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## INTERIM FINANCIAL REPORT FIRST QUARTER 2015

FOR

## SEVAN MARINE ASA

(‘SEVAN MARINE’ OR THE ‘COMPANY’, AND TOGETHER WITH ITS SUBSIDIARIES THE ‘GROUP’)

### MAIN EVENTS AND DEVELOPMENTS, FIRST QUARTER 2015

High utilization in the FPSO/FSO market segment in the quarter. During the quarter, Sevan Marine continued to provide engineering and site support services for the Goliat, Dana Western Isles and Logitel projects. In addition, Sevan Marine continued to work on several studies and tenders for upcoming FPSO/FSO prospects, like the potential FPSOs for the Bream (Vette) and Penguin fields and the potential FSO for the Culzean field, the latter in partnership with Teekay. Sevan Marine maintained a high utilization of its engineering staff, in excess of 75%, despite declining activity and margin pressure. The outlook for the remainder of 2015 and 2016 is dependent upon the outcome of field investment decisions and vendor selection for key prospects with decisions currently expected during 2015 and early 2016. Sevan Marine is optimistic that the Sevan Marine concept will be selected for these prospects and that further license income can be secured from late 2015 / early 2016.

In December 2014, Sevan Marine received the final fixed license fee amount on the Dana Western Isles project. This represents a USD 3 million negative variance in Sevan Marine's results as compared to the first quarter of 2014. Sevan Marine remains entitled to a variable license fee element tied to actual production of the unit and calculated as an agreed amount per barrel produced or offloaded.

Excluding the USD 3 million variance in license fee and a USD 1 million restructuring provision taken during the quarter, the core FPSO / FSO segment EBITDA was in line with previous year and quarter due to strict cost control and high utilization of own staff.

#### Sevan Marine continues investment in its core technology and in enhanced market acceptance of the Sevan concept

In conjunction with the restructuring of its workforce, Sevan Marine is placing increased emphasis on business development, marketing and sales of its core technology. During Q1 and early Q2, Sevan Marine spent significant time meeting with oil and gas majors around the globe with increasing focus being placed on gaining acceptance of the Sevan technology by U.S. oil majors and approval of the Sevan Marine concept for use in the U.S. Gulf of Mexico.

Sevan Marine has also been awarded a U.S. patent for its Steel Catenary Riser FPSO concept, a further key milestone in developing and enhancing the value of the Sevan Marine design.

#### Logitel Offshore - Successful delivery of Arendal Spirit

In February 2015, Arendal Spirit was delivered to Logitel. The unit has arrived in Brazil and is preparing to start its charter with Petrobras. In accordance with the Logitel agreement, Sevan Marine will receive in August 2015 the first USD 10 million fixed payment which will reduce the convertible loan outstanding from USD 60 million to USD 50 million. The variable compensation associated with this vessel is expected to be USD 8-10 million and is subject to both financial and operational performance KPIs. The variable compensation is due 12 months after acceptance of the unit by the charter party and is currently expected to be paid in late Q2 2016. As of March 31, 2015 the variable compensation has been fully accrued for by Sevan Marine.

As expected and communicated during the Q4 2014 earnings release, Logitel has informed Cosco that it will not exercise the option to start building a fourth unit which will expire on May 30, 2015. In addition, Logitel has informed Sevan Marine that due to the current market opportunities in floating accommodation, they wish to explore extending the delivery dates of the accommodation units currently under construction. Depending upon the decisions taken, Sevan Marine faces the risk of delayed payments in relation to vessels 2 and 3 and the potential impairment of the convertible loan and / or license revenue accrued to date.

#### Sevan's FLNG and Drilling solutions continue to attract attention

FLNG remains a key initiative for Sevan Marine. Several meetings were held with oil & gas majors regarding specific FLNG prospects. HiLoad LNG also received a further small paid study to evaluate its use as an offloading technology for LNG. Sevan Marine continues to believe that the advantages of the cylindrical design for FLNG, such as no turret and improved motion characteristics, will make the design very competitive versus shipshape solutions. Combined with the HiLoad offloading technology, the Sevan Marine FLNG solution should also improve safety, uptime and increase flexibility.

In the drilling segment, Sevan Marine continued its cooperation with Sevan Drilling and Seadrill where an exclusive license is in place for two jointly developed designs and a non-exclusive license for general drilling applications. Sevan Marine also continues to pursue an opportunity to provide a license to a new market entrant intending to build a Sevan Marine designed drilling unit which may materialize in 2015.



#### Weak quarter for Topside and Process Technology

The quarter was negatively impacted by KANFA AS (Ownership: 51% Sevan Marine and 49% Technip) where a loss provision was taken on a package recently delivered. The USD 50 million Yinson OTCP project started in the quarter and the EPC contract is expected to be entered into during Q2 2015. A high workload is expected on the OTCP project during the remainder of 2015 and early 2016 with margin likely visible late in the period. KANFA is also tendering for new projects which if successful could positively impact results in late 2015 and provide further backlog for 2016. The performance of KANFA AS has been challenging over the past quarters. In Q1 2015 action has been taken to reinforce project execution, contract management and cost control. Further action, including cost reduction measures, may be required in the coming months depending upon performance and workload.

KANFA Aragon (Ownership: 50% Sevan Marine and 50% KANFA Aragon management) experienced a very poor first quarter with low workload and poor utilization. Cost cutting measures have been implemented which should stabilize the loss in Q2 2015. KANFA Aragon is involved in a number of tenders which if successful would improve results in late 2015 and provide a backlog for 2016. If unsuccessful, further cost reduction measures will be required in the second half of 2015.

#### Substantial cost reduction program initiated during the quarter

Sevan Marine implemented a cost reduction program and reorganization during Q1 2015 with the intention of saving USD 3 million on an annual basis. A headcount reduction was carried out with a focus on administrative functions. This led to a reduction in workforce of over 15 percent. Excluding the KANFA companies, Sevan Marine has less than 100 full time employees. A restructuring provision of USD 1 million has been taken in the quarter and the benefits of the cost cutting program will be visible from Q2 2015. During 2015, the benefits will likely be offset by continued low activity and margin pressure at the bottom line. Further cost reduction measures are being pursued and a key target for 2015 is to be operating cash flow breakeven excluding one-off items.

#### Appointment of Financial Advisor

Sevan Marine appointed Pareto Securities in April 2015 to explore potential strategic options for the Company. Pareto Securities has been asked by the board of Sevan Marine to look into a broad range of strategic alternatives in order to exploit the full potential of the Company.

#### Operation and financial position

Operating revenue of USD 15.4 million was USD 9.2 million lower than the first quarter of 2014. EBITDAFX of USD -3.1 million was USD 4.9 million lower than the first quarter of 2014.

Cash of USD 27.0 million at March 31, 2015 was USD 0.3 million lower than December 31, 2014.

Sevan Marine had a USD 2.1 million foreign exchange loss in the quarter related to its currency holdings. Sevan Marine has USD as

its functional currency but held NOK 124 million in cash on March 31, 2015. The strong depreciation in the NOK over the period has generated a book loss. Sevan Marine has the majority of its costs in NOK.

#### Dividend policy

The Board has communicated a strategic target of paying an annual dividend.

The ability to pay a dividend is highly dependent upon, amongst other factors, the outcome of several studies and tenders for upcoming FPSO/FSO prospects, most of which have been postponed or delayed in 2015. Sevan Marine has therefore decided to suspend the regular dividend. The Board will, however, consider recommending an extraordinary dividend during the second half of 2015 provided that the financial situation allows for it.

#### SEVAN MARINE

Sevan Marine is a technology, project development and engineering company. Sevan Marine has developed a cylinder shaped floater suitable for the offshore environment. Sevan Marine is delivering products and solutions to the E&P industry, utilizing its core competencies within the areas of design, engineering and project execution. The basis for the products and solutions provided is the Sevan technology.

The Group has no interest-bearing debt and focuses on securing new projects under a technology license model within the FPSO, FSO and FLNG market, as well as within other offshore markets. Sevan's strategic relationship with Teekay gives scale and business opportunities within existing markets and positions the Sevan technology for new areas and applications.

Sevan Marine's business segment Topside and Process Technology contributes with a substantial portion of the Group's total revenue. Within this segment, Sevan Marine has entered into a strategic partnership with Technip, with an objective to develop its business in the North Sea and provide access to other oil and gas markets. In relation to this, Sevan Marine in 2014 agreed to sell 49 percent of KANFA AS to Technip Norge AS. Technip has the option to take over the remaining 51 percent of KANFA AS in 2017 based on a multiple of 2014, 2015 and 2016 results.

#### MAIN FIGURES, FIRST QUARTER 2015

##### (Previous quarter figures in brackets)

Operating revenue for the first quarter 2015 was USD 15.4 million (USD 25.2 million). EBITDA was negative USD 2.7 million (positive USD 1.2 million), and operating loss was USD 2.8 million (loss of USD 4.8 million). Net loss was USD 4.5 million (loss of USD 15.9 million).

The net loss of USD 4.5 million is a result of lower license revenue, a USD 1 million restructuring provision, a loss of USD 1 million for

KANFA AS and a loss of USD 0.8 million for KANFA Aragon. In addition, an unrealized foreign exchange loss of USD 2.1 million related to NOK denominated cash positions adversely impacted the net result.

As of Q1 2015, cash and cash equivalents amounted to USD 27.0 million (USD 27.3 million). The change in cash and cash equivalents is largely attributable to changes in working capital.

As announced on December 12, 2014 Sevan received a notice from Skatt Sør (Norwegian tax authorities) that the tax assessment for 2012 may be adjusted. If a decision were to be rendered by Skatt Sør along the lines indicated in the notice, Sevan would, pending final resolution of the matter, have to pay the relevant tax amount provisionally estimated by Sevan to be in the range of NOK 30 - 40 million. Sevan is optimistic, however, that further factual clarifications will result in a conclusion by Skatt Sør that no adjustment is required. During the quarter and in April 2015, Sevan Marine had further correspondence with Skatt Sør in response to questions and clarifications. A decision on whether Sevan Marine may have to pay the provisional amount is expected in Q2 or Q3 2015. Should the decision from Skatt Sør be that the 2012 tax assessment is changed, Sevan will have to pay the relevant tax amount and challenge the case further either within the tax system or via legal proceedings.

Sevan Marine has approximately NOK 3.5 billion in total Norwegian tax losses which are not reflected on the balance sheet. Sevan Marine believes that these losses could generate substantial value in the future.

The equity ratio was 74.0 percent as of March 31, 2015 (70.9 percent).

#### BUSINESS SEGMENTS

The Group's segment reporting is divided into: (i) Floating Production and (ii) Topside and Process Technology.

##### Floating Production

The main activities in the Floating Production segment relate to engineering and project management in ongoing projects, for example Goliat, the Dana Petroleum Western Isles project, Logitel and several engineering studies for potential new FPSO/FSO projects.

External revenue in Q1 2015 amounted to USD 10.1 million (USD 16.2 million), and EBITDA was negative USD 0.9 million (positive USD 2.4 million). The reduction in EBITDA is mainly driven by the reduction in license revenue on the Western Isles project and a USD 1 million restructuring provision.

The total assets were USD 115.0 million (USD 118.4 million). The floating production segment held USD 26.7 million in cash and cash equivalents on March 31, 2015.

#### Topside and Process Technology

This business segment consists of the activities of the KANFA companies (KANFA AS and KANFA Aragon). External revenue in Q1 2015 was USD 5.3 million (USD 9.0 million) and EBITDA was negative USD 1.8 million (negative USD 1.2 million). The margin is negatively affected by a loss provision in KANFA AS and a low workload in KANFA Aragon.

The activity in the Topside and Process segment relates primarily to the detailed engineering work on process equipment packages for projects such as Aasta Hansteen, Kraken, Edvard Grieg, Nyhamna and Martin Linge, Catcher and the OTCP project for Yinson.

The total assets were USD 18.0 million (USD 26.0 million). The reduction in total assets was driven by changes in working capital and provisions taken. The Topside and Process Technology segment held USD 0.3 million in cash and cash equivalents on March 31, 2015. Sevan Marine ASA has issued guarantees to support overdraft, guarantee and foreign exchange facilities for both KANFA AS and KANFA Aragon.

#### OUTLOOK

The Board is of the opinion that the increased focus on cost effective solutions in the petroleum industry should be favourable for the Company, as floating units based on Sevan's technology represent inherent advantages. Amongst these are excellent motion characteristics, high deck load capacity, large storage space and lower cost compared with alternatives when a turret is needed.

Sevan Marine is working on several leads and studies within the FPSO and FSO markets which are expected to materialize during late 2015 and early 2016. The Company expects that, in time, some of these leads will end up as license agreements combined with engineering and site support services.

Sevan Marine is increasing its efforts to gain acceptance of its concept with oil majors around the globe with an increased focus on U.S. oil majors and gaining acceptance for use of the Sevan technology in the U.S. Gulf of Mexico. Sevan Marine has increased its marketing efforts and is investing in the further development of its technology as evidenced by the recent U.S. Patent awarded for the Sevan Steel Catenary Riser FPSO concept. Sevan Marine is actively considering establishing a permanent presence in Houston, Texas, USA for which a decision will be taken during 2015.

The strategic relationship with Teekay has materialised in several new prospects and opportunities. The cooperation is based on non-exclusivity and focuses on joint sales and marketing efforts for FPSO and FSO lease contracts, as well as FEED studies and other projects. An important objective is to take advantage of the opportunities generated. The current cooperation with Teekay on the potential Culzean project is a further example of this cooperation.

# INTERIM FINANCIAL STATEMENTS

FIRST QUARTER OF 2015

Teekay's acquisition of Logitel Offshore has generated opportunities in the new business stream of floating accommodation based on the Sevan technology. The successful delivery of Arendal Spirit, in February 2015 is a reflection of the success of Teekay's and Sevan's joint efforts in this area. Logitel is exploring opportunities to extend delivery dates on the units currently being built. In the medium term this will likely lead to delays in payment for Sevan Marine and potential impairments. In the long term, Sevan Marine believes the market will recover. The Sevan technology has inherent advantages such as better motion characteristics and storage capacity which make it competitive versus other floating accommodation unit designs.

FLNG is one of the fastest growing markets within LNG globally, and Sevan Marine has positioned itself strategically within this segment by developing a concept based on proprietary technology. It has been well received by several potential clients, and it is expected that additional paid studies will be carried out in the near / medium term to develop the concept further. In the longer term, Sevan Marine is optimistic that it can also secure license revenue in the FLNG segment.

In 2014 Sevan Marine agreed to sell 49 percent of KANFA AS to Technip Norge AS. Technip has the option to take over the remaining 51 percent of KANFA AS in 2017 based on a multiple of 2014, 2015 and 2016 results. The strategic relationship and co-ownership with Technip of KANFA AS is expected to open up a larger market as well as generate new leads in the markets where Technip operates. A high workload is expected on the Yinson OTCP project during the remainder of 2015 and early 2016 with margin likely visible late in the period. KANFA AS is also tendering for new projects which if successful could positively impact results in late 2015 and provide further backlog for 2016. The performance of KANFA AS has been challenging over the past quarters. In Q1 2015 action has been taken to reinforce project execution, contract management and cost control. Further action, including cost reduction measures, may be required in the coming months depending upon performance and workload.

The 50 percent owned company KANFA Aragon is primarily focusing on gas processing and FLNG markets, both of which represent positive prospects. The performance and backlog at the moment is very weak and cost cutting actions have been undertaken. KANFA Aragon is involved in a number of tenders which if successful would improve results in late 2015 and provide a backlog for 2016. If unsuccessful, further cost reduction measures will be required in the second half of 2015.

Due to lower oil prices and reduced activity, the drilling market is expected to be challenging for the next years. Sevan Marine is however still engaged in developing next generation drilling units for harsh environments, as well as for arctic conditions on a paid study basis. Sevan Marine believes in the long run that there will be license opportunities in this segment and that the Sevan Marine arctic design provides unique benefits such as no requirement for weather-vaning, high load capacity and favourable motion characteristics. Sevan Marine continues to pursue an opportunity to provide a license to a new market entrant intending to build a Sevan Marine designed drilling unit which may materialize in 2015.

Sevan Marine remains optimistic that it can maintain a high utilization of its staff with ongoing and new FEED / study work during 2015 and secure further licenses in late 2015 / early 2016. Additional cost reduction measures are also being pursued and a key target for 2015 is to be operating cash flow breakeven, excluding one-off items. Sevan Marine believes with its solid cash position and cost reduction plans that it has the resources and ability to successfully weather the current slowdown in activity.

Sevan has initiated the strategic review process and is optimistic that the outcome will help Sevan Marine to achieve its full potential and deliver enhanced value to shareholders.

Arendal, May 19, 2015

The Board of Directors of Sevan Marine ASA

## CONDENSED CONSOLIDATED INCOME STATEMENT

Unaudited figures in USD million	Note	Q1 15	Q4 14	Q1 14	2014
Operating revenue	2	15.4	25.2	24.6	102.4
Operating expense		-18.6	-23.2	-22.9	-95.6
<b>EBITDAFX</b>		<b>-3.1</b>	<b>2.0</b>	<b>1.8</b>	<b>6.9</b>
Foreign exchange gain/(loss) relating to operation		0.4	-0.8	-0.2	-1.3
<b>EBITDA</b>		<b>-2.7</b>	<b>1.2</b>	<b>1.6</b>	<b>5.5</b>
Depreciation, amortization and impairment		-0.1	-6.0	-0.1	-6.4
<b>Operating profit/(loss)</b>		<b>-2.8</b>	<b>-4.8</b>	<b>1.5</b>	<b>-0.9</b>
Financial income/(expense)		0.5	0.2	0.5	1.8
Foreign exchange gain/(loss) relating to financing		-2.1	-3.1	0.3	-3.5
<b>Net financial items</b>		<b>-1.6</b>	<b>-2.9</b>	<b>0.9</b>	<b>-1.7</b>
<b>Profit/(loss) before tax</b>		<b>-4.4</b>	<b>-7.7</b>	<b>2.3</b>	<b>-2.5</b>
Tax income/(expense)		-0.2	-8.2	0.0	-8.4
<b>Net profit/(loss) continued operations</b>		<b>-4.5</b>	<b>-15.9</b>	<b>2.3</b>	<b>-11.0</b>

## STATEMENT OF COMPREHENSIVE INCOME

Unaudited figures in USD million	Q1 15	Q4 14	Q1 14	2014
Net profit/(loss)	-4.5	-15.9	2.3	-11.0
Pension	0.0	0.0	0.0	0.0
Foreign currency translation	-0.4	-1.1	0.1	-1.4
<b>Total comprehensive income</b>	<b>-4.9</b>	<b>-17.0</b>	<b>2.4</b>	<b>-12.4</b>

#### CONDENSED CONSOLIDATED BALANCE SHEET

Unaudited figures in USD million	Note	31.03.15	31.03.14	31.12.14
Fixed assets		0.8	0.7	0.8
Intangible assets		6.6	12.6	6.6
Investments in associates		0.4	0.4	0.4
Deferred income tax assets		0.1	8.1	0.1
Loan	5	50.0	60.0	50.0
Other non-current assets	5	10.0	4.4	8.9
<b>Total non-current assets</b>		<b>67.9</b>	<b>86.2</b>	<b>66.8</b>
Trade and other receivables	2	38.1	41.8	50.6
Cash and cash equivalents		27.0	36.7	27.3
<b>Total current assets</b>		<b>65.1</b>	<b>78.5</b>	<b>77.9</b>
<b>Total assets</b>		<b>133.0</b>	<b>164.7</b>	<b>144.8</b>
Share capital	4	34.6	34.6	34.6
Other equity		63.9	90.9	68.0
<b>Total shareholders' equity</b>		<b>98.5</b>	<b>125.5</b>	<b>102.6</b>
Non-controlling interest		7.6	3.2	8.6
<b>Total equity</b>		<b>106.1</b>	<b>128.7</b>	<b>111.1</b>
Retirement benefit obligations		0.9	0.8	1.1
Other non-current liabilities/provisions		1.1	2.7	1.3
<b>Total non-current liabilities</b>		<b>2.0</b>	<b>3.4</b>	<b>2.4</b>
Current liabilities	2	24.9	32.6	31.2
<b>Total current liabilities</b>		<b>24.9</b>	<b>32.6</b>	<b>31.2</b>
<b>Total liabilities</b>		<b>26.9</b>	<b>36.0</b>	<b>33.6</b>
<b>Total equity and liabilities</b>		<b>133.0</b>	<b>164.7</b>	<b>144.7</b>

#### CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Unaudited figures in USD million	Q1 15	Q4 14	Q1 14	2014
<b>Cash flows from operation activities</b>				
Cash from operations	0.1	-2.3	-4.3	-9.2
Taxes paid	-0.3	-1.0	-0.1	-1.4
<b>Net cash generated from operating activities</b>	<b>-0.2</b>	<b>-3.3</b>	<b>-4.4</b>	<b>-10.6</b>
<b>Cash flows from investment activities</b>				
Purchase of property, plant and equipment (PPE)	-0.1	-0.1	-0.1	-0.5
<b>Net cash flow from investment activities</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.5</b>
<b>Cash flows from financing activities</b>				
Sale of shares in KANFA AS	0.0	0.0	0.0	7.7
Dividends paid	0.0	0.0	0.0	-10.5
<b>Net cash flow from financing activities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-2.8</b>
<b>Net cash flow for the period</b>	<b>-0.3</b>	<b>-3.4</b>	<b>-4.5</b>	<b>-13.9</b>
Cash balance at beginning of period	27.3	30.7	41.2	41.2
<b>Cash balance at end of period</b>	<b>27.0</b>	<b>27.3</b>	<b>36.7</b>	<b>27.3</b>

#### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited figures in USD million	Share Capital	Share Premium	Retained Earnings	Non-controlling Interest	Total Equity
Equity as of December 31, 2014	34.6	21.0	46.8	8.6	111.0
Total comprehensive income for the period			-3.9	-1.0	-4.9
Equity as of March 31, 2015	34.6	21.0	42.9	7.6	106.1
Equity as of December 31, 2013	34.6	21.0	67.4	3.2	126.3
Total comprehensive income for the period			2.4	0.0	2.4
Equity as of March 31, 2014	34.6	21.0	69.8	3.2	128.7

#### KEY FIGURES

Unaudited figures in USD million	Note	Q1 15	Q4 14	Q1 14	2014
<b>Basic earnings per share (USD)</b>					
From continued operations	a	-0.09	-0.30	0.04	-0.21
From discontinued operations		0.00	0.00	0.04	0.00
<b>Diluted earnings per share (USD)</b>					
From continued operations	b	-0.09	-0.30	0.04	-0.21
From discontinued operations		0.00	0.00	0.04	0.00
Equity ratio	c	74.0 %	70.9 %	76.2 %	70.9 %
No. of outstanding shares (million)		52.6	52.6	52.6	52.6
No. of shares fully diluted (million)		52.6	52.6	52.6	52.6
Average no. of outstanding shares (million)		52.6	52.6	52.6	52.6
Average no. of shares fully diluted (million)		52.6	52.6	52.6	52.6
Share price (NOK)		18.6	20.0	23.7	20.0
Market capitalization (NOK, million)	d	978	1,052	1,247	1,052
Number of employees		188	198	170	198

#### Notes

- a) Net profit / average no. of outstanding shares  
b) Net profit / average no. of shares fully diluted  
c) (Total shareholders' equity / total assets) x 100  
d) Latest quoted share price of the reporting period x no. of outstanding shares

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

#### NOTE 1 GENERAL ACCOUNTING PRINCIPLES

Sevan Marine ASA is a technology, project development and engineering company.

Sevan Marine ASA is a public limited company, incorporated and domiciled in Norway. The condensed consolidated interim financial statements consist of the Group and the Group's interests in associated companies.

The Group prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by EU and these financial statements have been prepared in accordance with the International Accounting Standard for Interim Financial Reporting (IAS 34). As the interim financial statements do not include the full information and disclosures as required in the annual financial statements, it should be read in connection with the Annual Financial Statements for 2014.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Annual Financial Statements for the year ended December 31, 2014.

#### NOTE 2 RELATED PARTY TRANSACTIONS

The Group has the following transactions and balances relating to related party companies:

Unaudited figures in USD million	Q1 15	Q4 14	Q1 14	2014
<b>Sale to related party</b>				
Sale to Teekay	0.8	0.7	3.6	4.2
Sale to Logitel Offshore	3.3	5.0	0.0	8.4
Financial income from Logitel Offshore	0.5	0.5	0.0	1.0
<b>Purchase from related party</b>				
Purchase from Arendal Brygge	0.2	0.2	0.2	0.6
Purchase from Teekay	0.0	0.0	0.0	0.0
<b>Receivable from related party</b>				
Receivable from Teekay	0.1	2.7	3.7	2.7
Receivable from Arendal Brygge	0.2	0.2	0.0	0.2
Receivable from Logitel Offshore	10.4	9.1	0.0	9.1
<b>Loan to related party</b>				
Logitel Offshore	60.0	60.0	0.0	60.0
<b>Payable to related party</b>				
Payable to Arendal Brygge	0.0	0.0	0.2	0.0
Payable to Teekay	0.0	0.0	0.0	0.0

Logitel Offshore became related party to Sevan Marine in Q3 2014, when Teekay acquired all the shares in Logitel Offshore. The sale figures towards Logitel Offshore reflects sale of engineering and site supervision services in addition to accrued license revenue.

NOTE 3 SEGMENT INFORMATION

Quarterly data	Segments						Total	
	Floating Production		Topside and Process Technology**		Eliminations			
	Q1 15	Q1 14	Q1 15	Q1 14	Q1 15	Q1 14	Q1 15	Q1 14
External revenue	10.1	14.9	5.3	9.7	0.0	0.0	15.4	24.6
Internal revenue	0.1	0.1	0.1	0.8	-0.2	-0.9	0.0	0.0
<b>Total revenue</b>	<b>10.2</b>	<b>15.1</b>	<b>5.5</b>	<b>10.5</b>	<b>-0.2</b>	<b>-0.9</b>	<b>15.4</b>	<b>24.6</b>
Operating expense	-11.5	-13.0	-7.3	-10.7	0.2	0.9	-18.6	-22.9
<b>EBITDAFX</b>	<b>-1.3</b>	<b>2.0</b>	<b>-1.9</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>-3.1</b>	<b>1.8</b>
Foreign exch. gain/(loss), operation	0.3	-0.2	0.1	0.0	0.0	0.0	0.4	-0.2
<b>EBITDA</b>	<b>-0.9</b>	<b>1.9</b>	<b>-1.8</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>-2.7</b>	<b>1.6</b>
Depreciation, amortization and impairment	-0.1	-0.1	0.0	0.0	0.0	0.0	-0.1	-0.1
<b>Operating profit/(loss)</b>	<b>-1.0</b>	<b>1.7</b>	<b>-1.8</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>-2.8</b>	<b>1.5</b>
Income from associates							0.0	0.0
Financial income/(expense)							0.5	0.5
Foreign exch. gain/(loss), financing							-2.1	0.3
<b>Net financial items</b>							<b>-1.6</b>	<b>0.9</b>
<b>Profit/(loss) before tax</b>							<b>-4.4</b>	<b>2.3</b>
Tax income/(expense)							-0.2	0.0
<b>Net profit/(loss)</b>							<b>-4.5</b>	<b>2.3</b>
Segment assets	114.6	129.1	18.0	35.6	0.0	0.0	132.6	164.7
Inv.m. in assoc. (equity method)	0.4	0.0	0.0	0.0	0.0	0.0	0.4	0.0
<b>Total assets*</b>	<b>115.0</b>	<b>129.1</b>	<b>18.0</b>	<b>35.6</b>	<b>0.0</b>	<b>0.0</b>	<b>133.0</b>	<b>164.7</b>
Segment liabilities	15.1	18.5	11.8	17.6	0.0	0.0	26.9	36.0
<b>Total liabilities*</b>	<b>15.1</b>	<b>18.5</b>	<b>11.8</b>	<b>17.6</b>	<b>0.0</b>	<b>0.0</b>	<b>26.9</b>	<b>36.0</b>
Capital expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash exp. other than depr.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

\* For assets and liabilities both intra-segment balances and inter-segment balances are eliminated within the segment.

\*\* Topside and Process Technology segment consist of KANFA AS Group and KANFA Aragon Group on a 100% consolidated basis. Sevan Marine's ownership is 51% and 50% respectively. Sevan Marine ASA has issued guarantees to support overdraft, guarantee and foreign exchange facilities for both KANFA AS and KANFA Aragon.

NOTE 4 SHAREHOLDER STRUCTURE

The 20 largest shareholder accounts as at May 11, 2015

Shareholder accounts	No. of shares	%-share
TEEKAY SERVICE HOLDI	21,091,847	40.09
ILIAD INTERNATIONAL (*)	1,801,784	3.42
F2 FUNDS AS	1,777,116	3.38
GOLDMAN SACHS INTERN	1,588,609	3.02
VPF NORDEA KAPITAL	1,323,646	2.52
HOME CAPITAL AS	1,300,000	2.47
DEUTSCHE BANK AG	1,200,000	2.28
SKANDINAVISKA ENSKIL	1,135,448	2.16
PREDATOR CAPITAL MAN	908,000	1.73
VPF NORDEA AVKASTNIN	905,997	1.72
MP PENSJON PK	837,584	1.59
SUNDT AS	832,486	1.58
ANDENERGY AS	804,326	1.53
INVESCO PERP EUR SMA	765,804	1.46
BAKLIEN ÅSMUND	700,000	1.33
BEKKESTUA EIENDOM AS	524,000	1.00
CITIBANK, N.A.	517,965	0.98
MATHIAS HOLDING AS	500,000	0.95
PERESTROIKA AS	495,830	0.94
LUXOR CAPITAL PARTNE	493,554	0.94
<b>Total, 20 largest shareholder accounts</b>	<b>39,503,996</b>	<b>75.09</b>
Total no. of shares	52,606,999	
Foreign ownership	29,610,487	56.29

(\*) Controlled by Teekay



#### NOTE 5 LOGITEL OFFSHORE TRANSACTION

The current carrying value of the Logitel transaction is reflected as follows in Sevan Marine's financial statements:

- A USD 60 million convertible loan of which USD 50 million is non-current and USD 10 million is a current asset and expected to be repaid by no later than 16 August 2015;
- USD 3.2 million in accrued interest; and
- USD 9.7 million in license revenue receivable.

The variable compensation associated with this vessel is expected to be USD 8-10 million and is subject to both financial and operational performance KPIs. The variable compensation is due 12 months after acceptance of the unit by the charter party and is currently expected to be paid in late Q2 2016. As of March 31, 2015 the variable compensation has been fully accrued for by Sevan Marine.

As expected and communicated during the Q4 2014 earnings release, Logitel has informed Cosco that it will not exercise the option to start building a fourth unit which will expire on May 30, 2015. In addition, Logitel has informed Sevan Marine that due to the current market opportunities in floating accommodation, they wish to explore extending the delivery dates of the accommodation units currently under construction. Depending upon the decisions taken, Sevan Marine faces the risk of delayed payments in relation to vessels 2 and 3 and the potential impairment of the convertible loan and / or license revenue accrued to date.

#### NOTE 6 EVENTS AFTER BALANCE SHEET DATE

Sevan Marine appointed Pareto Securities in April 2015 to explore potential strategic options for the Company. Pareto Securities has been asked by the board of Sevan Marine to look into a broad range of strategic alternatives in order to exploit the full potential of the Company.



**Sevan Marine ASA - Arendal**  
Kystveien 2D  
4841 Arendal  
NORWAY  
Phone: (+47) 37 40 40 00  
Fax: (+47) 37 40 40 99

**Sevan Marine - Oslo**  
Verkstedveien 3  
0277 Oslo  
NORWAY  
Phone: (+47) 91 70 40 00  
Fax: (+47) 37 40 40 99

**Sevan Marine - Singapore**  
435 Orchard Road  
Level 11, Wisma Atria  
SINGAPORE 238877  
Phone: (+65) 68 38 05 75  
Fax: (+65) 68 36 78 86

**KANFA Group**  
Nye Vakås vei 80  
1395 Hvalstad  
NORWAY  
Phone: (+47) 64 00 18 00  
Fax: (+47) 64 00 18 01