OCEAN YIELD ASA

Fourth Quarter and Preliminary Results 2015

FOURTH QUARTER 2015 REPORT

Contents

FOURTH QUARTER AND PRELIMINARY RESULTS 2015

Oslo, 17th February 2016, Ocean Yield ASA ("Ocean Yield" or the "Company") announces results for the fourth quarter and preliminary results for the year ending 31st December 2015.

HIGHLIGHTS

- The Board of Directors has declared a dividend of USD 0.1625 per share for Q4 2015. This is an increase of 0.50 cents per share compared with the previous quarter. On an annualized basis, the dividend equals USD 0.65 per share. Based on the closing share price as of 17th February 2016, this is a dividend yield of 10.7% p.a. This is the 9th consecutive dividend increase since the IPO of Ocean Yield in July 2013.

- EBITDA was USD 56.6 million for the fourth quarter 2015 compared with USD 53.9 million for the fourth quarter of 2014. Adjusted for finance lease effects, the EBITDA was USD 59.8 million in Q4 2015.

- Operating profit was USD 3.9 million for the fourth quarter 2015 compared with USD 27.1 million for the fourth quarter 2014. The Operating Profit for the fourth quarter 2015 includes an impairment charge of USD 28.6 million related to goodwill in Aker Contracting FP ASA, the owner of the FPSO *Dhirubhai-1*.

- Net profit after tax was USD 28.3 million for the fourth quarter 2015 compared with USD 30.5 million for the fourth quarter of 2014. The net profit for Q4 2015 includes a tax benefit of USD 24.6 million. Adjusted net profit was USD 28.0 million compared with USD 27.1 million in Q4 2014.

- Cash & cash equivalents were USD 117.7 million at the end of the fourth quarter 2015, Total assets were USD 2,024.8 million and the Book equity ratio was 35.0%

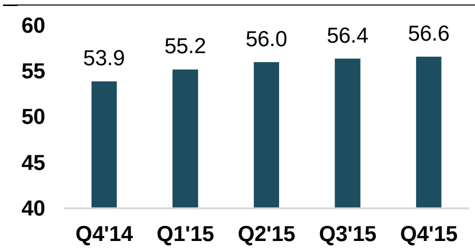
CONSOLIDATED KEY FIGURES

Selected key financial figures for the fourth quarter 2015 compared with the fourth quarter of 2014 and the full year 2015 compared with the full year 2014:

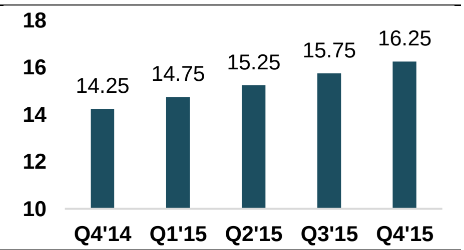
Consolidated key figures USD million	Q4 2015	Q4 2014	Jan-Dec 2015	Jan-Dec 2014
Revenues	65.6	62.1	256.7	249.3
EBITDA	56.6	53.9	224.2	216.7
Operating result (EBIT)	3.9	27.1	98.9	116.4
Net profit after tax	28.3	30.5	105.0	100.8
Adjusted net profit after tax*	28.0	27.1	108.5	97.5
Cash & cash equivalents	117.7	103.1	117.7	103.1
Equity ratio	35.0%	39.7%	35.0%	39.7%

**Adjusted for non-recurring items, foreign exchange gains/losses and mark-to-market of derivatives*

EBITDA (USD million)



Dividend per share (USD cents)



MAIN EVENTS DURING THE FOURTH QUARTER

- The Board of Directors has declared a quarterly dividend payment of USD 0.1625 per share for Q4 2015. The dividend of USD 0.1625 per share is on an annualized basis equal to USD 0.65 per share. The dividend will be paid on or about 3rd March 2016 to shareholders as of 22nd February 2016 registered with the Norwegian Central Securities Depository (the "VPS") as of 24th February 2016 (the "Record Date"). The ex-dividend date will be 23rd February 2016.

- In November, American Shipping Company ASA ("AMSC"), where Ocean Yield currently owns 93.05% of the unsecured bonds (ISIN NO 001 035651.2 – the "Bonds") issued by AMSC, closed its USD 450 million senior secured debt refinancing. As a consequence, the interest under the Bonds switched from 50% cash and 50% payment-in-kind to 100% cash. The Bonds carry a coupon of LIBOR + 6.00% p.a.

- In December, Ocean Yield agreed to certain amendments to the charter agreements with Höegh Autoliners ("Höegh") for four PCTC vessels on long term charter. Ocean Yield agreed to sell two newbuilding 8,500 PCTC vessels to Höegh and acquire two newbuilding sister vessels with earlier delivery dates from Höegh, under construction at the same yard. The vessels are expected to be delivered in Q1 and Q2 2016. New charter agreements have been entered into between Ocean Yield and Höegh for these vessels for periods of 12-years. The transaction will generate a positive cash effect of USD 15.6 million for Ocean Yield in 2016 and is not expected to have any material profit & loss effect.

  Further, Ocean Yield agreed with Höegh Autoliners to change the charter rates for the two newbuilding 8,500 CEU vessels and the two 6,500 CEU vessels "Höegh Jacksonville" and "Höegh Jeddah" from fixed interest rate basis to floating interest rate basis.

- The FPSO *Dhirubhai-1*, which is on long-term charter to Reliance Industries Ltd., showed steady performance during the quarter, with an operational utilisation of 99.8%.

FOURTH QUARTER FINANCIAL REVIEW

- **Total revenues** for Q4 2015 were USD 65.6 million compared with USD 62.1 million for Q4 2014. Of the Total revenues, USD 58.6 million is classified as Operating revenue and USD 7.0 million classified as Finance lease revenue. Due to several of the Company's long term charters being classified as finance leases, the charter hire received is higher than what is reported according to IFRS, as only the interest income under the lease is recognized in the Profit & Loss. Revenues were positively affected by full quarter earnings of the two chemical tankers delivered during the third quarter, being the *Navig8 Amessi* and the *Navig8 Azotic*. The FPSO *Dhirubhai-1* showed steady performance with operational utilisation of 99.8%.

- **Operating expenses:** Vessel operating expenses, which are solely related to the operation of the FPSO *Dhirubhai-1*, were USD 3.9 million for Q4 2015, compared with USD 3.9 million for Q4 2014. Wages and other personnel expenses were USD 4.0 million for Q4 2015, compared with USD 2.4 million for Q4 2014. The increase in Q4 2015 compared with Q4 2014 is mainly related to the share incentive plan for employees in Ocean Yield and is a result of the strong share price performance in 2015. Other operating expenses were USD 1.2 million for Q4 2015 compared with USD 1.9 million for Q4 2014.

- **EBITDA** was USD 56.6 million in Q4 2015 compared with USD 53.9 million in Q4 2014. Adjusted for finance lease effects, the EBITDA was USD 59.8 million in Q4 2015 as compared with USD 55.1 million in Q4 2014.

- **Depreciation and amortization** was USD 24.1 million in Q4 2015, compared with USD 23.1 million in Q4 2014. Impairment charges and other non-recurring items were USD 28.6 million in Q4 2015, compared with USD 3.8 million in Q4 2014. The impairment charge relates to goodwill in Aker Contracting FP ASA, a subsidiary of Aker Floating Production AS.

- **Financial income** was USD 4.7 million in Q4 2015 as compared with USD 4.7 million in Q4 2014. This amount relates mainly to interest income from the investment in bonds issued by American Shipping Company ASA ("AMSC"). Ocean Yield holds bonds with a book value of USD 192.6 million at the end of the quarter. This is about 96% of par value, which was USD 200.6 million.

- **Financial expenses** were USD 10.5 million in Q4 2015, as compared with USD 9.6 million in Q4 2014. The figure for Q4 2015 includes non-cash interest of USD 1.7 million related to the provision for potential decommissioning cost of the FPSO Dhirubhai-1 in 2018. Please refer to Note 16 for further information. Foreign exchange gains were USD 7.4 million in Q4 2015, compared with a gain of USD 22.4 million in Q4 2014. The foreign exchange amounts are mainly a result of the movements in the USD/NOK exchange rate, since Ocean Yield's bond loans are denominated in NOK. Mark-to-market of derivatives were negative USD 1.7 million in Q4 2015, as compared with negative USD 15.5

million in Q4 2014. The negative mark-to-market amount is mainly related to the cross currency interest rate swaps related to the Company's unsecured NOK bond loans and various interest rate swaps entered into in connection with the financing of the Company's vessels. The foreign exchange gains and negative mark-to-market amounts had no significant cash impact.

- **Income tax** was positive USD 24.6 million in Q4 2015, compared with USD 1.5 million in Q4 2014. USD 25.0 million in Q4 2015 relates to change in deferred tax assets. This is mainly related to tax losses carried forward where the related deferred tax asset has previously not been recognised in the balance sheet. Going forward, any tax on profits subject to income tax in the Company will be recognised as a cost through the Profit & Loss on a quarterly basis. As most of the Company's vessels are within the Norwegian tonnage tax system, taxable profits are mainly derived from the FPSO and the bonds held in American Shipping Company. Tax incurred will not be payable as long as the Company has unused net operating tax losses available to offset taxable income. For further information, please see Note 11.

- **The Net profit after tax** for Q4 2015 was USD 28.3 million compared with USD 30.5 million for Q4 2014. Adjusted for non-recurring items, mainly consisting of impairment charges, currency fluctuations, mark-to-market of derivatives and tax benefits, the net profit was USD 28.0 million as compared with USD 27.1 million in Q4 2014.

- **Cash & cash equivalents** at the end of the fourth quarter was USD 117.7 million, compared with USD 76.4 million at the end of the fourth quarter 2014. Furthermore, the Company has committed bank facilities in place for its newbuilding vessels as further described in Note 14.

- **Book equity** was USD 708.8 million at the end of Q4 2015, compared with USD 718.7 million at the end of Q4 2014. The equity ratio was 35.0% compared with 39.7% in Q4 2014. Total assets were USD 2,024.8 million in Q4 2015, compared with USD 1,810.9 million in Q4 2014.

2015 FINANCIAL REVIEW

- **Total revenues** for the year of 2015 were USD 256.7 million as compared with USD 249.3 million for the year of 2014.

- **EBITDA** was USD 224.2 million for the year of 2015, compared with USD 216.7 million for the year of 2014.

- **Depreciation** was USD 96.7 million in 2015, compared with USD 96.4 million in the year of 2014. Impairment charges in 2015 were USD 28.6 million compared with USD 3.8 million in 2014.

- **Operating Profit** was USD 98.9 million as compared with USD 116.4 million for the year of 2014.

- **Financial income** was USD 18.2 million for the year of 2015, compared with USD 30.2 million for the year 2014. Financial income in the year of 2014 includes a one- off effect from the amendments of the bonds in American Shipping Company of USD 11.5 million that was recognized in 2014.

- **Financial expenses** were USD 37.6 million in the year 2015, compared to USD 50.2 million in the year of 2014. Of the total financial expenses in 2015, USD 1.7 million of financial expenses are related to the potential decommissioning cost of the FPSO *Dhirubhai-1*. The USD 1.7 million did not have any cash impact. The figure for the year 2014 includes one-off effects related to the repurchase of outstanding Ocean Yield bonds and the refinancing of the car carriers, where accrued commitment fees and bank fees related to the old loans were recognized in the Profit & Loss.

- **Net profit after tax** was USD 105.0 million in the year 2015, compared to USD 100.8 million for the year 2014. Adjusted for non-recurring items, the net profit for the year 2015 was USD 108.5 million compared with USD 97.5 million in 2014.

- **Book equity** was USD 708.8 million at the end of 2015, compared with USD 718.7 million at the end of 2014. A provision has been made during 2015 related to a potential decommissioning of the FPSO *Dhirubhai-1* upon expiry of the contract in 2018. Reliance industries Ltd. ("RIL") has in accordance with the contract an option to purchase *Dhirubhai-1*. If RIL exercises the purchase option, any decommissioning cost will be for their account. However, if the purchase option is not exercised or the contract is not extended, the *Dhirubhai-1* must be demobilized from the field at the end of the current contract in September 2018. RIL exercising the purchase option has been viewed as the most likely scenario. However, IFRS requires that the present value of the estimated decommissioning cost should be included as part of the acquisition cost of *Dhirubhai-1* with a corresponding provision, due to the potential decommissioning obligation arising from the installation. As a result, an adjustment of USD 24.9 million has been made to the opening equity of Ocean Yield in 2015. Please refer to Note 16 for further information.

FLEET STATUS

The charter backlog at the end of the fourth quarter was USD 2.77 billion in revenues and USD 2.69 billion on an EBITDA* basis and the average remaining contract tenor (weighted by EBITDA) was 10.3 years.

Vessel	Client	Contract expiry	Remaining tenor (years)	EBITDA backlog USDm*
Chemical carriers (8 vessels)	Navig8 Chemical Tankers Inc.**	2030/2031	14.8	423
LR2 product tankers (4 vessels)	Navig8 Product Tankers Inc.**	2029	13.0	268
Aker Wayfarer	AKOFS Offshore AS / Akastor ASA	Sep '27	11.8	402
Car Carriers (6 vessels)	Höegh Autoliners Holding AS	Jun '22/May '28	10.5	408
Dhirubhai-1	Reliance Ind. Ltd	Sep '18	2.7	305
LEG Carriers (3 vessels)	Hartmann SPVs / SABIC Petrochemicals B.V.	2026/2027	10.0	315
Lewek Connector	EMAS AMC AS / EZRA Holdings Ltd	Oct '22	6.8	260
SBM Installer	SBM Holding Inc.	Dec '26	11.0	172
Far Senator / Far Statesman	Farstad Supply AS	Mar/Jun '25	9.3	142
Total				**2,695**
Number of vessels (including 13 newbuildings)				27

* *Figures are based on management's estimates which may be subject to change. These include assumptions on operating expenses on the Dhirubhai-1, certain purchase options in bareboat charter contracts not being exercised, adjustments made for finance lease effects and the forward USD LIBOR interest rates for floating rate lease agreements.*

** *Navig8 Chemical Tankers Inc. and Navig8 Product Tankers Inc. are companies with separate shareholder structures.*

RISKS

Ocean Yield is exposed to a number of risks, including counterparty risk, financing risk, interest rate risk, currency risk, vessel construction risk (including risk for late delivery of vessels) and residual value risk. The Company is also exposed to operating risk on the FPSO *Dhirubhai-1*, and may be subject to demobilisation risk on the FPSO if the purchase option is not exercised. As all vessels are fixed on long-term charters, the challenging market conditions within the oil-service sector does not have a direct impact on Ocean Yield. However, a continued situation with low activity in the oil-service sector may lead to certain counterparties being adversely affected, which again may lead to potential amendments to charter contracts.

For a more detailed description of risk factors, please refer to the annual report for 2014, which is available on www.oceanyield.no.

OUTLOOK

Ocean Yield has since the inception of the Company built a large and diversified portfolio of long term charters that secures visibility with respect to both earnings and dividend capacity. The Company has 13 newbuildings on order, and these vessels will contribute to increased earnings as well as diversification of the charter portfolio through new counterparties and shipping segments.

As of Q4 2015 all counterparties were performing according to contract. However, the Board of Directors expect that 2016 and 2017 will be challenging years for companies within the oil-service sector, and also some of Ocean Yield's counterparties may be negatively affected by the challenging market conditions.

Despite a difficult oil-service market, Ocean Yield's has a strong financial position, an EBITDA backlog of USD 2.7 billion and all vessels on long-term charter. The Company's dividend policy remains unchanged.

17th February 2016
Ocean Yield ASA

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Chairman	*Director*	*Director*
Anne Christin Døvigen	**Jens Ismar**	**Lars Solbakken**
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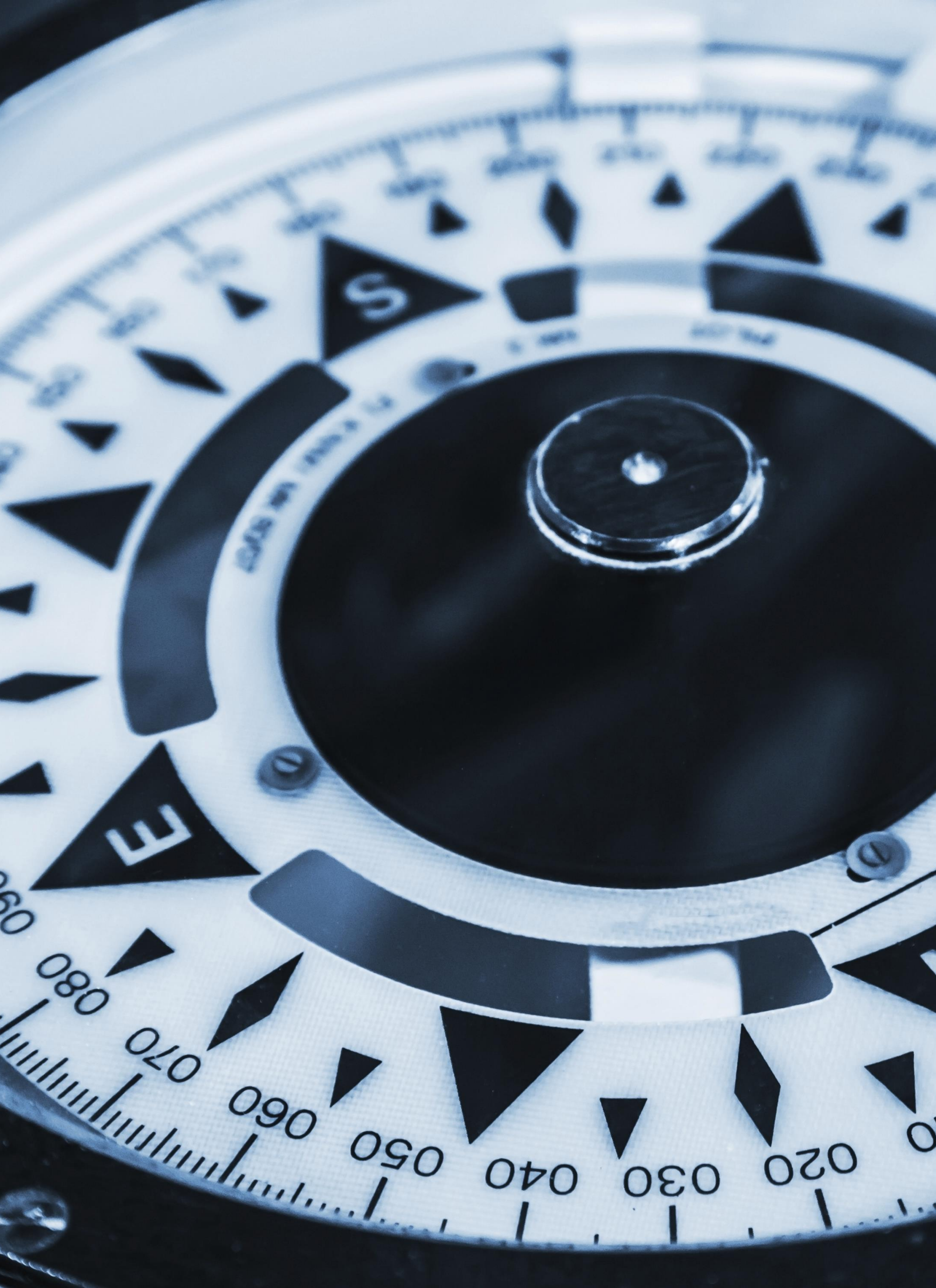
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Ocean Yield ASA Group condensed consolidated financial statement for the fourth quarter 2015

INCOME STATEMENT

Amounts in USD million	Note	3rd Quarter 2015	4th Quarter 2015	4th Quarter 2014	Jan - Dec 2015	Jan - Dec 2014
Operating revenues		58.7	58.6	56.1	233.1	243.3
Finance lease revenue		6.6	7.0	6.0	23.6	6.0
Total revenues	**5**	**65.3**	**65.6**	**62.1**	**256.7**	**249.3**
Vessel operating expenses	6	(4.4)	(3.9)	(3.9)	(15.5)	(14.6)
Wages and other personnel expenses	7	(3.5)	(4.0)	(2.4)	(12.6)	(9.5)
Other operating expenses		(1.0)	(1.2)	(1.9)	(4.5)	(8.4)
EBITDA	5	**56.4**	**56.6**	**53.9**	**224.2**	**216.7**
Depreciation and amortization	12	(24.1)	(24.1)	(23.1)	(96.7)	(96.4)
Impairment charges and other non-recurring items	8	0.1	(28.6)	(3.8)	(28.6)	(3.8)
Operating profit		**32.4**	**3.9**	**27.1**	**98.9**	**116.4**
Financial income	9	4.5	4.7	4.7	18.2	30.2
Financial expenses		(8.9)	(10.5)	(9.6)	(37.6)	(50.2)
Foreign exchange gains/losses		19.5	7.4	22.4	41.5	29.6
Mark to market of derivatives	10	(24.8)	(1.7)	(15.5)	(40.5)	(22.5)
Net financial items		**(9.7)**	**(0.1)**	**2.0**	**(18.4)**	**(12.9)**
Net profit before tax		**22.7**	**3.7**	**29.0**	**80.4**	**103.6**
Income tax expense (-) /benefit (+)		0.0	24.6	1.5	24.6	(2.8)
Net profit after tax		**22.7**	**28.3**	**30.5**	**105.0**	**100.8**
Attributable to:						
Equity holders of the parent		22.7	27.7	30.5	104.0	100.7
Non-controlling interests		(0.0)	0.6	0.1	1.0	0.1
Net profit after tax		**22.7**	**28.3**	**30.5**	**105.0**	**100.8**
Weighted avg. number of shares outstanding		134.5	134.6	134.1	134.5	134.1
Basic and diluted earnings per share (USD)		**0.17**	**0.21**	**0.23**	**0.77**	**0.75**

TOTAL COMPREHENSIVE INCOME

Amounts in USD million	3rd Quarter 2015	4th Quarter 2015	4th Quarter 2014	Jan - Dec 2015	Jan - Dec 2014
Net profit after tax for the period	22.7	28.3	30.5	105.0	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)	-	0.1	(0.2)	0.1	(0.2)
Total for items that will not be reclassified to the income statement	**-**	0.1	**(0.2)**	0.1	**(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)
Currency translation differences	(5.5)	(1.5)	(14.0)	(11.1)	(19.9)
Total for items that are or may be reclassified to the income statement	**(5.5)**	(1.5)	**(14.0)**	(11.1)	**(28.3)**
Total change in other comprehensive income, net of income tax	**(5.5)**	(1.3)	**(14.2)**	(11.0)	**(28.4)**
Total comprehensive income for the period	**17.2**	**27.0**	**16.4**	**94.0**	**72.3**
Attributable to:					
Equity holders of the parent	17.2	26.4	16.3	93.0	72.3
Non-controlling interests	(0.0)	0.6	0.1	1.0	0.1
Total comprehensive income for the period	**17.2**	**27.0**	**16.4**	**94.0**	**72.3**

BALANCE SHEET

Amounts in USD million	Note	30 September 2015	31 December 2015	31 December 2014
ASSETS				
Vessels and equipment	12	1 250.4	1 239.5	1 308.0
Intangible assets		38.3	9.8	38.3
Deferred tax assets		11.5	36.4	11.4
Restricted cash deposits		23.6	24.6	20.1
Finance lease receivables and related assets	13	355.5	388.1	159.7
Investments in AMSC bonds	9	189.6	192.6	180.9
Other interest-bearing long term receivables		0.6	0.6	0.5
Total non-current assets		**1 869.6**	**1 891.6**	**1 719.0**
Trade receivables and other interest-free receivables		13.4	15.5	15.6
Cash and cash equivalents		103.1	117.7	76.4
Total current assets		**116.4**	**133.2**	**92.0**
Total assets		**1 986.1**	**2 024.8**	**1 810.9**
EQUITY AND LIABILITIES				
Share capital		222.8	222.8	222.3
Treasury shares		(0.1)	(0.1)	(0.0)
Other paid-in capital		455.2	455.2	453.8
Total paid-in capital	17	**678.0**	**678.0**	**676.1**
Retained earnings and translation reserves		38.7	19.2	32.0
Total equity attributable to equity holders of the parent		**716.7**	**697.2**	**708.1**
Non-controlling interests		11.0	11.6	10.6
Total equity		**727.6**	**708.8**	**718.7**
Interest-bearing debt	15	1 015.8	974.8	852.9
Deferred tax liabilities		(0.0)	-	(0.0)
Pension liabilities		0.5	0.3	0.6
Mobilization fee and advances		33.7	31.2	41.2
Mark to market of derivatives		67.0	68.7	30.7
Non-current provisions – decommissioning liabilities	16	-	26.6	-
Other interest-free long term liabilities		2.1	2.2	1.7
Total non-current liabilities		**1 119.0**	**1 103.9**	**927.0**
Interest-bearing short term debt	15	121.4	184.1	141.6
Current provisions		-	-	1.4
Mark to market of derivatives		5.6	5.6	3.0
Trade and other payables		12.4	22.5	19.2
Total current liabilities		**139.4**	**212.1**	**165.2**
Total liabilities		**1 258.5**	**1 316.0**	**1 092.2**
Total equity and liabilities		**1 986.1**	**2 024.8**	**1 810.9**

CHANGE IN EQUITY

Amounts in USD million	Share capital	Other paid-in capital	Treasury Shares reserve	Trans-lation reserve	Fair value reserve	Retained earnings	Share-holders equity	Non controll-ing interests	Total equity
Balance at 31 December 2013	**221.6**	**452.6**	**-**	**(10.7)**	**8.4**	**31.8**	**703.7**	**-**	**703.7**
Net profit after tax for the period	-	-	-	-	-	100.7	100.7	0.1	100.8
Other comprehensive income	-	-	-	(19.9)	(8.4)	(0.2)	(28.4)	-	(28.4)
Total comprehensive income	**-**	**-**	**-**	**(19.9)**	**(8.4)**	**100.5**	**72.3**	**0.1**	**72.3**
Issuance of ordinary shares	0.7	1.2	-	-	-	-	1.9	-	1.9
Dividend	-	-	-	-	-	(69.1)	(69.1)	-	(69.1)
Treasury shares acquired	-	-	(2.3)	-	-	-	(2.3)		(2.3)
Treasury shares sold	-	-	2.2	-	-	(0.4)	1.7	-	1.7
Non-controlling interests	-	-	-	-	-	-	-	10.5	10.5
Balance at 31 December 2014	**222.3**	**453.8**	**(0.2)**	**(30.6)**	**-**	**62.8**	**708.1**	**10.6**	**718.7**
Net profit after tax for the period	-	-	-	-	-	104.0	104.0	1.0	105.0
Other comprehensive income	-	-	-	(11.1)	-	0.1	(11.0)	-	(11.0)
Total comprehensive income	**-**	**-**	**-**	**(11.1)**	**-**	**104.1**	**93.0**	**1.0**	**94.0**
Issuance of ordinary shares	0.6	1.4	-	-	-	-	2.0	-	2.0
Dividend	-	-	-	-	-	(80.7)	(80.7)	-	(80.7)
Treasury shares acquired	-	-	(1.1)	-	-	-	(1.1)	-	(1.1)
Treasury shares sold	-	-	1.0	-	-	(0.1)	0.9	-	0.9
Correction of decommissioning obligation from previous years (see note 16)	-	-	-	-	-	(24.9)	(24.9)	-	(24.9)
Balance at 31 December 2015	**222.8**	**455.2**	**(0.3)**	**(41.7)**	**-**	**61.2**	**697.3**	**11.6**	**708.8**

CASH FLOW STATEMENT

Amounts in USD million	3rd Quarter 2015	4th Quarter 2015	4th Quarter 2014	Jan - Dec 2015	Jan - Dec 2014
Profit before tax	22.7	3.7	29.0	80.4	103.6
Depreciation and amortization	24.1	52.7	26.9	125.3	100.2
Other changes in operating activities	2.8	(0.5)	(13.2)	(16.5)	(20.5)
Net cash flow from operating activities	**49.6**	**56.0**	**42.7**	**189.2**	**183.3**
Acquisition of vessels and equipment	(16.1)	(17.7)	(172.9)	(52.2)	(367.8)
Proceeds from sale of vessels	-	-	8.2	-	8.2
Acquisition of vessels accounted for as finance lease	(65.3)	-	-	(130.5)	-
Repayment on finance lease receivables	3.2	3.2	4.0	10.8	4.0
Net cash flow from / (investments in) other non-current assets	(60.2)	(36.7)	(16.5)	(113.6)	(16.5)
Net change in long-term interest-bearing receivables	(3.5)	(1.0)	(0.0)	(4.7)	(1.6)
Net cash flow from investing activities	**(141.9)**	**(52.3)**	**(177.2)**	**(290.1)**	**(373.7)**
Proceeds from issuance of long-term interest-bearing debt	144.8	66.6	109.4	513.1	474.0
Repayment of long-term interest-bearing debt	(23.7)	(34.5)	(38.9)	(291.5)	(281.5)
Dividends paid	(20.5)	(21.2)	(18.5)	(80.7)	(69.1)
Proceeds from issuance of new equity	(0.0)	0.0	(0.0)	2.0	1.9
Non-controlling interests	-	-	10.5	-	10.5
Net change in treasury shares	0.3	0.3	0.2	(0.3)	(0.7)
Net cash flow from financing activities	**100.9**	**11.2**	**62.8**	**142.6**	**5.0**
Net change in cash and cash equivalents	**8.6**	**14.8**	**(71.7)**	**41.7**	**(55.4)**
Exchange rate differences	(0.1)	(0.1)	(0.1)	(0.3)	(1.2)
Cash and cash equivalents at the beginning of the period	94.6	103.1	148.2	76.4	132.9
Cash and cash equivalents at the end of the period	**103.1**	**117.7**	**76.4**	**117.7**	**76.4**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT FOR OCEAN YIELD ASA FOR THE FOURTH QUARTER

Note 1 Introduction – Ocean Yield ASA

Ocean Yield ASA is a company domiciled in Norway. The condensed consolidated interim financial statements for the fourth quarter and twelve months ending 31 December 2015 comprise Ocean Yield ASA and its subsidiaries (together referred to as the "Group"). The financial statement for the fourth quarter and twelve months ending 31 December 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 17 February 2016.

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 *Amounts in USD million*	3rd Quarter 2015	4th Quarter 2015	4th Quarter 2014	Jan - Dec 2015	Jan - Dec 2014
FPSO	34.8	35.1	34.1	138.3	136.8
Other Oil Service	22.6	22.3	21.8	90.1	100.0
Gas Carriers	-	-	-	-	-
Car Carriers	6.1	5.9	6.1	24.2	12.5
Other Shipping	1.7	2.3	-	4.2	-
Total revenues	**65.3**	**65.6**	**62.1**	**256.7**	**249.3**

EBITDA *Amounts in USD million*	3rd Quarter 2015	4th Quarter 2015	4th Quarter 2014	Jan - Dec 2015	Jan - Dec 2014
FPSO	29.0	29.6	28.0	117.1	111.7
Other Oil Service	22.5	22.3	21.6	89.8	99.7
Gas Carriers	(0.0)	-	(0.0)	(0.0)	(0.0)
Car Carriers	6.1	5.9	6.1	24.1	12.3
Other Shipping	1.7	2.3	-	4.2	-
Other companies and eliminations	(3.0)	(3.5)	(1.8)	(11.0)	(6.9)
EBITDA	**56.4**	**56.6**	**53.9**	**224.2**	**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 4.0 million in Q4 2015 compared with USD 2.4 million in Q4 2014, and USD 12.6 million in 2015 compared with USD 9.5 million in of 2014. The increase in Q4 2015 compared with Q4 2014 is mainly related to the share incentive plan for employees in Ocean Yield and is a result of the strong share price performance in 2015. These figures include all land based personnel in Ocean Yield and Aker Floating Production, which counted a total of 20 persons as of Q4 2015.

Note 8 Impairment charges and other non-recurring items

Impairment charges and other non-recurring items were USD 28.6 million in Q4 2015, compared with USD 3.8 million in Q4 2014. The impairment charge in Q4 2015 relates to goodwill in Aker Contracting FP ASA, a subsidiary of Aker Floating Production AS, and originates from the acquisition of Aker Contracting FP ASA in 2006, which had developed the AKER S.M.A.R.T concept for constructing a generic, cost effective FPSO.

The Company reviews goodwill for impairment on a yearly basis or more frequently if circumstances indicate any impairment. An impairment loss is recognized if the estimated recoverable amount is lower than the carrying amount of the asset. At year-end 2015 the value in use of the FPSO, calculated as the present value of the future cash flows, is USD 28.6 million lower than the book value of the vessel and goodwill, resulting in a corresponding impairment charge. The remaining net book value of goodwill as of 31 December 2015 was USD 9.8 million.

In the impairment test the Group considered the impact of the current economic climate and several possible scenarios at the end of the current contract term for the FPSO. The value in use was then determined based upon a probability weighting of the expected cash flows.

Note 9 Financial income

Financial income in Q4 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. where 50% have been payable as cash interest and 50% have been paid in kind (“PIK”). In Q4 2015 AMSC refinanced its secured vessel debt, and in connection with this debt refinancing AMSC agreed with its bondholders to increase the cash interest payments from 50% to 100%. It was also agreed that the Company will not use its option to extend the bond beyond the final maturity date in February 2018.

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 fourth quarter of 2015, interest income of USD 4.7 million was recorded related to the AMSC bonds, and in 2015 USD 18.1 million have been recorded as interest income related to the bonds.

Note 10 Mark to market of derivatives and other financial instruments recorded at fair value

Mark-to-market of derivatives was negative USD 1.7 million in Q4 2015, and negative USD 40.5 million in 2015. This is mainly related to one cross currency interest rate swap related to the bond issue OCY 02, where NOK 590 million has been swapped from NIBOR + 3.90% p.a. to LIBOR + 4.603% p.a. and three cross currency interest rate swaps related to OCY 03, where NOK 1,000 million has been swapped from NIBOR + 4.00% p.a. to LIBOR +4.45% p.a. In addition the Group has entered into several interest rate swaps related to vessel financings. At the end of December 2015 the cross currency interest rates swaps are the Group's most significant financial instruments recorded at fair value, and are considered by the Group to be level 2 financial instruments under the fair value hierarchy.

Note 11 Income tax

An income tax benefit of USD 24.6 million was recognized in Q4 2015, compared with USD 1.5 million in Q4 2014. USD 25.0 million relates to change in the assessment of the recoverability of certain of the Group's deferred tax assets. Deferred tax assets are recognized for all deductible temporary differences and all carry-forwards of unused tax assets and unused tax losses, to the extent that it is probable that future taxable profits will be available against which such deductible temporary differences and carry-forwards can be offset. The Group has been carefully evaluating the timing of recognition of its deferred tax assets in recent years and has had taxable income in Norway each of the past three years prior to consideration of tax losses carried forward. The Group believes that due to this earnings history, the significant levels of taxable income in 2015 and the ability to project future taxable income, it was appropriate to recognize previously unrecognized deferred tax assets in Q4 2015. Estimates of future taxable profits show that the Group is able to utilize all of the tax losses carried forwards in the foreseeable future based primarily on revenue from the FPSO Dhirubhai-1, which is taxed outside the Norwegian tonnage tax regime, and projected financial income from AMSC bonds. A deferred tax asset of USD 36.4 million have thus been recognized. Because substantially all of the income used to determine taxable income in Norway is received in US dollars and taxable income is determined in Norwegian Kroner, foreign currency exchange rates could have a significant impact on the measurement of income tax expense, deferred taxes and taxes payable.

Note 12 Vessels and equipment

Material changes in vessels and equipment during 2015:

Amounts in USD million	FPSO	Other Oil Service	Gas Carriers	Car Carriers	Other /elim	Total
Balance at 1 January	459.3	585.2	24.7	234.7	4.1	1 308.0
Acquisitions	0.8	(0.0)	-	-	0.4	1.1
Advances	-	-	41.5	6.2	3.4	51.1
Disposals	-	-	-	-	-	-
Depreciation	(57.2)	(29.2)	-	(10.0)	(0.3)	(96.7)
Effect of movements in foreign exchange	-	(23.9)	-	-	-	(23.9)
Balance at 31 December 2015	**402.8**	**532.1**	**66.2**	**230.9**	**7.6**	**1 239.5**

Vessels defined as finance leases are not included in Note 12 but included in Note 13 Finance lease receivables and related assets

Note 13 Finance lease receivables and related assets

Finance lease receivables and related assets of USD 388 million at 31 December 2015 are related to the vessel Aker Wayfarer, eight chemical tankers, where four vessels are under construction, and four product tankers, also under construction.

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, a 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 paid to the yard 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 Q3 2016.

The eight chemical tankers that will be chartered to Navig8 Chemical Tankers Inc. are accounted for as finance leases. At the delivery of the vessels a receivable equal to the net investment in the lease is recognized as an interest-bearing long term receivable. Income is reported in the income statement as finance lease revenue in a way that produces a constant rate of return on the investment during the contract period adjusted from time to time due to changes in the estimated residual value. Pre-delivery advances related to the four chemical tankers that are scheduled for delivery in Q1-Q3 2016 are presented with the finance lease receivables. The pre-delivery advances are at this point not included in the net investment used for calculating the finance lease interest, but will be included from the time of vessel delivery.

The four product tankers that will be chartered to Navig8 Product Tankers Inc. are accounted for as finance leases. At the delivery of the vessels a receivable equal to the net investment in the lease is recognized as an interest-bearing long term receivable. Income is reported in the income statement as finance lease revenue in a way that produces a constant rate of return on the investment during the contract period adjusted from time to time due to changes in the estimated residual value. Pre-delivery advances related to the vessels, which are scheduled for delivery in Q1-Q3 2016 are presented together with the finance lease receivables but are at this point not included in the net investment used for calculating the finance lease interest, but will be included from the time of vessel delivery.

In Q4 2015 USD 7.0 mill has been recognized as finance lease revenue related to the vessel Aker Wayfarer and the four chemical tankers that have been delivered. On a cash basis, USD 10.2 million was received in bareboat hire during the quarter. In 2015 USD 23.6 million has been recognized as finance lease revenue, while USD 34.5 was received in bareboat hire during the same period.

Other Oil Service

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

Amounts in USD million	Gross Investment in finance lease receivables	Effect of discounting	Present value of minimum lease payments
Lease payments receivable:			
Less than one year	36.2		33.3
Between one and five years	165.1		108.4
More than five years	264.4		74.6
Lease investments:			
Less than one year	(89.2)		(84.0)
Total finance lease receivables	**376.6**	**(244.3)**	**132.2**
Instalments paid related to modification of Aker Wayfarer			34.9
Total finance lease receivables and related assets			**167.1**

The gross investments above include unguaranteed residual values of a total of USD 59 million.

Other Shipping

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

Amounts in USD million	Gross Investment in finance lease receivables	Effect of discounting	Present value of minimum lease payments
Lease payments receivable:			
Less than one year	13.2		12.7
Between one and five years	64.9		50.6
More than five years	145.6		64.9
Total finance lease receivables	**223.8**	**(95.5)**	**128.2**
Pre-delivery advances			92.7
Total finance lease receivables and related assets			**221.0**

The gross investments above include unguaranteed residual values of a total of USD 40 million.

Note 14 Contractual obligations

Ocean Yield had as per 31 December 2015 the following contractual obligations related to the purchase of vessels:

Amounts in USD million	FPSO	Other Oil Service	Gas Carriers	Car Carriers	Other Shipping	Total
Already paid	-	34.1	64.8	31.1	92.6	222.6
2016	-	55.1	81.0	93.6	239.8	469.6
2017	-	-	97.2	-	-	97.2
Total contractual obligations	**-**	**89.2**	**243.0**	**124.7**	**332.4**	**789.3**
Total remaining payments	-	55.1	178.2	93.6	239.8	566.8
Estimated / secured bank financing	-	69.2*	180.0**	94.0*	224.1*	567.3
Estimated payments to be funded by cash						**(0.5)**

*Already secured bank commitments

**Estimated bank financing

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 11. Instalments related to the modification work are presented with the finance lease receivable, and is not included in vessels and equipment in note 12. 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 Q4 2016 – Q1 2017. 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 Q1-Q2 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 four chemical tankers and four product tankers under construction. The figures are net of seller's credit in the transactions. The four chemical tankers, being 49,000 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 chemical tankers for a total of USD 112 million. The four product tankers, being 115,000 dwt LR2 product tankers are built at Sungdong Shipbuilding & Marine Engineering Co., Ltd, Korea and are scheduled for delivery in Q1-Q3 2016. Long term financing has been secured for the product tankers for a total of USD 148 million. The eight vessels are accounted for as finance leases, see note 13. Pre-delivery advances related to the vessels are presented together with the finance lease receivables, and are not included in note 12 *Vessels and equipment.*

Note 15 Interest-bearing debt

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

Amounts in USD million	FPSO	Other Oil Service	Car Carriers	Other Shipping	Other /elim	Total
Balance at 1 January	196.0	515.4	148.6	-	134.6	994.6
New loans	50.5	151.8	54.8	135.9	131.2	524.2
Paid loan fees	-	(2.7)	(0.8)	(6.2)	(1.4)	(11.1)
Instalments	(79.8)	(143.7)	(65.5)	(2.5)	-	(291.5)
Effect of movements in foreign exchange and loan fees amortized	0.8	(19.7)	0.4	0.1	(39.0)	(57.3)
Total interest-bearing debt	**167.5**	**501.2**	**137.5**	**127.3**	**225.4**	**1 158.9**

Amounts in USD million	FPSO	Other Oil Service	Car Carriers	Other Shipping	Other/elim	Total
Long-term interest-bearing debt	81.4	456.5	126.8	84.8	225.4	974.8
1st year instalments	86.1	44.7	10.7	42.6	0.0	184.1
Total interest-bearing debt	**167.5**	**501.2**	**137.5**	**127.3**	**225.4**	**1 158.9**

In April, Ocean Yield ASA signed a new revolving credit facility of USD 220 million with maturity in 2021 with a group of banks for the refinancing of the vessel Aker Wayfarer. The documentation process was finalized in May and the Company had USD 150 million drawn on the loan facility at the end of the fourth quarter. The loan carries an interest rate of LIBOR + 2.00% p.a. and amortises down to a balloon of USD 120 million in 2021, with the first reduction scheduled in Q3 2016.

In April, 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, closing at the bottom of the indicated price range. The proceeds will be used for further growth and general corporate purposes. The Company has subsequently entered into cross currency interest rate swaps for NOK 1,000 million with an average interest rate of LIBOR + 4.45% p.a.

In April, Ocean Yield agreed to acquire eight newbuilding chemical tankers for a total consideration of USD 306.8 million. The transaction is funded by a committed bank facility of USD 212 million. The loan carries an interest rate of LIBOR + 2.00% p.a.

In July, Ocean Yield agreed to acquire four newbuilding 115,000 dwt LR2 product tankers for a total consideration of USD 198.1 million. The transaction is funded by a committed bank facility of USD 148 million. The loan carries an interest rate of LIBOR + 2.00% p.a.

Note 16 Non-current provisions

Amounts in USD million	Decommissioning obligation	**Total**
Balance as at 1 January 2015	-	-
Correction from previous years recorded against equity	(24.9)	**(24.9)**
Accretion expense	(1.7)	**(1.7)**
Balance as at 31 December 2015	**(26.6)**	**(26.6)**

The non-current decommissioning obligation reported above is related to the FPSO Dhirubhai-1. The unit is currently on a contract with Reliance Industries Ltd. (RIL) that expires in September 2018. RIL has in accordance with the contract an option to purchase Dhirubhai-1. If RIL exercises the purchase option, any decommissioning cost will be for their account. However, if the purchase option is not exercised or the contract is not extended, the Dhirubhai-1 must be demobilized from the field at the end of the current contract in September 2018.

RIL exercising the purchase option has been viewed as the most likely scenario. However, IFRS requires that the present value of the estimated decommissioning cost should be included as part of the acquisition cost of Dhirubhai-1 with a corresponding provision, due to the potential decommissioning obligation arising from the installation. Prior to Q4 2015, the Group had not reflected the effects of the estimated decommissioning provision for the Dhirubhai-1, which has been operating since September 2008, in its financial statements. The Group did not restate its 2014 financial statements for this error as it determined that the impact to equity as of 1 January 2014 or to the income statements for the year ended 31 December 2014 would not be material. To reflect this a correction has been made to the opening equity of Ocean Yield in 2015.

The amount and timing of settlement in respect of the potential decommissioning cost are uncertain and dependent on a number of factors. A total decommissioning cost of USD 32 million in September 2018 has been estimated, where USD 26.6 million has been recognised in the balance sheet as of Q4 2015, representing the present value of the obligation. The remaining estimated USD 5.4 million will be recognized over the Profit and Loss during the remaining term of the contract, which expires in September 2018.

Note 17 Share capital and dividends

In Q4 2015 certain members of senior management have acquired a total of 43,637 shares in the Company. The purchase of shares was made as part of the Company's management incentive program. As of 31 December 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 number of treasury shares held were 42,813

In Q4 2015 USD 21.2 million was paid in dividends, following the announcement of the Q3 2015 Results.

Note 18 Events after the balance sheet date

No specific events to report.