



HAVYARD GROUP ASA

SECOND QUARTER AND HALF YEAR RESULTS 2014





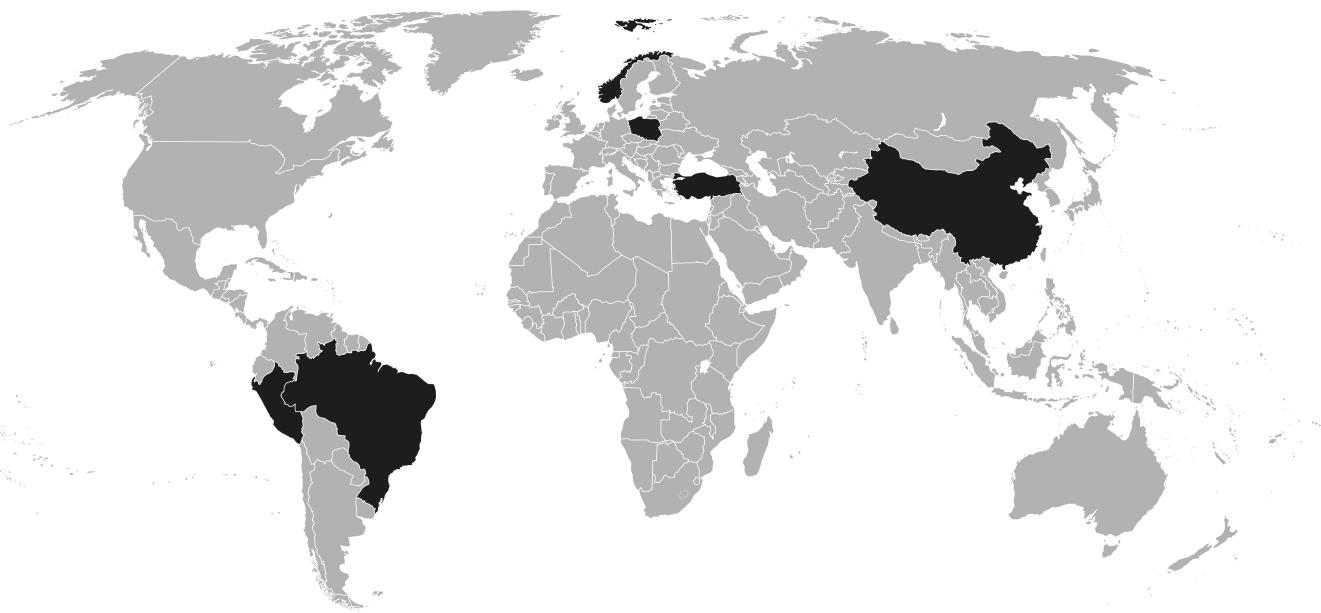
HAVYARD GROUP IN GENERAL



HAVYARD GROUP ASA is a fully integrated Ship Technology company and delivers products and services within the complete value chain from vessel design to support of vessels in operation. We focus on having the best competence within all the vital segments of the value chain.

Our vision is Improving Life At Sea and the motivation for our employees is to add value to and improve the situation for all who use our products.

Havyard Group delivers ship designs, ship equipment and construction of advanced vessels for offshore oil production, fishing and fish farming for shipyards and shipowners worldwide.

**HAVYARD GROUP ASA**

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DESIGN & SOLUTIONS

HAVYARD DESIGN & SOLUTIONS AS, dep. Fosnavåg
HAVYARD DESIGN & SOLUTIONS AS, dep. Stavanger
HAVYARD DESIGN & ENGINEERING Poland
HAVYARD DESIGN & ENGINEERING Rijeka d.o.o
HAVYARD South America Itda.
HAVYARD China

SHIP TECHNOLOGY

HAVYARD SHIP TECHNOLOGY AS, dep. Fosnavåg
HAVYARD SHIP TECHNOLOGY AS, dep. Leirvik
HAVYARD SHIP TECHNOLOGY AS, dep. Turkey

POWER & SYSTEMS

HAVYARD POWER & SYSTEMS AS, dep. Ålesund
HAVYARD PRODUCTION & SERVICE Sp. z o.o.

FISH HANDLING & REFRIGERATION

HAVYARD MMC FISH HANDLING AS, dep. Fosnavåg
HAVYARD MMC REFRIGERATION AS dep. Vigra
HAVYARD MMC REFRIGERATION AS dep. Tromsø
HAVYARD MMC REFRIGERATION AS dep. Haugesund
MMC GREEN TECHNOLOGY AS
MMC Peru Sac

INITIAL PUBLIC OFFERING

On 1 July 2014, President & CEO Geir Johan Bakke rang the ceremonial bell to officially announce the listing of Havyard Group ASA on Oslo Børs.

In the short term, the listing means greater interest for Havyard Group from the stake holders, especially from new owners. In Havyard we have always had a long term perspective and worked focused towards building a competitive international ship technology group. Havila Holding has been a great owner that has supported and enabled us to develop from a local, Norwegian shipyard to an internationally renowned brand supplying ship equipment, ship design and ship building. As majority owner they will continue to influence us, but we have also got many new stake holders to relate to. This provides challenges and opportunities and we are confident that we are going to continuously generate value for all of our stake holders, being our employees, customers or owners.

Geir Johan Bakke

President & CEO







HIGHLIGHTS

- Delivery of newbuild no. 117, a live-fish carrier to Fosnavåg Shipping
- Delivery of the extensive rebuild of Havila Phoenix
- Signing of contract with Fafnir Offshore for newbuild no. 126, a Havyard 833 WE with planned delivery in mid-2015
- Purchase of the minority shares in Fish Handling & Refrigeration, securing further control of the value chain
- Realisation of NOK 80 million in financial investments
- Placed a 3 year unsecured bond loan of NOK 150 million on the Nordic ABM
- EBIT-margin of 3.8% in first half of 2014
 - Adjusted for IPO cost, the EBIT-margin is 5.2%
- Design and production of prototype vessels in offshore, fishing vessel and live-fish carrier market
 - Lower margins to introduce the designs to the markets
 - A part of a diversification strategy to increase the Groups long term competitiveness
- The EBIT-margin are negatively influenced by the fish and live fish-carrier segments
 - Measures have been taken to increase profitability, and Havyard have confidence that the fish and live fish-carrier segments will have a positive development and profitability going forward

SUBSEQUENT EVENTS

- Dividend of NOK 2.68 per share approved by the Board of Directors, subject to General Meetings approval
- Completed IPO 1 July 2014
 - Bård Mikkelsen elected as new chairman of the board

OUTLOOK

- Positive market outlook for subsea and aquaculture
- Diversified customer base, both geographically and on different segments
- Strong foothold in emerging markets, e.g. Nigeria and wind power
- EBIT-Margin of approx. 5 % expected for 2014
- Control of orders and production for the fishing and aquaculture market is key for short term performance
- Quarterly dividends of 50-75 % of the earnings as stated in dividend policy





FINANCIAL SUMMARY

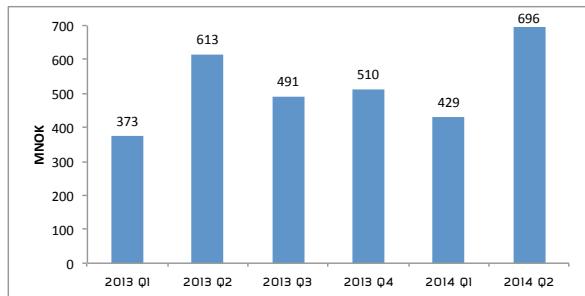
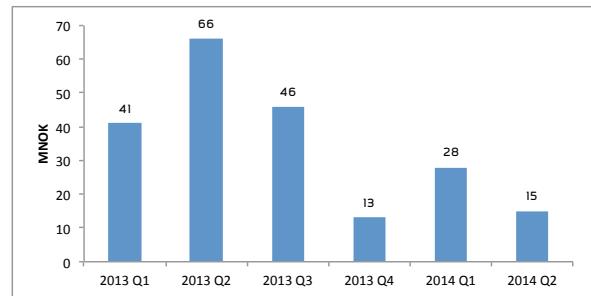
Financial result Havyard Group

MNOK	Q2-14 YTD	Q2-13 YTD	Q2-14	Q2-13	2013
Operating revenues	1 125	986	696	613	1 987
Cost of sales	789	654	523	429	1 352
Payroll expences	198	155	97	78	312
Other operating exp.	85	62	55	36	124
Operating expences	1 072	871	675	543	1 788
EBITDA	53	115	21	70	199
Depreciation	10	8	6	4	18
EBIT	43 ¹	107	15 ¹	66	181
Net financial	0	2	0	1	9
Profit before tax	43	109	15	67	190

¹The EBIT for 2014 includes cost for the IPO of approx. NOK 15 million

Group Key Figures

	2014 YTD	2013 YTD	2014 Q2	2013 Q2	2013
Operating revenue	1 125	986	696	613	1 987
EBITDA	53	115	21	70	199
EBIT	43 ²	107	15 ²	66	181
EBIT-margin	3.8 % ³	10.9 %	2.2 % ³	10.8 %	9.1 %
Profit before tax	43	109	15	67	190
Earnings per share	1.28	3.43	0.40	2.06	6.13
NIBD	143	99	143	99	8
Working Capital	213	137	213	137	102

Operating revenue**EBIT**

²The EBIT for 2014 includes cost for the IPO of approx. NOK 15 million

³Adjusted EBIT-margin excluding the IPO costs is 5.2% for YTD, and 4.3% for Q2



INCOME STATEMENT

The operating revenue for the Group in the second quarter of 2014 was NOK 695.7 million, compared to NOK 613.1 million in the corresponding period of 2013. The increase is mainly due to increased capacity utilisation at the yard in Leirvik due to more work being conducted in Turkey. The operating revenue for the first half of 2014 was NOK 1125.4 million, compared to NOK 985.8 million in the corresponding period in 2013.

For the second quarter of 2014, the Group recorded earnings before interest and tax (EBIT) of NOK 15.0 million, while the EBIT for the second quarter of 2013 was NOK 66.0 million. This corresponded to an EBIT margin of 2.2 % in the second quarter of 2014 compared to 10.8 % in the second quarter of 2013. The EBIT for the first half of 2014 was NOK 42.8 million compared to NOK 106.6 million in the first half of 2013. The corresponding margins were 3.8 % in 2014 and 10.9 % in 2013.

Margins were affected negatively, in particular for the Ship Technology division, by a higher than normal portion of the activity being related to construction of vessels with new designs, which typically have higher costs than repeat construction of existing and well-known designs. Some of the contracts executed had also been entered into in a more challenging market environment and had lower margins as effect thereof.

Margins are also affected negatively by the increased sale of equipment packages, where the margins are lower on this type of trading activity than the other operational activities in Havyard.

The income statement is negative influenced by costs regarding the Initial Public Offering (IPO). These costs include fees to the facilitators, fees to Oslo Børs, legal costs and costs to consultants. Total costs in the first half of 2014 related to the IPO are approximately NOK 15 million.

The EBIT-margin for the Group excluding the IPO costs is 5.2 %.

FINANCIAL POSITION

The total assets in the Group have increased from NOK 1,533 million to NOK 1,689 million from the year end 2013 to the second quarter in 2014. The increase is mainly due to increased activity which gives higher amount of work in progress and construction loans.

The total equity has decreased from NOK 668 million to NOK 664 million due to dividend of NOK 25 million and reduction in minority interest as a result of the purchase of the remaining shares in Havyard Fish Handling & Refrigeration. The equity ratio has decreased from 44 % in the end of 2013 to 39 % in the second quarter of 2014 due to the increase in total assets.

Investments in financial assets and investments in associates decreased from NOK 289 million to NOK 259 million, mainly reflecting the sale of the Groups share in Forland Subsea AS.

Current assets have increased from NOK 804 million in the end of 2013 to NOK 969 million in the second quarter of 2014. The main reason is higher activity at the ship yard, and thereby higher amount of work in progress in the balance sheet.

Total liabilities are NOK 1 026 million in the second quarter of 2014, compared to NOK 864 million in the corresponding period of 2013. The main reason for the increase is higher construction loans following increased activity.

CASH FLOW

Aggregate cash flow from operating activities is negative with NOK 135 million in the first two quarters of 2014, compared to a positive cash flow of NOK 328 million in Q1-Q4 2013. The reason for the reduction is mainly that for several of the projects under construction in the first two quarters of 2014, the prepayments have been received in previous periods but the main parts of the work has been conducted in the first half of 2014. The order intake in 2013 was high, giving many projects in early stages and significant advances from customers at the year end of 2013. There was only one ship under outfitting at the ship yard in Leirvik at the end of 2013. The advances and low values on work in progress gave a positive cash flow from operating activities in 2013 and a negative effect in 2014. These periods have to be seen in relation to each other.

Aggregate cash flow from investing activities was positive with NOK 13 million the first half of 2014, compared to a negative cash flow NOK 98 million in the corresponding period of 2013. The cash flow from investments in 2014 is mainly a result of the following factors:

- Negative effect of investment in a new administration building in Leirvik of approximately NOK 20 million
- Positive effect of the sale of the investment in Forland Subsea AS at cost price of approx. NOK 46 million

Aggregate cash flow from financing activities are positive with NOK 54 million in the first half of 2014, compared to a negative cash flow of NOK 2 million in the corresponding period of 2013. The positive cash flow is mainly a result of the placement of an unsecured bond loan of NOK 150 million on the Nordic ABM. The cash flow from financing activities is negative affected by repayment of long term debt, payment of dividend of NOK 25 million and the purchase of the minority shares in Havyard Fish Handling & Refrigeration of NOK 25 million.

ORDER STATUS, DELIVERIES AND BACKLOG

The order book of approximately NOK 2,493 million at the present moment are at a satisfactory level which secures the capacity utilization for the coming periods.

In the second quarter of 2014, a new contract with Fafnir Offshore is signed for a Havyard 833 WE with planned delivery in 2015. This is newbuild no. 126 at the ship yard.

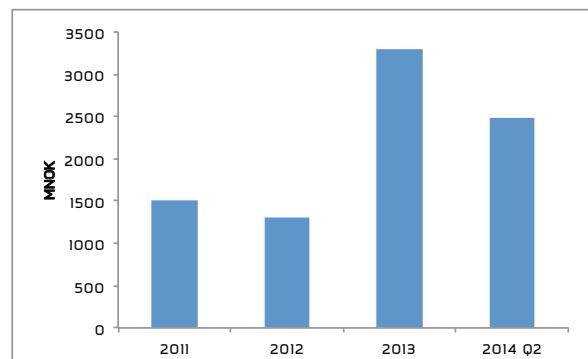
One vessel was delivered during the first half of 2014. This was the prototype live-fish carrier of the Havyard 587 design to Fosnavåg Shipping. Three more deliveries are planned in 2014: two Platform Supply Vessels (PSV), and one Subsea Vessel.

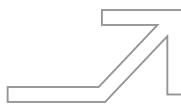
For 2015, the order backlog includes one PSV, two Service Operation Vessel (SOV), one AHTS Icebreaker, one fishing vessel and one live fish carrier.

In addition to this, the order backlog includes design contracts and equipment packages, both to domestic and foreign customers for vessels built at yards worldwide.

Deliveries from the segment Fish Handling and Refrigeration and Power & Systems are also included in the order backlog. These orders include design, engineering and equipment for live-fish carriers, refrigeration systems, and control and automation systems for ships.

Order backlog



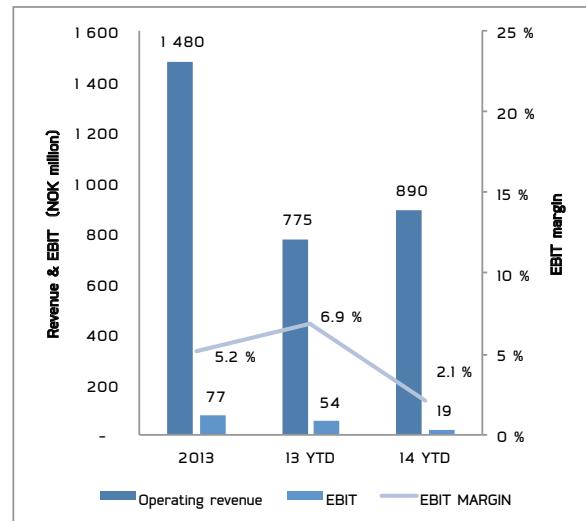


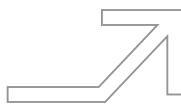
SEGMENTS SHIP TECHNOLOGY

The operating revenue was NOK 889.8 million in the first half of 2014, compared to NOK 775.4 million in the corresponding period of 2013. The operating profit (EBIT) for first half of 2014 was NOK 18.6 million, a significant decline from NOK 53.6 million in the first half of 2013. The EBIT margin has been reduced from 6.9 % in first half of 2013 to 2.1 % in first half of 2014.

Hull no. 117, a live fish carrier of Havyard 587 design has been docked in Leirvik for the final outfitting during first half of 2014, and was delivered during the second quarter of 2014. Hull no. 115, a Havyard 857 Subsea vessel, Hull no. 116, a Havyard 832 Platform Support Vessel, Hull no. 120, a prototype vessel of Havyard 832 Wave Edition design, and the rebuild of Havyard Phoenix has also contributed to the revenue in the first half of 2014. In the second quarter of 2014, Hull no. 121, a fishing vessel of the Havyard 535 design also has result effect.

Havyard 587, 535 and the 832 Wave Edition are prototype vessels, and the production of these prototypes has contributed to a significant part of the EBIT margin decline in the first half of 2014 compared to 2013. The reason for this decline is partly that such designs are sold at a lower price to introduce them to new and existing markets, and partly that these designs are more complicated to construct than conventional designs. The introduction of these prototype vessels are a part of a diversification strategy in Havyard, and must be considered a long term investment in the future competitiveness of the Group.



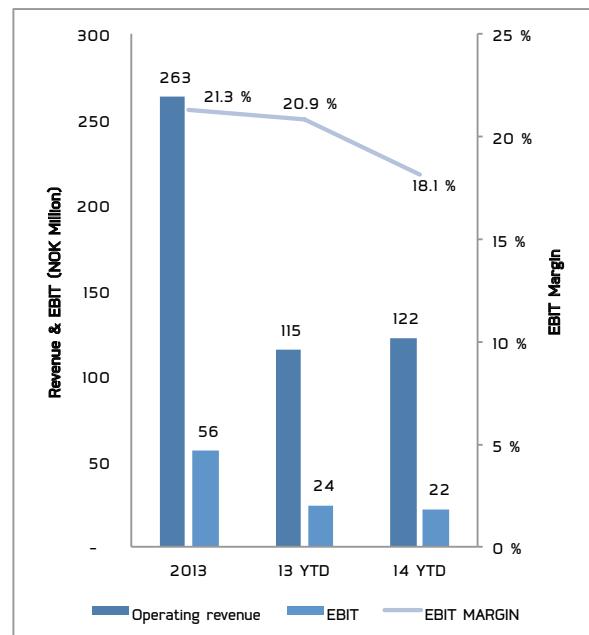


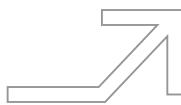
SEGMENTS DESIGN & SOLUTIONS

For the Design & Solutions segment, the second quarter was characterized by full capacity utilization on both internal and external projects. The progression on both internal and external projects is overall satisfactory, even though the prototype projects have slightly higher time consumption than budgeted. The deliveries and EBIT-contribution of equipment packages are in line with the budget.

Compared to the first half of 2013 the revenue has increased by NOK 6 million to NOK 121.7 million. The reason for this is mainly a strategy of expanding the capacity in the branches in Croatia and Poland. This expansion increases the competitiveness of the Group and gives the possibility to increase the revenue in the Design & Solutions segment. The revenue from design packages is NOK 82 million, and the revenue from equipment packages is NOK 39.7 million. The operating profit (EBIT) has decreased by NOK 1.8 million to NOK 22.1 million from first half of 2013.

The EBIT-margin are marginally negatively affected by more hours used on prototype projects than budgeted.



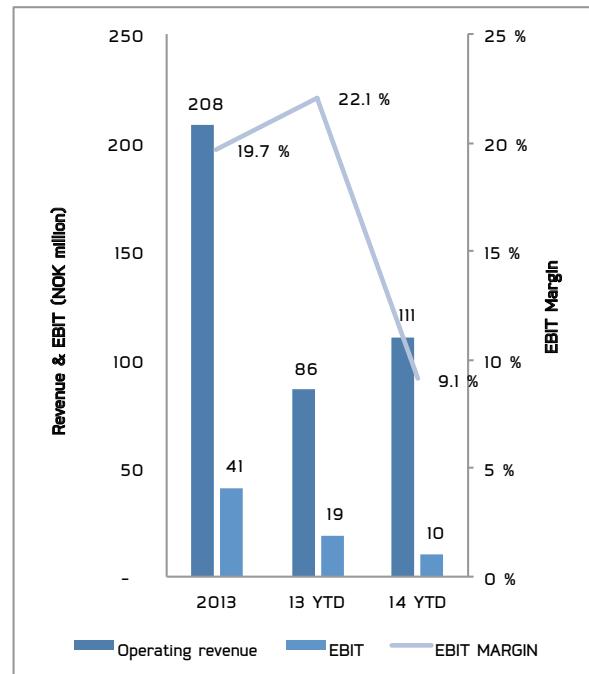


SEGMENTS POWER & SYSTEMS

The Power & Systems segment has increased the operating revenue by NOK 24.5 million to NOK 110.6 million compared with the first half of 2013. This reason for the increase in revenue is mainly the increasing activity in the subsidiary Havyard Production & Service (HPS). This company supplies Ship Technology with electricians, plumbers and other types of labor needed in ship outfitting. Of the total segment revenue of NOK 110.6 million, HPS contributes with NOK 72 million.

Havyard Power & Systems (HPS) have also increased their activity compared to the corresponding period of 2013. The rise in activity is partly a result of increased deliveries of design, engineering and installation of electric systems and control and automation systems to external customers worldwide.

The operating profit (EBIT) is NOK 10.1 million compared to NOK 19.1 million in the first half of 2013. This reflects the lower margins in the expanding Havyard Production & Service subsidiary compared to the other parts of the Power & Systems segment, and explains the drop in EBIT margin from 22.1 % in first half of 2013 to 9.1 % in first half of 2014.





SEGMENTS

FISH HANDLING & REFRIGERATION

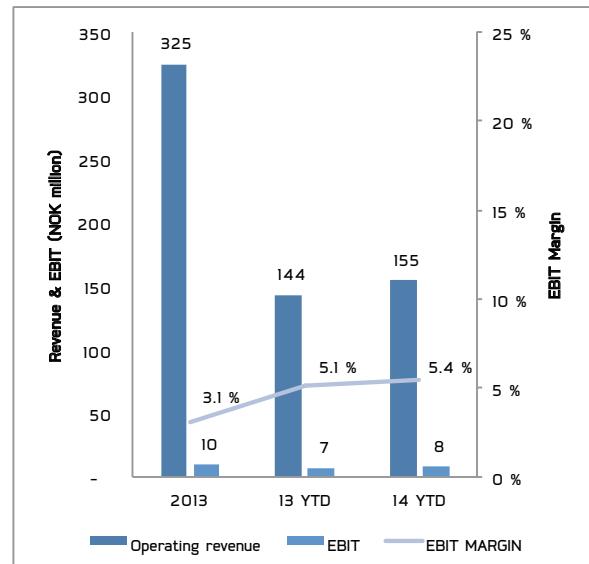
The activity within this segment has increased with NOK 11 million compared to the corresponding period in 2013. Operating revenue is NOK 155 million in first half of 2014, while it was NOK 144 million in first half of 2013. This increased activity is mainly related to the live fish carrier market for the Fish Handling division.

The operating profit in first half of 2014 is NOK 8.4 million, compared to NOK 7.3 million in first half of 2013. The EBIT-margin has increased from 5.1 % in the first half of 2013 to 5.4 % in the corresponding period of 2014.

The Refrigeration division has been through a restructuring process which has given a positive effect in the first half of 2014, and this positive effect are expected to continue during the coming periods. Costs have been reduced and the services provided is more focused towards the parts of the market segment which has higher margins.

The Fish Handling division has seen reduced margins due to more complex projects in the aquaculture segment.

The subsidiary in Peru is not included in the revenue in 2014. This is due to the lack of reliable financial reporting from the unit, and a probable controlled wind up of the subsidiary. The potential loss related to this subsidiary has mainly been recognized in the 2013 figures.





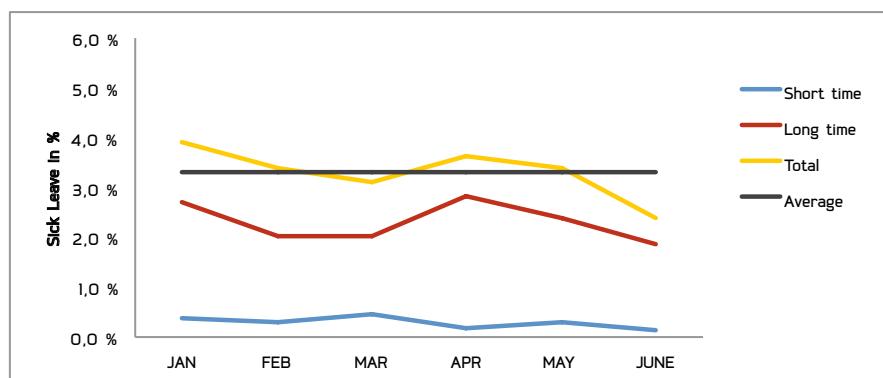
HEALTH, SAFETY & SECURITY

The Groups total sick leave is 2.39 % as of June 2014, with an YTD average of 3.3 %. The sick leave has been steadily decreasing during 2013 and 2014. The reduction is a result of a long term focus on Inclusive working condition, job presence during sick leave and occupational health care.

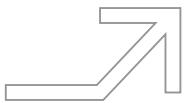
During the last 12 months the Group has had a total of 21 injuries resulting in absence from work. This figure includes the subcontractors at the ship yard in Leirvik. The average length of the absence following injuries is 16.2 days. An extensive action plan is implemented with the target of reducing injuries both for own employees and subcontractors, and this work has started to show positive effects.

In addition to health and safety the Group is focusing on quality. Internal audits in accordance with ISO 9001/ISO 14001, several supplier audits and audits from costumers are being performed in 2014. Quality deviations are measured, documented in action lists and handled as quickly and effectively as possible.

Sick leave Group YTD







PRINCIPAL RISKS AND UNCERTAINTIES

Havyard Group defines operational risk as the ability to deliver at the right time, with the right quality and at the right cost. The delivery of vessels, design packages and equipment in accordance with these parameters are a substantial risk element, and is the most significant factor that affects Havyard Group's financial results.

Other risk factors are interest rates, exchange rates and our customers' ability to meet its obligations.

Havyard Group works systematically with risk management in all its segments and subsidiaries. All managers are responsible for risk management and internal control within their business segment. Reference is made to the annual report for 2013 for a further description of risk factor and risk management.

Fosnavåg, 28 August 2014
The Board of Directors and CEO
Havyard Group ASA

RESPONSIBILITY STATEMENT FROM THE BOARD AND CEO

Today, the Board of Directors and the CEO of Havyard Group ASA have considered and approved the financial statements as of 30 June 2014 and for the six month period ended 30 June 2014. The report has been prepared in accordance with IAS 34 Interim Financial Report as endorsed by the EU and additional Norwegian regulations.

To the best of our knowledge, we confirm that:

- the financial statements for the six month period ended 30 June 2014 have been prepared in accordance with applicable financial reporting standards
- the information presented in the financial statements gives a true and fair view of the group's assets, liabilities, financial position and results for the period
- the information presented in the financial statements gives a true and fair view of the development, performance, financial position, principle risks and uncertainties of the group

Fosnavåg, 28 August 2014
 The Board of Directors and CEO
 Havyard Group ASA


 Børđ Mikkelsen
 Chairman of the Board of Directors


 Vegard Sævik
 Board member


 Svein Asbjørn Gjelseth
 Board member


 Petter Thorsen Frøystad
 Board member


 Torill Haddal
 Board member


 Jan-Helge Solheim
 Board member


 Hege Sævik Rabben
 Board member


 Geir Johan Bakke
 CEO

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Havyard Group ASA

(NOK 1,000)	2014 YTD (unaudited)	2013 YTD (unaudited)	2014 Q2	2013 Q2	2013
Sales revenues	1 123 875	984 200	694 873	612 133	1 982 679
Other operating revenues	1 530	1 619	849	969	4 253
Operating revenues	1 125 405	985 819	695 722	613 102	1 986 932
Cost of sales	788 820	654 317	523 502	428 744	1 352 109
Payroll expenses etc.	198 421	155 382	96 767	78 316	312 077
Other operating expenses	84 672	61 457	54 860	35 964	124 230
Operating expenses	1 071 913	871 156	675 129	543 024	1 788 415
Operating profit before depreciation and amortization - EBITDA	53 492	114 663	20 593	70 078	198 517
Depreciation	10 708	8 110	5 596	4 061	17 942
Operating profit - EBIT	42 784	106 553	14 997	66 017	180 575
Financial income	5 910	7 069	2 854	4 131	21 666
Financial expenses	10 638	7 035	5 964	3 877	16 922
Share of profit/loss of associate	5 013	2 098	3 105	1 049	4 196
Profit before tax	43 069	108 685	14 992	67 320	189 515
Income tax expense	10 624	32 015	3 373	21 308	49 055
Profit for the period	32 445	76 670	11 619	46 012	140 460
Attributable to :					
Equity holders of parent	28 748	77 331	8 859	46 445	138 100
Non-controlling interest	3 697	-661	2 760	-433	2 360
Total	32 445	76 670	11 619	46 012	140 460
Earnings per share (NOK)	1.28	3.43	0.40	2.06	6.13

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 Havyard Group ASA

	2014 YTD (unaudited)	2013 YTD (unaudited)	2014 Q2 (unaudited)	2013 Q2 (unaudited)	2013
Profit for the period	32 445	76 670	11 619	46 012	140 460
Other comprehensive income					
Items that will not be reclassified to income statement					
Total	-	-	-	-	-
Items that will be reclassified to income statement					
Translation differences	-	-	-	-	5 213
Fair value adjustment available-for-sale financial assets	-	-	-	-	19 993
Total	-	-	-	-	25 206
Other comprehensive income	-	-	-	-	25 206
Total comprehensive income	32 445	76 670	11 619	46 012	165 666
Attributable to :					
Equity holders of parent	28 748	77 331	8 859	46 445	162 882
Non-controlling interest	3 697	-661	2 760	-433	2 783
Total	32 445	76 670	11 619	46 012	165 666

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Havyard Group ASA

(NOK 1,000)

ASSETS

	2014 Q2 (unaudited)	2013
Non current assets		
Goodwill	23 918	23 918
Licenses, patents and R&D	45 555	41 483
Property, plant and equipment	256 855	240 167
Investment in associates	87 166	84 143
Loan to associates	14 058	15 185
Investment in financial assets	171 778	205 294
Other non current receivable	121 423	118 839
Total non current assets	720 753	729 030
Current Assets		
Inventory	34 593	38 872
Accounts receivables	57 276	82 122
Other receivables	104 046	139 551
Construction WIP in excess of prepayments	559 084	261 574
Cash and cash equivalents	213 745	281 381
Total Current Assets	968 744	803 500
TOTAL ASSETS	1 689 497	1 532 530

EQUITY AND LIABILITIES

	2014 Q2 (unaudited)	2013
Equity		
Share capital	1 126	1 126
Share premium reserve	5 462	5 462
Treasury shares	-16	-16
Retained earnings	649 312	640 865
Non-controlling interest	7 689	21 002
Total equity	663 573	668 438
 Long term liabilities		
Deferred tax liability	55 851	45 227
Loans and borrowings, non-current	211 413	98 123
Other long-term liabilities	3 228	19 107
Total long term liabilities	270 492	162 457
 Current liabilities		
Accounts payables	64 948	128 278
Taxes payable	30 172	57 903
Public duties payables	16 453	16 916
Construction loans	401 642	134 788
Loans and borrowings, current	33 074	43 183
Prepayments in excess of construction WIP	143 743	232 802
Other current liabilities	65 400	87 766
Total current liabilities	755 432	701 635
 Total liabilities	1 025 924	864 092
 TOTAL EQUITY AND LIABILITIES	1 689 497	1 532 530

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(NOK '000)

	30.06.14	30.06.13
Equity at the end of previous year	668 438	526 404
Net profit for the period	32 445	76 670
Dividends	-24 996	-
Other changes	-12 314	-
Changes in equity through the period	-4 865	76 670
 Equity per end of period	663 573	603 074

In 2014, other changes are related to the acquisition of the minority share in Havyard Fish Handling & Refrigeration. The Group purchased the remaining 28 % of Havyard Fish Handling & Refrigeration in the second quarter of 2014.

INTERIM CONSOLIDATED STATEMENT OF CASHFLOW

Havyard Group ASA

(NOK 1,000)	2014 YTD	2013 YTD	2014 Q2	2013 Q2	2013
CASH FLOW FROM OPERATIONS					
Changes in equity through the period	43 068	123 685	14 991	82 320	189 515
Taxes paid	-26 921	-40 428	-4 097	-19 704	-55 890
Depreciation	10 708	8 110	5 596	4 061	17 942
Loss from disposal of assets	-	-	-	-	4
Share of (profit)/loss from associates	-5 013	-2 098	-3 105	-1 049	-4 196
Changes in inventory	4 279	11 917	-1186	-771	17 514
Net changes in construction loans	257 483	118 306	75 270	122 272	-129 297
Changes in accounts receivables/construction WIP	-272 664	-113 565	-66 227	-129 536	184 018
Changes in accounts payable	-63 330	-36 337	-7 881	43 912	-18 612
Changes in other current receivables/liabilities	-82 111	-23 884	-104 270	-17 832	119 289
Net cash flow from/(to) operating activities	-134 501	45 706	-90 909	83 673	320 287
CASH FLOW FROM INVESTMENTS					
Investments in property, plant and equipment	-25 490	-17 720	-20 592	-14 958	-30 369
Investment in intangible assets	-5 728	-8 000	-3 961	-5 000	-22 994
Investment in/disposal of financial assets	46 011	-	46 011	-	-49 421
Changes in long term receivables	-1 457	-72 237	185	-71 347	-37 740
Net cash flow used in investing activities	13 336	-97 957	21 643	-91 305	-140 524
CASH FLOW FROM FINANCING ACTIVITIES					
New long term debt	146 400	7 437	146 400	1 361	16 845
Repayment long term debt	-42 684	-9 376	-36 929	-4 687	-18 754
Purchase of treasury shares	-	-	-	-	2 000
Purchase of minority shares in Havyard Fish Handling & Refrigeration	-25 191	-	-25 191	-	-
Dividends	-24 996	-	-4 163	-	-24 792
Net cash flow from/ (used in) financing activities	53 529	-1 939	80 117	-3 326	-24 701
Net change in cash and cash equivalents	-67 636	-54 189	10 852	-10 958	155 062
Cash and cash equivalents at start of the period	281 381	115 235	202 893	72 004	126 319
Cash and cash equivalents from purchase of subsidiaries					
Cash and cash equivalents at end of the period	213 745	61 046	213 745	61 046	281 381
Restricted bank deposits at the end of the period	112 115		112 115		148 206
Available cash and cash equivalents at the end of the period	101 630	61 046	101 630	61 046	133 175



NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENT

Havyard Group ASA

1. Corporate information

Havyard Group ASA is a public limited company based in Norway, and its head office is located in Fosnavåg, Herøy. The group in total employs 900 people as of 30 June 2014. Approximately 800 of these are employed in Norway.

Havyard Group ASA was incorporated as a public limited company 25 February 2014, and was listed on the Oslo Stock Exchange 1 July 2014.

2. Basis of preparation and changes to the Group's accounting policies

The Interim Condensed Consolidated Financial Statements for the period ended 30 June 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Interim Condensed Consolidated Financial Statements are not subject to audit, and do not include all the information and disclosures required in the annual Financial Statements. It should be read in conjunction with the Group's annual Financial Statements as of 31 December 2013.

The same use of estimates has been applied as in the Financial Statements for 2013.

3. Segment information

(NOK '000)	2014 Q2 YTD						Havyard Group
	Ship Technology	Design & Solution	Power & Systems	Fish handling & refrigeration	Elimination / Other		
Total operating revenue	889 837	121 786	110 602	154 832	(151 652)	1125 405	
Operating profit /loss EBITDA	24 476	23 763	10 303	11 155	(16 205)	53 492	
Depreciation	5 843	1 707	213	2 803	142	10 708	
Operating profit/(loss) (EBIT)	18 633	22 056	10 090	8 352	(16 347)	42 784	
Net financial items	(692)	(2 058)	(8)	(4 269)	2 299	(4 728)	
Share of profit/(loss) from associate	-	-	-	-	5 013	5 013	
Profit/(Loss) before tax	17 941	19 998	10 082	4 083	(9 035)	43 069	

The "Elimination/Other" segment includes IPO costs of NOK 15 million in 2014 YTD

(NOK '000)	2013 Q2 YTD						Havyard Group
	Ship Technology	Design & Solution	Power & Systems	Fish handling & refrigeration	Elimination / Other		
Total operating revenue	775 389	114 919	86 134	143 592	(134 215)	985 819	
Operating profit /loss EBITDA	56 601	24 756	19 320	9 950	4 036	114 663	
Depreciation	3 000	743	225	2 605	1 537	8 110	
Operating profit/(loss) (EBIT)	53 601	24 013	19 095	7 345	2 499	106 553	
Net financial items	1 286	(48)	109	(2 700)	3 485	2 132	
Share of profit/(loss) from associate	-	-	-	-	-	-	
Profit/(Loss) before tax	54 887	23 965	19 204	4 645	5 984	108 685	

(NOK '000)	2013						Havyard Group
	Ship Technology	Design & Solution	Power & Systems	Fish handling & refrigeration	Elimination / Other		
Operating revenues, External	1 479 811	197 520	20 461	289 140	-	1 986 932	
Operating revenues, Internal	-	64 980	187 845	36 253	(289 078)	-	
Total operating revenue	1 479 811	262 500	208 306	325 393	(289 078)	1 986 932	
Operating profit /loss EBITDA	83 651	57 282	41 340	15 008	1 236	198 517	
Depreciation	6 165	1 545	461	5 027	4 744	17 942	
Operating profit/(loss) (EBIT)	77 486	55 737	40 879	9 981	(3 508)	180 575	
Net financial items	3 089	(313)	343	(6 212)	7 837	4 744	
Share of profit/(loss) from associate	-	-	-	-	4 196	4 196	
Profit/(Loss) before tax	80 575	55 424	41 222	3 769	4 329	189 515	

"Elimination / Other" contains parent company items and elimination of intra-group transactions.

4. Non-current financial investments

Company	Ownership share	Business office	Equity as of last year (100%)	Result as of last year (100%)	Carrying amount
P/F 6. September 2006	10.9%	Faroe Island	526 668	134 107	61 818
Vestland Offshore Invest AS	16.8%	Torangsvåg	482 540	-14 614	80 187
Other non-current financial investments					63 289
Carrying amount as of 31.12.13					205 294

Company	Ownership share	Business office	Equity as of last year (100%)	Result as of last year (100%)	Carrying amount
P/F 6. September 2006	10.9%	Faroe Island	526 668	134 107	61 818
Vestland Offshore Invest AS	16.8%	Torangsvåg	482 540	-14 614	80 187
Other non-current financial investments					29 773
Carrying amount as of 30.06.14					171 778

During the second quarter of 2014, Havyard Group ASA divested the investment in Forland Subsea AS at cost price and carrying amount of NOK 46 million.

5. Issued capital and reserves

	2014 Q2	2013
Number of ordinary shares	22 528 320	1 126 416
Par value (NOK)	0.05	1.00
Share capital (NOK)	1 126 416	1 126 416

All shares have equal rights.

2014

The General meeting held 26.03.14 decided to split the shares in the ratio 1:20.
After the split, the number of shares is 22 528 320. The nominal amount is NOK 0.05.

2013

The share capital was 1 126 416 divided by the same amount of shares, at NOK 1.00.

Dividends and group contributions

The Group has paid a dividend of MNOK 24.8 in 2013.

Shareholders as of 30.06.2014	Controlled by	Number of shares	Ownership
Havila Holding AS		14 300 000	63,5 %
Geir Johan Bakke AS	Geir Johan Bakke (CEO)	1 172 520	5,2 %
Nominee		619 300	2,7 %
Erle Invest AS		578 400	2,6 %
Nominee		494 600	2,2 %
Nominee		464 400	2,1 %
Nominee		456 700	2,0 %
Other shareholders (<2 %)		4 442 400	19,7 %
Number of shares		22 528 320	100,0 %

Ultimate controlling company of the Group is Havila Holding AS. Boardmembers Hege Sævik Rabben and Vegard Sævik have indirect ownership in the group through their ownership in Havila Holding AS.

Parent company Havila Holding AS is a limited company based in Norway, and its head office is located in Fosnavåg, Herøy.

