



BOA

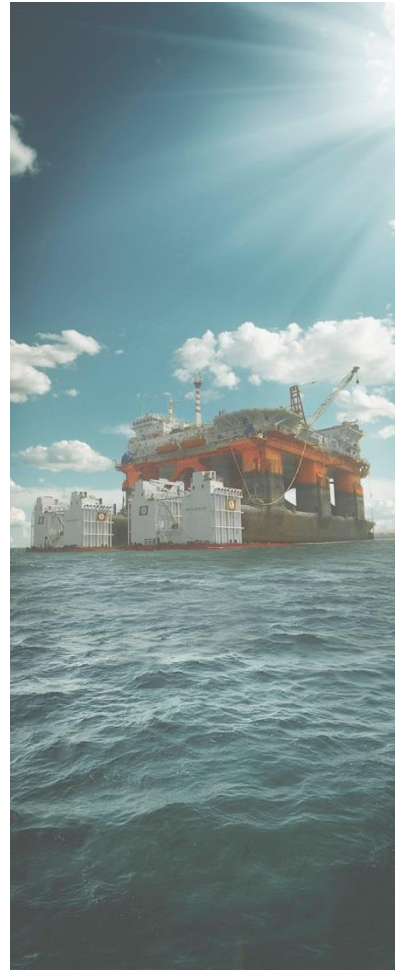
Quarterly Report

Consolidated

Boa Offshore AS

2Q - 2015

Org.nr. 926 265 156



CONSOLIDATED BOA OFFSHORE AS

CEO'S REPORT – 2Q 2015

General Information

The unaudited interim report is 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 some of the Group’s vessels.

Review of second quarter 2015 accounts:

Operating income in the period was NOK 429,5 million (NOK 418,4 million in the same period 2014).

EBITDA for the period was NOK 100,2 million (NOK 100,0 million).

Operating expenses was NOK 370,8 million (NOK 360,6 million).

Operating Profit/EBIT was NOK 58,7 million (NOK 57,8 million).

Net financial items was - NOK 62,1 million (- NOK 50,7 million).

Profit before tax was - NOK 3,4 million (NOK 7,0 million).

Cash flow in the period

Net cash flow from operating activities was - NOK 85,3 million (NOK 40,5 million).

Net cash flow from investing activities was - NOK 136,3 million (- NOK 231,3 million).

Net cash flow from financing activities was NOK 156,5 million (NOK 27,3 million).

Net change in cash was - NOK 65,1 million (- NOK 163,5 million).

Balance sheet 30.06.2015

Total assets per 30.06.2015 were NOK 5 865 million (NOK 5 130 million per 30.06.2014). Interest bearing debt was NOK 3 873 million (NOK 2 979 million), and the equity NOK 1 596 million (NOK 1 541 million). The equity ratio is 27,2 %, an increase from 27,0 % last quarter (30,0 % per 30.06.2014).

Cash and Cash equivalents per 30.06.2015 were NOK 613 million (NOK 518 million per 30.06.2014).

The value adjusted equity ratio for Boa Offshore per 30.06.2015 was 41,0 % and the NIBD/EBITDA ratio was 8,92 (EBITDA last 12 months/4 quarters).

Financial risk:*Market risk:*

The Group is susceptible to fluctuations in currency rates considering that the Group's earnings and long-term financing is partly in foreign currency. However, this market risk is to a certain degree reduced by the Group also having certain operating costs in the same currency. The Group continuously monitors the currency markets and reduces currency exposure when appropriate by entering into forward agreements or other financial contracts to reduce the currency risk. By 30.06.2015 the total of the group's interest bearing debt was NOK 3 873 million where of NOK 985 million is secured by interest rate swap agreements or fixed rate.

Credit risk:

The potential risk that the contracting parties will not have the financial means to meet its obligations is considered low. No agreements have been entered into or other financial means established to minimise the Group's credit risk.

Liquidity risk:

The Group's liquidity position as of 30.06.2015 is NOK 613 million. The parent company has a bond of NOK 500 million listed at Oslo Stock Exchange Nordic ABN, as well as a non-listed bond of NOK 50 million outstanding. The bonds have maturity dates in December 2018 (NOK 500 million) and May 2020 (NOK 50 million). The total of outstanding bonds as of 30.06.2015 was NOK 2 060 million. In July the parent company issued a subordinated bond of NOK 150 million with maturity in December 2018. This bond will also be listed at Nordic ABN. In addition to this a NOK 30 million shareholder loan was issued and during the second quarter we negotiated improved bank terms and instalment schedules for 2015 and 2016 with total effect of about NOK 200 million.

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 per 30.06.2015. However, following a successful arbitration award in London Boa PSV AS a 100 % owned subsidiary in the Boa Offshore group cancelled two shipbuilding contracts in China in the end of July.

Future Development:

The short to medium term outlook for certain segments that Boa Offshore operates within remains uncertain and challenging. After a short lived recovery in oil prices seen in the second quarter this year after the 2015 January lows, oil prices have again fallen below USD45 per barrel. This has pushed a recovery further forward in time. However an increase in activity in certain segments has been witnessed compared with the low levels seen during the winter. This applies for BMSI, Tugs, and the AHTS segment. However, the latter is still not at satisfactory levels. Furthermore, sanctioned projects and projects under development will provide a certain sustainable activity level in the short to medium term for the industry.

A number of offshore projects are now being postponed as oil companies focus to a greater extent on cash flow on the back of lower oil prices. On the other hand costs in the oil and gas industry has adjusted accordingly and decreased as a result. Oil prices probably need to recover to approximately USD60-70/bbl range to spur demand growth again in general. A number of industry players now see future offshore and deepwater field developments economically viable in the USD50-70/bbl range.

Boa Offshore's Barge and Tug segments are exposed to other industries and demand drivers than oil and gas. For both these segments we see decent possibilities for the next couple of years. Although the Barge business had an unusual lean second quarter in isolation, the backlog and prospects remain healthy. The Tug business has experienced increased activity this year. A large part of the work performed by Boa OCV and BMSI is undertaken within the IMR part of the subsea sector and other offshore support modes, which are less cyclical than the installation segment.

BMSI and the AHTS segment represent the spot exposed income in the Boa Group. Activity in the US GoM, where BMSI operates, is relatively healthy. However, increased competition from more vessels mobilized to the region still represents a risk in the short to medium term. The North Sea AHTS market has experienced certain shorter periods of higher dayrates. However, dayrates are well below the levels seen on average in 2013 and 2014. This is mainly due to an increased North Sea fleet, and to a lesser degree lower demand. More vessels entering the North Sea still represent a risk.

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 continue to play an important role in developing new reserves and increasing production. However, in the short-term the supply side needs to adjust downwards to balance the oil market. We believe this will eventually happen through lower investments in the industry.

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 endeavors 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 second quarter of 2015 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, 28 August 2015



Helge Kvalvik
CEO

Consolidated Income Statement

Boa Offshore AS

Figures in 1 000 NOK

| | Note | Q2 2015 | YTD 2015 | Q2 2014 | YTD 2014 |
|--|----------|----------------|-----------------|----------------|----------------|
| Operating income | 2 | 429 443 | 800 720 | 418 087 | 772 658 |
| Other operating income | 2 | 51 | 103 | 289 | 699 |
| Operating income | 2 | 429 495 | 800 823 | 418 376 | 773 357 |
| Operating cost ships | | 222 937 | 494 449 | 247 493 | 436 066 |
| Payroll expenses | | 77 456 | 157 906 | 63 695 | 123 486 |
| Depreciation | 3 | 41 514 | 83 240 | 42 292 | 82 636 |
| Other operating expenses | | 28 925 | 42 229 | 7 141 | 12 241 |
| Operating expenses | | 370 832 | 777 825 | 360 622 | 654 429 |
| Operating profit | | 58 663 | 22 998 | 57 755 | 118 928 |
| Financial income and expenses | | | | | |
| Interest income from group companies | | 2 033 | 3 966 | 2 027 | 4 156 |
| Other interest income | | 454 | 1 391 | 1 042 | 1 261 |
| Other financial income | | 21 243 | 74 194 | 8 240 | 19 233 |
| Interest expense to group companies | | 147 | 291 | 179 | 360 |
| Other interest expenses | | 53 875 | 107 173 | 49 634 | 99 241 |
| Other financial expenses | | 31 772 | 75 932 | 12 227 | 20 769 |
| Net financial income and expenses | | -62 065 | -103 843 | -50 731 | -95 721 |
| Operating result before tax | | -3 402 | -80 845 | 7 024 | 23 207 |
| Tax on ordinary result | | 10 | 17 | 2 190 | 2 207 |
| Operating result | | -3 412 | -80 862 | 4 834 | 21 001 |

Consolidated Balance Sheet

Boa Offshore AS

Figures in 1 000 NOK

| Assets | Note | 30.06.2015 | 30.06.2014 | 31.12.2014 |
|-------------------------------------|------|------------------|------------------|------------------|
| Fixed assets | | | | |
| Intangible fixed assets | | | | |
| Deferred tax asset | | 203 376 | 178 038 | 205 563 |
| Total intangible assets | | 203 376 | 178 038 | 205 563 |
| Tangible fixed assets | | | | |
| Buildings and land | 3 | 5 847 | 1 447 | 5 447 |
| Ships | 3 | 3 377 248 | 1 905 075 | 2 721 196 |
| Equipment and other movables | 3 | 8 446 | 5 331 | 5 248 |
| Newbuilding contracts | 3 | 370 317 | 1 708 121 | 1 232 648 |
| Total tangible fixed assets | | 3 761 857 | 3 619 974 | 3 964 539 |
| Financial fixed assets | | | | |
| Loans to group companies | | 177 973 | 153 468 | 167 433 |
| Newbuilding contracts | | 146 300 | 0 | 0 |
| Investments in shares | | 3 294 | 410 | 270 |
| Other receivables | | 16 150 | 211 674 | 201 032 |
| Total financial fixed assets | | 343 717 | 365 552 | 368 735 |
| Total fixed assets | | 4 308 950 | 4 163 565 | 4 538 837 |
| Current assets | | | | |
| Inventories | | 12 187 | 2 487 | 5 427 |
| Debtors | | | | |
| Accounts receivables | | 322 592 | 320 391 | 391 391 |
| Loan to group companies | | 146 | 371 | 53 |
| Other receivables | | 607 414 | 125 368 | 192 269 |
| Total debtors | | 930 152 | 446 130 | 583 713 |
| Investments | | | | |
| Other financial instruments | | 334 | 340 | 334 |
| Total investments | | 334 | 340 | 334 |
| Cash and bank deposits | | 613 229 | 518 222 | 634 206 |
| Total current assets | | 1 555 901 | 967 180 | 1 223 679 |
| Total assets | | 5 864 851 | 5 130 744 | 5 762 516 |

Consolidated Balance Sheet

Boa Offshore AS

Figures in 1 000 NOK

| Equity and liabilities | Note | 30.06.2015 | 30.06.2014 | 31.12.2014 |
|---|------|------------------|------------------|------------------|
| 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 | 1 516 215 | 1 461 385 | 1 552 211 |
| Total retained earnings | | 1 516 215 | 1 461 385 | 1 552 211 |
| Total equity | | 1 596 267 | 1 541 437 | 1 632 263 |
| Liabilities | | | | |
| Provisions | | | | |
| Other long-term liabilities | | | | |
| Bonds | 5 | 2 060 000 | 1 914 200 | 2 179 200 |
| Liabilities to financial institutions | 5 | 1 812 524 | 1 059 660 | 1 470 676 |
| Liabilities to group companies | | 21 533 | 11 804 | 12 142 |
| Other long term liabilities | 5 | 0 | 5 475 | 0 |
| Total of other long term liabilities | | 3 894 057 | 2 991 139 | 3 662 018 |
| Current liabilities | | | | |
| Trade creditors | | 196 356 | 390 789 | 261 574 |
| Liabilities to group companies | | 0 | 30 | 0 |
| Tax payable | | 10 | -2 045 | 11 502 |
| Public duties payable | | 8 604 | 9 123 | 9 597 |
| Dividends | | 0 | 0 | 9 100 |
| Other short term liabilities | | 169 555 | 200 272 | 176 462 |
| Total short term liabilities | | 374 526 | 598 168 | 468 235 |
| Total liabilities | | 4 268 583 | 3 589 307 | 4 130 253 |
| Total equity and liabilities | | 5 864 851 | 5 130 744 | 5 762 516 |

Consolidated Cash Flow Statement

Boa Offshore AS

Figures in 1 000 NOK

| | | Q2 2015 | YTD 2015 | Q2 2014 | YTD 2014 |
|---|--------------|-----------------|-----------------|-----------------|-----------------|
| Cash flow from operating activities | | | | | |
| Profit before income taxes | | -3 412 | -80 862 | 7 024 | 23 207 |
| Income tax payable | | -6 111 | -12 223 | -10 454 | -17 649 |
| Depreciation and write-down | | 41 514 | 83 240 | 42 292 | 82 636 |
| Gain on sale of tangible fixed assets | | 0 | 0 | 0 | 33 |
| Gain on sale of financial items | | 0 | -728 | 0 | 0 |
| Currency gain/-loss | | -9 965 | 8 035 | 6 107 | 2 200 |
| Changes in inventories | | -6 449 | -6 760 | 6 314 | -254 |
| Changes in trade receivables | | -74 964 | 68 799 | -79 717 | -74 167 |
| Changes in other receivables | | 19 182 | 29 129 | -16 380 | -87 349 |
| Changes in trade creditors | | -12 153 | -65 218 | 21 122 | 4 487 |
| Changes in receivables from group companies | | -3 156 | -10 342 | -14 180 | -19 256 |
| Changes in other short-term liabilities | | -29 802 | -19 392 | 78 371 | 103 194 |
| Net cash flow from operating activities | A | -85 317 | -6 322 | 40 500 | 17 083 |
| Cash flow from investing activities | | | | | |
| Sale of tangible fixed assets | | 0 | 0 | 0 | 5 445 |
| Purchase of tangible fixed assets | | -133 395 | -273 780 | -231 332 | -353 090 |
| Purchase of financial fixed assets | | -3 024 | -3 024 | 0 | 0 |
| Changes in other investments | | 110 | 220 | 0 | -6 |
| Net cash flow from investing activities | B | -136 309 | -276 584 | -231 332 | -347 651 |
| Cash flow from financing activities | | | | | |
| Raised long term liabilities | | 138 187 | 353 658 | 59 515 | 157 480 |
| Paid in long term liabilities | | -30 654 | -140 730 | -32 225 | -60 349 |
| Changes in liabilities | | 0 | 0 | 0 | 3 459 |
| Group contribution | | 0 | 0 | 0 | 0 |
| Paid in share capital | | 49 000 | 49 000 | 0 | 0 |
| Net cash flow from financing activities | C | 156 533 | 261 928 | 27 290 | 100 590 |
| Net changes in cash and cash equivalents | A+B+C | -65 093 | -20 978 | -163 542 | -229 979 |
| Cash and cash equivalent start at period | | 678 321 | 634 206 | 681 764 | 748 201 |
| Cash and cash equivalents at end of period | | 613 229 | 613 229 | 518 222 | 518 222 |

Income Statement

Boa Offshore AS

Figures in 1 000 NOK

| | Note | Q2 2015 | YTD 2015 | Q2 2014 | YTD 2014 |
|--|------|---------------|----------------|---------------|----------------|
| Operating income and operating expenses | | | | | |
| Operating income | 2 | 5 214 | 12 438 | 11 310 | 22 787 |
| Other operating income | 2 | 65 477 | 127 382 | 49 789 | 93 272 |
| Operating Income | | 70 691 | 139 820 | 61 100 | 116 059 |
| Operating expenses | | | | | |
| Operating cost ships | | 805 | 1 884 | 1 089 | 1 610 |
| Payroll expenses | | 56 794 | 117 104 | 42 370 | 84 499 |
| Depreciation | 3 | 248 | 497 | 333 | 800 |
| Other operating expenses | | 9 333 | 19 010 | 7 940 | 15 722 |
| Operating expenses | | 67 180 | 138 494 | 51 732 | 102 632 |
| Operating profit | | 3 511 | 1 326 | 9 367 | 13 428 |
| Financial income and expenses | | | | | |
| Interest income from group companies | | 20 581 | 40 534 | 20 935 | 40 592 |
| Other interest income | | 128 | 405 | 34 | 63 |
| Other financial income | | 9 135 | 22 046 | 1 341 | 1 598 |
| Interest expense to group companies | | 10 951 | 21 810 | 16 813 | 33 506 |
| Other interest expenses | | 13 544 | 27 333 | 12 364 | 24 599 |
| Other financial expenses | | 2 269 | 6 866 | 2 035 | 2 468 |
| Net financial income and expenses | | 3 080 | 6 975 | -8 903 | -18 319 |
| Operating result before tax | | 6 591 | 8 301 | 464 | -4 891 |
| Tax on ordinary result | | 0 | 0 | 0 | 2 |
| Operating result | | 6 591 | 8 301 | 464 | -4 893 |

Balance Sheet

Boa Offshore AS

Figures in 1 000 NOK

| Assets | Note | 30.06.2015 | 30.06.2014 | 31.12.2014 |
|--------------------------------------|------|------------------|------------------|------------------|
| Fixed assets | | | | |
| Intangible fixed assets | | | | |
| Deferred tax asset | | 204 422 | 206 707 | 204 422 |
| Total intangible fixed assets | | 204 422 | 206 707 | 204 422 |
| Tangible fixed assets | | | | |
| Buildings and land | 3 | 5 847 | 1 447 | 5 447 |
| Vessels | 3 | 4 913 | 4 457 | 4 121 |
| Equipment and other movables | 3 | 1 654 | 3 041 | 2 752 |
| Total tangible fixed assets | | 12 413 | 8 945 | 12 320 |
| Financial fixed assets | | | | |
| Investments in subsidiaries | | 396 660 | 297 125 | 299 315 |
| Loans to group companies | | 1 770 145 | 1 288 544 | 1 623 254 |
| Investments in shares | | 3 044 | 160 | 20 |
| Other receivables | | 11 441 | 18 750 | 12 440 |
| Total financial fixed assets | | 2 181 291 | 1 604 580 | 1 935 029 |
| Total fixed assets | | 2 398 127 | 1 820 232 | 2 151 771 |
| Current assets | | | | |
| Inventories | | 113 | 0 | 189 |
| Receivables | | | | |
| Trade receivables | | 16 736 | 7 766 | 14 528 |
| Loans to group companies | | 80 992 | 41 172 | 153 673 |
| Other receivables | | 10 470 | 4 656 | 11 251 |
| Total receivables | | 108 198 | 53 595 | 179 453 |
| Cash and bank deposits | | 104 129 | 237 339 | 186 843 |
| Total current assets | | 212 441 | 290 934 | 366 485 |
| Total assets | | 2 610 567 | 2 111 166 | 2 518 256 |

Balance Sheet

Boa Offshore AS

Figures in 1 000 NOK

| Equity and liabilities | Note | 30.06.2015 | 30.06.2014 | 31.12.2014 |
|--|-------------|-------------------|-------------------|-------------------|
| 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 | 1 092 570 | 223 662 | 1 084 269 |
| Total retained earnings | | 1 092 570 | 223 662 | 1 084 269 |
| Total equity | | 1 172 622 | 303 715 | 1 164 321 |
| Liabilities | | | | |
| Provisions | | | | |
| Other long term liabilities | | | | |
| Bonds | 5 | 550 000 | 559 200 | 609 200 |
| Liabilities to financial institutions | 5 | 163 566 | 8 771 | 30 000 |
| Liabilities to subsidiaries | | 670 645 | 1 172 036 | 662 126 |
| Total other long term liabilities | | 1 384 211 | 1 740 007 | 1 301 326 |
| Current liabilities | | | | |
| Trade creditors | | 6 792 | 2 517 | 4 342 |
| Liabilities to group companies | | 29 647 | 47 473 | 17 032 |
| Tax payable | | 0 | -1 350 | 0 |
| Public duties payable | | 8 291 | 6 752 | 8 987 |
| Dividends | | 0 | 0 | 9 100 |
| Other short term liabilities | | 9 005 | 12 053 | 13 148 |
| Total short term liabilities | | 53 734 | 67 444 | 52 609 |
| Total liabilities | | 1 437 945 | 1 807 451 | 1 353 935 |
| Total liabilities and equity | | 2 610 567 | 2 111 166 | 2 518 256 |

Cash Flow Statement

Boa Offshore AS

Figures in 1 000 NOK

| | | 2Q 2015 | YTD 2015 | Q2 2014 | YTD 2014 |
|---|--------------|-----------------|-----------------|-----------------|-----------------|
| Cash flow from operating activities | | | | | |
| Profit before income taxes | | 6 591 | 8 301 | 464 | -4 891 |
| Income tax payable | | 0 | 0 | 0 | -362 |
| Depreciation and write-down | | 248 | 497 | 333 | 800 |
| Gain on sale of tangible fixed assets | | 0 | 0 | 0 | 33 |
| Gain on sale of financial items | | 0 | -728 | 0 | 0 |
| Currency gain/-loss | | -2 625 | -220 | 0 | 0 |
| Changes in inventories | | 7 | 76 | 158 | 209 |
| Changes in trade receivables | | -1 539 | -2 208 | -1 715 | 412 |
| Changes in other receivables | | -640 | 1 780 | -2 500 | -6 082 |
| Changes in trade creditors | | 1 933 | 2 450 | -838 | -1 920 |
| Changes in receivables from group companies | | 54 822 | -62 176 | -109 757 | -132 772 |
| Changes in other short-term liabilities | | -10 687 | -3 832 | 686 | -3 347 |
| Net cash flow from operating activities | A | 48 110 | -56 060 | -113 168 | -147 920 |
| Cash flow from investing activities | | | | | |
| Sale of tangible fixed assets | | 0 | 0 | 0 | 5 445 |
| Purchase of tangible fixed assets | | -571 | -598 | -1 759 | -1 809 |
| Purchase of financial fixed assets | | -100 369 | -100 369 | 0 | 0 |
| Changes in other investments | | 0 | 0 | 0 | 0 |
| Net cash flow from investing activities | B | -100 940 | -100 967 | -1 759 | 3 636 |
| Cash flow from financing activities | | | | | |
| Raised long term liabilities | | 35 072 | 133 785 | 0 | 0 |
| Paid in long term liabilities | | 0 | -59 472 | -5 186 | -6 251 |
| Group contribution | | 0 | 0 | 0 | -5 500 |
| Paid in share capital | | | | | |
| Net cash flow from financing activities | C | 35 072 | 74 313 | -5 186 | -11 751 |
| Net changes in cash and cash equivalents | A+B+C | -17 758 | -82 714 | -120 114 | -156 035 |
| Cash and cash equivalent start at period | | 121 887 | 186 843 | 357 453 | 393 374 |
| Cash and cash equivalents at end of period | | 104 129 | 104 129 | 237 339 | 237 339 |

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 | 213 602 | 81 817 | 35 423 | 469 981 | 800 823 |
| EBITDA | 165 727 | 45 336 | 19 241 | -124 067 | 106 238 |
| EBIT | 134 771 | 31 557 | 6 803 | -150 134 | 22 998 |

* 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 | Periodic maintenance | Newbuilding contracts | Equipment | Buildings and land | Sum |
|--------------------------------|------------------|----------------------|-----------------------|---------------|--------------------|------------------|
| Acquisition cost 01.01. | 3 486 147 | 228 552 | 1 253 313 | 16 091 | 5 447 | 4 989 551 |
| Additions | 9 128 | 37 864 | 255 917 | 5 174 | 400 | 308 483 |
| Disposals | -475 | | | | | -475 |
| Transfer ¹ | 692 196 | 190 | -1 118 235 | -1 584 | | -427 432 |
| Acquisition cost 30.06. | 4 186 995 | 266 606 | 390 996 | 19 682 | 5 847 | 4 870 126 |
| Accumulated depr. 01.01. | 915 431 | 78 073 | 20 665 | 10 843 | | 1 025 011 |
| Acc. depreciation disposals | 475 | | | -475 | | 0 |
| Write-down this period | | | 13 | | | 13 |
| Depreciation this period | 59 575 | 22 801 | | 867 | | 83 244 |
| Accum. depr. 30.06. | 975 481 | 100 874 | 20 678 | 11 235 | 0 | 1 108 268 |
| Book value 31.06. | 3 211 515 | 165 732 | 370 317 | 8 447 | 5 847 | 3 761 858 |

| | | | |
|----------------------------|-------------|--------------|---------|
| Economic life ² | 27-30 years | 2,5-10 years | 5 years |
| Depreciation schedule | Linear | Linear | Linear |

¹ Newbuilding contracts in Boa PSV AS have been cancelled and activated costs have been transferred to other receivables.

² The economic lifetime has been extended to 27 years for OSV vessels and Tugs, and to 30 years for Barges.

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

173 690

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

| | Share capital | Share premium | Other restricted equity | Other equity | Total |
|----------------------|----------------------|----------------------|--------------------------------|---------------------|------------------|
| Equity 01.01. | 2 500 | 74 447 | 3 106 | 1 084 269 | 1 164 321 |
| Profit of the year | | | | 8 301 | 8 301 |
| Equity 30.06. | 2 500 | 74 447 | 3 106 | 1 092 570 | 1 172 622 |

Consolidated

| | Share capital | Share premium | Other restricted equity | Other equity | SUM |
|-----------------------|----------------------|----------------------|--------------------------------|---------------------|------------------|
| Equity 01.01. | 2 500 | 74 447 | 3 106 | 1 552 211 | 1 632 263 |
| Profit of the year | | | | -80 862 | -80 862 |
| Paid in equity | | | | 49 000 | 49 000 |
| Adjustments to equity | | | | -4 134 | -4 134 |
| Equity 30.06. | 2 500 | 74 447 | 3 106 | 1 516 215 | 1 596 267 |

Note 5 Long term liabilities**Parent company**

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | → |
|-------------|-------------|-------------|-------------|-------------|-------------|----------|
| Instalments | 30 000 | 133 566 | 0 | 500 000 | 0 | 50 000 |

Consolidated

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | → |
|-------------|-------------|-------------|-------------|-------------|-------------|----------|
| Instalments | 91 514 | 312 403 | 243 060 | 743 144 | 1 343 434 | 915 020 |

A MNOK 224 loan in Boa PSV AS is a combined construction- and long term loan, and as such not included in the above table. Following cancelation of two shipbuilding contracts i China, this loan is repaid in the third quarter.

Note 6 Consolidated income statement - summary

| | 2Q 2015 | YTD 2015 | 2Q 2014 | YTD 2014 |
|-------------------------|----------------|-----------------|----------------|-----------------|
| Operating income | 429 495 | 800 823 | 418 376 | 773 357 |
| Operating expenses | 329 318 | 694 585 | 318 330 | 571 793 |
| EBITDA | 100 177 | 106 238 | 100 046 | 201 564 |
| EBITDA % | 23 % | 13 % | 24 % | 26 % |
| Depreciation | 41 514 | 83 240 | 42 292 | 82 636 |
| EBIT | 58 663 | 22 998 | 57 754 | 118 928 |
| Net finance | -62 065 | -103 843 | -50 731 | -95 721 |
| Pre tax profit | -3 402 | -80 845 | 7 024 | 23 207 |
| Tax | 10 | 17 | 2 190 | 2 207 |
| Net profit | -3 412 | -80 862 | 4 834 | 21 001 |

Note 7 Interest bearing debt / equity

| Key figures | 30.06.2015 | 30.06.2014 | 31.12.2014 |
|----------------------------------|-------------------|-------------------|-------------------|
| Interest bearing debt | 3 872 524 | 2 979 335 | 3 649 876 |
| Cash and cash equivalents | 613 229 | 518 222 | 634 206 |
| Net Interest Bearing Debt (NIBD) | 3 259 295 | 2 461 113 | 3 015 670 |
| NIBD / EBITDA * | 8,92 | 5,83 | 6,55 |
| * Last four quarters | | | |
| Booked equity ratio | 27,2 % | 30,0 % | 28,3 % |
| Value adjusted equity ratio | 41,0 % | 46,5 % | 43,3 % |