



Q1

Q2

Q3

Q4

Q3 10

DEEP SEA SUPPLY PLC
10th of November 2010

Complete version

A dark, atmospheric photograph of an offshore supply vessel at night. The scene is illuminated by several bright lights, including a large yellow light on the left and several blue lights. The vessel's structure is visible in the dark, with some windows and equipment. The overall mood is industrial and nocturnal.

Deep Sea Supply Plc (DESSC or Company) is an offshore supply company with a modern fleet operating world-wide. The fleet can be divided into two segments; Anchor Handling Tug Supply Vessels (AHTS) and Platform Supply Vessels (PSVs).



DEEP SEA SUPPLY PLC – 3RD QUARTER AND YTD FINANCIAL REPORT 2010

Deep Sea Supply Plc (DESSC or Company) is an offshore supply company with a modern fleet operating world-wide. The fleet can be divided into two segments; Anchor Handling Tug Supply Vessels (AHTS) and Platform Supply Vessels (PSVs).

Summary:

Summary: Many new charter contracts providing future cash flow, however soft spot market and relocation costs reduce Q3 revenues.

In 2010, the Company has secured many long term charter contracts:

- 4 + 4 year contracts with Petrobras in Brazil for 5 PSVs
- 3 + 3 year contracts with Petrobras in Brazil for 2 AHTS
- 2 year contract renewal with ENI in Congo for 1 PSV

Furthermore, several medium term contracts have been done in Brazil and China:

- 7 months + 2 months options with Maersk in Brazil for 2 AHTS vessels
- 1 well + options for another 2 wells with ENI in China for 2 AHTS vessels (commencement 1 December 2010)

Deep Sea Supply's contract coverage has improved considerably and is now equivalent to USD 83.2 mill for 2011 and USD 54.3 mill for 2012.

For 3Q10, the market was negatively impacted by a softer North Sea spot market for large AHTS vessels and relocation of vessels to Brazil. Such reduction was partially offset by two more vessels in the fleet and higher utilization of small AHTS vessels now on long term charter in Brazil.

Operating expenses increased mainly due to a larger fleet. Financial expenses increased partly due to increased loans and higher loan margin as a result of a restructuring of the Fleet Loan Facility.

Financial results

Total revenues for 3Q10 were USD 33.9 mill compared to USD 45.8 mill for 3Q09 or a reduction of 26%. EBITDA was USD 12.6 mill compared to USD 33.2 mill for the same period in 2009 or a reduction of 62%. The pre-tax result for 3Q10 was USD -2.9 mill compared to USD 15.1 mill for the same period in 2009.

YTD revenues as of 30 September 2010 were USD 95.0 mill compared to USD 137.3 mill for the same period in 2009, or a reduction of 31%. EBITDA was USD 36.9 mill compared to USD 98.9 mill for the same period in 2009 or a reduction of 63%. The pre-tax result YTD 30 September 2010 was USD -8.4 mill compared to USD 46.5 mill for the same period in 2009.

The Board suggests no dividend distributions in 3Q10. It is the Company's intention to revert to its former dividend strategy when the market improves and show more visibility.

Earnings, rate levels and market conditions

Deliveries of new offshore supply vessels have been high and have resulted in lower rates and a lower utilization of the OSV fleet.

AHTS vessels

At the end of 3Q10 DESSC had 16 AHTS vessels in operation. In addition DESSC had 5 AHTS vessels under construction. Of the vessels in operation, one ("Sea Hawk 1") was bareboat chartered to DESSC.

Freight revenues

Total revenues from the AHTS vessels YTD 30 September 2010 reduced by 29% compared to the same period in 2009. The reduction was mainly due to (i) lower utilization, (ii) lower rates and (iii) negative currency effects. This impact was partly offset by new vessels in operation and lower technical offhire.

PSVs

DESSC had 8 PSVs in operation. In addition, the Company had a new PSV under construction.

Freight revenues

Total revenues from the PSVs YTD 30 September 2010 decreased by 34% compared to the same period in 2009. This was due to (i) lower commercial utilization and (ii) lower rates.

Vessel operation and construction supervision:

Operating expenses:

Vessels' operating expenses YTD 30 September 2010 were USD 54.9 mill compared to USD 49.0 mill in the same period in 2009. Adjusting for fleet growth and vessels on bareboat charter, the operating expenses decreased by 1%.

Vessel operations:

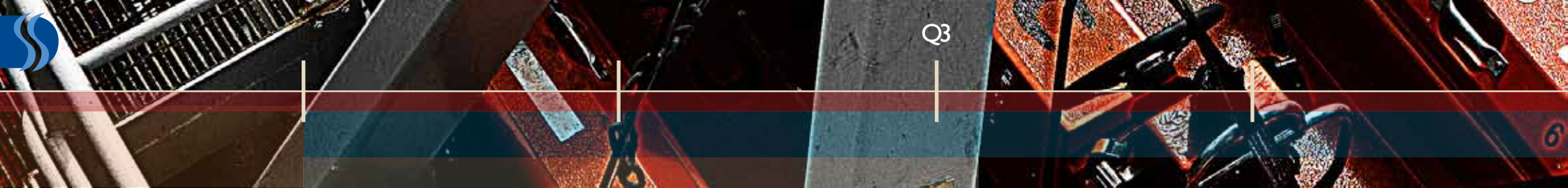
The Fleet of 24 vessels has been employed worldwide in 3Q10 and by end of the quarter the vessels operated in or were under mobilization to the following geographical areas;

| | |
|--------------------|-------------|
| North Sea | : 3 vessels |
| Mediterranean | : 4 vessels |
| West Africa | : 2 vessels |
| Asia and Australia | : 8 vessels |
| South America | : 7 vessels |

Deep Sea Supply has chartering departments in Singapore, Brazil and Norway responsible for the marketing and chartering of the vessels.

Of the 23 own vessels, 17 vessels had Cyprus flag and 6 vessels had Norwegian flag. The NOR flagged vessels are primarily crewed with Norwegians and EU seafarers. The Cyprus' flagged vessels have full Filipino crew, a combination of Filipino crew and European Officers or a combination of Filipino and Indonesians.

In 3Q10 survey costs of USD 0.3 mill and upgrade/additions of USD 1.9 mill were invested in the fleet.



Vessels under construction - Construction supervision:

Construction supervision is performed partly by external management companies and partly by DESSC with site teams located at the shipyard.

Technical management of the Fleet

DESSC's vessels are managed by external ship management companies. Their performance is monitored by Fleet Managers employed with DESSC. DESSC considers it vital to do proactive maintenance and ensure that vessels are safe and in a technical good condition. At the same time, we have strong focus on reducing the operating expenses. This is done by imposing restrictions on the managers, by better planning and control and by selecting the right manager for the right vessel based on experience. This will be a continuous task.

DESSC is establishing ship management companies in Brazil and Singapore to perform technical management of some of its vessels. The technical organizations are preparing to take over the first vessel in 4Q10.

Other items

Gain on sales:

This consists mainly of gain related to the sale of vessels to Ship Finance International in 2007 and 2008 where the gain on sale is recorded as revenue over a period of 12 years.

Other operating expenses:

These are general and administration expenses for the offices in Cyprus, Singapore, Brazil and Norway.

Depreciations:

All vessels are depreciated to zero when they are 30 years old.

Net financial items

Interest expenses are related to interest on the senior bank loan facility financing most of the Company's vessels, the interest portion of the bareboat paid to Ship Finance International regarding the vessels on sale and leaseback, the separate financing facility for "Sea Eagle 1" and interest of the loan facility from Metrogas Holdings.

Net currency items

Currency items are the net result of both realised gains/(losses) and unrealised gains/(losses) arising from revaluation of monetary assets of the Group.

Change in value of financial derivatives

For hedging purposes, the Company has entered into interest rate swaps. The market value of these transactions is measured at the end of every quarter, resulting in an increase in 3Q10 of USD 0.2 mill. The value of the interest rate swaps is negative with USD 0.9 mill.

Tax

Taxes in 3Q10 were USD 0.0 mill and taxes YTD were USD 0.1 mill.

In 2007 the Company recognized an amount (USD 8.1 mill) as taxes payable following the transition rules from the old tax regime to the new tonnage tax system adopted by the Government. After a High Court decision in Norway, made on 12th February 2010, it was concluded that the transition rules were in breach of the constitution, paragraph 97.

Following this decision, the Company decided to reverse the provision made in 2007 and to recognize the tax already paid in 2008 and 2009 as a receivable in the balance sheet.

In May 2010 it was decided that tax legislation will be changed, which will give an option to settle the untaxed profits from the previous tonnage tax system with a one-time assessment and paid over the period 2011-2013. The Company has not yet decided whether to enter into the new tax regime or not. If entering into the new tax regime, it will mean that the company will be able to settle its tax liability with a total payment of NOK 15.8 mill (USD 2.8 mill).

As previously announced, the Norwegian tax authorities, after reviewing the tax return of 2006 of Deep Sea Supply AS (a wholly owned subsidiary of the Group at that time), claims that the transaction involving sale of ship building contracts to Cyprus domiciled subsidiaries should have been done at higher levels. The Company, after advice from its auditors and tax lawyers, is disputing the claim of the tax authorities. The Board is convinced that the Company has a good case and is strongly disputing the issue raised by the tax authorities.

Cash, cash flow and equity

The Company's cash balance by the end of 3Q10 was USD 34.9 mill compared to USD 31.6 mill by the end of last year. The cash generated from operating activities YTD 30 September 2010 was USD 32.1 mill, net cash used in investing activities was USD 17.5 mill. Net proceeds from financing activities were USD -11.3 mill, and net changes in liquidity is hence USD 3.3 mill.

Total Equity by the end of the 3Q10 was USD 155.5 mill compared to USD 164.0 mill by the end of last year.

Balance sheet

Trade and other receivables

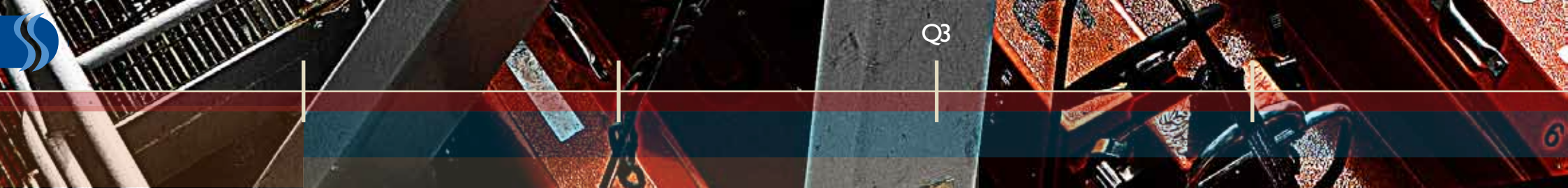
Total receivables from customers were USD 25.1 mill which is a slight increase from USD 22.5 mill by end of 2009. Of the total receivables, 73% was less than 1 month old and 25% between 1 and 4 months old.

CIRR Loans

During 2008 the Group applied for Commercial Interest Reference Rate (CIRR) loans from the Norwegian Export Credit Agency. The total loan amount was in NOK equivalent to USD 51,0 mill. The duration of the loans are 12 years and the cash proceeds from the loans have been deposited in a fixed deposit account with a Norwegian bank at a higher interest rate than that of the loans. The agreed period of the deposits is identical with the one of the loans. The loans and the interest thereof will be repaid from that account and the difference has been recognized as deferred gain and will be amortized over the period of the life of the loans.

Currencies of revenues and costs

Revenues are mainly in USD, Euro, BRL and GBP. Operating expenses are mainly in USD and BRL with the exception of NOK salaries on the NOR flagged vessels. Financial expenses are in USD and NOK.



Future outlook

The long term market fundamentals remain in place with a high and increasing oil price. This and an increasing depletion rate should materialize in higher E&P spending by the oil companies with an expected increase in the rig activity as a result. This is expected to increase the demand for AHTS and PSVs.

In the short and medium term, a significant number of new offshore supply vessels are expected to be delivered in 2010 and 2011, but also a significant number of vessels have left the market and the average age of the offshore supply fleet is still very high. Given the current oversupply of AHTS and PSVs in the North Sea, the North Sea spot market is expected to remain soft in the near future.

In Brazil, we expect continued strong demand for AHTS and PSVs of all sizes. More long term charter contracts have increased the commercial utilisation of DESS' fleet. The Company is expected to benefit further from strategic moves made in Brazil and other countries, and expect increased utilization of the fleet due to these initiatives. In order to become more cost efficient, the Company is establishing ship management companies in Brazil and Singapore to do technical management of own vessels.

Company's shareholders

As per the end of 3Q10, the Company's largest shareholder is Hemen Holding Limited with a shareholding of 35.1%. The increase in ownership from 2Q10 is due to cancellation of own shares and subsequently reduction of average outstanding shares in the company.

Main risks factors and uncertainties

A number of the Company's vessels are in the spot market, on short or medium term charters and the earnings on these vessels are hence sensitive to changes in the charter rates and utilization. Reduced charter rate can result in a drain of the Company's cash. Currently the Company has 6 newbuildings under construction from shipyards and the Company is hence exposed to delays in deliveries which may impact future revenues. Further delays may result in delivery beyond the banks' availability date for financing. The Company is furthermore sensitive to changes in interest rates as part of its financing has floating interest.

Transaction between related parties

DESSC has entered into two sale and leaseback transactions with Ship Finance International Limited ("SFI") in 2007 and 2008. SFI's largest shareholder is Hemen Holding Ltd. who is also DESSC's largest shareholder. The sale and leaseback transactions are done on market terms. The Company has also entered into a credit facility agreement with Metrogas Holdings Inc, an affiliated company of Hemen Holding Limited. The facility agreement is done at market terms.

Statement of the members of the board of Directors and other responsible persons of the Company for the interim financial statements

In accordance with Article 10, sections (3) (c) and (7) of the Transparency Requirements (Securities for Trading on Regulated Market) Law of 2007 ("Law"), we the members of the Board of Directors and other responsible persons for the interim financial statements of Deep Sea Supply Plc for the period of nine months ended 30 September 2010 confirm that to the best of our knowledge:

a.

The interim consolidated financial statements that are presented on pages 7 to 19:

(i)

were prepared in accordance with the International Financial Reporting Standard 34 "Interim Financial Reporting" as adopted by the European Union, and in accordance with the provisions of Article 10, section (4) of the Law, and

(ii)

give a true and fair view of the assets and liabilities, the financial position and the profit or losses of Deep Sea Supply Plc, and

b.

The interim management report gives a fair review of the information required by Article 10, section (6) of the law.

Limassol, 09 November 2010
The Board of Deep Sea Supply PLC

Svein Aaser, Chairman

Frixos Savvides

Kathrine Fredriksen

Anna Cecilie Holst

Fredrik Halvorsen

Terje Tellefsen

Finn Amund Norbye / CEO

Espen Skadal / CFO



DEEP SEA SUPPLY PLC

Q3

Deep Sea Supply Plc (or the "Company") is an offshore supply company with a modern fleet of Anchor Handling Tug Supply vessels ("AHTS") and Platform Supply Vessels ("PSVs"). The parent company is based in Cyprus and listed on Oslo Stock Exchange under the ticker "DESSC".

The Company's focus is on the following main strategic areas;

- Chartering/Marketing
- Business development
- Finance/Reporting
- Investor Relations
- Quality and efficient operations of its vessels

The Company's fleet of AHTS and PSVs are trading world-wide.

Deep Sea Supply practices an open and transparent communication.

Since inception in 2005, Deep Sea Supply has maintained a shareholder friendly strategy with a focus on high dividend payments.

In 2009, the Company started to focus on market penetration and taking the necessary steps to be a "local" supplier of offshore supply vessels in several countries. In 2009, the Company established business in Brazil and placed a newbuilding order for a large PSV at STX Offshore Brasil S.A.

The Company is also working on market penetration in other countries.

Lately, the Company has decided to establish its own technical management organizations for the purpose of doing the technical management of most of the AHTS and PSVs "in house".

In addition to a management company in Cyprus, the Company has management companies in Singapore, Brazil and Norway.

The Company's main shareholder is Hemen Holding Ltd., owning 35,1 % of the Company. The DESSC share has been the most liquid offshore supply stock on Oslo Stock Exchange.

Share price and total return



| Distribution to shareholders | Amount per share | Ex. dividend date | Payment date |
|------------------------------|---------------------|-------------------|--------------|
| 2006* | NOK 0,80 | 08-05-07 | 28-06-07 |
| Q1 2007* | NOK 0,20 | 22-06-07 | 04-10-07 |
| Q2 2007* | USD 0,85 (NOK 4,62) | 24-09-07 | 29-10-07 |
| Q3 2007* | USD 0,40 (NOK 2,18) | 11-12-07 | 31-01-08 |
| Q4 2007* | USD 0,40 (NOK 2,00) | 26-03-08 | 29-05-08 |
| Q1 2008** | USD 0,13 (NOK 0,68) | 14-05-08 | 16-06-08 |
| Q2 2008** | NOK 1,00 | 02-09-08 | 17-09-08 |

* Dividend by way of reducing the share premium account

** Ordinary dividend from profit

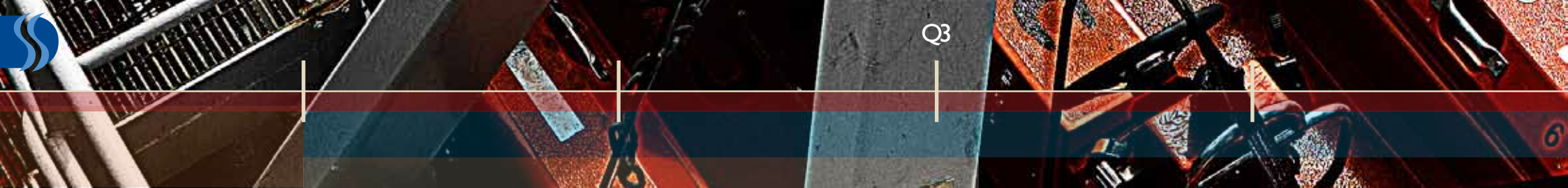


CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| <i>(Unaudited figures in USD 1,000)</i> | Note | YTD 2010 | YTD 2009 | 3Q 10 | 3Q 09 | 2Q 10 |
|--|------|----------------|----------------|----------------|----------------|----------------|
| Operating revenue | 4 | 95,009 | 137,347 | 33,906 | 45,783 | 35,037 |
| Vessel operating expenses | 4 | -54,874 | -49,000 | -19,651 | -17,107 | -18,195 |
| Operating lease | | -1,821 | 0 | -1,104 | 0 | -717 |
| Other gains / (losses) | | 0 | 8,754 | 0 | 3,587 | 0 |
| Gain on sale | | 4,378 | 6,494 | 1,463 | 2,303 | 1,457 |
| Other operating expenses | 4 | -5,829 | -4,714 | -2,012 | -1,415 | -2,006 |
| Total operating costs | | -58,146 | -38,466 | -21,305 | -12,632 | -19,462 |
| EBITDA | | 36,863 | 98,881 | 12,600 | 33,151 | 15,575 |
| Depreciation | 5 | -27,000 | -27,253 | -9,148 | -9,308 | -8,740 |
| EBIT | | 9,863 | 71,628 | 3,452 | 23,843 | 6,835 |
| Financial income | | 177 | 508 | 67 | 211 | 41 |
| Financial expenses | | -21,371 | -22,134 | -8,100 | -6,901 | -6,925 |
| Net currency items | | 2,124 | -6,983 | 1,423 | -2,334 | 110 |
| Change in value of financial derivatives | | 837 | 3,485 | 227 | 296 | 320 |
| Net financial items | | -18,233 | -25,125 | -6,383 | -8,727 | -6,454 |
| Pre-tax result | | -8,370 | 46,503 | -2,931 | 15,115 | 381 |
| Taxes | | -142 | -11 | -2 | -3 | -140 |
| Total comprehensive income | | -8,512 | 46,492 | -2,933 | 15,112 | 241 |
| Average number of shares | | 126,863,860 | 126,863,860 | 126,863,860 | 126,863,860 | 126,863,860 |
| Earnings per share | 7 | -0.07 | 0.37 | -0.02 | 0.12 | 0.00 |
| Earnings per share diluted | 7 | -0.07 | 0.36 | -0.02 | 0.12 | 0.00 |
| Cash flow per share 1) | | 0.12 | 0.61 | 0.04 | 0.21 | 0.07 |

1) Profit before taxes+depreciation-unrealized gain on currencies







CONSOLIDATED BALANCE SHEET

| <i>(Unaudited figures in USD 1,000)</i> | Note | 30.09.10 | 31.12.09 | 30.09.09 |
|--|------|----------------|----------------|----------------|
| Non-current assets | | | | |
| Vessels cost | 5 | 643,240 | 650,537 | 674,043 |
| Construction contract | 5 | 23,668 | 26,327 | 22,594 |
| Equipment | 5 | 512 | 65 | 44 |
| CIRR deposit | | 46,070 | 49,426 | 51,387 |
| Total non-current assets | | 713,490 | 726,355 | 748,068 |
| Current assets | | | | |
| Inventories | | 1,878 | 2,221 | 2,535 |
| Other short term receivables | | 4,802 | 6,349 | 4,524 |
| CIRR deposit | | 4,948 | 5,038 | 4,984 |
| Freight income not received | | 25,069 | 22,483 | 27,805 |
| Cash and cash equivalents | | 34,929 | 31,616 | 43,410 |
| Total current assets | | 71,626 | 67,707 | 83,258 |
| Total assets | | 785,116 | 794,062 | 831,327 |
| Liabilities | | | | |
| Borrowings | 6 | 476,502 | 471,599 | 471,692 |
| CIRR loan | 6 | 46,019 | 49,374 | 51,387 |
| Deferred gain | | 48,758 | 53,057 | 85,492 |
| Other long term liabilities | | 78 | 79 | 5,746 |
| Total long term liabilities | | 571,357 | 574,109 | 614,318 |
| Borrowings | 6 | 42,958 | 39,505 | 38,900 |
| CIRR loan | 6 | 4,948 | 5,038 | 4,984 |
| Trade payables | | 3,607 | 3,588 | 2,192 |
| Deferred gain | | 5,830 | 6,059 | 9,441 |
| Other short term liabilities | | 933 | 1,770 | 2,778 |
| Total short term liabilities | | 58,275 | 55,960 | 58,295 |
| Total liabilities | | 629,632 | 630,069 | 672,613 |
| Net assets | | 155,484 | 163,994 | 158,714 |
| Shareholders equity | | | | |
| Share capital, share premium and treasury shares | | 10,734 | 10,735 | 10,257 |
| Retained earnings and currency translation | | 144,749 | 153,259 | 148,456 |
| Total shareholders equity | | 155,484 | 163,994 | 158,714 |





CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| <i>(Unaudited figures in USD 1,000)</i> | Share Capital | Reverse acquisition reserves | Share premium reserves | Treasury shares | Other paid-in-equity | Retained earnings | Currency translation differences | Total |
|---|---------------|------------------------------|------------------------|-----------------|----------------------|-------------------|----------------------------------|---------|
| Balance at 1 January 2009 | 2,599 | -123,386 | 139,588 | -9,787 | 1,242 | 109,085 | -7,120 | 112,221 |
| Total comprehensive income for period ended 30 September 2009 | | | | | | 46,492 | | 46,492 |
| Balance at 30 September 2009 | 2,599 | -123,386 | 139,588 | -9,787 | 1,242 | 155,577 | -7,120 | 158,714 |
| Balance at 1 January 2010 | 2,599 | -123,386 | 139,588 | -9,787 | 1,720 | 160,379 | -7,120 | 163,994 |
| Cancellation of own shares | -62 | | -9,725 | 9,787 | | | | |
| Total comprehensive income for period ended 30 September 2010 | | | | | | -8,512 | | -8,512 |
| Balance at 30 September 2010 | 2,537 | -123,386 | 129,863 | 0 | 1,720 | 151,867 | -7,120 | 155,483 |





CONSOLIDATED STATEMENT OF CASH FLOWS

| | Period ended 30 Sep | |
|--|---------------------|----------------|
| | 2010 | 2009 |
| <i>(Unaudited figures in USD 1,000)</i> | | |
| Cash flows from operating activities | | |
| Cash generated from operations | 32,070 | 101,788 |
| Net cash generated from operating activities | 32,070 | 101,788 |
| Cash flows from investing activities | | |
| Acquisitions of vessels and construction contracts | -17,456 | -40,824 |
| Disposals of vessels and construction contracts | 0 | 0 |
| Net cash used in investing activities | -17,456 | -40,824 |
| Cash flows from financing activities | | |
| Interest paid | -19,888 | -20,911 |
| Proceeds from borrowings | 39,482 | 0 |
| Repayments of borrowings | -30,894 | -30,442 |
| Net cash used in financing activities | -11,300 | -51,353 |
| Total changes in liquidity in the period/year | 3,314 | 9,611 |
| Cash and cash equivalents at beginning of period/year | 31,616 | 33,799 |
| Cash and cash equivalents at end of the period/year | 34,929 | 43,410 |





NOTES

Q3

1. General information

Deep Sea Supply PLC ("the Company") and its subsidiaries', here after collectively ("the Group") principal activities are to engage and invest, directly or indirectly, by itself or through subsidiaries or part-owned companies, partnerships or other forms of entities, in the international offshore supply vessel business.

The Company was incorporated as a public limited liability company on 7 November 2006 in Cyprus in accordance with the provisions of the Companies Law, Cap. 113.

The Company was established for the purpose of acquiring all shares of Deep Sea Supply ASA.

The Company has its primary and only listing on the Oslo Stock Exchange.

These unaudited condensed consolidated financial statements have been approved for issue by the Board of Directors on 9th November 2010.

2. Basis of preparation

These condensed unaudited consolidated interim financial information for the period ended 30 September 2010 have been prepared in accordance with IFRS as adopted by the E.U. applicable to interim financial reporting, IAS 34 'Interim Financial Reporting' and the regulations of Oslo stock exchange. The interim financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2009, which have been prepared in accordance with IFRS as adopted by the European Union.

3. Summary of significant accounting policies

Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2009, as described in those financial statements. Taxes on income in the interim period are accrued using the tax rate that would be applicable to expected total annual earnings. At the date of approval of these financial statements a number of accounting standards were issued by the International Accounting Standards Board but were not yet effective. The effect of those standards is not expected to be material for the Group. There has been no further impact on the measurement of the Group's assets and liabilities.

4. Segment information

The chief operating decision maker for the Group is the top management together with the board of directors in matters that concern the day to day running of the business and in matters concerning acquisition and disposals of vessels.

Day to day running of the business includes decision on where the vessels should be located and duration of the contracts with the customers.





4. PRIMARY SEGMENT - AREA OF OPERATIONS

The segment results for the period ended 30 September 2010 is as follows:

| | North Sea | Africa | Asia / Australia | North / South America | Mediterranean | Unallocated items | Total |
|----------------------------------|---------------|--------------|------------------|-----------------------|---------------|-------------------|---------------|
| Segment revenues | 19,447 | 9,501 | 30,115 | 10,869 | 25,078 | 0 | 95,009 |
| Vessel operating expenses | -15,752 | -4,482 | -12,884 | -8,368 | -13,388 | 0 | -54,874 |
| Operating lease | 0 | 0 | -1,821 | 0 | 0 | 0 | -1,821 |
| Other gains/(losses) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gain on sale | 5 | 494 | 180 | 1,118 | 2,580 | 0 | 4,377 |
| Other operating expenses | -1,193 | -583 | -1,848 | -667 | -1,539 | 0 | -5,829 |
| EBITDA per segment | 2,507 | 4,930 | 13,742 | 2,952 | 12,731 | 0 | 36,863 |
| EBITDA margin per segment | 13% | 52% | 46% | 27% | 51% | | 39% |
| Depreciation | -6,610 | -2,139 | -5,767 | -2,780 | -9,644 | -61 | -27,000 |
| EBIT per segment | -4,103 | 2,792 | 7,976 | 173 | 3,088 | -61 | 9,863 |
| EBIT margin per segment | N/A | 29% | 26% | 2% | 12% | | 10% |
| Net Financial Items | | | | | | | -18,233 |
| Pre-tax result | | | | | | | -8,370 |
| Taxes | | | | | | | -142 |
| Net Result | | | | | | | -8,512 |





4. PRIMARY SEGMENT - AREA OF OPERATIONS

The corresponding segment results for the period ended 30 September 2009 is as follows:

| | North Sea | Africa | Asia / Australia | North / South America | Mediterranean | Unallocated items | Total |
|----------------------------------|--------------|--------------|------------------|-----------------------|---------------|-------------------|---------------|
| Segment revenues | 18,622 | 11,919 | 35,452 | 5,532 | 65,821 | 0 | 137,347 |
| Vessel operating expenses | -12,334 | -4,054 | -7,674 | -1,895 | -23,043 | 0 | -49,000 |
| Other gains/(losses) | 0 | 0 | 0 | 0 | 0 | 8,754 | 8,754 |
| Gain on sale | 0 | 494 | 0 | 1,126 | 5,238 | -365 | 6,494 |
| Other operating expenses | -639 | -409 | -1,217 | -190 | -2,259 | 0 | -4,714 |
| EBITDA per segment | 5,649 | 7,950 | 26,561 | 4,573 | 45,757 | 8,389 | 98,881 |
| EBITDA margin per segment | 30% | 67% | 75% | 83% | 70% | | 72% |
| Depreciation | -5,602 | -1,475 | -4,056 | -2,051 | -14,031 | -37 | -27,253 |
| EBIT per segment | 47 | 6,475 | 22,505 | 2,522 | 31,726 | 7,987 | 71,628 |
| EBIT margin per segment | 0% | 54% | 63% | 46% | 48% | | 52% |
| Net Financial Items | | | | | | | -25,125 |
| Pre-tax result | | | | | | | 46,503 |
| Taxes | | | | | | | -11 |
| Net Result | | | | | | | 46,492 |





4. SECONDARY SEGMENT - TYPE OF VESSEL

The segment results for the period ended 30 September 2010 is as follows:

| | AHTS | PSV | Unallocated items | Total |
|----------------------------------|---------------|---------------|-------------------|---------------|
| Segment revenues | 63,561 | 31,448 | 0 | 95,008 |
| Vessel operating expenses | -39,739 | -15,135 | 0 | -54,875 |
| Operating lease | -1,821 | 0 | 0 | -1,821 |
| Other gains/(losses) | 0 | 0 | 0 | 0 |
| Gain on sale | 3,334 | 1,038 | 5 | 4,378 |
| Other operating expenses | -3,900 | -1,929 | 0 | -5,829 |
| EBITDA per segment | 21,435 | 15,422 | 5 | 36,861 |
| EBITDA margin per segment | 34% | 49% | | 39% |
| Depreciation | -21,293 | -5,645 | -61 | -27,000 |
| EBIT per segment | 142 | 9,776 | -56 | 9,863 |
| EBIT margin per segment | 0% | 31% | | 10% |
| Net Financial Items | | | | -18,233 |
| Pre-tax result | | | | -8,370 |
| Taxes | | | | -142 |
| Net Result | | | | -8,512 |





4. SECONDARY SEGMENT - TYPE OF VESSEL

The corresponding segment results for the period ended 30 September 2009 is as follows:

| | AHTS | PSV | Unallocated items | Total |
|----------------------------------|---------------|---------------|-------------------|---------------|
| Segment revenues | 89,710 | 47,637 | 0 | 137,348 |
| Vessel operating expenses | -35,783 | -13,217 | 0 | -49,000 |
| Other gains/(losses) | 0 | 0 | 8,754 | 8,754 |
| Gain on sale | 5,871 | 1,038 | -414 | 6,494 |
| Other operating expenses | -3,079 | -1,635 | 0 | -4,714 |
| EBITDA per segment | 56,719 | 33,823 | 8,340 | 98,882 |
| EBITDA margin per segment | 63% | 71% | | 72% |
| Depreciation | -21,457 | -5,758 | -37 | -27,253 |
| EBIT per segment | 35,262 | 28,065 | 8,303 | 71,628 |
| EBIT margin per segment | 39% | 59% | | 52% |
| Net Financial Items | | | | -25,125 |
| Pre-tax result | | | | 46,504 |
| Taxes | | | | -11 |
| Net Result | | | | 46,492 |





5. PROPERTY, PLANT AND EQUIPMENT

| | Vessels | Finance lease vessels | Vessels in progress | Vehicles & equipment | Total |
|---|----------------|-----------------------|---------------------|----------------------|----------------|
| Opening net book value as at 1 January 2009 | 369,404 | 285,285 | 31,735 | 95 | 686,520 |
| Additions | 40,354 | -199 | 722 | 0 | 40,877 |
| Disposals | 0 | 0 | 0 | -14 | -14 |
| Delivered new buildings | 6,416 | 0 | -6,416 | 0 | 0 |
| Cancellation of new buildings | 0 | 0 | -3,448 | 0 | -3,448 |
| Depreciation and amortisation | -15,700 | -11,515 | 0 | -37 | -27,253 |
| Closing net book value as at 30 September 2009 | 400,473 | 273,570 | 22,594 | 44 | 696,681 |
| Opening net book value as at 1 January 2010 | 414,340 | 236,197 | 26,327 | 65 | 676,930 |
| Additions | 3,764 | 875 | 2,220 | 510 | 7,369 |
| Delivered new buildings | 15,003 | 0 | -5,309 | 0 | 9,694 |
| Depreciation and amortisation | -17,608 | -9,331 | 0 | -62 | -27,001 |
| Closing net book value as at 30 September 2010 | 415,498 | 227,742 | 23,238 | 512 | 666,990 |



6. BORROWINGS AND LOANS

| Borrowings | 30 September 2010 | 30 September 2009 |
|--|--------------------------|--------------------------|
| Non-current | 276,701 | 257,277 |
| Current | 28,136 | 24,396 |
| | 304,838 | 281,673 |
| Sale and leaseback and bareboat | | |
| Non-current | 199,800 | 214,415 |
| Current | 14,822 | 14,504 |
| | 214,622 | 228,919 |
| CIRR Loan | | |
| Non-Current | 46,019 | 51,387 |
| Current | 4,948 | 4,984 |
| | 50,967 | 56,371 |
| Total Borrowings | 570,427 | 566,963 |

Movement in borrowings are analysed as follows:

| Period ended 30 September 2009 | Borrowings | Sale and leaseback | CIRR Loan | Total |
|---|-------------------|---------------------------|------------------|----------------|
| Opening balance as at 1 January 2009 | 290,722 | 240,694 | 48,943 | 580,359 |
| Repayment of loans | -18,700 | -40,274 | -2,270 | -61,245 |
| New leasing debt liability | 0 | 28,500 | 0 | 28,500 |
| Amortization of borrowing costs | 686 | 0 | 0 | 686 |
| Currency translations | 8,964 | 0 | 9,698 | 18,662 |
| Closing amount as at 30 September 2009 | 281,673 | 228,920 | 56,371 | 566,963 |

| Period ended 30 September 2010 | Borrowings | Sale and leaseback | CIRR Loan | Total |
|---|-------------------|---------------------------|------------------|----------------|
| Opening balance as at 1 January 2010 | 285,905 | 225,199 | 54,412 | 565,515 |
| Repayment of loans | -20,214 | -10,577 | -2,242 | -33,032 |
| Proceeds from new loans | 39,600 | 0 | 0 | 39,600 |
| Borrowing costs from new loans | -407 | 0 | 0 | -407 |
| Currency translations | -571 | 0 | -1,203 | -1,774 |
| Amortization of borrowing costs | 525 | 0 | 0 | 525 |
| Closing amount as at 30 September 2010 | 304,838 | 214,622 | 50,967 | 570,427 |





7. EARNINGS PER SHARE

| Basic | YTD September 2010 | YTD September 2009 |
|--|--------------------|--------------------|
| Profit attributable to equity holders of the company | -8,512 | 46,492 |
| Weighted average number of ordinary shares (thousands) | 126,863,860 | 126,863,860 |
| Basic earnings per share (USD per share) | -0.07 | 0.37 |

| Diluted | YTD September 2010 | YTD September 2009 |
|--|--------------------|--------------------|
| Profit attributable to equity holders of the company | -8,512 | 46,492 |
| Weighted average number of ordinary shares diluted (thousands) | 128,112,188 | 128,112,188 |
| Diluted earnings per share (USD per share) | -0.07 | 0.36 |

8. SALE AND LEASEBACK EFFECT

The impact from the sale and leaseback transactions on the profit and loss is as follows:

| | YTD September 2010 | YTD September 2009 |
|---|--------------------|--------------------|
| Interest paid | -12,699 | -14,471 |
| Deferred gain recognised in profit and loss | 4,371 | 6,909 |
| Depreciation charge of leased vessels | -9,216 | -11,515 |

9. SEASONALITY

Operating income and expenses are not subject to seasonable fluctuations other than changes in spot rates due to changes in the underlying market conditions.

10. RELATED PARTY TRANSACTIONS

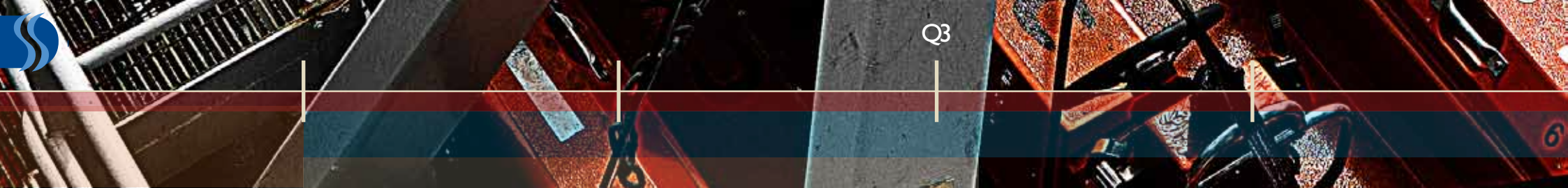
During the first nine months of the year the Group has obtained an unsecured loan from a major shareholder, of USD 10 million. The balance at the end of third quarter was USD 10 million. The loan is payable in three years and carries interest of 3 months LIBOR plus 450 bps per annum.

11. EVENTS AFTER THE BALANCE SHEET

No material events after the balance sheet date.

12. INCOME TAX

As previously announced, the Norwegian tax authorities, after reviewing the tax return of 2006 of Deep Sea Supply AS (a wholly owned subsidiary of the Group at that time), claims that the transaction involving the sale of ship building contracts to Cyprus domiciled subsidiaries should have been done in higher levels. The Company, after advice from its auditors and tax lawyers, is disputing the claim of the tax authorities. The board is convinced that the Company has a good case and is strongly disputing the issue raised by the tax authorities.





SHAREHOLDERS

THE LARGEST SHAREHOLDERS AS PER 05 NOVEMBER REGISTERED IN VPS

| | Citizen | No. of shares: | % |
|---------------------------------------|---------|--------------------|----------------|
| HEMEN HOLDING LIMITED | CYP | 44,583,853 | 35.14% |
| SKAGEN KON-TIKI | NOR | 11,096,000 | 8.75% |
| PERESTROIKA AS | NOR | 6,350,000 | 5.01% |
| DNB NOR MARKETS | NOR | 5,733,655 | 4.52% |
| ORKLA ASA | NOR | 3,550,000 | 2.80% |
| SVENSKA HANDELSBANKEN | SWE | 3,259,777 | 2.57% |
| NORDEA BANK NORGE AS | NOR | 1,530,000 | 1.21% |
| TERRA SPAR | NOR | 1,280,000 | 1.01% |
| J.P.MORGAN CHASE BANK | GBR | 1,089,962 | 0.86% |
| CARNEGIE ASA | NOR | 1,000,000 | 0.79% |
| DNB NOR SMB | NOR | 900,000 | 0.71% |
| J.P.MORGAN CHASE BANK | USA | 869,642 | 0.69% |
| J.P.MORGAN CHASE BANK | GER | 754,200 | 0.59% |
| STICHTING SHELL PENSIOENFONDS | NLD | 722,239 | 0.57% |
| CITIBANK N.A. | USA | 691,886 | 0.55% |
| LIVSFÖRSÅKRINGSAKTIEBOLAGET | SWE | 660,769 | 0.52% |
| MP PENSJON | NOR | 658,800 | 0.52% |
| J.P.MORGAN CHASE BANK | GBR | 577,848 | 0.46% |
| VPF NORDEA SMB | NOR | 519,000 | 0.41% |
| G STRAND EIENDOM AS | NOR | 500,000 | 0.39% |
| Total 20 largest shareholders: | | 86,327,631 | 68.05% |
| Total other shareholders: | | 40,536,229 | 31.95% |
| Total number of shares: | | 126,863,860 | 100.00% |





Q3

FLEET LIST & CHARTER STATUS AS PER 5 NOVEMBER 2010

| Vessel | Type | Bhp/Dwt | Year built | 2010 | 2011 | | | | 2012 | 2013 |
|---------------------|--------------------|-----------|------------|-------------------|--------------------|----|----|----|------|------|
| | | | | 4Q | 1Q | 2Q | 3Q | 4Q | | |
| AHTS Vessels | | | | | | | | | | |
| Sea Lion | AHTS Havyard 842 | 17520 BHP | 04.11.08 | Shell Egypt | | | | | | |
| Sea Tiger | AHTS KMAR 404 | 15000 BHP | 1998 | Maersk Oil Brasil | | | | | | |
| Sea Lynx | AHTS KMAR 404 | 15000 BHP | 1999 | North Sea | | | | | | |
| Sea Panther | AHTS KMAR 404 | 15000 BHP | 1999 | Maersk Oil Brasil | | | | | | |
| Sea Leopard | AHTS KMAR 404 | 15000 BHP | 1998 | Brazil | | | | | | |
| Sea Bear | AHTS KMAR 404 | 15000 BHP | 1999 | Saipem | North Sea | | | | | |
| Sea Wolf I | AHTS KMAR 404 | 15000 BHP | 1999 | Saipem | North Sea | | | | | |
| Sea Cougar | AHTS KMAR 404 | 16000 BHP | 1999 | North Sea | | | | | | |
| Sea Cheetah | AHTS Khiam Chuang | 15000 BHP | 25.01.07 | | ExxonMobil Vietnam | | | | | |
| Sea Jaguar | AHTS Khiam Chuang | 15000 BHP | 06.07.07 | | ENI China | | | | | |
| Sea Eagle I | AHTS Khiam Chuang | 12000 BHP | 20.04.09 | | ENI China | | | | | |
| Sea Ocelot | AHTS Khiam Chuang | 10800 BHP | 01.10.07 | | ExxonMobil Vietnam | | | | | |
| Sea Otter | AHTS Seatech P-729 | 6500 BHP | 17.08.07 | Petrobras Brazil | | | | | | |
| Sea Weasel | AHTS Seatech P-729 | 6500 BHP | 29.10.09 | Petronas Malaysia | | | | | | |
| Sea Marten | AHTS Seatech P-729 | 6800 BHP | 27.05.10 | Petrobras Brazil | | | | | | |
| PSVs | | | | | | | | | | |
| Sea Trout | VS 470 MK II | 3300 DWT | 18.06.08 | EnQuest North Sea | | | | | | |
| Sea Halibut | PSV UT 755 L | 3250 DWT | 27.04.07 | Petrobras Brazil | | | | | | |
| Sea Angler | PSV UT 755 L | 3250 DWT | 19.07.07 | ENI Congo | | | | | | |
| Sea Pike | PSV UT 755 L | 3250 DWT | 10.10.07 | Petrobras Brazil | | | | | | |
| Sea Bass | PSV UT 755 L | 3250 DWT | 18.01.08 | Petrobras Brazil | | | | | | |
| Sea Pollock | PSV UT 755 L | 3250 DWT | 30.04.08 | Petrobras Brazil | | | | | | |
| Sea Turbot | PSV UT 755 L | 3250 DWT | 20.08.08 | Petrobras Brazil | | | | | | |
| Sea Witch | PSV UT 755 L | 3250 DWT | 17.12.08 | | ExxonMobil Vietnam | | | | | |

Firm: Option: Spot:



Q3

NEWBUILDING DELIVERY

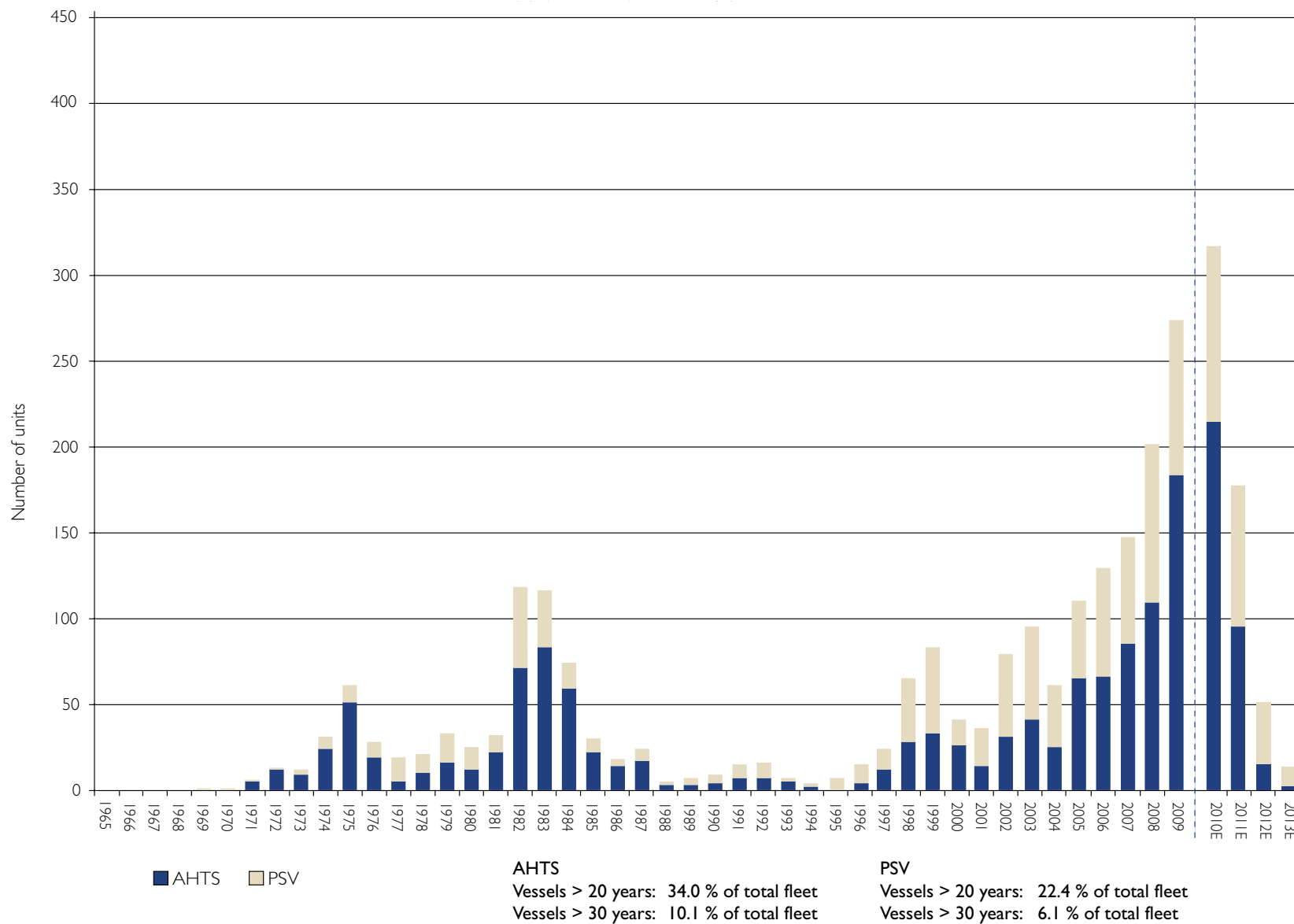
| Vessel no | Vessel | Yard | Type | Bhp/Dwt | Expected Delivery |
|---------------------|------------|--------------------------|--------------------|----------|-------------------|
| AHTS Vessels | | | | | |
| 271 | Sea Fox | ABG | AHTS Seatech P-729 | 6800 BHP | Dec 10 |
| 272 | Sea Jackal | ABG | AHTS Seatech P-729 | 6800 BHP | Jan 11 |
| 273 | Sea Badger | ABG | AHTS Seatech P-729 | 6800 BHP | Feb 11 |
| 274 | Sea Vixen | ABG | AHTS Seatech P-729 | 6800 BHP | Mar 11 |
| 275 | Sea Stoat | ABG | AHTS Seatech P-729 | 6800 BHP | Apr 11 |
| PSV's | | | | | |
| 28 | TBN | STX Offshore Brazil S.A. | STX PSV 09 CD | 4700 DWT | Jan 12 |





Q3

AGE DISTRIBUTION CURRENT FLEET AND ORDER BOOK



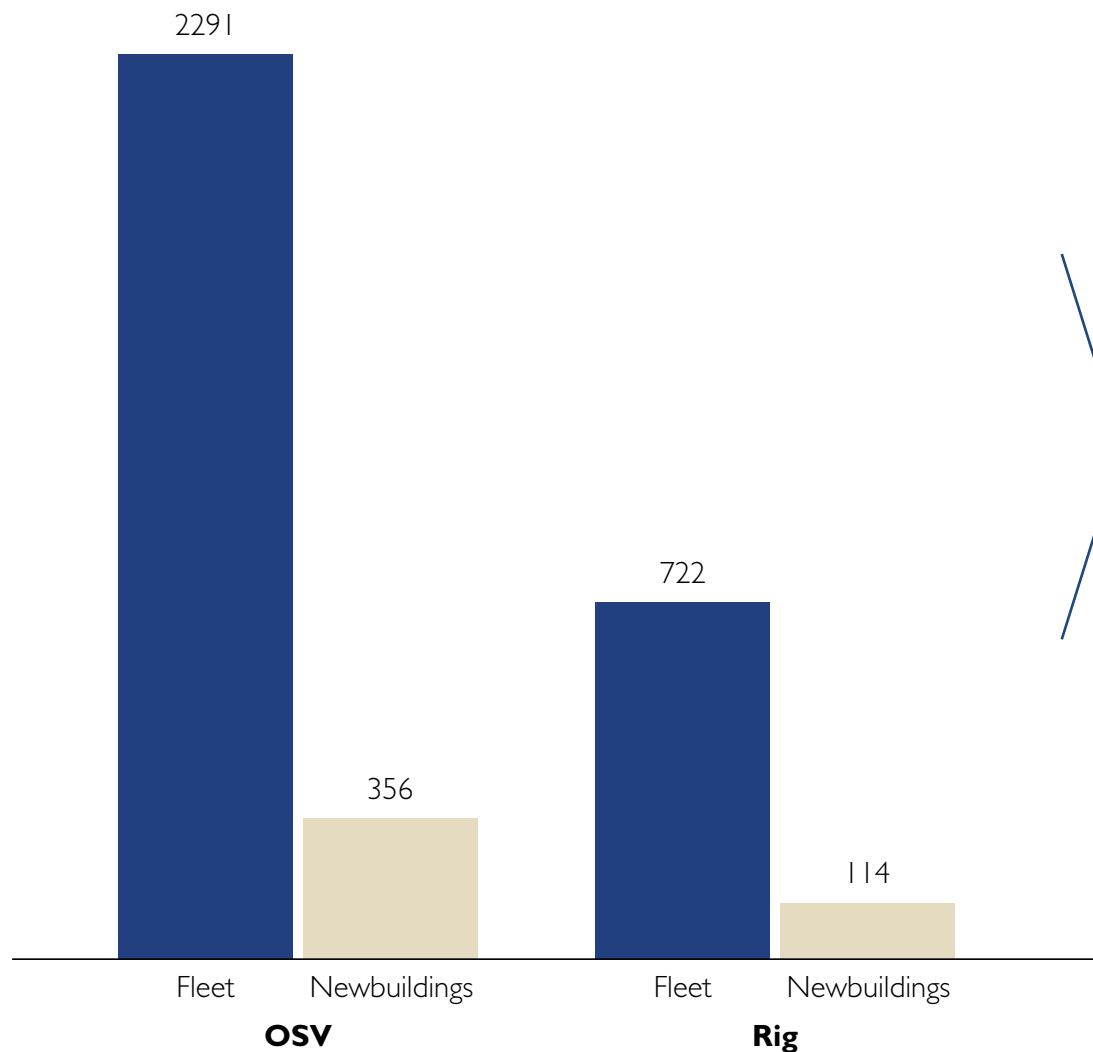
Source: ODS Petrodata



MARKET SUMMARY

Q3

Existing fleet vs. orderbook
(# of vessels)



Order as % of existing fleet: 16%

16%

Observations

- Good balance between newbuilding programs in rig and OSV sector
- Still almost 700 OSVs more than 20 years old
- Future rig utilization will impact OSV market
- Strong focus on safety may lead to increased demand for OSV vessels





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