



BOA

First half Report

Taubåtkompaniet AS

Consolidated

2016

Org.nr. 989 023 268



CONSOLIDATED TAUBÅTKOMPANIET AS

CEO'S REPORT – 1H 2016

General information:

The unaudited interim report is prepared in accordance with NGAAP.

Nature and location of activities:

Taubåtkompaniet AS is the parent company of the Taubåtkompaniet Group ("Group"). The company invests in shipping and offshore related companies through its subsidiary Boa Offshore AS. Further Taubåtkompaniet invests in real estate through Boa Eiendom AS and in helicopters and helicopter operations through Boa Investment AS. The management is located in Trondheim.

Review of first half 2016 accounts:

Operating income in the period was mNOK 507,3 (mNOK 1 784,9 full year 2015).

Operating expenses were mNOK 746,0 (mNOK 2 023,8).

EBITDA for the period was mNOK 84,0 (mNOK 214,4).

Operating Profit/EBIT was mNOK -238,6 (mNOK -239,0).

Net financial items were mNOK -37,9 (mNOK -209,7).

Profit before tax was mNOK -276,5 (mNOK -448,7).

Cash flow in the period:

Net cash flow from operating activities was mNOK 482,3 (mNOK 137,1).

Net cash flow from investing activities was mNOK -137,5 (mNOK -459,6).

Net cash flow from financing activities was mNOK -328,7 (mNOK 179,3).

Net change in cash was mNOK 16,2 (mNOK -143,2).

Balance sheet 30.06.2016:

Total assets per 30.06.2016 were mNOK 4 704 (mNOK 5 477 per 31.12.2015). Interest bearing debt was mNOK 3 511 (mNOK 3 830), and the equity mNOK 931 (mNOK 1 216). The equity ratio is 19,8 %, an decrease from 22,2 % 31.12.2015.

Cash and Cash equivalents per 30.06.2016 were mNOK 517 (mNOK 501 per 31.12.2015).

Financial risk:

Interest risk

The Group companies are exposed to interest rate fluctuations on long-term debt. By 30.06.2016 the total of the group's interest bearing debt was mNOK 3 511 where of mNOK 569 is secured by interest rate swap agreements or fixed rates.

Currency risk

The Group companies are exposed to currency risk as revenues and costs are denominated in various currencies. Substantial parts of the earnings in the Group are in USD. However this currency risk is to a certain degree reduced by the companies also having certain operating costs denominated in USD. The Group companies continuously monitor the currency markets and reduces currency exposure when appropriate by entering into forward agreements or other financial contracts to reduce currency risk.

Liquidity risk

The Groups liquidity position as per 30.06.2016 is mNOK 517. The Group companies are financed by debt and equity. The total of outstanding bonds for the Group with maturity dates from 2018 to 2020, as of 30.06.2016 was mNOK 1 969. The group has in addition loan to financial institutions of mNOK 1 543 with various maturities between 2016 and 2027. If Group companies fail to repay or refinance their loan facilities, additional equity financing may be required. If the current market conditions within the shipping segment persists there is no assurance that the group, will not experience cash flow shortfall or to remain in compliance with minimum cash requirements.

Credit risk

The Group companies are exposed to the risk that the contracting parties will not have the financial means to meet their obligations. No agreements have been entered into or other financial means established to minimize the Group companies credit risk. Certain provisions for loss on receivables have been made in the reported figures.

Events after the balance sheet date:

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 of 30.06.2016.

Future development:

The outlook for Taubåtkompaniet AS is a mixed picture. The Barge and Tug segments are exposed to more industries and demand drivers than oil and gas. The Barge business currently holds a record-high backlog, of which a significant part is non-oil and gas. After increased activity in 2015, the Tug business has during 2016 experienced significantly softer market conditions. The short to medium term outlook for the offshore vessel segment (OCV, SBL and AHTS) remains uncertain and increasingly challenging due to the drop in oil prices from mid-2014. With persistent challenging markets the company will consider laying up vessels in the Offshore and Tug segment.

Statement from the CEO:

I hereby declare that to the best of my knowledge the interim accounts for the first half of 2016 are prepared in accordance with NGAAP – Interim financial reporting, and that the information in the financial statements portrays a true picture of the company's assets, liabilities, financial position and result as a whole, as well as the more important risk and uncertainty factors to which the company might be exposed in the next financial period.

Trondheim, 31 August 2016



Ole Bjørnevik
CEO

Income statement - 30.06.2016

Taubåtkompaniet AS

Figures in 1 000 NOK

Parent company				Group	
YTD 2016	FY 2015	Operating income and operating expenses	Note	YTD 2016	FY 2015
0	0	Operating income		431 918	1 755 411
6 700	0	Other operating income		75 428	29 433
6 700	0	Total operating income	2	507 346	1 784 844
843	0	Payroll expenses		162 063	385 846
0	0	Depreciation	3	98 304	188 407
0	0	Write-down fixed assets	3	224 360	265 041
9	87	Other operating expenses		261 239	1 184 554
852	87	Total operating expenses		745 966	2 023 848
5 848	-87	Operating result		-238 620	-239 004
		Financial income and expenses			
0	15 000	Income from subsidiaries		0	0
0	0	Income from associated companies		0	5 548
0	441	Interest income from subsidiaries		0	0
0	139	Interest income		116 196	5 575
0	0	Other financial income		31 035	157 496
3 370	6 888	Interest expenses to subsidiaries		0	0
0	0	Interest expenses		113 950	230 717
0	1	Other financial expenses		71 178	147 572
-3 370	8 691	Financial result		-37 896	-209 671
2 478	8 604	Result before tax		-276 516	-448 675
0	1 116	Tax on ordinary result		632	-42 193
2 478	7 488	Profit for the year		-277 148	-406 482
		Brought forward			
0	10 000	Dividend		0	10 000
-2 478	2 512	From other equity		277 148	431 482
2 478	7 488	Net brought forward		-277 148	-406 482

Balance sheet - 30.06.2016

Taubåtkompaniet AS

Figures in 1 000 NOK

Parent company				Group	
30.06.2016	31.12.2015	Note	Assets	30.06.2016	31.12.2015
			Fixed assets		
			Intangible assets		
0	0		Concessions, patents etc	1 500	1 500
14 250	14 250		Deferred tax asset	260 481	260 481
14 250	14 250		Total intangible assets	261 981	261 981
			Tangible fixed assets		
0	0	3	Buildings and land	9 261	9 618
0	0	3	Fictures and fitting etc.	8 464	8 062
0	0	3	Vessels and barges	3 147 613	3 152 167
0	0	3	Helicopters	125 365	112 581
0	0	3	Newbuilding contracts	0	304 677
0	0		Total tangible fixed assets	3 290 702	3 587 105
			Financial fixed assets		
112 159	112 159		Investments in subsidiaries	0	0
32 493	25 000		Loans to subsidiaries	0	0
0	0		Investments in associated comp. and joint ventures	10 182	10 182
0	0		Loans to associated companies and joint ventures	1 459	2 309
0	0		Investments in shares	3 455	3 455
4 074	0		Other receivables	63 234	22 028
148 726	137 159		Total financial fixed assets	78 330	37 973
162 976	151 410		Total fixed assets	3 631 013	3 887 059
			Current assets		
0	0		Inventories	16 230	22 282
			Receivables		
0	0		Trade receivables	275 410	213 917
2 854	0		Trade receivables to subsidiaries	0	0
0	3 887		Other receivables	263 221	852 536
2 854	3 887		Total receivables	538 631	1 066 453
			Investments		
0	0		Bonds	350	350
0	0		Total investments	350	350
132	4		Cash and bank deposits	517 330	501 180
2 985	3 891		Total current assets	1 072 541	1 590 264
165 961	155 301		Total assets	4 703 554	5 477 323

Taubåtkompaniet AS - group

Cash flow statement

Figures in 1 000 NOK

Parent company			Group	
30.06.16	31.12.15		30.06.16	31.12.15
		Cash flow from operating activities		
2 478	8 604	Profit before income taxes	-276 516	-448 675
0	0	Gain on investments in associated companies	0	-5 548
0	-15 000	Gain on investments in subsidiaries	0	0
0	0	Income tax payable	-4 963	-12 452
0	0	Depreciation and write-down	322 664	453 449
0	0	Gain/loss on tangible fixed assets	988	-325
0	0	Gain/loss on financial fixed assets	-5 040	25
0	0	Currency gain/-loss	0	23 811
0	0	Changes in inventories	6 052	-7 446
0	0	Changes in trade receivables	-61 493	185 920
-187	-1 489	Changes in other receivables	603 072	2 076
0	0	Changes in trade creditors	-28 993	-105 471
6 375	16 991	Changes in receivables from subsidiaries	0	0
1 462	-7	Changes in other short-term liabilities	-73 490	51 777
10 128	9 099	Net cash flow from operating activities	482 281	137 140
		Cash flow from investing activities		
		Investing activities		
0	0	Sale of tangible fixed assets	4 743	1 050
0	0	Purchase of tangible fixed assets	-85 057	-444 189
0	0	Sale of financial fixed assets	0	0
0	0	Purchase of financial fixed assets	-58 000	-16 434
0	0	Changes in other investments	850	0
0	0	Net cash flow from investing activities	-137 464	-459 573
		Cash flow from financing activities		
0	0	Raised long term liabilities	42 909	627 355
0	0	Paid in long term liabilities	-361 576	-499 995
0	0	Changes in liabilities	0	0
-10 000	-9 100	Dividends	-10 000	-9 100
0	0	Paid in equity	0	61 000
-10 000	-9 100	Net cash flow from financing activities	-328 667	179 260
128	-1	Net changes in cash and cash equivalents	16 150	-143 174
4	5	Cash and cash equivalent at 01.01	501 180	644 354
132	4	Cash and cash equivalents at 30.06.16	517 330	501 180

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.

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	157 307	24 446	51 867	273 726	507 346
EBITDA	-1 562	4 814	32 431	48 361	84 045
EBIT	-30 121	-8 924	20 208	-219 783	-238 620

* OCV vessels: Boa Deep C and Boa Sub C. Seismic vessels: Boa Thalassa and Boa Galatea. Barges in Boa Barges AS.

Note 3 Fixed assets - consolidated

	Vessels and barges	New- building contracts	Heli- copters	Fictures and fitting	Buildings and land	Sum
Acquisition cost 01.01.	4 463 014	441 385	130 644	15 536	18 030	5 068 609
Additions	33 020	28 735	20 574	2 634	0	84 963
Disposals	0	0	-6 484	-54	0	-6 538
Transfer	418 034	-470 120		0	0	-52 086
Acquisition cost 30.06.	4 914 069	0	144 734	18 116	18 030	5 094 948
Accumulated depr. 01.01.	1 310 847	136 708	17 701	8 698	8 413	1 482 367
Disposals			-753	-28		-781
Transfer	136 708	-136 708		0	0	0
Write-down this period	224 360	0		0	0	224 360
Depreciation this period	94 541	0	2 421	982	356	98 300
Accum. depr. 30.06.	1 766 456	0	19 369	9 652	8 769	1 804 246
Book value 30.06.	3 147 613	0	125 365	8 464	9 261	3 290 702

Economic life	27-30 years	12-30 years	5 years	10-20 years
Depreciation schedule	Linear	Linear	Linear	Linear

Lease amount on fixed assets, not included in the balance sheet, year to date:

22 763

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

	Share capital	Share premium	Other equity	Total
Equity 01.01.	1 200	4 080	272	5 552
Profit of the year	0	0	2 478	2 478
Equity 30.06	1 200	4 080	2 750	8 030

Consolidated

	Share capital	Share premium	Other equity	Total
Equity 01.01.	1 200	4 080	1 210 773	1 216 053
Profit of the year	0	0	-277 148	-277 148
Other changes	0	0	-7 495	-7 495
Equity 30.06.	1 200	4 080	926 131	931 411

Minority share of operating result YTD	-18 099
Minority share of total equity	6 963

Note 5 Long term liabilities**Parent company**

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

	2016	2017	2018	2019	2020	→
Instalments	0	0	0	0	0	0

Consolidated

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

	2016	2017	2018	2019	2020	→
Instalments	140 048	250 120	1 068 763	1 060 882	466 662	524 979

Note 6 Consolidated income statement - summary

	YTD 2016	FY 2015
Operating income	507 346	1 784 844
Operating expences	423 302	1 570 400
EBITDA	84 044	214 444
EBITDA %	17 %	12 %
Depreciation and write-down	322 664	453 448
EBIT	-238 620	-239 004
Net finance	-37 896	-209 671
Pre tax profit	-276 516	-448 675
Tax	632	-42 193
Net profit	-277 148	-406 482

Note 7 Interest bearing debt / equity

Key figures	30.06.2016	31.12.2015
Interest bearing debt	3 511 456	3 830 123
Cash and cash equivalents	517 330	501 180
Net Interest Bearing Debt (NIBD)	2 994 126	3 328 943
NIBD / EBITDA *	17,81	16,52
* 1H 2016 Annualized		
Booked equity ratio	19,8 %	22,2 %