

Quarterly Report
Consolidated
Boa Offshore AS
3Q - 2014

Org.nr. 926 265 156



CONSOLIDATED BOA OFFSHORE AS

CEO'S REPORT – 3Q 2014

General Information

The unaudited interim accounts are prepared in accordance with NGAAP.

Nature and location of activities:

Boa Offshore AS is the parent and the management company of the Boa Offshore Group ("Group"). The company also invests in shipping and offshore related companies. The Group is comprised of several ship owning companies within the following segments; tugboats, barges and offshore vessels. The tugboat activity, including salvaging, operates along the Norwegian coast and the North Sea. The barge fleet consists of larger barges operated internationally, and the offshore department manages offshore support vessels within construction and oil exploration, operating worldwide. The management is located in Trondheim. An American subsidiary located in Houston is currently engaged in the Gulf of Mexico operating chartered construction vessels in addition to the Group's vessels.

Review of third quarter 2014 accounts:

Operating income in the period was NOK 514,8 million (NOK 288,9 million in the same period 2013).

EBITDA for the period was NOK 147,1 million (NOK 106,5 million).

Operating expenses was NOK 418,9 million (NOK 218,2 million).

Operating Profit/EBIT was NOK 95,9 million (NOK 70,7 million).

Net financial items was - NOK 48,3 million (- NOK 46,6 million).

Profit before tax was NOK 47,5 million (NOK 24,2 million).

Cash flow in the period

Net cash flow from operating activities was NOK 18,4 million (NOK 79,8 million).

Net cash flow from investing activities was - NOK 273,1 million (- 199,2 million).

Net cash flow from financing activities was NOK 181,3 million (NOK 162,9 million).

Net change in cash was - NOK 73,4 million (NOK 43,5 million).

Balance sheet 30.09.2014

Total assets per 30.09.2014 were NOK 5 278 million (NOK 4 335 million per 30.09.2013). Interest bearing debt was NOK 3 106 million (NOK 2 267 million), and the equity NOK 1 651 million (NOK 1 490 million). The equity ratio is 31,3 %, an increase from 30,0 % last quarter (34,4 % per 30.09.2013).

Cash and Cash equivalents per 30.09.2014 were NOK 445 million (NOK 418 million per 30.09.2013).

The value adjusted equity ratio for Boa Offshore per 30.09.2014 was 47,0 % and the NIBD/EBITDA ratio was 5,75 (EBITDA last 12 months/4 quarters).

Financial risk:

Market risk:

The Group is susceptible to changes in currency rates considering that the Group's earnings and long-term financing is partly in foreign currency. However, the currency risk is reduced somewhat since the operating costs of the Group are in the same currency. The Group continually considers entering into forward contracts and other

agreements in order to reduce the currency risk. By 30.09.2014 the total of the group's interest bearing debt was NOK 3 106 million where of NOK 1 002 million is secured by interest rate swap agreements or fixed rate.

Credit risk:

The risk that the other contracting party will not have the financial means to meet its obligations is considered low. Agreements have not been made for set-offs or other financial tools to minimise the Group's credit risk.

Liquidity risk:

The group's liquidity position as of 30.09.2014 is NOK 445 million. The initiated new-building program is fully financed with both short-term construction loans and long-term financing. The parent company has 2 bonds of a total of MNOK 559 listed at Oslo Stock Exchange ABN. The bonds have maturity dates in 2015 (NOK 59 million) and 2018 (NOK 500 million). The total of outstanding bonds as of 30.09.2014 was MNOK 1 890.

Events after the balance sheet date:

Beginning of October 2014 Boa OCV AS did a new NOK 1 200 million Bond loan with maturity 2019, and repaid the existing NOK 956 million bond with maturity April 2016.

There have been no events after the end of the financial period that would have material impact on the evaluation of the Group's profit and loss account or balance sheet as per 30.09.2014.

Future Development:

The short-term outlook for some of the segments Boa Offshore operates within has become more uncertain on the back of the recent drop in oil prices. Some offshore projects are now being postponed as oil companies focus more on cash flow. On the other hand a few projects that were previously postponed due to high costs are now progressing again as costs have come off from high levels seen 12-24 months back. Although a number of oil companies have stated that offshore and deepwater field developments are economically viable even at USD 70/bbl, the oil price need to increase from today's level, currently below USD 80/bbl, to spur growth in the short-term. The long-term outlook for the offshore sector is still considered to be prospective as global demand for oil and gas continue to grow, and offshore will play an important role in developing new reserves.

A number of the segments Boa Offshore operates within are exposed to other sectors and industries than oil and gas. Both the barge and tug businesses of Boa are exposed to other industries and demand drivers than oil and gas. For both these segments we see good possibilities for the next couple of years. A large part of the work performed by Boa OCV and BMSI is within the IMR part of the subsea sector, which is less cyclical than the installation segment.

The Group's strategy remains to focus on a modern fleet of large offshore vessels adapting to new demands from customers and the increased long-term activity in offshore developments. The Group seeks to balance the contract portfolio between spot and long-term contracts.

Statement from the CEO

I hereby declare that to the best of my knowledge the interim accounts for the third quarter of 2014 are prepared in accordance with NGAAP – Interim financial reporting, and that the information in the financial statements gives a true picture of the company's assets, liabilities, financial position and result as a whole, as well as the most important risk and uncertainty factors to which the company might be exposed in the next financial period.

Trondheim, 28.11.2014


Helge Kvalvik
CEO

Consolidated Income Statement

Boa Offshore AS

Figures in 1 000 NOK

| | Note | Q3 2014 | YTD 2014 | Q3 2013 | YTD 2013 |
|--|------|----------------|------------------|----------------|-----------------|
| Operating income and operating expenses | | | | | |
| Operating income | 2 | 514 706 | 1 287 365 | 275 932 | 859 473 |
| Other operating income | 2 | 50 | 749 | 12 979 | 13 086 |
| Operating income | | 514 756 | 1 288 113 | 288 910 | 872 559 |
| Operating expenses | | | | | |
| Operating cost ships | | 297 300 | 733 366 | 109 367 | 329 853 |
| Payroll expenses | | 68 853 | 192 339 | 59 679 | 184 233 |
| Depreciation | 3 | 51 257 | 133 893 | 35 753 | 105 742 |
| Write down on tangible assets | 3 | 30 | 30 | 0 | 5 |
| Other operating expenses | | 1 455 | 13 696 | 13 379 | 43 261 |
| Operating expenses | | 418 895 | 1 073 324 | 218 178 | 663 095 |
| Operating profit | | 95 860 | 214 789 | 70 732 | 209 464 |
| Financial income and expenses | | | | | |
| Interest income from group companies | | 2 201 | 6 357 | 2 133 | 5 918 |
| Other interest income | | 2 223 | 3 484 | 1 641 | 2 386 |
| Other financial income | | 22 598 | 41 831 | 3 289 | 29 845 |
| Interest expense to group companies | | 163 | 523 | 408 | 886 |
| Other interest expenses | | 53 382 | 152 623 | 43 017 | 139 950 |
| Other financial expenses | | 21 815 | 42 584 | 10 219 | 46 184 |
| Net financial income and expenses | | -48 338 | -144 059 | -46 582 | -148 871 |
| Operating result before tax | | 47 522 | 70 730 | 24 150 | 60 593 |
| Tax on ordinary result | 3 | 2 209 | | -390 | 962 |
| Operating result | | 47 519 | 68 520 | 24 540 | 59 631 |

Consolidated Balance Sheet

Boa Offshore AS

Figures in 1 000 NOK

| Assets | Note | 30.09.2014 | 30.09.2013 | 31.12.2013 |
|-------------------------------------|------|------------------|------------------|------------------|
| Fixed assets | | | | |
| Intangible fixed assets | | | | |
| Deferred tax asset | | 178 038 | 161 284 | 177 335 |
| Total intangible assets | | 178 038 | 161 284 | 177 335 |
| Tangible fixed assets | | | | |
| Buildings and land | 3 | 1 447 | 1 447 | 1 447 |
| Ships | 3 | 2 729 348 | 1 983 611 | 1 976 156 |
| Equipment and other movables | 3 | 5 193 | 3 771 | 3 298 |
| Newbuilding contracts | 3 | 1 020 879 | 1 346 661 | 1 417 040 |
| Total tangible fixed assets | | 3 756 866 | 3 335 489 | 3 397 941 |
| Financial fixed assets | | | | |
| Loans to group companies | | 162 424 | 134 957 | 144 175 |
| Investments in shares | | 410 | 410 | 410 |
| Other receivables | | 215 300 | 28 439 | 191 496 |
| Total financial fixed assets | | 378 134 | 163 806 | 336 081 |
| Total fixed assets | | 4 313 038 | 3 660 579 | 3 911 356 |
| Current assets | | | | |
| Inventories | | 5 969 | 2 472 | 2 709 |
| Debtors | | | | |
| Accounts receivables | | 343 215 | 171 920 | 246 224 |
| Loan to group companies | | 3 | 206 | 2 275 |
| Other receivables | | 170 860 | 81 458 | 58 197 |
| Total debtors | | 514 078 | 253 584 | 306 696 |
| Investments | | | | |
| Bonds | | 340 | 334 | 340 |
| Total investments | | 340 | 334 | 340 |
| Cash and bank deposits | | 444 836 | 418 318 | 748 201 |
| Total current assets | | 965 224 | 674 709 | 1 057 946 |
| Total assets | | 5 278 263 | 4 335 288 | 4 969 303 |

Consolidated Balance Sheet

Boa Offshore AS

Figures in 1 000 NOK

| Equity and liabilities | Note | 30.09.2014 | 30.09.2013 | 31.12.2013 |
|---|------|------------------|------------------|------------------|
| Restricted equity | | | | |
| Share capital | 4 | 2 500 | 2 500 | 2 500 |
| Share premium | 4 | 74 447 | 74 447 | 74 447 |
| Other restricted equity | 4 | 3 106 | 3 106 | 3 106 |
| Total restricted equity | | 80 053 | 80 053 | 80 053 |
| Retained earnings | | | | |
| Other equity | 4 | 1 570 957 | 1 410 403 | 1 407 159 |
| Total retained earnings | | 1 570 957 | 1 410 403 | 1 407 159 |
| Total equity | | 1 651 010 | 1 490 456 | 1 487 211 |
| Liabilities | | | | |
| Provisions | | | | |
| Other provisions | 1 | 0 | 76 138 | 79 310 |
| Total provisions | | 0 | 76 138 | 79 310 |
| Other long-term liabilities | | | | |
| Bonds | 5 | 1 890 450 | 1 626 250 | 1 961 700 |
| Liabilities to financial institutions | 5 | 1 210 747 | 634 117 | 912 380 |
| Liabilities to group companies | | 11 972 | 17 430 | 11 474 |
| Other long term liabilities | 5 | 5 250 | 6 150 | 5 925 |
| Total of other long term liabilities | | 3 118 419 | 2 283 946 | 2 891 479 |
| Current liabilities | | | | |
| Liabilities to financial institutions | | 0 | 296 | 1 234 |
| Trade creditors | | 334 333 | 416 359 | 386 302 |
| Liabilities to group companies | | 0 | 0 | 12 227 |
| Tax payable | | 0 | 684 | 15 604 |
| Public duties payable | | 7 834 | 5 238 | 7 943 |
| Other short term liabilities | | 166 667 | 62 170 | 87 992 |
| Total short term liabilities | | 508 834 | 484 748 | 511 303 |
| Total liabilities | | 3 627 253 | 2 844 832 | 3 482 092 |
| Total equity and liabilities | | 5 278 263 | 4 335 288 | 4 969 303 |

Consolidated Cash Flow Statement

Boa Offshore AS

Figures in 1 000 NOK

| | | Q3 2014 | YTD 2014 | Q3 2013 | YTD 2013 |
|---|--------------|-----------------|-----------------|-----------------|-----------------|
| Cash flow from operating activities | | | | | |
| Profit before income taxes | | 47 522 | 70 730 | 24 150 | 60 593 |
| Income tax payable | | -53 | -17 702 | -621 | -19 830 |
| Depreciation and write-down | | 51 287 | 133 923 | 35 753 | 105 747 |
| Gain on sale of tangible fixed assets | | 0 | 33 | -1 883 | -246 |
| Currency gain/-loss | | 8 520 | 10 720 | -3 282 | 9 209 |
| Changes in inventories | | -3 482 | -3 260 | 74 | 949 |
| Changes in trade receivables | | -22 824 | -96 991 | -11 335 | -13 750 |
| Changes in other receivables | | 34 207 | -53 142 | 25 269 | -20 068 |
| Changes in trade creditors | | -56 456 | -51 969 | 11 132 | -11 818 |
| Changes in receivables from group companies | | -8 450 | -27 706 | 1 219 | -29 738 |
| Changes in other short-term liabilities | | -31 915 | 70 802 | -717 | -16 786 |
| Net cash flow from operating activities | A | 18 358 | 35 440 | 79 757 | 64 261 |
| Cash flow from investing activities | | | | | |
| Sale of tangible fixed assets | | 0 | 5 445 | 18 500 | 74 222 |
| Purchase of tangible fixed assets | | -270 970 | -624 060 | -201 618 | -275 239 |
| Purchase of financial fixed assets | | 0 | 0 | 10 886 | 0 |
| Changes in other investments | | -2 121 | -2 127 | -26 951 | -12 245 |
| Net cash flow from investing activities | B | -273 091 | -620 742 | -199 183 | -213 262 |
| Cash flow from financing activities | | | | | |
| Raised long term liabilities | | 147 042 | 304 522 | 187 904 | 682 904 |
| Paid in long term liabilities | | -28 470 | -88 819 | -29 899 | -409 921 |
| Changes in liabilities | | -225 | 3 233 | 4 879 | 11 740 |
| Paid in share capital | | 63 000 | 63 000 | 0 | 63 000 |
| Net cash flow from financing activities | C | 181 347 | 281 936 | 162 884 | 347 723 |
| Net changes in cash and cash equivalents | A+B+C | -73 386 | -303 366 | 43 458 | 198 721 |
| Cash and cash equivalent start at period | | 518 222 | 748 201 | 374 860 | 219 597 |
| Cash and cash equivalents at end of period | | 444 836 | 444 836 | 418 318 | 418 318 |

Income Statement

Boa Offshore AS

Figures in 1 000 NOK

| | Note | Q3 2014 | YTD 2014 | Q3 2013 | YTD 2013 |
|--|------|---------------|----------------|---------------|----------------|
| Operating income and operating expenses | | | | | |
| Operating income | 2 | 10 101 | 32 888 | 3 849 | 23 657 |
| Other operating income | 2 | 51 620 | 144 892 | 41 918 | 130 366 |
| Operating Income | | 61 721 | 177 780 | 45 767 | 154 023 |
| Operating expenses | | | | | |
| Operating cost ships | | 341 | 1 950 | 375 | 7 994 |
| Payroll expenses | | 52 422 | 136 944 | 38 868 | 111 659 |
| Depreciation | 3 | 338 | 1 138 | 671 | 2 014 |
| Write down on tangible assets | 3 | 30 | 30 | 0 | 5 |
| Other operating expenses | | 8 451 | 24 173 | 5 607 | 15 654 |
| Operating expenses | | 61 582 | 164 236 | 45 521 | 137 326 |
| Operating profit | | 139 | 13 544 | 246 | 16 697 |
| Financial income and expenses | | | | | |
| Interest income from group companies | | 13 340 | 53 932 | 18 032 | 52 666 |
| Other interest income | | 1 683 | 1 746 | 21 | 139 |
| Other financial income | | 10 528 | 12 127 | 156 | 3 801 |
| Depreciation of other financial current assets | | 0 | 0 | 0 | 3 554 |
| Interest expense to group companies | | 17 268 | 50 774 | 18 553 | 53 569 |
| Other interest expenses | | 12 413 | 37 012 | 3 598 | 7 569 |
| Other financial expenses | | 1 010 | 3 478 | 1 687 | 4 769 |
| Net financial income and expenses | | -5 140 | -23 459 | -5 628 | -12 855 |
| Operating result before tax | | -5 000 | -9 915 | -5 382 | 3 842 |
| Tax on ordinary result | | 0 | 2 | 0 | 0 |
| Operating result | | -5 000 | -9 916 | -5 382 | 3 842 |

Balance sheet

Boa Offshore AS

Figures in 1 000 NOK

| | Note | 30.09.2014 | 30.09.2013 | 31.12.2013 |
|-------------------------------------|------|------------------|------------------|------------------|
| Fixed assets | | | | |
| Intangible assets | | | | |
| Deferred tax asset | | 206 707 | 214 553 | 206 707 |
| Total intangible assets | | 206 707 | 214 553 | 206 707 |
| Tangible fixed assets | | | | |
| Buildings and land | 3 | 1 447 | 1 447 | 1 447 |
| Vessels | 3 | 4 289 | 11 253 | 10 067 |
| Equipment and other movables | 3 | 2 922 | 271 | 1 475 |
| Total tangible fixed assets | | 8 658 | 12 970 | 12 988 |
| Financial fixed assets | | | | |
| Investments in subsidiaries | | 299 315 | 297 125 | 297 125 |
| Loans to group companies | | 1 445 782 | 995 887 | 1 096 946 |
| Investments in shares | | 160 | 160 | 160 |
| Other receivables | | 20 033 | 4 782 | 5 928 |
| Total financial fixed assets | | 1 765 290 | 1 297 954 | 1 400 159 |
| Total fixed assets | | 1 980 655 | 1 525 477 | 1 619 855 |
| Current assets | | | | |
| Inventories | | 242 | 164 | 209 |
| Receivables | | | | |
| Trade receivables | | 11 225 | 7 128 | 8 179 |
| Loans to group companies | | 64 108 | 68 057 | 55 418 |
| Other receivables | | 6 593 | 6 280 | 11 396 |
| Total receivables | | 81 926 | 81 465 | 74 992 |
| Cash and bank deposits | | 88 652 | 96 041 | 393 375 |
| Total current assets | | 170 821 | 177 671 | 468 577 |
| Total assets | | 2 151 475 | 1 703 148 | 2 088 431 |

Balance sheet

Boa Offshore AS

Figures in 1 000 NOK

| | Note | 30.09.2014 | 30.09.2013 | 31.12.2013 |
|--|------|------------------|------------------|------------------|
| Equity and liabilities | | | | |
| Restricted equity | | | | |
| Share capital | 4 | 2 500 | 2 500 | 2 500 |
| Share premium | 4 | 74 447 | 74 447 | 74 447 |
| Other restricted equity | 4 | 3 106 | 3 106 | 3 106 |
| Total restricted equity | | 80 053 | 80 053 | 80 053 |
| Retained earnings | | | | |
| Other equity | 4 | 218 639 | 231 761 | 233 102 |
| Total retained earnings | | 218 639 | 231 761 | 233 102 |
| Total equity | | 298 691 | 311 814 | 313 154 |
| Liabilities | | | | |
| Provisions | | | | |
| Other provisions | | 0 | 456 | 528 |
| Total provisions | | 0 | 456 | 528 |
| Other long term liabilities | | | | |
| Bonds | 5 | 559 200 | 200 000 | 559 200 |
| Liabilities to financial institutions | 5 | 37 771 | 20 001 | 15 022 |
| Liabilities to subsidiaries | | 1 174 355 | 1 103 264 | 1 161 199 |
| Total other long term liabilities | | 1 771 326 | 1 323 265 | 1 735 421 |
| Current liabilities | | | | |
| Trade creditors | | 3 170 | 2 194 | 4 437 |
| Liabilities to group companies | | 60 573 | 50 973 | 13 729 |
| Public duties payable | | 5 863 | 3 759 | 7 008 |
| Other short term liabilities | | 11 851 | 10 688 | 14 154 |
| Total short term liabilities | | 81 458 | 67 613 | 39 328 |
| Total liabilities | | 1 852 784 | 1 391 334 | 1 775 277 |
| Total liabilities and equity | | 2 151 475 | 1 703 148 | 2 088 431 |

Cash Flow Statement

Boa Offshore AS

Figures in 1 000 NOK

| | | Q3 2014 | YTD 2014 | Q3 2013 | YTD 2013 |
|---|--------------|-----------------|-----------------|----------------|----------------|
| Cash flow from operating activities | | | | | |
| Profit before income taxes | | -5 000 | -9 915 | -5 381 | 3 842 |
| Income tax payable | | 0 | -362 | -76 | -96 |
| Depreciation and write-down | | 368 | 1 168 | 667 | 2 015 |
| Gain on sale of tangible fixed assets | | 0 | 33 | -464 | -464 |
| Write-down of financial fixed assets | | 0 | 0 | 0 | 3 554 |
| Currency gain/-loss | | 0 | 0 | 863 | 863 |
| Changes in inventories | | -242 | -33 | -54 | -63 |
| Changes in trade receivables | | -3 458 | -3 046 | 1 416 | -4 478 |
| Changes in other receivables | | -3 219 | -9 302 | -133 | 1 365 |
| Changes in trade creditors | | 653 | -1 267 | -1 577 | -2 852 |
| Changes in receivables from group companies | | -164 754 | -297 526 | -37 218 | -78 012 |
| Changes in other short-term liabilities | | 404 | -2 393 | 1 666 | 877 |
| Net cash flow from operating activities | A | -175 250 | -322 642 | -40 291 | -73 449 |
| Cash flow from investing activities | | | | | |
| Sale of tangible fixed assets | | 0 | 5 445 | 1 829 | 1 829 |
| Purchase of tangible fixed assets | | -246 | -2 055 | -1 584 | -1 584 |
| Purchase of financial fixed assets | | -2 190 | -2 190 | -1 800 | -5 354 |
| Net cash flow from investing activities | B | -2 436 | 1 200 | -1 555 | -5 109 |
| Cash flow from financing activities | | | | | |
| Raised long term liabilities | | 30 000 | 30 000 | 50 000 | 125 000 |
| Paid in long term liabilities | | -1 000 | -7 251 | -1 631 | -6 802 |
| Changes in liabilities | | 0 | -528 | 72 | 130 |
| Group contribution | | 0 | -5 500 | -17 931 | 0 |
| Paid in share capital | | | | | |
| Net cash flow from financing activities | C | 29 000 | 16 721 | 30 510 | 118 328 |
| Net changes in cash and cash equivalents | A+B+C | -148 686 | -304 721 | -11 336 | 39 769 |
| Cash and cash equivalent start at period | | 237 338 | 393 374 | 107 377 | 56 273 |
| Cash and cash equivalents at end of period | | 88 652 | 88 653 | 96 041 | 96 041 |

Notes to 3Q 2014 report

Note 1 Accounting principles / general information

The quarterly report is unaudited and is prepared in compliance with NGAAP using the same principles as in the last financial year, except the following explained change of principle.

Change of principle - classification cost

Former principle

The group companies were making allocations for class costs. The allocations were made based on estimated time for next periodic class survey. Changes in estimates were spread over the remaining period up to the next drydocking.

New principle

From 01.01.2014 the cost of periodic maintenance of vessels is capitalized as dry-docking costs and depreciated over the useful lifetime of the parts replaced.

Miscellaneous

All figures in the notes are quoted in NOK 1 000.

Events after the balance date

There have been no significant events taking place after the balance date.

Note 2 Segments

Consolidated

| | OCV vessels* | Seismic vessels* | Barges | Other / elimination | Total |
|------------------|--------------|------------------|---------|---------------------|-----------|
| Operating income | 264 617 | 90 638 | 283 612 | 649 246 | 1 288 113 |
| EBITDA | 178 896 | 43 909 | 100 520 | 25 388 | 348 712 |
| EBIT | 71 653 | 16 352 | 74 846 | 51 938 | 214 789 |

* OCV vessels is the Boa Deep C & Boa Sub C, Seismic vessels is the Boa Thalassa & Boa Galatea.

Note 3 Fixed assets - consolidated

| | Vessels | Periodic maintenance | Newbuilding contracts | Equipment | Buildings and land | Sum |
|----------------------------------|------------------|----------------------|-----------------------|---------------|--------------------|------------------|
| Acquisition cost 01.01.14 | 2 671 018 | | 1 439 257 | 10 176 | 1 447 | 4 121 898 |
| Additions | 128 218 | 79 973 | 438 784 | 3 112 | | 650 087 |
| Disposals | -13 143 | | -60 560 | 0 | | -73 703 |
| Completed vessels | 748 096 | 27 950 | -776 046 | | | 0 |
| Corr. due to change of princ. | -128 172 | 64 648 | | | | -63 523 |
| Acquisition cost 30.09.14 | 3 406 018 | 172 571 | 1 041 434 | 13 288 | 1 447 | 4 634 758 |
| Accumulated depr. 01.01.14 | 759 512 | | 22 219 | 6 814 | 0 | 788 545 |
| Acc. depreciation disposals | -7 665 | | -1 661 | 0 | | -9 327 |
| Write-down this period | | | | 30 | | 30 |
| Depreciation this period | 108 084 | 25 064 | | 1 251 | | 134 400 |
| Corr. due to change of princ. | -35 754 | | | | | -35 754 |
| Accum. depr. 30.09.14 | 824 177 | 25 064 | 20 558 | 8 095 | 0 | 877 894 |
| Book value 30.09.14 | 2 581 841 | 147 507 | 1 020 879 | 5 193 | 1 447 | 3 756 866 |

| | | | |
|-----------------------|-------------|--------|---------|
| Economic life | 10-25 years | | 5 years |
| Depreciation schedule | Linear | Linear | Linear |

Annual lease amount on fixed assets not included on the balance sheet 220 795

Note 4 Shareholder's equity**Parent company**

| | Share capital | Share premium | Other restricted equity | Other equity | Total |
|------------------------|---------------|---------------|-------------------------|----------------|----------------|
| Equity 01.01.14 | 2 500 | 74 447 | 3 106 | 233 102 | 313 154 |
| Profit of the year | | | | -9 916 | -9 916 |
| Dividends | | | | -5 500 | -5 500 |
| Change of principles | | | | 953 | 953 |
| Equity 30.09.14 | 2 500 | 74 447 | 3 106 | 218 638 | 298 691 |

Consolidated**This years change in equity**

| | |
|-----------------------------------|------------------|
| Book equity 01.01.14 | 1 487 211 |
| Year result | 68 520 |
| Paid in equity | 63 000 |
| Dividends | -5 500 |
| Currency differences subsidiaries | -604 |
| Subsidiaries | 2 138 |
| Change of principles | 36 244 |
| Book equity 30.09.14 | 1 651 010 |

| | Share capital | Share premium | restricted equity | Other equity | SUM |
|----------------------------|---------------|---------------|-------------------|------------------|------------------|
| Equity 01.01.14 | 2 500 | 74 447 | 3 106 | 1 407 159 | 1 487 211 |
| Profit of the year | | | | 68 520 | 68 520 |
| Paid in equity | | | | 63 000 | 63 000 |
| Dividends | | | | -5 500 | -5 500 |
| Adjustments to equity | | | | 37 779 | 37 779 |
| Equity end 30.09.14 | 2 500 | 74 447 | 3 106 | 1 570 958 | 1 651 010 |

Note 5 Long term liabilities**Parent company**

Instalments of debt falling due more than 5 years from the balance date:

| | 2014 | 2015 | 2016 | 2017 | 2018 | → |
|-------------|-------|--------|-------|------|---------|---|
| Instalments | 1 000 | 93 200 | 2 771 | 0 | 500 000 | 0 |

Consolidated

Instalments of debt falling due more than 5 years from the balance date:

| | 2014 | 2015 | 2016 | 2017 | 2018 | → |
|-------------|--------|---------|---------|---------|---------|---------|
| Instalments | 28 031 | 268 686 | 984 158 | 118 961 | 900 816 | 566 975 |

A MNOK 184 loan in Boa PSV AS and a MNOK 55 loan in NFDS Offshore 2 AS are both a combined construction- and long term loan, and as such not included in the above table.

Notes to 3Q 2014 report

Note 6 Consolidated income statement - summary

| | 3Q 2014 | YTD 2014 | 3Q 2013 | YTD 2013 |
|-------------------------|----------------|------------------|----------------|----------------|
| Operating income | 514 756 | 1 288 113 | 288 910 | 872 559 |
| Operating expenses | 367 608 | 939 401 | 182 425 | 557 348 |
| EBITDA | 147 148 | 348 712 | 106 485 | 315 211 |
| EBITDA % | 29 % | 27 % | 37 % | 36 % |
| Depreciation | 51 287 | 133 923 | 35 753 | 105 747 |
| EBIT | 95 860 | 214 789 | 70 732 | 209 464 |
| Net finance | -48 338 | -144 059 | -46 582 | -148 871 |
| Pre tax profit | 47 522 | 70 730 | 24 150 | 60 593 |
| Tax | 3 | 2 209 | -390 | 962 |
| Net profit | 47 519 | 68 520 | 24 540 | 59 631 |

Note 7 Interest bearing debt / equity

| Key figures | 30.09.2014 | 30.09.2013 | 31.12.2013 |
|----------------------------------|------------|------------|------------|
| Interest bearing debt | 3 106 447 | 2 266 517 | 2 880 005 |
| Cash and cash equivalents | 444 836 | 418 318 | 748 201 |
| Net Interest Bearing Debt (NIBD) | 2 661 611 | 1 848 199 | 2 131 804 |
| NIBD / EBITDA * | 5,75 | 3,99 | 4,96 |
| * Last four quarters | | | |
| Booked equity ratio | 31,3 % | 34,4 % | 29,9 % |
| Value adjusted equity ratio | 47,0 % | | 46,8 % |