



Second quarter and first half 2018



Developments in the quarter

(Figures in brackets relate to first quarter 2018. The figures are unaudited.)

- On June 07, 2018 Sevan Marine entered into an agreement to sell its intellectual property, shares in HiLoad LNG AS and to transfer certain other assets and obligations, including employees, to SembCorp Marine Integrated Yard Pte Ltd ("SCM"). Sevan Marine will retain its net cash position, the Dana Western Isles license agreement and the financial benefit of the Shell Penguins license agreement. On July 05, 2018, SCM agreed to increase its offer from USD 28 million to USD 39 million. On this basis, Sevan Marine has accepted to terminate the right to accept any alternative offer. For further details please refer to Sevan Marine's press releases from June 08, 2018, June 12, 2018 and July 06, 2018. On July 06, 2018, the shareholders of Sevan Marine approved the transaction.
- In accordance with IFRS accounting standards, the remaining Sevan Marine business is reported as continued operations while the disposed business is reported as discontinued operations in this report.
- Adjusted EBITDA from continued and discontinued operations, excluding one-off items, was NOK 5.2 million (NOK 15.6 million), a decline of NOK 10.4 million versus the first quarter. The main driver for the decline was the Penguins license fee of NOK 20.7 million which was received in the first quarter 2018.
- Operating revenue from continued and discontinued operations was NOK 22.9 million in the second quarter, down from NOK 30.8 million in the first quarter 2018. The decrease was due to Penguins revenue of NOK 20.7 million in the first quarter which was only partially compensated by increased Dana royalty revenue of NOK 8.2 million and increased engineering income of NOK 4.6 million. Engineering revenue is recorded in discontinued operations.
- Dana Western Isles achieved plateau production in April 2018. Sevan Marine is entitled to USD 0.5 per barrel produced and offloaded. The related revenue for Q2 2018 was NOK 15.0 million (NOK 6.8 million) in continued operations.
- Operating costs from continued and discontinued operations, including one-off items, increased by NOK 5.6 million compared to first quarter 2018 to NOK 24.2 million. Excluding one-off items, operating costs in the quarter increased by NOK 2.6 million to NOK 17.7 million (NOK 15.2 million). One-off items in continued operations were negatively impacted by NOK 5.8 million in SCM transaction related costs, including legal and advisor fees and transaction bonuses as well as NOK 0.6 million in other one-off costs largely related to the now dismissed Brazil case and the Sembmarine SSP patent infringement proceedings.
- On July 06, 2018, Teekay and a group of shareholders entered into an agreement whereby Teekay agrees to offer its 43.5 percent shareholding in Sevan Marine to all other shareholders in Sevan Marine on a pro rata basis for a price of NOK 10 per share, subject to adjustment for any distributions from Sevan Marine until completion of the offer (the "Teekay Offer"). Upon completion of the Teekay Offer, Sevan Marine has agreed to withdraw the lawsuit against Logitel Offshore Pte Ltd. and the parties have agreed not to bring or pursue any other claims against each other and their affiliates in relation to activities prior to July 06, 2018. The completion of the Teekay Offer is subject to the following key conditions: (i) required corporate approvals; (ii) closing of the SCM transaction; (iii) the subscription of all Teekay's shares in Sevan Marine; and (iv) regulatory approvals.
- At the annual general meeting held on May 24, 2018, shareholders approved a share capital reduction and return of NOK 0.50 per share to shareholders. In addition, at the extraordinary general meeting held on July 06, 2018, shareholders approved a further share capital reduction and return of NOK 2 per share to shareholders. It is also Sevan Marine's intention to pay a further interim dividend of at least NOK 4 per share subject to an interim balance sheet and further EGM approval. Until the earlier of (i) December 1, 2018 and (ii) close of the offer period for Teekay's shares, Sevan Marine has agreed defer all distributions to its shareholders including the already agreed share capital reductions and interim dividends mentioned above.
- It is expected that the SCM transaction will be completed in Q3 2018 and the Teekay Offer in Q4 2018.

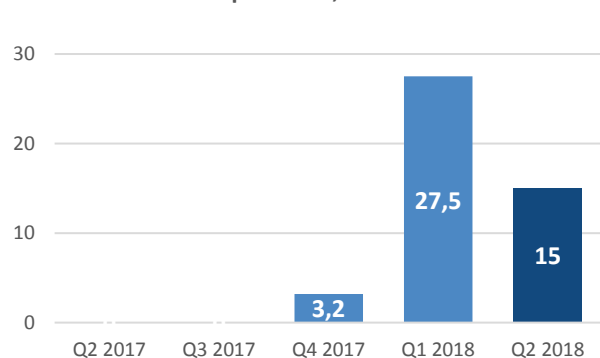
Key figures

NOK million	Q2 18	Q1 18	30.06.18	Q2 17	30.06.17	2017
<i>Continued operation</i>						
Revenues	15.0	27.5	42.4	0.0	0.0	3.2
EBITDA	4.9	21.4	26.3	-6.7	-15.0	-35.1
Net Profit	5.4	22.6	27.9	33.5	30.5	5.7
EPS (NOK)	0.10	0.43	0.53	0.64	0.58	0.11
Operating cost, excluding one-off items *	-3.6	-2.6	-6.2	-2.8	-5.5	-9.5
Adjusted EBITDA *	11.4	24.9	36.2	-2.8	-5.5	-6.3
<i>Continued and discontinued operation **</i>						
Revenues	22.9	30.8	53.7	13.1	25.1	54.3
EBITDA	-1.3	12.2	10.9	-12.9	-29.5	-62.3
Net Profit	-1.3	12.8	11.5	26.8	14.9	-23.7
EPS (NOK)	-0.02	0.24	0.22	0.51	0.28	-0.45
Operating cost, excluding one-off items *	-17.7	-15.2	-32.9	-22.0	-45.1	-85.9
Adjusted EBITDA *	5.2	15.6	20.8	-8.9	-20.0	-31.6
Cash and cash eq. continued operation	205.7	207.6	205.7	178.2	178.2	195.9
Cash and cash eq. discontinued operation	0.2	1.2	0.2	0.9	0.9	1.6
Equity ratio (%)	85 %	86 %	85 %	90 %	90 %	83 %
Number of shares outstanding	52.6	52.6	52.6	52.6	52.6	52.6
Number of employees	27	31	27	32	32	32

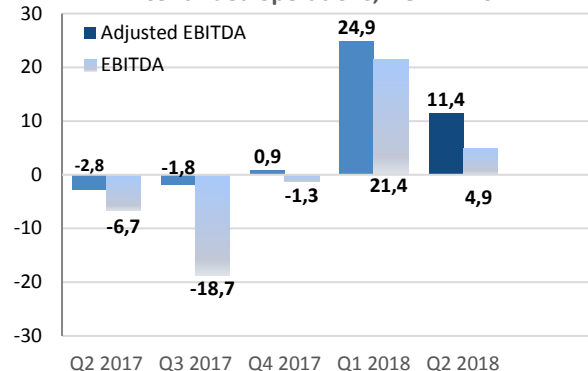
* See definition of Alternative Performance Measures in Note 1.

** Sale of KANFA AS is not included as discontinued operation in the 2017 comparable figures

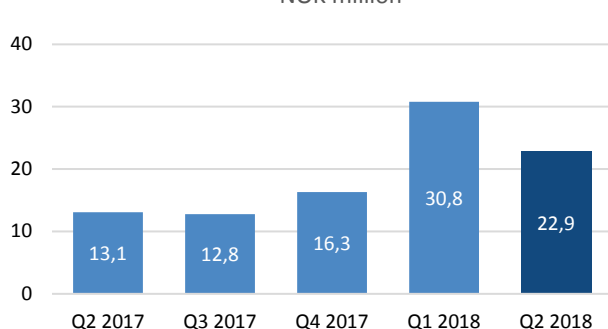
Revenue continued operations, NOK million



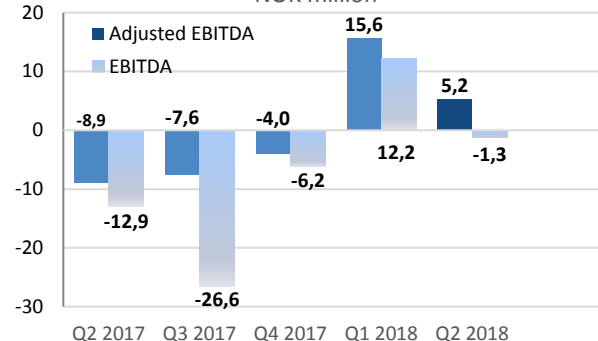
EBITDA continued operations, NOK million



Revenue continued & discontinued operations
NOK million



EBITDA continued & discontinued operations
NOK million



Operational review

Projects

The final investment decision regarding the Shell Penguins Redevelopment project was taken in January 2018. Sevan Marine received payment for the first milestone of USD 2.625 million (NOK 20.7 million) under the license agreement in Q1 2018. Further payments under the license agreement are subject to three milestones; completion of the unit, start-up and successful production. The total nominal value of the future milestones is USD 16 million over the coming 3 to 5 years. SCM will take over the Shell Penguins License Agreement and all funds received will be paid to Sevan Marine when received.

Sevan Marine is entitled to a variable license fee of USD 0.50 per barrel produced and offloaded from the Dana Western Isles FPSO. The associated license income for the second quarter 2018 was NOK 15.0 million (NOK 6.8 million). It was announced in early April 2018 that the unit had reached plateau production of 40,000 barrels of oil per day. Sevan Marine will retain the license agreement with Dana and associated future income.

In discontinued operations, engineering income of NOK 7.9 million for Q2 was improved from NOK 3.4 million in Q1. This was driven by increased activity on the Shell Penguins project as well as work for both Teekay and Dana.

From completion of the SCM transaction, employee, office and associated operating costs will be taken over by SCM as depicted in discontinued operations.

Transaction costs, stock exchange costs, audit fees, costs associated with the ongoing Logitel dispute as well as certain administration, management and board fees will remain with Sevan Marine in continued operations.

Subsequent developments

On July 06, 2018, the shareholders of Sevan Marine approved the transaction with SCM. Sevan Marine expects to complete the transaction during Q3 2018.

Subject to completion of the SembCorp transaction, CEO Reese McNeel will be entitled to receive a success fee of NOK 1.5 million. Other members of the management team will also be entitled to receive success fees on completion of the Sembcorp transaction of NOK 0.6 million in aggregate. The success fee is included as one-off transaction costs in the continued operations for the second quarter.

CEO Reese McNeel has entered into a retention agreement with Sevan Marine and Sevan Marine has the option to retain his services for an additional 12 months from completion of the Sembcorp transaction on terms customary for such agreements.

Financial review

Results for the quarter

Operating revenue for continued operations in the second quarter 2018 was NOK 15.0 million, down from NOK 27.5 million the previous quarter. EBITDA for continued operations was positive NOK 4.9 million (positive NOK 21.4 million) and net profit was NOK 5.4 million (profit of NOK 22.6 million). The decrease in profit was due to Penguins revenue of NOK 20.7 in the first quarter which was only partially compensated by increased Dana royalty revenue of NOK 8.2 million. In addition, profit was negatively impacted by NOK 5.8 million in SCM transaction related costs and NOK 0.6 million in other one-off costs. Net profit was negatively impacted by currency exchange effects of NOK 0.5 million.

Operating revenue for discontinued operations in the second quarter 2018 was NOK 7.9 million, up from NOK 3.4 million the previous quarter. EBITDA for discontinued operations was negative NOK 6.3 million (negative NOK 9.2 million) and net loss was NOK 6.7 million (loss of NOK 9.8 million). The decrease in loss was due to higher engineering income of NOK 4.6 million.

Cash Flow

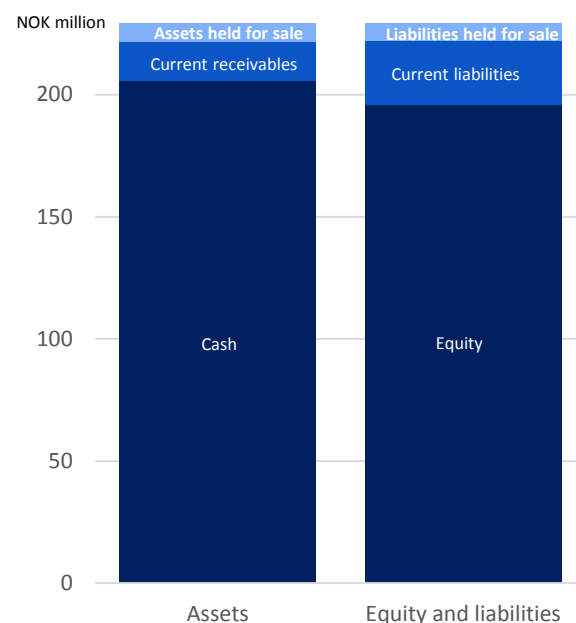
As of June 30, 2018, cash and cash equivalents amounted to NOK 205.7 million for continued operations (NOK 207.6 million). The negative cash flow in the quarter of NOK 1.9 million is mainly related to negative cash flow from operations driven by one-off transaction and restructuring related payments of NOK 5.6 million.

For discontinued operations, cash and cash equivalents amounted to NOK 0.2 million (NOK 1.2 million).

Financial position

The equity ratio was 85 percent as of June 30, 2018.

Balance sheet composition 30 June 2018:



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.

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.

Upon completion of the Teekay Offer, Sevan Marine has agreed to withdraw the lawsuit against Logitel Offshore Pte Ltd. and the parties have agreed not to bring or pursue any other claims against each other and their affiliates in relation to activities prior to July 06, 2018.

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 such as the Dana Western Isles income.

Sevan Marine was informed in May 2018 that the Norwegian authority for investigation and prosecution of economic and environmental crime ("ØKOKRIM") concluded its investigation. ØKOKRIM has dismissed the case into potential corruption involving contracts awarded to Sevan Marine in Brazil in the period 2005 to 2008. Sevan Marine has at no stage been charged and has fully cooperated with ØKOKRIM.

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. With the completion of the SCM transaction this lawsuit will be terminated.

Outlook

Following the SCM transaction, Sevan Marine will remain listed on the Oslo Stock Exchange. The intention is to distribute excess liquidity and the sale proceeds via a share capital reduction and interim dividend to shareholders. The distribution of future free cash flow will also be considered.

Sevan Marine will continue to follow-up on the remaining contracts, including the Dana license, while seeking to optimize its cost structure to the level of activity in the business.

Sevan Marine will also actively seek to release the remaining value in the continued operations via a review of strategic options, including, amongst other options, the possibility of attracting new investment and / or selling the business.

Capital reduction and dividend

At the annual general meeting held on May 24, 2018, shareholders approved a share capital reduction and return of NOK 0.50 per share to shareholders. In addition, at the extraordinary general meeting held on July 06, 2018, shareholders approved a further share capital reduction and return of NOK 2 per share to shareholders. It is also Sevan Marine's intention to pay a further interim dividend of at least NOK 4 per share subject to an interim balance sheet and further EGM approval. Until the earlier of (i) December 1, 2018 and (ii) close of the offer period for Teekay's shares, Sevan Marine has agreed to defer all distributions to its shareholders including the already agreed share capital reductions and interim dividends mentioned above.

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.

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.

With the sale to SCM announced on June 08, 2018 and July 06, 2018, Sevan Marine will sell its intellectual property, shares in HiLoad LNG AS and certain other assets and obligations to SCM Marine for USD 39 million.

Sevan Marine will retain its net cash position, the Dana Western Isles license agreement and the financial benefit of the Shell Penguins license agreement. On July 06, 2018, the shareholders of Sevan Marine approved the transaction and Sevan Marine expects to complete the transaction during Q3 2018.

Oslo, July 10, 2018
The Board of Directors of Sevan Marine ASA



Erling Øverland
Chairman



Hilde Ådland
Board Member



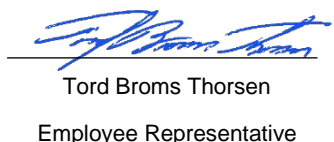
Astrid Jørgenvåg
Board Member



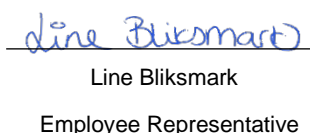
Torstein Sanness
Board Member



Kathryn M. Baker
Board Member



Tord Broms Thorsen
Employee Representative



Line Bliksmark
Employee Representative



Reese McNeel
CEO

Interim financial statements (IFRS)

Condensed consolidated income statement

NOK million	Note	Q2 18	Q1 18	30.06.2018	Q2 17	30.06.2017	2017
Continued operations							
Operating revenue	4	15.0	27.5	42.4	0.0	0.0	3.2
Operating expense		-10.1	-6.0	-16.1	-6.7	-15.0	-38.3
EBITDA		4.9	21.4	26.3	-6.7	-15.0	-35.1
Depreciation, amortization and impairment		0.0	0.0	0.0	0.0	0.0	0.0
Operating profit/(loss)		4.9	21.4	26.3	-6.7	-15.0	-35.1
Financial income/(expense)		0.9	0.8	1.7	2.8	10.1	11.6
FX gain/(loss)	7	-0.5	0.4	-0.1	-1.8	-3.8	-3.5
Net financial items		0.4	1.2	1.6	1.0	6.3	8.1
Profit/(loss) before tax		5.4	22.6	27.9	-5.7	-8.7	-27.0
Tax income/(expense)		0.0	0.0	0.0	39.3	39.3	32.8
Net profit/(loss) continued operations		5.4	22.6	27.9	33.5	30.5	5.7
Discontinued operations							
Disposed group classified as held for sale	5	-6.7	-9.8	-16.4	-14.3	-25.8	-39.6
Net profit/(loss) discontinued operations		-6.7	-9.8	-16.4	-14.3	-25.8	-39.6
Net profit/(loss)		-1.3	12.8	11.5	19.2	4.7	-33.8

Statement of comprehensive income

NOK million	Q2 18	Q1 18	30.06.2018	Q2 17	30.06.2017	2017
Net profit/(loss)	-1.3	12.8	11.5	19.2	4.7	-33.8
Foreign currency translation	0.5	-0.7	-0.2	0.0	0.0	-1.0
Other changes		-0.2	-0.2	0.0	0.0	-0.1
Total comprehensive income	-0.8	11.9	11.1	19.2	4.7	-34.9

Condensed statement of financial position

NOK million	Note	30.06.18	31.03.18	30.06.17	31.12.17
Fixed assets		0.0	0.1	0.3	0.1
Intangible assets		0.0	3.9	5.1	4.3
Other non-current assets	3	0.0	3.2	45.5	3.2
Total non-current assets		0.0	7.2	50.9	7.6
Trade and other receivables	3	16.1	11.8	19.6	16.1
Cash and cash equivalents		205.7	208.7	179.1	197.5
Total current assets		221.8	220.5	198.7	213.6
Assets held for sale	5	7.6			
Total assets		229.4	227.7	249.6	221.2
Share capital	2	210.4	210.4	210.4	210.4
Other equity		-14.6	-14.5	13.0	-26.7
Total shareholders' equity		195.9	196.0	223.4	183.7
Non-controlling interest		0.2	0.2	0.3	0.3
Total equity		196.0	196.2	223.7	184.0
Retirement benefit obligations		0.0	0.0	4.2	0.0
Other non-current liabilities		0.0	2.2	0.0	2.3
Total non current liabilities		0.0	2.2	4.2	2.3
Current liabilities	7	26.1	29.4	21.7	34.9
Total current liabilities		26.1	29.4	21.7	34.9
Total liabilities		26.1	31.5	25.9	37.1
Liabilities held for sale	5	7.3			
Total equity and liabilities		229.4	227.7	249.6	221.2

Condensed statement of changes in equity

<i>NOK million</i>	Share capital	Share premium	Other equity	Non-controlling interest	Total equity
Equity as of January 1, 2018	210.4	0.0	-26.7	0.3	184.0
Share-based payments			0.9		0.9
Total comprehensive income for the period			11.2	-0.1	11.1
Equity as of June 30, 2018	210.4	0.0	-14.6	0.2	196.0

<i>NOK million</i>	Share capital	Share premium	Other equity	Non-controlling interest	Total equity
Equity as of January 1, 2017	210.4	122.9	-123.6	9.2	218.9
Reclassification share premium		-122.9	122.9		0.0
Total comprehensive income for the period			136.6	-9.0	19.2
Equity as of June 30, 2017	210.4	0.0	13.0	0.3	223.7

Condensed statement of cash flow

<i>NOK million</i>	Q2 18	Q1 18	30.06.2018	30.06.2017	2017
Cash flows from operating activities					
Cash from operations	8.2	17.9	26.1	-52.2	-27.2
Taxes paid/repaid	0.0	0.0	0.0	31.7	31.7
Net cash generated from continued operating activities	8.2	17.9	26.1	-20.5	4.5
Net cash generated from discontinued operating activities	-11.1	-6.6	-17.7	9.4	2.6
Net cash generated from operating activities	-2.9	11.2	8.4	-11.1	7.1
Cash flows from investment activities					
Sale of shares KANFA AS	0.0	0.0	0.0	0.9	0.9
Sale of fixed assets	0.0	0.0	0.0	0.0	0.0
Net cash from continued investment activities	0.0	0.0	0.0	0.9	0.9
Net cash from discontinued investment activities *	0.0	0.0	0.0	-36.5	-36.4
Net cash from investment activities	0.0	0.0	0.0	-35.6	-35.5
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	8.2	17.9	26.1	-19.7	5.4
Net cash flow for the period - discontinued activities	-11.1	-6.6	-17.7	-27.1	-33.8
Cash balance at beginning of period	208.7	197.5	197.5	225.9	225.9
Cash balance at end of period	205.9	208.7	205.9	179.1	197.5

* 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 2017.

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 "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.

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, 2017.

The Company has implemented IFRS 9 and 15 as of January 01, 2018. There have been no significant changes to the Company's financial statements as a result of these new accounting standards.

Assets and liabilities held for sale and discontinued operations

The Group classifies assets and liabilities as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or liability is available for immediate sale in its present condition.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 5. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

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.

On June 07, 2018 Sevan Marine entered into an agreement to sell its intellectual property, employees, shares in HiLoad LNG AS and certain other assets and liabilities to SCM. These assets and liabilities are now reported as held for sale, while associated income and costs are reported as discontinued operations. Sevan Marine will retain its net cash position, the Dana Western Isles license agreement and the financial benefit of the Shell Penguins license agreement which is now reported as continued operations.

2. Shareholder structure

20 largest shareholder accounts June 29, 2018 (source: VPS)	No. of shares	%-share
TEEKAY SERVICE HOLDI	22,893,631	43.52
SPAREBANK 1 MARKETS	4,116,987	7.83
F2 FUNDS AS	2,086,080	3.97
SKANDINAVISKA ENSKIL	1,763,975	3.35
MATHIAS HOLDING AS PER MATHIAS AARSKOG	1,700,000	3.23
KING KONG INVEST AS v/ Trond Myhre	1,250,000	2.38
SUNDT AS	1,142,486	2.17
HORTULAN AS	986,220	1.87
MP PENSJON PK	837,584	1.59
ANDENERGY AS	804,326	1.53
INVESCO PERP EURAN S BNY MELLON SA/NV	765,804	1.46
FREDRIK DAYLEMANI SN S/A NATIONAL FINANCI	750,000	1.43
BAKLIEN ÅSMUND	700,000	1.33
BEKKESTUA EIENDOM AS	560,000	1.06
ALTEA PROPERTY DEVEL	500,828	0.95
SVENSKA HANDELSBANKE	500,000	0.95
DnB NOR MARKETS, AKS DNB Bank ASA	444,634	0.85
GRANLUND HOLDING AS	427,201	0.81
INVESCO FUNDS BNY MELLON SA/NV	419,109	0.80
MIF MARINE INVEST FU 25PCT ACCOUNT	413,935	0.79
Total, 20 largest shareholders	43,062,800	81.87
Other shareholder accounts	9,544,199	18.13
Total no of shares	52,606,999	100.00
Foreign ownership	26,567,248	50.50

3. Transactions with related parties

NOK million	Q2 18	Q1 18	30.06.2018	Q2 17	30.06.2017	2017
Sales to related parties						
Sales to Teekay	1.2	0.3	1.5	0.0	0.1	3.6
Purchase from related parties						
Purchase from Arendal Brygge	1.2	1.3	2.6	1.3	2.5	7.3
Receivable from related parties						
Receivable from Logitel Offshore	0.0	0.0	0.0	49.4	49.4	0.0
Receivable from Teekay	0.4	0.2	0.4	0.0	0.0	0.2
Receivable from Arendal Brygge	4.2	4.6	4.2	5.0	5.0	5.0

4. Operating revenue

NOK million	Q2 18	Q1 18	30.06.2018	Q2 17	30.06.2017	2017
Continued operations						
License revenue	15.0	27.5	42.4	-	0.0	3.2
Operating revenue continued operations	15.0	27.5	42.4	0.0	0.0	3.2

5. Discontinued operation

The disposed group classified as held for sale includes two transactions: 1) the sale of Sevan Marine's 51% stake in KANFA AS to Technip Norge AS which was completed in June 2017; and 2) the SCM transaction which was announced on June 8, 2018.

On June 8, 2018, Sevan Marine announced the decision of its Board of Directors to enter into an agreement to divest a substantial part of its business to SCM. On July 6, 2018, the shareholders of Sevan Marine approved the transaction. As of June 30, 2018, the part of the business to be sold is classified as a disposal group held for sale and as a discontinued operation.

The result for the disposed group classified as held for sale, can be divided between the two transactions as follows:

NOK million	Q2 18	Q1 18	30.06.2018	Q2 17	30.06.2017	2017
Sale of KANFA AS	0.0	0.0	0.0	-7.6	-10.1	-10.1
Sale to SembCorp Marine	-6.7	-9.8	-16.4	-6.7	-15.7	-29.5
Net profit/(loss) discontinued operation	-6.7	-9.8	-16.4	-14.3	-25.8	-39.6

The results of the discontinued operation related to the sale to SCM are presented below:

NOK million	Q2 18	Q1 18	30.06.2018	Q2 17	30.06.2017	2017
Operating revenue	7.9	3.4	11.3	13.1	25.1	51.1
Operating expense	-14.2	-12.6	-26.8	-19.2	-39.6	-78.3
EBITDA	-6.3	-9.2	-15.5	-6.1	-14.5	-27.2
Depreciation, amortization and impairment	-0.4	-0.4	-0.9	-0.6	-1.2	-2.2
Operating profit/(loss)	-6.7	-9.6	-16.3	-6.7	-15.7	-29.5
Financial income/(expense)	0.0	0.0	0.0	0.0	0.0	-0.1
FX gain/(loss)	0.0	-0.1	-0.1	0.0	0.0	0.1
Net financial items	0.0	-0.1	-0.1	0.0	0.0	0.0
Profit/(loss) before tax	-6.7	-9.8	-16.4	-6.7	-15.7	-29.5
Tax income/(expense)	0.0	0.0	0.0	0.0	0.0	0.0
Net profit/(loss)	-6.7	-9.8	-16.4	-6.7	-15.7	-29.5

In the Balance Sheet the discontinued operation related to the sale to SCM is classified as Assets held for sale and Liabilities held for sale. A specification of these is presented below:

NOK million	Q2 18
Assets held for sale includes:	
Fixed assets	0.0
Intangible assets	3.5
Other non-current assets	3.2
Trade and other receivables	0.7
Cash and cash equivalents	0.2
Sum Assets held for sale	7.6
Liabilities held for sale includes:	
Other non-current liabilities/provisions	2.1
Current liabilities	5.2
Sum Liabilities held for sale	7.3

6. Subsequent events

On July 6, 2018, the shareholders of Sevan Marine approved the SCM transaction. It is the intention that employees will be transferred to a new entity wholly owned by SCM. In March 2018 a total of 943,505 options for shares of Sevan Marine were distributed amongst the management and all employees. Each option, when exercised, will give the right to acquire one share in Sevan Marine. The options were granted without consideration. Pursuant to the vesting schedule, 1/3 of the options will vest 12 months after the day of grant (if the option holder is still employed). Thereafter, 1/3 of the remaining options will vest each year if the option holder is still employed. The exercise price is equal NOK 10 per share.

In conjunction with the SCM transaction, Sevan Marine intends to buy-out the employee share option scheme. The buy-out cost is estimated to be NOK 4.3 million, and in accordance with IFRS accounting rules this cost will be incurred during the third quarter 2018.

7. Hedging

The Dana Western Isles royalty income is received in USD. To reduce the currency risk, Sevan Marine has hedged some of the expected royalty income within the next 12 months. For the remaining months in 2018 Sevan Marine has hedged a total of USD 2.75 million to an average exchange rate of NOK/USD 7.85, and for the period January 2019 to April 2019 USD 1.4 million is hedged to an average exchange rate of NOK/USD 7.90.

Responsibility statement

We confirm, to the best of our knowledge, that the interim consolidated financial statements for the period January 1 to June 30, 2018 have been prepared in accordance with IAS 34 - Interim Financial Reporting, and give the true and fair view of the Group's assets, liabilities, financial position and profit and loss as a whole. We also confirm, to the best of our knowledge, that the Interim Financial Report includes a fair review of important events that

have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Oslo, July 10, 2018
The Board of Directors of Sevan Marine ASA



Erling Øverland
Chairman



Hilde Ådland
Board Member



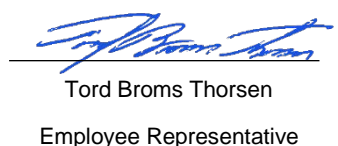
Astrid Jørgenvåg
Board Member



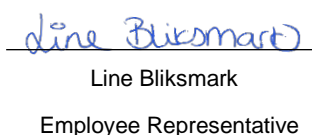
Torstein Sanness
Board Member



Kathryn M. Baker
Board Member



Tord Brøms Thorsen
Employee Representative



Line Bliksmark
Employee Representative



Reese McNeel
CEO