

OCEAN YIELD ASA

First Quarter 2015 Report





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FIRST QUARTER 2015 REPORT

Oslo, 4th May 2015, Ocean Yield ASA ("Ocean Yield" or the "Company") announces results for the first quarter ending 31st March, 2015.

HIGHLIGHTS

- The Board of Directors has declared a dividend of USD 0.1475 per share for Q1 2015. This is an increase of 0.50 cents per share compared with the previous quarter. On an annualized basis, the dividend equals USD 0.59 per share. Based on the closing share price as of 4th May 2015, this is a dividend yield of 7.8% p.a.
- EBITDA was USD 55.2 million for the first quarter 2015 compared with USD 53.2 million for the first quarter of 2014.
- Net profit after tax was USD 28.1 million for the first quarter 2015 compared with USD 28.6 million for the first quarter of 2014.
- The charter backlog, including the Navig8 Chemical Tanker transaction announced on 1st April 2015, was USD 2.8 billion in revenues and USD 2.7 billion on an EBITDA basis, with an average weighted tenor of 10.2 years.

Selected key financial figures for the first quarter 2015 compared with the first quarter of 2014:

Consolidated key numbers - USD million	Q1 2015	Q1 2014	Jan-Dec 2014
Revenues	62.6	59.7	249.3
EBITDA	55.2	53.2	216.7
Operating result (EBIT)	31.0	29.9	116.4
Net profit after tax	28.1	28.6	100.8

MAIN EVENTS DURING THE FIRST QUARTER AND SUBSEQUENT TO QUARTER END

- The Board of Directors has declared a quarterly dividend payment of USD 0.1475 per share. This is in line with the Company's strategy to pay attractive and increasing dividends to its shareholders. The dividend of USD 0.1475 per share is on an annualized basis equal to USD 0.59 per share. The dividend will be paid on or about 20th May 2015 to shareholders as of 7th May 2015 registered with the Norwegian Central Securities Depository (the "VPS") as of 11th May 2015 (the "Record Date"). The ex-dividend date will be 8th May 2015.
- In January 2015, Ocean Yield agreed with the banks financing the vessel *Aker Wayfarer* to convert the existing loan facility from NOK into USD. The loan was converted at a USD/NOK spot exchange rate of 7.70, resulting in a total of USD 107.1 million outstanding under this loan facility at the time of conversion. Further, it was agreed with AKOFS Offshore AS to convert 70% of the charter rate nominated in NOK into USD using the USD/NOK forward curve. The conversion was done with an average exchange rate of USD/NOK 7.33.

Subsequent to quarter end, Ocean Yield ASA signed a new revolving credit facility of USD 220 million with maturity in 2021 with a group of banks for the long-term financing of the vessel. The new credit facility will, in addition to refinance the existing loan of USD 107 million, provide financing of the modification of the vessel. The loan carries an interest rate of LIBOR + 2.00% p.a. with a balloon of USD 120 million in 2021.

- After the end of the quarter, Ocean Yield agreed to acquire eight newbuilding chemical tankers for a total consideration of USD 306.8 million in combination with 15-year "hell and high" bareboat charters to Navig8 Chemical Tankers Inc. ("Navig8 Chemical Tankers"). The first four vessels, being 37,000 dwt IMO II chemical carriers built by Hyundai Mipo Dockyard, Korea, are scheduled for delivery in Q2 and Q3 2015. The last four vessels, being 49,000 dwt IMO II chemical carriers built by STX Korea, are scheduled for delivery in Q1-Q3 2016. The transaction is fully financed and will be funded by a fully underwritten bank financing of about 69 % of the gross purchase price, a seller's credit of about 10% and the remaining amount with equity. Navig8 Chemical Tankers will have certain options to acquire the vessels during the charter period, with the first option exercisable five years after delivery. Furthermore Ocean Yield will provide Navig8 Chemical Tankers with a pre-delivery loan matching the remaining yard instalments for the STX vessels.
- After the end of the quarter, Ocean Yield closed a new unsecured bond issue of NOK 1,000 million with maturity in April 2020. The bonds carry a coupon of NIBOR + 4.00% p.a. with quarterly interest payments. The bond issue attracted strong interest and was substantially oversubscribed and closed at the bottom of the indicated price range. The proceeds will be used for further growth and general corporate purposes. The Company has entered into cross currency interest rate swaps for the amount at an average interest rate of LIBOR + 4.45% p.a.

FIRST QUARTER FINANCIAL REVIEW

- Operating revenues for Q1 2015 were USD 62.6 million compared with USD 59.7 million for Q1 2014. The increase in revenues relates to delivery of further vessels to the fleet, including the SBM Installer which was delivered in December 2014 and hence had full contribution in the quarter. The

seismic vessel Geco Triton was sold in December 2014 and hence there were no revenue contribution from this vessel in Q1 2015. The FPSO *Dhirubhai-1* has operational utilisation of 100 % in the quarter. Vessel operating expenses, which are related to the operation of the FPSO *Dhirubhai-1*, were USD 4.1 million for Q1 2015, compared with USD 3.5 million for Q1 2014. Wages and other personnel expenses were USD 2.1 million for Q1 2015, compared with USD 1.8 million for Q1 2014. Other operating expenses were USD 1.3 million for Q1 2015 compared with USD 1.1 million for Q1 2014.

- Depreciation and amortization was USD 24.2 million in Q1 2015, compared with USD 23.4 million in Q1 2014.
- Financial income was USD 4.4 million in Q1 2015 as compared with USD 16.0 million in Q1 2014. The figure for Q1 2014 includes a one-off profit of USD 11.5 million relating to amendments to the bond agreement with American Shipping Company, announced in December 2013. The Company holds bonds with a book value of USD 183.8 million at the end of the quarter. This is about 94% of par value, which was USD 195.9 million.
- Financial expenses were USD 9.1 million in Q1 2015, as compared with USD 14.4 million in Q1 2014. The figure for Q1 2014 includes one-off expenses of USD 6.0 million relating to buy back of NOK 432 million of Ocean Yield bonds issued in 2012, which were refinanced in Q1 2014. Foreign exchange gains were USD 14.8 million in Q1 2015, compared with a loss of USD 0.7 million in Q1 2014. The exchange gains are mainly a result of the movements in the USD/NOK exchange rate, since Ocean Yield's bond loan is denominated in NOK. Mark-to-market of derivatives was negative USD 12.9 million in Q1 2015, as compared with positive USD 1.3 million in Q1 2014. The negative mark-to-market amount is related to the cross currency interest rate swap on the Company's unsecured bond loan and various interest rate swaps entered into in connection with the financing of the Company's vessels and is mainly a result of the significant strengthening of the USD against the NOK during Q1 2015. The foreign exchange gains and negative mark-to-market amounts had no cash impact.
- Income tax expense was USD 0.0 million in Q1 2015, compared with USD 3.4 million in Q1 2014.
- The Net profit after tax for Q1 2015 was USD 28.1 million compared with USD 28.6 million for Q1 2014.
- At the end of the first quarter, the company had cash of USD 72.7 million, compared with USD 147.1 million at the end of the first quarter 2014. In addition, the Company had available undrawn credit facilities of USD 33.5 million at the end of the quarter. Post quarter end, the Company has received bond proceeds of approximately USD 131 million and the new credit facility related to the *Aker Wayfarer* will give net cash proceeds of USD 37 million in addition to refinance the existing bank loan and finance the remaining instalments related to the modification of the vessel.
- Book equity was USD 723.2 million at the end of Q1 2015, compared with USD 710.2 million at the end of Q1 2014. The equity ratio was 40.9% compared with 42.5% in Q1 2014. Total assets were USD 1,770.1 million in Q1 2015, compared with USD 1,671.9 million in Q1 2014.

FLEET STATUS

The charter backlog at the end of the first quarter, adjusted for the transaction with Navig8 Chemical Tankers which was announced on April 1st 2015, was USD 2.8 billion in revenues and USD 2.7 billion on an EBITDA basis and the average remaining contract tenor (weighted by EBITDA) was 10.2 years.

Vessel	Vessel type	Client	Contract expiry	Remaining tenor (years)	EBITDA Backlog USDm*
Aker Wayfarer	Subsea	Akastor	Sep-27	12.5	428
Dhirubhai-1	FPSO	Reliance	Sep-18	3.5	415
Lewek Connector	Subsea	Ezra/EMAS AMC	Oct-22	7.5	289

Höegh Car Carriers (6 vessels)	Car Carrier	Höegh Autoliners	Jun-22/Apr-26	10.9	416
Far Senator / Far Statesman	AHTS	Farstad	Mar/June-25	10.0	173
LEG Carrier (3 vessels)	Gas Carriers	Hartmann/SABIC	Sep/Dec -26	10.0	315
SBM Installer	Subsea	SBM Offshore	Dec-26	11.7	183
Navig8 Chemical (8 vessels)	Chemical	Navig8 Chemical	2030/2031	15.0	441
Total					2659
Number of vessels (including 13 newbuildings)					23

* *Figures are based on management's estimates regarding operating expenses on the Dhirubhai-1 which may be subject to change in addition to certain purchase options in bareboat charter contracts not being exercised and adjusted for finance lease effects on Aker Wayfarer.*

RISKS

The Company is exposed to a number of risks, including counterparty risk, operating risk on the FPSO *Dhirubhai-1*, interest rate risk, currency risk, vessel construction risk and residual value risk. The reduction in oil prices does not have a direct impact on the Company, as all vessels are on fixed, long-term charters. However, if the oil price should stay low for an extended period, some of the Company's counterparties may be negatively affected. For a more detailed description of risk factors, please refer to the annual report for 2014, which is available on www.oceanyield.no.

STRATEGY AND OUTLOOK

Over the past 12 months, Ocean Yield has committed to approximately USD 880 million in new investments, which should increase the current EBITDA with about 40 %, when all vessels are delivered at the end of 2016. The Company's contract backlog is becoming more diversified across several segments and has now an average tenor of 10.2 years weighted by EBITDA, which gives visibility with respect to future earnings and dividend capacity. With the recent bond issue of NOK 1,000 million and the USD 220 million refinancing of the Aker Wayfarer completed, Ocean Yield has a strong cash position which gives further comfort with respect to the Company's ability to continue to make new investments and to pay attractive and increasing dividends.

4th May 2015

Ocean Yield ASA

Trond Brandsrud

Chairman

Kjell Inge Røkke

Director

Annicken Gann Kildahl

Director

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DECK 9
HOLD 2

DECK 8
HOLD 2

DECK 7
HOLD 2

Ocean Yield ASA Group condensed consolidated financial statements for the first quarter 2015

Income statement

		4th Quarter	1st Quarter	1st Quarter	Jan - Dec
<i>Amounts in USD million</i>	Note	2014	2015	2014	2014
Operating revenues		56.1	57.7	59.7	243.3
Finance lease revenue		6.0	4.9	-	6.0
Total revenues	5	62.1	62.6	59.7	249.3
Vessel operating expenses	6	(3.9)	(4.1)	(3.5)	(14.6)
Wages and other personnel expenses	7	(2.4)	(2.1)	(1.8)	(9.5)
Other operating expenses		(1.9)	(1.3)	(1.1)	(8.4)
EBITDA	5	53.9	55.2	53.2	216.7
Depreciation and amortization	10	(23.1)	(24.2)	(23.4)	(96.4)
Loss from sale of vessels		(3.8)	-	-	(3.8)
Operating profit		27.1	31.0	29.9	116.4
Financial income	8	4.7	4.4	16.0	30.2
Financial expenses		(9.6)	(9.1)	(14.4)	(50.2)
Foreign exchange gains/losses		22.4	14.8	(0.7)	29.6
Mark to market of derivatives	9	(15.5)	(12.9)	1.3	(22.5)
Net financial items		2.0	(2.8)	2.2	(12.9)
Net profit before tax		29.0	28.2	32.1	103.6
Income tax expense		1.5	(0.0)	(3.4)	(2.8)
Net profit after tax		30.5	28.1	28.6	100.8
Weighted average number of shares outstanding		134.1	134.5	134.0	134.1
Basic and diluted earnings per share (USD)		0.23	0.21	0.21	0.75

Total comprehensive income

		4th Quarter	1st Quarter	1st Quarter	Jan - Dec
<i>Amounts in USD million</i>		2014	2015	2014	2014
Net profit after tax for the period		30.5	28.1	28.6	100.8
Other comprehensive income, net of income tax					
Items that will not be reclassified to the income statement:					
Re-measurements of defined benefit liability (asset)		(0.2)	-	-	(0.2)
Total for items that will not be reclassified to the income statement		(0.2)	-	-	(0.2)
Items that are or may be reclassified to the income statement:					
Reclassification of gains on available for sale financial assets included in Financial Income		-	-	(8.4)	(8.4)
Currency translation differences		(14.0)	(6.4)	0.9	(19.9)
Total for items that are or may be reclassified to the income statement		(14.0)	(6.4)	(7.5)	(28.3)
Total change in other comprehensive income, net of income tax		(14.2)	(6.4)	(7.5)	(28.4)
Total comprehensive income for the period		16.4	21.7	21.1	72.3

Attributable to:				
Equity holders of the parent	16.3	21.7	21.1	72.3
Non-controlling interests	0.1	(0.0)	-	0.1
Total comprehensive income for the period	16.4	21.7	21.1	72.3

Balance Sheet

<i>Amounts in USD million</i>	Note	31 March 2015	31 March 2014	31 December 2014
ASSETS				
Vessels and equipment	10	1 271.8	1 263.4	1 308.0
Intangible assets		38.3	38.3	38.3
Deferred tax assets		11.4	10.8	11.4
Restricted cash deposits		20.1	20.1	20.1
Finance lease receivables and related assets (Aker Wayfarer)	12	155.1	-	159.7
Investments in AMSC bonds	8	183.8	171.7	180.9
Other interest-bearing long term receivables		0.7	5.1	0.5
Total non-current assets		1 681.1	1 509.4	1 719.0
Trade receivables and other interest-free receivables		16.3	15.4	15.6
Cash and cash equivalents		72.7	147.1	76.4
Total current assets		89.0	162.5	92.0
Total assets		1 770.1	1 671.9	1 810.9
EQUITY AND LIABILITIES				
Share capital		222.8	222.3	222.3
Treasury shares		(0.0)	-	(0.0)
Other paid-in capital		455.2	453.8	453.8
Total paid-in capital	14	678.1	676.1	676.1
Retained earnings and translation reserves		34.6	34.1	32.0
Total equity attributable to equity holders of the parent		712.6	710.2	708.1
Non-controlling interests		10.5	-	10.6
Total equity		723.2	710.2	718.7
Interest-bearing debt	13	824.5	760.5	852.9
Deferred tax liabilities		(0.0)	0.6	(0.0)
Pension liabilities		0.4	0.1	0.6
Mobilization fee and advances		38.7	65.2	41.2
Other interest-free long term liabilities		1.7	1.1	1.7
Total non-current liabilities		865.3	827.5	896.3
Interest-bearing short term debt	13	124.5	109.9	141.6
Current provisions		-	-	1.4
Mark to market of derivatives		46.6	9.9	33.7
Trade and other payables		10.4	14.3	19.2
Total current liabilities		181.6	134.1	195.9
Total liabilities		1 046.9	961.6	1 092.2
Total equity and liabilities		1 770.1	1 671.9	1 810.9

Change in Equity

	4th Quarter	1st Quarter	1st Quarter	Jan - Dec
<i>Amounts in USD million</i>	2014	2015	2014	2014
Balance at the beginning of the period	710.0	718.7	703.7	703.7
Net profit after tax for the period	30.5	28.1	28.6	100.8
Other comprehensive income	(14.2)	(6.4)	(7.5)	(28.4)
Total comprehensive income	16.4	21.7	21.1	72.3
New equity in Ocean Yield ASA	-	2.0	1.9	1.9
Dividend	(18.5)	(19.2)	(16.4)	(69.1)
Net change in treasury shares	0.2	-	-	(0.7)
Non-controlling interests	10.5	-	-	10.5
Balance at the end of the period	718.7	723.2	710.2	718.7

Cash flow statement

	4th Quarter	1st Quarter	1st Quarter	Jan - Dec
<i>Amounts in USD million</i>	2014	2015	2014	2014
Profit before tax	29.0	28.2	32.1	103.6
Depreciation and amortization	23.1	24.2	23.4	96.4
Other changes in operating activities	(9.4)	(18.0)	(12.9)	(16.7)
Net cash flow from operating activities	42.7	34.4	42.6	183.3
Acquisition of property, plant and equipment	(172.9)	(0.8)	(1.0)	(367.8)
Proceeds from sale of vessels	8.2	-	-	8.2
Repayment of finance lease receivable	4.0	2.1	-	4.0
Net change in long term receivables	(16.5)	(0.2)	-	(16.5)
Transfer to restricted cash	(0.0)	(0.2)	(0.5)	(1.6)
Net cash flow from investing activities	(177.2)	0.9	(1.5)	(373.7)
Proceeds from issuance of long-term interest-bearing debt	109.4	17.3	98.9	474.0
Repayment of long-term interest-bearing debt	(38.9)	(38.9)	(111.6)	(281.5)
Dividend paid	(18.5)	(19.2)	(16.4)	(69.1)
Proceeds from issuance of new equity	(0.0)	2.0	1.9	1.9
Non-controlling interests	10.5	-	-	10.5
Net change of Treasury shares	0.2	-	-	(0.7)
Net cash flow from financing activities	62.8	(38.8)	(27.2)	135.0
Net change in cash and cash equivalents	(71.7)	(3.5)	13.8	(55.4)
Exchange rate differences	(0.1)	(0.1)	0.4	(1.2)
Cash and cash equivalents at beginning of the period	148.2	76.4	132.9	132.9
Cash and cash equivalents at the end of the period	76.4	72.7	147.1	76.4

Notes to the condensed consolidated interim financial statements for Ocean Yield ASA for the first quarter 2015

Note 1 Introduction – Ocean Yield ASA

Ocean Yield ASA is a company domiciled in Norway. The condensed consolidated interim financial statements for the first quarter and three months ending 31 March 2015 comprise Ocean Yield ASA and its subsidiaries (together referred to as the "Group"). The financial statement for the first quarter 2015 includes the financial statements of the parent company, Ocean Yield ASA and its subsidiaries.

The consolidated financial statements of the Group for the year ended 31 December 2014 and quarterly reports are available at www.oceanyield.no.

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 2014.

These condensed consolidated interim financial statements, which have not been subject to audit or review by independent accountants, were approved by the Board of Directors on 4 May 2015.

Note 3 Significant accounting principles

The 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 2014.

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 2014.

Note 5 Operating segments

Ocean Yield identifies segments based on the Group's management and internal reporting structure.

Total revenues	4th Quarter	1st Quarter	1st Quarter	Jan - Dec
<i>Amounts in USD million</i>	2014	2015	2014	2014
FPSO	34.1	34.1	33.9	136.8
Other Oil Service	21.8	22.5	25.8	100.0
Gas Carriers	-	-	-	-
Car Carriers	6.1	6.0	-	12.5
Total revenues	62.1	62.6	59.7	249.3

EBITDA	4th Quarter	1st Quarter	1st Quarter	Jan - Dec
<i>Amounts in USD million</i>	2014	2015	2014	2014
FPSO	28.0	28.5	28.7	111.7
Other Oil Service	21.6	22.2	25.8	99.7
Gas Carriers	(0.0)	(0.0)	-	(0.0)
Car Carriers	6.1	6.0	(0.1)	12.3
Other companies and eliminations	(1.9)	(1.5)	(1.2)	(7.0)
EBITDA	53.9	55.2	53.2	216.7

Note 6 Vessel operating expenses

Vessel operating expenses are related to operating expenses for the Dhirubhai-1.

Note 7 Wages and other personnel expenses

Wages and personnel expenses were USD 2.1 million in Q1 2015 compared with USD 1.8 million in Q1 2014. This includes all land based personnel in Ocean Yield and Aker Floating Production, which counted a total of 18 persons as of Q1 2015.

The Company's share related bonus payments are accrued on a quarterly basis.

Note 8 Financial income

Financial income in Q1 2015 is mainly related to the investment in AMSC bonds. Ocean Yield owns 93.05% of the unsecured bonds issued by American Shipping Company ASA 07/18, with maturity in February 2018. The bonds carry an interest of LIBOR + 6.00% p.a. with an interest structure of 50/50 PIK/cash interest. The bonds have been classified as Interest bearing long-term receivables and are measured at amortized cost using the effective interest method less any impairment losses. In the first quarter, Interest income of USD 4.4 million was recorded related to the AMSC bonds.

Note 9 Mark to market of derivatives and other financial instruments recorded at fair value

Mark-to-market of derivatives was negative USD 12.9 million in Q1 2015. This is mainly related to a NOK 590 million cross currency interest rate swap, where parts of the NOK 1,000 million bond loan issued by Ocean Yield has been swapped from NIBOR+3.90% p.a. to LIBOR+4.603% p.a. until September 2017. In addition the Group has entered into several interest rate swaps related to vessel financings. At the end of March 2015 the cross currency interest rate swap is the Group's most significant financial instrument recorded at fair value, and is considered by the Group to be a level 2 financial instrument under the fair value hierarchy.

Note 10 Vessels and equipment

Material changes in vessels and equipment during 2015:

<i>Amounts in USD million</i>	FPSO	Other Oil Service	Gas Carriers	Car Carriers	Other Shipping	Total
Balance at 1 January	458.0	585.2	24.9	238.6	1.3	1 308.0
Acquisitions	0.0	-	0.2	-	0.0	0.2
Advances	-	-	0.3	0.3	-	0.6
Disposals	-	-	-	-	-	-
Depreciation	(14.2)	(7.4)	-	(2.6)	(0.1)	(24.2)
Effect of movements in foreign exchange	-	(12.9)	-	-	-	(12.9)
Balance at 31 March 2015	443.8	565.0	25.4	236.4	1.2	1 271.8

Note 11 Contractual obligations

Ocean Yield had as per 31st March 2015, including the transaction with Navig8 Chemical Tankers announced on April 1st, the following contractual obligations related to the purchase of vessels:

<i>Amounts in USD million</i>	FPSO	Other Oil Service	Gas Carriers	Car Carriers	Other Shipping	Total
Already paid	-	14.3	24.3	24.9	-	63.5
2015 (Q2-Q4)	-	19.1	48.6	12.5	171.5	251.6
2016	-	55.9	170.1	87.2	105.1	418.3
Total contractual obligations	-	89.2	243.0	124.6	276.6	733.4
Total remaining payments		75.0	218.7	99.6	276.6	669.9
Estimated / secured bank financing	33.5*	89.2*	180.0	94.0*	212.0*	608.7
Estimated payments to be funded by cash						61.2

*Already secured bank commitments

At the end of the first quarter, the company had cash of USD 72.7 million. In addition, the Company had available undrawn credit facilities of USD 33.5 million at the end of the quarter. Post quarter end, the Company has received bond proceeds of approximately USD 131 million and the new credit facility related to the Aker Wayfarer will give net cash proceeds of USD 37 million in addition to refinance the existing bank loan and finance the remaining instalments related to the modification of the vessel.

The obligations above related to the Other Oil Service segment are related to the modification work on the vessel Aker Wayfarer. The vessel Aker Wayfarer is accounted for as a finance lease, see note 12. Instalments related to the modification work are presented with the finance lease receivable, and is not included in vessels and equipment in note 10. Ocean Yield has secured financing for 100% of the modification work.

The obligations above related to the Gas Carriers segment are related to three LEG carriers, scheduled for delivery in Q3 and Q4 2016. Ocean Yield expects that about USD 180 million of the investment in the three gas carriers will be funded by bank financing.

The obligations above related to the Car Carriers segment are related to two PCTC vessels, which will be delivered in January and April 2016. Long term financing has been secured for the two PCTC vessels for a total of USD 94 million.

The obligations above related to the new segment named *Other Shipping* are related to eight chemical tankers under construction. The figures are net of the seller's credit in the transaction. The first four vessels, being 37,000 dwt IMO II chemical carriers built by Hyundai Mipo Dockyard, Korea, are scheduled for delivery in Q2 and Q3 2015. The last four vessels, being 48,000 dwt IMO II chemical carriers built by STX Korea, are scheduled for delivery in Q1-Q3 2016. Long term financing has been secured for the vessels for a total of USD 212 million.

Note 12 Finance lease receivables and related assets

Finance lease receivables and related assets of USD 155.1 million at 31st March 2015 are related to the vessel Aker Wayfarer.

The vessel Aker Wayfarer is accounted for as a finance lease. The vessel is chartered to AKOFS Offshore AS (AKOFS), a wholly owned subsidiary of Akastor ASA until 2027. AKOFS has options to purchase the vessel in 2021, 2026 and 2027.

AKOFS has been awarded a 5 + 5 year contract with Petrobras to provide subsea intervention services offshore Brazil. In order to outfit the vessel for this, an modification of approximately USD 90 million will be made to the vessel. Instalments related to this modification work are presented with the finance lease receivable. The instalments are however not included in the net investment used for calculating the finance lease interest. The investment related to the modification work will be included in the net investment at the completion date, which is expected to be in May 2016.

In Q1 2015 USD 4.9 mill has been recognized as finance lease revenue related to the vessel Aker Wayfarer. On a cash basis, USD 7.0 million was received in bareboat hire during the quarter.

The net finance lease receivables as of 31st March 2015 was as follows:

<i>Amounts in USD million</i>	Gross Investment in finance lease receivables	Effect of discounting	Present value of minimum lease payments
<i>Lease payments receivable:</i>			
Less than one year	28.6		26.5
Between one and five years	165.1		108.2
More than five years	293.5		81.8
<i>Lease investments:</i>			
Less than one year	-		-
Between one and five years	(89.2)		(75.6)
More than five years	-		-
Total finance lease receivables	398.1	(257.2)	140.9
Instalments paid related to modification of Aker Wayfarer			14.3
Total finance lease receivables and related assets			155.1

The gross investment above includes an unguaranteed residual value of USD 59 million in 2027.

Note 13 Interest-bearing debt

Material changes in interest-bearing debt (short term and long term) during Jan - March 2015:

<i>Amounts in USD million</i>	FPSO	Other Oil Service	Car Carriers	Other/elim	Total
Balance at 1 January	196.0	515.4	148.6	134.6	994.6
New loans	17.0	0.5	-	-	17.5
Paid loan fees	-	-	(0.2)	-	(0.2)
Instalments	(32.0)	(4.3)	(2.7)	-	(38.9)
Effect of movements in foreign exchange and loan fees amortized	0.2	(12.8)	0.1	(11.4)	(23.9)
Total interest-bearing debt	181.3	498.7	145.8	123.2	949.1
Long-term	116.9	449.2	135.1	123.2	824.5
Short-term loan	-	-	-	-	-

1st year instalments	64.3	49.5	10.7	-	124.5
Total interest-bearing debt	181.3	498.7	145.8	123.2	949.1

In January 2015, Ocean Yield agreed with the banks financing the Aker Wayfarer to convert the existing loan facility from NOK into USD. The loan was converted at a USD/NOK exchange rate of 7.70, resulting in a total of USD 107.1 million outstanding under this loan facility at the time of conversion.

The Instalments relating to the FPSO includes an annual cash sweep of USD 16.5 million paid in Q1 2015.

Note 14 Share capital and dividends

In Q1 2015 certain members of senior management have acquired a total of 436,434 shares in the Company. The purchase of shares was made as part of the Company's management incentive program. As of 31st March 2015, the Company had a share capital of NOK 1,346,285,750 divided into 134,628,575 ordinary shares, each having a par value of NOK 10.00. Total treasury shares held were 23,070.

In Q1 2015 USD 19.2 million was paid in dividends, following the announcement of the Q4 2014 Results.

Note 15 Events after the balance sheet date

Post quarter end, Ocean Yield agreed to acquire eight newbuilding chemical tankers for a total consideration of USD 306.8 million in combination with 15-year bareboat charters to Navig8 Chemical Tankers Inc. ("Navig8 Chemical Tankers"). The first four vessels, being 37,000 dwt IMO II chemical carriers built by Hyundai Mipo Dockyard, Korea, are scheduled for delivery in Q2 and Q3 2015. The last four vessels, being 49,000 dwt IMO II chemical carriers built by STX Korea, are scheduled for delivery in Q1-Q3 2016. The transaction is fully financed by a fully underwritten bank financing of about 69 % of the gross purchase price, a seller's credit of about 10% and the remaining amount with equity. Navig8 Chemical Tankers will have certain options to acquire the vessels during the charter period, with the first option exercisable after five years. Furthermore Ocean Yield will provide Navig8 Chemical Tankers with a pre-delivery loan matching the remaining yard instalments for the STX vessels.

Subsequent to quarter end, Ocean Yield ASA signed a new revolving credit facility of USD 220 million with maturity in 2021 with a group of banks for the long-term financing of the vessel Aker Wayfarer.

Post quarter end, Ocean Yield closed a new unsecured bond issue of NOK 1,000 million with maturity in April 2020. The bonds carry a coupon of NIBOR + 4.00% p.a. with quarterly interest payments.