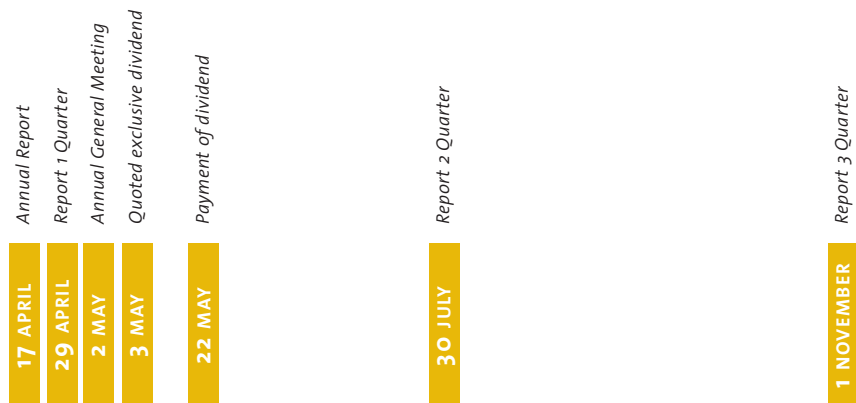


2001

WILH. WILHELMSSEN ANNUAL REPORT

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THIS IS WILH. WILHELMSEN

Wilh. Wilhelmsen ASA's business concept is to be a leading international supplier of maritime transport and associated services based on expertise – and with the focus on customer needs.

Our group ranks today as one of Norway's leading centres of maritime expertise. Half the workforce, which exceeds 12 500 people, sail on more than 200 ships. The rest work at more than 200 offices in over 60 countries and at a number of terminals. Our results are created through the interaction between these human resources.

We are developing from a more traditional shipping business, with the focus on owning and operating ships, to becoming a global supplier of transport and logistical services. The emphasis will continue to lie on the maritime sector, but we no longer regard the ownership of vessels as necessarily central to our operations. In all parts of our business, we clearly see that opportunities for growth and profits are biggest by far in those areas where we can primarily sell maritime knowledge and expertise.

Our principal challenge will be to continue developing expertise in order to accomplish the transition from acting primarily as a supplier of ship-based transport services to having the ability to offer solutions and organise transport from the producer all the way to the customer. In this value chain, our group will be a maritime brand and a preferred business partner.



August/September:
The ro-ro carrier Tampa rescues 438 shipwrecked people in the Indian Ocean. This incident and the subsequent events put both ship and company in the centre of attention from the world press for 10 turbulent days.

Februar: Wilh. Wilhelmsen takes delivery of the last ro-ro carrier in a series of four from Daewoo Shipbuilding & Marine Engineering in Korea.



Oktober
Wilh. Wilhelmsen celebrates its 140th anniversary.

MAIN EVENTS OF 2001

November: Wallenius Wilhelmsen agrees to acquire a 20 per cent interest in Compagnie d’Affretement et de Transport SA (CAT). This French company will play a key role in the commitment to logistics.

- Barwil delivers its best-ever result.
- Barwil clears a record number of ship calls – about 28 000 in all.

November: Wilh. Wilhelmsen transfers its 59.2 per cent holding in Offshore Heavy Transport to Dockwise Transport BV in exchange for shares in the latter company, and acquires a holding of about 22 per cent.

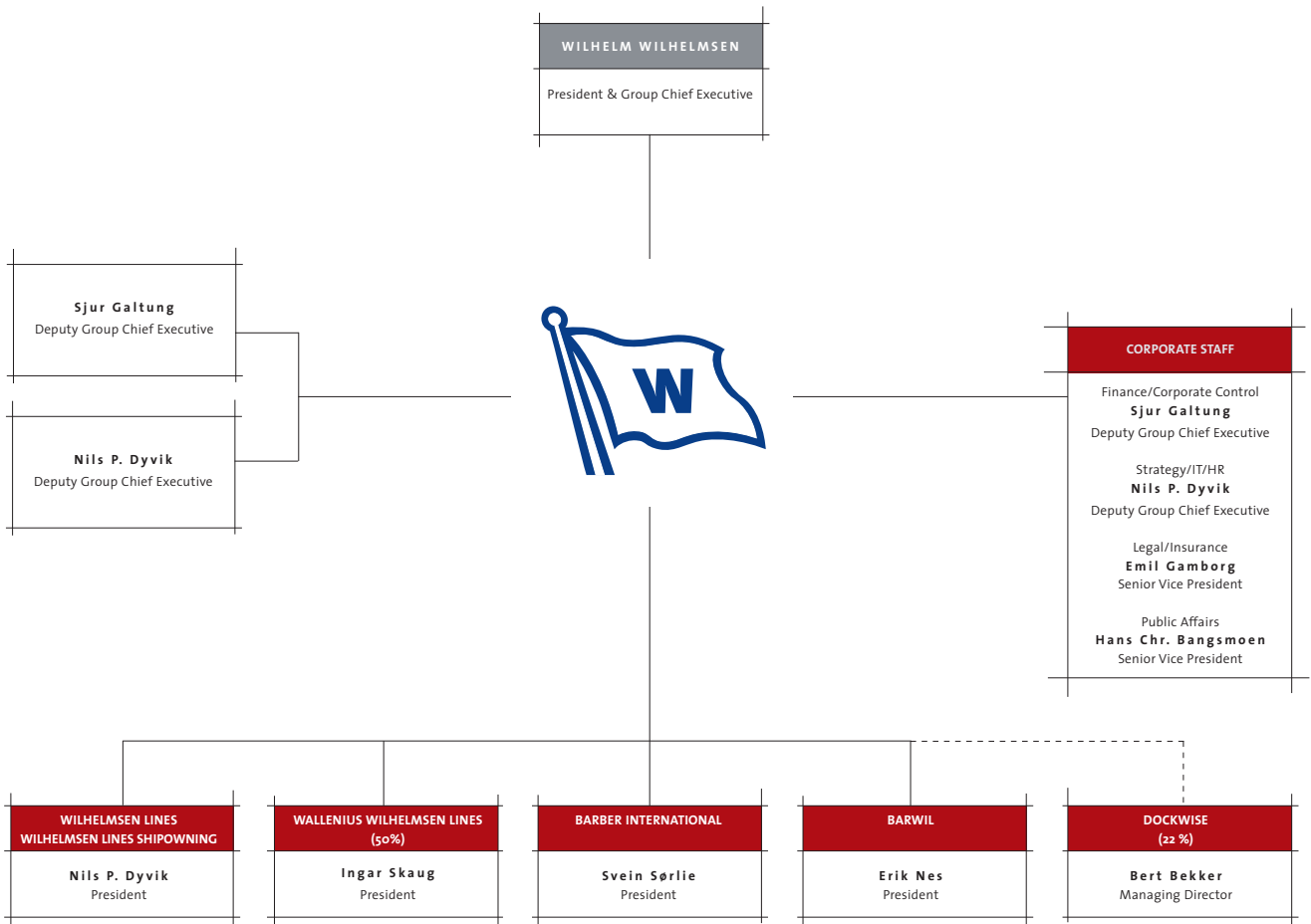
November: Barwil acquires Norsk Hydro’s ship agency business, giving it new offices in Norway, Belgium and the Netherlands.



- Barber has a record number of ships under management – 234 vessels flying 20 different flags – and more than 7 000 seagoing personnel attached to its operations.
- Barber expands on the manning and training side and in the development and sale of information technology solutions.



CORPORATE ORGANISATION



Governing bodies

BOARD OF DIRECTORS Leif T. Løddesøl *chair*, Odd Rune Austgulen, Helen Juell, Anders Chr. Stray Ryssdal, Wilhelm Wilhelmsen, Sjur Galtung *alternate* **EXECUTIVE COMMITTEE FOR INDUSTRIAL DEMOCRACY IN FOREIGN TRADE SHIPPING** Leif T. Løddesøl, Wilhelm Wilhelmsen, Sjur Galtung, Nils P. Dyvik, Ulf Gusgaard *employee representative*, Arne B. Normann *first alternate*, Åse K. Sætre *employee representative*, Stein Erik Flø *first alternate* **PRESIDENT AND GROUP CHIEF EXECUTIVE** Wilhelm Wilhelmsen **AUDITOR** PricewaterhouseCoopers DA, state authorised accountant Erling Elsrud

KEY FIGURES CONSOLIDATED ACCOUNTS

		2001	2000	1999	1998	1997
Income statement						
Gross revenue	USD mill	817	836	787	794	777
Primary operating income	USD mill	146	163	126	168	179
Net operating income	USD mill	67	81	56	101	114
Income before taxes	USD mill	31	55	41	56	82
Net income	USD mill	27	48	37	51	152
Balance sheet						
Fixed assets	USD mill	932	984	827	818	743
Current assets	USD mill	359	475	515	603	410
Equity	USD mill	469	496	466	443	379
Interest-bearing debt	USD mill	646	764	667	831	640
Total assets	USD mill	1 291	1 459	1 342	1 421	1 220
Key financial figures						
Cash flow (1)	USD mill	108	133	108	116	144
Liquid funds 31.12. (2)	USD mill	218	297	338	504	263
Liquidity ratio (3)		2.3	2.8	3.0	5.7	2.6
Equity ratio (4)	%	36%	34%	35%	31%	31%
Yield						
Return on assets (5)	%	6.3%	8.8%	7.7%	8.7%	13.0%
Return on equity (6)	%	6.1%	10.6%	8.4%	11.9%	20.8%
Key figures per share						
Earnings per share (7)	USD	1.02	1.71	1.28	1.76	5.25
Diluted earnings per share (8)	USD	1.02	1.71	1.28	1.76	5.25
Cash flow per share	USD	4.41	4.87	3.73	4.02	4.95
Average number of shares (9)	(thousand)	24 449	27 311	28 871	28 950	28 950

Definitions:

- 1) Net income adjusted for change in deferred tax, depreciation and write-down on assets.
- 2) Cash and bank deposits, bonds, certificates and shares (current assets).
- 3) Current assets divided by current liabilities.
- 4) Equity in percent of total assets.
- 5) Income before taxes plus interest expenses, in percent of average equity and interest-bearing debt.
- 6) Income before taxes minus payable taxes, in percent of average equity.
- 7) Net income after minority interests, divided by average number of shares.
- 8) Earnings per share taking into consideration the number of potential outstanding shares in the period.
- 9) Prior period figures have been revised to reflect the split of the share in two.

Linking tradition with new



6



1861

1865

*Mathilde (1865-1880).
The first ship in the fleet.*

*Morten Wilhelm Wilhelmsen.
The founder.*



1887

*Talabot (1887-1905).
The first steam ship in the fleet.
Starts the T-nomenclature.*



1896

*Crew of Jarlsberg,
Cardif 1896.*



1902

*Introduction of the
two blue lines on the funnel.*



1913

*San Joaquin (1913-1929).
The first tanker
in the fleet.*

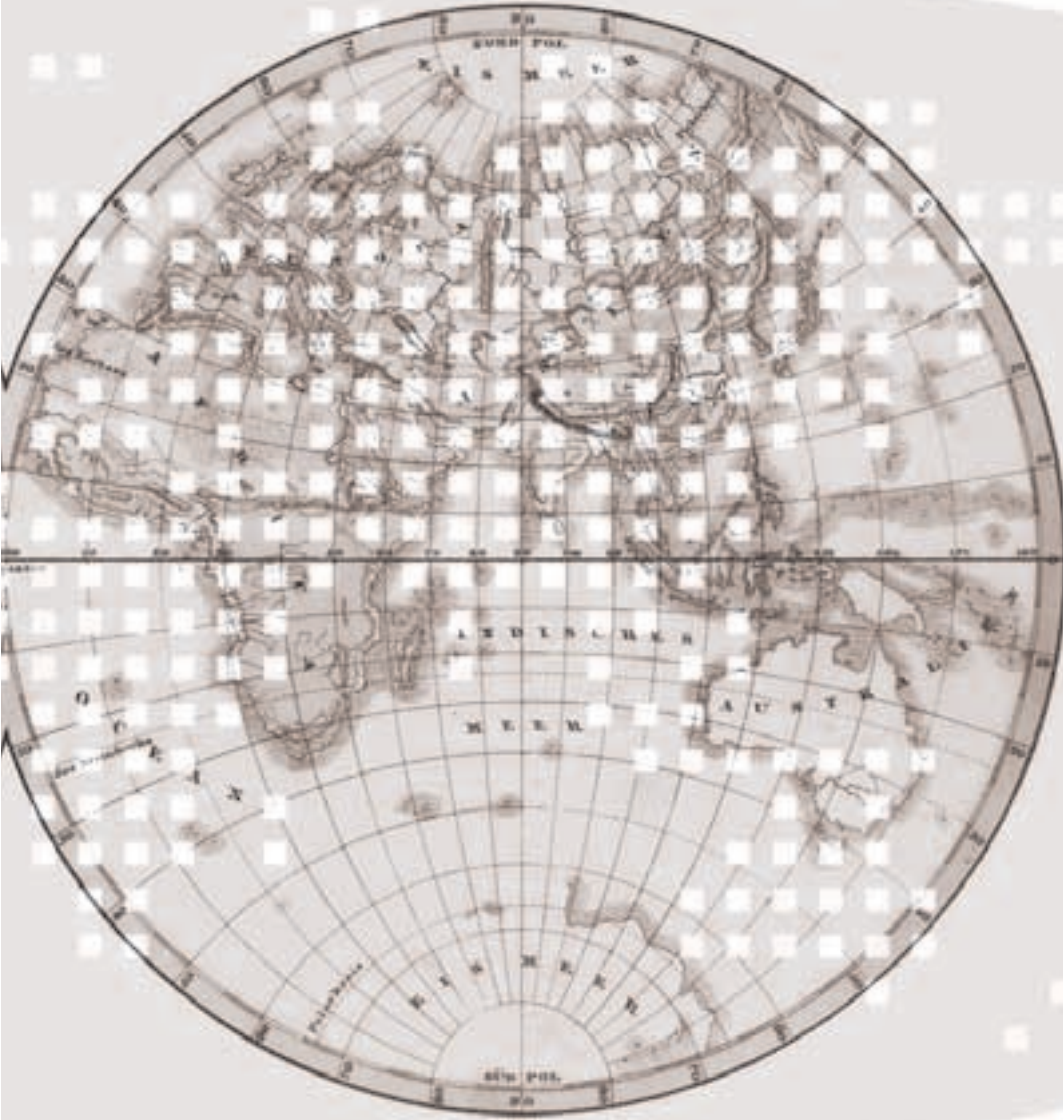


1924

*Tourcoing (1924-1942).
Motor vessel. Participate
in the wool race to Australia.*

1861 - 2001

solutions



1938

1945

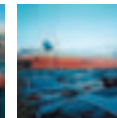


1960

1972

1975

1982



1996

2001

2nd World War (1940-45).
52 sailors gave their lives
and 26 of WW's vessels was lost.

Filipstad, Oslo.
Wilh. Wilhemsen's own
terminal from 1924 to 1996.

Tønsberg (1960-1977).
Liner vessel in new design.

Headquarters (1960-1995)
Roald Amundsenstgt. 5, Oslo.

Tricolor
(1972-1985). The
first Ro/Ro vessel
in the fleet.

Treasure Hunter (1975-1988).
The first drilling rig.

Tender Captain
(1979-1985).
Contingency vessel.

Takamine (1996-).
Pure Car and Truck Carrier (PCTC).

Tamerlane (2001-).
Ro/Ro vessel.

1861

1861

The Wilh. Wilhelmsen company was founded in Tønsberg on 1 October 1861 by Morten Wilhelm Wilhelmsen. He was only 22, and therefore three years below the age at which he could legally begin his own business. A temporary partnership was therefore established, but the Wilh. Wilhelmsen name was used from the start.



DIRECTORS' REPORT



2001

The board of Wilh. Wilhelmsen ASA in the anniversary year comprised: Leif T. Løddesøl, Helen Juell, Wilhelm Wilhelmsen, Anders Chr. Stray Ryssdal and Odd Rune Austgulen.

"Financial results for the Wilh. Wilhelmsen ASA (WW) group declined in 2001 by comparison with the year before, primarily because of weaker results from the liner and car carrier business. Overall, we expect results for 2002 to be better than in 2001."

Financial results for the Wilh. Wilhelmsen ASA (WW) group declined in 2001 by comparison with the year before, primarily because of weaker results from the liner and car carrier business.

Annual accounts

In accordance with section 3-3 of the Norwegian Accounting Act, the annual accounts have been prepared under the assumption that the enterprise is a going concern.

Income statement

The WW group achieved a net operating income of USD 67 million in 2001, compared with USD 81 million the year before. For further details, see the reports for the individual segments.

Overall gross revenue for the group declined from USD 836 million in 2000 to USD 817 million. Net financial expenses came to USD 36 million, compared with USD 26 million in 2000. The accounts show an income before taxes of USD 31 million, while net income for the year was USD 27 million. Corresponding figures for 2000 were USD 55 million and USD 48 million respectively.

WW changed its accounting principle on maintenance and classification costs for ships in 2001. A review of these costs showed that the capitalisation method provides a better comparison of income and expenditure than the earlier method of charging directly against income. The consequences of changing the principle are described in more detail in the income statement and balance sheet.

Substantial sums have been invested by WW over recent years in forward-looking technology, expertise and goodwill. This commitment was further increased by the service companies and the liner business during 2001.

In recent years, the group has generated a gross cash flow (EBITDA) of about USD 150 million per year. This provides considerable freedom of action for investment or debt redemption. The fact that USD 8 million of depreciation charged relates to goodwill forms part of the picture. Under Norwegian generally-accepted accounting principle, goodwill must be depreciated even if the businesses concerned have improved their profitability consistently since they were acquired.

Parent company Wilh. Wilhelmsen ASA showed a profit of NOK 72 million before tax as against NOK 156 million for 2000. Net profit was NOK 100 million compared with NOK 129 million the year before.

The board proposes the following application of profit in the parent company for 2001:

NOK mill	
Transfer to other equity	11
Dividend	(111)
Net profit for the year	100

Free equity in the parent company at 31 December 2001 totalled NOK 1 243 million.

Capital and finance

Long-term interest-bearing debt was reduced by USD 118 million over the year to USD 634 million.

The group repaid USD 169 million on existing debt, including extraordinary instalments of USD 69 million. In addition, interest-bearing debt was reduced by USD 36 million following the deconsolidation of Offshore Heavy

Transport ASA (OHT). The change in accounting method was implemented in December, in connection with the transfer of the OHT shareholding to Dockwise Transport BV.

The group considers it important to have access to several sources of capital. A five-year bond issue of NOK 300 million was implemented by the parent company in the Norwegian market during the year, and converted via derivatives to a USD loan with a floating interest rate. Active use is made of the Norwegian certificate market, which has proved an appropriate source of finance. The group utilised existing drawing rights in connection with the delivery of its latest newbuilding in February. Overall, the group raised new loans totalling USD 87 million during 2001.

Interest expenses for the group totalled USD 44 million, down from USD 50 million in 2000. This development reflected a reduction in average interest-bearing debt from the year before as well as a significant decline in the general level of interest rates. At 31 December, fixed-interest loans and leasing commitments amounted to about 30 per cent of the loan portfolio. USD interest rates are expected to remain relatively low in 2002.

Liquid assets totalled USD 217 million at 31 December 2001. In addition, the group had USD 151 million in undrawn committed drawing rights. During 2001, the group sold its portfolio of interest-bearing securities worth about USD 90 million. In line with group strategy, the liberated funds were largely devoted to repaying interest-bearing debt and to increasing the proportion of new investment financed from equity. This helped to improve the group's key financial figures. Part of the group's surplus liquidity is managed through investment in shares and structured products. Owing to a difficult year in the stock market, the portfolio under management showed a loss of USD 3.7 million for 2001 as a whole. During the first quarter, the group sold its remaining shareholding in Frontline at a gain of USD 3 million.

The group's revenue and expenses are largely denominated in USD, and the strength of this currency made a positive contribution to the group's operating income. About 40 per cent of its expenses are incurred in currencies other than the USD, and parts of this exposure were hedged during the year. A net gain of USD 800 000 was achieved by the group from the active use of derivatives.

At the annual general meeting of 4 May 2001, it was resolved to reduce the share capital by five per cent through the redemption of half the company's shares held by the company itself. In addition, the administration was given the authority to buy back up to 10 per cent of the outstanding shares. Part of this authority was utilised, and the group owned 8.9 per cent of its share capital at 31 December.

Liner and car carrier operations

Results from liner and car carrier operations showed a clear weakening from 2000, with net operating income for this business segment at USD 59.8 million as against USD 84.6 million the year before.

Reduced economic activity across much of the world led to declining demand for car shipments. Global transport in this sector fell by about 3.5 per cent to 7.7 million units. Container rates also weakened considerably over the year.

However, developments for car carrying were not uniform across all trades. While transported volumes from Asia to Europe experienced a substantial decline, the Asia-North America trade rose by just over two per cent. Overall exports from the important Japanese and Korean markets fell by about five per cent and 7.7 per cent respectively.

Some market contraction was also experienced by the roll-on/roll-off (ro-ro) segment during 2001, but again with big regional variations. The same applied to the non-containerisable cargo (NCC) segment, where the pattern of demand for product categories developed very differently at both global and regional level.

Liner and car carrier activities in WW embrace the operation of a combined fleet of 28 car and ro-ro carriers in liner traffic and contract shipping. The bulk of the WW fleet is operated by Wallenius Wilhelmsen Lines AS (WWL), established in 1999 and owned jointly with Walleniusrederierna AB (OW) of Stockholm.

WWL operates about 60 ships, primarily owned by the two partners. The size of this fleet provides good flexibility for exploiting prevailing market conditions. At the same time, the joint venture provides substantial efficiency gains in the form of better fleet utilisation. WWL has annual operating revenues of about USD 1.2 billion. Its operations embrace the transport of cars and other rolling stock, plus containers. Cars account for more than half the cargo base.

Technically speaking, all the vessels operated well in 2001 with minimal off-hire.

The WW ship m/s Tampa was at the centre of world attention for 10 days in late August/early September after saving 438 people in distress from a small vessel in the Indian Ocean. A difficult political position thereby arose, but we can note with satisfaction that this was handled in the best possible way by personnel both on board and ashore, and without negative commercial consequences of significance.

The ability to offer integrated logistical solutions which embrace maritime shipment, port operation and land-based transport will present an increasing challenge in the years to come. At the end of 2001, WWL agreed to buy a 20 per cent holding in Compagnie d’Affrètement et de Transport SA (CAT). Current operations at this French logistics company include managing the transport of all vehicles and automotive components for Renault in Europe. Through their investment, the WWL partners intend to help promote CAT’s development into a key element in their future commitment to logistics.

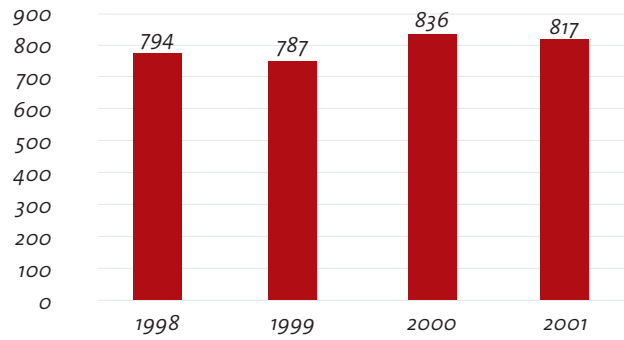
At the end of February 2002, WW and OW jointly signed a letter of intent with Korea’s Hyundai Merchant Marine shipping company on the possible acquisition of its car transport division. This would continue to be operated as a separate company and retain its Korean identity. The agreement outlines the intentions of the two sides, which have undertaken to continue negotiations on an exclusive basis to resolve all unclarified issues.

Barwil

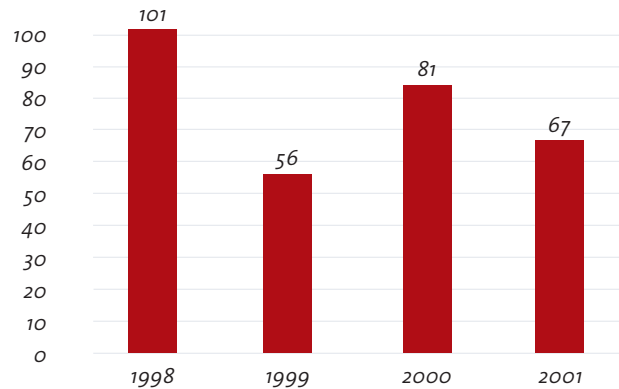
Barwil is one of the world’s leading ship agency chains, offering a broad range of ship agency and related services. Operations in 2001 were characterised by a high level of activity. Financial results were very good, with a clear improvement from the year before. Net income came to USD 7.2 million, the best result in the company’s history.

Expansion at Barwil has been strong in recent years, and this growth continued in 2001. The company now has 191 offices in 55 countries. During the year, new offices were

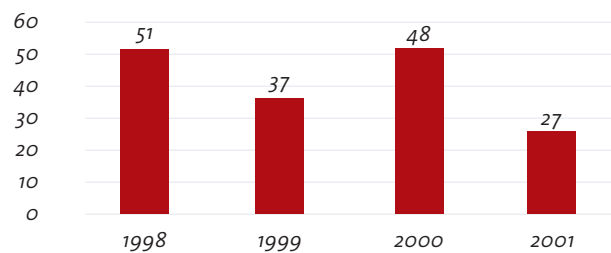
Gross revenue



Net operating income



Net income





opened in Norway, Indonesia, the Netherlands and Belgium. In addition to its ship agency operations, Barwil has continued to expand its terminal, inland transport and warehousing business areas.

Barwil is committed to owning its own office premises in key ports where the property market is considered to be positive. Acquisitions include an office building in Novorossiysk. Premises under construction in Lisbon and Constanza are due to be occupied during 2002. In addition, a new warehouse is being built in Fujairah, and the company has expanded its warehousing capacity in Jebel Ali.

More than 50 liner operators and roughly 2 500 tramp, tanker, cruise and gas vessel operators and charterers are represented by Barwil. The company cleared more than 28 000 port calls, up from about 25 000 the year before.

The company's commitment to the hub concept – handling all agency-related operations for large principals – and associated systems development look very promising, and will be a key to increased activity in coming years.

Through its Abeer Marine Services affiliate, Barwil operated 32 oil industry service vessels in the Arabian Gulf and south-east Asia in 2001. The company took delivery of a new crewboat and a palm oil lighter during November. Financial results from this business were good, with a net income of USD 1.4 million.

Aagaard Euro-Oil AS is administered by Barwil. Handling about 2.4 million tonnes in 2001, this company ranks as Norway's largest bunkers broker and one of the biggest in Europe. Operations were satisfactory.

The Barwil group expects to improve on its 2001 results in 2002.

Barber International

Barber International (Barber) achieved good operating, financial and marketing results in 2001. Its net income

came to USD 6.3 million, somewhat below the 2000 figure because of development costs charged against income and weaker net financial items.

More than 7 000 seagoing personnel are attached to Barber's operations. At 31 December, the company was responsible for full management or manning of 234 vessels, an increase of 26 from a year earlier. This fleet is owned by 87 companies world-wide and sails under 20 different flags.

The shipping industry faces growing pressure to operate safely and protect the environment. Ship management operators face major challenges in enhancing systems, procedures and organisations to meet these demands.

A strong focus on costs remains a dominant feature of international shipping. For ship management, this finds expression in continuous pressure to adopt new and cost-effective operational solutions.

Barber has invested systematically over many years in safety systems and crew training. With the exception of a few newcomers to the fleet, all ships under its management have met the stage II requirements in the International Safety Management (ISM) code in good time before the July 2002 deadline. All Barber's management offices have implemented the ISO 14001 environmental standard.

The Barber Marine Team (BMT) focused in 2001 on increasing its share of the cruise market. At 31 December, about 850 of the company's employees were employed in this segment, primarily as maritime personnel. BMT has also established a foundation for recruiting hotel staff to serve on cruise liners.

Expansion in 2001 was very well managed, primarily as a result of Barber's global CrewNet programme for personnel administration and its good reputation. The recruitment base is good, with particular growth in Poland. Barber's Polish Manning Services recruitment office now employs more than 1 000 seagoing personnel.



Barber Marine Consultants (BMC) is the WW group's technical and maritime knowledge centre. Its most important operations embrace naval architecture and project management for newbuildings.

Barber Software Solutions (Bass) has established a solid foothold, and continuous efforts are devoted to furthering the development of software for ship management and manning. A number of important contracts were concluded with external shipping companies.

Other business operations

Tankers

Net income for tanker operations relates to the combined carrier Tijuca (1987 – 310 000 dwt), and amounted to USD 4.7 million. This is a decline from USD 7.2 million in 2000, but the vessel nevertheless performed satisfactorily in the circumstances. It achieved an average time charter rate of USD 43 000 per day.

The tanker market was naturally hit hard by the world economic downturn experienced in 2001. To prevent reduced demand leading to a collapse in the oil price, Opec cut its crude oil production by 3.5 million barrels per day during the year. This was the main reason for the dramatic drop in tanker rates. For large modern VLCCs, spot rates slumped from USD 60 000 per day in January to USD 10 000 in December.

As a result of the big decline in rates, routine docking was brought forward to December and the vessel was out of service for about 30 days. The work was carried out on schedule and to budget, and the ship is in very good condition.

Heavy transport

On 1 June, a letter of intent was signed by WW and Dockwise Transport BV (Dockwise) concerning the

acquisition by Dockwise of WW's 51.7 per cent shareholding in Offshore Heavy Transport (OHT) in exchange for Dockwise shares. Dyvi Invest AS concluded a similar agreement for its holding at the same time.

A final agreement was concluded in the Netherlands during November, and WW transferred a 59.2 per cent holding in OHT – having acquired a further 3 356 889 shares in the interim. The group now owns about 22 per cent of Dockwise. If all the remaining OHT shareholders accept a similar offer, WW's shareholding will be reduced to about 21 per cent. The group is now represented on the Dockwise board. Following the share swap, results for Dockwise are treated in the accounts in accordance with the equity method.

OHT had a good year in 2001. However, its net income of USD 5.4 million was affected by substantial extraordinary costs. The most important of these was a termination fee of USD 3.3 million paid to the former management company.

Working environment and personnel

The various working environment committees within the group held regular meetings during 2001. A number of issues were addressed and solutions recommended to the departments concerned. Three meetings were also held by the executive committee for industrial democracy in foreign trade shipping, on which the employees are represented. This body considers issues relating to projects, accounts, budgets and other issues of significance for the group's operations and for the workforce.

WW is concerned to develop a good and inspiring working environment both on land and at sea. The various subsidiaries and joint ventures in the group actively pursue measures for training and organisational development.

The organisation at home and abroad embraces substantial expertise within the various business areas.

WW's biggest challenge has been and will remain to integrate knowledge from different business areas in order to provide appropriate logistical solutions for customer transport requirements, locally, regionally and globally. That calls for the ability to organise and apply expertise across organisational boundaries, and the new WW Academy – which provides extensive educational programmes for employees from all over the world – is an important instrument in this work.

At sea, the group has always set high standards for operating systems, and top priority is given to safety. Substantial resources are devoted to work on safety issues and quality assurance through the Barber International subsidiary, which manages ships owned by the group and a number of external owners. The main emphasis in work on safety and the environment is on developing personnel knowledge and attitudes. A large number of courses and conferences were implemented for seagoing personnel world-wide during 2001.

WW has been working for some time to establish a system of performance-related pay for the group. Such remuneration will be one of several instruments for implementing the group's strategies, in which innovation, motivation and profitability are key elements. As a first step, performance-related pay will be introduced for WW employees at head office during 2002.

Average sickness absence at head office in 2001 was 2.58 per cent. That represented a gratifying decline from 3.3 per cent the year before. Five people signed off from ships owned by the group because of injuries as against 13 in 200. The trend has been very good in recent years, which can be attributed to the commitment to motivating officers and crew to support and create the best possible safety culture. A total of 32 crew signed off as a result of sickness. This represented an increase from 2000, which was a very good year with only 15 people signing off.

The environment and environmental work

Maritime transport and related services face several major environmental challenges. The WW group is concerned to prevent and reduce possible negative environmental consequences of its operations within

the framework provided by technological development and economic realities. It will constantly organise to business to prevent or minimise harm to health and the environment. WW takes environmental challenges seriously and works continuously for a cleaner environment.

The individual company is responsible for anchoring its environmental policy in a dedicated quality assurance system. For ship operation in particular, this environmental policy has been devised in cooperation with Wilhelmsen Lines Shipowning and Barber Ship Management.

Responsibility for technical follow-up rests with the operations inspector for each ship, who recommends the necessary investment to improve environmental work on board. The captain and crew are responsible for day-to-day operation, and the captain is also authorised to take the steps he considers necessary to protect the marine environment.

All WW's car and ro-ro carriers, as well as Barber's land-based operations companies, are now certified to the ISO 14001 environmental standard. This means in part that an environmental programme and committee have been established.

Several of the group's ships were upgraded to improve their environmental performance during 2001.

Specific environmental targets include a 25 per cent reduction in nitrogen oxide emissions from 2000 to 2008. By then, the oil content in bilge water will also be reduced from 15 to five parts per million.

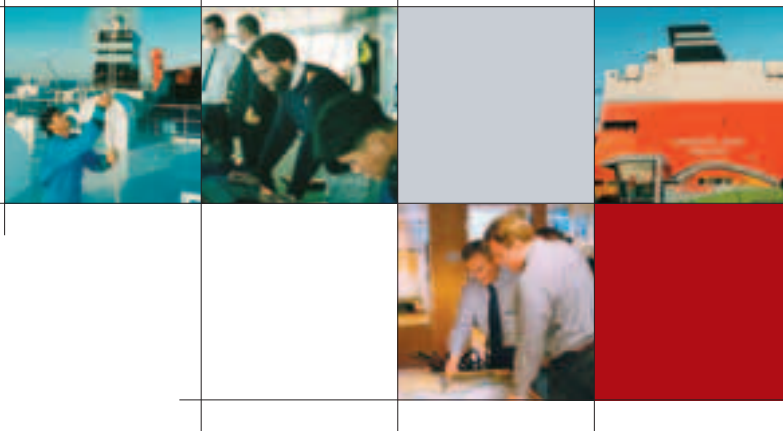
No fuel with a sulphur content above three per cent is used, and WW's strategy aims to reduce this towards 1.5 per cent by 2003. Only tin-free antifoulings have been applied from 2000.

A well-developed training programme, a dedicated inspection programme and regular emergency response exercises represent important elements in the group's work for a better environment. Barber's own safety, health and environmental (SHE) group has been established to supervise this work. The WW group also participates actively in the joint industry research project on environmental measures for existing ships run by the Research Council of Norway and the Norwegian Shipowners Association.


Leif T. Løddesøl
chair


Odd Rune Austgulen


Helen Juell



Opportunities to influence design and new investment on vessels managed by Barber for external owners are limited. However, one target is to persuade as many as possible of Barber's customers to adopt an environment-friendly approach to their operations.

See page 68 of this annual report for a more extensive and detailed environmental report.

Prospects

Developments in the car carrier and ro-ro markets will be crucial for future earnings at Wallenius Wilhelmsen, which is the most important contributor to the group's results. This company currently faces weak markets in some of its trades, and the global economic outlook for 2002 gives little grounds for optimism over results in the short term. We anticipate that the company's operating results will again be weak in 2002. At the same time, we expect to see cost reductions, primarily on bunkers and interest charges. Overall, WW accordingly expects a somewhat better result for the liner and car carrier business than in 2001.

Our tanker involvement through Tijuca had a very weak start to the year, and we expect results from this business to be lower than in 2001.

Both our service companies, Barber International and Barwil, expect activity to remain high and results to be good in 2002. At present, the international economic slowdown does not appear to have had a negative impact on these companies, which are continuing their expansion both in new parts of the world and in the range of services they deliver. This reflects the fact that demand for cost-effective solutions appears to increase in times of recession. Dockwise expects good results in 2002.

Overall, we expect results for 2002 to be better than in 2001. This is based on expectations of a net operating income on a par with last year's figure and an improvement for net financial items.

Lysaker, 15 March 2002

The board of directors of Wilh Wilhelmsen ASA

Anders Chr. Stray Ryssdal

Wilhelm Wilhelmsen
president and director

INCOME STATEMENT CONSOLIDATED

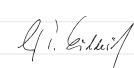
USD mill	Note	2001	2000	1999
Operating income				
Gross revenue vessels	2	614	674	670
Voyage-related expenses		(299)	(340)	(313)
Voyage-related income on T/C basis		315	334	357
Other operating revenue	2,4	203	162	117
Total operating income		518	496	474
Operating expenses				
Wages and remuneration	3	(124)	(112)	(104)
Depreciation	6	(79)	(72)	(70)
Write-down on fixed assets	6		(10)	
Other operating expenses	4	(248)	(221)	(244)
Total operating expenses		(451)	(415)	(418)
Net operating income		67	81	56
Financial income and expenses				
Financial income	4	13	31	38
Financial expenses	4	(49)	(57)	(53)
Net financial items		(36)	(26)	(15)
Income before taxes		31	55	41
Taxes	5	(4)	(7)	(4)
Net income		27	48	37
Of this minority interests		3	1	
Earnings per share (USD)		1.02	1.71	1.28
Diluted earnings per share (USD)		1.02	1.71	1.28

BALANCE SHEET CONSOLIDATED

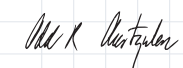


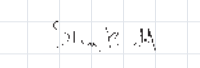
USD mill	Note	31.12.01	31.12.00	31.12.99
Fixed assets				
Goodwill	6	35	40	44
Vessels, property, fixtures	6	828	908	735
Investments in associates	7	57	17	12
Investments in shares	8	5	5	7
Other long-term assets	10	7	14	29
Total fixed assets		932	984	827
Current assets				
Other current assets	10	142	178	177
Short-term financial investments	9	47	151	142
Cash and bank deposits		170	146	196
Total current assets		359	475	515
Total assets		1 291	1 459	1 342
Equity				
Paid-in capital	11	125	131	119
Retained earnings	11	343	335	346
Minority interests	11	1	30	1
Total equity		469	496	466
Provisions for liabilities				
Pension liabilities	12	18	16	20
Deferred tax	5	14	14	10
Other provisions for liabilities			2	8
Total provision for liabilities		32	32	38
Long-term liabilities				
Long-term interest-bearing debt	13	634	752	660
Other long-term liabilities		2	8	8
Total long-term liabilities		636	760	668
Current liabilities				
Tax payable	5	3	2	1
Public duties payable		11	8	11
Other current liabilities	10	140	161	158
Total current liabilities		154	171	170
Total equity and liabilities		1 291	1 459	1 342


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Leif T. Løddesøl
chair


Helen Juell


Odd Rune Austgulen


Anders Chr. Stray Ryssdal


Wilhelm Wilhelmssen
president and director

CASH FLOW STATEMENT CONSOLIDATED

USD mill	2001	2000	1999
Cash flow from operating activities			
Income before taxes	31	58	41
Taxes paid in the period	(2)	(1)	(5)
Loss/(gain) on sale of fixed assets	(3)	(3)	(6)
Depreciation and write-down	79	83	70
Changes in market value - trading portfolio	144	(9)	(7)
Share of net result from associates	(7)	(7)	(3)
Changes in receivables/liabilities/bunkers	(21)	(6)	(15)
Difference expensed pension and premium paid	4	(4)	(2)
Change in other periodic accruals	12	(5)	8
Net cash provided by/(used in) operating activities	237	106	81
Cash flow from investing activities			
Proceeds from sale of fixed assets	15	107	17
Investments in fixed assets and goodwill	(104)	(273)	(63)
Investments in subsidiary companies and other companies	(19)	(18)	(13)
Changes in other investments		15	(3)
Net cash flow provided by/(used in) investing activities	(108)	(169)	(62)
Cash flow from financing activities			
Proceeds from issuance/(repayment) of debt	(86)	52	(171)
Purchase own shares	(8)	(33)	(9)
Dividends paid	(11)	(11)	(10)
Net cash flow provided by/(used in) financing activities	(105)	8	(190)
Net increase/(decrease) in cash and cash equivalents	24	(55)	(171)
Change in bank overdraft 31.12		5	7
Cash and cash equivalents at 1.1	146	196	360
Cash and cash equivalents at 31.12	170	146	196
Restricted bank deposits 31.12			
Employee tax withholding account	2	2	1
Deposit for syndicated bank facility			2
Other restricted deposits	11	11	12
Total	13	13	15

ACCOUNTING PRINCIPLES

The annual accounts have been prepared in accordance with Norwegian Accounting Act and generally-accepted accounting principles.

Reporting currency

The group uses the US dollar (USD) as its reporting currency. This is because the bulk of transactions in the group's international operations are denominated in USD.

The reporting currency for the parent company, Wilh. Wilhelmsen ASA, is the Norwegian krone (NOK).

Translation of units in currencies other than USD

Integrated units

Monetary items and financial current assets recognised at marked value are assessed at the current rate of exchange, while fixed assets are translated at the exchange rate prevailing at the time of the transaction. The average rate over the period is used for translating income and expenses. Unrealised and realised translation gains and losses are stated in the income statement.

Independent units

The net investment view is taken for independent units. This means that balance sheet items are converted to USD at the exchange rate on the balance sheet date, while income and expenses are translated at the average rate over the period. Possible translation differences are charged directly against equity.

Consolidation principles

Subsidiary companies

The consolidated accounts of the WW group include the parent company and all subsidiary companies in which the parent company has direct or indirect dominating influence. These subsidiaries (and associates) are listed in notes 7 and 8 to the parent company accounts. All subsidiaries are consolidated on a 100 per cent basis. Minority interests are included in the group's equity and specified in the balance sheet. Minority interests' share of net income is calculated in the income statement.

When preparing the consolidated accounts, internal transactions, receivables and liabilities are eliminated. Shares in subsidiaries are eliminated in accordance with

the purchase method. This means that the purchase price of the shares in the parent company is eliminated against the equity in the subsidiary at the time of acquisition. Additional or lower value at the time of acquisition is analysed and allocated to the specific assets and liabilities to which it relates. Any additional value not applied to specific assets or liabilities is recorded as goodwill and depreciated over its estimated economic life. The nominal tax rate is applied when calculating deferred tax/deferred tax benefit on additional/lower value.

Companies acquired during the year are incorporated in the group accounts from the time of acquisition and up to 31 December. Companies sold during the year are included in the income statement up to the time of their disposal.

Interests in joint ventures

Interests in joint ventures are accounted for using proportionate consolidation. The share of income, expenses, assets and liabilities is incorporated line by line in the accounts. The figures are specified by main category in a note to the accounts.

Investments in associates

Companies in which the group has an ownership share of 20 to 50 per cent, and exercises significant influence, are considered to be associates. Accounting for such companies is based on the equity method.

The group's share of the result in associates is based on the net result, less possible depreciation on additional value arising because the acquisition price of the shares was higher than the acquired share of recorded equity. The group's share of the result in associates is classified as a financial item in the income statement.

Valuation and classification principles

Main rule for valuation and classification of assets and liabilities

Assets intended for long-term ownership or use are classified as fixed. Other assets are classified as current. Receivables due to be repaid within one year are classified as current assets. Analogous criteria are applied when classifying current and long-term liabilities. The first year's instalment on long-term debt is classified as a long-term liability.



Fixed assets are stated at historic cost price, but written down to net realisable value when the fall in value is considered to be permanent. Such write-downs are reversed when the reason for the write-down no longer applies. Fixed assets with a limited economic life are depreciated on a planned basis. Long-term liabilities are recorded at the nominal amount received on the date they were established. Such liabilities are not restated to their real value as a result of interest rate changes.

Current assets are stated at the lower of acquisition cost and net realisable value. Current liabilities are recorded at the nominal amount received on the date they were established. Such liabilities are not restated to their real value as a result of interest rate changes.

Fixed assets

Tangible fixed assets and goodwill are valued at historic cost price and depreciated on a straight line basis over their estimated economic lifetime. Gains/losses which arise from the sale of ships and other tangible fixed assets are classified as other operating revenue/expenses.

Newbuilding contracts

Yard payments and financing expenses relating to newbuildings are recorded as fixed assets when payment is made or financing expense incurred. The value of vessels under construction is compared to the recorded amounts and the remaining commitments.

Financial lease of vessels

Vessels on long-term charters, where the charterparty in fact represents a financing of the vessel, are capitalised in the balance sheet and the corresponding charter commitments are recorded as a liability. Depreciation is charged on the same basis as for directly-owned vessels. The interest element in the charter rate is treated as a financial expense.

Periodic maintenance costs

To achieve a better matching between costs and associated revenues, the accounting principle applied for periodic maintenance was changed in 2001. In earlier years, the group has estimated these costs for tankers and heavy lift vessels and accrued them over the reporting periods until the work is completed (the allocation method), while maintenance costs for liners and car carriers were charged in their entirety to expenses in the year when the work was carried out.

The change in accounting principle means that maintenance and classification costs for the ships are capitalised and charged to expenses over the period up to the next occasion when maintenance is carried out, normally 30 months. Maintenance and classification costs are classified as other operating expenses. When ships are acquired, a proportion of the acquisition cost is capitalised as periodic maintenance.

See note 1 for the effect of this change in accounting principle.

Accounts receivable

Accounts receivable are reduced by a provision for bad debts.

Bunkers

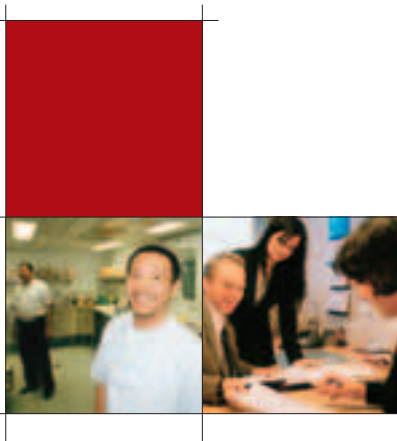
Bunkers on the vessels are valued at cost price.

Investment in shares and bonds

Financial current assets which form part of a trading portfolio with a view to future sale are stated at their net realisable value at 31 December.

Pensions

Wilh. Wilhelmsen ASA and the Norwegian subsidiaries have pension plans which will provide employees with future pension benefits. The group also has pension arrangements for parts of its workforce abroad.



The Norwegian plan secures the employee a defined future pension based on the number of years of service and the level of pay at the time of retirement. Pension payments to seagoing personnel, employees taking early retirement and certain former employees on land not covered by the collective plan are charged to operations (unfunded pension plan).

For funded and unfunded pension plans, total pension commitments are evaluated against the total assets in the funded pension plan. For the Norwegian plans, the effect of changes in estimates and pension plans, plus differences between actual and expected returns over the remaining pension-earning period or expected lifetime, are not accrued until the cumulative effect exceeds 10 per cent of whichever is larger of pension funds and pension commitments. Net pension commitments are recorded as provisions for liabilities. The periodic pension cost is charged to the income statement on a net basis under wages and remunerations.

Social security tax (SST) is calculated and accrued on pension liabilities in the unfunded plan. For the funded plans, SST is charged on the basis of the actual periodic premiums/contributions paid to that plan.

Income recognition

Income is recognised when it has been earned. Income and expenses relating to vessel voyages are accrued on the basis of the number of days that the voyage lasts before and after the end of the accounting period.

Transactions in foreign currency

Transactions in foreign currencies are recorded at the value of the payment on the transaction date. Monetary items and financial current assets recognised at marked value are stated at the current rate of exchange. Other assets and liabilities are stated in accordance with general valuation rules. Unrealised and realised currency gains and losses are stated in the income statement.

Receivables and liabilities secured by forward currency contracts are stated at the forward rate. Currency gains are classified as a financial item in the income statement.

Extraordinary items

Items regarded as unusual, irregular and material are classified as extraordinary.

Taxes

Taxes are charged to the accounts as they fall due – in other words, tax expense relates to the accounting income before tax. Tax expense comprises tax payable (on the taxable income for the year) and the change in net deferred tax. It is allocated between the ordinary result and the result after extraordinary items in accordance with the tax base. Deferred tax and deferred tax benefit are presented net in the balance sheet.

When the equity method is used for stating assets in companies which are separately liable for tax, the share of income is already net of tax.

For companies in the group taxed in accordance with the Norwegian tax regime for shipowning companies, the tonnage tax is classified as an operating expense. The group has no plans to withdraw from the regime. No calculation has been made of the effect on tax expense of a possible withdrawal from the regime. An amount relating to deferred tax on future dividend payments has been calculated and provision made.

Financial instruments (off balance sheet items)

A market valuation of the outstanding contracts on the balance sheet date is performed. To the extent that the outstanding contracts have not been concluded for hedging purposes, any net unrealised losses are recorded as a financial expense.



NOTES TO THE ACCOUNTS CONSOLIDATED

NOTE 1 CHANGE IN ACCOUNTING PRINCIPLE

The group adopted the capitalisation method when accounting for periodic maintenance, in 2001. The group previously used the allocation method for tankers and heavy-lift ships, and direct charging to expenses for car carriers/liners. The change was made to improve matching between these costs and their associated revenues.

The accounts have been recalculated as if the principle had been applied since the ships were acquired. This means that the acquisition cost of each vessel has been divided into a part which is depreciated over the ship's operating life and a part which is charged to expenses over the time until the first periodic maintenance. Subsequent costs for periodic maintenance are capitalised and charged to expenses over the period until the next periodic maintenance is due.

The change in principle means that the capitalised value of the ships at 1 January 2001 was USD 8 million lower than if the change had not been made. Capitalised maintenance costs at the same date totalled USD 8 million.

Net income for the year has been improved by USD 3 million as a result of the change in principle.

Comparative figures

Comparative figures for 1999 and 2000 have been recalculated as if the capitalisation method was used. This caused no significant changes to net income for 1999, but net income for 2000 is reduced by about USD 3 million. The change in principle increased capitalised value by USD 2 million in 1999, but made no difference to the figure for 2000.

NOTE 2 GROSS REVENUE

USD mill	2001	2000	1999
Gross revenue vessels	614	674	670
Other operating revenue	203	162	117
Total gross revenue	817	836	787

NOTE 3 WAGES AND REMUNERATION

USD mill	2001	2000	1999
Wages	92	84	85
Social security tax	11	10	8
Pension cost	9	6	4
Other remuneration	12	12	7
Total wages and remuneration	124	112	104

Average number of employees:

Group companies in Norway	249	239	308
Group companies abroad	2 017	2 069	2 250
Wallenius Wilhelmsen Lines*	2 914	2 413	1 046
Other companies Barwil chain	901	835	850
Seagoing personnel Barber International	6 697	6 182	5 464
Total employees	12 778	11 738	9 918

* The group holds 50 per cent of the shares.

The auditor's fee (exclusive VAT) for 2001 amounts to USD 0.9 million for audit work and USD 0.5 million for consultancy. See note 2, Wages and remuneration, for the parent company.

NOTE 4 COMBINED ITEMS, INCOME STATEMENT

NOK mill	2001	2000	1999
Other operating income			
Commissions/agency fees	36	38	32
Management fee	14	11	16
Consultant fees	4		
Profit on sales of fixed assets/long-term investments	1	3	6
Liner and car carrier operations, land-based activities	102	59	35
Other revenue	46	51	28
Total other operating income	203	162	117
Other operating expenses			
Loss on bad debt	2	2	3
Operating expenses vessels	100	105	95
T/C hire chartered tonnage	1	13	35
Rent expenses	11	5	8
Travel expenses	9	12	8
Liner and car carrier operations, land-based activities	64	35	11
Sales and administration expenses	61	49	84
Total other operating expenses	248	221	244
Financial income			
Net income associates	7	7	7
Interest income	7	6	10
Changes in market value - trading portfolio	(1)	16	19
Other financial income	0	2	2
Total financial income	13	31	38
Financial expenses			
Interest expenses	(44)	(50)	(51)
Net currency loss	(4)	(7)	(2)
Other financial expenses	(1)		
Total financial expenses	(49)	(57)	(53)
Net financial items	(36)	(26)	(15)

NOTE 5 TAXES

USD mill	2001	2000	1999
Distribution of tax expenses for the year			
Payable taxes in Norway	1	1	1
Payable taxes foreign	2	3	2
Change in deferred tax Norway	(1)	2	1
Change in deferred tax foreign	2	1	
Total taxes	4	7	4
Tax effect of the group's temporary differences			
Fixed assets	19	21	14
Short term assets/liabilities	(1)	(2)	(1)
Long-term liabilities/provisions	(6)	(6)	(6)
Tax losses carried forward	(4)	(5)	(3)
Deferred tax	8	8	4
Deferred tax shipowning tax regime 1)	6	6	6
Total deferred tax	14	14	10
Change in deferred tax			
Change in deferred tax		4	1
Directly recorded in balance sheet			1
Translation adjustment effect	1	(1)	(1)
Change in deferred tax	1	3	1
1) The group has recorded USD 6 million in deferred tax related to future dividend payments from companies within the Norwegian tax regime for shipowning companies.			
Basis for tax computation			
Income before taxes	31	58	41
28% tax	9	16	11
Tax effect from:			
Permanent differences	1	2	1
Non-taxable income	(7)	(13)	(9)
Differences in tax rates	1	2	1
Calculated tax for the group	4	7	4
Effective tax rate for the group	12 %	12 %	10 %

The group's taxable loss expires in 2010 and later.

Untaxed equity at 31.12 was USD 177 million.

Tonnage tax was USD 1 million for 2001, and is classified as an operating expense.

NOTE 6 FIXED ASSETS AND GOODWILL

USD mill	Property	Fixtures	Vessels	Capitalised docking expenses	Total fixed assets	Goodwill
Cost price 01.01	89	111	1 278	8	1 486	124
Additions	3	15	73	10	101	3
Disposals	(3)	(25)	(109)	(8)	(145)	
Cost price 31.12	89	101	1 242	10	1 442	127
Currency translation adjustments	(1)	(2)			(3)	
Accumulated ordinary depreciation 31.12	11	51	549		611	92
Accumulated write-downs 31.12						
Book value 31.12	77	48	693	10	828	35
- of which remaining write-ups	17				17	
Current year's depreciation	3	14	55		72	7
Economic lifetime	Until 50 years	3-10 years	14-25 years			10 years
Depreciation schedule	Straight line	Straight line	Straight line			Straight line

There is no established market for the company's assets. Its value will depend on the income realised on the basis of the total transport system. Goodwill is depreciated over 10 years, because the company takes the view that this is its economic lifetime.

The group has a financial lease agreement for six vessels in the liner and car carrier segment. The book value of the capitalised car carriers covered by the agreement at 31.12 amounts to USD 85.5 million, and the current year's depreciation amounts to USD 8.5 million. The leasing commitment is classified as a long-term interest-bearing debt, refer to note 13.

Capitalised finance expenses for vessels belonging to the liner and car carrier segment amount to USD 0.1 million for 2001.

NOTE 7 INVESTMENTS IN ASSOCIATES

Company	Business office/ country	Voting share/ ownership	Book value USD 1 000
Algahnim Barwil Shipping	Kuwait	40 %	617
Almoayed Barwil Ltd.	Bahrain	40 %	133
Barber Moss Ship Management AS	Norway	50 %	655
Bar-Haf Barwil Agencies Ltd.	Kenya	50 %	97
Barwil (Thailand) Ltd.	Thailand	51 %	217
Barwil Agencies Inc.	Taiwan	87,5 %	782
Barwil Agencies S.A.	Panama	35 %	430
Barwil Algerie Spa	Algeria	75 %	(36)
Barwil Anderson Shipping	Latvia	49 %	72
Barwil Forbes Shipping Services Ltd.	India	50 %	131
Barwil Georgia	Georgia	50 %	167
Barwil Hellas Ltd.	Greece	60 %	34
Barwil Huayang Shipping Services Co. Ltd.	China	50 %	71
Barwil Huyop Woon Agencies Ltd.	Korea	50 %	418
Barwil Meridian Navigation Ltd.	Sri Lanka	40 %	30
Barwil RoadSea Shipping & Forwarding Services Ltd.	Iran	50 %	183
Barwil S & K Shipping Agencies Ltd.	Lebanon	45 %	64
Barwil Shipping (pvt.) Ltd.	Pakistan	50 %	58
Barwil SI. MAR. S.R.L.	Italy	49 %	147
Barwil Smith Bell (Subic) Inc.	Philippines	50 %	(99)
Barwil Star Agencies SRL	Romania	50 %	237
Barwil Ukraine Ltd.	Ukraine	75 %	685
Barwil Unimasters Ltd.	Bulgaria	50 %	48
Barwil Universal Agencies Ltd.	Turkey	50 %	947
Barwil Zaatarah Agencies Ltd.	Jordan	49 %	198
Barwill Egytrans Shipping Agencies S.A.E.	Egypt	49 %	1 361
Blansco Sdn Bhd	Malaysia	49 %	153
Baasher Barwil Agencies Ltd.	Sudan	50 %	420
Dockwise Transport B.V.	Netherlands	21,8 %	38 527
International Shipping Co. Ltd.	Yemen	55 %	112
Intertransport Co. Ltd.	Taiwan	100 %	(135)
Knight Transport LLC	USA	50 %	231
Naviport (SARL)	France	42 %	32
Norsul Barwil Agencies Maritimas LTDA	Brazil	49 %	352
Star Information Systems AS	Norway	34 %	318
Taiwan Agencies Inc.	Taiwan	87,5 %	507
Towell Barwil Co. (L.L.C.)	Oman	30 %	220
Transocean OY AB	Finland	50 %	604
Other shares Barwil segment			7 577
Total investments in associates			56 565

Specification of recorded share of equity and current year's net income:

Book value 31.12.00	16 932
Share of current year's income	7 050
Addition Dockwise Transport B.V.	38 527
Equity adjustments/currency translation adjustment	(5 944)
Book value 31.12.01	56 565

There is no additional value in excess of recorded equity or goodwill related to investments in associates.

NOTE 8 INVESTMENTS IN SHARES

Company	Ownership	Book value USD 1 000
Broekman Beheer BV, Netherlands	9%	4 238
Helssingin Autoalo OY, Finland		421
Partrederiet Polar Frontier Drilling , Norway	47.5%	47
Others		495
Total investments in shares		5 201

NOTE 9 SHORT-TERM FINANCIAL INVESTMENTS

USD mill	Cost price	Market value
Norwegian listed stocks	16	17
Foreign listed stocks	22	24
Structured products - NOK	8	8
Structured products - USD	1	1
Total short-term financial investments	47	50

NOTE 10 COMBINED ITEMS, BALANCE SHEET

USD mill	2001	2000	1999
Other long-term assets			
Newbuilding contacts		10	25
Loans to associates		1	3
Loans to employees, shareholders, etc			
Other long-term assets	7	3	1
Total other long-term assets	7	14	29
Of which long-term debtors falling due for payment later than one year:			
Loans to associates		1	3
Other long-term assets	7	3	1
Total other long-term assets due after one year	7	4	4
Other current assets			
Bunkers	6	10	9
Accounts receivable	107	114	122
Other current receivables	29	54	46
Total other current assets	142	178	177
Other current liabilities			
Bank overdraft	12	12	7
Accounts payable	62	61	61
Dividend	12	11	11
Other short-term liabilities	54	77	79
Total other current liabilities	140	161	158

NOTE 11 EQUITY

USD mill	Share capital	Own shares	Total paid-in capital EK	Retained earnings EK	Minority interests	Total
Equity 31.12.00	145	(14)	131	335	30	496
Current year's change in equity:						
Change in minority interests					(29)	(29)
Currency translation adjustments				(2)		(2)
Acquisition of own shares		(6)	(6)	(2)		(8)
Amortisation	(7)	7				
Proposed dividend				(12)		(12)
Net income (after minority interests)				24		24
Equity 31.12.01	138	(13)	125	343	1	469

The group has invested in its own shares and amortised some of these during 2001. See note 11 for the parent company for further information.

Own shares represent 8.9 per cent of the share capital in nominal value.

NOTE 12 PENSIONS

Number of people in pension plans 31.12

	Funded			Unfunded		
	2001	2000	1999	2001	2000	1999
Employees (including disabled)	464	810	871	503	433	493
Retired employees	406	428	394	672	668	687
Total	870	1 238	1 265	1 175	1 101	1 180

Financial assumptions for the pension calculations:

	2001	2000	1999
Expected rate of return on assets in pension plans	7 %	7 %	7 %
Discount rate	6 %	6 %	6 %
Annual pay regulation	3 %	3 %	3 %
Annual regulation of National Insurance base amount	2.5 %	2.5 %	2.5 %
Annual regulation of pensions	2 %	2 %	2 %

Specification of pension cost:

USD mill

	2001	2000	1999
Net present value of current year's service expense	6	4	2
Interest expenses related to service expense	5	5	6
Return on assets in pension plans	(4)	(4)	(4)
Recognised changes in estimates and variances	2	1	
Net pension expense	9	6	4

Specification of net pension liabilities reflected in the balance sheet at 31.12

USD mill

	Funded			Unfunded			Total		
	2001	2000	1999	2001	2000	1999	2001	2000	1999
Calculated pension liabilities	47	50	48	45	47	42	92	97	90
Plan assets at market value	50	59	59				50	59	59
Plan assets greater (less) than calculated pension liabilities	3	9	11	(45)	(47)	(42)	(42)	(38)	(31)
Unrecognised changes in estimates	12	9	7	15	16	7	27	25	14
Accrued social security tax				(3)	(3)	(3)	(3)	(3)	(3)
Net recognised pension liabilities	15	18	18	(33)	(34)	(38)	(18)	(16)	(20)

NOTE 13 LONG-TERM INTEREST-BEARING DEBT

USD mill	2001	2000	1999
Long-term interest-bearing debt			
Mortgage debt	387	515	468
Leasing commitments	138	159	156
Bonds	82	49	
Certificate loans	27	29	36
Total long-term interest-bearing debt	634	752	660
Book value of mortgaged assets:			
Bank deposit		8	2
Property	1	56	44
Vessels	674	753	568
Other fixed assets	8	15	7
Total	683	832	621
Repayment schedule for long-term interest-bearing debt:			
Due in 2002	79		
Due in 2003	105		
Due in 2004	58		
Due in 2005	59		
Due in 2006 and later	333		
Total long-term interest-bearing debt	634		

One three-year bond issue amounting to NOK 300 million was implemented by the group in the Norwegian market during the year. This was mainly used to repay the loan on Strandveien 20. Bank loans accounted for roughly 60 per cent of total long-term interest-bearing debt in the group, while leasing obligations and borrowing in the Norwegian certificate market accounted for about 40 per cent. The board considers it important to have access to several sources of borrowing, while emphasis is given to maintaining a loan portfolio with a spread of maturities in order to reduce the refinancing risk. Undrawn committed drawing rights represent a central part of the liquidity reserve, and totalled USD 151 million at 31.12. The drawing facility in Wilh. Wilhelmsen ASA was reduced from USD 137,5 million to USD 100,7 million during 2001.

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Of the group's total leasing commitments, USD 127 million relates to the sale/leaseback agreement for six car carriers, while the remaining commitments cover leasing of equipment. The leasing agreement for six car carriers runs to 2008, with options for repurchase/extensions.

Loan agreements entered into by the group contain financial covenants related to value-adjusted equity, free liquidity and cash flow. The group was in compliance with these covenants at 31.12.01.

Guarantee commitments			
Guarantees for employees	0	0	0
Guarantees for group companies	5	5	33
Total	5	5	33

NOTE 14 INTERESTS IN JOINT VENTURES

USD mill

Company	Business office, country	Ownership
Jointly-controlled operations in the liner and car carriers segment:		
Wallenius Wilhelmsen Lines AS	Lysaker, Norway	50%
ARC LLC	New Jersey, USA	50%
Fidelio Limited Partnership	New Jersey, USA	50%
Pride KS	Oslo, Norway	50%

Jointly-controlled operations in the tanker segment:

Wilsea Shipping Inc.	Monrovia, Liberia	50%
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The share of income statement and balance sheet items is incorporated line by line in the accounts. Recognised figures by main category are specified below

	Liner and car carriers	Tanker	Total
Share of operating income	377		377
Share of operating expenses	(362)		(362)
Share of net financial items	(4)		(4)
Share of net income	10		10
Share of fixed assets	78		78
Share of current assets	103	1	104
Total assets	181	1	182
Share of equity 31.12.00	60	2	62
Share of net income	10		10
Change in equity	(18)	(1)	(19)
Share of equity 31.12.01	52	1	53
Share of long-term liabilities	62		62
Share of short-term liabilities	67		67
Total liabilities	129		129
Uncalled capital commitments at 31.12.01	0		0

NOTE 15 FINANCIAL EXPOSURES

The group's ordinary operations expose the company to risks associated with fluctuations in exchange rates, interest rates and the price of bunkers. Hedging strategies have been established to reduce the effect on results of fluctuations in these markets.

Foreign exchange exposure

The group's foreign exchange strategy is to hedge 20-60 per cent of its exposure on a rolling 12-monthly basis. The bulk of the group's foreign exchange exposure is to NOK, but there is also exposure to other currencies such as the EUR and the JPY. This exposure is primarily hedged through forward contracts, but great emphasis is also placed on balancing revenues and expenses in each currency. The group realised a gain totalling USD 800 000 on hedging contracts in 2001, and about 31 per cent of the exposure was hedged at 31 December.

Interest rate exposure

The group's interest rate strategy is to ensure that at least 25 per cent of the interest-bearing debt portfolio takes the form of fixed-term debt in excess of 12 months. At 31 December, about 32 per cent of long-term interest bearing debt was hedged. The company's debt is primarily in USD. By utilising floating interest rates for a large part of its loan portfolio, the company has been able to benefit from the low level of rates in the USA – particularly in the final quarter of 2001. Interest rates are expected to remain relatively low in 2002. The company will nevertheless keep the possibility of hedging a larger proportion of the portfolio under constant consideration.

Bunkers exposure

The group's strategy for bunkers is to hedge 20-80 per cent of its requirement for the coming 24 months. About 35 per cent of the roughly 385 000 tonnes of bunkers required annually by the WW group is hedged through a bunkers adjustment factor

(BAF) in WWL's contracts of affreightment. Further hedging has been secured in the form of option agreements. Total bunkers hedging by the WW group for the first half of 2002 is thereby about 35 per cent over USD 80 per tonne and roughly 70 per cent over USD 150 per tonne. The corresponding proportions for the second half are approximately 35 per cent and 55 per cent.

Financial management

The group has centralised its financial management in the parent company. A significant redistribution of the portfolio under management was undertaken in 2001, with much of the bond portfolio sold and the funds applied to repaying debt. This has improved key financial figures for the group.

Management of funds contained in the liner and car carrier business has been split off into a separate management area with a very low risk profile. Investments in this portfolio will primarily be placed in money market funds and bonds. The portfolio in the parent company will be managed with a significantly higher risk profile, and will primarily comprises shares and structured products.

The return on the portfolio under management in 2001 was unsatisfactory as a result of developments in the stock market. However, the negative effect was limited by the fact that the portfolio was underweighted ahead of the market fall in September. This underweighting has now been reduced through new investment. The management entered 2002 with a cautiously optimistic view of developments in financial markets, and expects to see a significant improvement in the return on the portfolio under management.

NOTE 16 KEY FIGURES BUSINESS AREAS

USD mill	TOTAL			LINER AND CAR CARRIERS (1)			TANKER			BARWIL			BARBER INTERNATIONAL			HOLDING/ ADJUSTEMENTS (2)		
	2001	2000	1999	2001	2000	1999	2001	2000	1999	2001	2000	1999	2001	2000	1999	2001	2000	1999
Income statement																		
Operating income other business areas						1				2	2	13	3	4	4	(5)	(6)	(18)
Operating income external customers	817	836	787	674	696	666	18	35	37	61	61	55	27	24	24	37	20	5
Primary operating income	146	163	126	122	141	113	9	13	13	4	3		6	6	7	5		(7)
Ordinary depreciation/write-down	(79)	(82)	(70)	(62)	(56)	(51)	(4)	(16)	(11)	(5)	(4)	(4)	(1)	(1)	(1)	(8)	(5)	(3)
Net operating income	67	81	56	60	85	62	6	(3)	2	(1)	(1)	(4)	5	5	6	(3)	(5)	(10)
Net financial items	(36)	(26)	(15)	(38)	(43)	(20)	(1)	10	(4)	8	7	7	1	3	2	(6)	(3)	
Income before taxes	31	55	41	22	42	42	5	7	(2)	7	6	3	6	8	8	(9)	(8)	(10)
Taxes	(4)	(7)	(4)	(4)	(6)	(5)								(1)	(1)			2
Net Income	27	48	37	18	36	37	5	7	(2)	7	6	3	6	7	7	(9)	(8)	(8)
Of this minority interests	3	1														3	1	
Balance sheet																		
Fixed assets	863	948	779	755	747	563	19	24	135	34	34	28	10	10	9	45	133	44
Long-term receivables/investments	69	36	48	6	17	33			1	19	17	14	3	6	4	41	(4)	(4)
Current assets	359	475	515	225	295	340		14	24	70	81	78	28	26	28	36	59	45
Total assets	1 291	1 459	1 342	986	1 059	936	19	38	160	123	132	120	41	42	41	122	188	85
Equity	469	496	466	329	327	297	19	8	(22)	38	34	45	20	19	20	63	108	126
Long-term liabilities	668	792	706	573	649	542		5	92	17	25	23	5	8	8	73	105	41
Short-term liabilities	154	171	170	84	83	97		25	90	68	73	52	16	15	13	(14)	(25)	(82)
Total equity and liabilities	1 291	1 459	1 342	986	1 059	936	19	38	160	123	132	120	41	42	41	122	188	85
Investments in fixed assets	104	363	84	92	259	61				7	9	15	2	2	3	3	93	5

(1) Sales gains are included at USD 3.1 million in 1st quarter 2001, USD 1.3 million in 1st quarter 2000, USD 1.7 million in 4th quarter and USD 3 million for 2000 as a hole respectively.

(2) The financial figures for OHT/Dockwise for the period 01.01- 31.12.01 are reflected in holding/adjustments above.

Net operating income for the period amounts to USD 7.8 million, while net income adjusted for minority interests equals USD 2.8 million.

The acquisition of OHT took place at 30.06.00. Consolidated net operating income and net income adjusted for minority interests for 2000 amount to USD 3.1 million and USD 1.2 million respectively.

INCOME STATEMENT WILH. WILHELMSSEN ASA

NOK mill	Note	2001	2000	1999
Operating income	1	107	104	51
Operating expenses				
Wages and remunerations	2	(75)	(83)	(62)
Depreciation	5	(9)	(9)	(8)
Write downs on subsidiaries			152	
Other operating expenses	3	(146)	(99)	(92)
Total operating expenses		(230)	(39)	(162)
Net operating income		(123)	65	(111)
Financial income and expenses				
Financial income	3	258	182	158
Financial expenses	3	(63)	(91)	(42)
Net financial items		195	91	116
Income before taxes		72	156	5
Taxes	4	28	(27)	(1)
Net income		100	129	4
Transfers and allocations				
(To)/from equity		11	(26)	83
Dividends		(111)	(103)	(87)
Total transfers and allocations		(100)	(129)	(4)

BALANCE SHEET WILH. WILHELMSSEN ASA



NOK mill	Note	31.12.01	31.12.00	31.12.99
Fixed assets				
Deferred tax asset	4	19		18
Fixtures	5	25	23	25
Investments in subsidiaries	7	1 658	1 876	2 150
Investments in associates	8	345	34	4
Long-term share investments	6			13
Other long-term assets	9	737	673	475
Total fixed assets		2 784	2 606	2 685
Current assets				
Other current assets	9	232	332	246
Short-term financial investments	10	420	510	375
Cash and bank deposits		135	86	119
Total current assets		787	928	740
Total assets		3 571	3 534	3 425
Equity				
Paid-in capital	11	1 045	1 100	73
Own shares	11	(93)	(110)	(2)
Share premium reserve	11			835
Retained earnings	11	1 243	1 271	1 620
Total equity		2 195	2 261	2 526
Provisions for liabilities				
Pension liabilities	12	142	144	142
Deferred tax	4		9	
Other provisions for liabilities		13	13	17
Total provisions for liabilities		155	166	159
Long-term liabilities				
Long-term interest-bearing debt	13	983	869	491
Other long-term liabilities			6	11
Total long-term liabilities		983	875	502
Current liabilities				
Public duties payable		12	10	10
Payable taxes	4	1	(3)	(5)
Other current liabilities	9	225	225	233
Total current liabilities		238	232	238
Total equity and liabilities		3 571	3 534	3 425

CASH FLOW STATEMENT WILH. WILHELMOSEN ASA

NOK mill	2001	2000	1999
Cash flow from operating activities			
Income before taxes	72	156	5
Taxes paid in the period	4	(1)	(28)
Depreciation and write-down	5	(146)	8
Changes in market value - trading portfolio	90	34	(33)
Changes in receivables/liabilities/bunkers	99	(293)	(314)
Difference expensed pension and premium paid	(1)	2	(9)
Change in other periodic accruals	(1)	(28)	(12)
Net cash provided by/(used in) operating activities	268	(276)	(383)
Cash flow from investing activities			
Proceeds from sale of fixed assets	3	1	64
Investments in fixed assets	(14)	(7)	(89)
Investment in subsidiary companies and other companies	(54)	(18)	374
Changes in other investments	(60)	81	(19)
Net cash flow provided by/(used in) investing activities	(125)	57	330
Cash flow from financing activities			
Proceeds from issuance/(repayment) of debt	108	378	148
Purchase of own shares	(99)	(105)	
Dividends paid	(103)	(87)	(80)
Net cash flow provided by/(used in) financing activities	(94)	186	68
Net increase/(decrease) in cash and cash equivalents	49	(33)	15
Cash and cash equivalents at 01.01	86	119	104
Cash and cash equivalents at 31.12	135	86	119
Restricted bank deposits 31.12			
Employee tax withholding account	5	5	5

NOTES TO THE ACCOUNTS WILH. WILHELMESEN ASA

NOTE 1 GROSS REVENUE

NOK mill	2001	2000	1999
Operating income			
Intercompany income	31	88	38
Fees	62	16	
Other income	14		13
Total other operating income	107	104	51

NOTE 2 WAGES AND REMUNERATION

NOK mill	2001	2000	1999
Wages	35	36	33
Social security tax	9	9	10
Pension cost	25	26	14
Other remuneration	6	12	5
Total wages and remuneration	75	83	62
Average number of employees	59	62	71

Remuneration (NOK 1 000)	Board	Working Chair	President
Wages/fees	497	2 037	1 996
Pension premium			226
Other remuneration		95	84
Total	497	2 132	2 306

The president has the right to a life-long pension constituting two-thirds of his annual salary at retirement. Likewise the chair of the board has the right to a life-long pension constituting two-thirds of his annual salary at retirement. In 2000, the company launched an option programme which allowed senior executives to purchase shares in the company. These options expired 31.12.01. From 1.1.02 a new option programme was launched offering 36 senior executives the right to purchase 6 000 to 20 000 shares from the company's own stock. The strike price is set at NOK 65 per share and the option must be exercised by 31.12.04 at the latest.

continuing on next page

NOTE 2 WAGES AND REMUNERATION *continuing from previous page*

Loans and guaranties	Employees	Board	Working Chair	President
Loans (NOK 1 000)	731	0	0	0

Employees are charged 5 per cent interest.

Auditor

The auditor's fee for 2001 is NOK 505 000 for audit work and NOK 1 041 699 for consultancy work.

Shares owned or controlled by representatives of Wilh. Wilhelmsen ASA

Name	A shares	B shares	Total	Per cent of total shares	Per cent of voting stock
BOARD OF DIRECTORS:					
Wilhelm Wilhelmsen (<i>president and director</i>)	10 137 970	1 080 622	11 218 592	42.94 %	53.93 %
Odd Rune Austgulen	68	20 000	20 068		
Anders Chr. Stray Ryssdal	0	0	0		
Leif T. Løddesøl (<i>chair</i>)	4 576	0	4 576		
Helen Juell	13 494	500	13 994		
Sjur Galtung (<i>alternate</i>)	24 060	4 634	28 694		
EXECUTIVES:					
Emil Gamborg (<i>senior vice president</i>)	978	200	1 178		
Nils P. Dyvik (<i>deputy group chief executive</i>)	346	0	346		
Hans Chr. Bangsmoen (<i>senior vice president</i>)	984	210	1 098		
Erik Nes (<i>president Barwil</i>)	522	0	522		
Svein Sørliie (<i>president Barber International</i>)	312	10	322		

NOTE 3 COMBINED ITEMS, INCOME STATEMENT

NOK mill	2001	2000	1999
Other operating expenses			
Intercompany expenses	55	34	25
Bad debts	(4)	3	14
Sales and administration expenses	95	62	53
Total other operating expenses	146	99	92
Financial income and expenses			
Dividend from subsidiaries	158	58	15
Group contribution	8	39	33
Dividend	24	28	25
Interest income	10	24	17
Interest income from subsidiaries	48	30	19
Net currency gain	7	3	26
Changes in market value - trading portfolio	3		23
Total financial income	258	182	158
Interest expenses	(56)	(52)	(40)
Interest expense to subsidiaries	(2)	(3)	(2)
Changes in market value - trading portfolio		(36)	
Other financial items	(5)		
Total financial expenses	(63)	(91)	(42)
Net financial items	195	91	116

NOTE 4 TAXES

NOK mill	2001	2000	1999
Distribution of tax expenses for the year			
Payable taxes		(1)	1
Change in deferred tax	(28)	28	
Total taxes	(28)	27	1
Tax effect of temporary differences			
Other fixtures	47	55	33
Current assets	(7)	(10)	6
Long term liabilities/provisions for liabilities	(43)	(44)	(44)
Tax losses carried forward	(23)	(2)	(20)
Effect of group contribution	7	10	7
Total deferred tax (deferred tax asset)	(19)	9	(18)
Deferred tax and change in deferred tax			
Deferred tax 1.1	9	(18)	
Deferred tax related to group contribution		(1)	
Changes in deferred tax profit and loss	(28)	28	
Deferred tax asset 31.12	(19)	9	
Basis for tax computation			
Income before taxes	72	156	5
28 per cent taxes	20	44	1
Tax effect from			
Permanent differences	1		1
Non-taxable income	(53)	(22)	(2)
Other	4	5	1
Calculated tax	(28)	27	1
Effective tax rate	(38)	18 %	28 %

NOTE 5 FIXED ASSETS

NOK mill	Fixtures
Cost price 1.1	39
Additions	14
Disposals	(6)
Cost price 31.12	47
Accumulated ordinary depreciation 1.1	16
Accumulated ordinary depreciation 31.12	22
Book value 31.12	25
Current year's depreciation	9
Economic lifetime	3-10 years
Depreciation schedule	Straight line

NOTE 6 INVESTMENTS IN SHARES

Investments are recorded at cost. Where a reduction in the value of shares is considered to be permanent and significant, a write down to net realisable value is recorded.

Company	Ownership	Book value (NOK 1 000)
Barwil Agencies Ltd, UK (under liquidation)	100%	268
ScanDutch BV, Netherlands	15%	22
Bærum Lufthavn ASA		20
Oceanor Eiendom AS		6
Total investments in shares		316

NOTE 7 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are recorded at cost. Where a reduction in the value of shares in subsidiaries is considered to be permanent and significant, a write down to net realisable value is recorded.

Company	Business office Country	Voting share Ownership share	Book value (NOK 1 000)
Abeer Marine Services (S) Pte. Ltd.	Singapore	100%	427
Agencies Maritimes Pomme SARL	France	100%	15 832
Barber International Ltd.	Hong Kong	100%	108 965
Barwil Agencies Ltd.	Hong Kong	100%	111
Barwil Agencies Pte Ltd.	Singapore	100%	0
Barwil Agencies AS	Norway	100%	21 474
Barwil Agencies Australia Pty. Ltd.	Australia	100%	5 170
Barwil Agencies Limited	Gibraltar	100%	1 500
Barwil Agencies Sdn. Bhd.	Malaysia	100%	473
Barwil Agencies(New Zealand) Pty. Ltd.	New Zealand	100%	25
Barwil Marine Sdn. Bhd.	Malaysia	100%	
Barwil Ship Services S.L	Spain	100%	53
Barwil - World Wide Maritime (Pty) Ltd.	South Africa	100%	14 590
BW World Wide Movers Sdn. Bhd.	Malaysia	100%	
D.A. Knudsen & Co. Ltd.	Portugal	70%	17 276
Den norske Amerikalinje AS(ex WON AS)	Norway	100%	50
Global Transport Services AS	Norway	100%	50
Intertransport (Hong Kong) Ltd	Hong Kong	100%	418
Intertransport International Ltd AS	Norway	100%	
Njord Insurance Company Ltd.	Bermuda	100%	3 611
Polaris Shipping NV	Belgium	100%	10 512
Pomme & Cie SARL	France	100%	6 089
Port Klang Multipurpose Terminal Sdn. Bhd.	Malaysia	100%	
Strandveien 20 ANS	Norway	99%	139 587
The Wilhelmsen Terminal Ltd.	Latvia	90%	428
Wilh. Wilhelmsen (Asia) Sdn. Bhd.	Malaysia	100%	1 875
Wilh. Wilhelmsen (Hong Kong) Ltd	Hong Kong	100%	50
Wilhelmsen Agencies AS	Norway	100%	8 430
Wilhelmsen Insurance Services AS	Norway	100%	50
Wilhelmsen Lines Agencies AB	Sweden	100%	54
Wilhelmsen Lines AS	Norway	100%	650 000
Wilhelmsen Lines Shipowing AS	Norway	100%	618 970
WilService AS	Norway	100%	1 113
Wilship I AS	Norway	100%	23 577
Aagaard Euro-Oil AS	Norway	100%	6 850
Total investments in subsidiaries			1 657 610

NOTE 8 INVESTMENTS IN ASSOCIATES

Investments in associates are recorded at cost. Where a reduction in the value of shares is considered to be permanent and significant, a write down to net realisable value is recorded.

Company	Business office Country	Voting share Ownership share	Book value (NOK 1 000)
Alghanim Barwil Shipping Co. W.L.L.	Kuwait	40%	
Almoayed Barwil Limited	Bahrain	40%	166
Barber Dubai Shipping Agencies Co. (L.L.C.)	UAE	50%	6 314
Barwil - Hellas Ltd. Shipping Agencies	Greece	60%	50
Barwil (Thailand) Ltd.	Thailand	49%	
Barwil Agencies GmbH	Germany	100%	397
Barwil Agencies Inc.	Taiwan	87,5%	2 153
Barwil Agencies Poland Ltd.	Poland	100%	15
Barwil Agencies SA	Panama	35%	23
Barwil Algeria s.p.a	Algeria	75%	927
Barwil Andersson Shipping	Latvia	49%	370
Barwil Black Sea Shipping Ltd	Gibraltar	50%	6 626
Barwil Egytrans Shipping Agencies S.A.E.	Egypt	49%	237
Barwil Forbes Shipping Services Ltd	India	50%	479
Barwil Hyop Woon Agencies Ltd	Korea	50%	409
Barwil Huayang Shipping Service Co. Ltd.	China	50%	4 008
Barwil Meridian Navigation Ltd.	Sri Lanka	40%	972
Barwil Novorossiysk Ltd.	Russia	100%	3 230
Barwil RoadSea Shipping & Forwarding Services	Iran	50%	773
Barwil S & K Shipping Agencies	Lebanon	49%	79
Barwil Ship Services (UAE) Ltd.	UAE	42,5%	
Barwil Shipping (Pvt.) Ltd.	Pakistan	50%	734
Barwil Shipping (India) Pvt. Ltd.	India	50%	
Barwil Si. Mar. SRL	Italy	49%	529
Barwil Smith Bell (Subic) Inc	Philippines	50%	63
Barwil - Star Agencies SRL	Romania	50%	1 648
Barwil Ukraine Ltd.	Ukraine	75%	428
Barwil Unimasters Ltd.	Bulgaria	50%	
Barwil Universal Agencies Ltd	Turkey	50%	386
Barwil Zaatarah Agencies Ltd.	Jordan	48,8%	922
Bat-Haf Barwil Agencies Ltd.	Kenya	50%	583
Baasher Barwil Agencies Ltd.	Sudan	50%	73
Dockwise Transport B.V	Netherlands	21,8%	308 297
International Shipping Co. Ltd	Yemen	49%	258
Intertransport India Private Ltd	India	50%	
Intertransport Ltd.	Taiwan	100%	1 537
Lowill SA	Panama	35%	
Norsul Barwil Agencies Maritimas LTDA	Brazil	49%	1 168
Scan Cargo Services SA	Panama	35%	23
ScanArabia Shipping Agencies S.A.E	Egypt	49%	242
Taiwan Agencies Inc.	Taiwan	87,5%	
Towell Barwil Co. (L.L.C.)	Oman	30%	762
Transocean OY AB	Finland	50%	114
Total investments in associates			344 995

NOTE 9 COMBINED ITEMS, BALANCE

NOK mill	2001	2000	1999
Other long-term assets			
Loans to subsidiaries	724	658	449
Loans to employees	1	1	
Other long-term assets	12	14	26
Total long-term assets	737	673	475
Of which long-term debtors falling due for payment later than one year:			
Loans to subsidiaries	713	627	413
Other long-term assets	12	14	26
Total long-term assets due after one year	725	641	439
Other current assets			
Short-term intercompany receivale	209	283	194
Other current receivables	23	49	52
Total other current assets	232	332	246
Other current liabilities			
Dividend	111	103	87
Accounts payable	1	3	2
Intercompany payable	90	95	132
Other current liabilities	23	24	12
Total other current liabilities	225	225	233

NOTE 10 SHORT-TERM FINANCIAL INVESTMENTS

NOK mill	Market value
Norwegian listed stocks	140
Foreign listed stocks	203
Structured products	63
Structured products USD	14
Total short-term financial investments	420

NOTE 11 EQUITY

NOK mill	Share capital	Own shares	Retained earnings	Total
Equity 31.12.00	1 100	(110)	1 271	2 261
Current year's change in equity				
Dividend own shares			5	5
Amortisation	(55)	55		0
Acquisition of own shares		(38)	(22)	(60)
Proposed dividend			(111)	(111)
Net income			100	100
Equity 31.12.01	1 045	(93)	1 243	2 195

At 31.12.00, the subsidiary Wilhelmsen Lines Shipowning AS owned 1 015 884 Class A shares and 1 734 112 Class B shares at a total purchase price of NOK 260 million. The justification for these purchases continues to be that the market price of the shares, in the view of the board, represents a favourable investment for the company's shareholders. In addition, holding a certain number of the company's own shares is felt to be appropriate for use as partial settlement in the possible acquisition of other businesses and for an option programme for leading employees. Subsequent to the amortisation of 1 375 000 class B shares in 2001, further shares have been purchased. The subsidiary Wilhelmsen Lines Shipowning AS is now the owner of 2 316 988 shares. For specification see page 48.

The company's share capital comprises 18 800 000 Class A shares and 7 325 000 Class B shares, totalling 26 125 000 shares with a nominal value of NOK 40 each. Class B shares do not carry a vote at the general meeting.

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NOTE 11 EQUITY *continuing from previous page*

THE LARGEST SHAREHOLDERS IN WILH. WILHELMSSEN ASA

Shareholder	A shares	B shares	Total number of shares	Per cent of total shares	Per cent of voting stocks
AS W. Wilhelmsen	3 403 376	397 996	3 801 372	14.55	18.10
AS Orion Invest	2 377 752	247 218	2 624 970	10.05	12.65
Wilhelmsen Lines Shipowning	1 232 504	1 084 484	2 316 988	8.87	6.56
Skips AS Tudor	2 033 278	10 000	2 043 278	7.82	10.82
National Insurance Fund	802 000	880 000	1 682 000	6.44	4.27
Aksjefondet Odin Norden	145 580	1 245 744	1 391 324	5.33	0.77
AS Tres	1 042 688	130 336	1 173 024	4.49	5.55
Aksjefondet Odin Norge	349 942	766 200	1 116 142	4.27	1.86
Kassiopeia AS	985 792	101 224	1 087 016	4.16	5.24
UBS AG, London Branch	632 700	125 000	757 700	2.90	3.37
Gjensidige Nor Spareforsikring	217 918	210 400	428 318	1.64	1.16
Vital Forsikring ASA	241 517	152 300	393 817	1.51	1.28
AS Wingana	322 630	63 234	385 864	1.48	1.72
Hafslund Invest AS	288 800		288 800	1.11	1.54
Tom Wilhelmsens Stiftelse	185 200	88 000	273 200	1.05	0.99
J.P. Morgan	206 800		206 800	0.79	1.10
Lagopus AS	161 322	31 618	192 940	0.74	0.86
Verdipapirfondet Skagen Vekst	181 841	2	181 843	0.70	0.97
Hestia Werring AS	161 322		161 322	0.62	0.86
Lotus Invest AS	161 322		161 322	0.62	0.86
Pinastro AS	161 322		161 322	0.62	0.86
Storebrand Livsforsikring	29 400	119 044	148 444	0.57	0.16
Oslo Pensjonsforsikring AS	146 500		146 500	0.56	0.78
Erik Penser Fondskommisjon AB	75 400	71 000	146 400	0.56	0.40
Verdipapirfondet Avanse Norden		143 400	143 400	0.55	0.00
J.P. Morgan Chase Bank	92 745	50 124	142 869	0.55	0.49
Siem Industries Inc.		140 000	140 000	0.54	0.00
Deutsche Bank AG	133 400		133 400	0.51	0.71
Pareto Aktiv Verdipapirfond	113 900		113 900	0.44	0.61
Other	2 913 049	1 267 676	4 180 725	16.00	15.49
Total	18 800 000	7 325 000	26 125 000	100.00	100.00

Of the total number of A shares at 31.12.01, 1 593 622 (8.48 per cent) were owned by foreigners. The corresponding figures for 2000 were 554 489 (2.95 per cent). Foreigners owned 548 065 (7.48 per cent) of the B shares compared to 200 249 (2.3 per cent) one year earlier.

NOTE 12 PENSIONS

Number of people in pension plans 31.12

Funded pensions (collective pension plans) and other pensions (unfunded)
Pension funds are primarily invested in bonds, listed shares and real property.

	Funded			Unfunded		
	2001	2000	1999	2001	2000	1999
Number of people						
Employees (including disabled)	77	83	79	353	377	399
Retired employees	263	263	269	611	604	614
Total	340	346	348	964	981	1 013

Financial assumptions for the pension calculations:

	2001	2000	1999
Expected rate of return on assets in pension plans	7 %	7 %	7 %
Discount rate	6 %	6 %	6 %
Annual pay regulation	3 %	3 %	3 %
Annual regulation of National Insurance base amount	2.5 %	2.5 %	2.5 %
Annual regulation of pensions	2 %	2 %	2 %

Specification of pension cost (NOK mill)

	Funded			Unfunded		
	2001	2000	1999	2001	2000	1999
Net present value of current year's service expense	3	3	3	1	1	1
Interest expenses related to service expense	10	11	10	20	21	16
Return on assets in pension plans	(16)	(17)	(17)			
Recognised changes in estimates and variances	2	1		5	6	1
Net pension expense	(1)	(2)	(4)	26	28	18

Specification of net pension liabilities reflected in the balance sheet at 31.12

	Funded			Unfunded			Total		
	2001	2000	1999	2001	2000	1999	2001	2000	1999
Calculated pension liabilities	(176)	(180)	(172)	(333)	(347)	(272)	(509)	(527)	(444)
Plan assets at market value	227	242	249				227	242	249
Plan assets greater (less) than calculated pension liabilities	51	62	77	(333)	(347)	(272)	(282)	(285)	(195)
Unrecognised changes in estimates	62	48	31	98	114	44	160	162	75
Accrued social security tax				(20)	(21)	(22)	(20)	(21)	(22)
Net recognised pension liabilities	113	110	108	(255)	(254)	(250)	(142)	(144)	(142)

NOTE 13 LONG-TERM INTEREST-BEARING DEBT

NOK mill	2001	2000	1999
Long-term interest-bearing debt			
Mortgage debt		177	201
Bonds	743	436	
Certificate loans	240	256	290
Total long-term interest-bearing debt	983	869	491
Book value of mortgaged assets			
Shares	1 050	1 064	1 234
Repayment schedule for long-term interest-bearing debt			
Due in 2002	240		
Due in 2003	444		
Due in 2004			
Due in 2005			
Due in 2006 or later	299		
Total long-term interest bearing debt	983		
Guarantee commitments			
Guarantees for group companies	45	44	627

AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Wilh. Wilhelmsen ASA

We have audited the annual financial statements of Wilh. Wilhelmsen ASA as of 31 December 2001, showing a profit of NOK 100 million for the parent company and a profit of NOK 27 million for the group. We have also audited the information in the directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit. The financial statements comprise the balance sheet, the statements of income and cash flows, the accompanying notes and the group accounts. These financial statements are the responsibility of the Company's Board of Directors and Managing Director. Our responsibility is to express an opinion on these financial statements and on other information according to the requirements of the Norwegian Act on Auditing and Auditors.

We conducted our audit in accordance with the Norwegian Act on Auditing and Auditors and auditing standards and practices generally accepted in Norway. Those standards and practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and auditing standards an audit also comprises a review of the management of the Company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements have been prepared in accordance with the law and regulations and present the financial position of the Company and of the Group as of 31 December 2000, and the results of its operations and its cash flows for the year then ended, in accordance with accounting standards, principles and practices generally accepted in Norway
- the company's management has fulfilled its duty to produce a proper and clearly set out registration and documentation of accounting information as required by law and accounting standards, principles and practices generally accepted in Norway
- the information given in the directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit are consistent with the financial statements and comply with the law and regulations.

Oslo, 15 March 2002
PricewaterhouseCoopers DA

Erling Elsrud
State Authorised Public Accountant (Norway)

Note: This translation from Norwegian has been prepared for information purposes only.

Chief executive's comments

TAMPA

The 27 crew of our *Tampa* ro-ro carrier saved the lives of 438 shipwrecked people in the Indian Ocean on 26 August 2001, while en route from Freemantle to Singapore in its round-the-world line. Those on board performed a deed worthy of genuine respect and, through their actions and attitudes, placed our company and Norwegian quality shipping firmly on the map. For more than 10 days, *Tampa* was the top story for the international news channels.

Before we look more closely at the sequence of events and their consequences for us, it is necessary to emphasise the importance of our emergency response. An organisation responsible for operating more than 230 ships will occasionally face circumstances which demand support from or intervention by personnel on land. That was also the case with the *Tampa* incident. Our emergency response team (ERT) has been trained to tackle accidents and incidents at sea. Although Capt Rinnan and the crew of *Tampa* carried the biggest burden, they had strong backing from land in tackling many of the issues which arose during this incident.

What appeared to be a rescue operation developed into a refugee problem, and both ship and company became in many respects a shuttlecock in a domestic political issue.

For us, the events surrounding *Tampa* acquired four dimensions: humanitarian, political, commercial and media.

To the crew of *Tampa*, rescuing people in distress at sea is an obvious duty. This duty is also enshrined in international conventions and the regulations which govern rescue efforts at sea. However, these international conventions and regulations are not equally clear about where and how shipwrecked people should be put ashore. In that context, the *Tampa* incident revealed deficiencies and lack of clarity. And perhaps one of the most important consequences of the events affecting our ship is that these regulations now top the agenda for the UN's International Maritime Organisation. At its meeting in London during November, the IMO concluded:

"The Assembly requests IMO committees to identify any existing gaps, inconsistencies, ambiguity, vagueness or other inadequacies and to take action so that:
– survivors of distress incidents are provided assistance regardless of nationality or status or the circumstances in which they are found
– ships, which have retrieved persons in distress at sea, are

able to deliver the survivors to a place of safety, and – survivors, regardless of nationality or status, including undocumented migrants, asylum seekers and refugees, and stowaways, are treated, while on board, in the manner prescribed in the relevant IMO instruments and in accordance with relevant international agreements and long-standing humanitarian maritime traditions".

During the *Tampa* incident, this humanitarian dimensions became closely linked with a political one. The refugee problem concerns everyone in Australia, and the government needed to set an example which could halt an uncontrollable flood of migrants. And it picked the 438 refugees on *Tampa* to provide that example. We accordingly became participants in a domestic election campaign, with the consequences that had for finding a solution. For us, it was important not to become involved in this domestic political debate, even though we repeatedly came under political pressure.

The political dimension was paralleled for us by a commercial one. We have been involved with regular operations in Australia for more than 100 years. Australia represents a very important market for us, and is absolutely central to the ro-ro and car carrier business carried on by Wallenius Wilhelmsen. In other words, major commercial interests were at stake. Viewed with some hindsight, we can note that our loss in purely commercial terms was slight. Long-standing customer relations appear to have been cemented and some new ones have emerged in the wake of the *Tampa* incident. The Wilhelmsen brand unquestionably retains its strong position in Australia.

Media interest in the events surrounding *Tampa* was formidable, both in Norway and Australia, and the whole incident developed in many respects into a media war – a fight to win public opinion to one side or the other. We became aware of this at an early stage, and determined our strategy. In cooperation with our international media adviser, MTI, we organised a 24-hour service to field media questions from all over the world. The communication challenge was to support *Tampa* in getting the refugees ashore and back into service. To achieve this target, we had to create media pressure in the direction we wanted to go. It was also important to find a communication platform which did not harm our commercial interests in Australia, while avoiding involvement in the domestic political debate and thereby becoming a pawn in the election campaign then under way.

Tens of thousands of press cuttings and excerpts from radio and TV interviews show that our media strategy was successful. This article is not the place to describe in more detail all the issues and initiatives we faced during the incident. But regular harmonisation between Oslo and Sidney to ensure the most uniform possible stance towards the myriad of questions flooding in from all over the world played a very important role in this context. The collaboration functioned very well, and was also essential to the success of our media strategy.

The group's public affairs policy in general rests on three pillars: accessibility, honesty and openness. These values were unquestionably put to a real test, but I am convinced that we succeeded in living up to them. An important choice was made after the first two days, when two-three key people largely fronted interviews in the media.

Ten days of continuous assault from the media placed a big burden on the organisation, and we were greatly relieved when the issue was resolved and *Tampa* could continue its voyage to Singapore. Once there, we sought to draw a line under the incident by calling a press conference with a visit on board. Although allegedly the largest event of its kind ever staged in the port, this probably managed to mark no more than a temporary respite. *Tampa* is still in the media spotlight, and will probably remain so.

That *Tampa's* rescue action and the subsequent incidents attracted world-wide attention has been confirmed by the many awards and honours subsequently showered on Capt Rinnan and his crew. We find that gratifying, but also need to emphasise that these good results were largely a result of excellent teamwork, in which the *Tampa* crew carried the biggest burden together with our emergency response organisation in Oslo and Sydney. I would also highlight the good cooperation we enjoyed with much of Norway's important maritime cluster -- not least the Norwegian Maritime Directorate and the Ministry of Foreign Affairs. To sum up, this represented a victory for Norwegian quality shipping.

W. Wilhelmssen

Wilhelm Wilhelmssen



1861

1865

1887

1924



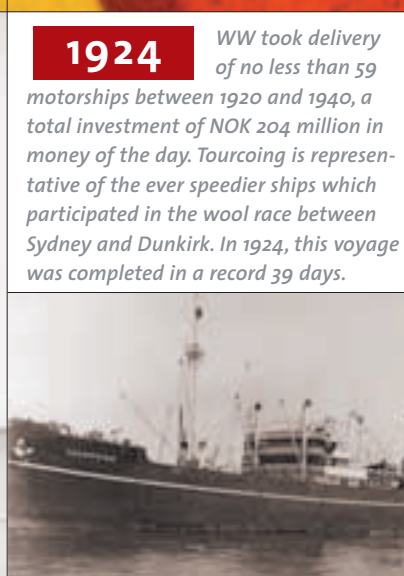
1865

The barque Mathilde of 504 dwt was the company's first ship, and marked the start of WW as a shipowning business. Built in 1840, it was acquired in 1865 for 7 000 speciedaler.



1887

Talabot was the company's first steamer, bought second-hand for NOK 200 000. This acquisition proved a huge success, and began the tradition of giving the vessels names beginning with the letter T.



1924

WW took delivery of no less than 59 motorships between 1920 and 1940, a total investment of NOK 204 million in money of the day. Tourcoing is representative of the ever speedier ships which participated in the wool race between Sydney and Dunkirk. In 1924, this voyage was completed in a record 39 days.

1960

Liner vessel in new design with the superstructure aft.



1972

WW introduced its new ro-ro concept with Tricolor. Three sister ships were committed by the company to the new ScanAustral service, later called ScanCarriers. These vessels cost NOK 93 million each.



1960

1972

2001

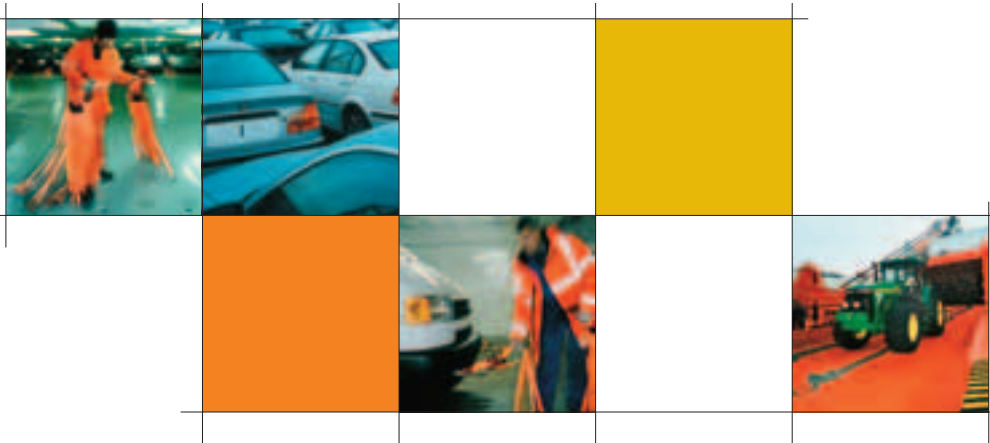
THE LINER AND CAR CARRIER BUSINESS



2001

Tamerlane was the fourth ro-ro carrier in a series delivered from Daewoo Shipbuilding in Korea. These vessels were developed by Barber Marine Consultants and the former Wilhelmsen Lines, and functioned very satisfactorily in both technical and commercial terms. The price was about USD 80 million per ship.

"Wallenius Wilhelmsen Lines operates about 60 ships, which are primarily owned by the two partners. The company has a very substantial global distribution network, including land-based transport, and is accordingly in a strong position to meet customer requirements for globalisation and consolidation."



The liner and car carrier business conducted by WW covers the operation of a combined fleet of car and ro-ro carriers in liner traffic and under contracts of affreightment. Most of the fleet of 28 ships owned and controlled by WW is operated by WWL, a company established in 1999 and owned jointly with Wallenius-rederierna AB (OW) in Stockholm. Wallenius Wilhelmsen Lines AS (WWL) has annual operating revenues of about USD 1.2 billion, and cars account for more than half the cargo base.

Results for the liner and car carrier business in 2001 were clearly weaker than the year before. The market for car shipments was affected by excess capacity. A particular fall in transported volumes was registered from Asia to Europe, while Asia-North America showed a slow rise. Car volumes for the Atlantic and the market for ro-ro cargoes were stable, while the container market weakened substantially during the year.

WW took delivery in February of the final newbuilding in a series of four ro-ro carriers from Daewoo Shipbuilding & Marine Engineering Co Ltd in Korea. These vessels were built to a new design developed by WW. Phasing in these ships progressed very satisfactorily in both technical and commercial terms.

Company structure at 31 December 2001

The liner and car carrier business in Wilh. Wilhelmsen AS is concentrated in the wholly-owned subsidiaries Wilhelmsen Lines Shipowning AS (WLS) and Wilhelmsen Lines AS (WL).

WLS controls 25 car and ro-ro carriers, including 18 wholly-owned and seven on long-term bareboat charters. All these vessels are on long-term time charter to WWL. The charterparty rate is based on a calculated proportion of WWL's earnings for each vessel. Barber International is responsible for manning and technical management of these vessels.

WL owns one ro-ro carrier – a newbuilding on bareboat charter to WLS – and three vessels under the US flag. One of the latter is wholly owned, the other two are owned 50 per cent. In addition, WL owns 50 per cent of the share capital in WWL.

Wallenius Wilhelmsen Lines

WWL ranks as the world's largest operator for freighting cars and rolling cargo, and handles commercial operation of the car and ro-ro carriers belonging to its owners. The collaboration between WL and OW was established in 1999 and rests on an agreement which runs for eight years but is expected to be permanent. This joint venture provides substantial efficiency gains in the form of reduced costs and better fleet utilisation. The size of the fleet and its global operation provides good flexibility for optimal deployment of the company's ships to meet prevailing market conditions.

WWL operates about 60 ships, which are primarily owned by the two partners but include some chartered tonnage. The company has a substantial global distribution network, including land-based transport. This puts it in a strong position to meet changes in customer requirements driven by the current processes of globalisation and consolidation. WWL operates a global network of routes and is organisationally divided into four regions. In addition comes the land-based business, with the Richard Lawson company as its largest unit.

At the end of 2001, WWL agreed to buy a 20 per cent holding in Compagnie d'Affrètement et de Transport SA (CAT). This French logistics company currently manages the transport of all vehicles and automotive components for Renault in Europe, as well as some distribution of vehicles and components globally for other car manufacturers. The WWL partners intend CAT to become a key company in their future commitment to logistics. This will partly be achieved by expanding the customer base to companies other than Renault/Nissan and other car manufacturers.

A number of mergers and acquisitions again took place among WWL's customers during 2001, both in the car industry and among manufacturers of other rolling cargo such as construction and agricultural machinery. That leaves fewer but large players who want a reduced number of sub-contractors. This makes tougher demands on flexibility and integrated global transport solutions.

Its large fleet and global presence mean that WWL is fundamentally well positioned to meet this



development. In coming years, the company will maintain its focus on the ability to offer customers total integrated logistics solutions. These will embrace maritime shipment, port operation and land-based transport. Apart from fleet size, port facilities and operations ashore, this focus will also mean a continued commitment to developing integrated IT-based management systems for total logistical services.

Vessel operation

Technically speaking, all the vessels operated well in 2001 with minimal off-hire. One of the ships under the US flag suffered a fire in a restricted area of its cargo hull. This required a brief yard stay.

In late August, m/s Tampa rescued 438 shipwrecked people from a sinking small vessel in the Indian Ocean. This created a difficult political position, and eight days passed before those saved could be transferred to an Australian naval vessel and Tampa was able to resume its original course. The episode attracted considerable attention world-wide, and it can be noted with satisfaction that all personnel involved, both on board and ashore, handled it in the best possible way. An important consequence of this incident is that the international regulations on rescuing and landing people in distress will be revised in the appropriate fora.

The vessels are managed by Barber Ship Management, with the exception of those under the US flag. These are run by an American management company.

A number of courses and conferences were again staged for seagoing personnel in 2001. One of the recurring themes at these sessions has been the identification and implementation of improvement measures for management and operations. This work is coordinated with WWL as operator of the vessels.

Environmental measures

All WW's vessels are certified in accordance with the ISM code. This specifies requirements which the company has considered it expedient to adopt, not least because of their positive effect on preventing accidents and pollution/emissions. The authorities require that vessels of this type be certified by 1 July 2002.

A programme to achieve ISO 14001 certification of environmental standards on all the ships has been completed.

Tonnage sales

Three ships were sold and delivered to new owners in January-February 2001. The vessels concerned were a small wholly-owned ro-ro carrier from WLS and two pure car carriers owned 50 per cent by WL.

Markets

Cars

Global sales of vehicles declined by about 2.3 per cent in 2001, to 54.7 million units. Despite weaker economic development and considerable uncertainty across the board during the year, vehicle sales in North America fell by only 0.6 per cent, to 19.6 million units. Sales of vehicles in western Europe also developed more strongly than expected, with an increase of 0.4 per cent. The rise

was particularly marked in the UK, France and Spain. Asian sales of vehicles fell during 2001, on the other hand, with South Korea, Taiwan and Japan all experiencing reductions. South and Central America saw sales rise by just over one per cent after progress in Brazil, Venezuela and Colombia.

Shipments of cars and other light vehicles declined globally by about 3.5 per cent to 7.7 million units in 2001. Exports from Japan fell by just over five per cent, and shipments of Japanese vehicles were reduced to all regions except the Middle East. Korean exports sank by 7.7 per cent. By contrast, exports from western Europe achieved a 7.8 per cent increase, while shipments of new vehicles from North America declined by just under four per cent.

Volumes (1 000 units) on the principal transport routes for cars:

Transport routes	2000	2001
Japan-North America	1 837	1 809
Japan-northern Europe	847	669
Korea-North America	609	702
Korea-northern Europe	350	277
Europe-USA-Europe	1 101	1 139
Asia-South/Central America	453	403

Roll-on/roll-off cargoes (ro-ro)

The ro-ro segment primarily comprises two components – construction machinery and agricultural machinery. Total shipments declined somewhat in 2001, partly as a result of lower Asian exports to North America and reduced volumes in the Atlantic. On the other hand, some increase in volumes could be noted from Europe to Asia/Middle East.

NCC

Non-containerisable cargo (NCC) comprises many different segments. Developments in 2001 differed widely for the various product categories, both globally and regionally. As a result, demand for maritime transport for these categories was very variable. Despite a general decline in economic activity during 2001, WWL's cargo shipments for the power generation industry held up well on all transport routes.

Competition

The competitive position for car carrying and ro-ro cargo showed little change in 2001. WWL's share of the global market declined slightly over the year, primarily because of lower volumes from Asia to Europe where the company holds a large slice of the market. The company's strong position in important main trades – such as the Atlantic and the growing Europe-Oceania shipments – was further reinforced.

The emergence of third-party and fourth-party logistic providers (3PL and 4PL) is continuing. WWL is following this trend closely, and developing its own total logistical solutions for car and ro-ro carrier customers.

A total of 11 new pure car and pure car/truck carriers (PCC/PCTC) were delivered in 2000, bringing the overall world fleet to 411 units after nine ships were taken out of the market.

Customers

Economic trends at 31 December were characterised by great uncertainty. This also affected the world's automotive sector. Further cutbacks in production capacity and other measures to reduce costs must be expected in coming months.

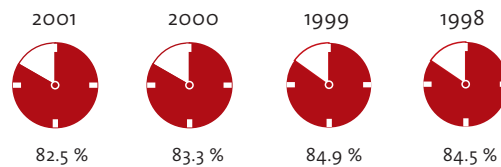
The consolidation of the car industry is continuing, with General Motors forging strong ties to Fiat and Suzuki. DaimlerChrysler's alliance with Hyundai looks like being an important element in the former's strategic commitment in Asia. The acquisition of Daewoo Motors by General Motors is expected to involve a downsizing of the former's production capacity in South Korea and the rest of the world – manufacturing plants in eastern Europe were excluded from the takeover, for instance.

At the end of February 2002, WW and OW jointly signed a letter of intent with Korea's Hyundai Merchant Marine shipping company on the possible acquisition of its car transport division. This would continue to be operated as a separate company and retain its Korean identity. The agreement outlines the intentions of the two sides, which have undertaken to continue negotiations on an exclusive basis to resolve all unclarified issues.

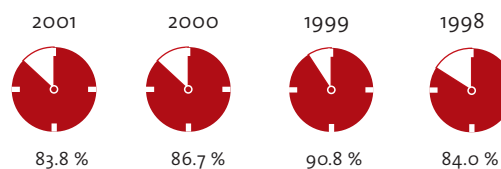
Prospects

Market prospects for 2002 are still affected by great uncertainty, particularly in the important Japan/Asia and US markets. At the same time, substantial cost savings are expected – primarily on bunkers and interest charges. Overall, results for our liner and car carrier operations are expected to show some improvement over 2001.

Share of gross revenue



Share of primary operating income



USD mill	2001	2000	1999	1998
Gross revenue	673.7	696.3	667.3	670.3
Primary operating income	122.2	140.6	113.0	140.5
Ordinary depreciation	(62.4)	(56.0)	(51.5)	(50.5)
Net operating income	59.8	84.6	61.5	90.0
Net financial items	(38.0)	(43.2)	(20.0)	(27.1)
Income before taxes	21.8	41.4	41.5	62.9
Taxes	(3.8)	(5.9)	(4.8)	(2.3)
Net income	18.0	35.5	36.7	60.6

FACTS LINER AND CAR CARRIER BUSINESS 31.12.01:

FLEET	28 VESSELS, INCLUDING 14 PCTC, 13 LARGE RO/RO VESSELS AND ONE PCC.
OWNERSHIP	20 VESSELS WHOLLY-OWNED, TWO OWNED 50 PER CENT, AND SIX ON LONG-TERM BAREBOAT CHARTER.
EMPLOYMENT	25 VESSELS IN WWL, THREE UNDER US FLAG WITH WW EQUITY INTERESTS.

1861



before 1977

In its international liner business, WW had built up a large network of independent agents who served the ships on arrival in port and during their stay. The group had an equity interest in some of these agency companies.



1977

WW began building up its own ship agency network under the Barwil Agencies name. This chain expanded rapidly both geographically and in the range of services offered.



1977

2001

BARWIL



2001

Barwil ranks as one of the world's leading ship agency chains with 191 offices in 55 countries. The commitment to developing hub solutions for large principals is particularly important.

"Barwil reported its best-ever result in 2001, and this growth is expected to continue in 2002. Expansion will be achieved through new ventures, acquisitions, and cooperation or management agreements. Barwil expects an improved result for 2002."

Barwil is one of the world's leading players in its business, which covers ship agency operation with a broad array of associated services. The company has experienced considerable expansion over many years, expressed in an increased number of offices and employees as well as greater activity. This trend continued in 2001, when Barwil could report its best-ever result.

At 31 December, the company was represented by 191 wholly- or partly-owned offices in 55 countries. Barwil operates in joint ventures with local partners in 40 of these nations, which gives greater market access and important insights into local conditions.

At the same time, Barwil's big geographical range allows it to pursue common marketing activities and offer important synergies to principals who require agency services in many parts of the world. This finds expression not least in Barwil's commitment to hub solutions for major principals. Under such arrangements, the company accepts responsibility for all agency services required by these clients, with substantial savings and synergies for both sides. Positive systems development for hub solutions continued in 2001, and is expected to be a significant key to increased activity in coming years.

Agency network

Barwil opened new offices in Norway, Indonesia, the Netherlands and Belgium during 2001. A significant part of this expansion occurred with effect from 1 December, when the company took over Norsk Hydro's ship agency operations in Porsgrunn, Glomsfjord, Rotterdam, Antwerp and Sluiskil in the Netherlands. In addition, large interests in agency operations in Italy and Bahrain were acquired during the year.

The company is committed to owning its own office premises in important ports. Acquisitions in 2001 include an office building in Novorossiysk, while premises under construction in Lisbon and Constanza are due to be occupied during 2002. In addition, a new warehouse is being built in Fujairah, and the company has expanded its warehousing capacity in Jebel Ali. This represents a natural extension of Barwil's strategy of establishing new business areas, such as terminal operations, inland transport and warehousing, together with local partners in selected areas.

The number of port calls cleared through the Barwil system increased by more than 10 per cent compared with the year before, from about 25 000 to more than 28 000. Barwil had some 2 700 employees at 31 December. It represented more than 50 liner operators and roughly 2 500 tramp, tanker, cruise and gas vessel operators and charterers at 1 January 2002.

Growth is expected to continue in 2002, although the company is already represented in the majority of the world's important ports. This global expansion is pursued through new ventures, acquisitions, cooperation agreements and management deals. Apart from Barwil's clearly expressed growth strategy, it reflects the fact that demand for cost-effective solutions appears to increase in times of recession.

Service vessels

Through its Abeer Marine Services (Abeer) affiliate, Barwil operated 32 oil industry service vessels in the Arabian Gulf and south-east Asia in 2001. Abeer's fleet expanded further in November when it took delivery of a new crewboat and a palm oil lighter. The latter is engaged in shipping palm oil between small ports and export entrepots in Indonesia.

The fleet of service vessels comprises units measuring 85-135 feet long, built to a standard American design. Propulsion is provided by diesel engines, giving a service speed of about 20 knots. The fleet is renewed regularly.

Employment is largely secured through medium- and long-term (two-four year) charterparties with key players in the offshore industry in the Arabian Gulf and south-east Asia. The vessels are used for supply services, crew change and inspection of oil production installations, and are therefore shielded to a degree from political or oil price changes. Abeer seeks to ensure an appropriate spread of the vessels over several charterers and charters of varying duration in order to reduce exposure to short-term fluctuations in the level of rates. However, some of the charters include a cancellation clause which allows the charterer to redeliver the boat at 30 day's notice.

Financial results from this business were good in 2001. Several medium-term contracts were secured during the year, and will ensure good future employment.

Bunkers operations

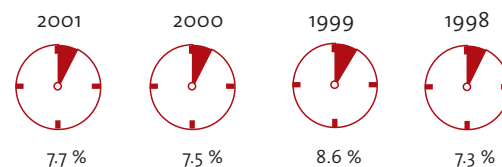
Aagaard Euro-Oil AS forms part of the Barwil group. This company ranks as Norway's largest bunkers broker and one of the biggest in Europe. It employs eight brokers and handled about 2.4 million tonnes in 2001.

The company purchases bunkers for a number of large shipping companies in Norway and abroad, including Wallenius Wilhelmsen Lines. It also offers bunkers hedging to its customers in addition to normal broking and trading.

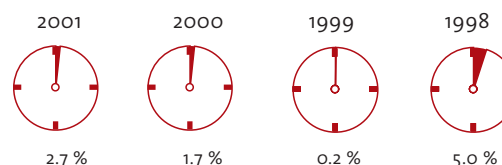
Operation of Aagaard Euro-Oil was very satisfactory in 2001, with good financial results.

USD mill	2001	2000	1999	1998
Gross revenue	62.7	62.6	67.6	57.7
Primary operating income	4.0	2.9	0.3	8.4
Ordinary depreciation	(4.9)	(4.3)	(3.8)	(2.8)
Net operating income	(0.9)	(1.4)	(3.5)	5.6
Net financial items	8.5	7.2	6.3	3.5
Income before taxes	7.6	5.8	2.8	9.1
Taxes	(0.4)	(0.2)	0.2	(1.1)
Net income	7.2	5.6	3.0	8.0

Share of gross revenue



Share of primary operating income



REGION NORTH-EUROPE:

Antwerpen, Helsinki,
Hamburg, London, Oslo,
Riga, Rotterdam, Sopot,
Sluiskil, Stettin, Tallin

REGION MEDITERRANIAN, SOUTH-EUROPE, MIDDLE EAST, AFRICA, BLACK SEA:

South East Europe:
Algeciras, Augusta,
Aveiro, Beirut, Gibraltar,
Haydarpasa, Iskenderun,
Istanbul, Izmir, Leixoes,
Lisbon, Lisnave,
Marseille, Piraeus,
Port de Bouc, Sete,
Setubal, Sines, Siracusa,
Thessaloniki,
Viano Do Costelo

Middle East:
Abu Dhabi, Aden,
Amman, Aqaba, Bandar
Abbas, Bandar I.
Khomeini, Bahrain,
Dammam, Dubai, Doha,

Fujairah, Hodeidah,
Jebel Ali, Jeddah, Jubail,
Kharg Island, Karachi,
Kuwait, Mukalla,
Muscat, Rabigh, Ras al
Khaimah, Ras Tanura,
Riyadh, Ruwais ,Salalah,
Teheran. Yanbu

Africa:
Alexandria. Algerie,
Cape Town, Damietta,
Durban, Kairo,
Khartoum, Mombasa,
Port Said, Port Sudan,
Richards Bay, Suez

Black Sea:
Batumi, Bourgas,
Constantza, Ilyichevsk,
Novorossiysk, Odessa,
Poti, Varna

REGION AMERICAS:

North America:
Beaumont, Baltimore,
Houston, Los Angeles,
Mobile, New Orleans,
New York, Norfolk,
Philadelphia, Portland
(Oregon), San Fransisco,
Seattle, Savannah

Central America:
Cristobal, Panama City

South America:
Rio de Janeiro, Santos,
Sao Paulo

REGION OCEANIA:

Australia:
Adelaide, Bell Bay,
Brisbane, Cairns,
Dampier, Darwin,
Fremantle, Geelong,
Gladstone, Mackay,
Melbourne, Newcastle,
Port Hedland, Port
Kembla, Sydney,
Townsville, Weipa,
Whyalla

New Zealand:
Auckland, Christchurch,
Tauranga, Wellington,
Whangarei

REGION ASIA:

South East Asia
Ahmedabad,
Balikpapan, Bangkok,
Banjarmasin, Belawan,
Bintulu, Bontang,
Calcutta, Chennai,
Cilegon, Cochin,
Colombo, Danang City,
Dumai, Goa, Haldia,
Ho Chi Minh City,
Jakarta, Kakinada,
Kemaman,
Kota Kinabalu,
Kuala Lumpur, Kuantan,
Kuching, Labuan, Lahad
Datu, Lumut, Malacca,
Mangalore, Maptaphut,
Miri, Mumbai,
New Dehli, Paradip,

Pasir Gudang, Penang,
Port Klang, Samarinda,
Semarang, Sibul,
Singapore, Sriracha,
Subic Bay, Surabaya,
Tanjung Priok, Tanjung
Redeb, Tuticorin,
Vishakhapatnam, Vung
Tau City

Far East:
Beijing, Busan, Dalian,
Hong Kong, Inchon,
Kaohsiung, Keelung,
Ningbo, Qingdao,
Seoul, Shanghai,
Shenzhen, Taichung,
Taipei, Tianjin, Tokyo,
Ulsan, Xianen, Zhuhai

before 1975

From the start, manning and operation of a ship were largely left to the master. Support functions were eventually established on land which took care of manning and technical vessel operation.



1975

WW decided to establish Barber International as a separate company to manage its own vessels, and with an eye to taking over technical management and/or manning for other shipowners. The company moved its head office to Kuala Lumpur in Malaysia during 1994.

1975

2001

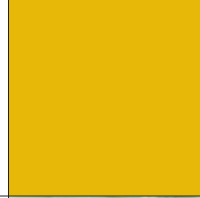
BARBER INTERNATIONAL



2001

The crew of WW's newest ro-ro carrier, Tamerlane, comprises 5 Norwegians, 3 Indians and 17 Filipinos. This vessel is one of the company's training ships, with Barber Ship Management in Oslo responsible for its operation.

"Barber International ranks as one of the world's leading international service companies for ship management, manning, training of seagoing personnel, technical-maritime consultancy services and delivery of IT solutions to the shipping sector. More than 7 000 seagoing personnel from a number of nations are attached to Barber's operations. At 31 December, the company was responsible for full management or manning of 234 vessels."



Barber International Ltd Hong Kong (Barber) ranks as one of the world's leading international service companies for ship management, manning, training of seagoing personnel, technical-maritime consultancy services and delivery of information technology solutions to the shipping sector. The company runs the fleet from operations offices in Kuala Lumpur, Oslo and New Orleans, and has its own manning offices in Mumbai, Calcutta, New Delhi, Chennai, Stettin, Novorossiysk, Chittagong, Bangkok, Jakarta, Dhaka, Manila, Constanza, Miami and Oslo.

In addition, Barber owns International Tanker Management Ltd (ITM), which specialises in tanker management. This company's head office is in Dubai, with branch offices in Norway, Singapore and Germany.

Barber runs its own training and education unit in India for maritime personnel – the Indian Maritime Training Centre (IMTC). Located in new and well-equipped premises, this facility offers courses for the company's own crew and external personnel.

More than 7 000 seagoing personnel from a number of nations are attached to Barber's operations, and the company was responsible at 31 December 2001 for full management or manning of 234 ships. This represents an increase of 26 vessels compared with a year earlier. The fleet is owned by roughly 87 companies from all parts of the world, and sails under 20 different flags. Some 11 per cent the overall business relates to vessels owned or operated by companies in the WW group.

Market

A strong focus on costs remained a dominant feature of international shipping in 2001. In ship management, that found expression through continuous pressure to adopt new and cost-effective operational solutions. Administrative and operational costs are also under pressure. Players face a substantial focus by various governmental authorities on issues relating to safety and the environment. Zero tolerance of accidents and spills has now been adopted in many waters. The ship management companies can only meet these challenges through continued development of their systems, procedures and organisations.

Size is crucial in keeping abreast of this trend. Mergers and acquisitions again characterised the business during 2001, with two of Barber's major competitors – Denholm Ship Management and Anglo Eastern – joining forces in a single company. Barber is

well placed to respond to a trend of this kind. Through organic growth, the company has achieved a satisfactory size for rational and efficient operation.

Barber has invested systematically over many years in safety systems and crew training. Recognised as a world leader in its business, it has the freedom of action required to develop new and forward-looking solutions to the benefit of its customers, employees and owners.

Operations

Overall operation of the Barber fleet was satisfactory in 2001.

All the ships under management have met the stage II requirements in the International Safety Management (ISM) code in good time before the July 2002 deadline. The few remaining at 1 January 2002 were all newcomers to the fleet, and will have fulfilled the requirements by 30 March. All Barber's management offices were certified to the ISO 14001 environmental standard within the company's own deadline of 1 July 2001. Every office also meets the requirements for ISO 9002:1994 certification.

In order to improve the safety and quality of the company's services even further, a system for monitoring critical competitive parameters was established in 2001. The results of port inspections are one such parameter. To reduce loss of time from frequent checks, Barber has set an ambitious target for its fleet of zero deficiencies in at least 80 per cent of all inspections. The 2001 proportion was 75 per cent. This result is best judged by comparing it with corresponding figures in 2000 (the latest available) for all ships inspected from Paris MOU (42 per cent) and Tokyo MOU (34 per cent). A corresponding development can be seen in the statistics for ships detained pending improvements, at one per cent for Barber's fleet as against an average of 9.5 per cent for Paris and 6.9 per cent for Tokyo.

Manning

All Barber's manning operations have been concentrated in the Barber Marine Team (BMT), which focused primarily in 2001 on increasing its share of the cruise market. At 31 December, about 850 of the company's employees were employed at the two cruise companies with which BMT collaborates. The great majority of these were maritime personnel. BMT has also worked to establish a foundation for selecting and recruiting staff for hotel and restaurant operations on cruise liners. A number have already been secured employment.

Generally speaking, Barber's various manning offices achieved satisfactory results in both operational and financial terms. The supply of experienced senior officers is rather limited for the industry as a whole. This requires the company to deploy its human resources accurately and efficiently. Thanks to a global programme for crew administration (CrewNet) and its good reputation among seagoing personnel, Barber was able to man a large fleet during 2001 without putting excessive strain on its overall human resources.

Where the supply of junior officers is concerned, both Barber and its customers continued to benefit from the company's long-term commitment to training programmes of various kinds. The supply of ordinary crew is good in virtually all recruitment areas.

Barber Marine Consultants (BMC)

Barber Marine Consultants is the WW group's technical and maritime knowledge centre. Its most important operations embrace naval architecture, project management for newbuildings, condition assessment, technical studies and advice. Inspections relating to safety, health and the environment (SHE) represent a new addition to its range. The company undertook 179 such inspections on Barber-managed vessels in 2001.

BMC has also been involved in four newbuilding projects. The largest assignment covers design and construction of a series of seven open hatch bulk carriers for a US company. These vessels are under construction at Poland's Gdynia Shipyard. The project will continue through 2002 and for most of the following year. IT solutions

Barber Software Solutions (Bass) launched six new software applications in 2001, and thereby completed phase one in its package of computerised administrative solutions for ship management and manning. This system lays the basis for substantial efficiency gains compared with using separate applications.

Bass owns 34 per cent of Star Information Services AS (SIS), and collaborates closely with this company. SIS delivers systems for maintenance planning and for tracking spare parts and other necessary equipment on board. Bass also forms part of a strategic alliance with Gard Services AS to market and develop the Safir safety and reporting system from Gard. This application has proved to be an important tool for ensuring that the

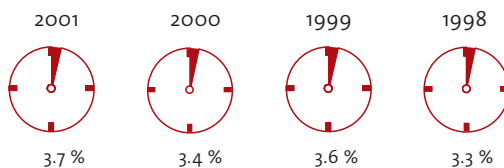
requirements in the ISM code are observed. The new version of Safir is now ready, and Bass expects this product to have a large potential since the first-generation programme has some 1 500 users.

Organisation and resources

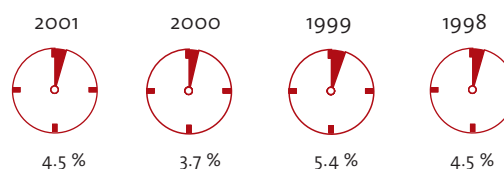
Training of both crew and land-based personnel has always been a key priority for Barber, and important in maintaining its position among the international front-runners. A broad range of activities in training and development forms an integrated part of Barber's management system. These embrace targeted learning, safety exercises on board, officer conferences, cadet programmes and so forth. They continued in 2001, and will help to ensure that Barber remains able to adapt its organisation to new challenges in meeting the changing requirements of its customers.

USD mill	2001	2000	1999	1998
Gross revenue	30.4	28.0	28.0	26.0
Primary operating income	6.5	6.1	6.7	7.5
Ordinary depreciation	(1.3)	(1.1)	(1.0)	(0.8)
Net operating income	5.2	5.0	5.7	6.7
Net financial items	1.4	2.8	2.1	1.9
Income before taxes	6.6	7.8	7.8	8.6
Taxes	(0.3)	(0.6)	(0.6)	(0.9)
Net income	6.3	7.2	7.2	7.7

Share of gross revenue



Share of primary operating income



WILHELMSSEN INSURANCE SERVICES

The WW group's insurance expertise was concentrated in 1989 in a separate profit centre, Wilhelmsen Insurance Services AS (WIS), which is a wholly-owned subsidiary of WW. WIS offers advice and assistance in placing all maritime risks for vessels belonging to the WW group and for vessels owned by other companies which are managed by Barber and for which Barber holds insurance responsibility. The company also offers consultancy and coordination of the WW group's non-marine insurances.

Other services provided by WIS include settlement of claims, collecting and allocating payments from underwriters for all losses affecting its clients, and some assistance with the settlement of cargo damage claims.

The insurance market is cyclical, and heavily affected by changes in the pattern of supply and demand. A combination of low interest rates, weak return on financial capital and a worsening in losses experienced indicate the need for higher premiums. These reached their lowest point for hull cover and loss of time policies in the first half of 2001. The previous nadir was in 1990. Prices in the insurance market have bottomed out for all types of marine underwriting, and fairly substantial increases in premiums have been registered after the tragic events in the USA on 11 September. This trend is expected to continue for several years to come.

Thanks to its overall volume and economies of scale, WIS can still maintain relatively low insurance costs, and 2001 yielded acceptable financial results.

ENVIRONMENTAL REPORT



WW's area of operation — maritime transport and related services — presents several key environmental challenges, and the group is concerned to prevent and reduce possible unfortunate environmental consequences of its business operations.

At the same time, modern society is wholly dependent on maritime transport. This provides incomparably the most energy-effective option when measured by megajoules per tonne of cargo per kilometre transported (MJ/t-km). A comparison shows that one of the group's modern ro-ro ships currently uses about 0.1 MJ/t-km, while a corresponding cargo transported by road needs six to 10 times more energy. The challenges are nevertheless real enough, and the group will accept its share of responsibility by ensuring that its transport operations take these challenges seriously. Shipping is an international business, and WW will actively support efforts to establish a common international regulatory regime and environmental policy.

Goal

Within the constraints set by technological development and economic realities, WW will continuously organise its business so that damage to or problems for health and the environment are eliminated or minimised.

Environmental strategies

One consequence of the world-wide significance of the environmental issue is that this will also represent an important competitive and commercial factor. Damage to the environment is best combated through preventive measures. WW will continuously evaluate its environmental risks and analyse how the level of safety can be raised or the environmental burden reduced.

Research and technological development are essential for identifying the most appropriate and cost-effective solutions. WW will maintain a network of contacts with research institutes and existing expertise in the environmental field. The group's emergency plans for responding to possible environment-related incidents cover both preventive measures and crisis management. Realistic exercises are staged regularly. WW's attitudes and actions in the environmental field will be characterised by openness.

Environmental challenges

The WW group aims for a process which leads to increasing understanding of environmental issues and continuous improvements. This applies in the first instance to its own vessels, followed by ships owned by others but managed by Barber International. The group's opportunities to influence design and new investment for the latter vessels are limited.

Barber's land-based operations were certified in accordance with the ISO 14001 environmental standard in 2001.

Another goal is to persuade as many as possible of Barber's clients to opt for an environment-friendly operational profile. The company can offer environmental certification of their vessels if desired.

This report will focus primarily on the directly-owned WW fleet through an environmental accounting which critically evaluates processes relating to emissions to the air and discharges to the sea, together with volumes delivered to land. The most important emission figures are compared with the results for earlier years, and these comparisons will be used in evaluating the group's environmental targets for future work.

Process description

A ship's overall environmental impact is the sum of a number of sub-processes. The diagram shows the most significant of these.

Operational discharges to the sea

This category embraces discharges of sewage and waste, bilge water, ballast water, toxic antifoulings and oily sludge.

Ballast water: This issue has come into focus after the discovery that alien types of algae and plants/animals are flourishing in certain areas. They appear to have been introduced in ballast water shipped from one port region to another. Their expansion could displace existing species, or cause heavy pollution and fouling of seawater intakes and filters.

Antifouling: Antifouling coatings are intended to keep the hull smooth and thereby reduce fuel consumption and exhaust fumes. The drawback with traditional antifouling is that they not only kill weeds and other foulings but also add toxins to the sea. That applies particularly to the tin-based TBT coatings.

Recycling: Growing attention is being given today to the process of scrapping ships. Efforts are being made, for instance, to identify the methods used and how such recycling helps to pollute the environment.

Other discharges: Other discharges, such as sewage, bilge water, oily sludge and waste, are all treated before being discharged. The levels of cleanliness required are defined in international regulations.

Accidental discharges to the sea

Unfortunately, accidental discharges occur from time to time. In WW's view, one of its principal responsibilities is to minimise such discharges, and to have good emergency response routines in place to limit the scope of any accidents which might nevertheless occur. Continuous efforts are pursued in this area with regard to both regulations and emergency response plans. The table shows that the total size of all registered discharges from the world's merchant fleet is steadily declining.

Emissions to the air

These consist primarily of exhaust fumes, but also include volatile organic compounds (VOCs) given off from the cargo as well as freon and halon gases.

Carbon dioxide: Exhaust fumes include carbon dioxide, an important greenhouse gas. Higher combustion efficiency will reduce bunkers consumption and thereby carbon emissions. The slow-speed diesel engines installed in most of WW's ocean-going vessels are among the most efficient internal combustion engines available today. Maritime transport is also regarded as the most energy-efficient means of moving cargo. Some of WW's ships mix additives with the bunkers to reduce pollution and enhance engine efficiency.

Nitrogen oxides: Nitrogen oxides also influence the greenhouse effect and contribute to ozone depletion, as well as to acid precipitation and ground-level smog. According to a 1989 research report from Marintek, international shipping contributed about seven per cent of total nitrogen oxide emissions. New IMO requirements intended to limit such emissions to 17 g/kwh for low-speed diesel engine, applied to vessels built after 2000.

Sulphur oxides: Sulphur oxides contribute to acid precipitation and pose a health hazard. The Marintek report mentioned above estimated that shipping accounts for roughly four per cent of global sulphur oxide emissions. Since these result directly from the sulphur content in bunkers, using low-sulphur oil will reduce them. The IMO's standard for maximum sulphur content is five per cent, while the average for bunkers used by the WW fleet is about 2.5 per cent.

Particulate matter: Particulate matter (PM) in exhaust fumes comprises both organic and inorganic components. These contribute to pollution and pose a risk of cancer and other health hazards.

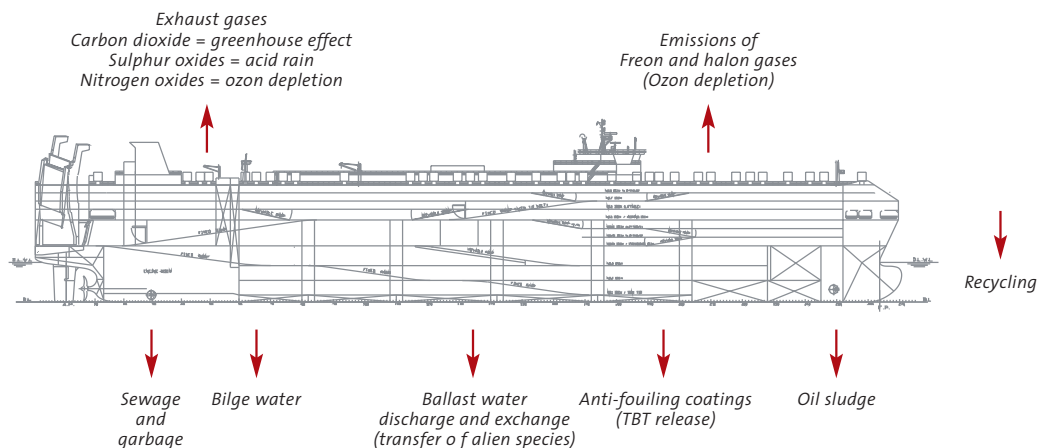
VOCs Vaporisation from oil cargoes is particularly heavy during the loading process, when petroleum gases in the tanks are displaced by cargo being pumped aboard. In addition, the most volatile components vaporise from the cargo throughout the voyage.

Freon and halon gases These contribute to depleting the ozone layer in the atmosphere. Freon is used in refrigeration processes on board, while halon is used for fire-fighting.

Regulatory regime

WW's efforts to limit emissions to the air and discharges to the sea are based on the international regulations in the IMO's Marpol 73/78 convention. This deals primarily with discharges to the sea, but Annex VI – adopted in 1997 and in force from 2000 – also covers emissions to the air. In addition, a number of national provisions must be taken into account.

Environmental issues





Organisation

Environmental efforts within the organisation are stratified. The management of each company anchors its environmental policy in the company's quality assurance system. Environmental policy relating to vessel operation is developed jointly by Wilhelmsen

Lines Shipowning and Barber Ship Management.

Responsibility for technical follow-up rests with the operations inspector for each ship, who recommends the necessary investment to improve environmental work on board. In addition comes an annual inspection programme, with every ship visited once a year by one of the safety inspectors. Their work includes recommending a number of measures to improve safety and the environment. The captain and crew are responsible for day-to-day operation, and the captain's instructions also confer the authority to take such steps as are considered necessary to protect the marine environment.

Barber has established an environmental management system and is ISO 14001-certified. This certification embraces all WW's car and ro-ro carriers. One consequence of this is that an environmental programme has been drawn up and a special environmental committee established. Meeting at least three times a year, the latter is responsible for setting environmental targets and monitoring progress towards these as specified in the environmental programme.

Design and upgrading

The combined carrier *Tijuca*, which was extensively upgraded in Dubai during 2000 and in Bahrain the year after, recently secured a CAP 1 rating for its hull and internal structure. This independent condition report uses a scale from 1-4, with 1 as the highest and 3 reflecting the minimum class requirements. *Tijuca* achieved the best rating a vessel can obtain, confirming that this vessel meets a very high standard. A similar assessment is also being made of its engines and loading/discharging systems.

Tijuca is also fitted with a vapour return line, making it possible to return VOCs from the cargo tanks to land during the loading process if the terminal is equipped

to receive such vapour. A facility of this kind has been installed at Mongstad, for instance. For a 300 000-tonner like *Tijuca*, this means that about 300 tonnes of VOCs can be recovered per voyage rather than being released to the air. *Tijuca* is also equipped with extra high-level alarms which help to prevent pollution in the event of possible overfilling of the cargo tanks.

The Mark IV series of ro-ro carriers, WW's latest vessels of this type, go beyond existing standards in a number of areas. All the bunkers tanks are protected so that minor damage to the vessel's sides will not cause polluting leaks. The bridge is equipped with electronic charts for safer navigation. Nitrogen oxide emissions from the ship's engines are below the new Marpol requirements. These vessels are also fitted with three homogenisers in the fuel system to achieve more efficient and complete combustion, and to reduce the volume of oily sludge. New sewage treatment and waste incineration equipment have capacities which exceed the Marpol standard. Advanced bilge water separators ensure an oil content of five parts per million, significantly below the Marpol requirement of 15 ppm. Inspectors for externally-owned ships managed by Barber collaborate actively with the owners to make these vessels more environment-friendly.

Ship operation is constantly developing, and many of the measures currently being tried out on some of the group's vessels aim to reduce emissions of polluting substances. Successful results from one ship will be transferred to other vessels in coming years.

Registration and analysis

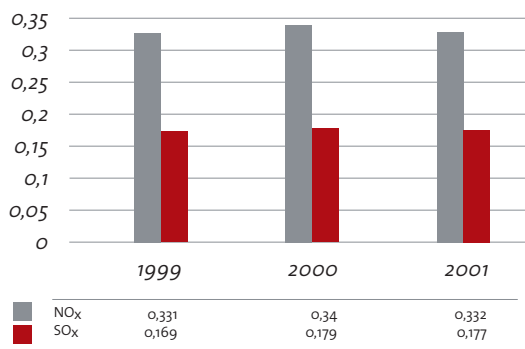
Barber has adopted a computer system developed in-house to register and analyse operational data as well as incidents and non-conformances. This information is compared with pre-defined quality parameters to check that levels are not unacceptably high.

Consumption

All purchases of bunkers oil are registered on a continuous basis, but total energy consumption is a misleading parameter for measuring how well the group's ships are being operated. Comparing consumption and emissions in grams of cargo transported per tonne-kilometre (g/t-km) on the most interesting vessel types provides the best measure. These data are now calculated for all WW ships and presented in the environmental accounting.

The figures show average emissions from WW ships for car/ro-ro carriers and tankers respectively:

Nox and Sox emission (g/ton-km)

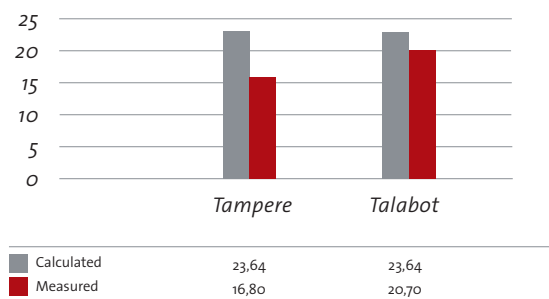


Nitrogen oxide emissions

The goal is to reduce such emissions by 25 per cent from 2000 to 2008. All emissions from the main engines on newbuildings delivered since 2001 are below the upper limit of 17 g/kWh. The engines are delivered with a certificate which documents the nitrogen oxide results obtained.

These gases have been measured on two older ships to clarify emission levels from different types of engine. Technical and operational solutions which could help to meet the target will then be assessed.

NOx emission - measured vs. calculated values



Sulphur oxide emissions

The group will not use fuel containing more than three per cent sulphur. In the longer term, its strategy is to get down to 1.5 per cent in 2003. The sulphur content of the fuel is recorded continuously. Some of the auxiliary engines are being run on diesel oil.

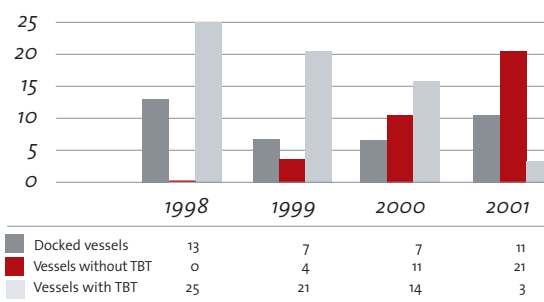
Fuel consumption

The volume of oily sludge from fuel oil is to be reduced. Homogenisers are installed in the Mark IV vessels and in

Takara. An preliminary evaluation shows a reduction in the volume of sludge handled on board. Results will continue to be assessed in 2002.

Tin-free antifouling

Only tin-free antifouling have been applied from 2000. The change in antifouling is being made on a continuous basis in connection with dockings. Eleven of the vessels were docked in 2001, with the remaining three to follow in 2002. WW is testing new alternative antifouling.



Accidental oil spills

Seven incidents were recorded on the WW group's ships in 2001. Five of these involved spilling oil to the sea, with the largest totalling 50 litres and none of the others bigger than five litres. All such incidents are analysed and the necessary steps taken to prevent recurrence.

Freon and halon gases

The volume of freon used is registered, and a campaign has been launched to reduce possible leaks from refrigeration plant on the vessels. Remaining halon-based systems will be replaced with more environment-friendly products when refilling is required.

Use of chemicals

Use of environment-friendly chemicals is being stepped up. The group's procurement staff prepares lists of more environment-friendly alternatives, which will be used in the time to come.

Bilge water

The aim is to reduce the oil content in bilge water from 15 to five ppm in 2008. Advanced separators have been installed in the newest ships to achieve this, and experience with them is continuously assessed. A conclusion is due to be reached in 2002, and will guide future work.

Waste handling

All the vessels have a plan for waste sorting. Some feature a separate recycling station. Experience with such units will be assessed for possible retrofitting of similar installations on all the ships.

Ballast water

One goal is to reduce the volume of micro-organisms in ballast water and to limit the intake and discharge of such water where possible. A ballast management system has been implemented, along with a plan for internal transfers of ballast between the tanks. These measures have succeeded in reducing discharges of ballast water from WW vessels considerably.

In addition, a training programme has been established for the company's officers. This is intended to enhance understanding of the problem and ensure optimal handling of ballast water. Continuous training and education will help to ensure the most environment-friendly approach in this area.

Training

A well-founded training programme represents an important element in all safety and environmental work. Barber has its own maritime training centre at Mumbai in India. Specially-tailored training programmes are also run in cooperation with the company's manning offices in Norway, Poland and the Philippines. Barber cooperates closely with the Vestfold Regional College in Norway to hold seminars on safety training in critical conditions six times a year. This programme is specially developed for WW officers.

All WW's operations offices are now certified and hold a document of compliance, and all the ships have received a safety management certificate (SMC) in accordance with the ISM code. Emergency response exercises to handle oil spills are staged regularly both at sea and on land. Environmental work is also a topic at the conferences organised regularly for ship's officers.

Computer-based training (CBT) modules are supplied to Barber's manning offices and vessels under management through a collaboration with Seagull. WW's Mark IV newbuildings also feature a dedicated CBT room for such training.

Inspections

Barber has established its own inspection programme, in which every ship is visited once a year by the company's safety inspectors. A special safety, health

and environmental (SHE) group has been established to follow up this work. The SHE inspectors check the vessel's condition, interview the crew, organise emergency response exercises and discuss how further improvements could be achieved in safety and environmental protection.

Reporting

WW received an honourable mention for its environmental reporting last year when Norway's Environmental Reporting Prize for 1999 was presented. This provided confirmation that the group is on the right track, and served as an inspiration for continued environmental efforts. WW will continue to maintain an open policy on information to the general public in this area.

Activities in environmental research

WW again played an active part during 2001 in the research project on environmental measures for existing ships being run jointly by the Research Council of Norway and the Norwegian Shipowners Association. It participates, for instance, in trials with new TBT-free antifouling, and *Tancred* is the first test vessel. The coated test fields are being monitored through annual diver inspections until the next docking, when they will be finally inspected and evaluated.

WW is also participating in a sub-project to evaluate the utility of fuel homogenisation and fuel/water emulsion. Homogenisers are installed on *Takara* and all the group's newbuildings. This project will assess possible improvements in environmental emissions and fuel consumption, and look at operating properties and maintenance requirements. So far, the project has determined that using a water emulsion reduces the release of nitrogen oxides. Adding one per cent water cuts such emissions by one per cent. Documenting other properties will provide a systematic registration of operating data for vessels with homogenisers and relevant sister ships without such devices.

Cleaning of ballast water represents an environmental problem which has engaged WW's attention and which the group follows actively.

Transport of such water by the world fleet is seen as a means of spreading large quantities of unwanted organisms between continents.

This problem attracts great international attention, and WW will actively continue its efforts to help reduce environmental damage caused by transporting ballast water.

THE FLEET



Vessels	Ownership share %	Built year/month	Dwt	Capacity	Flag
Ro/Ro-vessels					
				Cars	
Tamerlane	100	2001/02	39400	5310	NIS
Tarago	100	2000/09	39400	5310	NIS
Talisman	100	2000/06	39400	5310	NIS
Tamesis	100	2000/04	39400	5310	NIS
ConRo-vessels					
				TEUS	
Taronga	100	1996/12	47 144	2 720	NIS
Taiko	100	1984/06	43 986	2 525	NIS
Texas	100	1984/03	44 081	2 525	NIS
Tampa	100	1984/02	44 014	2 525	NIS
Tapiola	100	1978/08	33 702	1 928	NIS
Tourcoing	100	1978/10	33 719	1 928	NIS
Toba	100	1979/01	34 310	1 830	NIS
Tampere	100	1979/05	35 098	1 830	NIS
Talabot	100	1979/06	34 605	1 830	NIS
Car carriers					
				Cars	
Takamine	100	1997/03	19 844	5 730	NIS
Takasago	100	1996/12	19 844	5 730	NIS
Tanabata	100	1994/11	20 082	5 740	US
Fidelio	50	1987/01	15 681	5 450	US
Tagus	100	1985/03	21 900	5 410	NIS
Tasco	100	1985/02	21 900	5 410	NIS
Takayama	100	1983/05	10 599	3 090	NIS
Terrier	100	1982/11	17 863	5 540	NIS
Tellus	50	1978/11	17 406	5 460	US
Ore/Oil carrier					
Tijuca	100	1987/05	310 686		Liberia
Crew vessels					
Abeer 15 vessels	100	1985-1991	85 feet		
Abeer 2 vessels	100	1985/1994	100 feet		
Abeer 8 vessels	100	1983-1997	110 feet		
Abeer 4 vessels	100	1988-1991	120 feet		
Abeer 1 vessel	100	1993	135 feet		
Vessels sold in 2000 for delivery in 2001					
Seaboard Panama II (ex Tana)	100	1983/08	14 454	792	NIS
Sea Premier	50	1981/06	10 678	3 000	NIS
Sea Pride	50	1980/01	10 729	3 000	NIS
Bareboat chartered car carriers					
Trinidad	100	1987/09	15 528	5 830	NIS
Tricolor	100	1987/06	15 543	5 830	NIS
Tancred	100	1987/04	15 571	5 720	NIS
Trianon	100	1987/04	15 530	5 830	NIS
Tai Shan	100	1986/12	15 577	5 720	NIS
Takara	100	1986/09	15 546	5 720	NIS

SHAREHOLDER INFORMATION

Shareholder policy

WW ASA's goal is to give the shareholders a high return over time through a combination of rising value for the company's shares and payment of dividend. Subject to the company's results and future investment requirements, one objective is a steady rise in dividend over time.

The company will give emphasis to keeping the stock market regularly informed of its results and developments. This will primarily be done through the annual report, quarterly interim reports and press releases. The aim of this information is to obtain a correct pricing of the company's shares.

The board of directors has resolved to recommend to the annual general meeting that the dividend for 2001 be set at NOK 4.25 per share.

Over the past two years, the company has bought its own shares and amortised part of these (five per cent in both 2000 and 2001). The management has been authorised to buy up to 10 per cent of the company's own issued shares. Part of this authority has been utilised, and the group owned 8.9 per cent of the share capital at 31 December. At present, the company has no plans for new share issues.

Basis for valuing the company

The group management's judgement is that a valuation of the company must be based on a combination of discounted net cash flows and net asset value.

In the liner and car carrier segment, significant investments have been undertaken in vessels and other fixed assets. Shipbrokers will provide valuations for each vessel, but no established market exists for the individual units. The sales process would be limited to finding special buyers with corresponding purchase needs. Saying that the value of the liner segment is the sum of the value of the individual tangible fixed assets would therefore be of limited relevance. The value of the business over time will depend primarily on the net income which the company manages to generate from the total transport system developed. This will encompass both vessels and other tangible fixed assets, the established sailing schedules, employee knowledge and experience, the established market position and goodwill.

It becomes even more apparent with the Barwil and Barber International service operations that net income would be the correct basis for valuation. Investment in these companies is relatively moderate, although relatively large amounts have been invested through company acquisitions and to develop human resources and system infrastructure.

The combined carrier Tijuca is engaged in regular market shipping operations, where tangible fixed assets

are subject to constant value appraisals by the market. A net asset valuation will therefore be the most relevant approach for this fixed asset. The same applies to the company's office property at Lysaker.

Dockwise Transport BV pursues a specialised niche business. No established market exists for its tangible fixed assets. WW's involvement should therefore be valued based on the discounted net cash flow.

A total valuation of the parent company must accordingly be based on the considerations outlined above, supplemented with the parent company's other assets less pension commitments and other liabilities.

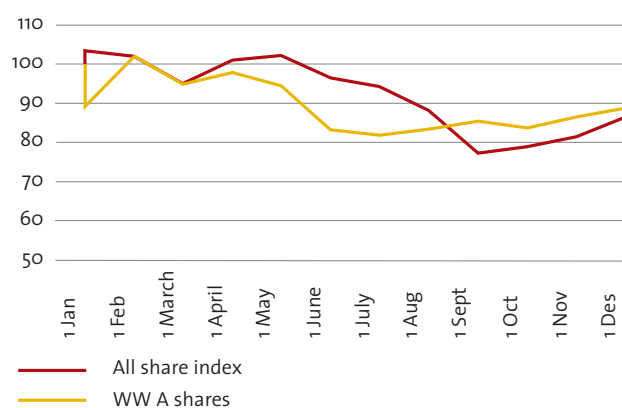
See also note 15 for information on the hedging strategy for currency and interest rate exposures, and for the related sensitivity analysis.

Remuneration of the group's employees

The remuneration system is under continuous assessment, and new schemes are being put in place. A primary objective for the remuneration system has been to highlight the shared financial interests of owners and employees.

A new option programme for leading personnel was introduced in 2001. This programme strengthens the relationship between remuneration for senior executives and the return to the owners over time. In addition, all employees in Norway will be offered an annual opportunity to acquire shares in WW at a discount. Dividend payments to the group's shareholders are based on the value creation achieved in its business areas. From 2002, a bonus scheme has been introduced for employees. The financial basis for this bonus is tied to the realised annual return on capital employed (ROCE) for the group. Any return over and above an annually specified norm will be shared between employees and owners.

Stock exchange rate 2001 WW A shares, compared with the all share index on Oslo stock exchange.



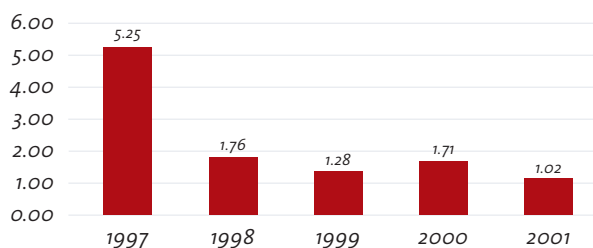
Key figures shares

		2001	2000	1999	1998	1997
Face value	NOK	40	40	2.5	2.5	2.5
Number of shares 31.12	(thousand)	26 125	27 500	28 950	28 950	28 950
Average number of shares	(thousand)	24 449	27 311	28 871	28 950	28 950
Earnings per share (1)	USD	1.02	1.71	1.28	1.76	5.25
Diluted earnings per share (2)	USD	1.02	1.71	1.28	1.76	5.25
Cash flow per share (3)	USD	4.41	4.87	3.73	4.02	4.95
Dividend per share	NOK	4.25	3.75	3.00	2.75	2.25
RISK per share	NOK	(1.50)	(3.75)	(3.52)	3.63	(1.11)
Market price 31.12 A shares	NOK	65	80	102	100	155
Market price 31.12 B shares	NOK	63	75	100	98	150
Market price high A shares	NOK	89	105	127	155	173
Market price high B shares	NOK	85	98	119	148	170
Market price low A shares	NOK	53	68	84	80	89
Market price low B shares	NOK	50	68	83	73	85

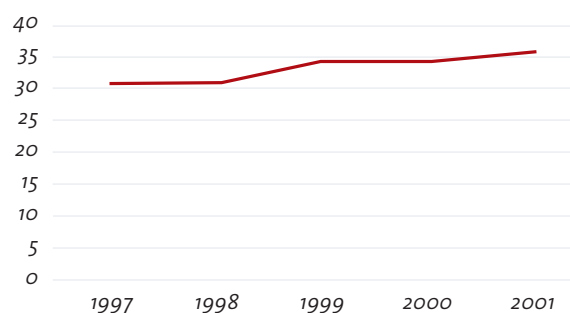
Definitions:

- 1) Net income after minority interests, divided by average number of shares.
- 2) Earnings per share taking into consideration the number of potential outstanding shares in the period.
- 3) Net income adjusted for change in deferred tax, depreciation and write-down on assets, divided by average numbers of shares

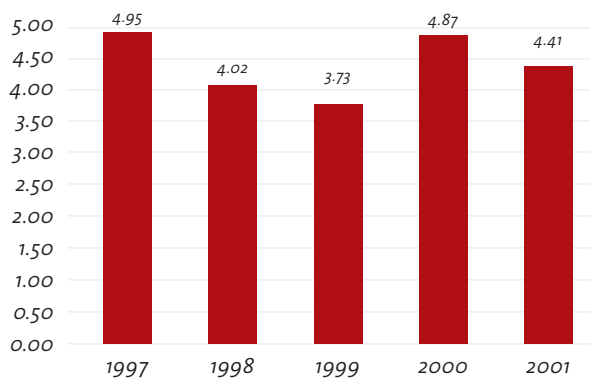
Earnings per share (USD)



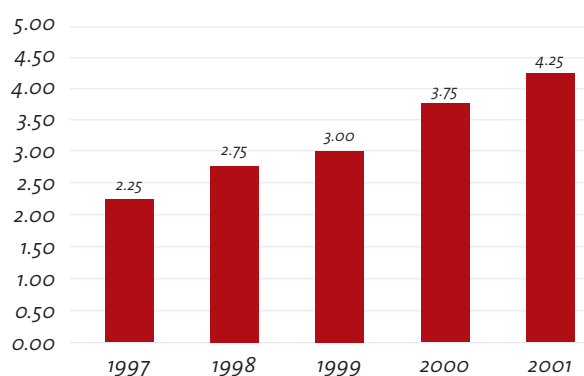
Equity ratio



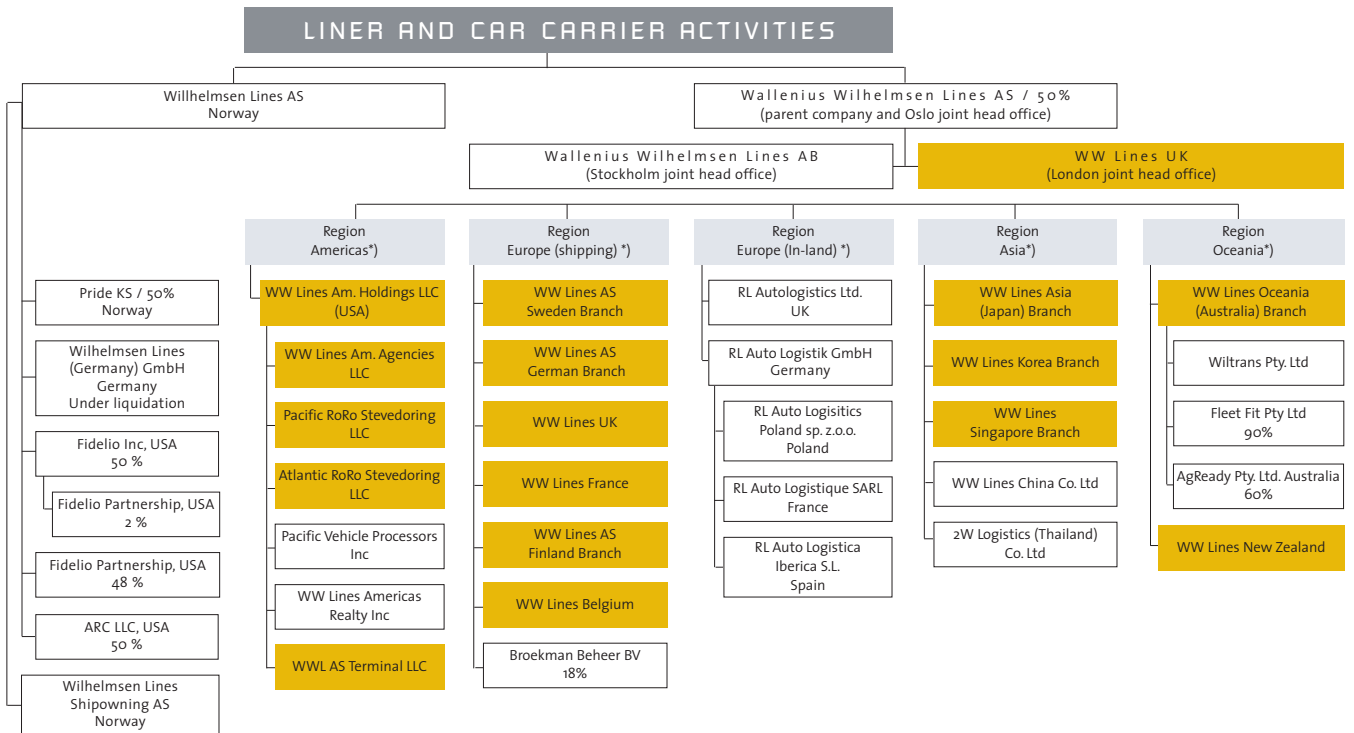
Cash flow per share (USD)



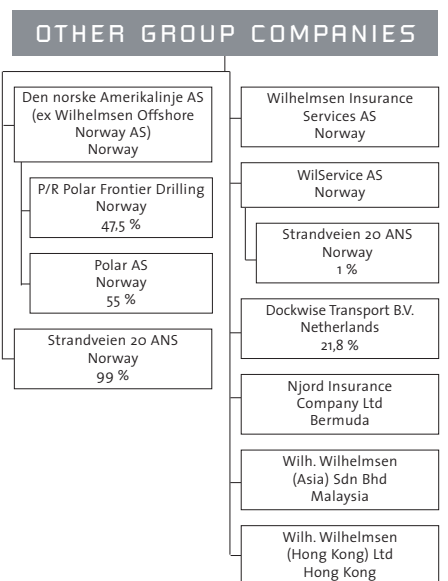
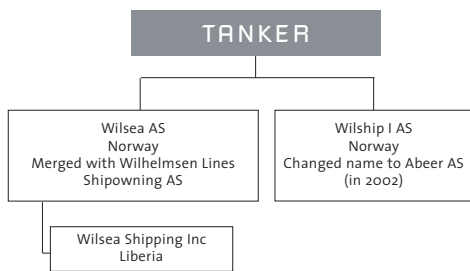
Dividend per share (NOK)



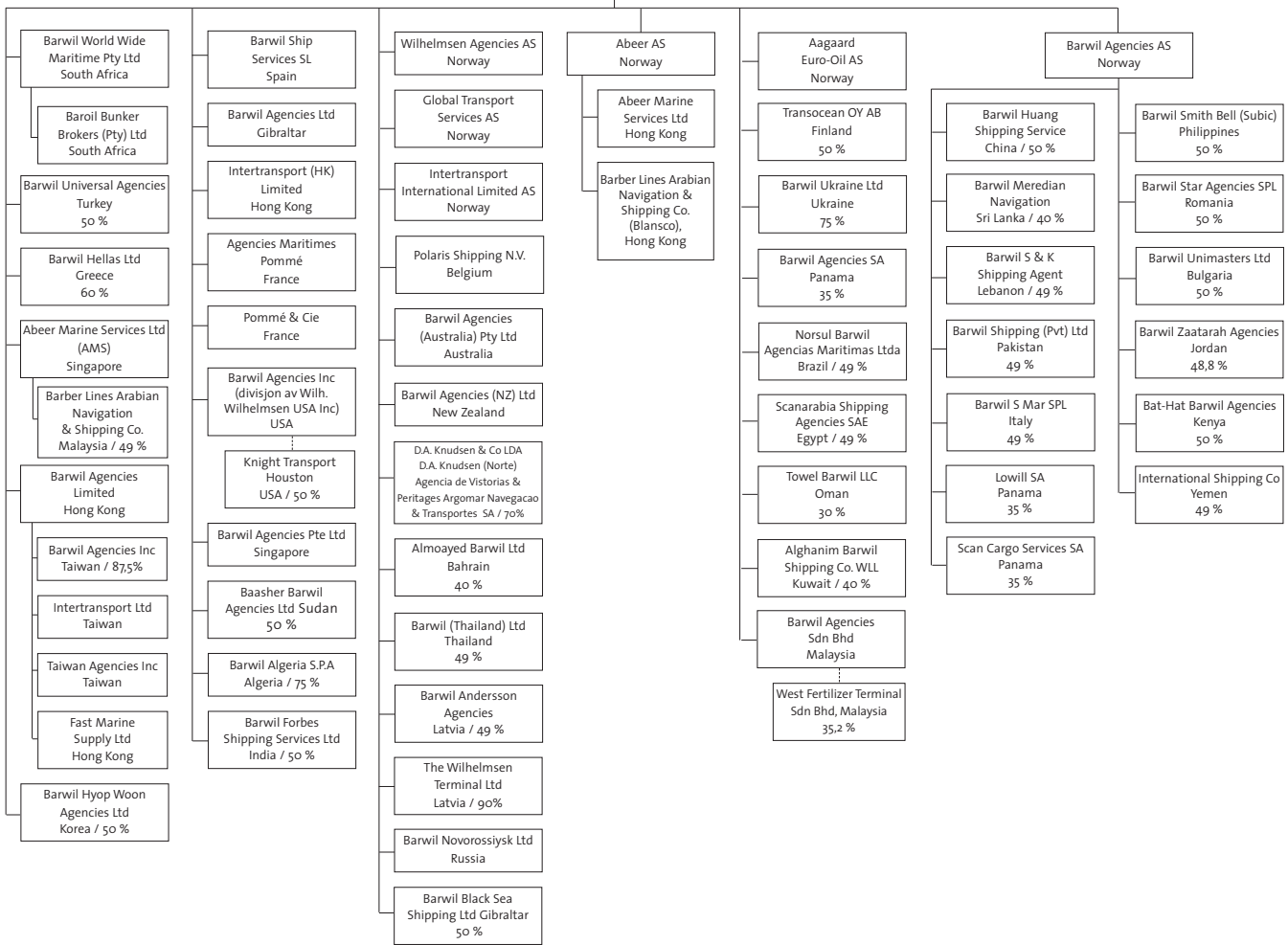
BUSINESS AREAS



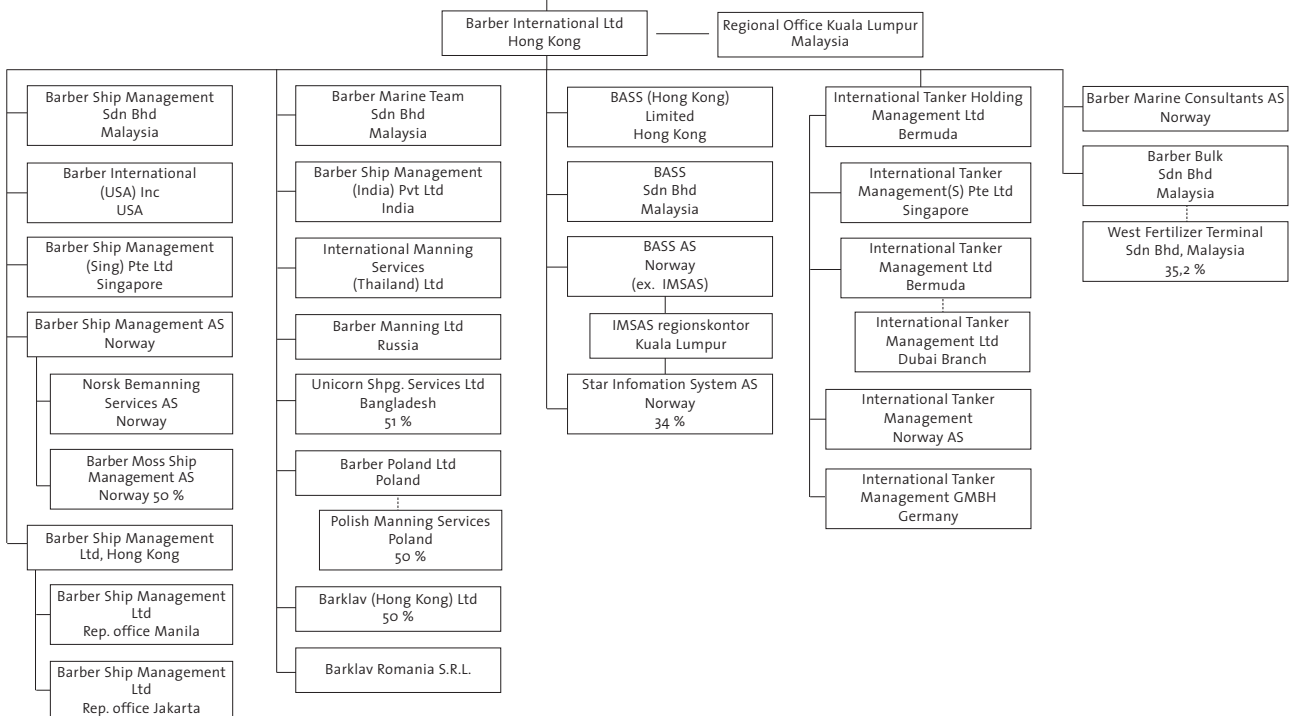
WW Lines = Wallenius Wilhelmsen Lines
 RL = Richard Lawson
 = Legally part of parent company (branches)
 = Separate taxable entities
 *) Management Structure only



BARWIL



BARBER INTERNATIONAL





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ACCOMMODATION ▶

SHIPS OFFICE ▶

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