



INTERIM REPORT

Q1 2015



Highlights First Quarter 2015

- Accommodation unit HAVEN operated successfully with 100% uptime throughout the quarter.

Operations

HAVEN has continued her excellent performance providing the client with 100% uptime throughout the quarter. Since commencement of the contract, Jacktel has provided 100% uninterrupted availability to ConocoPhillips. This together with a strong HSE performance, including zero Lost Time Incidents since commencement of operation, puts the company in a strong position for upcoming tenders.

Operation during the quarter was satisfactory, with high bed capacity utilization and no major incidents. Haven has operated through several harsh winter storms without any business interruption.

During the first quarter, management continued their efforts to identify new charter contracts. Even though the activity in the market is low, with several maintenance projects being postponed, some new contract opportunities have been identified.

The current contract expires on 28 July 2015 and various lay-up alternatives are being explored with the aim to minimize cost.

Financial development and results

(Figures in brackets refer to the corresponding period of 2014)

The Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB) and IFRIC as approved by the European Union.

Finance

The company has currently one outstanding bond loan amounting to 95 MEUR. The bond loan carries a coupon of 7% and is secured by a 1st lien mortgage on Haven.

Financial results for the first quarter 2015

The operating income for the first quarter was 21.3 MEUR (17.3 MEUR) and the operating expenses were 6.1 MEUR (6.4 MEUR). This resulted in an EBITDA of 15.2 MEUR (10.9 MEUR) and an operating profit of 11.3 MEUR (6.2 MEUR).

Net financial expenses for fourth quarter equaled 8.3 MEUR (9.5 MEUR), of which 1.6 MEUR relates to interest payable on the bond loan and 6.1 MEUR relates to interest accrued on shareholder loans.

Net profit for the first quarter equaled 3.0 MEUR (loss of 3.3 MEUR).

Cash flow and liquidity

The positive cash flow from operations during the first quarter stems from 100% availability and no unexpected cost related to the operation of Haven.

The Board of Directors considers the company's liquidity position to be adequate and confirms that the assumption of going concern forms the basis for the quarterly accounts. The company has long term financing in place and generates a positive cash flow from operations under the current contract with ConocoPhillips.

Risk

The company is exposed to general business market risks, including credit risk on its one client and revenue risk after the current time charter expires late July 2015. The credit risk is considered to be low, due to the solidity of the current client.

Future Prospects

The future activity level depends on developments in the offshore market for support services to the oil and gas industry.

In general first quarter has been characterized by low tender activity and no awards of accommodation contracts in the company's core markets. The reduction in E&P spending impacts the entire offshore service market. The accommodation market is however considered less volatile. Most contracts relate to maintenance and modification contracts, as well as green field developments. As maintenance and modifications can only be postponed for a limited period without impacting oil production from existing fields, the Board of directors expect activity level and contract awards to increase from today's level within reasonable time.

Havens excellent track record with respect to uptime and HSE performance, has proven the rig's comparative advantages for year round operation in harsh environment. As such the Board remains optimistic about the unit's competitiveness for future contract awards.

Statement from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the un-audited financial statements for the fourth quarter of 2014, which have been prepared in accordance with IAS 34 Interim Financial Statements, give a true and fair review of the company's assets, liabilities, financial position and profit and loss of the company.

Oslo, 29 May 2015

Bjørn Henriksen
(Chairman)

Thomas Eik Gabestad

Kjetil Bollestad
CEO
Jacktel AS

Condensed Income Statement

In EUR 1,000'	Non-audited Q1-2015	Non-audited Q1-2014	Audited 2014	Non-audited 3M-2015	Non-audited 3M-2015
Operating income	21 301	17 304	78 025	21 301	17 304
Operating expenses	-6 099	-6 424	-25 097	-6 099	-6 424
EBITDA	15 201	10 880	52 927	15 201	10 880
Depreciation	-3 923	-4 648	-18 681	-3 923	-4 648
Impairment	-	-	-80 000	-	-
OPERATING PROFIT- EBIT	11 278	6 232	-45 753	11 278	6 232
Interest income	1	9	423	1	9
Interest expenses	-7 780	-9 253	-37 780	-7 780	-9 253
Other financial expenses	-502	-268	-1 315	-502	-268
NET FINANCIAL ITEMS	-8 282	-9 512	-38 673	-8 282	-9 512
PROFIT/(LOSS) BEFORE TAX	2 997	-3 280	-84 426	2 997	-3 280
Income tax expense (benefit)	-	-	-	-	-
NET PROFIT (LOSS)	2 997	-3 280	-84 426	2 997	-3 280

Statement of Comprehensive Income

In EUR 1,000'	Non-audited Q1-2015	Non-audited Q1-2014	Audited 2014	Non-audited 3M-2015	Non-audited 3M-2014
Net profit this period	2 997	-3 280	-84 426	2 997	-3 280
Other comprehensive income	-	-	-	-	-
COMPREHENSIVE INCOME	2 997	- 3 280	-84 426	2 997	- 3 280

Earnings per share:

- Basic	0,06	-0,07	-1,69	0,06	-0,07
- Diluted	0,06	-0,07	-1,69	0,06	-0,07

Statement of Financial Position

In EUR 1,000'	Non-audited 31.03.2015	Non-audited 31.03.2014	Audited 31.12.2014	Audited 31.12.2013
ASSETS				
Non-current assets:				
Property, plant and equipment	343 437	440 325	347 286	443 894
Total non-current assets	343 437	440 325	347 286	443 894
Current assets:				
Accounts receivable	12 373	9 805	6 676	10 067
Other current assets	2 669	2 596	2 226	1 358
Cash and cash equivalents	41 961	24 827	36 351	29 670
Total current assets	57 004	37 228	45 252	41 096
TOTAL ASSETS	400 441	477 553	392 538	484 990
EQUITY AND LIABILITIES				
Equity:				
Issued capital	17 977	12 191	12 191	12 191
Share premium	170 791	121 039	39 893	124 319
Total equity	188 769	133 230	52 084	136 510
Non-current liabilities:				
Shareholder loans	109 087	238 050	236 020	230 116
Other interest-bearing debt	93 301	50 700	93 214	67 500
Prepayments customers	-	3 068	-	5 415
Other non-current liabilities	-	372	-	1 872
Total long-term liabilities	202 388	292 190	329 234	304 904
Current liabilities:				
Accounts payable	720	763	619	183
Prepayments customers	3 044	9 439	5 358	9 418
Other interest-bearing debt	0	28 934	-	25 339
Other current liabilities	5 521	12 997	5 243	8 636
Total current liabilities	9 284	52 133	11 221	43 576
Total liabilities	211 672	344 323	340 454	348 480
TOTAL EQUITY AND LIABILITIES	400 441	477 553	392 538	484 990

Statement of changes in Equity

In EUR 000'	Q1-2015	Q1-2014	2014	2015
Equity at the beginning of the period	52 084	136 510	136 510	52 084
Comprehensive income for the period	2 997	-3 280	-84 426	2 997
Issue of shares	133 688			133 688
Equity at the end of the period	188 769	133 230	52 084	188 769

Cash Flow Statement

In EUR 1,000'	Q1-2015	Q1-2014	2014	3M-2015	3M-2014
Net profit/(loss)	2 997	-3 280	-84 426	2 997	-3 280
Depreciation	3 923	4 648	98 681	3 923	4 648
Other adjustments non-cash items	-	-	-372	-	-
Net interest	1 670	9 512	34 011	1 670	9 512
Changes in working capital	- 1 243	-156	-4 616	- 1 243	-156
Net cash from operating activities	7 347	8 115	43 278	7 347	8 115
Cash flow from investing activities					
Proceeds from sale of equipment	-	-	59	-	-
Acquisition of fixed assets	-75	-1 079	-2 223	-75	-1 079
Interest received	-	26	51	-	26
Net cash from investing activities	-75	-1 053	-2 114	-75	-1 053
Cash flow from financing activities					
Repayment of debt	-	-13 300	-124 500	-	-13 300
Proceeds from debt	-	-	95 000	-	-
Interest paid	-1 663	-1 215	-4 983	-1 663	-1 215
Net cash from financing activities	-1 663	-14 515	-34 483	-1 663	-14 515
Net change in cash and cash equivalents	5 610	-4 843	6 681	5 610	-4 843
Cash and cash equivalents, opening balance	36 351	29 670	29 670	36 351	29 670
Cash and cash equivalents, closing balance	41 961	24 827	36 351	41 961	24 827

Notes to the interim report

1. General information

Jacktel AS is a 100% subsidiary of Master Marine AS, parent company in the Master Marine Group, located at Rosenkrantzgate 18 in Oslo, Norway. The Company, which was established in 2009, specializes in offshore accommodation and is the owner of the HAVEN jack up accommodation unit.

2. Basis of presentation

The financial statements of Jacktel have been prepared in accordance with International Financial Reporting Standards (IFRS), including IAS 34 Interim Financial Reporting, and interpretations adopted by the International Accounting Standards Board (IASB) and IFRIC as approved by the European Union ("EU"), as well as the additional relevant requirements under the Norwegian Accounting Act. The financial statements are prepared on a going concern basis and should be read in conjunction with the Company's financial statements as at 31 December 2014.

3. Significant accounting policies

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements and accompanying notes for the financial year ended 31st December 2014.

4. Related party transactions

Jacktel increased the share capital by 50 MNOK 24th of February 2015. The share deposit was settled by converting a shareholder loan, which Master Marine held against Jacktel, entered 18 June 2014 (principal of 120.6 MEUR and interest of 13.1 MEUR) into equity.

5. Debt overview

31.03.2015				
<i>(1.000 EUR)</i>				
Description	Lender	Nominal amount	Interest rate	Book value (incl accrued interests)
99,8 MEUR Term loan facility	Master Marine AS	99 830	12 %	109 087
95 MEUR Bond loan	Nordic Trustee ASA	95 000	7 %	93 301
Total interest bearing debt				202 388

Jacktel converted one of the shareholder loans February 2015, see note 4.
Book value of the Bond loan is netted with costs to be accrued over the loan's lifetime.

6. Non-current assets

<i>(1.000 EUR)</i>	Non-audited Q1 2015	Non-audited YTD 2015	Audited 2014
IB	347 286	347 286	443 894
Additions	75	75	2 223
Disposals	-	-	-150
Depreciation	-3 923	-3 923	-18 681
Impairment	-	-	-80 000
UB	343 437	343 437	347 286

The Company's only non-current asset is the accommodation rig Haven.