



Annual report

Boa SBL AS

2010



Org.nr. 990 899 576

Boa SBL AS

BOARD'S ANNUAL REPORT FOR 2010

Nature and location of activities:

The company owns and charters out two special built vessels for EM Technology "Boa Thalassa" and "Boa Galatea". The main office of the company is located in Trondheim. Management of the vessel is performed by Taubåtkompaniet AS.

Work environment and equal opportunity:

The company does not have any employees. Seafaring personnel and management services are hired from Taubåtkompaniet AS. Taubåtkompaniet AS has provided the administration services for the company. The Board is of the opinion that the work environment on board the vessel is good. Absenteeism due to illness has been low. There were no serious personal injuries on the vessels in 2010.

The work environment is dominated by men, but there are more and more positions being filled by women.

External environment:

The operation of a vessel includes a certain risk for spillage of marine diesel oil products. However, no abnormal spillage has been recorded from the vessels in 2010 that follow laid down procedures when bunkering of diesel and other potential contaminating liquids.

The board is not aware of any non-compliance with government requirements regarding the pollution of the environment.

Continued operation:

The board confirms that the conditions for continued operation have been complied with, and the accounts have been presented under this assumption.

Review of annual accounts:


The year-end profit for 2010 was MNOK 34,0. Total year-end assets were MNOK 636,8, compared to MNOK 672,2 the prior year. The shareholder's equity on December 31, 2010 was 35,7 %, compared to 23,8 % as of December 31, 2009.

The company's distributable equity as per 31 December 2010 is MNOK 23,4.


Trondheim, 1 April 2011



Ole T. Bjørnevik
Chairman of the Board



Eskil Bjørnevik
Member of the Board / CEO



Marita Bjørnevik
Member of the Board

Income Statement

Boa SBL AS

Operating income and operating expenses	Notes	2010	2009
Operating income	2	<u>152 840 369</u>	<u>83 354 241</u>
Operating income		<u>152 840 369</u>	<u>83 354 241</u>
Operating expenses ships	11	11 234 187	16 395 959
Payroll expenses		35 266 460	27 094 928
Depreciation	4	32 388 768	22 966 768
Other operating expenses	3	<u>7 360 123</u>	<u>9 585 882</u>
Operating expenses		<u>86 249 538</u>	<u>76 043 538</u>
Operating profit		<u>66 590 831</u>	<u>7 310 703</u>
Financial income and expenses			
Interest income from group entities		942 964	68 932
Other interest income		829 288	4 659 235
Other financial income		28 604 103	19 228 585
Interest expense to group entities		9 337 606	3 265 197
Other interest expenses		24 331 015	19 285 923
Other financial expenses		<u>33 631 335</u>	<u>3 822 275</u>
Net financial income and expenses		<u>-36 923 602</u>	<u>-2 416 644</u>
Operating result before tax		<u>29 667 229</u>	<u>4 894 059</u>
Tax on ordinary result	9	-4 323 320	800 974
Operating result after tax		<u>33 990 549</u>	<u>4 093 085</u>
Annual net profit		<u>33 990 549</u>	<u>4 093 085</u>
Brought forward			
To other equity	6	33 990 549	0
Loss brought forward	6	<u>0</u>	<u>-4 093 085</u>
Total brought forward		<u>33 990 549</u>	<u>4 093 085</u>

Balance sheet

Boa SBL AS


Assets	Notes	2010	2009
Fixed assets			
Intangible fixed assets			
Deferred tax asset	9	<u>4 319 410</u>	<u>0</u>
Total intangible assets		<u>4 319 410</u>	<u>0</u>
Tangible fixed assets			
Ships	4, 10	<u>595 346 144</u>	<u>627 734 912</u>
Total tangible fixed assets		<u>595 346 144</u>	<u>627 734 912</u>
Financial fixed assets			
Other receivables		<u>11 457 733</u>	<u>14 983 513</u>
Total financial fixed assets		<u>11 457 733</u>	<u>14 983 513</u>
Total fixed assets		<u>611 123 287</u>	<u>642 718 424</u>
Current assets			
Debtors			
Accounts receivables	10	23 361 185	28 481 912
Other receiveables		<u>591 397</u>	<u>185 547</u>
Total debtors		<u>23 952 583</u>	<u>28 667 459</u>
Cash and bank deposits	10	1 750 027	854 026
Total current assets		<u>25 702 609</u>	<u>29 521 484</u>
Total assets		<u>636 825 896</u>	<u>672 239 909</u>


Balance sheet


Boa SBL AS

Equity	Notes	2010	2009
Restricted equity			
Share capital	5, 6	200 100 000	200 100 000
Share premium reserve	6	14 000	14 000
Total restricted equity		<u>200 114 000</u>	<u>200 114 000</u>
Retained earnings			
Other equity	6	27 681 679	-6 308 870
Total retained earnings		<u>27 681 679</u>	<u>-6 308 870</u>
Total equity		<u>227 795 679</u>	<u>193 805 130</u>
Liabilities			
Provisions			
Other provisions	11	4 916 682	2 916 666
Total provisions		<u>4 916 682</u>	<u>2 916 666</u>
Other long term liabilities			
Liabilities to financial institutions	7, 10	366 087 578	406 872 247
Group liabilities	8	15 099 087	49 811 449
Total of other long term liabilities		<u>381 186 666</u>	<u>456 683 696</u>
Current liabilities			
Trade creditors		5 381 222	7 511 641
Tax payable	9	0	696 251
Other short term liabilities		17 545 647	10 626 524
Total short term liabilities		<u>22 926 869</u>	<u>18 834 416</u>
Total liabilities		<u>409 030 217</u>	<u>478 434 778</u>
Total equity and liabilities		<u>636 825 896</u>	<u>672 239 909</u>

Trondheim, 1 April 2011


Ole T. Bjørnevik
Chairman of the Board


Eskil Bjørnevik
Member of the Board / CEO


Marita Bjørnevik
Member of the Board

Notes to 2010 annual accounts

Note 1 Accounting principles

The annual accounts are established in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles.

Principle rule for recording and categorising assets and debts

Assets intended for long-term ownership or usage are categorised as fixed assets. Other assets are categorised as current assets. Debts to be paid back within a year are also categorised as current assets. Similar criteria are used to categorise short-term and long-term debts.

Fixed assets are valued at purchase cost, and depreciated over the economic lifetime. If the actual value of the fixed assets is lower than the booked value and the decrease in value is not expected to be temporary, devaluation to the actual value is carried out. Fixed assets are depreciated linearly.

Current assets are recorded at the lowest of historical cost and net realisable value.

Other long-term and short-term debts are recognised at nominal value.

Assets and debt in foreign currency

Money items in foreign currency are converted at the rate applicable on the balance sheet date.

Receivables

Accounts receivable and other receivables are entered at nominal value after deducting the provision for expected losses.

The provision for losses is based on an individual assessment of the separate claims.

Bank deposits, cash, etc.

This category includes cash, bank deposits and other forms of payment with an expiration date that is shorter than three months from purchase.

Revenue

Revenues from the sale of services are recognised in the income statement according to the project's level of completion. Revenues are booked at the net sales value at the time of the transaction.

Cost

As a general rule, costs are booked in the same period as the corresponding income. When there is no clear correlation between costs and income, the allocation of costs is made as a "best effort" appraisal.

Taxes

Tax expenses are grouped with operating profit before tax. Taxes are recognised directly in equity to the extent that they relate to equity transactions.

The company entered the Norwegian shipowning tax regime as of 01.01.2008.

Tax cost includes taxes payable (tax on this years taxable income and interest surplus), tonnage tax and change in net deferred taxes.

Deferred tax and deferred tax benefits are entered in net amounts on the balance sheet.

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

Notes to 2010 annual accounts

Note 2 Operating income

Divisions	2010	2009
Offshore activity	152 840	83 354
Sum	152 840	83 354

Note 3 Personnel compensation, number of employees and loans to employees etc.

The company does not have any personnel. Administrative services are hired from Taubåtkompaniet AS. The Board and the general manager do not receive a salary or other compensation.

Auditor

The fee paid in 2010 to Deloitte AS for accounting services was NOK 24 500.

Note 4 Fixed assets

	Vessels
Acquisition cost on 01.01	651 378
Additions	
Disposals	
Acquisition cost on 31.12	651 378
Accumulated depreciation on 01.01	23 643
Depreciation this year	32 389
Accumulated depreciation on 31.12	56 032
Book value 31.12	595 346
Economic lifespan	20
Depreciation plan	Linear

Note 5 Share capital and shareholder information

	Shares	Equity share	Voting share
Taubåtkompaniet AS	1 000	100,00 %	100,00 %
Total number of shares	1 000	100,00 %	100,00 %

The company share capital is NOK 200 100 000, 1 000 shares with a nominal value of NOK 200 100.

The company has only one class of shares.

The company is a part of the group Boa Holding AS. The groups financial statement can be distributed from the office in Trondheim.

Note 6 Equity

	Share capital	Share premium	Other equity	SUM
Equity 01.01	200 100	14	-6 309	193 805
Profit of the year			33 991	33 991
Equity 31.12	200 100	14	27 682	227 796

Notes to 2010 annual accounts

Note 7 Long term debt

	2011	2012	2013	2014	2015	→
Instalments	34 872	34 872	34 872	34 872	34 872	191 730

Note 8 Outstanding accounts with companies within the same group

Long-term liabilities	Long term liabilities		Short term liabilities	
	2010	2009	2010	2009
Taubåtkompaniet AS	15 099	49 811	6 442	
Sum	15 099	49 811	6 442	0

Note 9 Tax

This years tax:	2010	2009
Changes in deferred tax	-4 319	105
Tax payable		692
Tonnage tax		4
Corr. prior year	-4	
This years tax expense	-4 323	801

Tax payable in balance:	2010	2009
This years tax on profit		692
Tonnage tax		4
Net tax payable	-	696

This years tax basis:	2010	2009
Financial result		2 847
Loss carried forward used		-374
This years tax basis	-	2 473

Temporary differences:	2010	2009
Profit and loss account	-15 426	-
Net temporary differences	-15 426	-
Net deferred tax 28 %	-4 319	-

Note 10 Secured debt

Debt secured by mortgage etc.	2010	2009
Debt to credit institutions	366 088	406 872
Sum	366 088	406 872

Book value of assets mortgaged for debt:	2010	2009
Bank deposits	779	854
Accounts receivable	23 361	28 482
Vessels	595 346	627 735
Sum	619 486	657 071

Notes to 2010 annual accounts

Note 11 Other appropriations for liabilities

The company is making allocations for class costs. The allocations have been made based on estimated time for next periodic class survey. Changes in estimates is spread over the remaining period up to the next drydocking.

Cash flow statement

Figures in 1 000 NOK	2010	2009
Cash flow from operating activities		
Profit before income taxes	29 667	4 894
Paid taxes	-692	
Depreciation	32 389	22 967
Currency gain/-loss	2 694	-18 378
Changes in trade receivables and creditors	2 990	-22 417
Changes in receivables from group entities	-34 712	-171 334
Changes in other short-term receivables and liabilities	12 039	210
Net cash flow from operating activities	44 375	-184 057
Cash flow from investing activities		
Purchase of tangible fixed assets		-208 090
Net cash flow from investing activities	-	-208 090
Cash flow from financing activities		
Paid in share capital		200 000
Repayment of long term liabilities	-43 479	-58 750
Raised long term liabilities		224 000
Net cash flow from financing activities	-43 479	365 250
Net changes in cash and cash equivalents	896	-26 898
Cash and cash equivalents at 01.01	854	27 752
Cash and cash equivalents at 31.12	1 750	854

To the Annual Shareholders' Meeting of Boa SBL AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Boa SBL AS, which comprise the balance sheet as at 31.12.2010, and the income statement, showing a profit of NOK 33.990.549,- and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Managing Director Responsibility for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Boa SBL AS as at 31.12.2010, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Report on Other Legal and Regulatory Requirements*Opinion on the Board of Directors' report and the allocation of the profit*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors report concerning the financial statements and the going concern assumption, and the proposal in the financial statements for the allocation of the profit complies with the law and regulations and that the information is consistent with the financial statements.

Opinion on Registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the company's management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Trondheim, 1. april 2011
Deloitte AS

Harald J. Lydersen
State Authorised Public Accountant (Norway)
(Signed)

[Translation has been made for information purposes only]