedge		(105)		**(105)**		**(105)**
- interest swap hedge		764		**764**		**764**
Change in fair value reserve, net of tax		283		**283**		**283**
Change in net investment hedge, net of tax		(82)		**(82)**		**(82)**
Net income/(loss) recognized directly in equity		**1,345**	**1,138**	**2,483**	**30**	**2,512**
Net income/(loss)			754	**754**	6	**760**
Total recognized income and expense		**1,345**	**1,892**	**3,237**	**36**	**3,272**
Dividend			**(189)**	**(189)**		**(189)**
Closing balance as of 30 June 2013	**5**	**(1,627)**	**34,658**	**33,036**	**304**	**33,340**

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

[1] The effect of the amended standard for pension accounting, IAS 19 Employee Benefits, as of 1 January 2012.
[2] The effect of change in accounting principles for valuation of Ports (see Note 2)

Condensed Consolidated Statements of Cash Flow (unaudited)

(SEK in millions)	Six month period ended 30 June 2012	2013
Net cash flows from operating activities:		
Net income	326	760
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,812	2,026
Net valuation of investment properties	(1)	(51)
Gain on sale assets	(59)	(71)
(Gain)/loss on securities, net	13	(269)
Unrealized foreign exchange (gains) losses	(327)	(242)
Deferred income taxes	(90)	(304)
Pensions	(178)	(61)
Net cash flows from trading securities	(66)	(44)
Share of affiliated companies results	(6)	(10)
Dividend from associated companies	20	23
Other non-cash items	188	(68)
Receivables	(894)	(472)
Prepaid expenses and accrued income	(869)	(324)
Inventories	(68)	(36)
Trade accounts payable	411	185
Accrued costs and prepaid income	805	902
Income tax payable	6	21
Other current liabilities	(425)	(903)
Net cash provided by operating activities	**598**	**1,062**
Net cash flows from investing activities:		
Purchase of intangible assets	(37)	(75)
Cash proceeds from sale of property, vessels and equipment	274	472
Capital expenditure on property, vessels and equipment	(7,715)	(3,409)
Purchase of subsidiaries, net of cash acquired	-	(79)
Investment in affiliated companies	(75)	-
Proceeds from sale of securities	1,632	4,719
Purchase of securities	(2,164)	(3,375)
Other investing activities	(117)	(227)
Net cash used in investing activities	**(8,202)**	**(1,974)**
Net cash flows from financing activities:		
Proceeds from issuance of debt	6,704	3,153
Principal payments on debt	(822)	(2,906)
Net change in borrowings on line-of-credit agreements	2,896	1,215
Principal payments on capital lease obligations	(148)	(97)
Net change in restricted cash accounts	(251)	(260)
Dividend paid	(260)	(189)
Other financing activities	(37)	(6)
Net cash provided by financing activities	**8,082**	**910**
Effect of exchange rate changes on cash and cash equivalents	(8)	102
Net change in cash and cash equivalents	470	100
Cash and cash equivalents at beginning of period	**1,587**	**1,581**
Cash and cash equivalents at end of period	**2,057**	**1,681**

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Notes to Condensed Consolidated Financial Statements (unaudited)

Note 1 Basis of Presentation

The accompanying condensed consolidated financial statements present the financial position and result of operations of Stena AB (publ) and its subsidiaries (Stena) and have been prepared in accordance with IAS 34, "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended on 31 December 2012, which have been prepared in accordance with IFRS.

The interim financial information included in the condensed consolidated financial statements has not been audited, and reflects all adjustments (consisting only of normal recurring adjustments) that, in the opinion of management, are necessary for a fair presentation of the results for the interim periods presented. Interim results for the six months ended on 30 June 2013 are not necessarily an indication of the results to be expected for the full year.

Note 2 Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year that ended on the 31 December 2012, as described in the annual financial statements with the exceptions as mentioned below:

As from 1 January 2013 Stena applies the following new accounting standards:

IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosures of Interest in Other Entities, IFRS 13 Fair value measurement, revised IAS 27 Separate Financial Statements, revised IAS 28 investments in Associates and Joint Ventures, revised IAS 1 Presentation of financial statements, amendment to IFRS 7 Financial instrument: Disclosures and the amendment to IAS 19 Employee Benefits.

The major effects of the accounting standard changes are:
Stena applies the amended standard for pension accounting, IAS 19 Employee Benefits, as of 1 January 2013. Reported figures for 2012 have been restated accordingly to enable comparisons. The equity impact amounted to SEK (999) million as of 1 January 2012. The amount of net pension debt as of 31 December 2012 has been restated from a net debt of SEK (135) million to a net debt of SEK (1,399) million.

As of 1 January 2013, Stena applies the revaluation model in IAS 16, Property and Equipment, in measurement after initial recognition for the asset class Ports. Ports are carried at revalued amount, being their estimated fair value at the date of revaluation less subsequent depreciation and impairment. As of 1 January 2013, the recorded value for Ports increased by SEK 1,262 million as a consequence of the changes in accounting principles. The net impact on equity amounted to SEK 1,167 million.

Stena's Annual Report 2012 describes the content of the new accounting principles that are regarded as material for the Stena Group.

Stena has financial instruments in Levels 1, 2 and 3 and the nature of these instruments in each level is illustrated in the annual report of 2012. In level 1 fair value is determined on the basis of the asset's listed buying current bid-rate at balance sheet date, without adding any transaction costs (for example brokerage) at acquisition date. In level 2 fair value is determined by utilizing valuation techniques. In level 3 fair value is based on estimated discounted cash flows.

Taxes on income during the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Notes to Condensed Consolidated Financial Statements (unaudited)

Note 3 Segment information

(SEK in millions)	Three month period ended 30 June		Six month period ended 30 June	
	2012	**2013**	**2012**	**2013**
Income from operations:				
Ferry operations	117	87	(205)	(181)
Drilling	643	297	827	592
Shipping: Roll-on/Roll-off vessels	5	(6)	(25)	(5)
Crude oil tankers	(36)	(19)	(64)	(45)
LNG	60	98	144	196
Other shipping	(2)	(23)	(2)	(52)
Total shipping	27	50	53	94
Property:	371	421	704	729
Net gain on sale of properties	29	23	-	49
Net valuations on investment properties	0	23	1	51
Total property	400	467	705	829
New Businesses, Adactum:	139	228	159	246
Other	(99)	(97)	(161)	(185)
Total	**1,227**	**1,031**	**1,378**	**1,394**
Depreciation and amortization:				
Ferry operations	307	319	614	623
Drilling	380	440	751	856
Shipping: Roll-on/Roll-off vessels	71	91	137	155
Crude oil tankers	29	35	59	68
LNG	67	64	131	126
Other shipping	2	4	5	8
Total shipping	169	194	332	357
Property	1	1	2	3
New Businesses, Adactum	55	93	107	176
Other	3	5	6	11
Total	**915**	**1,052**	**1,812**	**2,026**

(SEK in millions)	Three month period ended 30 June		Six month period ended 30 June	
	2012	**2013**	**2012**	**2013**
EBITDA from operations:				
Ferry operations	424	406	409	442
Drilling	1,023	737	1,578	1,448
Shipping: Roll-on/Roll-off vessels	77	85	113	150
Crude oil tankers	(8)	16	(5)	23
LNG	125	162	275	322
Other shipping	0	(19)	3	(44)
Total shipping	194	244	386	451
Property	401	468	707	832
New Businesses, Adactum	191	321	262	422
Other	(96)	(92)	(152)	(175)
Total	**2,137**	**2,084**	**3,190**	**3,420**

Capital expenditures:		
Ferry operations	939	216
Drilling	4,727	1,421
Shipping: Roll-on/Roll-off vessels	625	78
Crude oil tankers	63	375
LNG	32	7
Other shipping	7	9
Total shipping	727	469
Property	841	443
New Businesses, Adactum	478	853
Other	3	7
Total	**7,715**	**3,409**

OPERATING AND FINANCIAL REVIEW

Stena generates revenue primarily from ferry operations, chartering out its owned, chartered-in and leased Roll-on/Roll-off vessels, tankers, LNG carriers and drilling rigs, managing tankers, sales of vessels, income from new businesses and real estate rents. The period from June through September is the peak travel season for passengers of ferry operations. Chartering activities are not generally significantly affected by seasonal fluctuations, but variations over the year may occur as a consequence of, among other things, vessel utilization rates, dry-docking and charter rates. Any sale or acquisition of vessels, drilling rigs and real estate may also have an impact on the results of each period.

Significant Events of the First Six Months of 2013

As of 1 January 2013, Mr. Carl-Johan Hagman replaced Mr. Gunnar Blomdahl as Managing Director of Stena Line Holding B.V. Mr. Carl-Johan Hagman will retain his current positions as responsible for Shipping within the Group and Managing Director of Stena Rederi AB.

In January 2013 the newly built Suezmax vessel *Stena Sunrise* was delivered from the Samsung yard in South Korea.

In January 2013 Ballingslöv International AB acquired all shares in the English kitchen maker Southdown Kitchen Ltd, along with the brand name Manhattan Furniture. By this acquisition Ballingslöv International is strengthening its position on the English market.

In January 2013 Northern Marine Management Ltd acquired all remaining shares in the Joint Ventures Austen Maritime Services Pte Ltd and Francois Marine Services Pte Ltd. These companies are now accounted for as subsidiaries.

In March 2013 a new ferry route was opened between Sokcho in South Korea and Zarubino/Vladivostok in Russia.

In March 2013 *Stena Carron* gained a new three-year charter for Statoil/Sonangol in direct continuation of the current charter that expires at the end of 2013.

In March 2013, Stena Bulk declared two options to build two IMOIIMAX vessels, together with the JV partner Golden Agri.

On 5 March 2013 we called for repayment of the Senior Note with remaining debt of USD 128.8 million due 2016. The payment was made on 5 April 2013.

In June 2013 we signed a three year contract with Tullow Oil Plc for *Stena DrillMAX* and employment was secured for *Stena Clyde* for the rest of 2013.

In April 2013, *Stena Baltica*, was sold by hire-purchase contract to the Italian ferry operator, SNAV S.p.A. Naples, with a net gain of SEK 22 million.

In May 2013, *Stena Voyager*, was sold to Stena Recycling in Landskrona, Sweden. The vessel had been written down and was sold without any effect on the result.

Stena Blue Sky has earned a new two year contract in direct continuation of the current contract which expired in June 2013.

In the six month of 2013 we have sold properties with a net gain of SEK 49 million.

Standard & Poor's has updated its criteria for evaluating management and governance, which is a component of their assessment of an enterprise's creditworthiness. Stena received the rating “Strong” management and governance scores, which is the highest rating to achieve. Also, Stena is one of six companies with high yield grade ratings to receive the “strong” rating score and is mentioned as an exception in the S&P report.

A new semi-submersible, CS60, harsh environment designed drilling rig was ordered from Samsung in Korea as per 27 June, 2013. The projected capital cost is estimated to approximately USD 800 million and delivery is scheduled in April 2016. An additional contract for a second unit was simultaneously ordered with the right to cancel, subject to partnership and financing.

Subsequent Events

In August 2013, we acquired a commercial property, with a total size of approximately 3,000 square meters, in London, United Kingdom for a total investment of GBP 15 million.

Currency Effects

Our revenues and expenses, reported in Swedish kronor, are significantly affected by fluctuations in currency exchange rates, primarily relative to the U.S. dollar, the British pound and the Euro. We seek to mitigate the impact of potential adverse foreign currency exchange fluctuations by matching, to a possible extent, revenues and expenses in the same currency. In addition, we enter into certain derivative financial instruments. In the six month period that ended on 30 June 2013, approximately 28% of our total revenues were generated in USD, approximately 16% were generated in EUR, approximately 11% were generated in GBP and approximately 33% were generated in SEK.

In the six month period that ended on 30 June 2013, approximately 21% of our total expenses were incurred in USD, approximately 13% were incurred in EUR, 13% were incurred in GBP and approximately 34% were incurred in SEK. The reported gross revenues and expenses were affected by changes in the currency rates. The exchange rates used for consolidation purposes are as follows:

Average rates:	**Jan- June 2012**	**Jan-June 2013**	**Change**
US $	6.8447	6.4958	(5)%
British pound	10.7930	10.0298	(8)%
Euro	8.8827	8.5299	(4)%

Closing rates:	**As of 31 Dec 2012**	**As of 30 June 2013**	**Change**
US $	6.5104	6.7344	3%
British pound	10.5865	10.2420	(3)%
Euro	8.5843	8.7618	2%

Revenues

Total revenues increased by SEK 1,262 million to SEK 14,216 million in the six months that ended on 30 June 2013 compared to SEK 12,954 million in the six months that ended on 30 June 2012, as a result of increased revenues in all segments, which was offset by the weakening of the USD, EUR and GBP against the SEK.

Direct Operating Expenses

Total direct operating expenses increased by SEK 810 million to SEK 8,999 million in the six months that ended on 30 June 2013, compared to SEK 8,189 million in the six month period that ended on 30 June 2012, as a result of increased operating expenses in all segments, offset by the weakening of the USD, EUR and GBP against the SEK.

Selling and Administrative Expenses

Selling and administrative expenses increased by SEK 284 million to SEK 1,919 million in the six months that ended on 30 June 2013, compared to SEK 1,635 million in the six month period that ended on 30 June 2012, mainly due to Mediatec that, as of December 2012, is accounted for as a subsidiary and not, as previously, an associated company, and Ballingslöv’s purchase of Southdown Kitchen LTD in the UK.

Depreciation and Amortization

Depreciation and amortization charges increased by SEK 214 million to SEK 2,026 million in the six months that ended on 30 June 2013, compared to SEK 1,812 million in the six months that ended on 30 June 2012, mainly as a result of increased depreciation charges for the new vessel *Stena IceMax* that was delivered in June 2012, depreciation charges related to our new subsidiary Mediatec, increased operation within Stena Renewable, increased depreciation on ports due to the revaluation of ports, offset by the weakening of the USD, EUR and GBP against the SEK.

EBITDA

The EBITDA of the total Group increased by SEK 236 million to SEK 3,420 million in the six months that ended on 30 June 2013 compared to SEK 3,190 million last year.

Ferry Operations

Ferry revenues are generated from ticket sales, freight haulage and onboard sales. Direct operating expenses consist principally of personnel costs, costs of goods sold onboard the vessels, bunker fuel costs, vessel charter costs, commissions, package tour costs and other related costs. A significant portion of these costs do not vary on account of changes in our seasonal requirements.

EBITDA increased by SEK 33 million to SEK 442 million from SEK 409 million mainly due to increased freight volumes. Car/freight volumes: +6% / +18% compared to last year. Excluding the new operation in the Baltic Sea, the car/freight volumes increased by +1% / +8% compared to last year.

In 2013, Stena Lines is focusing on improving cost efficiency, advantages of scale of economies, freight sales and cargo operations.

Drilling Operations

Drilling revenues consist of charter hires for our drilling rigs. The direct operating expenses for drilling consist primarily of personnel costs, fuel costs, insurance, maintenance and catering costs.

The EBITDA decreased by SEK 130 million to SEK 1,448 million compared to SEK 1,578 million in the six month period 2013 compared to 2012. The decrease is mainly explained by the fact that *Stena DrillMax* and *Stena Spey* were off hire due to SPS. This is partly offset by *Stena IceMAX* that was not in operation until June 2012 and the rigs *Stena Clyde* and *Stena Spey*, which both were unutilized the first two months of 2012.
All drilling units have good contract coverage. *Stena Carron* and *Stena Drillmax* have new three years plus options contracts signed. Letters of award was received for *Stena Clyde* for rest of 2013.

Shipping Operations

Shipping revenues primarily represent charter hires for our owned and chartered in vessels and management fees for vessels managed by us. Direct operating expenses for shipping consist primarily of vessel charter costs, fuel costs, personnel costs, insurance and other related vessel costs.

Crude Oil Tankers
The crude oil tanker operation generated an EBITDA of SEK 23 million in the six month period ending on 30 June 2013 compared to SEK (5) million for the same period in 2012 (including gain on sale of the vessel *Stena Caribbean* making a profit of SEK 15 million and a write-down of Paradise Holding by SEK 49 million). Compared to last year the operational EBITDA decreased with SEK 21 million due to lower income for primarily the Aframax and the Suezmax segments.

Operationally and technically the fleet is performing well in a distressed market.

LNG Operations
LNG generated an EBITDA of SEK 322 million compared to last year's EBITDA of SEK 275 million, which is an improvement by SEK 47 million, mainly due to *Stena Crystal Sky* which in 2012 had a breakdown and consequently was out of operation for 24 days.

RoRo Operations
EBITDA from chartering out Roll-on/Roll-off vessels increased by SEK 37 million to SEK 150 million in the six month period ending on 30 June 2013, from SEK 113 million in the same period in 2012, including sale of vessels. The increase is mainly due to the new vessels *Watling Street* and *Norman Voyager*, acquired in April 2012 and sale of *Stena Baltica* with a gain of sales of SEK 22 million. In addition, *Stena Baltica* was laid up last year.

Property

Property revenues consist of rents for properties owned and management fees for properties managed by Stena. Property expenses consist primarily of maintenance, heating and personnel costs.

The EBITDA were SEK 832 million for the six month period ending on 30 June 2013, compared to SEK 707 million for the same period in 2012, mainly due to sale of properties, lower maintenance and operational costs and dividends from property funds. Occupancy rates for Swedish properties ~ 98%, and non-Swedish properties ~83% which is mainly due to the weak Dutch market.

In the first six months of 2013 three properties were sold which provided a total net gain of SEK 49 million.

New Businesses Adactum

The EBITDA of Stena Adactum increased by SEK 160 million to SEK 422 million in the six month period ending on 30 June 2013, compared to SEK 262 million in 2012. EBITDA increased mainly as an effect of *Mediatec* which from the end of 2012 is a subsidiary and no longer accounted for as an associated company. The EBITDA for Mediatec was SEK 106 million in 2013. Stena Adactum acquired an additionally 4% of the shares in *Mediatec* in June 2013 and currently owns 56,25% of the Company.

Ballingslöv: as per 30 June 2013 EBITDA was SEK 136 million, which is the same as per 30 June 2012.

Envac: EBITDA as per 30 June 2013 was SEK 25 million compared to SEK 41 million in 2012. The EBITDA is lower than last year due to a weaker construction market with delayed projects as a consequence.

Stena Renewable: EBITDA as per 30 June 2013 was SEK 120 million compared to SEK 37 million as per 30 June 2012. The EBITDA is SEK 83 million better compared to last year due to an increased number of windmills.

Blomsterlandet: EBITDA as per 30 June 2013 was SEK 65 million compared to SEK 70 million as per 30 June 2012. The lower EBITDA is due to a cold start of the season and the dry summer season.

Other Income

Net valuation on investment property. As a result of the revaluation to fair value according to IAS 40 "Investment properties", Stena had net gains of SEK 51 million for the six month period ending on 30 June 2013, as compared to SEK 1 million for the same period in 2012.

Net gain on sale of vessels. In 2013 net gains of SEK 22 million were recorded for sale of the vessel *Stena Baltica*. In 2012, net gains of SEK 30 million were recorded for the sale of the vessels *Stena Caribbean, Stena Caledonia* and *Stena Navigator*.

Net gain on sale of properties. In the six month period ending on 30 June 2013 net gains of SEK 49 million were recorded. In 2012 net gains from sale of properties were SEK 29 million.

Financial Income and Expense

Total financial net increased by SEK 270 million to SEK (749) million in the six months that ended on 30 June 2013, from SEK (1,019) million in the six months that ended on 30 June 2012, mainly due to unrealized gains of the financial portfolios, lower interest expenses offset by the weakening of the USD, EUR and GBP against the SEK.

The share of affiliated companies' results in the six months that ended on 30 June 2013 refers to Stena's portion of the results of Midsona AB (publ), Gunnebo AB (publ) and Wisent Oil and Gas. In 2012, Mediatec's result was included in the associated companies result, but as from the end of 2012, Mediatec is accounted for as a subsidiary.

The net gain (loss) on securities in the six months that ended on 30 June 2013, was SEK 269 million compared to SEK (13) million last year. This is mainly due to realized and unrealized gains in our portfolios.

Income Taxes

Income taxes for the six months that ended on 30 June 2013, were SEK 115 million, consisting of current taxes of SEK (189) million and deferred taxes of SEK 304 million. Income taxes for the six months that ended on June 30, 2012, were SEK (33) million, consisting of current taxes of SEK (123) million and deferred taxes of SEK 90 million.

Liquidity and Capital Resources

Our liquidity requirements principally relate to servicing of debt, financing the purchase of vessels and other assets and funding of working capital. We meet our liquidity requirements by cash on hand, cash flows from operations, borrowings under various credit facilities and other financing and refinancing arrangements.

As of 30 June 2013, the total cash and marketable securities amounted to SEK 9,013 million as compared to SEK 8,794 million as of 31 December 2012.

As of 30 June 2013, the total construction in progress was SEK 1,975 million, as compared to SEK 2,647 million as of 31 December 2012. The remaining capital expenditure commitment for new buildings on order as of 30 June 2013 was SEK 5,260 million. SEK 1,451 million is due during 2013, SEK 71 million is due in 2014, SEK 353 million is due in 2015 and SEK 3,385 million is due 2016. Stena intends to finance the remainder of this unpaid balance, together with additional expenses and financing costs, by cash from operations, existing revolving credit facilities, new capital lease agreements, new bank loans and other financing arrangements.

As of 30 June 2013 the total interest bearing debt was SEK 57,414 million, excluding debt in SPEs, as compared to SEK 55,796 million as of 31 December 2012.

As of 30 June 2013, $ 654 million was utilized under our $1 billion revolving credit facility of which $6 million was used for issuing bank guarantees and letters of credit. As of 31 December 2012, $501 million was utilized under our $1 billion revolving credit facility, of which $5 million was used for issuing bank guarantees and letters of credit.

As of 30 June 2013, $137 million was utilized under the $200 million revolving credit facility entered into by Stena Royal S.àr.l. ("Stena Royal") as compared to $138 million as of 31 December 2012.

As of 30 June 2013, our SEK 300 million credit facility in Adactum was unutilized, which is the same as per 31 December 2012.

During 2010, we entered into a SEK 6,660 million revolving credit facility with Svenska Handelsbanken and Nordea and the facility is guaranteed by EKN. This facility was utilized with SEK 5,695 million as of 30 June 2013 compared to SEK 5,173 million as of 31 December 2012.

We believe that, based on current levels of operating performance and anticipated market conditions, cash flow from operations, together with other available sources of funds, including refinancing, will be adequate to make required payments of principal and interest on outstanding debt, to permit proposed capital expenditures, including new buildings and other vessel acquisitions, and to fund anticipated working capital requirements.

OTHER FINANCIAL INFORMATION – RESTRICTED GROUP

For the six months that ended on 30 June 2013, Restricted Group Data represents the selected consolidated financial information excluding (i) the property business segment (other than two small properties), (ii) the business segment of Adactum, whose activities consist primarily of investing in companies outside our traditional lines of business, and (iii) our subsidiaries Stena Investment Luxembourg S.àr.l., Stena Royal, Stena Investment Cyprus Ltd and Mondaldi Ltd. Our real estate operations and the business of Adactum are conducted through various subsidiaries. For purposes of the indentures under which our Senior Notes were issued, real estate business and new businesses, Adactum, together with our subsidiaries Stena Investment Luxembourg S.àr.l., Stena Royal, Stena Investment Cyprus Ltd and Mondaldi Ltd, are designated as unrestricted subsidiaries and, as a result, are not bound by the restrictive provisions of these indentures.

As of 30 June 2013, we had outstanding €300 million principal amount of Senior Notes due 2017, €102 million principal amount of Senior Notes due 2019 and €200 million principal amount of Senior Notes due 2020.

On 5 April 2013 we repaid the Senior Note with remaining debt of USD 128.8 million that was due 2016.

Condensed Consolidated Income Statements – Restricted Group

(SEK in millions) **(unaudited)**	**Six month period ended 30 June** **2012**	**2013**
Revenues:		
Ferry operations	4,655	5,052
Drilling	3,316	3,308
Shipping	1,174	1,220
Other	10	14
Total revenues	**9,155**	**9,594**
Net gain on sales of assets	28	22
Total other income	**28**	**22**
Direct operating expenses:		
Ferry operations	(3,729)	(4,020)
Drilling	(1,497)	(1,583)
Shipping	(643)	(670)
Other	(6)	(13)
Total direct operating expenses	**(5,875)**	**(6,286)**
Selling and administrative expenses	(1,075)	(1,145)
Depreciation and amortization	(1,706)	(1,848)
Total operating expenses	**(8,656)**	**(9,279)**
Income/(loss) from operations	**527**	**337**
Net financial income and expenses:		
Dividends received	10	1
Net gain (loss) on securities	41	0
Interest income	142	177
Interest expense	(754)	(802)
Foreign exchange gains (losses), net	(17)	4
Other financial income (expenses), net	(64)	(76)
Total financial income and expenses	**(642)**	**(696)**
Income/(loss) after financial income and expenses	**(115)**	**(359)**
Non-controlling interest	0	14
Income/(loss) before tax	**(115)**	**(345)**
Income taxes	103	235
Net income/(loss)	**(12)**	**(110)**

Condensed Consolidated Balance Sheets – Restricted Group

(SEK in millions) (unaudited)	31 December 2012	30 June 2013
ASSETS		
Noncurrent assets:		
Intangible assets	1,322	1,330
Tangible fixed assets:		
Vessels	40,708	41,269
Construction in progress	1,441	1,809
Equipment	1,222	1,277
Ports	1,817	3,133
Property	454	459
Total tangible fixed assets	45,642	47,947
Financial fixed assets:		
Marketable securities	770	772
Intercompany accounts, noncurrent	7,470	6,463
Other assets	8,443	9,079
Total noncurrent assets	63,647	65,591
Current assets:		
Inventories	238	291
Trade debtors	2,085	2,257
Other receivables	1,521	1,577
Prepaid expenses and accrued income	1,618	1,913
Short-term investments	1,354	1,377
Cash and cash equivalents	836	801
Total current assets	7,652	8,216
Total assets	71,299	73,807
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity:		
Share Capital	5	5
Reserves	23,041	24,955
Equity attributable to shareholders of the company	23,046	24,960
Non-controlling interest	119	113
Total Equity	23,165	25,073
Noncurrent liabilities:		
Deferred income taxes	1,012	1,112
Other provisions	2,083	1,991
Long-term debt	30,319	31,733
Senior notes	5,154	5,264
Capitalized lease obligations	595	532
Other noncurrent liabilities	230	236
Total noncurrent liabilities	39,393	40,868
Current liabilities:		
Short-term debt	2,163	2,302
Senior notes	838	0
Capitalized lease obligations	127	163
Trade accounts payable	795	838
Income tax payable	10	57
Other liabilities	1,890	1,318
Intercompany liabilities	1,033	316
Accrued costs and prepaid income	1,885	2,872
Total current liabilities	8,741	7,866
Total shareholders' equity and liabilities	71,299	73,807

Condensed Consolidated Statements of Cash Flow – Restricted Group

(SEK in millions) **(unaudited)**	**Six month period ended 30 June** **2012**	**2013**
Net cash flows from operating activities:		
Net income/(loss)	(12)	(110)
Adjustments to reconcile net income/(loss) to net cash provided by operating activities:		
Depreciation and amortization	1,706	1,848
Gain on sale assets	(28)	(22)
(Gain) loss on securities, net	(41)	-
Unrealized foreign exchange (gains) losses	(346)	(206)
Deferred income taxes	(182)	(389)
Other non-cash items	(211)	(99)
Pensions	(178)	(64)
Net cash flows from trading securities	(57)	(60)
Changes in working capital	(1,181)	452
Net cash provided by/used in operating activities	**(530)**	**1,350**
Net cash flows from investing activities:		
Purchase of intangible assets	(17)	(62)
Cash proceeds from sale of property, vessels and equipment	156	169
Capital expenditure on property, vessels and equipment	(6,396)	(2,113)
Purchase of subsidiaries, net of cash acquired	-	59
Proceeds from sale of securities	37	229
Purchase of securities	(77)	(276)
Other investing activities	45	(75)
Net cash used in investing activities	**(6,252)**	**(2,069)**
Net cash flows from financing activities:		
Proceeds from issuance of debt	6,138	6
Principal payments on debt	(693)	(1,805)
Net change in borrowings on line-of-credit agreements	2,437	1,811
Principal payments on capital lease obligations	(148)	(57)
Net change in restricted cash accounts	(46)	80
Intercompany accounts	62	728
Dividend paid	(260)	(189)
Other financing activities	(120)	1
Net cash provided by financing activities	**7,370**	**575**
Effect of exchange rate changes on cash and cash equivalents	(4)	109
Net change in cash and cash equivalents	584	(35)
Cash and cash equivalents at beginning of period	**809**	**836**
Cash and cash equivalents at end of period	**1,393**	**801**

Other data – Restricted Group

(SEK in millions)	**Six month period ended 30 June 2012**	**2013**
OTHER DATA:		
Adjusted EBITDA	2,375	2,362

Adjusted EBITDA is defined as income from operations plus cash dividends received from affiliated companies, interest income, depreciation and amortization, non-controlling interest and non-cash charges minus aggregate gains on vessel dispositions to the extent such gains exceed 25% of Adjusted EBITDA net of all such gains. Information concerning Adjusted EBITDA is included since it conforms to the definition of Consolidated Cash Flow in the indentures governing our Senior Notes. Adjusted EBITDA is not a measure in accordance with IFRS and should not be used as an alternative to cash flows or as a measure of liquidity and should be read in conjunction with the condensed consolidated statements of cash flows contained in our condensed consolidated financial statements included elsewhere herein.

The computation of Adjusted EBITDA and reconciliation to net cash provided by operating activities is presented below:

(SEK in millions)	**Six month period ended 30 June 2012**	**2013**
Income from operations	527	337
Adjustments:		
Interest income	142	177
Depreciation and amortization	1,706	1,848
Adjusted EBITDA	2,375	2,362
Adjustments:		
Gain on sale of vessels	(28)	(22)
Net cash flows from trading securities	(57)	(60)
Interest expenses	(754)	(802)
Unrealized foreign exchange (gains) losses	(346)	(206)
Pensions	(178)	(64)
Other non-cash items	(211)	(99)
Changes in working capital	(1,181)	452
Other items	(150)	(211)
Net cash provided by operating activities	(530)	1,350