



# ANNUAL REPORT 2015

**REDERI AB GOTLAND**

*1865 – 2015*





# ANNUAL REPORT 2015

Rederiaktiebolaget Gotland (publ)

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## Annual Report 2015

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The annual report is also available on our website.  
[www.gotlandsbolaget.se](http://www.gotlandsbolaget.se)

The AGM will take place at kongresshallen at Wisby Strand in Visby on 31 May 2016 at 11:00.



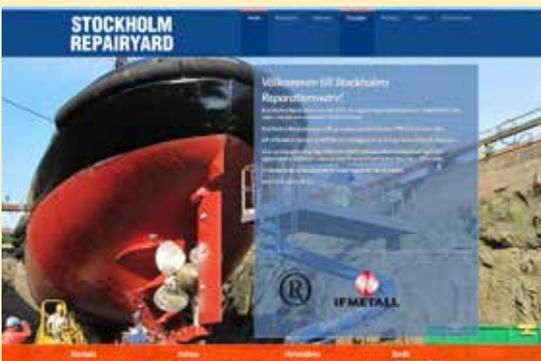
[www.gotlandsbolaget.se](http://www.gotlandsbolaget.se)  
[www.gotlandtankers.se](http://www.gotlandtankers.se)



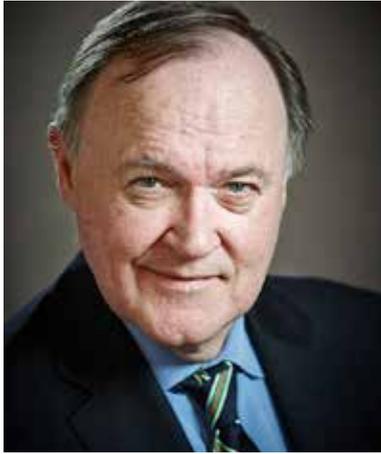
[www.destinationgotland.se](http://www.destinationgotland.se)



[www.gotlandsresor.se](http://www.gotlandsresor.se)



[www.srvab.com](http://www.srvab.com)



Urban Bäckström, Chairperson.  
Shareholding: 500 shares.

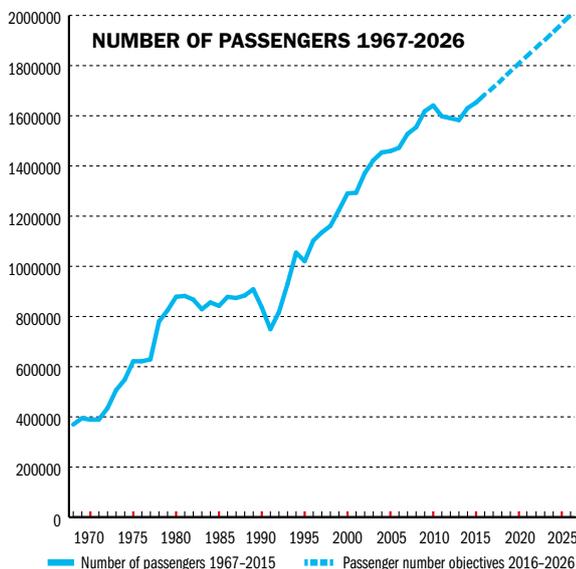


Håkan Johansson, President.  
Shareholding: 100 shares.

## Letter to Shareholders

In connection with the fall in oil prices at the end of 2014, there was a rebound in the product tanker market with increased demand for the transportation of refined oil products. The improved market persisted throughout 2015 and contributed to an improved profit for Gotland Tankers. Capital gains on the sale of vessels also contributed to improved profits for the company, which together with increased leverage of the fleet prepares the company for the challenges it faces in the coming years. In the new agreement with Gotlandstrafiken, the operating risks are significantly greater, with higher adaptation requirements. Meanwhile two new passenger and cargo vessels are being built at the GSI yard in China, representing the company's biggest ever investment.

Investments in Gotland's growth have been a key activity of the company throughout its 151 years. The constant development of communications to and from Gotland has provided the island with healthy growth. The latest generation of vessels, which was introduced at the beginning of this millennium, has helped the island's residents to more than double the amount they travel, which has in turn resulted in Gotland maintaining the size of its population, unlike other rural areas of Sweden. Our investments are a condition for achieving the objectives for Gotland's society as expressed in both "Vision Gotland 2025" and "Sustainable growth plan for Gotland 2016-2020".



We realised the importance of the tourism industry for the growth of Gotland back in 1896 with the founding of the Gotland Tourist Association. By developing marketing through Destination Gotland and launching "Gotland – around the world on one island", we have seen a clear change in trends in the last two years with visitor traffic numbers up by approximately 10 per cent. Visitors are also spread more widely on the island, including in rural areas from Burgsvik in the south to Fårö in the north. Especially evident is the increased interest in the autumn, spring, and winter seasons, with an increased selection of weekend packages and new reasons to travel attracting more tourists. These recent increases must continue, and in its coming contract period, Destination Gotland has the objective of reaching two million passengers per year.

The hotel business continues to evolve. This past winter, the Gustavsvik holiday resort was rented out to the Swedish Migration Agency for newly arrived families seeking asylum. This important work for those in need is something that our employees carried out admirably.

After 151 years of operating the Gotland service, we use our awareness of the importance of communication for the development of society as our starting point when we step in to take primary responsibility for creating sustainable and stable sea traffic in the Stockholm archipelago. We see opportunities to continue developing new technology and new fuels for vessels serving the archipelago in our quest to achieve shipping with no environmentally harmful emissions. For the Gotland service, this is based on liquefied natural gas (LNG), which eliminates sulphur particles and offers 20 per cent lower CO<sub>2</sub> emissions. We are also looking at biogas, which is produced locally on Gotland and could be cooled to complement LNG for a completely renewable source of energy. Within the archipelago service, we hope that battery and hydrogen will become a reality in the near future in a possible evolution towards future sustainable shipping.

Many thanks to all our employees and shareholders for the past year!

Urban Bäckström  
Chairperson

Håkan Johansson  
President



# New ferry for Gotland

A new ferry for the Gotland service is currently under construction at the GSI shipyard in China. The ferry has capacity for 1,650 passengers and 500 cars. Delivery is expected in 2017. The vessel will be powered by LNG and represents sus-

tainable development of the Gotland service – increasing capacity while reducing environmental impact. The vessel is the single largest investment of the company's 151-year history.



*Restaurant square on deck 7.*



*Retail outlets at the restaurant square.*



*The restaurant square features several retail outlets to minimise queues during peak periods.*



*The bakery on deck 7 will sell goods including freshly baked bread.*



The restaurant square on deck 7 seating around 300 guests. Deck 7 also features a lounge room. Together with the lounge on deck 8, there are numbered seats for a total of 1,650 people.



Playroom at the restaurant square on deck 7. On the same deck there is another playroom for younger children with an adjoining seating area and space for strollers.



There will be around 100 cabins on board. Several of these are adapted for passengers who have allergies, disabilities, or pets.



The pet lounge on deck 8 has 60 seats and is specially adapted for pets.



The lounge on deck 8, which will feature a cafeteria.





Photography: Jesper Sundström/Swedish Armed Forces

M/S GUTE unloading military equipment at Hammarnesodden in Nord-Trøndelag in Norway for the "Cold Response" military exercise.

## The financial year in brief

### 1 January – 31 December 2015

Profit after financial items was SEK 441 (329) million. Sales amounted to SEK 2,084 (1,892) million.

The ferries M/S Visby, M/S Gotland, HSC Gotlandia, and HSC Gotlandia II were employed on the Gotland service throughout the year, with M/S Gute employed as a reserve vessel.

During 2015, 1,652,786 passengers travelled on the ferries, an increase of 1.4 per cent compared with 2014.

A further newbuilding contract was signed for a passenger and freight vessel with delivery expected in 2018. Delivery of the first vessel, which was contracted in 2014, is expected in 2017. The LNG-powered vessels each have a capacity for 1,650 passengers and 500 cars.

The Group owns the 53,000-DWT product tankers M/T Gotland Carolina, M/T Gotland Marieann, M/T Gotland Sofia, and M/T Gotland Aliya, and the 39,000-DWT product tankers M/T Alice and M/T Ami. In addition the Group holds a 50 per

cent interest in four sister 46,000-DWT product tankers: M/T Calypso, M/T Cavatina, M/T Corrido, and M/T Amorina. The Group's product tankers were employed by way of commercial management in pool partnerships, or by being chartered on a time-charter or bareboat charter basis.

During the year the Group sold its 50 per cent interest in the product tankers M/T Tintomara, M/T Tambourin, and M/T Allegro.

In December 2015 an additional three smaller fast service vessels were acquired, two of which have focused on the marine wind power sector, while one will operate as an ambulance boat in the Gothenburg archipelago. The Group already owns nine vessels in this segment. The vessels are operated by Nordic Offshore Services A/S.



The "Skepp och Skoj" exhibition showing Gotland's maritime history and its importance for the social development of the island.

## Business concept and vision

### Business concept

*As a natural element of Gotland's community, we will lead the way in the continual development of the island's lifeblood – the sea transport system to and from the island – and in the long term operate ferry services without environmentally harmful emissions.*

### Vision

*We want to continue to develop one of the world's most modern sea transport systems and contribute to Gotland's sustainable growth in line with environmental, travel-time, and capacity requirements. We will be at the technological forefront of ferry and product tanker shipping – our two major business areas.*

Rederi AB Gotland was founded 151 years ago to invest in vessels and develop shipping to and from Gotland as a means to develop Gotland's community and create growth on the island. Our investments in vessels are concentrated on new technology whereby we protect our shared environment and promote sustainable development by minimising our impact on both the marine and terrestrial environments. We are constantly working to minimise greenhouse gas emissions and harmful emissions into the sea, as well as to reduce the use of environmentally harmful chemicals. Our newbuild LNG vessel projects in China further bolster our vision and will provide extra capacity and a lower environmental impact compared with previous vessels. The development of our core business – ferry services to and from Gotland – depends on the growth and development of Gotland's business community. We have been committed to the development of Gotland since we were founded in 1865,

and so our initiatives and investments also extend outside our direct shipping operations, from education and culture to hotels and accommodation facilities. The company supports the Maritime Programme at upper secondary school level in order to secure the supply of skills to Gotland's maritime industry. For younger people, the company supports the "Skepp och Skoj" exhibition at the Gotland Museum. In addition, each year the private foundation "Stiftelsen Skeppsredare Eric D. Nilsson" offers scholarships to Maritime Programme students and Gotlanders studying at university to become ship's officers.

Rederi AB Gotland puts its customers first by always striving for the best quality in the company's products and services. Our customers include ferry passengers, hotel guests, and charterers of our product tankers. We offer security, good service, cost efficiency, and continuity to all our customers.

Our employees are our backbone, and so we work to achieve good health, environmental, and safety conditions in their workplaces.

Two-thirds of our roughly 2,500 shareholders are residents of Gotland. In this way, we assume responsibility for our shareholders in several ways. We strive to maintain a high-class ferry service between Gotland and the Swedish mainland and work to make Gotland as attractive as possible.



*Rederi AB Gotland has had quality and environmental management certification for its operations in accordance with ISO 9001 and ISO 14001 since 2003.*



## Business areas

### GOTLAND TANKERS

The Group's product tanker tonnage is managed and operated by Gotland Tankers AB. The company is a sub-group of Rederi AB Gotland with a number of vessel-owning subsidiaries. The vessels are employed by way of commercial management in pool partnerships or by being chartered on a contract basis. The vessels that are not chartered on a bareboat basis are operated by way of contracts for technical management, which include both the management/maintenance, and crewing of the vessels.



### DESTINATION GOTLAND

The passenger ferries owned by the Group are operated by Destination Gotland AB within the framework of the Gotland service. The company operates the Gotland service with the support of the Swedish state through an agreement with the Swedish Transport Administration. The present agreement remains in force until 31 January 2017. In 2014, Destination Gotland concluded a new agreement with the Swedish Transport Administration with effect from 1 February 2017 to 31 January 2027. The service is operated using four fast ferries, of which the two larger vessels are in service all year round and the two smaller vessels boost our spring and autumn service and the high-frequency service during the summer period.



### STOCKHOLM REPAIRYARD

The Group owns 62.5 per cent of Stockholms Reparationsvarv AB. The repair yard is located in Beckholmen, Stockholm and has operated as a repair yard since the 1850s. It currently carries out all kinds of ship repairs to all kinds of vessels.



### GotlandsResor

GotlandsResor AB is responsible for the Group's hotel properties. The company owns and runs Visby's largest hotel, Scandic Visby, and Gustavsvik, north of Visby, which rents out chalets and apartments. Scandic Visby is operated all year long, while other parts of the business are open only during the summer season.



## Product tankers

### Gotland Tankers AB

Rederi AB Gotland's involvement in product tankers began in the mid-1990s when it acquired three product tankers with Torm A/S. Today, through the Gotland Tankers AB subgroup among others, Rederi AB Gotland owns nine product tankers ranging in size from 39,000 to 53,000 DWT. Three of these are 50 per cent owned.

The product tanker market is divided according to vessel size. The company's product tanker holdings are in the Handysize segment (25,000 to 42,000 DWT) and the Medium Range (MR) segment (43,000 to 55,000 DWT).

A common way to improve availability on the market and spread risks is to collaborate in pools. The Group is a co-owner of Hafnia Management A/S, which operates Hafnia MR Pool, for instance, in which two of the company's four wholly owned MR class vessels are employed, while the other two MR vessels are chartered out on a time-charter basis to Messrs. Mansel Ltd (Vitol).

The two wholly owned vessels within the Handysize segment are chartered out on a time-charter basis to Shell Tankers Singapore.

In the early 2000s a partnership with the Anglo- Atlantic Steamship Group (Laurin Maritime) commenced through the acquisition of vessels. Today the company co-owns three MR-class vessels with Laurin Maritime.



Product tanker positions on 5 April 2016.



# The Gotland service

## History

Since its formation in 1865, Rederi AB Gotland has invested in the development of Gotland's society, primarily by ensuring a regular ferry service to and from the island. The service has evolved together with society and is now an integral part of Gotland. Most products that are consumed and produced on the island arrive and leave "just in time" on the ferries. At the same time, the travel needs of both Gotland residents and visitors must be met.

## State subsidy

The Gotland service is part of Sweden's transport infrastructure as it is the equivalent of both a motorway and a railway to the island. The service has always been run privately, but since 1971 the state has provided funding for a more extensive service than the market could otherwise sustain, especially during the off-peak winter season.

## Destination Gotland

An important step in the history of the service was taken in 1998 when Destination Gotland was introduced. This saw focus directed at Gotland's attractiveness as a place to visit, live, and work.

In the early 2000s, a new generation of vessels was launched that halved journey times and consequently made travel considerably easier and streamlined supplies to the island.

## Traffic growth

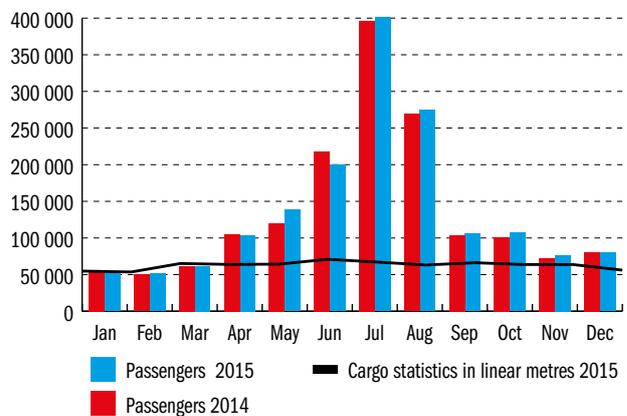
The volume of passengers on the ferry service between Gotland and the mainland has been growing steadily for a long time. After the introduction of the fast ferries a decade ago, Gotlanders have doubled the amount they travel and accounted for the majority of the increase in traffic during this period. In the two years since 2013 there has been a reversal in this trend with a ten per cent increase in visitors to the island while the number of Gotlanders travelling has fallen slightly. Tourists account for the majority of the increase in non-Gotlandic travellers thanks to e.g. the successful "Gotland – around the world on one island" campaign and an increased focus on campaigns outside of the peak season.

## The Environment

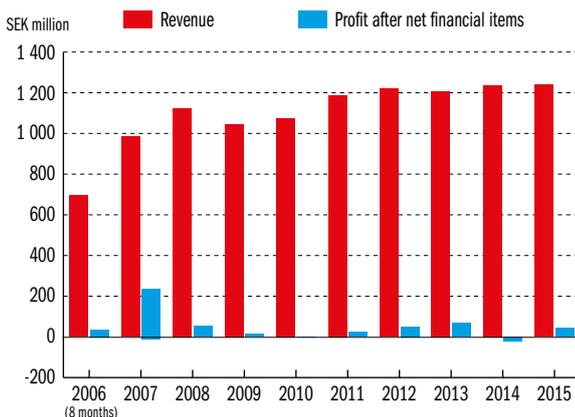
The environment is a focal point of Destination Gotland, which has developed an environment management system certified in accordance with ISO 14001. The reduction of harmful emissions into the air and water, primarily with regard to acidifying substances and greenhouse gases, is a special priority. Vessels are powered by low-sulphur fuel, which reduces emissions of acidifying sulphur compounds. Moreover, the Gotland service is the only service of its kind with catalytic converters installed on all vessels. This reduces emissions of nitrogen compounds by 80 to 90 per cent.



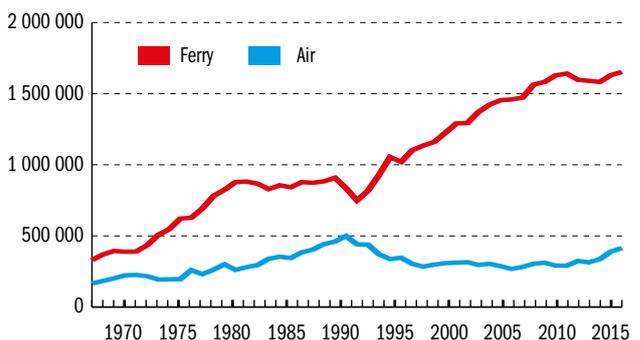
PASSENGER AND FREIGHT STATISTICS 2015 MONTHLY TOTAL



REVENUE AND PROFIT/LOSS FOR DESTINATION GOTLAND AB 2006-2015



FERRY/AIR 1967-2015 PASSENGER NUMBERS



## Hotels

GotlandsResor AB, which is a wholly owned subsidiary of Rederi AB Gotland, is one of Gotland's leading companies in the tourist industry, with around 45 permanent employees, growing to around 100 during the spring and summer seasons.

The company owns and operates the Scandic Visby hotel and the Visby Gustavsvik facility, which between them offer 1,013 beds. Scandic Visby has a franchise agreement with the Scandic

chain and is Gotland's largest hotel with 214 rooms and 509 beds. At Visby Gustavsvik, the majority of the former Hamn-Hotellet that has been gradually and carefully renovated and established as a new popular bed and breakfast product is now part of the facility.

Scandic Visby is certified according to Svanen 4.0 and is the only hotel on Gotland to be fire-safety certified.

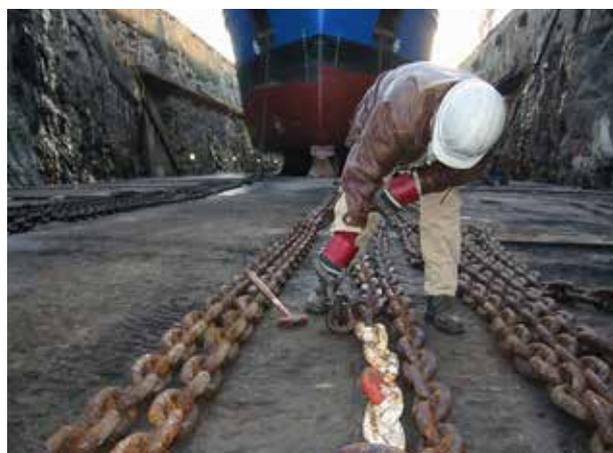


Scandic Visby

## Shipyards

Stockholms Reparationsvarv AB, which has been 62.5 per cent owned by Rederi AB Gotland since 2014, is located on the shipyard island of Beckholmen in Stockholm. The island is one of Sweden's oldest active industrial areas and dates back to the seventeenth century. A repair yard has been located here since the 1850s.

The yard repairs between 50 and 100 vessels per year and serves all types of vessels, such as cargo ships, tankers, Ro-Ro vessels, tugs, barges, archipelago boats, working boats, and passenger ferries. Coast guard vessels, shuttle ferries, naval vessels, and icebreakers are repaired on behalf of the state.



Stockholms Reparationsvarv AB. The yard is quality certified according to ISO 9001, and environmentally certified according to ISO 14001.

# Rederi AB Gotland's shares

Rederi AB Gotland's shares were traded on the Stockholm Stock Exchange between 1982 and 2004. At an extraordinary general meeting on 11 November 2003, the decision was made to delist the company's dual-class shares from the O list of the Stockholm Stock Exchange. This took place on 19 March 2004. Since 22 March 2004, the company has instead been on the "Mangold list", a trading post maintained by Mangold Fondkommission.

## Share capital

At the end of the 2015 financial year, share capital in Gotlandsbolaget amounted to SEK 2,776,976 (2,776,976), distributed across 2,500,000 shares with a quotient value of SEK 1.11. The shares are divided into 1,811,693 A shares with ten votes each and 688,307 B shares with one vote each.

## Ownership structure

At the end of the financial year (31 December 2015), there were 2,595 (2,489) shareholders. Around two-thirds of the shareholders are Gotland residents. Institutional holdings amounted to 4.6 per cent on 31 December 2015.

## Share price and sales

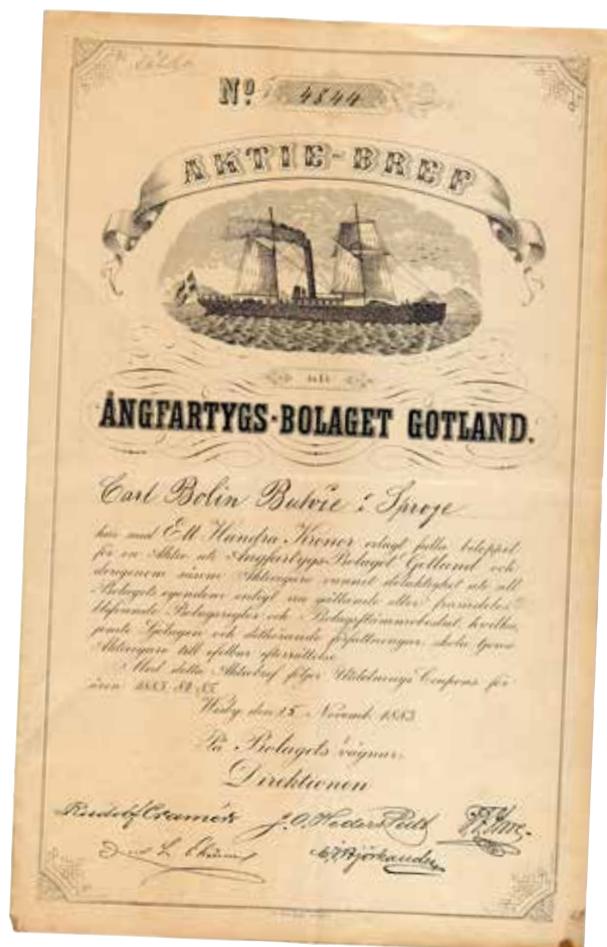
The price of the A share rose from SEK 1,100 to SEK 1,340 and the B share rose from SEK 1,000 to SEK 1,275 during the financial year. The OMXS All Share Index, which reflects the trend of the Stockholm Stock Exchange, rose by 6.6% during the same period.

The highest price paid for an A share during the financial year was SEK 1,500, and SEK 1,450 for a B share. The lowest price paid for an A share was SEK 1,000, and SEK 1,025 for a B share. During the financial year 6,535 shares were traded for a total value of SEK 7.6 million. Rederi AB Gotland's B share was the more heavily traded of the company's two classes of share during the financial year.

## Dividend policy

The Board has agreed on an objective that dividends should, in principle, reflect growth in reported equity. On 31 December 2015, equity was SEK 3,028 million, compared with SEK 2,684 million on 31 December 2014. The Board therefore proposes a dividend of SEK 5.80 per share (previous year SEK 5.10 with an extra dividend of SEK 1.50 on account of the company's 150th anniversary).

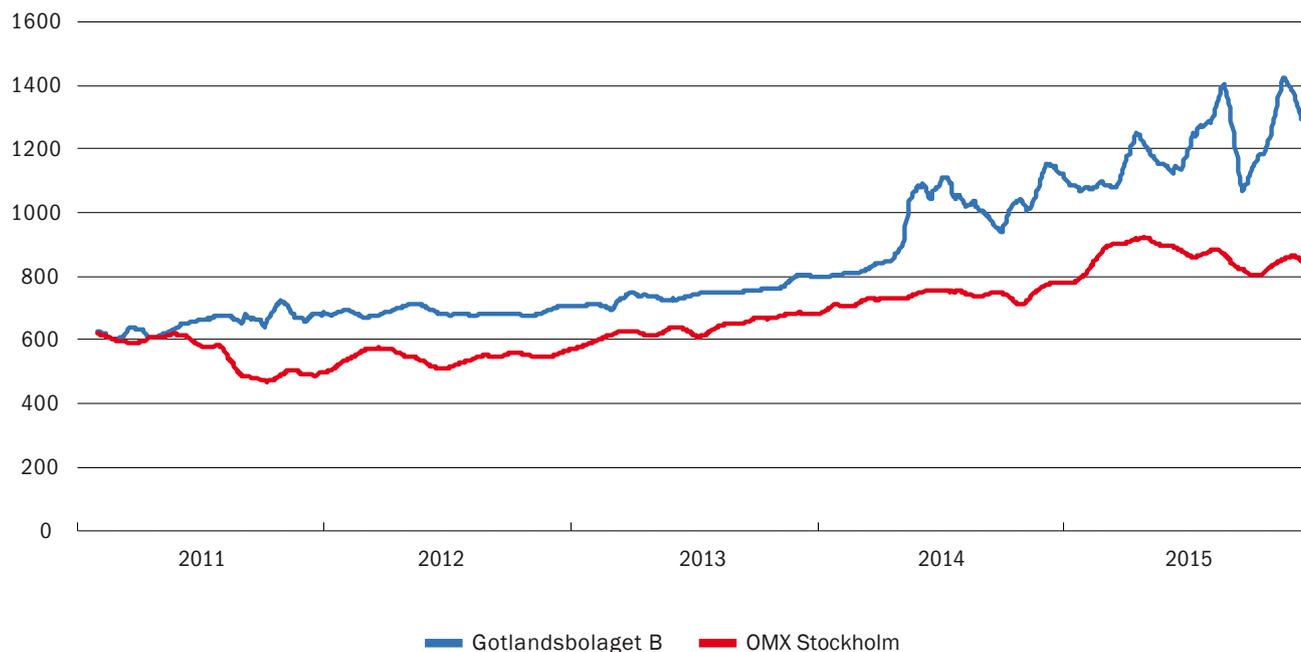
Ratios per share are shown on page 18.



## OWNERSHIP STRUCTURE, 31 DECEMBER 2015

	TOTAL	A SHARES	B SHARES	% OF VOTES	% OF SHARES
Trojaborg AB, Eric D. Nilsson and family	1,512,283	1,417,628	94,655	75.9%	60.5%
Svenska Stålbyggen Invest AB (Jonas Åman)	236,630	86,880	149,750	5.4%	9.5%
Tage Johansson and companies	114,501	97,282	17,219	5.3%	4.6%
Förvaltnings AB Grötlingboud	76,611	5,185	71,426	0.7%	3.1%
Köpmansgillet i Visby	27,820	11,250	16,570	0.7%	1.1%
Stiftelsen Mjölkdroppen	28,950	9,650	19,300	0.6%	1.2%
Mats Johansson	32,136	9,061	23,075	0.6%	1.3%
Magnus Wiman and companies	17,662	6,832	10,830	0.4%	0.7%
Sällskapet DBW	14,100	5,000	9,100	0.3%	0.6%
Jerry Martinger	8,358	5,600	2,758	0.3%	0.3%
Foreign trustees	18,216	358	17,858	0.1%	0.7%
Others	412,733	156,967	255,766	9.7%	16.4%
<b>Total</b>	<b>2,500,000</b>	<b>1,811,693</b>	<b>688,307</b>	<b>100%</b>	<b>100%</b>

Average monthly share price 2011–2015



The OMXS All Share Index rose by 6.6 per cent in 2015.

**SINCE REGISTRATION ON THE STOCKHOLM STOCK EXCHANGE IN 1982, REDERI AB GOTLAND'S SHARE CAPITAL HAS DEVELOPED AS FOLLOWS:**

YEAR	TRANSACTION	INCREASE/DECREASE OF NO. SHARES	INCREASE/DECREASE OF SHARE CAPITAL (SEK)	TOTAL NO. SHARES	TOTAL SHARE CAPITAL (SEK)
1983	Bonus issue/split	+210,000	+2,100,000	630,000	6,300,000
1989	Split 10/1	+5,670,000		6,300,000	6,300,000
1998	Redemption	-860,304	-860,304	5,439,696	5,439,696
1999	Redemption	-1,029,524	-1,029,524	4,410,172	4,410,172
2002	Reduction (buy-back)	-410,172	-410,172	4,000,000	4,000,000
2003	Reduction (buy-back)	-153,388	-153,388	3,846,612	3,846,612
2004	Reduction (redemption)	-92,195	-92,195	3,754,417	3,754,417
2005	Reduction (buy-back)	-384,661	-384,661	3,369,756	3,369,756
2005	Reduction (redemption)	-600,000	-600,000	2,769,756	2,769,756
2011	Redemption/bonus issue	-269,756	+7,220	2,500,000	2,776,976

**BREAKDOWN BY SHAREHOLDING, 31 DECEMBER 2015**

SHAREHOLDING	NO. SHARES	% OF SHARES	NO. SHAREHOLDERS	% OF SHAREHOLDERS
1-200	80,292	3.2%	2,229	85.9%
201-500	61,120	2.4%	186	7.1%
501-1,000	61,666	2.5%	87	3.4%
1,001-5,000	139,788	5.6%	67	2.6%
5,001-	2,157,134	86.3%	26	1.0%
<b>Total</b>	<b>2,500,000</b>	<b>100%</b>	<b>2,595</b>	<b>100%</b>

Institutional investors held 4.6 per cent of the capital and 2.8 per cent of the votes.

# Board of Directors' report

The Board of Directors and the president of Rederi AB Gotland (publ), corporate identity number 556000-8020, hereby submit the annual accounts for the 2015 financial year for the Parent Company and the Group. Rederi AB Gotland is a subsidiary of Trojaborg AB, based in Stockholm, corporate identity no. 556339-9574.

## Sales and profit (figures in brackets relate to the previous year)

The Group's operating profit for the year was SEK 462 (250) million. Profit after financial items rose from SEK 329 million to SEK 441 million. Revenues amounted to SEK 2,084 (1,892) million.

The improved result is mainly due to SEK 55 million in capital gains on the sale of vessels and significantly higher earnings in the product tanker sector as a result of improvements in the global market during the year. More travellers on the Gotland service and more guest nights at GotlandsResor's facilities have also boosted the operating profit. Last year's profit after financial items was affected by positive exchange rate differences.

## Company focus

The business primarily comprises shipping operations whereby the wholly owned subsidiary Destination Gotland AB is responsible for the Gotland service and the wholly owned subsidiary Gotland Tankers AB is responsible for tanker operations. The business also includes property management. The company is also engaged in hotel operations in GotlandsResor AB and travel agency operations by way of Gotland Promotion AB, and is the majority shareholder of Stockholms Reparationsvarv AB, which repairs and maintains vessels.

## Shipping

The Group's fast ferries, M/S Visby, M/S Gotland, HSC Gotlandia, and HSC Gotlandia II, were employed on the Gotland service throughout the year. M/S Gute was employed as a backup vessel on the Gotland service and also served on the Bornholm service for part of the year.

In 2015 a newbuilding contract was signed with the GSI shipyard in China for a passenger and freight vessel with capacity for 1,650 passengers. The order means that Rederi AB Gotland is exercising its option to order a sister vessel for the first vessel, whose contract was announced in autumn 2014. Both vessels will be LNG-powered, offering significant environmental improvements.

The Group owns four product tankers comprising sister ships M/T Gotland Carolina and M/T Gotland Marieann (technical and crew management undertaken by Wisby Shipmanagement AB) and M/T Gotland Sofia and M/T Gotland Aliya (technical and crew management undertaken by V.Ships UK Ltd). The vessels are 53,000 DWT each and commercial management during the period was handled by Hafnia Management A/S, apart from M/T Gotland Aliya, which is chartered out on a time-charter basis to Messrs Mansel Ltd (Vitol).

The company also owns the 39,000-DWT sister ships M/T Alice and M/T Ami, which are both chartered out on a time-charter basis to Shell, with technical and crew management undertaken by V.Ships UK Ltd.

The Group holds a 50 per cent interest in four sister product tankers: M/T Amorina, M/T Calypso, M/T Corrido, and M/T Cavatina. These over 46,000-DWT vessels are chartered out to the Anglo-Atlantic Steamship Group on a bareboat basis.

During the year the Group sold its 50 per cent interest in the product tankers M/T Tintomara, M/T Tambourin, and M/T Allegro.

The company already owns nine small fast-service vessels that serve the offshore wind power sector. A further three vessels in this segment were acquired during the year. These service vessels are operated by Northern Offshore Services A/S and are employed in the North European wind power industry.

## Gotland Tankers AB

The Group's tanker operations are undertaken by Gotland Tankers AB together with subsidiaries and other Group companies. The vessels are employed by way of commercial management in pool partnerships or by being chartered on a contract basis.

## Destination Gotland AB

Destination Gotland AB, which runs services between Gotland and the Swedish mainland, charters the vessels M/S Visby, M/S Gotland, HSC Gotlandia, HSC Gotlandia II, and M/S Gute. The current agreement for the Gotland service with the Swedish Transport Administration runs until the end of January 2017, including a short-term two-year agreement, and will be succeeded by a new ten-year contract until January 2027. This new agreement involves significantly greater operational risks and also imposes greater adaptation requirements.

Destination Gotland and its subsidiaries Gotland Promotion AB and Gotlands Stuveri AB made a profit after financial items of SEK 49 million during the 2015 financial year compared to a loss of SEK 13 million the year before. This is primarily attributable to the previous year's costs for future oil price hedges amounting to SEK 100 million, which subsequently reduced to SEK 23 million in 2015. The Swedish Tax Agency's decision not to allow the deduction of these costs has been appealed as the company believes that they should be equated with the cost of inventories that agreements with the Swedish Transport Administration obligates the company to buy. Revenues amounted to SEK 1,383 (1,372) million. The number of passengers using the Gotland service increased by 1.4% compared with the previous year to a total of 1,652,786 (1,630,448). The number of vehicles increased by 2.9% to 517,862 (503,387) while the number of lane metres of freight increased by 0.9% to 753,019 (746,216).

Destination Gotland has an environmental management system that is certified in accordance with ISO 14001. The reduction of harmful emissions into the air and water, primarily with regard to acidifying substances and greenhouse gases, is a special priority. Vessels are powered with low-sulphur fuel, which dramatically reduces emissions of acidifying sulphur compounds. Additionally, all vessels have catalytic exhaust emission control installed, which reduces emissions of nitrogen compounds by 80 to 90%.

Destination Gotland's agreement with the Swedish Transport Administration regarding the current Gotland service is a net agreement in which the company retains the passenger revenues together with a fixed payment from the Swedish Transport Administration for operating the service. The company's revenues are regulated in the agreement with the Swedish Transport Administration by a maximum price for each category: passenger, vehicle, or lane metre (freight). For 2015, the total payment from the Swedish Transport Administration amounted to SEK 371 (407) million. This decrease is attributable to the fixed annual remuneration being lower during the short-term agreement in force from February 2015.

### GotlandsResor AB

GotlandsResor AB is responsible for the Group's hotel properties, which include the island's biggest hotel – Scandic Visby – and Visby Gustavsvik. There are a total of over 1,000 beds. GotlandsResor's profit after net financial items amounted to SEK 10 (5) million. Revenues totalled SEK 79 (68) million. The reason for the improved profit was higher occupancy rates at the hotel and increased capacity with new rooms at Gustavsvik.

### Stockholms Reparationsvarv AB

The company owns 62.5 per cent of Stockholms Reparationsvarv AB, which operates in Beckholmen, Stockholm. Profit after net financial items amounted to SEK 6 (0) million, while revenues amounted to SEK 101 (78) million.

### Investments

The Group's gross investments during the period amounted to SEK 696 (1,402) million. The investments relate primarily to the investments in vessels mentioned above, and the newbuilding contract for an additional LNG-powered ferry, which is due to be delivered in 2018.

### Risks

As the company's business is international, it is exposed to foreign currency risks. Currency flows relating to ferry operations are mainly denominated in SEK. Inward and outward payments relating to product tankers are denominated in USD and EUR. The company does not normally hedge these currency flows in relation to SEK. Investments in USD and EUR counteract the foreign currency risk to a certain extent. As a result of oil purchases and vessel orders, variations in exchange rates do, however, have an impact. The agreement between Destination Gotland and the Swedish Transport Administration entails a significant risk in terms of fluctuations in the price of oil.

The market risks of fluctuations in demand in the product tanker segment are reduced by the majority of the shipping company's vessels in this segment either being included in pool partnerships or being chartered on long-term contracts. Destination Gotland has a market risk related to demand for travel to and from Gotland.

Where the company decides to invest liquid assets, it does so in the money market, or in banks or commercial papers with high credit ratings.

### The work of the Board of Directors

The Board of Directors met 11 times during the year. At the 2015 AGM, Jan-Eric Nilsson was newly elected to the Board of Directors.

### Financial position

The Group's cash and cash equivalents and current investments amounted to SEK 1,892 (1,298) million.

Interest-bearing liabilities amounted to SEK 1,646 (1,155) million.

The equity ratio was 56.7 (59.3) per cent.

Equity per share was SEK 1,211 (1,074).

### Parent Company's sales and profit

Rederi AB Gotland's profit after financial items amounted to SEK 166 (252) million. Profit after tax amounted to SEK 238 (78) million. Revenues amounted to SEK 215 (210) million.

### Events after the end of the reporting period

In 2016 the product tanker M/T Amorina was sold. In addition, a majority 51 per cent stake was acquired in TRSM Group 1 AB, which is under reorganisation into Skärgårdsbolaget AB, which operates parts of the archipelago service from the spring of 2016. No significant events have occurred since the end of the financial year with regard to the company's financial position.

### Proposed appropriation of profits

Parent Company profits at the disposal of the Annual General Meeting:

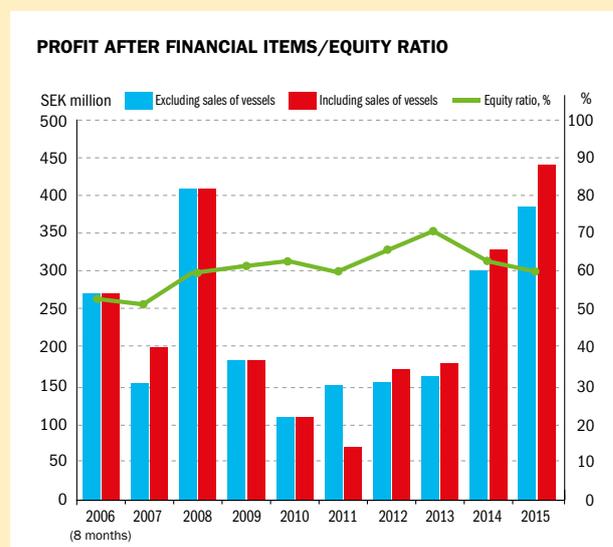
SEK	
Profit brought forward	212,810,073
Net profit for the year	237,536,407
	<hr/>
	450,346,480

The Board of Directors and the President propose that a dividend of SEK 5.80 be paid to the shareholders

(2,500,000 shares)	14,500,000
To be carried forward	435,846,480
	<hr/>
	450,346,480

The payment date for the adopted dividend is estimated to be 8 June 2016. The Board finds the proposed dividend reasonable in view of what is stated in §3, Chapter 17 of the Swedish Companies Act regarding the requirements governed by the nature, scope, and risks of the business place in terms of the size of equity and consolidation needs, and the liquidity and general position of the Parent Company and Group.

The income statement and balance sheet will be presented to the Annual General Meeting on 31 May 2016 for adoption.



## The business in brief - Group

	2015	2014	2013	2012	2011
<b>From the income statement (SEK million)</b>					
Revenues	<b>2,084.4</b>	1,891.8	1,848.1	1,811.0	1,809.2
Profit after financial items	<b>440.5</b>	329.1	180.8	172.6	70.2
<b>Return (%)</b>					
-on equity after tax (1)	<b>12.6</b>	10.1	5.8	9.7	2.6
-on capital employed (2)	<b>11.0</b>	10.8	6.0	6.6	2.5
-on total equity (3)	<b>10.4</b>	10.2	5.7	6.2	2.4
<b>From the balance sheet (SEK million)</b>					
Fixed assets	<b>3,260.2</b>	3,042.6	2,041.0	2,365.9	2,357.9
Current non-interest-bearing operating liabilities	<b>273.3</b>	302.4	173.3	195.1	226.7
Non-current liabilities	<b>1,524.1</b>	894.3	687.5	866.2	851.0
Equity	<b>3,028.1</b>	2,684.2	2,422.5	2,291.4	2,088.4
Total assets	<b>5,340.2</b>	4,524.3	3,650.0	3,734.2	3,708.8
Equity ratio (%) (4)	<b>56.7</b>	59.3	66.4	61.4	56.3
<b>Per share (SEK)</b>					
Equity	<b>1,211.26</b>	1,073.69	969.02	916.55	785.90
Profit after tax	<b>143.89</b>	103.10	54.34	85.08	21.47
Dividend	<b>5.80 *</b>	6.60	4.55	4.30	3.90
<b>Share price at end of accounting period (SEK)</b>					
B shares	<b>1,275</b>	1,000	800	710	675
<b>Other</b>					
Gross investments (SEK million)	<b>696</b>	1,402	158	493	298
Number of employees	<b>559</b>	518	486	461	463
Average number of shares	<b>2,500,000</b>	2,500,000	2,500,000	2,500,000	2,657,358

### Definitions

- 1) Profit after tax in relation to average equity.
- 2) Profit after financial items plus interest expenses in relation to average total assets less current non-interest-bearing operating liabilities.
- 3) Profit after financial items plus interest expenses in relation to average total assets.
- 4) Equity in relation to total assets.

\* Board's proposal.

# Income statement 2015

Amounts in SEK thousand	Note	GROUP		PARENT COMPANY	
		2015	2014	2015	2014
Net sales	1, 2	2,005,869	1,853,333	210,684	208,854
Gain on sale of fixed assets		54,750	26,635	4,377	52
Other revenues		23,737	11,813	161	781
<b>Total revenues</b>		<b>2,084,356</b>	<b>1,891,781</b>	<b>215,222</b>	<b>209,687</b>
<b>Operating expenses</b>					
Other external expenses	2, 3	-1,027,006	-1,113,054	-35,512	-22,617
Personnel expenses	4, 5	-355,034	-311,016	-10,864	-5,298
Depreciation, vessels	6	-221,733	-200,326	-2,407	-4,599
Depreciation, other fixed assets	7	-18,884	-17,336	-1,248	-1,331
Loss on sale of fixed assets		-	-	-	-201
<b>Total operating expenses</b>		<b>-1,622,657</b>	<b>-1,641,732</b>	<b>-50,031</b>	<b>-34,046</b>
<b>Operating profit</b>		<b>461,699</b>	<b>250,049</b>	<b>165,191</b>	<b>175,641</b>
<b>Profit/loss from financial investments</b>					
Profit/loss from participations in Group companies	8	2,042	674	-	-
Profit from securities and receivables that are fixed assets	9	2,935	465	410	-
Interest income and similar profit/loss items	10	45,521	164,450	7,545	87,903
Interest expenses and similar profit/loss items	11	-71,650	-86,506	-7,464	-11,348
<b>Total profit/loss from financial investments</b>		<b>-21,152</b>	<b>79,083</b>	<b>491</b>	<b>76,555</b>
<b>Profit after financial items</b>		<b>440,547</b>	<b>329,132</b>	<b>165,682</b>	<b>252,196</b>
Appropriations					
Reversal of depreciation over plan, vessels		-	-	36,886	4,721
Change in tax allocation reserve		-	-	-102,157	-33,972
Group contributions received		-	-	321,544	205,072
Group contributions paid		-	-	-116,995	-328,148
Tax for the year	12	-79,064	-69,159	-67,424	-21,844
Minority share of net profit/loss for the year		-1,752	-2,229	-	-
<b>NET PROFIT FOR THE YEAR</b>		<b>359,731</b>	<b>257,744</b>	<b>237,536</b>	<b>78,025</b>
<b>Share data</b>					
Earnings per share after tax, SEK		143.89	103.10		
Average number of shares		2,500,000	2,500,000		

# Balance sheet as at 31 December 2015

ASSETS	Note	GROUP		PARENT COMPANY	
		31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
<i>Amounts in SEK thousand</i>					
<b>Fixed assets</b>					
<b>Intangible fixed assets</b>					
Goodwill	7	8,669	11,529	-	-
<b>Property, plant, and equipment</b>					
Vessels	6	1,786,573	2,126,291	29,622	66,694
Newbuilding contracts for vessels and hotels	13	1,309,190	745,570	1,308,193	745,510
Land and buildings	7	114,738	116,541	28,189	28,979
Equipment	7	31,633	40,193	1,532	1,979
<b>Total property, plant, and equipment</b>		<b>3,242,134</b>	3,028,595	<b>1,367,536</b>	843,162
<b>Financial fixed assets</b>					
Participations in Group companies	14	-	-	167,286	167,186
Participations in associates	15	400	400	200	200
Receivables from Group companies	16	-	-	334,244	541,208
Other non-current securities	17	6,550	1,709	5,047	5
Other non-current receivables	18	2,483	375	375	375
<b>Total financial fixed assets</b>		<b>9,433</b>	2,484	<b>507,152</b>	708,974
<b>Total fixed assets</b>		<b>3,260,236</b>	3,042,608	<b>1,874,688</b>	1,552,136
<b>Current assets</b>					
<b>Inventories</b>					
Finished goods and goods for resale		7,979	9,869	-	-
<b>Current receivables</b>					
Accounts receivable		41,949	45,179	413	902
Receivables from Group companies		-	-	3,584	1,116
Other receivables		84,688	89,289	41,673	42,187
Percentage of completion		16,065	-	-	-
Prepaid expenses and accrued income	19	37,710	39,163	2,031	8,372
<b>Total current receivables</b>		<b>180,412</b>	173,631	<b>47,701</b>	52,577
Current investments	20	50,667	736,737	50,667	625,242
Cash and bank balances	21	1,840,892	561,412	1,722,953	383,849
<b>Total current assets</b>		<b>2,079,950</b>	1,481,649	<b>1,821,321</b>	1,061,668
<b>TOTAL ASSETS</b>		<b>5,340,186</b>	4,524,257	<b>3,696,009</b>	2,613,804

**Balance sheet as at 31 December 2015**

<b>LIABILITIES AND EQUITY</b>		<b>GROUP</b>		<b>PARENT COMPANY</b>	
<i>Amounts in SEK thousand</i>					
	Note	<b>31 Dec 2015</b>	31 Dec 2014	<b>31 Dec 2015</b>	31 Dec 2014
<b>Equity</b>	22				
Share capital		2,777	2,777		
Other capital contributions		2,626	2,626		
Other equity, including net profit/loss for the year		3,022,743	2,678,827		
<b>Equity attributable to Parent Company's shareholders</b>		<b>3,028,146</b>	2,684,230		
<b>Minority interests</b>		<b>15,214</b>	13,461		
<b>Restricted equity</b>					
Share capital				2,777	2,777
Restricted reserves				2,481	2,481
<b>Total restricted equity</b>				<b>5,258</b>	5,258
<b>Non-restricted equity</b>					
Earnings brought forward				212,810	151,285
Net profit for the year				237,536	78,025
<b>Total non-restricted equity</b>				<b>450,346</b>	229,310
<b>Total equity</b>		<b>3,043,360</b>	2,697,691	<b>455,604</b>	234,568
<b>Untaxed reserves</b>					
Accumulated depreciation over plan, vessels		-	-	30,871	67,757
Tax allocation reserves		-	-	225,463	123,306
<b>Total untaxed reserves</b>		<b>0</b>	0	<b>256,334</b>	191,063
<b>Provisions</b>					
Provisions for deferred tax	23	368,042	358,691	-	-
Other provisions		2,749	2,361	-	-
<b>Total provisions</b>		<b>370,791</b>	361,052	<b>0</b>	0
<b>Non-current liabilities</b>					
Liabilities to credit institutions	24	1,517,664	885,954	916,500	275,000
Liabilities to Group companies	25	-	-	1,485,844	1,426,600
Other non-current liabilities		6,465	8,362	6,465	6,462
<b>Total non-current liabilities</b>		<b>1,524,129</b>	894,316	<b>2,408,809</b>	1,708,062
<b>Current liabilities</b>					
Liabilities to credit institutions	24	128,639	268,750	83,500	47,451
Accounts payable		63,427	59,546	1,787	2,147
Tax liabilities		72,480	24,974	67,866	22,871
Liabilities to Group companies		-	-	414,028	318,638
Other liabilities		6,743	90,248	636	84,365
Accrued expenses and deferred income	26	130,617	127,680	7,445	4,639
<b>Total current liabilities</b>		<b>401,906</b>	571,198	<b>575,262</b>	480,111
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>5,340,186</b>	4,524,257	<b>3,696,009</b>	2,613,804
<b>Assets pledged and contingent liabilities</b>					
Assets pledged	27	1,965,442	1,831,600	1,165,255	700,081
Contingent liabilities	28	-	-	901,474	1,079,518

# Cash flow statements

Amounts in SEK thousand	Note	GROUP		PARENT COMPANY	
		2015	2014	2015	2014
<b>Operating activities</b>					
Profit after financial items		440,547	329,132	165,682	252,196
Adjustments for items not included in cash flow					
Amortisation and impairment losses of financial assets	6, 7, 14	240,617	217,662	3,655	5,930
Capital gains/losses		-54,750	-31,378	-4,377	-
Exchange rate differences		15,001	31,766	-6,329	-44,426
Other non-cash items		1,073	25,223	-	-
		<b>642,488</b>	572,405	<b>158,631</b>	213,700
Change in taxes for the year		17,036	-15,537	18,783	-16,388
<b>Cash flow from operating activities before changes in working capital</b>		<b>659,524</b>	556,868	<b>177,414</b>	197,312
Changes in working capital					
Change in inventories		1,890	-1,295	-	-
Change in current receivables		-46,024	-5,802	-33,866	28,084
Change in current liabilities		-76,686	122,960	-81,283	84,200
<b>Cash flow from operating activities</b>		<b>538,704</b>	672,731	<b>62,265</b>	309,596
<b>Investing activities</b>					
Acquisition of intangible fixed assets		-	-11,147	-	-
Acquisition of vessels and newbuildings	6, 13	-686,045	-1,376,586	-562,683	-745,510
Acquisition of other property, plant, and equipment	7, 13	-10,191	-14,282	-11	-356
Sale of vessels		296,096	183,882	39,042	-
Sale of other fixed assets		3,593	8,350	-	8,555
Change in other financial fixed assets		-6,949	22,367	-99	-7,238
<b>Cash flow from investing activities</b>		<b>-403,496</b>	-1,187,416	<b>-523,751</b>	-744,549
<b>Financing activities</b>					
Borrowings		580,072	349,374	701,309	-
Amortisation of debt		-140,111	-	-23,757	-21,254
Changes in intra-Group transactions	16, 25	-	-	558,636	75,052
Dividend to shareholders		-16,500	-11,375	-16,500	-11,375
<b>Cash flow from financing activities</b>		<b>423,461</b>	337,999	<b>1,219,688</b>	42,423
Change in cash and cash equivalents		558,669	-176,686	758,202	-392,530
Cash and cash equivalents at start of year		1,298,149	1,432,246	1,009,091	1,357,194
Exchange rate differences in cash and cash equivalents		34,741	42,589	6,327	44,427
<b>Cash and cash equivalents at year-end</b>		<b>1,891,559</b>	1,298,149	<b>1,773,620</b>	1,009,091

# Accounting and valuation policies

## General accounting policies

The annual accounts and consolidated financial statements have been prepared in accordance with the Annual Accounts Act and the general guidance of the Swedish Accounting Standards Board, BFNAR 2012:1 Annual Accounts and Consolidated Financial Statements (K3). The principles are unchanged from the previous year.

## Valuation policies

Assets and liabilities have been valued at their cost of acquisition unless stated otherwise below.

## Revenues

Revenues are reported on the basis of the actual amount received, or the amount expected, and are reported where it is probable that economic benefits will fall to the company. State subsidies are reported at fair value where there is reasonable assurance that the subsidy will be received and all associated conditions will be met. A state subsidy attributable to expected costs is reported as deferred income. The subsidy is taken up as income in the period in which the costs that the state subsidy is intended to compensate arise.

## Receivables and liabilities in foreign currency

The receivables and liabilities in foreign currency of the Parent Company and Swedish Group companies have been translated at rate at the end of the reporting period. Currency gains and losses on operational receivables and liabilities are added to or deducted from the operating profit. Gains and losses on financial receivables and liabilities are reported as financial items.

## Consolidated financial statements

The consolidated financial statements relate to the Parent Company and the companies in which Rederi AB Gotland directly or indirectly holds more than 50 per cent of the voting rights (Group companies).

Appropriations and untaxed reserves are not reported in the Group. These are instead divided between equity and deferred tax liabilities.

The consolidated accounts have been prepared in accordance with the acquisition accounting method, whereby the equity in Group companies on the acquisition date is fully eliminated. The procedure means that only earnings arising after the acquisition date are included in the Group's equity.

Intra-Group profit is eliminated in its entirety.

## Translation of foreign subsidiaries

Subsidiaries in other countries prepare their annual accounts in a foreign currency. On consolidation, entries in these companies' balance sheets and income statements are translated at the closing rate and average rate respectively. The resulting exchange rate differences are recognised in cumulative exchange rate differences in equity.

## Taxes, including deferred taxes

Reported income taxes include tax that is to be paid or received in respect of the current year, adjustments to tax in respect of previous years, changes in deferred tax, and a share of associated companies' tax.

All tax liabilities and assets are reported at their nominal value, in line with the tax regulations and tax rates that have been decided on or that have been announced and will in all probability be adopted. Deferred tax is calculated on all temporary differences arising between reported values of assets and liabilities and their values for tax and accounting purposes.

Deferred tax assets are recognised in respect of all deductible temporary differences and unutilised loss carry-forwards, where it is likely that there will be future taxable profits against which the temporary differences or unutilised loss carry-forwards can be offset. The reported value of the deferred tax assets is reviewed at the end of each reporting period.

## Receivables

Receivables are reported as the payment expected in each individual case.

## Inventories

Inventories are valued, applying the first-in/first-out principle, at the lower of the cost of acquisition and fair value at the end of the reporting period.

## Fixed assets

Interest on capital borrowed to finance the production of an asset is not included in the cost of acquisition. All types of fixed assets are depreciated/amortised on a straight-line basis. For the depreciation/amortisation periods applied, see the relevant notes for the fixed assets. Where the value reported exceeds the calculated recoverable amount, the value reported is written down directly to this recoverable amount.

"Associated companies" refers to companies that are not subsidiaries but in which the Parent Company directly or indirectly holds at least 20 per cent of the votes for all participations, or otherwise has a significant influence.

## Leases

All leases are treated as operational leases. The costs of operational leases are small amounts.

## Cash flow statements

The cash flow statements have been prepared using the indirect method. The cash flow reported only includes transactions that involve inward or outward payments. Cash and cash equivalents are classified as bank balances and current financial investments.

**Borrowings**

Borrowings are initially reported as the amount received less transaction costs. If the amount reported differs from the amount to be repaid at the due date, the difference is allocated as an interest expense or interest income over the term of the loan. As a result, the amount reported and the amount to be repaid match at the due date.

**Provisions**

Provisions are made when there is a legal or constructive obligation and when a reliable estimate of the amount can be made.

**Appropriations**

Changes in untaxed reserves are recognised as appropriations in the income statement for the Parent Company. Group contributions are recognised as appropriations.

**Shareholdings and participations in subsidiaries**

Participations in Group companies are recognised at their cost of acquisition less any impairment losses. The cost of acquisition includes the purchase price paid for the shares and acquisition costs. Any capital injection and Group contributions are added to the cost of acquisition when made. Dividends from subsidiaries are recognised as income.

**Untaxed reserves**

Untaxed reserves in the Parent Company are recognised gross in the balance sheet, including the deferred tax liability attributable to the reserves.

**Assessments and estimates**

The amounts in this financial report are essentially entered at actual and carrying amounts. The probability of own estimates and assessments that pose a significant risk of material adjustment in the next financial year is therefore small.

Market value assessments are carried out each year to ascertain the carrying amounts of vessels and commercial premises. Market value assessments for vessels are conducted both by way of market valuations based on official publications and individual valuations by brokers, as well as by discounted cash flow valuations based on estimated cash flow during the vessel's serviceable life and the present value calculation based on a weighted average of the required return on equity and interest on the capital borrowed.

For commercial properties – i.e. hotel operations and properties leased commercially – discounted cash flow valuations apply. These are based on the forecast cash flow for the coming year calculated at present value based on a weighted average of the required return on equity and interest on the capital borrowed.

# Notes to the consolidated and Parent Company financial statements

Amounts in SEK thousands unless stated otherwise

## Note 1 NET SALES BY OPERATING SEGMENT

Net sales	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
Foreign shipping operations	524,756	484,975	210,684	208,854
Passenger and freight traffic, Sweden 1)	1,221,179	1,220,266	-	-
Travel agency operations, Sweden	87,034	83,751	-	-
Hotel operations, Sweden	61,584	52,095	-	-
Shipyard operations, Sweden	100,169	-	-	-
Other, Sweden 2)	11,147	12,246	-	-
<b>Total</b>	<b>2,005,869</b>	<b>1,853,333</b>	<b>210,684</b>	<b>208,854</b>

1) Relates to Destination Gotland AB. The company's revenues include SEK 371 (407) million as payment from the Swedish Transport Administration for the ferry services provided, and SEK 63 (59) million as payment for shipping support, which is proportionate to employer contributions and tax deductions on shipping income.

2) Relates to Gotlands Stuveri AB, which is 54 per cent owned by Destination Gotland AB.

## Note 2 PERCENTAGE OF PURCHASES AND SALES RELATING TO GROUP COMPANIES

	PARENT COMPANY	
	2015	2014
Sale of internal services	94%	95%
Purchase of internal services	2%	3%

## Note 3 REMUNERATION TO AUDITORS

The following remuneration has been paid to the company's auditors:

	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
<i>Öhrlings PriceWaterhouseCoopers AB</i>				
Auditing assignments	1,750	1,446	1,126	1,126
Auditing activities other than auditing tasks	80	84	-	-
Tax advisory services	5	60	-	-
Other services	20	-	-	-
<b>Total</b>	<b>1,855</b>	<b>1,590</b>	<b>1,126</b>	<b>1,126</b>

"Audit assignments" refers to the auditor's work on the statutory audit, while "auditing activities" refers to other types of quality assurance services.

"Other services" are those that are not included in audit assignments, auditing activities, or tax consultancy. The overall increase was due to audit costs for acquired companies.

## Note 4 EMPLOYEE SALARIES AND BENEFITS AND PAYMENTS TO THE BOARD OF DIRECTORS AND MANAGEMENT

Salaries and others remuneration	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
Board of Directors and President	11,296	10,612	3,948	3,403
Other employees	234,340	207,979	4,339	2,273
<b>Total</b>	<b>245,636</b>	<b>218,591</b>	<b>8,287</b>	<b>5,676</b>
<b>Social security contributions</b>				
Pension costs for the Board of Directors and President	2,572	1,790	581	410
Pension costs for other employees	17,801	14,151	828	438
Other social security contributions in accordance with the law and agreements	77,526	68,251	2,778	1,812
<b>Total</b>	<b>97,899</b>	<b>84,192</b>	<b>4,187</b>	<b>2,660</b>

Remuneration to the President is prepared and determined by the Board of Directors. No variable remuneration is paid to senior management.

The company has no outstanding pension commitments.

**Note 5 AVERAGE NUMBER OF EMPLOYEES, ETC.**

	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
<b>Average number of employees in Sweden</b>				
Women	245	238	4	3
Men	314	280	6	6
<b>Total</b>	<b>559</b>	<b>518</b>	<b>10</b>	<b>9</b>

The increase in the number of employees is attributable to the full year impact of the acquisition of companies in the latter part of 2014.

**Board members at the end of the reporting period**

Women	41	41	2	2
Men	105	104	9	8
<b>Total</b>	<b>146</b>	<b>145</b>	<b>11</b>	<b>10</b>

**Senior executives at the end of the reporting period**

Women	1	1	0	0
Men	7	7	1	1
<b>Total</b>	<b>8</b>	<b>8</b>	<b>1</b>	<b>1</b>

**Note 6 VESSELS**

Planned depreciation for the fast ferries M/S Visby, M/S Gotland, HSC Gotlandia, and HSC Gotlandia II is based on an economic life of 10 years from the year of construction. For conventional ferries, the depreciation period is 20 years. For product tankers, the depreciation period is 15 years with 10 per cent residual value. For service vessels for the offshore wind power sector, the depreciation period as of 2014 is 10 years from the year of construction.

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
<b>Accumulated costs of acquisition</b>				
At start of year	4,338,309	4,047,280	1,069,482	1,069,482
New acquisitions during the year	123,361	631,076	-	-
Disposals for the year	-361,876	-340,047	-39,845	-
<b>Total accumulated costs of acquisition</b>	<b>4,099,794</b>	<b>4,338,309</b>	<b>1,029,637</b>	<b>1,069,482</b>
<b>Planned accumulated depreciation and impairment losses</b>				
At start of year	-2,212,018	-2,199,377	-1,002,788	-998,189
Disposals for the year	120,530	187,685	5,180	-
Planned depreciation for the year	-221,733	-200,326	-2,407	-4,599
<b>Total planned accumulated depreciation and impairment losses</b>	<b>-2,313,221</b>	<b>-2,212,018</b>	<b>-1,000,015</b>	<b>-1,002,788</b>
<b>Planned residual value at year-end</b>	<b>1,786,573</b>	<b>2,126,291</b>	<b>29,622</b>	<b>66,694</b>

**The Group:** Of the total balance sheet item of SEK 1,786,573 (2,126,291) thousand, operational leases account for SEK 838,080 (1,039,908) thousand.

**Parent Company:** Of the total balance sheet item of SEK 29,622 (66,694) thousand, operational leases account for SEK 0 (34,864) thousand.

Some subsidiaries that own tankers have signed option agreements with the operator of the tanker. The agreements mean that the operators are entitled to acquire the vessel at a given acquisition price at certain times. Where the redemption price is lower than the expected carrying amount at the time of redemption, the value is written down to the redemption price.

**Note 7 OTHER FIXED ASSETS**

**GOODWILL**

Goodwill is amortised over five years.

	<b>GROUP</b>	
	<b>31 Dec 2015</b>	31 Dec 2014
<b>Accumulated costs of acquisition</b>		
At start of year	<b>18,961</b>	7,814
Acquisitions during the year	-	11,147
<b>Total accumulated costs of acquisition</b>	<b>18,961</b>	18,961
<b>Planned accumulated depreciation and impairment losses</b>		
At start of year	<b>-7,432</b>	-5,460
Planned depreciation for the year	<b>-2,860</b>	-1,972
<b>Total planned accumulated depreciation and impairment losses</b>	<b>-10,292</b>	-7,432
<b>Planned residual value at year-end</b>	<b>8,669</b>	11,529

**LAND AND BUILDINGS**

Planned depreciation on buildings is calculated per building divided by components with different depreciation periods.

	<b>GROUP</b>		<b>PARENT COMPANY</b>	
	<b>31 Dec 2015</b>	31 Dec 2014	<b>31 Dec 2015</b>	31 Dec 2014
<b>Accumulated costs of acquisition</b>				
At start of year	<b>229,355</b>	236,946	<b>53,390</b>	62,097
Acquisitions during the year	<b>4,003</b>	1,031	-	-
Sales for the year	-	-8,707	-	-8,707
Reclassifications	-	85	-	-
<b>Total accumulated costs of acquisition</b>	<b>233,358</b>	229,355	<b>53,390</b>	53,390
<b>Planned accumulated depreciation and impairment losses</b>				
At start of year	<b>-112,814</b>	-106,580	<b>-24,411</b>	-23,744
Sales for the year	-	124	-	124
Planned depreciation for the year	<b>-5,806</b>	-6,358	<b>-790</b>	-791
<b>Total planned accumulated depreciation and impairment losses</b>	<b>-118,620</b>	-112,541	<b>-25,201</b>	-24,411
<b>Planned residual value at year-end</b>	<b>114,738</b>	116,541	<b>28,189</b>	28,979

The fair value of investment properties within the Group has, in accordance with the cash flow method, been estimated at SEK 128 million, which is higher than the carrying amount of SEK 94 million. Corresponding values for investment properties in the Parent Company are SEK 35 million and SEK 8 million respectively. For valuation policies, see above.  
The remaining properties are commercial properties.

**EQUIPMENT**

Planned depreciation on equipment, tools, and fixtures and fittings is calculated at 20 per cent of their acquisition value per annum.

	<b>GROUP</b>		<b>PARENT COMPANY</b>	
	<b>31 Dec 2015</b>	31 Dec 2014	<b>31 Dec 2015</b>	31 Dec 2014
<b>Accumulated costs of acquisition</b>				
At start of year	<b>94,398</b>	81,185	<b>7,229</b>	7,070
New acquisitions during the year	<b>5,278</b>	13,506	<b>11</b>	379
Reclassifications	<b>29,343</b>	-	-	-
Divestments and disposals during the year	<b>-7,120</b>	-293	-	-220
<b>Total accumulated costs of acquisition</b>	<b>121,899</b>	94,398	<b>7,240</b>	7,229
<b>Accumulated planned depreciation</b>				
At start of year	<b>-54,205</b>	-45,266	<b>-5,250</b>	-4,935
Divestments and disposals during the year	<b>3,069</b>	38	-	99
Reclassifications	<b>-28,912</b>	-	-	-
Planned depreciation for the year	<b>-10,218</b>	-8,977	<b>-458</b>	-414
<b>Total accumulated planned depreciation</b>	<b>-90,266</b>	-54,205	<b>-5,708</b>	-5,250
<b>Planned residual value at year-end</b>	<b>31,633</b>	40,193	<b>1,532</b>	1,979

**Notes to the consolidated and Parent Company financial statements**

**Note 8 PROFIT/LOSS FROM PARTICIPATIONS IN GROUP COMPANIES**

	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
Capital gains/losses	2,042	674	-	-
<b>Total</b>	<b>2,042</b>	<b>674</b>	<b>0</b>	<b>0</b>

**Note 9 RESULT FROM SECURITIES AND RECEIVABLES ACCOUNTED FOR AS NON-CURRENT ASSETS**

	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
Dividend	3,060	-	410	-
Impairment losses	-125	-	-	-
Reversal of impairment losses	-	465	-	-
<b>Total</b>	<b>2,935</b>	<b>465</b>	<b>410</b>	<b>0</b>

**Note 10 INTEREST INCOME AND SIMILAR PROFIT/LOSS ITEMS**

	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
Interest income	1,382	11,017	1,217	10,166
Exchange rate differences	34,741	153,433	6,327	77,737
Exchange rate differences Group companies	9,399	-	-	-
<b>Total</b>	<b>45,521</b>	<b>164,450</b>	<b>7,545</b>	<b>87,903</b>

**Note 11 INTEREST EXPENSES AND SIMILAR PROFIT/LOSS ITEMS**

	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
Interest expenses	-21,674	-11,837	-6,159	-4,524
Impairment losses of financial assets and reversed impairment losses	-61	-	-	-
Exchange rate differences	-49,915	-74,669	-1,305	-6,824
<b>Total</b>	<b>-71,650</b>	<b>-86,506</b>	<b>-7,464</b>	<b>-11,348</b>

**Note 12 TAX FOR THE YEAR**

	GROUP		PARENT COMPANY	
	2015	2014	2015	2014
Profit after financial items	440,547	329,132	165,682	252,196
Tax on profit after financial items, 22% according to Swedish tax rate	-96,920	-72,409	-36,450	-55,483
Change due to:				
Reduction in tax due to non-taxable income	2,320	319	30	41
Reduction in tax due to provision for untaxed reserves	-	-	14,359	6,435
Reduction/increase in tax due to Group contributions paid (net)	-	-	-45,001	27,077
Increase in tax due to non-deductible expenses	-717	-696	-186	-196
Reduction/increase in tax for the year due to tax loss carryforwards	285	-66	-	-
Increase in tax due to flat-rate income on tax allocation reserves	-184	-294	-176	-295
Reduction in tax due to different tax rates than in Sweden	16,140	3,410	-	-
Reduction in tax due to corrections from previous year	12	577	-	577
<b>Reported tax expense</b>	<b>-79,064</b>	<b>-69,159</b>	<b>-67,424</b>	<b>-21,844</b>

**Notes to the consolidated and Parent Company financial statements**

**Note 13 NEWBUILD CONTRACTS, VESSELS, & NEWBUILD PROJECTS, HOTELS**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
At start of year	745,570	85	745,510	0
New acquisitions for newbuilding contracts for the year	571,996	745,570	562,683	745,510
Reclassification	-8,376	-85	-	-
<b>Carrying amount at year-end</b>	<b>1,309,190</b>	<b>745,570</b>	<b>1,308,193</b>	<b>745,510</b>

Newbuilding contracts for vessels amounted to SEK 1,308 (746) million.

**Note 14 PARTICIPATIONS IN GROUP COMPANIES**

	PARENT COMPANY	
	31 Dec 2015	31 Dec 2014
Opening cost of acquisition	167,186	154,461
Acquisitions during the year	100	7,500
Reclassifications	-	5,225
<b>Carrying amount at year-end</b>	<b>167,286</b>	<b>167,186</b>

**Specification of Group's shareholdings and participations in Group companies**

Swedish Group companies	Corp. ID. no.	Based	Number	Carrying amount	Equity and share of votes %	Equity	Profit/loss
Destination Gotland AB	556038-2342	Gotland	5,000	80,389	100	80,138	-1,614
GotlandsResor AB	556141-1009	Gotland	500	2,507	100	16,913	1,140
Gamla Wisby Bryggeri AB	556035-4341	Gotland	4,320	890	100	649,802	-61
Gotlandsbolaget AB	556643-7850	Gotland	1,000	100	100	562,386	107,132
Rederi AB Hoburgen	556207-3816	Gotland	1,000	132	100	107,982	0
Rederi AB Våndburg	556496-2222	Gotland	1,000	1,550	100	1,120	0
Gotland Tankers AB	556762-3342	Gotland	1,000	68,100	100	32,933	-190
Wisby Tanker Trading AB	556798-0700	Gotland	500	50	50	95,000	0
Rederi AB Lauter	556815-1293	Gotland	500	50	100	50	38
Rederi AB Djupvik	556815-1160	Gotland	500	50	100	50	0
Rederi AB Kyllaj	556864-0931	Gotland	500	50	100	50	0
Rederi AB Burgsvik	556864-0949	Gotland	500	50	100	50	0
Rederi AB Asunden	556899-3892	Gotland	500	50	100	50	0
Rederi AB Botvaldevik	556899-3884	Gotland	500	50	100	50	0
Sundre Rederi AB	556937-7764	Gotland	500	50	100	50	0
Hallshuk Rederi AB	556937-7756	Gotland	500	50	100	50	0
Rederi Faludden AB	556978-3573	Gotland	500	50	100	50	0
Rederi Utholmen AB	556980-3660	Gotland	500	50	100	50	0
Stockholms Reparationsvarv AB	556426-2391	Stockholm	625	12,625	62.5	14,986	3,481
Hangvar Rederi AB	559019-6977	Gotland	1,000	50	100	50	0
Hellvi Rederi AB	559019-7025	Gotland	1,000	50	100	50	0
<b>Foreign Group companies</b>							
Gotland Shipping Latvia A/S		Latvia	500	343	100	0	0
<b>Carrying amount at year-end</b>				<b>167,286</b>			

The following companies are sub-subsidiaries of Rederi AB Gotland, with their respective owner companies

<b>Gotland Tankers AB</b>		
Rederi AB Torsburgen	Gotland	100
Rederi AB Gute	Gotland	100
Rederi AB Ljugarn	Gotland	100
Rederi AB Klintehamn	Gotland	100
Rederi AB Kappelshamn	Gotland	100
Rederi AB Katthammarsvik	Gotland	100
Rederi AB Gnisvärd	Gotland	100
Rederi AB Västergarn	Gotland	100
Gotland Class Shipping KB	Gotland	100
<b>Destination Gotland AB</b>		
Gotland Promotion	Gotland	100
Gotland Stuveri AB	Gotland	54
AB Carl E Ekman	Gotland	100
Gotland Excursion AB	Gotland	100
<b>Gotlandsbolaget AB</b>		
Gotland Shipping (Bahamas) Ltd	Bahamas	100

Notes to the consolidated and Parent Company financial statements

**Note 15 PARTICIPATIONS IN ASSOCIATES**

	GROUP		PARENT COMPANY		
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	
At start of year	400	5,625	200	5,425	
Reclassifications for the year	-	-5,225	-	-5,225	
<b>Carrying amount at year-end</b>	<b>400</b>	<b>400</b>	<b>200</b>	<b>200</b>	
<b>Specification of associates</b>					
	<b>Corp. ID. no.</b>	<b>Based</b>	<b>Number</b>	<b>Carrying amount</b>	<b>Equity &amp; share of votes %</b>
Vic Tvätten	556094-3549	Gotland	400	400	34.8
<b>Total Group</b>				<b>400</b>	
Of which Parent Company:					
Vic Tvätten	556094-3549	Gotland	200	200	17.4
<b>Total Parent Company</b>				<b>200</b>	

**Note 16 RECEIVABLES FROM GROUP COMPANIES**

	PARENT COMPANY	
	31 Dec 2015	31 Dec 2014
At start of year	541,208	635,516
Additional receivables	-	-
Settled receivables	-206,964	-94,308
<b>Carrying amount at year-end</b>	<b>334,244</b>	<b>541,208</b>

**Note 17 OTHER NON-CURRENT SECURITIES**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
At start of year	1,709	1,349	5	5
New acquisitions during the year	5,042	15	5,042	-
Sales	-15	-	-	-
Revaluations	-	465	-	-
Impairment losses	-186	-	-	-
Reclassifications	-	-120	-	-
<b>Carrying amount at year-end</b>	<b>6,550</b>	<b>1,709</b>	<b>5,047</b>	<b>5</b>

**Note 18 OTHER NON-CURRENT RECEIVABLES**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
At start of year	375	17,413	375	637
Additional receivables	2,108	-	-	-
Settled receivables	-	-17,038	-	-262
<b>Carrying amount at year-end</b>	<b>2,483</b>	<b>375</b>	<b>375</b>	<b>375</b>

**Note 19 PREPAID EXPENSES AND ACCRUED INCOME**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Prepaid expenses	26,216	28,441	216	1,465
Other interim receivables	11,184	3,265	1,815	-
Other accrued income	310	7,457	-	6,907
<b>Carrying amount at year-end</b>	<b>37,710</b>	<b>39,163</b>	<b>2,031</b>	<b>8,372</b>

**Note 20 CURRENT INVESTMENTS**

Money market investments in banks or commercial paper with low risk.

**Notes to the consolidated and Parent Company financial statements**

**Note 21 BANK OVERDRAFT FACILITIES**

A bank overdraft facility of SEK 30,000 thousand has been granted, of which SEK 0 thousand has been utilised.

**Note 22 EQUITY**

Share capital	Number	Quotient value SEK
<b>Class of share</b>		
A Non-restricted (quotient value 1.11)	1,811,693	<b>2,012,411</b>
B Non-restricted (quotient value 1.11)	688,307	<b>764,565</b>
<b>Total</b>	<b>2,500,000</b>	<b>2,776,976</b>

All shares are fully paid up.

**Changes in equity**

There were the following changes in the equity of the Group and Parent Company during the year:

GROUP	Share capital		Other equity		Total	Minority interests	Total capital
	Share capital	Other capital contributions	Acc. exch. rate diffs.	Retained earnings etc.			
<b>Equity 01/01/2014</b>	<b>2,777</b>	<b>2,626</b>	<b>0</b>	<b>2,417,136</b>	<b>2,422,539</b>	<b>6,252</b>	<b>2,428,791</b>
Dividend				-11,375	-11,375		-11,375
Restatement of equity in foreign subsidiaries			21,381		21,381		21,381
Adjustment to equity according to K3 rules				-6,059	-6,059		-6,059
Net profit for the year				257,744	257,744	7,209	264,953
<b>Equity 31/12/2014</b>	<b>2,777</b>	<b>2,626</b>	<b>21,381</b>	<b>2,657,446</b>	<b>2,684,230</b>	<b>13,461</b>	<b>2,697,691</b>
Dividend				-16,500	-16,500		-16,500
Restatement of equity in foreign subsidiaries			685		685		685
Net profit for the year				359,731	359,731	1,753	361,484
<b>Equity 31/12/2015</b>	<b>2,777</b>	<b>2,626</b>	<b>22,066</b>	<b>3,000,677</b>	<b>3,028,146</b>	<b>15,214</b>	<b>3,043,360</b>
<b>PARENT COMPANY</b>	<b>Restricted equity</b>		<b>Non-restricted equity</b>		<b>Total</b>		
	<b>Share capital</b>	<b>Statutory reserve</b>	<b>Other non-restricted equity</b>				
<b>Opening equity 01/01/2014</b>	<b>2,777</b>	<b>2,481</b>	<b>162,666</b>		<b>167,918</b>		
Dividend			-11,375		-11,375		
Net profit for the year			78,025		78,025		
<b>Equity 31/12/2014</b>	<b>2,777</b>	<b>2,481</b>	<b>229,310</b>		<b>234,568</b>		
Dividend			-16,500		-16,500		
Net profit for the year			237,536		237,536		
<b>Equity 31/12/2015</b>	<b>2,777</b>	<b>2,481</b>	<b>450,346</b>		<b>455,604</b>		

**Note 23 DEFERRED TAX**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
<b>Deferred tax liabilities attributable to temporary differences in assets</b>				
Amount at start of year	<b>22,323</b>	14,352	-	-
Change for the year	<b>-3,053</b>	7,971	-	-
	<b>19,270</b>	22,323	-	-
<b>Deferred tax liabilities attributable to untaxed reserves in legal entities</b>				
Amount at start of year	<b>336,368</b>	297,174	-	-
Change for the year	<b>12,404</b>	39,194	-	-
	<b>348,772</b>	336,368	-	-
<b>Carrying amount at year-end</b>	<b>368,042</b>	358,691	<b>0</b>	0

**Notes to the consolidated and Parent Company financial statements**

**Note 24 LIABILITIES TO CREDIT INSTITUTIONS**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Due date 0-1 years from the end of the reporting period	<b>128,639</b>	268,750	<b>83,500</b>	47,451
Due date 1-5 years from the end of the reporting period	<b>507,929</b>	266,909	<b>334,000</b>	100,000
Due date over 5 years from the end of the reporting period	<b>1,009,735</b>	619,045	<b>582,500</b>	175,000
<b>Carrying amount at year-end</b>	<b>1,646,303</b>	1,154,704	<b>1,000,000</b>	322,451

Of the Group's liabilities to credit institutions, 1,117,638 (424,147) is in SEK and 528,665 (730,557) is in USD.

Of the Parent Company's liabilities to credit institutions, 1,000,000 (300,000) is in SEK and 0 (22,451) is in USD.

**Note 25 LIABILITIES TO GROUP COMPANIES**

	PARENT COMPANY	
	31 Dec 2015	31 Dec 2014
At start of year	<b>1,426,600</b>	1,231,976
Additional liabilities	<b>59,244</b>	194,624
Settled liabilities	-	-
<b>Carrying amount at year-end</b>	<b>1,485,844</b>	1,426,600

These liabilities fall due for payment on demand.

**Note 26 ACCRUED EXPENSES AND DEFERRED INCOME**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Accrued personnel expenses	<b>48,768</b>	39,981	<b>1,643</b>	987
Accrued interest	<b>3,196</b>	1,250	<b>3,057</b>	659
Prepaid income	<b>35,115</b>	54,422	<b>1,617</b>	1,485
Other accrued expenses	<b>43,538</b>	32,027	<b>1,128</b>	1,508
<b>Carrying amount at year-end</b>	<b>130,617</b>	127,680	<b>7,445</b>	4,639

**Note 27 ASSETS PLEDGED TO CREDIT INSTITUTIONS**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Mortgages	<b>13,150</b>	13,150	<b>13,150</b>	13,150
Ship mortgages	<b>1,839,617</b>	1,711,383	<b>1,050,000</b>	584,864
Chattel mortgages	<b>12,425</b>	6,825	<b>1,825</b>	1,825
Bank accounts	-	-	-	-
Current investments	<b>100,250</b>	100,242	<b>100,250</b>	100,242
<b>Total</b>	<b>1,965,442</b>	1,831,600	<b>1,165,225</b>	700,081

**Note 28 CONTINGENT LIABILITIES**

	GROUP		PARENT COMPANY	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Guarantees on behalf of subsidiaries	-	-	<b>901,474</b>	1,079,518

Urban Bäckström  
*Chairperson*

Ann-Marie Åström  
*Vice Chairperson*

Bill Andréasson

Annelie Hamberg

Peter J. Lindskog

Eric D Nilsson

Björn Nilsson

Jan-Eric Nilsson

Peter Skoglund

Björn Wolrath

Jonas Åman

Håkan Johansson

*President*

## Auditor's report

To the Annual General Meeting of Rederi AB Gotland (publ.), corporate identity number 556000-8020

### Report on the annual accounts and the consolidated financial statements

We have audited the annual accounts and the consolidated financial statements for Rederi AB Gotland (publ.) for 2015. The Company's annual accounts and consolidated financial statements are presented on pages 16-33 of the printed version of this document.

### The responsibility of the Board of Directors and the President for the annual accounts and the consolidated financial statements

The Board and President are responsible for preparing annual accounts and consolidated financial statements that give a true and fair view in accordance with the Annual Accounts Act, and for the internal control that the Board and the President deem necessary for the preparation of the annual accounts and consolidated financial statements so that they are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts and the consolidated financial statements on the basis of our audit. We conducted the audit in accordance with the International Standards on Auditing and generally accepted auditing standards in Sweden. These standards require us to meet professional ethics requirements and plan and conduct the audit to obtain reasonable assurance that the annual accounts and the consolidated financial statements do not contain material errors.

An audit involves taking various measures to obtain audit evidence on amounts and other information in the annual accounts and the consolidated financial statements. The auditor chooses which measures are to be taken, such as by assessing the risks of material errors in the annual accounts and consolidated financial statements, whether they are due to fraud or mistakes. In connection with this risk assessment, the auditor considers those parts of the internal control that are relevant to how the company prepares the annual accounts and consolidated financial statements to provide a true and fair view in order to design audit procedures that are appropriate to the circumstances, but not in order to offer an opinion on the efficiency of the company's internal control. An audit also includes an evaluation of the appropriateness of the accounting policies applied and the reasonability of the estimates by the Board of Directors and the President in the accounting, as well as an evaluation of the overall presentation in the annual accounts and the consolidated financial statements.

We consider that the audit evidence we obtained is sufficient and appropriate as the basis for our opinions.

### Opinions

In our opinion, the annual accounts and the consolidated financial statements have been prepared pursuant to the Swedish Annual Accounts Act and provide, in all material respects, a true and fair view of the financial position of Rederi AB Gotland (publ.) and the Group as at 31 December 2015 and their financial results and cash flows for the year

pursuant to the Swedish Annual Accounts Act. The directors' report is consistent with the rest of the annual accounts and the consolidated financial statements.

We therefore recommend to the Annual General Meeting that the income statement and balance sheet for the Parent Company and the Group be adopted.

### Report on other legal and statutory requirements

In addition to our audit of the annual accounts and consolidated financial statements, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the president of Rederi AB Gotland (publ.) for the 2015 financial year.

### Responsibility of the Board of Directors and the President

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the president are responsible for the administration of the company pursuant to the Swedish Companies Act.

### Auditor's responsibility

Our responsibility is to express an opinion on the proposal for appropriations of the company's profit or loss and on the administration with reasonable assurance on the basis of our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As the basis of our opinion on the Board of Directors' proposal for appropriations of the company's profit or loss, we examined the Board of Directors' explanatory statement and a selection of documentation for this to be able to assess whether the proposal is compatible with the Swedish Companies Act.

As the basis for our opinion on discharge from liability, in addition to our audit of the annual accounts and the consolidated financial statements, we examined important decisions, actions taken, and circumstances in the company in order to assess whether any member of the Board or the president is liable to pay damages to the company. We also examined whether any member of the Board or the president has in some other way acted in contravention of the Swedish Companies Act, the Swedish Annual Accounts Act, or the company's Articles of Association.

We consider that the audit evidence we obtained is sufficient and appropriate as the basis for our opinions.

### Opinions

We recommend to the Annual General Meeting to appropriate the profit in accordance with the proposal in the directors' report, and discharge the Board of Directors and the president from liability for the financial year.

Stockholm, 20 April 2016

Öhrlings PricewaterhouseCoopers AB

Magnus Thorling  
Authorised Public Accountant

# Board of Directors



**Urban Bäckström**  
Chairperson. Born 1954. Stockholm. Director. Member of the Board of Directors since 2014 and member of the remuneration committee.  
Shareholding: 500 shares.  
Other positions of trust: Board member of Danske Bank, Copenhagen, Lancelot Asset Management AB, and the Foundation for Free Enterprise.



**Ann-Marie Åström**  
Vice Chairperson. Born 1965. Stockholm. Jur. kand. (Bachelor of laws). Member of the Board of Directors since 1991 and member of the remuneration committee.  
Shareholding: See page 14.  
Other positions of trust: Member of the Board of Consilium AB, Skulds Committee Oslo, and Hafnia Management A/S Copenhagen. Council member of Intertanko. Deputy member of Alandia AB, Mariehamn.



**Bill Andréasson**  
Born 1941. Stockholm. Lawyer. Member of the Board of Directors since 1991.  
Shareholding: 0 shares.



**Annelie Hamberg**  
Born in 1978. Kalmar. Ship's officer. Employee representative. Member of the Board of Directors since 2010.  
Shareholding: 0 shares.



**Peter J. Lindskog**  
Born 1947. Stockholm. Lawyer. Member of the Board of Directors since 1983.  
Shareholding: 0 shares.



**Eric D. Nilsson**  
Born in 1927. Stockholm. Ship owner. Honorary Chairperson since 1989. Member of the Board of Directors since 2012. President and Executive Chairperson, 1970-1988.  
Shareholding: See page 14.



**Jan-Eric Nilsson**  
Born 1957. Stockholm. MSc Shipbuilding. Member of the Board of Directors since 1986. CEO 1990-2001 and 2010-2011. Chairperson of the Board 2002-2010 and 2012-2013.  
Shareholding: See page 14.



**Björn Nilsson**  
Born 1964. London. Economist. Member of the Board of Directors since 1990.  
Shareholding: 0 shares.

Other positions of trust: Chairperson of the Board of Handelsbanken Visby and Trojaborg AB. Member of the Board of Handelsbanken Region Öst, Svenska Skeppshypotekskassan, Swedish Sea Rescue Society, Stockholm Maritime Museum Foundation, Alandia Insurance, Mariehamn and Lloyd's Nordic Committee, London.



**Peter Skoglund**  
Born 1964. Visby. Ombudsman. Employee representative. Member of the Board of Directors since 2005.  
Shareholding: 0 shares.



**Björn Wolrath**  
Born 1943. Stockholm. Director. Member of the Board of Directors since 1997 and member of the remuneration committee. Chairperson of the Board 1997-2002, 2010-2011, and 2013-2014.  
Shareholding: 0 shares.

Other positions of trust: Chairperson of the Board of Yallotrade AB and Företagsekonomiska Föreningen. Member of the Board of NCP Fond AB, Företagsekonomiska Institutet AB, and Stockholm University Association.



**Jonas Åman**  
Born 1964. Oslo. MSc Shipping Trade & Finance. Member of the Board of Directors since 2004.  
Shareholding: See page 14.

**Ingela Örnberg**  
Born 1958. Visby. Purser. Employee representative. Deputy member of the Board of Directors since 2011.  
Shareholding: 0 shares.

**Monica Friman**  
Born 1967. Visby. Official. Employee representative. Deputy member of the Board of Directors since 2005.  
Shareholding: 0 shares.

# Vessels and charterers



## M/S VISBY

Chartered by Destination Gotland AB.  
Employed on the route Visby-Nynäshamn/Oskarshamn.

<b>Built</b>	2003 at Guangzhou Shipyard International Co Ltd (GSI), China
<b>LOA</b>	196 m
<b>Breadth</b>	25.67 m
<b>Draught</b>	6.40 m
<b>Gross tonnage</b>	29,746
<b>Net tonnage</b>	9,505
<b>Deadweight</b>	5,248 DWT
<b>Speed</b>	28.5 knots
<b>Vessel type</b>	Ro-Ro passenger ferry
<b>Main engines</b>	50,400 kW
<b>Passenger capacity</b>	1,500
<b>Cabins</b>	115 cabins
<b>Cargo capacity</b>	500 cars or 1,800 lane metres
<b>Class</b>	DNVGL, Ice Class 1A



## M/S GOTLAND

Chartered by Destination Gotland AB.  
Employed on the route Visby-Nynäshamn/Oskarshamn.

<b>Built</b>	2003 at Guangzhou Shipyard International Co Ltd (GSI), China
<b>LOA</b>	196 m
<b>Breadth</b>	25.67 m
<b>Draught</b>	6.40 m
<b>Gross tonnage</b>	29,746
<b>Net tonnage</b>	9,505
<b>Deadweight</b>	5,174 DWT
<b>Speed</b>	28.5 knots
<b>Vessel type</b>	Ro-Ro passenger ferry
<b>Main engines</b>	50,400 kW
<b>Passenger capacity</b>	1,500
<b>Cabins</b>	115 cabins
<b>Cargo capacity</b>	500 cars or 1,800 lane metres
<b>Class</b>	DNVGL, Ice Class 1A



## HSC GOTLANDIA

Chartered by Destination Gotland AB.  
Employed on the route Visby-Nynäshamn/Oskarshamn.

<b>Built</b>	1999 by Alstrom Leroux Naval, Lorient, France
<b>LOA</b>	112.51 m
<b>Breadth</b>	16.11 m
<b>Draught</b>	2.61 m
<b>Gross tonnage</b>	5,632
<b>Net tonnage</b>	1,689
<b>Deadweight</b>	450 DWT
<b>Speed</b>	32 knots
<b>Vessel type</b>	Single-hulled high-speed craft, HSC B
<b>Main engines</b>	28,320 kW
<b>Passenger capacity</b>	700
<b>Cargo capacity</b>	140 cars
<b>Class</b>	Lloyd's Register



## HSC GOTLANDIA II

Chartered by Destination Gotland AB.  
Employed on the route Visby-Nynäshamn/Oskarshamn.

<b>Built</b>	2006 at Fincantieri, Riva Trigoso/Genoa, Italy
<b>LOA</b>	122 m
<b>Breadth</b>	17.05 m
<b>Draught</b>	3.29 m
<b>Gross tonnage</b>	6,554
<b>Net tonnage</b>	1,996
<b>Deadweight</b>	543 DWT
<b>Speed</b>	32 knots
<b>Vessel type</b>	Single-hulled high-speed craft, HSC B
<b>Main engines</b>	36,000 kW
<b>Passenger capacity</b>	780
<b>Cargo capacity</b>	160 cars
<b>Class</b>	Lloyd's Register

# Service vessel

All service vessels are chartered by Northern Offshore Services A/S.



## M/V SUPPLIER

<b>Built</b>	2005 at Promek AS, Norway
<b>LOA</b>	20.5 m
<b>Breadth</b>	8.0 m
<b>Gross tonnage</b>	85.6
<b>Speed</b>	14 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice F



## M/V PROVIDER

<b>Built</b>	2007 at South Boats Special Projects Ltd. Isle of Wight, UK
<b>LOA</b>	14.7 m
<b>Breadth</b>	6.4 m
<b>Gross tonnage</b>	21.5
<b>Speed</b>	27 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice F



## M/V TRANSPORTER

<b>Built</b>	2009 at South Boats Special Projects Ltd. Isle of Wight, UK
<b>LOA</b>	15.5 m
<b>Breadth</b>	6.3 m
<b>Gross tonnage</b>	30.1
<b>Speed</b>	24 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice F



## M/V PERFORMER

<b>Built</b>	2010 at South Boats Special Projects Ltd., Isle of Wight, UK
<b>LOA</b>	16 m
<b>Breadth</b>	6.3 m
<b>Gross tonnage</b>	32
<b>Speed</b>	25 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice F



## M/V ACCOMPLISHER

<b>Built</b>	2012 at Grovfjord Mek Verksted AS, Norway
<b>LOA</b>	22.4 m
<b>Breadth</b>	7.6 m
<b>Gross tonnage</b>	131.5
<b>Speed</b>	26 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice B DNV R1 Windfarm Service Vessel



## M/V ATTENDER

<b>Built</b>	2012 at Grovfjord Mek Verksted AS, Norway
<b>LOA</b>	22.4 m
<b>Breadth</b>	7.6 m
<b>Gross tonnage</b>	131.5
<b>Speed</b>	26 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice B DNV R1 Windfarm Service Vessel



## M/V ADVANCER

<b>Built</b>	2013 at Grovfjord Mek Verksted AS, Norway
<b>LOA</b>	22.4 m
<b>Breadth</b>	7.6 m
<b>Gross tonnage</b>	131.5
<b>Speed</b>	26 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice B DNV R1 Windfarm Service Vessel



## M/V DEVELOPER

<b>Built</b>	2014 at Grovfjord Mek Verksted AS, Norway
<b>LOA</b>	27.2 m
<b>Breadth</b>	9.2 m
<b>Gross tonnage</b>	215.4
<b>Speed</b>	30 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice B DNV R1 Windfarm Service Vessel



## M/V DISCOVERER

<b>Built</b>	2014 at Grovfjord Mek Verksted AS, Norway
<b>LOA</b>	27.2 m
<b>Breadth</b>	9.2 m
<b>Gross tonnage</b>	215.4
<b>Speed</b>	30 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice B DNV R1 Windfarm Service Vessel



## M/V RESCUER

<b>Built</b>	2015 at Grovfjord Mek Verksted AS, Norway
<b>LOA</b>	21.25 m
<b>Breadth</b>	7.66 m
<b>Gross tonnage</b>	-
<b>Speed</b>	35 knots
<b>Vessel type</b>	Ambulance vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DNV +1A1 HSLC R2 Patrol DNV R1 Windfarm Service Vessel 1



## M/V DISPATCHER

<b>Built</b>	2015 at Grovfjord Mek Verksted AS, Norway
<b>LOA</b>	27.2 m
<b>Breadth</b>	9.2 m
<b>Gross tonnage</b>	215.4
<b>Speed</b>	30 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	DMA cargo ship notice B



## M/V CARRIER

<b>Built</b>	2013 at Damen Shipyards, Verksted AS, Norway
<b>LOA</b>	25.75 m
<b>Breadth</b>	10.4 m
<b>Gross tonnage</b>	167
<b>Speed</b>	26 knots
<b>Vessel type</b>	Service vessel
<b>Passenger capacity</b>	12
<b>Class</b>	BV I, fast Utility vessel, Sea Area 3

# Vessels and charterers



## M/T AMI

Chartered by Shell Tankers Singapore.  
V.Ships UK Ltd is responsible for management and maintenance.

<b>Built</b>	2012 at Guangzhou Shipyard International Co Ltd (GSI), China
<b>LOA</b>	183.2 m
<b>Breadth</b>	27.4 m
<b>Draught</b>	11.7 m
<b>Gross tonnage</b>	24,494
<b>Net tonnage</b>	11,471
<b>Deadweight</b>	39,310 DWT
<b>Speed</b>	14 knots
<b>Vessel type</b>	Oil and Chemical Tanker Type 2
<b>Main engines</b>	7,180 kW
<b>Load capacity</b>	43,869 m <sup>3</sup>
<b>Class</b>	DNVGL, Tanker for Chemicals and Oil



## M/T ALICE

Chartered by Shell Tankers Singapore.  
V.Ships UK Ltd is responsible for management and maintenance.

<b>Built</b>	2013 at Guangzhou Shipyard International Co Ltd (GSI), China
<b>LOA</b>	183.2 m
<b>Breadth</b>	27.4 m
<b>Draught</b>	11.7 m
<b>Gross tonnage</b>	24,494
<b>Net tonnage</b>	11,471
<b>Deadweight</b>	39,316 DWT
<b>Speed</b>	14 knots
<b>Vessel type</b>	Oil and Chemical Tanker Type 2
<b>Main engines</b>	7,180 kW
<b>Load capacity</b>	43,869 m <sup>3</sup>
<b>Class</b>	DNVGL, Tanker for Chemicals and Oil



## M/S GUTE

Chartered by Destination Gotland AB.  
Destination Gotland AB is responsible for operation and maintenance.

<b>Built</b>	1979 at the Falkenberg shipyard, Falkenberg, Sweden
<b>LOA</b>	138.7 m
<b>Breadth</b>	16.9 m
<b>Draught</b>	4.32/3.63/3.42 m *)
<b>Gross tonnage</b>	7,616
<b>Net tonnage</b>	2,285
<b>Deadweight</b>	3,652/2,287/1,894 DWT *)
<b>Speed</b>	15 knots
<b>Vessel type</b>	Ro-Ro passenger ferry
<b>Main engines</b>	4,680 kW
<b>Passenger capacity</b>	12/66/86 *)
<b>Cabins</b>	18 cabins, 61 berths
<b>Cargo capacity</b>	969 lane metres as Ro-Ro 828 lane metres as Ro-Ro passenger ferry
<b>Class</b>	Lloyd's Register, Ice Class 1A

\*) Ro-Ro passenger ferry / 1 compartment Ro-Ro passenger ferry / 2 compartment Ro-Ro passenger ferry.



## M/T CALYPSO, M/T CAVATINA, AND M/T CORRIDO

Chartered by the Anglo Atlantic Steamship Group.  
Ownership interest 50%.

<b>Built</b>	2010/2010/2011 at Hrvatska Brodogradnja Trogir d.o.o., Croatia
<b>LOA</b>	182.90 m
<b>Breadth</b>	32.20 m
<b>Draught</b>	17.2 m
<b>Gross tonnage</b>	27,100
<b>Net tonnage</b>	14,200
<b>Deadweight</b>	46,100 DWT
<b>Speed</b>	15.5 knots
<b>Vessel type</b>	Product tanker
<b>Capacity</b>	52,464 m <sup>3</sup>
<b>Main engines</b>	8,200 kW
<b>Class</b>	DNVGL, Tanker for Chemicals and Oil Products

# Vessels and charterers



## M/T GOTLAND ALIYA

V.Ships UK Ltd is responsible for management and maintenance.  
Chartered to Messrs Mansel Ltd (Vitol).



## M/T GOTLAND CAROLINA

Wisby Shipmanagement AB is responsible for management and maintenance.  
Commercial management by Hafnia Management A/S.



## M/T GOTLAND MARIEANN

Wisby Shipmanagement AB is responsible for management and maintenance.  
Commercial management by Hafnia Management A/S.

## GOTLAND CLASS SUPER ICE

The product tankers are built as Ice Class 1A Super, also known as "Gotland Class". They are optimised for operation in severe ice conditions and can also be effectively operated in ice-free waters.

<b>Built</b>	2006/2007/2008 at Guangzhou Shipyard International Co Ltd (GSI), China
<b>LOA</b>	183.2 m
<b>Breadth</b>	32.2 m
<b>Draught</b>	13.5 m
<b>Gross tonnage</b>	29,283
<b>Net tonnage</b>	15,939
<b>Deadweight</b>	53,000 DWT
<b>Speed</b>	15 knots
<b>Vessel type</b>	GSI Gotland Class – Product tanker for chemicals in accordance with IMO II
<b>Main engines</b>	11,340 kW
<b>Capacity</b>	54,000 m <sup>3</sup>
<b>Class</b>	DNVGL, +1A1 Super Ice Tanker for Chemicals and Oil



## M/T GOTLAND SOFIA

V.Ships UK Ltd is responsible for management and maintenance.  
Chartered to Messrs Mansel Ltd (Vitol).



