

Q308

DEEP SEA SUPPLY PLC

30th of September 2008

Complete version

MEET SEA LION

A brand new state of the art AHTS vessel in the fleet!

Delivered in November 2008, “Sea Lion” will be our most modern 17,520 BHP Anchor Handling Tug and Supply vessel.

The vessel is built at the highly recognized Norwegian shipyard Havyard Leirvik located in Leirvik in Sogn, Norway. Leirvik is a small village on the west coast of Norway and the shipyard employs most of the local population.

“Sea Lion” is Deep Sea Supply’s largest Anchor Handling Tug and Supply vessel with 17,520 BHP. The vessel has Norwegian crew, Norwegian (NOR) flag and will operate in the North Sea.

The design is a “Havyard 842” AHTS with additional features installed in order to make the vessel environmentally friendly and safe.

We hope you will enjoy the pictures of “Sea Lion”.





DEEP SEA SUPPLY PLC – 3rd QUARTER AND YTD FINANCIAL REPORT 2008

Deep Sea Supply Plc (DESSC or Company) is an offshore supply company listed on Oslo Stock Exchange 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:

Significant improvements in Revenues and EBITDA

3rd quarter – main figures: (2Q08 numbers in brackets)

Very strong rates for AHTS and PSVs internationally and in North Sea increased revenues by 12,5 % compared to 2Q08 to USD 48,4 mill. (USD43 mill.). Lower daily operating expenses for the vessels improved the EBITDA to 32,2 mill. (USD26,9 mill.) and the EBITDA margin improved to 66,5% (62.6%).

DESSC has through 2008 acquired shares in an offshore supply company. The shares have over the past few weeks reduced in value and caused an unrealized loss of -USD 5,2 mill. in 3rd quarter (+USD 1 mill.).

EBIT was USD21,6 mill. (USD28,7 mill. after gain on sale). Net currency items were negatively affected by currency losses of -USD2,7 mill. (-USD2,1 mill.) mainly due to Euro and GBP revenues that has weakened in USD terms during the 3rd quarter. The pre-tax profit was USD 9,8 mill. for 3Q08 (USD 20,1 mill) compared to USD 16,9 mill. for 3Q07.

Dividend:

The Board suggests a break in dividend distributions in the 3rd quarter due to the low visibility in the financial markets paired with a lower cash balance after 3 major surveys during the quarter and repayment of the NOK200 mill. Bond Loan. The Company intend to continue pursuing its shareholder friendly strategy and revert with dividend distributions when the financial and equity markets stabilize.

30.09.2008 YTD numbers:

30.09.08 revenues are USD134 mill. compared to USD93,3 mill. 30.09.07, EBITDA is USD84,6 mill (USD64,4 mill.) or 63,1% of total revenues and EBIT is USD86,2 mill. (USD53,5 mill.) or 64,3% (57%) of total revenues. Net profit per 30.09.08 is USD41 mill. (USD41,5 mill) or 30,6% of total revenues.

Committed financing and debt reduction:

Deep Sea Supply has financing in place for all the delivered vessels by a group of international, reputable and experienced shipping banks. Long term financing is furthermore committed by the banks for all newbuildings with the exception of two. The two exceptions are “Sea Hawk” and “Sea Eagle” which will go on a 15 months bareboat when delivered from the shipyard. After termination of the bareboat charters in 2010, Deep Sea Supply has a purchase option on the two vessels where financing will be arranged at a later stage.

In 3Q08, the Company decided to use the call option and fully repay the NOK200 mill. Bond Loan facility 2,5 years before the final due date. This was done in order to enhance the financial flexibility of the Company and to reduce the total debt and finance expenses.

Please note that “Other gain” is moved from EBITDA to EBIT in 3rd quarter financials to better reflect IFRS accounting standards.

Earnings, rate levels and market conditions

Total revenues in 3Q08 were USD48,4 mill. or an increase of 12,5% compared to 2Q08 and 24,1% compared to 3Q07. Total revenues YTD 30.09.08 increased with 43,7% compared to YTD revenues per 30.09.07.

Market conditions for AHTS and PSVs are currently very good mainly due to a high activity level in oil exploration and production.

AHTS:

In 3Q08, DESSC had 11 AHTS vessels in operation of which 2 have partly operated in the North Sea spot market and the remaining 9 in the international term market. In addition to this

fleet, DESSC has 10 AHTS vessels on order/under construction of which 1 vessel, “Sea Lion”, is expected to be delivered in 4Q08. The fleet of AHTS has increased from 10 vessels in 3Q07 to 11 vessels in 3Q08.

Rate levels

The market for AHTS vessels has been strong in 3Q08. The rate levels for DESSC’s large AHTS improved by 16,6% compared to 2Q08 and the rate level improved most significantly in the North Sea spot market.

Freight revenues

From 2Q08 to 3Q08, DESSC’s total revenues from AHTS increased by 5% despite a significant increase in planned off-hire due to planned major survey of “Sea Tiger” and “Sea Bear” and mobilization of “Sea Panther” and “Sea Wolf” to new areas of operations. The main reasons for the increase in revenues are improved rate levels and improved utilization of the fleet in operation.

Total revenues from AHTS vessels have improved by 2% compared to 3Q07 due to the increased fleet from 9 to 11 AHTS vessels. When comparing the 9 vessels operating in 3Q07 and 3Q08, revenues reduced by 12% from 3Q07 to 3Q08 mainly due to reduced revenues on “Sea Panther” in 3Q08 (technical offhire due to planned major survey).

New charters

In the 3Q08, DESSC entered new charters for the AHTS “Sea Panther”, “Sea Wolf” and “Sea Leopard” each of 3 to 6 months duration at strong rate levels.

The Company’s strategy is to have a mix of spot/short term charters and long term charters for its AHTS vessels.

PSVs

In 3Q08, DESSC had 7 PSVs in operation of which are committed on long term charters. In addition to this fleet in operation, DESSC has 1 PSV, “Sea Witch”, under construction with expected delivery in 4Q08.

DESSC’s fleet of PSV in operation has increased from 3 vessels in 3Q07 to 7 vessels in 3Q08.

**Rate levels**

The market for PSVs has been strong in 3Q08. The rate levels of the PSVs were unchanged compared to 2Q08.

Freight revenues

From 2Q08 to 3Q08, DESSC's total revenues from PSV vessels increased with 41,8% mainly due to an increased fleet and partly due to improved utilization.

From 3Q07 to 3Q08, DESSC's total revenues from PSV vessels increased by 283% due to an increased fleet.

New charters

In 3Q08, DESSC entered a 1+1 year's bareboat charter for "Sea Witch" (newbuilding with estimated delivery in 4Q08) to OMS in Australia with BP as the end user.

DESSC's strategy is to operate its fleet of PSVs on long term charters.

Vessel operation and construction supervision:**Vessels' operating expenses:**

Vessels' operating expenses in 3Q08 were USD 15,1 mill. compared to USD 14,4 mill. in 2Q08 or an increase of 5%. However, when adjusting for the bigger fleet in 3Q08 compared to 2Q08, the daily operating expenses per vessel has reduced by 6%. In the 2Q08, the daily operating expenses also reduced compared to 1Q08. The trend of continuous reducing operating expenses hence continues.

Compared to 3Q07, the vessels' average operating expenses have increased significantly. The main reason for this is the general increase price level world-wide which has resulted in increased prices on spare parts and services and partly due to a falling USD currency against the NOK which impacts the operating expenses for vessels with Norwegian crew.

Vessels' surveys

"Sea Bear" and "Sea Tiger" have completed and "Sea Panther" has commenced her 10 years full survey in 3Q08. The costs related to the major surveys are balanced and depreciated over 2.5 years which is the time for their next scheduled intermediate survey. Repair and maintenance expenses conducted simultaneously and not related to the required major survey are expensed in 3Q08. "Sea Panther" expects to complete the major survey in early November 2008 and there are no further major or intermediate surveys to be conducted in 2008.

Vessels under construction - Construction supervision:

DESSC has vessels under construction at yards in Norway, Singapore and India. External technical management companies are responsible for the daily construction supervision at the shipyards and have teams located at the yards. These teams' performance is monitored by DESSC's own Fleet Managers who regularly visit the shipyards.

Technical and crew management of the Fleet

DESSC's vessels are all managed by external ship management companies. The performance is monitored by Fleet Managers employed with DESSC. DESSC considers it vital to do proactive maintenance and ensure the vessels are safe and in a technical good condition and hence avoid offhire due to technical problems. At the same time, we focus a lot on reducing the operating expenses. This is done by imposing restrictions on the external technical and crew managers, by better planning and control and by selecting the right external managers for the right vessels based on experience. This will be a continuous effort.

Other operating expenses

These are general and administrative expenses for the offices in Cyprus, Singapore and Norway. These are reduced compared to 2Q08 and unchanged compared to 3Q07 despite an increase in the number of employees.

Depreciations

All vessels are depreciated to zero when 30 years old.

Other Losses

DESSC has through 2008 acquired shares in an offshore supply company. The shares have over the past few weeks reduced in value and caused an unrealized loss of -USD 5,2 mill. in 3Q08 (+USD 1 mill.).

Net financial items

Interest income is reduced somewhat compared to 2Q08 due to reduced bank deposits. Interest expenses are reduced compared to 2Q08 for the following reasons; 2Q08 contained a call premium of NOK10 mill. for the prepayment of the NOK 200 mill. Bond Facility (repaid in 3Q08). Interest expenses on the Bank Loan Facility are expected to increase as the Facility was refinanced in 2Q08 and due to new vessels being delivered and financed.

3Q08 contained no major currency gains/losses but contained a reduction in value of financial derivatives of -USD2,7 mill

(+USD6,1 mill) mainly due to a negative value of two interest rate swaps entered into some months ago for the purpose of hedging part of the Company's interest rate exposure.

Impact on P&L from sale and leaseback transaction:

The impact from the sale and leaseback transactions (including bareboat of "Sea Ocelot") on the P&L and Balance sheet is as follows;

P&L Impact for period ending 30 September 2008:

	<u>USD mill.</u>
Interest for the period	-18,6
Gain amortized in P&L for the period	6,9
Depreciation for leased vessels	-11,5

Balance sheet value of assets and liabilities from sale and leaseback (and bareboat of "Sea Ocelot") at 30 September 2008:

	<u>USD mill.</u>
Cost of leased vessels	324,0
Sale and leaseback debt – long term	-229,0
Sale and leaseback debt – short term	-45,7
Deferred gain	-102,3

Cash, cashflow and equity

The Company's cash balance by the end of 3Q08 was USD 34,5 mill. compared to USD 98,8 mill. by end of 2Q08 and USD 123,9 mill. by end of 3Q07. The reduction in cash in 3Q08 is primarily due to payment of dividend to shareholders and repayment of the NOK200 mill. Bond Facility.

Equity as of 30.09.2008 was USD 108,2 mill compared to USD 132,6 mill. by end of 2Q08 and USD193,5 mill. by 30.09.2007. The reduction is primarily due to payment of dividend.

Newbuildings

13 out of the total 24 newbuildings were delivered by end of 3Q08. Two of these were sold in 1H08 and the remaining 11 are in operation. One PSV, "Sea Turbot" was delivered in 3Q08. The AHTS "Sea Weasel" is expected to be delayed with estimated delivery in February 2009. New production facilities at ABG Shipyard are expected to speed up the remaining deliveries.

Other issues**Prepayment of debt**

In 3Q08 the NOK 200 mill. Bond Facility was fully repaid in order to enhance the financial flexibility of the Company. In July, the Bond Loan had a call option which was utilized.



CIRR Loan

During the period ended 30 September 2008 the Group has applied for a Commercial Interest Reference Rate (CIRR) loan from the Norwegian Export Credit Agency. The loan amount was NOK 132 mill. (USD 26 mill.). The duration of the loan is 12 years and the cash proceeds from the loan have been deposited in fixed deposit account with a Norwegian bank at a higher interest rate than that of the loan. The agreed period of the deposit is identical with the one of the loan. The loan 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 loan.

Deferred gain

A gain from the sale of the vessels to Ship Finance International Ltd. (in 2007 and 2008) of currently approx. USD 102,2 mill has been deferred in the balance as liabilities (long and short term), and will be amortized over the lease term which is 12 years. In the balance, the seller's credit is deducted from the gross long term debt related to the leasing transaction.

Currencies of revenues and costs

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

Events after 30th September 2008

On 6 October, "Sea Ocelot" was acquired by the Company after termination of an approximately 12 months bareboat charter from Java Marine Ltd. (subsidiary of Jaya Shipbuilding & Engineering Ltd.). The acquisition of "Sea Ocelot" was financed through a combination of the Company's cash and loan from the Bank Loan Facility.

In October 2008, the North Sea spot market was booming to record high rates and DESSC's vessels were chartered out at historically record high spot rates of up to GBP160,000 per day. The strong market experienced in the fall of 2006 and 2007 is hence (as forecasted earlier in 2008) repeated in 2008.

Future outlook

Vessel deliveries in 4Q08:

The AHTS "Sea Lion" from Havyard Shipyard is expected to be delivered on schedule and budget early November 08. The 8th and final newbuilding PSV "Sea Witch" from Cochin Shipyard is expected to be delivered on schedule and budget in December 08.

The AHTS "Sea Hawk" from Jaya Shipbuilding and Engineering, Singapore is expected to be delivered on schedule and budget in January 09 and the ABG vessel "Sea Weasel" is expected to be delayed and delivered in February/March 2009.

The World is currently experiencing a financial turmoil which creates a level of general uncertainty. Fortunately DESSC has secured financing of all its newbuildings from respective delivery. The spot and term market for both AHTS and PSVs seems currently to be unaffected by the financial turmoil as rates remain high. The long term consequences of a continued financial turmoil remain to be seen.

We remain positive on the future market outlook for AHTS and PSV and expect a strong 4Q08.

Company's shareholders

As per the end of 3Q08, the Company's largest shareholder is Hemen Holding Limited with a shareholding of 34,30%.

Main risks factors and uncertainties

A number of the Company's vessels are on short term charters and the earnings on these vessels are hence sensitive to changes in the charter rates. Charterer's payments are normally 30 days after end of months which expose the Company to credit risk from its charterers. By end of 3Q08, the Company has a significant newbuilding program remaining and is hence exposed to delays in delivery which may impact future revenues negatively. The Company is furthermore sensitive to changes in exchange rates and interest rates. Financial turmoil can cause changes in the number of delivered offshore supply vessels and rigs and floaters and hence affect the supply and demand situation for the offshore supply sector. The effects remain to be seen.

Transaction between related parties

DESSC has entered into two sale and leaseback transactions with Ship Finance International Limited ("SFI"), the last in January 2008. SFI's largest shareholder is Hemen Holding Ltd. who is also DESSC's largest shareholder. The sale and leaseback transactions are done on fully competitive terms.

Responsibility statement:

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 September 2008 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Company's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

6 November 2008
The Board of Deep Sea Supply PLC

Svein Aaser
Chairman

Frixos Savvides

Anna Cecilie Holst

Bjørn Gaever



SOME IMPORTANT MILESTONES

Deep Sea Supply is an offshore supply company with a modern fleet of anchor handling tug and supply vessels (AHTS) and platform supply vessels (PSV). The parent company is based in Cyprus with management companies in Cyprus, Singapore and Norway. Deep Sea Supply Plc (DESSC) is listed on Oslo Stock Exchange.

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

- Chartering
- Business development
- Finance / Investor relations
- Monitoring of external suppliers

Technical and crew management of all vessels are outsourced to external companies.

July 2005

Purchase of 6 AHTS vessels (15,000 BHP/ 1998-99 built) and a private placement of NOK 420 mill (NOK 10,00 per share).

September 2005

Listed on Oslo Stock Exchange – IPO of NOK 35 mill (NOK 11,50 per share).

January 2006

NOK200 mill. Bond issued to Norwegian institutional investors.

April 2006

Purchase of 22 newbuilding contracts from Sea-tankers Management and a private placement of NOK 1,150 mill (NOK 13,60 per share). Hemen Holding became the largest shareholder; approximately 23,5% (increased during 2006 to 34,3%).

July 2006

Sale of 3 AHTS (6,500 BHP) newbuilding contracts entered into with ABG Shipyard.
Purchase of a newbuilding contract for an AHTS vessel (17,520 BHP - tbn Sea Lion) with delivery September 2008 at Havyard (Norway).

August 2006

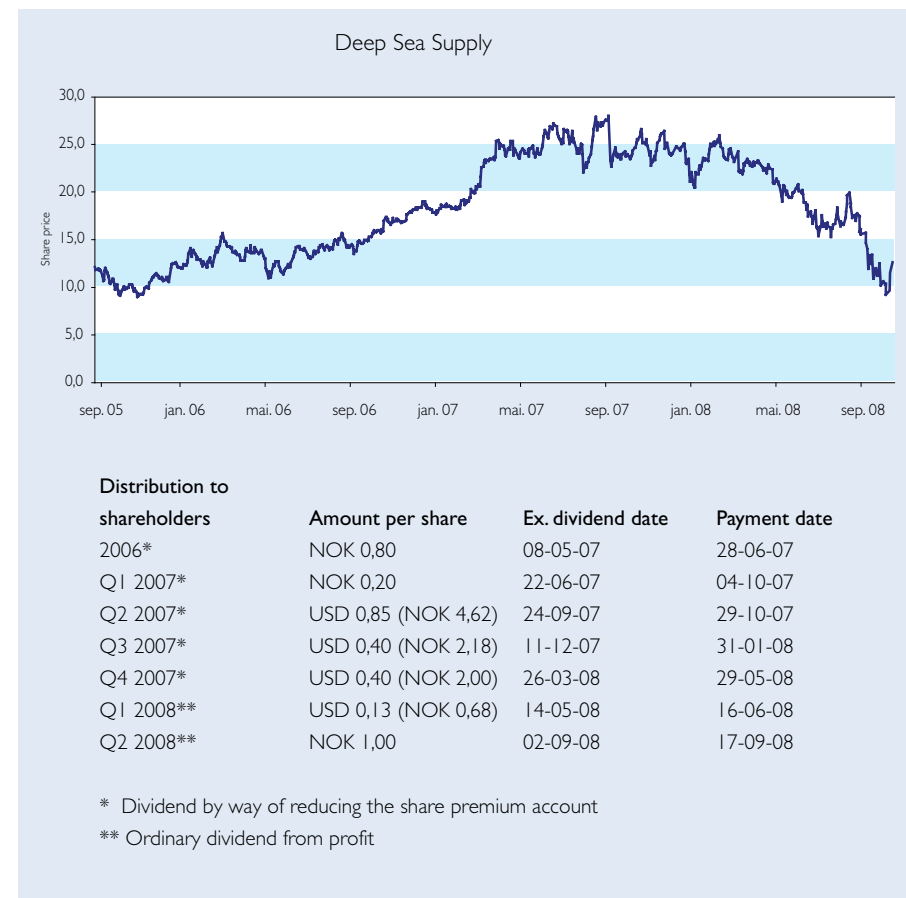
Purchase of a 1999-built AHTS vessel (15,000 BHP) from Bourbon Offshore (renamed Sea Cougar).

October 2006

The Company obtained GBP 135 000, the highest spot rate ever achieved in the Company's history, for the AHTS vessels Sea Tiger and Sea Lynx.

December 2006

The Company changed its domicile from Norway to Cyprus.



**January 2007**

Delivery of Sea Trout, the first PSV from Cochin Shipyard in India.

February 2007

Delivery of Sea Cheetah, the first AHTS vessel (15,000 BHP) from Jaya Shipbuilding & Engineering in Singapore.

March 2007

1 year firm bareboat charter of an AHTS-vessel, Sea Ocelot (10,800 BHP), with delivery from Jaya in September 2007 with purchase option after 1 year.

April 2007

Delivery of Sea Halibut, the second PSV from Cochin.

May 2007

Sea Angler and Sea Pike enters 3 + 1 years time charter with ENI Congo commencing in 3rd quarter.

July 2007

Delivery of Sea Angler, the third PSV from Cochin.

Delivery of Sea Jaguar, the second AHTS vessel (15,000 BHP) from Jaya.

August 2007

Delivery of Sea Otter, the first AHTS vessel (6,500 BHP) from ABG Shipyard in India.

Sale and leaseback transaction entered into with Ship Finance International Limited ("SFI") for Sea Cheetah, Sea Jaguar, Sea Trout, Sea Halibut and Sea Pike.

Gross sales proceeds are \$198,5 mill. (net \$181 mill.). The transaction improves the Company's cash position with \$96 mill. after repayment of existing debt. 12 years term with several purchase options.

September 2007

The Company acquired three newbuilding contracts; One PSV (VS470 MKII) built in Norway with expected delivery in May 2008, and two AHTS-vessels (12,000 BHP) built at Jaya with expected deliveries in December 2008 and March 2009.

October 2007

Delivery of Sea Ocelot, the third AHTS vessel (10,800 BHP) from Jaya.

Delivery of Sea Pike, the fourth PSV from Cochin.

December 2007

Sea Cougar enters 2 years t/c for operations in Egypt.

January 2008

Second sale and leaseback transaction with SFI for Sea Leopard and Sea Bear. Gross sales proceeds are \$126 mill. (net \$104 mill.). The transaction improves the Company's cash position with \$63 mill. 12 years term with several purchase options.

Sale of Sea Trout, the first PSV delivered from Cochin. Sales price \$36,5 mill.

Delivery of Sea Bass, the fifth PSV from Cochin. 2 years t/c entered into with Melittah Gas (ENI) Libya for Sea Bass and Sea Cheetah.

April 2008

Delivery of Sea Pollock, the sixth PSV from Cochin.

May 2008

Sale of Sea Wolverine, the second AHTS from ABG, following delivery. Sales price \$21,9 mill.

4 years time charters from August 2008 entered into with Exxon Exploration Inc for Sea Pollock and Sea Turbot.

June 2008

Refinancing the Senior Bank Loan by a USD240 mill. and NOK970 mill. Loan facility.

Delivery of "Sea Trout", a PSV design VS470 from Karmsund Maritime Services AS in Norway. The vessel is chartered to Petrofac for operations in North Sea.

1 year time charter with option for another 2 years entered into with ENI North Africa for the AHTS vessel "Sea Jaguar".

July 2008

Prepayment of the NOK200 mill. Bond Loan facility for the purposes of facilitating further growth and enhanced financial flexibility.

August 2008

Delivery of "Sea Turbot", the 7th PSV from Cochin.

September 2008

1 year bareboat charter contract entered into for the PSV "Sea Witch" with commencement from delivery of the vessel at Cochin Shipyard in December 2008.

October 2008

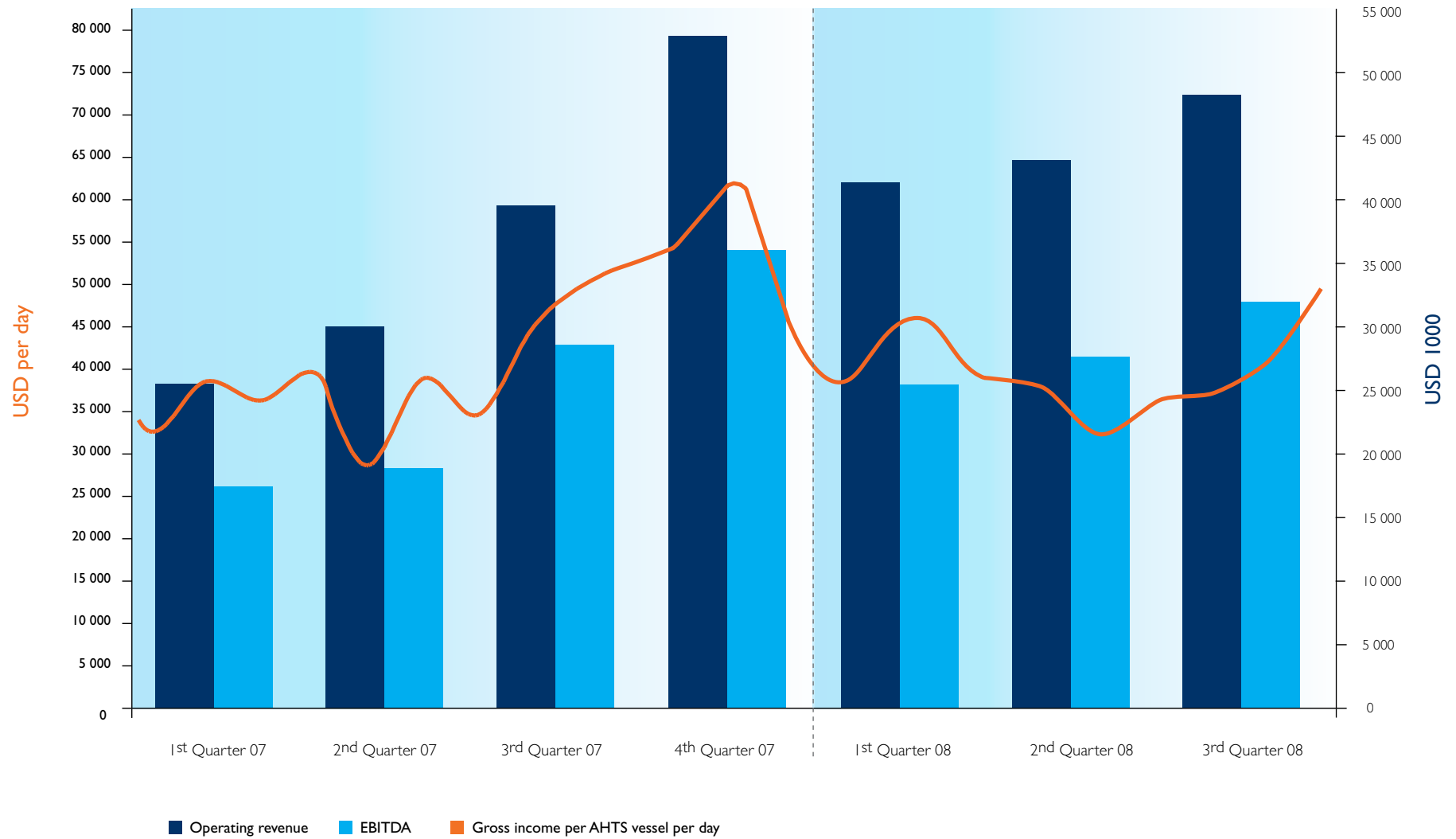
The Company obtained GBP 160,000 per day in the North Sea spot market for the vessel "Sea Tiger", the highest freight rates in the Company's history.

After finishing a 12 month bareboat charter that commenced directly upon delivery from Jaya Shipyard, the option to purchase "Sea Ocelot" was exercised.





QUARTERLY OPERATING REVENUE AND EBITDA



CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

Accounts prepared in accordance with IFRS



(Unaudited figures in USD 1,000)

	Note	YTD 2008	YTD 2007	3Q 2008	3Q 2007	2007
Operating revenue	4	134 039	93 295	48 428	39 032	146 660
Vessel operating expenses	4	-43 977	-25 387	-15 140	-9 194	-40 176
Other operating expenses	4	-5 448	-3 502	-1 092	-1 178	-5 952
Total operating costs		-49 425	-28 889	-16 232	-10 372	-46 128
EBITDA		84 614	64 405	32 196	28 660	100 532
Depreciation	5	-21 644	-11 268	-7 628	-4 203	-16 561
Other gains		-4 166	0	-5 295	0	0
Gain on sale		27 364	345	2 335	345	1 518
EBIT		86 168	53 482	21 608	24 801	85 489
Financial income		1 941	1 936	484	611	2 616
Financial expenses		-32 967	-13 101	-9 657	-5 713	-19 878
Net currency items		-6 513	-5 080	83	-4 536	-4 535
Change in value of financial derivatives		-7 415	4 273	-2 721	1 728	2 928
Net financial items		-44 953	-11 972	-11 810	-7 911	-18 869
Pre-tax result		41 215	41 510	9 798	16 891	66 620
Taxes		-220	0	-34	0	-12 843
Net result		40 995	41 510	9 764	16 891	53 776
Average number of shares		126 863 860	125 184 536	126 863 860	125 619 693	125 607 818
Earnings per share	9	0,32	0,33	0,08	0,13	0,43
Earnings per share diluted	9	0,32	0,33	0,08	0,13	0,42
Cash flow per share 1)		0,55	0,39	0,16	0,15	0,64

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



CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

Accounts prepared in accordance with IFRS

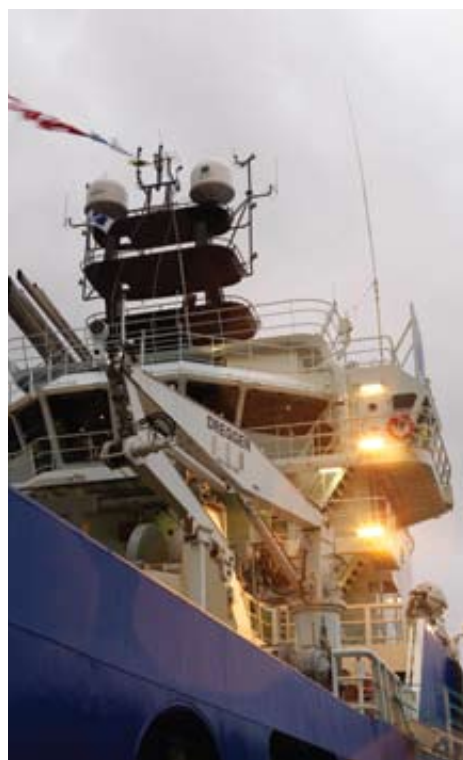
(Unaudited figures in USD 1,000)

Note

30.09.2008

31.12.2007

30.09.2007



Non-current assets

Vessels	5	296 326	275 738	277 277
Vessels under sale and leaseback contracts	5	317 230	231 323	166 812
Drydocking cost for vessels	5	5 400	4 760	5 131
Drydocking cost for vessels under sale and leaseback	5	6 784	2 005	0
Construction contracts	5	50 216	83 871	90 046
Vehicles and equipment	5	96	88	118
Total property, plant and equipment		676 053	597 785	539 384

Pension Schemes		121	103	39
CIRR deposit	8	19 152	0	0
Total non-current assets		695 327	597 888	539 423

Current assets

Financial derivatives		0	2 074	3 419
Trade and other receivables	6	43 326	41 631	33 842
Other short term receivables		14 800	18 981	16 089
CIRR deposit - short term portion	8	3 830	0	0
Inventories		1 272	1 767	1 059
Financial assets at fair value through profit and loss		9 268	0	0
Cash and cash equivalents		34 461	31 396	123 862
Total current assets		106 957	95 849	178 272
Total assets		802 284	693 737	717 695

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

Accounts prepared in accordance with IFRS



(Unaudited figures in USD 1,000)

	Note	30.09.2008	31.12.2007	30.09.2007
Shareholder equity				
Share capital	7	2 639	2 639	2 639
Share premium and reverse acquisition reserve	7	15 276	66 021	116 743
Other paid in capital	7	231	231	231
Treasury shares	7	-9 787	-9 787	-9 787
Retained earnings and currency translation reserve		99 823	100 221	88 509
Total equity		108 182	159 325	198 335
Liabilities				
Bank borrowings	8	226 987	179 012	181 175
Leasing debt	8	229 021	169 707	144 898
CIRR loan	8	19 152	0	0
Deferred gain on sale and finance leaseback		93 047	56 087	49 333
Deferred gain on CIRR loan		848	0	0
Long term tax liability		10 911	11 565	0
Total long-term liabilities		579 966	416 371	375 406
Bank borrowings falling due within 1 year	8	20 532	13 453	13 280
Leasing debt falling due within 1 year	8	45 695	39 578	8 523
CIRR loan falling due within 1 year	8	3 830	0	0
Deferred gain on sale and leaseback falling due within 1 year		9 212	0	0
Deferred gain on CIRR loan falling due within 1 year		49	0	0
Current income tax liability		1 262	1 338	0
Financial derivatives		7 634	0	0
Other short-term liabilities		25 921	12 928	10 027
Dividend payable		0	50 746	112 124
Total short-term liabilities		114 135	118 041	143 954
Total liabilities		694 101	534 411	519 360
Total equity and liabilities		802 284	693 737	717 695



CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD 1,000)

	Share Capital	Reverse acquisition reserves	Share premium reserves	Treasury shares	Other paid-in-equity	Retained earnings	Minority interest	Currency translation differences	Total
Balance at 1 January 2007	2 487	-123 386	349 753	0	496	37 380	17 472	0	284 202
Currency translation differences								9 619	9 619
Net income recognised directly in equity								9 619	9 619
Result for the period						41 510			41 510
Total income recognised for the period ended 30 September 2007						41 510		9 619	51 129
Issuance of new shares in January 2007 from mandatory offering	116		15 929				-17 472		-1 427
Issuance of new shares in August 2007 relating to exercise of share warrant agreement	36		3 644		-496				3 184
Value of share option scheme issued in September 2007					231				231
Buy back of own shares				-9 787					-9 787
Payment of dividend			-129 197						-129 197
Balance at 30 September 2007	2 639	-123 386	240 129	-9 787	231	78 890	0	9 619	198 335
Balance at 1 January 2008	2 639	-123 386	189 407	-9 787	231	91 156	0	9 065	159 325
Currency translation differences								-1 989	-1 989
Net income recognised directly in equity								-1 989	-1 989
Result for the period						40 995			40 995
Total income recognised for the period ended 30 September 2008						40 995		-1 989	39 006
Payment of dividend			-50 746			-39 404			-90 150
Balance at 30 September 2008	2 639	-123 386	138 661	-9 787	231	92 747	0	7 076	108 182



CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT



<i>(Unaudited figures in USD 1,000)</i>	YTD 2008	2007	YTD 2007
Cash flows from operating activities			
Cash generated from operations	100 499	79 642	51 786
Interest paid	-31 453	-12 799	-9 694
Income tax paid	-220	555	0
Net cash generated from operating activities	68 826	67 398	42 092
Cash flows from investing activities			
Acquisitions and disposals of vessels and construction contracts	-45 799	-159 329	-115 325
Net cash used in investing activities	-45 799	-159 329	-115 325
Cash flows from financing activities			
Payment of dividend to shareholders	-140 986	-125 898	-13 774
Proceeds from borrowings	249 200	307 300	175 750
Repayments of borrowings	-128 176	-93 194	0
Cash flow from acquisition of own shares	0	-9 787	-9 787
Cash flow from acquisition of shares in Deep Sea Supply ASA / Change in domicile	0	-6 539	-6 539
Net cash used in financing activities	-19 962	71 882	145 650
Total changes in liquidity in the period/year	3 065	-20 049	72 417
Cash and cash equivalents at beginning of period	31 396	51 445	51 445
Cash and cash equivalents at end of the period	34 461	31 396	123 862

FUTURE CAPITAL EXPENDITURE NEWBUILDING CONTRACTS

	Q4 2008	2009	2010	Total
Contractual yard payments	79 974	47 676	100 131	227 781
Committed bank borrowings from delivery	79 604	48 800	36 600	165 004



NOTES

1. General information

Deep Sea Supply PLC (“the Company”) and its subsidiaries, hereinafter 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 6 November 2008.

2. Basis of preparation

These condensed unaudited consolidated interim financial information for the third quarter ended 30 September 2008 have been prepared in accordance with IFRS as adopted by the E.U. applicable to interim financial reporting, IAS 34 ‘Interim Financial Reporting’. The interim financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2007, which have been prepared in accordance with IFRS as adopted by the European Union.

3. Summary of significant accounting policies

3.1 Statement of Compliance and Basis for preparation

These condensed consolidated financial statements have been prepared in accordance with, and comply with, International Financial Reporting Standards as adopted by the EU; the regulations of Oslo Stock Exchange.

All International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and effective as at 1 January 2008 have been adopted by the EU through the endorsement procedure established by the European Commission, with the exception of certain provisions of IAS 39 “Financial Instruments: Recognition and Measurement” relating to portfolio hedge accounting and IFRIC 12 ‘Service concession arrangements).

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 2007, 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 annual earnings.

The Group has also applied an accounting policy on government grants. Government grants on non-current assets acquisitions are presented as deferred income and recognised as income on a systematic and rational basis over the useful life of the asset.

The following new standards, amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2008 and have not been early adopted:

- IAS 23 (Amendment), ‘Borrowing costs’ (effective from 1 January 2009).*
- IFRS 8, ‘Operating segments’ (effective from 1 January 2009). IFRS 8 replaces IAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131.
- IFRIC 14, ‘IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction’ (effective from 1 January 2008).*
- IAS 1 (Revised 2007) “Presentation of Financial Statements” (effective 1 January 2009).*
- IFRS 8, “Operating Segments” (effective from 1 January 2009).
- IAS 27 “Consolidated and Separate Financial Statements”* (revised January 2008, effective for annual periods beginning on or after 1 July 2009).
- IAS 32 and IAS 1 Amendment “Puttable financial instruments arising on liquidation”* (effective from 1 January 2009).
- IFRS 1, “First-time adoption of IFRSs” (effective from 1 January 2009).*

- IAS 27 “Consolidated and separate financial statements” * (effective from 1 January 2009).
 - IAS 39, “Financial instruments: Recognition and Measurement” * (effective from 1 January 2010).
 - IFRIC 11, “IFRS 2—Company and Treasury Share Transactions” (effective for annual periods beginning on or after 1 March 2007)*
 - IFRIC 13, “Customer loyalty programmes” * (effective for annual periods beginning on or after 1 July 2008)
 - IFRIC 15, “Agreements for the construction of real estate” * (effective for annual periods beginning on or after 1 January 2009).
 - IFRS 3 “Business Combinations” * (revised January 2008; effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009)
 - IFRIC 16, “Hedges of a net investment in a foreign operation” * (effective for annual periods beginning on or after 1 October 2008).
 - Amendment to IFRS 2 “Share-based Payment” (issued in January 2008; effective for annual periods beginning on or after 1 January 2009).
 - IFRIC 12, “Service Concession Arrangements” * (effective for annual periods beginning on or after 1 January 2008).
- The following interpretations to existing standards have been published and are mandatory for the group’s accounting periods beginning on or after 1 January 2008 or later periods but are not relevant for the group’s operations:
- IFRIC 11, Group and treasury shares transactions. IFRIC 11 addresses how to apply IFRS 2 – Share Based Payments to share-based payments arrangements involving an entity’s own equity instruments or equity instruments of another entity in the same group. The Group will apply IFRIC 11 from annual periods beginning 1 January 2008.
 - IFRIC 12, ‘Service concession arrangements’ (effective from 1 January 2008). *
 - IFRIC 13, ‘Customer loyalty programmes’ (effective from 1 July 2008). *
 - Amendment to IFRS 2 “Share-based Payment” (issued in January 2008; effective for annual periods beginning on or after 1 January 2009).
 - IFRIC 14, “IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” * (effective for annual periods beginning on or after 1 January 2008).
 - IFRIC Interpretation 7 “Applying the restatement approach under IAS 29, Financial Reporting in Hyperinflationary Economies”.
 - IFRIC Interpretation 10 “Interim Financial Reporting and Impairment”.

* Have not been endorsed by the European Union. The Group will be able to apply these standards only if they are endorsed by the European Union.





Secondary Segment - Type of Vessel

The segment results for the nine months ended 30 September 2008 is as follows:

	AHTS	PSV	Un-allocated items	Total
Segment revenues	103 812	30 227	0	134 039
Vessel operating expenses	-35 132	-8 845	0	-43 977
Other operating expenses	-4 219	-1 229	0	-5 448
EBITDA per segment	64 461	20 153	0	84 614
Depreciation	-17 783	-3 810	-52	-21 644
Other gains			-4 166	-4 166
Gain on sale	11 767	15 568	27	27 364
EBIT per segment	58 444	31 911	0	86 168
Net Financial Items				-44 953
Pre-tax result				41 215
Taxes				-220
Net Result				40 995

The corresponding segment results for the nine months ended 30 September 2007 is as follows:

	AHTS	PSV	Un-allocated items	Total
Segment revenues	83 218	10 077	0	93 295
Vessel operating expenses	-23 100	-2 287	0	-25 387
Other operating expenses	-3 124	-378	0	-3 502
EBITDA per segment	56 994	7 412	0	64 405
Depreciation	-10 051	-1 217	0	-11 268
Other gains	0	0	0	0
Gain on sale	229	116	0	345
EBIT per segment	47 172	6 311	0	53 482
Net Financial Items				-11 972
Pre-tax result				41 510
Taxes				0
Net Result				41 510



5. Property Plant and equipment and intangible assets



	Vessels and Drydocking cost	Finance lease vessels and drydocking cost	Construcion contracts	Vehicles & equipment	Total
Nine months ended 30 September 2007					
Opening net book value as at 1 January 2007	228 432	0	134 846	94	363 372
Additions	60 234	0	0	48	60 282
Vessels leased	-39 813	166 812	0	0	126 999
Disposals	0	0	0	0	0
Delivered new buildings	44 800	0	-44 800	0	0
Depreciation and amortisation	-11 244	0	0	-24	-11 268
Closing net book value as at 30 September 2007	282 409	166 812	90 046	118	539 384
Nine months ended 30 September 2008					
Opening net book value as at 1 January 2008	280 498	233 328	83 871	88	597 785
Additions	59 014	375	19 298	59	78 746
Vessels leased	-64 951	123 354	0	0	58 403
Disposals	0	-21 507	-15 731	0	-37 238
Delivered new buildings	37 222	0	-37 222	0	0
Depreciation and amortisation	-10 057	-11 535	0	-52	-21 644
Closing net book value as at 30 September 2008	301 726	324 015	50 216	95	676 053

FUTURE CAPITAL EXPENDITURE NEWBUILDING CONTRACTS

	Q4 2008	2009	2010	Total
Contractual yard payments	79 974	47 676	100 131	227 781
Committed bank borrowings from delivery	79 604	48 800	36 600	165 004

6. Trade and other receivables



	30 September 2008	As at 31 December 2007	30 September 2007
Trade receivables	43 326	41 631	33 842
Less: Provision for impairment of receivables	0	0	0
Trade receivables -Net	43 326	41 631	33 842
Less non-current portion: loans to related parties	0	0	0
Current Portion	43 326	41 631	33 842

Trade receivables that are less than four months due are not considered impaired. As of 30 September 2008, trade receivables of USD 22 135 (2007: USD 19 129) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The Group has not recognised any losses on its trade receivables during the period ended 30 September 2008 and none of the receivables due for more than four months are considered impaired. The ageing analysis of these trade receivables is as follows:

Ageing	30 September 2008	As at 31 December 2007	30 September 2007
Up to one month	21 191	22 502	12 520
One to four months	21 263	16 392	19 682
More than four months	872	2 737	1 640
Total	43 326	41 631	33 842

The carrying amount of the group's trade and other receivables are denominated in the following currencies:

Currency	30 September 2008	As at 31 December 2007	30 September 2007
United State Dollars (USD)	24 268	28 869	24 451
Great British Pounds (GBP)	8 066	9 733	8 192
Norwegian Kroner (NOK)	603	3 029	1 199
Euro (EUR)	10 390	0	0
Total	43 326	41 631	33 842

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.



7. Share Capital

	Number of Shares (thousands)	Share Capital	Share premium	Other paid-in-equity	Treasury Shares	Total
Opening balance as at 1 January 2007	124 374	2 487	226 367	496	0	229 350
Issuance of new shares in January 2007 from mandatory offering	5 799	116	0	0	0	116
Buy back of own sharers	0	0	0	0	-9 787	-9 787
Reclassification of minority interest	0	0	15 929	0	0	15 929
Issuance of new shares in August 2007 relating to exercise of share warrant agreement	1 792	36	3 644	-496	0	3 184
Value of share option scheme issued in September 2007	0	0	0	231	0	231
Payment of dividend	0	0	-129 197	0	0	-129 197
At 30 September 2007	131 965	2 639	116 743	231	-9 787	109 826
Opening balance as at 1 January 2008	131 965	2 639	66 021	231	-9 787	59 104
Payment of dividend from share premium	0	0	-50 746	0	0	-50 746
At 30 September 2008	131 965	2 639	15 276	231	-9 787	8 359



8. Borrowings



	As at 30 September 2008	31 December 2007	30 September 2007
Loans			
Non-current	226 987	179 012	181 175
Current	20 532	13 453	13 280
Total Loans	247 518	192 465	194 455
Sale and leaseback and bareboat			
Non-current	229 021	169 707	144 898
Current	45 695	39 578	8 523
Total Sale and leaseback and bareboat	274 716	209 285	153 421
CIRR Loan			
Non-Current	19 152	0	0
Current	3 830	0	0
Total CIRR Loan	22 983	0	0
Total Borrowings	545 217	401 750	347 876

The outstanding of the Group's borrowings are denominated in the following currencies

	As at 30 September 2008	31 December 2007	30 September 2007
Loans			
NOK	133 094	118 771	72 335
USD	114 424	73 694	122 120
Sale and leaseback and bareboat			
USD	274 716	209 285	153 421
CIRR Loan			
NOK	22 983	0	0
Total Borrowings	545 217	401 750	347 876



The maturity of non-current assets is as follows

	30 September 2008	As at 31 December 2007	30 September 2007
Loans			
Between 1 and 2 years	41 064	26 907	26 560
Between 2 and 5 years	61 596	76 529	39 840
Over 5 years	124 326	75 576	114 775
Total Loans	226 987	179 012	181 175
Sale and leaseback and bareboat			
Between 1 and 2 years	22 673	16 793	14 345
Between 2 and 5 years	35 636	26 406	22 546
Over 5 years	170 712	126 508	108 007
Total Sale and leaseback and bareboat	229 021	169 707	144 898
CIRR Loan			
Between 1 and 2 years	2 170	0	0
Between 2 and 5 years	6 509	0	0
Over 5 years	10 474	0	0
Total CIRR Loan	19 152	0	0

Loans

During the period ended 30 September 2008 the Group has replaced its existing senior loan facility with a NOK 783 mill (USD 154 mill) and a USD 102 mill 1st priority loan facility.

The Group issued a 5 years NOK 200 mill (USD 39m) bond in January 2006. The Group has exercised the issuer's call option for early settlement of the bond, in Quarter 3, 2008. The early call option included a 10% premium on the NOK 200 mill which has been recognised in the financial expenses.

Sale and leaseback and bareboat

In January 2008 the Group has entered into the second sale and leaseback transaction with Ship Finance International Ltd. for another two of its vessels. Gross sales proceeds were USD 126 mill. A seller's credit of USD 22 mill has been agreed and the net sales proceeds are USD 104 mill. A gain from the sale of vessels to Ship Finance International Ltd. of USD 61

mill has been deferred in the balance sheet as a long term liability and will be amortised over the lease term which is 12 years. In the balance sheet the seller's credit is deducted from the gross long term debt related to the leasing transaction.

The term is 12 years with several purchase options.

CIRR loan

During the period ended 30 September 2008 the Group has applied for a Commercial Interest Reference Rate (CIRR) loan from the Norwegian Export Credit Agency. The amount of the loan was NOK 132 mill (USD 26 mill). The duration of the loan is 12 years and the cash proceeds from the loan have been deposited in fixed deposit account with a Norwegian bank at a higher interest rate than that of the loan. The agreed period of the deposit is identical with the one of the loan. The loan and the interest thereof will be repaid from that account and the difference has been recognised as deferred gain and will be amortised over the period of the life of the asset.



9. Earnings per share

Basic	Nine months ended 30 September 2008	Nine months ended 30 September 2007	As at 31 December 2007
Profit attributable to equity holders of the company	40 995	41 510	53 776
Weighted average number of ordinary shares (thousands)	126 863 860	125 184 536	125 607 818
Basic earnings per share (USD per share)	0,32	0,33	0,43

Diluted	Nine months ended 30 September 2008	Nine months ended 30 September 2007	As at 31 December 2007
Profit attributable to equity holders of the company	40 995	41 510	53 776
“Weighted average number of ordinary shares diluted (thousands)”	128 163 860	127 250 226	127 872 567
Diluted earnings per share (USD per share)	0,32	0,33	0,42

10. Related party transactions

As per 30 September 2008 the Group has entered into the second sale and leaseback transaction with Ship Finance International Ltd for 2 of its supply vessels. The major shareholder of Ship Finance International Ltd is Hemen Holding Ltd who is also the major shareholder of the Group.

Gross proceeds from the sale and lease back of the 2 vessels are USD 126 mill. A seller's credit of USD 22 mill has been agreed and the net sales proceeds are USD 104 mill. A gain from the sale of vessels to Ship Finance International Ltd. of USD 61 mill has been deferred in the balance sheet as a long term liability and will be amortised over the lease term which is 12 years with several purchase options. In the balance sheet the seller's credit is deducted from the gross long term debt related to the leasing transaction.

The bareboat rates for the 2 vessels are as follows:

Years of bareboat agreement period	2 x AHTS (Anchor handling tug Supply Vessels)
1-2	19 520
3-5	17 736
6-7	16 750
8-12	13 750

11. Events after the balance sheet date

After finishing a 12 month bareboat charter that commenced directly upon delivery from Jaya Shipyard, the option to purchase Sea Ocelot was exercised.

12. Seasonality

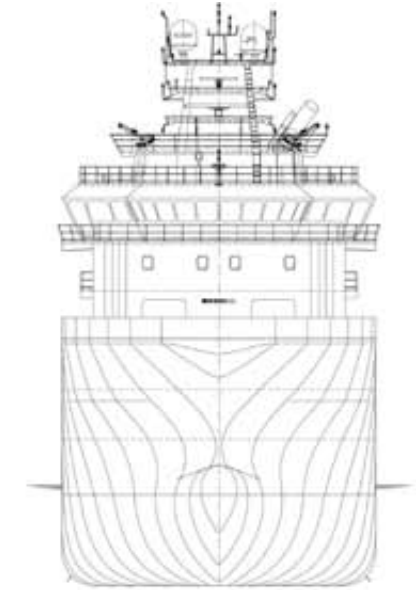
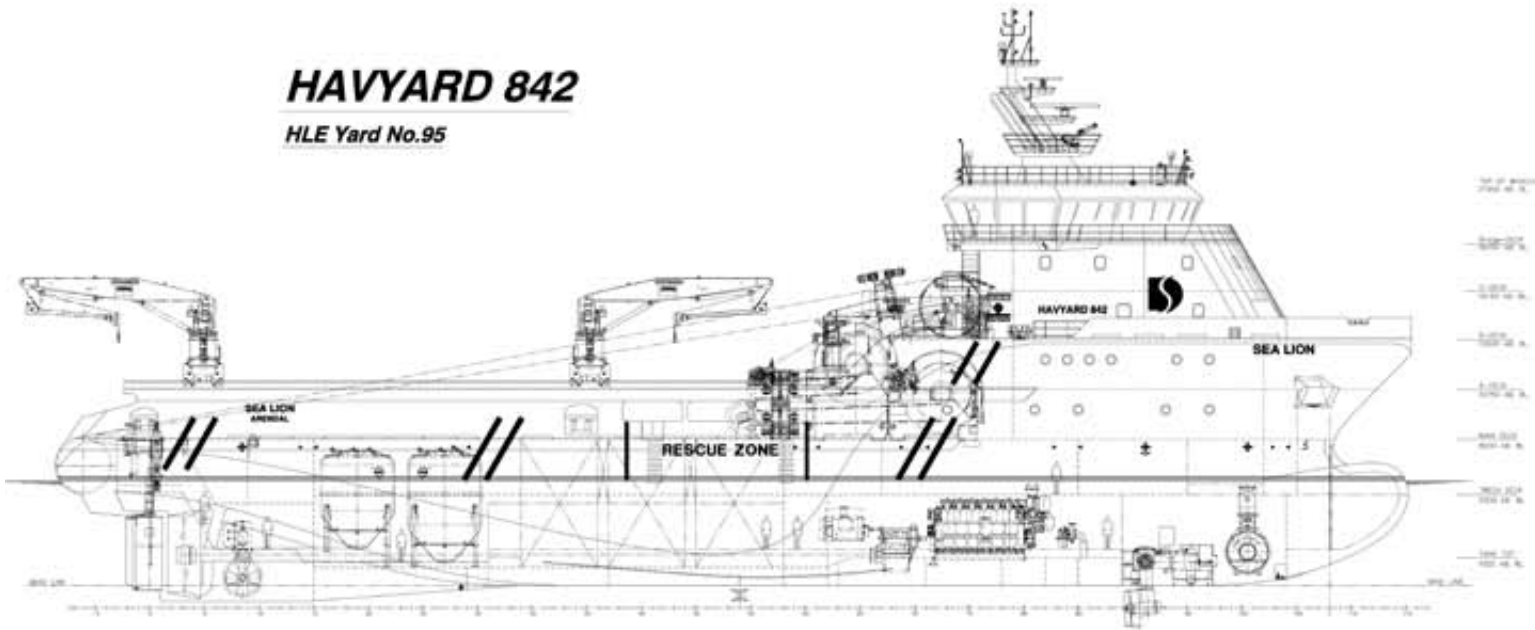
Operating income and expenses are not subject to seasonable fluctuations, other than changes in spot rates due to changes in the underlying market conditions.



SEA LION

HAVYARD 842

HLE Yard No.95



FRONT VIEW

CLASS:

URS +100 A1 - Offshore Tug/Supply Vessel - DP(B)
 FPS 1 - CAC(E) - LMC - UMS - DP(AA) - PCH - ICE CLASS 1E

PROFILE

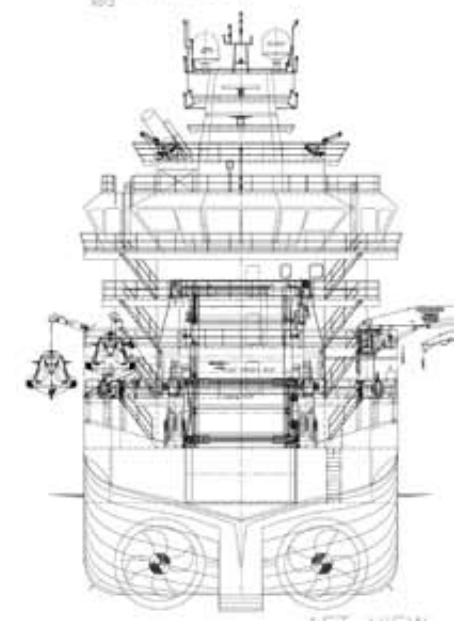
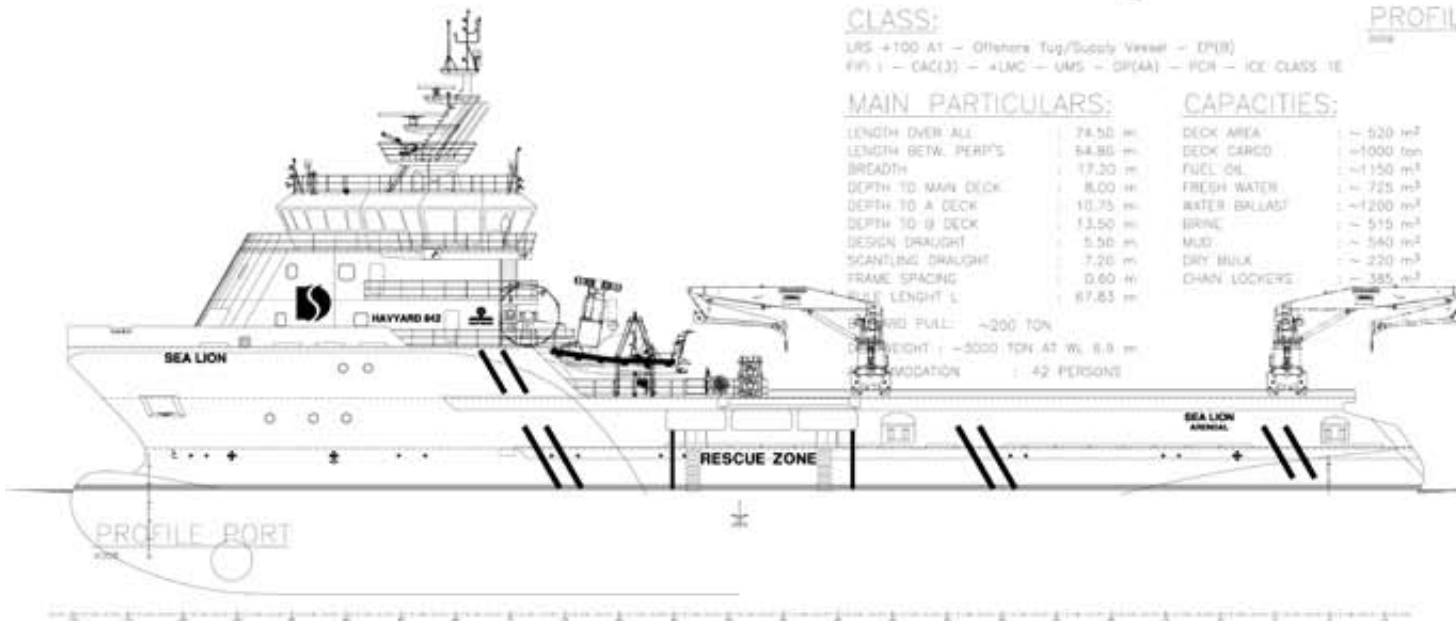
MAIN PARTICULARS:

LENGTH OVER ALL	74.50 m
LENGTH BETW. PERP'S	54.80 m
BREADTH	17.20 m
DEPTH TO MAIN DECK	8.00 m
DEPTH TO A DECK	10.75 m
DEPTH TO B DECK	13.50 m
DESIGN DRAUGHT	5.50 m
SCANTLING DRAUGHT	7.20 m
FRAME SPACING	0.60 m
WAVE LENGTH L	67.65 m

CAPACITIES:

DECK AREA	~ 520 m ²
DECK CARGO	~1000 ton
FUEL OIL	~1150 m ³
FRESH WATER	~ 725 m ³
WATER BALLAST	~1200 m ³
BRINE	~ 515 m ³
MUD	~ 540 m ³
DRY BULK	~ 220 m ³
CHAIN LOCKERS	~ 385 m ³

CRIBD FULL: ~200 TON
 DEAD WEIGHT: ~3000 TON AT WL 8.8 m
 ACCOMMODATION: 42 PERSONS



AFT VIEW



SHAREHOLDERS

THE LARGEST SHAREHOLDERS AS PER 29 OCTOBER 2008 REGISTERED IN VPS



	Citizen	No. of shares:	%
HEMEN HOLDING LIMITED	CYP	44 583 853	34,30 %
SVENSKA HANDELSBANKEN	SWE	4 888 892	3,76 %
ORKLA ASA	NOR	3 779 000	2,91 %
DNB NOR MARKETS	NOR	3 010 000	2,32 %
J.P. MORGAN CHASE BANK	GBR	2 799 813	2,15 %
SEB LONDON	SWE	2 785 000	2,14 %
MLPF&S NORWEGIAN	USA	2 257 225	1,74 %
CITIBANK	USA	1 966 362	1,51 %
SEB ENSKILDA ASA	NOR	1 400 000	1,08 %
STICHTING SHELL PENSIOENFONDS	GBR	1 395 000	1,07 %
RBC DEXIA INVESTOR	LUX	1 250 000	0,96 %
J.P. MORGAN CHASE BANK	GBR	1 228 349	0,95 %
CARNEGIE INVESTMENT BANK	NOR	1 000 000	0,77 %
ALDEN AS	NOR	1 000 000	0,77 %
J.P. MORGAN CHASE BANK	GBR	976 500	0,75 %
CITIBANK	USA	957 863	0,74 %
TERRA SPAR	NOR	950 000	0,73 %
UBS	GBR	920 280	0,71 %
BANK OF NEW YORK	BEL	782 427	0,60 %
J.P. MORGAN CHASE BANK	GBR	754 200	0,58 %
Total 20 largest shareholders:		78 684 764	60,54 %
Total shares owned by Deep Sea Supply Plc		3 101 000	2,39 %
Total other shareholders:		48 179 097	37,07 %
Total number of shares:		129 964 861	100,00 %

FLEET LIST AS PER 31 OCTOBER 2008



Existing Vessels	Yard	Built	Type	BHP/DWT
------------------	------	-------	------	---------

AHTS VESSELS

Sea Tiger	Kværner Leirvik	1998	AHTS KMAR 404	15000 BHP
Sea Leopard	Kværner Kleven	1998	AHTS KMAR 404	15000 BHP
Sea Lynx	Kværner Leirvik	1999	AHTS KMAR 404	15000 BHP
Sea Panther	Kværner Leirvik	1999	AHTS KMAR 404	15000 BHP
Sea Wolf I	Kværner Leirvik	1999	AHTS KMAR 404	15000 BHP
Sea Bear	Kværner Kleven	1999	AHTS KMAR 404	15000 BHP
Sea Cougar	Kværner Leirvik	1999	AHTS KMAR 404	16000 BHP
Sea Cheetah	Jaya Shipbuilding	25.01.07	AHTS Khiam Chuang	15000 BHP
Sea Jaguar	Jaya Shipbuilding	06.07.07	AHTS Khiam Chuang	15000 BHP
Sea Ocelot	Jaya Shipbuilding	01.10.07	AHTS Khiam Chuang	10800 BHP
Sea Otter	ABG Shipyard Ltd	17.08.07	AHTS Seatech P-729	6500 BHP

PSVs

Sea Halibut	Cochin Shipyard Ltd	27.04.07	PSV UT 755 L	3250 DWT
Sea Angler	Cochin Shipyard Ltd	19.07.07	PSV UT 755 L	3250 DWT
Sea Pike	Cochin Shipyard Ltd	10.10.07	PSV UT 755 L	3250 DWT
Sea Bass	Cochin Shipyard Ltd	18.01.08	PSV UT 755 L	3250 DWT
Sea Pollock	Cochin Shipyard Ltd	30.04.08	PSV UT 755 L	3250 DWT
Sea Trout	Karmsund Maritime Services	18.06.08	VS 470 MK II	3300 DWT
Sea Turbot	Cochin Shipyard Ltd	20.08.08	PSV UT 755 L	3250 DWT



NEWBUILDING DELIVERY

Vessel no	Vessel	Yard	Type	Bhp/Dwt	Expected Delivery	2008			2009				2010		
						2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
AHTS VESSELS															
095	Sea Lion	Havyard	AHTS Havyard 842	17520 BHP	November 2008										
875	Sea Hawk I	Jaya	AHTS Khiam Chuang	12000 BHP	January 2009										
878	Sea Eagle	Jaya	AHTS Khiam Chuang	12000 BHP	April 2009										
258	Sea Weasel	ABG	AHTS Seatech P-729	6500 BHP	February 2009										
270	Sea Marten	ABG	AHTS Seatech P-729	6800 BHP	June 2009										
271	Sea Fox	ABG	AHTS Seatech P-729	6800 BHP	September 2009										
272	Sea Jackal	ABG	AHTS Seatech P-729	6800 BHP	December 2009										
273	Sea Badger	ABG	AHTS Seatech P-729	6800 BHP	March 2010										
274	Sea Vixen	ABG	AHTS Seatech P-729	6800 BHP	June 2010										
275	Sea Stoat	ABG	AHTS Seatech P-729	6800 BHP	September 2010										
PSVs															
062	Sea Witch	Cochin	PSV UT 755 L	3250 DWT	December 2008										

Deep Sea Supply Plc secured a purchase option at the end of the bareboat charter.



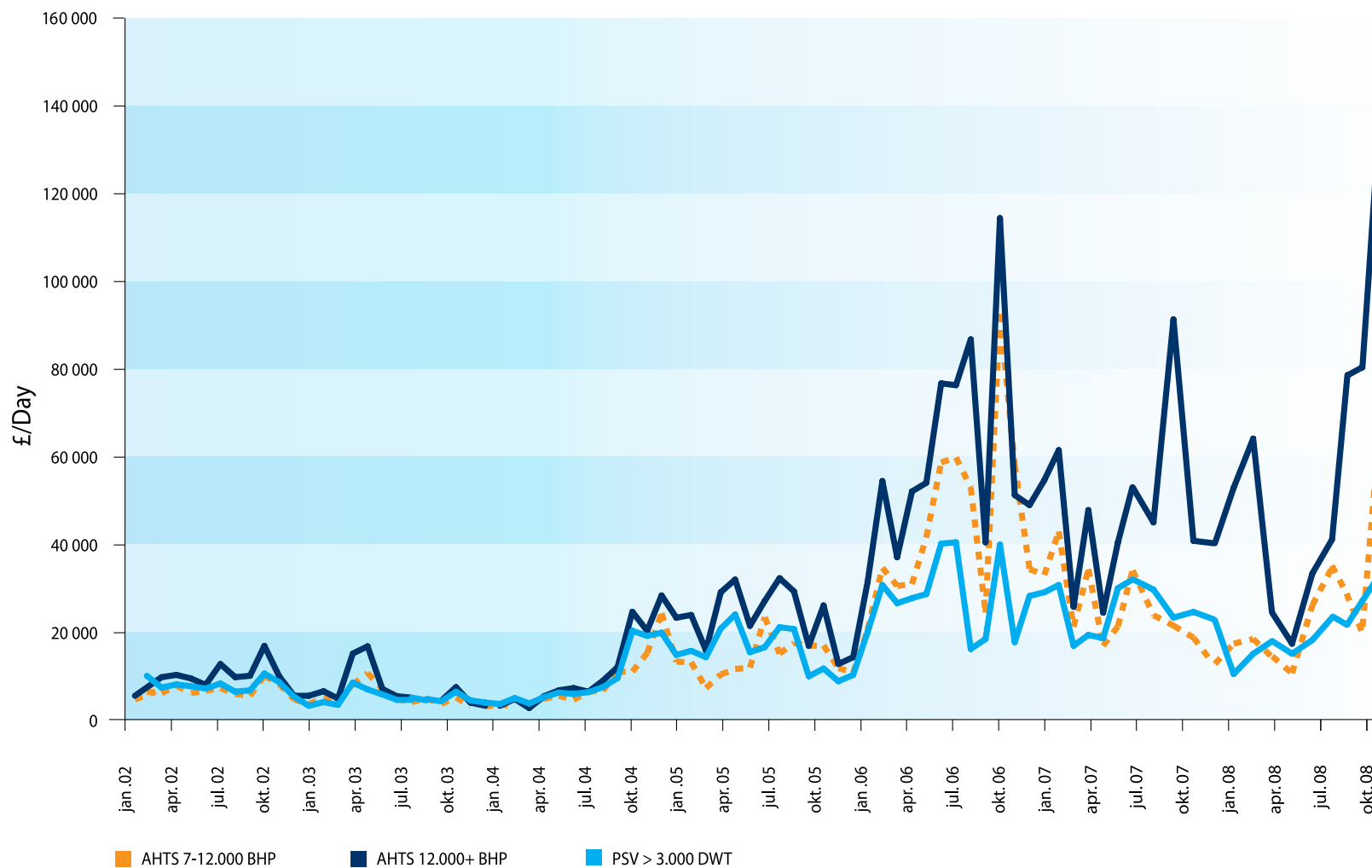
CHARTER STATUS

Firm: Option: Spot:

		2008		2009				2010	2011	2012
AHTS VESSELS		3Q	4Q	1Q	2Q	3Q	4Q			
Large	Sea Lion		North Sea							
Large	Sea Tiger	North Sea								
Large	Sea Lynx	North Sea	Saipem							
Large	Sea Panther	PetroCanada/T&T	North Sea	Repsol/Mediterranean						
Large	Sea Leopard	VROON/Italy	Petronas/Mauritania							
Large	Sea Bear		Total/Libya							
Large	Sea Wolf I	PetroCanada/T&T	Petronas/Mauritania							
Large	Sea Cougar	EDT Egypt								
Large	Sea Cheetah	Melittah Gas (ENI) Libya								
Large	Sea Jaguar	ENI/Libya								
Medium	Sea Ocelot	Nippon/Malaysia		ConocoPhillips/Indonesia						
Small	Sea Otter	Kangean	ConocoPhillips							
PSVs										
	Sea Trout	Petrofac/North Sea								
	Sea Halibut	Total Angola		ENI/Libya						
	Sea Angler	ENI/Congo								
	Sea Pike	ENI/Congo								
	Sea Bass	Melittah Gas (ENI) Libya								
	Sea Pollock			Exxon Exploration Inc/Indonesia						
	Sea Turbot		Murphy Oil/Indonesia	Exxon Exploration Inc/Indonesia						
	Sea Witch			OMS/Australia						

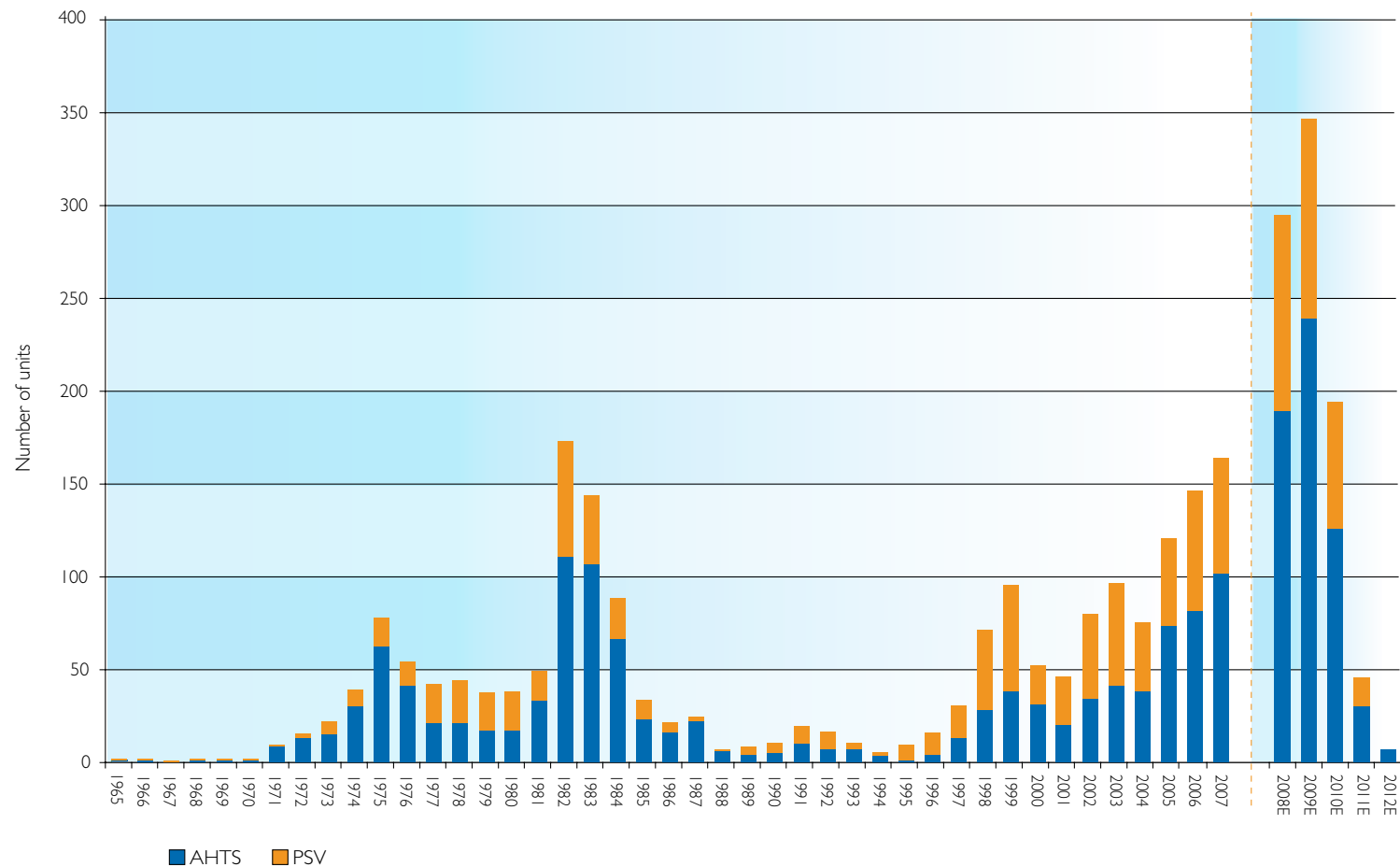
MONTHLY AVERAGE SPOT RATES NORTH SEA

for ATHS and PSV



Source: Clarkson

AGE DISTRIBUTION CURRENT FLEET AND ORDER BOOK



AHTS
 Vessels > 20 years: 49,7 % of total fleet
 Vessels > 30 years: 15,5 % of total fleet

PSV
 Vessels > 20 years: 33,3 % of total fleet
 Vessels > 30 years: 8,4 % of total fleet

Source: ODS Petrodata



MARKET SUMMARY

Supply vessels	Total fleet		AHTS		PSV	
Existing fleet	2136		1259		877	
Orderbook	740	35 %	500	40 %	240	27 %
Average age	16,0		17,4		14,1	
Vessels ordered in Q3-2008	36		27		9	
Vessels delivered first 10 months of 2008	146		88		58	

Rig market	Total fleet		Semis/drillships		Jackups	
Existing fleet	620		207		413	
Orderbook	179	29 %	95	46 %	84	20 %
Average age	23,5		23,1		23,7	

Key drivers	P.t.	2010E	Chg.	Chg. %
Number of offshore rigs	620	799	179	29 %
Number of FPSOs	141	171	30	21 %
Number of other floating production installations	165	189	24	15 %
World fleet AHTS / PSV vessels	2136	2821	685	32 %

Source: ODS Petrodata







DEEP SEA SUPPLY Plc

Deep Sea Supply Group Contact information

www.deepseasupply.no

Cyprus

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