

HAVYARD GROUP ASA

FOURTH QUARTER RESULTS 2015

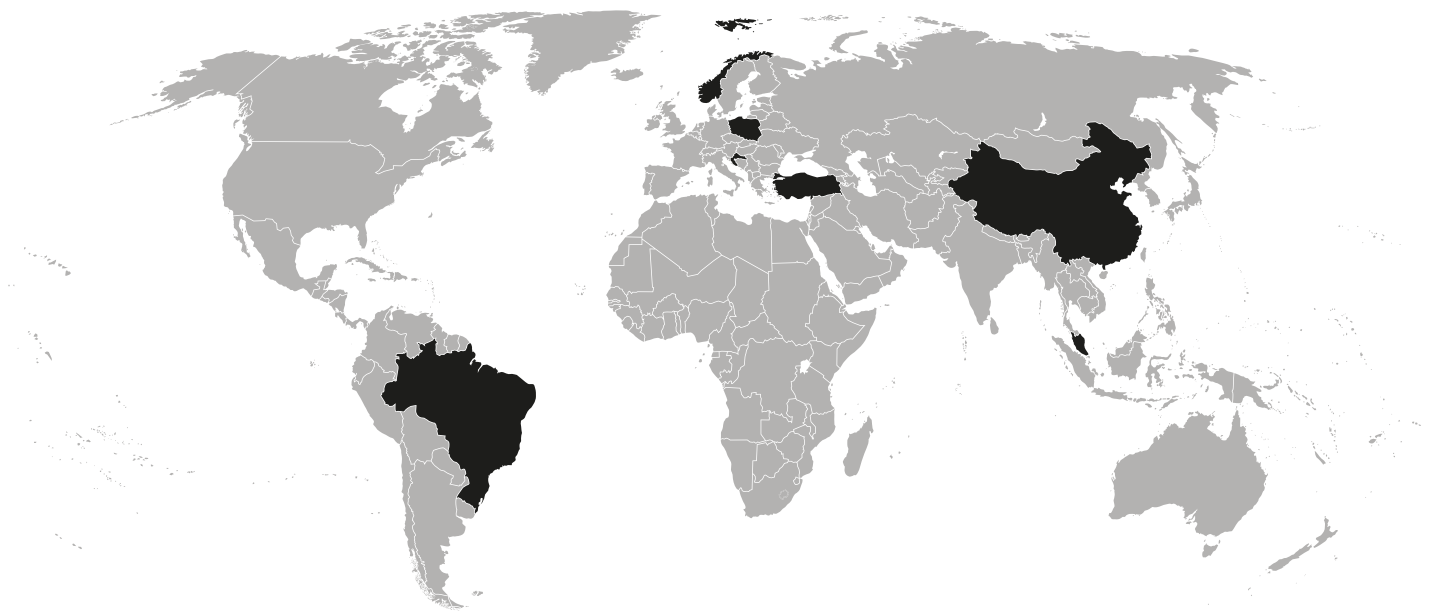




HAVYARD GROUP ASA is a fully integrated Ship Technology company and delivers products and services within the complete value chain from vessel design to support of vessels in operation. We focus on having the best competence within all the vital segments of the value chain.

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, renewable energy 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 POWER & SYSTEMS AS, dep. Ålesund
HAVYARD DESIGN & SOLUTIONS AS, dep. Stavanger
HAVYARD DESIGN & ENGINEERING Poland
HAVYARD DESIGN & ENGINEERING Rijeka d.o.o
HAVYARD South America Ltda.
HAVYARD China
HAVYARD Far East

SHIP TECHNOLOGY

HAVYARD SHIP TECHNOLOGY AS, dep. Fosnavåg
HAVYARD SHIP TECHNOLOGY AS, dep. Leirvik
HAVYARD SHIP TECHNOLOGY AS, dep. Turkey
HAVYARD PRODUCTION & SERVICE Sp. z o.o.

NES POWER & SYSTEMS

NORWEGIAN ELECTRIC SYSTEMS AS

MMC FISH HANDLING & REFRIGERATION

HAVYARD MMC AS, dep. Fosnavåg
HAVYARD MMC AS dep. Vigra
HAVYARD MMC AS dep. Tromsø
HAVYARD MMC AS dep. Haugesund
MMC GREEN TECHNOLOGY AS



HIGHLIGHTS

- EBIT of NOK -56.1 million and EBIT-margin of -17.8 % in fourth quarter of 2015. EBIT of NOK -63.2 million in 2015 with an EBIT-margin of -3.7%
- EBIT-margin strongly affected by restructuring cost, lower activity than planned in most business areas, and non-recurring items. The postponement of NB 126 have alone had a negative effect on the result for fourth quarter with about NOK 30 million.
- Impairment and value adjustment of financial assets related to ship investments in the offshore segment totalling NOK 50 millions in fourth quarter 2015. These effects explains a large proportion of the quarters total comprehensive income on NOK -102 Million
- Delivery in the quarter
 - o NB 122, a AHTS Icebreaker to FEMCO (Russia)
 - o NB 124, a live fish carrier to Norsk Fisketransport AS (Norway)

POSTPONED DELIVERY

- Postponement of delivery NB 126 (PSV Ice) to Fafnir Offshore from March 2017 to June 2017.
- Postponement of delivery NB 123 to Marine Platforms Ltd from 2017 to 2018.

OUTLOOK

Havyard has succeeded with the diversification strategy, where we have developed and delivered products for fisheries, aquaculture as well as the renewable energy sector. We expect good profitability on projects within these segments for delivery in 2016 and 2017.

We experience good activity and are included in the final rounds of several new projects within these segments, but are experience pressure on the price from "offshore capacity". To secure future profitability we have started a strategic review to be more profitable, to be able to adjust future volume and activity within these segments.

Very challenging market situation has given increased counterparty risk on the customer and supplier side.

Challenging cash flow situation on short term basis, but expects improvement during March / April in conjunction with delivery of two hulls and agreed payments from the ship owner.



HAVYARD 587 - NAMSOS







FINANCIAL SUMMARY

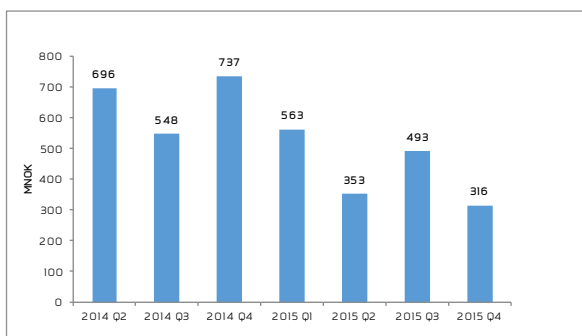
Financial result Havyard Group ASA

MNOK	2015	2014	Q4 15	Q4 14
Operating revenues	1 725	2 411	316	737
Cost of sales	1 197	1 764	214	591
Payroll expenses	416	416	105	117
Other operating exp.	147	165	44	38
Operating expenses	1 761	2 345	363	746
EBITDA	-35	66	-48	-9
Depreciation	28	21	9	4
EBIT	-63	45	-56	-13
Net financial	-23	-6	-48	-2
Profit before tax	-86	39	-105	-15

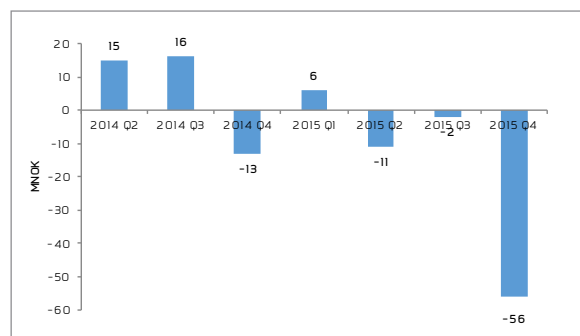
Group Key Figures

	2015	2014	Q4 15	Q4 14
Operating revenue	1725	2411	316	737
EBITDA	-35	66	-48	-9
EBIT	-63	45	-56	-13
EBIT-margin	-3,7 %	1,9 %	-17,8 %	1-,8
Profit before tax	-86	39	-105	-15
Earnings per share	-2,72	1,24	-3,66	-0,52
NIBD	168	167	168	167
Working Capital	127	164	127	164

Operating revenue



EBIT





INCOME STATEMENT

The operating revenue for the Group in the fourth quarter of 2015 was NOK 315.9 million, compared to NOK 737.4 million in the corresponding period of 2014. The decrease is mainly due to lower activity at the yard in Leirvik. There have been two vessels for outfitting in the fourth quarter 2015, and they have been delivered in November and December. The operating revenue for 2015 was NOK 1,725.4 million, compared to NOK 2,410.8 million in 2014.

For the fourth quarter of 2015, the Group recorded earnings before interest and tax (EBIT) of NOK -56.1 million, while the EBIT for the fourth quarter of 2014 was NOK -13.0 million. This corresponded to an EBIT margin of -17.8 % in the fourth quarter of 2015 compared to -1.8 % in the third quarter of 2014. The EBIT for 2015 was NOK -63.2 million compared to NOK 45.3 million in 2014. The corresponding margins were -3.7 % in 2015 and 1.9 % in 2014.

The margins for 2015 are affected by three loss projects in the Ship Technology segment. Additionally, there was lower capacity utilization for all areas and extraordinary warranty costs beyond provisions for Havyard Ship Technology. The postponement of NB 126 also have an impact on the margins for 2015.

FINANCIAL POSITION

The total assets in the Group have decreased from NOK 1,736.4 million to NOK 1,354.0 million from the year end 2014 to year end 2015.

The total equity has decreased from NOK 596.3 million to NOK 522.5 million from the year end 2014 to year end 2015. The equity ratio has increased from 34 % in the end of 2014 to 39 % in the end of 2015. The main reason for the change in equity is due to loss projects, capacity utilization and postponement of NB 126.

Investments in financial assets and investments in associates decreased from NOK 343.8 million at year-end 2014 to NOK 270.2 million at the end of 2015. The reason for the reduction is acquisitions in subsidiaries previously classified as an associate and sale of shares in Fosnavåg Vekst. There are also considerable impairment on two of the Groups shipinvestments.

Current assets have increased from NOK 1,045.1 million in the end of 2014 to NOK 695.4 million in the end of 2015.

Total liabilities are NOK 831.5 million in the end of 2015, compared to NOK 1,140.0 million in 2014.

CASH FLOW

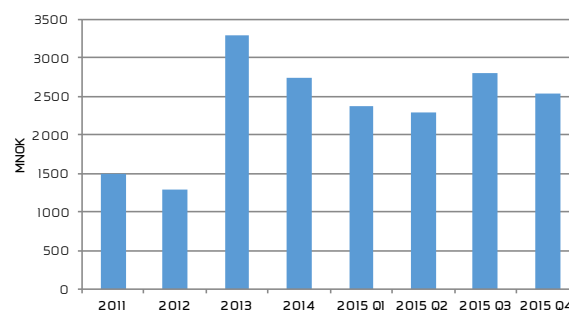
Aggregate cash flow from operating activities is positive with NOK 8.6 million in 2015, compared to a negative cash flow of NOK 146.1 million in 2014. The reason for the positive cashflow is mainly because of accruals regarding increased accounts receivables, reduced construction work in progress and increased of accounts payables compared to 31.12.2014.

Aggregate cash flow from investing activities was negative with NOK 23.2 million for 2015, compared to a positive cash flow NOK 83.6 million in 2014. The cash flow from investments in 2015 is mainly a result of the following factors:

- Negative effect of investment in a new equipment of approximately NOK 11.7 million
- Negative effect of investment in none current assets of approximately NOK 14.3 million
- Positive effect of the sale of the investment in Fosnavåg vekst AS at cost price of approx. NOK 12.2 million
- Negative effect of the acquisition in subsidiary Norwegian Electric Systems AS of approx. NOK 18.3 million

Aggregate cash flow from financing activities is negative with NOK 8.1 million in 2015, compared to a negative cash flow of NOK 24.3 million in 2014. The negative cash flow in 2015 is mainly a result of payment of dividend and interest costs.

ORDER STATUS, DELIVERIES AND BACKLOG



Order backlog

The order book is approximately NOK 2,537 million as of the end of 2015. All segments in the Group need new order intake to fill capacity in 2016. MMC Fish Handling & Refrigeration and Havyard Design & Solutions segments increased their order backlog, while the other segments had a reductions compared to Q3.

During the fourth quarter 2015 the Group has reported postponement of one offshore construction ship to Marine Plattform Ltd from 2017 to 2018. In addition we reported the postponement of a Havyard 833 WE platform supply vessel from march 2016 to june 2017.

The order backlog includes one PSV, one Offshore windfarm Service Operation Vessel (SOV), three AHTS Icebreakers and one offshore construction vessel.

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

(In January a new contract where signed for an additional live fish carrier to Norsk Fisketransport AS for building at our own shipyard in 2017 , and one larger repeat delivery for a complete handling system for a live fish carrier. Total value for the contracts are between NOK 300-400 millions)

More information regarding the order backlog and status is specified under each segment.

SEGMENTS SHIP TECHNOLOGY

The operating revenue in the Ship Technology segment was NOK 1,338 million in 2015, compared to NOK 1,981 million in 2014. The operating profit (EBIT) in the first three quarters of 2015 was NOK -73.7 million. This is a significant decrease from NOK 20.5 million in 2014. EBIT margins are decreased from 1.0 % in 2014 to -5.5 % in 2015.

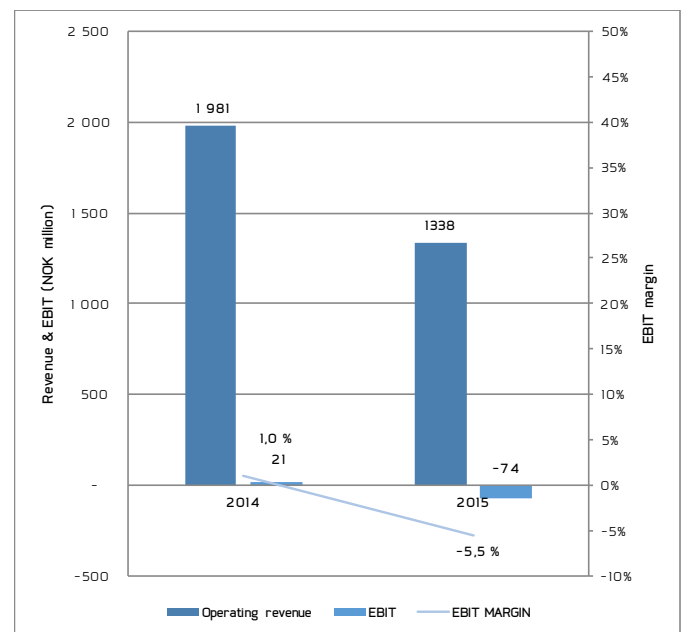
Main reason for the negative result is lower capacity utilization and several loss projects. For 2015 there have been extraordinary warranty costs beyond provisions, mainly for prototype-design. The postponement of NB 126 also had a negative effect.

The following vessels have been docked at the shipyard in Leirvik for the outfitting phase during 2015:

- Newbuild no. 118, a prototype Havyard 832 SOV windmill service vessel to ESVAGT. (delivered February)
- Newbuild no. 119, a sistership of 118, also for ESVAGT. (delivered March)
- Newbuild no. 121, a fishing vessel of the Havyard 535 design for Smaragd AS. (delivered July)
- Newbuild no. 122, an AHTS Icebreaker for Femco. (delivered November)
- Newbuild no. 124, a live fish carrier for Norsk Fisketransport AS. (delivered December)

The order backlog at the end of 2015 is NOK 2 006 million. The order backlog includes one PSV, one Service Operation Vessel (SOV), two AHTS Icebreakers and one offshore construction vessel.

(In January a new contract where signed for an additional live fish carrier to Norsk Fisketransport AS for delivery Q1 2017. This will be the third vessel with Havyard 587 live fish carrier design and fish handling system from MMC Fish Handling & Refrigeration.)



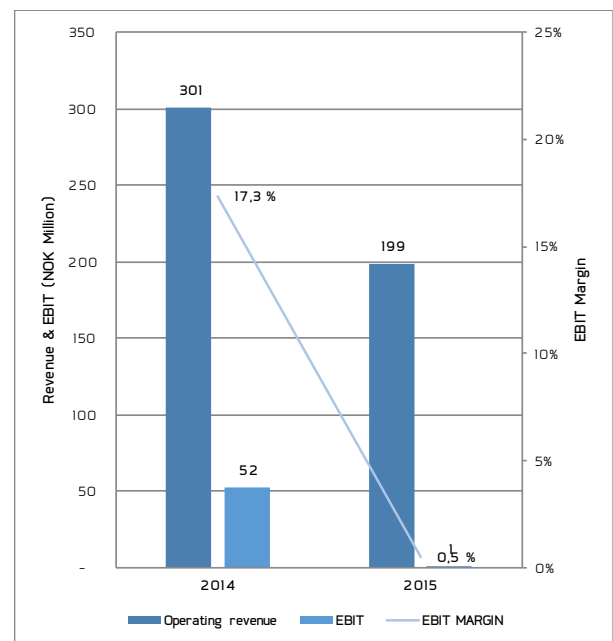
SEGMENTS DESIGN & SOLUTIONS

For 2015 the operating revenue is NOK 199 million. This is a decline of NOK 102 million from 2014. The reason for this is mainly lower activity on projects than in the corresponding period in 2014, and larger delivery of equipment packages in the third and fourth quarter of 2014.

The operating result (EBIT) for 2015 is NOK 1 million compared to NOK 52 million in 2014. The EBIT-margin has declined from 17.3 % in 2014 to 0.5 % in 2015. The main reason for the decline in EBIT and EBIT-margin in 2015 is lower capacity utilization than in 2014.

Total order backlog for this segment is approximately NOK 398 million, where approximately NOK 86 million is internal deliveries. Total external order backlog is NOK 312 million.

Havyard Power & Systems (HPS) where from Q3 2015 under the Havyard Design & Solution segment. HPS where earlier reported under the Power and Systems segment. Comparable numbers are adjusted for the change in segments.



SEGMENTS

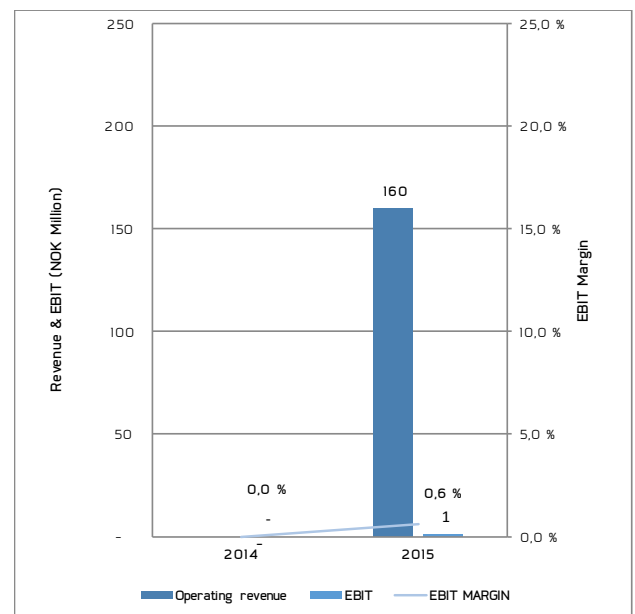
NES POWER & SYSTEMS

NES Power & systems segment has NOK 160 million in operating revenue for 2015. The operating profit (EBIT) is NOK 1 million for 2015.

Total order backlog for this segment is approximately NOK 95 million, where approximately NOK 59 million is internal deliveries. Total external order backlog is NOK 36 million.

Havyard Power & Systems (HPS) where from Q3 2015 in the Design & Solutions segment. HPS was earlier in the Power & Systems segment together with Norwegian Electric Systems AS (NES) (from acquisition of NES in Q1 2015). This also reflect the missing comparable numbers as NES was classified as financial assets in 2014.

Havyard bought 12.6 % of the share in NES January 2015, increasing the ownership from 37.9 % to 50.5 %. The price for the 12.6 % was NOK 18.3 million. NES is included in the Power & Systems segment from February 2015. Earlier Havyard's ownership in NES was presented under financial income. See note 5 for more information.



SEGMENTS

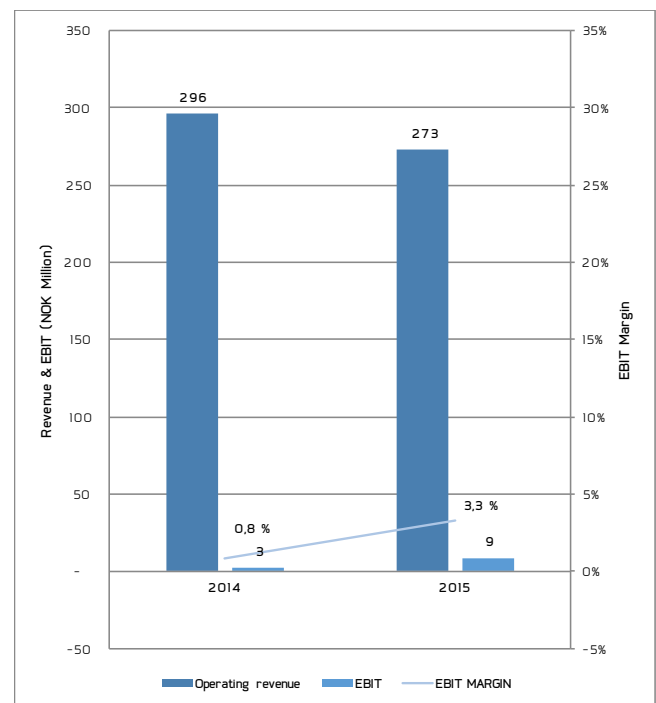
MMC FISH HANDLING & REFRIGERATION

The operating revenue has reduced from NOK 296 million in 2014 to NOK 273 in 2015. The decrease of NOK 23 million is mainly related to decreased capacity utilization in Q1 and parts of Q2.

The operating profit (EBIT) of NOK 8.6 million in 2015 is an increase from NOK 2.5 millions in 2014. EBIT-margin for 2015 is 3.3 %, compared to 0.8 % in 2014.

The order backlog for MMC is approximately NOK 184 million, where NOK 3 million is internal deliveries to the Ship Technology segment. External order backlog is approximately NOK 181 million.

(In January a new contract where signed for an additional live fish carrier to Norsk Fisketransport AS for delivery Q1 2017. This will be the third vessel with Havyard 587 live fish carrier design and fish handling system from MMC Fish Handling & Refrigeration. In addition MMC have signed a contract for a complete fiish handling system for live fish carrier for Sølvtrans, delived by Myklebust shipyard).



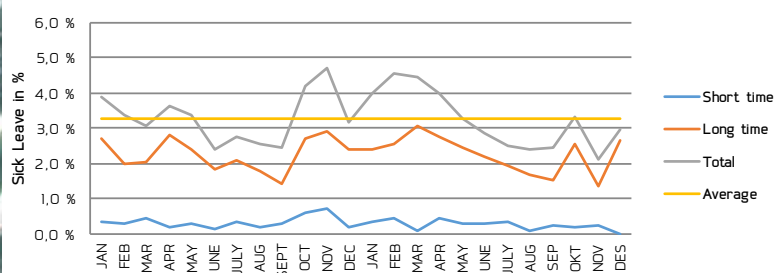
HEALTH, SAFETY & QUALITY

The Group's average total sick leave in the 24-month period January 2014 to December 2015 is 3.28%. The average for 2015 is 3.25%. The sick leave has been steadily decreasing during 2013 and 2014. An increase at the end of 2015 and start of 2016 has now turned to a lower level with an average of 2.63 % for the second half of 2015. 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 11 injuries resulting in absence from work. This figure includes the subcontractors at the shipyard in Leirvik. An extensive action plan is implemented with the target of reducing injuries both for own employees and subcontractors, and this has reduced the number of injuries.

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 customers were performed in 2014 and this process continued in 2015. Quality deviations are measured, documented in action lists and handled as quickly and effectively as possible. Recertification of Havyard Ship Technology AS was conducted Q4 2015 and renewed approval was completed February 2016.

Sick leave Group 2014 and 2015







PRINCIPAL RISKS AND UNCERTANTIES

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 is 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 their 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 2014 for a further description of risk factor and risk management.

Fosnavåg, 25 February 2016
The Board of Directors and CEO
Havyard Group ASA



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Havyard Group ASA

(NOK 1,000)	2015	2014	2015 Q4	2014 Q4
	(unaudited)		(unaudited)	
Sales revenues	1 719 106	2 401 597	314 684	732 995
Other operating revenues	6 336	9 208	1 245	4 445
Operating revenues	1 725 442	2 410 805	315 929	737 440
Cost of sales	1 197 236	1 763 601	214 459	591 360
Payroll expenses etc.	415 837	416 329	104 682	116 943
Other operating expenses	147 473	164 659	44 300	37 737
Operating expenses	1 760 546	2 344 589	363 441	746 040
Operating profit before depreciation and amortization – EBITDA	-35 104	66 216	-47 512	-8 600
Depreciation	28 057	21 064	8 581	4 384
Operating profit – EBIT	-63 161	45 152	-56 093	-12 984
Profit of purchase in associate	22 603	-	-	-
Financial income	19 209	20 256	-1 010	11 732
Impairment financial assets	30 010	-	30 010	-
Financial expenses	34 282	32 344	12 916	17 042
Share of profit/loss of associate	-310	6 036	-4 490	3 465
Profit before tax	-85 951	39 100	-104 519	-14 829
Income tax expense	-26 801	9 089	-22 695	-1 524
Profit for the period	-59 150	30 010	-81 824	-13 305
Attributable to :				
Equity holders of parent	-61 368	27 992	-82 485	-11 821
Non-controlling interest	2 218	2 018	661	-1 485
Total	-59 150	30 010	-81 824	-13 306
Earnings per share (NOK)	-2,72	1,24	-3,66	-0,52

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Havyard Group ASA

(NOK 1,000)	2015 (unaudited)	2014	2015 Q4 (unaudited)	2014 Q4
Profit for the period	-59 150	30 010	-81 824	-13 305
Other comprehensive income				
Items that will be reclassified to income statement				
Translation differences	-7		-189	
Fair value adjustment available-for-sale financial assets	-19 990		-19 990	
Total	-19 997	-	-20 179	-
Other comprehensive income	-19 997	-	-20 179	-
Total comprehensive income	-79 147	30 010	-102 003	-13 305
Attributable to :				
Equity holders of parent	-81 457	27 992	-102 682	-11 821
Non-controlling interest	2 310	2 018	679	-1 485
Total	-79 147	30 010	-102 003	-13 306

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Havyard Group ASA

(NOK 1,000)

ASSETS

	2015 (unaudited)	2014
Non current assets		
Goodwill	60 094	23 918
Licenses, patents and R&D	75 726	59 912
Property, plant and equipment	252 573	263 549
Investment in associates	75 691	88 190
Loan to associates	18 673	14 817
Investment in financial assets	110 030	172 071
Other non current receivable	65 774	68 827
Total non current assets	658 560	691 284
Current Assets		
Inventory	50 075	40 673
Accounts receivables	83 467	79 123
Other receivables	103 853	88 274
Construction WIP in excess of prepayments	233 379	642 464
Cash and cash equivalents	224 629	194 562
Total Current Assets	695 403	1 045 096
TOTAL ASSETS	1 353 963	1 736 380

EQUITY AND LIABILITIES

	2015 (unaudited)	2014
Equity		
Share capital	1 126	1 126
Share premium reserve	5 463	5 463
Treasury shares	-5	-7
Retained earnings	493 827	583 750
Non-controlling interest	22 097	6 009
Total equity	522 508	596 340
Long term liabilities		
Deferred tax liability	33 239	48 447
Bond loan	148 898	146 941
Loans and borrowings, non-current	76 195	61 574
Other long-term liabilities	5 164	2 191
Total long term liabilities	263 496	259 153
Current liabilities		
Accounts payables	156 601	149 267
Taxes payable	186	3 925
Provision for dividend	-	-
Public duties payables	52 413	19 310
Construction loans	87 286	515 540
Loans and borrowings, current	20 673	38 230
Prepayments in excess of construction WIP	43 634	53 164
Other current liabilities	207 167	101 451
Total current liabilities	567 960	880 887
Total liabilities	831 456	1 140 040
TOTAL EQUITY AND LIABILITIES	1 353 963	1 736 380

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Havyard Group ASA

(NOK 1,000)

	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non- controlling interest	Total equity
1. January 2015	1 126	5 463	-7	583 750	590 332	6 009	596 341
Profit & loss	0	0	0	-61 368	-61 368	2 218	-59 150
Other comprehensive income	0	0	0	-20 089	-20 089	92	-19 997
Purchase/sale of treasury shares	0	0	2	408	410	0	410
Purchase of subsidiaries	0	0	0	0	0	16 716	16 716
Other changes	0	0	0	1 198	1 198	-1 145	53
Dividends	0	0	0	-10 073	-10 073	-1 793	-11 866
31. December 2015	1 126	5 463	-5	493 828	500 412	22 097	522 509

	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non- controlling interest	Total equity
1. January 2014	1 126	5 462	-16	640 865	647 437	21 001	668 437
Profit & loss	0	0	0	27 992	27 992	2 018	30 010
Other comprehensive income	0	0	0	0	0	0	0
Purchase/sale of treasury shares	0	0	9	5 990	5 999	0	5 999
Put option minority interest	0	0	0	3 899	3 899	-17 011	-13 110
Dividends	0	0	0	-94 997	-94 997	0	-94 997
31. December 2014	1 126	5 462	-7	583 750	590 330	6 009	596 339



CONSOLIDATED STATEMENT OF CASHFLOW

Havyard Group ASA

(NOK 1,000)	2015 (Unaudited)	2014	2015 Q4 (Unaudited)	2014 Q4
CASH FLOW FROM OPERATIONS				
Profit/(loss) before tax	-85 951	39 100	-104 521	-21 377
Taxes paid	-1 807	-57 903	-	-30 982
Depreciation	28 057	21 064	8 581	4 384
Profit of purchase in associates	-22 603	-	-	-
Impairment	30 010	-	30 010	-
Share of (profit)/loss from associates	-310	-6 036	3 870	2 164
Changes in inventory	-4 118	-1 801	5 567	-4 884
Net changes in construction loans	-428 254	380 752	-393 095	-144 533
Changes in accounts receivables/construction WIP	478 333	-377 893	543 718	107 226
Changes in accounts payable	-37 505	20 989	28 696	38 909
Changes in prepayments from customers	-11 231	-179 638	-92 966	-18 692
Changes in other current receivables/liabilities	63 943	15 233	44 802	9 366
Net cash flow from/(to) operating activities	8 564	-146 133	74 663	-58 419
CASH FLOW FROM INVESTMENTS				
Investments in property, plant and equipment	-11 379	-42 585	-8 087	-9 710
Investment in intangible assets	-14 308	-20 290	-7 240	-9 618
Investment in/disposal of financial assets	12 042	136 824	-	56 201
Purchase of subsidiaries	-18 270	-	-	-
Interest income	9 548	12 626	1 442	3 740
Dividends received	-	1 990	-	1 990
Changes in long term receivables	-803	-4 968	4 646	-3 543
Net cash flow used in investing activities	-23 170	83 597	-9 239	39 060
CASH FLOW FROM FINANCING ACTIVITIES				
New long term debt	29 534	146 400	12 171	-
Repayment long term debt	-9 983	-43 020	-5 910	2 764
Purchase of minority shares in Havyard MMC	-	-25 191	-	-
Interest costs	-16 205	-13 475	-2 096	-4 839
Purchase/sale of treasury shares	410	5 999	-	-
Dividends	-11 866	-94 996	-1 793	-70 000
Net cash flow from/ (used in) financing activities	-8 110	-24 283	2 372	-72 075
			-	-
Net change in cash and cash equivalents	-22 716	-86 819	67 795	-91 434
			-	-
Cash and cash equivalents at start of the period	194 562	281 381	156 834	285 997
Cash and cash equivalents from purchase of subsidiaries	52 783	-	-	-
Cash and cash equivalents at end of the period	224 629	194 562	224 629	194 563
Restricted bank deposits at the end of the period	94 540	114 377	94 540	114 377
Available cash and cash equivalents at the end of the period	130 089	80 185	130 089	80 185

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

Havyard Group ASA

1. General 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 750 people as of 31 Desember 2015, of whom 634 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 31 Desember 2015 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 2014.

The same use of estimates has been applied as in the Financial Statements for 2014.

3. Segment

(NOK 1,000)	2015 Q4					
	Ship Technology	Design & Solution	NES Power & Systems	MMC	Elimination / Other	Havyard Group
Total operating revenue	309 050	32 950	50 666	60 684	(137 422)	315 928
Operating profit /loss EBITDA	(40 247)	(10 749)	2 571	1 808	(898)	(47 514)
Depreciation	3 098	1 065	1 222	2 582	615	8 582
Operating profit/(loss) (EBIT)	(43 346)	(11 814)	1 349	(774)	(1 513)	(56 098)
Net financial items	(3 073)	(9 981)	(1 109)	(1 232)	(28 542)	(43 936)
Share of profit/(loss) from associate	-	-	-	-	(336)	(336)
Profit/(Loss) before tax	(46 419)	(21 794)	240	(2 005)	(34 543)	(104 521)

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

(NOK 1,000)	2015					
	Ship Technology	Design & Solution	NES Power & Systems	MMC	Elimination / Other	Havyard Group
Total operating revenue	1 338 242	198 537	159 794	272 973	(244 105)	1 725 441
Operating profit /loss EBITDA	(60 330)	4 824	5 015	14 313	1 072	(35 105)
Depreciation	13 378	3 850	4 336	5 675	819	28 058
Operating profit/(loss) (EBIT)	(73 708)	974	679	8 638	253	(63 162)
Net financial items	681	14 205	3 053	(5 960)	(34 460)	(22 480)
Share of profit/(loss) from associate	-	-	-	-	(307)	(307)
Profit/(Loss) before tax	(73 027)	15 179	3 732	2 679	(34 514)	(85 951)

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

2014 Q4						
(NOK 1,000)	Ship Technology	Design & Solution	NES Power & Systems	MMC	Elimination / Other	Havyard Group
Total operating revenue	609 909	104 091	-	65 052	(41 613)	737 439
Operating profit /loss EBITDA	(11 662)	15 502	-	(7 120)	(6 239)	(9 519)
Depreciation	3 268	865	-	77	174	4 384
Operating profit/(loss) (EBIT)	(14 930)	14 637	-	(7 197)	(6 413)	(13 903)
Net financial items	1 213	(2 771)	-	(986)	(2 767)	(5 311)
Share of profit/(loss) from associate	-	-	-	-	(2 164)	(2 164)
Profit/(Loss) before tax	(13 717)	11 866	-	(8 183)	(11 344)	(21 378)

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

2014						
(NOK 1,000)	Ship Technology	Design & Solution	NES Power & Systems	MMC	Elimination / Other	Havyard Group
Total operating revenue	1 981 155	300 585	-	296 084	(167 019)	2 410 805
Operating profit /loss EBITDA	32 628	55 797	-	7 352	(29 561)	66 216
Depreciation	12 079	3 681	-	4 863	441	21 064
Operating profit/(loss) (EBIT)	20 549	52 116	-	2 489	(30 002)	45 152
Net financial items	(104)	(4 834)	-	(5 955)	(1 194)	(12 089)
Share of profit/(loss) from associate	-	-	-	-	6 036	6 036
Profit/(Loss) before tax	20 445	47 282	-	(3 466)	(25 160)	39 099

Elimination/Other includes IPO costs of NOK 15 million

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

4. Non current financial investments

2014					
Company	Ownership share / voting share	Business office	Equity as of last year (100%)	Result as of last year (100%)	Carrying amount
P/F 6. September 2006	10.9%	Færøylene	526 668	134 107	61 818
Vestland Offshore Invest AS	16.8%	Torangsvåg	563 254	-14 614	80 187
Other non-current financial investments					30 066
Carrying amount as of 31.12.14					172 071

2015					
Company	Ownership share / voting share	Business office	Equity as of last year (100%)	Result as of last year (100%)	Carrying amount
P/F 6. September 2006	10.9%	Færøylene	673 975	97 112	36 818
Vestland Offshore Invest AS	16.8%	Torangsvåg	583 632	20 379	55 187
Other non-current financial investments					18 024
Carrying amount as of 31.12.15					110 029

All investments are unquoted equity shares and are classified as level 3 investments.

Changes in carrying amount from 31.12.14 to 31.12.15:

Level 3 investments 31.12.14	172 071
Sale of share in Fosnavåg Vekst	-12 150
Fair value adjustment	-19 990
Impairment	-30 010
Investment in Rhea Capital III AS	109
Level 3 investments 31.12.15	110 029

5. Acquisition of subsidiaries

On 26 January 2015, Havyard Group ASA ("Havyard") acquired 12.6 % of the shares in Norwegian Electric Systems AS ("NES") for NOK 18.3 million, increasing its ownership in NES to 50.5 %. The acquisition is paid in cash and is financed from existing cash balance in Havyard Group ASA.

Norwegian Electric Systems AS is a high-tech electrical company with a focus on diesel electric and hybrid electric systems for the global maritime market. The company employs 36 persons, and delivers main switchboards, generators, motors and complete systems including engineering.

Securing majority ownership in NES represents an important step in Havyard's strategic growth, and is consistent with a long term strategy in Havyard of controlling larger parts of the value chain. It also secures that the two companies will obtain synergies, especially within product development and production.

The acquisition date for accounting purposes is set to 1 February 2015. The acquisition is regarded as a business combination and has been accounted for using the purchase price method of accounting in accordance with IFRS 3. A purchase price allocation (PPA) has been performed to allocate the cash consideration to fair value of assets and liabilities from Norwegian Electric Systems AS. Fair value is determined based on guidance in IFRS 13.

The acquisition consists of:

Book value previously owned shares	17 018
Profit on previously owned shares	22 603
Cash decreased for control premium	13 270
Total acquisition for allocation	52 891

The recognised amounts of assets and liabilities assumed as at the date of the acquisition were as follows.

Amounts in NOK 1000	01.02.15
R&D	5 505
Equipment and other fixed assets	2 701
Inventories	5 284
Trade accounts payable	49 278
Other short-term receivables	26 652
Cash and cash equivalents	52 783
Total assets	142 205

Deferred tax	8 995
Trade creditors	37 085
Tax payable	1 310
Public duties payable	2 343
Other short-term liabilities	59 955
Total liabilities	108 688

Total identifiable net assets at fair value	33 517
Group share (50,5%)	16 716
Goodwill arising on acquisition	36 175
Share of identifiable added value at net value	52 891

The goodwill arises principally because of expected synergies, especially within product development and production. The purchase price allocation is preliminary and may be adjusted during the year.

From the date of acquisition to 31 September 2015 NES contributed NOK 158.5 million to group operating revenues and NOK 4.5 million to group profit. If the acquisition had taken place at the beginning of the year, Havyard group operating revenues and profit of the year 2015 would have been NOK 175.8 million and NOK 4.8 million, respectively.

6. Share capital and share information

	2015 Q4	2014
Number of ordinary shares	22 528 320	22 528 320
Par value (NOK)	0,05	0,05
Share capital (NOK)	1 126 416	1 126 416

All shares have equal rights.

2015

The Group has paid a dividend of MNOK 10.1 in March 2015.

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.

Dividends and group contributions

The Group has paid a dividend of MNOK 60.0 in October 2014, and MNOK 10.1 in December 2014. In addition, the Group has paid dividend of MNOK 24.8 based on the 2013 financial statement.

Shareholders as of 31.12.2015	Controlled by	Number of shares	Ownership
Havila Holding AS		14 300 000	63,5 %
Geir Johan Bakke AS	Geir Johan Bakke (CEO)	1 202 520	5,3 %
SEB Private Bank S.A. (Nom)		498 170	2,2 %
Morgan Stanley & CO. LLC (Nom)		495 131	2,2 %
Goldman Sachs & CO Equity (Nom)		489 308	2,2 %
Erle Invest AS		406 538	1,8 %
MSIP Equity		334 331	1,5 %
Goldman Sachs Int. equity (Nom)		295 234	1,3 %
Solsten Investment Funds PLC		269 500	1,2 %
Jonfinn Ulfstein		242 980	1,1 %
Arve Helsem Leine		242 980	1,1 %
Stig Magne Espeseth		242 980	1,1 %
Other shareholders (<1 %)		3 508 648	15,6 %
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.



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