OCEAN YIELD

PROSPECTUS

OCEAN YIELD ASA

(*A Public Limited Liability Company Organised under the Laws of Norway*)

Initial Public Offering of 33,500,000 Shares
Indicative Price Range: From NOK 30 to NOK 34 per Share

The information contained in this prospectus (the "**Prospectus**") relates to (a) the listing and admission to trading of ordinary shares, each with a par value of NOK 10.00 (the "**Shares**"), in Ocean Yield ASA (the "**Issuer**") on Oslo Børs or Oslo Axess (the "**Oslo Stock Exchange**"), and (b) the initial public offering (the "**Offering**") of 33,500,000 Shares (the "**Offer Shares**") in the Issuer.

This Offering comprises (a) an institutional offering (i) to institutional and professional investors in Norway, (ii) to investors outside Norway and the United States subject to exemptions from local prospectus or other filing requirements, and (iii) in the United States, to "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the United States Securities Act of 1933, as amended (the "**Securities Act**") (the "**Institutional Offering**"), and (b) a retail offering to the public in Norway (the "**Retail Offering**"). All offers and sales outside the United States will be made in reliance on Regulation S ("**Regulation S**") under the Securities Act.

The price at which the Offer Shares are expected to be sold and issued (the "**Offer Price**") is between NOK 30 and NOK 34 per Offer Share. This price range (the "**Indicative Price Range**") is indicative only. The Offer Price will be determined through a book-building process in connection with the Institutional Offering, and will be set by the Issuer in consultation with the Joint Bookrunners. Investors in the Retail Offering will receive a discount of NOK 1,500 on their aggregate subscription amount for the Offer Shares allocated to such investors. The book-building period for the Institutional Offering (the "**Book-building Period**") is expected to take place from 9:00 a.m. CET on 10 June 2013 to 4.30 p.m. CET on 21 June 2013, and the application period for the Retail Offering (the "**Application Period**") will commence at 9:00 a.m. CET 10 June 2013 and expire at 12:00 p.m. on 21 June 2013, in each case subject to shortening or extension. The Offer Price, and the number of Offer Shares sold and issued in this Offering, is expected to be announced by the Issuer through the information system of the Oslo Stock Exchange on or about 9:00 p.m. CET on 24 June 2013.

As a part of this Offering, the Issuer will grant the Joint Bookrunners a right to over-allot (the "**Over-allotment Facility**") a number of Shares equalling up to 10% of the number of Offer Shares initially allocated in the Offering (amounting to 3,350,000 Shares if 33,500,000 Offer Shares are initially allocated), and Aker ASA will grant the Joint Bookrunners a right to borrow a corresponding number of Shares (the "**Lending Option**") in order to permit delivery in respect of over-allotments made. If the Over-allotment Facility is utilised in full, the number of Offer Shares sold and issued in the Offering may amount to a maximum of 36,850,000 Offer Shares. In order to cover over-allotments made, Aker ASA will further grant the Joint Bookrunners a right to buy, at the Offer Price, a number of Shares equalling the number of over-allotted Shares (the "**Additional Shares**"), exercisable in whole or in part within a 30-day period from commencement of trading in the Shares on the Oslo Stock Exchange (the "**Over-allotment Option**").

This is an initial public offering; prior to the Offering there was no public trading market for the Shares. The board of directors of the Oslo Stock Exchange is expected to approve the Issuer's listing application at a board meeting to be held during the Bookbuilding Period, subject to fulfilment by the Issuer of the requirements of the Oslo Stock Exchange as to number of shareholders and free float. Consummation of this Offering is, among other things, conditional upon the Issuer fulfilling these requirements.

All Shares in the Issuer rank in parity with one another and carry one vote per Share. The Shares are registered with the Norwegian Central Securities Depositary (Nw. *VPS*) (the "**VPS**"), in book-entry form, and carry the ISIN NO0010657448.

It is expected that payment of allocated Offer Shares will fall due on 27 June 2013, and that the Offer Shares are delivered on the same date. Trading in the Shares on the Oslo Stock Exchange is expected to commence on 28 June 2013, under the trading symbol "OCY".

Investing in the Shares involves a high degree of risk; see Section 2 "Risk Factors" beginning on page 13.

All references herein to the "**Company**", "**Ocean Yield**", the "**Ocean Yield Group**" or the "**Group**" are to the Issuer taken together with its consolidated subsidiaries, including, for periods prior to 31 March 2012 which was the date of establishment of Ocean Yield in its present form, the Aker ASA controlled entities transferred to Ocean Yield as part establishing the Company. For the definitions of certain technical terms used throughout this Prospectus, see Section 21 "Definitions and Glossary".

Joint Bookrunners:

DNB Markets **Pareto Securities** **SEB**

Joint Lead Managers:

DNB Markets **Pareto Securities** **SEB** **Arctic Securities** **Nordea Markets** **Swedbank First Securities**

The date of this Prospectus is 7 June 2013

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 regarding information contained in prospectuses (the "**Prospectus Directive**") as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (hereafter "**EC Regulation 809/2004**"). This Prospectus has been prepared solely in the English language. The Financial Supervisory Authority of Norway (Nw. *Finanstilsynet*) (the "**Norwegian FSA**") has reviewed and approved this Prospectus in accordance with Sections 7-7 and 7-8 of the Norwegian Securities Trading Act. The Norwegian FSA has not controlled or approved the accuracy or completeness of the information included in this Prospectus. The approval by the Norwegian FSA only relates to the information included in accordance with pre-defined disclosure requirements. The Norwegian FSA has not made any form of control or approval relating to corporate matters described in or referred to in this Prospectus.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Section 7-15 of the Norwegian Securities Trading Act, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time when this Prospectus is approved and the date of listing of the Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus, nor any sale of Offer Shares made hereunder, shall under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Neither DNB Markets, Pareto Securities or SEB (the "**Joint Bookrunners**"), nor Arctic Securities, Nordea Markets or Swedbank First Securities (together with the Joint Bookrunners, the "**Joint Lead Managers**" or the "**Managers**") make any representation or warranty, whether express or implied, as to the accuracy or completeness of such information, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by any of the Managers. No person is authorised to give any information or to make any representation in connection with the Offering other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Issuer or any of the Managers or by any of the affiliates, advisors or selling agents of any of the foregoing.

In making an investment decision, each investor must rely on their own examination, and analysis of, and enquiry into the Company and the terms of the Offering, including the merits and risks involved. None of Issuer or the Managers, or any of their respective representatives or advisers, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares.

The distribution of this Prospectus and the offering and sale of the Offer Shares in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of Shares to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Issuer and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions.

The Offer Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. For further information on the manner of distribution of the Offer Shares and the selling and transfer restrictions to which they are subject, see Section 7 "Selling and Transfer Restrictions".

In connection with the Offering, Pareto Securities as the stabilisation manager (the "**Stabilisation Manager**"), on behalf of the Managers, may engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 days from the commencement of trading of the Shares on the Oslo Stock Exchange. Specifically, the Stabilisation Manager may over-allot Offer Shares or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail. The Stabilisation Manager is not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken; if undertaken, the Stabilisation Manager may end any of these activities at any time and they must be brought to an end at the end of the 30-day period mentioned above. Save as required by law or regulation, the Stabilisation Manager does not intend to disclose the extent of any stabilisation transactions in conjunction with the Offering.

This Prospectus and the terms and conditions of the Offering as set out herein shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offering or this Prospectus.


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EMAS

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1 SUMMARY

The following summary should be read as an introduction to the full text of this Prospectus and highlights information presented in greater detail elsewhere in this Prospectus. This summary is not complete and does not contain all the information that an investor should consider before investing in the Shares. Any investment decision relating to the Shares should be based on the consideration of this Prospectus as a whole, including Section 2 "Risk Factors" and the Financial Statements included herein. Where a claim relating to the information contained in this Prospectus is brought before a court, a plaintiff investor might, under the national legislation of a Member State of the EEA, have to bear the costs of translating this Prospectus before legal proceedings are initiated. No civil liability attaches to those persons who have prepared this summary, including any translations thereof, unless it is misleading, inaccurate or inconsistent when read together with other sections of this Prospectus. For definitions of certain terms as used herein, see Section 21 "Definitions and Glossary".

1.1 Introduction to Ocean Yield

Ocean Yield in its present form was established on 31 March 2012 by Aker ASA, to form the basis for developing a company with investments within oil-service and industrial shipping, focusing on long-term charters. The Company was established with a portfolio of assets controlled by Aker ASA, and an experienced management team was recruited. In the second half of 2012, and in the first quarter of 2013, the Company expanded its portfolio of assets by investing in five new vessels. The Company builds on Aker's track record within the offshore industry. It has a solid financial platform and an existing fleet of vessels on long-term charters, and intends to expand its fleet further.

The Company's strategy for further growth is to:

- invest in modern oil-service and industrial shipping assets;
- focus on long-term charters of 5-15 years duration with solid counterparties; and
- target a low operational risk.

Ocean Yield will continue to develop and diversify its portfolio of assets, combined with raising new capital for further growth, with the aim of becoming a large company with substantial dividend capacity and a portfolio of diversified assets.

Upon establishment in the first quarter of 2012, the Company had ownership of one FPSO (the *Dhirubhai-1*), one offshore construction vessel (the *Aker Wayfarer*), one seismic vessel (the *Geco Triton*) and an investment in 93% of the bonds in American Shipping Company's NOK 700 million unsecured bond loan (AMSC 07/18 FRN C, ISIN NO0010356512), maturing in 2018. The *Dhirubhai-1* is on long-term charter to Reliance Industries until 2018 under a charter contract and an operations and maintenance contract. The *Aker Wayfarer* is on long-term charter to AKOFS Wayfarer, a subsidiary of Aker Solutions, until 2020, while the *Geco Triton* is on long-term charter to GecoShip, a subsidiary of WesternGeco, until 2015.

Later, in the second half of 2012, Ocean Yield entered into newbuilding contracts for two Pure Car and Truck Carriers (PCTCs), with twelve-year charters from delivery to Höegh Autoliners Shipping, a subsidiary of Höegh Autoliners Holding. Delivery and commencement of the charters for the PCTCs are expected in April 2014 and August 2014, respectively. Further, the Company acquired the offshore construction and cable-lay vessel *Lewek Connector*, with long-term charter to EMAS, a subsidiary of EZRA, until 2022.

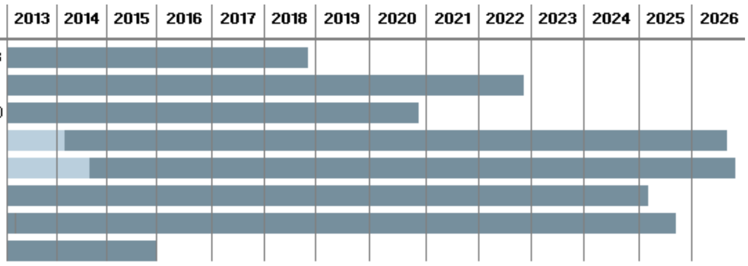
Additionally, in March 2013, Ocean Yield entered into a transaction with Farstad Supply, a subsidiary of Farstad Shipping, for the acquisition of two newbuilding Anchor Handling Tug Supply (AHTS) vessels from Farstad Supply with twelve-year charters from delivery to Farstad Supply. The first AHTS vessel (the *Far Senator*) was delivered, and the charter commenced, in March 2013, whereas the second AHTS vessel (the *Far Statesman*) was delivered in June 2013.

As of 31 March 2013, the Company's charter backlog amounted to USD 1,889 million on the basis of contracted revenues, and USD 1,721 million on the basis of contracted EBITDA. As of the same date the average remaining contract tenor, weighted by contracted EBITDA, was 7.5 years.

All of the Company's vessels, except the *Dhirubhai-1*, are chartered on "hell and high water" bareboat charter terms, meaning that the charter contracts contain no, or very limited, off-hire provisions such that the charter-hire is payable by the charterers irrespective of whether the charterers encounters interruptions as to the use of the vessels.

The chart below provides an overview of the contract status for each of the Company's vessels.

Vessel	Counterparty	Contract Type	Contract Period End
Dhirubhai-1	Reliance Industries	Bareboat / O&M	September 2018
Lewek Connector	EMAS	Bareboat	October 2022
Aker Wayfarer	AKOFS Wayfarer	Bareboat	September 2020
Höegh 4401	Höegh Autoliners Shipping	Bareboat	April 2026
Höegh 4402	Höegh Autoliners Shipping	Bareboat	August 2026
Far Senator	Farstad Supply	Bareboat	March 2025
Far Statesman	Farstad Supply	Bareboat	June 2025
Geco Triton	GecoShip	Bareboat	December 2015



The Company's vessels are all chartered to premium clients:

- The *Dhirubhai-1* is chartered to Reliance Industries. The Reliance group is one of India's largest private sector enterprises, with businesses in the energy and materials value chain with annual revenues in excess of USD 68 billion. The group's flagship company, Reliance Industries, is a Fortune Global 500 company.

- The *Lewek Connector* is chartered to EMAS. The parent company of EMAS, EZRA, has guaranteed the performance of the charterer. The EZRA group is a leading global contractor providing construction, production and energy assets and services across the oil and gas lifecycle. EZRA is listed on the Singapore Exchange.

- The *Aker Wayfarer* is chartered to AKOFS Wayfarer. The parent company of AKOFS Wayfarer, Aker Solutions, has guaranteed the performance of the charterer. Aker Solutions is a leading provider of oilfield products, systems and services for customers in the oil and gas industry world-wide, with annual revenues in excess of NOK 44.9 billion. Aker Solutions is listed on the Oslo Stock Exchange.

- The PCTCs are subject to charters from delivery to Höegh Autoliners Shipping. The parent company of Höegh Autoliners Shipping, Höegh Autoliners Holding, has guaranteed the performance of the charterer. The Höegh Autoliners group is a leading global provider of roll-on-roll-off (Ro-Ro) vehicle transportation services, operating around 60 PCTCs in global trade systems. In 2012 the Höegh Autoliners group carried about 2.45 million car equivalent units (ceu) and made over 4000 port calls.

- The *Far Senator* and the *Far Statesman* are chartered to Farstad Supply, which is the main vessel owning subsidiary of Farstad Shipping. Farstad Shipping, which is listed on the Oslo Stock Exchange, is specialising in offshore tonnage to the international oil and gas industry and is amongst the largest companies in the world for large to medium-sized supply vessels (AHTS and PSV vessels).

- The *Geco Triton* is chartered to GecoShip, which is a subsidiary of WesternGeco. WesternGeco is in turn a subsidiary of Schlumberger.

1.2 Sole Shareholder; Board of Directors, Management and Employees

As of the date of this Prospectus, Aker ASA is the sole shareholder of the Issuer.

The Issuer's board of directors currently consist of the following members: Trond Brandsrud (Chairman), Kjell Inge Røkke and Katrine M. Klaveness. Katrine M. Klaveness will, however, resign from her position as director as of the first day of trading in the Shares on the Oslo Stock Exchange, and three new directors have been elected as directors effective as of the same date. These new directors are: Anne-Christin Døvigen, Jens Ismar and Annicken Gann Kildahl.

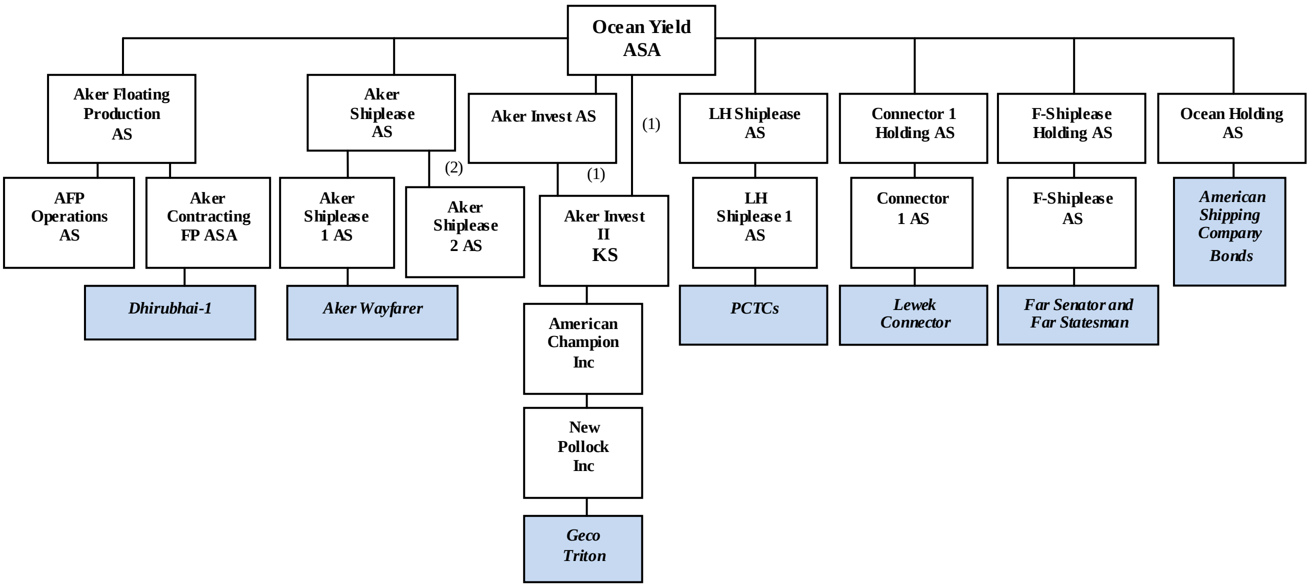
The Company's executive management consists of Lars Solbakken, CEO; and Eirik Eide, CFO. Mr. Solbakken and Mr. Eide have significant experience from similar positions with industry peers. Other key personnel is Axel M. Busch-Christensen, VP Investments.

As of 31 March 2013 the Company had 19 employees.

1.3 Corporate Information; Shares and Share Capital

The Issuer is a Norwegian public limited liability company (Nw. *allmennaksjeselskap* or *ASA*), incorporated under the laws of Norway and in accordance with the Norwegian Public Limited Liability Companies Act (Nw. *allmennaksjeloven*). The Issuer's registration number is 991844562.

The chart below shows the current legal structure of the Company (simplified), and where the principal assets of the Company are held. All subsidiaries are wholly-owned by the Issuer (directly or indirectly).



(1) 90% owned by Ocean Yield AS, and 10% owned by Aker Invest AS.

(2) 94% owned by Aker Shiplease AS, 3% owned by Connector 1 Holding AS, and 3% owned by LH Shiplease AS.

The Company has its head office and registered address at Fjordalléen 16, 0250 Oslo, Norway. Its telephone number is +47 24 13 00 00 and its web-site is www.oceanyield.no. The Articles of Association of the Issuer are included in this Prospectus as Appendix C—Articles of Association.

As of the date of this Prospectus the Issuer's share capital is NOK 1,000,000,000 divided into 100,000,000 Shares, each Share having a par value of NOK 10.00. Assuming that all the Offer Shares are sold and issued, the Issuer's share capital will upon consummation of the Offering amount to NOK 1,335,000,000, divided into 133,500,000 Shares.

The Shares are registered with the VPS in book-entry form. All of the Shares rank in parity with one another and carry one vote per Share.

1.4 Summary Financial and Operating Information

The following summary financial information has been extracted from the Company's unaudited Interim Financial Statements as of and for the three months ended 31 March 2013, and the Company's audited Combined Financial Statements as of and for the years ended 31 December 2012, 2011 and 2010, except the unaudited pro forma income statement information for the year ended 31 December 2012.

The Combined Financial Statements have been prepared in accordance with IFRS, as further discussed in Section 12.3 "Operating and Financial Review—Basis of Preparation of the Combined Financial Statements", and the Interim Financial Statements have been prepared in accordance with IAS 34. The summary combined financial information, and the summary interim financial information included herein should be read in connection with, and is qualified in its entirety by reference to, the Financial Statements which are included in Appendix A—Financial Statements; and should be read together with Section 12 "Operating and Financial Review".

The summary unaudited pro forma income statement information included herein should be read in connection with, and is qualified in its entirety by reference to, the more comprehensive discussion included in Section 11.2 "Selected Financial and Operating Information—Unaudited Pro Forma Income Statement Information". Because of its nature, the unaudited pro forma income statement information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial results during the period presented.

The table below sets out a summary of the Company's unaudited consolidated income statement information for the three months ended 31 March 2013 and 2012, and the Company's audited combined income statement information for the years ended 31 December 2012, 2011 and 2010.

USD million (except earnings per share)	**Three Months Ended 31 March**		**Year Ended 31 December**		
	2013	**2012**	**2012**	**2011**	**2010**
Income Statement, continuing operations					
Operating revenue	56.6	45.4	188.0	182.5	151.7
Vessel operating expenses	-3.9	-4.5	-16.3	-17.3	-16.9
Wages and other personnel expenses	-1.7	-3.7	-10.1	-9.3	-8.2
Other operating expenses	-2.2	-2.0	-10.2	-7.1	-12.7
Operating profit before depreciation and amortisation	48.8	35.1	151.4	148.8	113.9
Depreciation and amortisation	-24.2	-20.8	-85.9	-84.9	-75.3
Impairment charges and other non-recurring items	—	-3.0	-5.9	-20.0	-16.6
Operating profit	24.7	11.3	59.7	43.9	22.0
Financial income	4.6	1.4	8.9	14.6	34.2
Financial expenses	-8.1	-21.0	-39.9	-58.1	-74.3
Mark to market of derivatives	-3.4	—	-1.7	—	—
Profit before tax	17.8	-8.3	26.9	0.4	-18.1
Income tax expense	-0.7	-0.1	0.8	3.8	5.8
Profit for the period	17.1	-8.4	27.7	4.2	-12.3
Total comprehensive income					
Profit for the period, continuing operations	17.1	-8.4	27.7	4.2	-12.3
Other comprehensive income, net of income tax:					
Currency translation differences	-4.1	8.1	9.4	-11.1	0.4
Change in other comprehensive income, net of income tax	-4.1	8.1	9.4	-11.1	0.4
Total comprehensive income for the period	13.1	-0.3	37.1	-6.9	-11.9
Attributable to:					
Equity holders of parent	13.1	-0.3	37.1	-0.2	-3.9
Minority interests	—	—	—	-6.7	-8.0
Total comprehensive income for the period	13.1	-0.3	37.1	-6.9	-11.9
Earnings per share (USD)	0.17	-0.08	0.28	—	—

The table below sets out a summary of the Company's unaudited pro forma income statement information for the year ended 31 December 2012. This summary information is qualified in its entirety by the more extensive discussion included in Section 11.2 "Selected Financial and Operating Information—Unaudited Pro Forma Income Statement Information".

The unaudited pro forma income statement information set out in the table below is based on certain management assumptions and adjustments made to show how certain transactions could have affected the Company's combined income statement for the year ended 31 December 2012, as if these transactions had taken place as at 1 January 2012. The unaudited pro forma income statement information has been prepared for illustrative purposes only. Because of its nature, the unaudited pro forma income statement information addresses a hypothetical situation and, therefore, does not represent the Company's actual results. It is not necessarily indicative of the operating results that would have occurred during the period presented nor is it necessarily indicative of future operating results or financial position. Investors are cautioned that unaudited pro forma income statement information is based on the assumptions and adjustments described in the accompanying notes that the Issuer believe are reasonable, and should be read in conjunction with the historical consolidated financial statements and accompanying notes. Investors should therefore use caution and not place undue reliance on this pro forma income statement information.

The pro forma income statement information is based on and derived from the Company's combined income statement for the year ended 31 December 2012. In the table below, the "Combined Income Statement" column shows the Company's unadjusted historical income statement information for the year ended 31 December 2012, presented on a combined basis for all periods prior to the date at which the Ocean Yield was established, on 31 March 2012, as if the Ocean Yield had existed as a separate legal group prior to such date, and on a consolidated basis for all periods thereafter. In evaluating the unaudited pro forma income statement information, investors should carefully consider the

Company's combined financial statements and the notes thereto. The Company's combined financial statements have been prepared in accordance with IFRS. The applied accounting principles are outlined in the Combined Financial Statements included in Appendix A—Financial Statements to this Prospectus, as well as in Section 12.3 "Operating and Financial Review—Basis of Preparation of the Combined Financial Statements".

The unaudited pro forma income statement information has been prepared in accordance with Annex II to the EU Regulation No 809/2004 as incorporated in Norwegian law through Section 7-13 of the Norwegian Securities Trading Act, and in accordance with the recognition and measurement principles that are consistent with the accounting principles as applied by the Company and referred to above. The unaudited pro forma income statement information does not include all information required for financial statements under IFRS. The unaudited pro forma income statement information has not been prepared in connection with an offering registered with the SEC under the US Securities Act and is consequently not compliant with the SEC's rules on presentation of pro forma financial information.

USD million	**Year Ended 31 December 2012**		
	Combined Income Statement	**Pro Forma Adjustments**	**Pro Forma Income Statement**
Operating revenue	188.0	—	188.0
Cost of goods	-16.3	—	-16.3
Wages and other personnel expenses	-10.1	—	-10.1
Other operating expenses	-10.2	—	-10.2
Operating profit before depreciation and amortisation	151.4	—	151.4
Depreciation and amortisation	-85.9	—	-85.9
Impairment charges and other non-recurring items	-5.9	—	-5.9
Operating profit	59.7	—	59.7
Financial income	8.9	2.5(1)	11.4
Financial expenses	-39.9	15.2(2)	-24.7
Mark to market of derivatives	-1.7	—	-1.7
Profit before tax	26.9	17.7	44.6
Income tax benefit	0.8	-0.8(3)	—
Profit for the period	27.7	16.9	44.7

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(1) This pro forma adjustment is to record the estimated interest income from the American Shipping Company bonds for the period from 1 January 2012 to 30 March 2012. The interest rate for the bond in the period from 1 January 2012 to 30 March 2012 was 7.8% (NIBOR plus 4.75). The interest income on the bonds for the period from 31 March 2012 to 31 December 2012 was USD 7.5 million, which corresponds to an interest rate of 7.0% (NIBOR plus 4.75). The bonds are denominated in NOK. An exchange rate effect will, therefore, arise when consolidating into the Combined Financial Statements/financial statements of Ocean Yield. The Issuer has on this basis estimated that the bonds would have generated interest income of in total USD 10 million for the full year; hence the adjustment of USD 2.5 million for the period from 1 January 2012 to 30 March 2012 included in the pro forma income statement. These pro forma adjustments will have continued impact on the income statement of the Company until maturity of the bonds in February 2018. The source of these pro forma adjustments is the audited consolidated financial statements of Aker ASA as of and for the year ended 31 December 2012, and the contractual terms under the bonds loan. The consolidated financial statements of Aker ASA are available at: http://eng.akerasa.com/Investor/Reports-presentations/Annual-Reports. The main terms of the bonds loan are discussed in Section 8.7 "Business Overview—Other Material Assets" of this Prospectus.

(2) The pro forma adjustment to financial expenses relates to interest expense and currency losses from the USD 308 million shareholder loan from Aker ASA to Aker Floating Production AS for the period from 1 January 2012 to 30 March 2012, and excludes these expenses from the pro forma income statement as if the loan had been converted into equity as of 1 January 2012. Interest expenses and currency losses relating to the loan for the period from 1 January 2012 to 30 March 2012 amounted to USD 7.9 million and USD 7.3 million, respectively, in total USD 15.2 million. These pro forma adjustments will have continued impact on the income statement of the Company. The source of these pro forma adjustments is the Company's audited Combined Financial Statements, and note 7 thereto, included in Appendix A—Financial Statements to this Prospectus.

(3) The pro forma adjustment to income tax benefit (expense) relates to the estimated income tax on the interest income from the American Shipping Company bonds for the period from 1 January 2012 to 30 March 2012, as if these bonds had been acquired by the Company as of 1 January 2012. As per footnote (1), the interest income on the bonds for that period is estimated to USD 2.5 million, which would have resulted in income tax expense of USD 0.8 million, the interest on the bonds being taxed at a tax rate of 28%. The pro forma adjustment to financial income, as discussed in footnote (2) does not affect income tax expense as a result of existing loss-carry forwards. This pro forma adjustment will have continued impact on the income statement of the Company until maturity of the bonds in February 2018.

The table below sets out a summary of the Company's unaudited consolidated balance sheet information as of 31 March 2013 and 2012, and the Company's audited combined balance sheet information as of 31 December 2012, 2011 and 2010.

USD million	**As of 31 March**		**As of 31 December**		
	2013	**2012**	**2012**	**2011**	**2010**
Assets					
Property, plant and equipment	1,241.0	905.1	1,157.7	918.4	1,029.8
Intangible assets	38.3	38.3	38.3	38.3	38.3
Deferred tax assets	9.2	9.1	10.1	8.6	5.0
Interest-bearing long term receivables	168,0	161.0	171.8	20.0	219.2
Other non-current assets	—	—	—	—	0.4
Total non-current assets	1,456.6	1,113.5	1,378.0	985.4	1,292.7
Trade receivables and other interest-free receivables	18.9	18.7	15.8	17.0	11.4
Cash and cash equivalents	63.7	63.7	104.6	61.5	71.1
Total current assets	82.7	82.4	120.4	78.6	82.5
Total assets	1,539.2	1,195.9	1,498.4	1,063.9	1,375.2
Equity and liabilities					
Share capital	175.6	175.6	175.6	—	—
Other paid-in capital	400.4	400.4	400.4	111.8	111.8
Total paid-in capital	576.0	576.0	576.0	111.8	111.8
Translation and other reserves	-5.1	-2.3	-1.0	-10.4	0.6
Retained earnings	-24.1	-78.1	-42.0	-59.7	12.2
Total equity attributable to equity holders of the parent	546.8	495.6	533.0	41.6	124.5
Minority interests	—	—	—	-4.5	2.3
Total equity	546.8	495.6	533.0	37.2	126.8
Interest-bearing loans	800.9	511.8	746.6	840.5	1,029.4
Pension liabilities	0.3	0.6	1.6	0.9	0.6
Other interest-free long term liabilities	81.5	104.0	88.5	103.5	121.8
Total non-current liabilities	882.6	616.4	836.7	944.9	1,151.7
Interest-bearing short term debt	93.0	70.3	111.8	69.4	71.9
Trade and other payables	16.8	13.6	17.0	12.5	24.7
Total current liabilities	109.8	83.9	128.7	81.9	96.6
Total liabilities	992.4	700.3	965.4	1,026.8	1,248.4
Total equity and liabilities	1,539.2	1,195.9	1.498.4	1,063.9	1,375.2

The table below sets out a summary of the Company's unaudited consolidated cash flow information for the three months ended 31 March 2013 and 2012, and the Company's audited combined cash flow information for the years ended 31 December 2012, 2011 and 2010.

USD million	**Three Months Ended 31 March**		**Year Ended 31 December**		
	2013	**2012**	**2012**	**2011**	**2010**
Profit before tax	17.8	-8.3	26.9	0.4	-18.1
Net interest expenses (+)	3.3	11.5	17.7	43.5	61.9
Interest paid	-4.9	-2.1	-17.1	-19.4	-39.7
Interest received	0.1	0.2	1.1	0.7	4.6
Sales losses/gains (-) and write downs	—	3.0	6.0	20.2	16.4
Unrealised foreign exchange gain/loss and other non-cash items	0.1	8.2	7.2	-4.6	-1.0
Depreciation and amortisation	24.2	20.8	85.9	84.9	75.3
Taxes paid	—	—	-0.1	1.1	-2.1
Changes in other net operating assets and liabilities	-11.0	-3.4	-9.1	-25.8	-6.0
Net cash flow from operating activities	29.6	29.9	118.7	100.9	91.3
Proceeds from sales of property, plant and equipment	—	—	11.2	—	—
Proceeds from sale of shares and other equity instruments	—	—	—	0.4	—
Acquisition of property, plant and equipment	-120.9	—	-327.3	-7.0	-200.8
Net cash flow from other investments	—	—	—	-6.1	10.5
Net cash flow from investing activities	-120.9	—	-316.1	-12.7	-190.3
Proceeds from issuance of long-term interest-bearing debt	80.5	—	334.9	—	220.9
Repayment of long-term interest-bearing debt	-29.0	-29.7	-96.6	-83.6	-95.9
Change in short-term interest bearing debt	—	—	—	-13.0	—
New equity and group contribution	—	—	—	—	9.8
Net cash flow from financing activities	51.6	-29.7	238.3	-96.6	134.7
Net change in cash and cash equivalents	-39.7	0.2	40.8	-8.4	35.7
Effects of changes in exchange rates on cash	-1.1	1.9	2.2	-1.2	-0.1
Cash and cash equivalents as of beginning of the period	104.6	61.5	61.5	71.1	35.4
Cash and cash equivalents as of the end of the period	63.7	63.7	104.6	61.5	71.1

The table below sets out certain other unaudited key financial and operating information for the Company.

USD million, except ratios	**As of or For the Three Months Ended 31 March 2013**	**As of or For the Year Ended 31 December 2012**
EBITDA[(1)]	48.8	151.4
NIBD[(2)]	810.2	733.7
Equity ratio[(3)]	35.5%	35.6%
Debt-to-equity ratio[(4)]	1.8	1.8
Interest coverage ratio[(5)]	13.9	4.9
Charter backlog, by contracted revenue[(6)]	1,889.2	1,664
Charter backlog, by contracted EBITDA[(6)]	1,721	1,482

(1) The Company defines EBITDA as operating profit before depreciation, amortization and impairment changes.

(2) Net interest bearing debt, which is interest bearing debt less cash and cash equivalents.

(3) Total shareholders' equity divided by total assets, multiplied by 100.

(4) Total liabilities to shareholders equity.

(5) EBITDA to net interest cost.

(6) The charter backlog, by contracted revenues includes commitments from the charterers represented by signed charter contracts. The charter backlog, by contracted EBITDA includes charter backlog by contracted revenues less estimated (i) operational expenses (OPEX) relating to the *Dhirubhai-1*, and (ii) general and administrative expenses (G&A) relating to Aker Floating Production AS, AFP Operations AS and Aker Contracting FP ASA, but not G&A in Ocean Yield ASA. The charter backlog relating to the *Dhirubhai-1* is subject to charter-rate reduction mechanisms, and termination provisions, applicable under the contractual arrangements for this vessel; see Section 8.5 "Business Overview—Material Commercial Contracts—Dhirubhai-1". The charter backlog figures as of 31 March 2013 include charter backlog relating to the PCTCs (expected to be delivered in April 2014 and August 2014) and the *Far Statesman* (which was delivered in June 2013). The charter backlog relating to the PCTCs may be subject to adjustment upwards or downwards to reflect changes in the purchase price under the shipbuilding contracts and the costs incurred by Ocean Yield under the shipbuilding supervision agreements. The charter backlog relating to the *Aker Wayfarer*, the *Far Senator* and the *Far Statesman*, which under the respective contracts is denominated in NOK, has been calculated on the basis of a NOK/USD exchange rate of 5.8 for the purpose of arriving at the USD figures as of 31 March 2013.

As of 31 March 2013, the Company had a capitalisation of USD 1,440.7 million and a net financial indebtedness of USD 810.2 million, on an actual basis; see Section 10 "Capitalisation and Indebtedness" for information regarding the Company's capitalisation and indebtedness, including on an adjusted basis giving effect to the Offering and certain other events after 31 March 2013.

1.5 Recent Developments and Current Trading

Other than discussed below, there has been no significant change in the Company's financial or trading position since 31 March 2013:

- On 4 April 2013 the Issuer resolved to distribute a dividend to its sole shareholder Aker ASA of USD 0.40 per Share, in the aggregate USD 40 million, for the year ended 31 December 2012. USD 20 million of this dividend will be paid to Aker ASA in June 2013, whereas the remaining USD 20 million will be paid to Aker ASA during the third quarter of 2013.

- On 28 May 2013 the Issuer was transformed from a limited liability company (Nw. *aksjeselskap* or *AS*) to a public limited liability company (Nw. *allmennaksjeselskap* or *ASA*).

- On 29 May 2013, the Company received a firm offer from Eksportkreditt relating to a replacement of Eksportfinans, the original lender under the Company's guarantee and term loan facility for the financing of the *Aker Wayfarer*, with Eksportkreditt as lender, as of expiry of the fixed margin period under the loan in October 2013. The replacement of Eksportfinans as lender under the facility results from the establishment by the Norwegian Government of Eksportkreditt, a state-funded scheme for export credit financing to replace the export credit financing function of Eksportfinans. The replacement of Eksportfinans with Eksportkreditt as lender under the facility will result in a higher interest rate on the loan; see Section 12.9 "—Liquidity and Capital Resources—Borrowings—The Aker Wayfarer Facility".

- On 3 June 2013, the Company made a draw-down of USD 17 million under facility C of the Dhirubhai-1 Facility so as to neutralise the effect of the cash sweep provision under facility A of that loan facility, see Section 12.9 "Operating and Financial Review— Liquidity and Capital Resources—Borrowings".

- On 4 June 2013, the Company took delivery of the Far Statesman and the charter with Farstad Supply for this vessel commenced on the same date; see Section 8.5 "Business Overview—Material Commercial Contracts—Far Senator and Far Statesman".

1.6 Use of Proceeds; Reasons for the Offering

Assuming that the Offering is fully subscribed, the gross proceeds of the Offering will be either (a) NOK 1,139 million, or approximately USD 195.7 million, if the Offer Price is equal to the high-point of the Indicative Price Range, (b) NOK 1,072 million, or approximately USD 184.2 million, if the Offer Price is equal to the mid-point of the Indicative Price Range, or (c) NOK 1,005 million, or approximately USD 172.7 million, if the Offer Price is equal to the low-point of the Indicative Price Range.

Assuming that the Offering is fully subscribed, the Issuer estimates that the net proceeds of the Offering, will be either (a) NOK 1,101.5 million, or approximately USD 189.3 million, if the Offer Price is equal to the high-point of the Indicative Price Range, (b) NOK 1,035.8 million, or approximately USD 178 million, if the Offer Price is equal to the mid-point of the Indicative Price Range, or (c) NOK 970.1 million, or approximately USD 166.7 million, if the Offer Price is equal to the low-point of the Indicative Price Range, in each case after deduction of the estimated commissions and expenses to the Managers and other advisors, as well as other costs associated with the listing of the Shares on the Oslo Stock Exchange.

The Issuer estimates that the commissions and expenses to the Managers and other advisors, as well as other costs associated with the listing of the Shares on the Oslo Stock Exchange will amount to approximately USD 6 million (or NOK 34.9 million) to USD 6.5 million (or NOK 37.8 million).

The Issuer intends to apply the net proceeds from the Offering to finance, in part, oil-service and industrial shipping assets as well as general corporate purposes.

The Offering is further intended to bring the Issuer in compliance with the requirements for listing on the Oslo Stock Exchange of having at least 500 shareholders, each holding Shares of value no less than NOK 10,000. A stock exchange listing will provide a regulated place for trading in the Shares, provide greater liquidity in the Shares and make them attractive investment objects. It will also further facilitate the use of capital markets in order to raise equity should the Company need so in the future and enable the Issuer to use its Shares as transaction currency in future acquisitions and mergers, if any.

1.7 Summary of the Offering

The following is a summary of the main terms and conditions of, and certain key dates for, the Offering as further set out in Section 6 "The Terms of the Offering".

The Offering..	The Offering comprises (a) an Institutional Offering (i) to institutional and professional investors in Norway, (ii) to investors outside Norway and the United States subject to exemptions from local prospectus or other filing requirements, and (iii) in the United States, to QIBs as defined in Rule 144A, and (b) a Retail Offering to the public in Norway. All offers and sales outside the United States will be made in reliance on Regulation S.
The Offer Shares...	The Issuer is offering to sell and issue up to 33,500,000 new Shares in the Offering. The Offer Shares will, upon issuance, be registered with the VPS in book-entry form. All Shares in the Issuer rank in parity with one another and carry one vote per Share.
Over-allotment..	As a part of the Offering, the Issuer will grant the Joint Bookrunners a right to over-allot a number of Shares equalling up to 10% of the number of Offer Shares initially allocated in the Offering (amounting to 3,350,000 Shares if 33,500,000 Offer Shares are initially allocated), and Aker ASA will grant the Joint Bookrunners a right to borrow a corresponding number of Shares in order to permit delivery in respect

	of over-allotments made. If the Over-allotment Facility is utilised in full, the number of Offer Shares sold in the Offering may amount to a maximum of 36,850,000 Offer Shares. In order to cover over-allotments made, Aker ASA will further grant the Joint Bookrunners a right to buy, at the Offer Price, a number of Shares equalling the number of over-allotted Shares, exercisable in whole or in part within a 30-day period from commencement of trading in the Shares on the Oslo Stock Exchange.
The Indicative Price Range	The price at which the Offer Shares are expected to be sold and issued is between NOK 30 and NOK 34 per Offer Share. This price range is indicative only. The Offer Price will be determined through a book-building process in connection with the Institutional Offering and will be set by the Issuer in consultation with the Joint Bookrunners.
The Retail Offering Discount	Investors in the Retail Offering will receive a discount of NOK 1,500 on their aggregate subscription amount for the Offer Shares allocated to such investors.
Book-building Period in the Institutional Offering	The Book-building Period in the Institutional Offering is expected to take place from 9:00 a.m. CET on 10 June 2013 to 4.30 p.m. CET on 21 June 2013, subject to shortening or extension.
Application Period for the Retail Offering	The Application Period for the Retail Offering will commence at 9:00 a.m. CET on 10 June 2013 and expire at 12:00 p.m. CET on 21 June 2013, subject to extension.
Mechanism of Allocation.....................................	In the Institutional Offering, the Issuer will, in consultation with the Joint Bookrunners, determine the allocation of Offer Shares. No allocations will be made for a number of Offer Shares representing an aggregate allocation amount of less than NOK 2,000,000 per applicant in the Institutional Offering. In the Retail Offering allocation will at the outset be determined on a *pro rata* basis using the VPS' automated simulation procedures and/or other allocation mechanism. However, the Issuer will aim at, and reserves its right to, give a higher allocation percentage, in the Retail Offering, to applicants who were shareholders of Aker ASA as of 10 June 2013 (as appearing in Aker ASA's register of shareholders with the VPS as of 13 June 2013). No allocations will be made for a number of Offer Shares representing an aggregate allocation amount of less than NOK 10,500 per applicant in the Retail Offering; however, all allocations will be rounded down to the nearest number of whole Shares and the payable amount will hence be adjusted accordingly.
Conditions to Consummation of the Offering	The consummation of the Offering is conditional upon, among other things: • The board of directors of the Oslo Stock Exchange approving the listing application of the Issuer and the satisfaction of the conditions for admission to trading set by the board of directors of the Oslo Stock Exchange; and • All required corporate resolutions to consummate the Offering having been passed by the Issuer.
Payment and Delivery	It is expected that payment of allocated Offer Shares will fall due on 27 June 2013 and that the Offer Shares are delivered on the same date.

Admission to Trading of the Shares; First Trading Day .... The board of directors of the Oslo Stock Exchange is expected to approve the Issuer's application for listing and admission to trading of the Shares on the Oslo Stock Exchange (Oslo Børs, alternatively Oslo Axess) at a board meeting to be held on or about 12 June 2013, subject to fulfilment by the Issuer of the requirements of the Oslo Stock Exchange as to number of shareholders (i.e. the Issuer having at least 500 (Oslo Børs) or 100 (OsloAxess) shareholders, or such lower number as the Oslo Stock Exchange may approve at its sole discretion, each owning shares of value of at least NOK 10,000) and free float (minimum 25%, or such lower percentage as the Oslo Stock Exchange may approve at its sole discretion).

Trading in the Shares on the Oslo Stock Exchange (Oslo Børs, alternatively Oslo Axess) is expected to commence on or about 28 June 2013, assuming timely fulfilment of the conditions to consummation of the Offering.

Trading Symbol .... The Shares will trade on the Oslo Stock Exchange under the trading symbol "OCY".

ISIN .... The Shares of the Issuer carry the ISIN NO0010657448.

Lock-Up .... Aker ASA has entered into a lock-up agreement with the Joint Bookrunners pursuant to which Aker ASA have agreed not to offer, sell, contract or otherwise dispose of Shares in the Issuer for a period of six months following the first day of trading of the shares on the Oslo Stock Exchange, without the prior written consent of the Joint Bookrunners.

Joint Bookrunners... DNB Markets, Pareto Securities and SEB.

Joint Lead Managers .... DNB Markets, Pareto Securities, SEB, Arctic Securities, Nordea Markets and Swedbank First Securities.

1.8 Summary of Risk Factors

Investing in the Shares involves inherent risks. Set out below is a brief summary of the risk factors discussed in Section 2 "Risk Factors".

Risks Relating to the Business

- The Company depends on the performance of the charterers of its vessels for its operating cash flows.
- The Company will from time to time be subject to commercial disagreements, contractual disputes and litigation with its counterparties and others which may not be resolved in its favour.
- The Company is exposed to operating, technical and certain other risks relating to the FPSO *Dhirubhai-1*.
- The Company may not be able to charter out its vessels at favourable terms following expiry or termination of the existing charter contracts.
- Certain of the Company's vessels are subject to purchase options held by the charterer of the vessel, which if exercised, could reduce the size of the Company's fleet and its future revenues.
- The market value of the Company's vessels may decrease, which could limit the amount of funds the Company can borrow, trigger financial covenants under the Company's borrowing arrangements or lead to losses in the event of a vessel sale following a decline in market value.

- The Company will need to refinance some or all of its financial indebtedness in the future, which it may not be able to do on favourable terms or at all.

- A significant portion of the Company's borrowing arrangements have floating interest rates and as a result interest rate fluctuations could negatively affect the financial performance of the Company.

- Fluctuations in exchange rates could result in financial loss for the Company.

- Certain of the Issuer's subsidiaries operate within the favourable Norwegian tonnage tax regime which may be changed in the future.

- The Company has a large investment in unsecured bonds issued by American Shipping Company whose principal customer, Overseas Shipholding Group, recently filed for bankruptcy protection under Chapter 11 of the US Bankruptcy Code.

- Certain of the Company's charter contracts, borrowing agreements and other instruments are subject to change of control provisions.

Risks Relating to the Industry

- As a substantial portion of the Company's fleet consists of oil-service vessels, the Company is exposed to the offshore oil and gas industry which is significantly affected by, among other things, volatile oil and gas prices.

- As a substantial portion of the Company's fleet will consist of transportation vessels, the Company is exposed to the seaborne transportation industry which is cyclical and volatile.

- Uncertainty relating to the development of the world economy may reduce the demand for the Company' vessels, result in non-performance of contracts by its counterparties, limit the Company's ability to obtain additional capital to finance new investments or have other unforeseen negative effects.

- Governmental laws and regulations, including environmental laws and safety regulations, may limit the activities of the Company's charterers and affect their ability to make charter-hire payments to the Company, reduce the vessel values and require capital expenditures for upgrades or modifications to the vessels, or expose the Company to liability.

- Development and construction of new sophisticated, high-specification vessels could cause the Company's vessels to become less desirable to charterers.

- The Company's vessels may be damaged or lost due to events such as marine disasters, environmental accidents, war, terrorism, piracy or other events.

- Operating internationally exposes the Company to risks inherent in operating in foreign countries.

- Maritime claimants could arrest one or more of the Company's vessels.

Risks Relating to the Shares

- The price of the Shares may fluctuate significantly.

- There is no existing market for the Shares and a trading market that provides adequate liquidity may not develop.

- Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares.

- Investors may not be able to exercise their voting rights for Shares registered in a nominee account.

- Investors in the United States may have difficulty enforcing any judgment obtained in the United States against the Company or its directors or executive officers in Norway.

- The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions.

- Shareholders outside of Norway are subject to exchange rate risk.

- Future sales of Shares by the controlling shareholder may depress the price of the Shares.

- The Issuer has a major shareholder with significant voting power and the ability to influence matters requiring shareholder approval.

1.9 Independent Auditors and Advisers

The Issuer's independent auditors are KPMG AS.

DNB Markets, Pareto Securities and SEB are the Joint Bookrunners for this Offering and DNB Markets, Pareto Securities, SEB, Arctic Securities, Swedbank First Securities and Nordea Markets are acting as Joint Lead Managers.

Advokatfirmaet BA-HR DA is acting as legal adviser (as to Norwegian law) to the Issuer in connection with the Offering and admission to trading of the Shares on the Oslo Stock Exchange. Advokatfirmaet Wiersholm AS is acting as legal adviser (as to Norwegian law) to the Managers in connection with the Offering.

1.10 Documents on Display

For twelve months from the date of this Prospectus copies of the following documents will be available for inspection at the Issuer's registered office during normal business hours from Monday through Friday each week (except public holidays):

- The Issuer's Articles of Association.

- The Combined Financial Statements as of and for the years ended 31 December 2012, 2011 and 2010, and the Interim Financial Statements as of and for the three months ended 31 March 2013;

- The sources of the Combined Financial Statements, being the financial statements as of and for the years ended 31 December 2012, 2011 and 2010, as applicable, for the following companies: Aker Floating Production AS (consolidated financial statements), Aker Shiplease AS, Aker Shiplease 1 AS, Aker Shiplease 2 AS, New Pollock Inc., Aker Invest II KS, Aker Invest AS and Aker Champion Inc.

- This Prospectus.

2 RISK FACTORS

Investing in the Shares involves inherent risks. An investor should consider carefully all information set forth in this Prospectus and, in particular, the specific risk factors set out below. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of the entire investment. If any of the risks described below materialise, individually or together with other circumstances, they may have a material adverse effect on the Company's business, financial condition, results of operations and cash flow, which may affect the ability of the Issuer to pay dividends and cause a decline in the value and trading price of the Shares that could result in a loss of all or part of any investment in the Shares. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance. The information in this Section is as of the date of this Prospectus.

2.1 Risks Relating to the Business

The Company depends on the performance of the charterers of its vessels for its operating cash flow.

The charter-hire payments that the Company receives from the charterers of its vessels constitute substantially all of the Company's operating cash flow. While the Company aims at entering into long-term charters with solid counterparties, no assurance can be given that the Company's counterparties will perform their obligations towards the Company during the term of the charters. The ability of each of the charterers to perform its obligations under a contract with the Company will depend on a number of factors that are beyond the Company's control and may include, among other things, general economic conditions, the condition of the maritime and offshore industries, the overall financial condition of the charterer, charter rates and various expenses. In addition, in depressed market conditions, the Company's charterers may no longer need a vessel that is currently under charter or contract, or may be able to obtain a comparable vessel at a lower rate. As a result charterers may seek to renegotiate the terms of their existing charter contracts or try to avoid their obligations under those contracts.

Should any of the charterers of the Company's vessels fail to perform its obligations towards the Company, the Company's charter backlog may not be ultimately realised, covenants under the Company's borrowing arrangements could be triggered and the Company could sustain significant losses.

The Company will from time to time be subject to commercial disagreements, contractual disputes and litigation with its counterparties and others which may not be resolved in its favour.

The Company is party to several contracts and other instruments, governing complex operational, commercial and legal matters and involving significant amounts. In the ordinary course of business the Company will from time to time be subject to commercial disagreements, contractual disputes and, possibly, litigation with its counterparties. Such matters may not always be resolved in favour of the Company or in accordance with its expectations. Further, the Company may from time to time, and in the ordinary course of business, be subject to disputes and, possibly, litigation relating to, among other things, insurance matters, environmental issues, governmental claims for taxes or duties. The Company cannot predict with certainty the outcome or effect of any current or future commercial disagreements, contractual disputes or litigation with its counterparties or others.

In particular, the Company is exposed to risks relating to the complex contractual arrangements for its FPSO, which involve significant amounts and which could cause unexpected losses for the Company. The Company is, and has been for some time, in discussions with the charterer of its FPSO regarding various issues under the contractual arrangements for this vessel, several of which remain unresolved as at the date hereof, see Section 8.5 "Business Overview—Material Commercial Contracts—Dhirubhai-1—Contractual Disagreements with the Charterer of the FPSO". While the Company does not expect the net outcome of the parties' claims and counterclaims to be material to the Group, no assurance can be given in respect thereof.

The Company is exposed to operating, technical and certain other risks relating to the FPSO Dhirubhai-1.

The FPSO *Dhirubhai-1* is operating on the MA field offshore east coast of India. The vessel is on a bareboat charter to, and is operated by the Company under an operations and maintenance contract with the operator of the MA field. The contractual arrangements for employment of the vessel includes charter-rate reduction mechanisms applicable in the case of, among other things, reduction or stoppage in the oil and/or gas production on the vessel for reasons attributable to the Company such as equipment breakdown, breach of maintenance obligations and acts or omissions of Company personnel. Hence the Company is exposed to operating and technical risks relating to this vessel. Hire earned under the contractual arrangements for the *Dhirubhai-1* has historically accounted for a significant portion of the Company's operating revenues and protracted periods of reduced or no hire under these contractual arrangements could materially and adversely affect the Company, including its ability to comply with provisions under its borrowing arrangements. The Company has arranged for loss of hire insurance. However, as customary for loss of hire insurances, this insurance contains limitations and no assurance can be given that the insurance will give adequate coverage. The Company's current loss of hire insurances are subject to either a 45-day or a 60-day deductible, and on average the Company has retained the risk of loss of hire for the first 52.45 days.

Under the contractual arrangements for the employment of the *Dhirubhai-1* the charterer may, among other things, terminate the contracts for convenience. In such case the Company is entitled to a pre-determined exit cost intended to compensate for loss of charter-hire for the remainder of the initial charter period. As is the case for most FPSOs in operation, the *Dhirubhai-1* is specifically equipped and with features designed to meet the requirements for operating at the specific field in which it operates. This could materially and adversely affect the vessel value following termination or expiry of the existing contracts. Modifying or upgrading this vessel for use on other fields could require significant capital expenditures by the Company. The Company could also in such case, among other things, incur significant demobilisation costs and experience extended periods of time where the vessel cannot be utilised.

The Company may not be able to charter out its vessels at favourable terms following expiry or termination of the existing charter contracts.

All of the Company's vessels are currently chartered out on long-term charters. Except for the contractual arrangements for the *Dhirubhai-1*, these charters are on fixed-rate "hell and high water" bareboat terms. No assurance can be given that the Company will be able to charter out its vessels on favourable terms following the expiry of the current charter periods for its vessels. Upon expiry of the charter period for any of the Company's vessels, the Company may be exposed to increased volatility in terms of charter rates and utilisation and the value of the vessel in question may decline. Similarly if any of the Company's charter contracts for any reason terminate prematurely, alternative employment for such vessel would have to be sought for in a market environment which may not be favourable for the Company at that time, and which could materially differ from the market environment at the time the original charter contract was entered into.

Certain of the Company's vessels are subject to purchase options held by the charterer of the vessel which, if exercised, could reduce the size of the Company's fleet and its future revenues.

The Company has granted fixed-price purchase options to the charterers of certain of the Company's vessels: the *Dhirubhai-1*, the *Lewek Connector*, the PCTCs, *Far Statesman* and the *Far Senator*. The market values of these vessels may change from time to time depending on a number of factors, such as general economic and market conditions affecting the maritime and offshore industry, competition, cost of vessel construction, governmental or other regulations, technological changes and prevailing levels of charter rates from time to time. The purchase price under a purchase option may be less than the vessel's market value at the time the option may be exercised. In addition, the Company may not be able to obtain a replacement vessel for the price at which the vessel is sold. In such a case the Company's fleet and earnings could be reduced.

The market value of the Company's vessels may decrease, which could limit the amount of funds the Company can borrow, trigger financial covenants under the Company's borrowing arrangements or lead to losses in the event of a vessel sale following a decline in market value.

The fair market values of the Company's vessels may decrease or increase depending on a number of factors, including the prevailing level of charter rates from time to time; general economic and market conditions affecting the maritime and offshore industries; types, sizes and ages of vessels; supply and demand for vessels; availability of or developments in other modes of operation or transportation; competition; costs of newbuildings; new governmental or other regulations and technological advances.

During the period a vessel is subject to a charter the Company may not be permitted to sell such vessel to take advantage of increased values of vessels without the charterer's and other third-parties' consent. Conversely, if the Company's counterparties were to default under the charters due to unfavourable market conditions, causing termination of the charters, the market value of the vessels would also be depressed for such or related reason.

If the market values of the Company's vessels decline, the Company may not be in compliance with "loan-to-value" provisions under some of its borrowing arrangements and the Company may not be able to refinance its debt, obtain additional financing or make distributions to the Company's shareholders. Declining values of the Company's vessels could also affect the ability of the Company to raise new financing based on the use of unencumbered vessels as collateral for new loans.

In addition, if the Company at any time determines that a vessel's value has been impaired, the Company may need to recognise a corresponding impairment charge which will reduce the earnings and net assets of the Company.

The Company will need to refinance some or all of its financial indebtedness in the future, which it may not be able to do on favourable terms or at all.

As of 31 March 2013, the Company had interest bearing liabilities, including estimated interest payments, of USD 66.8 million maturing within six months or less, USD 70.8 million maturing within six to twelve months, USD 133.8 million maturing within one to two years, USD 493.5 million maturing within two to five years, and USD 264.5 million maturing beyond five years. The Company may also incur additional debt in the future.

The Company will need to refinance some or all of its indebtedness in the future. No assurance can be given that it will be able to do so at favourable terms or at all. If the Company cannot refinance its indebtedness, it will have to dedicate some or all of its cash flows, and it may be required to sell certain of its assets to pay the principal and interest on its indebtedness. In such a case the Company may not be able to pay dividends to its shareholders and to expand its fleet as planned.

The Company's borrowing arrangements subject the Company to certain limitations on its business and future financing activities as well as certain financial and operational covenants. These restrictions may prevent the Company from taking actions that otherwise might be deemed to be in the best interest of the Company. The debt service obligations of the Company requires the Company to dedicate a substantial portion of its cash flows from operations to payments on indebtedness and could limit the Company's ability to obtain additional financing, make capital expenditures and acquisitions and/or carry out other general corporate activities in the future. These obligations may also limit the Company's flexibility in planning for or reacting to, changes in its business and the industry where it operates or detract from the Company's ability to successfully withstand a downturn in the Company's business or the economy generally. Additionally, a default under any indebtedness or other financial agreement by a subsidiary may constitute an event of default under other borrowing arrangements pursuant to cross default provisions.

A significant portion of the Company's borrowing arrangements have floating interest rates, and as a result interest rate fluctuations could negatively affect the financial performance of the Company.

As of 31 March 2013, USD 816 million of the Company's borrowings had floating interest rates calculated on the basis of LIBOR or NIBOR. As such, movements in interest rates could negatively affect the financial performance of the Company. In order to manage its exposure to interest rate fluctuations the Company uses interest rate derivatives to effectively fix some of its floating rate debt obligations. The principal amount covered by interest rate swaps is evaluated continuously and determined based on the Company's debt level, expectations regarding future interest rates and the Company's overall financial risk exposure. As of 31 March 2013 the Company had entered into interest rate derivatives in order to effectively fix its LIBOR floating interest rate debt for a principal amount of USD 50 million at 0.869% per annum (until July 2016), USD 50 million at 0.6% per annum (until February 2016) and USD 50 million at 0.71% per annum (until May 2017).

Fluctuation in exchange rates could result in financial loss for the Company.

The Company's prepares its financial statements in USD. The Company faces currency risk related to sales, purchases and loans in currencies other than the USD, principally related to NOK. Although the Company aims at balancing incoming and outgoing cash flows in each currency it will never achieve a 100% hedge and some exchange rate fluctuation risk will be present. The Company is continuously considering alternatives in order to minimise exchange rate fluctuation effects and currently carries one instrument to counteract its NOK 600 million bond loan, which has effectively been swapped from NOK to USD (from three months NIBOR plus 6.50% per annum to LIBOR plus 7.07% per annum).

Certain of the Issuer's subsidiaries operate within the favourable Norwegian tonnage tax regime, which may be changed in the future.

The Issuer's subsidiaries Connector 1 AS (owning the *Lewek Connector*), Aker Shiplease 1 AS (owning the *Aker Wayfarer*), LH Shiplease 1 AS (which will own the PCTCs), and F-Shiplease AS (owning the *Far Senator* and the *Far*

Statesman), operate under the favourable Norwegian tonnage tax regime; see Section 8.6 "Business Overview—Favourable Tax Treatment Under the Norwegian Tonnage Tax Regime".

The EU is currently reviewing its guidelines on state aid to the maritime transportation industry. This review may impact on the European tonnage tax regimes, including the Norwegian tonnage tax regime. It is expected that the EU will issue revised guidelines on state aid to the maritime transportation industry during 2013. On the basis of earlier debate around such state aid , rules regarding the qualification of *inter alia* anchor handling vessels and offshore construction vessels for use in offshore petroleum activities under tonnage tax regimes are expected to be subject to scrutiny. As among other things, the Norwegian tonnage tax regime is favourable to ship-lease companies because there are no restrictions on Norwegian tonnage taxed companies' chartering out vessels under bareboat charter contracts, and because the Norwegian tonnage tax regime differs in certain aspects from the tonnage tax regimes of other European countries, there is a risk that the Norwegian tonnage tax regime will have to be modified. Accordingly no assurance can be given that the Company will continue to benefit from the favourable Norwegian tonnage tax regime in the future.

The Company has a large investment in unsecured bonds issued by American Shipping Company, whose principal customer, Overseas Shipholding Group, recently filed for bankruptcy protection under Chapter 11 of the US Bankruptcy Code.

The Company owns 93% of the bonds issued by American Shipping Company under the American Shipping Company NOK 700 million 07/18 FRN C Bond Issue, ISIN NO0010356512. The unsecured bond loan matures on 28 February 2018, and carries an interest rate of NIBOR plus 4.75% per annum, with payment-in-kind (additional bonds) provisions. As of 31 March 2013, Ocean Yield held bonds of an aggregate nominal amount of NOK 1,074 million (or USD 184.5 million) in this bond loan. The bonds were in the balance sheet of Ocean Yield booked at USD 148 million as of 31 March 2013, equal to approximately 80% of nominal value. American Shipping Company owns 10 modern US-built 46,000 dwt MR product tankers operating in the US domestic "Jones Act" market. These vessels are on charter to Overseas Shipholding Group Inc. and subsidiaries which in turn has chartered out these vessels to major oil companies. In November 2012, Overseas Shipholding Group Inc. and subsidiaries filed for bankruptcy protection under Chapter 11 of the US Bankruptcy Code, which permits reorganisation of a company which is unable to service its debt or pay its creditors. For a further discussion about the American Shipping Company bonds, see Section 8.7 "Business Overview—Other Material Assets".

Certain of the Company's charter contracts, borrowing agreements and other instruments are subject to change of control provisions.

Certain of the Company's contracts, including charter contracts and borrowing agreements, contain change of control or similar provisions which could be triggered if Aker ASA reduces its shareholding in the Issuer below certain levels: 50.1%, 50% and 33.4%, or if any other person than Aker ASA becomes the owner of more than 33.33% of the shares in the Issuer. Whilst in the opinion of the Company, none of the change of control provisions in the Company's current agreements will be triggered as a result of the Offering, and as far as the Issuer is aware, Aker ASA currently has no plans to reduce its shareholding below these levels, a change of control in the Company could occur in the future. In such event, and if the Company is unable to obtain necessary consents or waivers, the Company's counterparties could be entitled to exercise termination rights, including rights to accelerate loans.

For a discussion about certain change of share ownership and change on control provisions in the contractual arrangements for the Company's FPSO, see Section 8.5 "Business Overview—Material Commercial Contracts—Dhirubhai-1—Contractual Disagreements with the Charterer of the FPSO" and the risks discussed under the caption "—The Company will from time to time be subject to commercial disagreements, contractual disputes and litigation with its counterparties and others which may not be resolved in its favour" above.

2.2 Risks Relating to the Industry

As a substantial portion of the Company's fleet consists of oil-service vessels, the Company is exposed to the offshore oil and gas industry, which is significantly affected by, among other things, volatile oil and gas prices.

The Company owns and charter oil-service vessels to clients. Demand for these vessels and the Company's ability to secure charter contracts for its vessels at favourable charter rates following expiry or termination of existing charters will depend, among other things, on the level of activity in the offshore oil and gas industry. Any reduction in the demand or charter rates for the Company's vessels is likely to cause the value of the vessels to decline. The Company seeks to mitigate these risks by investing in vessels with long-term, fixed-rate bareboat charters on "hell and high water" terms. The oil-service vessels *Aker Wayfarer*, the *Lewek Connector*, the *Geco Triton*, the *Far Senator* and the *Far Statesman* are subject to such charter terms as further discussed elsewhere in this Prospectus, but in addition to risk relating to the charterers' ability to meet their obligations towards the Company, risks will be present towards the end of the charter periods as to the Company's ability to find alternative vessel employment at favourable rates.

The offshore oil and gas industry is cyclical and volatile, and demand for oil-service vessels depends on, among other things, the level of development and activity in oil and gas exploration, as well as the identification and development of oil and gas reserves and production in offshore areas worldwide. The availability of high quality oil and gas prospects, exploration success, relative production costs, the stage of reservoir development, political concerns and regulatory requirements all affect the level of activity for charterers of oil-service vessels. Accordingly, oil and gas prices and market expectations of potential changes in these prices significantly affect the level of activity and demand for oil-service vessels. Oil and gas prices are extremely volatile and are affected by numerous factors beyond the Company's control, such as: worldwide demand for oil and gas; costs of exploring, developing, producing and delivering oil and gas; expectations regarding future energy prices; the ability of the Organisation of Petroleum Exporting Countries (OPEC) to set and maintain production levels and impact pricing; the level of production in non-OPEC countries; governmental regulations and policies regarding development of oil and gas reserves; local and international political, economic and weather conditions; domestic and foreign tax policies; political and military conflicts in oil-producing and other countries; and the development and exploration of alternative fuels.

As a substantial portion of the Company's fleet will consist of transportation vessels, the Company is exposed to the seaborne transportation industry, which is cyclical and volatile.

The Company has two Pure Car and Truck Carriers (PCTCs) under construction at Daewoo Shipbuilding & Marine Engineering's shipyard in Mangalia, Romania, which will be chartered to Höegh Autoliners on long-term, fixed-rate charters on "hell and high water" terms from delivery in April and August 2014, respectively. The international seaborne transportation industry is both cyclical and volatile in terms of vessel values, charter rates and profitability. Fluctuations in charter rates result from changes in the supply and demand for vessel capacity and changes in the supply and demand for the industrial products internationally carried at sea; specifically for PCTCs, cars and trucks. Although the PCTCs will be chartered on long-term charters on fixed rates, demand for the vessels and the Company's ability to secure further charter contracts for its vessels at favourable charter rates following expiry of the charter terms or premature termination of charter for failure by the charterer to meet its obligations towards the Company, depend on the state of the seaborne transportation industry and in particular the PCTC market at such times. The factors affecting the supply and demand for PCTCs are outside the Company's control, and the nature, timing and degree of changes in industry conditions are unpredictable.

Uncertainty relating to the development of the world economy may reduce the demand for the Company' vessels, result in non-performance of contracts by its counterparties, limit the Company's ability to obtain additional capital to finance new investments, or have other unforeseen negative effects.

For some years, Europe and other parts of the world have experienced weakened economic conditions and volatility following adverse changes in global capital markets. This has resulted in a significant contraction, de-leveraging and reduced liquidity in the credit markets. A number of governments have implemented, or are considering implementing, a broad variety of governmental actions or new regulations for the financial markets. Continued deterioration in the global economy may cause a decrease in the worldwide demand for the Company's products and services.

Limitations on the availability of capital, higher costs of capital for financing expenditures or the desire to preserve liquidity, may cause the Company's current or prospective customers to make reductions in future capital budgets and spending. Such adjustments could reduce demand for the Company's products and services. A tightening of the credit markets may also affect the solvency of the Company's counterparties which could impact the performance and payment of the counterparties' obligations under the current or future contracts of the Company.

Further, general limitations on the availability of capital may impact the Company's own ability to obtain capital in the future for the purposes of, among other things, new investments or refinancing of existing assets.

Governmental laws and regulations, including environmental laws and safety regulations, may limit the activities of the Company's charterers and affect their ability to make charter-hire payments to the Company, reduce the vessel values. require capital expenditures for upgrades or modifications to the vessels and expose the Company to liability.

The operations of the Company's vessels are affected by international conventions and governmental laws and regulations in the jurisdictions in which the vessels operate, including environmental laws and safety regulations and other vessel requirements. Changes in such regulatory regimes may, among other things:

- limit the use by the charterers of the vessels they charter, which could materially and adversely affect their business and hence their ability to make charter-hire payments to the Company; and/or

- reduce vessel values, and require capital expenditures for upgrades or modifications to the vessels by, generally, the charterers during the charter periods and thereafter the Company.

Because such laws and regulations are often revised, the Company cannot predict the impact on the charterers, and their ability to perform under the charters, or the Company, of any future changes in such laws and regulations.

In addition, the Company could incur material liabilities, including clean-up obligations, natural resource damages and third-party claims for personal injury or property damages relating to the operation of its vessels. Environmental laws often impose strict liability for remediation of spills and releases of oil and hazardous substances, which could subject the Company to liability without regard to negligence or fault. Although the Company has arranged insurance to cover certain environmental risks, there can be no assurance that such insurance will be sufficient to cover all relevant liabilities.

Development and construction of new sophisticated, high-specification vessels could cause the Company's vessels to become less desirable to charterers.

The Issuer's investment strategy is, among other things, to invest in modern vessels. However, especially in the oil-service industry, there is a rapid development of new technologies for oil-service vessels. The construction of new sophisticated, high-specification vessels could cause the Company's vessels to become less competitive. Further, improvements in engine technology may make to the Company's vessels less fuel-efficient than newer vessels. Insurance rates increase with the age of a vessel, making older vessels less desirable to charterers.

The Company's vessels may be damaged or lost due to events such as marine disasters, environmental accidents, war, terrorism, piracy and other events.

The Company's vessels may be damaged or lost, due to events such as marine disasters, bad weather, mechanical failures, human error, environmental accidents, war, terrorism, piracy, political circumstances and hostilities in foreign countries, labour strikes and boycotts, changes in tax rates or policies, and governmental expropriation of the Company's vessels. Although the Company believes that it is adequately insured against these types of events, either under the charterers' or its own insurances, no assurance can be given that the occurrence of any such event will not materially affect the Company.

Operating internationally subjects the Company to risks inherent in operating in foreign countries.

The Company's vessels are, and future vessels acquired may be, chartered to charterers operating from various countries, and the vessels operate internationally. As a result, and as the Company continue to increase its fleet, the Company encounters the following risks, among others:

- exchange rate fluctuations;

- difficulties in collecting amounts owed;

- domestic and foreign tax policies; and

- laws and regulations, interpretations and court decisions under legal systems, which are not always fully developed.

The Company cannot predict the nature and likelihood of any such events.

Maritime claimants could arrest one or more of the Company's vessels.

Crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against one or more of the Company's vessels for unsatisfied debts, claims or damages. In many jurisdictions a maritime lien holder may enforce its lien by arresting a vessel through judicial proceedings. The arrest or attachment of one or more of the Company's vessels could interrupt the cash flow of the charterer and/or the Company and require the Company to pay a significant amount of money to have the arrest lifted. In addition, in some jurisdictions, under the "sister ship" theory of liability, a claimant may arrest both the vessel which is subject to the claimant's maritime lien and/or any "associated" vessel, which is any vessel owned or controlled by the same owner. Like other ship-owners with multiple vessels, the Company is exposed to claimants who may try to assert "sister ship" liability against vessels owned by the Company.

2.3 Risks Relating to the Shares

The price of the Shares may fluctuate significantly.

The trading price of the Shares could fluctuate significantly in response to a number of factors beyond the Company's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, significant contracts, acquisitions or strategic relationships, publicity about the Company, its products and services or its competitors, lawsuits against the Company, unforeseen liabilities, changes to the regulatory environment in which it operates or general market conditions.

In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in the industry in which the Company operates. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Company, and these fluctuations may materially affect the price of its Shares.

There is no existing market for the Shares, and a trading market that provides adequate liquidity may not develop.

Prior to the Offering there is no public market for the Shares, and there can be no assurance that an active trading market will develop or be sustained nor that the Shares may be resold at or above the Offer Price. The market value of the Shares could be substantially affected by the extent to which a secondary market develops for the Shares following the completion of this Offering.

Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares.

It is possible that the Company may decide to offer additional shares or other securities in order to finance new capital-intensive investments in the future in connection with unanticipated liabilities or expenses, or for any other purposes. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Shares as well as the earnings per Share and the net asset value per Share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares.

Investors may not be able to exercise their voting rights for Shares registered in a nominee account.

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to the Company's general meetings. The Company cannot guarantee that beneficial owners of the Shares will receive the notice of a general meeting of shareholders of the Company in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners.

Investors in the United States may have difficulty enforcing any judgment obtained in the United States against the Company or its directors or executive officers in Norway.

The Issuer is incorporated under the laws of Norway and all of its current directors and executive officers reside outside the United States. Furthermore, most of the Company's assets and most of the assets of the Company's directors and executive officers are located outside the United States. As a result, investors in the United States may be unable to effect service of process on the Company or its directors and executive officers or enforce judgments obtained in the United States courts against the Company or such persons in the United States, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States. The United States and Norway do currently not have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters.

The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions.

The Shares have not been registered under the Securities Act or any US state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act and applicable securities laws. See Section 7 "Selling and Transfer Restrictions—Transfer Restrictions—United States". In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

Shareholders outside of Norway are subject to exchange rate risk.

The Shares are priced in NOK and any future payments of dividends on the Shares will be denominated in NOK. Accordingly, any investor outside Norway is subject to adverse movements in the NOK against their local currency as the foreign currency equivalent of any dividends paid on the Shares or price received in connection with any sale of the Shares could be materially adversely affected. Additionally, the Company prepares its financial statements in USD.

Future sales of Shares by the controlling shareholder may depress the price of the Shares.

The market price of the Shares could decline as a result of sales of a large number of Shares in the market after this Offering or the perception that these sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for the Company to sell equity securities in the future at a time and at a price that it deems appropriate. Although Aker ASA, the Issuer's principal shareholder, is subject to an agreement with the Managers that restricts its ability to sell or transfer its Shares for six months after the first day of trading of the Shares on the Oslo Stock Exchange, the Managers may, in their sole discretion and at any time, waive the restrictions on sales or transfer in the agreement during this period. Additionally, following this period, all Shares owned by Aker ASA will be eligible for sale in the public market, subject to applicable securities laws restrictions.

The Issuer has a major shareholder with significant voting power and the ability to influence matters requiring shareholder approval.

Assuming that all the Offer Shares are sold and issued in the Offering, and that no Additional Shares are sold, Aker ASA will retain a shareholding of approximately 75% in the Issuer. If the Over-allotment Option is exercised in full by the Joint Bookrunners and the maximum number of Additional Shares which may be sold pursuant to the Over-allotment Option is sold, Aker ASA's shareholding in the Issuer following such issuance will amount to approximately 72.4%. Aker ASA will consequently have the ability to significantly influence the outcome of matters submitted for the vote of the shareholders of the Issuer, including the election of members of the board of Directors.

The commercial goals of Aker ASA and the Issuer may not always be aligned. As a result the Issuer may be prevented from making certain decisions or taking certain actions in the interest of its shareholders, which may affect the value of the Shares; including, but not limited to:

- blocking of amendments to the Articles of Association or approval of mergers, sale of assets or other significant corporate actions;
- delay or defeat any takeover attempts that might otherwise benefit the public shareholders of the Issuer; or
- otherwise influence the outcome of matters submitted for a shareholder vote in a manner that could conflict with the interests of the public shareholders of the Issuer.

3 RESPONSIBILITY STATEMENT

The board of directors of Ocean Yield ASA accepts responsibility for the information contained in this Prospectus. The members of the board of directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

7 June 2013

The board of directors of Ocean Yield ASA

Trond Brandsrud (chairman) /s/
Kjell Inge Røkke /s/
Katrine M. Klaveness /s/

4 GENERAL INFORMATION

This Section provides general information on the presentation of financial and other information, as well as the use of forward-looking statements, in this Prospectus. You should read this information carefully before continuing.

4.1 Cautionary Note Regarding Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect the Issuer's current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Company's business, future earnings from charter contracts, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Company's future business development and economic performance. These forward-looking statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Company operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates may differ materially from those contained in or suggested by the forward-looking statements contained in this Prospectus. The Issuer cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialise, or should any underlying assumption prove to be incorrect, the Company's business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Prospectus, including the information set out under Section 2 "Risk Factors", identifies additional factors that could affect the Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Prospectus and, in particular, Section 2 "Risk Factors" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates when considering an investment in the Shares.

Except as required according to Section 7-15 of the Norwegian Securities Trading Act, the Issuer undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Issuer's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

4.2 Presentation of Financial and Other Information

Financial Information

The Company’s audited combined financial statements as of and for the years ended 31 December 2010, 2011 and 2012 (the "**Combined Financial Statements**"), included in Appendix A—Financial Statements to this Prospectus, have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). The unaudited condensed consolidated financial statements as of and for the three months ended 31 March 2013 (the "**Interim Financial Statements**"), included in Appendix A—Financial Statements to this Prospectus, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**"). The Combined Financial Statements and Interim Financial Statements are together referred to as the "**Financial Statements**".

The Combined Financial Statements have been prepared specifically for the purposes of this Prospectus. These financial statements are presented on a combined basis for all periods prior to the date at which the Ocean Yield Group was established, on 31 March 2012, as if the Ocean Yield Group had existed as a separate legal group prior to such date, and on a consolidated basis for all periods thereafter. The Combined Financial Statements have been derived from consolidated financial statements and historical accounting records, employing the methods and assumptions discussed in Section 12.3 "Operating and Financial Review—Basis of Preparation of the Combined Financial Statements" and in Note 1 and Note 2 of the Combined Financial Statements. The Company's management believes the assumptions underlying the Combined Financial Statements are reasonable. However, the Combined Financial Statements as presented may not reflect the results of operations, financial position and cash flows that the Ocean Yield Group would have had if the Ocean Yield Group had been run as a separate legal group during the periods presented and may not be indicative of future performance.

In addition to the Combined Financial Statements, the Issuer has included in this Prospectus unaudited pro forma financial income statement information for the year ended 31 December 2012 to show how certain transactions undertaken in conjunction with the establishment of Ocean Yield could have affected the Company's combined income statement for the year ended 31 December 2012 as if these transactions had taken place at 1 January 2012. The unaudited pro forma income statement information included herein has been prepared for illustrative purposes only. Because of its nature, the unaudited pro forma income statement information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial results during the period presented. See Section 11.2 "Selected Financial and Operating Information—Unaudited Pro Forma Income Statement Information" for further information about the basis of preparation of the unaudited pro forma income statement information.

The Company prepares its financial statements in USD.

Sources of Industry and Market Data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Company operates and similar information are estimates based on data compiled by professional organisations, consultants and analysts; in addition to market data from other external and publicly available sources as well as the Issuer's knowledge of the markets.

While the Issuer has compiled, extracted and reproduced such market and other industry data from external sources, the Issuer has not independently verified the correctness of such data. Thus, the Issuer takes no responsibility for the correctness of such data. The Issuer cautions prospective investors not to place undue reliance on the above mentioned data.

Although the industry and market data is inherently imprecise, the Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

In addition, although the Issuer believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Issuer cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Issuer does not intend to or assume any obligations to update industry or market data set forth in this Prospectus. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Prospectus and estimates based on those data may not be reliable indicators of future results.

Other Information

In this Prospectus, all references to "**NOK**" are to the lawful currency of Norway, and all references to "**U.S. dollar**", "**US$**", "**USD**", or "**$**" are to the lawful currency of the United States of America.

In this Prospectus all references to "**EU**" are to the European Union and its Member States as of the date of this Prospectus; all references to "**EEA**" are to the European Economic Area and its member states as of the date of this Prospectus; and all references to "**US**", "**U.S.**" or "**United States**" are to the United States of America.

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly.

5 USE OF PROCEEDS; REASONS FOR THE OFFERING

Assuming that the Offering is fully subscribed, the gross proceeds of the Offering will be either (a) NOK 1,139 million, or approximately USD 195.7 million, if the Offer Price is equal to the high-point of the Indicative Price Range, (b) NOK 1,072 million, or approximately USD 184.2 million, if the Offer Price is equal to the mid-point of the Indicative Price Range, or (c) NOK 1,005 million, or approximately USD 172.7 million, if the Offer Price is equal to the low-point of the Indicative Price Range.

Assuming that the Offering is fully subscribed, the Issuer estimates that the net proceeds of the Offering, will be either (a) NOK 1,101.5 million, or approximately USD 189.3 million, if the Offer Price is equal to the high-point of the Indicative Price Range, (b) NOK 1,035.8 million, or approximately USD 178 million, if the Offer Price is equal to the mid-point of the Indicative Price Range, or (c) NOK 970.1 million, or approximately USD 166.7 million, if the Offer Price is equal to the low-point of the Indicative Price Range, in each case after deduction of the estimated commissions and expenses to the Managers and other advisors, as well as other costs associated with the listing of the Shares on the Oslo Stock Exchange.

The Issuer estimates that the commissions and expenses to the Managers and other advisors, as well as other costs associated with the listing of the Shares on the Oslo Stock Exchange will amount to approximately USD 6 million (or NOK 34.9 million) to USD 6.5 million (or NOK 37.8 million).

For the purposes of arriving at the abovementioned USD figures, a NOK/USD exchange rate of 5.82 has been used.

The Issuer intends to apply the net proceeds from the Offering to finance, in part, acquisitions of oil-service and industrial shipping assets and for general corporate purposes.

The Offering is further intended to bring the Issuer in compliance with the requirement for a listing on the Oslo Stock Exchange of having at least 500 shareholders, each holding Shares of value no less than NOK 10,000. A stock exchange listing will provide a regulated place for trading in the Shares, provide greater liquidity in the Shares and make them attractive investment objects. It will also further facilitate the use of capital markets in order to raise equity should the Company need so in the future, and enable the Issuer to use its Shares as transaction currency in future acquisitions and mergers, if any.

6 THE TERMS OF THE OFFERING

This Section sets out the terms and conditions pursuant to which all applications for Offer Shares in the Offering are made. Investing in the Offer Shares involves inherent risks. In making an investment decision, each investor must rely on their own examination, analysis of and enquiry into the Company and the terms of the Offering, including the merits and risks involved. None of the Issuer or the Managers, or any of their respective representatives or advisers, are making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares. You should read this Section in conjunction with the other parts, in particular Section 2 "Risk Factors".

6.1 The Offering

The Issuer is offering to sell and issue up to 33,500,000 Offer Shares, each with a par value of NOK 10.00. The Offering comprises:

(a) An Institutional Offering, in which Offer Shares are being offered to (i) institutional investors and professional investors in Norway, (ii) to investors outside Norway and the United States subject to exemptions from local prospectus or other filing requirements, and (iii) in the United States, to QIBs as defined in Rule 144A under the U.S. Securities Act; in each case subject to a lower limit per application of an amount of NOK 2,000,000.

(b) A Retail Offering, in which Offer Shares are being offered to the public in Norway subject to a lower limit per application of an amount of NOK 10,500, and an upper limit per application of an amount of NOK 1,999,999 for each investor. Investors in the Retail Offering will receive a discount of NOK 1,500 on their aggregate subscription amount for the Offer Shares allocated to such investors. Investors who intend to place an order in excess of an amount of 1,999,999 must do so in the Institutional Offering. Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the maximum application limit and the discount.

All offers and sales outside the United States will be made in reliance on Regulation S under the U.S. Securities Act.

The Book-building Period for the Institutional Offering is expected to take place from 9:00 a.m. CET on 10 June 2013 to 4:30 p.m. CET on 21 June 2013. The Application Period for the Retail Offering will commence at 9:00 a.m. CET on 10 June 2013 and expire at 12:00 p.m. CET on 21 June 2013. The Issuer reserves the right to shorten or extend the Book-building Period and the Application Period at any time. Any shortening of the Book-building Period and/or the Application Period will be announced through the Oslo Stock Exchange's information system on or before 09:00 a.m. CET on the revised expiration date. Any extension of the Book-building Period and/or the Application Period will be announced through the Oslo Stock Exchange’s information system on or before 09:00 a.m. CET on the first business day following the then prevailing expiration date of the Book-building Period. An extension of the Book-building Period and/or the Application Period can be made one or several times, provided however, that in no event will the Book-building Period and/or the Application Period be extended beyond 4:30 p.m. CET on 30 June 2013. In the event of a shortening or an extension of the Book-building Period and/or the Application Period, the allocation date, the payment due date and the date of delivery of Offer Shares may be changed correspondingly.

The Issuer has, together with the Managers, set an Indicative Price Range for the Offering from NOK 30 to NOK 34 per Offer Share. The Offer Price will be determined on the basis of the book-building process in the Institutional Offering, such book-building process only to be conducted in connection with the Institutional Offering; as well as the number of applications received in the Retail Offering. The Indicative Price Range may be amended during the Book-building Period.

The number of Offer Shares to be sold and issued in the Offering will be determined on the basis of the book-building process in the Institutional Offering and the number of applications received in the Retail Offering. The Offer Price, and the number of Offer Shares sold and issued in this Offering, is expected to be announced by the Issuer through the information system of the Oslo Stock Exchange on or about 9:00 p.m. CET on 24 June 2013.

It has been provisionally assumed that approximately 85% to 90% of the Offering will be allocated in the Institutional Offering and that approximately 10% to 15% of the Offering will be allocated in the Retail Offering. The final determination of the number of Offer Shares allocated to the Institutional Offering and the Retail Offering, respectively, will however only be decided following the completion of the book-building process, based on the level of applications received from each of the categories of investors, and with regard to the requirements of free float and number of shareholders pertaining to a listing of the Shares on the Oslo Stock Exchange. The Issuer reserves the right to deviate from the provisionally assumed allocation between the tranches without further notice and at its sole discretion.

Assuming that 33,500,000 Offer Shares are sold and issued in the Offering, the Offer Shares will upon consummation of the Offering represent 25.09% of the Shares in the Issuer. In addition, and as a part of the Offering, the Issuer will grant the Joint Bookrunners a right to over-allot a number of Shares equalling a maximum of 10% of the number of Offer Shares initially allocated in the Offering (amounting to 3,350,000 Shares if 33,500,000 Offer Shares are initially allocated), and Aker ASA will grant the Joint Bookrunners a right to borrow a corresponding number of Shares in order to permit delivery in respect of over-allotments made. If the Over-allotment Facility is utilised in full, the number of Offer Shares sold and issued in the Offering may amount to a maximum of 36,850,000 Offer Shares. In order to cover over-allotments made, Aker ASA will grant the Joint Bookrunners a right to buy, at the Offer Price, a number of Additional Shares equalling the number of over-allotted Shares, exercisable in whole or in part within a 30-day period from commencement of trading in the Shares on the Oslo Stock Exchange.

The table below provides certain indicative key dates for the Offering, subject to change.

	Date
Commencement of the Book-building Period in the Institutional Offering	10 June 2013, at 09:00 a.m. CET
Commencement of the Application Period for the Retail Offering	10 June 2013, at 09:00 a.m. CET
Expiry of the Application Period for the Retail Offering	21 June 2013, at 12:00 p.m. CET(1)
Close of the Book-building Period in the Institutional Offering	21 June 2013, at 4:30 p.m. CET(1)
Allocation of Offer Shares	On or about 21 June 2013
Distribution of allocation letters	On or about 24 June 2013
Payment due date	On or about 27 June 2013
Registration of the capital increase and issuance of the new Shares	On or about 27 June 2013
Delivery of the Offer Shares	On or about 27 June 2013
Commencement of trading in the Shares on the Oslo Stock Exchange	On or about 28 June 2013

(1) Subject to shortening or extension. To the extent the Book-building Period or the Application Period is shortened or extended, all other dates referred to in this table may be extended correspondingly.

6.2 Resolutions to Undertake and to Implement the Offering

On 6 June 2013, the board of directors of the Issuer resolved to launch the Offering on the basis of this Prospectus. It is anticipated that the board of directors of the Issuer will resolve to sell and issue the Offer Shares on or about 21 June 2013 on the basis of an authorisation granted to the board of directors at a general meeting which was held on 23 May 2013.

6.3 The Offer Shares

The Offer Shares will be created pursuant to the Norwegian Public Limited Liability Companies Act (Nw. *allmennaksjeloven*). All Shares in the Issuer, including the Offer Shares, rank in parity with one another and carry one vote per Share. The Offer Shares will, upon issuance, be registered with the VPS in book-entry form under the ISIN NO0010657448. The Issuer's register of shareholders with the VPS is administered by DNB Bank ASA, Registrar Department, Dronning Eufemias gate 30, 0191 Oslo, Norway.

6.4 The Institutional Offering

Determination of the Offer Price; Book-Building

The Issuer has, together with the Managers, set an Indicative Price Range for the Offering from NOK 30 to NOK 34 per Offer Share. The Offer Price may be set within, below or above the Indicative Price Range. Any amendment to the Indicative Price Range will be announced by the Issuer through the information system of the Oslo Stock Exchange.

The final Offer Price will be determined on the basis of orders received and not withdrawn in the Institutional Offering during the Book-building Period as well as the number of applications received in the Retail Offering. Investors' applications for Offer Shares in the Institutional Offering will, after the end of the Book-building Period, be irrevocable and binding regardless of whether the Offer Price is set within, above or below the Indicative Price Range. The final Offer Price is expected to be announced by the Issuer through the Oslo Stock Exchange's information system on or about 9:00 a.m. on 24 June 2013.

Collection of Orders

Investors' orders in the Institutional Offering must be submitted to one of the below offices during the Book-building Period, expected to take place from 9:00 a.m. CET on 10 June 2013 to 4:30 p.m. CET on 21 June 2013, unless shortened or extended:

DNB Markets
Dronning Eufemias gate 30
P.O. Box 1600 Sentrum
N-0021 Oslo
Norway
Tel.: +47 23 26 81 01
Fax: +47 22 48 29 80

Pareto Securities AS
Dronning Mauds gate 3
P.O. Box 1411 Vika
N-0115 Oslo
Norway
Tel: +47 22 87 87 00
Fax: +47 22 87 87 10

Skandinaviska Enskilda Banken AB (publ.), Oslo branch
Filipstad brygge 1
P.O. Box 1843 Vika
0123 Oslo
Norway
Tel.: +47 22 82 70 00
Fax: +47 22 82 70 70

Arctic Securities
Haakon VII's gt 5
P.O. Box 1833 Vika
0123 Oslo
Norway
Tel: +47 21 01 30 40
Fax: +47 21 01 31 36

Nordea Markets
Middelthunsgate 17
P.O. Box 1166 Sentrum
N-0107 Oslo
Norway
Tel.: +47 22 48 51 31
Fax: +47 22 48 63 49

Swedbank First Securities
Filipstad Brygge 1
P.O. Box 1441 Vika
N-0115 Oslo
Norway
Tel.: +47 23 23 80 00
Fax: +47 23 23 80 11

All orders in the Institutional Offering will be treated in the same manner regardless of which office the order is placed with. Any orally placed order in the Institutional Offering will be binding upon the investor and subject to the same terms and conditions as a written order. The Managers can, at any time and in their sole discretion, require the investor to confirm any orally placed order in writing. Orders made may be withdrawn or amended by the investor at any time up to the close of the Book-building Period. At the close of the Book-building Period, all orders that have not been withdrawn or amended are irrevocable and constitute binding applications by the investor to buy and subscribe Offer Shares allocated by the Issuer to the investor. Accordingly, by placing an order, as amended if applicable, and by not having withdrawn such order prior to close of the Book-building Period, the investor irrevocably (a) confirms its request to buy and subscribe for such number of Offer Shares allocated to the investor up to the number of Offer Shares covered by the order, and (b) authorises and instructs each of the Managers (or someone appointed by them) to buy and subscribe for such number of Offer Shares at the Offer Price on behalf of the investor and to take all actions required to ensure delivery of such Offer Shares to the investor.

Minimum Application Amount

The Institutional Offering is subject to a lower limit per application of an amount of NOK 2,000,000. Orders for lower amounts will accordingly not be considered by the Issuer in the Institutional Offering.

Allocation; Payment and Delivery

The Managers expect to issue notifications of allocation of Offer Shares in the Institutional Offering on or about 24 June 2013, by issuing contract notes to the applicants by mail or otherwise.

In order to facilitate prompt delivery to investors in the Institutional Offering, it is expected that the Offer Shares allocated in the Institutional Offering will be delivered to the investors in the form of existing Shares in the Issuer borrowed by the Managers from Aker ASA pursuant to a share lending agreement between the Managers and Aker ASA. The borrowed Offer Shares will be equal in all respects to the new Offer Shares issued in connection with the Offering. Payment and delivery of Offer Shares (either in the form of newly issued Shares or in the form of borrowed Shares) in the Institutional Offering are expected to take place on or about 27 June 2013.

Pursuant to a payment guarantee agreement expected to be entered into by the Issuer and the Joint Bookrunners, the Joint Bookrunners will, subject to the terms and conditions of the payment guarantee agreement, guarantee payment of any Offer Shares not paid by the investors when due.

The non-paying investors will remain fully liable for payment of the Offer Shares allocated to them, irrespective of any payment made by any of the Joint Bookrunners under the payment guarantee agreement. If payment is not received by the payment due date, the Issuer and the Joint Bookrunners reserve the right to re-allot, cancel or reduce the allocation or otherwise dispose of the allocated Offer Shares in accordance with and to the fullest extent permitted by applicable Norwegian laws.

The Issuer and the Joint Bookrunners may choose to transfer the Offer Shares allocated to such applicants to a VPS account operated by DNB Markets for transfer to the non-paying investor when payment of the Offer Shares is received. In such case, the Joint Bookrunners reserve the right without further notice, to sell or assume ownership of such Offer Shares if payment has not been received by the third day after the payment due date.

If Offer Shares are sold on behalf of the investor, such sale will be for the investor's account and risk (however so that the investor shall not be entitled to profits therefrom, if any) and the investor will be liable for any loss, costs, charges and expenses suffered or incurred by the Issuer and/or the Joint Bookrunners as a result of or in connection with such sales, and the Issuer and/or the Joint Bookrunners may enforce payment of any amount outstanding in accordance with Norwegian law.

For late payment, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments of 17 December 1976, no. 100, which, at the date of this Prospectus was 8.50% per annum.

6.5 The Retail Offering

The Offer Price

The price for the Offer Shares offered in the Retail Offering will be the same as in the Institutional Offering, see Section 6.4 "—Determination of the Offer Price; Book-Building". However, investors in the Retail Offering will receive a discount of NOK 1,500 on their aggregate subscription amount for the Offer Shares allocated to such investors. Applications in the Retail Offering are subject to minimum and maximum application amount limits, see below under the caption "—Minimum and Maximum Application Amount". Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the discount.

Each applicant in the Retail Offering will be permitted, but not required, to indicate on the application form that the applicant does not wish to be allocated Offer Shares should the Offer Price be set above the high-point of the Indicative Price Range. If the applicant does so, the applicant will not be allocated any Offer Shares in the event that the Offer Price is set above the high-point of the prevailing Indicative Price Range at the time the application form is received by the application office. If the applicant does not expressly stipulate such reservation on the application form, the application will be binding regardless of whether the Offer Price is set within or above (or below) the indicative price range, so long as the Offer Price has been determined on the basis of orders placed during the book-building process.

Minimum and Maximum Application Amount

The Retail Offering is subject to a lower limit per application of an amount of NOK 10,500 and an upper limit per application of an amount of NOK 1,999,999 for each investor. Multiple applications by one applicant in the Retail Offering will be treated as one application with respect to the maximum application amount limit. One or multiple applications from the same applicant in the Retail Offering with a total application amount of NOK 2,000,000 or above will be adjusted downwards to an application amount of NOK 1,999,999. Investors who intend to place an application in excess of an amount of NOK 1,999,999 must do so in the Institutional Offering.

The Application Period

The Application Period will commence at 9:00 a.m. CET on 10 June 2013 and expire on 12:00 p.m. CET on 21 June 2013, unless shortened or extended. The Issuer may shorten or extend the Application Period at any time, and extension may be made on one or several occasions. The Application Period may in any event not be extended beyond 30 June 2013. In the event of a shortening or an extension of the Application Period, the due date for payment of the allocated Offer Shares, the date of the delivery of the Offer Shares and the date of commencement of trading of the Offer Shares on the Oslo Stock Exchange may be changed correspondingly.

Application Procedures; Application Offices; Binding Nature of Application

Application for Offer Shares in the Retail Offering must be made during the Application Period, by submitting a correctly completed application form in the form attached to this Prospectus as Appendix D—Application Form for the Retail Offering, to one of the application offices set out below or made online as further described below.

Applicants who are residents of Norway with a Norwegian personal identification number may also apply for Offer Shares through the VPS online application system by following the link on any of the following web-sites: www.dnb.no/emisjoner; www.paretosec.com; www.seb.no; www.arcticsec.no; www.nordea.no/oy; and www.swedbank.no;. Applicants will be able to download this Prospectus and the application form once they have confirmed residency in Norway. Applications made through the VPS online subscription system must be duly registered during the Application Period.

Application forms that are incomplete or incorrectly completed, or that are received after the expiry of the Application Period, may be disregarded without further notice to the applicant. Subject to any extension of the Application Period, properly completed application forms must be received by one of the application offices by 12:00 p.m. CET on 21 June 2013. Neither the Issuer nor any of the Managers may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical matters that may result in applications not being received in time or at all by the any application office.

All applications made in the Retail Offering will be irrevocable and binding upon receipt of a duly completed application form by the application office, or in the case of applications through the VPS online subscription system, upon registration of the application, irrespective of any extension of the Application Period, and cannot be withdrawn, cancelled or modified by the applicant after having been received by the application office, or in the case of applications through the VPS online subscription system, upon registration of the application.

By making an application, the applicant irrevocably (a) apply to buy and subscribe for such number of Offer Shares allocated to the applicant up to the number of Offer Shares applied for and (b) authorises and instructs each of the Managers (or someone appointed by them) to buy and subscribe for such number of Offer Shares at the Offer Price on behalf of the applicant and to take all actions required to ensure delivery of such Offer Shares to the applicant.

The offices at which applications forms in the Retail Offering can be submitted, are as follows:

DNB Markets
Dronning Eufemias gate 30
P.O. Box 1600 Sentrum
N-0021 Oslo
Norway
Tel.: +47 23 26 81 01
Fax: +47 22 48 29 80

Pareto Securities AS
Dronning Mauds gate 3
P.O. Box 1411 Vika
N-0115 Oslo
Norway
Tel: +47 22 87 87 00
Fax: +47 22 87 87 10

Skandinaviska Enskilda Banken AB (publ.), Oslo branch
Filipstad brygge 1
P.O. Box 1843 Vika
0123 Oslo
Norway
Tel.: +47 22 82 70 00
Fax: +47 22 82 70 70

Arctic Securities
Haakon VII's gt 5
P.O. Box 1833 Vika
0123 Oslo
Norway
Tel: +47 21 01 30 40
Fax: +47 21 01 31 36

Nordea Markets
Middelthunsgate 17
P.O. Box 1166 Sentrum
N-0107 Oslo
Norway
Tel.: +47 22 48 51 31
Fax: +47 22 48 63 49

Swedbank First Securities
Filipstad Brygge 1
P.O. Box 1441 Vika
N-0115 Oslo
Norway
Tel.: +47 23 23 80 00
Fax: +47 23 23 80 11

All applications in the Retail Offering will be treated in the same manner regardless of which Manager the application office the application is placed with.

Allocation; Payment and Delivery

DNB Markets, acting as settlement agent for the Retail Offering, expects to issue notifications of allocation of Offer Shares in the Retail Offering on or about 24 June 2013, by issuing allocation notes to the applicants by mail. Any applicant wishing to know the precise number of Offer Shares allocated to it, may contact one of the application offices from 12:00 a.m. CET on 24 June 2013 and onwards during business hours. Applicants who have access to investor services through an institution that operates the applicant's VPS account should be able to see how many Offer Shares they have been allocated from 12:00 a.m. CET on 24 June 2013.

In completing an application form, or registering an application through the VPS online subscription system, each applicant in the Retail Offering will authorise DNB Markets (on behalf of the Managers) to debit the applicant's Norwegian bank account for the total amount due for the Offer Shares allocated to the applicant. The applicant's account number must be stipulated on the application form or registered through the VPS online application system. Accounts will be debited on or about 27 June 2013 (the payment due date), and there must be sufficient funds in the stated bank account from and including 26 June 2013. Applicants who do not have a Norwegian bank account must ensure that payment of the allocated Offer Shares is made on or before the payment due date (27 June 2013). Further details and instructions will be set out in the allocation notes to the applicant and can be obtained by contacting DNB Markets by telephone at: + 47 23 26 81 01.

Should any investor have insufficient funds on his or her account, should payment be delayed for any reason or if it is not possible to debit the account, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments of 17 December 1976, No. 100, which at the date of this Prospectus was 8.50% per annum. DNB Markets (on behalf of the Managers) reserves the right (but has no obligation) to make up to three debit attempts through 4 July 2013 if there are insufficient funds on the account on the payment due date.

Pursuant to a payment guarantee agreement expected to be entered into by the Issuer and the Joint Bookrunners, the Joint Bookrunners will, subject to the terms and conditions of the payment guarantee agreement, guarantee payment of any Offer Shares not paid by the investors when due. The non-paying investor will remain fully liable for payment of the Offer Shares allocated to them, irrespective of any payment by any of the Joint Bookrunners under the payment guarantee agreement. The Offer Shares allocated to such investors will be transferred to a VPS account operated by DNB Markets and will be transferred to the non-paying investor when payment of the relevant Offer Shares is received. The Joint Bookrunners reserve the right, without further notice, to sell or assume ownership of such Offer Shares if payment has not been received by the third day after the payment due date.

If Offer Shares are sold on behalf of the investor, such sale will be for the investor's account and risk (however so that the investor shall not be entitled to profits therefrom, if any) and the investor will be liable for any loss, costs, charges and expenses suffered or incurred by the Issuer and/or the Joint Bookrunners as a result of or in connection with such sales, and the Issuer and/or the Joint Bookrunners may enforce payment of any amount outstanding in accordance with Norwegian law.

6.6 VPS Account

In participating in the Offering, each applicant must have a VPS account. The VPS account number must be stated on the application form in respect of the Retail Offering. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised investment firm in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian Ministry of Finance. Establishment of VPS account requires verification of identification before the VPS registrar in accordance with the Norwegian anti-money laundering legislation.

6.7 Mandatory Anti-Money Laundering Procedures

The Offering is subject to applicable anti-money laundering procedures, including the Norwegian Money Laundering Act No. 11 of 6 March 2009 and the Norwegian Money Laundering Regulation No. 302 of 13 March 2009.

In respect of Norwegian anti-money laundering legislation, all applicants not registered as existing customers with one of the Managers must verify their identities to one of the Managers in accordance with requirements of the Norwegian anti-money laundering legislation unless an exemption is available. Applicants that have designated an existing Norwegian bank account and an existing VPS account on the application form are exempted, provided the aggregate subscription price is less than NOK 100,000 unless verification of identity is requested by the Managers. The verification of identification must be completed prior to the end of the Application Period in respect of the Retail Offering. Investors that have not completed the required verification of identification will not be allocated Offer Shares.

6.8 Mechanism of Allocation

In the Institutional Offering, the Issuer together with the Managers will determine the allocation of Offer Shares. An important aspect of the allocation principles is the desire to create an appropriate long-term shareholder structure for the Issuer. The allocation principles will, in accordance with customary practice for institutional placements, include factors such as premarketing and management road-show participation and feedback, timeliness of the order, price level, relative order size, sector knowledge, investment history, perceived investor quality and investment horison. The Issuer and the Managers further reserve the right, at their sole discretion, to take into account the creditworthiness of any applicant. The Issuer may also set a maximum allocation or decide to make no allocation to any applicant. No Offer Shares have been reserved for any specific national market.

In the Retail Offering, no allocations will be made for a number of Offer Shares representing an aggregate Offer Price of less than NOK 10,500 per applicant, however, all allocations will be rounded down to the nearest number of whole Offer Shares and the payable amount will hence be adjusted accordingly provided that no allocation will in any event be made for an amount of less than NOK 10,000. In the Retail Offering, allocation will at the outset be made on a *pro rata* basis using the VPS' automated simulation procedures and/or other allocation mechanism. However, the Issuer will aim at, and reserves its right to, give a higher allocation percentage, in the Retail Offering, to applicants who were shareholders of Aker ASA as of 10 June 2013. For the purposes of determining who were shareholders of Aker ASA as of 10 June 2013, the board of directors of the Issuer expects to rely solely on Aker ASA's register of shareholders with the VPS as of 13 June 2013. Hence, shareholders of Aker ASA as of 10 June 2013 will be deemed to be those shareholders appearing as such in Aker ASA's register of shareholders with the VPS as of 13 June 2013 unless otherwise determined at the sole discretion of the Issuer's board of directors. The Issuer further reserves the right to limit the total number of applicants to whom Offer Shares are allocated if the Issuer deems this to be necessary in order to keep the number of shareholders in the Issuer at an appropriate level and such limitation does not have the effect that any conditions for the listing regarding number of shareholders will not be satisfied. If the Issuer should decide to limit the total number of applicants to whom Offer Shares are allocated, the applicants to whom Offer Shares are allocated may be determined on a random basis by using the VPS's automated simulation procedures and/or other random allocation mechanism.

6.9 Conditions to Consummation of the Offering

The board of directors of the Oslo Stock Exchange is expected to approve the Issuer's application for listing and admission to trading of the Shares on the Oslo Stock Exchange (Oslo Børs, alternatively Oslo Axess) at a board meeting to be held during the Bookbuilding Period, subject to fulfillment by the Issuer of the requirements of the Oslo Stock Exchange as to number of shareholders (i.e. the Issuer having at least 500 (Oslo Børs) or 100 (Oslo Axess) shareholders, or such lower number as the Oslo Stock Exchange may approve at its sole discretion, each owning shares of value of at least NOK 10,000) and free float (minimum 25%, or such lower percentage as the Oslo Stock Exchange may approve at its sole discretion). Consummation of the Offering on the terms set forth in this Prospectus is expressly conditioned upon the board of directors of the Oslo Stock Exchange approving the Issuer's listing application and the satisfaction by the Issuer of any conditions for admission to trading set by the Oslo Stock Exchange. The Offering will be cancelled in the event that these conditions are not met.

Consummation of the Offering on the terms set forth in this Prospectus is further conditional upon all required corporate resolutions to consummate the Offering having been passed by the Issuer. The Offering may be consummated, at the Issuer's sole discretion, at lower amounts than the maximum amount of Offer Shares that may be issued and sold in the Offering. The Issuer reserves its right to withdraw this Offering at any time, at its sole discretion.

6.10 Over-Allotment and Price Stabilisation

Over-Allotment

In connection with the Offering, and pursuant to the Over-allotment Facility, the Joint Bookrunners may elect to over-allot a number of Shares equalling up to 10% of the number of Offer Shares initially allocated in the Offering (amounting to 3,350,000 Shares if 33,500,000 Offer Shares are initially allocated), and Aker ASA will under the Lending Option grant the Joint Bookrunners a right to borrow a corresponding number of Shares in order to permit delivery in respect of over-allotments made. If the Over-allotment Facility is utilised in full, the number of Offer Shares sold and issued in the Offering may amount to a maximum of 36,850,000 Offer Shares. In order to cover over-allotments made, Aker ASA will further grant the Joint Bookrunners a right, under the Over-allotment Option, to buy a number of Additional Shares equal to the number of over-allotted Shares at the Offer Price less the number of Shares acquired by the Stabilisation Manager through stabilisation activities, exercisable in whole or in part within a 30-day period from commencement of trading in the Shares on the Oslo Stock Exchange. The number of Additional Shares that may be sold pursuant to the Over-allotment Option will equal the number of over-allotted Shares.

To the extent that the Joint Bookrunners have over-allotted Shares in the Offering, the Joint Bookrunners have created a short position in the Shares. Pareto Securities, the Stabilisation Manager may close out this short position by buying Shares in the open market through stabilisation activities and/or by exercising the Over-allotment Option.

A stock exchange notice will be made on or about 24 June 2013 announcing whether the Managers have over-allotted Shares in connection with the Offering. Any exercise of the Over-allotment Option will be promptly announced by the Stabilisation Manager through the information system of the Oslo Stock Exchange.

Price Stabilisation

The Stabilisation Manager, Pareto Securities, may, upon exercise of the Lending Option, effect transactions with a view to support the market price of the Shares at a level higher than what might otherwise prevail through buying Shares in the open market at prices equal to or lower than the Offer Price. There is no obligation of the Stabilisation Manager to conduct stabilisation activities and there is no assurance that stabilisation activities will be undertaken. Such stabilising activities, if commenced, may be discontinued at any time and will be brought to an end at the latest 30 calendar days after the first day of trading of the Shares on the Oslo Stock Exchange. Stabilisation activities might result in market prices that are higher than would otherwise prevail.

Any stabilisation activities will be conducted in accordance with Section 3-12 of the Norwegian Securities Trading Act and the EC Commission Regulation 2273/2003 regarding buy-back programmes and stabilisation of financial instruments. The Issuer, Aker ASA and the Joint Bookrunners have agreed that 75% of the net profit, if any, resulting from stabilisation activities conducted by the Stabilisation Manager, on behalf of the Joint Bookrunners, will be for the account of Aker ASA while the remaining 25% will be for the account of the Joint Bookrunners.

Within one week after the expiry of the 30-day period of price stabilisation, the Stabilisation Manager will publish information as to whether or not price stabilisation activities were undertaken. If stabilisation activities were undertaken, the statement will also include information about: (a) the total amount of Shares sold and purchased; (b) the dates on which the stabilisation period began and ended; (c) the price range between which stabilisation was carried out, as well as the highest, lowest and average price paid during the stabilisation period; and (d) the date at which stabilisation activities last occurred.

6.11 Publication of Information in Respect of the Offering

The Issuer intend to use the Oslo Stock Exchange's information system to publish information with respect to the Offering, such as any changes to the Book-building Period and/or the Application Period, any changes to the Indicative Price Range, the final Offer Price and the definitive number of Offer Shares issued and sold, the total amount of the Offering and the first day of trading of the Shares on the Oslo Stock Exchange.

6.12 Trading Market and Trading Symbol

The Shares are expected to trade on the Oslo Stock Exchange under the trading symbol "OCY". The Issuer has not applied for admission to trading of its Shares on any other stock exchange or regulated market.

6.13 Lock-Up

Aker ASA has entered into a lock-up agreement with the Joint Bookrunners pursuant to which Aker ASA have agreed not to offer, sell, contract or otherwise dispose of shares in the Issuer for a period of six months following the first day of trading of the shares on the Oslo Stock Exchange without the prior written consent of the Joint Bookrunners.

6.14 Selling and Transfer Restrictions

This Offering is, and the Offer Shares are, subject to the selling and transfer restrictions set forth in Section 7 "Selling and Transfer Restrictions".

6.15 Participation of Members of the Management and Board of Directors in the Offering

The Issuer will, in conjunction with the Offering, offer the Company's CEO, Lars Solbakken; CFO, Eirik Eide; and certain other key personnel to subscribe for up to 250,000 new Shares at a subscription price equal to the Offer Price less 20%. On this basis, Lars Solbakken has indicated that he will subscribe for an amount of NOK 4 million (as discounted) and Eirik Eide has indicated that he will subscribe for an amount of NOK 500,000 (as discounted). The Issuer is not aware of whether any members of the Issuer's board of directors intend to subscribe for Offer Shares in the Offering.

6.16 Interests of Natural and Legal Persons in the Offering

The Managers or their affiliates have provided from time to time, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. Further, a portion of the commissions that are to be paid for the services of the Managers in respect of the Offering are calculated on the basis of the gross proceeds of the Offering.

The Issuer will receive the proceeds of the Offering, except the proceeds from the sale of any Additional Shares which will be received by Aker ASA.

Other than as set out above, the Issuer is not aware of any interest of any natural and legal persons involved in the Offering that is material to the Offering.

6.17 Governing Law and Jurisdiction

The terms and conditions of the Offering as set out in this Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offering or this Prospectus.

7 SELLING AND TRANSFER RESTRICTIONS

This Prospectus does not constitute an offer of, or an invitation to purchase any of the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of Shares to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Issuer and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. The Offer Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

7.1 Selling Restrictions

United States

The Offer Shares have not been and will not be registered under the US Securities Act and may not be offered or sold except (i) within the United States to QIBs as defined in Rule 144A or (ii) to certain persons in offshore transactions in reliance on Regulation S, and in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, each Manager has agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares at any time other than to QIBs in the United States or outside of the United States in accordance with Rule 903 of Regulation S. Transfer of the Offer Shares will be restricted and each purchaser of the Offer Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described in Section 7.2 "—Transfer Restrictions".

Any offer or sale in the United States will be made by broker-dealers registered under the US Exchange Act which are either affiliates of one of the Managers or broker-dealers to which one of the Managers have a contractual relationship. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offer Shares within the United States by a dealer, whether or not participating in the Offering, may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A of the US Securities Act and in connection with any applicable state securities laws. Nordea Markets will only participate in the Offering outside of the United States.

United Kingdom

Each Manager has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Offer Shares in circumstances in which section 21(1) of the FSMA does not apply to the Company; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to everything done by it in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), an offer to the public of any Offer Shares may not be made in that Relevant Member State, other than the offers contemplated by this Prospectus in Norway once this Prospectus has been approved by the Norwegian FSA and published in accordance with the Prospectus Directive as implemented in Norway, except that an offer to the public of any Offer Shares in a Relevant Member State may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in the Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100, or if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Shares shall result in a requirement for the publication by the Company or any Manager of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes hereof, the expression an "offer of share to the public" in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase any securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in each Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

7.2 Transfer Restrictions

United States

The Offer Shares have not been and will not be registered under the US Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares was located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States.
- The purchaser is not an affiliate of the Issuer or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Issuer or an affiliate thereof in the initial distribution of such Shares.
- The purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus.
- The Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Issuer shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above restrictions.

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A acknowledge, represent and agree that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.

- The purchaser (i) is a QIB (as defined in Rule 144A), and (ii) is acquiring such Offer Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution of the Offer Shares, as the case may be.

- The purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act.

- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, as the case may be, such Shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the US Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require that such sale or transfer is in compliance with the US Securities Act or (v) pursuant to an effective registration statement under the US Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Issuer or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Issuer or an affiliate thereof in the initial distribution of such Shares.

- The Offer Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, as the case may be.

- The Issuer shall not recognise any offer, sale pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.

8 BUSINESS OVERVIEW

This Section provides an overview of the business of the Company as of the date of this Prospectus. The following discussion contains forward-looking statements that reflect the Issuer's plans and estimates; see Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Prospectus, in particular Section 2 "Risk Factors" and Section 12 "Operating and Financial Review".

8.1 Introduction

Ocean Yield was established in its present form on 31 March 2012 by Aker ASA to form the basis for developing a company with investments within oil-service and industrial shipping, focusing on long-term charters. The Company was established with a portfolio of assets controlled by Aker ASA and an experienced management team was recruited. In the second half of 2012, and in the first quarter of 2013, the Company has expanded its portfolio of assets by investing in five new vessels. The Company builds on Aker's track record within the offshore industry. It has a solid financial platform and an existing fleet of vessels on long-term charters, and intends to expand its fleet further.

The Company's strategy for further growth is to:

- invest in modern oil-service and industrial shipping assets;
- focus on long-term charters of 5-15 years duration with solid counterparties; and
- target a low operational risk.

Ocean Yield will continue to develop and diversify its portfolio of assets, combined with raising new capital for further growth with the aim of becoming a significant company with substantial dividend capacity and a portfolio of attractive and high-quality assets. The Company targets to invest approximately USD 350 million annually in new assets for a currently targeted internal rate of return (IRR) on investments of approximately 13-15% on a project basis, continuing its expansion shown by its approximately USD 650 million in new investments made during the twelve months period prior to the date of this Prospectus.

Upon establishment in the first quarter of 2012, the Company had ownership of one FPSO (the *Dhirubhai-1*), one offshore construction vessel (the *Aker Wayfarer*), one seismic vessel (the *Geco Triton*) and an investment in 93% of the bonds in American Shipping Company's NOK 700 million unsecured bond loan (AMSC 07/18 FRN C, ISIN NO0010356512), maturing in 2018. The *Dhirubhai-1* is on long-term charter to Reliance Industries Limited ("**Reliance Industries**") until 2018, under a charter contract and an operations and maintenance contract. The *Aker Wayfarer* is on long-term charter to AKOFS Wayfarer AS ("**AKOFS Wayfarer**"), a subsidiary of Aker Solutions ASA ("**Aker Solutions**"), until 2020, while the *Geco Triton* is on long-term charter to GecoShip AS ("**GecoShip**"), a subsidiary of WesternGeco AS ("**WesternGeco**"), until 2015.

Later, in the second half of 2012, Ocean Yield entered into newbuilding contracts for two Pure Car and Truck Carriers (PCTCs), with twelve-year charters from delivery to Höegh Autoliners Shipping AS ("**Höegh Autoliners Shipping**"), a subsidiary of Höegh Autoliners Holding AS ("**Höegh Autoliners Holding**"). Delivery and commencement of the charters for the PCTCs are expected in April 2014 and August 2014, respectively. Further, the Company acquired the offshore construction and cable-lay vessel *Lewek Connector* with long-term charter to EMAS-AMC AS ("**EMAS**"), a subsidiary of EZRA Holdings Limited ("**EZRA**"), until 2022.

Additionally, in the first quarter of 2013, Ocean Yield entered into an agreement with Farstad Supply AS ("**Farstad Supply**"), a subsidiary of Farstad Shipping ASA ("**Farstad Shipping**") for the acquisition of two newbuilding Anchor Handling Tug Supply (AHTS) vessels, with twelve-year charters from delivery to Farstad Supply. The first AHTS vessel (the *Far Senator*) was delivered, and the charter commenced, in March 2013, whereas the second AHTS vessel (the *Far Statesman*) was delivered and the charter commenced in June 2013.

8.2 Charter Backlog, Contract Tenor and Client Information

As of 31 March 2013, the Company's charter backlog amounted to USD 1,889 million on the basis of contracted revenues, and USD 1,721 million on the basis of contracted EBITDA. As of the same date the average remaining contract tenor, weighted by contracted EBITDA, was 7.5 years.

The chart below provides an overview of the contract status for each of the Company's vessels.

Vessel	Counterparty	Contract Type	Contract Period End
Dhirubhai-1	Reliance Industries	Bareboat / O&M	September 2018
Lewek Connector	EMAS	Bareboat	October 2022
Aker Wayfarer	AKOFS Wayfarer	Bareboat	September 2020
Höegh 4401	Höegh Autoliners Shipping	Bareboat	April 2026
Höegh 4402	Höegh Autoliners Shipping	Bareboat	August 2026
Far Senator	Farstad Supply	Bareboat	March 2025
Far Statesman	Farstad Supply	Bareboat	June 2025
Geco Triton	GecoShip	Bareboat	December 2015

The Company's vessels are all chartered to premium clients:

- The *Dhirubhai-1* is chartered to Reliance Industries. The Reliance group is one of India's largest private sector enterprises, with businesses in the energy and materials value chain with annual revenues in excess of USD 68 billion. The group's flagship company, Reliance Industries, is a Fortune Global 500 company.

- The *Lewek Connector* is chartered to EMAS. The parent company of EMAS, EZRA, has guaranteed the performance of the charterer. The EZRA group is a leading global contractor providing construction, production and energy assets and services across the oil and gas lifecycle. EZRA is listed on the Singapore Exchange.

- The *Aker Wayfarer* is chartered to AKOFS Wayfarer. The parent company of AKOFS Wayfarer, Aker Solutions, has guaranteed the performance of the charterer. Aker Solutions is a leading provider of oilfield products, systems and services for customers in the oil and gas industry world-wide with annual revenues in excess of NOK 49.9 billion. Aker Solutions is listed on the Oslo Stock Exchange.

- The PCTCs are subject to charters from delivery to Höegh Autoliners Shipping. The parent company of Höegh Autoliners Shipping, Höegh Autoliners Holding, has guaranteed the performance of the charterer. The Höegh Autoliners group is a leading global provider of roll-on-roll-off (Ro-Ro) vehicle transportation services, operating around 60 PCTCs in global trade systems. In 2012, the Höegh Autoliners group carried about 2.45 million car equivalent units (ceu) and made over 4000 port calls.

- The *Far Senator* and the *Far Statesman* is chartered to Farstad Supply, which is the main vessel owning subsidiary of Farstad Shipping. Farstad Shipping, which is listed on the Oslo Stock Exchange, is specialising in offshore tonnage to the international oil and gas industry and is amongst the largest companies in the world for large to medium sized supply vessels (AHTS and PSV vessels).

- The *Geco Triton* is chartered to GecoShip, a subsidiary of the world's largest seismic company, WesternGeco. WesternGeco AS, a subsidiary of Schlumberger Norge AS, has guaranteed the performance of the charterer.

The table below sets out the Company's charter backlog as of 31 March 2013 by contracted revenues, split by vessels and year of remaining contract period.

Charter backlog as of 31 March 2013, by contracted revenues split by vessel and year

USD million *Vessel*	Total	2013(1)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Dhirubhai-1, total	700.8	95.5	124.8	129.1	127.6	128.4	95.3	—	—	—	—	—	—	—	—
of which is bareboat charter	583.4	81.0	105.2	107.9	106.0	105.7	77.6	—	—	—	—	—	—	—	—
of which is O&M agreement	117.4	14.5	19.6	21.2	21.7	22.7	17.7	—	—	—	—	—	—	—	—
Lewek Connector	365.4	28.9	38.3	38.3	38.4	38.3	38.3	38.3	38.4	38.3	29.7	—	—	—	—
Aker Wayfarer(2)	273.7	25.7	36.7	36.7	36.8	36.7	36.7	36.7	27.6	—	—	—	—	—	—
Höegh 4401	86.6	—	4.9	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	2.4
Höegh 4402	86.6	—	2.4	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	4.8
Far Senator(2)	139.5	9.2	12.3	12.3	12.1	12.0	11.7	11.6	11.7	11.4	11.3	10.8	10.7	2.3	—
Far Statesman(2)	139.8	7.5	12.3	12.3	12.1	12.0	11.8	11.6	11.7	11.5	11.3	10.9	10.7	4.2	—
Geco Triton	16.0	4.4	5.80	5.80	—	—	—	—	—	—	—	—	—	—	—
Total cash revenue backlog	1808.2	171.1	237.5	248.9	241.5	241.8	208.3	112.7	103.8	75.6	66.8	36.2	35.9	21.0	7.1
Amortisation of mobilisation fees, Dhirubhai-1	49.0	6.7	9.0	9.0	9.0	9.0	6.4	—	—	—	—	—	—	—	—
Non-cash rate Aker Wayfarer(3)	32.0	5.4	3.9	3.9	3.9	3.9	3.9	3.9	2.9	—	—	—	—	—	—
Total revenue backlog	1889.2	183.2	250.4	261.8	254.4	254.7	218.6	116.7	106.8	75.6	66.8	36.2	35.9	21.0	7.1

(1) 2013 backlog includes backlog for the period from 1 April to 31 December 2012, only.

(2) For the purposes of arriving at the USD figures included in this table, a NOK/USD exchange rate of 5.8 has been applied, as the contract amounts are denominated in NOK.

(3) This portion of the revenue is used to repay a loan from Aker Solutions.

The charter backlog by contracted revenues includes commitments from the charterers represented by signed charter contracts. All of the Company's vessels, except the *Dhirubhai-1*, are chartered on "hell and high water" bareboat terms, meaning that the charter contracts contain no, or very limited, off-hire provisions such that the charter-hire is payable by the charterers irrespective of whether the charterers encounters interruptions as to the use of the vessels; see Section 8.4 "—'Hell and High Water' Bareboat Charter Terms" for a discussion about this type of charter contract. The charter backlog relating to the *Dhirubhai-1* is subject to charter-rate reduction mechanisms, and termination provisions, applicable under the contractual arrangements for this vessel; see Section 8.5 "—Material Commercial Contracts—Dhirubhai-1". The charter backlog relating to the PCTCs, which are expected to be delivered in April and August 2013, may be subject to adjustment upwards or downwards to reflect changes in the purchase price under the shipbuilding contracts and the costs incurred by Ocean Yield under the shipbuilding supervision agreements. The charter backlog relating to the *Aker Wayfarer*, the *Far Senator* and the *Far Statesman*, the charter-hire for which is denominated in NOK under the respective contracts, has been calculated on the basis of a NOK/USD exchange rate of 5.8 for the purpose of arriving at the USD figures.

Certain of the Company's vessels are subject to purchase options held by the charterer of the vessel. The table below sets out the purchase option details per vessel by year after charter commencement.

USD million	Contract start	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Dhirubhai-1	September 2008	541.0	494.0	443.0	387.0	324.0	255.0	—	—
Lewek Connector	October 2012	245.0	—	213.0	—	—	158.0	—	—
Aker Wayfarer	September 2010	—	—	—	—	—	—	—	—
Höegh 4401	April 2014	54.0	—	50.0	—	—	43.0	—	36.8
Höegh 4402	August 2014	54.0	—	50.0	—	—	43.0	—	36.8
Far Senator(1)	March 2012	85.5	—	76.6	—	—	63.2	—	53.8
Far Statesman(1)	June 2012	85.5	—	76.6	—	—	63.2	—	53.8
Geco Triton	December 1998	—	—	—	—	—	—	—	—

(1) Options denominated in NOK. For the purposes of arriving at the USD figures included in this table, a NOK/USD exchange rate of 5.8 has been applied, as the contract amounts are denominated in NOK.

8.3 Vessel Overview

Dhirubhai-1. The Dhirubhai-1 is an FPSO. FPSOs are floating vessels used by the offshore oil and gas industry for the processing of hydrocarbons and for storage of oil. An FPSO is designed to receive hydrocarbons produced from nearby platforms or subsea template, process them and store oil until it can be offloaded onto a tanker or, less frequently, transported through a pipeline. FPSOs are preferred in frontier offshore regions as they are easy to install, and do not require a local pipeline infrastructure to export oil. FPSOs can be a conversion of an oil tanker or can be a vessel built specially for the application. The *Dhirubhai-1* is operating offshore on the east coast of India at 1,200 meters water depth and more than 50 people have their daily working place on the vessel. The vessel was converted from an oil tanker into an FPSO in 2008. The table below sets out certain key technical data relating to the vessel.

Vessel type .... FPSO.
Built/converted .... 2008.
Key features .... Environment: Typhoon conditions; mooring: Disconnectable turret; oil production capacity: 60,000 dopd (80,000 blpd); gas injection capacity: 100 mmscufd (3 million cbm/d); gas export capacity: 300 mmscfd (9 million cbm/d).
Yard .... Jurong Shipyard.

Lewek Connector. The *Lewek Connector* is a large and sophisticated subsea construction vessel. The vessel is equipped for subsea installation in harsh environments and can operate down to 3,000 meters water depth. It is further outfitted with Dynamic Positioning, class 3 (DP3) technology for operations in harsh environments. The *Lewek Connector* is able to install power cables and umbilicals using its two heave-compensated offshore cranes and a VLS system with pay-load capacity of 9,000 tons. The table below sets out certain key technical data relating to the vessel.

Vessel type .... Ultra deepwater multi-purpose, flex-lay subsea construction vessel / DP3.
Built.......................... 2011.
Key features .... 2 subsea cranes (400mt/100 mt capacity); carousels, 6,000 mt above deck / 3,000 mt below deck; DP3; 140 people accommodation; 2100m^2 deck area; 156.9 meters length; 32 meters width.
Yard .... STX.

Aker Wayfarer. The *Aker Wayfarer* is an offshore construction vessel designed for ultra-deepwater with state of the art equipment. The vessel is environmental friendly with low fuel consumption, low exhaust emissions, and has precautions in accordance with DNV's "Clean" class requirements incorporated into the vessel design. The size and transit speed of the 157 meter long vessel along with DP3 and IMO MODU code classification makes for a secure and flexible working platform with a large operational window for installation and construction work in rough weather conditions around the world. The table below sets out certain key technical data relating to the vessel.

Vessel type .... Multi-purpose construction vessel.
Built.......................... 2010.
Key features .... 2 subsea cranes (400mt/100mt capacity); DP3; 140 people accommodation; 2,210 m^2 deck area.
Yard .... STX, Langsten.

Höegh 4401 / 4402. The Höegh 4401 and 4402 are PCTCs with 6,500 car capacity. The vessels are being built at Daewoo-Mangalia Heavy Industries S.A., Daewoo Shipbuilding & Marine Engineering's shipyard in Mangalia, Romania. The charterer, Höegh Autoliners, has previously taken delivery of a series of ten PCTCs from Daewoo Shipbuilding & Marine Engineering and the two contracted newbuildings will be built based on the same specifications with relevant updates. The vessels are expected to be delivered in April and August 2014, respectively. The table below sets out certain key data relating to the vessels.

Vessel type .... Pure Car and Truck Carrier (PCTC).
Built.......................... To be delivered in April and August 2014.
Yard .... Daewoo Shipbuilding & Marine Engineering.

Farstad AHTSs. The Farstad AHTSs are high-end AHTS vessels built at STX Langsten, Norway. The first vessel, the *Far Senator*, was delivered in March 2013 and the second vessel, the *Far Statesman*, was delivered in June 2013. The vessels are specially designed for towing and anchoring of rigs and other offshore installations. The table below sets out certain key technical data relating to the vessels.

Vessel type	Anchor Handling Tug Supply (AHTS).
Built	*Far Senator* delivered in March 2013, and *Far Statesman* delivered in June 2013.
Key features	24,371 bhp, and 265 mt bollard pull.
Yard	STX.

Geco Triton. The *Geco Triton* is a seismic vessel.

Built/converted	Converted into a seismic vessel in 1998.
Yard	Jurong.

8.4 "Hell and High Water" Bareboat Charter Terms

Contracts for chartering of vessels for a period of time can mainly be divided into time charters and bareboat charters.

A time charter is a contract for services to be rendered to the charterer by the owner of the vessel through the use of the vessel by the owner's personnel. Under such charters the owner remains responsible for operation of the vessel, i.e. the navigational control, whereas the commercial control is taken over by the charterer within the limits of the time charter. In return for placing the vessel at the commercial control of the charterer, the owner receives hire payable periodically under the time charter. The principal exception in most cases is the charterer's right to place the vessel off-hire. In general a vessel is placed off-hire if it becomes unable to operate for reasons attributable to the owner, for example if the vessel suffers a breakdown or becomes damaged.

A bareboat charter is a contract for leasing of a vessel the without the owner's equipment or personnel. The charterer takes over possession of the vessel and provides personnel and management to operate the vessel, including the commercial and navigational control of the vessel. Correspondingly, the risks involved in the operation of the vessel, for example if the vessel becomes unable to operate due to a breakdown, are transferred to the charterer.

Certain bareboat charters are comparable with financing arrangements. These bareboat charters will be entered into on "hell and high water" terms, which in general involve the following:

- The charterer's obligation to pay hire shall be absolute irrespective of any contingency whatsoever, including the unavailability of the vessel for any reason, any set-off available to the charterer, the insolvency of the charterer, any documentary defect or other cause which might have the effect of terminating the charter.

- The owner shall be indemnified against any consequences arising during the performance of the charter.

- The charter will be for a fixed term without, or with very limited, termination rights for the charterer.

An exemption, or modification, to the above will often apply in respect of a total loss of the vessel, in which case the obligation of the charterer to pay hire will cease, or only apply in part for a period estimated to constitute the period until the owner will normally receive insurance proceeds under the insurances taken out by the charterer in respect of the vessel.

In sale-leaseback agreements the owner will have no obligations insofar as the condition of the vessel is concerned during the lifetime of the charter contract.

In general, the principal risks faced by the owner of the vessel in a bareboat charter arrangement on "hell and high water" terms are the credit risk of the charterer, or the counterparty risk, and the residual vessel value upon redelivery.

All of the Company's vessels, except the Dhirubhai-1, are chartered out on "hell and high water" bareboat terms.

8.5 Material Commercial Contracts

Dhirubhai-1

Overview

In 2007, Aker Contracting FP ASA and AFP Operations AS, both of which have subsequently become the wholly-owned subsidiaries of the Issuer, entered into contractual arrangements with Reliance Industries as charterer in respect of the employment, operation and maintenance of the FPSO *Dhirubhai-1* on the MA oil and gas field, offshore the east coast of India. The obligations of Aker Contracting FP ASA and AFP Operations AS under the charter and the operations and maintenance contract, respectively, which are both governed by Indian law (arbitration in London), have been guaranteed by Aker Floating Production AS, another wholly-owned subsidiary of Ocean Yield.

As of 31 March 2013, the charter backlog relating to the contractual arrangements for the *Dhirubhai-1*, by contracted revenue, amounted to USD 700.8 million. Daily rate reduction mechanisms apply, however, in respect of among other things, periods when there is reduction or stoppage in the oil and/or gas production on the *Dhirubhai-1* for reasons attributable to the Company, such as equipment break-down, maintenance and acts and omissions of Company personnel. The structure of the charter rate includes a 1% bonus per percent operational uptime in excess of 95%, and the operating rate is subject to inflation adjustment by 5% per annum.

The vessel has performed well since the contracts commenced in 2008, with an operational uptime of 99.9% in 2012, disregarding 6.75 days of planned shutdown for maintenance; an operational uptime of 99.8% in 2011; and an operational uptime of 99.7% in 2010.

The MA Oil and Gas Field

The MA oil and gas field, also referred to as the D26 field, is located about 60 kilometres offshore the east coast of India, south-east of Kakinada and is one of several fields in the KG-D6 block. The MA oil and gas field started crude oil production in September 2008 after deployment of the *Dhirubhai-1*. The processed oil is offloaded from the FPSO to shuttle tanker for export. Gas export started in April 2009. The gas is exported from the FPSO to the onshore terminal at Gadimoga through a gas export pipeline via a Control and Riser Platform (CRP) installed by Reliance Industries. Reliance Industries has planned to increase production from the MA oil and gas field by working-over one existing well, drilling one new gas well and a facility upgrade. In 2012, the estimated reserves in the MA oil and gas field were increased.

Reliance Industries is the operator of the KG-D6 block and was, together with its partner Niko Resources of Canada, awarded the KG-D6 block in 2000. In 2011, British Petroleum entered into a partnership with Reliance Industries taking a 30% ownership in multiple oil and gas blocks in India, including the KG-D6 block, which means that the rights to the KG-D6 block as of 31 March 2013 are shared between Reliance Industries (60%), British Petroleum (30%) and Niko Resources of Canada (10%).

In addition to the MA oil and gas field, the KG-D6 block comprises two other gas fields, D1 and D3, that have been developed and are currently producing. Gas production from the D1 and the D3 fields commenced in April 2009 and the gas is exported to the onshore terminal at Gadimoga via the CRP. The D1 and D3 gas fields are entirely separate from the MA oil and gas field and have been developed independently. Gas production at the D1 and D3 fields has turned out to be challenging which has resulted in a decrease in production and shutdown of a number of wells at the D1 and D3 gas fields. However, in May 2013, Reliance Industries announced a significant gas and condensate discovery in a reservoir 2,000 metre below the existing producing reservoirs of the D1 and D3 gas fields.

The Charter Contract with Reliance Industries

The contract period for the vessel under the charter contract is ten years, which commenced in September 2008 and will expire in September 2018.

Reliance Industries has been granted a right to cancel the charter for convenience at any time prior to expiry of the firm period against payment for work satisfactory completed, demobilization fees and pre-determined exit costs intended to compensate for loss of charter-hire for the remainder of the initial charter period.

Reliance Industries is entitled to assign its rights and obligations under the charter contract, subject to the approval by the Company, such approval not to be unreasonably withheld.

Reliance Industries has been granted an option to purchase *Dhirubhai-1* at any time during the contract period. The purchase price shall be finally determined if and when the option is exercised, and is calculated on the basis of a fixed element which reduces over the tenor of the charter contract as follows: USD 541 million as of September 2013, USD 494 million as of September 2014, USD 443 million as of September 2015, USD 387 million as of September 2016, USD 324 million of at September 2017, and USD 255 as of September 2018, subject to certain adjustment provisions.

The Operations and Maintenance Contract with Reliance Industries

The term of the operations and maintenance contract is linked to the term of the charter contract. Accordingly, the firm contract period will expire in September 2018. In the event that Reliance Industries exercises its option to purchase *Dhirubhai-1*, Reliance Industries has an option to extend the operations and maintenance contract for a period of three years after transfer of title to the vessel.

If Reliance Industries terminates the charter contract for convenience at any time prior to expiry of the firm period, the operations and maintenance contract shall also be terminated. There is no early termination compensation payable under the operations and maintenance contract.

Reliance Industries is entitled to assign its rights and obligations under the operations and maintenance contract, subject to the approval by the Company, such approval not to be unreasonably withheld.

Contractual Disagreements with the Charterer of the FPSO

Aker Floating Production AS and subsidiaries have over time been in discussions with the charterer of the FPSO regarding various items under the contractual arrangements for this vessel, several of which remain unresolved as of the date hereof. Both parties have argued for claims against the other. While no assurance can be given as to the final outcome, Ocean Yield does not expect the net result of the parties' claims against each other to be material to the Company.

The principal claim from the charterer concerns the allocation of responsibility and costs to arrange for security boats and related arrangements to protect the FPSO and its operations from traffic and fishing activities in the waters surrounding the vessel at location. The charterer has indicated that these arrangements should be for the account of Aker Floating Production AS, whilst Aker Floating Production AS is of the firm opinion that they form part of the charterer's responsibilities. Since commencement of the contract period, the charterer has operated the security boats and the related arrangements, and the costs have been paid for by the charterer. So far, the charterer has not presented a claim to Aker Floating Production AS or subsidiaries for any specific amount.

Another item of disagreement relates to the scope and implications of certain change of share ownership and change of control provisions included in the parent company guarantees and a co-ordination agreement relating to the the FPSO. The issue arose following the transfers of shares in Aker Floating Production AS between entities wholly-owned by Aker ASA, and ultimately to the Issuer, during the first quarter of 2012. The charterer has taken the view that these transfers could not be made without prior consent from the charterer, whereas the Aker Floating Production AS is of the opinion that these transactions did not require the charterer's consent. The charterer further claims that the change of share ownership provision applies in respect of any change of share ownership at corporate levels above Aker Floating Production AS (including at Ocean Yield ASA and Aker ASA levels). Aker Floating Production AS disputes this interpretation, also noting that Aker ASA, as well as Aker Floating Production AS, were listed companies at the time of the entering into of the documents. While the charterer has explicitly reserved its position, no alleged loss has been presented, and no formal steps have been taken, other than correspondence reflecting the differences of opinion.

Lewek Connector

Ocean Yield is, through its wholly owned subsidiary Connector 1 AS, party to a bareboat contract for the provision of the *Lewek Connector* to EMAS, a subsidiary of EZRA, as charterer. EZRA has provided a parent company guarantee under the charter, pursuant to which EZRA guarantees for the performance of EMAS under the charter.

The bareboat contract has a firm period of ten years, which commenced in October 2012 and which will expire in October 2022.

As of 31 March 2013 the charter backlog relating to the *Lewek Connector* by contracted revenue, amounted to USD 365.4 million.

The charterer has full operation and maintenance responsibility for the vessel under the charter. The charter is on "hell and high water" bareboat terms.

EMAS has been granted an option to purchase the vessel. The purchase option can be exercised five, seven or ten years after delivery at prices from USD 245 million (after five years), USD 213 million (after seven years) or USD 158 million (after ten years).

Aker Wayfarer

Ocean Yield is, through its wholly owned subsidiary Aker Ship Lease 1 AS, party to a bareboat contract for the provision of the *Aker Wayfarer* to AKOFS Wayfarer, a subsidiary of Aker Solutions, as charterer. Aker Solutions has provided a parent company guarantee in favour of Aker Ship Lease 1 AS, pursuant to which Aker Solutions guarantees for the performance by AKOFS Wayfarer under the charter.

The bareboat contract has a firm period of ten years, which commenced in August 2010 and which will expire in August 2020.

As of 31 March 2013, the charter backlog relating to the *Aker Wayfarer*, by contracted revenue, amounted to USD 273.7 million on the basis of a NOK/USD exchange rate of 5.8 (the daily charter rate under this contract being denominated in NOK). A portion of the backlog is a non-cash day-rate which is amortised against a non interest-bearing loan from Aker Solutions.

The charterer has full operation and maintenance responsibility for the vessel under the charter. The charter is on "hell and high water" bareboat terms.

There is no purchase option under the charter.

The Höegh Autoliners PCTCs

Overview

Ocean Yield is, through its wholly owned subsidiary LH Shiplease 1 AS, party to two shipbuilding contracts with Daewoo Shipbuilding & Marine Engineering and Daewoo-Mangalia Heavy Industries for construction of two PCTCs with 6500 car capacity (hulls no. 4401 and no. 4402). The vessels will be built at Daewoo-Mangalia Heavy Industries's shipyard in Mangalia, Romania. Daewoo Shipbuilding & Marine Engineering, established in 1973 in Okpo, South Korea, is well recognised for its high quality and advanced shipbuilding technology and has a reputation for delivering on time and possesses a good track record with sound experience in designing, constructing and commissioning PCTCs. Daewoo-Mangalia Heavy Industries is a joint venture established in 1997 between Daewoo Shipbuilding & Marine Engineering and Mangalia shipyard in Romania.

Höegh Autoliners Management AS has been engaged by the Company, through its wholly owned subsidiary LH Shiplease 1 AS, to provide shipbuilding contract supervision during construction of the two PCTCs for a monthly fee of USD 50,000 per vessel. Höegh Autoliners Management AS has significant experience from newbuilding projects including construction of the series of ten PCTCs by Daewoo Shipbuilding & Marine Engineering.

The two PCTCs will upon delivery be bareboat chartered for twelve years to Höegh Autoliners Shipping.

The Shipbuilding Contracts

Under the shipbuilding contracts, Daewoo Shipbuilding & Marine Engineering and Daewoo-Mangalia Heavy Industries are responsible for the design, construction and commissioning of the vessels. The two PCTCs will be based on the same specifications as the previously delivered PCTCs to Höegh Autoliners, with relevant updates.

The contract price for each of the vessels is USD 61.5 million. The contract price is payable in instalments as follows: (i) 10% upon contract signing, (ii) 10% 180 days after contract signing, (iii) 10% upon keel laying, but not earlier than nine months prior to delivery of the vessel, and (iv) the balance of 70% shall be paid upon delivery. Korea Development Bank has provided refund guarantees in respect of the pre-delivery payments.

The vessels are expected to be delivered in April 2014 (hull no. 4401) and August 2014 (hull no. 4402).

The Bareboat Charters with Höegh Autoliners for the PCTCs

The firm twelve-year contract period for each of the PCTCs commences when the vessels are delivered from the yards under the shipbuilding contracts. Delivery from the yard to Ocean Yield and from Ocean Yield to Höegh Autoliners Shipping shall take place simultaneously.

Höegh Autoliners Holding has provided a parent company guarantee in favour of LH Shiplease AS, pursuant to which Höegh Autoliners Holding guarantees for the performance by Höegh Autoliners Shipping under the charter.

Upon delivery under the bareboat contracts, technical management of the vessels shall be carried out by Höegh Fleet Services AS, a wholly owned subsidiary of Höegh Autoliners Holdings. Höegh Fleet Services AS is responsible for the ship management of Höegh Autoliners' fleet.

As of 31 March 2013, the aggregate charter backlog relating to the two PCTCs, by contracted revenue, amounted to USD 173.2 million. The daily charter rate may be subject to adjustment upwards or downwards to reflect changes in the purchase price under the shipbuilding contracts and the costs incurred by Ocean Yield under the shipbuilding supervision agreements.

The charterer has full operation and maintenance responsibility for the vessels under the charters. The charters are on "hell and high water" bareboat terms.

The bareboat contracts include purchase options for Höegh Autoliners. The purchase options can, in respect of each vessel, be exercised five, seven, ten or twelve years after delivery at prices of USD 54 million (after five years), USD 50 million (after seven years), USD 43 million (after ten years) or USD 36.8 million (after twelve years). The purchase option price may be subject to adjustment upwards or downwards to reflect changes in the purchase price under the shipbuilding contracts and the costs incurred by Ocean Yield under the shipbuilding supervision agreements.

Höegh Autoliners is only entitled to assign its rights and obligations under the bareboat contracts following approval by Ocean Yield.

Far Senator and Far Statesman

Purchase of the AHTS Vessels

In June 2011 Farstad Supply, a wholly owned subsidiary of Farstad Shipping, entered into two shipbuilding contracts with Vard Group, formerly STX, for two high-end AHTS vessels to be constructed at the Langsten yard in Tomrefjord, Norway. In March 2013, Ocean Yield, through its wholly owned subsidiary F-Shiplease AS, entered into agreements with Farstad Supply for the purchase of the two vessels upon delivery from the yard, and for the purpose of bareboat chartering the vessels back to Farstad Supply. The first vessel, the *Far Senator*, was delivered in March 2013 and the second vessel, the *Far Statesman*, was delivered in June 2013.

The Bareboat Charters with Farstad Supply

The firm twelve-year contract period for the *Far Senator* commenced in March 2013, whereas the firm twelve-year contract period for the *Far Statesman* commenced in June 2013.

Upon delivery under the bareboat contracts, the commercial and technical management of the vessels shall be carried out by Farstad Shipping.

As of 31 March 2013 the aggregate charter backlog relating to the *Far Senator* and the *Far Statesman*, by contracted revenue, amounted to USD 279.3 million, on the basis of a NOK/USD exchange rate of 5.8 (the daily charter rate under the contracts being denominated in NOK).

The charterer has full operation and maintenance responsibility for the vessels under the charters. The charters are on "hell and high water" bareboat terms.

Farstad Supply has been granted options to purchase the vessels. The purchase options can, in respect of each vessel, be exercised five, seven, ten or twelve years after delivery at prices of NOK 498 million (or USD 85.5 million) (after five years), NOK 446 million (or USD 76.6 million) (after seven years), NOK 368 million (or USD 63.2 million) (after ten years) or NOK 313 million (or USD 53.8 million) (after twelve years). (USD amounts have been calculated on the basis of a NOK/USD exchange rate of 5.8 as the options are denominated in NOK in the charter contract).

Farstad Supply is only entitled to assign its rights and obligations under the bareboat contracts following approval by Ocean Yield.

Geco Triton

The *Geco Triton* is chartered to GecoShip, a subsidiary of WesternGeco. The charter contract has a firm period of five years, which commenced in January 2011 and will expire in December 2015. As of 31 March 2013 the charter backlog relating to the *Geco Triton*, by contracted revenue, amounted to USD 16 million.

The charter is on "hell and high water" bareboat terms, and the charterer has full operation and maintenance responsibility for the vessel under the charter. There is no purchase option under the charter.

8.6 Favourable Tax Treatment Under the Norwegian Tonnage Tax Regime

The Issuer's subsidiaries Connector 1 AS (owning the *Lewek Connector*), Aker Shiplease 1 AS (owning the *Aker Wayfarer*), LH Shiplease 1 AS (which will own the PCTCs) and F-Shiplease AS (owning the *Far Senator* and the *Far Statesman*), operate under the favourable Norwegian tonnage tax regime.

Companies within the Norwegian tonnage tax regime are as a main rule exempt from income taxation, and may only have income derived from shipping activities and financial assets that are explicitly allowed within the regime. The tax exemption is final, meaning that neither distribution to the owners nor exit from the regime will result in taxation of the income for the tonnage taxed company. A tonnage taxed company's net financial income is, however, subjected to taxation in accordance with the generally applicable rules. Income from underlying ship-owning companies is considered as part of the shipping income (and not financial income), and therefore tax exempted. Income from other shares and equities is regarded as financial income, but is often taxed favourably under the Norwegian exemption method. Any negative net financial income may be carried forward and offset against positive net financial income in a later year. A tonnage taxed company is subject to a "thick capitalisation" rule under which the company is required to book an estimated financial income in case the company's equity ratio exceeds 70% of the company's total capital.

A company within the Norwegian tonnage tax regime is required to pay a minor tonnage tax computed on basis of the net tonnage of ships owned by the company. The tonnage tax is fixed per day, independent of whether the ship is in operation or not. However, if the tonnage ship has been out of operation continuously for more than three months during the income year, tonnage tax shall not apply for the period the ship was out of operation.

8.7 Other Material Assets

Ocean Yield currently owns 93% of the bonds issued by American Shipping Company ASA under the American Shipping Company NOK 700 million 07/18 FRN C Bond Issue, ISIN NO0010356512. This bond loan matures on 28 February 2018 and carries an interest rate of NIBOR plus 4.75% per annum with an option for American Shipping Company to pay-in-kind in the form of additional bonds. The bond loan is unsecured.

As of 31 March 2013, Ocean Yield held bonds of an aggregate par value of NOK 1,074 million, or approximately USD 184 million, in this bond loan. These bonds were booked in the balance sheet of Ocean Yield at USD 148 million, equal to approximately 80% of par value.

American Shipping Company owns 10 modern US-built 46,000 dwt MR product tankers, operating in the US domestic "Jones Act" market. These vessels are on charter to Overseas Shipholding Group Inc. and subsidiaries ("**Overseas Shipholding Group**"), which in turn has chartered out the vessels to major oil companies. In November 2012, Overseas Shipholding Group filed for bankruptcy protection under Chapter 11 of the US Bankruptcy Code, which permits reorganisation of a company which is unable to service its debt or pay its creditors.

American Shipping Company reported in its 2012 Annual Report and its interim report for the first quarter of 2013, among other things, the following relating to its arrangements with Overseas Shipholding Group:

- Overseas Shipholding Group holds leases that represent American Shipping Company's entire charter backlog of USD 584 million (as of 31 March 2013). In addition, Overseas Shipholding Group owes USD 24.6 million of long-term receivables to American Shipping Company pursuant to a deferred principal obligation agreement.

- As debtor under Chapter 11 of the US Bankruptcy Code, Overseas Shipholding Group continues to operate its business while it pursues its options for reorganisation. So far, Overseas Shipholding Group has continued to make all of its charter payments to American Shipping Company on time. In the event that Overseas Shipholding Group defaults on a payment it has a three-day cure period. If the default is not cured within the cure period, American Shipping Company has the right to petition the bankruptcy court to lift the automatic stay and allow American Shipping Company to enforce its right to cancel the bareboat charter(s). Subsequent to the close of the fourth quarter, on 9 January 2013, the U.S. Bankruptcy Court approved Overseas Shipholding Group's motion to continue to perform all of its obligations under the bareboat charters and attendant agreements with American Shipping Company.

- Under U.S. bankruptcy laws, Overseas Shipholding Group may take one of the following actions: (i) assume the vessel charters, meaning it would agree to continue to perform under the terms of the charters, (ii) reject the vessel charters and return the vessels to American Shipping Company, or (iii) assume and assign the vessel charters to a third party, in which case the third party would replace Overseas Shipholding Group and assume all of the rights and obligations under the assigned charters and related transaction documents.

- American Shipping Company believes that the least likely outcome is the rejection of the charters by Overseas Shipholding Group since the terms of the charters are favourable to Overseas Shipholding Group in the current market. In the event that Overseas Shipholding Group chooses to reject the bareboat charters, American Shipping Company anticipates that, considering that all vessels are working under time charters to oil companies and markets are improving, it would be able to re-charter the vessels to another Jones Act operator on equal or better terms within a short period of time.

For these reasons, American Shipping Company reported that it does not currently anticipate that the Overseas Shipholding Group bankruptcy filing will have a material adverse effect on American Shipping Company or its ability to continue its operations and pay its debt as and when due. This is in line with Ocean Yield's expectations as the bareboat charter rates payable by Overseas Shipholding Group to American Shipping Company are below the current market rates.

9 INDUSTRY OVERVIEW

This Section discusses the industry and markets in which the Company operates. Certain of the information in this Section relating to market environment, market developments, growth rates, market trends, industry trends, competition and similar information are estimates based on data compiled by professional organisations, consultants and analysts; in addition to market data from other external and publicly available sources, and the Company's knowledge of the markets, see Section 4.2 "General Information—Presentation of Financial and Other Information—Sources of Industry and Market Data". The following discussion contains forward-looking statements, see Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements". Any forecast information and other forward-looking statements in this Section are not guarantees of future outcomes and these future outcomes could differ materially from current expectations. Numerous factors could cause or contribute to such differences, see Section 2 "Risk Factors" for further details.

9.1 Introduction

The principal business of Ocean Yield is to charter out vessels to charterers operating within the oil-service and industrial shipping markets. Below is an overview of the industry for leasing of vessels and marine financing in general, together with an overview of the markets within which Ocean Yield's counterparties operate, or the underlying markets of Ocean Yield. As Ocean Yield as of 31 March 2013 had a charter backlog consisting of contracts with an average remaining contract tenor, weighted by contracted EBITDA, of 7.5 years, short to medium term fluctuations within these underlying markets would normally not impact Ocean Yield directly. These underlying markets are however, relevant for determining the credit risk of the Company's counterparties and values of the vessels following the end of charter periods. In the future Ocean Yield may invest in vessels which operate in other underlying markets, or segments of these markets, than discussed below.

9.2 The Marine Leasing Industry

Ocean Yield focuses on long-term, fixed-rate charter contracts with charterers operating within oil-service and industrial shipping. A number of companies engage in the activity of owning and chartering vessels out on a long-term basis.

Examples of publicly traded companies that primarily engage in these activities are: Ship Finance International, Seaspan, Danaos, Costamare, Global Ship Lease and First Ship Lease Trust. Several Master Limited Partnerships (MLPs), such as Teekay Offshore Partners, Teekay LNG Partners, Golar LNG Partners, Capital Product Partners and Navios Maritime Partners also focus on marine financing. MLPs are limited partnerships that are publicly traded, combining tax benefits with the liquidity of publicly traded securities.

Overview of Public Leasing Companies

Ship leasing company comparison	Ship Finance	Seaspan	Danaos	Costamare	First Ship Lease Trust*	Teekay Offshore Partners	Teekay LNG Partners	Golar LNG Partners	Capital Product Partners	Navios Maritime Partners
Segment focus	Crude oil, dry bulk, container, rigs, offshore	Container	Container	Container	Product tankers, crude oil, dry bulk, container, chemical	Shuttle tankers, FSO, FPSO, crude oil	LNG, LPG, Suexmax, product tankers	FSRU, LNG	Chemical, product, crude oil, dry bulk, container	Dry bulk
# of vessels	65	79	62	58	25	51	67	8	25	21
Total assets (YE 2012)	$2,974m	$5,651m	$4,212m	$2,311m	$775m	$3,053m	$3,785m	$1,511m	$1,070m	$955m
Total equity (YE 2012)	$995m	$1,213m	$440m	$521m	$317m	$690m	$1,213m	$170m	$565m	$617m
Revenue 2012	$716m	$661m	$589m	$386m	$106m	$926m	$393m	$287m	$154m	$205m
EBITDA 2012	$585m	$496m	$432m	$246m	$77m	$393m	$277m	$229m	$102m	$155m
Market cap	$1,499m	$1,313m	$451m	$1,056m	$65m	$2,441m	$2,697m	$1,183m	$576m	$824m

**) Based on SGD/USD exchange rate of 0.80*

Market capitalisation figures are as of 22 March 2013.

Source: The web-sites of the companies identified in the table (number of vessels)(www.shipfinance.bm/index.php?name=index.html; www.seaspancorp.com/fleet-summary.php; www.danaos.com/corp.php;www.costamare.com/flash_version/#/About/Overview;www.firstshipleasetrust.com/;www.teekayoffshore.com/About-Us/About-Teekay-Offshore/default.aspx;www.teekaylng.com/about-us/about-teekay-lng-partners/default.aspx;www.golarlngpartners.com/index.php?name=Our_Business%2FLNG_Transportation_copy.html; www.golarlngpartners.com/index.php?name=Our_Business%2FFloating_Storage_.htm; www.capitalpplp.com/overview.cfm?pg=profile; *www.navios-mlp.com/Corporate/Overview.asp); and Factset as of March 2013 (other figures)*

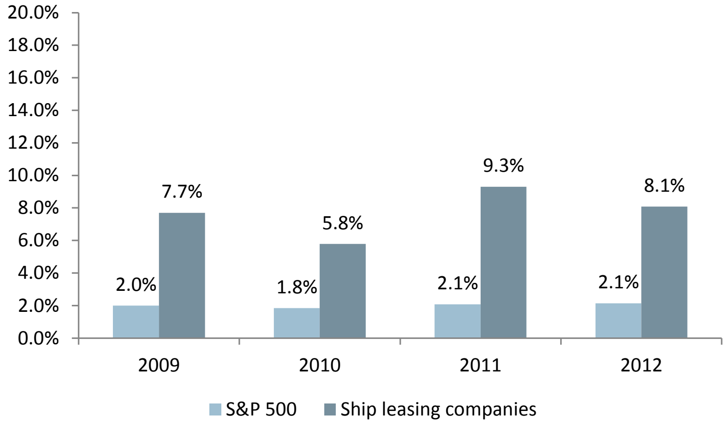
In addition, there are a number of more financially oriented private/public shipping companies that operate within this industry. Certain banks, such as DVB, ABN AMRO and Standard Chartered Bank, also have specific business areas that focus on the acquisition and long-term chartering of shipping and offshore assets. Historically, a large part of the market has been covered by German KG funds and also to a certain extent Norwegian KS funds. These funds have been less active after the financial crisis due to lack of liquidity and investor interest. There are also certain private equity funds located around the world that operate within this industry, but with more focus on asset play rather than chartering assets on a long-term basis.

While the companies mentioned above are grouped together as leasing companies, they operate in markets with different fundamentals. They may have a multiple segment strategy or full focus on one single sector. However, all of these companies/partnerships employ and favour long-term contracts on their assets, which serve to protect cash flows from commodity or sector-driven volatility.

Because of the nature of bareboat charters leasing companies typically take limited market risk and operational risk in the contract period. Therefore, the principal risks for the leasing companies are those related to counterparty risk and the residual vessel values following the end of the charter. Ocean Yield seeks to mitigate these risks by entering into contracts with solid counterparties on a long-term basis so as to make returns less dependent on residual vessel values.

The ship leasing companies typically have an objective to pay regular dividends to its equity holders. The graph below shows the average dividend yield for selected ship leasing companies (Ship Finance, Seaspan, Teekay Offshore Partners and Teekay LNG Partners) since 2009 compared to the broad market dividend yield (represented by S&P 500).

Dividend Yield for Ship Leasing Companies Versus S&P 500



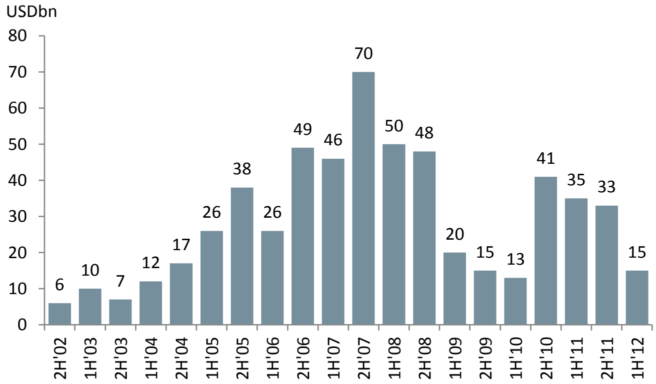
Source: Factset as of March 2013, and Aswath Damodaran (NYU Stern) as of 5 January 2013

9.3 The Marine Financing Industry

Long-term lease is one of several financing options a shipowner has for its fleet. Others are primarily, but not limited to, debt financing (bank, bonds, etc.) and various types of equity financing (common equity, preferred equity, etc.). The largest source of marine financing has traditionally been bank lending.

Global bank lending to the shipping industry has remained constrained since 2007 and 2008, both in terms of total volume and in terms of number of transactions. The graph below shows the development in total shipping lending volumes for the last ten years.

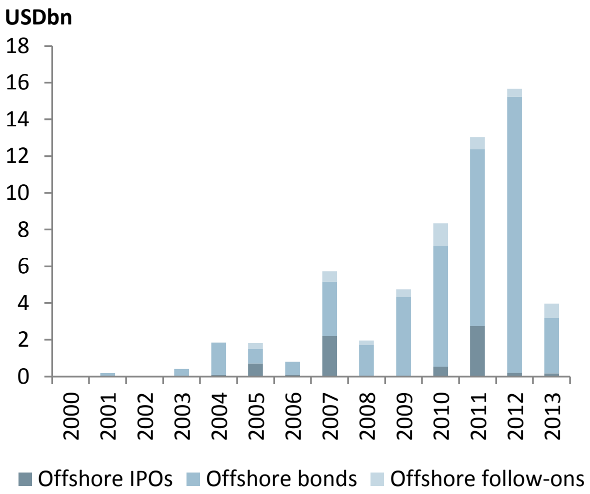
Syndicated Shipping Loans (Including Refinancing)



Source: Pareto Securities, Shipping Bonds Report of October 2012.

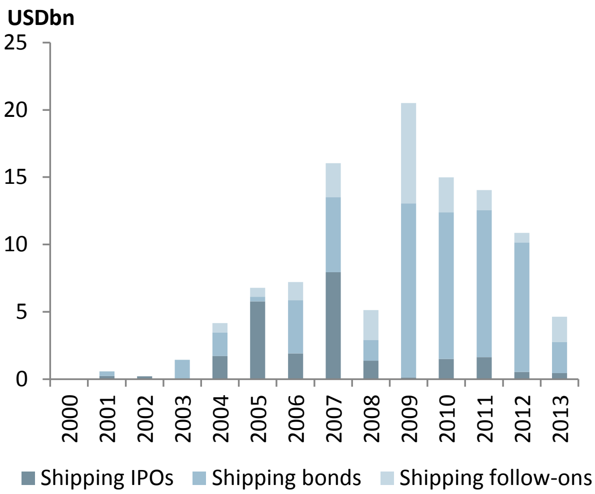
Global public financing (represented by IPOs, follow-on equity offerings and bond issues) to the shipping and offshore sector has also seen reduced activity in the recent years, especially if offshore bond issues are excluded. As seen in the graphs below, both IPOs and follow-on equity offerings within these sectors have been limited. An explanation for this may be a limited willingness from shipowners to be diluted at depressed equity valuations observed in recent years.

Global Public Financing Activity in Offshore



Source: Pareto Securities, Clarkson's as of May 2013

Global Public Financing Activity in Shipping



Source: Pareto Securities, Clarkson's as of May 2013

As traditional equity/debt financing at competitive terms has proved more difficult to obtain after the financial crisis, and a "funding gap" between shipping companies with growth ambitions and banks with limited lending capacity has been created. This has resulted in leasing becoming an increasingly attractive alternative to equity/debt financing for many shipping companies.

9.4 Underlying Markets

Below is an overview of the key drivers for the markets that Ocean Yield's counterparties operate or the underlying markets of Ocean Yield.

9.4.1 The Oil-Service Market

The oil-service market in general is mainly driven by the supply/demand balance for oil and gas in addition to oil and gas companies' exploration and production (E&P) spending. These factors are again affected by various political and economic factors, such as GDP-growth, government policies, political stability in oil-producing countries and prices of alternative energy.

Oil Supply and Demand

Pareto Securities Research (source: Pareto Securities Oil Service Report of February 2013) expects oil prices (Brent) to increase from the USD 111-112/bbl average level seen in 2011-2012 on the back of a tighter market balance and further pressure on spare production capacity. Going forward, the forecast is an average price of USD 113/bbl in 2013, and USD 120/bbl thereafter in real terms. Continued strong oil prices going forward should result in continued strong fundamentals in the oil service market in general.

Starting with demand, Pareto Securities Research forecasts a global growth of 1.0 mbd in 2013, accelerating to 1.3 mbd p.a. in 2014-2017. In 2011 and 2012, years with weak macro support and GDP growth, global oil demand increased by 0.8 mbd and 1.0 mbd, respectively. There are several factors that suggest that growth will accelerate significantly from this level in the future:

- Improving macro support and GDP growth. For instrance, IMF projects global GDP growth to increase from 3.2% in 2012 to 3.5% in 2013, 4.1% in 2014 and 4.5% p.a. in 2015-2017. This is consistent with 1.3-1.4 mbd p.a. oil demand growth.

- The European demand decline should slow down as the worst hit has been taken. This could significantly boost global demand growth as European demand fell 0.5 mbd in 2012. The same should be the case for the US. US demand fell by 0.3 mbd in 2012. Now there are signs of improvements with US demand posting slight positive growth y/y in December 2012 and January 2013.

- China provides further upside to the growth rate. Chinese growth was fairly weak in 2012 (0.36 mbd). An improvement in Chinese growth (as shown in December 2012 and in January 2013) could lift the global growth rate further.

- Recent historical data suggest that growth already has started to accelerate. In the fourth quarter of 2012 demand increased 1.6 mbd y/y, the highest rate since the first quarter of 2011.

A summary of Pareto Securities Research's supply and demand forecasts through 2017 is set out in the table below.

Oil supply and demand 2007 – 2017e

Oil supply and demand		**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013e**	**2014e**	**2015e**	**2016e**	**2017e**
Demand												
OECD	mbd	50.1	48.4	46.4	46.9	46.5	46.1	45.7	45.6	45.4	45.2	45.0
Non-OECD	"	37.0	38.1	39.1	41.2	42.4	43.7	45.1	46.7	48.1	49.6	51.1
World	"	**87.1**	**86.5**	**85.5**	**88.1**	**88.9**	**89.8**	**90.8**	**92.3**	**93.6**	**94.9**	**96.2**
Growth y/y												
OECD	"	*-0.1*	*-1.7*	*-2.0*	*0.5*	*-0.4*	*-0.4*	*-0.4*	*-0.1*	*-0.2*	*-0.2*	*-0.2*
Non-OECD	"	*1.5*	*1.1*	*1.0*	*2.1*	*1.2*	*1.4*	*1.4*	*1.5*	*1.5*	*1.5*	*1.5*
World	"	***1.4***	***-0.6***	***-1.0***	***2.6***	***0.8***	***1.0***	***1.0***	***1.4***	***1.3***	***1.3***	***1.3***
Production												
Non-OPEC	"	50.7	50.6	51.5	52.6	52.8	53.3	54.2	55.1	56.1	56.9	57.6
OPEC NGLs	"	4.3	4.5	4.9	5.4	5.8	6.2	6.4	6.5	6.8	6.8	6.7
Growth y/y												
Non-OPEC	"	*0.3*	*-0.1*	*0.9*	*1.1*	*0.2*	*0.6*	*0.8*	*0.9*	*0.9*	*0.8*	*0.7*
OPEC NGLs	"	*0.0*	*0.2*	*0.4*	*0.5*	*0.4*	*0.4*	*0.2*	*0.1*	*0.2*	*0.1*	*-0.1*
Call-on-OPEC	"	**32.0**	**31.4**	**29.1**	**30.1**	**30.3**	**30.3**	**30.3**	**30.6**	**30.7**	**31.2**	**31.9**
OPEC production	"	30.7	31.6	29.1	29.3	29.9	31.4	30.3	30.6	30.7	31.2	31.9
OPEC crude capacity	"	34.2	33.2	33.9	33.7	32.2	32.9	33.3	33.6	33.5	33.4	33.4
OPEC spare capacity	"	**2.2**	**1.8**	**4.8**	**3.6**	**1.9**	**2.6**	**3.0**	**3.0**	**2.8**	**2.2**	**1.5**
OECD inventory chg	"	-0.3	0.3	-0.1	0.1	-0.2	0.2					
Implied non-OECD chg	"	-1.1	-0.1	0.0	-0.9	-0.2	0.9					

Source: IEA; Pareto

Source: Pareto Securities Oil Service Report of February 2013

Non-OPEC production growth has been fairly weak in the recent years, posting 0.2 mbd in 2011 and 0.6 mbd in 2012. Growth is expected to improve, although still lag global demand growth significantly. According to Pareto Securities Research, growth of 0.8 mbd is expected in 2013 and alsoon average in 2014-2017. This growth is expected to be led by North America where the growth is expected to increase by 0.9 mbd in 2013 and 0.7 mbd p.a. on average in 2014-2017 (mainly driven by US tight oil). Pareto Securities, Research's estimate for North America is higher than for instance IEA's and BP Energy Outlook's forecasts.

OPEC crude oil production capacity is expected to grow from 32.9 mbd in 2012 to 33.4 mbd in 2017 or about 0.1 mbd p.a. on average. The relatively modest increase masks diverting trends among the various countries. Iraqi capacity is estimated to grow from 3.1 mbd in 2012 to 4.8 mbd in 2017, which is largely in line with estimates from IEA, Wood Mackenzie and IHS Cera. The strong increase in Iraqi capacity is, however, to a large extent offset by capacity declines in other countries including Algeria, Iran, Nigeria, Ecuador and Kuwait.

In Pareto Securities Research's forecast OPEC will need to increase production further through 2017, which is supportive for oil prices. Call-on-OPEC, which is the amount of crude oil OPEC has to produce to balance the market, is expected to grow from 30.3 mbd in 2012 to approximately 32 mbd in 2017. This is supportive for oil prices as it puts pressure on OPEC's spare production capacity. Further, it is positive for OPEC's ability to support prices through production management.

E&P Spending

Global E&P spending is expected to continue its growth in 2013 with around 9% year-on-year, based on budget announcements and spending plans released so far. Note that there could be some upside to the spending plans if oil prices remain at current levels according to Pareto Securities Research. With approximately 10% growth in 2013 it would be the fourth year in a row with a double digit growth. This estimate is also in line with the estimate in the Pareto 2012 Annual E&P Spending Survey published in August 2012, of 10%.

Relevant 2013 spending announcements to date

Type	Company		12e	13e	Δ12	Δ13e
Major	Chevron	USDbn	30.4	33.0	23%	9%
Major	Shell	"	25.6	27.2	20%	6%
Major	ConocoPhillips	"	14.2	14.2	17%	0%
Major	Statoil*	"	16.2	17.1	10%	6%
Major	BP	"	17.0	18.2	21%	7%
NOC	CNOOC Ltd	"	10.0	13.0	56%	30%
NOC	PTTEP	"	2.9	3.9	5%	38%
Ind	BG Group	"	8.3	9.6	-2%	15%
Ind	Marathon	"	5.4	5.2	44%	-4%
Ind	Noble Energy	"	3.6	3.9	20%	8%
Ind	Lundin	"	0.9	1.7	39%	85%
Total			**135**	**147**	**20%**	**9%**

Source: Pareto; Company data

Source: Pareto 2012 Annual E&P Spending Survey of August 2012

The above sample, comprising companies that have announced budgets so far for 2013, represents about 25% of the total spending figure.

In the Pareto 2012 Annual E&P Survey, the sample of E&P companies used on average USD 95/bbl planning price for 2013 and most companies guided on flat to slightly up on spending. Through the budgeting season positive budget revisions have been announced, which comes on the back of higher planning prices, and Pareto Securities Research now believes that the price is in the range of USD 100/bbl.

Segments and Sub-Segments

The Offshore Service Vessel Segment

The offshore service vessel segment can be divided into several sub-segments. The main sub-segments are those for supply vessels and subsea vessels. Ocean Yield owns vessels operating within both of these sub-segments. Supply vessels are further divided into Platform Supply Vessels (PSV) and Anchor Handling Tug Supply (AHTS) vessels, of which only the latter is discussed below.

Examples of market participants within the offshore service vessel segment are: Deep Sea Supply, DOF, Eidesvik Offshore, Farstad Shipping, Havila Shipping, Siem Offshore, Solstad Offshore, Tidewater, Bourbon Offshore, Swire Pacific, A.P. Møller-Maersk, Edison Chouest Offshore, Hornbeck Offshore and GulfMark Offshore.

The AHTS Vessel Sub-Segment; The Market Segment for the Far Senator and the Far Statesman

AHTS vessels are specially designed for towing and anchoring of rigs and other offshore installations. Further, these vessels are often equipped for fire-fighting (FiFi), rescue operations and oil recovery. These vessels also have supply capacities like the PSVs but to a smaller extent (e.g. less free deck space and fewer tanks).

As oil activity has moved into deeper waters, the main focus has been on the vessels' winch and engine capacities, in order to offer the oil companies a safe and efficient operation in the challenging conditions of the deepwater area. AHTS vessels are classified mainly according to their towing capacity, and other features as set out below:

- Bollard pull (tons)
- Engine (break horse power)
- Winch capacities (tons)
- Cargo carrying capacity (tanks and deck space)
- Dynamic positioning systems, rescue characteristics and fire-fighting and oil recovery capabilities

Break horse power (bhp.) is the most common yardstick for categorising AHTS vessels. The AHTS fleet is normally divided into vessels with less than 10,000 bhp. (small), between 10,000 and 20,000 bhp. (medium-sized) and above 20,000 bhp. (large). Norwegian market participants mostly focus on vessels with bhp. above 15,000.

A relatively large portion of the current world-wide AHTS vessel fleet were built during the 1980s. These vessels are now approaching 25-30 years, and are consequently not suited for deep-water activity. While decommissioning has increased, the average age of AHTS vessels with bhp. in excess of 10,000 bhp. was approximately ten years at the end of 2012 (source: Pareto Securities Research/ODS-Petrodata), whereas it was approximately 21 years for AHTS vessels of all sizes. The normal lifetime of an AHTS vessel is generally considered to be around 30 years.

Newbuilding activity has gradually shifted towards larger vessels, but in this segment (particularly) financing constraints with shipowners combined with a variable spot market, and the short-term contract nature of the market for high-end AHTS vessels has led to newbuilding activity being relatively low, and the current newbuild to fleet ratio is approximately 12% for vessels with bhp. in excess of 15,000, and approximately 20% for all sizes. While large vessels historically were used in the North Sea (50% of world fleet in 2011), fleet growth has in the recent years occurred mainly outside the North Sea (the North Sea fleet now only representing 22% of world fleet).

The Subsea Vessel Sub-Segment; The Market Segment for the Aker Wayfarer and the Lewek Connector

"Subsea vessels" is the common term for offshore construction and construction support vessels. These are mainly utilised in the installation, inspection and maintenance of subsea-equipment related to the offshore oil and gas production and related offshore structures such as platforms and buoys. Further, these vessels are used in laying of pipe, installation of mooring systems and construction of offshore structures, as well as removal of the same. These vessels are also engaged in work related to other offshore installations such as offshore windmills and electrical cables.

The most significant category of vessels within this sub-segment is offshore construction vessels, which generally means large vessels specialised for pipe-laying, installation, removal and construction work using specialised pipe-laying systems, large cranes, lifting equipment (A-frames) and large deck space. The category of construction support vessels generally comprise of smaller and more generic vessels, many of which have been upgraded with extra accommodation, cranes or similar.

Subsea Vessel Categories

Offshore Construction Vessels:	**Construction Support Vessels:**
• Pipelaying Vessels • Diving Support Vessels (DSV) • Heavylift/Derrick Barges • Well-intervention Vessel	• Survey Vessels • Remotely Operated Vehicle Support Vessel (ROVSV) • Multipurpose Supply Vessel (MPSV/MSV)

Subsea vessels are often chartered out to subsea contractors on long-term contracts where the ship-owner supplies vessel and marine crew, while the contractors provide the remaining crew and equipment. The larger vessels are often modified to meet the contractor's requirements and are usually owned or chartered in on long-term contracts (up to ten years), while the smaller and more generic assets can often be charted to the contractors on an assignment-to-assignment basis.

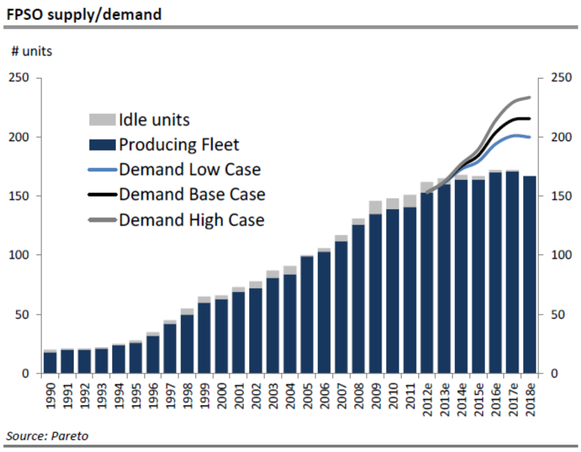
The FPSO Segment; The Market Segment for the Dhirubhai-1

Floating, Production, Storage and Offloading Vessels (FPSOs) produce, store and offload oil. The FPSO was developed as a response to operators' desire to develop resources in remote areas with little or no infrastructure.

Smaller fields are ideally suited for FPSOs, as the FPSOs have the shortest time-to-market from project start to "first oil", enabling the operators to generate an early cash flow. Also, the deep-water fields have few alternatives to an FPSO solution.

Although the basic FPSO concept largely is the same for all FPSO operators, they target specific sub-segments of the FPSO segment. These sub-segments are classified by both unit production capabilities and unit ability to withstand various marine environments. Large developments require large and expensive Very Large Crude Carrier (VLCC) donor tankers, and generally a high degree of customisation compared to smaller developments that have more flexibility over the donor tankers and employ standardised processing plants. Marine environment also dictates unit suitability with spread moored tanker conversions being suitable for benign environments, turret moored tanker conversions being required for certain current and wind conditions and purpose build units being required for harsh environments.

The FPSO industry has grown steadily over the past decades and idle rates have historically been below 5%. The graph below shows the historic, as well as Pareto Securities Research's expected future development of the FPSO fleet.



Source: Pareto Securities Oil Service Report of February 2013

The year 2012 was an active year for the FPSO industry, with 15 awards to the industry (owned and leased). The trend of more oil company owned units has continued, with the ratio now at 67%, compared to the historical average of 30-40%. The main driver for this development is (i) Petrobras dominating the market (representing 50% of all awards during the last 3 years), (ii) FPSO sizes increasing, making it more difficult for lease providers to obtain financing and (iii) the current capacity of the lease providers continues to be impacted by balance sheet constraints caused by troubled projects draining cash and putting pressure on balance sheet ratios.

Examples of market participants within the FPSO segment are: SBM Offshore, Bergesen Worldwide Offshore, Modec, Maersk, Fred Olsen Production and Sevan Marine/Teekay.

The U.S. Flag Product Tanker Segment; Ocean Yield Exposure through Bonds in American Shipping Company

Under the U.S. Jones Act (Section 27 of the Merchant Marine Act of 1920), transporting commodities between United States ports, including the movement of Alaskan crude oil, is reserved for vessels that are built in the U.S., registered in the U.S., manned by U.S. seafarers and owned by companies that are more than 75% owned and controlled by U.S. citizens.

The attention to environmental issues after the Exxon Valdez accident in 1989, and the subsequent passing of the U.S. Oil Pollution Act of 1990 (OPA 90) led to an accelerated retirement of single-hull vessels operating under the Jones Act. The retirement schedule based on OPA 90 provides a retirement date for each single-hull vessel, and has reduced the fleet considerably in recent years. No single-hull vessel will be allowed to carry oil or oil products in U.S. waters from 2015. In addition to the required scrapping of single hull vessels (by 2015), most of the old double hull vessels have been/will be scrapped as well, because of their age.

As constructing commercial tanker tonnage at U.S. yards is expensive compared to building at Asian yards and the availability of yard capacity is limited, the timely replacement of old vessels has presented a challenge which has resulted in a supply tightness in recent years.

The US-flag domestic trade in petroleum products and chemicals is now carried by 29 vessels with a total capacity of about 1.3 million deadweight tons according to www.shipbuildinghistory.com. All but three of these ships are double-hulled and only one vessel is still to be phased out by OPA 90. Since the OPA 90 was enacted, 86 product and chemical carriers have been withdrawn from the trade.

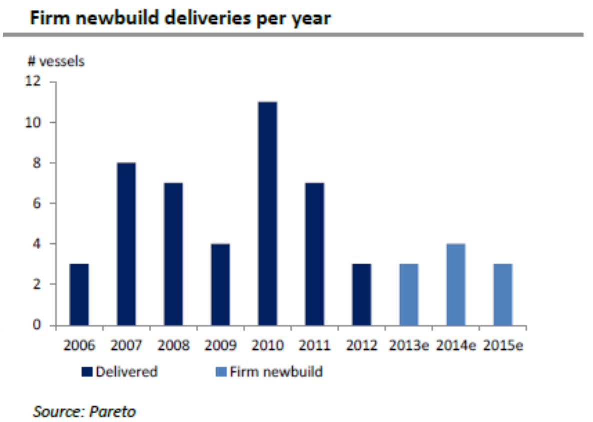
As a result of the above and in addition to a relatively stable demand, the U.S. Flag tanker market is a niche market with strong fundamentals, whose distinct characteristics have created high barriers to entry. The relatively small fleet of existing tonnage is typically employed on medium-term to long-term charters.

Key market participants in the U.S. flag product tanker market include American Shipping Company, American Petroleum Tankers, OSG America, Chevron Shipping and US Shipping.

The Seismic Vessel Segment; The Market Segment for the Geco Triton

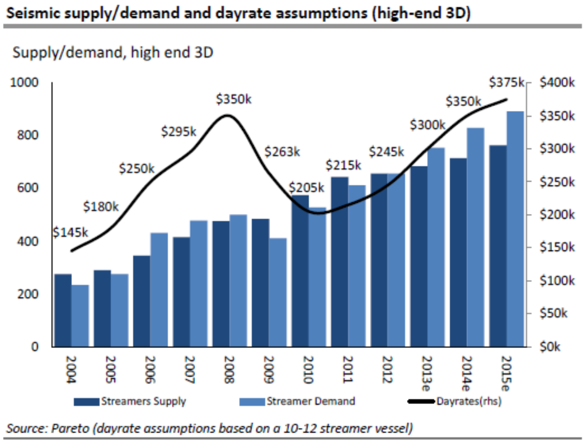
Seismic surveys are carried out to find and evaluate oil and gas reservoirs that are buried under the ground (both on land and at sea). The survey is conducted by sending sound waves into the earth. When these waves meet changes in rock types the waves are reflected. On the surface, special equipment picks up the reflected sounds which carry information about the structure of the subsurface. This information is recorded and processed by computers in special laboratories which create 2D or 3D images from the information. Experts then interpret the images and assess whether there is a hydrocarbon formation in the area or not.

The current order-book is influenced by fairly low newbuild activity since 2010, with only 9 vessels being announced for delivery in the 2013-15 period (including the PGS newbuilds that were announced in the fourth quarter of 2010). The lead time for a newbuild is around two years from the order date. Assuming one vessel being decommissioned per year, Pareto Securities Research estimates approximately 5% net fleet growth p.a. (firm newbuilds only).



Source: Pareto Securities Oil Service Report of February 2013

Pareto Securities Research estimates an undersupply of 5-9 vessels in the period from 2013-2015 (excluding new orders) as demand is expected to grow by 10% per year (in line with E&P spending). Current and expected oil price levels bode well for seismic spending and the industry is seeing backlog build and improving visibility. The main risk to the expected development is assumed to be the oil price development, and the threshold is viewed at around USD 100/bbl for marginal demand to be negatively impacted.



Source: Pareto Securities Oil Service Report of February 2013

Examples of market participants within the seismic segment are Petroleum Geo-Services, CGGVeritas, WesternGeco, Dolphin Group, Electromagnetic Geoservices, Polarcus, Seabird Exploration, Spectrum and TGS-Nopec.

9.4.2 The Industrial Shipping Market

This market consist of vessels which are employed within the transportation of cargo such as cars, high and heavy, containerised cargo and non-containerised cargo. In general this market is characterised by "liner shipping", meaning that vessels operate a regular route on a fixed schedule over an extended period of time. This implies that vessels typically operate on a long-term charter contracts and the spot market for these types of vessels is therefore limited. The below discussion provides an overview of the market segment for Pure Car and Truck Carriers (PCTCs).

The PCTC Segment; The Market Segment for the Höegh 4401 & 4402

The sea transportation of cars is typically driven by the world economic growth and private spending. The geographic dispersion between production and sales is also an important demand driver for ocean transportation. The largest car transportation volumes are on behalf of the leading car manufacturers around the world. The transportation of used vehicles is another growing part of the sea transportation offerings, whether for private individuals, dealers or companies.

For operators of PCTCs, it is essential to have a global network of trades and continuously adapt to changes in sourcing and sale patterns of the major car manufacturers. The developing regions of the world are increasingly important for the deep-sea transportation of cars. Export flows to emerging markets are currently modest compared to export flows to developed countries. A large share of the world car production is located in Asia, especially in Japan/Korea, but without a corresponding demand; hence, the Asian region is a net exporter. The single largest net importing area is North America.

The supply side is characterised by few market participants. The main car carrier operators include: Nippon Yusen Kaisha, Mitsui O.S.K. Lines, K-Line, Wilh. Wilhelmsen Group (WW ASA), Høegh Autoliners, Grimaldi, CIDO and Glovis.

To be able to cater for the diversified production and sales patterns, it is necessary to operate a substantial number of vessels in a global trade pattern to be among the world's leading operators in this niche. The majority of car transportation contracts have a duration of one to three years. This, combined with the necessity of specialised vessels, implies high barriers of entry to the market.

10 CAPITALISATION AND INDEBTEDNESS

This Section provides information about (a) the Company's capitalisation and net financial indebtedness on an actual basis as of 31 March 2013 and (b) in the "As Adjusted" columns, the Company's capitalisation and net financial indebtedness on an adjusted basis to show the estimated effects of the following items only to the Company's capitalisation and net financial indebtedness as of consummation of the Offering (however based on the Company's actual capitalisation and net financial indebtedness figures as of 31 March 2013 as shown in the "Actual as of 31 March" columns):

- *The consummation of the Offering, with estimated net proceeds to the Issuer of either (i) NOK 907.1 million, or approximately USD 166.7 million, based on the low-point of the Indicative Price Range of NOK 30 per Offer Share, (ii) NOK 1,035.8 million, or approximately USD 178 million, based on the mid-point of the Indicative Price Range of NOK 32 per Offer Share, or (iii) NOK 1,101.5 million, or approximately USD 189.3 million, based on the high-point of the Indicative Price Range of NOK 34 per Offer Share; in each case on the basis of 33,500,000 Offer Shares being issued by the Issuer in the Offering, and after deducting the estimated commissions and expenses to the Managers and other advisors, as well as other costs associated with the listing of the Shares on the Oslo Stock Exchange. See Section 5 "Use of Proceeds; Reasons for the Offering".*

- *The distribution of in total USD 40 million in dividends to the Issuer's sole shareholder Aker ASA for the year ended 31 December 2012, which will be paid during 2013 as further discussed in Section 15.2 "Dividends and Dividend Policy—Dividend History".*

- *The delivery of the Far Statesman, which was delivered in June 2013 as further discussed in Section 12.10 "Operating and Financial Review—Investing Activities", and the payment by the Company of the purchase price of NOK 611 million, or USD 105 million, for that vessel by drawing NOK 458.1 million, or USD 79 million, and by using USD 26 million of its available cash, to pay the purchase price in connection therewith.*

- *The drawn-down of USD 17 million under facility C of the Dhirubhai-1 Facility, which was drawn in June 2013 as further discussed in Section 12.9 "Operating and Financial Review—Liquidity and Capital Resources—Borrowings—The Dhirubhai-1 Facility".*

Investors are cautioned that the as adjusted figures included in the tables below are estimates and associated with significant uncertainties, and that the actual proceeds from the Offer may deviate from the amounts indicated. The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 11 "Selected Financial and Operating Information", Section 12 "Operating and Financial Review", and the Issuer's Financial Statements and the notes related thereto included in Appendix A—Financial Statements to this Prospectus.

10.1 Capitalisation

USD million	Unaudited			
	Actual As of 31 March 2013	As Adjusted		
		Low-Point Price	Mid-Point Price	High-Point Price
Total current debt:				
—Guaranteed and secured[(1)]	19.6	24.9	24.9	24.9
—Guaranteed but unsecured[(1)]	—	—	—	—
—Secured but unguaranteed[(1)]	73.4	73.4	73.4	73.4
—Unguaranteed and unsecured	—	—	—	—
Total non-current debt (excluding portion of long-term debt):				
—Guaranteed and secured[(1)]	282.4	356.1	356.1	356.1
—Guaranteed but unsecured[(1)]	101.2	101.2	101.2	101.2
—Secured but unguaranteed[(1)]	417.3	434.3	434.3	434.3
—Unguaranteed and unsecured	—	—	—	—
Shareholders' equity:				
—Share capital	175.6	233.2	233.2	233.2
—Share premium account	400.4	520.1	529.5	538.5
—Retained earnings	-24.1	-24.1	-24.1	-24.1
—Other reserves	-5.1	-45.1	-45.1	-45.1
Total capitalisation	1440.7	1674.0	1683.4	1692.4

(1) See Section 12.9 "Operating and Financial Review—Liquidity and Capital Resources—Borrowings" for a discussion about the guarantees and security to which the Company's borrowing arrangements are subject.

10.2 Net Financial Indebtedness

USD million	Unaudited			
	Actual As of 31 March 2013	**As Adjusted**		
		Low-Point Price	**Mid-Point Price**	**High-Point Price**
A. Cash	63.7	181.0	192.3	203.6
B. Cash equivalents	—	—	—	—
C. Restricted cash deposits	20.0	20.0	20.0	20.0
D. Liquidity (A)+(B)+(C)	83.7	201.0	212.3	223.6
E. Current financial receivables	—	—	—	—
F. Current bank debt	—	—	—	—
G. Current portion of non-current debt	93.0	98.3	98.3	98.3
H. Other current financial debt	—	—	—	—
I. Current financial debt (F)+(G)+(H)	93.0	98.3	98.3	98.3
J. Net current financial indebtedness (I)-(E)-(D)	9.3	-102.7	-114.0	-125.3
K. Non-current bank loans	699.7	790.4	790.4	790.4
L. Bonds issued	101.2	101.2	101.2	101.2
M. Other non-current loans	—	—	—	—
N. Non-current financial indebtedness (K)+(L)+(M)	800.9	891.6	891.6	891.6
O. Net financial indebtedness (J)+(N)	810.2	788.9	777.6	766.3

11 SELECTED FINANCIAL AND OPERATING INFORMATION

The following selected financial information has been extracted from the Company's unaudited Interim Financial Statements as of and for the three months ended 31 March 2013, and the Company's audited Combined Financial Statements as of and for the years ended 31 December 2012, 2011 and 2010, except the unaudited pro forma financial income statement information for the year ended 31 December 2012. The Combined Financial Statements have been prepared in accordance with IFRS, and the Interim Financial Statements have been prepared in accordance with IAS 34. The selected combined financial information, and the selected interim financial information, included herein should be read in connection with, and is qualified in its entirety by reference to, the Financial Statements which are included in Appendix A—Financial Statements to this Prospectus; and should be read together with Section 12 "Operating and Financial Review".

11.1 Selected Income Statement Information

The table below sets out a summary of the Company's unaudited consolidated income statement information for the three months ended 31 March 2013 and 2012, and the Company's audited combined income statement information for the years ended 31 December 2012, 2011 and 2010.

USD million (except earnings per share)	**Three Months Ended 31 March**		**Year Ended 31 December**		
	2013	**2012**	**2012**	**2011**	**2010**
Income Statement, continuing operations					
Operating revenue	56.6	45.4	188.0	182.5	151.7
Vessel operating expenses	-3.9	-4.5	-16.3	-17.3	-16.9
Wages and other personnel expenses	-1.7	-3.7	-10.1	-9.3	-8.2
Other operating expenses	-2.2	-2.0	-10.2	-7.1	-12.7
Operating profit before depreciation and amortisation	48.8	35.1	151.4	148.8	113.9
Depreciation and amortisation	-24.2	-20.8	-85.9	-84.9	-75.3
Impairment charges and other non-recurring items	—	-3.0	-5.9	-20.0	-16.6
Operating profit	24.7	11.3	59.7	43.9	22.0
Financial income	4.6	1.4	8.9	14.6	34.2
Financial expenses	-8.1	-21.0	-39.9	-58.1	-74.3
Mark to market of derivatives	-3.4	—	-1.7	—	—
Profit before tax	17.8	-8.3	26.9	0.4	-18.1
Income tax expense	-0.7	-0.1	0.8	3.8	5.8
Profit for the period	17.1	-8.4	27.7	4.2	-12.3
Total comprehensive income					
Profit for the period, continuing operations	17.1	-8.4	27.7	4.2	-12.3
Other comprehensive income, net of income tax:					
Currency translation differences	-4.1	8.1	9.4	-11.1	0.4
Change in other comprehensive income, net of income tax	-4.1	8.1	9.4	-11.1	0.4
Total comprehensive income for the period	13.1	-0.3	37.1	-6.9	-11.9
Attributable to:					
Equity holders of parent	13.1	-0.3	37.1	-0.2	-3.9
Minority interests	—	—	—	-6.7	-8.0
Total comprehensive income for the period	13.1	-0.3	37.1	-6.9	-11.9
Earnings per share (USD)	0.17	-0.08	0.28	—	—

11.2 Unaudited Pro Forma Income Statement Information

During 2012, the Company entered into certain transactions that require the presentation of pro forma financial information in this Prospectus pursuant to applicable Norwegian prospectus regulations. These transactions were the following:

- *Acquisition of the shares in Aker Floating Production AS*. On 30 March 2012, the Issuer acquired all the outstanding shares in Aker Floating Production AS, a transaction which represented a significant gross change to the income statement of the Company. The purchase price for the shares in Aker Floating Production AS was NOK 1,758 million, or USD 309 million, settled by way of the grant of a seller credit from Aker ASA which was converted into equity in the Issuer on 31 March 2012 as further discussed in Section 12.10 "Operating and Financial Review—Investing Activities". The terms and conditions of the transaction required Aker Floating Production AS to convert debt relating to a shareholder loan from Aker ASA into equity, prior to consummation of the transaction. As the debt-to-equity conversion was a contractual requirement, the total effect of the transaction is included as pro forma adjustments relating to the acquisition of the shares in Aker Floating

Production AS. The debt that was converted into equity had a nominal value of USD 323 million (or NOK 1.8 billion).

- *Acquisition of the Lewek Connector*. On 12 October 2012, the Company acquired the offshore construction and cable-lay vessel *Lewek Connector*, with long-term charter to EMAS, a subsidiary of EZRA, until 2022. The vessel was bought from AMC Connector AS for a purchase price of USD 315 million. This transaction represented a significant gross change to the balance sheet of the Company. The acquisition was fully reflected in the Company's combined balance sheet as of 31 December 2012, but in the Company's combined income statement for the year ended 31 December 2012 only from the date of the transaction.

The table below adjusts, on a pro forma basis, the Company's combined income statement for the year ended 31 December 2012 to show how these transactions could have affected the Company's combined income statement, as if the transactions had taken place as of 1 January 2012.

In addition, the Issuer has, in the table below, included unaudited pro forma financial information on a voluntary basis. These pro forma adjustments relate to the acquisition by the Company of bonds issued by American Shipping Company. On 30 March 2012, the Company acquired 93% of the total nominal value of American Shipping Company's NOK 700 million unsecured bond loan (AMSC 07/18 FRN C, ISIN NO0010356512) from Aker ASA for a purchase price of NOK 808 million, or USD 142 million. The purchase price was settled by way of the grant of a seller credit from Aker ASA which was converted into equity in the Issuer on 31 March 2012 as further discussed in Section 12.10 "Operating and Financial Review—Investing Activities". The acquisition was fully reflected in the Company's combined balance sheet as of 31 December 2012, but in the Company's combined income statement for the year ended 31 December 2012 only from the date of the transaction. As a result of the relative size of this transaction, the Issuer considers pro forma financial information in respect of the acquisition to be relevant in order to understand the financial condition of the Company during the reported period. Further, this information is considered to be relevant for an investor who wishes to identify the 12 month effect of this transaction which is not negligible compared with net income. Accordingly, the table below also adjusts, on a pro forma basis, the Company's combined income statement for the year ended 31 December 2012 to show how this transaction could have affected the Company's combined income statement, as if the transaction had taken place as of 1 January 2012. For further information about the bond loan, see Section 8.7 "Business Overview—Other Material Assets".

The unaudited pro forma financial information is further described as follows:

- *Acquisition of the shares in Aker Floating Production AS*. Under applicable IFRS, the Issuer has included the impact of the acquisition of the shares in Aker Floating Production AS in its Combined Financial Statements. These financial statements are presented on a combined basis for all periods prior to the date at which Ocean Yield was established, on 31 March 2012, as if Ocean Yield had existed as a separate legal group as of 1 January 2012, and on a consolidated basis for all periods thereafter. This allowable presentation under IFRS has the same impact as required pro forma financial information under applicable Norwegian prospectus regulations. As such, no pro forma adjustment related to this portion of the transaction is required. However, the financial impact of the debt-to-equity conversion of the Aker ASA shareholder loan is reflected in the historical consolidated and Combined Financial Statements from the actual transaction date, which was 30 March 2012. Therefore, the Company's combined income statement for the year ended 31 December 2012 includes interest expenses and currency losses relating to the Aker ASA shareholder loan for the period from 1 January 2012 until 30 March 2012. The unaudited pro forma income statement information set out in the table below, adjusts, on a pro forma basis, for these interest expenses and currency losses. For further information about the basis of preparation of the Combined Financial Statements, see Note 1 and Note 2 of the Combined Financial Statements included in Appendix A—Financial Statements to this Prospectus, as well as the discussion included in Section 12.3 "Operating and Financial Review—Basis of Preparation of the Combined Financial Statements".

- *Acquisition of the Lewek Connector*. The Issuer has not been able to determine a fair way to make pro forma adjustments for the effect of the acquisition of the *Lewek Connector*, as no publicly or otherwise reasonably available financial information exists for the entity that owned the *Lewek Connector* for the period prior to the acquisition. This is because the entity that owned the vessel was liquidated in December 2012, and did not prepare public financial information for the year ended 31 December 2012. As a result, the unaudited pro forma income statement information set out in the table below does not reflect the possible impact of the *Lewek Connector* transaction to the Company's combined income statement for the year ended 31 December 2012. However, in order for an investor to carry out a sound evaluation of the Company's financial condition and prospects, and in order to ensure compliance with applicable Norwegian prospectus regulations for pro forma financial information, this paragraph includes a discussion about the estimated effect of this transaction on the

Company's combined income statement, as if the transaction had taken place as at 1 January 2012. The estimated income statement effects are based on management assumptions, the audited consolidated financial statements of Ocean Yield as of and for the year ended 31 December 2012 and Note 4 thereto (included in Appendix A—Financial Statements to this Prospectus), and the terms and conditions of the existing charter contract for the vessel; see Section 8.5 "Business Overview—Material Commercial Contracts—Lewek Connector". On the basis of these assumptions, the Company estimates that the Company's 2012 revenue, depreciation and net finance expense would have been approximately USD 29.8 million, USD 12.3 million and USD 5.4 million higher, respectively, than in the Company's combined income statement for the year ended 31 December 2012. For information about the charter backlog, by contracted revenues, pertaining to the *Lewek Connector*, see Section 8.2 "Business Overview—Charter Backlog, Contract Tenor and Client Information", and for a discussion about the charter contract for the Lewek Connector, see Section 8-5 "Business Overview—Material Commercial Contracts—Lewek Connector".

- *Acquisition of the American Shipping Company bonds*. Since the impact of the acquisition of the American Shipping Company bonds is included in the Company's combined financial statements as of and for the year ended 31 December 2012 from the transaction date, which was 30 March 2012, the unaudited pro forma income statement information set out in the table below includes estimated interest income from the bonds, and estimated income tax expense related thereto, for the period from 1 January 2012 until 30 March 2012.

The unaudited pro forma income statement information set out in the table below is based on certain management assumptions and adjustments made to show how certain transactions could have affected the Company's combined income statement for the year ended 31 December 2012, as if these transactions had taken place as at 1 January 2012.

The unaudited pro forma income statement information has been prepared for illustrative purposes only. Because of its nature, the unaudited pro forma income statement information addresses a hypothetical situation and, therefore, does not represent the Company's actual results. It is not necessarily indicative of the operating results that would have occurred during the period presented, nor is it necessarily indicative of future operating results or financial position. Investors are cautioned that pro forma income statement information is based on the assumptions and adjustments described in the accompanying notes that we believe are reasonable and should be read in conjunction with the historical consolidated financial statements and accompanying notes. Investors should therefore use caution and not place undue reliance on this unaudited pro forma income statement information.

The unaudited pro forma income statement information is based on and derived from the Company's combined income statement for the year ended 31 December 2012. In the table below, the "Combined Income Statement" column shows the Company's unadjusted historical income statement information for the year ended 31 December 2012, presented on a combined basis for all periods prior to the date at which the Ocean Yield was established, on 31 March 2012, as if the Ocean Yield had existed as a separate legal group prior to such date, and on a consolidated basis for all periods thereafter. In evaluating the unaudited pro forma income statement information, investors should carefully consider the Company's combined financial statements and the notes thereto. The Company's combined financial statements have been prepared in accordance with IFRS. The applied accounting principles are outlined in the Combined Financial Statements included in Appendix A—Financial Statements to this Prospectus, as well as in Section 12.3 "Operating and Financial Review—Basis of Preparation of the Combined Financial Statements".

The unaudited pro forma income statement information has been prepared in accordance with Annex II to the EU Regulation No 809/2004 as incorporated in Norwegian law through Section 7-13 of the Norwegian Securities Trading Act, and in accordance with the recognition and measurement principles that are consistent with the accounting principles as applied by the Company and referred to above.

The unaudited pro forma income statement information does not include all information required for financial statements under IFRS.

The unaudited pro forma income statement information has not been prepared in connection with an offering registered with the SEC under the US Securities Act and is consequently not compliant with the SEC's rules on presentation of pro forma financial information.

USD million	Year Ended 31 December 2012		
	Combined Income Statement	**Pro Forma Adjustments**	**Pro Forma Income Statement**
Operating revenue	188.0	—	188.0
Cost of goods	-16.3	—	-16.3
Wages and other personnel expenses	-10.1	—	-10.1
Other operating expenses	-10.2	—	-10.2
Operating profit before depreciation and amortisation	151.4	—	151.4
Depreciation and amortisation	-85.9	—	-85.9
Impairment charges and other non-recurring items	-5.9	—	-5.9
Operating profit	59.7	—	59.7
Financial income	8.9	2.5(1)	11.4
Financial expenses	-39.9	15.2(2)	-24.7
Mark to market of derivatives	-1.7	—	-1.7
Profit before tax	26.9	17.7	44.6
Income tax benefit	0.8	-0.8(3)	—
Profit for the period	27.7	16.9	44.7

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(1) This pro forma adjustment is to record the estimated interest income from the American Shipping Company bonds for the period from 1 January 2012 to 30 March 2012. The interest rate for the bond in the period from 1 January 2012 to 30 March 2012 was 7.8% (NIBOR plus 4.75). The interest income on the bonds for the period from 31 March 2012 to 31 December 2012 was USD 7.5 million, which corresponds to an interest rate of 7.0% (NIBOR plus 4.75). The bonds are denominated in NOK. An exchange rate effect will, therefore, arise when consolidating into the Combined Financial Statements/financial statements of Ocean Yield. The Issuer has on this basis estimated that the bonds would have generated interest income of in total USD 10 million for the full year; hence the adjustment of USD 2.5 million for the period from 1 January 2012 to 30 March 2012 included in the pro forma income statement. These pro forma adjustments will have continued impact on the income statement of the Company until maturity of the bonds in February 2018. The source of these pro forma adjustments is the audited consolidated financial statements of Aker ASA as of and for the year ended 31 December 2012, and the contractual terms under the bonds loan. The consolidated financial statements of Aker ASA are available at: http://eng.akerasa.com/Investor/Reports-presentations/Annual-Reports. The main terms of the bonds loan are discussed in Section 8.7 "Business Overview—Other Material Assets" of this Prospectus.

(2) The pro forma adjustment to financial expenses relates to interest expense and currency losses from the USD 308 million shareholder loan from Aker ASA to Aker Floating Production AS for the period from 1 January 2012 to 30 March 2012, and excludes these expenses from the pro forma income statement as if the loan had been converted into equity as of 1 January 2012. Interest expenses and currency losses relating to the loan for the period from 1 January 2012 to 30 March 2012 amounted to USD 7.9 million and USD 7.3 million, respectively, in total USD 15.2 million. These pro forma adjustments will have continued impact on the income statement of the Company. The source of these pro forma adjustments is the Company's audited Combined Financial Statements, and note 7 thereto, included in Appendix A—Financial Statements to this Prospectus.

(3) The pro forma adjustment to income tax benefit (expense) relates to the estimated income tax on the interest income from the American Shipping Company bonds for the period from 1 January 2012 to 30 March 2012, as if these bonds had been acquired by the Company as of 1 January 2012. As per footnote (1), the interest income on the bonds for that period is estimated to USD 2.5 million, which would have resulted in income tax expense of USD 0.8 million, the interest on the bonds being taxed at a tax rate of 28%. The pro forma adjustment to financial income, as discussed in footnote (2) does not affect income tax expense as a result of existing loss-carry forwards. This pro forma adjustment will have continued impact on the income statement of the Company until maturity of the bonds in February 2018.

See Section 20 "Additional Information—Independent Auditors" for information about the assurance procedures that have been undertaken with respect to the unaudited pro forma income statement information.

11.3 Selected Segment Information

The tables below set out certain selected information about the Company's operating revenues and operating profit/loss for each of the Company's reporting segments for the three months ended 2013 and 2012 (unaudited) and the year ended 31 December 2012, 2011 and 2010 (audited), as well as operating revenue based on the location of the Company's customers for the periods indicated.

USD million	Reporting Segment								
Continuing operations	**Aker Floating Production (Dhirubhai-1)**	**Aker Shiplease (Aker Wayfarer)**	**New Pollock (Geco Triton)**	**Connector 1 Holding (Lewek Connector)**	**LH Shiplease (PCTCs)**	**Ocean Holding (American Shipping Company Bonds)**	**F-Shiplease Holding (AHTSs) (1)**	**Ocean Yield ASA**	**Other and Eliminations**
Three months ended 31 March 2013									
Operating revenues	35.0	10.3	1.4	9.5	—	—	—	—	0.4
Operating profit before depreciation and amortisation	28.3	10.3	1.4	9.4	—	—	—	-0.9	0.4
Operating profit/loss	11.9	6.4	1.0	5.9	—	—	—	-0.9	0.4
Profit for the period	10.6	5.5	0.7	4.0	—	1.6	—	-5.8	0.6
Three months ended 31 March 2012									
Operating revenues	33.8	10.1	1.4	—	—	—	—	—	—
Operating profit before depreciation and amortisation	23.7	10.1	1.4	—	—	—	—	—	—
Operating profit/loss	4.0	6.3	1.0	—	—	—	—	—	—
Profit for the period	-13.6	4.6	0.7	—	—	—	—	-0.9	0.8
Year ended 31 December 2012									
Operating revenues	133.1	40.6	5.8	8.5	—	—	—	—	—
Operating profit before depreciation and amortisation	98.9	40.6	5.7	8.5	—	—	—	-2.3	—
Operating profit/loss	27.4	25.5	4.1	5.0	—	—	—	-2.3	—
Profit for the year	2.7	19.9	2.9	3.2	—	5.5	—	-10.6	4.1
Year ended 31 December 2011									
Operating revenues	134.6	42.1	5.8	—	—	—	—	—	—
Operating profit before depreciation and amortisation	101.2	42.0	5.7	—	—	—	—	-0.1	-0.1
Operating profit/loss	13.6	26.4	4.1	—	—	—	—	-0.1	-0.1
Profit for the year	-24.2	16.9	2.7	—	—	—	—	20.1	-11.4
Year ended 31 December 2010									
Operating revenues	134.9	9.8	6.9	—	—	—	—	—	—
Operating profit before depreciation and amortisation	97.3	9.8	6.9	—	—	—	—	—	—
Operating profit/loss	10.7	6.1	5.2	—	—	—	—	—	—
Profit for the year	-28.8	3.8	2.3	—	—	—	—	3.2	7.3

(1) The Far Senator had 11 operational days during the three months ended 31 March 2013, as the vessel was delivered on 21 March 2013, and the Far Statesman had not been delivered during the period. Charter-hire from the Far Senator for the period was included in "Other and eliminations" for the period.

USD million	By Location of Customer		
	Norway	**India**	**Other**
Operating revenue, three months ended 31 March 2013	21.6	35.0	—
Operating revenue, three months ended 31 March 2012	11.6	33.8	—
Operating revenue, year ended 31 December 2012	55.4	132.6	—
Operating revenue, year ended 31 December 2011	48.1	134.3	—
Operating revenue, year ended 31 December 2010	10.7	134.1	6.9

11.4 Selected Balance Sheet Information

The table below sets out a summary of the Company's unaudited consolidated balance sheet information as of 31 March 2013 and 2012, and the Company's audited combined balance sheet information as of 31 December 2012, 2011 and 2010.

USD million	**As of 31 March**		**As of 31 December**		
	2013	**2012**	**2012**	**2011**	**2010**
Assets					
Property, plant and equipment	1,241.0	905.1	1,157.7	918.4	1,029.8
Intangible assets	38.3	38.3	38.3	38.3	38.3
Deferred tax assets	9.2	9.1	10.1	8.6	5.0
Interest-bearing long term receivables	168,0	161.0	171.8	20.0	219.2
Other non-current assets	—	—	—	—	0.4
Total non-current assets	1,456.6	1,113.5	1,378.0	985.4	1,292.7
Trade receivables and other interest-free receivables	18.9	18.7	15.8	17.0	11.4
Cash and cash equivalents	63.7	63.7	104.6	61.5	71.1
Total current assets	82.7	82.4	120.4	78.6	82.5
Total assets	1,539.2	1,195.9	1,498.4	1,063.9	1,375.2
Equity and liabilities					
Share capital	175.6	175.6	175.6	—	—
Other paid-in capital	400.4	400.4	400.4	111.8	111.8
Total paid-in capital	576.0	576.0	576.0	111.8	111.8
Translation and other reserves	-5.1	-2.3	-1.0	-10.4	0.6
Retained earnings	-24.1	-78.1	-42.0	-59.7	12.2
Total equity attributable to equity holders of the parent	546.8	495.6	533.0	41.6	124.5
Minority interests	—	—	—	-4.5	2.3
Total equity	546.8	495.6	533.0	37.2	126.8
Interest-bearing loans	800.9	511.8	746.6	840.5	1,029.4
Pension liabilities	0.3	0.6	1.6	0.9	0.6
Other interest-free long term liabilities	81.5	104.0	88.5	103.5	121.8
Total non-current liabilities	882.6	616.4	836.7	944.9	1,151.7
Interest-bearing short term debt	93.0	70.3	111.8	69.4	71.9
Trade and other payables	16.8	13.6	17.0	12.5	24.7
Total current liabilities	109.8	83.9	128.7	81.9	96.6
Total liabilities	992.4	700.3	965.4	1,026.8	1,248.4
Total equity and liabilities	1,539.2	1,195.9	1.498.4	1,063.9	1,375.2

11.5 Selected Changes in Equity Information

The table below sets out a summary of the Company's audited changes in equity information for the years ended 31 December 2010, 2011 and 2012, and the Company's unaudited changes in equity information for the three months ended 31 March 2013.

USD million	**Total**
Combined balance as of 1 January 2010	-8.0
Profit for the year	-12.3
Other comprehensive income	0.4
Total result	-11.9
New equity	160.9
Shares owned, sold before the Ocean Yield Group was established	-13.7
Group contribution	-0.5
Combined balance as of 31 December 2010	126.8
Profit for the year	4.2
Other comprehensive income	-11.1
Total result	-6.9
Shares in subsidiaries before the Ocean Yield Group was established in 2012	-256.7
Shares owned, sold before the Ocean Yield Group was established	154.7
Group contribution	19.1
Combined balance as of 31 December 2011	37.2
Profit for the year	27.7
Other comprehensive income	9.4
Total result	37.1
New equity in Ocean Yield ASA	458.7
Acquisition of minority interest	—
Combined balance as of 31 December 2012	533.0
Profit for the three months ended 31 March 2013	17.1
Other comprehensive income	-4.1
Total comprehensive income	13.1
Impact of implementing IAS 19R, net of tax	0.8
Balance as of 31 March 2013	546.8

11.6 Selected Cash Flow Information

The table below sets out a summary of the Company's unaudited consolidated cash flow information for the three months ended 31 March 2013 and 2012, and the Company's audited combined cash flow information for the years ended 31 December 2012, 2011 and 2010.

USD million	Three Months Ended 31 March		Year Ended 31 December		
	2013	2012	2012	2011	2010
Profit before tax	17.8	-8.3	26.9	0.4	-18.1
Net interest expenses (+)	3.3	11.5	17.7	43.5	61.9
Interest paid	-4.9	-2.1	-17.1	-19.4	-39.7
Interest received	0.1	0.2	1.1	0.7	4.6
Sales losses/gains (-) and write downs	—	3.0	6.0	20.2	16.4
Unrealised foreign exchange gain/loss and other non-cash items	0.1	8.2	7.2	-4.6	-1.0
Depreciation and amortisation	24.2	20.8	85.9	84.9	75.3
Taxes paid	—	—	-0.1	1.1	-2.1
Changes in other net operating assets and liabilities	-11.0	-3.4	-9.1	-25.8	-6.0
Net cash flow from operating activities	29.6	29.9	118.7	100.9	91.3
Proceeds from sales of property, plant and equipment	—	—	11.2	—	—
Proceeds from sale of shares and other equity instruments	—	—	—	0.4	—
Acquisition of property, plant and equipment	-120.9	—	-327.3	-7.0	-200.8
Net cash flow from other investments	—	—	—	-6.1	10.5
Net cash flow from investing activities	-120.9	—	-316.1	-12.7	-190.3
Proceeds from issuance of long-term interest-bearing debt	80.5	—	334.9	—	220.9
Repayment of long-term interest-bearing debt	-29.0	-29.7	-96.6	-83.6	-95.9
Change in short-term interest bearing debt	—	—	—	-13.0	—
New equity and group contribution	—	—	—	—	9.8
Net cash flow from financing activities	51.6	-29.7	238.3	-96.6	134.7
Net change in cash and cash equivalents	-39.7	0.2	40.8	-8.4	35.7
Effects of changes in exchange rates on cash	-1.1	1.9	2.2	-1.2	-0.1
Cash and cash equivalents as of beginning of the period	104.6	61.5	61.5	71.1	35.4
Cash and cash equivalents as of the end of the period	63.7	63.7	104.6	61.5	71.1

11.7 Selected Other Financial and Operating Information

The table below sets out certain other unaudited key financial and operating information for the Company.

USD million, except ratios	As of or For the Three Months Ended 31 March 2013	As of or For the Year Ended 31 December 2012
EBITDA[(1)]	48.8	151.4
NIBD[(2)]	810.2	733.7
Equity ratio[(3)]	35.5%	35.6%
Debt-to-equity ratio[(4)]	1.8	1.8
Interest coverage ratio[(5)]	13.9	4.9
Charter backlog, by contracted revenue[(6)]	1,889.2	1,664
Charter backlog, by contracted EBITDA[(6)]	1,721	1,482

(1) The Company defines EBITDA as operating profit before depreciation, amortisation and impairment charges.

(2) Net interest bearing debt, which is interest bearing debt less cash and cash equivalents.

(3) Total shareholders' equity divided by total assets, multiplied by 100.

(4) Total liabilities to shareholders equity.

(5) EBITDA to net interest cost.

(6) The charter backlog, by contracted revenues includes commitments from the charterers represented by signed charter contracts. The charter backlog, by contracted EBITDA includes charter backlog by contracted revenues less estimated (i) operational expenses (OPEX) relating to the *Dhirubhai-1*, and (ii) general and administrative expenses (G&A) relating to Aker Floating Production AS, AFP Operations AS and Aker Contracting FP ASA, but not G&A in Ocean Yield ASA. The charter backlog relating to the *Dhirubhai-1* is subject to charter-rate reduction mechanisms and termination provisions applicable under the contractual arrangements for this vessel; see Section 8.5 "Business Overview—Material Commercial Contracts—Dhirubhai-1". The charter backlog figures as of 31 March 2013 includes charter backlog relating to the PCTCs (expected to be delivered in April 2014 and August 2014) and the *Far Statesman* (delivered in June 2013). The charter backlog relating to the PCTCs may be subject to adjustment upwards or downwards to reflect changes in the purchase price under the shipbuilding contracts and the costs incurred by Ocean Yield under the shipbuilding supervision agreements. The charter backlog relating to the *Aker Wayfarer*, the *Far Senator* and the *Far Statesman*, which under the respective contracts is denominated in NOK, has been calculated on the basis of a NOK/USD exchange rate of 5.8 for the purpose of arriving at the USD figures as of 31 March 2013.

12 OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with Section 11 "Selected Financial and Operating Information" and the Financial Statements which are included in Appendix A—Financial Statements to this Prospectus. The following discussion contains forward-looking statements that reflect the Issuer's plans and estimates. Factors that could cause or contribute to differences to these forward-looking statements include, but are not limited to, those discussed in Section 2 "Risk Factors" and Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements".

12.1 Introduction

Ocean Yield in its present form was established on 31 March 2012 by Aker ASA to form the basis for developing a company with investments within oil-service and industrial shipping, focusing on long-term charters and solid counterparties. The Company was established with a portfolio of assets controlled by Aker ASA and an experienced management team was recruited. In the second half of 2012 and the first quarter of 2013 the Company expanded its portfolio of assets by investing in five new vessels. The Company builds on Aker's track record within the offshore industry. It has a solid financial platform, an existing fleet of vessels on long-term charters, and intends to expand its fleet.

12.2 Principal Factors Affecting the Company's Financial Condition and Results of Operations

The Company's business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the Company's financial results, are affected by a number of factors, see Section 2 "Risk Factors". Some of the factors that have materially influenced the Company's financial condition and results of operations during the periods under review and which are expected to continue to influence the Company's business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the Company's financial results, are:

- *The revenues that the Company's vessels under charters generate*. The Company's revenues derive primarily from long-term charter contracts. All of the Company's vessels, except the *Dhirubhai-1*, are on fixed-rate bareboat charters on "hell and high water" terms. As of 31 March 2013 the average remaining contract tenor for its vessels, weighted by contracted EBITDA, was 7.5 years and the charter backlog by contracted EBITDA was USD 1,721 million. The Company's future revenues are dependent upon the continuation of existing charter contracts and the Company's ability to enter into new charter contracts. Future revenues may also be significantly affected by the sale of vessels, and certain of the Company's charters contain purchase options which, if exercised by the Company's charterers, will affect the Company's future charter-hire revenues.

- *The operational uptime of the Dhirubhai-1*. Under the charter for the *Dhirubhai-1* and the associated operations and maintenance contract, daily rate reduction mechanisms apply in respect of periods when there is reduction or stoppage in the oil and/or gas production on the *Dhirubhai-1* for reasons attributable to the Company, such as equipment break-down, maintenance and acts or omissions of Company personnel. Hence, the Company has assumed operational risks relating to this vessel, and the Company's revenues from the charter and the operations and maintenance contract relating to the *Dhirubhai-1* depend on the operational uptime of this vessel.

- *The revenues and expenses related to any additional vessels that the Company may acquire*. Investments in new vessels have during the period under review significantly affected, and any additional investments may in the future significantly affect, the Company's revenues and expenses.

- *The Company's interest expense*. The Company partly finances its investments in vessels with debt. The amount of interest expense will depend on the Company's credit rating and overall borrowing levels which will increase as the Company acquires new vessels. Additionally, the Company has borrowed, and may in the future borrow, money at floating rates. Interest rate fluctuations, principally related to LIBOR and NIBOR, will thus impact interest expenses.

- *Exchange rate fluctuations*. The Company presents its financial statements in USD whereas the Company has loans, sales and purchases, and in respect of some vessels receives charter-hire, in currencies other than the USD, principally NOK.

- *Mark-to-market adjustments*. In order to hedge against fluctuations in interest rates, the Company has entered into interest rate derivatives which effectively fix the interest payable on a portion of the Company's floating rate debt. The Company has also entered into currency derivatives to fix the exchange rates applicable to the payment of interest and eventual settlement of its unsecured NOK denominated bond loan. Although the intention is to hold such financial instruments until maturity, IFRS requires the Company to record them at market valuation in the Company's financial statements. Adjustments to the mark-to-market valuation of these derivative financial instruments, which are caused by variations in interest and exchange rates, are reflected in financial income and financial expenses.

12.3 Basis of Preparation of the Combined Financial Statements

The Combined Financial Statements have been prepared specifically for the purposes of this Prospectus. These financial statements are presented on combined, basis for all periods prior to the date at with the Ocean Yield Group was established, 31 March 2012, as if the Ocean Yield Group had existed as a separate legal group prior to such date and on a consolidated basis for all periods thereafter.

The Ocean Yield Group was established with ownership of the *Dhirubhai-1*, the *Aker Wayfarer*, the *Geco Triton* and an investment of 93% of the bonds in American Shipping Company's NOK 700 million unsecured bond loan (AMSC 07/18 FRN C, ISIN NO0010356512). These assets were acquired by the Company through acquisition of shares in assets owning companies, except with respect to the American Shipping Company bonds which were acquired directly, from Aker ASA group companies. The asset owning companies that were acquired were Aker Shiplease AS, Aker Shiplease 1 AS (owning the *Aker Wayfarer*) and Aker Shiplease 2 AS, New Pollock Inc. (owning the *Geco Triton*) and the holding companies Aker Invest II KS, Aker Invest AS and American Champion Inc, as well as Aker Floating Production AS. Settlement of the purchase price with the different selling companies within the Aker ASA group was deferred by grant of sellers' credits. Following the purchases, some of which were effected in December 2011 (purchase of the shares in Aker Invest AS and Aker Shiplease AS) and some in March 2012 (purchase of the shares in Aker Floating Production AS and the American Shipping Company bonds), the sellers' credits were acquired by Aker ASA from the different selling companies within the Aker ASA group and converted into equity in Ocean Yield ASA on 31 March 2012.

As the transfer of the Ocean Yield business entities from Aker ASA group companies to Ocean Yield is considered to be a transaction among entities under common control, the Combined Financial Statements, which have been prepared specifically for the purposes of this Prospectus, are based on the combination of financial information from all entities that have been identified as being within the Ocean Yield business during the periods presented. The historical results of operations, and historical basis of assets and liabilities of the Ocean Yield business have been derived from historical information used to prepare the consolidated financial statements of the Aker ASA group for the periods presented.

The Combined Financial Statements include companies owned directly or indirectly by Ocean Yield ASA at 31 December 2012. To present comparable financial information as of and for the years ended 31 December 2011 and 2010, combined income statement, balance sheet, and cash flow statement and notes have been prepared for 2011 and 2010.

Shares in subsidiaries and other shares sold back to Aker ASA before the establishment of the Ocean Yield Group was part of the reorganisation and have been treated as an equity transaction in 2011. In addition, the 2011 and 2010 accounts include minority interest in Aker Floating Production AS of 27.7%.

USD million	**2011**	**2010**
Elimination of shares	—	-104.9
Gains on sale of shares	-74.2	-0.5
Minority interest:		
Income statement	-6.7	-8.0
Balance sheet	-4.5	2.3

See Note 1 and Note 2 of the Combined Financial Statements regarding the basis of preparation of the Combined Financial Statements.

12.4 Critical Accounting Policies and Estimates

The preparation of the Company’s Financial Statements in accordance with IFRS and notes thereto requires management to make estimates and judgments that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company base its estimates on historical experience, changes in the business environment and various other assumptions that management believes are reasonable under the circumstances. Management evaluates these estimates and underlying assumptions on an on-going basis. Management's estimates and assumptions have been prepared on the basis of the most current reasonably available information. The results of these estimates form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates under different assumptions and conditions. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting policies are those accounting estimates that require management to make assumptions about matters that are highly uncertain at the time the estimates are made and would have resulted in material changes to the Company's financial statements if different estimates, which management reasonably could have used, were made. The Company has several critical accounting policies that are both important to the portrayal of the Company's financial condition and results of operations and require management to make subjective and complex judgments. Typically, the circumstances that make these judgments complex and difficult relate to making estimates about the effect of matters that are inherently uncertain. Please refer to Note 1 of the Company's Combined Financial Statements, and the Interim Financial Statements, included in Appendix A—Financial Statements to this Prospectus, for a discussion of the Company's critical accounting policies and estimates.

12.5 Reporting Segments

The Company has, for the three months ended 31 March 2013, been organised in eight business segments for reporting purposes: Aker Floating Production AS (herein referred to as "Dhirubhai-1"), Aker Shiplease AS (herein referred to as "Aker Wayfarer"), New Pollock Inc (herein referred to as "Geco Triton"), Connector 1 Holding AS (herein referred to as "Lewek Connector"), LH Shiplease AS (herein referred to as "PCTC Newbuildings"), Ocean Holding AS (herein referred to as "American Shipping Company Bonds"), F-Shiplease Holding AS (herein referred to as "AHTS"), Ocean Yield ASA (the Issuer) and "Other" (including eliminations). AHTS did not constitute a business segment within the Company for the years ended 31 December 2012, 2011 and 2010, as the Company entered into contracts to acquire the AHTS vessels *Far Senator* and *Far Statesman* on 7 March 2013; Lewek Connector did not constitute a business segment within the Company for the years ended 31 December 2011 and 2010, as the *Lewek Connector* was delivered to the Company on 12 October 2012; PCTC Newbuildings did not constitute a business segment within the Company for the years ended 31 December 2011 and 2010, as the construction contracts for the PCTCs were entered into by the Company on 7 September 2012; and American Shipping Company Bonds did not constitute a business segment within the Company for the years ended 31 December 2011 and 2010, as the bonds were acquired by the Company on 30 March 2012.

12.6 Recent Developments and Current Trading

Other than as discussed below, there has been no significant change in the Company's financial or trading position since 31 March 2013:

- On 4 April 2013, the Issuer resolved to distribute a dividend to its sole shareholder Aker ASA of USD 0.40 per Share, in total USD 40 million, for the year ended 31 December 2012. USD 20 million of this dividend will be paid to Aker ASA in June 2013, whereas the remaining USD 20 million will be paid to Aker ASA during the third quarter of 2013; see Section 15 "Dividends and Dividend Policy—Dividend History".

- On 28 May 2013, the Issuer was transformed from a limited liability company (Nw. *aksjeselskap* or *AS*) to a public limited liability company (Nw. *allmennaksjeselskap* or *ASA*); see Section 16 "Corporate Information; The Shares and Share Capital".

- On 29 May 2013, the Company received a firm offer from Eksportkreditt relating to a replacement of Eksportfinans, the original lender under the Company's guarantee and term loan facility for the financing of the *Aker Wayfarer* with Eksportkreditt as lender, as of expiry of the fixed margin period under the loan in October 2013. The replacement of Eksportfinans as lender under the facility results from the establishment by the Norwegian Government of Eksportkreditt, a state-funded scheme for export credit financing to replace the export credit financing function of Eksportfinans. The replacement of Eksportfinans with Eksportkreditt as lender under the facility will result in a higher interest rate on the loan; see Section 12.9 "—Liquidity and Capital Resources—Borrowings—The Aker Wayfarer Facility".

- On 3 June 2013, the Company made a draw-down of USD 17 million under facility C of the Dhirubhai-1 Facility so as to neutralise the effect of the cash sweep provision under facility A of that loan facility, see Section 12.9 "Operating and Financial Review- Liquidity and Capital Resources-Borrowings".

- On 4 June 2013, the Company took delivery of the Far Statesman and the charter with Farstad Supply for this vessel commenced on the same date; see Section 8.5 "Business Overview—Material Commercial Contracts—Far Senator and Far Statesman".

12.7 Results of Operations

Three Months Ended 31 March 2013 Compared with Three Months Ended 31 March 2012

The Company's operating revenues for the three months ended 31 March 2013 amounted to USD 56.6 million, compared to USD 45.4 million for the same period in 2012. The acquisition of the *Lewek Connector*, which was completed on 12 October 2012, had a positive effect on the revenues for the three months ended 31 March 2013 with about USD 9.5 million. Operating profit before depreciation and amortisation for the three months ended 31 March 2013 amounted to USD 48.8 million, compared to USD 35.1 million for the same period in 2011.

The Company's financial income for the three months ended 31 March 2013 amounted to USD 4.6 million, compared to USD 1.4 million for the same period in 2012. The majority share of financial income related to interest earned on the bonds issued by American Shipping Company under the American Shipping Company NOK 700 million 07/18 FRN C Bond Issue, ISIN NO0010356512, of which the Company owns 93% of the bonds outstanding. The bonds carry a coupon of NIBOR plus 4.75% per annum and interest may, at the election of the borrower, be paid-in-kind (in additional bonds). The bonds paid interest to the Company for the full three months ended 31 March 2013, compared to the three months ended 31 March 2012 during which interest income from the bonds were not included in the Company's income statement as the bonds were acquired by Ocean Yield on 30 March 2012. Financial expenses for the three months ended 31 March 2013 were USD 8.1 million, compared to USD 21 million for the same period in 2012. The Company's financial expenses for the three months ended 31 March 2012 were strongly influenced by interest expenses related to a USD 308 million shareholder loan from Aker ASA to Aker Floating Production AS which was converted into equity on 30 March 2012. Mark-to-market of derivatives was negative with USD 3.4 million for the three months ended 31 March 2013. The derivative is mainly related to a cross currency interest swap on the Company's NOK 600 million bond loan which was issued in July 2012. Profit for the three months ended 31 March 2013 was hence USD 17.1 million, compared to a loss of USD 8.4 million for the same period in 2012.

Segment, Dhirubhai-1. Aker Floating Production AS, which indirectly controls the *Dhirubhai-1*, reported operating revenues of USD 35.0 million for the three months ended 31 March 2013, compared to USD 33.8 for the same period in 2012. The *Dhirubhai-1* utilisation for the quarter ended 31 March 2013 was 99.9%. Operating profit before depreciation and amortisation amounted to USD 28.3 million for the three months ended 31 March 2013, up by approximately USD 4.6 million compared to the operating profit before depreciation and amortisation of USD 23.7 million for the same period in 2012, mainly due to reduced operating cost as a result of a smaller organisation in 2013 than in 2012. Operating profit was USD 11.9 million for the three months ended 31 March 2013, compared to USD 4.0 million for the same period in 2012. The major part of the increase in operating profit for the three months ended 31 March 2013 of approximately USD 8.0 million can be explained by the reduced size of the organisation as discussed above and a write-down on the hull for a second FPSO, the "SMART 2", made in 2012, a project which had been abandoned by the Company. Profit for the three months ended 31 March 2013 was USD 10.6 million, compared to a loss in 2012 of USD 13.6. Profit for the three months ended 31 March 2013 was positively affected by a significant reduction in financial expenses due to the conversion of the USD 308 million shareholder loan from Aker ASA on 30 March 2012.

Segment, Aker Wayfarer. The *Aker Wayfarer* generated stable charter-hire during the three months ended 31 March 2013 and 2012, respectively, as per the fixed-rate "hell and high water" bareboat charter for the vessel. Aker Shiplease AS, which indirectly controls the vessel, reported operating revenues of USD 10.3 million for the three months ended 31 March 2013, compared to USD 10.1 million for the same period in 2012. Operating profit before depreciation and amortisation was USD 10.3 million for the three months ended 31 March 2013, compared to USD 10.1 million for the same period in 2012. Operating profit was USD 6.4 million for the three months ended 31 March 2013, compared to USD 6.3 million in for the same period in 2012. Profit for the three months ended 31 March 2013 was USD 5.5 million, and thus slightly higher than the USD 4.6 million profit for the same period in 2012.

Segment, Lewek Connector. The *Lewek Connector* generated charter-hire for the full three months ended 31 March 2013, as per the fixed-rate "hell and high water" bareboat charter for the vessel. The vessel was delivered to Ocean

Yield on 12 October 2012 and accordingly did not generate charter-hire to the Company during the three months ended 31 March 2012. Connector 1 Holding AS, which indirectly controls the vessel, reported operating revenues of USD 9.5 million for the three months ended 31 March 2013. Operating profit before depreciation and amortisation was USD 9.4 million and operating profit was USD 5.9 million. Profit for the period was USD 4.0 million.

Segment, Geco Triton. The *Geco Trion* generated stable charter-hire during the three months ended 31 March 2013 and 2012, respectively, as per the fixed-rate "hell and high water" bareboat charter for the vessel. Aker Invest AS, which indirectly controls the vessel, reported operating revenues of USD 1.4 million for the three months ended 31 March 2013, the same as the operating revenues for the same period in 2012. Operating profit before depreciation and amortisation was USD 1.4 million, operating profit was USD 1.0 million and profit for the quarter was USD 0.7 million; all in line with the comparable figures for the same period in 2012.

Segment, PCTC Newbuildings. The PCTC newbuildings are scheduled for delivery in April 2014 and August 2014. LH Shiplease AS, which indirectly will control the PCTCs, did hence not generate any operating revenues during the period.

Segment, American Shipping Company Bonds. Ocean Yield acquired the bonds in American Shipping Company on 30 March 2012. Interest from the bonds was therefore included in the Company's income statement from this date. On 14 November 2012, Overseas Shipholding Group and subsidiaries, to which American Shipping Company charters out all its vessels, reported that it had filed for bankruptcy protection under Chapter 11 of the US Bankruptcy Code. Later, on 15 January 2013, American Shipping Company released a notice to its investors that the bankruptcy court had approved Overseas Shipholding Group's request to continue to perform all of its obligations under the bareboat charters with American Shipping Company. American Shipping Company also confirmed in the release that Overseas Shipholding Group and subsidiaries, so far, had continued to make all of its charter payments to American Shipping Company on time. American Shipping Company continued to service its debt to the Company under the bond loan.

Segment, AHTS Newbuildings. The Company entered into agreements to acquire the two AHTS vessels in March 2013. The first vessel, the *Far Senator*, was delivered to Ocean Yield on 21 March 2013 and was immediately subject to a fixed-rate "hell and high water" bareboat charter to Farstad Supply AS. The vessel had 11 operational days during the three months ended 31 March 2013. On this basis, F-Shiplease Holding AS, indirectly controlling the *Far Senator*, reported operating revenues of USD 0.4 million for the three months ended 31 March 2013. The second vessel, the *Far Statesman*, was delivered in June 2013, subsequent to the period under review.

Year Ended 31 December 2012 Compared with Year Ended 31 December 2011

The Company's operating revenues for the year ended 31 December 2012 amounted to USD 188 million, compared to USD 182.5 million in 2011. A planned maintenance shutdown on the *Dhirubhai-1* of 6.75 days in November 2012 affected the Company's 2012 operating revenues negatively by approximately USD 4.1 million. The *Lewek Connector* contributed positively, however, to operating revenues by 8.5 million in 2012. The *Lewek Connector* was delivered to Ocean Yield on 12 October 2012, and had 80 operational days during 2012. Operating profit before depreciation and amortisation for the year ended 31 December 2012 amounted to USD 151.4 million, compared to USD 148.8 million in 2011.

The Company's financial income for the year ended 31 December 2012 amounted to USD 8.9, compared to USD 14.6 million in 2011. The majority share of financial income related to interest earned on the American Shipping Company bonds. Interest income from the bonds was included in the income statement of the Company from the date of the acquisition by Ocean Yield, on 30 March 2012. Financial expenses for the year ended 31 December 2012 were USD 39.9 million compared to USD 58.1 million in 2011. The reduction in financial expenses primarily related to reduction of financial expenses attributable to the *Dhirubhai-1* of USD 24.1 million in 2012, compared to USD 40.8 in 2011, as the USD 308 million shareholder loan from Aker ASA to Aker Floating Production AS was converted into equity on 30 March 2012. Interest expenses and foreign exchange losses in 2012 relating to the shareholder loan was approximately USD 15.2 million. Mark-to-market of derivatives was negative with USD 1.7 million for the year ended 31 December 2012. Profit for the year was hence USD 27.7 million, compared to USD 4.2 million in 2011.

Segment, Dhirubhai-1. Aker Floating Production AS, which indirectly controls the *Dhirubhai-1*, reported operating revenues of USD 133.1 million for the year ended 31 December 2012, compared to USD 134.6 in 2011. As discussed above, a planned maintenance shutdown on the *Dhirubhai-1* in November 2012 affected the 2012 operating revenues negatively. Disregarding the planned maintenance shutdown of 6.75 days, the *Dhirubhai-1* utilisation for the year ended 31 December 2012 was 99.9%. Operating profit before depreciation and amortisation amounted to USD 98.9 million for the year ended 31 December 2012, down by approximately USD 2.3 million compared to the operating profit before depreciation and amortisation of USD 101.2 million in 2011, mainly due to the abovementioned planned maintenance shutdown. Operating profit was USD 27.4 million for the year ended 31 December 2012, compared to USD 13.6 million in 2011. The major part of the increase in operating profit for 2012 of approximately USD 13.8 million resulted from a reduction in impairment charges and other non-recurring items and is explained by a write-down of USD 5.9 million in 2012 on the "SMART 2" hull, compared to a larger write-down of USD 20 million on the same hull in 2011. Profit for the year ended 31 December 2012 was USD 2.7 million, compared to a loss in 2011 of USD 24.2. Profit for the year in 2012 was positively affected by a significant reduction in financial expenses for Aker Floating Production AS, USD 24.1 million in 2012 compared to USD 40.8 in 2011, primarily due to the debt-to-equity conversion of the USD 308 million shareholder loan from Aker ASA in 2012.

Segment, Aker Wayfarer. The *Aker Wayfarer* generated stable charter-hire during the year ended 31 December 2012 and 2011, respectively, as per the fixed-rate "hell and high water" bareboat charter for the vessel. Aker Shiplease AS, which controls the subsea construction vessel *Aker Wayfarer*, reported operating revenues of USD 40.6 million for the year ended 31 December 2012, slightly down from USD 42.1 million in 2011. The slight decrease in operating revenues was mainly due to NOK/USD exchange rate differences as the charter rate for the *Aker Wayfarer* is denominated in NOK. Operating profit before depreciation and amortisation was USD 40.6 million for the year ended 31 December 2012, compared to USD 42 million in 2011. Operating profit was USD 25.5 million for the year ended 31 December 2012, compared to USD 26.4 million in 2011. Profit for the year was USD 19.9 million for the year ended 31 December 2012, up by USD 3 million compared to 2011.

Segment, Lewek Connector. The *Lewek Connector* was delivered to Ocean Yield on 12 October 2012, and had 80 operational days during 2012. Connector 1 Holding AS, which indirectly controls the vessel, reported operating revenues of USD 8.5 million for the year ended 31 December 2012. Operating profit before depreciation and amortisation was USD 8.5 million and operating profit was USD 5.0 million. Profit for the year was USD 3.2 million.

Segment, Geco Triton. The *Geco Trion* generated stable charter-hire during the year ended 31 December 2012 and 2011, respectively, as per the fixed-rate "hell and high water" bareboat charter for the vessel. Aker Invest AS, which indirectly controls the vessel, reported operating revenues of USD 5.8 million for the year ended 31 December 2012, the same as the operating revenues for the prior year. Operating profit before depreciation and amortisation was USD 5.7 million, operating profit was USD 4.1 million and profit for the year was USD 2.9 million; all marginally higher than the comparable 2011 figures.

Segment, PCTC Newbuildings. The PCTCs, and hence LH Shiplease AS which indirectly will control the PCTC newbuildings, had no operating revenues during 2012 as the PCTCs are scheduled to be delivered in April 2014 and August 2014.

Segment, American Shipping Company Bonds. Ocean Yield acquired the bonds in American Shipping Company on 30 March 2012. Interest from the bonds was therefore included in the income statement from this date. On 14 November 2012, Overseas Shipholding Group and subsidiaries, to which American Shipping Company charters out all its vessels, reported that it had filed for bankruptcy protection under Chapter 11 of the US Bankruptcy Code. The filing did not affect American Shipping Company's debt service under the bond loan during the year.

Year Ended 31 December 2011 Compared with Year Ended 31 December 2010

The Company's operating revenues for the year ended 31 December 2011 amounted to USD 182.5 million, compared to USD 151.7 million in 2010. Operating profit before depreciation and amortisation for the year ended 31 December 2011 amounted to USD 148.8 million, compared to USD 113.9 million in 2010. The differences between the 2011 and the 2010 figures primarily relate to charter-hire for the *Aker Wayfarer*. The 2011 figures included charter-hire for the *Aker Wayfarer* for the full year, compared to the 2010 figures which only included charter-hire for the *Aker Wayfarer* for only the last quarter of 2010.

The Company's financial income for the year ended 31 December 2011 amounted to USD 14.6 million, compared to USD 34.2 million in 2010. The reduction in financial income principally related to USD 24.9 in net change in fair value of financial assets through profit and loss in 2010 versus nil in 2011 due to increase in 2010 in the fair value of an interest rate swap in Aker Floating Production AS. Financial expenses for the year ended 31 December 2011 were USD 58.1 million, compared to USD 74.3 million in 2010. In addition to ordinary interest expenses under the Company's long-term financing agreements, the Company's financial expenses for the year ended 31 December 2010 were strongly influenced by the effect of an interest rate swap leading to high interest expense in 2010. Profit for the year was hence USD 4.2 million in 2011, compared to a loss in 2010 of USD 12.3 million.

Segment, Dhirubhai-1. Aker Floating Production AS, which indirectly controls the *Dhirubhai-1*, reported operating revenues of USD 134.6 million for the year ended 31 December 2011, compared to USD 134.9 in 2010. The *Dhirubhai-1* utilisation for the year ended 31 December 2011 was 99.8%. Operating profit before depreciation and amortisation amounted to USD 101.2 million for the year ended 31 December 2011, up by approximately USD 3.9 million compared to the operating profit before depreciation and amortisation of USD 97.3 million in 2010. Operating profit was USD 13.6 million for the year ended 31 December 2011, compared to USD 10.7 million in 2010. The Company took a write-down of goodwill of USD 16.6 million in 2010 and a write-down of USD 20 million in 2011 related to the "SMART 2" hull. Financial income for the year ended 31 December 2010 at USD 25.9 million were strongly influenced by the effect of change in fair value of an interest rate swap by USD 24.9 million leading to higher financial income for 2010, compared to the financial income for the year ended 31 December 2011 of USD 0.9 million. Financial expenses for the year ended 31 December 2010 at USD 65.5 million were strongly influenced by the effect of an interest rate swap leading to high interest expenses for 2010 compared to the financial expenses for the year ended 31 December 2011 of USD 38.7 million. Aker Floating Production AS ended up with a loss for the year ended 31 December 2011 of USD 24.2 million, compared to a loss for the year of USD 28.8 million in 2010.

Segment, Aker Wayfarer. Aker Shiplease AS, which indirectly controls the *Aker Wayfarer*, reported operating revenues of USD 42.1 million for the year ended 31 December 2011, a significant increase from 2010 where the revenues were USD 9.8 million. The *Aker Wayfarer* was delivered to the Company on 1 October 2010. This vessel thus contributed charter-hire for the full year of 2011, compared to only the last quarter of 2010, which explains the major part of the significant increase in operating revenues within this segment. This also affected the profit numbers. Operating profit before depreciation and amortisation was USD 42 million for the year ended 31 December 2011, compared to USD 9.8 million in 2010. Operating profit was USD 26.4 million for the year ended 31 December 2011, compared to USD 6.1 million in 2010. Profit for the year was USD 16.9 million for the year ended 31 December 2011, up from USD 3.8 million in 2010.

Segment, Geco Triton. Aker Invest AS, which indirectly controls the seismic vessel Geco Triton, reported operating revenues of USD 5.8 million for the year ended 31 December 2011, slightly down from USD 6.9 million in 2010. The slight reduction in operating revenues is explained by a renewal of the bareboat charter for this vessel with effect from 1 January 2011, which reduced the daily charter rate from USD 19,000 to USD 15,900. This also had effect on the profit numbers. Operating profit before depreciation and amortisation was USD 5.7 million for the year ended 31 December 2011, compared to USD 6.9 million in 2010. Operating profit was USD 4.1 million for the year ended 31 December 2011, compared to USD 5.2 million in 2010. Profit for the year was USD 2.7 million for the year ended 31 December 2011, up from USD 2.3 million in 2010, which is explained by a reduction of tax in 2011.

12.8 Financial Condition

As of 31 March 2013 Compared with As of 31 December 2012

The Company's total assets as of 31 March 2013 amounted to USD 1,539.2 million, compared to USD 1,498.4 million as of 31 December 2012. The difference primarily related to property, plant and equipment of USD 1,241.0 as of 31 March 2013 compared to USD 1,157.7 million as of 31 December 2012, and cash and cash equivalents of USD 63.7 million as of 31 March 2013 compared to USD 104.6 as of 31 December 2012. Property, plant and equipment as of 31 March 2013 was significantly impacted by the Company's acquisition of the *Far Senator* which was delivered on 21 March 2013, net of total depreciation of USD 24.2 million. The book value of the *Far Senator* as of 31 March 2013 was USD 105 million. Cash and cash equivalents as of 31 March 2013 were also impacted by the acquisition of the *Far Senator*.

The Company's total equity as of 31 March 2013 amounted to USD 546.8 million, compared to USD 533.0 million as of 31 December 2012. The difference primarily related to profit for the three months ended 31 March 2013 of USD 17.1 million.

The Company's total liabilities as of 31 March 2013 amounted to USD 992.4 million, compared to USD 965.4 as of 31 December 2012. Total liabilities as of 31 March 2013 was impacted by new debt assumed for the financing of the acquisition of the *Far Senator*, net of USD 29.0 in repayment of long-term interest bearing debt.

As of 31 December 2012 Compared with As of 31 December 2011

The Company's total assets as of 31 December 2012 amounted to USD 1,498.4 million, compared to USD 1,063.9 million as of 31 December 2011. The difference primarily related to property, plant and equipment of USD 1,157.7 million as of 31 December 2012 compared to USD 918.4 million as of 31 December 2011, interest-bearing long term receivables of USD 171.8 million as of 31 December 2012 compared to USD 20.0 million as of 31 December 2011, and cash and cash equivalents of USD 104.6 million as of 31 December 2012 compared to USD 61.5 million as of 31 December 2011. Property, plant and equipment as of 31 December 2012 was significantly impacted by the Company's acquisition of the *Lewek Connector* on 12 October 2012, net of total depreciation of USD 85.9 million. The book value of the *Lewek Connector* as of 31 December 2012 was USD 311.5 million. Interest-bearing long term receivables as of 31 December 2012 was significantly impacted by the Company's acquisition of the American Shipping Company bonds on 30 March 2012. The book value of the bonds as of 31 December 2012 was USD 151.8 million. Cash and cash equivalents as of 31 December 2012 was impacted by proceeds from a NOK 600 million senior unsecured callable bond loan issued by the Issuer in July 2012, USD 235 million in new debt to finance the acquisition of the *Lewek Connector*, and USD 118.7 million in net cash-flow from operating activities, and total investments related to the *Lewek Connector* acquisition of USD 315 million.

The Company's total equity as of 31 December 2012 amounted to USD 533.0 million, compared to USD 37.2 million as of 31 December 2011. The total equity as of 31 December 2012 was significantly impacted by the conversion into equity of the USD 308 million shareholder loan from Aker ASA to Aker Floating Production AS on 30 March 2012.

The Company's total liabilities as of 31 December 2012 amounted to USD 965.4, compared to USD 1026.8 as of 31 December 2011. The Aker ASA shareholder loan conversion contributed to the reduction in total liabilities as of 31 December 2012 compared to 31 December 2011, and new liability items as of 31 December 2012 included debt assumed under NOK 600 million bond loan, the new debt for the financing of the *Lewek Connector* less USD 96.6 in repayment of long-term interest bearing debt.

As of 31 December 2011 Compared with As of 31 December 2010

The Company's total assets as of 31 December 2011 amounted to USD 1063.9 million, compared to USD 1375.2 million as of 31 December 2010. The difference primarily related to property, plant and equipment of USD 918.4 million as of 31 December 2011 compared to USD 1029.8 million as of 31 December 2010, and interest-bearing long term receivables of USD 20 million as of 31 December 2011 compared to USD 219.2 million as of 31 December 2010. The reduction in property, plant and equipment as of 31 December 2011 was attributable to a total depreciation in 2011 of USD 84.9 million and a write-down of USD 20 million on the "SMART 2" hull. Interest-bearing long term receivables as of 31 December 2011 were impacted by intra-group share transactions which reduced the internal interest-bearing fixed assets in Ocean Yield ASA to nil as of 31 December 2011, compared to USD 113.5 million as of 31 December 2010. Cash and cash equivalents as of 31 December 2011 of USD 61.5 million were slightly lower than cash and cash equivalents as of 31 December 2010 of USD 71.1 million.

The Company's total equity as of 31 December 2011 amounted to USD 37.2 million, compared to USD 126.8 million as of 31 December 2010. The difference was primarily attributable to intra-group share transactions. The Company's total liabilities as of 31 December 2011 amounted to USD 1026.8, compared to USD 1248.4 as of 31 December 2010. Total liabilities as of 31 December 2011 reflects a lower amount of external interest-bearing debt of USD 601.6 million as of 31 December 2011 compared to USD 705.8 million as of 31 December 2010 as a result of repayment of external interest-bearing debt, and a lower amount of internal interest-bearing debt of USD 308.2 million as of 31 December 2011 compared to USD 395.5 as of 31 December 2010 as a result of intra-group share transactions.

12.9 Liquidity and Capital Resources

Overview; Sources and Uses of Funds

The Company's primary sources of liquidity have been net proceeds from equity capital injections by its sole shareholder, Aker ASA, net proceeds from borrowings, comprising of bank facilities and a bond loan (and for prior periods shareholder loans), and cash flows from operating activities. The Company's principal uses of funds have been to finance acquisitions and capital expenditure, as well as the payment of interest and repayment of the principal on the Company's borrowings.

The Company normally finances new investments with a combination of debt and equity, where the operating cash flow from each new investment is sufficient to cover the debt assumed for the relevant project. The most recent investments made by the Company have been financed by approximately 75% in debt, and the reminder by equity. The Company expects that a similar debt level will be applied for future investments.

As of 31 March 2013, the Company had cash and cash equivalents of USD 63.7 million. This consisted of cash deposits with Norwegian commercial banks of NOK 137.3 million (equal to USD 23.6 million) and USD 40.2 million.

As of 31 March 2013, the Company's current interest-bearing debt amounted to USD 93 million and comprised of instalments falling due within one year of USD 56 million relating to the borrowing arrangements for the financing of the *Dhirubhai-1*, USD 18 million relating to the borrowing arrangements for the financing of the *Aker Wayfarer*, and USD 20 million relating to the borrowing arrangements for the financing of the *Lewek Connector*. The Company's current interest-bearing debt will be covered by net cash inflows from operating activities.

Borrowings

Unsecured Bond Loan

In July 2012, the Issuer issued a NOK 600 million senior unsecured callable bond issue, the FRN Ocean Yield Senior Unsecured Callable Bond Issue 2012/2017, ISIN NO0010654379, listed on the Oslo Stock Exchange. Initially, the Issuer subscribed for bonds of NOK 100 million in the loan which later were sold in the market.

The bond loan carries a coupon of 3 months NIBOR plus 6.50% per annum, and matures in July 2017. However, the Company utilises a currency derivative instrument to counteract NOK/USD currency exchange fluctuations and has under such instrument in effect swapped the coupon from NOK to USD (from three months NIBOR plus 6.50% per annum to LIBOR plus 7.07% per annum).

The Issuer may redeem the bonds at any time at a premium, ranging from 106.00% (2015) to 100.50% (2017) of par value. Upon a change of control event, that is if Aker ASA ceases to hold a minimum of, or any other person or group becomes the owner of more than, 50% of the shares and/or voting rights in the Issuer, the bondholder may demand the loan to be prepaid at 101.00% of par value. Further, upon a mandatory prepayment event, being, among other things, any disposal by a material subsidiary of any material asset or the disposal by the Issuer of a relevant material subsidiary, the Issuer shall redeem the bonds at a premium, ranging from 106.00% (2014) to 101.00% (2016) of par value. However, if Reliance Industries uses its option to purchase the *Dhirubhai-1*, see Section 8.5 "Business Overview—Material Commercial Contracts—Dhirubhai-1", the Issuer shall redeem the bonds at a price equal to 50% of the applicable mandatory prepayment premium as soon as the sales proceeds are available. The Issuer may request suspension of mandatory prepayment for a twelve month period against depositing the redemption amount to escrow, within which period the Issuer may apply the redemption amount against the costs of acquiring a replacement offshore unit or vessel.

The bond loan is subject covenants customary in the Norwegian bond market with respect to, among other things, corporate actions, preservation of equity and restrictions on further encumbrances and financial indebtedness. Under the bond loan the Issuer shall not, during the term of the bond loan, make any dividend payment or similar equity distribution unless the liquidity of the Issuer, immediately after any such distribution exceeds the higher of USD 40 million and 3% of its net interest-bearing debt. The Issuer shall further, at all times during the term of the bond loan, maintain on a consolidated basis, (a) a minimum equity ratio of 25%, (b) a liquidity of no less than the higher of USD 25 million and 3% of its net interest-bearing debt, and (c) an interest rate coverage ratio (EBITDA to net interest cost) of no less than 2.0:1.

The loan proceeds from the bond issue have been applied to investments.

The Dhirubhai-1 Facility

Aker Contracting FP ASA, the owner of the *Dhirubhai-1*, is the borrower under a USD 583 million syndicated senior secured credit facility (the "**Dhirubhai-1 Facility**") entered into in August 2008 with DNB Bank as agent, for the financing of the *Dhirubhai-1*. The credit facility comprise of a term loan facility (facility A) of up to USD 565 million and a guarantee facility (facility B) of up to USD 18 million for Aker Contracting FP ASA's obligations under the charter contract and the operation and maintenance agreement for the *Dhirubhai-1*. Additionally, the Company has implemented an amendment to the Dhirubhai-1 Facility so as to include a subordinated USD 17 million term loan facility (facility C).

Facility A carries an interest rate of LIBOR plus 1.50% per annum. The Company has used interest rate derivatives in order to effectively fix the LIBOR interest rate under facility A for a principal amount of USD 50 million at 0.869% (until July 2016), and USD 50 million at 0.6% (until February 2016). The term loan is repaid in instalments payable every third month and matures on the earliest of (i) the expiry of the charter contract pertaining to *Dhirubhai-1*, for any reason, and (ii) 31 May 2018. In addition, facility A contains a cash sweep provision pursuant to which the loans under facility A shall be repaid with 50% of the borrower's excess cash (which is the payments received under the *Dhirubhai-*

1 bareboat charter less repayment instalments, net interest payments and certain other items) for each financial year. Facility C will not include a cash sweep provision, and the facility C borrowing amount will equal the cash sweep amount under facility A.

Under the guarantee facility, facility B, the borrower pays a guarantee commission of the aggregate of 0.60% per annum and the incurred costs or fees by the issuer of the performance guarantees. The guarantee commission shall be paid in quarterly arrears until the liabilities of the guaranteeing banks have been discharged in full. The performance guarantees matures six months after the final repayment of the term loan.

The obligations of the borrower under the Dhirubhai-1 Facility are secured by, among other things, a first priority mortgage over the *Dhirubhai-1*; a floating charge over machinery and plant; an account pledge; and a guarantee issued by Aker Floating Production AS, which has also pledged its shares in Aker Contracting FP ASA as security under the facility. Other than facility C, the facilities are not guaranteed by the Issuer.

The Dhirubhai-1 Facility includes financial covenants with respect to maintenance by the borrower of a blocked cash account with a deposit of USD 10 million; maintenance by the borrower of a debt service cover ratio (EBITDA to total debt service under the facility) of minimum 1.15; maintenance by the guarantor of a minimum book equity (on a consolidated basis) of USD 200 million; maintenance by the guarantor of an equity ratio (on a consolidated basis) of at least 25% and maintenance by the guarantor of a blocked cash account with a deposit of USD 10 million.

In addition, the borrower has under the Dhirubhai-1 Facility made undertakings with respect to, among other things, further financial indebtedness, granting of further security over its assets, disposals and mergers and certain other corporate actions, as well as changes in business and new investments. The facility also restricts the borrower from distributing dividends in excess of 50% of the borrower's excess cash resulting from the payments received from the charterer under the charter contract for the *Dhirubhai-1*, less repayment instalments and interest payments and certain other items, however such that the restriction does not comprise extraordinary charter-hire payments. Any dividends or other distribution from excess cash generated in a financial year may only be made if the borrower has used 50% of excess cash to repay the loans under the facility A that financial year. As of the date of this Prospectus, the borrower has available funds from such extraordinary charter-hire payments which may be distributed.

The Dhirubhai-1 Facility is subject to mandatory prepayment if, among other things, the *Dhirubhai-1* is sold or upon a total loss of the vessel; the charter contract or other agreements relating to the operation of the *Dhirubhai-1* are terminated or there is an event of default under any such agreements; if Aker ASA or a wholly-owned subsidiary of Aker ASA ceases to hold more than 33.4% of the voting rights in Aker Floating Production AS, the guarantor under the facility; or upon the occurrence of a default by the borrower or the guarantor under any financial indebtedness (cross-default), and if the credit rating of the charterer of the vessel falls below BBB- (S&P). The borrower has the right to prepay the loan on a voluntary basis without penalty, subject to payment of accrued interest and applicable break costs.

As of 31 March 2013, USD 314 million in principal was outstanding under the Dhirubhai-1 Facility. In addition, the facility C loan of USD 17 million was fully drawn during June 2013.

The Aker Wayfarer Facility

Aker Ship Lease AS is the borrower under a guarantee and term loan facility for the financing of the *Aker Wayfarer* (the "**Aker Wayfarer Facility**"), with Eksportfinans as lender and DNB Bank as facility agent. The Aker Wayfarer Facility comprise of a term loan facility of NOK 1,238 million, which is guaranteed in full by a NOK 247.6 million commercial guarantee issued by DNB Bank as original commercial guarantor, and a NOK 990.4 million guarantee policy issued by Garanti-Instituttet for Eksportkreditt, or GIEK.

The term loan carries an interest rate per annum of NIBOR plus 0.4%. A commission in respect of the commercial guarantee and the GIEK guarantee accrues from day to day at a rate of 1.25% per annum, calculated on the basis of the maximum exposure and liability of the guarantors from time to time.

As discussed in Section 12.6 "—Recent Developments and Current Trading", the Company has received a firm offer from Eksportkreditt relating to a replacement of Eksportfinans as lender under the facility. The replacement of Eksportfinans with Eksportkreditt as lender under the facility will result in a higher interest rate on the loan.

The term loan shall be repaid in semi-annual instalments in the amount of 1/24 of the original principal loan amount until final maturity in September 2022.

Aker Shiplease 1 AS, the owner of the *Aker Wayfarer* and the guarantor under the Aker Wayfarer Facility has granted security under the Aker Wayfarer Facility in the form of *inter alia* a first priority mortgage of the *Aker Wayfarer*; a factoring charge, and a floating charge over machinery and plant; and the borrower has granted security in the form of *inter alia* a share pledge of the shares in the guarantor and the rights of the borrower under an intra-group loan to the guarantor.

The facility is not guaranteed by the Issuer.

The borrower and the guarantor have under the Aker Wayfarer Facility made undertakings *inter alia* with respect to further financial indebtedness, granting of further security over its assets, disposals and mergers and certain other corporate actions and change in business and new investments, as well as maintenance of insurances and class of the vessel and depositing of NOK 10 million at a cash account.

The loan is subject to mandatory prepayment in the event of, among other things, a total loss, sale or disposal of the *Aker Wayfarer*. The borrower can prepay the loan at a voluntary basis, subject to a handling fee, in addition to accrued interest and applicable break costs. Further, the facility includes cross-default provisions triggered by the occurrence of a default by the borrower or the guarantor under any financial indebtedness.

As of 31 March 2013, NOK 1026.9 million (or USD 177 million) in principal was outstanding under the Aker Wayfarer Facility.

The Lewek Connector Facility

Connector Holding 1 AS is the borrower under a guarantee and term loan agreement (the "**Lewek Connector Facility**"), with DNB Bank as facility agent. The Lewek Connector Facility comprises of a facility A tranche of approximately USD 215 million with Eksportkreditt Norge as original lender, and a facility B tranche of approximately USD 19 million with DNB Livsforsikring as original lender. The facility A tranche is guaranteed in full by a commercial guarantee of USD 85 million issued by DNB Bank as original commercial guarantor and a guarantee policy issued by GIEK of USD 130 million.

The facility A tranche carries an interest rate of NIBOR plus 1.38% per annum and the facility B tranche carries an interest of NIBOR plus 1.5% per annum. The Company has used interest rate derivatives in order to effectively fix the interest rate under the facility for a principal amount of USD 50 million at 0.71% (until May 2017). The commercial guarantee and the GIEK guarantee policy is subject to a guarantee commission of 1.60% per annum calculated on the basis of the amount of the guarantees from time to time.

The loans shall be repaid in consecutive semi-instalments of USD 8,959,472.82 (the facility A tranche) and USD 832,193.84 (the facility B tranche) until the final maturity in May 2024. The commercial guarantee is, however, subject to renewal in May 2017.

Connector 1 AS, the owner of the *Lewek Connector*, has, together with the Issuer, guaranteed the borrower's obligations under the facility. Connector 1 AS has further granted security under the facility in the form of *inter alia* a first priority mortgage of the *Lewek Connector*, a floating charge over machinery and plant, a factoring charge, a pledge of earnings account and a charge over inventory; and the borrower has granted security in form of *inter alia* a share pledge over the shares in the borrower.

Under the facility, the borrower and Connector 1 AS have made undertakings with respect to, among other things, additional financial indebtedness, granting of further security over its respective assets, mergers and certain other corporate actions and change in business.

The Lewek Connector Facility includes financial covenants under which the borrower (on a consolidated basis) must maintain an interest cover ratio (EBITDA to the aggregate of interest expenses, guarantee commission and instalments payable by the borrower and Connector 1 AS on a consolidated basis) of no less than 1.2:1. The Issuer must maintain an equity ratio of minimum 25% on a consolidated basis, an aggregate book value of total equity of at least USD 300 million, an interest cover ratio (ratio of EBITDA to net interest cost during a 12 months period) of no less than 2:1, a positive working capital and a minimum liquidity above USD 25 million, or USD 40 million in the event the interest cover ratio is less than 2.5:1, of which at least 50% shall be held in the borrower and/or the Issuer. Further, the minimum fair market value of the vessel shall in the period until 24 May 2013 not be less than 120%, from 24 May

2013 to 24 May 2014 not be less than 125% and thereafter not be less than 130% of the outstanding loans under the facility.

The loan is subject to mandatory prepayment in the event of, among other things, a total loss, sale or disposal of the *Lewek Connector*, if Aker ASA ceases to own, directly or indirectly, at least 50.1% of the shares in Connector 1 AS or any person other than Aker ASA becomes the owner of more than 33.3% of the shares in Connector 1 AS. Further, the facility includes cross-default provisions triggered by the occurrence of a default by the borrower or the guarantor under any financial indebtedness.

As of 31 March 2013, USD 224 million in principal was outstanding under the Lewek Connector Facility.

The PCTC Facility

LH Shiplease AS is the borrower under a USD 92 million pre- and post-delivery term loan facility to finance the PCTCs (the "**PCTC Facility**"), with Skandinaviska Enskilda Banken (SEB) as agent. LH Shiplease 1 AS, to be the owner of the PCTCs upon delivery, and the Issuer, are guarantors under the facility.

The PCTC Facility comprise of two tranches of USD 6.15 million each, which are available to the borrower prior to the delivery of the vessels, and two tranches of USD 39.85 million each to be made available to the borrower upon vessel delivery.

The loans under the facility carry an interest rate of LIBOR plus 3.25% per annum. Each loan shall be repaid in quarterly consecutive instalments of 1/60 of the outstanding loan, with the final maturity date falling five years from vessel delivery.

The borrower has granted, or will grant, security under the PCTC Facility in the form of, among other things, pre-delivery security assignments relating to each of the shipbuilding contracts for the PCTCs, and a share charge over the shares in LH Shiplease AS; and the Issuer has granted security in the form of a share charge over the shares in LH Shiplease 1 AS. LH Shiplease AS will upon delivery of the vessels grant further security, including first priority mortgages over the PCTCs and assignment over earnings and insurances.

Under the PCTC Facility, the borrower and LH Shiplease 1 AS have made certain undertakings in terms of, among other things, change of business, and further indebtedness and investments. The Issuer has undertaken not to distribute dividends if it following such distribution will have free cash and cash equivalents of less than USD 40 million.

The PCTC Facility includes financial covenants as to equity ratio, interest coverage ratio and minimum liquidity and equity at the level of the Issuer on a consolidated basis. At all times, the Company's equity ratio shall not be less than 25%, the interest cover ratio (EBITDA to net interest cost) not be less than 2.00:1, the minimum liquidity not less than the higher of USD 25 million and 3% of its net interest-bearing debt, and the total book equity not less than USD 300 million. Further, the minimum fair market value of the vessels shall at no times be less than 120% of the outstanding loans under the facilities.

The loan is subject to mandatory prepayment *inter alia* in the event of a sale, termination or cancellation of one of the shipbuilding contracts for the PCTCs, or a sale or a total loss of the PCTCs after delivery of the vessels. Further, the facility includes cross-default provisions triggered by the occurrence of a default by the borrower or the guarantor under any financial indebtedness.

As of 31 March 2013, no amounts had been drawn under the PCTC Facility.

The AHTS Vessel Facility

F-Shiplease Holding AS is the borrower under a NOK 916.2 million term loan and guarantee facilities agreement for the part financing of the acquisition of the AHTS vessels *Far Senator* and *Far Statesman* (the "**AHTS Vessel Facility**"), with Eksportkreditt Norge and Swedbank as lenders.

The AHTS Vessel Facility comprise of two term loan facilities split in sub-facilities: a term loan facility A of up to NOK 916.2 million divided into a facility A1 commitment of NOK 458.1 million and a facility A2 commitment of NOK 458.1 million; and a term loan facility B of up to NOK 68.7 million divided into a facility B1 commitment of up to NOK 34.3 million and a facility B2 commitment of up to NOK 34.3 million. The facility A tranche is guaranteed by commercial guarantees of in total NOK 300 million issued by Swedbank and NOK 100 million issued by Sparebanken Møre and guarantee policies issued by GIEK of in total NOK 516.2 million.

The purpose of facility A1 and facility A2 is to part finance the purchase price for the *Far Senator* and the *Far Statesman*, respectively, whereas the purpose of facility B1 and facility B2 is to adjust the facility A1 and facility A2 maturity profiles of twelve years from delivery of the respective vessel to fifteen year repayment profiles.

The facility A loans carry fixed interest rates of 3.69% per annum, whereas the facility B loans carry floating interest rates of NIBOR plus 3.5% per annum. A guarantee commission of 1.60% per annum accrue from day to day in respect of the commercial guarantees and the GIEK guarantees on the basis of the maximum exposure under the guarantees for the facility A loans.

The facility A loans shall be repaid in 24 consecutive semi-annual instalments of equal amounts using a twelve year repayment profile, whereas the facility B loans shall be repaid on the final maturity date falling five years after delivery of the respective vessel, unless extended. The commercial guarantees, facility B1 and facility B2 (the facilities to adjust the repayment profiles of the facility A1 and facility A2 loans) are subject to renewal after five years from the delivery of the respective vessel.

The AHTS Vessel Facility is, or shall be, secured by, among other things, first priority mortgages over the vessels, floating charges over machinery and equipment, factoring charges, pledge of earnings accounts, bareboat charter contract assignments, and assignment of insurances, granted by F-Shiplease AS, the vessel owning company and guarantor under the facilities; as well as pledge of the shares in the borrower and the vessel owning company granted by the Issuer and the borrower, respectively.

The AHTS Vessel Facility includes financial covenants as to equity ratio, interest cover ratio and minimum liquidity at the level of the Issuer on a consolidated basis. At all times, the Company's equity ratio shall not be less than 25%, the interest cover ratio (EBITDA to net interest cost) not less than 2.00:1, and the minimum liquidity not less than the higher of USD 25 million and 3% of its net interest-bearing debt. Further, the borrower and the guarantors have under the AHTS Vessel Facility made undertakings with respect to, among other things, further financial indebtedness, granting of further security over its assets, disposals and mergers and certain other corporate actions and change in business and new investments, as well as maintenance of insurances and class of the vessel and minimum vessel values of at least 120% of the loans outstanding under the facilities at all times. The facility includes cross-default provisions triggered by the occurrence of a default by the borrower or the guarantors under any financial indebtedness.

The AHTS Vessel Facility contains provisions on mandatory prepayment of the relevant loan upon the occurrence of, among other things, a sale or total loss of the relevant AHTS vessel or sale of the shares in the relevant vessel owning company, if Farstad Shipping ceases of own 100% of the bareboat charterer and if Aker ASA ceases to own 50.1% of the shares in the Issuer. The borrower can prepay the loan at a voluntary basis, subject to a handling fee, in addition to accrued interest and applicable break costs.

As of 31 March 2013, NOK 458.1 million (or USD 78 million) in principal was outstanding under the AHTS Vessel Facility. In addition, NOK 458.1 million (or USD 79 million) was drawn in conjunction with delivery of the *Far Statesman* on 4 June 2013.

Maturity Overview

The table below shows the Company's contractual maturities of financial liabilities, including estimated interest payments, specified per category of interest bearing liabilities as of 31 March 2013.

	As of 31 March 2013						
USD million	**Carrying Amount**	**Contractual Cash Flow**	**6 Months or Less**	**6—12 Months**	**1—2 Years**	**2—5 Years**	**Over 5 Years**
Secured loans	792.7	-885.6	-62.3	-66.2	-124.7	-367.8	-264.5
Unsecured bond loan	101.2	-143.9	-4.5	-4.6	-9.1	-125.7	—
Total	893.9	-1,029.4	-66.8	-70.8	-133.8	-493.5	-264.5
Trade and other payables	16.8						
Long term interest-free liabilities[(1)]	81.7						
Total liabilities	992.4						

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(1) Includes USD 80.9 million in deferred revenue.

Cash Flows

Cash Flows for the Three Months Ended 31 March 2013 Compared with the Three Months Ended 31 March 2012

The Company had net cash inflows from operating activities of USD 29.6 million for the three months ended 31 March 2013, compared to USD 29.9 million for the same period in 2012. The difference between the Company's operating profit before depreciation and amortisation of USD 48.8 million and net cash inflows from operating activities for the three months ended 31 March 2013 was mainly due to mobilisation fees of USD 4.5 million and net interest paid of USD 4.9 million. Cash outflows from investing activities were USD 120.9 million for the three months ended 31 March 2013, compared to nil for the same period in 2012. The cash outflows from investing activities for the three months ended 31 March 2013 was mainly related to the acquisition of the two AHTS vessels; the *Far Senator*, delivered to Ocean Yield on 21 March 2013 and the *Far Statesman*, to be delivered to Ocean Yield early June 2013. Net cash inflows from financing were USD 51.6 million for the three months ended 31 March 2013, compared to net cash outflows of USD 29.7 million for the same period in 2012. The net cash inflows from financing for the three months ended 31 March 2013 were primarily attributable to the new long-term interest bearing loans under the AHTS Vessel Facility, as well as repayment of debt under the Dhirubhai-1 Facility. Net cash outflows for the three months ended 31 March 2013 was USD 39.7 million, resulting in cash and cash equivalents of USD 63.7 million as of 31 March 2013. In addition, the Company had USD 20 million of restricted cash deposits classified as interest-bearing long-term receivables. The Company held no marketable securities as of 31 March 2013.

Cash Flows for the Year Ended 31 December 2012 Compared with the Year Ended 31 December 2011

The Company had net cash inflows from operating activities of USD 118.7 million for the year ended 31 December 2012, compared to USD 100.9 million in 2011. The difference between the Company's operating profit before depreciation and amortisation of USD 151.4 million and net cash inflows from operating activities in 2012 was mainly due to mobilisation fees and change orders recognised of USD 17.6 million and net interest paid of USD 16 million. Cash outflows from investing activities were USD 316.1 million for the year ended 31 December 2012, compared to USD 12.7 million in 2011. The cash outflows from investing activities for the year ended 31 December 2012 was mainly related to the acquisition of the *Lewek Connector*, payment of the first instalment for the PCTCs and the sale of assets relating to the "SMART 2", the abandoned project for a second FPSO. Net cash inflows from financing were USD 238.3 million for the year ended 31 December 2012, compared to net cash outflows of USD 96.6 million 2011. The net cash inflows from financing in 2012 primarily related to the NOK 600 million bond loan, the financing of the *Lewek Connector* and debt instalments of the Company. Net cash inflows for the year was USD 40.8 million, resulting in cash and cash equivalents of USD 104.6 million at as 31 December 2012. In addition, the company had USD 20 million of restricted cash deposits classified as interest-bearing long-term receivables. The Company held no marketable securities as of 31 December 2012.

Cash Flows for the Year Ended 31 December 2011 Compared with the Year Ended 31 December 2010

The Company had net cash inflows from operating activities of USD 100.9 million for the year ended 31 December 2011, compared to USD 91.3 million in 2010. The difference between the Company's 2011 operating profit before depreciation and amortisation of USD 148.8 million and net cash inflows from operating activities was mainly due to mobilisation fees and change orders for the *Aker Wayfarer* and the *Dhirubhai-1*, as well as net interest paid of USD 18.7 million. Cash outflows from investing activities were USD 12.7 million for the year ended 31 December 2011, compared to cash outflows of USD 190.3 million in 2010. The cash outflows from investing activities in 2010 relates to capital expenditures of USD 199.4 million on the *Aker Wayfarer*. Net cash outflows from financing were USD 96.6 million for the year ended 31 December 2011, compared to net cash inflows of USD 134.7 million in 2010. The higher net cash inflows from financing in 2010 were attributable to proceeds of USD 220.9 million from issuance of long term debt during that year. Net cash outflows for 2011 was USD 8.4 million, resulting in cash and cash equivalents of USD 61.5 million at 31 December 2011. In addition, the company had USD 20 million of restricted cash deposits classified as interest-bearing long-term receivables. The Company held no marketable securities as of 31 December 2011.

Restrictions on Transfer of Funds from Subsidiaries

As of the date of this Prospectus, the Issuer is not aware of any restrictions on transfer of funds from its subsidiaries other than general requirements as to dividend capacity and restrictions on distribution of dividends and other distributions under the subsidiaries' applicable company laws, and dividend and distribution restrictions and cash deposit requirements under the borrowing arrangements of the Company. The Issuer is of the opinion that none of these restrictions have, or could have, a material direct or indirect impact on the business of the Company. For a discussion about dividend restrictions under the Company's borrowing arrangements, see under the caption "—Borrowings" above.

Liquidity Related Ratios

The table below discloses unaudited information on interest cover and debt/equity ratios for the Company.

	As of 31 March		As of 31 December		
	2013	2012	2012	2011	2010
Debt-to-equity ratio(1)	1.8	1.4	1.8	24.7	10.0
Interest coverage ratio(2)	13.9	1.8	4.9	3.4	2.8

(1) Total liabilities to shareholders equity.

(2) EBITDA to net interest cost for the period.

Working Capital Statement

As of the date of this Prospectus, the Issuer is of the opinion that Ocean Yield's working capital is sufficient for its present requirements and, in particular, is sufficient for at least the next twelve months from the date of this Prospectus.

12.10 Investing Activities

Below is a summary of the Company's principal investments during 2012, 2011 and 2010 and to the date of this Prospectus. (Investments that are not consummated as of the date of this Prospectus, but which are in progress and to which the Company has made firm commitments, are as indicated):

- Ocean Yield was established in March 2012, in its present form, with ownership of the *Dhirubhai-1*, the *Aker Wayfarer*, the *Geco Triton* and an investment of 93% of the bonds in American Shipping Company's NOK 700 million unsecured bond loan (AMSC 07/18 FRN C, ISIN NO0010356512). These assets were acquired by the Company through acquisition of shares in asset owning companies, except with respect to the American Shipping Company bonds which were acquired directly, from Aker ASA group companies, with deferred settlement of the purchase price by way of sellers' credits. Following the purchases, some of which were effectuated in December 2011 (the purchase of the shares in Aker Invest AS, Aker Invest II KS and Aker Shiplease AS) and some in March 2012 (the purchase of the shares in Aker Floating Production AS and the American Shipping Company bonds), the sellers' credits were acquired by Aker ASA from the different selling Aker ASA group companies and converted into equity in the Issuer on 31 March 2012. After netting of receivables held by Ocean Yield against Aker ASA (some of which had arisen in connection with the reorganisation, as part of sale of assets, and some of which had existed prior to the reorganisation) with the claims of Aker ASA against Ocean Yield under the sellers' credits, the resulting total amount of NOK 2,600 million was converted into equity in the Issuer. The purchase prices for the asset owning companies and the American Shipping Company bonds that applied to the transaction, the claims for which were converted to equity in the Issuer or netted against receivables held by Ocean Yield against Aker ASA, is specified as follows:

	Purchase Price (NOK million)	Purchase Price (USD million)(1)
Purchase of Aker Floating Production AS (owning AFP Operations AS and Aker Contracting FP ASA, and thereby the *Dhirubhai-1*), effectuated in March 2012	1,758	309
Purchase of Aker Shiplease AS (owning Aker Shiplease 1 AS and Aker Shiplease 2 AS, and thereby the *Aker Wayfarer*), effectuated in December 2011	759	128
Purchase of Aker Invest AS and Aker Invest II KS (owning American Champion Inc., New Pollock Inc., and thereby the *Geco Triton*), effectuated in December 2011	780	136
Purchase of American Shipping Company bonds, effectuated in March 2012	808	142
Aggregate purchase price, represented by sellers' credit held by Aker ASA against the Issuer, as of 31 March 2012	4,105	721
Receivables held by the Issuer against Aker ASA as of 31 March 2012, as netted against the total purchase price	1,505	264
Net amount of sellers' credits held by Aker ASA against the Issuer, as converted into equity in the Issuer on 31 March 2012	2,600	457

(1) The purchase prices and other amounts referred to in this table were denominated in NOK. The USD amount set out in this table is included for the convenience of the reader of this Prospectus only, and does not refer the actual transaction currency for any of the transactions. NOK/USD exchanges rates as of the date of each transaction have been used for the purposes of arriving at the USD figures. For the purposes of arriving at the aggregate purchase price in USD, the NOK/USD exchange rate as of 31 March 2012 has been used, and the aggregate purchase price figure in USD will therefore not reconcile with the purchase price figures in USD per company or asset purchase as set out in the table.

- In September 2012, the Company ordered the two PCTCs from Deawoo Shipbuilding & Marine Engineering and Daewo-Mangalia Heavy Industries, which will be built at Deawoo-Mangalia Heavy Industries' shipyard in Mangalia, Romania. The contract price for each of the vessels is USD 61 million. The contract price is payable in instalments as follows: (i) 10% upon contract signing, (ii) 10% 180 days after contract signing, (iii) 10% upon keel laying, but not earlier than nine months prior to delivery of the vessel, and (iv) the balance of 70% shall be paid upon delivery. Korea Development Bank has provided refund guarantees in respect of the pre-delivery payments. The vessels are expected to be delivered in April 2014 (hull no. 4401) and August 2014 (hull no. 4402). Approximately 70% of the building costs will be financed by the PCTC Facility, whereas the remaining amount will be funded by equity and cash flows from operating activities. For a discussion about the construction contracts, see Section 8.5 "Business Overview—Material Commercial Contracts—The PCTCs", and for a discussion of the PCTC Facility, see Section 12.9 "—Borrowings".

- In October 2012, the Company acquired the *Lewek Connector* from AMC Connector, a joint venture between EZRA and Aker Solutions, for a purchase price of USD 315 million. Approximately 75% of the purchase price was financed by loan proceeds from the Lewek Connector Facility and the remaining amount by equity; see Section 12.9 "—Borrowings" for a discussion about the Lewek Connector Facility.

- In March 2013, the Company entered into agreements with Farstad Supply for the acquisition of the two AHTSs, the *Far Senator* and the *Far Statesman*. The *Far Senator* was delivered in March 2013. The purchase price for this vessel was NOK 611 million, or approximately USD 107 million. Approximately 75% of the purchase price was financed by loan proceeds from the AHTS Vessel Facility and the remaining amount by equity. The *Far Statesman* was delivered in June 2013, and the purchase price for this vessel was the same as for the *Far Senator*, NOK 611 million, or approximately USD 105 million; of which approximately 75% was financed by loan proceeds from the AHTS Vessel Facility and the remaining by equity. See Section 12.9 "—Borrowings" for a discussion about the AHTS Vessel Facility.

12.11 Off Balance Sheet Arrangements

As of the date of this Prospectus, the Company is not subject to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition.

12.12 Health, Safety and Environment

The Company's corporate values and ethical guidelines make health, safety and environment (HSE) responsibility an integral facet of its business. The Issuer currently has three employees while its subsidiary, Aker Floating Production AS, directly or indirectly has 16 employees. The majority of the crew on board the *Dhirubhai-1* is outsourced through a third party manager. Constant HSE awareness steers the Company's continuous effort to avoid accidents which could lead to personnel injury or damage to equipment, environment or reputation. There has been no lost time incidents on board the *Dhirubhai-1* during the period from 1 January 2010 and to the date of this Prospectus.

Ocean Yield is committed to its business operations not having a harmful effect on the environment in excess of what would be normal for this type of industry. Operational key performance indicators with targets and monthly follow-up (measure, control and report back) have been agreed with the charterer of the *Dhirubhai-1* and include also factors such as oil spillage, sickness and chemical consumptions. The contractual arrangements with the charterer of the vessel also incentivise both parties to avoid gas flaring. The remaining vessels in Company's fleet are chartered out on bareboat contracts, where all operating risk lies on the charterer.

13 THE ISSUER'S SOLE SHAREHOLDER; RELATED PARTY TRANSACTIONS

This Section provides information about the sole shareholder of the Issuer, Aker ASA, and certain transactions which the Company is, or has been, subject to with its related parties during the three years ended 31 December 2012, 2011 and 2010 and up to the date of this Prospectus. For the purposes of the following disclosures of related party transactions, "related parties" are those that are considered as related parties of the Company pursuant to IAS 24 "Related Party Disclosures".

13.1 About Aker ASA

Aker ASA is an industrial investment company that exercises active ownership. As an active owner, Aker ASA's goal is to develop companies in industries where Aker ASA has a solid track record. Aker ASA supports the companies through an ownership agenda, including with respect to operational improvement, strategy, financing, restructuring and execution of industrial transactions.

Aker ASA was listed on the Oslo Stock Exchange in 2004, and its shares trade under the trading symbol "AKER". The history of the predecessor companies of Aker ASA's dates back to 1841. Aker ASA's ownership interests are concentrated within oil services, E&P, seafood and marine biotech, marine assets and finance.

In addition to being the sole shareholder of Ocean Yield, Aker ASA's principal industrial holdings comprise of holdings in the following companies (either as a principal shareholder or as sole shareholder):

- *Aker Solutions ASA.* Aker Solutions is a globally leading supplier of products, systems and services for the oil and gas industry. The company's expertise and technology cover the entire production chain, from reservoir development to on-stream production and throughout a field's lifecycle. Aker Solutions ASA is listed on the Oslo Stock Exchange under the trading symbol "AKSO".

- *Det norske oljeselskap ASA.* Det norske oljeselskap ASA is the second largest Norwegian based oil company on the Norwegian Continental Shelf in terms of operatorships, licenses, and drilling activities. The company is a partner in the Johan Sverdrup (Aldous/Avaldsnes) discovery in the North Sea, which was 2011's largest oil discovery worldwide. Det norske oljeselskap ASA is listed on the Oslo Stock Exchange under the trading symbol "DETNOR".

- *Kværner ASA.* Kvaerner is a specialised EPC company that plans and executes large, complex projects. EPC is the acronym for Engineering, Procurement, and Construction – engineering services, purchasing services and fabrication. Kværner ASA is listed on the Oslo Stock Exchange under the trading symbol "KVAER".

- *AkerBiomarine AS*. Aker BioMarine develops, markets, and sells ingredients produced from sustainably harvested Antarctic krill. The biotechnology company's products feature documented benefits in applications for animal and fish feed, food, dietary supplements and pharmaceuticals.

- *Havfisk ASA.* Havfisk ASA is Norway's largest trawler company with 11 vessels and 29.6 cod trawling licenses. Havfisk ASA is a pure fishing company, which primarily catches cod, haddock and saithe. Havfisk ASA is listed on the Oslo Stock Exchange under the trading symbol "HFISK".

13.2 Aker ASA's Ownership in the Issuer After Consummation of the Offering

Assuming that all the Offer Shares are sold and issued in the Offering, and that no Additional Shares as sold, Aker ASA will retain a shareholding in the Issuer of approximately 75%. If the Over-allotment Option is exercised in full by the Joint Bookrunners, and the maximum number of Additional Shares which may be sold pursuant to the Over-allotment Option is sold, Aker ASA's shareholding in the Issuer following such sale will amount to approximately 72.4%. These ownership percentages are notifiable under Norwegian law.

For a discussion of the lock-up restrictions pertaining to the Shares held by Aker ASA after consummation of the Offering, see Section 6.13 "The Terms of the Offering—Lock-Up".

Aker ASA will, as a result of its significant shareholding in the Issuer, have the ability to significantly influence the outcome of matters submitted for the vote of the shareholders of the Issuer.

The Shares held by Aker ASA in the Issuer are equal in all respects, and carry one vote per Share, as any other Shares in the Issuer, including the new Shares to be issued in the Offering. The minority shareholders of the Issuer are afforded the minority rights as applicable from time to time under the Norwegian Public Limited Liability Companies Act; see Section 16.10 "Corporate Information; The Shares and Share Capital—Certain Aspects of Norwegian Corporate Law—Minority Rights".

The Issuer is not aware of any arrangements, the operation of which may at a date subsequent to the date of this Prospectus result in the change of control of the Issuer.

13.3 Related Party Transactions

Related Parties; Aker ASA

As of the date hereof, Aker ASA is the sole shareholder of the Issuer. Aker ASA's principal shareholder is TRG Holding AS, controlled by Kjell Inge Røkke and his family through The Resource Group AS. All companies controlled by Kjell Inge Røkke are considered as related parties of the Company.

Transactions with Kjell Inge Røkke

The Company does not have any material outstanding accounts, and there has not been any transactions during 2012, 2011 and 2010 and to the date of this Prospectus, with Kjell Inge Røkke, except for payment by the Issuer of director remuneration for the services of Mr. Røkke as director of the Issuer, which was paid to The Resource Group AS.

Office and Services

The Company rent office space from, and has a service agreement with, Aker ASA. Under the service agreement, Aker ASA provides certain accounting, financial and administration services to the Company. The services provided by Aker ASA under the service agreement is charged on the basis of allocation of cost plus 4%.

Lewek Connector

In October 2012, the Company entered into an agreement to acquire the offshore construction and cable lay vessel Lewek Connector from AMC Connector AS for a total consideration of USD 315 million. The seller of the vessel, AMC Connector, is a 50/50 joint venture between EZRA and Aker Solutions. Aker ASA indirectly owns 28% of Aker Solutions through Aker Kværner Holding AS. The transaction was executed according to Aker ASA's arm length principles for related party transactions. The board of directors of Aker Kværner Holding AS approved the transaction in accordance with the prevailing shareholder agreement between Aker ASA and the Norwegian State.

14 BOARD OF DIRECTORS, MANAGEMENT, CORPORATE GOVERNANCE AND EMPLOYEES

This Section provides summary information about the board of directors and the executive management of the Issuer and disclosures about their employment arrangements with the Company and other relations with the Company, summary information about the certain other corporate bodies and the governance of the Company, as well as employee data.

14.1 Overview

The board of directors is responsible for the overall management of the Company and may exercise all the powers of the Company. In accordance with Norwegian law, the board of directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business; ensuring proper organisation, preparing plans and budgets for its activities; ensuring that the Company's activities, accounts and asset management are subject to adequate controls and to undertake investigations necessary to ensure compliance with its duties. The board of directors may delegate such matters as it seems fit to the executive management of the Company (the "**Management**").

The Company's Management is responsible for the day-to-day management of the Company's operations in accordance with instructions set out by the board of directors. Among other responsibilities, the Company's CEO is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, at least once a month the Company's CEO must brief the board of directors about the Company's activities, financial position and operating results.

14.2 Board of Directors and Management

Board of Directors

The Issuer's articles of association (the "**Articles of Association**") provide that the Issuer's board of directors shall consist of a minimum of three and a maximum of seven members. The Company's board of directors is currently composed of three members; Trond Brandsrud (Chairman), Kjell Inge Røkke (Director) and Katrine M. Klaveness (Director). Katrine M. Klaveness will, however, resign from her position as director as of the first day of trading in the Shares on the Oslo Stock Exchange, and three new directors have been elected as directors, effective as of the same date. These new directors are: Anne-Christin Døvigen, Jens Ismar and Annicken Gann Kildahl. The names and positions of the members of the board of directors, including the new directors, and the terms for which they have been elected, are set out in the table below.

	Position	Served Since	Expiry of Term of Office
Trond Brandsrud	Chairman	2012	Annual general meeting in 2015
Kjell Inge Røkke	Director	2012	Annual general meeting in 2015
Katrine M. Klaveness	Director	2012	First day of trading in the Shares
Anne-Christin Døvigen	Director	Elected with effect from listing	Annual general meeting in 2015
Jens Ismar	Director	Elected with effect from listing	Annual general meeting in 2015
Annicken Gann Kildahl	Director	Elected with effect from listing	Annual general meeting in 2015

The Company's registered business address, Fjordalléen 16, 0250 Oslo, Norway, serves as c/o address for the members of the board of directors in relation to their directorship of the Company.

The composition of the Company's board of directors will as of the first day of trading of the Shares on the Oslo Stock Exchange be in compliance with the independence requirements of the Norwegian Code of Practice of 23 October 2012 (the "**Norwegian Corporate Governance Code**"). The Norwegian Corporate Governance Code provides that a board member is generally considered to be independent when he or she does not have any personal, material business or other contacts that may influence the decisions he or she makes as a board member.

Anne-Christin Døvigen, Jens Ismar and Annicken Gann Kildahl are independent of the Company's significant business relations and large shareholders (shareholders holding more than 10% of the Shares in the Issuer). Kjell Inge Røkke is indirectly the principal shareholder of Aker ASA, and Trond Brandsrud and Katrine M. Klaveness are employees of Aker ASA. Mr. Røkke is also a member of the board of directors in Aker Solutions, the parent company of the charterer of the *Aker Wayfarer*. All of the members of the board of directors are independent from the Company's Management, and no members of the Management are represented on board of directors.

To the Company's knowledge, there are currently no other actual or potential conflicts of interest between the Company and members of the board of directors or Management, including any family relationships between such persons. None of the members of the board of directors hold any securities in the Issuer. Kjell Inge Røkke is however the principal shareholder of Aker ASA and hence indirectly the principal shareholder of the Issuer.

Set out below are brief biographies of the directors of the Company, along with disclosures about the companies and partnerships of which each director has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and executive management positions in the Issuer or its subsidiaries.

Trond Brandsrud, Chairman

Expertise and experience............................	Trond Brandsrud joined Aker ASA in April 2010 after three years as CFO in Seadrill Limited. Prior to joining Seadrill in 2007, Mr. Brandsrud worked for Royal Dutch Shell for more than 20 years. At Shell, he held several key finance positions in Norway as well as internationally. He also has extensive experience from major offshore field development projects and held several senior management roles in Shell’s upstream and downstream sectors. Mr. Brandsrud has a MSc degree from the Norwegian School of Economics (NHH).
Current directorships and management positions...	Aker ASA (CFO), Aker Kværner Holding AS (managing director), Aker Biomarine AS (chairman), Oslo Asset Management ASA (chairman), Norron AB (chairman), Aker Havfisk ASA (director), Converto Capital Fund AS (director), Aker Pensjonskasse (deputy director), Maries Vei 20 AS (director), Aker Capital AS (chairman), Aker Encore AS (chairman), Fornebuporten UK AS (chairman), Fornebuporten Holding AS (chairman), Widerøeveien 5 AS (chairman), Fornebuporten Utvikling AS (chairman), Fornebuporten Næring 1 AS (chairman), Fornebuporten Næring 2 AS (chairman), Fornebuporten Næring 3 AS (chairman), Fornebuporten Næring 4 AS (chairman), Fornebuporten Bolig 3 AS (chairman), Fornebuporten Parkering AS (chairman), Fornebuporten Næring 1 Hjemmel AS (chairman), Fornebuporten Næring 2 Hjemmel AS (chairman), Fornebuporten Næring 3 Hjemmel AS (chairman), Fornebuporten Næring 4 Hjemmel AS (chairman), Fornebuporten Bolig 1 Hjemmel AS (chairman), Fornebuporten Bolig 2 Hjemmel AS (chairman), Fornebuporten Bolig 3 Hjemmel AS (chairman), Fornebuporten Parkering Hjemmel AS (chairman), Fornebuporten AS, Nordbrand Invest AS (chairman), Nordbrand Invest AS (chairman).
Previous directorships and management positions last five years	Seadrill Management AS (CFO), Seadrill Offshore (director), Seadrill Norge (chairman and director), Aker Drilling ASA (chairman).

Kjell Inge Røkke, Director

Expertise and experience............................	Kjell Inge Røkke, Aker ASA's main owner, has been a driving force in the development of Aker since the 1990s. Mr. Røkke launched his business career with the purchase of a 69-foot trawler in the United States in 1982, and gradually built a leading worldwide fisheries business. In 1996, the Røkke controlled company RGI purchased enough Aker shares to become Aker's largest shareholder, and RGI later merged with Aker.
Current directorships and management positions...	Aker ASA (chairman), Kvaerner ASA (director), Aker Solutions ASA (director), Det norske oljeselskap ASA (director), The Resource Group TRG AS (chairman), TRG Holding AS (chairman), TRG Eco Harvesting AS (chairman); Stiftelsen Aker Stadion I (chairman), Stiftelsen Aker Stadion II (chairman), Stiftelsen Molde Fotball (chairman), Converto Capital Fund AS (director), Trygg Pharma Group AS (director), Molde Fotball AS (director), Oppdal Hotellinvest AS (director), Oppdalstoppen 880 AS (director), Oppdalstoppen Invest AS (director), Våningshuset AS (director).

Previous directorships and management positions last five years ....Aker Biomarine ASA (chairman), Kværner ASA (chairman), Det norske oljeselskap ASA (chairman), Aker Kværner Holding AS (director).

Katrine M. Klaveness, Director

Expertise and experience.............................Ms. Katrine M. Klaveness serves as Investment Director in Aker ASA. She has previously served within the oil and gas investment team in Aker ASA, working in particular with Det norske oljeselskap ASA. She joined Aker in February 2007. Prior to this, she was in charge of strategies at Siemens AS, and before that, she worked for McKinsey & Company in Oslo.

Current directorships and management positions..Aker ASA (investment director).

Previous directorships and management positions last five years ....Aker Drilling ASA (director).

Anne-Christin Døvigen, Director with effect from the first day of trading of the Shares on the Oslo Stock Exchange

Expertise and experience.............................Anne-Christin Døvigen is currently Joint Head of Business Development at Tufton Oceanic (Middle East) Ltd, a fund management firm. Anne-Christin has extensive experience from the international investment banking industry and has held senior positions at JPMorgan, HSBC and Jefferies International. Mrs. Døvigen has throughout her professional career worked on a number of capital markets and other investment and corporate banking transactions within the maritime sector. She holds a Bachelor with Honours in Economics and Finance from Strathclyde University in Scotland.

Current directorships and management positions..Tufton Oceanic (Middle East) Ltd, Dubai (Joint Head of Business Development).

Previous directorships and management positions last five years ....Jefferies International Ltd, London (managing director).

Jens Ismar, Director with effect from the first day of trading of the Shares on the Oslo Stock Exchange

Expertise and experience.............................Jens Ismar is the CEO of Western Bulk AS, a Norwegian dry bulk company with a commercially controlled fleet of over 120 vessels. Mr. Ismar has a long and diversified background from the shipping industry. Before joining Western Bulk in September 2008, he was with BW Gas as Director for the Chartering and Operations Division. He has also been employed by Inge Steensland AS, Stemoco Shipping AS and Lorentzen & Stemoco AS. Mr Ismar has a Bachelor of Business Administration from the Lund University in Sweden.

Current directorships and management positions..Skuld (committee member, Norwegian Hull Club (election committee member), Exmar N.V. (director), Western Bulk AS (CEO), Western Bulk Chartering AS (chairman and general manager), Western Bulk Management AS (chairman and general manager), WBC I AS (chairman), Western Bulk Carriers AS (director), Western Bulk Pte Limited, Singapore (chairman), Western Bulk Shipholding AS (chairman and general manager), Western Bulk Shipowning I AS (chairman), Western Bulk Shipowning II AS (chairman), Western Bulk Shipowning II AS (chairman), Western Bulk Shipowning IV AS (chairman), Western Bulk Shipowning V AS (chairman), Western Bulk Shipowning VI AS (chairman), Western Alterna Partnerhisp (chairman), Western Alterna GP LLC (director), WA I LP (director), WA II LP (director), WA III LP (director), Western Bulk Carriers (Seattle) Inc. (chairman), Lisann AS (chairman).

Previous directorships and management positions last five years ....Oslo Shipowners' Association (chairman), Oslo Shipbrokers' Organisation (director), Pareto World Wide Shipping Fond II (director), Bergesen Gas

Shipping AS (general manager), Partgas Shipping AS (general manager), The Green Tankers AS (general manager), Bergehus AS (general manager), Bergesen d.y. Skipsfart AS (general manager), Partrederiet BW Gas/Distrigas LNG Transport DA (general manager and director), Berge Arzew Partner AS (general manager and director), SLNG Yemen I AS (general manager), SLNG Yemen II AS (general manager), Partrederiet Bergesen d.y. Shipping DA (chairman), Partrederiet Havpil DA (chairman), Partrederiet Havrim DA (chairman), Partrederiet Hekabe DA (chairman), Hekabe AS (chairman), A/S Centum (chairman), AS Hektorgas (chairman), AS Havgas Partners (chairman), Edda Gas KS (chairman), Edda Gas AS (general manager and chairman), Partrederiet BergeMar I DA (chairman), Partrederiet BergeMar II DA (chairman), Partrederiet BergeMar III DA (chairman), Partrederiet BergeMar IV DA (chairman), BW LNG Holding AS (general manager and chairman), BW LNG I AS (general manager), BW LNG II AS (general manager), BW LPG Holding AS (general manager and director), BW LPG I AS (general manager), BW LPG II AS (general manager), Hegas KS (chairman), Hegas AS (general manager), BW Green Gas AS (general manager), BW Green Carriers AS (general manager and chairman), BW Green Transport AS (general manager and chairman), Yara Ammonia Chartering AS (general manager and chairman), BW Singa Gas AS (general manager and chairman), BW Gas KK (general manager and chairman).

Annicken Gann Kildahl, Director with effect from the first day of trading of the Shares on the Oslo Stock Exchange

Expertise and experience............................Annicken Gann Kildahl is the CFO at Grieg Star, a Norwegian shipping company with one of the world's largest open hatch fleets. Mrs. Kildahl has held the position as CFO since 2003 after joining the Grieg Group in 2000. Mrs. Kildahl has extensive experience in corporate finance, asset management and international financing, primarily in relation to the shipping industry. She has previously held positions in the shipping department in Sparebanken NOR and the Torvald Klaveness Group. Mrs. Kildahl has a Master of Business and Economics from BI Norwegian Business School and is an authorised finance analyst (AFA) from the Norwegian School of Economics (NHH).

Current directorships and management positions...Grieg Star Group AS (CFO), Grieg Star Shipping AS (director), Grieg Star AS (director), Grieg Group Resources AS (director), Grieg Property AS (managing director and director), Grieg Gaarden AS (director), CG 15 AS (director), Nestun Uldvarefabrik AS (director), Grieg Investor Holding AS (director), Grieg Investor AS (director), Norwegian Hull Club (member of supervisory committee), Homen Industri Invest I AS (director), Norwegian Shipowners' Social Security Fund (chairperson), Silver Pensjonsforsikring AS (chairperson of the election committee), Women International Shipping and Trading Association (director), Norwegian Anchorite Club (council member).

Previous directorships and management positions last five years ....Menerga AS (director), Norwegian Shipowners' Association's Pension Fund (director), Norwegian School of Management (advisory board member for executive MBA), Silver Pensjonsforsikring AS (deputy director), Maritime Information System AS (director), Grieg Maritime AS (director), Grieg Poseidon AS (director), Grieg Athena AS (director), Acero AS (director).

Management

Set out below are brief biographies of the members of the Management of the Company, along with disclosures about the companies and partnerships of which each member of Management has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and executive management positions in the Issuer or its subsidiaries. As of the date of this Prospectus, none of the members of the Management hold any securities in the Company, however, the Company's CEO, Lars Solbakken, and the Company's CFO, Eirik Eide, has indicated that they will subscribe for Shares in the Issuer in conjunction with the Offering as further discussed in Section 6.15 "The Terms of the Offering—Participation of Members of the Management and Board of Directors in the Offering".

Lars Solbakken, CEO

Expertise and experience	Before joining Ocean Yield, Mr. Solbakken served as CEO of Norwegian Car Carriers ASA from 2009 through March 2012. From 2006 to 2009 he served as CEO of Ship Finance Management AS and through that position, he also served as CEO of Ship Finance International Limited. In the period from 1997 through 2006, Mr. Solbakken was employed as General Manager of Fortis Bank in Norway and was also responsible for the bank's shipping and oil service activities in Scandinavia. From 1987 to 1997, Mr Solbakken served in several positions in Nordea Bank (previously Christiania Bank). He was Senior Vice President and Deputy for the shipping and offshore and aviation group, head of equity issues and merger and acquisition activities and General Manager for the Seattle Branch. Prior to joining Nordea Bank, Mr. Solbakken worked five years in Wilh. Wilhelmsen ASA as Finance Manager. Mr. Solbakken has a Master of Science degree from the Norwegian School of Economics and Business Administration (NHH).
Current directorships and management positions	Eidsiva Trucker KS (chairman), Finmarine AS (chairman), American Shipping Company ASA (director).
Previous directorships and management positions last five years	Ship Finance Management AS (CEO), Norwegian Car Carriers (CEO), Transcorp Pte Ltd (director), Ultimate Shipping Ltd (director), Ariake Transport Corporation (president and director), Aspinall Pte Ltd (director), Blizana Pte Ltd (director), Bolzano Pte Ltd (director), Bonfield Shipping Ltd. (president and director), Cirebon Shipping Pte Ltd (director), Edinburgh Navigation S.A. (president and director), Fox Maritime Pte Ltd (director), Front Ardenne Inc. (president and director), Front Brabant Inc. (president and director), Front Falcon Corp. (president and director), Front Glory Shipping Inc. (president and director), Front Opalia Inc (president and director), Front Pride Shipping Inc. (president and director), Front Saga Inc. (president and director), Front Scilla Inc. (president and director), Front Serenade Inc. (president and director), Front Shadow Inc (president and director), Front Splendour Shipping Inc. (president and director), Front Stratus Inc. (president and director), Front Transporter Inc. (president and director), Golden Estuary Corporation (president and director), Golden Fjord Corporation (president and director), Golden Narrow Corporation (president and director), Golden Seaway Corporation (president and director), Golden Sound Corporation (president and director), Golden Tide Corporation (president and director), Hitachi Hull 4983 Corporation (president and director), Katong Investments Ltd (president and director), Madeira International Corp. (president and director), Millcroft Maritime SA (president and director), Rettie Pte Ltd (director), Rig Finance Ltd. (president and director), Rig Finance II Limited (president and director), Sea Ace Corporation (president and director), Transcorp Pte Ltd (director), Ultimate Shipping Ltd (president and director), SFL Geo I Limited (president and director), SFL Geo II Limited (president and director), SFL Geo III Limited (president and director), SFL Europa Inc. (president and director), SFL Avon Inc. (president and director), SFL Clyde Inc. (president and director), SFL Dee Inc. (president and director), SFL Humber Inc. (president and director), SFL Tamar Inc. (president and director), Front Heimdall Inc. (president and director), Front Baldur Inc. (president and director), SFL Chemical Tanker Ltd. (president and director), SFL Chemical Tanker II Ltd. (president and director), SFL West Polaris Limited (president and director), SFL Golden Island Ltd. (president and director), SFL Golden Straits Ltd (president and director), SFL Deepwater Ltd.

(president and director), SFL Ace I Ltd. (ex. Sea Alfa) (chairman), SFL Ace II Ltd. (ex. Sea Beta) (chairman), NOCC Shipping AS (chairman), NOCC Shipowning AS (chairman), Eidsiva RoRo AS (chairman), Eidsiva RoRo KS (chairman), Eidsiva 2 RoRo AS (chairman), Eidsiva 2 RoRo KS (chairman), Ro-Ro Helena AS (chairman), Ro-Ro Helena KS (chariman), NOCC Oceanic AS (chairman), NOCC I AS (chairman), Dyviships IV AS (director), Dyviships IV DIS (director), Bergshav Car Carrier KS (director), Forrest II AS (chairman), Forrest II KS (chairman), Eidsiva Trucker KS (chairman), Eastern Car Carrier KS (director), Eastern Car Carrier II KS (chairman), Norwegian Car Carrier AS (chairman), Østersjøfergen AS (director), Tor Belgia AS (chairman), NOCC Auto Carriers AS (chairman) NOCC Shiphold AS (chairman).

Eirik Eide, CFO

Expertise and experience............................. Before joining Ocean Yield, Mr. Eide served as CFO of Ship Finance Management AS, and through that position, he served as CFO of Ship Finance International Ltd. Mr. Eide has about 14 years' experience from shipping and finance. His employment background includes the position as Head of Shipping and Corporate Finance at Orkla Finans AS, Director Fortis Bank (Nederland) N.V., Oslo Branch and Senior Vice President, DnB NOR (Oslo and London).

Current directorships and management positions.. None, other than in companies within the Ocean Yield Group.

Previous directorships and management positions last five years .... Mountbatten Offshore AS (director), Tioman Offshore AS (director).

Other Key Personnel

Axel Busch-Christensen, VP Investments

Before joining Ocean Yield, Mr. Busch worked in McKinsey & Company as a consultant serving primarily the oil and gas industry. Prior to McKinsey Mr. Busch worked with M&A in Carnegie, a Nordic investment bank. Mr. Busch has a bachelor degree from the Norwegian School of Economics and Business Administration (NHH). Prior to his bachelor Mr. Busch attended the Petty Officer School of the Norwegian Royal Navy.

Remuneration

The compensation for the members of the board of directors for their service as directors is determined on an annual basis by the shareholders of the Issuer at the annual general meetings of shareholders. The table below sets out the compensation for each of the members of the board of directors of the Issuer for the year ended 31 December 2012. Svein Aaser and Tom Grøndahl resigned as directors at the annual general meeting of the Issuer in April 2013. Anne-Christin Døvigen, Jens Ismar and Annicken Gann Kildahl have been elected as new directors with effect from the first day of trading in the Shares on the Oslo Stock Exchange and therefore received no directors remuneration for the year ended 31 December 2012.

	Year Ended 31 December 2012	
	In NOK	**In USD**
Svein Aaser (resigned; chairman during 2012)(1)	750,000	128,886
Kjell Inge Røkke(2)	150,000	25,777
Trond Brandsrud(2) (3)	150,000	25,777
Tom Grøndahl (resigned; director during 2012)(1)	350,000	60,147
Katrine M. Klaveness(2) (3)	150,000	25,777

(1) For the full year.

(2) For the half year of service.

(3) According to Aker ASA policy, fees to each of the directors that are also employed in an Aker ASA group company will be paid to the relevant Aker ASA group employing company, and not to the director. Therefore, Trond Brandsrud and Katrine Mourud Klaveness receives no remuneration for their services as directors in Ocean Yield. The director remuneration attributable to the services of Kjell Inge Røkke was paid to The Resource Group AS.

The table below sets out a summary of the remuneration paid to the members of Management of the Company for the year ended 31 December 2012.

	Year Ended 31 December 2012	
	Base Salary in NOK	**Base Salary in USD**
Lars Solbakken[(1)]	2,396,040	411,754
Eirik Eide[(2)]	1,280,362	220,028

———————

(1) For the period from 23 March 2012 to 31 December 2012

(2) For the period from 15 March 2012 to 31 December 2012

Lars Solbakken assumed his position as CEO of the Company in March 2012. Mr. Solbakken's employment contract can be terminated with three months' notice. If the contract is terminated by the Company, Mr. Solbakken has the right to three months' notice and three months' salary from the date of termination. No severance pay is payable if he continues in another company within the Aker ASA group. The remuneration plan for Mr. Solbakken includes a fixed salary, participation in a standard pension and insurance plan for employees and a variable salary. For the period from 23 March 2012 to 31 December 2012, Mr. Solbakken received a salary of NOK 2,396,040 (USD 411,754). The value of additional benefits was NOK 23,616 in 2012 (USD 4,058) and net pension expense in 2012 attributable to Mr. Solbakken was NOK 173,338 (USD 29,788). Lars Solbakken was also paid a bonus of NOK 3,841,500 (USD 662,328) in May 2013.

CFO Eirik Eide accepted the position as CFO of the Company in March 2012. Mr. Eide's employment contracts can be terminated with three months' notice. The remuneration plan for Mr. Eide includes a fixed salary, participation in a standard pension and insurance plan for employees and a variable salary. For the period from 15 March 2012 to 31 December 2012, Mr. Eide received a salary of NOK 1,280,362 (USD 220,028). The value of additional benefits was NOK 12 939 in 2012 (USD 2,224) and the net pension expense attributable to Mr. Eide was NOK 121,767 in 2012 (USD 20,925). Eirik Eide was also paid a bonus of NOK 1,312,500 (USD 226,293) in May 2013.

The Company has not granted any loans to, or issued any guarantees for the benefit of, any of the members of its board of directors or the Management. Other than as disclosed above, none of the members of the board of directors or Management have contracts with the Company providing benefits upon termination of their positions as directors or otherwise.

In May 2013, the Issuer implemented a management incentive scheme pursuant to which the members of the Management and certain other key employees are entitled to bonuses calculated on the basis of the development of the market price of the Shares following admission to trading of the Shares on the Oslo Stock Exchange and dividends paid on the Shares. Under the incentive scheme, a specified number of synthetic shares are allocated the scheme participants. Each scheme participant will annually receive a cash bonus equal to the difference of a base price, which is NOK 27.44 or USD 4.93, and the closing price of the Shares on the Oslo Stock Exchange on the last trading day during a relevant year, provided that the closing price is higher than the base price, multiplied by the number of synthetic shares allocated to that scheme participant (a "share price increase bonus"). Each scheme participant will further receive an amount equal to the dividend paid per Share (however not on the basis of dividends for the year ended 31 December 2012) multiplied by the number of synthetic shares allocated to that scheme participant, as of the date of payment of any such dividend on the Shares (a "dividend bonus"). The scheme participant can require that share price increase bonuses are settled in Shares rather than cash (and the parties can agree to settle any dividend bonus in Shares rather than cash). In cases of settlement of any share price increase bonus in Shares, the settlement Shares shall be subscribed or purchased by the scheme participant at a price equal to the closing price of the Shares for the relevant year less 20%. The incentive scheme has a tenor until 31 December 2017. Entitlements to any accrued but unpaid bonuses will be cancelled in the event of termination of employment. As of the date of this Prospectus, Lars Solbakken has been allocated 1,100,000 synthetic shares, Eirik Eide has been allocated 350,000 synthetic shares, and other key employees have been allocated 135,000 synthetic shares under the incentive scheme.

Disclosure About Convictions in Relation to Fraudulent Offences

During the last five years preceding the date of this Prospectus, no member of the board of directors or the Management has:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;

- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or

- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his capacity as a founder, director or senior manager of a company.

14.3 Nomination Committee

The Issuer's Articles of Association provide for a nomination committee composed of minimum two members who are elected by the general meeting. The nomination committee is responsible for nominating the members of the board of directors. The nomination committee of the Issuer comprises of the following members, each having been elected for a term expiring at the annual general meeting of the Company in 2015: Kjetil Kristiansen (Chairman), Peter D. Knudsen and Lars Traaseth.

14.4 Audit Committee

The Company has an audit committee, the members of which as of the date of this Prospectus are Trond Brandsrud and Katrine M. Klaveness, both members of the board of directors. The primary purposes of the audit committee are to:

- assist the board of directors in discharging its duties relating to the safeguarding of assets; the operation of adequate system and internal controls; control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance and accounting standards; and

- provide support to the board of directors on the risk profile and risk management of the Company.

The audit committee reports and makes recommendations to the board of directors, but the board of directors retains responsibility for implementing such recommendations. Both Trond Brandsrud and Katrine M. Klaveness have relevant qualifications within accounting/auditing.

14.5 Corporate Governance

The Company's corporate governance principles are based on, and comply with, the Norwegian Corporate Governance Code.

14.6 Employees

The table below set out the number of employees of the Company, and certain other employee data, as of or for the periods indicated.

	As of or for the Three Months Ended 31 March	As of or for the Year Ended 31 December		
	2013	2012	2011	2010
Employees, at period end	19	19	26	26
Average number of man years employed	—	24	26	26
Number of employees in Norway	18	18	24	23
Number of employees in other regions	1	1	2	3

All employees of the Company, except the CEO, the CFO and the VP Investments, are employed by Aker Floating Production AS or its subsidiaries.

15 DIVIDENDS AND DIVIDEND POLICY

This Section provides information about the dividend policy and dividend history of the Issuer, as well as certain legal constraints on the distribution of dividends under the Norwegian Public Limited Liability Companies Act (Nw. allmennaksjeloven). For a discussion of certain financial covenants under the Company's borrowing arrangements which may restrict distribution of dividends, see Section 12.9 "Operating and Financial Review—Liquidity and Capital Resources—Borrowings". Any future dividends declared by the Issuer will be paid in NOK as this is the currency that currently is supported by the VPS, although the Issuer prepares its financial statements in USD and its dividend policy refers to amounts in USD.

15.1 Dividend Policy

The Issuer intends to pay regular and progressive dividends reflecting the expected long-term earnings and cash flows of Ocean Yield. The Issuer is targeting a dividend for the year ending 31 December 2013 of approximately USD 0.46 per Share, of which 50% is to be paid in April 2014 and the remaining 50% in October 2014. The Issuer expects the 2013 dividend level to form the base level for future dividend levels. The Issuer targets to pay dividends semi-annually.

The Issuer's 2013 dividend target implies a dividend yield of 7.8% to 8.8% per annum, on the basis of the final Offer Price being set within the Indicative Price Range of NOK 30 to NOK 34 and a NOK/USD exchange rate of 5.75.

There can be no assurances that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the above. In deciding whether to propose a dividend and in determining the dividend amount, the Issuer's board of directors will take into account legal restrictions, as set out in Section 15.3 "—Legal Constraints on the Distribution of Dividends", the Ocean Yield Group's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.

Holders of Shares will be entitled to dividends resolved to be declared at general meetings held after consummation of the Offering.

15.2 Dividend History

On 4 April 2013 the Issuer resolved to distribute a dividend of USD 0.40 per Share, in the aggregate amount of USD 40 million, for the year ended 31 December 2012 to its sole shareholder Aker ASA. USD 20 million of this dividend will be paid to Aker ASA in June 2013, whereas the remaining USD 20 million will be paid to Aker ASA during the third quarter of 2013. Other than the above, the Issuer has not distributed dividends since the establishment of Ocean Yield in March 2012.

15.3 Legal Constraints on the Distribution of Dividends

Dividends may be paid in cash or, in some instances, in kind. The Norwegian Public Limited Liability Companies Act provides several constraints on the distribution of dividends:

- Unless the Issuer follows the procedures stipulated in Sections 12-4 and 12-6 of the Norwegian Public Limited Liability Companies Act in respect of reduction of share capital, dividends are payable only out of distributable reserves of the Issuer. Section 8-1 of the Norwegian Public Limited Liability Companies Act provides that distributable reserves consist of the profit for the prior fiscal year (as reflected in the income statement approved at the annual general meeting) and the retained profit from previous years (adjusted for any reclassification of equity), less (i) uncovered losses, (ii) the book value of research and development, goodwill and net deferred tax assets (as recorded in the balance sheet, as of the most recent fiscal year end, approved at the annual general meeting), (iii) the total nominal value of treasury shares acquired for ownership or as security in previous fiscal years, and credit and security that, pursuant to Sections 8-7 to 8-9 of the Norwegian Public Limited Liability Companies Act, fall within the limits of distributable equity, and (iv) that part of the profit for the prior fiscal year which, by law or pursuant to the articles of association, must be allocated to the un-distributable reserves or cannot be distributed as a dividend.

- Dividends cannot be distributed if the equity of the Issuer amounts to less than 10% of its total assets unless in compliance with the procedures stipulated in Sections 12-4 and 12-6 of the Norwegian Public Limited Liability Companies Act for the reduction of share capital.

- Dividends can only be distributed to the extent compatible with good and careful business practice and with due regard to any losses that may have been incurred since the balance sheet date (i.e. the prior fiscal year end) or that may be expected to be incurred.

- The amount of distributable dividends is calculated on the basis of the Issuer's separate financial statements and not on the basis of the consolidated financial statements of the Issuer and its consolidated subsidiaries.

- Distribution of dividends is resolved by a majority vote at the general meeting of the shareholders of the Company and on the basis of a proposal from the board of directors. The general meeting cannot distribute a larger amount than what is proposed or accepted by the board of directors.

On 5 April 2013, the Norwegian Government proposed relaxations to the dividend restrictions set out above. If the proposed relaxations are enacted, the distributable reserves of a Norwegian Limited Liability Company could, among other things, be calculated on the basis of an interim balance sheet, as opposed to the current rules, under which the distributable reserves may only be calculated on the basis of the Issuer's annual accounts.

The Norwegian Public Limited Liability Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 18 "Norwegian Taxation—Foreign Shareholders".

16 CORPORATE INFORMATION; THE SHARES AND SHARE CAPITAL

The following is a summary of certain corporate information and other information relating to the Company, the Shares and share capital of Issuer, summaries of certain provisions of the Issuer's Articles of Association and applicable Norwegian law in effect as of the date of this Prospectus, including the Norwegian Public Limited Liability Companies Act (Nw. allmennaksjeloven). This summary does not purport to be complete and is qualified in its entirety by Issuer's Articles of Association and applicable Norwegian law.

16.1 Incorporation, Company Registration Number, Registered Office and Other Company Data

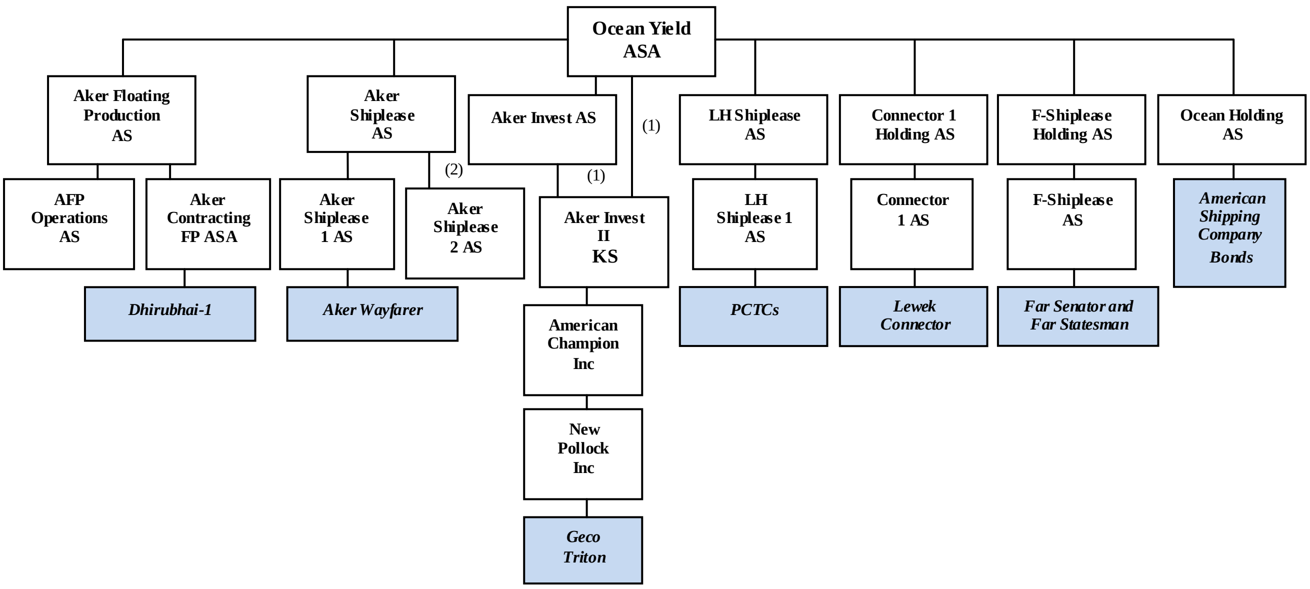
The Issuer is a Norwegian public limited liability company (Nw. *allmennaksjeselskap* or *ASA*), incorporated under the laws of Norway and in accordance with the Norwegian Public Limited Liability Companies Act. The Issuer's business registration number is 991 844 562. The Issuer was incorporated on 22 October 2007 by Aker ASA as a limited liability company (Nw. *aksjeselskap* or *AS*). It was incorporated under the trading name of Aker Start Holding 4 AS, and later renamed to Aker Finans AS, however reorganised and established under the trading name of Ocean Yield ASA on 31 March 2012. On 23 May 2013, the Issuer was transformed from a limited liability company to a public limited liability company (Nw. *allmennaksjeselskap* or *ASA*).

The head office of the Company, and the Issuer's registered address is at Fjordalléen 16, 0250 Oslo, Norway. Its telephone number is +47 24 13 00 00, and its web-site is www.oceanyield.no.

The Issuer is a holding company and the operations of Ocean Yield are carried through the operating subsidiaries of the Issuer.

16.2 Legal Structure

The chart below shows the current legal structure of the Company (simplified) and where the principal assets of the Company are held. All subsidiaries are wholly-owned by the Issuer (directly or indirectly).



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(1) 90% owned by Ocean Yield AS, and 10% owned by Aker Invest AS.

(2) 94% owned by Aker Shiplease AS, 3% owned by Connector 1 Holding AS, and 3% owned by LH Shiplease AS.

16.3 Information on Holdings

The following table sets out information about the entities in which the Issuer, as of the date of this Prospectus, holds (directly or indirectly) more than 10% of the outstanding capital and votes (dormant companies are not included).

	Country of Incorporation	Registered Office	% Holding
Aker Floating Production AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Aker Contracting FP ASA	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
AFP Operations AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Aker Shiplease AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Aker Shiplease 1 AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Aker Shiplease 2 AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Aker Invest AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Aker Invest II KS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
American Champion Inc	USA	271 Wyatt Way NE, Bainebridge Island, Washington, USA	100
New Pollock Inc	USA	271 Wyatt Way NE, Bainebridge Island, Washington, USA	100
LH Shiplease AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
LH Shiplease 1 AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Connector Holding AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Connector 1 AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
F-Shiplease Holding AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
F-Shiplease AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100
Ocean Holding AS	Norway	Fjordalleen 16, 0250 Oslo, Norway	100

As of the date of this Prospectus, and other than in respect of its holding in Aker Invest AS and subsidiaries and Aker Shiplease 2 AS, the Issuer is of the opinion that its holdings in all of the entities specified above are likely to have a significant effect on the assessment of its own assets and liabilities, financial condition or profits and losses.

16.4 Share Capital and Share Capital History

As of the date of this Prospectus, the Issuer's share capital is NOK 1,000,000,000 divided into 100,000,000 Shares, each Share having a par value of NOK 10.00. The table below shows the development in the share capital of the Issuer from its inception and up to the date of this Prospectus.

	Date	Capital Increase /Decrease[1] (NOK)	Share Capital After Change (NOK)	Par Value of Shares (NOK)	New Shares	Total Number of Outstanding Shares
Inception	22 October 2007	100,000	100,000	1,000	100	100
Capital increase	31 March 2012	999,900,000	1,000,000,000	10,000,000	—	100
Share split (1:1,000,000)	31 March 2012	—	1,000,000,000	10.00	100,000,000	100,000,000

(1) More than 10% of the share capital of the Issuer has been paid for with assets other than cash.

(2) Contribution in kind by Aker ASA. The capital increase effectuated through increase in par value, and no new Shares were issued.

Assuming that all of the Offer Shares are sold and issued, the Issuer's share capital upon consummation of the Offering will amount to NOK 1,335,000,000 divided into 133,500,000 Shares, each Share having a par value of NOK 10.00.

All of the existing Shares have been, as will the new Shares issued through the Offering be, created under the Norwegian Public Limited Liability Companies Act as validly issued and fully paid. All Shares in the Issuer rank in parity with one another and carry one vote per Share.

16.5 Authorisations to Increase the Share Capital and to Issue Shares and Other Instruments

At a general meeting of the Issuer held on 23 May 2013, the board of directors of the Issuer was granted an authorisation to increase the share capital of the Issuer by up to NOK 370,000,000 through issuance of new Shares in conjunction with the Offering contemplated by this Prospectus. The board of directors was further authorised to increase the share capital of the Issuer by up to NOK 130,000,000 through issuance of new Shares for the purposes of, among other things, financing new investments in the future and to issue Shares to the Management under the management incentive scheme. Pursuant to the latter authorisation, the Issuer may derogate from the shareholders pre-emptive rights to participate in share issues under Section 10-4 of the Norwegian Public Limited Liability Companies Act, and the authorisation may be used in takeover situations. The authorisations expire at the annual general meeting of the Issuer in 2014.

16.6 Other Financial Instruments

The Issuer does not have any warrants, options or other instruments convertible into Shares in issue as of the date hereof. However, the Issuer operates a management incentive scheme as further disclosed in Section 14.2 "Board of Directors, Management, Corporate Governance and Employees—Board of Directors and Management—Remuneration" under which scheme participants may have accrued bonuses settled in Shares in the Issuer.

16.7 Shareholder Rights

Norwegian law permits a Norwegian public limited liability company to issue different types of shares (e.g. several classes of shares). In such case the resolution by the shareholders at a general meeting must specify the different rights, preferences and privileges of each class of shares and the total par value of each class of shares and the total value of all classes of shares combined. The Issuer has one class of Shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act all Shares in that class provide equal rights in the Issuer. The new Shares to be issued in the Offering will give rights in the Issuer as of registration of the capital increase pertaining to the Offering with the Norwegian Register of Business Enterprises (Nw. *Foretaksregisteret*). The rights attaching to the Shares are described in Section 16.9 "—Certain Aspects of Norwegian Corporate Law".

16.8 Articles of Association

The Issuer's Articles of Association as of the date of this Prospectus are set out in Appendix C—Articles of Association of this Prospectus. Below is a summary of certain provisions of the Articles of Association of the Issuer.

Objective

The objectives of the Issuer are, pursuant to article 3 of the Articles of Association, to acquire or sell, and to undertake activities relating to lease or charter of marine assets, including vessels, rigs and other floating offshore assets, as well as any other activities relating thereto.

Board of Directors

The Issuer's board of directors shall consist of a minimum of three and a maximum of seven members.

No Restrictions on Transfer of Shares

The Articles of Association do not provide for any restrictions on the transfer of Shares or rights of first refusal for any shareholder upon sale of any Share. Share transfers are not subject to approval by the board of directors.

General Meetings

Documents which deal with matters that are to be considered by the shareholders at general meetings are not required to be sent to the shareholders, provided that such documents have been made available on the web-site of the Issuer. A shareholder may in any case request such documents to be sent to him.

Nomination Committee

The Issuer shall, pursuant to article 6 of the Articles of Association, have a nomination committee consisting of minimum two members to be elected by the general meeting of the Issuer. The nomination committee shall prepare the election of members of the board of directors.

16.9 Certain Aspects of Norwegian Corporate Law

General Meetings

In accordance with Norwegian law, the annual general meeting of the Issuer's shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that written notice of general meetings setting forth the time, date and agenda of the meeting is sent to all shareholders whose addresses are known at least three weeks prior to the date of the meeting. A shareholder may vote at the general meeting either in person or by proxy. All of the Issuer's shareholders who are registered in the register of shareholders maintained with the VPS as of the date of the general meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at general meetings, without any requirement of pre-registration. The Issuer's Articles of Association do however provide that the board of directors can require shareholders to pre-register in order to participate at general meetings if that is specified in the notice for the general meeting. Such date for pre-registration shall in any event not fall later than five (5) days prior to the general meeting.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the board of directors considers it necessary. An extraordinary general meeting of shareholders must also be convened for the consideration of specific matters at the written request of the Issuer's auditor or of shareholders representing a total of at least 5% of the Issuer's share capital. The requirements for notice and admission to the annual general meeting of the Issuer's shareholders also apply for extraordinary general meetings of shareholders.

Voting Rights; Amendments to the Articles of Association

Each of the Issuer's Shares carry one vote. In general, decisions that shareholders are entitled to make under Norwegian law or the Issuer's Articles of Association may be made by a simple majority of the votes cast. In the case of elections, the persons who obtain the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to derogate from the shareholders preferential rights to subscribe in connection with any share issue in the Issuer, to approve a merger or demerger of the Issuer, to amend the Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the Issuer or to authorise the board of directors to purchase the Shares and hold them as treasury shares or to dissolve the Issuer, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association.

Decisions that (i) would reduce the rights of some or all of the Issuer’s shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting of the Issuer’s shareholders in question vote in favour of the resolution, as well as the majority required for amending the Articles of Association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the Articles of Association.

In general, only shareholders registered in the VPS are entitled to vote on Shares. Neither beneficial owners of Shares that are registered in the name of a nominee are generally not entitled to vote on Shares under Norwegian law, nor are persons who are designated in the VPS register as the holder of such Shares as nominees.

There are no quorum requirements that apply to the general meetings of the shareholders of the Issuer.

Additional Issuances and Preferential Rights

If the Issuer issues any new Shares, including bonus issues, the Issuer's Articles of Association must be amended, which requires the same vote as other amendments to its Articles of Association. In addition, under Norwegian law, the Issuer's shareholders have preferential rights to subscribe for new Shares issued by the Issuer. Preferential rights may be derogated from by resolution at a general meeting passed by the same vote required to approve amendments the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

At a general meeting the Issuer’s shareholders may, by the same vote as is required for amending the Articles of Association, authorise the board of directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the par value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Issuer may increase its share capital by bonus issues, subject to approval by the Issuer's shareholders, by transfer of equity capital from the Issuer's distributable equity or from the Issuer' share premium reserve to nominal share capital, and thus the share capital increase does not require any payment by the shareholders. Any bonus issues may be effectuated either by issuing new shares to the Issuer's existing shareholders or by increasing the par value of the Issuer's outstanding Shares.

Minority Rights

Norwegian law sets forth a number of protections for minority shareholders of the Issuer, including, but not limited to those described in this paragraph and the description of general meetings as set out above under the caption "—General Meetings". Any of the Issuer's shareholders may petition Norwegian courts to have a decision by the board of directors or the Issuer's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Issuer itself. The Issuer's shareholders may require the courts to dissolve the Issuer as a result of such decisions. Minority shareholders holding 5% or more of the Issuer's share capital have a right to demand in writing that the Issuer's board of directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Issuer's shareholders may in writing demand that the Issuer place an item on the agenda for any general meeting as long as the Issuer is notified in time for such item to be included in the notice of the meeting. If the notice already has been issued when such a written demand is presented, a renewed notice must be issued if at least two weeks remain before the general meeting is to be held.

Rights of Redemption and Repurchase of Shares

The share capital of the Issuer may be reduced by reducing the par value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the votes cast and at least two-thirds of the share capital represented at a general meeting of the Issuer's shareholders. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Issuer may purchase its own Shares provided that the board of directors has been granted an authorisation to do so by the shareholders at a general meeting of the Issuer's shareholders with the approval of at least two-thirds of the votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate par value of treasury shares so acquired, and held by the Issuer must not exceed 10% of the Issuer's share capital, and treasury shares may only be acquired if the Issuer's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. An authorisation cannot be granted for a period exceeding 18 months.

Shareholder Vote on Certain Reorganisations

A decision to merge with another company or to demerge requires a resolution by the shareholders at a general meeting passed by at least two-thirds of the votes cast and at least two-thirds of the share capital represented at the meeting. A merger plan, or demerger plan signed by the board of directors along with certain other required documentation, would have to be sent to all the Issuer's shareholders at least one month prior to the general meeting held to pass upon the matter.

Liability of Directors

Members of the board of directors owe a fiduciary duty to the Issuer and its shareholders. Such fiduciary duty requires that the directors act in the best interests of the Issuer when exercising their powers as directors, and that they generally show loyalty and care towards the Issuer. The principal task of the directors, in their capacities of directors, is to safeguard the interests of the Issuer.

Members of the board of directors may each be held liable for any damage they negligently or wilfully cause the Issuer. Norwegian law permits the shareholders at general meetings to discharge any such person from liability, but such discharge is not binding on the Issuer if substantially correct and complete information was not provided to the shareholders prior to passing upon the matter. If a resolution to discharge the Issuer's directors from liability or not to pursue claims against such a person has been passed by a general meeting of the Issuer's shareholders with a smaller majority than that required to amend the Issuer's Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Issuer's behalf and in its name. The cost of any such action is not the Issuer's responsibility but can be recovered from any proceeds that the Issuer receives as a result of the action. If the decision to discharge any of the directors from liability or not to pursue claims against the directors is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders cannot pursue such claim in the Issuer's name.

Indemnification of Directors

Neither Norwegian law nor the Articles of Association of the Issuer contains any provision concerning indemnification by the Issuer of the members of the board of directors. The Issuer is permitted to purchase, and has purchased, insurance to cover the Issuer's directors against certain liabilities that they may incur in their capacity as such.

Distribution of Assets on Liquidation

Under Norwegian law, the Issuer may be wound-up by a resolution of the Issuer's shareholders at the general meeting passed by at least two-thirds of the votes cast and at least two-thirds of the share capital represented at the meeting. In the event of a liquidation, the Shares rank equally in respect of return on capital by the Issuer, if any.

17 SECURITIES TRADING IN NORWAY

The following is a summary of certain information in respect of trading and settlement of shares on the Oslo Stock Exchange, securities registration in Norway and certain provisions of applicable Norwegian securities law in effect as of the date of this Prospectus. This summary does not purport to be complete and is qualified in its entirety by Norwegian law.

17.1 Trading and Settlement

The Oslo Stock Exchange comprice two separate trading markets for trading in equities, Oslo Børs, a stock exchange operated by Oslo Børs ASA, and Oslo Axess, a regulated market operated by Oslo Børs ASA.

Trading of equities on the Oslo Stock Exchange is carried out in the electronic trading system Millennium Exchange. This trading system is in use by all markets operated by the London Stock Exchange as well as by the Borsa Italiana and the Johannesburg Stock Exchange.

Official trading on the Oslo Stock Exchange takes place between 9:00 a.m. CET and 4:30 p.m. CET each trading day, with pre-trade period between 08:15 a.m. CET and 9:00 a.m. CET, a closing auction from 4:20 p.m. CET to 4:25 p.m. CET, and a post-trade period from 4:25 p.m. CET to 5:30 p.m. CET.

The settlement period for trading on the Oslo Stock Exchange is three trading days (T+3).

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

17.2 Information, Control and Surveillance

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

Under Norwegian law, an issuer with its shares listed on a Norwegian regulated market must promptly release any inside information (that is, precise information about financial instruments, the issuer thereof or other matters that are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and that are not publicly available or commonly known in the market). An issuer may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on issuers violating these requirements.

17.3 The VPS and Transfer of Shares

The Issuer's shareholder register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS and the Oslo Stock Exchange are both wholly owned by Oslo Børs VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the VPS is *prima facie* evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS's control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

17.4 Shareholder Register

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the issuer and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote on shares at general meetings on behalf of the beneficial owners.

17.5 Foreign Investment in Norwegian Shares

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

17.6 Disclosure Obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in an issuer with its shares listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Issuer) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that issuer, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

17.7 Insider Trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

17.8 Mandatory Offer Requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian issuer with its shares listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that issuer. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the issuer and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the issuer in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the issuer or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer is subject to approval by the Oslo Stock Exchange, in its capacity as Take-over Authority of Norway, before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is required to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in unfulfilled, exercise rights in the issuer, such as voting on shares at general meetings of the issuer's shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian issuer with its shares listed on a Norwegian regulated market is required to make an offer to purchase the remaining shares of the issuer (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40% or more of the votes in the issuer. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the issuer. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, required to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

Aker ASA will be exempted from the requirement to make a mandatory offer for the remaining shares in the Issuer upon further purchases of Shares as Aker ASA will, upon consummation of the Offering, hold a percentage of the shares and votes in the Issuer in excess of all mandatory offer thresholds, as long as it at any time does not reduce its holding to below any such threshold.

17.9 Compulsory Acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited liability company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the issuer has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing 90% or more of the total number of issued shares, as well 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired 90% or more of the voting shares of an issuer and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory and/or voluntary offer unless specific reasons indicate that another price is the fair price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

17.10 Foreign Exchange Controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a Norwegian issuer who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

18 NORWEGIAN TAXATION

*This Section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("**Norwegian Shareholders**") and to shareholders who are not resident in Norway for tax purposes ("**Foreign Shareholders**"). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Prospectus and are subject to any changes in law occurring after such date. Such changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Foreign Shareholders refers to the tax residency rather than the nationality of the shareholder.*

18.1 Norwegian Shareholders

Taxation of Dividends

Norwegian corporate shareholders (i.e. limited liability companies and similar entities) ("**Norwegian Corporate Shareholders**") are comprised by the tax exemption method. According to this method, only 3% of the dividend income on shares in Norwegian limited liability companies shall be taxed as ordinary income (28% flat rate), implying that such dividends are effectively taxed at a rate of 0.84%.

Dividends distributed to Norwegian individual shareholders (i.e. other shareholders than Norwegian Corporate Shareholders) ("**Norwegian Individual Shareholders**") are taxable under the "shareholder model". According to the shareholder model, dividends distributed to individual shareholders are taxable as ordinary income (28% flat rate) to the extent the dividend exceeds a basic tax-free allowance. The tax-free allowance shall be computed for each individual shareholder on the basis of the cost price of each of the shares multiplied by a risk-free interest rate. The risk-free interest rate will be calculated every income year and is allocated to the shareholder owing the share on 31 December of the relevant income year. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realisation of, see below) the same share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same share the following year.

Taxation of Capital Gains

Sale, redemption or other disposal of shares is considered as a realisation for Norwegian tax purposes.

Capital gains generated by Norwegian Corporate Shareholders through a realisation of shares in Norwegian limited liability companies are comprised by the tax exemption method and therefore tax exempt. Net losses from realisation of shares are not tax deductible for Norwegian Corporate Shareholders.

Norwegian Individual Shareholders are taxable in Norway for capital gains on the realisation of shares, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the individual shareholder and irrespective of how many shares that are realised. Gains are taxable as ordinary income in the year of realisation, and losses can be deducted from ordinary income in the year of realisation. The current tax rate for ordinary income is 28%. Under current tax rules, gain or loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the individual shareholder's purchase price for the share. Costs incurred in connection with the acquisition or realisation of the shares will be deductible in the year of sale. Unused tax-free allowance connected to a share may be deducted from a capital gain on the same share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance may not be set off against gains from realisation of the other shares.

If a Norwegian shareholder realises shares acquired at different times, the shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss. Costs incurred in connection with the purchase and sale of shares may be deducted in the year of sale.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

Net Wealth Tax

The value of shares is taken into account for net wealth tax purposes in Norway. The marginal tax rate is currently 1.1%. Norwegian limited liability companies and similar entities are exempted from net wealth tax.

Shares listed on the Oslo Stock Exchange are valued at the quoted value at 1 January in the assessment year.

18.2 Foreign Shareholders

Taxation of Dividends

Dividends paid from a Norwegian limited liability company to Foreign Shareholders are subject to Norwegian withholding tax at a rate of 25% unless the recipient qualifies for a reduced rate according to an applicable tax treaty or other specific regulations. Norway has entered into tax treaties with a number of countries and withholding tax is normally set at 15% under these treaties. The shareholder's home country may give credit for the Norwegian withholding tax imposed on the dividend.

Foreign corporate shareholders (i.e. limited liability companies and similar entities) ("**Foreign Corporate Shareholders**") which are genuinely established and carry out genuine economic activities within the EEA are not subject to Norwegian withholding tax.

Dividends paid to foreign individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders) ("**Foreign Individual Shareholders**") are as the main rule subject to Norwegian withholding tax at a rate of 25%, unless a lower rate has been agreed in an applicable tax treaty. If the individual shareholder is resident within the EEA, the shareholder may apply to the tax authorities for a refund if the tax withheld by the distributing company exceeds the tax that would have been levied according to the regulations described above for Norwegian Individual Shareholders.

In accordance with the present administrative system in Norway, a distributing company will generally deduct withholding tax at the applicable rate when dividends are paid directly to an eligible Foreign Shareholder, based on information registered with the VPS. Dividends paid to Foreign Shareholders in respect of nominee registered shares are not eligible for reduced treaty withholding tax rate at the time of payment unless the nominee, by agreeing to provide certain information regarding beneficial owner, has obtained approval for reduced treaty withholding tax rate from the Central Office for Foreign Tax Affairs.

Foreign Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments.

Taxation of Capital Gains

Gains from realisation of shares by Foreign Shareholders will not be subject to tax in Norway unless the Foreign Shareholders are holding the shares in connection with a business which the shareholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

Net Wealth Tax

Foreign Shareholders are not subject to Norwegian net wealth tax with respect to the Shares, unless the shareholder is an individual, and the shareholding is effectively connected with a business which the shareholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

18.3 Transfer Taxes Etc.; VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, disposal or redemption of shares. Further, there is no VAT on transfer of shares.

18.4 Inheritance Tax

Upon transfer of shares by way of inheritance or gift, the transfer may be subject to Norwegian inheritance or gift tax. The rate is progressive from 0% to 15%. However, such a transfer is not subject to Norwegian tax if the donor/deceased was neither a citizen nor resident of Norway for inheritance tax purposes.

In the case of stock exchange listed shares, the basis for the tax calculation is the market value of the shares.

19 LEGAL AND ARBITRATION PROCEEDINGS

From time to time, the Company may be involved in litigation, disputes and other legal proceedings arising in the normal course of its business.

The Company is not, nor has it been during the course of the twelve months preceding the date of this Prospectus, involved in any governmental, legal or arbitration proceedings (and the Issuer is not aware of any such proceedings which are pending or threatened) which may have, or have had in the recent past, significant effects on the Issuer's or the Ocean Yield Group's financial position or profitability.

For a discussion of certain contractual disagreements with the charterer of the Company's FPSO and possible resulting legal proceedings, see Section 8.5 "Business Overview—Material Commercial Contracts—Dhirubhai-1—Contractual Disagreements with the Charterer of the FPSO".

20 ADDITIONAL INFORMATION

Independent Auditors

The Issuer's independent auditors are KPMG AS, which have their registered address at Sørkedalsveien 6, 0369 Oslo, Norway. KPMG AS is a member of The Norwegian Institute of Public Accountants (Nw. *Den Norske Revisorforening*). KPMG AS have been the Issuer's auditors since inception of the Issuer.

The following financial statements of Ocean Yield ASA, included in this Prospectus, have been audited by KPMG AS, the independent auditors, as stated in their reports appearing herein:

- The consolidated financial statements of the Ocean Yield ASA as of and for the years ended 31 December 2012 and 2011.

- The combined financial statements of Ocean Yield ASA as of and for the years ended 31 December 2012, 2011 and 2010.

The audit report relating to the combined financial statements of Ocean Yield ASA as of and for the years ended 31 December 2012, 2011 and 2010 contains an emphasis of matter paragraph referring to the basis of accounting described in Note 1 and Note 2 of the Combined Financial Statements as follows:

"*Without modifying our opinion, we draw attention to Note 1 and 2 of the combined financial statements, which describes the basis of accounting. The combined financial statements are prepared to assist Ocean Yield AS to comply with the financial reporting for inclusion in the proposed prospectus of Ocean Yield AS referred to above.*"

With respect to the unaudited condensed consolidated financial information as of March 31, 2013, and for the three months then ended, included herein, KPMG AS has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their report with respect thereto, included in the Prospectus, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

With respect to the pro forma consolidated statement of operations appearing in the Prospectus, KPMG has reported that they applied assurance procedures in accordance with professional standards for the purpose of complying with section 7-3 of the Norwegian Securities Trading Act and EU regulation No 809/2004. However, their report with respect thereto, appearing elsewhere herein, states that they did not audit the assumptions underlying the pro forma information and they do not express an opinion on such pro forma adjustments. Accordingly, the degree of reliance on their report on such pro forma adjustments should be restricted in light of the limited nature of the assurance procedures applied.

Managers

DNB Markets, Pareto Securities and SEB are the Joint Bookrunners for this Offering, and DNB Markets, Pareto Securities, SEB, Arctic Securities, Nordea Markets and Swedbank First Securities are acting as Joint Lead Managers.

Legal Advisers

Advokatfirmaet BA-HR DA is acting as legal adviser (as to Norwegian law) to the Issuer in connection with the Offering and admission to trading of the Shares on the Oslo Stock Exchange. Advokatfirmaet Wiersholm AS is acting as legal adviser (as to Norwegian law) to the Managers in connection with the Offering.

Documents on Display

For twelve months from the date of this Prospectus, copies of the following documents will be available for inspection at the Issuer's registered office during normal business hours from Monday through Friday each week (except public holidays):

- The Issuer's Articles of Association.

- The Combined Financial Statements as of and for the years ended 31 December 2012, 2011 and 2010, and the Interim Financial Statements as of and for the three months ended 31 March 2013;
- The sources of the Combined Financial Statements, being the financial statements as of and for the years ended 31 December 2012, 2011 and 2010, as applicable, for the following companies: Aker Floating Production AS (consolidated financial statements), Aker Shiplease AS, Aker Shiplease 1 AS, Aker Shiplease 2 AS, New Pollock Inc., Aker Invest II KS, Aker Invest AS and Aker Champion Inc.
- This Prospectus.

21 DEFINITIONS AND GLOSSARY

Defined Terms

Additional Shares	A maximum of 3,350,000 Shares that may be sold by Aker ASA to the Joint Bookrunners, at the Offer Price, pursuant to the Over-allotment Option; which will be the number of over-alloted Shares less the number of Shares acquired by the Stabilisation Managers through stabilisation activities.
AHTS Vessel Facility	The NOK 916.2 million term loan and guarantee facilities agreement with Eksportkreditt Norge and Swedbank as lenders, relating to *Far Senator* and *Far Statesman*.
Aker Solutions	Aker Solutions ASA.
Aker Wayfarer Facility	The NOK 1,238 million guarantee amd term loan facility with Exportfinans as lender and DNB Bank as facility agent, relating to *Aker Wayfarer*.
AKOFS Wayfarer	AKOFS Wayfarer AS.
Application Period	The application period for the Retail Offering, which is expected to commence at 9:00 a.m. CET on 10 June 2013, and expire at 12:00 p.m. CET on 21 June 2013, unless shortened or extended.
Articles of Association	The Company's articles of association from time to time.
Book-building Period	The book-building period for the Institutional Offering, expected to take place from 9:00 a.m. CET on 10 June 2013 to 4:30 p.m. CET on 21AS June 2013, unless shortened or extended.
Combined Financial Statements	The Company's audited combined financial statements as of and for the years ended 31 December 2010, 2011 and 2012, included in Appendix A—Financial Statements to this Prospectus, prepared in accordance with IFRS.
Company	The Issuer taken together with its consolidated subsidiaries, including, for periods prior to 31 March 2012, the date of establishment of Ocean Yield in its present form, the Aker ASA controlled entities owning the assets transferred to Ocean Yield as part establishing the Company.
DSME	Daewoo Shipbuilding & Marine Engineering.
EC Regulation 809/2004	The Commission Regulation (EC) no. 809/2004 implementing the Prospectus Directive and the format, incorporation by reference and publication of prospectuses and dissemination of advertisements.
EEA	European Economic Area.
EMAS	EMAS-AMC AS.
EZRA	EZRA Holdings Limited.
Farstad Shipping	Farstad Shipping ASA.

Farstad Supply	Farstad Supply AS.
Financial Statements	The Combined Financial Statements and the Interim Financial Statements taken together.
Foreign Corporate Shareholders	Foreign corporate shareholders (i.e. limited liability companies and other similar entities).
Foreign Individual Shareholders	Foreign individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders).
FSMA	Financial Services and Markets Act 2000.
GecoShip	GecoShip AS.
Group	The Issuer taken together with its consolidated subsidiaries, including, for periods prior to 31 March 2012, the date of establishment of Ocean Yield in its present form, the Aker ASA controlled entities owning the assets transferred to Ocean Yield as part establishing the Company.
Höegh Autoliners	Höegh Autoliners Holding and Höegh Autoliners Shipping taken together.
Höegh Autoliners Holding	Höegh Autoliners Holding AS.
Höegh Autoliners Shipping	Höegh Autoliners Shipping AS.
IAS 34	International Accounting Standard 34 "Interim Financial Reporting".
IFRS	International Financial Reporting Standards as adopted by the European Union.
Indicative Price Range	The indicative price range for the Offering of NOK 30 to NOK 34 per Offer Share, subject to change.
Institutional Offering	The portion of the Offering directed at institutional and professional investors in Norway and certain other jurisdictions, and in the United States to QIBs.
Interim Financial Statements	The unaudited condensed consolidated financial statements as of and for the three months ended 31 March 2013, included in Appendix A—Financial Statements to this Prospectus, prepared in accordance with IAS 34.
Issuer	Ocean Yield ASA.
Joint Bookrunners	DNB Markets, Pareto Securities and SEB.
Lending Option	An option granted by Aker ASA to the Managers giving the Managers the right to borrow a number of Shares equal to the number of over-allotted Shares under the Over-allotment Facility.
Lewek Connector Facility	The USD 235 million guarantee and term loan agreement with DNB Bank as facility agent, relating to the *Lewek Connector*.
Managers	DNB Markets, Pareto Securities, SEB, Arctic Securities,

	Nordea Markets and Swedbank First Securities.
Member State	The participating member states in the European Union.
Norwegian Corporate Governance Code	Norwegian Code of Practice of 23 October 2012.
Norwegian Corporate Shareholders	Norwegian corporate shareholders (i.e. limited liability companies and similar entities).
Norwegian FSA	The Financial Supervisory Authority of Norway (Nw. *Finanstilsynet*).
Norwegian Individual Shareholders	Norwegian individual shareholders (i.e. other shareholders than Norwegian Corporate Shareholders).
Norwegian Securities Trading Act	Norwegian Securities Trading Act of 29 June 2007 no. 75.
Ocean Yield	The Issuer taken together with its consolidated subsidiaries, including, for periods prior to 31 March 2012, the date of establishment of Ocean Yield in its current form, the Aker ASA controlled entities owning the assets transferred to Ocean Yield as part establishing the Ocean Yield.
Ocean Yield Group	The Issuer taken together with its consolidated subsidiaries, including, for periods prior to 31 March 2012, the date of establishment of Ocean Yield in its current form, the Aker ASA controlled entities owning the assets transferred to Ocean Yield as part establishing the Ocean Yield.
Offer Price	The subscription price per Offer Shares, which will be determined by the board of directors of the Issuer after the end of the Book-building Period and the Application Period.
Offer Shares	Up to 33,500,000 Shares offered in the Offering, or as the case may be a maximum of 36,850,000 Shares if the Over-allotment Facility is utilised in full.
Offering	The offering contemplated by this Prospectus, pursuant to the terms and conditions set out herein.
OPA 90	The US Oil Pollution Act of 1990.
Oslo Stock Exchange	Oslo Børs (a stock exchange operated by Oslo Børs ASA) or as the case may be, Oslo Axess (a regulated marketplace operated by Oslo Børs ASA).
Over-allotment Facility	A facility to be granted by the Issuer to the Joint Bookrunners giving the Joint Bookrunners the right to over-allot a number of Shares equalling a maximum of 10% of the number of Offer Shares initially allocated in the Offering.
Over-allotment Option	An option to be granted by Aker ASA to the Joint Bookrunners giving the Joint Bookrunners the right to buy, at the Offer Price, the Additional Shares, exercisable in whole or in part within a 30-day period from commencement of trading in the Shares on the Oslo Stock Exchange.

PCTC Facility ....The USD 92 pre- and post delivery term loan facility with SEB as agent, relating to the PCTCs.

Prospectus ....This prospectus dated 7 June 2013.

Prospectus Directive..Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003 regarding information contained in prospectuses.

QIB ....Qualified Institutional Buyer, as defined in the Securities Act.

Regulation S..Regulation S of the Securities Act.

Relevant Member State ....Each Member State of the EEA which has implemented the Prospectus Directive.

Reliance Industries ....Reliance Industries Limited.

Retail Offering ....The portion of the Offering, directed to the public in Norway.

Rule 144A..Rule 144 A of the Securities Act.

Securities Act ....The United States Securities Act of 1933, as amended.

Shares ....The ordinary shares of the Issuer, each with a nominal value of NOK 10.00.

Stabilisation Manager..Pareto Securities.

Unaudited Pro Forma Financial Information........................The unaudited pro forma financial income statement information for the year ended 31 December 2012.

VPS..The Norwegian Central Securities Depository (Nw. Verdipapirsentralen).

Western Geco..WesternGeco AS.

Glossary of Technical Terms

AHTS...Anchor Handling Tug Supply vessel.

bbl ....Barrel.

blpd..Barrels of Liquids Per Day.

bhp ....Break Horse Power.

cbm ....Cubic Metres.

ceu..Car Equivalent Units.

CRP..Control and Riser Platform.

DP ....Dynamic Positioning.

DSV ....Diving Support Vessel.

E&P ....Exploration and Production.

Fi-Fi..Fire-Fighting.

FPSO ....Floating, Production, Storage and Offloading unit.

G&A ....General and Administrative expenses.

LIBOR..London InterBank Offered Rate.

mbd ....Thousand Barrels per Day.

MLP ....Master Limited Partnership.

mmscufd ....Million Standard Cubic Feet per Day.

MPSV/MSV ....Multipurpose Supply Vessel.

mt ....Metric Tons.

NIBOR ....Norwegian InterBank Offered Rate.

OPEC..Organization of the Petroleum Exporting Countries.

OPEX..Operating Expenses.

PCTC ....Pure Car and Truck Carrier.

PSV ....Platform Supply Vessel.

ROVSV ....Remotely Operated Vehicle Support Vessel.

Ro-Ro ....Roll-on-Roll-off.

VLCC ....Very Large Crude Carrier.

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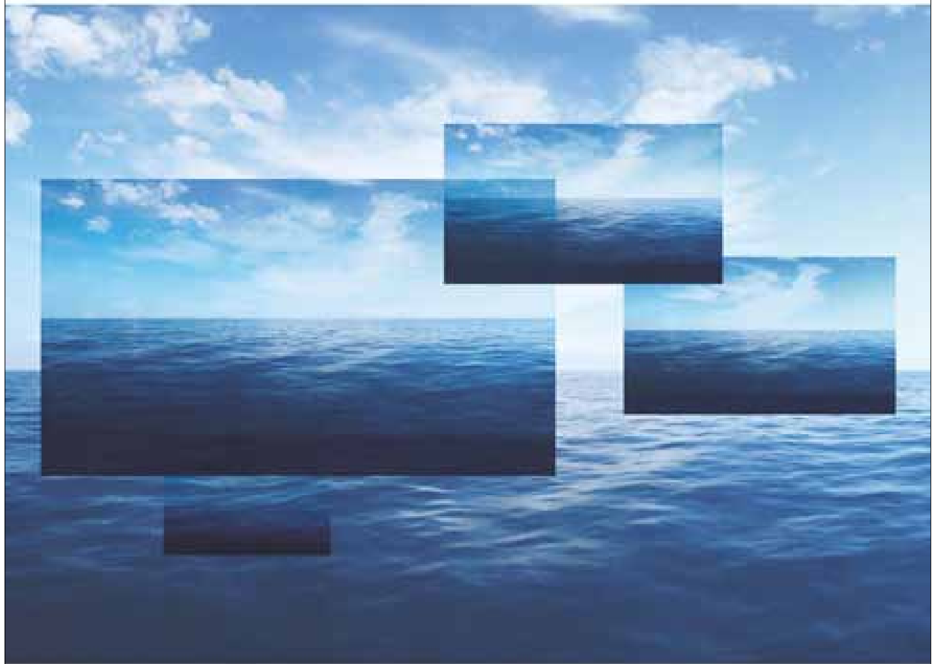
APPENDIX A—FINANCIAL STATEMENTS



OCEAN YIELD

OCEAN YIELD AS

First Quarter 2013
Report

Ocean Yield group condensed consolidated financial statements for the first quarter 2013

Income statement and total comprehensive income

Income statement

Amounts in USD million	Note	1st Quarter 2013	1st Quarter 2012[1]
Operating revenues	5	56.6	45.4
Vessel operating expenses	6	(3.9)	(4.5)
Wages and other personnel expenses	7	(1.7)	(3.7)
Other operating expenses		(2.2)	(2.0)
EBITDA	5	**48.8**	**35.1**
Depreciation and amortization	11	(24.2)	(20.8)
Impairment charges and other non-recurring items		-	(3.0)
Operating profit		**24.7**	**11.3**
Financial income	8	4.6	1.4
Financial expenses	9	(8.1)	(21.0)
Mark to market of derivatives	10	(3.4)	-
Profit before tax		**17.8**	**(8.3)**
Income tax expense		(0.7)	(0.1)
Result for the period		**17.1**	**(8.4)**

Total comprehensive income

Amounts in million	1st Quarter 2013	1st Quarter 2012
Result for the period	17.1	(8.4)
Other comprehensive income, net of income tax		
Currency translation differences	(4.1)	8.1
Total comprehensive income for the period	**13.1**	**(0.3)**
Attributable to:		
Equity holders of the parent	13.1	(0.3)
Total comprehensive income for the period	**13.1**	**(0.3)**
Earnings per share (USD)	**0.17**	**-0.08**

[1] The income statement and the total comprehensive income for Q1 2012 include interest expenses and currency translation costs of USD 14.9 million related to a shareholder loan of USD 308 million from Aker ASA to Aker Floating Production, which was converted to equity upon the establishment of the Ocean Yield group in Q1 2012.

Balance sheet

Amounts in USD million	Note	31 March 2013	31 March 2012	31 December 2012
ASSETS				
Vessels and equipment	11	1 241.0	905.1	1 157.7
Intangible assets		38.3	38.3	38.3
Deferred tax assets		9.2	9.1	10.1
Restricted cash deposits		20.0	20.0	20.0
Investments in AMSC Bonds		148.0	141.0	151.8
Total non-current assets		**1 456.6**	**1 113.5**	**1 378.0**
Trade receivables, other interest-free receivables and short-term investments in shares		18.9	18.7	15.8
Cash and cash equivalents		63.7	63.7	104.6
Total current assets		**82.7**	**82.4**	**120.4**
Total assets		**1 539.2**	**1 195.9**	**1 498.4**
EQUITY AND LIABILITIES				
Share capital		175.6	175.6	175.6
Other paid-in capital		400.4	400.4	400.4
Total paid-in capital		**576.0**	**576.0**	**576.0**
Retained earnings and translation reserves		(29.1)	(80.4)	(43.0)
Total equity attributable to equity holders of the parent		**546.8**	**495.6**	**533.0**
Total equity	13	**546.8**	**495.6**	**533.0**
Interest-bearing loans	12	800.9	511.8	746.6
Deferred tax liabilities	14	0.6	0.3	-
Pension liabilities	14	0.3	0.6	1.6
Mobilization fee and advances		80.9	99.4	86.7
Other interest-free long term liabilities		(0.0)	4.3	1.8
Total non-current liabilities		**882.6**	**616.4**	**836.7**
Interest-bearing short term debt	12	93.0	70.3	111.8
Trade and other payables		16.8	13.6	17.0
Total current liabilities		**109.8**	**83.9**	**128.7**
Total liabilities		**992.4**	**700.3**	**965.4**
Total equity and liabilities		**1 539.2**	**1 195.9**	**1 498.4**
Equity ratio		***35.5***	***41.4***	***35.6***

Change in equity

Amounts in USD million	Note	1st Quarter 2013	1st Quarter 2012
Balance at the beginning of the period		533.0	37.2
Profit for the period		17.1	-8.4
Other comprehensive income		-4.1	8.1
Total comprehensive income		**13.1**	**-0.3**
New Equity in Ocean Yield AS			458.7
Impact of implementing IAS 19R, net of tax	2	0.8	-
-Balance at the end of the period		**546.8**	**495.6**

Cash flow statement

Amounts in USD million	Note	1st Quarter 2013	1st Quarter 2012
Profit before tax		17.8	-8.3
Sales losses/gains (-) and write-downs		-	3.0
Depreciation and amortization		24.2	20.8
Other changes in operating activities		-12.4	14.4
Net cash flow from operating activities		**29.6**	**29.9**
Proceeds from sales of property, plant and equipment		-	-
Acquisition of property, plant and equipment	11	-120.9	-
Net cash flow from investing activities		**-120.9**	**-**
Proceeds from issuance of long-term interest-bearing debt	12	80.5	-
Repayment of long-term interest-bearing debt	12	-29.0	-29.7
Net cash flow from financing activities		**51.6**	**-29.7**
Net change in cash and cash equivalents		**-39.7**	**0.2**
Exchange rate differences		-1.1	1.9
Cash and cash equivalents at beginning of the period		104.6	61.5
Cash and cash equivalents at the end of the period		**63.7**	**63.7**

Notes to the condensed consolidated interim financial statements for the Ocean Yield for the first quarter 2013

Note 1 Introduction – Ocean Yield AS

Ocean Yield AS is a company domiciled in Norway. The condensed consolidated interim financial statements for the first quarter of 2013 comprise Ocean Yield AS and its subsidiaries (together referred to as the "Group"). The financial statement for the 1st Quarter 2013 include the financial statements of the parent company, Ocean Yield AS and its subsidiaries owned at the end of 1st Quarter 2013.

Note 2 Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by EU, and the Norwegian additional requirements in the Securities Trading Act. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012.

A number of standards, amendments to standards and interpretations are not yet effective for the period ended 31 March 2013, and have not been applied in preparing these consolidated financial statements:
IFRS 10 Consolidated Financial statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosures of Interests in Other Entities, in addition amendments to the standards IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures. These new and amended standards are effective from 1 January 2014. Based on the Group's preliminary assessment these new and amended standards will not have a material effect on the financial statements.
The implementation of IFRS 9 Financial Instruments (mandatory from 1 January 2015) may result in certain amendments to the measurement and classification of financial instruments.

These condensed consolidated interim financial statements were approved by the Board of Directors on 10th May 2013.

Note 3 Significant accounting principles

The group has of 1 January 2013 implemented revised IAS 19 Employee benefits (IAS 19R), IFRS 13 Fair Value Measurement and amendments to IAS 1 Presentation of Financial Statements. Other accounting policies applied by the group in these condensed consolidated interim financial statements are the same as those applied by the group in its consolidated financial statements as at and for the year ended 31 December 2012.

IAS 19R
The company has previously employed the "corridor" method for accounting of unamortised estimate deviations. In accordance with IAS 19R, all estimate deviations are to be recognised under other comprehensive income (OCI). Return on pension plan assets was previously calculated on the basis of a long-term expected return on the pension plan assets. Due to the application of IAS 19R, the net interest cost of the period is now calculated by applying the discount rate applicable to the liability at the start of the period on the net liability. Thus, the net interest cost comprises interest on the liability and return on the pension plan assets, both calculated with the discount rate. Changes in net pension liabilities due to premium payments and pension benefits are taken into consideration. The difference between actual return on the pension plan assets and the recognised return is recognised against the OCI on an on-going basis. The changes in IAS 19R required retrospective implementation, but have been assessed to be immaterial as regards their impact on Ocean Yield financial statements for previous reporting periods. Consequently prior periods' information has not been restated to reflect the impact of the implemented standards and amendments.

Note 4 Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The most significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group's accounting policies, and the key sources of estimation uncertainty, are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2012.

Note 5 Operating segments

Ocean Yield identifies segments based on the group's management and internal reporting structure.

Operating revenues	1st Quarter	1st Quarter
Amounts in USD million	2013	2012
Aker Floating Production (Dhirubhai 1)	35.0	33.8
Aker ShipLease (Aker Wayfarer)	10.3	10.1
New Pollock (Geco Triton)	1.4	1.4
Connector (Lewek Connector)	9.5	-
Other companies and eliminations	0.4	-
Operating revenues	**56.6**	**45.4**

EBITDA	1st Quarter	1st Quarter
Amounts in USD million	2013	2012
Aker Floating Production (Dhirubhai 1)	28.3	23.7
Aker ShipLease (Aker Wayfarer)	10.3	10.1
New Pollock (Geco Triton)	1.4	1.4
Connector (Lewek Connector)	9.4	-
Ocean Yield AS	(0.9)	(0.0)
Other companies and eliminations	0.4	-
EBITDA	**48.8**	**35.2**

Note 6 Vessel operating expenses

Vessel operating expenses are mainly related to operating expenses for the Dhirubhai-1

Note 7 Wages and other personnel expenses

Wages and personnel expenses in Q1 2012 include one-off costs related to a reduction in the number of employees in Aker Floating Production AS in 2012

Note 8 Financial income

Financial income in Q1 2013 contains a one-off recognition of deferred income of USD 1.8 million. Financial income related to the investment in AMSC bonds was USD 2.5 million in the quarter. The nominal outstanding amount of bonds controlled by Ocean Yield was USD 184.5 million at the end of the quarter. The bonds are accounted for using the fair value principle.

Note 9 Financial expenses

Financial expenses in Q1 2012 contain interest related to a shareholder loan from Aker ASA of USD 308 million granted to Aker Floating Production AS. Upon establishment of Ocean Yield in Q1 2012, this loan, including interest, was converted to equity.

Note 10 Mark to Market of derivatives

Mark-to-market of derivatives is mainly related to a cross currency interest rate swap on the NOK 600 million bond loan issued by Ocean Yield, where the coupon on the bond loan has been swapped from NIBOR+6.50% p.a. to LIBOR+7.07 p.a. The bond loan matures in July 2017.

Note 11 Vessels and equipment

Material changes in vessels and equipment during Q1 2013:

Amounts in USD million	Aker Floating Production (Dhirubhai-1)	Aker Shiplease (Aker Wayfarer)	New Pollock (Geco Triton)	Connector (Lewek Connector)	LH Shiplease Höegh 4401/4402	F-Shiplease (FAR Senator/FAR Statesman)	Total
Balance at 1 January	579	240	15	312	12	-	1 158
Depreciation	-16	-4	-	-4	-	-	-24
Acquisition	-	-	-	-	12	109	121
Effect of movements in foreign exchange	-	-10	-	-	-	-4	-13
Balance at 31 March	**562**	**226**	**15**	**308**	**25**	**105**	**1 241**

Note 12 Interest bearing debt

Material changes in interest-bearing debt (short term and long term) during 2013:

Amounts in USD million	Aker Floating Production AS	Aker Shiplease AS	Ocean Yield AS	Connector 1 AS	F-Shiplease AS	Total
Balance at 1 January	344	184	105	224	-	858
New loans	-	-	-	-	81	81
Repayments	(29)	-	-	-	-	(29)
Effect of movements in foreign exchange and other changes	(1)	(8)	(4)	-	(3)	(16)
Total interest-bearing liabilities as of 31 March 2013	**314**	**177**	**101**	**224**	**78**	**894**
Long-term	258	159	101	205	78	801
1st year instalments	56	18	-	20	-	93
Total interest-bearing liabilities as of 31 March 2013	**314**	**177**	**101**	**224**	**78**	**894**

An extraordinary repayment on the loan related to Aker Floating Production was made in the first quarter. This is related to an annual cash sweep in the loan agreement. The extraordinary repayment was USD 17.0 million and is equal to 50% of excess cash in 2012 in Aker Contracting Floating Production ASA. The Company is in the process of amending the loan agreement to allow for a separate subordinated tranche, which will allow the company to re-draw the cash sweep amounts payable annually. So far, an offer has been received for the financing of the 2012 cash sweep amount of USD 17.0 million. The loan agreement will, on an uncommitted basis, allow for this tranche to be increased up to USD 101 million, for the financing of future cash sweep payments.

Note 13 Share capital and dividend

As of 31 March 2013 Ocean Yield had 100 million ordinary shares outstanding. The board of directors proposed a dividend of USD 40 million for 2012. The dividend distribution was approved at the Annual General Meeting in April and will be paid with USD 20 million in June 2013 and USD 20 million in September 2013. Target dividend for 2013 is USD 0.46 per share, with 50% payable in April 2014 and 50% in September 2014.

Note 14 Pension, tax and contingencies

Calculation of pension cost and liability is done annually by actuaries. In the interim financial reporting, pension costs and liabilities are based on the actuarial forecasts. Income tax expense is recognized in each interim period based on the best estimate of the expected annual income tax rates.

Note 15 Charter backlog and purchase options

Charter backlog as per end of Q1 2013 by contracted revenues split by vessel

USD million

Vessel	Total	2013[2]	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Dhirubhai-1, total	700.8	95.5	124.8	129.1	127.6	128.4	95.3	—	—	—	—	—	—	—	—
of which is bareboat charter	583.4	81.0	105.2	107.9	106.0	105.7	77.6	—	—	—	—	—	—	—	—
of which is O&M agreement	117.4	14.5	19.6	21.2	21.7	22.7	17.7	—	—	—	—	—	—	—	—
Lewek Connector	365.4	28.9	38.3	38.3	38.4	38.3	38.3	38.3	38.4	38.3	29.7	—	—	—	—
Aker Wayfarer	273.7	25.7	36.7	36.7	36.8	36.7	36.7	36.7	27.6	—	—	—	—	—	—
Höegh 4401	86.6	—	4.9	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	2.4
Höegh 4402	86.6	—	2.4	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	4.8
Far Senator	139.5	9.2	12.3	12.3	12.1	12.0	11.7	11.6	11.7	11.4	11.3	10.8	10.7	2.3	—
Far Statesman	139.8	7.5	12.3	12.3	12.1	12.0	11.8	11.6	11.7	11.5	11.3	10.9	10.7	4.2	—
Geco Triton	16.0	4.4	5.80	5.80	—	—	—	—	—	—	—	—	—	—	—
Total cash revenue backlog	1808.2	171.1	237.5	248.9	241.5	241.8	208.3	112.7	103.8	75.6	66.8	36.2	35.9	21.0	7.1
Amortisation of mobilisation fees, Dhirubhai-1	49.0	6.7	9.0	9.0	9.0	9.0	6.4	—	—	—	—	—	—	—	—
Non-cash rate Aker Wayfarer[1]	32.0	5.4	3.9	3.9	3.9	3.9	3.9	3.9	2.9	—	—	—	—	—	—
Total revenue backlog	1889.2	183.2	250.4	261.8	254.4	254.7	218.6	116.7	106.8	75.6	66.8	36.2	35.9	21.0	7.1

(1) This portion of the revenue is used to repay a loan from the client
(2) 2013 figures include Q2-Q4 2013

Purchase Options per vessel by year after contract start

USD million

Vessel	Contract start	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Dhirubhai-1,	Sep.2008	541.0	494.0	443.0	387.0	324.0	255.0	-	-
Lewek Connector	Oct.2012	245.0	-	213.0	-	-	158.0	-	-
Aker Wayfarer	Sep.2010	-	-	-	-	-	-	-	-
Höegh 4401	Apr. 2014	54.0	-	50.0	-	-	43.0	-	36.8
Höegh 4402	Aug. 2014	54.0	-	50.0	-	-	43.0	-	36.8
Far Senator	Mar. 2012*	85.5	-	76.6	-	-	63.2	-	53.8
Far Statesman	June 2012*	85.5	-	76.6	-	-	63.2	-	53.8
Geco Triton	Dec. 1998	-	-	-	-	-	-	-	-

*Options in NOK. Converted to USD with exchange rate as of Q1 2013 (NOK/USD 5.82)

Note 16 Events after the balance sheet date

The Board of Directors has on May 10th proposed to the general assembly that Ocean Yield is transformed from a limited liability company to a public limited liability company ("ASA") and that the Board of Directors is given power of attorney to issue new shares. The general assembly will also elect new members to the Board of Directors.

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To the Board of Directors of Ocean Yield AS

Independent Auditors' Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Ocean Yield AS and its subsidiaries ("the Company"), as at 31 March 2013 and the related condensed consolidated statements of income, total comprehensive income, changes in equity and cash flows for the three month period ended 31 March 2013, and notes to the condensed consolidated interim financial information. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

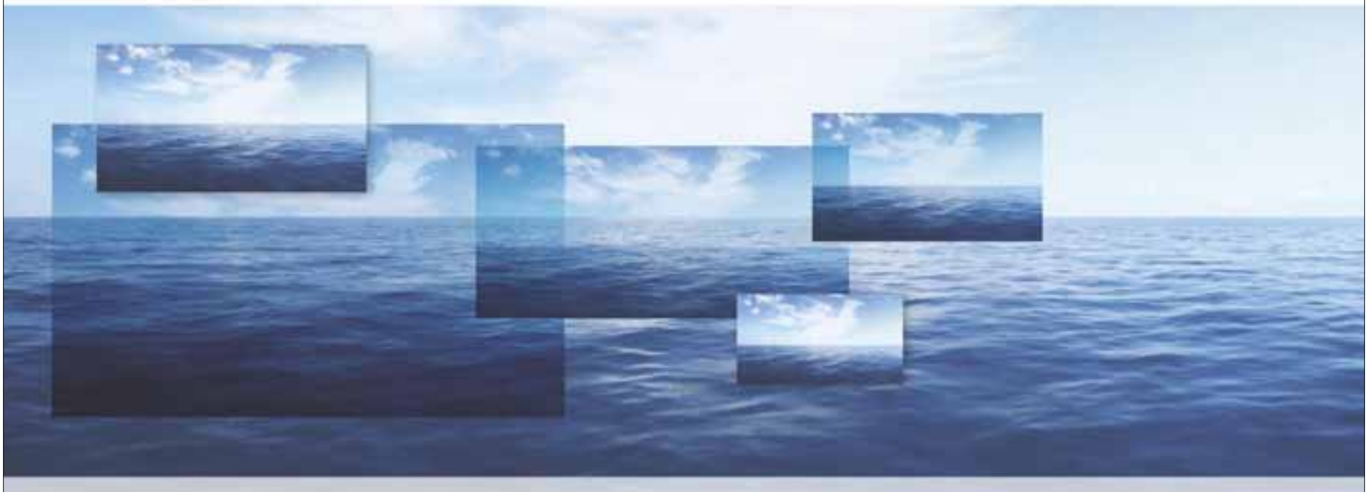
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 31 March 2013 and for the three month period then ended, is not prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting.

We have previously audited in accordance with International Financial Reporting Standards as adopted by the EU, the consolidated balance sheet of Ocean Yield AS and subsidiaries as of December 31, 2012, and the related consolidated statements of income, total comprehensive income, changes in equity and cash flows for the year then ended (not presented herein); and in our report dated March 15, 2013, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2012, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Oslo, 29 May 2013
KPMG AS

Vegard Tangerud
State Authorized Public Accountant

OCEAN YIELD



OCEAN YIELD AS

Annual Report 2012

OCEAN YIELD AS
ANNUAL REPORT FOR 2012

BOARD OF DIRECTORS REPORT

The Ocean Yield group, which includes the parent company Ocean yield AS and its subsidiaries, was established on March 31st 2012 by Aker ASA. The company's strategy is to invest in modern vessels within oil-service and industrial shipping, with long term charters.

The company was initially established with a portfolio of assets previously controlled by Aker ASA. An experienced board of directors and management team was recruited and additional capital was raised in the bond market for further growth. The company completed two new investments within oil-service and the car carrier sectors during 2012. Ocean Yield will continue to develop and diversify its portfolio of assets, combined with raising new capital for further growth, with the aim to become a large company with substantial dividend capacity and a portfolio of diversified assets. The company targets a stock listing on the Oslo Stock Exchange in 2013 or 2014, depending on market conditions.

KEY FINANCIALS	2012	2011
Operating Revenues (USD Million)	188.0	182.5
EBITDA (USD Million)	151.4	148.8
Operating Profit (USD Million)	59.7	43.9
Profit for the year(USD Million)	27.7	4.2
Book Equity (USD Million)	533.0	37.2
Net Interest Bearing Debt[1)] (USD Million)	733.7	828.4
Total Assets (USD Million)	1,498.4	1,063.9
Dividend per share (USD)	0.40	N/A

The consolidated financial statements for Ocean Yield have been prepared in accordance with international financial reporting standards (IFRS). The financial statements are presented on a "carve out" or combined basis for all periods prior to the carve-out and comprise the combined historical financial statements, assuming that Ocean Yield had existed as a separate legal entity for all periods presented. Hence, the Net Profit for the periods presented includes interest expenses and currency translation costs of USD 14.9 million related to a shareholder loan of USD 308 million including interest from Aker ASA to Aker Floating Production, which was converted to equity upon the establishment of the Ocean Yield group in Q1 2012.

1) Net interest bearing debt is interest bearing debt less restricted cash, cash & cash equivalents

The Group's operations and fleet

Ocean Yield's existing business consists of several investments within the maritime sector, spanning from FPSO to seismic, oil service- and car carrier vessels. Upon establishment in March 2012, the Group had ownership of one FPSO, the "Dhirubhai-1", one offshore-construction vessel, the "Aker Wayfarer", one seismic vessel, the "Geco Triton" and an investment in American Shipping Company's unsecured bond (AMSC 07/18 FRN C). The "Dhirubhai-1" is on long term charter to Reliance Ltd., which includes a Bareboat contract and an Operations & Maintenance contract. The Aker Wayfarer is on long term charter to Aker Solutions ASA, while the "Geco Triton" is on long term charter to Western Geco, a subsidiary of Schlumberger.

Later in the year, Ocean Yield entered into two additional transactions, whereby it acquired the offshore construction and cable lay vessel "Lewek Connector", with long term charter to a subsidiary of Ezra Holdings Ltd. and entered into two newbuilding contracts for two PCTC vessels with long term charter from delivery to Höegh Autoliners.

Ocean Yield's head office is in Oslo, Norway. In addition, the company has, through its subsidiary Aker Floating Production AS, presence in Kakinada in India.

Review of 2012

The Ocean Yield group was established on March 31st 2012 by Aker ASA, with the aim to develop a focused company with investments within oil-service and industrial shipping with focus on long-term contracts. An experienced management team was recruited.

In July 2012, Ocean Yield completed a NOK 600 million, unsecured bond issue. The loan carries a coupon of 3 months NIBOR + 6.50% p.a. and matures in July 2017. Upon the initial close, Ocean Yield subscribed for NOK 100 million in the loan, which was later sold in the market. The capital raised has been utilized for further investments. The bond was later in the year listed on the Oslo Stock Exchange.

In September 2012, Ocean Yield entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 6 500 car capacity with Daewoo Shipbuilding & Marine Engineering's ("DSME"). The vessels will be built at DSME's shipyard in Mangalia, Romania.

The vessels are scheduled for delivered in April and August 2014 respectively, and will after delivery be employed on 12-year hell & high water bareboat charter contracts to Höegh Autoliners ("HAL"). HAL will be responsible for the shipbuilding supervision. HAL owns and operates around 60 PCTC vessels (Pure Car and Truck Carriers) in a global trade system, and is regarded as one of the global leaders in deep sea car transportation. Ocean Yield secured long-term financing with banks for approximately 70% of the investment. The remaining amount is funded with equity.

In October 2012, Ocean Yield entered into an agreement to acquire the offshore construction and cable lay vessel, the "Lewek Connector", from a joint venture company owned 50/50 by Aker Solutions ASA and Ezra Holdings Ltd. The total consideration was USD 315 million. The vessel entered into a 10-year "hell & high" bareboat charter from delivery to EMAS-AMC AS, a wholly owned subsidiary of Ezra Holdings Ltd. The bareboat charter is fully guaranteed by Ezra Holdings Ltd. Ocean Yield secured financing for approximately 75 % of the purchase price from its banks. The remaining amount was funded with equity.

The FPSO Dhirubhai-1 showed strong utilization in 2012, with only minimal operational downtime. There was a planned shutdown for maintenance in November of 6.75 days for which Aker Floating Production is not entitled to charter hire. The utilisation was 99.9% in 2012, with the exception of shutdown for planned maintenance.

The Board of Directors have proposed a cash dividend of USD 40 million for the year 2012, equivalent to USD 0.40 per share.

Financial Review

Consolidated figures - Income statement

The figures are presented as if Ocean Yield had existed as a separate legal entity for all of the financial periods presented. Financial information in the consolidated financial statements for periods prior to combinations under common control is restated, to reflect the combinations as if it had occurred from the beginning of the earliest period presented in the financial statements, regardless of the actual date of the combination. Operating revenues for the year was USD 188 million compared to USD 182.5 million for the year 2011. Operating Profit before depreciation and amortization was USD 151.4 million, compared to USD 148.8 million for the year 2011. A planned maintenance shutdown on the Dhirubhai-1 in November 2012, affected the Operating revenues negatively with about USD 4.1 million.

Financial income was USD 8.9 million in 2012, compared to USD 14.6 million for 2011. The majority share of financial income is related to interest earned on the bonds issued by American Shipping Company AS, where Ocean Yield owns 93% of the bonds outstanding. The bonds carry a coupon of NIBOR + 4.75 % per annum and interest may be "Payable-in-Kind". Interest income from the bonds in American Shipping Company is included from the date of acquisition by Ocean Yield, being the end of Q1 2012. Financial expenses were USD 39.9 million compared to USD 58.1 for the year 2011. In addition to ordinary interest expenses under our long-term financing agreements, the figures for 2012 are strongly influenced by interest expenses and foreign exchange losses of approximately USD 14.9 million in total, related to a USD 308 million shareholder loan from Aker ASA, which was converted to equity on March 31st 2012. Mark-to-market of derivatives was negative with USD 1.7 million. Profit for the year was hence USD 27.7 million, compared to USD 4.2 million for 2011.

Business Segments

Dhirubhai-1

Aker Floating Production AS, which controls the FPSO "Dhirubhai-1", reported Operating Revenues of USD 133.1 million for the year 2012. Operating profit before depreciation and amortisation was USD 98.9 million. Operating profit was USD 27.4 million. Profit for the year was USD 2.7 million. The "Dhirubhai-1" utilization for 2012 was 99.9%, disregarding a planned maintenance shutdown of 6.75 days.

Aker Wayfarer

Aker Shiplease AS, which controls the subsea construction vessel "Aker Wayfarer", reported Operating Revenues of USD 40.6 million for the year 2012. Operating profit before depreciation and amortisation was USD 40.6 million. Operating profit was USD 25.5 million. Profit for the year was USD 19.9 million

Lewek Connector

Connector 1 Holding AS, which controls the subsea construction and cable lay vessel "Lewek Connector", reported Operating revenues of USD 8.5 million for the year 2012. Operating profit before depreciation and amortisation was USD 8.5 million. Operating profit was USD 5.0 million. Profit for the year was USD 3.2 million. The vessel was delivered to Ocean Yield on October 12th 2012 and had 80 operational days in 2012.

Geco Triton

Aker Invest AS, which indirectly controls the seismic vessel "Geco Triton", reported Operating Revenues of USD 5.8 million for the year 2012. Operating profit before depreciation and amortization was USD 5.7 million. Operating profit was USD 4.1 million. Profit for the year was USD 2.9 million.

PCTC Newbuildings

LH Shiplease AS controls the PCTC newbuildings that are scheduled for delivery in April 2014 and August 2014. Hence the vessels had no Operating Revenues in the year. Operating profit before depreciation and amortization was USD 0. Operating profit was USD nil. Profit for the year was USD nil.

AMSC bonds

Ocean Yield owns 93% of the senior unsecured bonds (AMSC 07/18 FRN C) in American Shipping Company ("AMSC"). AMSC bareboat charters ten vessels to Overseas Shipholding Group, Inc. ("OSG") which in turn has chartered out the vessels to major oil companies. On 14thNovember 2012, Overseas Shipholding Group, Inc. ("OSG") filed for Chapter 11 under the United States Bankruptcy Code. Later, on 15th January 2013, AMSC released a notice to its investors that the bankruptcy court had approved OSG's request to continue to perform all of its obligations under the bareboat charters with AMSC. AMSC also confirmed in the release that OSG, so far, had continued to make all of its charter payments to AMSC on time. This is in line with our expectations as the bareboat charter rates payable by OSG is below the current market rates.

Financial position

The Ocean Yield Group had total assets as of December 31st of USD 1,498.4 million, compared to USD 1,063.9 million for 2011. Book Equity was USD 533 million, resulting in an equity ratio of 35.6 %. Cash and Cash equivalents at year end were USD 104.6 million and Total interest bearing debt was USD 858.4 million. Net interest bearing debt was USD 733.7 million in 2012, compared to USD 828.4 million in 2011

Financing

In 2012, the company entered into several new debt agreements.

In July 2012, the company issued a NOK 600 million, five year, unsecured bond. The bond carries a coupon of 3M NIBOR plus 6.50% p.a. The proceeds were used for general corporate purposes and new investments.

In September 2012, the company entered into a USD 92 million debt facility with a bank for the long term financing of the two PCTC newbuildings. The debt facility will provide long term financing for approximately 70% of the newbuilding cost of the vessels and has a maturity of five years from delivery of each vessel.

In October 2012, the company entered into a USD 235 million debt facility for the long term financing of the "Lewek Connector". This debt facility provided long term financing for approximately 75% of the purchase price, which was USD 315 million.

Cash flow

Net Cash flow from operating activities was USD 118.7 million, compared to USD 100.9 million for 2011. The difference between the Operating profit before depreciation and amortisation of USD 151.4 million and Net cash flow from operating activities is mainly due to mobilisation fees recognised of USD 17.6 million for the year and net interest paid USD 16 million. Cash flow from investing activities was USD -316.1 million for the year, compared to USD -12.7 million for 2011. Net cash flow from financing was USD 238.3 million, compared to USD -96.6 million for 2011. Net cash flow for the year was USD 40.8 million, resulting in cash and cash equivalents of USD 104.6 million at the end of the year. The company's operating cash flow is sufficient to cover ordinary instalments under the company's debt facilities. The company normally finances new investments with a combination of debt and equity, where the operating cash flow from each new investment is sufficient to cover the debt assumed for the relevant project. In addition, the company had USD 20 million of restricted cash deposits. The group held no marketable securities at the end of the year.

Parent Company – Ocean Yield AS

The net profit after tax for the parent company Ocean Yield AS was USD 18.3 million for the year 2012. The result is mainly due to group contributions from Ocean Yield's subsidiaries. Total assets were USD 907.7 million. Total equity was USD 589.2 million resulting in an equity ratio of 65% in the parent company. Total long term debt was USD 264.8 million, of which USD 159.4 million is long term liabilities to group companies.

Presentation of annual accounts

Ocean Yield's annual accounts comprise the following main parts: income statement, balance sheet, and cash flow statement of the Ocean Yield group and its parent company Ocean Yield AS. Ocean Yield's consolidated group financial statement has been prepared and presented in accordance with International Financial Reporting Standards (IFRS), adopted as accounting standards by the EU. The financial statements of the parent company Ocean Yield AS have been prepared and presented in accordance with the Norwegian Accounting Act and generally accepted accounting practices in Norway.

Going concern assumption

Pursuant to section 3-3a of the Norwegian accounting act, it is confirmed that the annual accounts have been prepared based on the assumption that Ocean Yield is a going concern and the Board confirms that this assumption continues to apply.

Health, Safety, Environment and Personnel Matters

Ocean Yield's corporate values and ethical guidelines make HSE responsibility an integral facet of our business. Ocean Yield AS currently has 3 employees, while the subsidiary Aker Floating Production AS, directly or indirectly, has 16 employees in total. The average absence due to sickness was 2.9 % during 2012. The majority of the crew on board the FPSO Dhirubhai-1 is outsourced through a third party manager. Constant HSE awareness steers Aker Floating Production's continuous effort to avoid accidents which could lead to personnel injury or damage to equipment, environment, or reputation. There have been no lost time incidents on board the Dhirubhai-1 in 2012. The corresponding Lost Time Injury Frequency (LTIF) is calculated at 0 per million hours for the year. No injuries were reported during the year. Ocean Yield is committed to its business operations not having a harmful effect on the environment over and above what would be normal for its type of industry. Operational key performance indicators with targets and monthly follow-up (measure, control and report back) have been agreed with the charterer of the FPSO Dhirubhai-1 and include factors such as oil spillage and fuel gas consumptions. The contract also incentivises both parties to the contract to avoid gas flaring. The remaining vessels in Ocean Yield's fleet are chartered out on bareboat contracts, where all operating risk lies on the charterer.

Diversity

Equal opportunity for men and women is a clear policy in Ocean Yield. Women accounted for 11% of the total number of employees as of December 31st 2012. The Board of Directors consists of four men and one woman.

Research and Development

Ocean Yield has not engaged in research and development during 2012.

Corporate Governance

The Company has adopted and implemented a corporate governance regime which, in all material respects, complies with the Norwegian Code of Practice for Corporate Governance Code. A copy of the Corporate Governance Code can be found on the company's web site, www.oceanyield.no

Risk and risk management

Market risk

All of Ocean Yield's vessels are on long-term contracts and are hence not directly exposed to short- or medium-term market risk, as these contracts typically have a fixed charter rate throughout the entire period. The company is, however exposed to market risk and residual value risk related to its vessels upon expiry or renewal of a charter contract.

Operating risk

As most of Ocean Yield's vessels are on bareboat charter contracts, the company is not exposed to operating risk for these vessels, as this is the responsibility of the charterer. However, on the FPSO "Dhirubhai-1", the company is responsible for the operations and maintenance of the vessels and hence has full operating risk.

Financial risk

Ocean Yield's strategy is to mitigate financial risk, where appropriate, using derivative instruments. This is mainly related to interest rate risk and currency risk. The Company will enter into fixed interest rate agreements for portions of its debt facilities from time to time, in order to protect the company's dividend capacity from large fluctuations in interest rates. The ratio of fixed interest rate contracts to its total debt portfolio may vary from time to time, depending on the company's view of the market.

Ocean Yield's financial accounts are in USD and most of its revenues are denominated in USD, hence there is limited currency exchange risk in the company. One of our vessels, the Aker Wayfarer is on a long term bareboat charter which is denominated in NOK. Our investment in bonds in American Shipping Company ASA is also denominated in NOK. In addition, the company has some exposure to NOK through office rental expenses and salaries for Norwegian personnel at its head office in Oslo. Through Aker Floating Production AS, the company has some exposure to Indian Rupees for expenses locally in India. As such, Ocean Yield may from time to time, enter into derivative contracts in order hedge currency risk related to its fixed revenues.

Counterparty risk

Ocean Yield has inherent credit risk or counterparty risk through the fact that a counterpart may not be able to meet its obligations under a long term charter contract. In order to mitigate this, we charter out our vessels to internationally well recognized companies within the shipping and offshore industry, where several of them are listed on international stock exchanges and have a public rating.

Subsequent events after 31 December 2012

Ocean Yield announced on March 7th 2013 that it has entered into an agreement to acquire two newbuilding anchor-handling-tug-supply ("AHTS") vessels from Farstad Supply AS, a 100 % owned subsidiary of Farstad Shipping ASA, for a total consideration of approximately NOK 1.2 billion. The vessels are expected to be delivered from the yard at the end of March and May 2013. Upon delivery, the vessels will enter into 12-year bareboat charters to Farstad Supply AS ("Farstad Supply"). Farstad Supply has options to acquire the vessels during the charter period, with the first options being exercisable after five years.

The vessels are being built at STX Langsten and are of UT 731 CD design. They are high-end AHTS vessels with 24,371 BHP and 265 mt. bollard pull. Ocean Yield has secured long-term export financing for approximately 75 % of the purchase price on attractive terms. The remaining amount will be funded with equity.

Allocation of profit and dividend for Ocean Yield AS

The Board of Directors proposes for approval at the annual general meeting an ordinary dividend of USD 0.40 per share for 2012, an aggregate total of USD 40 million. When deciding the annual dividend level, the Board of Directors take into consideration expected cash flows, financing requirements and needs for appropriate financial flexibility. Ocean Yield did not pay dividends in 2011. Ocean Yield had dividend capacity of USD 77.5 million as of 31st December 2012. The net profit for 2012 of USD 18.3 million in the parent company and the transfers from other equity of USD 21.7 million covers the proposed dividend of USD 40 million.

Future prospects

The Board of Directors expects Ocean Yield to show further growth in 2013, as companies within shipping and offshore has limited access to capital and will utilize sale and lease back transactions as a useful financing tool, combined with other available funding sources. Ocean Yield has access to capital through its strong relationships with several banks; its presence in the capital markets and has a strong shareholder in Aker ASA. The company targets a stock listing on the Oslo Stock Exchange during the course of 2013 or 2014, depending on market conditions. Given the nature of the company's business, with mainly long term contracts to solid counterparties, the Board of Directors expects the company to deliver stable operating results and predictable dividends in the coming years.

Oslo 15 March 2013

Svein Aaser (Chairman)	Kjell Inge Røkke (Director)	Trond Brandsrud (Director)
Katrine M. Klaveness (Director)	Tom Grøndahl (Director)	Lars Solbakken (CEO)

Board of Directors

Svein Aaser – Chairman

Mr. Aaser (born 1946) graduated from the Norwegian School of Economics and Business Administration in 1970, and has a degree from IMEDE, Lausanne in 1977. Mr. Aaser was President and CEO of Norway's largest bank, DNB and later DnBNOR, from 1998 to his retirement on 31.12.2006. Mr. Aaser is former President and CEO of Hafslund Nycomed and Deputy CEO of Nycomed Amersham. He has also been Managing Director of Storebrand Skade, NORA Food Products and of Stabburet/Norway. From 1992-94 he was President of NHO (Confederation of Norwegian Enterprises). He is currently Chairman of the Board of Telenor ASA, Det norske oljeselskap ASA and the National Museum in Oslo.

Kjell Inge Røkke – Board Member

Kjell Inge Røkke (born 1958), Aker ASA's main owner, has been a driving force in the development of Aker since the 1990s. Mr. Røkke launched his business career with the purchase of a 69-foot trawler in the United States in 1982, and gradually built a leading worldwide fisheries business. In 1996, the Røkke controlled company, RGI, purchased enough Aker shares to become Aker's largest shareholder, and later merged RGI with Aker. Mr. Røkke is currently chairman of Aker ASA, Aker BioMarine and Kvaerner ASA, director of Aker Solutions and deputy director of Det norske oljeselskap ASA.

Trond Brandsrud – Board Member

Trond Brandsrud (born 1958) joined Aker ASA in April 2010 after three years as CFO in Seadrill Limited. Prior to joining Seadrill in 2007, Mr. Brandsrud worked for Royal Dutch Shell for more than 20 years. At Shell, he held several key finance positions in Norway as well as internationally. He also has extensive experience from major offshore field development projects and held several senior management roles in Shell's upstream and downstream sectors. Mr. Brandsrud has a MSc degree from the Norwegian School of Economics (NHH).

Tom Grøndahl – Board Member

Tom Grøndahl (born1949) has a degree from the Norwegian School of Economics and Business Administration and an MBA from INSEAD in France. Mr. Grøndahl was before his retirement the Deputy CEO and Chief Financial Officer in DnB NOR and before that he was deputy CEO in Bergen Bank. Mr. Grøndahl also held the position as CEO of Citibank Norway from 1985-1987. He has previously held board seats in Vital Forsikring, DnB NOR Asset Management, The Norwegian Banks' Guarantee Fund, Eksportfinans and the Norwegian-Swedish Chamber of Commerce. Mr. Grøndahl is presently the Chairman of the Norwegian Securities Dealers Association.

Katrine M. Klaveness – Board Member

Ms. Katrine Mourud Klaveness (born 1977) serves as Investment Director at Aker ASA. She has previously served within the oil and gas investment team in Aker ASA, working in particular with Det norske oljeselskap ASA. She joined Aker ASA in February in 2007. Prior to this, she was in charge of strategies at Siemens AS, and before that, she worked for McKinsey & Company in Oslo.

Management

Lars Solbakken – Chief Executive Officer

Before joining Ocean Yield, Mr. Solbakken served as CEO of Norwegian Car Carriers ASA from 2009 through 2012. From 2006 to 2009 he served as CEO of Ship Finance Management AS and through that position, he also served as CEO of Ship Finance International Limited. In the period from 1997 until 2006, Mr. Solbakken was employed as General Manager of Fortis Bank in Norway and was also responsible for the bank's shipping and oil service activities in Scandinavia. From 1987 to 1997, Mr. Solbakken served in several positions in Nordea Bank (previously Christiania Bank). He was Senior Vice President and Deputy for the shipping and offshore and aviation group, head of equity issues and merger and acquisition activities and General Manager for the Seattle Branch. Prior to joining Nordea Bank, Mr. Solbakken worked five years in Wilh. Wilhelmsen ASA as Finance Manager. Mr. Solbakken has a Master of Science degree from the Norwegian School of Economics and Business Administration in Bergen.

Eirik Eide – Chief Financial Officer

Before joining Ocean Yield, Mr. Eide served as CFO of Ship Finance Management AS, and through that position, he served as CFO of Ship Finance International Ltd. Mr. Eide has about 14 years' experience from shipping & finance. His employment background includes the position as Head of Shipping and Corporate Finance at Orkla Finans AS, Director Fortis Bank (Nederland) N.V., Oslo Branch and Senior Vice President, DnB NOR (Oslo and London). Mr. Eide has a M.Sc. degree from the Norwegian School of Management.

Other Key Personnel

Axel Busch-Christensen – Vice President Investments

Before joining Ocean Yield, Mr. Busch worked in McKinsey and Company as a consultant serving primarily the Oil & Gas industry. Prior to McKinsey Mr. Busch worked with M&A in Carnegie, a Nordic investment bank. Mr. Busch has a bachelor degree from the Norwegian School of Economics and Business Administration in Bergen. Prior to his bachelor Mr. Busch attended the Petty Officer School of the Norwegian Royal Navy.

OCEAN YIELD AS

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDING 31 DECEMBER 2012 AND 2011

Income statement and total comprehensive income

Income statement

Continuing operations

Amounts in USD million	*Note*	**2012**	2011
Operating revenues	4	**188.0**	182.5
Cost of goods and changes in inventory		**-16.3**	-17.3
Wages and other personnel expenses	5	**-10.1**	-9.3
Other operating expenses	5	**-10.2**	-7.1
Operating profit before depreciation and amortization		**151.4**	148.8
Depreciation and amortization	9,10	**-85.9**	-84.9
Impairment charges and other non-recurring items	6	**-5.9**	-20.0
Operating profit	4	**59.7**	43.9
Financial income	7	**8.9**	14.6
Financial expenses	7	**-39.9**	-58.1
Mark to market of derivatives		**-1.7**	-
Profit before tax	4	**26.9**	0.4
Income tax expense	8	**0.8**	3.8
Profit for the year continued operations	4	**27.7**	4.2

Total comprehensive income

Amounts in USD million	*Note*	**2012**	2 011
Profit for the year, continued operations		**27.7**	4.2
Currency translation differences		**9.4**	-11.1
Change in other comprehensive income, net of income tax		**9.4**	-11.1
Total comprehensive income for the year		**37.1**	-6.9
Attributable to:			
Equity holders of the parent		**37.1**	- 0.2
Minority interests		**-**	-6.7
Total comprehensive income for the year		**37.1**	-6.9
Earnings per share (USD)	14	**0.28**	

Balance sheet at 31 December

Amounts in USD million	*Note*	**2012**	2011
ASSETS			
Property, plant and equipment	9	**1 157.7**	918.4
Intangible assets	10	**38.3**	38.3
Deferred tax assets	8	**10.1**	8.6
Interest-bearing long term receivables	11	**171.8**	20.0
Pension assets		-	-
Other non-current assets		-	-
Total non-current assets		**1 378.0**	985.4
		-	-
Trade receivables and other interest-free receivables		**15.8**	17.0
Cash and cash equivalents	13	**104.6**	61.5
Total current assets		**120.4**	78.6
Total assets	4	**1 498.4**	1 063.9

Amounts in USD million	*Note*	**2012**	2011
EQUITY AND LIABILITIES			
Share capital		**175.6**	-
Other paid-in capital		**400.4**	**111.8**
Total paid-in capital	14	**576.0**	111.8
Translation and other reserves		**(1.0)**	(10.4)
Retained earnings		**(42.0)**	(59.7)
Total equity attributable to equity holders of the parent		**533.0**	41.6
Minority interests	2	-	(4.5)
Total equity	14	**533.0**	37.2
Interest-bearing loans	17	**746.6**	840.5
Deferred tax liabilities		-	-
Pension liabilities	18	**1.6**	0.9
Other interest-free long term liabilities	19	**88.5**	103.5
Total non-current liabilities		**836.7**	944.9
Interest-bearing short term debt	17	**111.8**	69.4
Trade and other payables		**17.0**	12.5
Total current liabilities		**128.7**	81.9
Total liabilities		**965.4**	1 026.8
Total equity and liabilities	4	**1 498.4**	1 063.9

Oslo, 15 March 2013
Ocean Yield AS

Svein Aaser
Chairman

Kjell Inge Røkke
Director

Tom Grøndahl
Director

Trond Brandsrud
Director

Katrine Mourud Klaveness
Director

Lars Solbakken
CEO

Change in equity

Amounts in USD million	Paid in capital	Translation reserve	Fair value	Retained earnings	Shareholder's equity	Minority Interests	Total
Balance at 31 December 2010	**111.8**	**0.6**	**-**	**12.1**	**124.6**	**2.3**	**126.8**
Profit for the year	-	-	-	10.9	10.9	-6.7	4.2
Other comprehensive income	-	-11.0	-	-	-11.0	-	-11.1
Total result	-	-11.0	-	10.9	-0.1	-6.7	-6.9
Shares in subsidiaries before establishment in 2012	-	-	-	-256.7	-256.7	-	-256.7
Shares owned. sold before the group was established in 2012	-	-	-	154.7	154.7	-	154.7
Group contribution	-	-	-	19.1	19.1	-	19.1
Balance at 31 December 2011	**111.8**	**-10.4**	**-**	**-59.8**	**41.6**	**-4.5**	**37.2**
Profit for the year	-	-	-	27.7	27.7	-	27.7
Other comprehensive income	-	9.4	-	-	9.4	-	9.4
Total result	-	9.4	-	27.7	37.1	-	37.1
New Equity in Ocean Yield AS	464.2	-	-	-5.5	458.7	-	458.7
Acquisition of minority interest	-	-	-	-4.5	-4.5	4.5	-
Balance at 31 December 2012	**576.0**	**-1.0**	**-**	**-42.0**	**533.0**	**-**	**533.0**

Cash Flow Statement

Amounts in USD million	Note	2012	2011
Profit before tax		**26.9**	0.4
Net interest expenses (+)		**17.7**	43.5
Interest paid		**-17.1**	-19.4
Interest received		**1.1**	0.7
Sales losses/gains (-) and write-downs	9,10	**6.0**	20.2
Unrealized foreign exchange gain/loss and other non-cash items		**7.2**	-4.6
Depreciation and amortization	9,10	**85.9**	84.8
Taxes paid		**-0.1**	1.1
Changes in other net operating assets and liabilities		**-9.1**	-25.8
Net cash flow from operating activities		**118.7**	100.9
Proceeds from sales of property, plant and equipment		**11.2**	-
Proceeds from sale of shares and other equity investments		**-**	0.4
Acquisition of property, plant and equipment	9,10	**-327.3**	-7.0
Net cash flow from other investments		**-**	-6.1
Net cash flow from investing activities		**-316.1**	-12.7
Proceeds from issuance of long-term interest-bearing debt	17	**334.9**	-
Repayment of long-term interest-bearing debt	17	**-96.6**	-83.6
Repayment of short-term interest-bearing debt	17	**-**	-13.0
Net cash flow from financing activities		**238.3**	-96.6
Net change in cash and cash equivalents		**40.8**	-8.4
Effects of changes in exchange rates on cash		**2.2**	-1.2
Cash and cash equivalents at 1 January		**61.5**	71.1
Cash and cash equivalents at 31 December	13	**104.6**	61.5

Notes to the financial statements

Note 1 Accounting principles, basis for preparation, and estimates

BASIS OF FINANCIAL STATEMENTS

The Ocean Yield Group was established on 31 March 2012, with Ocean Yield AS as the parent company in the Group. The Ocean Yield Group includes the parent company Ocean Yield AS and its subsidiaries,

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). Financial information in the consolidated financial statements for periods prior to combinations under common control is restated, to reflect the combinations as if it had occurred from the beginning of the earliest period presented in the financial statements, regardless of the actual date of the combination.

Financial information for periods prior to the combination is restated only for the period that the entities were under common control.

The financial statements are presented on a consolidated basis for all periods thereafter. Please refer to note 2 for further description..

REPORTING ENTITY

Ocean Yield is a Norwegian company, domiciled in Norway. The company was established at end of March 2012. The Group has investments in vessels within oil-service and industrial shipping. All vessels are at end of 2012 chartered out on long term contracts.

The 2012 consolidated financial statements of Ocean Yield include the financial statements of the parent company, Ocean Yield AS and its subsidiaries owned as of 31 December 2012.

New standards and interpretations not yet adopted

A number of standards, amendments to standards and interpretations are not yet effective for the period ended 31. December 2012, and have not been applied in preparing these consolidated financial statements:
IFRS 13 Fair Value Measurement and revised IAS 19 Employee benefits (see note 5). These new and amended standards are effective from 1 January 2013.
IFRS 10 Consolidated Financial statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosures of Interests in Other Entities, in addition amendments to the standards IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures. These new and amended standards are effective from 1 January 2014.
There have also been amendments to IAS 1 Presentation of Financial Statements, which are effective for financial years beginning after 1 July 2012. The implementation of IFRS 9 Financial Instruments (mandatory from 1 January 2015) may result in certain amendments to the measurement and classification of financial instruments.

Basis of measurement

Preparation of financial statements is based on historical cost, with the following exceptions:

- Derivative financial instruments are measured at fair value
- Financial instruments at fair value through profit and loss are valued at fair value

Principles used to determine fair value are described in greater detail below.

Functional currency and presentation currency

Consolidated financial statements are presented in United States Dollars (USD). The parent company and most of its subsidiaries have USD as functional currency. Certain of the subsidiaries have NOK as functional currency.

Due to rounding differences there may be some inconsistency between figures and percentages and total lines.

Use of estimates and judgments

Preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of guidelines and principles, as well as the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors considered being reasonable under the circumstances. Actual results may differ from amounts arrived based on these assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimates are revised if the change affects that period or in the period of change and future periods if the change affects both current and future reporting periods.

Critical judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is:

- Property, plant & equipment (impairment recognition),
- Operating revenues (lease classification).

Accounting principles

The accounting principles presented herein have been applied consistently for the period and companies presented in the consolidated financial statements. Comparative figures are reclassified if necessary in accordance with any changes in accounting principles.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Ocean Yield AS at end of 2012. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

EBITDA

Ocean Yield defines EBITDA as operating profit before depreciation, amortization and impairment charges, as presented in the consolidated profit and loss.

Impairment charges

Impairment charges include write-down of goodwill, significant write-downs and reversals of write-downs on property, plant & equipment, significant losses of operating assets, restructuring costs, and other significant matters that are not deemed to be of a recurring nature. Profit before tax includes the amount arrived at for impairment charges.

Foreign currency translation and transactions

Functional currency

Initial recording of items included in the financial statements of each Group subsidiary is in its functional currency, i.e., the currency that best reflects the economic substance of the underlying events and circumstances relevant to that subsidiary.

Transactions and balances

Foreign currency transactions are translated into USD using the exchange rates prevailing at the date of each transaction. Monetary assets and liabilities in foreign currencies are translated into USD at the exchange rates on the balance sheet date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to USD at exchange rates at the reporting date. The income and expenses of foreign operations are translated to USD at exchange rates at the dates of the transactions. Foreign currency differences are recognized in other comprehensive income, in the foreign currency translation reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the profit and loss as part of the profit or loss on disposal.

Transactions with closely related parties

All transactions, agreements, and business activities with closely related parties are conducted according to ordinary business terms and conditions.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in debt and equity instruments, customer receivables and other receivables, cash and cash equivalents, loans, accounts payable, and other debt.

Non-derivative financial instruments are measured at initial recognition at fair value plus all directly attributable transaction costs. After initial recognition, the instruments are measured as discussed below.

Financial assets at fair value through profit and loss

A financial instrument is classified as recorded at fair value through profit and loss if it is designated as such at initial recognition or held for trading. Financial instruments are designated at fair value through profit and loss if the group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the group's documented risk managements or investment strategy. Attributable transaction costs are recognized in profit and loss as incurred upon initial recognition. Financial instruments at fair value through profit and loss are measured at fair value and changes therein are recognised in profit and loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and deposits on call with banks and other short-term highly liquid investments with original maturities of three months or less, constitute cash and cash equivalents.

Financial derivatives

The Group uses financial derivative instruments to hedge its exposure to foreign exchange and interest-rate risks. No hedge accounting is applied as of year-end 2012. Derivatives are recognized initially at fair value; attributable transaction costs are recognized in profit and loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit and loss..

Revenue recognition

Revenues related to vessel bareboat charter agreements are recognized over the charter period. Charter agreements may contain revenue sharing agreements with the charterer. Revenue related to profit sharing agreements is recognized when the amount becomes fixed and determinable

Revenues from time charters and bareboat charters are recognized in the profit and loss over the charter period. The income from subsidiaries within Aker Floating Production is recognized net of local with-holding tax.

Received payments from mobilization fee and change orders are recognized in the profit and loss on a straight-line basis over the term of the lease, while the remaining part is recognized in the statement of financial position as deferred income. Bonus earned based on sufficient up-time on the Dhirubhai-1 FPSO is recognized in the profit and loss when the bonus becomes receivable.

Compensation for loss of hire and impairment of property, plant and equipment from insurance companies is recognized in profit and loss when receivable, given that the claim meets the definition of an asset and the recognition criteria for an asset.

Property, plant and equipment

Property, plant and equipment acquired by Ocean Yield group companies are stated at historical cost. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets and adjusted for impairment losses, if any. Some vessels residual value is aligned with the option value and the depreciation plan period is aligned with the length of the charter period. The carrying value of the property, plant and equipment in the balance sheet represents the cost less accumulated depreciation and any impairment losses.

In respect of borrowing costs relating to qualifying assets, the Group capitalizes borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are expensed.

Subsequent cost

Ordinary repairs and maintenance costs are charged to the profit and loss in the financial period when they are incurred. The cost of major upgrades and rebuilding projects is included in the asset's carrying amount when it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. Major upgrades and rebuilding projects are depreciated over the useful lives of the related assets. Dry-docking cost and major periodical maintenance cost related to assets will be amortised until the next dry-docking or periodical maintenance.

Depreciation

In component cost accounting, the amount initially recognized in respect of an item of property, plant or equipment is allocated among its significant parts, and each part is depreciated separately over its respective useful life. Other fixed assets in use are depreciated on a straight-line basis. Depreciation methods, useful lives, and residual values are reviewed annually.

Disposals of property, plant and equipment

Gains and losses on the disposal of assets are determined by comparing the disposal proceeds with the carrying amount.

Intangible assets

Goodwill

All business combinations are accounted for by applying the acquisition method. Goodwill on acquisitions of subsidiaries represents the difference between the cost of the acquired entity and the fair value of the net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested for impairment annually, and when objective evidence for impairment exists. Negative goodwill arising on an acquisition is recognized directly in the profit and loss.

Impairment

The carrying amounts of the group's assets, other than deferred tax assets (see paragraph on Income tax), are reviewed continuously to determine whether there is any indication of impairment. If indication of impairment is found, the asset's recoverable amount is estimated.

For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated annually on the balance sheet date.

An impairment loss is recognized whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the profit and loss. Recognition of impairment losses of cash-generating units is allocated first to reduce the carrying amount of any goodwill and then to reduce the carrying amount of the other assets in the unit, on a pro-rata basis.

Calculation of recoverable amount

The recoverable amount of the group's investment in receivables carried at amortized cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short term to maturity are not discounted. The recoverable amount for other assets is the greater of their net selling price or value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a relevant post-tax discount rate that reflects current market assessments of the time value of money and risks associated with the specific asset. For assets that do not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

An impairment loss on loans and receivables carried at amortized cost, is reversed if a subsequent increase in the recoverable amount can be objectively connected to an event occurring after the impairment loss was recognized in the profit and loss. Goodwill impairment losses are not reversed. For assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's balance sheet carrying amount does not exceed the carrying amount, net of depreciation or amortization, calculated as if no impairment loss had been recognized.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the profit and loss on a straight-line basis over the period of the lease.

Receivables

Other long-term receivables are valued at net present value if the expected payments are long-term and not interest-bearing. Trade receivables and other short-term receivables are initially recorded at fair value and thereafter at amortized cost. Allocations for impairment losses on trade receivables are recognized when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where any Group company purchases the company's own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity.

Interest-bearing liabilities

All loans and borrowings are initially recognized at cost, which is the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at amortized cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognized in the profit and loss over the period of the interest-bearing liabilities. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in net profit or loss when the liabilities are derecognized or impaired.

Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economics benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Income tax

Income tax on the profit and loss statement for the year comprises current and deferred tax. Current tax is the anticipated tax payable on the taxable income for the year, using current tax rates at the balance sheet date, and any adjustment to tax payable related to previous years. Deferred income tax is stated, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets are recognized for all deductible temporary differences and all carry-forwards of unused tax assets and unused tax losses, to the extent it is probable that taxable profit will be available against which such deductible temporary differences and carry-forwards can be used. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax is measured on an undiscounted basis.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on current tax rates (and tax laws) at the balance sheet date. Tax consequences relating to items recognized directly in equity are recognized in other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and if the deferred tax relates to the same taxable entity and the same taxing authority.

Pension obligations

The group has both defined benefit plan and defined contribution plans. For defined benefit plans, the liability recognized is the present value of the defined benefit obligation at the balance sheet date, minus the fair value of plan assets, together with adjustments for actuarial gains/losses and past service costs. The defined benefit obligation is calculated by independent actuaries and is measured as the present value of estimated future cash outflows. The cost of providing pensions is charged in profit and loss so as to spread the regular cost over the service lives of employees. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions, and amendments to pension plans are recognized over the average remaining service lives of the employees concerned. For defined contribution plans, contributions are paid into pension insurance plans. Once the contributions have been paid, there are no further payment obligations. Contributions to defined contribution plans are charged to the statement of profit and loss in the period to which the contributions relate.

Expenses

Operating lease payments

Payments made under operating leases are recognized in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognized in the profit and loss as an integral part of total lease expenses.

Net financing costs

Net financing costs comprise interest expenses payable on loans, calculated using the effective interest rate method, interest receivable on funds invested, foreign exchange gains and losses, and gains and losses on hedging instruments that are recognized in the profit and loss.

Interest income is recognized in the income statement as it accrues, using the effective interest rate method.

Termination benefits

Termination benefits are recognized as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptance can be estimated reliably.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. See Note 4 to the consolidated accounts for further information on segment reporting.

Determination of fair value

Accounting principles and note disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information on the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability.

Trade and other receivables

The fair value of accounts receivable and other receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Derivatives

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future cash flows of principal and interest, discounted at the market rate of interest at the balance sheet date.

Dividends

Dividends are recorded in the group's financial statements in the period in which they are approved by the Group's shareholders.

Earnings per share

The calculation of ordinary earnings per share is based on the profit attributable to ordinary shares using the weighted average number of shares outstanding during the year, after deduction of the average number of treasury shares held over the period. The calculation of diluted earnings per share is consistent with the calculation of ordinary earnings per share, and gives effect to all dilutive potential ordinary shares that were outstanding during the period, that is:

- The net profit for the period attributable to ordinary shares is increased by the after-tax amount of dividends and interest recognized in the period in respect of the dilutive potential ordinary shares, and adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares.
- The weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares, increases the weighted average number of ordinary shares outstanding.

Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk, and cash-flow interest rate risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance. The group uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out under policies approved by the board of directors. The board provides guidelines for overall financial risk management, as well as policies covering specific areas such as foreign exchange risk, interest-rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity. The Group regularly assesses its risk to changes in interest rates and foreign exchange. The company attempts to mitigate the impact of interest rate risk by employing hedges where deemed beneficial or warranted as a condition for securing financing and mitigates foreign exchange risk by transacting as much as possible in the functional currency of the company. Transactions in non-functional currencies are assessed and hedges are applied when deemed beneficial.

Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Note 2 **Establishment of the Ocean Yield Group**

Ocean Yield AS (former Aker AS) is a wholly owned subsidiary of Aker ASA. The company invests in marine assets on long term contracts with counterparties of acceptable credit quality. The initial portfolio consists of the seismic vessel Geco Triton, the subsea-construction vessel Aker Wayfarer, the FPSO Dhirubhai-1, and unsecured bonds issued by American Shipping Company ASA, which owns 10 product tankers on long term charters to Overseas Shipholding Group. The strategic focus for Ocean Yield's further development and growth will be to invest in assets within oil services and industrial shipping.

Ocean Yield AS acquired control of Aker Shiplease AS, Aker Shiplease 1 AS(Aker Wayfarer) and Aker Shiplease 2 AS, New Pollock LP Inc. (Geco Triton) and the holding companies Aker Invest II KS, Aker Invest AS and American Champion Inc. in December 2011.
In first quarter of 2012 Ocean Yield AS acquired control of Aker Floating Production AS including the subsidiaries Aker Contracting FP ASA, Aker Smart FP AS, Aker Smart 2 FP AS, Aker Operations AS and Aker Floating Operations Publ. Ltd. and 93% of the outstanding, unsecured bonds issued by American Shipping Company ASA.
In addition to the acquisitions, Aker converted its NOK 2.6 billion receivable from Ocean Yield AS into equity in Ocean Yield AS in the first quarter 2012.

The establishment of Ocean Yield AS, through business combination of businesses under common control, is recorded in the accounts as a merger of jointly controlled companies (merger of parent and subsidiaries). Thus, assets and liabilities are presented using the group values of Aker ASA Group.

Accounts information

Financial information in the consolidated financial statements for periods prior to combinations under common control is restated, to reflect the combinations as if it had occurred from the beginning of the earliest period presented in the financial statements, regardless of the actual date of the combination.

Note 3 Financial risk and exposure

Financial risk

The Ocean Yield group consists of various operations and companies that are exposed to different types of financial risk including credit-, liquidity- and market risk (e.g. interest- and currency risk). The purpose of risk management is to measure and manage financial risk in a reliable manner, thereby increasing predictability and reducing negative effects on Ocean Yield financial results. The group is using different financial instruments to actively manage its financial exposure.

Ocean Yield AS has developed a policy on how the financial risk is monitored. The risk is monitored continuously and reported minimum quarterly. The main companies in the group have developed similar policies and guidelines based on the individual companies' exposure to the different kinds of financial risk

Capital management

One important objective of Ocean Yield finance policy is to secure financial headroom both on a short- and long term basis to be able to achieve strategic goals. Ocean Yield wants to maintain a strong capital base and aims at a conservative investment strategy with limited risk. Key investment criteria will among others be:
-Firm contracts with a duration of 5-12 years
-Targeted segments are oil service and industrial shipping
-Limited direct market exposure

Credit risk

The managements of the main companies have a conservative approach to credit risk. The exposure to credit risk is monitored on an ongoing basis within the group guidelines.

The group's principal financial assets are bank deposits and cash, bonds, trade and other receivables and derivatives. The group's exposure to credit risk is mainly related to American Shipping bond and trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the group's management based on prior experience and their assessment of the current economic environment. Credit assessments are performed on all customers requesting credit over a certain amount.

Transactions involving derivative financial instruments are with counterparties with sound credit-ratings. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations.

Exposure to credit risk

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. The maximum exposure to credit risk at the reporting date was:

		2012				2011		
Amounts in USD million	Note	Available for sale financial assets	Receivables at amortized cost	Cash and bank deposits	Total	Receivables at amortized cost	Cash and bank deposits	Total
Financial interest-bearing non-current assets	11	151.8	-	20.0	171.8	-	20.0	20.0
Trade receivables. other interest-free short term receivables		-	15.8	-	15.8	17.0	-	17.0
Cash and cash equivalents	13	-	-	104.6	104.6	-	61.5	61.5
Total		151.8	15.8	124.6	**292.2**	17.0	81.5	**98.5**

The aging trade receivables and provisions for impairment loss are as follows:

Amounts in USD million	Gross trade receivables 2012	Provision for impairment loss 2012	Gross trade receivables 2011	Provision for impairment loss 2011
Not past due	6.6	-	9.7	-
Past due 0-30 days	0.4	-	0.5	-
Past due 121 - 365 days	-	-	0.4	-
Past due more than one year	1.1	-1.1	3.0	-3.0
Total trade receivables	8.0	-1.1	13.5	-3.0
Recognized impairment loss		(1.3)		(0.2)

Ocean Yield's maximum exposure to credit risk for trade receivables against industrial customers with a rating of BBB or higher was USD 6.9 million at end of 2012.

The recognized impairment loss on trade receivables is included in other operating expenses in the income statement.

Overview of contractual maturities of financial liabilities, including estimated interest payments specified per category of interest-bearing liabilities:

		2012 Contractual cash flows incl. estimated interest payments					
Amounts in USD million	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	752.9	-819.1	-72.6	-53.8	-128.7	-330.2	-233.8
Unsecured bond issues	105.5	-150.6	-4.5	-4.6	-9.1	-132.5	-
Total contractual cash flows for interest-bearing liabilities	858.4	-969.7	-77.1	-58.4	-137.8	-462.6	-233.8
Trade and other payables	17.0						
Long term interest-free liabilities (including deferred revenue)	90.1						
Total liabilities	965.4						

Long term interest-free liabilities include USD 86.7 million in deferred revenue.

Overview of contractual maturities of financial liabilities, including estimated interest payments specified per category of interest-bearing liabilities:

		2011 Contractual cash flows incl. estimated interest payments					
Amounts in USD million	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	601.6	-704.8	-66.7	-46.1	-105.5	-327.1	-159.3
Intercompany loans Aker ASA	308.2	-308.2	-308.2	-	-	-	-
Total contractual cash flows for interest-bearing liabilities	909.9	-1 013.0	-374.9	-46.1	-105.5	-327.1	-159.3
Trade and other payables	12.5						
Long term interest-free liabilities (including deferred revenue)	104.4						
Total liabilities	1 026.8						

Long term interest-free liabilities include USD 101.7 million in deferred revenue.

Currency risk
Ocean Yield operates in the international market which leads to various types of currency exposure for the group. Currency risks arise through ordinary business, future business transactions, capitalized assets and liabilities and when such transactions have been made against payment in a currency other than the functional currency of the respective company. In addition, currency risk may arise from investments in foreign subsidiaries.
The consolidated financial statements are presented in USD, which is the functional currency of the group's main companies. The group is mainly exposed to the Norwegian kroner (NOK).

The table below illustrates Ocean Yield group's sensitivity to translation differences. If the USD had been 10% stronger through 2012, the effects in the consolidated financial statement would have been as shown in table:

Amounts in USD million	Operating revenue	Profit before tax	Equity
USD	147.4	10.3	436.0
NOK	40.6	16.6	96.9
Total	188.0	26.9	533.0
Change if USD 10 % stronger	4.5	1.8	10.8
Ocean Yield when USD 10 % stronger	192.5	28.8	543.7

The operating companies in the group have prepared guidelines for management of currency risks. The currency policy of Ocean Yield defines levels for the hedging of expected future cash flows. The company may from time to time utilize currency forward contracts and currency option contracts to reduce currency exposure.

The functional currency in Ocean Yield is the USD. The group faces currency risks related to income, expenses and loans in currencies other than the USD. The currency risk is mainly related to NOK.
Ocean Yield has entered into an interest and currency swap for the NOK bond loan with maturity in July 2016. The coupon on the bond loan is 3M NIBOR + 6.50% p.a. Since the functional currency of Ocean Yield is USD, the bond loan has been swapped from NOK to USD. Hence, the interest rate on the bond loan is LIBOR +7.07% p.a.

Interest rate risk
The group's interest rate risk arises from long term borrowings and receivables. Borrowings and receivables issued at variable rates expose the group to cash flow interest rate risk. Securities issued at fixed rates expose the group to fair value interest risk.

Exposure to interest rate risk
The interest rate profile of the group's interest-bearing financial instruments was as follows:

Amounts in USD million	**2012**	**2011**
Fixed rate instruments:		
Financial assets	-	5.1
Net fixed rate instruments	-	5.1
Variable rate instruments:		
Financial assets	**276.4**	76.4
Financial liabilities	**-858.4**	-909.9
Net variable rate instruments	**-582.0**	-833.4
Net interest-bearing debt (-) / asset (+)	**-582.0**	-828.3

Sensitivity analysis related to interest rates
The group has interest rate derivatives not designated as hedge accounting and hence a change in the interest rate would affect profit or loss for these instruments. The Ocean Yield group had in 2012 an expense of USD 1.7 million related to interest rate derivatives. An increase in interest rates with 1% will affect the net profit negatively with USD 5.6 million for 2013, based on the company's current debt portfolio, including investments entered into after the balance sheet date (see note 25).

Note 4 Operating segments

Operating segments are identified based on the group's internal management- and reporting structure. The group's chief operating decision maker, responsible for the allocation of resources and assessment of performance in the different operating segments, is defined as the Board of directors, CEO and CFO. In 2012 the group activities are split into each of the Group's assets, as described below. Recognition and measurement applied to segment reporting are consistent with the accounting principles applied when preparing the financial statements. Transactions between segments are conducted at market terms and conditions.

An overview of operating segments:
Ocean Yield comprises five assets and one newbuilding contract:

■■ Aker Floating Production AS, through its subsidiaries owns the production and storage vessel (FPSO) Dhirubhai-1, which is operating under contract with the Indian oil company Reliance until September 2018

■■ Aker Shiplease AS, through its subsidiary Aker Shiplease 1 AS owns the construction vessel Aker Wayfarer, which is employed on a long-term bareboat charter to a wholly owned subsidiary of Aker Solutions. The charter expires in October 2020.

■■ New Pollock LP Inc. own the seismic vessel Geco Triton, which is chartered to the Schlumberger subsidiary Western Geco until December 2015.

■■ Connector 1 Holding AS, through its subsidiary Connector 1 AS, owns the offshore construction and cable lay vessel Lewek Connector, which is on long-term contract to EMAS AMC AS until October 2022.

■■ LH Shiplease AS, through its subsidiary LH Shiplease 1 AS, has entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 6 500 car capacity. The vessels will be delivered in April and August 2014 respectively, and will after delivery be chartered on 12-year "hell and high water" bareboat charter contracts to Höegh Autoliners AS.

■■ Ocean Holding AS holds 93 percent of the bond loan issued by American Shipping Company ASA, which has ten product tankers operating under long-term bareboat charter with the Overseas Shipholding Group (OSG) in the USA. The bond (AMSC 07/18 FRN C) matures in 2018.

Operating segments 2012

Income Statement

Amounts in USD million	Aker Floating Production	Aker Shiplease	New Pollock	Connector	LH Shiplease	Ocean Holding	Ocean Yield AS	Other and eliminations	**Total**
External operating revenues	133.1	40.6	5.8	8.5	-	-	-	-	**188.0**
Operating revenues	133.1	40.6	5.8	8.5	-	-	-	-	**188.0**
Operating profit before depreciation and amortisation	98.9	40.6	5.7	8.5	-	-	-2.3	-	**151.4**
Depreciation and amortization	-65.7	-15.1	-1.6	-3.5	-	-	-	-	**-85.9**
Impairment charges and non-recurring items	-5.9	-	-	-	-	-	-	-	**-5.9**
Operating profit	27.4	25.5	4.1	5.0	-	-	-2.3	-	**59.7**
Financial income	0.1	1.6	0.3	0.9	-	7.6	0.7	-2.4	**8.9**
Financial expense	-24.1	-9.2	-	-2.7	-	-	-10.5	6.6	**-39.9**
Mark to market f derivatives	-0.6	-	-	-	-	-	-1.1	-	**-1.7**
Profit before tax	2.7	17.9	4.4	3.2	-	7.6	-13.2	4.3	**27.0**
Tax expense	-	2.0	-1.5	-	-	-2.1	2.6	-0.1	**0.7**
Profit for the year from continuing operations	2.7	19.9	2.9	3.2	-	5.5	-10.6	4.1	**27.7**
Profit for the year	2.7	19.9	2.9	3.2	-	5.5	-10.6	4.1	**27.7**
Balance Sheet									
Property, plant, Equipment, intangibles and interest-free fixed assets	617.0	242.7	16.5	311.5	12.3	0.5	7.6	-2.1	1 206.1
Shares and investments in subsidiaries companies	-	-	-	-	-	-	834.7	-834.7	-
External interest-bearing fixed assets	20.0	-	-	-	-	151.8	-	-	171.8
Internal interest-bearing fixed assets	-	41.4	13.3	-	-	-	13.4	-68.2	-
Interest-free current assets	11.0	-	-	0.5	1.8	0.9	2.4	-0.8	15.8
Cash and cash equivalents	60.7	12.0	6.6	3.5	8.8	-	10.6	2.3	104.6
Total assets	708.7	296.1	36.5	315.5	23.0	153.3	868.7	-903.5	**1 498.4**
Equity	302.5	73.3	34.1	84.4	15.0	150.5	600.1	-727.0	533.0
Non-interest bearing debt	61.6	38.7	2.4	1.6	-	2.8	3.8	-3.7	107.0
Internal interest bearing debt	-	-	-	5.4	8.0	-	159.4	-172.8	-
External interest-bearing debt	344.6	184.1	-	224.1	-	-	105.5	-	858.4
Total assets and liabilities	708.7	296.1	36.5	315.5	23.0	153.3	868.7	-903.5	**1 498.4**

Operating segments 2011

Income Statement

Amounts in USD million	Aker Floating Production	Aker Shiplease	New Pollock	Ocean Holding	Ocean Yield AS	Other and eliminations	**Total**
External operating revenues	134.6	42.1	5.8	-	-	-	**182.5**
Operating revenues	134.6	42.1	5.8	-	-	-	**182.5**
Operating profit before depreciation and amortization	101.2	42.0	5.7	-	-0.1	-0.1	**148.8**
Depreciation and amortization	-67.6	-15.6	-1.6	-	-	-	**-84.9**
Impairment charges and non-recurring items	-20.0	-	-	-	-	-	**-20.0**
Operating profit	13.6	26.4	4.1	-	-0.1	-0.1	**43.9**
Financial income	-	1.2	0.1	-	5.2	3.4	**9.9**
Financial expense	-40.8	-7.6	-0.1	-	-0.5	-4.3	**-53.4**
Other financial items	3.0	-3.4	-	-	-0.5	0.1	**-0.8**
Other items	-	-	-	-	11.2	-10.5	**0.7**
Profit before tax	-24.2	16.5	4.2	-	15.3	-11.4	**0.4**
Tax expense	-	0.5	-1.5	-	4.8	-	**3.8**
Profit for the year from continuing operations	-24.2	16.9	2.7	-	20.1	-11.4	**4.2**
Profit for the year	-24.2	16.9	2.7	-	20.1	-11.4	**4.2**
Balance Sheet							
Property, plant, equipment, intangibles and interest-free fixed assets	700.0	240.4	19.6	-	4.5	0.8	**965.3**
Shares and investments in subsidiaries companies	-	-	-	-	256.7	36.9	**-**
External interest-bearing fixed assets	20.0	-	-	-	-	-	**20.0**
Internal interest-bearing fixed assets	-	19.5	13.1	-	-	-32.5	**-**
Interest-free current assets	17.0	-	-	-	-	-	**17.0**
Cash and cash equivalents	28.1	24.6	1.0	-	5.7	2.2	**61.5**
Total assets	765.2	284.4	33.6	-	266.9	7.4	**1 063.9**
Equity	-16.1	48.9	31.3	-	133.5	133.2	**37.1**
Non-interest bearing debt	67.5	47.0	2.4	-	0.1	-0.2	**116.9**
Internal interest bearing debt	300.6	-	-	-	133.4	-125.7	**308.2**
External interest-bearing debt	413.2	188.5	-	-	-	-	**601.6**
Total assets and liabilities	765.2	284.4	33.6	-	266.9	7.4	**1 063.9**

Geographical areas

Amounts in USD million	**2012**	2011
Operating revenues based on location of customer:		
Norway	**55.4**	48.1
India	**132.6**	134.3
Total	**188.0**	182.5
Total property, plant, equipment and intangibles by company location:		
Norway	**1 180.8**	939.8
USA	**15.3**	16.9
Total	**1 196.1**	956.7

Operating revenue
Operating revenue in 2012 and 2011 derived from leasing income and operation of Dhirubhai-1.

Important customer
Ocean Yield has two customers that have been invoiced USD 40.7 million and USD 132.5 million and thus each account for more than 10% of the group revenue in 2012.

Earnings and balance sheet by currency
Ocean Yield AS has subsidiaries reporting in currencies other than USD where value is exposed to currency fluctuations. The table below shows the consolidated financial statements by currency.

Amounts in million	NOK	NOK in USD	USD	Ocean Yield in USD
Revenue	236	41	147	188
EBITDA	223	38	113	151
Profit before tax	97	17	10	27
Property, plant, equipment and intangible assets	1 388	249	957	1 206
Cash	139	25	80	105
Other assets	786	141	47	188
Total assets	2 313	415	1 084	1 498
Equity	541	97	436	533
Interest-bearing liabilities external	1 616	290	569	858
Interest-bearing liabilities internal	(75)	(13)	13	-
Interest-free liabilities	231	41	66	107
Total equity and liabilities	2 313	415	1 084	1 498

Note 5 Wages, personnel expenses and other operating expenses

Wages and personnel expenses consist of the following:

Amounts in USD million	**2012**	**2011**
Wages	**7.6**	7.2
Social security contributions	**1.1**	1.1
Pension costs	**1.0**	1.0
Other expenses	**0.3**	0.1
Total	**10.1**	9.3
Average number of man years employed	**24**	26
Number of employees at year end	**19**	26
Geographical split of number of employees per region		
Norway	**18**	24
Other regions	**1**	2
Total	**19**	**26**

Other operating expenses consist of the following:

Amounts in USD million	**2012**	**2011**
Research and development	**-**	-
Rent and leasing expenses	**1.2**	1.1
Hired services (workforce)	**3.4**	1.3
External consultants and services other than audit (see below)	**2.5**	2.8
Impairment loss on trade receivables	**1.3**	0.2
Other	**1.9**	1.6
Total	**10.2**	7.1

Payments/fees to auditors of the Ocean Yield group are included in other operating expenses. They are distributed as:

Amounts in USD thousand	Ordinary auditing	Assurance services	**2012**	2011
Ocean Yield AS	27	57	**84**	104
Other consolidated companies	200	-	**200**	188
Total	227	57	**284**	292

Note 6 Impairment charges and non-recurring items

Impairment charges and non-recurring items include write-down of goodwill, impairment losses and reversal of impairment losses on property, plant and equipment, major losses on the sale of operating assets, restructuring costs and other material matters not expected to be of a recurring nature.

Impairment charges and non-recurring items are as follows:

Amount in USD million	**2012**	**2011**
Impairment loss on property. plant and equipment (note 9)	**-5.9**	-20.0
Sales loss	**-**	
Other	**-**	
Total	**-5.9**	**-20.0**

Impairment on fixed assets was USD 5.9 million in 2012 and USD 20 million 2011, which is due to write down of FPSO candidate (SMART 2) hull and equipment in Aker Floating Production. FPSO candidate (SMART 2) was sold in 2012.

Note 7 Financial income and financial expenses

Net finance income/expense recognized in profit and loss:

Amounts in USD million	**2012**	2011
Interest income on unimpaired investments available for sale	**7.8**	9.1
Interest income on bank deposits and receivables at amortized cost	**0.9**	0.8
Dividends on available for sale financial assets	**-**	0.1
Net foreign exchange loss (-) /gain(+)	**-**	4.6
Net other financial income	**0.2**	
Total financial income	**8.9**	14.6
Interest expense on financial obligations measured at amortized cost to external companies	**-18.5**	-19.5
Interest expense on financial obligations measured at amortized cost to group companies[1)]	**-7.9**	-33.9
Net foreign exchange loss (-) / gain(+)[1)]	**-7.4**	-
Net other financial expenses	**-6.1**	-4.7
Total financial expenses	**-39.9**	-58.1
Net financial items	**-31.0**	-43.5

1) Related to USD 308 million shareholder loan from Aker ASA, which was converted to equity upon establishment of Ocean Yield AS

The financial income and expenses above include the following interest income and costs in respect of assets (liabilities) not recognized at fair value through profit and loss:

Total interest income on financial assets	1.1	9.9
Total interest cost on financial liabilities	-26.0	-19.5

Note 8 Tax

Income tax expense

Amounts in USD million	2012	2011
Tax payable	**(0.2)**	(0.1)
Change in deferred tax	**0.9**	4.0
Total income tax expense	**0.8**	3.8
Tax base calculation		
Profit before tax	**26.9**	0.4
Permanent differences	**(42.6)**	(12.3)
Change in temporary differences	**32.2**	(10.5)
Total	**16.5**	(22.5)
Tax losses increase(+)/decrease(-)	**(13.1)**	36.6
Tax base	**3.4**	14.1
Change in deferred tax	**0.9**	4.0
Temporary differences consist of		
Property, plant and equipment	179.7	201.1
Receivables	(6.8)	(10.0)
Taxable profit and loss from sold assets	(0.6)	(9.0)
Deferred income	(25.4)	(60.5)
Withholding tax	(55.5)	(57.9)
Other differences	(83.8)	(0.9)
Total	**7.5**	62.7
Tax losses	(346.7)	(356.7)
Deferred tax base assets	(339.3)	(293.9)
Deferred tax assets	95.0	82.3
Deferred tax assets and liabilities not been recognised	(84.9)	(73.7)
Net deferred tax assets and liabilities	**10.1**	8.6
Net deferred tax assets and liabilities recorded as follows:		
Deferred tax assets	10.1	8.6
Deferred tax Liabilities	-	-
Net deferred tax assets and liabilities	**10.1**	8.6

Deferred tax assets

Amounts in USD million	2012	2011
Aker Shiplease	2.7	0.6
New Pollock	1.3	2.7
Ocean Yield AS	7.6	4.5
Other companies	-1.5	0.8
Deferred tax assets	**10.1**	**8.6**

Total not recognized tax assets in the Ocean Yield group are USD 294.5 million at year end 2012.

Reconciliation of effective tax rate

	2012		2011	
	%	USD million	%	USD million
Profit before tax		**26.9**		0.4
Nominal tax rate in Norway 28 %	**28%**	**(7.5)**	28%	(0.1)
Tax differential in Norway and abroad	**1%**	**(0.3)**	N/A	(0.3)
Revenue not subject to tax	**0%**	**(0.0)**	N/A	-
Expenses not deductible for tax purposes	**4%**	**(1.2)**	N/A	(0.2)
Utilization of previously unrecognized tax losses	**(19%)**	**5.2**	N/A	7.9
Tax losses for which no deferred income tax asset was recognized	**16%**	**(4.3)**	N/A	(10.2)
Companies within tonnage tax legislation	**(29%)**	**7.9**	N/A	5.1
Other differences	**(4%)**	**1.0**	N/A	1.6
Total income tax expenses	**(3%)**	**0.8**	N/A	3.8

The tax figures are based on preliminary estimates of non-taxable income, non-tax deductible items and temporary differences between the financial accounts and the tax accounts. The final result will be calculated in relation to the tax return and may differ from the estimates above.

Note 9 Property, Plant and Equipment

Movements in property. plant and equipment for 2012 are shown below:

Amounts in USD million	Dhirubhai-1	Aker Wayfarer	Geco Triton	SMART 2	Lewek Connector	Advance LH Shiplease	Machinery. vehicles	**Total**
Cost balance at 1 January 2012	875.8	258.1	44.5	44.6	-	-	4.8	**1 227.8**
Capital expenditure	-	-	-	-	315.0	12.3	-	**327.3**
Disposals				(44.6)				**(44.6)**
Effect of movements in foreign exchange	-	17.2	-	-	-	-	-	**17.3**
Cost balance at 31 December 2012	875.8	275.3	44.5	-	315.0	12.3	4.8	**1 527.7**
Accumulated depreciation and impairment losses at 1 January 2012	(232.1)	(18.3)	(27.6)	(26.8)	-	-	(4.6)	**(309.4)**
Depreciation charge of the year	(65.1)	(15.1)	(1.6)	(0.4)	(3.5)	-	(0.1)	**(85.9)**
Impairment	-	-	-	(5.9)	-	-	-	**(5.9)**
Disposals	-	-	-	33.1	-	-	-	**33.1**
Effect of movements in foreign exchange	-	(2.0)	-	-	-	-	-	**(2.0)**
Accumulated depreciation and impairment losses at 31 December 2012	(297.2)	(35.4)	(29.2)	-	(3.5)	-	(4.7)	(370.0)
Carrying amount at 31 December 2012	578.6	239.9	15.3	-	311.5	12.3	0.1	**1 157.7**

Depreciation plan see next page

Depreciation plan

The property, plant and equipment is allocated among its significant parts, and each part is depreciated separately over its respective useful lifetime.

	Linear 25 year	Linear 20 year	Linear 15 year	Linear 10 year	Less than 10 year
Dhirubhai-1					
Basis at 31 December 2012 USD million	-	318	291	179	88
Dhirubhai-1 residual value is aligned with the option value					
Aker Wayfarer					
Basis at 31 December 2012 USD million	139		111	26	-
Geco Triton					
Basis at 31 December 2012 USD million	29	9	7		

Lewek Connector
On 12th October 2012 Ocean Yield acquired the offshore construction and cable lay vessel Lewek Connector and entered into a 10-year bareboat charter with EMAS AMC AS. Total consideration was USD 315 million. The bareboat charter is fully guaranteed by Ezra Holdings Ltd. EMAS AMC AS will have options to acquire the vessel during the charter period, with the first option being exercisable after five years. The Lewek Connector is depreciated during the contract period to reflect the strike prices on the purchase options. The strike prices for the purchase options are thus equal to the depreciated value in each respective year of such option being exercisable.

Capital expenditure
Ocean Yield has acquired the offshore construction and cable lay vessel Lewek Connector from AMC Connector AS for a total consideration of USD 315 million.
LH Shiplease a 100 % owned subsidiary of Ocean Yield AS, has entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 6 500 car capacity with Daewoo Shipbuilding & Marine Engineering's ("DSME"). The vessels will be built at DSME's shipyard in Mangalia, Romania. Total advance made in 2012 were USD 12.3 million.

Impairment losses
In 2012, an impairment loss of USD 5.9 million can be attributed to the impairment of the FPSO candidate (SMART 2) before the sale in the 1st Quarter of 2012 for USD 11 million.
In 2011 an impairment loss of USD 20 million can be attributed to the impairment of the FPSO candidate (SMART 2) in the subsidiary Aker Floating Production.
Due to changes in the market conditions, increased uncertainty about the conclusion of a contract, the FPSO candidate (SMART 2) was written down by USD 20 million in 2011.

Movements in property. plant and equipment for 2011 are shown below:

Amounts in USD million	Dhirubhai-1	Aker Wayfarer	Geco Triton	SMART 2	Machinery, vehicles	**Total**
Cost balance at 1 January 2011	876.5	265.1	44.5	44.6	4.8	**1 235.5**
Capital expenditure	0.9	-	-	-	0.1	**1.0**
Effect of movements in foreign exchange	(1.6)	(7.0)	-	-	(0.0)	**(8.6)**
Cost balance at 31 December 2011	875.8	258.1	44.5	44.6	4.8	**1 227.8**
Accumulated depreciation and impairment losses at 1 January 2011	(166.1)	(3.8)	(26.0)	(5.5)	(4.4)	**(205.7)**
Depreciation charge of the year	(66.0)	(15.6)	(1.6)	(1.3)	(0.2)	**(84.9)**
Impairment	-	-	-	(20.0)	-	**(20.0)**
Effect of movements in foreign exchange	-	1.1	-	-	-	**1.1**
Accumulated depreciation and impairment losses at 31 December 2011	(232.1)	(18.3)	(27.6)	(26.8)	(4.6)	**(309.4)**
Carrying amount at 31 December 2011	643.7	239.8	16.9	17.7	0.2	**918.4**

Note 10 Intangible assets

Movements in intangible assets are shown below:

Amounts in USD million	**2012**	2011
Cost balance at 1 January	**125.8**	125.8
Cost balance at 31 December	**125.8**	125.8
Accumulated amortization and impairment losses at 1 January	**-87.5**	-87.5
Impairment losses recognized in profit and loss		-
Effects of movements in foreign exchange		-
Accumulated amortization and impairment losses at 31 December	**-87.5**	-87.5
Carrying amount at 31 December	**38.3**	38.3

On 31 December 2012, goodwill of USD 38 million is allocated to the subsidiary Aker Floating Production.

Determination of recoverable amount:
The company is reviewing goodwill for impairment on a yearly basis or more frequently if circumstances indicate any impairment. The test is performed at year end. An impairment loss is recognized if the estimated recoverable amount, taking sensitivity analyses into account, is lower than the carrying value of the asset or the cash-generating unit.

Goodwill related to Aker Floating Production at the beginning of the year was linked to the FPSO contract for Dhirubhai-1.

The discount rate is estimated based on a weighted average of required return on equity and expected borrowing cost. The borrowing costs are based on a risk-free rate in the currency in which the loans are denominated, and a margin that reflects the long-term financial costs.

The main objective for the Ocean Yield group in making impairment calculations is to ensure consistency in the assumptions being used. Any changes in the assumptions from prior periods are explained.

The following key assumptions have been used in calculating the value in use:

	Discount rate before tax (WACC) in %	Terminal value
Aker Floating Production	5.3	See below

Aker Floating Production's cash flow is related to the FPSO contract for Dhirubhai-1, and a signed charter with Reliance Industries Ltd, which expires in September 2018. An operational utilization of 99.2% is assumed. Furthermore, it is assumed that the Reliance Industries Ltd will exercise their option in September 2018 for USD 255 million.

At the end of 2012 goodwill related to Aker Floating Production is USD 38 million. No write-downs were made in 2012 or 2011.

In reviewing the impairment losses on goodwill related to the FPSO contract for Dhirubhai-1, the recoverable amount is determined by estimating the contractual discounted cash flow. The group's FPSO has been designed to have an operational life expectancy of 20 years from conversion, which enables it to service contracts for reservoirs with, for the oil industry, normal lifespan and to meet the typical operational requirements of a contract with oil companies.

The discount rate is estimated as a weighted average of the required equity and expected liability cost at an expected long-term equity interest of 30 percent. The equity ratio is increased from 20 percent in 2011, reflecting changes in the Industry's equity ratio. Equity requirement is estimated using the capital pricing model (CAPM), consequently adjusting from after tax to before tax. Debt costs are at a risk-free interest rate on a 10-year U.S. governmental bond, with a margin that reflects the company's long term financial cost. The calculation takes into account that the Dhirubhai-1 is on a time charter contract with Reliance Industries Ltd that expires in 2018. The sales value in 2018 is equal to the option price of USD 255 million.

The projected cash flow from the day rates for the Dhirubhai-1 is estimated using a contractual annual growth of five percent for the operations and maintenance contract, which forms part of the overall income for the FPSO and a three percent increase in the associated costs each year. The company's indirect costs are estimated at an annual increase of two percent. The estimate reflects the organization's experience with current operations, and management's assessment of FPSO industry standards.

A sensitivity analysis is performed based on two key scenarios that management consider to be the most obvious and relevant to the company's risk profile:

A) an increase in the (WACC) of 50 percent
B) a reduction in the economic up-time with one percentage point

Neither scenario A nor B caused any impairment.

Consequently, the remaining goodwill of USD 38 million will be adequately supported by the fixed contractual parameters in the FPSO Dhirubhai-1 contract.

Note 11 Interest-bearing long term receivables

Amounts in USD million	**2012**	2011
Restricted deposits 1)	**20.0**	20.0
American Shipping Company ASA bond 2)	**151.8**	
Total	**171.8**	20.0

1) Restricted funds relates to loan agreement in Aker Floating Production of US 20 million.
2) Interest rate Nibor + 4.75 percent with maturity February 28 2018. Interest is capitalized quarterly.

Note 12 Order backlog construction contracts and other contracts (unaudited)

Activities in Aker Floating Production AS, Aker Shiplease AS, Connector 1 Holding AS and New Pollock Inc. are largely based on deliveries according to customer contract. The order backlog represents an obligation to deliver goods and services not yet produced and give Ocean Yield contractual rights to future deliveries. If projected costs are higher than projected income, the total projected loss on the contract is recorded in the profit and loss account.

Order intake and order backlog for the companies in the Ocean Yield group as per year end 2011 and 2012:

Unaudited figures

Amounts in USD million	**Order backlog 31 Dec. 2012**	**Order intake 2012**	Order backlog 31 Dec. 2011	Order intake 2011
Aker Floating Production (Dhirubhai 1)	710	-	852	-
Aker Shiplease (Aker Wayfarer)	292	-	303	-
Connector (Lewek Connector)	300	309		
New Pollock (Geco Triton)	17	-	23	-
LH Shiplease	173	173	-	
Total	**1493**	**482**	1 178	-

Leasing agreements signed and order backlog at end of 2012

Amounts in USD million	Aker Floating Production	Aker Ship Lease	Connector	New Pollock	LH Shiplease	**Total**
Duration less than one year	103	35	38	6	0	**182**
Duration between one and five years	408	153	153	12	68	**794**
Duration over five years	74	105	109	-	105	**393**
Total leasing agreements	585	292	300	17	173	**1368**
Other order backlog	125	-	-	-	-	**125**
Total	710	292	300	17	173	**1493**

Aker Floating Production AS has entered into a time charter and service agreement with Reliance Industries Ltd for the lease and operations of the FPSO Dhirubhai-1 for a 10 year period that started in September 2008. Reliance has options to purchase the FPSO at certain times during the duration of the contract. The options may be exercised during the entire contract period.

Ocean Yield's wholly owned subsidiary Aker Ship Lease 1 AS took delivery of the vessel Aker Wayfarer in October 2010. This subsea, construction vessel operates on a ten year bareboat charter to a wholly owned subsidiary of Aker Solutions ASA until 2020. The charter is guaranteed by Aker Solutions ASA.

Ocean Yield AS' wholly owned subsidiary Connector 1 AS acquired the offshore construction vessel and cable lay vessel Lewek Connector in October 2012 and entered into a 10-year bareboat charter with EMAS AMC AS, a wholly-owned subsidiary of Ezra Holdings Ltd. ("Ezra"). The bareboat charter is fully guaranteed by Ezra.

The seismic vessel Geco Triton, which is owned by New Pollock Inc., a wholly owned subsidiary of Ocean Yield AS, is chartered to the Schlumberger subsidiary Western Geco until December 2015.

LH Shiplease 1 AS, a wholly owned subsidiary of Ocean Yield AS has entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 6 500 car capacity with Daewoo Shipbuilding & Marine Engineering's ("DSME"). The vessels will be built at DSME's shipyard in Mangalia, Romania.
The vessels will be delivered in April and August 2014 respectively, and will after delivery be chartered on 12-year "hell and high water" bareboat charter contracts to Höegh Autoliners ("HAL").

Note 13 Cash and cash equivalents

Cash and cash equivalents are allocated to the different companies as follows:

Amounts in USD million	**2012**	2011
Aker Floating Production	**60.7**	28.1
Aker Shiplease	**12.0**	24.5
Ocean Yield AS	**10.6**	5.7
Other companies	**21.3**	3.2
Total	**104.6**	61.5

Restricted deposits constitute USD 0.1 million (see also note 11).

Note 14 Earnings per share and dividend per share and paid-in equity

Earnings per share

Calculation of profit from continued and discontinued operations to equity holders of the group:

Amounts in USD million	**2012**
Continued operations:	
Net profit (loss) from continued operations	27.7
Minority interests	
Profit from continued operations attributable to equity holders of the Group	**27.7**
Discontinued operations	
Net profit (loss) from discontinued operations	N/A
Minority interests	N/A
Profit from discontinued operations attributable to equity holders of the Group	-
Total profit attributable to equity holders of the Group	**27.7**

Ordinary shares outstanding at 31 December 2012 **100 000 000**

Earnings per share has not been calculated for 2011 as the number of shares are not comparable.

Paid in capital

At 31 December 2012 Ocean Yield AS share capital consists of the following:

	NOK	USD rate at time of establishment 1 April 2012	USD
Par value	10	5.70	1.8
Total par value (million)	**1 000**	**5.70**	**175.6**
Share premium reserve (million)	2 280	5.70	400.4
Total paid in capital (million)	**3 280**		**576.0**
Number of ordinary shares	100 000 000		100 000 000

All shares have equal voting rights and are entitled to dividend. Ocean yield AS is at end of 2012 owned 100 percent by Aker ASA.

Dividend

Dividend as shown below is proposed distributed after the balance sheet date. No provision has been made for the dividend and there are no tax effects.

Amount in USD million	
Proposed dividend in 2012 USD 0.40 per share	40
Estimated dividend to be paid in 2013	**40**

Note 15 Group entities

The subsidiaries in the Ocean Yield group accounts at end of 2012 are presented in the table below.
Companies owned directly by Ocean Yield AS are highlighted.

	Group's ownership in %	Group's share of votes in %	Business address: City location	Business address: Country
Aker Invest AS	100,00	100,00	Oslo	Norway
Aker Invest II KS	100,00	100,00	Oslo	Norway
American Champion, Inc	100,00	100,00	Seattle	USA
New Pollock LP, Inc	100,00	100,00	Seattle	USA
Aker Shiplease AS	100,00	100,00	Oslo	Norway
Aker Shiplease 1 AS	100,00	100,00	Oslo	Norway
Aker Shiplease 2 AS	100,00	100,00	Oslo	Norway
Aker Floating Production ASA (AFP)	100,00	100,00	Oslo	Norway
Aker Contracting FP AS	100,00	100,00	Oslo	Norway
AFP Operations AS	100,00	100,00	Oslo	Norway
Aker Floating Operations Publ Ltd	100,00	100,00	Limassol	Cyprus
Aker Smart FP AS	100,00	100,00	Oslo	Norway
Ocean Holding AS	100,00	100,00	Oslo	Norway
Connector 1 Holding AS	100,00	100,00	Oslo	Norway
Connector 1 AS	100,00	100,00	Oslo	Norway
LH Shiplease 1 AS	100,00	100,00	Oslo	Norway
LH Shiplease AS	100,00	100,00	Oslo	Norway

Note 16 Foreign currency exchange rates

In the consolidated accounts of Ocean Yield, the following exchange rates have been applied in translating the accounts of the parent company reported in NOK and subsidiaries reported in NOK:

Country	Currency		Average rate 2012	Rate at 31 Dec. 2012	Average rate 2011	Rate at 31 Dec. 2011
Norway	NOK	100	17.93	17.93	17.83	16.68
The European Union	EUR	1	1.29	1.32	1.39	1.29

The average rate and rate at 31 December have been applied in translation of profit and loss and balance sheet items, respectively. The average rate is used in translation of profit and loss. If the average exchange rate for the period does not provide a fair estimate of the transaction rate, the actual transaction rate is used.

Note 17 Interest-bearing loans and liabilities

Interest-bearing loans and liabilities are allocated between group companies and external as follows:

Amounts in USD million	**2012**	2011
Interest-bearing liabilities external	**858.4**	601.6
Interest-bearing liabilities group companies	**-**	308.2
Total	**858.4**	909.9
Whereof 1. year installments:		
Amounts in USD million	**2012**	2011
Interest-bearing liabilities external	**111.8**	69.4
Total	**111.8**	69.4
Long- term Interest-bearing liabilities	**746.6**	**840.5**

Contractual terms on interest-bearing liabilities per 31 December 2012 are as follows:

Amounts in million	Currency	Nominal interest rate per annum	Maturity	Carrying amount in million nominal currency	Carrying amount USD million
Aker Shiplease AS:					
Secured loan:					
Eksportfinans	NOK	Nibor + 1.60%	October 2022. Renewal after 5 years	1 031.7	184.9
Loan fee				-4.4	-0.8
Total Aker Shiplease				1 027.2	184.1
Aker Contracting FP ASA:					
Secured loan:					
DNB syndicated loan	USD	Libor + 1.50%	2018	347,9	347,9
Loan fees				-3,3	-3,3
Total Aker Floating Production				344.6	344.6
Connector 1 Holding AS:					
Secured loan:					
Eksportkreditt Norge AS	USD	Libor + 1.38%	2024	206.1	206.1
DNB Livsforsikring	USD	Libor + 1.50%	2024	19.1	19.1
Loan fee	USD			-1.1	-1.1
Total Connector				224.1	224.1

Ocean Yield AS:					
Unsecured bond					
Unsecured bond issue 12/17 FRN	NOK	3 month Nibor + 6.50%	July 6 2017	600.0	107.6
Loan fees					-2.1
Total Ocean Yield AS				600.0	105.5
Total interest-bearing liabilities					858.4
Whereof 1. year installments					111.8
Total interest-bearing long-term liabilities					**746.6**

Change in group's interest-bearing liabilities in 2012

Amounts in USD Million	Intercompany loan	Secured loan	Bond	Total
Interest- bearing liabilities at 1 January 2012	308.2	601.6	-	909.9
Converted to equity	-323.1			-323.1
New loans	-	235.0	103.3	338.3
Repayment	-	-96.6		-96.6
Interest capitalized	7.7	0.6		8.3
Loan fees		-1.1	-2.3	-3.4
Effect of movement in foreign exchange	7.2	13.3	4.5	25.0
Interest-bearing liabilities at 31 December 2012	**-**	**752.8**	**105.5**	**858.4**

Aker Shiplease AS
The outstanding loan of NOK 1,027 million is secured in the vessel Aker Wayfarer. The loan has a floating interest rate of Nibor + 1.6% p.a., including guarantee fee. Installments and interest are paid semi-annually first time 1 April 2011. The bank loan matures 1 October 2022, but has to be renewed after five years. The loan is currently funded by Eksportfinans ASA and the company is currently discussing to move the funding to Eksportkreditt ASA at the end of the expiry of the fixed margin period in September 2013.

Aker Contracting FP ASA
The Mortgage loan is secured in Dhirubhai-1 and payment period correspond to the leasing period of the vessel. In addition 50% of net cash flow is paid as extraordinary installments. Outstanding as of year-end was USD 344 million.

Connector Holding 1 AS
The mortgage loans are secured in the vessel Lewek Connector.
The loan from Eksportkreditt Norge has a floating interest rate at Libor + 1.38%. The loan from DNB Livsforsikring has a floating interest rate at Libor + 1.5% p.a. Installments for both loans are paid semiannually first time 24 November 2012. Interests are paid quarterly and interest margin renewed in May 2015. Outstanding as of year-end was USD 224 million.

Ocean Yield AS
The senior unsecured bond issue of NOK 600 million listed on Oslo Børs has maturity date on 6 July 2017. The bonds have a floating coupon of 3 month NIBOR + 6.50% p.a.

Mortgages
Collateral has been established for interest-bearing loans of USD 753 million. The book value of ships and other assets used as collateral is USD 1 130 million.

Note 18 Pension expenses and pension liabilities

The Ocean Yield group's Norwegian companies mainly cover their pensions through group pension plans in life insurance companies, under IAS 19,
Employee benefits plans have been treated, for accounting purposes, as defined benefit plans. The Norwegian companies in the group are subject to the Norwegian law of mandatory occupational pension and the group meets the requirements of this legislation.

Certain companies have pension plans for which the employer provides an agreed-upon contribution that is managed in separate pension savings plans (defined contribution plans) or makes contributions that are included in joint plans with other employers (multi- employer plans). The contributions are recorded as pension expenses for the period. The group also has uninsured pension liabilities for which provisions have been made.

Actuarial calculations have been made to determine pension liabilities and pension expenses in connection with the group's defined benefit plans. The following assumptions have been made when calculating liabilities and expenses in Norway:

	Balance 2012	Profit/loss 2012 and balance 2011	Profit/loss 2011
Expected return	**4.0 %**	4.8 %	4.6 %
Discount rate	**3.8 %**	3.3 %	3.2 %
Wage growth	**3.5 %**	4.0 %	4.0 %
Pension adjustment	**1.9 %**	2.5 %	2.5 %

Pension expense recognized in profit and loss:

Amounts in USD million	**2012**	2011
Expense related to benefits earned in this period	**0.7**	0.9
Interest expense accrued on pension liabilities	**0.2**	0.9
Expected return on pension funds	**-0.1**	-0.9
Effect of changes in estimates and pension plans (actuarial gains and losses)	**-**	-
Social security contribution	**0.1**	-
Pension expense recognized from defined benefit plans	**0.9**	0.9
Contribution plans (employer's contribution)	**0.1**	0.7
Total pension expense recognized in profit and loss	**1.0**	1.5

Net pension fund and liabilities

Amounts in USD million	**2012**	2011
Defined benefit obligation at 31 December	**-1.5**	-3.0
Fair value of plan assets at 31 December	**1.1**	1.9
Unrecognized net actuarial gains and losses	**-1.1**	0.1
Pension liabilities at 31 December	**-1.6**	-0.9

Note 19 Other interest free long-term liabilities

Other long term debt and liabilities comprise the following items:

Amounts in USD million	**2012**	2011
Interest-free long term debt to related party	35.1	41.1
Other interest-free long term debt (deferred income)	53.4	62.4
Total	**88.5**	103.5

Long term interest-free debt to related party is the remainder of a prepayment from a subsidiary of Aker Solutions to Ocean Yield's subsidiary Aker Shiplease related to lease of the vessel Aker Wayfarer.
Other interest-free long term debt consists, among other things deferred income in Aker Floating Productions, USD 52 million in 2012 and USD 61 million in 2011.

Note 20 Financial instruments

See also note 3 financial risk and exposure.

Fair value and carrying amounts
The estimates of fair value together with the carrying amounts shown in the balance sheet are as follows:

	2012		2011	
Amounts in USD million	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets carried at fair value				
Available for sale financial assets	152	152	-	-
Total financial assets carried at fair value	152	152	-	-
Financial assets carried at amortized cost				
Loans and receivables	16	16	17	17
Cash and cash equivalents (including long term restricted deposits, see note 11)	125	125	82	82
Total financial assets carried at amortized cost	141	141	99	99
Financial liabilities carried at fair value				
Derivatives	2			
Financial liabilities carried at amortized cost				
Bonds and convertible loans	105	108	-	-
Interest-bearing liabilities group companies			308	308
Other interest-bearing debt	753	755	602	602
Interest-free long term financial liabilities	89	89	103	103
Interest-free short term financial liabilities	14	15	11	11
Total financial liabilities carried at amortized cost	963	966	1 024	1 024

Fair value hierarchy

	2012		
Amounts in USD million	Level 1	Level 2	Level 3
Financial assets carried at fair value			
Available for sale financial assets	-	151.8	-
Total	-	151.8	-
Financial liabilities carried at fair value			

Ocean Yield has no instruments classified in Level 3 as of 31 December 2012. There has not been any change in classification levels of financial assets during 2012.

Note 21 Transactions and agreements with related parties

Ocean Yield shareholder is Aker ASA. Aker ASA's main shareholder is TRG Holding AS, controlled by Kjell Inge Røkke and his family through The Resource Group AS (TRG AS). All companies controlled by Kjell Inge Røkke are considered as related parties for the Aker group.

Transactions with Kjell Inge Røkke
Ocean Yield does not have any material outstanding accounts neither has there been any transactions during 2012 with Kjell Inge Røkke except remuneration as board member in Ocean Yield (see note 22).

Transaction with Aker ASA
Ocean Yield AS rent office space and has a service agreement with Aker ASA which provides certain accounting, financial and administration services to Ocean Yield AS and its subsidiaries. Aker ASA had a loan to Aker Floating Production AS at market terms which was converted to equity on March 31st 2012.

Transactions with Aker Solutions
In 2009, Aker and Aker Solutions entered into a 10 year bareboat charter contract for the vessel Aker Wayfarer. Aker Wayfarer is an offshore construction vessel designed for ultra-deep water with state of the art equipment. Total contract value was NOK 2.4 billion and the ship was delivered in 2010. A lease prepayment was paid in 2009 and is included in other interest free long-term liabilities in the balance sheet with USD 35.1 million.

Ocean Yield, a 100 % owned subsidiary of Aker ASA, entered on 12 October 2012 into an agreement to acquire the offshore construction and cable lay vessel Lewek Connector from AMC Connector AS for a total consideration of USD 315 million. The seller of the vessel, AMC Connector AS, was a 50/50 joint venture between Ezra and Aker Solutions ASA. Aker ASA indirectly owns 28 % in Aker Solutions ASA through Aker Kværner Holding AS. The transaction was executed according to Aker's principles for related party transactions. The board of Aker Kværner Holding approved the transaction according to the prevailing shareholder agreement.

Note 22 Salary and other remuneration to the board of directors, CEO and other employees in Ocean Yield's executive team

Remuneration to the board of directors

	NOK	USD
Svein Aaser (Chairman of the board) 1)	750 000	128 886
Kjell Inge Røkke 2)	150 000	25 777
Tom Grøndahl 1)	350 000	60 147
Trond Brandsrud 2)	150 000	25 777
Katrine Mourud Klaveness 2)	150 000	25 777
	1 550 000	**266 364**

1) One year remuneration
2) Half year remuneration

According to policy in Aker, fees to directors employed in Aker companies will be paid to the Aker companies, not to the directors in person. Therefore Trond Brandsrud and Katrine Mourud Klaveness, receives no remuneration for directorships in Ocean Yield. Aker ASA received NOK 150 000 for Trond Brandsrud in 2012 and NOK 150 000 for Katrine Mourud Klaveness. The board fee for Kjell Inge Røkke was paid to The Resource Group.

Organizational structure in Ocean Yield
The executive team of Ocean Yield at the end of 2012 consists of CEO Lars Solbakken and CFO Eirik Eide.

Directive of remuneration of the CEO and the company's executive team
The accumulated remuneration to the executives consists of a fixed salary, standard pension- and insurance terms for employees and a variable salary. The main purpose of the system for management remuneration is to stimulate a strong and lasting profit oriented culture leading to an increasing value of the company. The Executive team is member of a collective pension and insurance scheme applicable to all employees. The collective pension and insurance scheme is for salaries up to 12G. The company offers standard employment contracts and standard employment conditions with respect to notice period and severance pay for the CEO and others in the Executive team. The company does not offer stock option programs to the employees. The intention of the variable salary program is to contribute to the achievement of good financial results and leadership in accordance with the company's values and business ethics. The positions fall within the scope of the variable salary programs applicable to the position at any given time. The employment contract of the members of the executive team can be terminated with 3 month notice.

Remuneration to the CEO and CFO
Lars Solbakken was appointed CEO from 23 March 2012. The appointment can be terminated by both parties with 3 months' notice. If the contract is terminated by the company, Lars Solbakken has the right to 3 months' notice and 3 months' salary from the date of termination. This salary will not be paid if he continues in another company within the Aker group. The remuneration plan for Lars Solbakken includes a fixed salary, standard pension- and insurance plan for employees and a variable salary. The variable salary program 2012 is limited to NOK 4.6 million. In 2012 Lars Solbakken received a salary of NOK 2 396 040 (USD 411 754) and a variable pay of NOK 0 (USD 0). The value of additional remuneration was NOK 23 616 in 2012 (USD 4 058) and net pension expense in 2012 for Lars Solbakken was NOK 173 338 (USD 29 788).

CFO Eirik Eide accepted the position as CFO in Ocean Yield on 19 March 2012. The appointment can be terminated by both parties with 3 months' notice. The remuneration plan for Eirik Eide includes a fixed salary, standard pension- and insurance plan for employees and a variable salary. In 2012 CFO Eirik Eide received a fixed salary of NOK 1 280 362 (USD 220 028) and a variable pay of NOK 0 (USD 0). The value of additional remuneration was NOK 12 939 in 2012 (USD 2 224) and the net pension expense for Eirik Eide was NOK 121 767 in 2012 (USD 20 925).
The CEO and CFO have no other remuneration than what is described above.

No board members or members of management have loans, guarantee or stock option rights in their contracts.

Note 23 Shares owned by the board of directors, CEO and other employees in the executive team

None of the Board members or members of the executive team hold shares in Ocean Yield AS at end of December 2012.

Deputy chairman Kjell Inge Røkke, together with his wife owns 100% of The Resource Group TRG AS (TRG AS) which in turn owns 99.45% of TRG Holding AS, which again owns 66.66% of Aker ASA the parent company of Ocean Yield AS. In addition TRG AS owns 1.14% in Aker ASA directly.

Note 24 Contingences and legal claims

No material contingencies have been recorded at the end of the year.

Note 25 Events after the balance sheet date

Ocean Yield announced on March 7th 2013 that it has entered into an agreement to acquire two newbuilding AHTS vessels from Farstad Supply AS, a 100 % owned subsidiary of Farstad Shipping ASA, for a total consideration of approximately NOK 1.2 billion. The vessels are expected to be delivered from the yard at the end of March and May 2013. Upon delivery, the vessels will enter into 12-year bareboat charters to Farstad Supply. Farstad Supply has options to acquire the vessels during the charter period, with the first options being exercisable after five years.

The vessels are being built at STX Langsten and are of UT 731 CD design. They are high-end AHTS vessels with 24,371 BHP and 265 mt. bollard pull. Ocean Yield has secured long-term export financing for approximately 75 % of the purchase price on attractive terms. The remaining amount will be funded with equity.

FINANCIAL STATEMENTS TO OCEAN YIELD AS
FOR THE YEARS ENDING 31 DECEMBER 2012 AND 2011

Income statement

Amounts in USD million	*Note*	**2012**	2011
Salaries and other personnel related expenses	*2,10*	-1.3	-
Other operating costs	*2*	-1.0	-0.1
Operating profit (+)/loss (-)		**-2.3**	-0.1
Group contribution from subsidiaries	*3*	31.9	-
Interest income from companies within the Group		-	4.7
Gain on sale of shares	*4*	-	10.5
Other interest income		0.5	-
Other and financial income		0.2	-
Interest expense to companies within the Group		-5.8	-0.2
Other interest expenses		-4.4	-
Foreign exchange loss		-0.6	-
Other interest and finance expenses		-1.4	0.3
Profit before tax		**18.2**	15.3
Tax	*9*	0.1	4.6
Profit after tax		**18.3**	20.0

Allocation of profit/loss for the year:

Profit (+) / loss (-)		18.3	20.0
Dividend	*8*	-40.0	-
Transferred from (+) / allocated to (-) retained earnings		21.7	-20.0
Total		**-**	-

Balance sheet at 31 December

Amounts in USD million	Note	2012	2011
ASSETS			
Deferred tax asset	9	4.8	4.3
Total intangible assets		**4.8**	4.3
Total tangible fixed assets		-	-
Shares in subsidiaries	5	826.7	256.7
Long-term receivables from Group companies	6	5.4	-
Total financial fixed assets		**832.1**	256.7
Total non-current assets		**836.9**	261.0
Short-term receivables from Group companies	3,6	60.0	-
Other short-term receivables		0.2	-
Cash and cash equivalents	7	10.6	5.7
Total current assets		**70.9**	5.7
Total assets		**907.7**	266.7

Amounts in USD million	Note	2012	2011
EQUITY AND LIABILITIES			
Share capital		175.6	-
Share premium reserve		320.9	35.9
Other paid-in equity		79.5	75.5
Total paid-in equity		**576.0**	111.4
Other equity		13.3	21.9
Total retained earnings		**13.3**	21.9
Total equity	8	**589.2**	133.3
Pension liabilities	10	0.1	-
Total provisions		**0.1**	-
Long term liabilities to Group companies	11	159.4	133.4
Bond loan	11	105.5	-
Total other long-term liabilities		**264.8**	133.4
Group contributions owed		9.9	-
Short-term liabilities to Group companies		0.1	-
Dividend	8	40.0	-
Other short-term liabilities	11	3.6	0.1
Total current liabilities		**53.5**	0.1
Total equity and liabilities		**907.7**	266.7

Oslo, 15 March 2013
Ocean Yield AS

Svein Aaser
Chairman

Kjell Inge Røkke
Director

Tom Grøndahl
Director

Trond Brandsrud
Director

Katrine Mourud Klaveness
Director

Lars Solbakken
CEO

Cash Flow Statement

Amounts in USD million	*Note*	2012	2011
Profit before tax		18.2	15.3
Gain (+) / loss (-) on sales of fixed assets and write-down/reversals		-	-11.2
Net interest income		9.7	-4.6
Interest paid		-2.4	-
Change group contribution and other short term items		-32.9	0.6
Cash flow from operating activities		**-7.4**	-
Acquisition of shares and other equity investments	5	-94.8	-
Cash flow from other investments/disposals		-5.3	-
Cash flow from investing activities		**-100.1**	-
Issuance of long term debt external	11	101.0	3.7
Issuance of long term debt Group companies	11	18.5	-
Change in short term interest-bearing receivable		-7.6	-
Cash flow from financing activities		**111.9**	3.7
Cash flow for the year		4.4	3.7
Exchange rate differences		0.6	-0.3
Cash and cash equivalents at January 1.		5.7	2.2
Cash and cash equivalents at December 31.		**10.6**	5.7

Notes to the financial statements

Note 1 Accounting principles

The financial statements are prepared in accordance with the provisions set by law and generally accepted accounting principles in Norway.

Subsidiary/ associated company
Subsidiaries and associated companies are assessed by the cost method in the balance sheet. The investment is recognized at share acquisition cost unless there has been an impairment. A write-down to fair value is made whenever impairment is due to causes that are assumed not to be transient and therefore, according to generally accepted accounting principles must be considered necessary. A reversal is made whenever the impairment no longer is present.

Whenever dividend exceeds the share of retained profit after the acquisition, the excess represents a refund of invested capital, and the dividend is subtracted from the value of the investment in the balance sheet.

Classification and assessment of balance sheet items
Current assets and short term liabilities comprise of items that are due within one year of the time of acquisition. Other items are classified as non-current asset / long term liability.

Current assets are valued at the lower of acquisition cost or fair value. Short term debt is recognized at its nominal value at the time it was recorded.

Non-current assets are valued at acquisition cost but written-down to fair value whenever an impairment is deemed not to be transient. Long term debt is recognized at its nominal value at the time it was established.

Receivables
Trade receivable and other receivables are carried at par value after subtraction of provision for expected loss. Provision for loss is made based on individual assessments of each receivable.

Foreign currency
Ocean Yield AS functional currency is Norwegian kroner (NOK) and the presentation currency is USD, The Ocean Yield AS financial statements are presented in USD, which is the functional currency of Ocean Yield group. See note 16 in the consolidated accounts. Transactions in foreign currency are translated into USD using the exchange rate at the time of transaction. Monetary items in foreign currency are valued at the rate of foreign exchange on balance date. Non-monetary items that are measured at historic cost in foreign currency are translated into USD using the exchange rate on balance date. Non-monetary items that are measured at fair value in a foreign currency are translated into USD using the exchange rate on the date of measurement. Valuation changes due to exchange rate fluctuations are recorded on a continuous basis under other financial items.

Pensions
Pension costs and pension liabilities are calculated according to linear vesting based on expected final salary. The calculation is based on a number of assumptions such as the discount rate, future salary increase, pensions and other social benefits from the Norwegian national insurance system (Folketrygden), future return on pension funds, as well as actuarial assumptions regarding mortality and voluntary retirement. Pension funds are recognized at fair value.

Tax
The tax cost in the profit and loss statement includes both the tax payable for the period and changes in deferred tax. Deferred tax is calculated with 28% based on the temporary differences that exist between accounting and tax values, and tax losses carried forward at the end of the accounting year. Tax increasing and tax decreasing temporary differences which reverse or can be reversed in the same period are offset. Net deferred tax assets are recognized to the extent that it is probable that they can be utilized.

Cash flow statement
The cash flow statement is prepared according to the indirect method. Cash and cash equivalents consist of cash, bank deposits and other current, liquid investments.

The use of estimates
The preparation of the financial statements, under the generally accepted accounting principles, requires that management uses the best estimates and assumptions that affect the profit and loss statement, the valuation of assets and liabilities as well as information regarding disclosure of contingent assets and liabilities on balance sheet date.

Contingent losses that are probable and quantifiable are expensed on an ongoing basis.

Note 2 Salaries, board remuneration and other personnel expenses

Salaries and other personnel expenses consist of the following:

Amounts in USD million	**2012**	2011
Salaries	0.8	-
Social security contribution	0.1	-
Pension cost (see note 10)	0.1	-
Other benefits	-	-
Total	**1.0**	-
Board remuneration	0.3	-
Total salaries, remuneration and other personnel expenses	**1.3**	
Average number of employees	**3**	
Average number of man years	**2**	

Auditor's fee is included in other expenses and consists of the following:

Amounts in USD thousand	**2012**	2011
Ordinary auditing	26.8	8.0
Attestation services	56.9	8.9
Other services	-	87.2
Total	**83.7**	104.1

Note 3 Group contribution from subsidiaries

Group contribution from subsidiaries consist of the following:

Amounts in USD million	**2012**	2011
Aker Shiplease 1 AS	26.2	-
Ocean Holding AS	5.7	-
LH Shiplease AS	-	-
Total	**31.9**	-

Note 4 Gain / loss on sale of shares

Gain and loss on shares are as follows:

Amounts in USD million	**2012**	2011
Resource Group International AS	-	1.3
K3 Tomt KS	-	9.2
Total gain	**-**	10.5

Note 5 Shares in subsidiaries

Shares in subsidiaries include the following companies at December 31, 2012:

Amounts in USD million	Ownership in % 1)	Location, city	Equity as of Dec. 31. 2012	Profit before tax 2012	**Book value**
Aker Shiplease AS	100.00	Oslo	73.3	17.9 3)	122.3
Aker Invest AS	100.00	Oslo	8.3	-0.1 2)	16.7
Aker Invest II KS	100.00	Oslo	115.9	4.1 2)	123.1
Aker Floating Production AS	100.00	Oslo	302.5	2.7 3)	315.1
Ocean Holding AS	100.00	Oslo	150.5	7.6 2)	150.6
LH Shiplease AS	100.00	Oslo	15.0	- 3)	15.5
Connector 1 Holding AS	100.00	Oslo	84.4	3.2 3)	83.4
Total					**826.7**

1) Ocean Yield AS's ownership and share of votes is the same for all the companies.
2) 100% of the company's equity as of December 31, and profit before tax 2012.
3) 100% of the group's equity as of December 31, and profit before tax 2012.

Note 6 Receivable on Group Companies

Long term receivable on Group companies consist of the following items:

Amounts in USD million	**2012**	2011
Connector 1 AS	5.4	-
Long-term receivable on Group companies	**5.4**	-

The receivables have a maturity of more than one year. Interest terms on the receivables are according to market.

Short-term receivable on Group companies consist of the following items:

Amounts in USD million	**2012**	2011
Group Contribution Aker Shiplease I AS	40.0	-
Group Contribution Ocean Holding AS	9.9	-
Group Contribution LH Shiplease AS	-	-
Short-term interest-bearing receivable LH Shiplease AS	8.0	-
Other short-term receivable group companies	2.2	-
Short- term receivable on Group companies	**60,0**	-

Group contributions through the income statement is USD 31.9 recorded against shares in subsidiaries of USD 18.0 million, totaling USD 49.9 million.

Note 7 Cash and cash equivalents

Cash and cash equivalents are distributed as follows:

Amounts in USD million	**2012**	2011
Cash restricted	**0.1**	**-**
Cash unrestricted	**10.5**	5.7
Total	**10.6**	5.7

Note 8 Shareholder's equity

Paid in capital
At 31 December 2012 Ocean Yield AS share capital consists of the following:

	NOK	USD rate at time of establishment 1 April 2012	USD
Number of ordinary shares	100 000 000		100 000 000
Par value	10	5.70	1.8
Total par value (million)	**1 000**	**5.70**	**175.6**
Share premium reserve (million)	1 828	5.70	320.9
Other paid in capital (million)	453		79.5
Total paid in capital (million)	**3 280**		**576.0**

All shares have equal voting rights and are entitled to dividend and Ocean yield AS is at end of 2012 owned 100 percent by Aker ASA.

Dividend

Dividend as shown below is proposed distributed after balance sheet date. A provision has been made in the balance sheet for the dividend.

Amount in USD million	
Proposed dividend in 2012 USD 0.40 per share	40.0
Estimated dividend paid in 2013	**40.0**

Changes in shareholder's equity in 2012 are shown below:

Amounts in USD million	Paid-in capital	Retained earnings	**Total equity**
Shareholder's equity at 31 December 2011	**111.4**	**21.9**	**133.3**
Converted debt	283.1	-	**283.1**
Share issue	175.6	-	**175.6**
Dividend		-40.0	**-40.0**
Profit for the year	-	18.3	**18.3**
Translation differences	5.9	13.1	**19.0**
Shareholder's equity at 31 December 2012	**576.0**	**13.2**	**589.2**

The company changed name from Aker AS to Ocean Yield AS. From 1 April 2012 Ocean Yield AS is the parent company in the new group Ocean Yield.

Note 9 Deferred tax

The table below shows the difference between accounting and tax values at the end of 2012 and 2011 respectively, as well as changes in the differences, deferred tax assets at the end of each year and the change in deferred tax assets.

Amounts in USD million	**2012**	2011
Differences in interest and currency swap	-1.2	-
Fixed assets differences	-	-
Net pension liability	-0.1	-
Capital gains and loss reserve	0.7	0.9
Total differences	**-0.5**	0.8
Tax losses carried forward	-16.6	-16.4
Total deferred tax basis	**-17.2**	-15.5
Net deferred tax 28%	**-4.8**	-4.3
Recognized deferred tax asset	**-4.8**	-4.3

Deferred tax asset is incorporated in the balance sheet if budgets indicate that the asset will be used in the future.

Estimated taxable profit

Amounts in million	**2012**	2011
Profit before tax	18.2	15.3
Permanent differences in net non-taxable income (-) / expenses (+)	-18.7	-16.3
Change in temporary differences	1.4	0.2
Utilization of accumulated tax losses	-0.9	-
Estimated taxable income	-	-0.8
Income tax expense / income:	**2012**	2011
Change in deferred tax	0.1	4.6
Total tax expense (+) / income (-)	**0.1**	**4.6**

The 2012 figures above are based on estimates of different non-deductible taxable income, non-deductible items and differences between accounting and tax items. The final calculations will be made in the income-tax return and may differ from estimates above.

Explanation as to why tax expense / income differs from 28% of profit before tax:	**2012**	2011
28 % tax on profit before tax	4.7	-4.3
Utilization of previously unrecognized tax losses	0.3	4.4
28% tax on permanent differences	-4.9	4.6
Estimated tax expense / income (-)	**0.1**	**4.6**
Effective tax rate (tax expense compared with profit / loss before tax	0.01	0.30

Note 10 Pension costs and pension liabilities

According to the Norwegian law on occupational pensions, (Lov om tjenestepensjon) the company is required to provide a pension plan for all its employees. The company's pension plans do meet the legal requirements set out by the law.

Ocean Yield AS covers its pension liabilities mainly through a group pension plan in a life insurance company. For accounting purposes the plan has been treated as a defined benefit plan.

The schemes provide defined future benefits. These benefits depend mainly on the number of years the individual is a member of the plan, the level of salary at time of retirement and the level of the benefits provided by the Norwegian National Insurance scheme.

Actuarial calculations have been made based on the following assumptions:

	2012
Expected return on assets	**4.0 %**
Discount rate	**3.8 %**
Wage growth	**3.5 %**
Pension adjustment	**1.9 %**

Pension expense recognized in profit and loss:

Amounts in USD million	2012
Interest expense accrued on pension liabilities	**0.1**
Effect of changes in estimates and pension plans (actuarial gains and losses)	**-**
Pension expense recognized from defined benefit plans	**0.1**

Net pension fund and liabilities

Amounts in USD million	2012
Defined benefit obligation at 31 December	**-0.1**
Unrecognized net actuarial gains and losses	**-**
Pension liabilities at 31 December	**-0.1**

Note 11 Debt and other liabilities

Long term liabilities to Group companies consists of the following:

Amounts in USD million	2012	2011
Aker ASA	**-**	7.6
Aker Invest II KS	**104.6**	93.2
Aker Shiplease AS	**41.4**	19.5
New Pollock LLP	**13.3**	13.1
Total	**159.4**	133.4

Long term liabilities to Group companies have a maturity of more than five years and interest is set at market terms.

Bond loan:

The senior unsecured bond issue of NOK 600 million listed on Oslo Børs repaid in full at maturity date on 6 July 2017. The bonds have a floating coupon of 3 month NIBOR + 6.50%.

The loans are recorded at amortized cost. Per December 31, 2012 the capitalized borrowing expenses are NOK 12 million.

Other current liabilities consist of the following:

Amounts in USD million	2012	2011
Accrued interest external	**2.1**	-
Unrealized loss on interest and currency exchange swap	**1.2**	-
Other	**0.3**	0.1
Total	**3.6**	0.1

Note 12 Mortgages and guarantee obligations

Guarantee obligations are as follows:

Amounts in USD million	2012	2011
Loan guarantees Connector 1 Holding AS	**224.1**	-
Loan guarantees LH Shiplease AS 1)	**-**	-
Total guarantee obligations	**224.1**	-

1) Up to USD 92 million, undrawn at 31 December 2012

Note 13 Financial market risks

The company is exposed to several types of financial risk, the most significant of which are credit, liquidity, foreign exchange and interest rate risk. The purpose of risk management is to measure and manage financial risks in a reliable manner, in order to increase predictability and simultaneously minimise any negative impacts on Ocean Yield's financial results.

Foreign currency items in the balance sheet are hedged to a large extent through receivables and liabilities in the same currency.

Ocean Yield has loan and guarantee commitments that contain certain financial covenants. At the end of fiscal year 2012, Ocean Yield AS is in compliance with all such financial covenants.

Also see Note 3 in the group accounts.

Ocean Yield has entered into an interest and currency swap for the NOK bond loan with maturity in July 2016. Since the functional currency for the group is USD, the bond loan has been swapped from NOK to USD. The interest rate on the bond loan is 3M NIBOR + 6.50%. This has been swapped into LIBOR +7.07 %.

Note 14 Shares owned by Board members/executives

See note 23 in the financial statements of the group.

Note 15 Salary and other remuneration to the Board of Directors, the CEO and other senior executives in Ocean Yield AS

See note 22 in the financial statements of the group.

Note 16 Legal disputes

There are no major legal disputes as of 31 December 2012.

Note 17 Transaction and agreements with related parties

Transaction with subsidiaries and related parties are described on a line by line basis in the following notes:
Note 3, note 6, note 11 and note 12. In addition note 21 in the financial statements of the group.

All transaction with related parties are done at market rates and in accordance with the arm's lengths principle.

Note 18 Events after balance sheet date

See note 25 in the financial statements of the group.

Director's responsibility statement

Today, the board of directors and the president and chief executive officer reviewed and approved the board of directors' report and the consolidated and separate annual financial statements of Ocean Yield AS for the year ending and as of 31 December 2012.

Ocean Yield's consolidated financial statements have been prepared in accordance with IFRSs and IFRICs adopted by the EU as well as additional disclosure requirements in the Norwegian Accounting Act and as such are to be applied per 31 December 2012. The separate financial statements of Ocean Yield AS have been prepared in accordance with the Norwegian Accounting Act and Norwegian accounting standards as of 31 December 2012. The board of directors' report for the group and the parent company meets with the requirements of the Norwegian Accounting Act and Norwegian accounting standard no. 16, as of 31 December 2012.

To the best of our knowledge:

- The consolidated and separate annual financial statements for 2012 have been prepared in accordance with applicable accounting standards.
- The consolidated and separate annual financial statements give a true and fair view of the assets, liabilities, financial position and profit/loss as a whole per 31 December for the group and for the parent company.
- The board of directors' report includes a true and fair review of the
– development and performance of the business and the position of the group and the parent company,
– the principal risks and uncertainties the group and the parent company may face.

Oslo, 15 March 2013
Ocean Yield AS

Svein Aaser
Chairman

Kjell Inge Røkke
Director

Tom Grendahl
Director

Trond Brandsrud
Director

Katrine Mourud Klaveness
Director

Lars Solbakken
CEO

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To the Annual Shareholders' Meeting of Ocean Yield AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Ocean Yield AS, which comprise the financial statements of the parent company Ocean Yield AS and the consolidated financial statements of Ocean Yield AS and its subsidiaries. The parent company's financial statements comprise the balance sheet as at 31 December 2012, the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The consolidated financial statements comprise the balance sheet as at 31 December 2012, and the income statement and the statement of total comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Managing Director's Responsibility for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the parent company financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and for the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent auditor's report 2012
Ocean Yield AS

Opinion on the separate financial statements

In our opinion, the parent company's financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Ocean Yield AS as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Ocean Yield AS and its subsidiaries as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report and Report on corporate governance

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and Report on corporate governance concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Accounting Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 15 March 2013
KPMG AS

Vegard Tangerud
State Authorised Public Accountant (Norway)

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OCEAN YIELD AS

COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDING 31 DECEMBER 2012, 2011 AND 2010

Combined income statement and total comprehensive income

Income statement

Continuing operations

Amounts in USD million	*Note*	**2012**	**2011**	2010
Operating revenue	4	**188.0**	182.5	151.7
Cost of goods		**-16.3**	-17.3	-16.9
Wages and other personnel expenses	5	**-10.1**	-9.3	-8.2
Other operating expenses	5	**-10.2**	-7.1	-12.7
Operating profit before depreciation and amortization		**151.4**	148.8	113.9
Depreciation and amortization	9, 10	**-85.9**	-84.9	-75.3
Impairment charges and other non-recurring items	6	**-5.9**	-20.0	-16.6
Operating profit	4	**59.7**	43.9	22.0
Financial income	7	**8.9**	14.6	34.2
Financial expenses	7	**-39.9**	-58.1	-74.3
Mark to market of derivatives		**-1.7**	-	-
Profit before tax	4	**26.9**	0.4	-18.1
Income tax expense	8	**0.8**	3.8	5.8
Profit for the year continued operations	4	**27.7**	4.2	-12.3

Total comprehensive income

Amounts in USD million	*Note*	**2012**	**2011**	2010
Profit for the year, continued operations		**27.7**	4.2	-12.3
Other comprehensive income, net of income tax				
Currency translation differences		**9.4**	-11.1	0.4
Change in other comprehensive income, net of income tax		**9.4**	-11.1	0.4
Total comprehensive income for the year		**37.1**	-6.9	-11.9
Attributable to:				
Equity holders of the parent		**37.1**	-0.1	-3.9
Minority interests		**-**	-6.7	-8.0
Total comprehensive income for the year		**37.1**	-6.9	-11.9
Earnings per share (USD)	14	**0.28**		

Combined balance sheet at 31 December

Amounts in USD million	*Note*	**2012**	2011	2010
ASSETS				
Property, plant and equipment	*9*	**1 157.7**	918.4	1 029.8
Intangible assets	*10*	**38.3**	38.3	38.3
Deferred tax assets	*8*	**10.1**	8.6	5.0
Interest-bearing long term receivables	*11*	**171.8**	20.0	219.2
Other non-current assets		**-**	-	0.4
Total non-current assets		**1 378.0**	985.4	1 292.7
Trade receivables and other interest-free receivables		**15.8**	17.0	11.4
Cash and cash equivalents	*13*	**104.6**	61.5	71.1
Total current assets		**120.4**	78.6	82.5
Total assets	*4*	**1 498.4**	1 063.9	1 375.2

Amounts in USD million	*Note*	**2012**	2011	2010
EQUITY AND LIABILITIES				
Share capital		**175.6**	-	-
Other paid-in capital		**400.4**	111.8	111.8
Total paid-in capital	*14*	**576.0**	111.8	111.8
Translation and other reserves		**-1.0**	-10.4	0.6
Retained earnings		**-42.0**	-59.7	12.2
Total equity attributable to equity holders of the parent		**533.0**	41.6	124.5
Minority interests	*2*	**-**	-4.5	2.3
Total equity	*14*	**533.0**	37.2	126.8
Interest-bearing loans	*17*	**746.6**	840.5	1 029.4
Pension liabilities	*18*	**1.6**	0.9	0.6
Other interest-free long term liabilities	*19*	**88.5**	103.5	121.8
Total non-current liabilities		**836.7**	944.9	1 151.7
Interest-bearing short term debt	*17*	**111.8**	69.4	71.9
Trade and other payables		**17.0**	12.5	24.7
Total liabilities		**965.4**	1 026.8	1 248.4
Total equity and liabilities	*4*	**1 498.4**	1 063.9	1 375.2

Oslo, 15 March 2013
Ocean Yield AS

Svein Aaser
Chairman

Kjell Inge Røkke
Director

Tom Grøndahl
Director

Trond Brandsrud
Director

Katrine Mourud Klaveness
Director

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Change in equity

Amounts in USD million	Paid in capital	Translation reserve	Fair value	Retained earnings	Shareholders' equity	Minority	Total
Combined balance at 1 January 2010	-	0.2	-	-18.4	-18.2	10.2	-8.0
Profit for the year	-	-	-	-4.3	-4.3	-8.0	-12.3
Other comprehensive income	-	0.4	-	-	0.4	-	0.4
Total result	-	0.4	-	-4.3	-3.9	-8.0	-11.9
New Equity	111.8	-	-	49.1	160.9	-	160.9
Shares owned, sold before the group was established in 2012	-	-	-	-13.7	-13.7	-	-13.7
Group contribution	-	-	-	-0.5	-0.5	-	-0.5
Combined balance at 31 December 2010	**111.8**	**0.6**	**-**	**12.1**	**124.6**	**2.3**	**126.8**
Profit for the year	-	-	-	10.9	10.9	-6.7	4.2
Other comprehensive income	-	-11.0	-	-	-11.0	-	-11.1
Total result	-	-11.0	-	10.9	-0.1	-6.7	-6.9
Shares in subsidiaries before establishment in 2012	-	-	-	-256.7	-256.7	-	-256.7
Shares owned, sold before the group was established in 2012	-	-	-	154.7	154.7	-	154.7
Group contribution	-	-	-	19.1	19.1	-	19.1
Combined balance at 31 December 2011	**111.8**	**-10.4**	**-**	**-59.8**	**41.6**	**-4.5**	**37.2**
Profit for the year	-	-	-	27.7	27.7	-	27.7
Other comprehensive income	-	9.4	-	-	9.4	-	9.4
Total result	-	9.4	-	27.7	37.1	-	37.1
New Equity in Ocean Yield AS	464.2	-	-	-5.5	458.7	-	458.7
Acquisition of minority interest	-	-	-	-4.5	-4.5	4.5	-
Combined balance at 31 December 2012	**576.0**	**-1.0**	**-**	**-42.0**	**533.0**	**-**	**533.0**

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Combined cash Flow Statement

Amounts in USD million	*Note*	**2012**	**2011**	2010
Profit before tax		**26.9**	0.4	-18.1
Net interest expenses (+)		**17.7**	43.5	61.9
Interest paid		**-17.1**	-19.4	-39.7
Interest received		**1.1**	0.7	4.6
Sales losses/gains (-) and write-downs	*9,10*	**6.0**	20.2	16.4
Unrealized foreign exchange gain/loss and other non-cash items		**7.2**	-4.6	-1.0
Depreciation and amortization	*9,10*	**85.9**	84.8	75.2
Taxes paid		**-0.1**	1.1	-2.1
Changes in other net operating assets and liabilities		**-9.1**	-25.8	-6.0
Net cash flow from operating activities		**118.7**	100.9	91.3
Proceeds from sales of property, plant and equipment		**11.2**	-	-
Proceeds from sale of shares and other equity investments		**-**	0.4	-
Acquisition of property, plant and equipment	*9,10*	**-327.3**	-7.0	-200.8
Net cash flow from other investments		**-**	-6.1	10.5
Net cash flow from investing activities		**-316.1**	-12.7	-190.3
Proceeds from issuance of long-term interest-bearing debt	*17*	**334.9**	-	220.9
Repayment of long-term interest-bearing debt	*17*	**-96.6**	-83.6	-95.9
Change in short-term interest-bearing debt	*17*	**-**	-13.0	-
New equity and group contribution		**-**	-	9.8
Net cash flow from financing activities		**238.3**	-96.6	134.7
Net change in cash and cash equivalents		**40.8**	-8.4	35.7
Effects of changes in exchange rates on cash		**2.2**	-1.2	-0.1
Cash and cash equivalents at 1 January		**61.5**	71.1	35.4
Cash and cash equivalents at 31 December	*13*	**104.6**	61.5	71.1

Notes to the combined financial statements

Note 1 Accounting principles, basis for preparation, and estimates

BASIS OF COMBINED FINANCIAL STATEMENTS
The Ocean Yield Group was established on 31 March 2012, with Ocean Yield AS as the parent company in the Group. The Ocean Yield Group includes the parent company Ocean Yield AS and its subsidiaries,

The combined and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). These financial statements are presented on a "carve-out" or combined basis for all periods prior to the carve-out and comprise the combined historical financial statements, assuming that Ocean Yield had existed as a separate legal entity for all of the financial periods presented. The financial statements are presented on a consolidated basis for all periods thereafter. The combined financial statements have been derived from the consolidated financial statements and historical accounting records, employing the methods and assumptions we describe in note 2 to the combined and consolidated financial statements.

REPORTING ENTITY
Ocean Yield AS is a Norwegian company, domiciled in Norway. The company was established at end of March 2012. The Group has investments in vessels within oil-service and industrial shipping. All vessels are at end of 2012 chartered out on long term contracts.

The 2012 combined consolidated financial statements of Ocean Yield include the financial statements of the parent company, Ocean Yield AS and its subsidiaries owned as of 31 December 2012.

New standards and interpretations not yet adopted

A number of standards, amendments to standards and interpretations are not yet effective for the period ended 31 December 2012, and have not been applied when preparing these consolidated financial statements: IFRS 10 Consolidated Financial statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosures of Interests in Other Entities, IFRS 13 Fair Value Measurement. In addition there are issued amendments to the related standards IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures. IAS 19 Employee benefits have also been changed in 2011). All these new and amended standards are effective from 1 January 2013. There have also been amendments to IAS 1 Presentation of Financial Statements, which are effective for financial years beginning after 1 July 2012. The implementation of IFRS 9 Financial Instruments (mandatory from 1 January 2015) may result in certain amendments to the measurement and classification of financial instruments.

Basis of measurement

Preparation of financial statements is based on historical cost, with the following exceptions:

- Derivative financial instruments are measured at fair value
- Financial instruments at fair value through profit and loss are valued at fair value

Principles used to determine fair value are described in greater detail below.

Functional currency and presentation currency

Consolidated financial statements are presented in United States Dollars (USD). The parent company and most of its subsidiaries have USD as functional currency. Certain of the subsidiaries have NOK as functional currency.

Due to rounding differences there may be some inconsistency between figures and percentages and total lines.

Use of estimates and judgments

Preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of guidelines and principles, as well as the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors considered being reasonable under the circumstances. Actual results may differ from amounts arrived based on these assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimates are revised if the change affects that period or in the period of change and future periods if the change affects both current and future reporting periods.

Critical judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is:

- Property, plant & equipment (impairment recognition),
- Operating revenues (lease classification).

Accounting principles

The accounting principles presented herein have been applied consistently for the period and companies presented in the consolidated financial statements. Comparative figures are reclassified if necessary in accordance with any changes in accounting principles.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Ocean Yield AS at end of 2012. The financial statements of subsidiaries are included in the consolidated financial statements from 1 January 2010. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

EBITDA

Ocean Yield defines EBITDA as operating profit before depreciation, amortization and impairment charges, as presented in the consolidated profit and loss.

Impairment charges

Impairment charges include write-down of goodwill, significant write-downs and reversals of write-downs on property, plant & equipment, significant losses of operating assets, restructuring costs, and other significant matters that are not deemed to be of a recurring nature. Profit before tax includes the amount arrived at for impairment charges.

Foreign currency translation and transactions

Functional currency

Initial recording of items included in the financial statements of each Group subsidiary is in its functional currency, i.e., the currency that best reflects the economic substance of the underlying events and circumstances relevant to that subsidiary.

Transactions and balances

Foreign currency transactions are translated into USD using the exchange rates prevailing at the date of each transaction. Monetary assets and liabilities in foreign currencies are translated into USD at the exchange rates on the balance sheet date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to USD at exchange rates at the reporting date. The income and expenses of foreign operations are translated to USD at exchange rates at the dates of the transactions. Foreign currency differences are recognized in other comprehensive income, in the foreign currency translation reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the profit and loss as part of the profit or loss on disposal.

Transactions with closely related parties

All transactions, agreements, and business activities with closely related parties are conducted according to ordinary business terms and conditions.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in debt and equity instruments, customer receivables and other receivables, cash and cash equivalents, loans, accounts payable, and other debt.

Non-derivative financial instruments are measured at initial recognition at fair value plus all directly attributable transaction costs. After initial recognition, the instruments are measured as discussed below.

Financial assets at fair value through profit and loss

A financial instrument is classified as recorded at fair value through profit and loss if it is designated as such at initial recognition or held for trading. Financial instruments are designated at fair value through profit and loss if the group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the group's documented risk managements or investment strategy. Attributable transaction costs are recognized in profit and loss as incurred upon initial recognition. Financial instruments at fair value through profit and loss are measured at fair value and changes therein are recognised in profit and loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and deposits on call with banks and other short-term highly liquid investments with original maturities of three months or less, constitute cash and cash equivalents.

Financial derivatives

The Group uses financial derivative instruments to hedge its exposure to foreign exchange and interest-rate risks. No hedge accounting is applied as of year-end 2012. Derivatives are recognized initially at fair value; attributable transaction costs are recognized in the profit and loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in comprehensive income as part of any foreign currency gains or losses.

Revenue recognition

Revenues related to vessel bareboat charter agreements are recognized over the charter period. Charter agreements may contain revenue sharing agreements with the charterer. Revenue related to profit sharing agreements is recognized when the amount becomes fixed and determinable

Revenues from time charters and bareboat charters are recognized in the comprehensive income on a straight-line basis over the term of the lease, if the contract is classified as operating lease. The income from subsidiaries within Aker Floating Production is recognized net of local with-holding tax.

Received payments from mobilization fee and change orders are recognized in the comprehensive income on a straight-line basis over the term of the lease, while the remaining part is recognized in the statement of financial position as deferred income. Bonus earned based on sufficient up-time on the Dhirubhai-1 FPSO is recognized in the comprehensive income when the bonus becomes receivable.

Compensation for loss of hire and impairment of property, plant and equipment from insurance companies is recognized in comprehensive income when receivable, given that the claim meets the definition of an asset and the recognition criteria for an asset.

Property, plant and equipment

Property, plant and equipment acquired by Ocean Yield group companies are stated at historical cost. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets and adjusted for impairment losses, if any. Some vessels residual value is aligned with the option value and the depreciation plan period is aligned with the length of the charter period. The carrying value of the property, plant and equipment in the balance sheet represents the cost less accumulated depreciation and any impairment losses.

In respect of borrowing costs relating to qualifying assets, the Group capitalizes borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are expensed.

Subsequent cost

Ordinary repairs and maintenance costs are charged to the profit and loss in the financial period when they are incurred. The cost of major upgrades and rebuilding projects is included in the asset's carrying amount when it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. Major upgrades and rebuilding projects are depreciated over the useful lives of the related assets.

Depreciation

In component cost accounting, the amount initially recognized in respect of an item of property, plant or equipment is allocated among its significant parts, and each part is depreciated separately over its respective useful life. Other fixed assets in use are depreciated on a straight-line basis. Depreciation methods, useful lives, and residual values are reviewed annually.

Disposals of property, plant and equipment

Gains and losses on the disposal of assets are determined by comparing the disposal proceeds with the carrying amount.

Intangible assets

Goodwill

All business combinations are accounted for by applying the acquisition method. Goodwill on acquisitions of subsidiaries represents the difference between the cost of the acquired entity and the fair value of the net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested for impairment annually, and when objective evidence for impairment exists. Negative goodwill arising on an acquisition is recognized directly in the profit and loss.

Impairment

The carrying amounts of the group's assets, other than deferred tax assets (see paragraph on Income tax), are reviewed continuously to determine whether there is any indication of impairment. If indication of impairment is found, the asset's recoverable amount is estimated.

For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated annually on the balance sheet date.

An impairment loss is recognized whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the profit and loss. Recognition of impairment losses of cash-generating units is allocated first to reduce the carrying amount of any goodwill and then to reduce the carrying amount of the other assets in the unit, on a pro-rata basis.

Calculation of recoverable amount

The recoverable amount of the group's investment in receivables carried at amortized cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short term to maturity are not discounted. The recoverable amount for other assets is the greater of their net selling price or value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a relevant post-tax discount rate that reflects current market assessments of the time value of money and risks associated with the specific asset. For assets that do not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

An impairment loss on loans and receivables carried at amortized cost, is reversed if a subsequent increase in the recoverable amount can be objectively connected to an event occurring after the impairment loss was recognized in the profit and loss. Goodwill impairment losses are not reversed. For assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's balance sheet carrying amount does not exceed the carrying amount, net of depreciation or amortization, calculated as if no impairment loss had been recognized.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the profit and loss on a straight-line basis over the period of the lease.

Receivables

Other long-term receivables are valued at net present value if the expected payments are long-term and not interest-bearing. Trade receivables and other short-term receivables are initially recorded at fair value and thereafter at amortized cost. Allocations for impairment losses on trade receivables are recognized when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where any Group company purchases the company's own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from equity.

Interest-bearing liabilities

All loans and borrowings are initially recognized at cost, which is the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at amortized cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognized in the profit and loss over the period of the interest-bearing liabilities. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in net profit or loss when the liabilities are derecognized or impaired.

Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economics benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Income tax

Income tax on the profit and loss statement for the year comprises current and deferred tax. Current tax is the anticipated tax payable on the taxable income for the year, using current tax rates at the balance sheet date, and any adjustment to tax payable related to previous years. Deferred income tax is stated, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets are recognized for all deductible temporary differences and all carry-forwards of unused tax assets and unused tax losses, to the extent it is probable that taxable profit will be available against which such deductible temporary differences and carry-forwards can be used. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax is measured on an undiscounted basis.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on current tax rates (and tax laws) at the balance sheet date. Tax consequences relating to items recognized directly in equity are recognized in other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and if the deferred tax relates to the same taxable entity and the same taxing authority.

Pension obligations

The group has both defined benefit plan and defined contribution plans. For defined benefit plans, the liability recognized is the present value of the defined benefit obligation at the balance sheet date, minus the fair value of plan assets, together with adjustments for actuarial gains/losses and past service costs. The defined benefit obligation is calculated by independent actuaries and is measured as the present value of estimated future cash outflows. The cost of providing pensions is charged to the profit and loss so as to spread the regular cost over the service lives of employees. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions, and amendments to pension plans are recognized over the average remaining service lives of the employees concerned. For defined contribution plans, contributions are paid into pension insurance plans. Once the contributions have been paid, there are no further payment obligations. Contributions to defined contribution plans are charged to the profit and loss in the period to which the contributions relate.

Expenses

Operating lease payments

Payments made under operating leases are recognized in the profit and loss on a straight-line basis over the term of the lease. Lease incentives received are recognized in the profit and loss as an integral part of total lease expenses.

Net financing costs

Net financing costs comprise interest expenses payable on loans, calculated using the effective interest rate method, interest receivable on funds invested, foreign exchange gains and losses, and gains and losses on hedging instruments that are recognized in the profit and loss.

Interest income is recognized in the income statement as it accrues, using the effective interest rate method.

Termination benefits

Termination benefits are recognized as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptance can be estimated reliably.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. See Note 4 to the consolidated accounts for further information on segment reporting.

Determination of fair value

Accounting principles and note disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information on the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability.

Trade and other receivables

The fair value of accounts receivable and other receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Derivatives

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future cash flows of principal and interest, discounted at the market rate of interest at the balance sheet date.

Dividends

Dividends are recorded in the group's financial statements in the period in which they are approved by the Group's shareholders.

Earnings per share

The calculation of ordinary earnings per share is based on the profit attributable to ordinary shares using the weighted average number of shares outstanding during the year, after deduction of the average number of treasury shares held over the period. The calculation of diluted earnings per share is consistent with the calculation of ordinary earnings per share, and gives effect to all dilutive potential ordinary shares that were outstanding during the period, that is:

- The net profit for the period attributable to ordinary shares is increased by the after-tax amount of dividends and interest recognized in the period in respect of the dilutive potential ordinary shares, and adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares.
- The weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares, increases the weighted average number of ordinary shares outstanding.

Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk, and cash-flow interest rate risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance. The group uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out under policies approved by the board of directors. The board provides guidelines for overall financial risk management, as well as policies covering specific areas such as foreign exchange risk, interest-rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity. The Group regularly assesses its risk to changes in interest rates and foreign exchange. The company attempts to mitigate the impact of interest rate risk by employing hedges where deemed beneficial or warranted as a condition for securing financing and mitigates foreign exchange risk by transacting as much as possible in the functional currency of the company. Transactions in non-functional currencies are assessed and hedges are applied when deemed beneficial.

Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Note 2 Establishment of the Ocean Yield Group

Establishment of the Ocean Yield Group

Ocean Yield AS (former Aker AS) is a wholly owned subsidiary of Aker ASA. The company invests in marine assets on long term contracts with counterparties of acceptable credit quality. The initial portfolio consists of the seismic vessel Geco Triton, the subsea-construction vessel Aker Wayfarer, the FPSO Dhirubhai-1, and unsecured bonds issued by American Shipping Company ASA, which owns 10 product tankers on long term charters to Overseas Shipholding Group. The strategic focus for Ocean Yield's further development and growth will be to invest in assets within the offshore and oil services space and industrial shipping.

Ocean Yield AS acquired control of Aker Shiplease AS, Aker Shiplease 1 AS(Aker Wayfarer) and Aker Shiplease 2 AS, New Pollock Inc. (Geco Triton) and the holding companies Aker Invest II KS, Aker Invest AS and American Champion Inc in December 2011.

In first quarter of 2012 Ocean Yield AS acquired control of Aker Floating Production AS, including the subsidiaries Aker Contracting FP ASA, Aker Smart FP AS, Aker Smart 2 FP AS, Aker Operations AS and Aker Floating Operations Publ. Ltd. and 93% of the outstanding, unsecured bonds issued by American Shipping Company ASA.

In addition to the acquisitions, Aker converted its NOK 2.6 billion receivable from Ocean Yield AS into equity in Ocean Yield AS in the first quarter 2012.

The establishment of Ocean Yield AS, through business combination of businesses under common control, is recorded in the accounts as a merger of jointly controlled companies (merger of parent and subsidiaries). Thus, assets and liabilities are presented using the group values of Aker ASA Group.

Combined accounts information

Financial information in the combined financial statements for periods prior to combinations under common control is restated, to reflect the combinations as if it had occurred from the beginning of the earliest period presented in the financial statements, regardless of the actual date of the combination.

The combined accounts include companies owned directly or indirectly by Ocean Yield AS at end of 2012. To present comparable financial information for 2011 and 2010 combined profit and loss account, balance sheet, cash flow and notes have been prepared for 2011 and 2010.

Shares in subsidiaries and other shares sold back to Aker before the establishment of Ocean Yield Group was part of a reorganization and have been treated as an equity transaction in 2011. In addition the 2011 accounts include minority interest in Aker Floating Production of 27.7%:

Amounts in USD million	2011	2010
Elimination of shares	-	-104.9
Gains sale of shares	-74.2	-0.5
Minority interest:		
Income statement	-6.7	-8.0
Balance sheet	-4.5	2.3

Note 3 Financial risk and exposure

Financial risk

The Ocean Yield group consists of various operations and companies that are exposed to different types of financial risk including credit-, liquidity- and market risk (e.g. interest- and currency risk). The purpose of risk management is to measure and manage financial risk in a reliable manner, thereby increasing predictability and reducing negative effects on Ocean Yield financial results. The group is using different financial instruments to actively manage its financial exposure.

Ocean Yield AS has developed a policy on how the financial risk is monitored. The risk is monitored continuously and reported minimum quarterly. The main companies in the group have developed similar policies and guidelines based on the individual companies' exposure to the different kinds of financial risk

Capital management

One important objective of Ocean Yield finance policy is to secure financial headroom both on a short- and long term basis to be able to achieve strategic goals. Ocean Yield wants to maintain a strong capital base and aims at a conservative investment strategy with limited risk. Key investment criteria will among others be:
-Firm contracts with a duration of 5-12 years
-Targeted segments are oil service and industrial shipping
-Limited direct market exposure

Credit risk

The managements of the main companies have developed their own policies and guidelines to credit risk. The exposure to credit risk is monitored on an ongoing basis within the group guidelines.

The group's principal financial assets are bank deposits and cash, bonds, trade and other receivables and derivatives. The group's exposure to credit risk is mainly related to bonds in American Shipping Company ASA and trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the group's management based on prior experience and their assessment of the current economic environment. Credit assessments are performed on all customers requesting credit over a certain amount.

Transactions involving derivative financial instruments are with counterparties with sound credit-ratings. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations.

Exposure to credit risk

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, , in the balance sheet. The maximum exposure to credit risk at the reporting date was:

		2012				2011			2010		
Amounts in USD million	Note	Available for sale financial assets	Receivables at amortized cost	Cash and bank deposits	Total	Receivables at amortized cost	Cash and bank deposits	Total	Receivables at amortized cost	Cash and bank deposits	Total
Financial interest-bearing non-current assets	11	151.8	-	20.0	**171.8**	-	20.0	**20.0**	199.2	20.0	**219.2**
Trade receivables, other interest-free short term receivables			15.8	-	**15.8**	17.0	-	**17.0**	11.4	-	**11.4**
Cash and cash equivalents	13		-	104.6	**104.6**	-	61.5	**61.5**	-	71.1	**71.1**
Total		151.8	15.8	124.6	**292.2**	17.0	81.5	**98.5**	210.6	91.1	**301.7**

The aging trade receivables and provisions for impairment loss are as follows:

Amounts in USD million	Gross trade receivables 2012	Provision for impairment loss 2012	Gross trade receivables 2011	Provision for impairment loss 2011	Gross trade receivables 2010	Provision for impairment loss 2010
Not past due	6.6	-	9.7	-	0.9	-1.0
Past due 0-30 days	0.4	-	0.5	-	-0.3	-
Past due 31-120 days	-	-	-	-	2.2	-0.6
Past due 121 - 365 days	-	-	0.4	-	1.1	-1.1
Past due more than one year	1.1	-1.1	3.0	-3.0	4.9	-1.6
Total trade receivables	8.0	-1.1	13.5	-3.0	8.8	-4.3
Recognized impairment loss		(1.3)		(0.2)		-4.3

Ocean Yield maximum exposure to credit risk for trade receivables against industrial customers with a rating of BBB or higher was USD 6.9 million at end of 2012.

The recognized impairment loss on trade receivables is included in other operating expenses in the income statement.

Liquidity risk

Liquidity risk is the risk that the group will be unable to fulfill its financial obligations as they fall due. The group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due.

Overview of contractual maturities of financial liabilities, including estimated interest payments specified per category of interest-bearing liabilities:

		2012 Contractual cash flows incl. estimated interest payments					
Amounts in USD million	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	752.9	-819.1	-72.6	-53.8	-128.7	-330.2	-233.8
Unsecured bond issues	105.5	-150.6	-4.5	-4.6	-9.1	-132.5	-
Total contractual cash flows for interest-bearing liabilities	858.4	-969.7	-77.1	-58.4	-137.8	-462.6	-233.8
Trade and other payables	17.0						
Long term interest-free liabilities (including deferred revenue)	90.1						
Total liabilities	965.4						

Long term interest-free liabilities include USD 86.7 million in deferred revenue.

Overview of contractual maturities of financial liabilities, including estimated interest payments specified per category of interest-bearing liabilities:

		2011 Contractual cash flows incl. estimated interest payments					
Amounts in USD million	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	601.6	-704.8	-66.7	-46.1	-105.5	-327.1	-159.3
Intercompany loans Aker ASA	308.2	-308.2	-308.2	-	-	-	-
Total contractual cash flows for interest-bearing liabilities	909.9	-1 013.0	-374.9	-46.1	-105.5	-327.1	-159.3
Trade and other payables	12.5						
Long term interest-free liabilities (including deferred revenue)	104.4						
Total liabilities	1 026.8						

Long term interest-free liabilities include USD 101.7 million in deferred revenue.

Overview of contractual maturities of financial liabilities, including estimated interest payments specified per category of interest-bearing liabilities:

		2010 Contractual cash flows incl. estimated interest payments					
Amounts in USD million	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	705.8	-790.9	-45.1	-54.3	-87.9	-262.8	-340.9
Intercompany loans Aker ASA	395.5	-488.9	-	-	-	-	-488.9
Total contractual cash flows for interest-bearing liabilities	1 101.3	-1 279.8	-45.1	-54.3	-87.9	-262.8	-829.8
Trade and other payables	24.7						
Long term interest-free liabilities (including deferred revenue)	122.4						
Total liabilities	1 248.4						

Long term interest-free liabilities include USD 120.0 million in deferred revenue.

Currency risk
Ocean Yield operates in the international market which leads to various types of currency exposure for the group. Currency risks arise through ordinary business, future business transactions, capitalized assets and liabilities and when such transactions have been made against payment in a currency other than the functional currency of the respective company. In addition, currency risk may arise from investments in foreign subsidiaries.
The consolidated financial statements are presented in USD, which is the functional currency of the Group's main companies. The group is mainly exposed to the Norwegian kroner (NOK).

The table below illustrates Ocean Yield group's sensitivity to translation differences. If the USD had been 10% stronger through 2012, the effects in the consolidated financial statement would have been as shown in table:

Amounts in USD million	Operating revenue	Profit before tax	Equity
USD	147.4	10.3	436.0
NOK	40.6	16.6	96.9
Total	188.0	26.9	533.0
Change if USD 10 % stronger	4.5	1.8	10.8
Ocean Yield when USD 10 % stronger	192.5	28.8	543.7

The operating companies in the group have prepared guidelines for management of currency risks. The currency policy of Ocean Yield defines levels for the hedging of expected future cash flows. The company may from time to time utilize currency forward contracts and currency option contracts to reduce currency exposure.

The functional currency in Ocean Yield is USD. The group faces currency risks related to income, expenses and loans in currencies other than the USD. The currency risk is mainly related to NOK.
Ocean Yield has entered into an interest and currency swap for the NOK bond loan with maturity in July 2016. Since the functional currency of Ocean Yield is USD, the bond loan has been swapped from NOK to USD. Hence, the interest rate on the bond loan is has been swapped from 3M NIBOR + 6.50% per annum to LIBOR +7.07% p.a.

Interest rate risk
The group's interest rate risk arises from long term borrowings and receivables. Borrowings and receivables issued at variable rates expose the group to cash flow interest rate risk. Securities issued at fixed rates expose the group to fair value interest risk.

Exposure to interest rate risk
The interest rate profile of the group's interest-bearing financial instruments was as follows:

Amounts in USD million	**2012**	**2011**	2010
Fixed rate instruments:			
Financial assets	**-**	5.1	-
Net fixed rate instruments	**-**	5.1	**-**
Variable rate instruments:			
Financial assets	**276.4**	76.4	290.3
Financial liabilities	**-858.4**	-909.9	-1 101.3
Net variable rate instruments	**-582.0**	-833.4	-811.0
Net interest-bearing debt (-) / asset (+)	**-582.0**	-828.3	-811.0

Sensitivity analysis related to interest rates
The group has interest rate derivatives not designated as hedge accounting and hence a change in the interest rate would affect profit or loss for these instruments. The Ocean Yield group had in 2012 an expense of USD 1.7 million related to interest rate derivatives. An increase in interest rates with 1% will affect the net profit negatively with USD 5.6 million for 2013, based on the company's current debt portfolio, including investments entered into after the balance sheet date (see note 25).

Note 4 Operating segments

Operating segments are identified based on the group's internal management- and reporting structure. The group's chief operating decision maker, responsible for the allocation of resources and assessment of performance in the different operating segments, is defined as the Board of directors, CEO and CFO. The group activities are split into each of the Group's assets, as described below. Recognition and measurement applied to segment reporting are consistent with the accounting principles applied when preparing the financial statements. Transactions between segments are conducted at market terms and conditions.

An overview of operating segments:
Ocean Yield comprises five assets and one newbuilding contract:

■■ Aker Floating Production AS, through its subsidiaries owns the production and storage vessel (FPSO) Dhirubhai-1, which is operating under contract with the Indian oil company Reliance until September 2018

■■ Aker Shiplease AS, through its subsidiary Aker Shiplease 1 AS owns the construction vessel Aker Wayfarer, which is employed on a long-term bareboat charter to a wholly owned subsidiary of Aker Solutions. The charter expires in October 2020.

■■ New Pollock Inc. own the seismic vessel Geco Triton, which is chartered to the Schlumberger subsidiary Western Geco until December 2015.

■■ Connector 1 Holding AS, through its subsidiary Connector 1 AS, owns the offshore construction and cable lay vessel Lewek Connector, which is on long-term contract to EMAS AMC AS until October 2022.

■■ LH Shiplease AS, through its subsidiary LH Shiplease 1 AS, has entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 6 500 car capacity. The vessels will be delivered in April and August 2014 respectively, and will after delivery be chartered on 12-year "hell and high water" bareboat charter contracts to Höegh Autoliners AS.

■■ Ocean Holding AS holds 93 percent of the bond loan issued by American Shipping Company ASA, which has ten product tankers operating under long-term bareboat charter with the Overseas Shipholding Group (OSG) in the USA. The bond (AMSC 07/18 FRN C) matures in 2018.

Combined 2012 - Operating segments

Income Statement

Amounts in USD million	Aker Floating Production	Aker Shiplease	New Pollock	Connector	LH Shiplease	Ocean Holding AS	Ocean Yield AS	Other and eliminations	**Total**
External operating revenues	133.1	40.6	5.8	8.5	-	-	-	-	**188.0**
Operating revenues	133.1	40.6	5.8	8.5	-	-	-	-	**188.0**
Operating profit before depreciation and amortisation	98.9	40.6	5.7	8.5	-	-	-2.3	-	**151.4**
Depreciation and amortization	-65.7	-15.1	-1.6	-3.5	-	-	-	-	**-85.9**
Impairment charges and non-recurring items	-5.9	-	-	-	-	-	-	-	**-5.9**
Operating profit	27.4	25.5	4.1	5.0	-	-	-2.3	-	**59.7**
Financial income	0.1	1.6	0.3	0.9	-	7.6	0.7	-2.4	**8.9**
Financial expense	-24.1	-9.2	-	-2.7	-	-	-10.5	6.6	**-39.9**
Mark to market f derivatives	-0.6	-	-	-	-	-	-1.1	-	**-1.7**
Profit before tax	2.7	17.9	4.4	3.2	-	7.6	-13.2	4.3	**27.0**
Tax expense	-	2.0	-1.5	-	-	-2.1	2.6	-0.1	**0.7**
Profit for the year from continuing operations	2.7	19.9	2.9	3.2	-	5.5	-10.6	4.1	**27.7**
Profit for the year	2.7	19.9	2.9	3.2	-	5.5	-10.6	4.1	**27.7**
Balance Sheet									
Property, plant, equipment, intangibles and interest-free fixed assets	617.0	242.7	16.5	311.5	12.3	0.5	7.6	-2.1	1 206.1
Shares and investments in subsidiaries companies	-	-	-	-	-	-	834.7	-834.7	-
External interest-bearing fixed assets	20.0	-	-	-	-	151.8	-	-	171.8
Internal interest-bearing fixed assets	-	41.4	13.3	-	-	-	13.4	-68.2	-
Interest-free current assets	11.0	-	-	0.5	1.8	0.9	2.4	-0.8	15.8
Cash and cash equivalents	60.7	12.0	6.6	3.5	8.8	-	10.6	2.3	104.6
Total assets	708.7	296.1	36.5	315.5	23.0	153.3	868.7	-903.5	**1 498.4**
Equity	302.5	73.3	34.1	84.4	15.0	150.5	600.1	-727.0	533.0
Non-interest bearing debt	61.6	38.7	2.4	1.6	-	2.8	3.8	-3.7	107.0
Internal interest bearing debt	-	-	-	5.4	8.0	-	159.4	-172.8	-
External interest-bearing debt	344.6	184.1	-	224.1	-	-	105.5	-	858.4
Total assets and liabilities	708.7	296.1	36.5	315.5	23.0	153.3	868.7	-903.5	**1 498.4**

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Combined 2011 - Operating segments

Income Statement

Amounts in USD million	Aker Floating Production	Aker Shiplease	New Pollock	Ocean Holding AS	Ocean Yield AS	Other and eliminations	**Total**
External operating revenues	134.6	42.1	5.8	-	-	-	**182.5**
Operating revenues	134.6	42.1	5.8	-	-	-	**182.5**
Operating profit before depreciation and amortisation	101.2	42.0	5.7	-	-0.1	-0.1	**148.8**
Depreciation and amortization	-67.6	-15.6	-1.6	-	-	-	**-84.9**
Impairment charges and non-recurring items	-20.0	-	-	-	-	-	**-20.0**
Operating profit	13.6	26.4	4.1	-	-0.1	-0.1	**43.9**
Interest income	-	1.2	0.1	-	5.2	3.4	**9.9**
Interest expense	-40.8	-7.6	-0.1	-	-0.5	-4.3	**-53.4**
Other financial items	3.0	-3.4	-	-	-0.5	0.1	**-0.8**
Other items	-	-	-	-	11.2	-10.5	**0.7**
Profit before tax	-24.2	16.5	4.2	-	15.3	-11.4	**0.4**
Tax expense	-	0.5	-1.5	-	4.8	-	**3.8**
Profit for the year from continuing operations	-24.2	16.9	2.7	-	20.1	-11.4	**4.2**
Profit for the year	-24.2	16.9	2.7	-	20.1	-11.4	**4.2**
Balance Sheet							
Property, plant, equipment, intangibles and interest-free fixed assets	700.0	240.4	19.6	-	4.5	0.8	**965.3**
Shares and investments in subsidiaries companies	-	-	-	-	256.7	36.9	**-**
External interest-bearing fixed assets	20.0	-	-	-	-	-	**20.0**
Internal interest-bearing fixed assets	-	19.5	13.1	-	-	-32.5	**-**
Interest-free current assets	17.0	-	-	-	-	-	**17.0**
Cash and cash equivalents	28.1	24.6	1.0	-	5.7	2.2	**61.5**
Total assets	765.2	284.4	33.6	-	266.9	7.4	**1 063.9**
Equity	-16.1	48.9	31.3	-	133.5	133.2	**37.1**
Non-interest bearing debt	67.5	47.0	2.4	-	0.1	-0.2	**116.9**
Internal interest bearing debt	300.6	-	-	-	133.4	-125.7	**308.2**
External interest-bearing debt	413.2	188.5	-	-	-	-	**601.6**
Total assets and liabilities	765.2	284.4	33.6	-	266.9	7.4	**1 063.9**

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Combined 2010 - Operating segments

Income Statement

Amounts in USD million	Aker Floating Production	Aker Shiplease	New Pollock	Ocean Holding AS	Ocean Yield AS	Other and eliminations	**Total**
External operating revenues	134.9	9.8	6.9	-	-	-	**151.7**
Operating revenues	134.9	9.8	6.9	-	-	-	**151.7**
Operating profit before depreciation and amortisation	97.3	9.8	6.9	-	(0.0)	(0.0)	**113.9**
Depreciation and amortization	(70.0)	(3.6)	(1.6)	-	-	-	**(75.3)**
Impairment charges and non-recurring items	(16.6)	-	-	-	-	-	**(16.6)**
Operating profit	10.7	6.1	5.2	-	(0.0)	(0.0)	**22.0**
Interest income	-	0.3	0.2	-	5.8	4.3	**10.5**
Interest expense	(61.8)	(1.9)	(0.2)	-	(1.6)	(7.1)	**(72.5)**
Other financial items	22.1	(0.1)	(0.0)	-	(0.2)	-	**21.9**
Profit before tax	(28.9)	4.4	5.2	-	4.0	(2.8)	**(18.1)**
Tax expense	0.1	(0.6)	(3.0)	-	(0.8)	10.1	**5.8**
Profit for the year from continuing operations	(28.8)	3.8	2.3	-	3.2	7.3	**(12.3)**
Profit for the year	(28.8)	3.8	2.3	-	3.2	7.3	**(12.3)**

Balance Sheet							
Property, plant, equipment, intangibles and interest-free fixed assets	788.6	261.4	22.6	-	-	0.9	1 073.5
Shares and investments in subsidiaries companies	-	-	-	-	5.6	-5.6	-
External interest-bearing fixed assets	20.0	-	-	-	-	-	20.0
Internal interest-bearing fixed assets	-	-	3.4	-	113.5	82.3	199.2
Interest-free current assets	11.4	-	-	-	-	-	11.4
Cash and cash equivalents	33.0	24.7	10.4	-	2.2	0.8	71.1
Total assets	853.0	286.2	36.4	-	121.3	78.4	1 375.2
Equity	8.2	13.9	28.5	-	115.1	-41.3	124.5
Minority	-	-	-	-	-	2.3	2.3
Non-interest bearing debt	84.5	61.1	1.9	-	-	-0.4	147.1
Internal interest bearing debt	275.9	-	-	-	6.1	113.5	395.5
External interest-bearing debt	484.4	211.2	6.0	-	-	4.2	705.8
Total assets and liabilities	853.0	286.2	36.4	-	121.3	78.4	1 375.2

Geographical areas

Amounts in USD million	**2012**	2011	2010
Operating revenue based on location of customer:			
Norway	**55.4**	48.1	10.7
India	**132.6**	134.3	134.1
Other	**-**	-	6.9
Total	**188.0**	182.5	151.7
Total property, plant, equipment and intangibles by company location:			
Norway	**1 180.8**	939.8	1 049.6
USA	**15.3**	16.9	18.6
Total	**1 196.1**	956.7	1 068.1

Operating revenue
Operating revenue in 2012, 2011 and 2010 derived from leasing income and operation of Dhirubhai-1.

Important customer
Ocean Yield has two customers that have been invoiced USD 40.7 million and USD 132.5 million and thus each account for more than 10% of the group revenue in 2012.

Earnings and balance sheet by currency
Ocean Yield AS has subsidiaries reporting in currencies other than USD where value is exposed to currency fluctuations. The table below shows the consolidated financial statements by currency.

Amounts in million	NOK	NOK in USD	USD	Ocean Yield in USD
Revenue	236	41	147	188
EBITDA	223	38	113	151
Profit before tax	97	17	10	27
Property, plant, equipment and intangible assets	1 388	249	957	1 206
Cash	139	25	80	105
Other assets	786	141	47	188
Total assets	2 313	415	1 084	1 498
Equity	541	97	436	533
Interest-bearing liabilities external	1 616	290	569	858
Interest-bearing liabilities internal	(75)	(13)	13	-
Interest-free liabilities	231	41	66	107
Total equity and liabilities	2 313	415	1 084	1 498

Note 5 Wages, personnel expenses and other operating expenses

Wages and personnel expenses consist of the following:

Amounts in USD million	**2012**	**2011**	**2010**
Wages	**7.6**	7.2	6.6
Social security contributions	**1.1**	1.1	0.8
Pension costs	**1.0**	1.0	0.8
Other expenses	**0.3**	0.1	-
Total	**10.1**	9.3	8.2
Average number of man years employed	**24**	26	26
Number of employees at year end	**19**	26	26

Geographical split of number of employees per region

Norway	**18**	24	23
EU	**1**	2	3
Total	**19**	**26**	**26**

Other operating expenses consist of the following:

Amounts in USD million	**2012**	**2011**	2010
Research and development	**-**	-	-
Rent and leasing expenses	**1.2**	1.1	1.3
Hired services (workforce)	**3.4**	1.3	2.2
External consultants and services other than audit (see below)	**2.5**	2.8	2.2
Impairment loss on trade receivables	**1.3**	0.2	4.3
Other	**1.9**	1.6	2.7
Total	**10.2**	7.1	12.7

Payments/fees to auditors of the Ocean Yield group are included in other operating expenses. They are distributed as:

Amounts in USD thousand	Ordinary auditing	Assurance services	**2012**	2011	2010
Ocean Yield AS	27	57	**84**	104	19
Other consolidated companies	200	-	**200**	188	577
Total	227	57	**284**	292	596

Note 6 Impairment charges and non-recurring items

Impairment charges and non-recurring items include write-down of goodwill, impairment losses and reversal of impairment losses on property, plant and equipment, major losses on the sale of operating assets, restructuring costs and other material matters not expected to be of a recurring nature.

Impairment charges and non-recurring items are as follows:

Amount in USD million	**2012**	**2011**	**2010**
Impairment loss on intangible assets (note 10)	-	-	-16.6
Impairment loss on property, plant and equipment (note 9)	**-5.9**	-20.0	-
Sales loss	-		
Other	-		
Total	**-5.9**	**-20.0**	**-16.6**

Impairment on fixed assets was USD 5.9 million in 2012 and USD 20 million 2011, which is due to write down of FPSO candidate (SMART 2) hull and equipment in Aker Floating Production. FPSO candidate (SMART 2) was sold in 2012.

The impairment loss on intangible assets in 2010 of USD 17 million is attributable to a write down of goodwill in Aker Floating Production.

Note 7 Financial income and financial expenses

Net finance income/expense recognized in profit and loss:

Amounts in USD million	**2012**	2011	2010
Interest income on unimpaired investments available for sale	**7.8**	9.1	10.0
Interest income on bank deposits and receivables at amortized cost	**0.9**	0.8	0.6
Dividends on available for sale financial assets	**-**	0.1	0.1
Net foreign exchange loss (-) /gain(+)	**-**	4.6	0.9
Net gain from interest rate swaps	**-**	-	22.7
Net other financial income	**0.2**		
Total financial income	**8.9**	14.6	34.2
Interest expense on financial obligations measured at amortized cost to external companies	**-18.5**	-19.5	-40.5
Interest expense on financial obligations measured at amortized cost to group companies[1]	**-7.9**	-33.9	-32.0
Net foreign exchange loss (-) / gain(+)	**-7.4**	-	-
Net other financial expenses	**-6.1**	-4.7	-1.7
Total financial expenses	**-39.9**	-58.1	-74.3
Net financial items	**-31.0**	-43.5	-40.1

1) Related to USD 308 million shareholder loan from Aker ASA, which was converted to equity upon establishment of Ocean Yield AS

The financial income and expenses above include the following interest income and costs in respect of assets (liabilities) not recognized at fair value through profit and loss:

Total interest income on financial assets	1.1	9.9	10.5
Total interest cost on financial liabilities	-26.0	-19.5	-40.5

Note 8 Tax

Income tax expense

Amounts in USD million	**2012**	2011	2010
Tax payable	**(0.2)**	(0.1)	(1.2)
Change in deferred tax	**0.9**	4.0	6.9
Total income tax expense	**0.8**	3.8	5.8
Tax base calculation			
Profit before tax	**26.9**	0.4	(18.1)
Permanent differences	**(42.6)**	(12.3)	(18.9)
Change in temporary differences	**32.2**	(10.5)	(14.7)
Total	**16.5**	(22.5)	(51.7)
Tax losses increase(+)/decrease(-)	**(13.1)**	36.6	76.5
Tax base	**3.4**	14.1	24.8
Change in deferred tax	**0.9**	4.0	6.9
Temporary differences consist of			
Property, plant and equipment	179.7	201.1	160.5
Receivables	(6.8)	(10.0)	(5.6)
Taxable profit and loss from sold assets	(0.6)	(9.0)	(15.0)
Deferred income	(25.4)	(60.5)	(74.5)
Withholding tax	(55.5)	(57.9)	(40.8)
Other differences	(83.8)	(0.9)	(0.3)
Total	**7.5**	62.7	24.4
Tax losses	(346.7)	(356.7)	(312.9)
Deferred tax base assets	(339.3)	(293.9)	(288.5)
Deferred tax assets	95.0	82.3	80.8
Deferred tax assets and liabilities not been recognised	(84.9)	(73.7)	(75.8)
Net deferred tax assets and liabilities	**10.1**	8.6	5.0
Net deferred tax assets and liabilities recorded as follows:			
Deferred tax assets	10.1	8.6	5.0
Deferred tax Liabilities	-	-	-
Net deferred tax assets and liabilities	**10.1**	8.6	5.0

Deferred tax assets

Amounts in USD million	**2012**	2011	2010
Aker Shiplease	2.7	0.6	0.1
New Pollock	1.3	2.7	4.0
Ocean Yield AS	7.6	4.5	
Other companies	-1.5	0.8	0.9
Deferred tax assets	**10.1**	**8.6**	**5.0**

Total not recognized tax assets in the Ocean Yield group are USD 294.5 million at year end 2012.

Reconciliation of effective tax rate

	2012		2011		2010	
	%	Amounts in USD million	%	Amounts in USD million	%	Amounts in USD million
Profit before tax		**26.9**		0.4		(18.1)
Nominal tax rate in Norway 28 %	**28%**	**(7.5)**	28%	(0.1)	28%	5.1
Tax differential in Norway and abroad	**1%**	**(0.3)**	N/A	(0.3)	(2%)	(0.3)
Revenue not subject to tax	**0%**	**(0.0)**	N/A	-	- %	-
Expenses not deductible for tax purposes	**4%**	**(1.2)**	N/A	(0.2)	(2%)	(0.4)
Utilization of previously unrecognized tax losses	**(19%)**	**5.2**	N/A	7.9	- %	-
Tax losses for which no deferred income tax asset was recognized	**16%**	**(4.3)**	N/A	(10.2)	(46%)	(8.3)
Companies within tonnage tax legislation	**(29%)**	**7.9**	N/A	5.1	6%	1.1
Other differences	**(4%)**	**1.0**	N/A	1.6	48%	8.6
Total income tax expenses	**(3%)**	**0.8**	N/A	3.8	32%	5.8

The tax figures are based on preliminary estimates of non-taxable income, non-tax deductible items and temporary differences between the financial accounts and the tax accounts. The final result will be calculated in relation to the tax return and may differ from the estimates above.

Note 9 Property, Plant and Equipment

Movements in property, plant and equipment for 2012 are shown below:

Amounts in USD million	Dhirubhai-1	Aker Wayfarer	Geco Triton	SMART 2	Lewek Connector	Advance LH Shiplease	Machinery, vehicles	**Total**
Cost balance at 1 January 2012	875.8	258.1	44.5	44.6	-	-	4.8	**1 227.8**
Capital expenditure	-	-	-	-	315.0	12.3	-	**327.3**
Disposals				(44.6)				**(44.6)**
Effect of movements in foreign exchange	-	17.2	-	-	-	-	-	**17.3**
Cost balance at 31 December 2012	875.8	275.3	44.5	-	315.0	12.3	4.8	**1 527.7**
Accumulated depreciation and impairment losses at 1 January 2012	(232.1)	(18.3)	(27.6)	(26.8)	-	-	(4.6)	**(309.4)**
Depreciation charge of the year	(65.1)	(15.1)	(1.6)	(0.4)	(3.5)	-	(0.1)	**(85.9)**
Impairment	-	-	-	(5.9)	-	-	-	**(5.9)**
Disposals	-	-	-	33.1	-	-	-	**33.1**
Effect of movements in foreign exchange	-	(2.0)	-	-	-	-	-	**(2.0)**
Accumulated depreciation and impairment losses at 31 December 2012	(297.2)	(35.4)	(29.2)	-	(3.5)	-	(4.7)	(370.0)
Carrying amount at 31 December 2012	578.6	239.9	15.3	-	311.5	12.3	0.1	**1 157.7**

Depreciation plan see next page

Depreciation plan

The property, plant and equipment is allocated among its significant parts, and each part is depreciated separately over its respective useful lifetime.

	Linear 25 year	Linear 20 year	Linear 15 year	Linear 10 year	Less than 10 year
Dhirubhai 1					
Basis at 31 December 2012 USD million	-	318	291	179	88
Dhirubhai 1 residual value is aligned with the option value					
Aker Wayfarer					
Basis at 31 December 2012 USD million	139		111	26	-
Geco Triton					
Basis at 31 December 2012 USD million	29	9	7		

Lewek Connector

On 12th October 2012 Ocean Yield acquired the offshore construction and cable lay vessel Lewek Connector and entered into a 10-year bareboat charter with EMAS AMC AS. Total consideration was USD 315 million. The bareboat charter is fully guaranteed by Ezra Holdings Ltd. EMAS AMC AS will have options to acquire the vessel during the charter period, with the first option being exercisable after five years. The Lewek Connector is depreciated during the contract period to reflect the strike prices on the purchase options. The strike prices for the purchase options are thus equal to the depreciated value in each respective year of such option being exercisable.

Capital expenditure

Ocean Yield has acquired the offshore construction and cable lay vessel Lewek Connector from AMC Connector AS for a total consideration of USD 315 million.
LH Shiplease a 100 per cent owned subsidiary of Ocean Yield AS, has entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 6 500 car capacity with Daewoo Shipbuilding & Marine Engineering's ("DSME"). The vessels will be built at DSME's shipyard in Mangalia, Romania. Total advances made in 2012 were USD 12.3 million.

Impairment losses

In 2012, an impairment loss of USD 5.9 million can be attributed to the impairment of the FPSO candidate (SMART 2) before the sale in the 1st Quarter of 2012 for USD 11 million.

Movements in property, plant and equipment for 2011 are shown below:

Amounts in USD million	Dhirubhai-1	Aker Wayfarer	Geco Triton	SMART 2	Machinery, vehicles	Total
Cost balance at 1 January 2011	876.5	265.1	44.5	44.6	4.8	**1 235.5**
Capital expenditure	0.9	-	-	-	0.1	**1.0**
Effect of movements in foreign exchange	(1.6)	(7.0)	-	-	(0.0)	**(8.6)**
Cost balance at 31 December 2011	875.8	258.1	44.5	44.6	4.8	**1 227.8**
Accumulated depreciation and impairment losses at 1 January 2011	(166.1)	(3.8)	(26.0)	(5.5)	(4.4)	**(205.7)**
Depreciation charge of the year	(66.0)	(15.6)	(1.6)	(1.3)	(0.2)	**(84.9)**
Impairment	-	-	-	(20.0)	-	**(20.0)**
Effect of movements in foreign exchange	-	1.1	-	-	-	**1.1**
Accumulated depreciation and impairment losses at 31 December 2011	(232.1)	(18.3)	(27.6)	(26.8)	(4.6)	**(309.4)**
Carrying amount at 31 December 2011	643.7	239.8	16.9	17.7	0.2	**918.4**

Impairment losses and reversal of previous impairment losses:
In 2011 an impairment loss of USD 20 million can be attributed to the impairment of the FPSO candidate (SMART2) in the subsidiary Aker Floating Production.
Due to changes in the market conditions, increased uncertainty about the conclusion of the contract, the FPSO candidate (SMART 2) was written down by USD 20 million in 2011.

Movements in property, plant and equipment for 2010 are shown below:

Amounts in USD million	Dhirubhai-1	Aker Wayfarer	Geco Triton	SMART 2	Machinery, vehicles	**Total**
Cost balance at 1 January 2010	875.2	59.6	44.5	44.6	4.7	**1 028.6**
Capital expenditure	1.3	199.4	-	-	0.1	**200.8**
Effect of movements in foreign exchange	-	6.0	-	-	-	**6.0**
Cost balance at 31 December 2010	876.5	265.1	44.5	44.6	4.8	**1 235.5**
Accumulated depreciation and impairment losses at 1 January 2010	-98.8	-	-24.3	-3.9	-3.0	**-130.0**
Depreciation charge of the year	-67.2	-3.6	-1.6	-1.3	-1.4	**-75.2**
Impairment	-	-	-	-0.3	-	**-0.3**
Effect of movements in foreign exchange	-	-0.1	-	-	-	**-0.1**
Accumulated depreciation and impairment losses at 31 December 2010	-166.1	-3.8	-26.0	-5.5	-4.4	**-205.7**
Carrying amount at 31 December 2010	710.5	261.3	18.6	39.1	0.3	**1 029.8**

Note 10 Intangible assets

Movements in intangible assets are shown below:

Amounts in USD million	**2012**	2011	2010
Cost balance at 1 January	**125.8**	125.8	125.8
Cost balance at 31 December	**125.8**	125.8	125.8
Accumulated amortization and impairment losses at 1 January	**-87.5**	-87.5	-71.2
Impairment losses recognized in profit and loss		-	-16.3
Effects of movements in foreign exchange		-	-
Accumulated amortization and impairment losses at 31 December	**-87.5**	-87.5	-87.5
Carrying amount at 31 December	**38.3**	38.3	38.3

On 31 December 2012, goodwill of USD 38 million is allocated to the subsidiary Aker Floating Production.

Determination of recoverable amount:
The company is reviewing goodwill for impairment on a yearly basis or more frequently if circumstances indicate any impairment. The test is performed at year end. An impairment loss is recognized if the estimated recoverable amount, taking sensitivity analyses into account, is lower than the carrying value of the asset or the cash-generating unit.

Goodwill related to Aker Floating Production at the beginning of the year was linked to the FPSO contract for Dhirubhai-1.

The discount rate is estimated based on a weighted average of required return on equity and expected borrowing cost. The borrowing costs are based on a risk-free rate in the currency in which the loans are denominated, and a margin that reflects the long-term financial costs.

The main objective for the Ocean Yield group in making impairment calculations is to ensure consistency in the assumptions being used. Any changes in the assumptions from prior periods are explained.

The following key assumptions have been used in calculating the value in use:

	Discount rate before tax (WACC) in %	Terminal value
Aker Floating Production	5.3	See below

Aker Floating Production's cash flow is related to the FPSO contract for Dhirubhai-1, and a signed charter with Reliance Industries Ltd, which expires in September 2018. An operational utilization of 99.2% is assumed. Furthermore, it is assumed that the Reliance Industries Ltd will exercise their option in September 2018 for USD 255 million.

At the end of 2012 goodwill related to Aker Floating Production is USD 38 million. No write-downs were made in 2012 or 2011, while an impairment loss of USD 16 million was made in 2010.

In reviewing the impairment losses on goodwill related to the FPSO contract for Dhirubhai-1, the recoverable amount is determined by estimating the contractual discounted cash flow. The group's FPSO has been designed to have an operational life expectancy exceeding 15 years, which enables it to service contracts for reservoirs with, for the oil industry, normal lifespan and to meet the typical operational requirements of a contract with oil companies.

The discount rate is estimated as a weighted average of the required equity and expected liability cost at an expected long-term equity interest of 30 percent. The equity ratio is increased from 20 percent in 2011, reflecting changes in the Industry's equity ratio. Equity requirement is estimated using the capital pricing model (CAPM), consequently adjusting from after tax to before tax. Debt costs are at a risk-free interest rate on a 10-year U.S. governmental bond, with a margin that reflects the company's long term financial cost. The calculation takes into account that the Dhirubhai-1 is on a time charter contract with Reliance Industries Ltd that expires in 2018. The sales value in 2018 is equal to the option price of USD 255 million.

The projected cash flow from the day rates for the Dhirubhai-1 is estimated using a contractual annual growth of five percent for the operations and maintenance contract, which forms part of the overall income for the FPSO and a three percent increase in the associated costs each year. The company's indirect costs are estimated at an annual increase of two percent. The estimate reflects the organization's experience with current operations, and management's assessment of FPSO industry standards.

A sensitivity analysis is performed based on two key scenarios that management consider to be the most obvious and relevant to the company's risk profile:

A) an increase in the (WACC) of 50 percent
B) a reduction in the economic up-time with one percentage point

Neither scenario A nor B caused any impairment.

Consequently, the remaining goodwill of USD 38 million will be adequately supported by the fixed contractual parameters in the FPSO Dhirubhai-1 contract.

Note 11 Interest-bearing long term receivables

Amounts in USD million	**2012**	2011	2010
Restricted deposits 1)	**20,0**	20,0	20,0
American Shipping Company ASA bond 2)	**151,8**		
Interest-bearing receivable group companies	**-**	-	199,1
Total	**171,8**	20,0	219,2

1) Restricted funds relates to loan agreement in Aker Floating Production of US 20 million.
2) Interest rate Nibor + 4.75 percent with maturity February 28 2018. Interest is capitalized quarterly.

Note 12 Order backlog construction contracts and other contracts (unaudited)

Activities in Aker Floating Production AS, Aker Shiplease AS, Connector 1 Holding AS and New Pollock Inc. are largely based on deliveries according to customer contract. The order backlog represents an obligation to deliver goods and services not yet produced and give Ocean Yield contractual rights to future deliveries. If projected costs are higher than projected income, the total projected loss on the contract is recorded in the profit and loss account.

Order intake and order backlog for the companies in the Ocean Yield group as per year end 2011 and 2012:

Unaudited figures

Amounts in USD million	**Order backlog Dec. 2012**	**Order intake 2012**	Order backlog 31 Dec. 2011	Order intake 2011
Aker Floating Production (Dhirubhai 1)	710	-	852	-
Aker Shiplease (Aker Wayfarer)	292	-	303	-
Connector (Lewek Connector)	300	309		
New Pollock (Geco Triton)	17		23	-
LH Shiplease	173	173		
Total	**1493**	**482**	1 178	-

Leasing agreements signed and order backlog at end of 2012

Amounts in USD million	Aker Floating Production	Aker Ship Lease	Connector	New Pollock	LH Shiplease	**Total**
Duration less than one year	103	35	38	6		**182**
Duration between one and five years	408	153	153	12	68	**794**
Duration over five years	74	105	109	-	105	**393**
Total leasing agreements	585	292	300	17	173	**1368**
Other order backlog	125	-	-	-		**125**
Total	710	292	300	17	173	**1493**

Aker Floating Production AS has entered into a time charter with Reliance Industries Ltd for the lease and operations of the FPSO Dhirubhai-1 for a 10 year period that started in September 2008. Reliance has options to purchase the FPSO at certain times during the duration of the contract. The options may be exercised during the entire contract period.

Ocean Yield's wholly owned subsidiary Aker Ship Lease 1 AS took delivery of the vessel Aker Wayfarer in October 2010. This subsea, construction vessel operates on a ten year bareboat charter to a wholly owned subsidiary of Aker Solutions ASA until 2020. The charter is guaranteed by Aker Solutions ASA.

Ocean Yield AS' wholly owned subsidiary Connector 1 AS acquired the offshore construction vessel and cable lay vessel Lewek Connector in October 2012 and entered into a 10-year bareboat charter with EMAS AMC AS, a wholly-owned subsidiary of Ezra Holdings Ltd. (“Ezra”). The bareboat charter is fully guaranteed by Ezra.

The seismic vessel Geco Triton, which is owned by New Pollock Inc., a wholly owned subsidiary of Ocean Yield AS, is chartered to the Schlumberger subsidiary Western Geco until December 2015.

LH Shiplease 1 AS, a wholly owned subsidiary of Ocean Yield AS has entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 6 500 car capacity with Daewoo Shipbuilding & Marine Engineering's ("DSME"). The vessels will be built at DSME's shipyard in Mangalia, Romania.
The vessels will be delivered in April and August 2014 respectively, and will after delivery be chartered on 12-year "hell and high water" bareboat charter contracts to Höegh Autoliners ("HAL").

Note 13 Cash and cash equivalents

Cash and cash equivalents are allocated to the different companies as follows:

Amounts in USD million	**2012**	2011	2010
Aker Floating Production	**60.7**	28.1	33.0
Aker Shiplease	**12.0**	24.5	24.7
Ocean Yield AS	**10.6**	5.7	2.2
Other companies	**21.3**	3.2	11.2
Total	**104.6**	61.5	71.1

Restricted deposits constitute USD 0.1 million (see also note 11).

Note 14 Earnings per share and dividend per share and paid-in equity

Earnings per share

Calculation of profit from continued and discontinued operations to equity holders of the group:

Amounts in USD million		**2012**
Continued operations:		
Net profit (loss) from continued operations		27.7
Minority interests		
Profit from continued operations attributable to equity holders of the Group		**27,7**
Discontinued operations		
Net profit (loss) from discontinued operations	N/A	
Minority interests	N/A	
Profit from discontinued operations attributable to equity holders of the Group		
Total profit attributable to equity holders of the Group		**27,7**
Ordinary shares outstanding at 31 December 2012		**100 000 000**

Paid in capital

At 31 December 2012 Ocean Yield AS share capital consists of the following:

	NOK	USD rate at time of establishment 1 April 2012	USD
Par value	10	5.70	1.8
Total par value (million)	**1 000**	**5.70**	**175.6**
Share premium reserve (million)	2 280	5.70	400.4
Total paid in capital (million)	**3 280**		**576.0**
Number of ordinary shares	100 000 000		100 000 000

All shares have equal voting rights and are entitled to dividend and Ocean yield AS are at end of 2012 owned 100 percent by Aker ASA.

Note 15 Group entities

The subsidiaries in the Ocean Yield group accounts at end of 2012 are presented in the table below.
Companies owned directly by Ocean Yield AS are highlighted.

			Business address	
	Group's ownership in %	Group's share of votes in %	City location	Country
Aker Invest AS	100,00	100,00	Oslo	Norway
Aker Invest II KS	100,00	100,00	Oslo	Norway
American Champion, Inc	100,00	100,00	Seattle	USA
New Pollock LP, Inc	100,00	100,00	Seattle	USA
Aker Shiplease AS	100,00	100,00	Oslo	Norway
Aker Shiplease 1 AS	100,00	100,00	Oslo	Norway
Aker Shiplease 2 AS	100,00	100,00	Oslo	Norway
Aker Floating Production ASA (AFP)	100,00	100,00	Oslo	Norway
Aker Contracting FP AS	100,00	100,00	Oslo	Norway
AFP Operations AS	100,00	100,00	Oslo	Norway
Aker Floating Operations Publ Ltd	100,00	100,00	Limassol	Cyprus
Aker Smart FP AS	100,00	100,00	Oslo	Norway
Ocean Holding AS	100,00	100,00	Oslo	Norway
Connector 1 Holding AS	100,00	100,00	Oslo	Norway
Connector 1 AS	100,00	100,00	Oslo	Norway
LH Shiplease 1 AS	100,00	100,00	Oslo	Norway
LH Shiplease AS	100,00	100,00	Oslo	Norway

Note 16 Foreign currency exchange rates

In the consolidated accounts of Ocean Yield, the following exchange rates have been applied in translating the accounts of the parent company reported in NOK and subsidiaries reported in NOK:

Country	Currency		Average rate 2012	Rate at 31 Dec. 2012	Average rate 2011	Rate at 31 Dec. 2011	Average rate 2010	Rate at 31 Dec. 2010
Norway	NOK	100	17,93	17,93	17,83	16,68	16,55	17,13
The European Union	EUR	1	1,29	1,32	1,39	1,29	1,33	1,34

The average rate and rate at 31 December have been applied in translation of profit and loss and balance sheet items, respectively. The average rate is used in translation of profit and loss. If the average exchange rate for the period does not provide a fair estimate of the transaction rate, the actual transaction rate is used.

Note 17 Interest-bearing loans and liabilities

Interest-bearing loans and liabilities are allocated between group companies and external as follows:

Amounts in USD million	**2012**	2011	2010
Interest-bearing liabilities external	**858.4**	601.6	705.8
Interest-bearing liabilities group companies	**-**	308.2	395.5
Total	**858.4**	909.9	1 101.3

Whereof 1. year installments:

Amounts in USD million	**2012**	2011	2010
Interest-bearing liabilities external	**111.8**	69.4	71.9
Total	**111.8**	69.4	71.9
Long- term Interest-bearing liabilities	**746.6**	**840.5**	**1 029.4**

Contractual terms on interest-bearing liabilities per 31 December 2012 are as follows:

Amounts in million	Currency	Nominal interest rate per annum	Maturity	Carrying amount in million nominal currency	Carrying amount USD million
Aker Shiplease:					
Secured loan:					
Eksportfinans	NOK	Nibor + 1.60%	October 2022. Renewal after 5 years	1 031.7	184.9
Loan fee				-4.4	-0.8
Total Aker Shiplease				1 027.2	184.1
Aker Contracting FP ASA:					
Secured loan:					
DNB syndicated loan	USD	Libor + 1.50%	2018	347.9	347.9
Loan fees				-3.3	-3.3
Total Aker Floating Production				344.6	344.6
Connector 1 Holding AS:					
Secured loan:					
Eksportkreditt Norge AS	USD	Libor + 1.38%	2024	206.1	206.1
DNB Livsforsikring	USD	Libor + 1.50%	2024	19.1	19.1
Loan fee	USD			-1.1	-1.1
Total Connector				224.1	224.1
Ocean Yield AS:					
Unsecured bond					
Unsecured bond issue 12/17 FRN	NOK	3 month Nibor + 6.50%	July 6 2017	600.0	107.6
Loan fees					-2.1
Total Ocean Yield AS				600.0	105.5
Total interest-bearing liabilities					858.4
Whereof 1. year installments					111.8
Total interest-bearing long-term liabilities					**746.6**

Change in group's interest-bearing liabilities in 2012

Amounts in USD Million	Intercompany loan	Secured loan	Bond	Total
Interest- bearing liabilities at 1 January 2012	308.2	601.6	-	909.9
Converted to equity	-323.1			-323.1
New loans	-	235.0	103.3	338.3
Repayment	-	-96.6		-96.6
Interest capitalized	7.7	0.6		8.3
Loan fees		-1.1	-2.3	-3.4
Effect of movement in foreign exchange	7.2	13.3	4.5	25.0
Interest-bearing liabilities at 31 December 2012	**-**	**752.8**	**105.5**	**858.4**

Aker Shiplease AS
The outstanding loan of NOK 1,027 million is secured in the vessel Aker Wayfarer. The loan has a floating interest rate of Nibor + 1.6% p.a. including guarantee fee. Installments and interest are paid semiannually first time 1 April 2011. The bank loan matures 1 October 2022, but has to be renewed after five years. The loan is currently funded by Eksportfinans ASA and the company is currently discussing to move the funding to Eksportkreditt ASA at the end of the expiry of the fixed margin period in September 2013.

Aker Contracting FP ASA
Mortgage loan is secured in Dhirubhai-1 and payment period correspond to the leasing period of the vessel. In addition 50% of net cash flow is paid as extraordinary installments. Outstanding as of year end was USD 344 million.

Connector 1 Holding AS
The mortgage loans are secured in the vessel Lewek Connector.
The loan from Eksportkreditt Norge has a floating interest rate at Libor + 1.38%. The loan from DNB Livsforsikring has a floating interest rate at Libor + 1.5%. Installments for both loans are paid semiannually first time 24 November 2012. Interests are paid quarterly and interest margin renewed in May 2015. Outstanding as of year end was USD 224 million.

Ocean Yield AS
The senior unsecured bond issue of NOK 600 million listed on Oslo Børs has maturity date on 6 July 2017. The bonds have a floating coupon of 3 month NIBOR + 6.50% p.a.

Mortgages
Collateral has been established for interest-bearing loans of USD 753 million. The book value of ships and other assets used as collateral is USD 1 130 million.

Note 18 Pension expenses and pension liabilities

The Ocean Yield group's Norwegian companies mainly cover their pensions through group pension plans in life insurance companies. Under IAS 19,
Employee benefits plans have been treated, for accounting purposes, as defined benefit plans. The Norwegian companies in the group are subject to the Norwegian law of mandatory occupational pension and the group meets the requirements of this legislation.

Certain companies have pension plans for which the employer provides an agreed-upon contribution that is managed in separate pension savings plans (defined contribution plans) or makes contributions that are included in joint plans with other employers (multi- employer plans). The contributions are recorded as pension expenses for the period. The group also has uninsured pension liabilities for which provisions have been made.

Actuarial calculations have been made to determine pension liabilities and pension expenses in connection with the group's defined benefit plans. The following assumptions have been made when calculating liabilities and expenses in Norway:

	Balance 2012	Profit/loss 2012 and balance 2011	Profit/loss 2011 and balance 2010
Expected return	**4.0 %**	4.8 %	4.6 %
Discount rate	**3.8 %**	3.3 %	3.2 %
Wage growth	**3.5 %**	4.0 %	4.0 %
Pension adjustment	**1.9 %**	2.5 %	2.5 %

Pension expense recognized in profit and loss:

Amounts in USD million	**2012**	2011	2010
Expense related to benefits earned in this period	**0.7**	0.9	0.7
Interest expense accrued on pension liabilities	**0.2**	0.9	0.1
Expected return on pension funds	**-0.1**	-0.9	-0.1
Effect of changes in estimates and pension plans (actuarial gains and losses)	**-**	-	-
Social security contribution	**0.1**	-	-
Pension expense recognized from defined benefit plans	**0.9**	0.9	0.7
Contribution plans (employer's contribution)	**0.1**	0.7	0.1
Total pension expense recognized in profit and loss	**1.0**	1.5	0.8

Net pension fund and liabilities

Amounts in USD million	**2012**	2011	2010
Defined benefit obligation at 31 December	**-1.5**	-3.0	-2.6
Fair value of plan assets at 31 December	**1.1**	1.9	1.6
Unrecognized net actuarial gains and losses	**-1.1**	0.1	0.4
Pension liabilities at 31 December	**-1.6**	-0.9	-0.6

Note 19 Other interest free long-term liabilities

Other long term debt and liabilities comprise the following items:

Amounts in USD million	**2012**	2011	2010
Interest-free long term debt to related party	35.1	41.1	50.9
Other interest-free long term debt	53.4	62.4	70.9
Total	**88.5**	103.5	121.8

Long term interest-free debt to related party is the remainder of a prepayment from a subsidiary of Aker Solutions to Ocean Yield's subsidiary Aker Shiplease related to lease of the vessel Aker Wayfarer.
Other interest-free long term debt consists, among other things deferred income in Aker Floating Productions, USD 52 million in 2012, USD 61 million in 2011 and USD 69 million in 2010.

Note 20 Financial instruments

See also note 3 financial risk and exposure.

Fair value and carrying amounts

The estimates of fair value together with the carrying amounts shown in the balance sheet are as follows:

	2012		2011		2010	
Amounts in USD million	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets carried at fair value						
Available for sale financial assets	152	152	-	-	-	-
Total financial assets carried at fair value	152	152	-	-	-	-
Financial assets carried at amortized cost						
Loans and receivables	16	16	17	17	11	11
Cash and cash equivalents (including long term restricted deposits, see note 11)	125	125	82	82	91	91
Total financial assets carried at amortized cost	141	141	99	99	102	102
Financial liabilities carried at fair value						
Derivatives	2					
Financial liabilities carried at amortized cost						
Bonds and convertible loans	105	108	-	-	-	-
Interest-bearing liabilities group companies			308	308	395	395
Other interest-bearing debt	753	755	602	602	706	712
Interest-free long term financial liabilities	89	89	103	103	122	122
Interest-free short term financial liabilities	14	15	11	11	26	26
Total financial liabilities carried at amortized cost	963	966	1 024	1 024	1 249	1 254

Fair value hierarchy

	2012		
Amounts in USD million	Level 1	Level 2	Level 3
Financial assets carried at fair value			
Available for sale financial assets	-	151.8	-
Total	-	151.8	-
Financial liabilities carried at fair value			

Ocean Yield has no instruments classified in Level 3 at 31 December 2012. There has not been any change in classification levels of financial assets during 2012.

Note 21 Transactions and agreements with related parties

Ocean Yield shareholder is Aker ASA. Aker ASA's main shareholder is TRG Holding AS, controlled by Kjell Inge Røkke and his family through The Resource Group AS (TRG AS). All companies controlled by Kjell Inge Røkke are considered as related parties for the Aker group.

Transactions with Kjell Inge Røkke

Ocean Yield does not have any material outstanding accounts neither has there been any transactions during 2012 with Kjell Inge Røkke except remuneration as board member in Ocean Yield (see note 22).

Transaction with Aker ASA

Ocean Yield AS rent office space and has a service agreement with Aker ASA which provides certain accounting, financial and administration services to Ocean Yield AS and its subsidiaries. Aker ASA had a loan to Aker Floating Production AS at market terms which was converted to equity on March 31st 2012.

Transactions with Aker Solutions

In 2009, Aker and Aker Solutions entered into a 10 year bareboat charter contract for the vessel Aker Wayfarer. Aker Wayfarer is an offshore construction vessel designed for ultra-deep water with state of the art equipment. Total contract value was NOK 2.4 billion and the ship was delivered in 2010. A lease prepayment was paid in 2009 and is included in other interest free long-term liabilities in the balance sheet with USD 35.1 million.

Ocean Yield, a 100 per cent owned subsidiary of Aker ASA, entered on 12 October 2
012 into an agreement to acquire the offshore construction and cable lay vessel Lewek Connector from AMC Connector AS for a total consideration of USD 315 million. The seller of the vessel, AMC Connector AS, is a 50/50 joint venture between Ezra and Aker Solutions ASA. Aker ASA indirectly owns 28 per cent in Aker Solutions ASA through Aker Kværner Holding AS. The transaction was executed according to Aker's principles for related party transactions. The board of Aker Kværner Holding approved the transaction according to the prevailing shareholder agreement.

Note 22 Salary and other remuneration to the board of directors, CEO and other employees in Ocean Yield's executive team

Remuneration to the board of directors

	NOK	USD
Svein Aaser (Chairman of the board) 1)	750 000	128 886
Kjell Inge Røkke (Deputy chairman of the board) 2)	150 000	25 777
Tom Grøndahl 1)	350 000	60 147
Trond Brandsrud 2)	150 000	25 777
Katrine Mourud Klaveness 2)	150 000	25 777
	1 550 000	**266 364**

1) One year remuneration
2) Half year remuneration

According to policy in Aker, fees to directors employed in Aker companies will be paid to the Aker companies, not to the directors in person. Therefore Trond Brandsrud and Katrine Mourud Klaveness, receives no remuneration for directorships in Ocean Yield. Aker ASA received NOK 150 000 for Trond Brandsrud in 2012 and NOK 150 000 for Katrine Mourud Klaveness. The board fee for Kjell Inge Røkke was paid to The Resource Group.

Organizational structure in Ocean Yield
The executive team of Ocean Yield at the end of 2012 consists of CEO Lars Solbakken and CFO Eirik Eide.

Directive of remuneration of the CEO and the company's executive team
The accumulated remuneration to the executives consists of a fixed salary, standard pension- and insurance terms for employees and a variable salary. The main purpose of the system for management remuneration is to stimulate a strong and lasting profit oriented culture leading to an increasing value of the company. The Executive team is member of a collective pension and insurance scheme applicable to all employees. The collective pension and insurance scheme is for salaries up to 12G. The company offers standard employment contracts and standard employment conditions with respect to notice period and severance pay for the CEO and others in the Executive team. The company does not offer stock option programs to the employees. The intention of the variable salary program is to contribute to the achievement of good financial results and leadership in accordance with the company's values and business ethics. The positions fall within the scope of the variable salary programs applicable to the position at any given time. The employment contract of the members of the executive team can be terminated with 3 month notice.

Remuneration to the CEO and CFO
Lars Solbakken was appointed CEO from 23 March 2012. The appointment can be terminated by both parties with 3 months' notice. If the contract is terminated by the company, Lars Solbakken has the right to 3 months' notice and 3 months' salary from the date of termination. This salary will not be paid if he continues in another company within the Aker group. The remuneration plan for Lars Solbakken includes a fixed salary, standard pension- and insurance plan for employees and a variable salary. The variable salary program 2012 is limited to NOK 4,6 million. In 2012 Lars Solbakken received a salary of NOK 2 396 040 (USD 411 754) and a variable pay of NOK 0 (USD 0). The value of additional remuneration was NOK 23 616 in 2012 (USD 4 058) and net pension expense in 2012 for Lars Solbakken was NOK 173 338 (USD 29 788).

CFO Eirik Eide accepted the position as CFO in Ocean Yield on 19 March 2012. The appointment can be terminated by both parties with 3 months' notice. The remuneration plan for Eirik Eide includes a fixed salary, standard pension- and insurance plan for employees and a variable salary. In 2012 CFO Eirik Eide received a fixed salary of NOK 1 280 362 (USD 220 028) and a variable pay of NOK 0 (USD 0). The value of additional remuneration was NOK 12 939 in 2012 (USD 2 224) and the net pension expense for Eirik Eide was NOK 121 767 in 2012 (USD 20 925).

The CEO and CFO have no other remuneration than what is described above.

No board members or members of management have loans, guarantee or stock option rights in their contracts.

Note 23 Shares owned by the board of directors, CEO and other employees in the executive team

None of the Board members or members of the executive team hold shares in Ocean Yield AS at end of December 2012.

Deputy chairman Kjell Inge Røkke, together with his wife owns 100% of The Resource Group TRG AS (TRG AS) which in turn owns 99.45% of TRG Holding AS, which again owns 66.66% of Aker ASA the parent company of Ocean Yield AS. In addition TRG AS owns 1.14% in Aker ASA directly.

Note 24 Contingences and legal claims

No material contingencies have been recorded at the end of the year.

Note 25 Events after the balance sheet date

Ocean Yield announced on March 7th 2013 that it has entered into an agreement to acquire two newbuilding AHTS vessels from Farstad Supply AS, a 100 per cent owned subsidiary of Farstad Shipping ASA, for a total consideration of approximately NOK 1.2 billion. The vessels are expected to be delivered from the yard at the end of March and May 2013. Upon delivery, the vessels will enter into 12-year bareboat charters to Farstad Supply. Farstad Supply has options to acquire the vessels during the charter period, with the first options being exercisable after five years.

The vessels are being built at STX Langsten and are of UT 731 CD design. They are high-end AHTS vessels with 24,371 BHP and 265 mt. bollard pull. Ocean Yield has secured long-term export financing for approximately 75 per cent of the purchase price on attractive terms. The remaining amount will be funded with equity.

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To the Board of Directors of Ocean Yield AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying combined financial statements of Ocean Yield AS, which comprise the combined balance sheets as at 31 December 2012, 2011 and 2010 respectively, and the combined income statements, the combined statements of total comprehensive income, the combined statements of changes in equity and the combined statement of cash flow for each of the years then ended, and a summary of significant accounting policies and other explanatory information. The combined financial statements have been prepared by management of Ocean Yield AS for inclusion in the proposed prospectus of Ocean Yield AS.

The Board of Directors and the Managing Director's Responsibility for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these combined financial statements in accordance with the basis of preparation and statement of compliance set out in Note 1 and 2 to the combined financial statements, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the combined financial statement of Ocean Yield AS as of 31 December 2012, 2011 and 2010 are prepared, in all material respects, in accordance with the basis of preparation and statement of compliance set out in Note 1 and 2.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 and 2 to the combined financial statement, which describes the basis of accounting. The combined financial statements are prepared to assist Ocean Yield AS to comply with the financial reporting for inclusion in the proposed prospectus of Ocean Yield AS referred to above.

Oslo, 15 April 2013
KPMG AS

Vegard Tangerud
State Authorized Public Accountant

APPENDIX B—ASSURANCE REPORT ON PRO FORMA FINANCIAL INFORMATION

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To the Board of Directors of Ocean Yield ASA

Independent Assurance Report on the Pro Forma Financial Information

In accordance with EU Regulation No 809/2004 as included in the Norwegian Securities Trading Act section 7-13, we report on the compilation of the unaudited pro forma financial information of Ocean Yield ASA and subsidiaries ("the Company") consisting of the unaudited income statement of the Company for the year ended 31 December 2012 and accompanying notes and descriptions to the unaudited pro forma financial information, which is set out in section 11.2 of the prospectus dated 7 June 2013 ("the Prospectus").

The pro forma financial information has been compiled on the basis described in section 11.2 of the Prospectus, for illustrative purposes only, to provide information about how the transactions set out in section 11.2 of the Prospectus might have affected the unaudited consolidated financial performance of the Company for the year ended 31 December 2012 as if the transactions had taken place at 1 January 2012. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results.

The Board of Directors' responsibility
It is the Board of Directors' responsibility to compile the pro forma financial information in accordance with the requirements of EU Regulation No 809/2004 as included in Norwegian Securities Trading Act.

Reporting responsibility
It is our responsibility to provide the opinion required by Annex II item 7 of EU Regulation No 809/2004 as to the proper compilation of the pro forma financial information. We are not responsible for updating any reports or opinions previously made by us for any events that occurred subsequent to the date of our report on the historical financial information used in the compilation of the pro forma financial information, nor does the aforementioned opinion require an audit of historical unadjusted financial information, or the assumptions summarized in section 11.2 of the Prospectus. The historical financial information used in the compilation of the pro forma information is derived from audited financial statements as described in section 11.2 of the Prospectus. We do not accept any responsibility for financial information which we have not audited.

Work performed
We conducted our work in accordance with Norwegian Standard on Assurance Engagements 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information". We planned and performed our work to obtain reasonable assurance that the pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies adopted by the Company and as described in section 11.2

of the Prospectus. Our work primarily consisted of comparing the unadjusted financial information with the source documents as presented in section 11.2 of the Prospectus, considering the evidence supporting the adjustments and discussing the pro forma financial information with the Management of the Company.

Opinion
In our opinion:
a) The pro forma financial information has been properly compiled on the basis stated in section 11.2 of the Prospectus; and
b) That basis is consistent with the accounting policies of the Company.

This report is issued for the sole purpose of complying with section 7-13 of the Norwegian Securities Trading Act and EU regulation No 809/2004 and for no other purpose. This report should not be relied upon for any other purpose than the Prospectus.

Oslo, 7 June 2013
KPMG AS

Vegard Tangerud
State Authorized Public Accountant

APPENDIX C—ARTICLES OF ASSOCIATION

(*Unofficial Translation from Norwegian*)

ARTICLES OF ASSOCIATION
OF OCEAN YIELD ASA

(As Amended on 23 May 2013)

§ 1
Company Name and Form of Business Organisation

The name of the company is Ocean Yield ASA. The company is a public limited liability company

§ 2
Registered Office

The company has its registered office in the municipal of Oslo.

§ 3
Objective

The objectives of the company are to acquire or sell, and to undertake activities relating to lease or charter of marine assets, including vessels, rigs and other floating offshore assets, as well as any other activities relating thereto.

§ 4
Share Capital

The company's share capital is NOK 1,000,000,000, divided into 100,000,000 shares, each having a par value of NOK 10. The company's shares shall be registered with the Norwegian Central Securities Depository (Nw. *Verdipapirsentralen*).

§ 5
Board of Directors

The company's board of directors shall consist of three to seven members.

§ 6
Nomination Committee

The company shall have a nomination committee, consisting of minimum two members elected by the general meeting. The members of the committee shall be elected for periods of two years. The general meeting shall fix the remuneration of the members of the committee. The committee shall prepare the election of board members and members of the nomination committee and propose the remuneration of the members. The general meeting may adopt instructions for the nomination committee's tasks.

§ 7
Signature

The chairman alone, or one director and the chief executive officer jointly, are empowered to sign on behalf of the company.

§ 8
General Meetings

Notice of the general meeting shall be made by written notification to all shareholders with a known address.

Provided documents concerning items to be discussed at the general meeting are made available at the company's web-site, the requirement of mailing the documents to the shareholders does not apply. This also applies to documents which, according to the law, shall be included in or attached to the notice of general meeting. Notwithstanding the foregoing, each shareholder is entitled to request that the documents concerning items to be discussed at the general meeting are mailed to him/her.

The company may set a deadline in the notice of general meeting for registration of attendance to the general meeting, which shall not fall earlier than five (5) days prior to the general meeting.

The board of directors can decide that the shareholders shall be able to cast votes in writing, including by electronic communication, in a period prior to the general meeting. For such voting an adequate method to authenticate the sender shall be used.

The chairman of the board of directors, or a person designated by him, shall preside at the general meeting. The annual general meeting shall discuss and decide on the following matters:

(a) Approval of the annual accounts and the annual report, including distribution of dividend.

(d) The declaration by the board of directors, cf. Section 6-16a of the Norwegian Public Limited Liability Companies Act, about the fixing of remuneration and other compensation for the executive management.

(b) Other matters that pursuant to law or the Articles of Association fall under the authority of the general meeting.

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APPENDIX D—APPLICATION FORM FOR THE RETAIL OFFERING

APPLICATION FORM—RETAIL OFFERING—INITIAL PUBLIC OFFERING—OCEAN YIELD ASA

For complete information about the Retail Offering, please refer to the Prospectus dated 7 June 2013 which has been issued in connection with the initial public offering of Shares in Ocean Yield ASA. All capitalised terms not defined herein shall have the meaning as assigned to them in the Prospectus. The Issuer's Articles of Association, excerpts of the corporate resolutions to increase the share capital of the Issuer, as well as the Issuer's annual accounts and the annual report for the last two years, are available at the Issuer's office.

Application Process: Applications for Offer Shares in the Retail Offering must be made by submission to this application form to one of the application offices or through the VPS online subscription system (applicants who are residents of Norway with a Norwegian personal identification number only) by following the link to such online subscription system on any of the following web-sites: www.dnb.no/emisjoner; www.paretosec.com; www.seb.no; www.arcticsec.no; www.nordea.no/oy; and www.swedbank.no. Application forms must be correctly completed and submitted to one of the following application offices. The offices at which applications can be made are the following:

DNB Markets	Pareto Securities	Skandinaviska Enskilda Banken AB (publ.), Oslo branch	Arctic Securities	Nordea Markets	Swedbank First Securities
Dronning Eufemias gate 30 P.O. Box 1600 Sentrum N-0021 Oslo Norway Tel.: +47 23 26 81 01 Fax: +47 22 48 29 80	Dronning Maudsgate 3 P.O. Box 1411 Vika N-0115 Oslo Norway Tel: +47 22 87 87 00 Fax: +47 22 87 87 10	Filipstad brygge 1 P.O. Box 1843 Vika 0123 Oslo Norway Tel.: +47 22 82 70 00 Fax: +47 22 82 70 70	Haakon VII's gt 5 P.O. Box 1833 Vika 0123 Oslo Norway Tel: +47 21 01 30 40 Fax: +47 21 01 31 36	Middelthunsgate 17 P.O. Box 1166 Sentrum N-0107 Oslo Norway Tel.: +47 22 48 51 31 Fax: +47 22 48 63 49	Filipstad Brygge 1 P.O. Box 1441 Vika N-0115 Oslo Norway Tel.: +47 23 23 80 00 Fax: +47 23 23 80 11

Subject to any extension of the Application Period, properly completed application forms must be received by one of the application offices by 12:00 p.m. CET on 21 June 2013. Application forms that are incomplete or incorrectly completed, or that are received after expiry of the Application Period, may be disregarded without further notice to the applicant.

Binding Nature of the Application: All applications made in the Retail Offering will be irrevocable and binding upon receipt of a duly completed application form by an application office, or in the case of applications through the VPS online subscription system, upon registration of the application, irrespective of any extension of the Application Period, and cannot be withdrawn, cancelled or modified by the applicant after having been received by an application office, or in the case of applications through the VPS online subscription system, upon registration of the application.

Allocation, Payment and Delivery of Offer Shares: DNB Markets, acting as settlement agent for the Retail Offering, expects to issue notifications of allocation of Offer Shares in the Retail Offering on or about 24 June 2013, by issuing allocation notes to the applicants by mail. Any applicant wishing to know the precise number of Offer Shares allocated to it, may contact one of the application offices from 12:00 a.m. CET on 24 June 2013 and onwards during business hours. Applicants who have access to investor services through an institution that operates the applicant's VPS account should be able to see how many Offer Shares they have been allocated from 12:00 a.m. CET on 24 June 2013. In completing an application form, or registering an application through the VPS online subscription system, each applicant in the Retail Offering will authorise DNB Markets (on behalf of the Managers) to debit the applicant's Norwegian bank account for the total amount due for the Offer Shares allocated to the applicant. The applicant's account number must be stipulated on the application form. Accounts will be debited on or about 27 June 2013 (the payment due date), and there must be sufficient funds in the stated bank account from and including 26 June 2013. Applicants who do not have a Norwegian bank account must ensure that payment of the allocated Offer Shares is made on or before the payment due date (27 June 2013). Further, details and instructions will be set out in the allocation notes to the applicant, and can be obtained by contacting DNB Markets: + 47 23 26 81 01.

Offer Price: The Indicative Price Range for the Offering is from NOK 30 to NOK 34 per Offer Share. The Issuer will determine the final Offer Price on the basis of the orders placed in the Institutional Offering during the book-building process, and the level of applications made in the Retail Offering. The Offer Price will be announced on or around 9:00 a.m. on 24 June 2013. The Offer Price may be set below, within or above the Indicative Price Range. Each applicant in the Retail Offering will be permitted, but not required, to indicate on the application form that the applicant does not wish to be allocated Offer Shares should the Offer Price be set above the high-point of the Indicative Price Range**. If the applicant does so, the applicant will not be allocated any Offer Shares in the event that the Offer Price is set above the high-point of the prevailing Indicative Price Range at the time the application form is received by the application office**. If the applicant does not expressly stipulate such reservation on the application form, the application will be binding regardless of whether the Offer Price is set within or above (or below) the Indicative Price Range, so long as the Offer Price has been determined on the basis of orders placed during the book-building process. Investors in the Retail Offering will receive a discount of NOK 1,500 on their aggregate subscription amount for the Offer Shares allocated to such investors.

Applicant's VPS-account (12 digits):	**I/we apply for shares for a total of NOK (minimum NOK 10,500 and maximum NOK 1,999,999):**	**Applicant's bank account to be debited (11 digits):**
OFFER PRICE: My/our application is conditional upon the final Offer Price not being set above the high-point of the Indicative Price Range as of the date of your receipt of this application form (insert cross) **(must only be completed if the application is conditional upon the final Offer Price not being set above the prevailing high-point of the Indicative Price Range):**		
I/we hereby (i) confirm to have read the Prospectus and that I/we are aware of the risks associated with an investment in the Shares, (ii) irrevocably (a) apply for the number of Offer Shares allocated to me/us up to the amount as specified above subject to the terms and conditions as out in the Prospectus, (b) authorise and instruct each of the Managers (or someone appointed by them) to subscribe for such number of Offer Shares at the Offer Price on my behalf and to take all actions required to ensure delivery of such Offer Shares to me/us in the VPS, on my/our behalf, and (c) authorise DNB Markets to debit my/our bank account as set out above for the amount of the Offer Shares allotted to me/us.		
Date and place[(1)]:	**Binding signature[(2)]:**	

(1) Must be dated during the Application Period (2) The applicant must be of age. If the application form is signed by a proxy, documentary evidence of authority to sign must be attached in the form of a Power of Attorney or Company Registration Certificate.

DETAILS OF THE APPLICANT — ALL FIELDS MUST BE COMPLETED	
First name:	Surname / Family name / Company name:
Home address / For companies: registered business address:	Zip code and town:
Identity number (11 digits) / For companies: registration number:	Nationality:
Telephone number (daytime):	

See next page for additional application guidance.

ADDITIONAL APPLICATION GUIDANCE

Regulatory Matters: Legislation passed throughout the EEA pursuant to the Markets and Financial Instruments Directive ("**MiFID**") implemented in the Norwegian Securities Trading Act, imposes requirements in relation to business investment. In this respect the Managers must categorise all new clients in one of three categories: Eligible counterparties, Professional and Non-professional clients. All applicants applying for Offer Shares in the Offering who/which are not existing clients of one of the Managers will be categorised as Non-professional clients. The applicant can by written request to the Managers ask to be categorised as a Professional client if the applicant fulfils the provisions of the Norwegian Securities Trading Act. For further information about the categorisation the applicant may contact the Managers. The applicant represents that it has sufficient knowledge, sophistication and experience in financial and business matters to be capable of evaluating the merits and risks of an investment decision to invest in the Company by applying for Offer Shares, and the applicant is able to bear the economic risk, and to withstand a complete loss of an investment in the Company.

Execution Only: As the Managers are not in the position to determine whether the application for Offer Shares is suitable for the applicant, the Managers will treat the application as an execution only instruction from the applicant to apply for Offer Shares in the Offering. Hence, the applicant will not benefit from the corresponding protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.

About the Managers; Information Barriers: The Managers are securities firms, offering a broad range of investment services. In order to ensure that assignments undertaken in the Managers' corporate finance departments are kept confidential, the Managers' other activities, including analysis and stock broking, are separated from their corporate finance departments by information barriers known as "Chinese walls". The applicant acknowledges that the Managers' analysis and stock broking activity may act in conflict with the applicant's interests with regard to transactions in the Offer Shares as a consequence of such Chinese walls.

VPS Account; Anti-Money Laundering: To apply for Offer Shares the applicant must have a VPS account or a custodian for Norwegian shares. Such account can only be established by personal appearance with sufficient identification at a VPS book entry agent or an authorised investment firm. The Offering is subject to the Anti-Money Laundering Legislation. All applicants not registered as existing customers with one of the Managers must verify their identities to one of the Managers in accordance with requirements of the Anti-Money Laundering Legislation unless an exemption is available. Applicants that have designated an existing Norwegian bank account and an existing VPS account on the application form are exempted, provided the aggregate subscription price is less than NOK 100,000 unless verification of identity is requested by the Managers. The verification of identification must be completed prior to the end of the Application Period. Applicants that have not completed the required verification of identification will not be allocated Offer Shares. Applicants who are not registered as clients with the Managers must therefore complete one of the Managers' Customer Registration Forms and send it to the Managers immediately by fax or e-mail in order to be considered for an allocation of shares under the Offering unless an extension is available.

Selling Restrictions: The Offering is subject to specific legal or regulatory restrictions in certain jurisdictions, see Section 7 "Selling and Transfer Restrictions" of the Prospectus. Neither the Issuer nor the Managers assumes any responsibility in the event there is a violation by any person of such restrictions.

Late or Missing Payments: Should any investor have insufficient funds on his or her account, or should payment be delayed for any reason, or if it is not possible to debit the account, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments of 17 December 1976, No. 100, which at the date of this Prospectus was 8.50% per annum. DNB Markets (on behalf of the Managers) reserves the right (but has no obligation) to make up to three debit attempts through 4 July 2013 if there are insufficient funds on the account on the payment due date. Pursuant to a payment guarantee agreement expected to be entered into by the Issuer and the Joint Bookrunners, the Joint Bookrunners will, subject to the terms and conditions of the payment guarantee agreement, guarantee payment of any Offer Shares not paid by the investors when due. The non-paying investor will remain fully liable for payment of the Offer Shares allocated to them, irrespective of any payment by any of the Joint Bookrunners under the payment guarantee agreement. The Offer Shares allocated to such investors will be transferred to a VPS account operated by DNB Markets and will be transferred to the non-paying investor when payment of the relevant Offer Shares is received. The Joint Bookrunners reserve the right, without further notice, to sell or assume ownership of such Offer Shares if payment has not been received by the third day after the payment due date. If Offer Shares are sold on behalf of the investor, such sale will be for the investor's account and risk (however so that the investor shall not be entitled to profits therefrom, if any) and the investor will be liable for any loss, costs, charges and expenses suffered or incurred by the Issuer and/or the Joint Bookrunners as a result of or in connection with such sales, and the Issuer and/or the Joint Bookrunners may enforce payment of any amount outstanding in accordance with Norwegian law.

Terms and Conditions for Payment by Direct Debiting; Securities Trading: Payment by direct debiting is a service provided by cooperating banks in Norway. In the relationship between the payer and the payer's bank the following standard terms and conditions apply:

1. The service "Payment by direct debiting—securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.

2. Costs related to the use of "payment by direct debiting — securities trading" appear from the bank's prevailing price list, account information and/or information is given by other appropriate manner. The bank will charge the indicated account for incurred costs.

3. The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank who in turn will charge the payers bank account.

4. In case of withdrawal of the authorisation for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act the payer's bank shall assist if payer withdraws a payment instruction which has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.

5. The payer cannot authorise for payment a higher amount than the funds available at the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account is being charged. If the account has been charged with an amount higher than the funds available, the difference shall be covered by the payer immediately.

6. The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorisation for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorisation has expired as indicated above. Payment will normally be credited the beneficiary's account between one and three working days after the indicated date of payment/delivery.

7. If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

REGISTERED OFFICE AND ADVISERS

Registered Office:

Ocean Yield ASA
Fjordalleen 16
0250 Oslo
Norway
Telephone: +47 24 13 00 00
www.oceanyield.no

Joint Bookrunners:

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(as to Norwegian Law)

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(as to Norwegian Law)

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0251 Oslo
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Independent Auditors:

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Norway

VPS Registrar:

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Registrar Department
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