

Remora AS – Q2 2010

Business activities

The HiLoad DP no 1 vessel has experienced thruster failures in the second quarter leading to delays in final testing and commissioning. The thrusters have in July been successfully reinstalled and tested. Sea Trial is now tentatively planned for October with the objective to qualify HiLoad DP no 1 for projects operated by the participating oil companies. The Sea Trial program will represent a full scale qualification of the HiLoad vessel and will be a significant milestone with regards to securing a start up contract for the vessel.

The HiLoad MVD phase 2 project with Stena has been successfully completed in the second quarter.

Market activities

16 oil companies (including all Majors) have confirmed their participation in the upcoming Sea Trials. Approach initiated towards additional deepwater operators and field partners for immediate utilization of the HiLoad DP after successful Sea Trials. Workshops and Technical sessions successfully held with the largest P&I Clubs and underwriters. 22 Tanker Companies have been approached with broad support granted from the majority.

Financial results

Financial figures for Remora AS as per second quarter 2010 are presented below. All figures are presented in MNOK. The accounts have not been audited.

| Income Statement | Jan-June 2010 | Jan-June 2009 | Jan-Dec 2009 |
|-------------------------|----------------------|----------------------|---------------------|
| Operating income | 10,4 | 0,4 | 3,6 |
| Operating expenses | 31,2 | 24,7 | 44,3 |
| Net operating income | (20,9) | (24,3) | (40,7) |
| Net financial items | (26,3) | (0,5) | 11,2 |
| Net income before tax | (47,2) | (24,9) | (29,5) |

Income statement

The operating income is related to Stena Project Phase II that has now been successfully completed. Operating expenses are related to project management and follow-up, as well as general cost related to running the business. Net financial items reflect interest on loans.

| Balance Sheet | 30.06.2010 | 30.06.2009 | 31.12.2009 |
|-------------------------------------|-------------------|-------------------|-------------------|
| Intangible assets | 38,9 | 38,9 | 38,9 |
| Fixed assets | 4,5 | 3,8 | 4,6 |
| Construction in progress | 869,1 | 592,3 | 789,5 |
| Other current assets | 7,6 | 61,9 | 47,7 |
| Cash and bank | 6,4 | (6,7) | 63,5 |
| Total assets | 926,4 | 690,2 | 944,2 |
| Total equity | 564,3 | 607,0 | 609,7 |
| Long term liabilities | 331,9 | 10,1 | 235,2 |
| Other current liabilities | 30,2 | 73,1 | 99,3 |
| Total equity and liabilities | 926,4 | 690,2 | 944,2 |

Balance sheet

Construction in progress is mainly related to HiLoad DP no 1. Main items are equipment, construction cost and cost related to sea launching and commissioning. Other current assets consist of payments in advance. Long term liabilities are related to Loans from Shareholders and third parties. Other current liabilities relate to short term accruals for costs and debt to vendors.

Cash flow

Main cash flow out of the company in the second quarter is related to remaining work for the HiLoad DP no. 1 project, including commissioning and testing, in addition to cost of running the Remora organization. The company has available MNOK 70 in undrawn credit facilities.

Shareholders:

The 20 largest shareholders (registered in VPS per 30th June 2010) are:

| Shareholder | Number of shares | Ownership |
|--------------------------|-------------------|-----------------|
| HITEC INDUSTRIES POR | 4 654 477 | 24,4 % |
| UBS AG, LONDON BRANC S/A | 3 819 904 | 20,0 % |
| STENA INVESTMENT SARL | 2 379 670 | 12,5 % |
| HILOAD HOLDING AS | 1 632 698 | 8,5 % |
| SOBRA FINANS II AS | 1 562 851 | 8,2 % |
| SKEIE CAPITAL INVEST | 1 320 288 | 6,9 % |
| KONGSBERG GRUPPEN AS | 691 000 | 3,6 % |
| SKAGEN VEKST | 550 521 | 2,9 % |
| STYRBJØRN AS | 461 492 | 2,4 % |
| MORGAN STANLEY & CO S/A | 451 992 | 2,4 % |
| DET STAVANGERSKE DAM | 294 554 | 1,5 % |
| PACTUM AS | 205 000 | 1,1 % |
| SEB PRIVATE BANK S.A | 200 000 | 1,0 % |
| BD TRADING AS | 158 903 | 0,8 % |
| MP PENSJON | 136 000 | 0,7 % |
| ISInvest AS | 129 748 | 0,7 % |
| JCE GROUP AB | 64 874 | 0,3 % |
| HÅLAND EIENDOM & FIN | 45 412 | 0,2 % |
| INTO HOLDING AS | 40 016 | 0,2 % |
| SOBRA AS | 32 500 | 0,2 % |
| Others | 266 876 | 1,4 % |
| Total | 19 098 776 | 100,00 % |

As of June 30, the last registered share price is NOK 11 per share.

Shares owned by the Board of Directors, per June 30:

- Jon Gjedebo owns 24 629 shares directly and through Naust AS.