



Presentation

1Q 2018

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Summary

- All projects progressing according to plan and budget
 - Upgrade project on track
 - Jacking test successfully completed
 - Operations and compliance related repairs progressing in line with previous guiding
 - 2.7 million man hours – No LTI's
- Company fully financed until commencement of Johan Sverdrup project
 - Forecast cash flow better than original forecast
- EBITDA for the quarter of USD -0.7 mill.
- Currency exchange loss of USD 12.3 mill and a net loss of USD 29.1 mill



Condensed Income Statement

In USD 1,000'	Note	Un-audited Q1-2018	Un-audited Q1-2017	Audited 2017
Operating expenses		-746	-1 991	-8 728
EBITDA		-746	-1 991	-8 728
Depreciation	6	-3 807	-3 785	-15 227
OPERATING LOSS- EBIT		-4 553	-5 776	-23 955
Interest income		125	3	492
Interest expenses		-12 366	-6 111	-37 424
Other financial expenses		-12 312	-5 739	-38 328
NET FINANCIAL ITEMS		-24 553	-11 847	-75 260
PROFIT/(LOSS) BEFORE TAX		-29 105	-17 623	-99 216
NET PROFIT (LOSS)		-29 105	-17 623	-99 216

Statement of Comprehensive Income

In USD 000'	Un-audited Q1-2018	Un-audited Q1-2017	Audited 2017
Net profit this period	-29 105	-17 623	-99 216
Other comprehensive	-	-	-
COMPREHENSIVE INCOME	-29 105	-17 623	-99 216

Statement of Financial position

In USD 000'	Note	Un-audited 31.03.2018	Un-audited 31.03.2017	Audited 31.12.2017
ASSETS				
Non-current assets:				
Property, plant and equipment	6	302 079	283 098	297 994
Intangible assets		4	6	5
Prepaid construction cost		52 731	17 134	52 731
Total non-current assets		354 815	300 238	350 730
Current assets:				
Accounts receivable		650	76	580
Other current assets		428	1 791	2 406
Cash and cash equivalents		88 071	30 231	97 297
Total current assets		89 149	32 099	100 283
TOTAL ASSETS		443 964	332 337	451 013
EQUITY AND LIABILITIES				
Equity:				
Issued capital		123 246	123 246	123 246
Share premium				
Retained losses		-159 566	-48 867	-130 461
Total equity		-36 320	74 379	-7 215
Non-current liabilities:				
Shareholder loans	5	193 336	148 763	181 530
Other interest-bearing debt	5	268 233	101 033	258 164
Prepayments customers		4 490	1 102	3 595
Total long-term liabilities		466 059	250 898	443 289
Current liabilities:				
Accounts payable		2 754	1 402	2 444
Other current liabilities		11 472	5 659	12 495
Total current liabilities		14 225	7 060	14 939
Total liabilities		480 284	257 959	458 228
TOTAL EQUITY AND LIABILITIES		443 964	332 338	451 014

Cash flow statement

	Un-audited Q1- 2018	Un-audited Q1- 2017	Audited 2017
In USD 1,000'			
Net profit/(loss)	-29 105	-17 623	-99 216
Depreciation and Impairment	3 807	3 785	15 227
Financial income	-125	-3	-492
Financial expenses	24 678	11 851	81 338
Changes in working capital	1 359	61	3 860
Net cash from operating activities	613	-1 929	717
Cash flow from investing activities			
Interest received	125	3	492
Prepayment construction costs	-	-	-35 597
Rig upgrade	-7 891	-2 599	-28 938
Net cash from investing activities	-7 766	-2 596	-64 043
Cash flow from financing activities			
Interest paid	-12 366	-6 111	-37 424
Proceeds from debt	9 398	5 224	158 208
Prepayment from customer	895	470	4 666
Net cash from financing activities	-2 073	-417	125 450
Net change in cash and cash equivalents	-9 226	-4 942	62 124
Cash and cash equivalents, opening balance	97 297	35 173	35 173
Cash and cash equivalents, closing balance	88 071	30 231	97 297

Project

- On time – below budget
- 2.7 Million Manhours – No LTI's
- New leg sections and suction caissons installed
- Jacking test successfully completed
- Contract commencement expected June, 2018
 - slightly ahead of schedule





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