



STENA AB (PUBL.)

# INTERIM REPORT FOR THE THREE-MONTH PERIOD

1 JANUARY – 31 MARCH 2020



- **THE RESULT BEFORE TAXES** amounts to SEK -2,101 million for the three-month period ended 31 March 2020, compared to SEK -642 million for the three-month period ended 31 March 2019.
- **CONSOLIDATED EBITDA**, excluding redundancy costs, for the three-month period ended 31 March 2020 amounted to SEK 1,293 million compared to SEK 1,476 million for the three-month period ended 31 March 2019. Redundancy costs amounts to SEK 265 (0) million for the three-month period ended 31 March 2020.
- **CONSOLIDATED EBITDA**, excluding redundancy costs, net gain on sale of assets and change in fair value of investment properties, for the three-month period ended 31 March 2020 amounted to SEK 1,026 million compared to SEK 1,228 million for the three-month period ended 31 March 2019

#### FERRY OPERATION

EBITDA decreased compared to last year. Significant drop in number of passengers and decreasing freight volumes as a consequence of the outbreak of Covid-19.

#### DRILLING

Decreased EBITDA compared to last year due to less operating days.

#### SHIPPING

Significantly increased EBITDA mainly due to stronger rates in all tanker segments compared to last year together with more operational days and higher rates for the LNG vessels.

Strong contract coverage and utilisation rate across the RoRo fleet offset by lower charter income as a result of vessels sold.

#### PROPERTY

EBITDA improved slightly compared to last year due to completion of newbuildings. The fair value of investment properties has been adjusted positively by SEK 247 million, i.e. 0.6 % of the total property portfolio.

#### NEW BUSINESSES

Continued strong performance in Ballingslöv and Blomsterlandet offset by decreased sales in Envac compared to last year.

#### LIQUIDITY

The liquidity position remains strong as of 31<sup>st</sup> of March 2020. Available liquidity amounted to SEK 11.4 billion.

*Göteborg, 28 May 2020*

*Staffan Hultgren*

*Vice President & Deputy CEO and Principal Financial Officer*



# CONTENT

## CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

- 4 Condensed Consolidated Income Statements
- 5 Consolidated Statements of Comprehensive Income
- 6 Condensed Consolidated Balance Sheet
- 8 Condensed Consolidated Statements of Changes in Equity
- 9 Condensed Consolidated Statements of Cash Flows
- 10 Notes to Condensed Consolidated Financial Statements
- 13 Operating and financial review
- 18 Other financial information – Restricted group

## 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.

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.

## CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)

| (SEK in million)                                     | Three-month period ended 31 March |               |
|------------------------------------------------------|-----------------------------------|---------------|
|                                                      | 2020                              | 2019          |
| <b>Revenue</b>                                       |                                   |               |
| Ferry Operations                                     | 2,803                             | 2,883         |
| Offshore Drilling                                    | 491                               | 472           |
| Shipping                                             | 2,917                             | 2,023         |
| Property                                             | 680                               | 658           |
| New Businesses                                       | 1,599                             | 1,548         |
| Other                                                | 13                                | 2             |
| <b>Total revenue</b>                                 | <b>8,503</b>                      | <b>7,586</b>  |
| Change in fair value of investment properties        | 247                               | 238           |
| Net gain on sale of non-current assets               | 20                                | 10            |
| <b>Total other income</b>                            | <b>267</b>                        | <b>248</b>    |
| <b>Direct operating expenses</b>                     |                                   |               |
| Ferry Operations                                     | -2,282                            | -2,129        |
| Ferry Operations -redundancy costs                   | -265                              |               |
| Offshore Drilling                                    | -564                              | -318          |
| Shipping                                             | -1,893                            | -1,448        |
| Property                                             | -231                              | -231          |
| New Businesses                                       | -1,241                            | -1,210        |
| Other                                                | 5                                 | -2            |
| <b>Total direct operating expenses</b>               | <b>-6,471</b>                     | <b>-5,338</b> |
| Selling and administrative expenses                  | -1,271                            | -1,020        |
| Profit/loss from investments in operating associates | -6                                | -10           |
| Depreciation, amortisation and impairment            | -1,868                            | -1,743        |
| <b>Total operating expenses</b>                      | <b>-9,616</b>                     | <b>-8,111</b> |
| <b>Operating profit/loss</b>                         | <b>-846</b>                       | <b>-277</b>   |
| Profit/loss from investments in strategic associates | 26                                | 26            |
| Dividends received                                   | 31                                | 28            |
| Gains/losses on sale of securities                   | -516                              | 151           |
| Interest income                                      | 52                                | 102           |
| Interest expenses                                    | -788                              | -704          |
| Exchange gains/losses                                | -8                                | 116           |
| Other finance income/costs                           | -52                               | -84           |
| <b>Financial net</b>                                 | <b>-1,255</b>                     | <b>-365</b>   |
| <b>Profit/loss before tax</b>                        | <b>-2,101</b>                     | <b>-642</b>   |
| Income taxes                                         | 92                                | 69            |
| <b>Profit/loss for the period</b>                    | <b>-2,009</b>                     | <b>-573</b>   |
| <b>Profit/loss for the period attributable to:</b>   |                                   |               |
| Shareholders of the Parent company                   | -2,011                            | -571          |
| Non-controlling interests                            | 2                                 | -2            |
| <b>Profit/loss for the period</b>                    | <b>-2,009</b>                     | <b>-573</b>   |

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

| (SEK in million)                                                     | Three-month period ended 31 March |              |
|----------------------------------------------------------------------|-----------------------------------|--------------|
|                                                                      | 2020                              | 2019         |
| <b>Profit/loss for the period</b>                                    | <b>-2,009</b>                     | <b>-573</b>  |
| <b>Other comprehensive income</b>                                    |                                   |              |
| <i>Items that may subsequently be reclassified to profit or loss</i> |                                   |              |
| Change in fair value reserve, net of tax                             | -172                              | 121          |
| Change in net investment hedge, net of tax                           | -1,385                            | 25           |
| Change in translation reserve                                        | 785                               | 908          |
| Share of other comprehensive income of associates                    |                                   | -9           |
| <i>Items that will not be reclassified to profit or loss</i>         |                                   |              |
| Change in fair value reserve, net of tax                             | -16                               | -10          |
| Change in revaluation reserve, net of tax                            | 26                                | 101          |
| Remeasurements of post-employment benefit obligations                | -21                               |              |
| Share of other comprehensive income of associates                    |                                   | -1           |
| <b>Other comprehensive income for the period</b>                     | <b>-783</b>                       | <b>1,135</b> |
| <b>Total comprehensive income for the period</b>                     | <b>-2,792</b>                     | <b>562</b>   |
| <b>Total comprehensive income attributable to:</b>                   |                                   |              |
| Shareholders of the Parent company                                   | -2,793                            | 564          |
| Non-controlling interests                                            | 1                                 | -2           |
| <b>Total comprehensive income for the period, net of tax</b>         | <b>-2,792</b>                     | <b>562</b>   |

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

## CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

| (SEK in million)                                    | 31 March<br>2020 | 31 December<br>2019 |
|-----------------------------------------------------|------------------|---------------------|
| <b>Assets</b>                                       |                  |                     |
| <b>Non-current assets</b>                           |                  |                     |
| <b>Intangible assets</b>                            | <b>5,293</b>     | <b>4,839</b>        |
| <b>Property, plant and equipment</b>                |                  |                     |
| Vessels                                             | 41,834           | 39,919              |
| Construction in progress                            | 3,244            | 3,103               |
| Equipment                                           | 3,178            | 3,090               |
| Land and buildings                                  | 2,170            | 2,129               |
| Ports                                               | 4,159            | 4,188               |
| <b>Total property, plant and equipment</b>          | <b>54,585</b>    | <b>52,429</b>       |
| <b>Investment properties</b>                        | <b>39,553</b>    | <b>38,684</b>       |
| <b>Financial assets</b>                             |                  |                     |
| Investments reported according to the equity method | 4,027            | 3,979               |
| Marketable securities                               | 2,839            | 3,903               |
| Surplus in funded pension plans                     | 1,070            | 1,039               |
| Other non-current assets                            | 6,185            | 5,473               |
| <b>Total financial assets</b>                       | <b>14,121</b>    | <b>14,394</b>       |
| <b>Total non-current assets</b>                     | <b>113,552</b>   | <b>110,346</b>      |
| <b>Current assets</b>                               |                  |                     |
| Inventories                                         | 1,235            | 1,169               |
| Trade receivables                                   | 3,918            | 3,178               |
| Other current receivables                           | 6,494            | 6,337               |
| Prepayments and accrued income                      | 2,439            | 2,450               |
| Short-term investments                              | 1,411            | 2,931               |
| Cash and cash equivalents                           | 3,576            | 3,366               |
| <b>Total current assets</b>                         | <b>19,073</b>    | <b>19,431</b>       |
| <b>Total assets</b>                                 | <b>132,625</b>   | <b>129,777</b>      |

| (SEK in million)                     | 31 March<br>2020 | 31 December<br>2019 |
|--------------------------------------|------------------|---------------------|
| <b>Equity and liabilities</b>        |                  |                     |
| <b>Equity</b>                        | <b>45,293</b>    | <b>48,050</b>       |
| <b>Non-current liabilities</b>       |                  |                     |
| Deferred tax liabilities             | 4,777            | 5,120               |
| Pension liabilities                  | 771              | 752                 |
| Other provisions                     | 33               | 25                  |
| Long-term debt                       | 34,766           | 40,162              |
| Senior Notes                         | 15,595           | 8,212               |
| Capitalised lease obligations        | 12,225           | 9,214               |
| Other non-current liabilities        | 4,378            | 2,718               |
| <b>Total non-current liabilities</b> | <b>72,545</b>    | <b>66,203</b>       |
| <b>Current liabilities</b>           |                  |                     |
| Short-term debt                      | 1,995            | 1,911               |
| Senior Notes                         |                  | 2,100               |
| Capitalised lease obligations        | 1,855            | 1,601               |
| Trade payables                       | 2,796            | 2,158               |
| Tax liabilities                      | 89               | 63                  |
| Other liabilities                    | 2,983            | 2,634               |
| Accruals and deferred income         | 5,069            | 5,057               |
| <b>Total current liabilities</b>     | <b>14,787</b>    | <b>15,524</b>       |
| <b>Total equity and liabilities</b>  | <b>132,625</b>   | <b>129,777</b>      |

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

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

| (SEK in million)                                    | Equity attributable to shareholders of the Parent company |              |                                                     |               |                              | Total equity  |
|-----------------------------------------------------|-----------------------------------------------------------|--------------|-----------------------------------------------------|---------------|------------------------------|---------------|
|                                                     | Share capital                                             | Reserves     | Retained earnings<br>incl. Profit<br>for the period | Total         | Non-controlling<br>interests |               |
| <b>Closing balance, 31 December 2018</b>            | <b>5</b>                                                  | <b>3,351</b> | <b>43,243</b>                                       | <b>46,599</b> | <b>127</b>                   | <b>46,726</b> |
| Change in fair value reserve                        |                                                           | 121          | –10                                                 | 111           |                              | 111           |
| Change in net investment hedge                      |                                                           | 25           |                                                     | 25            |                              | 25            |
| Change in revaluation reserve                       |                                                           | 84           | 18                                                  | 101           |                              | 101           |
| Change in translation reserve                       |                                                           | 908          |                                                     | 908           |                              | 908           |
| Change in associates                                |                                                           |              | –10                                                 | –10           |                              | –10           |
| <b>Other comprehensive income</b>                   |                                                           | <b>1,137</b> | <b>–2</b>                                           | <b>1,135</b>  |                              | <b>1,135</b>  |
| Profit for the period                               |                                                           |              | –571                                                | –571          | –2                           | –573          |
| <b>Total comprehensive income</b>                   |                                                           | <b>1,137</b> |                                                     | <b>564</b>    | <b>–2</b>                    | <b>562</b>    |
| <b>Closing balance, 31 March 2019</b>               | <b>5</b>                                                  | <b>4,488</b> | <b>42,671</b>                                       | <b>47,164</b> | <b>125</b>                   | <b>47,288</b> |
| <b>Closing balance, 31 December 2019</b>            | <b>5</b>                                                  | <b>4,483</b> | <b>43,403</b>                                       | <b>47,891</b> | <b>159</b>                   | <b>48,050</b> |
| Change in fair value reserve                        |                                                           | –328         | 140                                                 | –188          |                              | –188          |
| Change in net investment hedge                      |                                                           | –1,385       |                                                     | –1,385        |                              | –1,385        |
| Change in revaluation reserve                       |                                                           | 3            | 23                                                  | 26            |                              | 26            |
| Change in translation reserve                       |                                                           | 786          |                                                     | 786           | –1                           | 785           |
| Remeasurement of post-employment benefit obligation |                                                           |              | –21                                                 | –21           |                              | –21           |
| <b>Other comprehensive income</b>                   |                                                           | <b>–924</b>  | <b>142</b>                                          | <b>–782</b>   | <b>–1</b>                    | <b>–783</b>   |
| Profit for the period                               |                                                           |              | –2,011                                              | –2,011        | 2                            | –2,009        |
| <b>Total comprehensive income</b>                   |                                                           | <b>–924</b>  | <b>–1,869</b>                                       | <b>–2,793</b> | <b>1</b>                     | <b>–2,792</b> |
| Changes in non-controlling interest                 |                                                           |              |                                                     |               | 35                           | 35            |
| <b>Closing balance, 31 March 2020</b>               | <b>5</b>                                                  | <b>3,559</b> | <b>41,534</b>                                       | <b>45,098</b> | <b>195</b>                   | <b>45,293</b> |

# CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

| (SEK in million)                                                                           | Three-month period ended 31 March |               |
|--------------------------------------------------------------------------------------------|-----------------------------------|---------------|
|                                                                                            | 2020                              | 2019          |
| <b>Cash flow from operating activities</b>                                                 |                                   |               |
| Profit for the period                                                                      | -2,009                            | -573          |
| Adjustments to reconcile profit for the year to net cash provided by operating activities: |                                   |               |
| Depreciation, amortisation and impairment                                                  | 1,868                             | 1,743         |
| Change in fair value of investment properties                                              | -247                              | -238          |
| Gain on sale of non-current assets                                                         | -20                               | -10           |
| Gains/losses on sale of securities net                                                     | 516                               | -151          |
| Share of strategic associates result                                                       | -26                               | -26           |
| Deferred income taxes                                                                      | -22                               | -78           |
| Exchange differences, unrealised                                                           | -630                              | -475          |
| Other non-cash items                                                                       | 210                               | -153          |
| Pensions                                                                                   | -14                               | -26           |
| Dividend from operational associates and joint ventures                                    | 46                                | 17            |
| Investments and disposals of operational associates and joint ventures                     |                                   | -19           |
| Net cash flow from trading securities                                                      | 573                               | -110          |
| Trade and other receivables                                                                | -395                              | -527          |
| Prepayments and accrued income                                                             | -490                              | -316          |
| Inventories                                                                                | -53                               | -237          |
| Trade payables                                                                             | 413                               | 99            |
| Accruals and deferred income                                                               | 357                               | 448           |
| Income tax payable                                                                         | 36                                | -5            |
| Other current liabilities                                                                  | 216                               | 133           |
| <b>Cash flow from operating activities</b>                                                 | <b>329</b>                        | <b>-504</b>   |
| <b>Cash flow from investing activities</b>                                                 |                                   |               |
| Purchase of intangible assets                                                              | -60                               | -60           |
| Sale of property, plant and equipment                                                      | 62                                | 34            |
| Capital expenditure on property, plant and equipment                                       | -1,720                            | -1,442        |
| Purchase and sale of operations, net of cash                                               | -182                              | -1            |
| Investments and disposals in strategic associates and joint ventures                       | -140                              |               |
| Sale of securities                                                                         | 1,171                             | 1,100         |
| Purchase of securities                                                                     | -507                              | -1,620        |
| Other investing activities                                                                 | 322                               | -132          |
| <b>Cash flow from investing activities</b>                                                 | <b>-1,054</b>                     | <b>-2,121</b> |
| <b>Cash flow from financing activities</b>                                                 |                                   |               |
| Proceeds from issuance of short and long-term debt                                         | 7,713                             | 491           |
| Principal payments on short and long-term debt                                             | -9,657                            | -2,726        |
| Net change in borrowings on line-of-credit agreements                                      | 175                               | 2,699         |
| New leases                                                                                 | 2,890                             | 2,588         |
| Principal payments on capitalised lease obligations                                        | -465                              | -456          |
| Net change in restricted cash accounts                                                     | 304                               | 122           |
| Other financing activities                                                                 | -120                              | -46           |
| <b>Cash flow from financing activities</b>                                                 | <b>840</b>                        | <b>2,672</b>  |
| Effect of exchange rate changes on cash and cash equivalents                               | 95                                | 43            |
| <b>Net change in cash and cash equivalents</b>                                             | <b>210</b>                        | <b>90</b>     |
| <b>Cash and cash equivalents at beginning of period</b>                                    | <b>3,366</b>                      | <b>1,883</b>  |
| <b>Cash and cash equivalents at end of period</b>                                          | <b>3,576</b>                      | <b>1,973</b>  |

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 2019, 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 are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. Interim results for the three months ended on 31 March 2020 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 ended 31 December 2019, as described in the annual financial statements.

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

Stena's Annual Report 2019 describes the content of the new accounting principles that are regarded as material for the Stena Group (see link [https:// www.stena.com/news-finance/investor-relations/reports/](https://www.stena.com/news-finance/investor-relations/reports/)).

### **New or amended accounting policies applied after 2020**

There are no new accounting policies applicable from 2020 that significantly affects the Stena AB Group.

## NOTE 3. SEGMENT INFORMATION

### Revenue

Three-month period ended 31 March

| (SEK in million)        | Lease income |              | Products     |              | Service      |              | Construction<br>Contracts |            | Other    |           | Total        |              |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------|------------|----------|-----------|--------------|--------------|
|                         | 2020         | 2019         | 2020         | 2019         | 2020         | 2019         | 2020                      | 2019       | 2020     | 2019      | 2020         | 2019         |
| Ferry operations        |              |              | 134          | 159          | 2,668        | 2,723        |                           |            | 1        | 1         | 2,803        | 2,883        |
| Offshore Drilling       | 276          | 283          |              |              | 211          | 189          |                           |            | 4        |           | 491          | 472          |
| Shipping:               |              |              |              |              |              |              |                           |            |          |           |              |              |
| Roll-on/Roll-off vessel | 75           | 80           |              |              | 23           | 31           |                           |            | 1        |           | 99           | 111          |
| Tanker                  | 1,078        | 1,023        |              |              | 707          | 671          |                           |            |          | 6         | 1,785        | 1,700        |
| Other Shipping          |              |              | 84           | 57           | 949          | 155          |                           |            |          |           | 1,033        | 212          |
| <b>Total Shipping</b>   | <b>1,153</b> | <b>1,103</b> | <b>84</b>    | <b>57</b>    | <b>1,679</b> | <b>857</b>   |                           |            | <b>1</b> | <b>6</b>  | <b>2,917</b> | <b>2,023</b> |
| Property                | 657          | 634          |              |              | 23           | 24           |                           |            |          |           | 680          | 658          |
| New Businesses          |              |              | 1,277        | 1,215        | 2            | 4            | 317                       | 326        | 3        | 3         | 1,599        | 1,548        |
| Other                   |              |              |              |              | 13           | 2            |                           |            |          |           | 13           | 2            |
| <b>Total</b>            | <b>2,086</b> | <b>2,020</b> | <b>1,495</b> | <b>1,431</b> | <b>4,596</b> | <b>3,799</b> | <b>317</b>                | <b>326</b> | <b>9</b> | <b>10</b> | <b>8,503</b> | <b>7,586</b> |

| (SEK in million)                              | Three-month period ended 31 March |             |
|-----------------------------------------------|-----------------------------------|-------------|
|                                               | 2020                              | 2019        |
| <b>Operating profit/loss</b>                  |                                   |             |
| Ferry Operations:                             |                                   |             |
| Redundancy costs                              | -383                              | -77         |
| <b>Total Ferry Operations</b>                 | <b>-648</b>                       | <b>-77</b>  |
| Offshore Drilling                             | -1,053                            | -772        |
| Shipping: Roll-on/Roll-off vessels            | 37                                | 40          |
| Tanker                                        | 292                               | 36          |
| Other shipping                                | -10                               | -6          |
| <b>Total Shipping</b>                         | <b>319</b>                        | <b>70</b>   |
| Property:                                     | 391                               | 364         |
| Net gain on sale of properties                | 11                                | 10          |
| Change in fair value of investment properties | 247                               | 238         |
| <b>Total Property</b>                         | <b>649</b>                        | <b>612</b>  |
| New Businesses                                | -9                                | -2          |
| Other                                         | -104                              | -108        |
| <b>Total Operating profit/loss</b>            | <b>-846</b>                       | <b>-277</b> |

| (SEK in million)                                 | Three-month period ended 31 March |              |
|--------------------------------------------------|-----------------------------------|--------------|
|                                                  | 2020                              | 2019         |
| <b>Depreciation, amortisation and impairment</b> |                                   |              |
| Ferry Operations                                 | 594                               | 526          |
| Offshore Drilling                                | 809                               | 807          |
| Shipping: Roll-on/Roll-off vessels               | 33                                | 37           |
| Tanker                                           | 338                               | 291          |
| Other shipping                                   | 18                                | 10           |
| <b>Total Shipping</b>                            | <b>389</b>                        | <b>338</b>   |
| Property                                         | 3                                 | 2            |
| New Businesses                                   | 64                                | 59           |
| Other                                            | 9                                 | 12           |
| <b>Total</b>                                     | <b>1,868</b>                      | <b>1,743</b> |

| (SEK in million)                                            | Three-month period ended 31 March |            |
|-------------------------------------------------------------|-----------------------------------|------------|
|                                                             | 2020                              | 2019       |
| <b>Profit/loss from investments in operating associates</b> |                                   |            |
| Shipping: Tanker                                            | 1                                 | -12        |
| Other shipping                                              | -14                               |            |
| <b>Total Shipping</b>                                       | <b>-13</b>                        | <b>-12</b> |
| Property                                                    | 7                                 | 2          |
| <b>Total</b>                                                | <b>-6</b>                         | <b>-10</b> |

| (SEK in million)                              | Three-month period ended 31 March |              |
|-----------------------------------------------|-----------------------------------|--------------|
|                                               | 2020                              | 2019         |
| <b>EBITDA</b>                                 |                                   |              |
| Ferry Operations                              | 211                               | 450          |
| Redundancy costs                              | -265                              |              |
| <b>Total Ferry Operations</b>                 | <b>-54</b>                        | <b>450</b>   |
| Offshore Drilling                             | -243                              | 34           |
| Shipping: Roll-on/Roll-off vessels            | 70                                | 77           |
| Tanker                                        | 630                               | 339          |
| Other shipping                                | 20                                | 3            |
| <b>Total Shipping</b>                         | <b>720</b>                        | <b>419</b>   |
| Property                                      | 387                               | 364          |
| Net gain on sale of properties                | 11                                | 10           |
| Change in fair value of investment properties | 247                               | 238          |
| <b>Total Property</b>                         | <b>645</b>                        | <b>612</b>   |
| New Businesses                                | 54                                | 57           |
| Other                                         | -94                               | -96          |
| <b>Total EBITDA</b>                           | <b>1,028</b>                      | <b>1,476</b> |

| (SEK in million)                   | Three-month period ended 31 March |              |
|------------------------------------|-----------------------------------|--------------|
|                                    | 2020                              | 2019         |
| <b>Capital expenditures</b>        |                                   |              |
| Ferry Operations                   | 833                               | 314          |
| Offshore Drilling                  | 69                                | 628          |
| Shipping: Roll-on/Roll-off vessels | 208                               | 99           |
| Tanker                             | 73                                | 18           |
| Other shipping                     | 37                                | 1            |
| <b>Total Shipping</b>              | <b>318</b>                        | <b>118</b>   |
| Property                           | 425                               | 342          |
| New Businesses                     | 52                                | 37           |
| Other                              | 22                                | 3            |
| <b>Total</b>                       | <b>1,719</b>                      | <b>1,442</b> |

## 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 and drilling rigs, managing tankers, sales of vessels, income from Investments, New Businesses and real estate rents. The period from June through September is the peak travel season for passengers of the 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 utilisation 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 three-month period of 2020

The consequences of outbreak of Covid-19 on the Stena AB Group is at this stage still evolving. Stena has taken steps to ensure the health and safety of its employees and in parallel focusing on minimising any negative impact on the business. The impact is related to the general situation and decisions made by local authorities affecting the demand for services and products provided by the Stena AB Group.

The Covid-19 outbreak is affecting Stena's Business Areas in different ways and there will be a negative financial impact on the Stena AB Group as from mid-March. Given the uncertain situation, it is not currently possible to predict the full potential impact on the Stena AB Group.

In January 2020 Stena Fastigheter started construction of 185 apartments in Haninge, Stockholm. In the same area 20 city houses are developed with sale start in December 2019.

In January 2020 two bonds were issued, one MUS\$ 350 and one MEUR 315. The purpose with the transactions was to extend the debt maturity profile and to amortise the outstanding term loan B, amounting to USD 613 million.

On January 31, 2020 Stena Line closed the route operating Varberg–Grenaa and the day after a new route operating Halmstad–Grenaa was opened.

In February 2020 Stena Rederi AB acquired an additional 50% of the shares in the logistics and transport company NTEX AB. The ownership in NTEX AB is thereby 75% and the company is consolidated as a subsidiary as from the date of the acquisition.

*Stena Edda*, has arrived in Europe and entered into traffic on the route Belfast-Liverpool in March 2020.

*Stena Superfast X* has been transferred from Stena Line to an external charter with Stena RoRo during beginning of March 2020.

The RoRo vessels *Hatche* and *Qezban* from Turkey have been contracted. *Hatche* was delivered according to plan in January 2020 and now operates on Europoort-Killingholme. *Qezban* is planned to start traffic in March 2020 on the same route.

During March 2020 Stena Line closed the route operating Oslo–Fredrikshavn permanently and suspended the operation of the route between Trelleborg–Sassnitz until further notice.

In March, a contract was signed regarding the LNG vessel *Stena Crystal Sky* from July 2020 for 170 days with an undisclosed operator.

### Subsequent events

Stena Drilling has signed a contract with Bahamas Petroleum for the drill ship *Stena IceMAX* regarding one firm well (45 days) commencing in December 2020/January 2021.

In April 2020, Stena AB obtained a guarantee limit of SEK 8 billion from Exportkreditnämnden (EKN). On May 25 2020, a revolving credit facility agreement was signed with a bank consortium regarding a credit facility amounting to SEK 10.7 billion, whereof SEK 8 billion (75%) is guaranteed by EKN. For Stena AB this is an unsecured credit facility. The Facility will become available once EKN issues the guarantee which is expected to be received shortly.

### 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 three-month period that ended on 31 March 2020, approximately 26% of our total revenues were generated in USD, approximately 28% were generated in EUR, approximately 11% were generated in GBP and approximately 22% were generated in SEK.

In the three-month period ended 31 March 2020, approximately 28% of our total expenses were incurred in USD, approximately 27% were incurred in EUR, approximately 17% were incurred in GBP and approximately 15% 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:

|                       | Jan – Mar   | Jan – Mar   |               |
|-----------------------|-------------|-------------|---------------|
| <b>Average rates:</b> | <b>2020</b> | <b>2019</b> | <b>Change</b> |
| US \$                 | 9.6692      | 9.1706      | 5%            |
| British pound         | 12.3685     | 11.9423     | 4%            |
| Euro                  | 10.6647     | 10.4173     | 2%            |

  

|                       | As of 31 March | As of 31 Dec |               |
|-----------------------|----------------|--------------|---------------|
| <b>Closing rates:</b> | <b>2020</b>    | <b>2019</b>  | <b>Change</b> |
| US \$                 | 9.9052         | 9.3650       | 6%            |
| British pound         | 12.3023        | 12.4152      | –1%           |
| Euro                  | 10.9264        | 10.5010      | 4%            |

## SUMMARY FOR THE THREE-MONTH PERIOD 1 JANUARY – 31 MARCH 2020

### Revenues

Total revenues increased by SEK 917 million to SEK 8,503 million in the three months ended 31 March 2020 compared to SEK 7,586 million in the three months ended 31 March 2019. The increased revenues mainly relates to the acquisition of NMT in April 2019 and the increase of holdings in NTEX in the first quarter of 2020 within Shipping operations.

### Direct Operating Expenses

Total direct operating expenses increased by SEK 1,133 million to SEK 6,471 million in the three months that ended on 31 March 2020, compared to SEK 5,338 million in the three months ended 31 March 2019. The increased operating expenses mainly relates to the acquisition of NMT in April 2019 and the increase of holdings in NTEX in the first quarter of 2020 within Shipping operations, together with redundancy costs within Ferry Operations amounting to SEK 265 million.

### Selling and Administrative Expenses

Selling and administrative expenses increased by SEK 251 million to SEK 1,271 million in the three months that ended 31 March 2020, compared to SEK 1,020 million in the three-month period that ended on 31 March 2019.

### Depreciation, Amortisation and Impairment

Depreciation and amortisation charges increased by SEK 125 million to SEK 1,868 million in the three months ended 31 March 2020, compared to SEK 1,743 million in the three months ended 31 March 2019.

### EBITDA

The EBITDA for the consolidated Stena AB Group decreased by SEK 448 million to SEK 1,028 million in the three-month period that ended on 31 March 2020 compared to SEK 1,476 million last year mainly due to the Covid-19 outbreak and less operating days within the Drilling segment, offset by improved EBITDA within the Tanker and LNG operation.

### 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, excluding redundancy costs, decreased by SEK 239 million to SEK 211 million in the three months ended 31 March 2020, from SEK 450 million in the corresponding period in 2019 due to plunge in passenger volumes and decreasing freight volumes as a consequence of the Covid-19 outbreak and redundancy costs for closing routes amounting to SEK 265 million. Car volumes decreased 10% compared to last year, passenger volumes decreased 15% and freight volumes decreased 7% compared to the corresponding period last year. Stena Line has taken steps to mitigate the financial impact of the Covid-19 situation. This includes closure of routes, reducing costs and number of employees.

### Offshore Drilling

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

EBITDA decreased by SEK 277 million to SEK –243 million in the three-month period 2020 compared to SEK 34 million in the corresponding period in 2019. The decrease is due to fewer rigs on contract offset by continued positive effects from the Cost Race program.

### Shipping

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

#### *Tankers*

Our tanker operation generated EBITDA of SEK 630 million in the three-month period ended 31 March 2020 compared to SEK 339 million for the same period in 2019, due to improved rates in all tanker segments. Suezmax and MR rates soar due to that the demand for storage increased.

#### *RoRo Operations*

EBITDA from chartering out Roll-on/Roll-off vessels decreased by SEK 7 million to SEK 70 million in the three-month period ended 31 March 2020, from SEK 77 million in the same period in 2019. The decrease is mainly due to lower charter income due to the sale of Kaiarahi in the fourth quarter of 2019 offset by strong contract coverage and utilisation across the fleet.

## Property

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

EBITDA was SEK 645 million for the three months ended 31 March 2020, compared to SEK 612 million for the same period in 2019, mainly due to completion of newbuildings and lower maintenance costs. The change in fair value of investment properties amounts to SEK 247 million for the three months ended 2020 compared to SEK 238 million for the same period 2019. Occupancy rates for Swedish properties were approximately 98%, and non-Swedish properties were approximately 90%.

## New Businesses

The EBITDA for New Businesses decreased by SEK 3 million to SEK 54 million in the three-month period ended 31 March 2020, compared to SEK 57 million in 2019.

*Ballingslöv:* EBITDA for the three months ended 31 March 2020 was SEK 100 million, compared to SEK 101 million for the three months ended 31 March 2019. Sales were higher than last year, especially in Denmark and Norway.

*Blomsterlandet:* EBITDA for the three months ended 31 March 2020 was SEK –8 million compared to SEK –22 million in the corresponding period in 2019 mainly due to the sale of a building together with increased sales and higher gross margin then last year.

*Envac:* EBITDA for the three months ended 31 March 2020 was SEK –7 million compared to SEK 5 million in the corresponding period in 2019. Order intake decreased compared to last year as well as lower gross margin compared to the same period last year.

*Captum:* EBITDA for the three months ended 31 March 2020 was SEK –1 million compared to SEK –3 million in the corresponding period in 2019.

## Other Income

### *Net valuation on investment property*

As a result of the revaluation to fair value according to IAS 40 "Investment properties", Stena recognized net gains of SEK 247 million for the three months ended 31 March 2020, as compared to SEK 238 million for the same period in 2019.

### *Net gain on sale of vessels*

In the three months ended 31 March 2020, there were no sales of vessels, same as the corresponding period 2019.

### *Net gain on sale of properties*

In the three months ended 31 March 2020 the net gain on sales of properties amounted to SEK 11 million. In the three months period ended 31 March 2019 the net gain on sale of properties amounted to SEK 10 million.

### *Net gain on sale of operations*

In the three months ended 31 March 2020 the net gain on sales of operations amounted to SEK 9 million. There were no net gains/losses on sale of operations in the three months ended 31 March 2019.

## Financial Net

Total finance net decreased by SEK 890 million to SEK –1,255 million in the three months ended 31 March 2020, from SEK –365 million in the three months ended 31 March 2019. The decrease is mainly related to the negative development in the financial portfolios as a consequence of the Covid-19 outbreak.

## Income Taxes

Income taxes for the three months ended 31 March 2020 were SEK 92 million, consisting of current taxes of SEK 70 million and deferred taxes of SEK 22 million. Income taxes for the three months ended 31 March 2019, were SEK 69 million, consisting of current taxes of SEK –9 million and deferred taxes of SEK 78 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 31 March 2020, total cash and marketable securities including short-term investments amounted to SEK 7,826 million as compared to SEK 10,200 million as of 31 December 2019.

For the three-month period ended 31 March 2020, cash flows provided by operating activities amounted to SEK 329 million, as compared to SEK –504 million in the first three-month ended 31 March 2019. For the three-month period ended 31 March 2020, cash flows used in investing activities amounted to SEK –1,054 million, including SEK –1,720 million related to capital expenditures, as compared to SEK –2,121 million, including SEK –1,442 million related to capital expenditures, in the three-month period ended 31 March 2019. Cash flows from financing activities for the three-month period ended 31 March 2020 amounted to SEK 840 million, as compared to SEK 2,672 million in the three-month period ended 31 March 2019.

As of 31 March 2020, the total construction in progress was SEK 3,244 million, as compared to SEK 3,103 million as of 31 December 2019. The remaining capital expenditure commitment for newbuildings on order as of 31 March 2020 was SEK 5,316 million, of which SEK 1,544 million is due during 2020, SEK 1,818 million is due in 2021 and SEK 1,954 million is due in 2021 and after. Stena intends to finance the remainder of this unpaid balance, together with additional expenses and financing costs, with cash from operations, existing revolving credit facilities, new capital lease agreements, new bank loans and other financing arrangements.

As of 31 March 2020, total interest-bearing debt was SEK 66,436 million as compared to SEK 63,200 million as of 31 December 2019.

As of 31 March 2020, USD 637 million was utilised under the USD 725 million revolving credit facility of which USD 2 million was used for issuing bank guarantees and letters of credit. As of 31 December 2019, USD 579 million was utilized, including USD 3 million used for issuing bank guarantees and letters of credit.

As of 31 March 2020, USD 63 million was utilised under the USD 300 million revolving credit facility entered into by Stena Investment Luxembourg S.à.r.l. compared to USD 135 million as of 31 December 2019.

As of 31 March 2020, the SEK 1,000 million revolving credit facility in Adactum was fully utilised, compared to SEK 700 million as of 31 December 2019.

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 make proposed capital expenditures, including new buildings and other vessel acquisitions, and to fund anticipated working capital requirements.

### Other current assets and liabilities

Other current receivables as per 31 March 2020 includes a short-term receivable associated with the claim on Samsung Heavy Industries Co Ltd (SHI) for the cancellation of the contract for the construction of Stena MidMax, a semisubmersible drilling unit. SHI has disputed Stena's cancellation on the contract and the parties are still engaged in a London arbitration.

Trade receivables and payables have both increased as per 31 March 2020 compared to 31 December 2019 mainly as a consequence of the NTEX acquisition in the first quarter of 2020 together with seasonal variations.

## OTHER FINANCIAL INFORMATION – RESTRICTED GROUP

For the three-month period ended 31 March 2020, Restricted Group Data represents the selected consolidated financial information excluding (i) the property business segment, (ii) the business segment of New Businesses, whose activities consist primarily of investing in companies outside our traditional lines of business, and (iii) our subsidiaries Stena Investment Luxembourg S.à.r.l., Stena Royal, Stena Investment Cyprus Ltd and Mondaldi Ltd. Our real estate operations and the business of New Businesses are conducted through various subsidiaries. For purposes of the indentures under which our Senior Notes were issued, real estate business and Investments, New Businesses, together with our subsidiaries Stena Investment Luxembourg S.à.r.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 the bond indentures.

As of 31 March 2020, Stena had outstanding USD 527 million principal amounts of Senior Notes due 2024. Stena also had outstanding USD 350 million principal amounts of Senior Secured Notes due 2024, USD 350 million principal amounts of Senior Notes due 2025 and EUR 315 million principal amounts of Senior Notes due 2025.

### Significant events of the first three-month period of 2020 specific to the restricted group

The consequences of outbreak of Covid-19 on the Stena AB Group is at this stage still evolving. Stena has taken steps to ensure the health and safety of its employees and in parallel focusing on minimising any negative impact on the business. The impact is related to the general situation and decisions made by local authorities affecting the demand for services and products provided by the Stena AB Group.

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In March, a contract was signed regarding the LNG vessel *Stena Crystal Sky* from July 2020 for 170 days with an undiscovered operator.

### Subsequent Events for the restricted group

Stena Drilling has signed a contract with Bahamas Petroleum for the drill ship *Stena IceMAX* regarding one firm well (45 days) commencing in December 2020/January 2021.

In April 2020, Stena AB obtained a guarantee limit of SEK 8 billion from Exportkreditnämnden (EKN). On May 25 2020, a revolving credit facility agreement was signed with a bank consortium regarding a credit facility amounting to SEK 10.7 billion, whereof SEK 8 billion (75%) is guaranteed by EKN. For Stena AB this is an unsecured credit facility. The Facility will become available once EKN issues the guarantee which is expected to be received shortly.

## GROUP CONSOLIDATED INCOME STATEMENTS – RESTRICTED GROUP (UNAUDITED)

| (SEK in million)                                     | Three-month period ended 31 March |               |
|------------------------------------------------------|-----------------------------------|---------------|
|                                                      | 2020                              | 2019          |
| <b>Revenue</b>                                       |                                   |               |
| Ferry Operations                                     | 2,803                             | 2,883         |
| Offshore Drilling                                    | 491                               | 472           |
| Shipping                                             | 2,917                             | 2,023         |
| Other                                                | 13                                | 2             |
| <b>Total revenue</b>                                 | <b>6,224</b>                      | <b>5,380</b>  |
| Net gain on sale of non-current assets               | 9                                 |               |
| <b>Total other income</b>                            | <b>9</b>                          |               |
| <b>Direct operating expenses</b>                     |                                   |               |
| Ferry Operations                                     | –2,282                            | –2,129        |
| Ferry Operations - redundancy costs                  | –265                              |               |
| Offshore Drilling                                    | –564                              | –318          |
| Shipping                                             | –1,893                            | –1,448        |
| Other                                                | 5                                 | –3            |
| <b>Total direct operating expenses</b>               | <b>–4,999</b>                     | <b>–3,898</b> |
| Selling and administrative expenses                  | –906                              | –670          |
| Profit/loss from investments in operating associates | –13                               | –12           |
| Depreciation, amortisation and impairment            | –1,801                            | –1,682        |
| <b>Total operating expenses</b>                      | <b>–7,719</b>                     | <b>–6,262</b> |
| <b>Operating profit/loss</b>                         | <b>–1,486</b>                     | <b>–882</b>   |
| Dividends received                                   | 6                                 | 7             |
| Gains/loss on securities, net                        | –154                              | 141           |
| Interest income                                      | 72                                | 106           |
| Interest expense                                     | –658                              | –563          |
| Foreign exchange gains/loss, net                     | 18                                | 110           |
| Other financial income/expense, net                  | –49                               | –78           |
| <b>Financial net</b>                                 | <b>–765</b>                       | <b>–277</b>   |
| <b>Profit/loss after financial net</b>               | <b>–2,251</b>                     | <b>–1,159</b> |
| Non-controlling interest                             | –3                                | 2             |
| Group contribution                                   | 5                                 |               |
| <b>Profit/loss before tax</b>                        | <b>–2,249</b>                     | <b>–1,157</b> |
| Income taxes                                         | 210                               | 210           |
| <b>Profit for the period</b>                         | <b>–2,039</b>                     | <b>–947</b>   |

## CONDENSED CONSOLIDATED BALANCE SHEETS – RESTRICTED GROUP (UNAUDITED)

| (SEK in million)                           | 31 March<br>2020 | 31 December<br>2019 |
|--------------------------------------------|------------------|---------------------|
| <b>Assets</b>                              |                  |                     |
| <b>Non-current assets</b>                  |                  |                     |
| <b>Intangible assets</b>                   | <b>2,722</b>     | <b>2,300</b>        |
| <b>Property, plant and equipment</b>       |                  |                     |
| Vessels                                    | 41,834           | 39,919              |
| Construction in progress                   | 3,186            | 3,074               |
| Equipment                                  | 2,765            | 2,678               |
| Land and buildings                         | 1,100            | 1,047               |
| Ports                                      | 4,159            | 4,188               |
| <b>Total property, plant and equipment</b> | <b>53,044</b>    | <b>50,906</b>       |
| <b>Financial assets</b>                    |                  |                     |
| Marketable securities                      | 216              | 235                 |
| Intercompany accounts, non-current         | 1,119            | 1,052               |
| Other non-current assets                   | 16,836           | 15,836              |
| <b>Total financial assets</b>              | <b>18,171</b>    | <b>17,123</b>       |
| <b>Total non-current assets</b>            | <b>73,937</b>    | <b>70,329</b>       |
| <b>Current assets</b>                      |                  |                     |
| Inventories                                | 447              | 498                 |
| Trade receivables                          | 2,880            | 2,280               |
| Other current receivables                  | 6,192            | 6,099               |
| Prepayments and accrued income             | 1,765            | 1,726               |
| Short-term investments                     | 1,371            | 2,302               |
| Intercompany accounts, current             | 4,614            | 4,514               |
| Cash and cash equivalents                  | 2,580            | 2,348               |
| <b>Total current assets</b>                | <b>19,849</b>    | <b>19,767</b>       |
| <b>Total assets</b>                        | <b>93,786</b>    | <b>90,096</b>       |

| (SEK in million)                                                 | 31 March<br>2020 | 31 December<br>2019 |
|------------------------------------------------------------------|------------------|---------------------|
| <b>Equity and liabilities</b>                                    |                  |                     |
| <b>Equity</b>                                                    |                  |                     |
| Share capital                                                    | 5                | 5                   |
| Reserves                                                         | 28,176           | 30,917              |
| <b>Equity attributable to shareholders of the Parent company</b> | <b>28,181</b>    | <b>30,922</b>       |
| Non-controlling interests                                        | 182              | 147                 |
| <b>Total equity</b>                                              | <b>28,363</b>    | <b>31,069</b>       |
| <b>Non-current liabilities</b>                                   |                  |                     |
| Deferred tax liabilities                                         | 1,229            | 1,153               |
| Pension liabilities                                              | 607              | 587                 |
| Other provisions                                                 | 1                | 1                   |
| Long-term debt                                                   | 16,750           | 22,061              |
| Senior Notes                                                     | 15,595           | 8,212               |
| Capitalised lease obligations                                    | 11,110           | 8,091               |
| Intercompany accounts, non-current                               | 4,891            | 5,140               |
| Other non-current liabilities                                    | 2,686            | 1,360               |
| <b>Total non-current liabilities</b>                             | <b>52,869</b>    | <b>46,605</b>       |
| <b>Current liabilities</b>                                       |                  |                     |
| Short-term debt                                                  | 1,642            | 1,654               |
| Senior Notes                                                     |                  | 2,100               |
| Capitalised lease obligations                                    | 1,652            | 1,403               |
| Trade payables                                                   | 1,710            | 1,141               |
| Tax liabilities                                                  | 45               | 30                  |
| Other liabilities                                                | 2,284            | 2,017               |
| Intercompany liabilities, current                                | 1,418            | 246                 |
| Accruals and deferred income                                     | 3,803            | 3,831               |
| <b>Total current liabilities</b>                                 | <b>12,554</b>    | <b>12,422</b>       |
| <b>Total equity and liabilities</b>                              | <b>93,786</b>    | <b>90,096</b>       |

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW – RESTRICTED GROUP (UNAUDITED)

| (SEK in million)                                                              | Three-month period ended 31 March |               |
|-------------------------------------------------------------------------------|-----------------------------------|---------------|
|                                                                               | 2020                              | 2019          |
| <b>Cash flow from operating activities</b>                                    |                                   |               |
| Profit for the period                                                         | -2,039                            | -947          |
| Adjustments to reconcile profit to net cash provided by operating activities: |                                   |               |
| Depreciation, amortisation and impairment                                     | 1,801                             | 1,682         |
| Gain on sale of non-current assets                                            | -9                                |               |
| Gains/losses on securities, net                                               | 154                               | -141          |
| Deferred income taxes                                                         | -61                               | -204          |
| Exchange differences, unrealised                                              | -521                              | -384          |
| Other non-cash items                                                          | 199                               | -186          |
| Pensions                                                                      | -17                               | -31           |
| Net cash flow from trading securities                                         | 573                               | -110          |
| Dividend from operational associates and joint ventures                       | 46                                | 17            |
| Investments and disposals of operational associates and joint ventures        |                                   | -19           |
| Changes in working capital                                                    | 9                                 | -396          |
| <b>Cash flow from operating activities</b>                                    | <b>135</b>                        | <b>-719</b>   |
| <b>Cash flow from investing activities</b>                                    |                                   |               |
| Capital expenditure of intangible assets                                      | -51                               | -51           |
| Sale of property, plant and equipment                                         | 1                                 | 12            |
| Capital expenditure on property, plant and equipment                          | -1,243                            | -1,064        |
| Purchase and sale of operations, net of cash                                  | -182                              |               |
| Sale of securities                                                            | 43                                | 584           |
| Purchase of securities                                                        | -10                               | -711          |
| Other investing activities                                                    | -222                              | -136          |
| <b>Cash flow from investing activities</b>                                    | <b>-1,664</b>                     | <b>-1,366</b> |
| <b>Cash flow from financing activities</b>                                    |                                   |               |
| Proceeds from issuance of short and long-term debt                            | 7,113                             | 271           |
| Principal payments on short and long-term debt                                | -9,536                            | -2,713        |
| Net change in borrowings on line-of-credit agreements                         | 759                               | 2,540         |
| New leases                                                                    | 2,890                             | 2,588         |
| Principal payments on capitalised lease obligations                           | -440                              | -391          |
| Net change in restricted cash accounts                                        | 248                               | 108           |
| Intercompany accounts                                                         | 761                               | -232          |
| Other financing activities                                                    | -117                              | -64           |
| <b>Cash flow from financing activities</b>                                    | <b>1,678</b>                      | <b>2,107</b>  |
| Effect of exchange rate changes on cash and cash equivalents                  | 83                                | 34            |
| <b>Net change in cash and cash equivalents</b>                                | <b>232</b>                        | <b>56</b>     |
| <b>Cash and cash equivalents at beginning of period</b>                       | <b>2,348</b>                      | <b>908</b>    |
| <b>Cash and cash equivalents at end of period</b>                             | <b>2,580</b>                      | <b>964</b>    |