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## RESPONSIBILITY STATEMENT



# INTERIM FINANCIAL REPORT FIRST HALF 2015

FOR

## SEVAN MARINE ASA

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

### MAIN EVENTS AND DEVELOPMENTS, SECOND QUARTER 2015

#### High utilization in the FPSO/FSO market segment in the quarter and continued work on key prospects

During the quarter, Sevan Marine continued to provide engineering and site support services for the Goliat, Dana Western Isles and Logitel Offshore projects. In addition, Sevan Marine continued to work on several studies and tenders for upcoming FPSO/FSO prospects, like the potential FPSO for a UK sector field and the potential FSO for the Culzean field. The continuation of work and positive progression of the UK sector FPSO project during the quarter is a clear positive. Sevan Marine maintained a high utilization of its engineering staff, in excess of 70%, despite declining activity and margin pressure.

In December 2014, Sevan Marine received the final fixed license fee amount on the Dana Western Isles project. This represents a USD 6 million negative variance in Sevan Marine’s results as compared to the first half 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. Dana has recently announced that the FPSO will not commence production until the second half of 2017.

Excluding the USD 6 million variance in license fee and a USD 1 million restructuring provision taken during Q1 2015, the FPSO/FSO segment EBITDA was in line with previous year due to strict cost control and high utilization of own staff.

#### Logitel Offshore - Successful start of Arendal Spirit charter and non-cash impairment of convertible loan

Arendal Spirit began operation with Petrobras under a 3 year charter contract in June. Variable compensation associated with this vessel is due 12 months after the start of charter hire, June 2016, and is currently expected to be USD 8 million. The amount remains subject to both financial and operational performance KPIs. The estimated license fee revenue equal to the variable compensation has been fully accounted for by Sevan Marine as of June 30, 2015.

As previously announced, Logitel Offshore has informed Sevan Marine that due to the current market situation in floating accom-

modation, they have decided to utilize the option available in the construction contract to delay the delivery of unit 2 for up to 12 months until October 2016 with the ability to take delivery earlier if required. In addition, the option to postpone work for 120 days has been taken with respect to unit 3. This leads to delays in payment to Sevan Marine ASA in relation to these two vessels and in Sevan Marine’s view substantially increases the risk that options for further new builds will not be called off and / or such call offs will be delayed.

Based on a revised assessment, a non-cash impairment of USD 37 million has been taken in the quarter in relation to the Logitel Offshore convertible loan and accrued interest. The remaining value of the convertible loan as of June 30, 2015 is USD 25 million, USD 10 million in short term loan (payment due August 2015) and USD 15 million in long term loan. Accrued interest as of June 30, 2015 amounts to USD 1.2 million.

#### 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. 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 cost competitive and less capital intensive 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 has granted a license to construct a Sevan Marine designed drilling unit for a new market entrant. The effective date of the license and payment to Sevan Marine is subject to the project receiving financing and the construction contract becoming effective. A decision on whether this project will proceed is expected in Q3 or early Q4 2015.

#### Improved quarter for Topsides and Process Technology

KANFA AS (Ownership: 51% Sevan Marine and 49% Technip) EBITDAFX was breakeven for the quarter driven by high activity on the USD 50 million Yinson OTCP project. The EPC contract has been entered into and 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 was recently awarded a chemical injection package for the Johan Sverdrup field. KANFA continues to tender for further projects which if successful could positively impact results in late 2015 and provide further backlog for 2016. 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) EBITDAFX was negative USD 0.5 million which was USD 0.3 million better than Q1 2015 driven by cost cutting measures taken in Q2 2015. KANFA Aragon has recently started new projects which should improve results in Q3 2015. Additional cost reduction measures are being taken.

#### Investigation

During the quarter, Sevan Marine launched an investigation into a former manager and agent of Sevan Marine, Mr Raul Schmidt Felipe Junior, charged in connection with the Brazilian authorities' investigation into corrupt activities involving Petrobras and Operation Car Wash ("Lava Jato"). Sevan Marine has been in contact with the various jurisdictions involved (Norway, Brazil, US and UK) and are cooperating fully with authorities. The focus of the investigation is on the historical activities of Mr. Raul Schmidt as agent and employee. Sevan Marine is currently not aware of any payments or interactions with Mr. Raul Schmidt or any of his companies since the IPO of the drilling activities and restructuring of Sevan Marine in 2011. Sevan Marine expects the investigation to continue during Q3 and Q4 2015 at an expected total cost of approximately USD 2-4 million. Sevan Marine adheres to the strictest of compliance and ethical standards and is taking this matter very seriously.

#### Cost Reduction

The cost cutting program launched in Q1 2015 is having a positive impact on the cost level in Q2 2015 of approximately USD 0.7 million. The number of employees, (excluding the KANFA companies), has been reduced by over 15 percent and a number of other measures has led to increased efficiency.

Cost improvements have, however, been fully offset by the declining activity level and additional costs in the quarter of USD 0.3 million in relation to the investigation launched during Q2 2015. Further cost reduction measures are being implemented and a key target for 2015 remains to be operating cash flow breakeven excluding one-off items.

#### Strategic Review Process

Sevan Marine appointed Pareto Securities in April 2015 to explore potential strategic options for the Company. The strategic review process continues, albeit at a slower pace than initially foreseen. Sevan Marine remains optimistic that the outcome will help Sevan Marine to achieve its full potential and deliver enhanced value to shareholders.

#### Dividend policy

The Board communicated an intention to consider an extraordinary dividend in the second half of 2015 depending upon developments. In light of the continuing fall in activity and remaining uncertainty regarding key new business opportunities the board has decided to return to this discussion during Q4 2015.

#### 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 Marine 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 Marine's business segment Topsides 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.

#### MAIN FIGURES, SECOND QUARTER 2015

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

Operating revenue for the second quarter 2015 was USD 15.5 million (USD 15.4 million). EBITDA was negative USD 3.0 million (negative USD 2.7 million), and operating loss was USD 3.1 million (loss of USD 2.8 million). Net loss was USD 39.1 million (loss of USD 4.5 million).

The net loss of USD 39.1 million is a result of an impairment charge of USD 37 million related to the Logitel Offshore convertible loan and accrued interest. An unrealized foreign exchange gain of USD 1.6 million related to NOK denominated cash positions positively impacted the net result.

As of Q2 2015, cash and cash equivalents amounted to USD 30.3 million (USD 27.0 million). The change in cash and cash equivalents is largely attributable to changes in working capital.

As announced on December 12, 2014 Sevan Marine 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 Marine would, pending final resolution of the matter, have to pay the relevant tax amount provisionally estimated by Sevan Marine to be in the range of NOK 30 - 40 million. Sevan Marine is optimistic, however, that further factual clarifications will result in a conclusion by Skatt Sør that no adjustment is required. During the first half and in August 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 now expected before year end 2015. Should the decision from Skatt Sør be that the 2012 tax assessment is changed, Sevan Marine 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 64.7 percent as of June 30, 2015 (74.0 percent). The decline in the equity ratio is driven by the impairment of the Logitel Offshore convertible loan mentioned above.

## 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 Offshore and several engineering studies for potential new FPSO/FSO projects.

External revenue in Q2 2015 amounted to USD 7.6 million (USD 10.1 million), and EBITDA was negative USD 2.4 million (negative USD 0.9 million). The reduction in EBITDA is driven by the reduction in revenue from projects and costs related to the investigation which are partly offset by reduced operating expenses.

The total assets were USD 78.9 million (USD 115.0 million). The decline in total assets is driven by the impairment of the Logitel Offshore loan. The floating production segment held USD 28.6 million in cash and cash equivalents on June 30, 2015.

### Topside and Process Technology

This business segment consists of the activities of the KANFA companies (KANFA AS and KANFA Aragon). External revenue in Q2 2015 was USD 7.9 million (USD 5.3 million) and EBITDA was negative USD 0.6 million (negative USD 1.8 million). Revenue is positively

impacted by the Yinson OTCF project in KANFA AS. The margin is negatively affected by poor results 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, Catcher and the OTCF project for Yinson.

The total assets were USD 14.7 million (USD 18.0 million). The reduction in total assets was driven by changes in working capital. The Topside and Process Technology segment held USD 1.7 million in cash and cash equivalents on June 30, 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 substantial lower cost compared with alternatives when a turret is needed.

The successful start of the Arendal Spirit charter in June 2015 is a reflection of the success of Teekay's and Sevan Marine's joint efforts in the area of floating accommodation. The Sevan Marine technology has inherent advantages such as better motion characteristics and storage capacity which make it competitive versus other floating accommodation unit designs. In the long term Sevan Marine believes that this cooperation will lead to further opportunities and income for Sevan Marine.

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 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 KANFA, a high workload is expected on the Yinson OTCF project during the remainder of 2015 and early 2016. KANFA was recently awarded a chemical injection package for the Johan Sverdrup field. KANFA continues to tender for further projects which if successful could provide further backlog for 2016. Cost reduction measures may be required in the coming months.

KANFA Aragon is primarily focusing on gas processing and FLNG markets. The financial performance and backlog remains weak and

cost cutting actions have been undertaken. KANFA Aragon has started additional work in Q3 2015 and is involved in a number of tenders, which if successful, would improve results in late 2015 and provide a backlog for 2016. Further cost reduction measures are being taken.

Due to lower oil prices and reduced activity, the drilling market is expected to be challenging for the next years. Sevan Marine believes in the long run that there will be more 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 is hopeful that the license agreed to build a unit for a new market entrant will materialize and generate revenue and cash in 2015.

Sevan Marine remains optimistic that it can maintain a good utilization of its staff with ongoing and new FEED / study work during 2015 and

secure further licenses in late 2015 / early 2016. The continuation of work and positive progression of the UK sector project during the quarter is a clear positive in this regard. Additional cost reduction measures are also being pursued and the key target for 2015 remains to be operating cash flow breakeven, excluding one-off items such as the restructuring and investigation related costs. 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.

The strategic review process continues, albeit at a slower pace than initially foreseen. Sevan Marine remains optimistic that the outcome will help Sevan Marine to achieve its full potential and deliver enhanced value to shareholders.

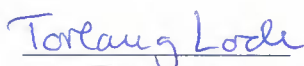
Oslo, August 18, 2015  
 The Board of Directors of Sevan Marine ASA



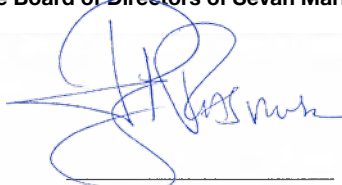
Siri Beate Hatlen  
 Chairperson



Peter Lytzen  
 Board Member



Torlaug Lode  
 Employee Representative



Jørgen P. Rasmussen  
 Deputy Chairman



Ingvild Sæther  
 Board Member



Hans Olav Sele  
 Employee Representative



Mari Thjømøe  
 Board Member



Kjetil Sjørnsen  
 Board Member



Carl Lieungh  
 CEO

# INTERIM FINANCIAL STATEMENTS

FIRST HALF OF 2015

## CONDENSED CONSOLIDATED INCOME STATEMENT

Unaudited figures in USD million	Note	Q2 15	Q1 15	30.06.15	Q2 14	30.06.14	2014
Operating revenue	2	15.5	15.4	30.9	27.4	52.0	102.4
Operating expense		-17.9	-18.6	-36.5	-25.9	-48.8	-95.6
<b>EBITDAFX</b>		<b>-2.4</b>	<b>-3.1</b>	<b>-5.6</b>	<b>1.5</b>	<b>3.3</b>	<b>6.9</b>
Foreign exchange gain/(loss) relating to operation		-0.6	0.4	-0.2	-0.3	-0.4	-1.3
<b>EBITDA</b>		<b>-3.0</b>	<b>-2.7</b>	<b>-5.7</b>	<b>1.2</b>	<b>2.8</b>	<b>5.5</b>
Depreciation, amortization and impairment		-0.1	-0.1	-0.2	-0.1	-0.3	-6.4
<b>Operating profit/(loss)</b>		<b>-3.1</b>	<b>-2.8</b>	<b>-5.9</b>	<b>1.1</b>	<b>2.6</b>	<b>-0.9</b>
Financial income/(expense)		-37.6	0.5	-37.1	0.6	1.1	1.8
Foreign exchange gain/(loss) relating to financing		1.6	-2.1	-0.5	-0.2	0.2	-3.5
<b>Net financial items</b>		<b>-36.0</b>	<b>-1.6</b>	<b>-37.6</b>	<b>0.4</b>	<b>1.2</b>	<b>-1.7</b>
<b>Profit/(loss) before tax</b>		<b>-39.2</b>	<b>-4.4</b>	<b>-43.5</b>	<b>1.5</b>	<b>3.8</b>	<b>-2.5</b>
Tax income/(expense)		0.1	-0.2	-0.1	-0.1	-0.1	-8.4
<b>Net profit/(loss) continued operations</b>		<b>-39.1</b>	<b>-4.5</b>	<b>-43.6</b>	<b>1.4</b>	<b>3.7</b>	<b>-11.0</b>

## STATEMENT OF COMPREHENSIVE INCOME

Unaudited figures in USD million	Q2 15	Q1 15	30.06.15	Q2 14	30.06.14	2014
Net profit/(loss)	-39.1	-4.5	-43.6	1.4	3.7	-11.0
Foreign currency translation	0.7	-0.4	0.3	-0.3	-0.2	-1.4
<b>Total comprehensive income</b>	<b>-38.4</b>	<b>-4.9</b>	<b>-43.3</b>	<b>1.1</b>	<b>3.5</b>	<b>-12.4</b>

## CONDENSED CONSOLIDATED BALANCE SHEET

Unaudited figures in USD million	Note	30.06.15	31.03.15	30.06.14	31.12.14
Fixed assets		0.7	0.8	0.8	0.8
Intangible assets		6.6	6.6	12.5	6.6
Investments in associates		0.4	0.4	1.4	0.4
Deferred income tax assets		0.1	0.1	8.1	0.1
Loan	5	15.0	50.0	60.0	50.0
Other non-current assets	5	11.1	10.0	5.8	8.9
<b>Total non-current assets</b>		<b>33.9</b>	<b>67.9</b>	<b>88.6</b>	<b>66.8</b>
Trade and other receivables	2	29.4	38.1	38.7	50.6
Cash and cash equivalents		30.3	27.0	35.8	27.3
<b>Total current assets</b>		<b>59.7</b>	<b>65.1</b>	<b>74.5</b>	<b>77.9</b>
<b>Total assets</b>		<b>93.6</b>	<b>133.0</b>	<b>163.1</b>	<b>144.8</b>
Share capital	4	34.6	34.6	34.6	34.6
Other equity		25.9	63.9	81.9	68.0
<b>Total shareholders' equity</b>		<b>60.5</b>	<b>98.5</b>	<b>116.5</b>	<b>102.6</b>
Non-controlling interest		7.2	7.6	10.4	8.6
<b>Total equity</b>		<b>67.7</b>	<b>106.1</b>	<b>126.9</b>	<b>111.1</b>
Retirement benefit obligations		0.8	0.9	0.7	1.1
Other non-current liabilities/provisions		1.1	1.1	2.3	1.3
<b>Total non-current liabilities</b>		<b>2.0</b>	<b>2.0</b>	<b>2.9</b>	<b>2.4</b>
Current liabilities	2	23.9	24.9	33.2	31.2
<b>Total current liabilities</b>		<b>23.9</b>	<b>24.9</b>	<b>33.2</b>	<b>31.2</b>
<b>Total liabilities</b>		<b>25.9</b>	<b>26.9</b>	<b>36.2</b>	<b>33.6</b>
<b>Total equity and liabilities</b>		<b>93.6</b>	<b>133.0</b>	<b>163.1</b>	<b>144.8</b>



## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Unaudited figures in USD million	30.06.15	Q2 15	Q1 15	30.06.14	2014
<b>Cash flows from operation activities</b>					
Cash from operations	3.4	3.3	0.1	-1.0	-9.2
Taxes paid	-0.3	0.0	-0.3	-0.3	-1.4
<b>Net cash generated from operating activities</b>	<b>3.1</b>	<b>3.3</b>	<b>-0.2</b>	<b>-1.3</b>	<b>-10.6</b>
<b>Cash flows from investment activities</b>					
Purchase of property, plant and equipment (PPE)	-0.1	0.0	-0.1	-0.1	-0.5
Sale of shares in subsidiary	0.0	0.0	0.0	0.0	0.0
Investments in associate	0.0	0.0	0.0	0.0	0.0
Convertible loan	0.0	0.0	0.0	0.0	0.0
<b>Net cash flow from investment activities</b>	<b>-0.1</b>	<b>0.0</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	0.0	7.7
Dividends paid	0.0	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>0.0</b>	<b>-2.8</b>
<b>Net cash flow for the period</b>	<b>3.0</b>	<b>3.3</b>	<b>-0.3</b>	<b>-1.4</b>	<b>-13.9</b>
Cash balance at beginning of period	27.3	27.0	27.3	30.7	41.2
<b>Cash balance at end of period</b>	<b>30.3</b>	<b>30.3</b>	<b>27.0</b>	<b>29.3</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
<b>Equity as of December 31, 2014</b>	<b>34.6</b>	<b>21.0</b>	<b>46.8</b>	<b>8.6</b>	<b>111.0</b>
Total comprehensive income for the period			-41.9	-1.4	-43.3
<b>Equity as of June 30, 2015</b>	<b>34.6</b>	<b>21.0</b>	<b>4.9</b>	<b>7.2</b>	<b>67.7</b>

Unaudited figures in USD million	Share Capital	Share Premium	Retained Earnings	Non-controlling Interest	Total Equity
<b>Equity as of December 31, 2013</b>	<b>34.6</b>	<b>21.0</b>	<b>67.4</b>	<b>3.2</b>	<b>126.3</b>
Pension effect on opening balance					0.0
Sale of shares to non-controlling interest			0.7	7.0	7.7
Dividend			-10.5		-10.5
Total comprehensive income for the period			3.3	0.2	3.5
<b>Equity as of June 30, 2014</b>	<b>34.6</b>	<b>21.0</b>	<b>60.8</b>	<b>10.4</b>	<b>126.9</b>

## KEY FIGURES

Unaudited figures in USD million	Note	Q2 15	Q1 15	30.06.15	Q2 14	30.06.14	2014
<b>Basic earnings per share (USD)</b>							
From continued operations	a	-0.74	-0.09	-0.83	0.03	0.07	-0.21
<b>Diluted earnings per share (USD)</b>							
From continued operations	b	-0.74	-0.09	-0.83	0.03	0.07	-0.21
Equity ratio	c	64.7 %	74.0 %	64.7 %	71.4 %	71.4 %	70.9 %
No. of outstanding shares (million)		52.6	52.6	52.6	52.6	52.6	52.6
No. of shares fully diluted (million)		52.6	52.6	52.6	52.6	52.6	52.6
Average no. of outstanding shares (million)		52.6	52.6	52.6	52.6	52.6	52.6
Average no. of shares fully diluted (million)		52.6	52.6	52.6	52.6	52.6	52.6
Share price (NOK)		19.0	18.6	19.0	24.0	24.0	20.0
Market capitalization (NOK, million)	d	1,000	978	1,000	1,263	1,263	1,052
Number of employees		181	188	181	187	187	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	Q2 15	Q1 15	30.06.15	Q2 14	30.06.14	2014
<b>Sale to related party</b>						
Sale to Teekay	0.1	0.8	0.9	1.2	3.5	4.2
Sale to Logitel Offshore	2.8	3.3	6.1	0.0	0.0	8.4
Financial income from Logitel Offshore	0.0	0.5	0.5	0.0	0.0	1.0
<b>Purchase from related party</b>						
Purchase from Arendal Brygge	0.2	0.2	0.4	0.0	0.2	0.6
<b>Receivable from related party</b>						
Receivable from Teekay	0.4	0.1	0.4	3.8	3.8	2.7
Receivable from Arendal Brygge	0.2	0.2	0.2	0.0	0.0	0.2
Receivable from Logitel Offshore	11.9	10.4	11.9	0.0	0.0	9.1
<b>Loan to related party</b>						
Logitel Offshore	25.0	60.0	25.0	0.0	0.0	60.0

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							
	Floating Production		Topside and Process Technology**		Eliminations		Total	
	Q2 15	Q2 14	Q2 15	Q2 14	Q2 15	Q2 14	Q2 15	Q2 14
External revenue	7.6	15.4	7.9	12.0	0.0	0.0	15.5	27.4
Internal revenue	0.2	0.2	0.2	0.6	-0.5	-0.8	0.0	0.0
<b>Total revenue</b>	<b>7.8</b>	<b>15.6</b>	<b>8.2</b>	<b>12.6</b>	<b>-0.5</b>	<b>-0.8</b>	<b>15.5</b>	<b>27.4</b>
Operating expense	-9.7	-13.7	-8.7	-13.0	0.5	0.8	-17.9	-25.9
<b>EBITDAFX</b>	<b>-1.9</b>	<b>1.9</b>	<b>-0.5</b>	<b>-0.4</b>	<b>0.0</b>	<b>0.0</b>	<b>-2.4</b>	<b>1.5</b>
Foreign exch. gain/(loss), operation	-0.5	-0.2	0.0	-0.1	0.0	0.0	-0.6	-0.3
<b>EBITDA</b>	<b>-2.4</b>	<b>1.7</b>	<b>-0.6</b>	<b>-0.5</b>	<b>0.0</b>	<b>0.0</b>	<b>-3.0</b>	<b>1.2</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>-2.5</b>	<b>1.6</b>	<b>-0.6</b>	<b>-0.5</b>	<b>0.0</b>	<b>0.0</b>	<b>-3.1</b>	<b>1.1</b>
Income from associates							0.0	0.0
Financial income/(expense)							-37.6	0.6
Foreign exch. gain/(loss), financing							1.6	-0.2
<b>Net financial items</b>							<b>-36.0</b>	<b>0.4</b>
<b>Profit/(loss) before tax</b>							<b>-39.2</b>	<b>1.5</b>
Tax income/(expense)							0.1	-0.1
<b>Net profit/(loss) continued operation</b>							<b>-39.1</b>	<b>1.4</b>
Segment assets	78.5	128.9	14.7	33.8	0.0	0.0	93.2	162.7
Inv.m. in assoc. (equity method)	0.4	0.4	0.0	0.0	0.0	0.0	0.4	0.4
<b>Total assets*</b>	<b>78.9</b>	<b>129.3</b>	<b>14.7</b>	<b>33.8</b>	<b>0.0</b>	<b>0.0</b>	<b>93.6</b>	<b>163.1</b>
Segment liabilities	15.4	19.3	10.5	16.9	0.0	0.0	25.9	36.2
<b>Total liabilities*</b>	<b>15.4</b>	<b>19.3</b>	<b>10.5</b>	<b>16.9</b>	<b>0.0</b>	<b>0.0</b>	<b>25.9</b>	<b>36.2</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 3 SEGMENT INFORMATION**

YTD data	Segments							
	Floating Production		Topside and Process Technology**		Eliminations		Total	
	30.06.15	30.06.14	30.06.15	30.06.14	30.06.15	30.06.14	30.06.15	30.06.14
External revenue	17.7	30.3	13.3	21.7	0.0	0.0	30.9	52.0
Internal revenue	0.3	0.3	0.3	1.4	-0.7	-1.7	0.0	0.0
<b>Total revenue</b>	<b>18.0</b>	<b>30.6</b>	<b>13.6</b>	<b>23.1</b>	<b>-0.7</b>	<b>-1.7</b>	<b>30.9</b>	<b>52.0</b>
Operating expense	-21.1	-26.7	-16.0	-23.7	0.7	1.7	-36.5	-48.7
<b>EBITDAFX</b>	<b>-3.1</b>	<b>3.8</b>	<b>-2.4</b>	<b>-0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.6</b>	<b>3.3</b>
Foreign exch. gain/(loss), operation	-0.2	-0.4	0.0	-0.1	0.0	0.0	-0.2	-0.5
<b>EBITDA</b>	<b>-3.4</b>	<b>3.5</b>	<b>-2.4</b>	<b>-0.7</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.7</b>	<b>2.8</b>
Depreciation, amortization and impairment	-0.2	-0.2	0.0	0.0	0.0	0.0	-0.2	-0.2
<b>Operating profit/(loss)</b>	<b>-3.5</b>	<b>3.2</b>	<b>-2.4</b>	<b>-0.7</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.9</b>	<b>2.6</b>
Income from associates							0.0	0.0
Financial income/(expense)							-37.1	1.1
Foreign exch. gain/(loss), financing							-0.5	0.1
<b>Net financial items</b>							<b>-37.6</b>	<b>1.2</b>
<b>Profit/(loss) before tax</b>							<b>-43.6</b>	<b>3.8</b>
Tax income/(expense)							-0.1	-0.1
<b>Net profit/(loss) continued operation</b>							<b>-43.6</b>	<b>3.7</b>
Segment assets	78.5	128.9	14.7	33.8	0.0	0.0	93.2	162.7
Inv.m. in assoc. (equity method)	0.4	0.4	0.0	0.0	0.0	0.0	0.4	0.4
<b>Total assets*</b>	<b>78.9</b>	<b>129.3</b>	<b>14.7</b>	<b>33.8</b>	<b>0.0</b>	<b>0.0</b>	<b>93.6</b>	<b>163.1</b>
Segment liabilities	15.4	19.3	10.5	16.9	0.0	0.0	25.9	36.2
<b>Total liabilities*</b>	<b>15.4</b>	<b>19.3</b>	<b>10.5</b>	<b>16.9</b>	<b>0.0</b>	<b>0.0</b>	<b>25.9</b>	<b>36.2</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 August 11, 2015

Shareholder accounts	No. of shares	%-share
TEEKAY SERVICE HOLDI	21,091,847	40.09
F2 FUNDS AS	1,882,690	3.58
ILIAD INTERNATIONAL *	1,801,784	3.42
THE BANK OF NEW YORK	1,567,388	2.98
HOME CAPITAL AS	1,300,000	2.47
DEUTSCHE BANK AG	1,200,000	2.28
SKANDINAVISKA ENSKIL	1,135,448	2.16
VPF NORDEA KAPITAL	1,126,660	2.14
MORGAN STANLEY & CO.	1,059,664	2.01
PREDATOR CAPITAL MAN	908,000	1.73
VPF NORDEA AVKASTNIN	885,497	1.68
SUNDT AS	857,486	1.63
MP PENSJON PK	837,584	1.59
ANDENERGY AS	804,326	1.53
INVESCO PERP EUR SMA	765,804	1.46
MATHIAS HOLDING AS	700,000	1.33
BAKLIEN ÅSMUND	700,000	1.33
BEKKESTUA EIENDOM AS	524,000	1.00
CITIBANK, N.A.	509,186	0.97
PERESTROIKA AS	492,857	0.94
<b>Total, 20 largest shareholder accounts</b>	<b>40,150,221</b>	<b>76.32</b>
Total no. of shares	52,606,999	
Foreign ownership	29,531,330	56.14

(\*) Controlled by Teekay

#### **NOTE 5 LOGITEL OFFSHORE TRANSACTION**

As previously announced, Logitel Offshore has informed Sevan Marine that due to the current market situation in floating accommodation, they have decided to utilize the option available in the construction contract to delay the delivery of unit 2 for up to 12 months until October 2016 with the ability to take delivery earlier if required. In addition, the option to postpone work for 120 days has been taken with respect to unit 3. This leads to delays in payment to Sevan Marine ASA in relation to these two vessels and in Sevan Marine's view substantially increases the risk that options for further new builds will not be called off and / or such call offs will be delayed.

Based on a revised assessment, an impairment of USD 37 million has been taken in the quarter in relation to the Logitel Offshore convertible loan and accrued interest. The remaining value of the convertible loan as of June 30, 2015 is USD 25 million, USD 10 million in short term loan and USD 15 million in long term loan. Accrued interest as of June 30, 2015 amounts to USD 1.2 million.

#### **NOTE 6 EVENTS AFTER BALANCE SHEET DATE**

Arendal Spirit commenced its charter contract with Petrobras in June 2015. Sevan Marine is entitled to variable proceeds currently estimated by Sevan Marine to be approximately USD 8 million in June 2016, 12 months after start of charter hire. The actual variable proceeds to be paid is dependent on KPI's which will be measured during Arendal Spirit's first year of operation.

The separate fixed proceeds of USD 10 million regarding Arendal Spirit will be received in August 2015 as previously announced.

The Arendal Spirit is the first UMS (Utility, Maintenance and Safety) platform based on the Sevan Marine design. The very successful construction, delivery and start of charter is another major milestone in the development and market acceptance of Sevan Marine's unique cylindrical design.


## RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge, that the interim consolidated financial statements for the period January 1 to June 30, 2015 have been prepared in accordance with IAS 34 – Interim Financial Reporting, and give a true and fair view of the Group’s assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the Interim Financial

Report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.


Oslo, August 18, 2015

The Board of Directors of Sevan Marine ASA




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Siri Beate Hatlen  
Chairperson




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Peter Lytzen  
Board Member




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Torlaug Lode  
Employee Representative



---

Jørgen P. Rasmussen  
Deputy Chairman



---

Ingvild Sæther  
Board Member



---

Hans Olav Sele  
Employee Representative



---

Mari Thjømøe  
Board Member



---

Kjetil Sjursen  
Board Member



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Carl Lieungh  
CEO





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