



FIRST QUARTER 2015 RESULTS

Highlights first quarter

- Awilco LNG ASA (Awilco LNG or the Company) reported freight income of MUSD 12.1 (MUSD 17.7 in Q4 2014) and EBITDA of MUSD 5.5 (MUSD 8.5 in Q4 2014).
- Vessel utilisation of 67 % compared to 78 % in Q4 2014 (trading vessels).

Key financial figures

USD million	Q1'15	Q4'14	Q3'14	2014
Freight income	12.1	17.7	20.8	78.5
Voyage related expenses	1.8	2.5	3.5	11.2
EBITDA	5.5	8.5	10.9	41.0
Net profit/(loss)	(4.7)	(2.6)	(0.3)	(2.7)
Total assets	486.7	497.5	504.4	497.5
Total equity	187.1	191.8	194.4	191.8
Interest bearing debt	294.6	297.4	300.2	297.4
Cash and cash equivalents	17.4	20.8	21.5	20.8
Book equity ratio	38 %	39 %	39 %	39 %

FINANCIAL REVIEW

Income statement first quarter 2015

Freight income for the quarter was MUSD 12.1, down from MUSD 17.7 in the previous quarter. The decrease was due to lower utilisation and rates for both WilGas and WilPride. Fleet utilisation for the quarter ended at 67 % (trading vessels), compared to 78 % in Q4 2014. Voyage related expenses were MUSD 1.8 (MUSD 2.5 Q4 2014). The reduction in voyage related expenses was mainly due to lay-up of WilEnergy from mid-December 2014, in addition to idling of WilGas and WilPride in parts of Q1 2015.

Operating expenses were MUSD 3.6 (MUSD 5.7 Q4 2014). The decrease was mainly due to lay-up of WilEnergy as well as provisions for crew salaries year end booked in Q4 2014. Administration expenses for the quarter were MUSD 1.2, up from MUSD 1.0 in Q4 2014. EBITDA for the quarter was MUSD 5.5 (MUSD 8.5 Q4 2014). Depreciation for the quarter was recorded at MUSD 4.3, compared to MUSD 4.7 in Q4 2014.

Net finance was MUSD (5.9) compared to MUSD (6.3) in Q4 2014. Interest expenses on the WilForce and WilPride financial leases amounted to MUSD 6.0 (MUSD 6.2 Q4 2014).

Loss for the period was MUSD 4.7, compared to a loss of MUSD 2.6 in Q4 2014.

Statement of financial position

Book value of vessels was MUSD 462.8 as at 31 March 2015 (MUSD 467.1 31 December 2014). The decrease reflects ordinary depreciation during the quarter.

Total current assets were MUSD 23.7 as at 31 March 2015 (MUSD 30.1 as at 31 December 2014), of which cash and cash equivalents were MUSD 17.4 (MUSD 20.8 Q4 2014). Additionally there was a reduction of prepayments of MUSD 3.0 compared to last quarter.

Total equity as at 31 March 2015 was MUSD 187.1.

Total current liabilities were MUSD 16.9 as at 31 March 2015, compared to MUSD 19.9 as at 31 December 2014. MUSD 12.0 of the current liabilities relates to the short term portion of the WilForce and WilPride financial leases (MUSD 11.7 as at 31 December 2014).

Based on the current liquidity situation and the forecasted cash flow in 2015, including disposal and leverage alternatives described below, the Company is sufficiently funded for 2015. Forecasting the market involves uncertainty as described in the market risk section in the 2014 annual report. Awilco LNG can leverage the fleet of currently all-equity financed second generation vessels, or alternatively dispose of one or more second generation vessel(s) to ensure sufficient funding to cover its obligations.

MARKET UPDATE

The Far East gas price continued the declining trend in Q1, falling from just below USD 10/MMBTU at the beginning to about USD 7/MMBTU at the end of the quarter. Along with falling prices, the gas price spread narrowed further and left limited opportunities for arbitrage between West and East.

Despite the low LNG prices the LNG import to China has been disappointing in Q1. Due to a combination of higher pipeline imports, improved domestic supply and warm weather, LNG import was down by about 9 % for the quarter compared to same period last year, which is a first year-on-year quarterly decline for Chinese imports. Despite warm winter months in Japan, the LNG imports continued to increase and the imports in Q1 were up 2 % compared to same period last year.

As a result of continued lack of arbitrage opportunities, there has been low activity in the LNG shipping market, and the number of available vessels is continuing to increase both in the Atlantic and in the Far East.

Due to low market activity and low fleet utilisation, the spot rates for TFDE LNG carriers have experienced a sharp weakening in 2015. The rates were about USD 70,000 per day at the start of the quarter and ended the quarter as low as USD 35,000 per day.

On the supply side there have been no new LNG facility startups since BG Group's Queensland Curtis LNG facility commenced exports as planned at the very end of 2014. Next expected startup is the Indonesian LNG plant Donggi Senoro with nameplate capacity of about 2 MTPA, which is expected to start production during the summer of 2015, about three months delayed.

The next Australian production plant scheduled to start is Gladstone LNG with expected production capacity of 7.8 MTPA. The production facility is on track for production of LNG in the 3rd quarter of 2015, shortly thereafter followed by Australia Pacific LNG with nameplate capacity of 4.5 MTPA. Australia has four further liquefaction plants under construction, which will bring its exports from the current 33 MTPA to 83 MTPA by 2017, and Australia is thus expected to surpass Qatar as the world's largest LNG exporter over the next two years.

In total about 118 MTPA of new LNG capacity is currently under construction. Due to the fall in energy prices FID on some new LNG production facilities may be delayed. However, several projects in pre-FID stages are reported to be unaffected by the drop in gas price.

In 2014 more than 50 newbuildings were ordered. Despite the weakening LNG market in 2015, the high newbuilding activity has persisted as 10 newbuildings were ordered in Q1 2015.

According to shipbrokers the total orderbook for LNG vessels above 100,000 cbm (excl. FSRU and FLNG), as of end Q1 2015, was reported at 141 vessels, of which 22 are available for contract. Six vessels were delivered in Q1 2015. In total 31 vessels are scheduled for delivery in 2015 of which only six are available for contract. Some deliveries can be expected to be delayed for various reasons.

ORGANISATION

The principal activity of Awilco LNG ASA and its subsidiaries is to invest in and operate LNG transportation vessels. The Group handles the commercial and technical operation of the vessels from its main office in Oslo, and currently has 9 employees. Awilco LNG purchases certain administrative and sub-management technical services from two companies in the Awilhelmsen Group; Awilhelmsen Management AS and Wilhelmsen Marine Services AS, see note 4 in the interim condensed consolidated financial statements for further details.

VESSEL CONTRACT STATUS

TFDE vessels

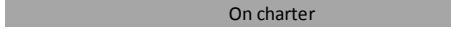
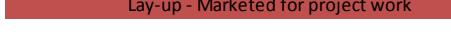
WilForce: employed on a three year charter with a one year option in charterer's favour to an oil and gas major, which commenced in January 2014.

WilPride: is trading in the spot market and is currently available.

2nd generation vessels

- WilGas: is trading in the spot market and is currently available.
- WilEnergy: is in lay-up and marketed for primarily project work.
- WilPower: is in lay-up and marketed for primarily project work.

Contract overview

	2015	2016
WilGas	 Available	Available
WilPride	 Available	Available
WilForce	 On charter	On charter
WilEnergy	 Lay-up - Marketed for project work	Lay-up - Marketed for project work
WilPower	 Lay-up - Marketed for project work	Lay-up - Marketed for project work

OUTLOOK

As a result of the scheduled delivery of 18 newbuilding vessels and no new LNG production in the first part of 2015, the short term rates for LNG carriers is expected to continue to be under pressure and remain challenging until notable new LNG production come on stream.

The market for older tonnage is even more affected by the increased fleet than the modern, more efficient tonnage. It is expected that the phasing out of older tonnage will increase due to the soft market.

Rates and utilisation is expected to improve as significant new LNG production comes online towards the end of 2015 and beginning of 2016.

WilPride and WilGas are currently operating in the spot market. Awilco LNG is continuously evaluating mid- and long-term employment opportunities for these vessels, in addition to longer term infrastructure projects and sale for its second generation vessels.

Oslo, 12 May 2015

Sigurd E. Thorvildsen
Chairman of the Board

Jon-Aksel Torgersen
Board member

Henrik Fougnér
Board member

Annette Malm Justad
Board member

Synne Syrrist
Board member

Jon Skule Storheill
CEO

Interim Condensed Consolidated Income Statement

In USD thousands, except per share figures	Note	Q1	Q4	Q1	Q1
		2015 (unaudited)	2014 (unaudited)	2014 (unaudited)	2014 (audited)
Freight income	2	12 135	17 656	20 167	78 461
Voyage related expenses	4	1 827	2 527	2 521	11 239
Net freight income		10 308	15 129	17 646	67 222
Operating expenses		3 567	5 671	5 616	21 134
Administration expenses	4	1 223	986	1 286	5 120
Earnings before interest, taxes, depr. and amort. (EBITDA)		5 518	8 472	10 744	40 968
Depreciation and amortisation		4 287	4 723	4 441	18 376
Earnings before interest and taxes		1 231	3 749	6 304	22 592
Finance income		133	71	42	154
Finance expenses		6 059	6 369	6 333	25 356
Net finance income/(expense)		(5 926)	(6 297)	(6 291)	(25 202)
Profit/(loss) before taxes		(4 694)	(2 549)	12	(2 610)
Income tax expense		(24)	(54)	-	(54)
Profit/(loss) for the period		(4 718)	(2 603)	12	(2 664)
Earnings per share in USD attributable to ordinary equity holders of Awilco LNG ASA:					
Basic, profit/(loss) for the period		(0.07)	(0.04)	0.00	(0.04)
Diluted, profit/(loss) for the period		(0.07)	(0.04)	0.00	(0.04)

Interim Consolidated Statement of Comprehensive Income

Profit/(loss) for the period	(4 718)	(2 603)	12	(2 664)
Other comprehensive income:				
Other comprehensive income items	-	-	-	-
Total comprehensive income/(loss) for the period	(4 718)	(2 603)	12	(2 664)

Interim Condensed Consolidated Statement of Financial Position

<i>In USD thousands</i>	Note	31.3.2015 (unaudited)	31.12.2014 (audited)	31.3.2014 (unaudited)
ASSETS				
Non-current assets				
Vessels		462 841	467 114	474 186
Other fixed assets		149	297	347
Total non-current assets		462 989	467 411	474 534
Current assets				
Trade receivables		2 439	2 520	5 827
Inventory		3 302	2 794	3 158
Other short term assets		512	3 960	4 737
Cash and cash equivalents		17 419	20 819	22 542
Total current assets		23 671	30 094	36 264
TOTAL ASSETS		486 660	497 505	510 797
EQUITY AND LIABILITIES				
Equity				
Share capital	3	48 420	48 420	48 420
Share premium		126 463	126 463	126 463
Retained earnings		12 238	16 956	19 631
Total equity		187 120	191 838	194 514
Non-current liabilities				
Pension liabilities		172	165	134
Long-term interest bearing debt		282 485	285 556	294 461
Total non-current liabilities		282 657	285 721	294 595
Current liabilities				
Short-term interest bearing debt		11 977	11 699	10 988
Trade payables		162	467	2 366
Income tax payable		73	54	-
Provisions and accruals	5	4 672	7 725	8 334
Total current liabilities		16 884	19 945	21 689
TOTAL EQUITY AND LIABILITIES		486 660	497 505	510 797

Interim Consolidated Statement of Changes in Equity

For the period ended 31 March 2015

In USD thousands	Share capital	Share premium	Retained earnings	Total equity
Equity at 1 January 2015	48 420	126 463	16 956	191 838
Profit/(loss) for the period	-	-	(4 718)	(4 718)
Other comprehensive income for the period	-	-	-	-
<i>Total comprehensive income</i>	-	-	(4 718)	(4 718)
Balance as at 31 March 2015 (unaudited)	48 420	126 463	12 238	187 120

For the period ended 31 December 2014

In USD thousands	Share capital	Share premium	Retained earnings	Total equity
Equity at 1 January 2014	48 420	126 463	19 620	194 502
Profit/(loss) for the period	-	-	(2 664)	(2 664)
Other comprehensive income for the period	-	-	-	-
<i>Total comprehensive income</i>	-	-	(2 664)	(2 664)
Balance as at 31 December 2014 (audited)	48 420	126 463	16 956	191 838

Interim Condensed Consolidated Cash Flow Statement

In USD thousands	Q1 2015 (unaudited)	Q4 2014 (unaudited)	Q1 2014 (unaudited)	2014 (audited)
Cash Flows from Operating Activities:				
Profit/(loss) before taxes	(4 694)	(2 549)	12	(2 610)
Income taxes paid	-	53	(31)	(9)
Interest and borrowing costs expensed	6 045	6 236	6 303	25 124
<i>Items included in profit/(loss) not affecting cash flows:</i>				
Depreciation and amortisation	4 287	4 723	4 441	18 376
(Gain)/Loss on sale of other fixed assets	45	-	-	-
<i>Changes in operating assets and liabilities:</i>				
Trade receivables, inventory and other short term assets	(22)	1 528	2 458	7 004
Trade payables, provisions and accruals	(3 355)	(1 561)	397	(2 194)
i) Net cash provided by / (used in) operating activities	2 306	8 430	13 581	45 690
Cash Flows from Investing Activities:				
Investment in vessels	-	(68)	-	(6 719)
Investment in vessels under construction	-	-	(505)	(505)
Investment in other fixed assets	-	-	(2)	(2)
Proceeds from sale of other fixed assets	89	-	-	-
ii) Net cash provided by / (used in) investing activities	89	(68)	(507)	(7 226)
Cash Flows from Financing Activities:				
Proceeds from borrowings	-	-	-	-
Repayment of borrowings	(1 838)	(2 818)	(2 560)	(10 841)
Interest and borrowing costs paid	(3 957)	(6 215)	(6 217)	(25 047)
iii) Net cash provided by / (used in) financing activities	(5 795)	(9 034)	(8 776)	(35 889)
Net change in cash and cash equivalents (i+ii+iii)	(3 400)	(672)	4 298	2 575
Cash and cash equivalents at start of period	20 819	21 491	18 244	18 244
Cash and cash equivalents at end of period	17 419	20 819	22 542	20 819

Notes to the Interim Condensed Consolidated Financial Statements

Note 1 - Corporate information, basis for preparation and accounting policies

Corporate information

Awilco LNG ASA (the Company) is a public limited liability company incorporated and domiciled in Norway. The Company's registered office is Beddingen 8, 0250 Oslo, Norway.

The interim consolidated financial statements (the Statements) of the Company comprise the Company and its subsidiaries, together referred to as the Group. The principal activity of the Group is the investment in and operation of LNG transportation vessels. The Group owns and operates a fleet of five LNG carriers.

Basis for preparation

The Statements for the three months ended 31 March 2015 are prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The Statements have not been subject to audit or review. The Statements do not include all of the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, and the Statements should be read in conjunction with the Group's annual consolidated financial statements for the period ended 31 December 2014, which includes a detailed description of the applied accounting policies.

Significant accounting policies

The accounting policies adopted in the preparation of the Statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2014.

Note 2 - Segment information

Operating segments

The Group currently owns and operates five LNG vessels. For internal reporting and management purposes the Group's business is organised into one reporting segment, LNG transportation. Performance is not evaluated by geographical region. Revenue from the Group's country of domicile was nil in Q1 2015, same as in Q4 2014.

Information about major customers

The Group had two customers each contributing with more than 10 per cent of the Group's freight income in Q1 2015, the contribution from each customer varying between 31 and 59 per cent of total freight income.

Note 3 - Share capital

The number of issued shares was 67,788,874 at 31 March 2015. There were no changes in shares issued in Q1 2015. The share capital is denominated in NOK, and the nominal value per share is NOK 4 (in US dollars 0.74). All issued shares are of equal rights.

Note 4 - Related party transactions

Agreements

Related party	Description of service	Note
Wilhelmsen Marine Services AS (WMS)	Technical Sub-management Services	1
Awilhelmsen Management AS (AWM)	Administrative Services	2
Astrup Fearnley Group	Ship Brokering Services	3

(1) The Group's in-house technical manager, ALNG TM, has entered into a sub-management agreement with WMS, whereby WMS assists ALNG TM in management of the Group's fleet. The sub-management services also include management for hire of the managing director in ALNG TM. ALNG TM pays WMS a management fee based on WMS' costs plus a margin of 7 %, cost being time accrued for the sub-manager's employees involved. The fee is subject to quarterly evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. WMS is 100 % owned by Awilco AS.

Note 4 - Related party transactions cont.

(2) AWM provides the Group with administrative and general services including accounting and payroll, legal, secretary function and IT. The Group pays AWM MNOK 4.3 in yearly management fee (approx. MUSD 0.6) based on AWM's costs plus a margin of 5 %. The fee is subject to semi-annual evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. AWM is 100 % owned by Awilhelmsen AS, which owns 100 % of Awilco AS.

(3) One of the Company's Board Members is also the General Manager of the Astrup Fearnley Group. The Astrup Fearnley Group delivers ship brokering services on a competitive basis to the Group.

Purchases from related parties

<i>In USD thousands</i>	Q1	Q1	
Related party	2015	2014	2014
Wilhelmsen Marine Services AS	194	181	774
Awilhelmsen Management AS	135	182	695
Astrup Fearnley Group	-	98	243

Purchases from related parties are included as part of Administration expenses in the income statement, except from commissions paid to the Astrup Fearnley Group, which are included in Voyage related expenses.

Note 5 - Provisions and accruals

Provisions and accruals as at 31 March 2015 were MUSD 4.7 (MUSD 7.7 31 December 2014), of which deferred revenue was MUSD 2.4 (MUSD 5.0 31 December 2014).

Note 6 - Events after the balance sheet date

There were no material events after the balance sheet date.