



Fourth quarter 2017



Highlights

(Figures in brackets relate to previous period. The figures are unaudited.)

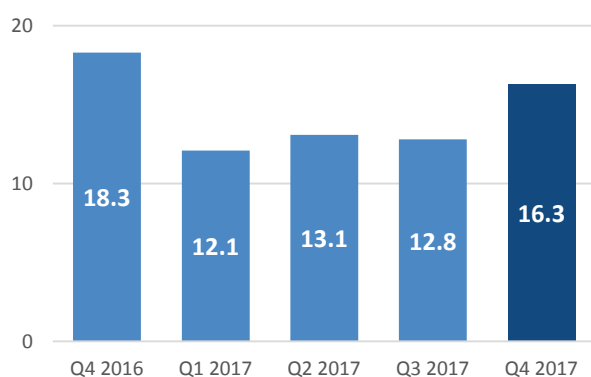
- Operating revenue was NOK 16.3 million in the fourth quarter, up from NOK 12.8 million in the third quarter 2017. The increase was mainly due to Dana Western Isles royalty revenue of NOK 3.2 million in the fourth quarter 2017. Adjusted EBITDA, excluding one-off items, was NOK -4.0 million, an improvement from NOK -7.6 million in third quarter.
- Operating costs, including one-off items, decreased by NOK 16.8 million compared to third quarter 2017 to NOK 22.6 million. These costs include NOK 2.2 million in legal fees related to one-off items. Excluding one-off items, operating costs in the quarter were stable at NOK 20.4 million (NOK 20.4 million).
- Dana Western Isles started production in November 2017 and has produced steadily and in line with expectations. Sevan Marine is entitled to USD 0.5 per barrel produced and offloaded. The royalty for Q4 2017 was NOK 3.2 million.
- Sevan Marine is in a solid financial position. The company has no interest bearing debt, is in a net cash position of NOK 197.5 million as of Q4 2017 and has an equity ratio of 83 percent.
- The board of Sevan Marine will propose to the Annual General Meeting (AGM) a cash dividend of NOK 0.50 per share. The dividend will be paid after the AGM to be held on 24 May 2018. The board will also consider future dividends depending on the financial performance and future cash flow development in the company.

Key figures

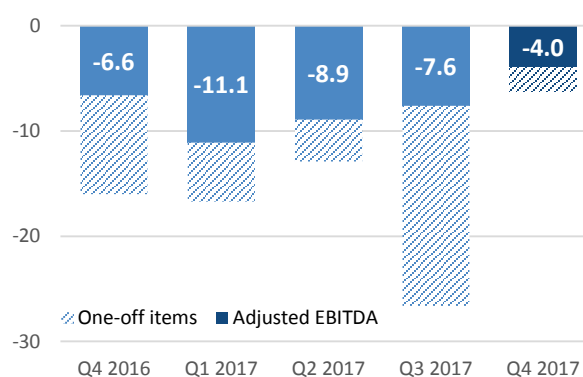
NOK million	Q4 17	Q3 17	2017	Q4 16	2016
Revenues	16.3	12.8	54.3	18.3	117.1
EBITDA	-6.2	-26.6	-62.3	-16.0	-104.0
Net Profit	-8.5	-30.1	-23.7	-9.7	-241.4
EPS (NOK)	-0.16	-0.57	-0.45	-0.18	-4.59
Operating cost, excluding one-off items *	-20.4	-20.4	-85.9	-24.9	-146.8
Adjusted EBITDA *	-4.0	-7.6	-31.6	-6.6	-29.7
Cash and cash eq.	197.5	161.6	197.5	213.9	213.9
Equity ratio (%)	83 %	87 %	83 %	60 %	60 %
Number of shares outstanding	52.6	52.6	52.6	52.6	52.6
Number of employees	32	32	32	35	35

* See definition of Alternative Performance Measures in Note 1.

Revenue, NOK million



EBITDA, NOK million



Operational review

Work on existing projects

Sevan Marine delivered engineering services in the quarter mainly to the Goliat, Dana Western Isles, Shell Penguins Redevelopment and HiLoad FRD Regas projects.

Sevan Marine also provided engineering and marine operations support to the Teekay Offshore Partners operated units during the quarter.

The Dana Western Isles project started production in November 2017. Sevan Marine is entitled to a variable license fee of USD 0.50 per barrel produced and offloaded from the unit. The associated license income for the fourth quarter 2017 was NOK 3.2 million.

Prospective projects and studies

Sevan Marine continues to market its cost effective, cylindrical design for various projects in the UK sector of the North Sea, Norwegian Barents Sea and Australia.

During the fourth quarter, Sevan Marine carried out various paid and unpaid, early phase concept studies in relation to these potential developments. It is a positive signal that oil companies are once again starting new concept studies for new field developments.

Progress on new developments

Sevan Marine's subsidiary HiLoad LNG continued the marketing and development of both the HiLoad LNG offloading system for FLNG and the Floating Regas Dock ("FRD") for small scale regasification projects in the quarter.

A pre-FEED for the FRD regas technology was carried out in Q3 2017 through the previously announced cooperation with Fluor Corporation. In the fourth quarter, the potential end client selected an alternative regas concept to take forward.

Sevan Marine has also continued to work on new developments based on the cylindrical hull technology and expertise. This

includes work on a new drilling application, a floating power distribution hub and a new fish farming concept.

Sevan Marine will continue developing new applications for its cylindrical hull technology and related concepts with the objective of delivering cost effective solutions to existing and new offshore markets.

Subsequent developments

The final investment decision regarding the Shell Penguins Redevelopment project was taken in January 2018. Sevan Marine has invoiced the first milestone payment of USD 2.625 million under the license agreement in Q1 2018. Further payments remain subject to completion of the unit, start-up and successful production. Sevan Marine is to continue to provide engineering support during construction of the unit. Total revenue from the Shell Penguins Redevelopment project, including license income, is expected to be in the range of USD 19 to 20 million over the coming 3 to 4 years

On the basis of the approval by the Annual General Meeting of May 24, 2017 to authorize the Board of Sevan Marine to issue new shares to employees under a long-term incentive program, the Board has resolved to issue options to employees of the company.

A total of 298,936 options for shares of the company is intended to be distributed amongst the members of the executive management and a total of 750,899 options for shares of the company is intended to be distributed amongst other employees. Each option, when exercised, will give the right to acquire one share in the company. The options are granted without consideration. Pursuant to the vesting schedule, 1/3 of the options will vest 12 months after the day of grant (as long as the option holder is still employed). Thereafter, 1/3 of the remaining options will vest each year as long as the option holder is still employed. The exercise price is equal to NOK 10 per share. The options that have not been exercised will lapse 5 years after the date of grant.

Financial review

Results for the quarter

Operating revenue for the fourth quarter 2017 was NOK 16.3 million, up from NOK 12.8 million the previous quarter. EBITDA was negative NOK 6.2 million (negative NOK 26.6 million) and net loss was NOK 8.5 million (loss of NOK 30.1 million). EBITDA was positively impacted by the Dana Western Isles royalty of NOK 3.2 million in the quarter. Net loss was positively impacted by currency exchange effects of NOK 3.9 million mainly related to realized gains. Net loss was negatively impacted by a tax provision of NOK 6.5 million related to a potential tax penalty in connection with an error and adjustment of the 2014 tax assessment.

Results for the year

Operating revenue from continued operation for 2017 was NOK 54.3 million, down from NOK 117.1 million in 2016. The decrease of NOK 62.8 million was mainly caused by reduced activity in ongoing projects and the cancellation of the Logitel units. EBITDA was negative NOK 62.3 million (NOK 104.0 million), and was negatively impacted by NOK 30.7 million in one-off items related to legal fees of NOK 15.8 million, restructuring of NOK 3.8 million and the Logitel arbitration settlement of NOK 11.1 million. Loss before tax was NOK 56.5 million (NOK 247.1 million) and was impacted by a positive effect of NOK 6.5 million related to the settlement of a historical fine on FPSO Piranema. Net loss was NOK 23.7 million (NOK 241.4 million) and was impacted by a positive outcome of the 2012 tax case of NOK 39.3 million offset by the provision for potential penalty tax of NOK 6.5 million related to the 2014 tax assessment.

Cash Flow

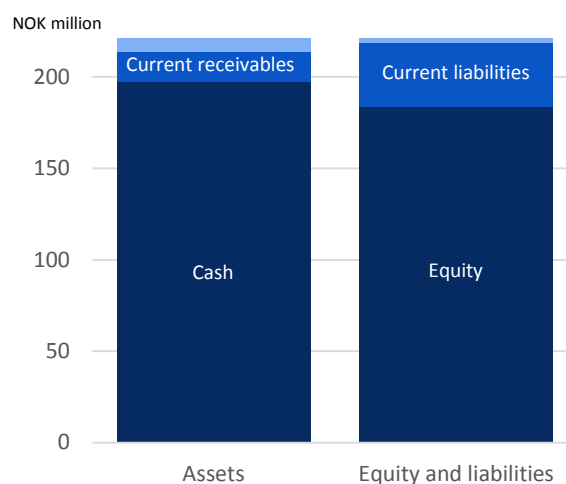
As of 31 December 2017, cash and cash equivalents amounted to NOK 197.5 million compared to NOK 161.6 million in the third quarter. The positive cash flow in the quarter of NOK 35.9 million is mainly related to the Logitel arbitration settlement of NOK 35.7 million paid in October 2017.

Cash flow for continued operations in 2017 was negative NOK 16.5 million, largely impacted by one-off net positive cash flow of NOK 15.0 million.

Financial position

The equity ratio was 83 percent as of 31 December 2017.

Balance sheet composition year end 2017:



Logitel Offshore

We refer to the earnings release in the second quarter of 2016 and comments made regarding the circumstances surrounding the legality and potential claims in relation to the Logitel Offshore Agreements.

Sevan Marine reserves the right to, at any time, pursue other involved parties. Agreements suspending time-bar limitations have been entered into with such involved parties.

We refer to the press releases of October 9th 2017 and November 8th 2017 related to the Logitel bond loan court case. The Oslo District Court ruled against Sevan Marine ASA's subsidiary Sevan Holding V AS in relation to the USD 60 million loan granted to Logitel Offshore Pte Ltd. The ruling has been appealed. The appeal date has been set for September 2019.

Risk and uncertainty factors

Sevan Marine is exposed to market risk, credit risk, currency risk and liquidity risk. The company's overall risk management program focuses on the uncertainty of financial markets and seeks to minimize potential adverse effects on the company's financial performance.

Sevan Marine's major customers are typically oil companies with a strong financial basis, but, as with suppliers and customers in general, there is a risk that unforeseen financial difficulties on the counterparty's side may arise which could have material adverse effects on the financial condition, the cash flows and/or the prospects of Sevan Marine.

The exposure to the oil and gas market also means that the company is subject to the market risk of declining work and price pressure. The company is also subject to field development and reservoir risk in situations where the license fee is tied to production.

The outcome of the Logitel bond loan case and the timing or ability to recover any award remains highly uncertain. Despite Sevan Marine's belief that the appeal will be successful, there remains material uncertainty regarding both the amount and timing of any potential payments in relation to this case.

As previously described the Board initiated and received in 2015 an external investigation report regarding allegations of possible improper conduct related to historical contracts with Petrobras in Brazil from Advokatfirmaet Selmer DA ("Selmer"). Sevan Marine provided the report to the Norwegian authority for investigation and prosecution of economic and environmental crime ("ØKOKRIM"). Sevan Marine has made no payments and had no interaction with the agent in question or any of his companies since the IPO of drilling activities and restructuring of Sevan Marine ASA in 2011. Sevan Marine is cooperating fully with relevant authorities in the various jurisdictions involved (Norway, Brazil, US and UK). Sevan Marine adheres to the strictest of compliance and ethical standards and continues to take this matter very seriously. Sevan Marine ASA has to date not been charged by any of the authorities involved.

Sevan Marine ASA was informed during third quarter 2017 that Sembmarine SSP Inc. and Jurong Shipyard Pte Ltd have initiated patent infringement proceedings against Sevan Marine ASA as well as Sevan Drilling Ltd and Sevan Drilling North America LLC in the Southern District Court of Texas in relation to

the U.S. Patent No. 9,266,587. Sevan Marine believes the case is without merit and will vigorously defend it. The plaintiffs have not yet quantified their claim for damages. Sevan Marine does not believe that this will result in any material negative consequences with respect to either existing or future uses of the Sevan technology. Sevan Marine was formally served the lawsuit during the fourth quarter and expects increasing legal costs during coming quarters to defend the case.

Outlook

During the fourth quarter 2017 and first quarter 2018, Sevan Marine secured future income on both the Dana Western Isles and Shell Penguins Redevelopment projects. The income from these two projects will have a positive impact on the financial performance for 2018 and beyond. Sevan Marine will also continue to provide engineering support to the Sevan Marine designed units currently in operation.

Sevan Marine is optimistic that it can win further early phase study work in 2018 with respect to key prospects in the North Sea, Barents Sea and/or Australia. This is despite many key prospects being delayed at the end of 2017 and a low workload in the first quarter of 2018.

Sevan Marine expects its underlying operating costs to decrease further in 2018. However, one-off legal costs associated with the patent infringement case in the U.S. and the ongoing Logitel dispute will continue to weigh negatively on overall results.

Sevan Marine remains confident that given its unique cost effective solutions, the increased market interest, its solid cash position and strong balance sheet that it has the resources and ability to regain growth and profitability.

Dividend

The board of Sevan Marine will propose to the Annual General Meeting (AGM) a cash dividend of NOK 0.50 per share. The dividend will be paid after the AGM to be held on 24 May 2018. The board will also consider future dividends depending on the financial performance and future cash flow development in the company.

About Sevan Marine

Sevan Marine is a technology, design and engineering company. The company is developing, designing and delivering cost effective offshore solutions based on its unique cylindrical hull design and the HiLoad LNG offloading and regas technologies.

Sevan Marine is focusing its efforts on independently developing, marketing and supporting projects based on its designs and engineering competence. In doing such, the company is seeking to work with industry leading partners to further promote and develop its designs, concepts and services.

The Sevan Marine cylindrical design is widely seen by oil majors around the world as a credible and proven alternative to other floating installation designs. The inherent advantages are well understood. Amongst these are lower operating costs, favorable motion characteristics, high deck load capacity, large storage space and substantially lower construction cost compared with alternatives where a turret is needed.

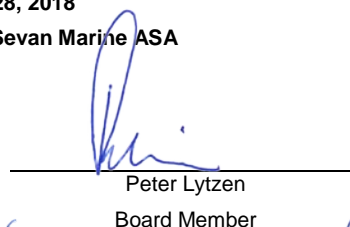
The HiLoad LNG offloading and regas technology is an innovative solution allowing direct loading, offloading and regasification of LNG, minimizing major capital investments.

Oslo, February 28, 2018

The Board of Directors of Sevan Marine ASA



Erling Øverland
Chairman



Peter Lytzen
Board Member



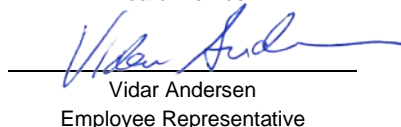
Ingvild Sæther
Board Member



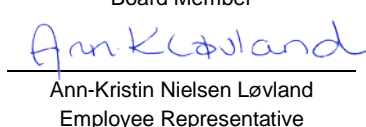
Torstein Sanness
Board Member



Kathryn M. Baker
Board Member



Vidar Andersen
Employee Representative



Ann-Kristin Nielsen Løvland
Employee Representative



Reese McNeel
CEO

Interim financial statements (IFRS)

Condensed consolidated income statement

NOK million	Q4 17	Q3 17	2017	Q4 16*	2016*
Continued operations					
Operating revenue	16.3	12.8	54.3	18.3	117.1
Operating expense	-22.6	-39.4	-116.6	-34.2	-221.1
EBITDA	-6.2	-26.6	-62.3	-16.0	-104.0
Depreciation, amortization and impairment	-0.5	-0.5	-2.2	-2.0	-3.3
Operating profit/(loss)	-6.7	-27.1	-64.6	-18.0	-107.3
Financial income/(expense)	0.8	0.6	11.5	-0.6	-127.7
FX gain/(loss)	4.0	-3.6	-3.4	9.1	-12.2
Net financial items	4.8	-3.0	8.1	8.5	-139.8
Profit/(loss) before tax	-2.0	-30.1	-56.5	-9.5	-247.1
Tax income/(expense)	-6.5	0.0	32.8	-0.2	5.7
Net profit/(loss) continued operations	-8.5	-30.1	-23.7	-9.7	-241.4
Discontinued operations					
Disposed group classified as held for sale	0.0	0.0	-10.1	-1.3	25.1
Net profit/(loss) discontinued operations	0.0	0.0	-10.1	-1.3	25.1
Net profit/(loss)	-8.5	-30.1	-33.8	-11.0	-216.3

Statement of comprehensive income

NOK million	Q4 17	Q3 17	2017	Q4 16*	2016*
Net profit/(loss)	-8.5	-30.1	-33.8	-11.0	-216.3
Actuarial gains/losses	0.0	0.0	0.0	0.0	-0.7
Foreign currency translation	-1.0	0.0	-1.0	0.0	0.0
Other changes	-0.1	0.0	-0.1	0.0	0.0
Total comprehensive income	-9.6	-30.1	-34.9	-11.0	-217.0

* Restated due to change of presentation currency from USD to NOK see Note 1 for further information

Condensed statement of financial position

NOK million	Note	31.12.17	30.09.17	31.12.16*
Fixed assets		0.1	0.2	1.4
Intangible assets		4.3	4.7	5.9
Other non-current assets	3	3.2	3.5	46.7
Total non-current assets		7.6	8.4	54.0
Trade and other receivables	3	16.1	52.3	22.2
Cash and cash equivalents		197.5	161.6	213.9
Total current assets		213.6	214.0	236.1
Assets held for sale				75.5
Total assets		221.2	222.4	365.5
Share capital	2	210.4	210.4	210.4
Other equity		-26.7	-17.1	-0.7
Total shareholders' equity		183.7	193.4	209.7
Non-controlling interest		0.3	0.2	9.2
Total equity		184.0	193.6	218.9
Retirement benefit obligations		0.0	0.0	6.4
Other non-current liabilities		2.3	0.0	0.0
Total non current liabilities		2.3	0.0	6.4
Current liabilities		34.9	28.8	77.1
Total current liabilities		34.9	28.8	77.1
Total liabilities		37.1	28.8	83.4
Liabilities held for sale				63.2
Total equity and liabilities		221.2	222.4	365.5

* Restated due to change of presentation currency from USD to NOK see Note 1 for further information

Condensed statement of changes in equity

<i>NOK million</i>	Share capital	Share premium	Retained earnings	Non-controlling interest	Total equity
Equity as of December 31, 2016 (Restated)	210.4	122.9	-123.6	9.2	218.9
Total comprehensive income for the period			-26.0	-9.0	-34.9
Equity as of December 31, 2017	210.4	122.9	-149.6	0.3	184.0

<i>NOK million</i>	Share capital	Share premium	Retained earnings	Non-controlling interest	Total equity
Equity as of December 31, 2015 (Restated)	210.4	122.9	96.4	6.1	435.9
Total comprehensive income for the period			-220.1	3.1	-217.0
Equity as of December 31, 2016 (Restated)	210.4	122.9	-123.6	9.2	218.9

Condensed statement of cash flow

<i>NOK million</i>	Q4 17	Q3 17	2017	Q4 16	2016*
Cash flows from operating activities					
Cash from operations	35.8	-17.5	-49.7	4.8	-44.3
Taxes paid/repaid	0.0	0.0	31.7	0.0	-31.7
Net cash generated from continued operating activities	35.8	-17.5	-18.0	4.8	-76.0
Net cash generated from discontinued operating activities	0.0	0.0	25.1	2.4	-40.2
Net cash generated from operating activities	35.8	-17.5	7.1	7.2	-116.2
Cash flows from investment activities					
Sale of shares KANFA Aragon AS	0.0	0.0	0.0	0.0	20.0
Sale of shares KANFA AS	0.0	0.0	0.9	0.0	0.0
Sale of fixed assets	0.1	0.0	0.7	0.0	0.0
Net cash from continued investment activities	0.1	0.0	1.6	0.0	20.0
Net cash from discontinued investment activities **	0.0	0.0	-37.1	0.0	0.0
Net cash from investment activities	0.1	0.0	-35.5	0.0	20.0
Cash flows from financing activities					
Dividends paid	0.0	0.0	0.0	0.0	0.0
Net cash from continued financing activities	0.0	0.0	0.0	0.0	0.0
Net cash from discontinued financing activities	0.0	0.0	0.0	0.0	0.0
Net cash from financing activities	0.0	0.0	0.0	0.0	0.0
Net cash flow for the period - continued activities	35.9	-17.5	-16.5	4.8	-56.0
Net cash flow for the period - discontinued activities	0.0	0.0	-12.0	2.4	-40.2
Cash balance at beginning of period	161.6	179.1	225.9	218.7	322.1
Cash balance at end of period	197.5	161.6	197.5	225.9	225.9
Cash balance at end of period continued operations	197.5	161.6	197.5	213.9	213.9
Cash balance at end of period discontinued operations	0.0	0.0	0.0	12.0	12.0

* Restated due to change of presentation currency from USD to NOK see Note 1 for further information

** Reflects the cash position in KANFA Group before deconsolidation.

Selected notes to the quarterly financial statements

1. General information and accounting policies

Sevan Marine ASA is a technology, project development and engineering company.

Sevan Marine ASA is a public limited company, incorporated and domiciled in Norway. The condensed consolidated interim financial statements consist of the company and the company's interests in associated companies.

The company prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by EU and these financial statements have been prepared in accordance with the International Accounting Standard for Interim Financial Reporting (IAS 34). As the interim financial statements do not include the full information and disclosures as required in the annual financial statements, it should be read in connection with the Annual Financial Statements for 2016.

The company has changed the functional and presentation currency to Norwegian Krone (NOK) from USD. The company has done a reassessment of the functional and presentation currency based on the relevant IFRS accounting standards and has concluded that the functional and presentation currency shall be changed to NOK from USD with effect from January 2017. The rationale for this change is that the vast majority of the company's revenue, cost and assets are based in NOK. All financial figures, including comparable figures, are now presented in NOK.

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures ("APMs") that came into force on 3 July 2016. Sevan Marine has defined and explained the purpose of the following APMs:

Operating cost, excluding one-off items: Management believes that "Operating cost, excluding one-off items" which excludes cost or cost reductions that arise from circumstances other than operation is a useful measure because it provides an indication of the company's operating cost base for the period without regard to significant historical and non-operational events that are expected to occur less frequently.

Adjusted EBITDA: Management believes that "Adjusted EBITDA" which excludes "Operating cost, excluding one-off items" is a useful measure because it provides an indication of the profitability of the company's operating activities for the period without regard to significant historical and non-operational events that are expected to occur less frequently.

In June 2017 Sevan Marine ASA sold the remaining shares in KANFA AS to Technip Norge AS. The KANFA AS Group was the remaining part of Sevan Marine's Topsides and Process Technology segment presented as discontinued operations. As Sevan Marine now is left with one segment, Floating Production, the segment note will not be part of the quarterly reporting.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Annual Financial Statements for the year ended December 31, 2016.

2. Shareholder structure

20 largest shareholder accounts February 23, 2018 (source: VPS)	No. of shares	%-share
TEEKAY SERVICE HOLDINGS COÖPER. UA	22,893,631	43.52
DNB NOR MARKETS, AKS	5,107,016	9.71
SKANDINAVISKA ENSKIL	3,213,975	6.11
MATHIAS HOLDING AS	1,700,000	3.23
KING KONG INVEST AS	1,250,000	2.38
SUNDT AS	1,142,486	2.17
MP PENSJON PK	837,584	1.59
ANDENERGY AS	804,326	1.53
INVESCO PERP EURAN S	765,804	1.46
CITIBANK, N.A.	750,480	1.43
BAKLIEN ÅSMUND	700,000	1.33
HORTULAN AS	685,000	1.30
BEKKESTUA EIENDOM AS	560,000	1.06
ALTEA PROPERTY DEVEL	500,828	0.95
SVENSKA HANDELSBANKE	493,000	0.94
GRANLUND HOLDING AS	427,201	0.81
INVESCO FUNDS	419,109	0.80
SIX SIS AG	413,936	0.79
TIGERSTADEN AS	330,000	0.63
PREDATOR CAPITAL MAN	315,072	0.60
Total, 20 largest shareholders	43,309,448	82.33
Other shareholder accounts	9,297,551	17.67
Total no of shares	52,606,999	100.00
Foreign ownership	26,859,378	51.06

3. Transactions with related parties

NOK million	Q4 17	Q3 17	2017	Q4 16*	2016*
<i>Sale to related parties</i>					
Sale to Teekay	3.3	0.8	4.0	0.0	1.4
Sale to Logitel Offshore	0.0	0.0	0.0	0.0	21.0
<i>Purchase from related parties</i>					
Purchase from Arendal Brygge	1.1	1.1	4.6	1.1	3.8
<i>Receivable from related parties</i>					
Receivable from Logitel Offshore	0.0	35.9	0.0	51.6	51.6
Receivable from Teekay	0.2	0.0	0.2	0.0	0.0
<i>Loan to related parties</i>					
Logitel Offshore	0.0	0.0	0.0	51.6	0.0

* Restated due to change of presentation currency from USD to NOK see Note 1 for further information