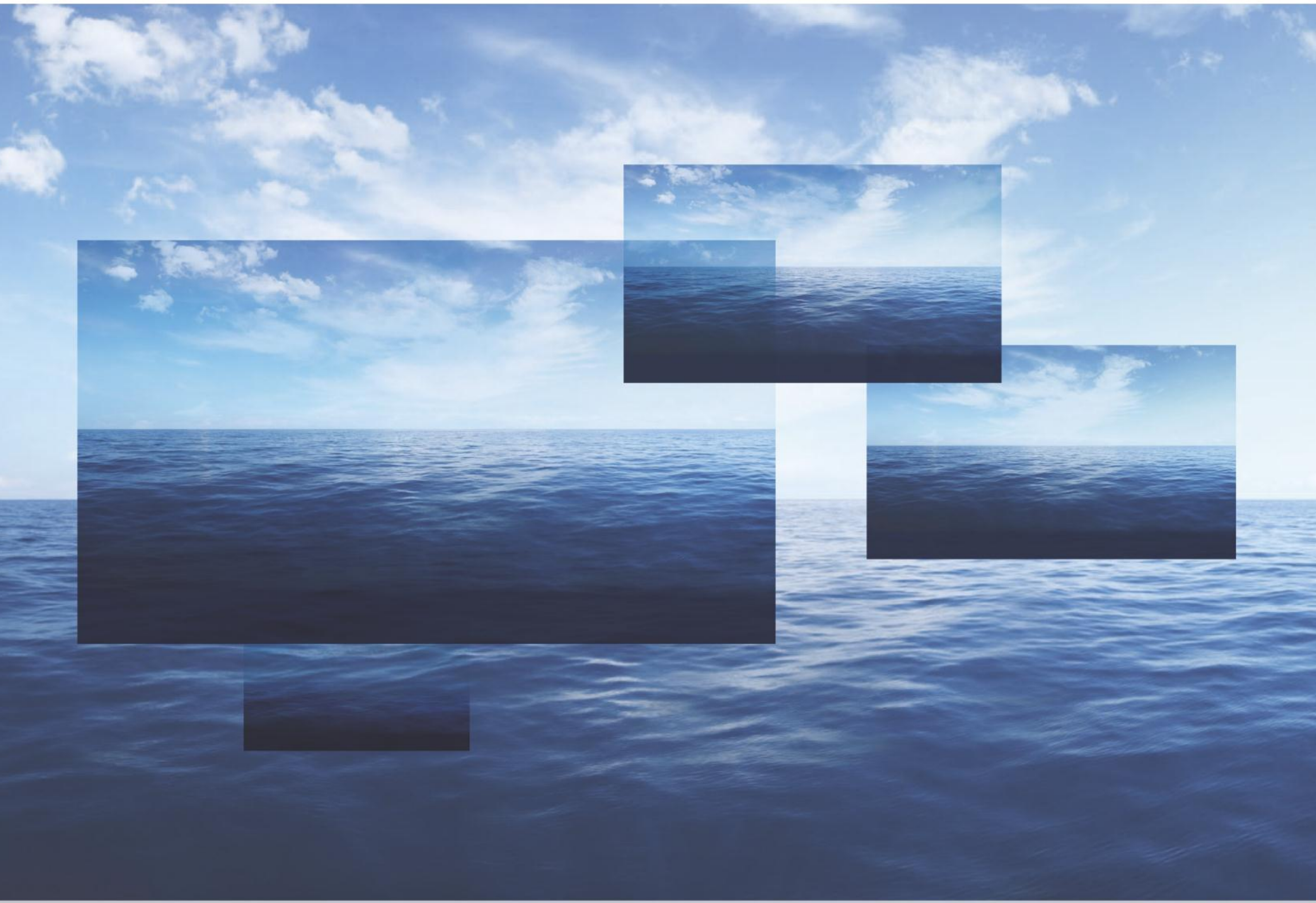

OCEAN YIELD ASA

Third Quarter 2013 Report

Third Quarter 2013 Report

Oslo, 11th November 2013, Ocean Yield ASA ("Ocean Yield" or the "Company") announces preliminary results for the third quarter ending 30th September, 2013.

Highlights

- The Board of Directors has declared a dividend of USD 0.12 per share. On an annualized basis, this equals USD 0.48 per share, which is above Ocean Yield's previously communicated annual dividend target of USD 0.46 per share.
- EBITDA was USD 55.6 million for the third quarter 2013 compared to USD 38.1 million for the third quarter 2012.
- Net Profit after tax was USD 19.1 million for the third quarter 2013 compared to USD 12.1 million for the third quarter 2012. Adjusted Net Profit after tax for the third quarter 2013 was USD 24.9 million, which includes adjustments for non-cash foreign exchange losses of USD 3.3 million, mark-to-market of derivatives of negative USD 2.7 million and other non-recurring items of USD 0.2 million.
- In July, Ocean Yield completed a Public Offering of 33.7 million new shares. The shares commenced trading on the Oslo Stock Exchange on 5th July 2013.
- In September, Ocean Yield entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 8 500 car capacity with Xiamen Shipbuilding Industry Co. Ltd. The vessels will be delivered in January and April 2016 respectively, and will after delivery be chartered on 12-year bareboat charter contracts to Höegh Autoliners.
- Selected key financial figures for the third quarter 2013 compared to the third quarter of 2012 and Jan - Sep 2013 compared to pro-forma Jan - Sep 2012 figures:

Consolidated key numbers - USD million	Q3 2013	Q3 2012	Jan – Sep 2013	Jan-Sep 2012 (pro-forma)
Revenues	61.8	46.0	178.4	137.2
EBITDA	55.6	38.1	155.0	112.1
Net profit after tax	19.1	12.1	56.2	33.7
Basic and diluted earnings per share – USD	0.14	0.12	0.51	
Average no. of shares (million)	132.3	100	110.9	
Cash	148.7	202.2		
Total assets	1693.4	1282.7		
Interest bearing debt	911.8	650.3		
Net interest bearing debt	740.9	428.1		
Total equity	687.8	520.6		
Equity Ratio	40.6%	40.6%		

Main events during the third quarter

- In November, an extraordinary general meeting was held in Ocean Yield, were the Board of Directors was authorized to pay additional dividends based on the annual accounts of 2012. The authorization is valid until the next Annual General Meeting in 2014. The Board of Directors of Ocean Yield is thereby in a position to resolve and declare dividends for the financial quarters up until the next ordinary general meeting in April 2014. Such dividends will be decided by the Board of Directors and announced in connection with the approval of the Company's quarterly financial accounts going forward. This is in line with the strategy to pay attractive and growing dividends to shareholders of the Company. The dividend of USD 0.12 per share declared this quarter is, on an annualized basis, equal to USD 0.48 per share, which is above Ocean Yield's previously announced annual dividend target of USD 0.46 per share. The dividend will be paid on or about December 2nd 2013 to shareholders of record as of November 19th 2013. The ex-dividend date will be November 20th 2013.
- In September, Ocean Yield entered into newbuilding contracts for two Pure Car Truck Carriers (PCTC) of 8 500 car capacity with Xiamen Shipbuilding Industry Co. ltd ("Xiamen"). The vessels will be delivered in January and April 2016 respectively, and will after delivery be chartered on 12-year "hell and high water" bareboat charter contracts to Höegh Autoliners ("Höegh").

  Höegh is regarded as one of the global leaders in deep sea car transportation and owns and operates around 60 PCTC vessels (Pure Car and Truck Carriers) in a global trade system. Höegh already has four vessels of equal design on order from Xiamen scheduled for delivery in 2015 and will be responsible for the shipbuilding supervision. Höegh will have certain options to acquire the vessels during the bareboat charter period, with the first option after five years.

  Ocean Yield has secured long-term debt financing of approximately 70 per cent of the investment. The remaining amount will be funded with equity. Total delivered cost for the two vessels will be approximately USD 137 million. The first instalment of 10% of the contract price was paid during the third quarter 2013.
- In June, Ocean Yield launched an initial public offering of 33.7 million new shares with net proceeds of USD 143.1 million. The shares started trading on the Oslo Stock Exchange on the 5th of July 2013. The offering received particular strong demand from US institutional investors and Norwegian retail investors. Following the IPO, Ocean Yield has more than 3,700 shareholders and Aker ASA controls 73.46% of the shares in the company.
- The FPSO *Dhirubhai-1*, which is on a long-term charter to Reliance Industries Ltd., had an operational utilisation of 100.0% in the quarter, which made it eligible for 5% bonus payment of the daily charter rate. Reliance Industries Ltd. is presently drilling one new well on the field where the *Dhirubhai-1* is operating. Production from this well is anticipated to start in December 2013/January 2014.
- The *Lewek Connector, Far Senator, Far Statesman, Aker Wayfarer* and the *Geco Triton* all received charter hire as per their respective bareboat agreements.
- At the end of the second quarter, the Company had USD 17 million drawn on a loan facility related to the cash sweep under the main loan facility on the FPSO *Dhirubhai-1*. As part of the cash management, this amount was fully repaid during the third quarter, but can be re-drawn at the request of the Company.

Third quarter financial review

Operating Revenues for Q3 2013 were USD 61.8 million compared to USD 46.0 million for Q3 2012. Vessel Operating Expenses, which are related to the FPSO *Dhirubhai-1*, were USD 3.7 million for Q3 2013, compared to USD 3.4 million for Q3 2012. Wages and other personnel expenses were 1.0 million for Q3 2013, compared to 2.1 million for Q3 2012. This was due to a reversal of USD 1.0 million in provisions related to a reduction in the number of employees accounted for in 2012.

Depreciation and amortization was USD 25.6 million in Q3 2013, compared to USD 20.4 million in Q3 2012. The increase in depreciation relates to delivery of the *Lewek Connector* in October 2012, the *Far Senator* at the end of Q1 2013 and delivery of the *Far Statesman* in early June 2013.

Financial income was USD 5.0 million in Q3 2013 as compared to USD 2.9 million in Q3 2012. Out of the USD 5.0 million recognized as interest income, approximately USD 4.1 million is related to the bonds in American Shipping Company. Financial expenses were USD 8.8 million in Q3 2013, as compared to USD 6.3 million in Q3 2012. The main reason for the increase is drawdown on loans related to delivery of new vessels, including the *Far Senator* and the *Far Statesman*. Foreign exchange losses were USD 3.3 million in the third quarter, compared to a foreign exchange gain of USD 0.3 million in Q3 2012. Mark-to-market of derivatives was negative USD 2.7 million in Q3 2013, as compared to negative USD 2.3 million in Q3 2012. The negative mark-to-market amount is related to various interest rate swaps entered into in connection with the financing of the Company's vessels and has no cash impact. Income tax expense was negative USD 1.1 million for the third quarter 2013, compared to negative USD 0.4 million in Q3 2012. These taxes are mainly related to the vessel *Western Geco*, which is owned by a US company. USD 0.6 million of the tax expense for the third quarter is related to previous quarters this year. The Net Profit after tax for Q3 2013 was USD 19.1 million compared to USD 12.1 million for Q3 2012.

Year to date financial review

Operating revenues for the first nine months of 2013 were USD 178.4 million as compared to USD 137.2 million on a pro-forma basis for the first nine months of 2012. EBITDA was USD 155.0 million for the first nine months of 2013, compared to USD 112.1 million for the first nine months of 2012. Depreciation was USD 74.8 million, compared to USD 61.8 million in the first nine months of 2012, as a result of delivery of additional vessels into Ocean Yield's fleet. Operating Profit was USD 80.2 million as compared to USD 44.3 million for the first nine months of 2012.

Financial income was USD 16.7 million for the first nine months of 2013, compared to USD 8.7 million on a pro-forma basis for the first nine months of 2012. The increase in financial income is related to the acquisition of bonds in American Shipping Company that was completed on March 31st 2012. Financial expenses were USD 26.3 million in the first nine months of 2013, compared to USD 16.1 million in the first nine months of 2012. The increase in financial expenses relates to interest expenses on Ocean Yield's bond loan and bank financing of new vessels. Foreign exchange losses were USD 3.4 million for the first nine months of 2013, compared to a foreign exchange gain of USD 0.3 million in the first nine months of 2012. Mark-to-market of derivatives was negative USD 9.4 million in the first nine months of 2013, as compared to negative USD 2.3 million for the first nine months of 2012. Income tax expense was USD 1.6 million for the first nine months of 2013, compared to USD 1.2 million for the first nine months of 2012. The tax expense mainly relates to the vessel *Western Geco*, which is owned by a US company. Net Profit after tax was USD 56.2 million in the first nine months of 2013, compared to USD 33.7 million for the first nine months of 2012.

Book Equity was USD 687.8 million at the end of the third quarter 2013. Book Equity at the end of Q2 2013 was USD 522.0 million. The change in equity from Q2 2013 to Q3 2013 is due to a net profit of USD 19.1 million, Other Comprehensive Income of USD 3.5 million and an increase in share capital of USD 143.1 million, following the IPO in July 2013.

Fleet status:

The charter backlog at the end of the second quarter was USD 1.95 billion in revenues and USD 1.8 billion in EBITDA. Average remaining contract tenor (weighted by EBITDA) as of the end of the second quarter was 7.4 years

Vessel	Vessel type	Client	Contract expiry	Remaining tenor (years)	EBITDA Backlog USD M**
Dhirubhai-1	FPSO	Reliance	Sep-18	5.0	522
Aker Wayfarer	Subsea	Aker Solutions	Sep-20	7.0	276
Lewek Connector	Subsea	Ezra/EMAS AMC	Oct-22	9.0	346
Höegh 4401 (newbuild)*	Car Carrier	Höegh Autoliners	Apr-26	12.0	87
Höegh 4402 (newbuild)*	Car Carrier	Höegh Autoliners	Aug-26	12.0	87
Höegh XS E (newbuild)*	Car Carrier	Höegh Autoliners	Jan-28	12.0	95
Höegh XS F (newbuild)*	Car Carrier	Höegh Autoliners	Apr-28	12.0	95
FAR Senator	AHTS	Farstad	Mar-25	11.5	129
Far Statesman	AHTS	Farstad	Jun-25	11.7	132
Geco Triton	Seismic	WesternGeco	Dec-15	2.3	13

* *Contract start for Höegh 4401 / 4402 is expected to be April 2014 and August 2014 respectively and for Höegh XS E / XS F January 2016 and April 2016 respectively.*

***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.*

Risks:

The Company is exposed to a number of risks, including counterparty risk, operating risk on the *Dhirubhai-1*, interest rate risk, currency risk and residual value risk. The Company is of the opinion that the overall risk picture is balanced and unchanged from what was described in our annual report for 2012. For a more detailed description of risk factors, please refer to the annual report for 2012.

Strategy and Outlook:

Ocean Yield is a ship owning company with investments within oil-service and industrial shipping. The company focuses on modern, fuel efficient assets with long-term charters to solid counterparties. The company has a significant contract backlog, which was USD 1.95 billion at the end of Q3 2013, which offers visibility with respect to future earnings and dividend capacity. Ocean Yield has declared a dividend of USD 0.12 per share for Q3 2013, which on an annualized basis equals to USD 0.48 per share. The company has an ambition to pay attractive and growing quarterly dividends to its shareholders.

Ocean Yield currently has a strong cash position with cash of USD 148.7 million and an equity ratio of 40.6%. This provides for substantial investment capacity. The Company is actively pursuing new potential investments and expects to continue to grow its investment portfolio going forward.

11th November 2013
Ocean Yield ASA

Trond Brandsrud *Chairman*	Kjell Inge Røkke *Director*	Annicken Gann Kildahl *Director*
Anne Christin Døvigen *Director*	Jens Ismar *Director*	Lars Solbakken *CEO*

Company contacts:

Lars Solbakken, Chief Executive Officer +47 24 13 01 90
Eirik Eide, Chief Financial Officer +47 24 13 01 91

Ocean Yield ASA Group condensed consolidated financial statement for the third quarter2013

Income statement and total comprehensive income

Income statement *Amounts in USD million*	Note	2nd Quarter 2013	3rd Quarter 2013	3rd Quarter 2012	Jan - Sep 2013	Pro forma Jan - Sep 2012	Pro forma Jan - Dec 2012
Operating revenues	5	60.0	61.8	46.0	178.4	137.2	188.0
Vessel operating expenses	6	(3.9)	(3.7)	(3.4)	(11.5)	(12.2)	(16.3)
Wages and other personnel expenses	7	(2.8)	(1.0)	(2.1)	(5.5)	(7.2)	(10.1)
Other operating expenses		(2.7)	(1.5)	(2.4)	(6.4)	(5.7)	(10.2)
EBITDA	5	**50.6**	**55.6**	**38.1**	**155.0**	**112.1**	**151.4**
Depreciation and amortization	11	(25.0)	(25.6)	(20.4)	(74.8)	(61.8)	(85.9)
Impairment charges and other non-recurring items		-	-	0.3	-	(5.9)	(5.9)
Operating profit		**25.5**	**30.0**	**18.0**	**80.2**	**44.3**	**59.7**
Financial income	8	7.3	5.0	2.9	16.7	8.7	11.4
Financial expenses	9	(9.4)	(8.8)	(6.3)	(26.3)	(16.1)	(24.7)
Foreign exchange gains/losses		(0.2)	(3.3)	0.3	(3.4)	0.3	-
Mark to market of derivatives	10	(3.4)	(2.7)	(2.3)	(9.4)	(2.3)	(1.7)
Net financial items		**(5.8)**	**(9.8)**	**(5.4)**	**(22.4)**	**(9.4)**	**(15.1)**
Net Profit before tax		**19.8**	**20.2**	**12.6**	**57.8**	**34.9**	**44.6**
Income tax expense		0.2	(1.1)	(0.4)	(1.6)	(1.2)	0.0
Net Profit after tax		**19.9**	**19.1**	**12.1**	**56.2**	**33.7**	**44.7**

Total comprehensive income *Amounts in USD million*	2nd Quarter 2013	3rd Quarter 2013	3rd Quarter 2012	Jan - Sep 2013	Pro forma Jan - Sep 2012	Pro forma Jan - Dec 2012
Net Profit after tax for the period	19.9	19.1	12.1	56.2	33.7	44.7
Other comprehensive income, net of income tax for items that may be reclassified to the income statement						
Currency translation differences	(4.8)	3.5	8.3	(5.3)	7.9	9.4
Total change in other comprehensive income	**(4.8)**	**3.5**	**8.3**	**(5.3)**	**7.9**	**9.4**
Total comprehensive income for the period	**15.1**	**22.6**	**20.5**	**50.9**	**41.6**	**54.0**
Attributable to:						
Equity holders of the parent	15.1	22.6	20.5	50.9	41.6	54.0
Total comprehensive income for the period	**15.1**	**22.6**	**20.5**	**50.9**	**41.6**	**54.0**
Weighted average number of shares outstanding	100.0	132.3	100.0	110.9		
Basic and diluted earnings per share (USD)	**0.20**	**0.14**	**0.12**	**0.51**		

Balance sheet

Amounts in USD million	Note	30 June 2013	30 September 2013	30 September 2012	31 December 2012
ASSETS					
Vessels and equipment	11	1 307.3	1 304.0	849.5	1 157.7
Intangible assets		38.3	38.3	38.3	38.3
Deferred tax assets		9.7	7.6	12.1	10.1
Restricted cash deposits		20.0	22.2	20.0	20.0
Investments in AMSC Bonds		150.1	155.7	146.1	151.8
Other non-current assets		0.5	-	-	-
Total non-current assets		**1 526.0**	**1 527.8**	**1 066.0**	**1 377.9**
		-	-	-	-
Trade receivables and other interest-free receivables		18.5	16.9	14.5	15.8
Cash and cash equivalents		60.1	148.7	202.2	104.6
Total current assets		**78.6**	**165.6**	**216.7**	**120.4**
Total assets		**1 604.6**	**1 693.4**	**1 282.7**	**1 498.4**
EQUITY AND LIABILITIES					
Share capital		175.6	221.5	175.6	175.6
Other paid-in capital		400.4	467.2	400.4	400.4
Total paid-in capital		**576.0**	**688.7**	**576.0**	**576.0**
Retained earnings and translation reserves		(54.0)	(0.9)	(55.4)	(43.0)
Total equity attributable to equity holders of the parent		**522.0**	**687.8**	**520.6**	**533.0**
Total equity	**14**	**522.0**	**687.8**	**520.6**	**533.0**
Interest-bearing loans	13	838.7	803.8	580.0	746.6
Deferred tax liabilities		1.3	-	2.5	-
Pension liabilities		0.4	0.5	0.6	1.6
Mobilization fee and advances		75.5	71.6	90.5	86.7
Other interest-free long term liabilities		(0.0)	-	1.8	1.8
Total non-current liabilities		**915.8**	**875.9**	**675.5**	**836.7**
Interest-bearing short term debt	13	125.4	108.0	70.3	111.8
Trade and other payables		41.4	21.7	16.4	17.0
Total current liabilities		**166.8**	**129.7**	**86.7**	**128.7**
Total liabilities		**1 082.6**	**1 005.6**	**762.2**	**965.4**
Total equity and liabilities		**1 604.6**	**1 693.4**	**1 282.7**	**1 498.4**

Change in equity

Amounts in USD million	Note	2nd Quarter 2013	3rd Quarter 2013	3rd Quarter 2012	Jan - Sep 2013	Pro forma Jan - Sep 2012	Pro forma Jan - Dec 2012
Balance at the beginning of the period		**546.9**	**522.0**	**500.0**	**533.0**	**478.9**	**478.9**
Net Profit after tax for the period		19.9	19.1	12.1	56.2	33.7	44.7
Other comprehensive income		(4.8)	3.5	8.3	(5.3)	7.9	9.4
Total comprehensive income		**15.1**	**22.6**	**20.5**	**50.9**	**41.6**	**54.0**
New Equity in Ocean Yield ASA		-	147.9	-	147.9	-	-
Expenses related to raising new equity		-	(4.8)	-	(4.8)	-	-
Dividend		(40.0)	-	-	(40.0)	-	-
Impact of implementing IAS 19R, net of tax	3	-	-	-	0.8	-	-
Balance at the end of the period		**522.0**	**687.8**	**520.6**	**687.8**	**520.9**	**533.0**

Cash flow statement

Amounts in USD million	2nd Quarter 2013	3rd Quarter 2013	3rd Quarter 2012	Jan - Sep 2013	Pro forma Jan - Sep 2012	Pro forma Jan - Dec 2012
Net Profit before tax	19.8	20.2	12.6	57.8	34.6	44.6
Sales losses/gains (-) and write-downs	-	-	(0.3)	-	6.0	6.0
Depreciation and amortization	25.0	25.6	20.4	74.8	61.8	85.9
Other changes in operating activities	(4.0)	(2.4)	(0.5)	(20.1)	(13.1)	(17.9)
Net cash flow from operating activities	**40.8**	**43.5**	**32.2**	**112.5**	**89.3**	**118.7**
Proceeds from sales of property, plant and equipment	-	-	-	-	11.2	11.2
Acquisition of property, plant and equipment	(104.9)	(20.6)	0.0	(246.4)	(0.0)	(327.3)
Transfer to restricted cash	-	(2.3)	-	(2.3)	-	-
Net cash flow from investing activities	**(104.9)**	**(22.9)**	**0.0**	**(248.7)**	**11.2**	**(316.1)**
Issuance of long-term interest-bearing debt	96.4	0.3	100.3	178.7	100.3	334.9
Repayment of long-term interest-bearing debt	(35.2)	(33.4)	(13.1)	(97.6)	(64.5)	(96.6)
Issuance of short-term interest-bearing debt	20.0	-	-	20.0	-	-
Repayment of short-term interest-bearing debt	-	(20.0)	-	(20.0)	-	-
Dividend paid	(20.0)	(20.0)	-	(40.0)	-	-
New Equity	-	143.1	-	143.1	-	-
Net cash flow from financing activities	**61.2**	**70.0**	**87.2**	**184.2**	**35.7**	**238.3**
Net change in cash and cash equivalents	**(2.9)**	**90.6**	**119.4**	**48.0**	**136.2**	**40.8**
Exchange rate differences	(0.8)	(2.0)	4.4	(3.9)	4.5	2.2
Cash and cash equivalents at beginning of the period	63.7	60.1	78.4	104.6	61.5	61.5
Cash and cash equivalents at the end of the period	**60.1**	**148.7**	**202.2**	**148.7**	**202.2**	**104.6**

Notes to the condensed consolidated interim financial statements for Ocean Yield ASA for the third quarter 2013

Note 1 Introduction – Ocean Yield ASA

Ocean Yield ASA is a company domiciled in Norway. The condensed consolidated interim financial statements for the third quarter and nine months ended 30 September 2013, comprise Ocean Yield ASA and its subsidiaries (together referred to as the "Group"). The financial statement for the third quarter 2013 include the financial statements of the parent company, Ocean Yield ASA and its subsidiaries owned at end of the third quarter 2013.

The consolidated financial statements of the Group for the year ended 31 December 2012 and quarterly reports, which includes information on the basis of preparation of the pro-forma information for first half 2012 and full year 2012 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 2012.

A number of standards, amendments to standards and interpretations are not yet effective for the period ended 30 September 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.
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, which have not been subject to audit or review by independent accountants, were approved by the Board of Directors on 11 November 2013.

Note 3 Significant accounting principles

The Group has as 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. As of 1 July 2013 the functional currency of Ocean Yield ASA was changed from NOK to USD. 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 Group has previously employed the "corridor" method for accounting of unamortised estimate deviations. The corridor method is no longer permitted and, in accordance with IAS 19R, all actuarial gains and losses 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.

Change of functional currency in parent company
As of 1 July 2013 the functional currency of the parent company Ocean Yield ASA was changed from NOK to USD. IAS 21 states that the functional currency of an entity should be the primary economic environment in which an entity operates. Since the establishment of Ocean Yield the majority of the investments made have been denominated in USD. As vessel values and day rates worldwide are quoted in USD, this is the dominating currency within the shipping and offshore industry. Hence, the functional currency of the parent company Ocean Yield ASA has been changed to USD as from 1 July 2013.

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	2nd Quarter	3rd Quarter	3rd Quarter	Jan - Sep	Pro forma Jan - Sep	Pro forma Jan - Dec
Amounts in USD million	2013	2013	2012	2013	2012	2012
FPSO	34.9	34.7	34.5	104.6	102.6	133.1
Other Oil Service	25.1	27.1	11.5	73.8	34.6	54.9
Car Carriers	-	-	-	-	-	-
Operating revenues	**60.0**	**61.8**	**46.0**	**178.4**	**137.2**	**188.0**

EBITDA	2nd Quarter	3rd Quarter	3rd Quarter	Jan - Sep	Pro forma Jan - Sep	Pro forma Jan - Dec
Amounts in USD million	2013	2013	2012	2013	2012	2012
FPSO	27.9	30.1	27.3	86.3	78.9	98.9
Other Oil Service	24.9	27.1	11.5	73.5	34.5	54.8
Car Carriers	-	-	-	-	-	-
Ocean Yield ASA	(2.2)	(1.6)	(0.7)	(4.8)	(1.3)	(2.3)
Other companies and eliminations	-	-	-	-	-	-
EBITDA	**50.6**	**55.6**	**38.1**	**155.0**	**112.1**	**151.4**

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 in Q3 2013 of USD 1.0 million include a reversal of a part of an earlier provision related to a reduction in the number of employees in Aker Floating Production AS in 2012 of USD 1.0 million.

Note 8 Financial income

Financial income in Q3 2013 includes recorded interest income related to the investment in AMSC bonds. The bonds carry interest at NIBOR + 4.75% p.a. and AMSC can choose to pay interest as Payment in Kind (“PIK”), where accrued interest is added to the principal outstanding each quarter. At initial recognition as of March 2012, Ocean Yield classified the AMSC bond into the category “available-for-sale” financial assets. Subsequent to initial measurement, the bonds are measured at fair value. Impairment losses are recognized in profit and loss as they arise. Any other variation in value will be recorded through Other Comprehensive Income. Interest income is recognized under the effective interest method, with the effective interest rate being calculated on the instrument's initial recognition. In the third quarter, interest income of USD 5.0 million was recorded related to the AMSC bonds, with an adjustment of negative USD 0.9 million related to prior periods.

Note 9 Financial expenses

The reduction in financial expenses is mainly due to capitalization of interest expenses related to advances on the two Höegh 4401/4402 newbuilding vessels. As the group has interest expenses related to the bond loan issued by Ocean Yield, these expenses should be viewed as borrowing costs related to the acquisition of the vessels according to IAS 23. Total interest capitalized in the third quarter is USD 1.3 million. Of this, USD 0.7 million is related to the first half of 2013.

Note 10 Mark to Market of Derivatives and Other Financial Instruments Recorded At Fair Value

Mark-to-market of derivatives of negative USD 2.7 million in Q3 2013 and negative USD 9.4 million in the first nine months of 2013 is mainly related to a cross currency interest rate swap related to the NOK 600 million bond loan issued by Ocean Yield and certain other interest rate swaps related to vessel financings. The bond loan matures in July 2017, and the coupon on the bond loan has been swapped from NIBOR+6.50% p.a. to LIBOR+7.07% p.a. The cross currency interest rate swap and the investment in AMSC bonds 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 Vessels and equipment

Material changes in vessels and equipment during 2013:

Amounts in USD million	FPSO	Other Oil Service	Car Carriers	Other/elim	Total
Balance at 1 January	578.8	566.8	12.3	(0.1)	1 157.8
Acquisitions	-	213.5	-	0.5	214.0
Advances	-	-	32.4	-	32.4
Depreciation	(48.7)	(25.9)	-	(0.2)	(74.8)
Acquisition	-	-	-	-	-
Effect of movements in foreign exchange	-	(25.3)	-	(0.1)	(25.4)
Balance at 30 September	**530.1**	**729.1**	**44.7**	**0.1**	**1 304.0**

Note 12 Contractual obligations

Ocean Yield have the following contractual obligations related to the purchase of vessels:

Amounts in USD million	FPSO	Other Oil Service	Car Carriers	Total
2014	-	-	104.7	104.7
2015	-	-	12.5	12.5
2016	-	-	87.2	87.2
Total	**-**	**-**	**204.3**	**204.3**

The obligations above are related to four Pure Car Truck Carrier vessels. Long term financing have been secured for all the vessels for a total amount of USD 186 million.

Note 13 Interest bearing debt

Material changes in interest-bearing debt (short term and long term) during 2013:

Amounts in USD million	FPSO	Other Oil Service	Ocean Yield ASA	Total
Balance at 1 January	344.6	408.2	105.5	858.3
New loans	17.0	161.7	20.0	198.7
Repayments	(75.5)	(22.1)	(20.0)	(117.6)
Effect of movements in foreign exchange and loan fees capitalized	0.5	(21.2)	(6.9)	(27.6)
Total interest-bearing liabilities	**286.6**	**526.6**	**98.6**	**911.8**
Long-term	228.2	477.0	98.6	803.8
Short-term loan	-	-	-	-
1st year installments	58.4	49.6	-	108.0
Total interest-bearing liabilities	**286.6**	**526.6**	**98.6**	**911.8**

As commented in the Q2 2013 report, a new loan facility was made available to Ocean Yield in Q2 2013, related to the cash sweep payment on the loan related to the *Dhirubhai-1*, where the Company could re-draw the amounts that had been paid under the cash sweep. A total of USD 17 million was drawn under this facility in Q2 2013 and this amount was repaid in full in Q3 2013. The facility remains available for future drawings at the request of the company.

A long-term guarantee and term loan facility was drawn down related to the acquisition of the *Far Senator* and *Far Statesman.* A total of NOK 458.1 million was drawn for each vessel. The loan is an ECA-backed financing, guaranteed by GIEK and certain banks and funded by Eksportkreditt. The loan matures after 12 years, while a portion of the guarantees related to the loan will have to be renewed after five years. The loan facility has a fixed interest rate of 5.29% p.a. In addition, a “stretch” facility was put in place, to lengthen the repayment profile from 12 to15 years. This part of the facility carries interest at NIBOR + 3.50% p.a. and has a tenor of five years.

A short-term loan of USD 20 million was provided to Ocean Yield at the end of June 2013. This loan was repaid during Q3 2013.

Note 14 Share capital and dividend

As of 30 June 2013 Ocean Yield had issued 100 million ordinary shares. Subsequent to the IPO, the company has a share capital of NOK 1,337,361,100 divided into 133,736,110 ordinary shares, each having a par value of NOK 10.00. Gross proceeds from the offering were NOK 904.1 million, including proceeds from an additional 236,110 shares subscribed by Ocean Yield's management and key employees. The equity has been increased with USD 143.1 million following the IPO.

A total of USD 40 million of dividends has been paid in 2013. This dividend was declared in April 2013, when Aker ASA was the sole shareholder. The dividend was paid in two instalments, with USD 20 million payable in Q2 and the remaining USD 20 million was paid in Q3 2013.

Note 15 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