INTERIM REPORT 4TH QUARTER 2012 OCEANTEAM SHIPPING ASA

OCEANTEAM SHIPPING

OCEANTEAM SHIPPING ASA – Q4 2012 INTERIM REPORT
ISSUE DATE 21ST FEBRUARY 2013

NEW CAPITAL STRUCTURE

Oceanteam Shipping is an offshore shipping company. Oceanteam's business is the owning, chartering and managing of Deepwater Offshore Construction Service and Pipe Lay Vessels. In addition Oceanteam Shipping provides complementary engineering services consisting of both engineering & design services and equipment to support its clients.

"With the exercise of warrants in the fourth quarter we saw the final pieces of Oceanteam's new, clean capital structure come together. The new capital structure will enable Oceanteam Shipping to fully leverage future growth opportunities, as already demonstrated with the investment commitments made after the end of the accounting period. The OTS designed 2000T modular carousel system will be delivered in April 2013", says CEO of Oceanteam Shipping, Haico Halbesma.

For more information: **www.oceanteam.no**

HIGHLIGHTS FOR THE QUARTER

- Revenue from operations USD 16.6 million
- EBITDA from operations is positive USD 5.9 million
- Operating profit of USD 2.2 million
- Net finance negative USD 8.9 including a one off refinancing cost of USD 5 million
- Oceanteam Shipping repaid a bond loan of NOK 503 million including interest
- The share capital was cleaned up with exercising 14.5 million warrants which was tradable shares from 24th January 2013. Total number of shares is 29.593.259 for the company

KEY FIGURES FOR THE GROUP

GROUP Figures in USD '000

Segment information	Shipping		Engineering		Total	Total
	Q4 2012	Q4 2011	Q4 2012	Q4 2011	2012	2011
Revenue	8 473	9 596	7 567	5 876	64 269	61 208
Net income of associates	547				2 268	
Operating costs	(1 462)	(2 699)	(4 449)	(3 636)	(23 384)	(24 651)
General & administration	(2 246)	(1 174)	(2 497)	(1 577)	(14 423)	(11 795)
EBITDA	**5 312**	**5 723**	**621**	**663**	**28 730**	**24 762**
EBITDA percentage of revenue	**59 %**	**60 %**	**8 %**	**11 %**	**43 %**	**40 %**

	Q4 12	Q3 12	Q2 12	Q1 12	Cum 2012
Operating revenues	**16,6**	**18,5**	**16,1**	**15,4**	**66,5**
Operating costs	(5,9)	(5,9)	(5,4)	(6,2)	(23,4)
General & administration	(4,7)	(3,2)	(3,5)	(3,0)	(14,4)
EBITDA	**5,9**	**9,4**	**7,3**	**6,1**	**28,7**

The Engineering segment designs and engineers complete platforms and infrastructure for the Oil & Gas and Renewables Industry, Deck lay outs, cable & pipelay solutions and HSE.

In addition the Engineering segment rents out a pool of lay and burial equipment and a new joint venture was started called OceanWind.

2012 OPERATIONS

- CSV Bourbon Oceanteam 101 on charter with Oceaneering/ BP Angola from 1st February 2012.
- CSV North Ocean 102 has been on charter with J. Ray McDermott S.A. from 1st October 2012. The time charter was converted into a bareboat charter. This has reduced the operational risk for the company further.
- CSV Southern Ocean has been operational from October 2010 on a bareboat charter with Fugro TSMarine.
- Lay Vessel North Ocean 105 has been on time charter with J. Ray McDermott S.A. since delivery 20th April 2012.
- Oceanteam's fast support vessels have been working on bareboat contracts in Venezuela.

- Oceanteam equipment rents out carousels, subsea ploughs and tensioning equipment to numerous clients.
- In the fourth quarter all equipment activities have been moved from Dundee to Velsen in the Netherlands.

- KCI Engineering, servicing the Oil & Gas and Offshore Renewable sector with engineering and design services has performed with an average of 170 engineers working on the following projects:
  - Basic and detailed design for the relocation of the 3rd Multi-Purpose Platform in the Netherlands including the detailed design for the pipeline.
  - 2 concept studies for oil and gas field development plans in the Dutch offshore sector.
  - FEED study for decommissioning plan large offshore platform in the UK sector.
  - Owner's engineering support for turbine foundations for the Luchterduinen project in the Netherlands.
  - Design of the pipe to reel connection of the reeling system on a new build deep water construction vessel.

- Oceanteam Shipping ASA - The successful placement of USD 92.5 million bond replaced the NOK bond loan and cleaned up the warrant structure for the company. Per 24th January 2013 - 29.593.259 shares were tradable.

MARKET AND FUTURE OUTLOOK

Oceanteam Shipping sees that market activity and volume increased in both the Offshore Oil and Gas and Renewable Market for certain regions and the management expects this trend to continue.

Oceanteam Shipping is confident and has secured sufficient projects in both the oil and gas and the renewable energy markets to maintain a high level of utilization of its assets and engineers.

The company's strategy is to focus on the provision of ''state of the art'' construction support and flex lay vessels plus engineering and equipment services for the oil and gas market, as well as the offshore renewable market.

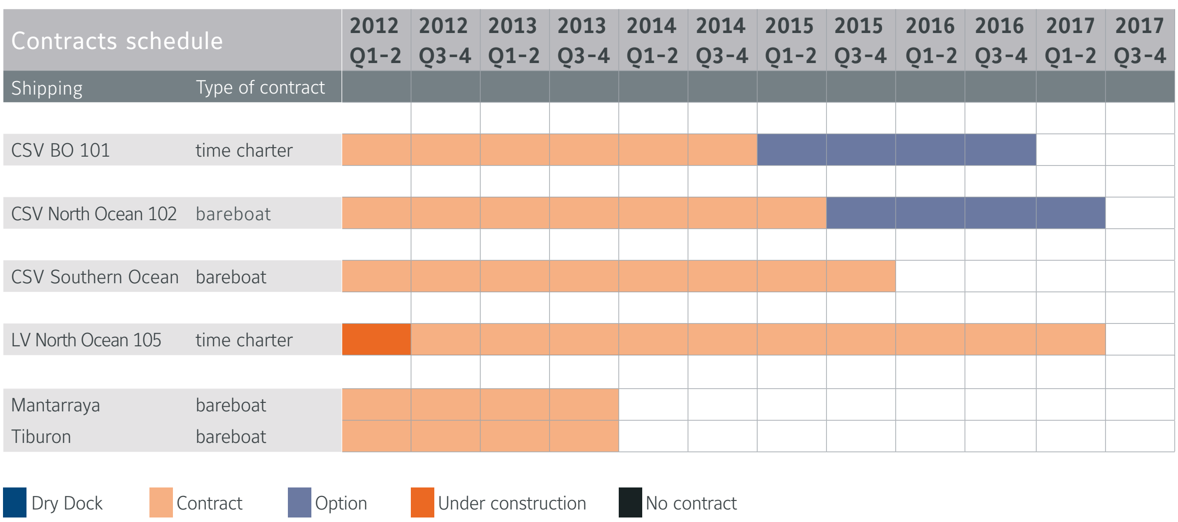
This strategy will provide the company with excellent new opportunities in the near future.

FINANCIAL RISK

Financial risks include interest rate and currency fluctuations, investment and trading risks in general, borrowing and leverage and risk in connection with the vessels under construction / Spanish tax lease.

The company has sales revenues and liabilities in foreign currencies and is exposed to currency risks. This risk is particularly relevant for the revenue and liabilities in the EUR. The new USD denominated bond loan settled at 24th October 2012 has reduced the company's foreign currency exposure significantly.

The company is exposed to changes in interest rates as the bulk of its debt has floating rates. Lay Vessel North Ocean 105 was financed in USD for the construction costs hedged in EUR. Long term post construction finance has been secured in USD where the interest rate is fixed. In the new loan agreement for the CSV Bourbon Oceanteam 101 and CSV Southern Ocean 50% of the interest rate is fixed. This is securing the company from volatile interest rate fluctuations. The new USD bond loan and the loan for the North Ocean 102 has a floating LIBOR. With the new debt maturity secured in 2012 and the forward interest curves, the company sees a satisfactory risk level.

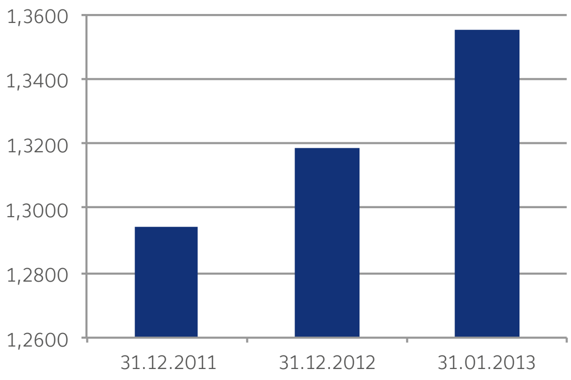


The objective of the company is to reduce financial risk as much as possible. Current strategy does not include the use of financial instruments, but is largely based on natural hedging where income streams and costs are matched for the various projects. This is, however, continuously being assessed by the Board of Directors. The Shipping segment is mainly in USD while the Engineering segment is in EUR.

During the fourth quarter 2012 the company secured the repayment of the NOK bond loan with forwards. This had a positive effect of USD 420.000 compared to the realised foreign exchange rate. The booked equity ratio is 37 percent.

In the currency graphs the currency development between the US dollars and EUR is presented. For the company it will reduce (increase) the equity with USD 0.4 million if the exchange rate moves from 1.30 to 1.20 (1,40).

USD/EUR



LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure and plan so that the company will always have sufficient liquidity to meet its obligations. The refinancing transactions in 2012 have increased the liquidity buffer and reduced the liquidity risk for the company significantly.

INVESTMENTS

- Oceanteam Shipping ASA took delivery of its new OTS 1.250 ton modular carousel system in March 2012. The system remains on contract with Visser & Smit Marine Contractors in the Netherlands on board Solstad Offshore ASA's CSV Normand Flower for offshore renewable operations in the Southern North Sea.
- Oceanteam Shipping ASA took delivery of a new OTS design 10T tensioning system which went on hire with Bohlen & Doyen Germany for 2012.
- Oceanteam Shipping ASA has secured options on building 10 new carousels and 10 new tensioning systems.
- Oceanteam Shipping is planning to continue its investment programme in equipment and high specification offshore construction vessels.
- Pipelay Vessel North Ocean 105 was delivered on 20th April 2012 on time and within budget.

TAX LOSSES

Oceanteam Shipping has completed the consolidation of its business in 2012 and has brought the organization in line with its new focus as Oceanteam Shipping. The deferred tax losses will be utilized where possible. The estimated deferred losses for operations outside Norway are EUR 45 million, which is larger than the booked deferred tax asset of USD 3.8 million. The company aims to increase the booked deferred tax asset by securing new contracts and increasing the profit in the engineering segment.

EVENTS AFTER THE BALANCE SHEET DATE

- Oceanteam Shipping ASA announced on 28th January 2013 that the company has exercised one of its options and ordered a new, OTS design, 2000t modular carousel system, which will be delivered in April 2013
- Oceanteam Shipping ASA has registered the new share capital of NOK 14.796.629,50 divided into 29.593.259 shares, each with a nominal value of NOK 0.50 per 24th January 2013

GOING CONCERN

In accordance with the Accounting Act § 3-3a Oceanteam Shipping confirms that the financial statements have been prepared under the assumption of going concern. This assumption is based on income forecasts for the years 2013 - 2015 and the group's long term strategic forecasts.

LV North Ocean 105, Australia

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

GROUP Figures in USD '000

	Notes	Q4 2012	Q4 2011	Cum 2012	Cum 2011
Revenue		16 040	15 473	64 269	61 208
Total operating revenues	**4**	**16 040**	**15 473**	**64 269**	**61 208**
Net income of associates		**547**		**2 268**	
Operating costs		(5 911)	(6 333)	(23 384)	(24 651)
General & administration		(4 743)	(2 751)	(14 423)	(11 795)
Depreciation	2	(3 686)	(3 140)	(14 331)	(14 742)
Write off assets				(16)	2 098
Total operating expenses		**(14 340)**	**(12 224)**	**(52 154)**	**(49 090)**
Operating profit (loss)		**2 247**	**3 249**	**14 383**	**12 118**
Financial income		36	240	439	525
Financial costs	5	(9 226)	(4 023)	(21 351)	(13 934)
Foreign exchange results (loss)		298	1 936	(124)	2 443
Net finance		**(8 892)**	**(1 847)**	**(21 037)**	**(10 965)**
Ordinary profit (loss) before taxes		**(6 645)**	**1 402**	**(6 654)**	**1 153**
Income tax	6	(4 489)	1 154	(4 741)	806
Net result from operations		**(11 134)**	**3 225***	**(11 395)**	**2 629***

* Includes net result from discontinued operations.

GROUP Figures in USD '000

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Notes	Q4 2012	Q4 2011	Cum 2012	Cum 2011
Total net result		(11 134)	3 225	(11 395)	2 629
Changes in revaluation model	2	643	4 365	8 596	9 228
Other comprehensive income		500	1 915	(3 373)	
Translation differences		794	(1 059)	(1 646)	245
Tax on comprehensive income		4 320	(1 223)	4 320	(1 223)
Total comprehensive income for the year		**(4 877)**	**7 223**	**(3 498)**	**10 879**
Profit (loss) attributable to:					
Owners of the company		(11 335)	3 112	(11 949)	2 166
Non-controlling interests		201	113	554	463
Profit (loss)		**(11 134)**	**3 225**	**(11 395)**	**2 629**
Total comprehensive income attributable to:					
Owners of the company		(5 078)	7 110	(4 008)	10 416
Non-controlling interests		201	113	510	463
Total comprehensive income for the year		**(4 877)**	**7 223**	**(3 498)**	**10 879**
Earnings per share (in USD)					
Basic earnings per share (in USD)		(0,38)	0,11	(0,39)	0,09
Diluted earnings per share (in USD)		(0,25)	0,07	(0,26)	0,06
Earnings per share - continuing operations					
Basic earnings per share (in USD)		(0,38)	0,11	(0,39)	0,09
Diluted earnings per share including warrants II (in USD)		(0,25)	0,07	(0,26)	0,06
Number of shares in the period	7	29 593 259	29 593 259	29 593 259	29 593 259
Number of shares in the period, diluted warrants I		29 593 259	29 593 259	29 593 259	29 593 259

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

GROUP Figures in USD '000

	Notes	31.12.2012	31.12.2011
Assets			
Deferred tax assets	6	3 831	3 831
Customer relations and other intangible assets		1 688	2 831
Goodwill		12 987	12 987
Intangible assets	**3**	**18 506**	**19 649**
Investment in associates		14 071	5 964
Vessels and equipment		219 010	224 360
Tangible assets	**2**	**233 081**	**230 324**
Total non current assets		**251 587**	**249 973**
Trade receivables		7 658	7 258
Other receivables		7 321	4 536
Receivables		**14 979**	**11 794**
Cash and cash equivalents		**34 846**	**11 638**
Current assets		**49 825**	**23 432**
Total assets		**301 412**	**273 405**

		31.12.2012	31.12.2011
Equity and liabilities			
Share capital	8	2 595	1 291
Treasury shares	8	(691)	
Retained earnings		17 562	28 420
Revaluation reserve	2	92 602	83 247
Total equity		**112 068**	**112 958**
Loans and borrowings		171 894	123 315
Total non-current liabilities	**5**	**171 894**	**123 315**
First year installments	5	11 427	22 782
Trade payables		5 326	10 182
Tax payable		53	100
Other current liabilities		644	4 068
Total current liabilities		**17 450**	**37 132**
Total liabilities		**189 344**	**160 447**
Total equity and liabilities		**301 412**	**273 405**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP Figures in USD '000

	Notes	2012	2011
Equity at period opening balance (Number of shares: 15,078,840)	**7**	**112 958**	**102 078**
Profit after taxes majority		(11 948)	2 166
Profit after taxes minority		554	463
Revaluation of assets		8 596	9 228
Tax on revaluation of assets		4 320	(1 223)
Other comprehensive income		(3 373)	
Translation differences		(380)	245
Decreases in non-controlling interests		(575)	
Share issue			
Equity issue		2 608	
Purchase of own shares	8	(691)	
Equity at period end (Number of shares: 29,593,259)	**7**	**112 068**	**112 958**

14.5 million warrants type I were registered 24th January 2013

Condensed consolidated statement of changes in equity	Share capital	Share premium	Translation reserve	Other equity	Total other equity	Re-valuation reserve	Non controlling interests	Total equity
Equity at 31 December 2011	**1 291**		**2 745**	**21 610**	**24 355**	**83 247**	**4 065**	**112 958**
Profit and loss				(11 948)	(11 948)		554	(11 395)
Coverage of previous losses								
Other comprehensive income								
Currency adjustment bond loan				(3 373)	(3 373)			(3 373)
Changes in revaluation model						8 596		8 596
Tax on revaluation reserve						4 320		4 320
Decreases in non-controlling interests							(575)	(575)
Purchase of own shares	(691)							(691)
Translation differences	(17)		855	(1 173)	(319)		(44)	(380)
Total comprehensive income	**(708)**		**855**	**(16 495)**	**(15 641)**	**12 916**	**(65)**	**(3 498)**
Contributions by and distributions to owners								
Issue of ordinary shares	1 304	1 304						2 608
Equity per 31 December 2012	**1 841**	**1 304**	**3 600**	**8 760**	**12 359**	**92 602**	**4 000**	**112 068**

GROUP Figures in USD '000

Condensed consolidated statement of changes in equity

	Share capital	Share premium	Translation reserve	Other equity	Total other equity	Re-valuation reserve	Non con-trolling interests	Total equity
Equity at 31 December 2010	**1 291**	**61 254**	**2 500**	**(41 810)**	**(39 310)**	**75 242**	**3 602**	**102 078**
Profit and loss				2 166	2 166		463	2 629
Coverage of previous losses								
Other comprehensive income								
Changes in revaluation model						9 228		9 228
Tax on revaluation reserve						(1 223)		(1 223)
Decreases in non-controlling interests								
Decrease share premium to other equity		(61 254)		61 254	61 254			
Translation differences			245		245			245
Total comprehensive income		**(61 254)**	**245**	**63 420**	**63 665**	**8 005**	**463**	**10 879**
Contributions by and distributions to owners								
Issue of ordinary shares related to restructuring of debts								
Equity per 31 December 2011	**1 291**		**2 745**	**21 610**	**24 355**	**83 247**	**4 065**	**112 958**

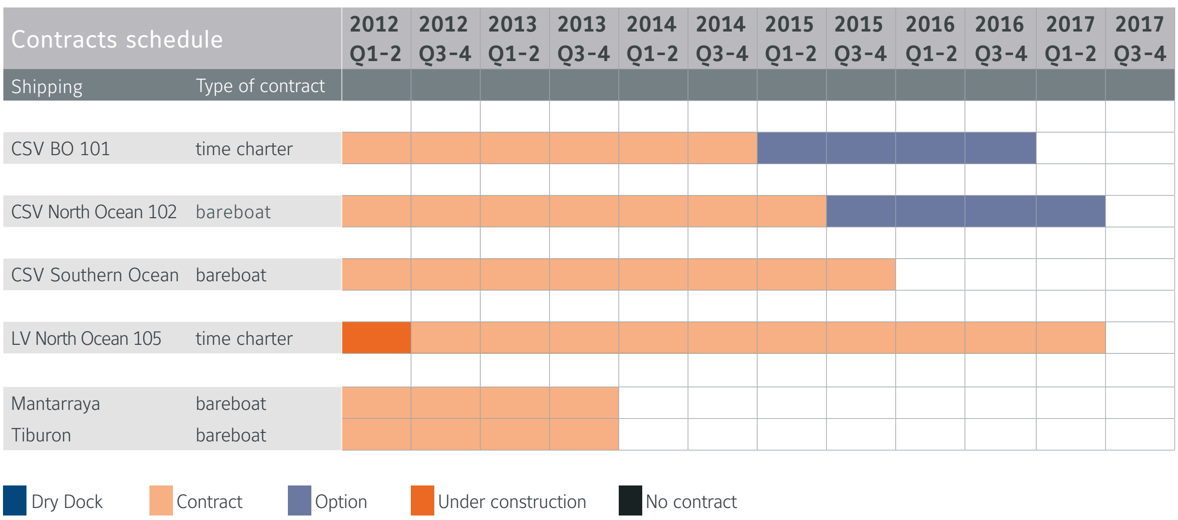
Hollandia – Strukton JV, 10120 Riffgat Offshore Sub Station

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

GROUP Figures in USD '000

	Notes	Cum Q4 2012	Cum Q4 2011
Ordinary profit (loss) before taxes		**(6 654)**	**1 153**
Depreciation and amortization of tangible assets	2	14 331	14 742
Tax paid		(421)	137
Write off assets		16	(2 098)
Net income of associates		(2 268)	
Change in trade receivables		(400)	(959)
Change in other receivables		(2 784)	(1 011)
Change in trade payables		(4 856)	3 563
Change in other accruals		(3 472)	(8 604)
Items classified as financing activities		14 961	
Items classified as investing activities		500	
Interest expense without cash effect		237	
Net cash flow from operating activities		**9 190**	**6 923**
Net cash flow from investing activities		(6 280)	(3 480)
Net cash flow from investing activities		**(6 280)**	**(3 480)**
Issuing of debt		155 868	8 970
Repayment of debt		(133 842)	(13 125)
Net cash flow from financing activities	**5**	**22 026**	**(4 155)**
Equity issue		2 608	
Purchase of own shares	8	(691)	
Net cash flow from share issue		**1 917**	
Effect of changes to exchange rates on cash and cash equivalents		(3 645)	(1 151)
Net change in cash and equivalents		**23 208**	**(1 863)**
Cash and equivalents at start of period		**11 638**	**13 501**
Cash and equivalents at end of period		**34 846**	**11 638**

* Restricted cash is USD 4.0 million.



SELECTED EXPLANATORY NOTES

Oceanteam Shipping is an offshore shipping company. Oceanteam's business is the owning, chartering and managing of Deepwater Offshore Constructive Service and Pipe Lay Vessels and the provision of Engineering and Equipment services.

NOTE 1 - FINANCIAL STATEMENTS

The condensed set of Financial Statements for Q4 2012 has been prepared in accordance with IAS 34 Interim Financial Statements and it has been prepared in accordance with the same accounting principles as the Financial Statements for 2011, unless otherwise is stated.

SELECTED ACCOUNTING PRINCIPLES

The accounting policies applied are consistent with those of the Annual Financial Statements for the year ended 31 December 2011.

CSV North Ocean 102, China

NOTE 2 - TANGIBLE ASSETS

GROUP Figures in USD '000

Q4 2012	Participation in LV 105	Construction and Support Vessels (CSV)	Fast Support Vessels, Machinery & other	Total
Historical Cost 30 September 2012	6 549	146 055	35 647	188 251
Additions	291	929	2 197	3 417
Disposals		(1 619)		(1 619)
Historical Cost 31 December 2012	**6 839**	**145 365**	**37 844**	**190 049**
Accumulated depreciation 30 September 2012		(22 491)	(14 930)	(37 421)
Depreciation		(1 737)	(720)	(2 457)
Disposals depreciation				
Accumulated depreciation 31 December 2012		**(24 228)**	**(15 650)**	**(39 878)**
Accumulated impairments 30 September 2012		(8 553)	(8 553)	(8 553)
Impairments/reversals				
Accumulated impairments 31 December 2012			**(8 553)**	**(8 553)**
Historical Cost 31 December 2012	**6 839**	**121 137**	**13 641**	**141 618**
Revaluation reserve 30 September 2012	**7 500**	**85 910**		**93 410**
Change in revaluation	(268)	911		643
Revaluation reserve 31 December 2012	**7 232**	**86 821**		**94 053**
Accumulated depreciation 30 September 2012		(1 726)		(1 726)
Depreciation premium values		(863)		(863)
Revaluation reserve 31 December 2012	**7 232**	**84 232**		**91 464**
Carrying amount 31 December 2012	**14 071**	**205 369**	**13 641**	**233 081**
Depreciation rates	25 years	5-25 years	3-15 years	
Depreciation method	linear	linear	linear	

When internal resources are used to engineer and construct a fixed asset, the relevant costs are added to the historical cost. All construction financing costs are capitalized. The Construction Support Vessels (CSV's) & Pipe Lay Vessel and the Crew Boats are financed and held for security, see note 5 loans and borrowings.

The assumptions in the revaluation model are the following:

- The model for the calculation of the revaluation has been developed in cooperation with external experts and has the following features:
- Oceanteam Shipping is updating the model quarterly
- Two external valuations from independent brokers where the Construction Support Vessel (CSV) / Pipe Lay Vessel is traded between a willing buyer and a willing seller in an active market
    - the Brokers opinion of recent newbuilding quotes of similar tonnage
    - the Brokers are evaluating the replacement costs of comparable vessels
    - the Brokers are evaluating if any recent sales of comparable vessels in the market

The above 3 assumptions form Brokers sole opinion of the fair market value any asset in the prevailing market as between a willing seller and a willing buyer, charter free. The Brokers valuation are done quarterly at end of quarter.

In the market for CSV / Lay Vessels there are few transactions of similar tonnage and charter rates often are adjusted to specific projects, the valuation is mostly based on Brokers opinion of recent newbuilding quotes of similar tonnage and equipment.

In general the Brokers state that they cannot give any assurance that the valuation can be sustained or realizable in any actual transactions. The vessels are also valued individually. If all or any of them were placed on the market at the same time, no assurance can be given that the amount realized would be equal to the total of the individual valuations.

- The average of two brokers valuation on a charter free CSV / Lay Vessel with prompt delivery
- The estimated economical lifetime is 25 years from delivery of the vessel
- The calculated cash flow from the time charter on the revaluated CSV / Lay Vessel is being compared with the estimated brokers charter
- The premium value of the vessel is depreciated linear over the useful life of the assets
- The cash flow from the charter is discounted with a WACC. The calculation of the WACC has the following assumptions:
    - 10 year state USD
    - a 40/60 ratio of equity / debt
- When Oceanteam Shipping has a signed building contract, financing is secured, construction costs and fair value can be measured reliably. Oceanteam Shipping is applying the revaluation model for the CSV / Lay Vessels. The accounting impact when applying the revaluation model is that the CSV / Lay Vessels are measured at fair value in the balance sheet. The lines on the balance sheet "Vessels and equipment" on the asset side under tangible assets and the line "Revaluation reserve" are affected by the revaluation method. The historical costs for the CSV / Lay Vessels are shown in the table above for tangible assets under the column "Construction and Support Vessels" and also the revaluation surplus under the line revaluation reserve in the table.
- Per balance sheet date the CSV 101, CSV 102, CSV 104 and LV 105 were revaluated

Investment in Pipelay Vessel North Ocean 105:

The Pipelay Vessel North Ocean 105 was delivered on 20th April 2012 on time and within budget.

Investment in 1.250T Carousel:

In March 2012 Oceanteam Shipping purchased a new 1.250T modular carousel system, to further expand the existing equipment pool according to plan. The 1.250T modular carousel system has been on hire with VSMC for a minimum of 200 days, which started the 6th of April 2012.

Investment in 10T Tensioner:

In June 2012 Oceanteam Shipping purchased a new 10T tensioner, to expand further the existing equipment pool according to plan. The 10T tensioner has been on hire with Bohlen & Doyen Bauunternehmung for the remainder of 2012, which started August 2012.

Options secured on additional equipment:

In addition, Oceanteam Shipping has secured options on 10 new 1.250T carousels and on 10 new 10T tensioners, for which great interest has been shown among clients.

Investment in 2.000T Carousel:

After balance sheet date, Oceanteam Shipping has taken up one of its options and ordered a new, OTS design, 2.000T modular carousel system, which will be delivered in April 2013.

NOTE 3 - INTANGIBLE ASSETS

GROUP Figures in USD '000

Q4 2012	Goodwill	Customer relations	Deferred tax	Other	Intangible assets
Historical cost 30 September 2012	12 987	4 400	3 831	413	21 630
Additions				165	165
Disposals					
Historical cost 31 December 2012	**12 987**	**4 400**	**3 831**	**577**	**21 795**
Accumulated amortisation 30 September 2012		(2 922)			(2 922)
Amortisation		(366)			(366)
Amortisation 31 December 2012		**(3 288)**			**(3 288)**
Accumulated impairments 30 September 2012					
Impairments/reversals					
Accumulated impairments 31 December 2012					
Book value 31 December 2012	**12 987**	**1 112**	**3 831**	**577**	**18 506**

CSV Southern Ocean, Australia

NOTE 4 - SEGMENT INFORMATION

GROUP Figures in USD '000

The Group has two segments, shipping and engineering as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately as they require different technology and marketing strategies. For each of the strategic divisions, the Group's CEO (the chief operating decision maker) reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

Segment information	Shipping		Engineering		Total	Total
	Q4 2012	Q4 2011	Q4 2012	Q4 2011	2012	2011
Revenue	8 473	9 596	7 567	5 876	64 269	61 208
Net income of associates	547				2 268	
Operating costs	(1 462)	(2 699)	(4 449)	(3 636)	(23 384)	(24 651)
General & administration	(2 246)	(1 174)	(2 497)	(1 577)	(14 423)	(11 795)
EBITDA	**5 312**	**5 723**	**621**	**663**	**28 730**	**24 762**
EBITDA percentage of revenue	**59 %**	**60 %**	**8 %**	**11 %**	**43 %**	**40 %**

1250T Carousel

NOTE 5 - LOANS AND BORROWINGS

GROUP Figures in USD '000

The table below analyses the Group's financial liabilities in relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual cash flows including interest representing nominal value at payment date.

	0 to 1 year	1 to 2 years	2 to 5 years	over 5 years	Total
At 31 December 2012					
Bank/ bond borrowings incl. interest	26 212	25 742	186 047		238 001
Other current liabilities	6 022				6 022
Total liabilities	**32 234**	**25 742**	**186 047**		**244 023**
At 31 December 2011					
Bank/ bond borrowings incl. interest	32 788	16 071	128 788		177 647
Other current liabilities	16 422				16 422
Total liabilities	**49 210**	**16 071**	**128 788**		**194 069**

Loans/ Currency of loan		True rate of interest	31 Dec 2012	31 Dec 2011
CSV 101 (USD)	Secured	LIBOR + margin*	32 175	16 525
CSV 102 (USD)	Secured	LIBOR + margin	18 675	21 662
CSV 104 (USD)	Secured	LIBOR + margin*	41 098	31 832
Two FSV's (USD)	Secured	LIBOR + margin	1 177	2 361
Bond loan (USD)		LIBOR + margin	90 197	73 717
Total long-term debt			**183 322**	**146 097**
1st year principal repayments			11 427	22 782
Total long-term debt			**171 894**	**123 315**

* 50% of the interest rate is fixed

In Q3 2012 Oceanteam Shipping ASA completed the refinancing of two offshore construction vessels CSV Bourbon Oceanteam 101 and CSV Southern Ocean. The refinanced amount is in total USD 147 million for the jointly owned vessels with Bourbon Offshore Norway AS.

In Q4 2012 Oceanteam Shipping ASA has successfully completed a USD 92.5 million senior bond issue. The net proceeds were used to refinance the current bond loan. The refinancing was successful and nearly all warrants type I were exercised. With this Oceanteam Shipping has completed the cleaning up of its capital structure, which will provide the company with a significantly improved liquidity and debt maturity profile.

LIQUIDITY RISK, FINANCIAL RISK AND MARKET RISK

Risk management is carried out by a central treasury function under policies approved by the board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure and plan so that the company will always have sufficient liquidity to meet its obligations. The refinancing transactions in 2012 have significantly increased the liquidity buffer and reduced the liquidity risk for the company.

The Group uses project based costing to price its services, which assists in monitoring cash flow requirements. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. This policy is seen as sufficient to ensure that the Group is able to manage the potential liquidity impact of circumstances that can reasonably be predicted, such as delays in the execution of projects. Such delays can either be caused by Oceanteam Shipping or the client involved in the contract in question.

Per Q4 2012 the Group has overdraft facilities of EUR 500.000 in addition to the cash balance of USD 34.8 million.

Currency risk

The Group is exposed to currency risk on sales, purchases, cash deposits and borrowings that are denominated in a currency other than the respective functional currencies of Group entities, primarily the US dollar (USD), but also Euro (EUR) and Norwegian Kroner (NOK).

The major currency risk for the Group used to be the nominal bond loan of NOK 400 million and the call premium and the timing of the refinancing of the bond loan. Incurred interest costs are for the bond loan in NOK and for the other loans in USD. Provisions are all in EUR and USD.

The new USD denominated bond loan settled on 24th October2012 has reduced the company's foreign currency exposure significantly.

Financial risk

Financial risks include interest rate and currency fluctuations, investment and trading risks in general, borrowing and leverage and risk in connection with the vessels under construction / Spanish tax lease. The company has sales revenues and liabilities in foreign currencies and is exposed to currency risks. This risk is particularly relevant for the revenue and liabilities in the EUR.

The company is exposed to changes in interest rates as the bulk of its debt has floating rates. Lay Vessel North Ocean 105 was financed in USD for the construction costs hedged in EUR. Long term post construction finance has been secured in USD where the interest rate is fixed. In the new loan agreement for the CSV Bourbon Oceanteam 101 and CSV Southern Ocean 50% of the interest rate is fixed. This is securing the company from volatile interest rate fluctuations. The new USD bond loan and the loan for the North Ocean 102 has a floating LIBOR. With the new debt maturity secured in 2012 and the forward interest curves, the company sees a satisfactory risk level.

The objective of the Company is to reduce the financial risk as much as possible. Current strategy does not include the use of financial instruments, but is largely based on natural hedging where income streams and costs are matched for the various projects. This is, however, continuously being assessed by the Board of Directors. The Shipping segment is mainly in USD while the Engineering segment is in EUR.

During the fourth quarter 2012 the company secured the repayment of the NOK bond loan with forwards. This had a positive effect of USD 420.000 compared to the realised foreign exchange rate. The booked equity ratio is 37 percent.

Interest risk

The group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to fluctuation in interest. Oceanteam Shipping has quarterly fixed interests. The company has also the opportunity to use longer periods as for instance 6 or 9 months etc. Due to the previous uncertainties in the liquidity situation of the company, Oceanteam Shipping has used quarterly roll over.

Market risk

The business going forward is shipping operations with time charter/ bare boat agreements, and one new Lay Vessel delivered in April 2012. Oceanteam Shipping's expectations for the future is reduced market risk connected to lower risk in renting out assets.

The diversification of risks for the engineering segment are divided into three different markets; Oil & Gas, Complex Structures and Renewable Energy.

Credit risk

The credit risks in the company concern clients who are on a long term charter for the CSV vessels and the client's credit risk is evaluated before a charter agreement is signed. Experience with the clients is very good. Payment terms for chartering equipment are either prepayments or very short credit periods. Engineering services are invoiced when the service is provided.

Operational risk

Operational risks include time charters, service life and technical risk of vessels, the Group's limited operating history, risk for substantial responsibilities, the Group's ability to retain senior management and key personnel, risk for legal proceedings and contractual disputes, construction risk and employment risk for the vessels and equipment.

Construction and Support Vessels contract schedule:

- CSV 101: BP Angola until 28th February 2015 (+2 x 1 year option)
- CSV 102: changed from Time charter to Bareboat charter from 1 October 2012. McDermott firm until 1st August 2015 (+2 x 1 year option)
- CSV 104: Fugro TSMarine until 31st December 2015
- LV 105: McDermott until 30th June 2017 (delivered April 2012)
- FSV Mantarraya: Inversiones until end 2013
- FSV Tiburon: Inversiones until end 2013
- Engineering- & equipment: the level of secured work / tenders out are satisfactory for the coming years

NOTE 6 - TAX IN Q4 2012

Taxes in the income statement are estimated on the basis of the average tax rates for each of the companies that constitute the Group. In companies that apply for the Norwegian Tonnage Tax system the tax rate is set at zero.

Oceanteam Shipping has one Construction Support Vessel which is under the normal tax regime in Norway where the nominal tax is 28 percent. However, the Group has major tax losses to be carried forward due to losses on contracting business. Confirmation from the tax authorities of a deferred tax loss of NOK 917 million has been received in October 2012. The Group is analyzing how to utilize the nominal deferred losses of NOK 917 million or USD 160 million. The deferred losses for operations outside Norway are EUR 45 million.

The deferred tax balance USD 3.8 million on the balance sheet refers to abroad operations in the Netherlands.

NOTE 7 - NUMBER OF SHARES IN THE PERIOD

At the Annual General Meeting of Oceanteam Shipping on 31st May 2012, it was resolved to consolidate (reverse split) the shares of the company so that 10 old shares would give 1 new share. After the share consolidation, the nominal value of the shares become NOK 0.50, up NOK 0.45 from NOK 0.05. Further, in order to ensure a number of shares dividable by 10 prior to consolidation, a share capital increase of 7 new shares at a subscription price of NOK 0.05 was resolved. Following consolidation the number of shares was reduced from 150,788,393 to 15,078,840.

As the company had outstanding warrants, it was resolved to carry out a similar consolidation as with the shares so that 10 warrants are consolidated into 1. The new face value per warrant is with same ratio 10:1, hence NOK 1.00.

When the existing bond loan was redeemed on 23rd November 2012, the exercise of up to 14,898,607 warrants type I was triggered, which gave the holder the right to subscribe for one new share at a price of NOK 1.00, per warrant. If all warrants type I were exercised, the new number of outstanding shares would be 29,977,400 and the company will no longer have any warrants outstanding.

In the Consolidated Statement of Comprehensive Income, the previous number of shares have been restated for the ex-reverse split at the ratio 10:1, hence previous earnings per share (in USD) are also restated for the previous periods.

The bond loan was repaid the 23rd November 2012 and triggered the exercising of 14.5 million warrants which cleaned up the share capital and resulted in a total number of shares of 29,593,259 for the company in Q4 2012. With capital paid in 2012 and the new shares registered in January 2013.

NOTE 8 - SHARE CAPITAL AND PURCHASE OF OWN SHARES

In Q3 2012 Oceanteam Shipping ASA purchased own shares in the market. Following these transactions Oceanteam Shipping ASA owns a total of 1,007,524 treasury shares which equals 6.68% of the total number of shares.

After balance sheet date Oceanteam Shipping ASA has registered the new share capital of NOK 14,796,629.50 divided into 29,593,259 shares, each with a nominal value of NOK 0.50 per 24th January 2013.

OCEANTEAM SHIPPING ASSETS

VESSELS

CSV BOURBON OCEANTEAM 101

Upon delivery in December 2007, this DP2 Construction Support Vessel has been operating as a field support vessel with BP Angola for the company's Greater Plutonium Field development (in Block 18 and 31). The first of the standard design North Ocean 100 series is jointly owned by Oceanteam Shipping and Bourbon Offshore Norway. The ship is 122,5 meters in length with a 27 meter beam. Its excellent seafaring capabilities, one 150 tonnes and one 100 tonnes fully heave compensated cranes, moon pool, 2000m2 free deck space and 120 accommodation enables CSV Bourbon Oceanteam 101 to be utilised for field support, construction, installation and IRM support.

CSV NORTH OCEAN 102

This DP2 Construction Support Vessel was delivered in Q4 2008. The vessel worked for ABB High Voltage AB from its delivery and was mobilised with a 7000 tonnes, 2 x 120 tonnes tensioners flexible product installation spread. CSV North Ocean 102 is equipped with one 100 tonnes heave compensated crane. The second of the standard design North Ocean 100 series has been converted into one of the largest flexible product installation vessels in the world suitable for both subsea power cables and umbilicals. The ship is 137 meters in length and has a 27 meter beam and can accommodate up to 199. The vessel is jointly owned by Oceanteam Shipping and McDermott. The vessel has secured a 5 year charter with McDermott and will be utilised world wide for cable and umbilical installation works.

CSV SOUTHERN OCEAN

The vessel was delivered in Q4 2010 and immediately commenced its first project for Fugro TSMarine. This DP2 Construction Support / Flexible Product Installation vessel combines a moon pool, two large cranes (1 x 250tonnes and 1 x 110 tonnes, heave compensated), 2500m2 deck space, 120 accommodation and excellent seafaring capabilities, enabling her to be utilised for field support, construction, installation and IRM.

VESSELS

LAY VESSEL NORTH OCEAN 105

High-capacity, rigid-reeled vertical Pipe Lay Vessel, with 3000-ton payload reel capacity for subsea construction and installation, and deepwater moorings installation; which was delivered on 20th April 2012. The vessel has started a 5 year charter contract with McDermott at delivery.

FSV MANTARRAYA / FSV TIBURON

These innovative Fast Support Vessels (FSV's) are operational. The vessels are capable of transporting 75 p.o.b. and cargo at a cruising speed of 25 knots with largely improved fuel efficiency compared to similar vessels available. Both these vessels are on bareboat contracts in Venezuela.

OCEANTEAM SHIPPING

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