



ANNUAL REPORT 2009



OCEANTEAM





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DIRECTORS REPORT

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ABOUT OCEANTEAM

Oceanteam is an offshore services company. Oceanteam's business is the chartering of "State of the Art" Offshore Construction Support Vessels. In addition, Oceanteam provides rental services of flexible installation and burial equipment. We operate on a global basis where we service three markets:

- oil and gas
- offshore renewable (and the associated power grid networks)
- high voltage submarine power interconnectors

Oceanteam employs a small, competent team of international professionals whom have extensive international offshore services experience. They are responsible for developing opportunities, building long term relationships, managing contracts, support and finance.

COMPANY OVERVIEW

Oceanteam was incorporated on 5th October 2005, in Bergen Norway. In December of that year the company was awarded its first offshore wind farm installation project in The Netherlands.

By February 2007 Oceanteam was listed on the Oslo Stock Exchange and - two months later - the company began taking delivery of its new 'state of the art' cable lay and burial equipment. In 2007 and 2008 several subsea cable installation projects were contracted and executed.

The first vessel "CSV Bourbon Oceanteam 101" was delivered late 2007. Vessel "CSV North Ocean 102" followed in December 2008.

Losses on renewable contracts, renewable client non payment and disputes on the subsea power cable installation projects together with the delays and variation orders on vessel build programme and the inability to finance its investment programme as a result of the credit crunch brought Oceanteam in liquidity problems.

In 2009 Oceanteam has gone through a period of restructuring in which the Company has exited completely from the

subsea power cable installation contracting business and refocused on the provision of construction support vessels, equipment rental and associated engineering services. The impact of the restructuring on the company in 2009 has been significant throughout the organisation and has strongly affected the 2009 financial results of the company.

Once the restructuring is fully completed Oceanteam is ready to service the next wave of increased demand for subsea work and services in both deep and shallow water, involving more advanced and heavier equipment. To do so the core activities of the company are to offer either jointly or separately its different services to strengthen the assets capabilities, retain know how and improve the company's safety, quality and environmental performance.

Today, Oceanteam operates two high end CSV North Ocean 100 series construction support vessels of which one with a 7000 ton lay-spread, two fast support vessels (FSV) and a large pool of installation and burial equipment.

"CSV Bourbon Oceanteam 104" is due for delivery in the end of the second quarter of 2010 and is currently being completed in Vigo, Spain.

The construction contract for "CSV North Ocean 105" is expected to be signed shortly. The vessel will be built in a 25/75% joint venture with J. Ray McDermott and is due for delivery early 2012.

The 100 series of high-end offshore construction vessels are prepared and have proven to be prepared for the world's most demanding and advanced subsea operations. Oceanteam clients need a high degree of co-operation, engineering, crew and owners support at every stage of their projects. This type of solutions the company is able to provide and is planning to expand upon going forward.

Oceanteam has further construction options available for the CSV North Ocean 106 and the CSV North Ocean 107.

ANALYTICAL INFORMATION 2009 AND 2008

Oceanteam ASA Group	EUR '000	
Key Financial Figures Continuing Operations	2009	2008
Total operating revenues	27.949	18.600
Project costs	-14.489	-8.838
General & administration	-16.704	-4.249
EBITDA	-3.244	5.513
Depreciation	-13.614	-4.339
Write off assets	-22.285	-1.531
Operating profit (loss)	-39.143	-358
Net Finance	4.763	12.806
Ordinary profit (loss) before taxes	-34.380	12.448

MAIN EVENTS OF THE YEAR – 2009

RESTRUCTURING

The year 2009 was an extremely challenging year for Oceanteam ASA. The Company was confronted with liquidity problems as a consequence of mounting losses in the subsea power cable installation contracting business, delays in delivery and variation orders on its vessels, as well as the effects of the world wide credit crisis. Oceanteam could no longer bear the losses and risks related to the subsea power cable installation contracting business and as a result was forced to withdraw from it. In this process projects were transferred back to its clients and to other contracting parties in the market and many employees could follow the projects to new employers. Oceanteam ASA could no longer support certain subsidiaries and had to apply for voluntary liquidation of its subsidiaries Oceanteam Power & Umbilical Ltd and Oceanteam BV.

To restore the liquidity position of the group it was necessary to sell "CSV North Ocean 103". To bring the Company's debt level more in line with its business the Company's bond loan and shareholder loans were restructured, reducing the loans with 50% of the nominal value and the outstanding interest against conversion into 87.5% of the shares of the

Company. The debt restructuring was followed by a rights issue in which existing shareholders had the opportunity to increase their diluted share in the Company. In these operations the number of shares in the company increased from 15.2 million to 150.8 million and warrants were issued to the parties supporting the financial restructuring of the Company.

Oceanteam's shareholdings in Oceanteam Subsea Services Ltd. and Imera Ltd. were divested by the end of 2009.

In 2009 the company did not fully complete its restructuring and has continued its restructuring process in 2010 taking out more costs to align the cost levels with the new operational structure of the company.

Oceanteam is still involved in a few disputes but the aim is to resolve these amicably where possible.

The high losses experienced in 2008 and 2009 due to contracting operations and restructuring processes can be considered for a large part fiscal losses and will therefore have a potential positive tax benefit in case future profits can be set off against these losses. This is still under investigation and will have a potential effect on the 2010 figures.

OPERATIONS

"CSV Bourbon Oceanteam 101" was on hire (long term charter until the fall of 2010) to BP in Angola. The vessel experienced some technical issues which have been resolved and out of pocket expenses were claimable under the vessels insurances cover.

"CSV North Ocean 102" was on charter with ABB High Voltage AB for the BritNed and the StatOil Hydro Gjoa cable installation projects. After a mobilisation period in which a 7000 tons lay-spread was installed on the vessel, "CSV North Ocean 102" successfully installed the first part of the BritNed cable. As a result of the delays experienced by ABB High Voltage AB the vessel could not be delivered in time to CICS Marine which resulted in a termination of the 5 year time charter with CICS Marine from Mexico. Oceanteam and CICS Marine reached agreement on a settlement for this termination. Late 2009 Oceanteam announced transactions with J. Ray McDermott on time-charters for

the vessels "CSV North Ocean 102" and "CSV North Ocean 105" and the sale of 50% of the vessel owning company for "CSV North Ocean 102". "CSV North Ocean 105" will be build in a 25/75% partnership with J. Ray McDermott.

"CSV North Ocean 104" is under construction at the yard in Vigo, Spain and will be delivered from the yard at the end of the second quarter of 2010. The vessel will become fully operational in the third quarter.

Oceanteam Mexico SA de CV operates fast support vessels "FSV Tiburon" and "FSV Mantaraya". The vessels were operational as crew/supply boats and have performed according to expectations.

Oceanteam's pool of cable installation and burial equipment became operational and is renting out its equipment to parties in the subsea installation market.

Oceanteam's joint venture oil and gas engineering company has developed successfully in 2009 and has been able to support Oceanteam with engineering services regarding mobilisations of vessels "CSV North Ocean 102", "CSV North Ocean 103" and "CSV Bourbon Oceanteam 104" and other project services.

The group has not incurred Research & Development costs in 2009.

VESSEL VALUATION

Broker fair value estimates for construction support vessels decreased during 2009 due to less favourable market circumstances. Already in Q1-2010 an important upturn of the vessel values has been experienced. The increases in vessel valuations will have a positive impact on the Company's market value equity ratio.

BUSINESS AREAS

The portfolio of Oceanteam's activities comprises of time charters of construction support vessels and crew vessels, equipment rental and engineering services.

Oceanteam services the following markets:

- oil & gas
- offshore renewable (and the associated power grid networks)

- high voltage submarine power interconnectors

The company will continue investing in construction support vessels and equipment; focussing on the provision of construction support vessels, fast support vessels and lay and burial equipment.

Target clients of the company are Offshore Contractors, Oil Companies, NOC's and other Ship Owners and Operators.

The geographical focus of the company is currently West Africa, Brasil, NWECS and Mexico.

OFFSHORE CONSTRUCTION SUPPORT VESSELS

Oceanteam's diverse skill base and proprietary design DP 2 construction support vessels enable the company to service the offshore oil and gas, the offshore renewable industries and interconnector market on a global scale. The Construction Support Vessels are built according to Oceanteam's CSV North Ocean 100TM design and specifications. These large, state-of-the art Construction Support Vessels have been well received by its users and have proven themselves to be highly capable, reliable, flexible and cost effective solutions to support their projects.

FAST SUPPORT VESSELS

Oceanteam's two Fast Support Vessels are Axe bow design with an ability to accommodate 75 people and light equipment. Both vessels are operational in Mexico.

EQUIPMENT RENTAL POOL

Oceanteam's pool of equipment for the cable lay and burial industry consists of modern tools like ploughs, trenchers, tensioners and reels. The equipment pool is managed from Oceanteam's marine base in Dundee, Scotland.

ENGINEERING SERVICES

KCI BV in the Netherlands provides full engineering design and consultancy services to clients in both the onshore and offshore oil and gas and renewable industries.

Founded in 1987, KCI specialises in providing total field solutions for operators of marginal fields and has executed many complex projects for a wide range of clients. KCI's primary strength lies in the ability to provide cost-effective production applications supported by their extensive range



of engineering design software and the significant experience of the in-house team. The organisation's specialist competence areas include the design of complete process hardware for both onshore, offshore and vessel applications.

MARKET OUTLOOK

During 2009 the markets Oceanteam operates in were impacted by the postponement of investments as a consequence of the credit crisis and the reduction of the oil price. During recent months however, investment activities in the different markets have recovered. As a consequence of the divergence between the oil and gas demand and the production predicted for the future, the oil and gas prices are forecast to increase further. Exploration and production activities are likely to increase, as will the demand for construction support vessel services. In certain regions, in particular Latin-America and West-Africa, exploration and production activities and the need for vessels and services are growing strongly.

In Western-Europe many wind mill parks have been delayed due to funding problems related to the credit crisis. In recent months an important number of initiatives have progressed. This will lead to increased demand for construction support vessels and cable lay and burial equipment in the next years.

QUALITY, HEALTH, SAFETY AND ENVIRONMENT

THE WORKING ENVIRONMENT AND THE EMPLOYEES

Leave of absence in the Group (continuing operations) due to illness remained on a very low level. The company will continue to make efforts to keep absence as low as possible. No incidents or work related accidents resulting in significant personal injury occurred during the year. While the work environment is considered to be good, efforts for improvement are made on an ongoing basis.

EQUAL OPPORTUNITY

Oceanteam aims to be a workplace with equal opportunities. The Group aims to avoid gender or other discrimination regarding salary, promotion, recruiting or in any other area and this has been included in the Group policies and operating practices.

INTEGRATED MANAGEMENT SYSTEM

Management of QHSE is strategic to the company which has implemented an Integrated Management System (IMS).

Oceanteam's operations involve construction support vessels, fast support vessels and subsea equipment. The construction support vessels are based on the North Ocean 100 design which takes into account the highest environmental demands. Oceanteam is not engaged in transport of oil products or chemicals. Potentially a spill of the vessel diesel fuel and lubrication oils can cause undesired pollution damage. Oceanteam is not aware of any particular adverse effects of its operations on the environment in 2009 except for the inevitable effects related to the operations that Oceanteam undertakes. The Group's ambitions are to be among to the best companies in the industry regarding environmental performance.

The quality of Oceanteam's service, the health and safety of its personnel and those affected by the Company's activities and the desire to minimise harm to the environment continues to be a prime objective. To realise that each team member views QHSE as an integral part of the working culture, it is further integrated into each process of the company performance, its management processes and software. In 2010, emphasis will remain on working safely and increasing the safety awareness both onshore and offshore, and caring for the environment. Oceanteam has engaged a third party consultant to assist and enhance its QHSE management further.

Oceanteam is ISO 9001:2000, ISO 14001:2004 and QHSAS 18001:1999 certified by DNV.

GOING CONCERN

In accordance with the Accounting Act § 3-3a Oceanteam confirms that the financial statements have been prepared under the assumption of going concern. This assumption is based on the Group's income forecasts for the years 2010 and 2011 and the Group's long term strategic forecasts. The Board considers however that uncertainties are connected to this assumption. These uncertainties mainly relate to the NOK 400 million bond loan and the breach of the market value equity covenant per 31 December 2009. The Company

assumes its ability to refinance the bond loan and its vessel loans.

For a more detailed description of the uncertainties we refer to the Risk section of this report.

COMMENTS RELATED TO THE FINANCIAL STATEMENTS

The Group's financial figures for 2009 were strongly impacted by the losses of the contracting business, by significant delays of planned vessel deliveries and by the effects from the operational and financial restructuring of the Company.

CONTINUING OPERATIONS

Net result from continuing operations amounted to a negative EUR (32.6) million and included amongst others write off of assets for an amount of EUR 22.3 million and a financial gain on restructured debt of EUR 24.8 million.

Revenues from continuing operations were EUR 27.9 million in 2009, compared to EUR 18.6 million in 2008. Project costs and General & Administration in 2009 include important amounts of restructuring costs and therefore are difficult to compare with 2008 figures. Write off of assets amounted to EUR 22.3 million in 2009 against EUR 1.5 million in 2008.

Results 2009 were also impacted by movements in currency exchange rates. The company realised a net exchange loss of EUR (2.2) million, resulting from exchange rate effects on the NOK 800 million bond loan and the USD loan on the "CSV North Ocean 102" vessel owning company.

"CSV Bourbon Oceanteam 101" has been on hire with BP in Angola for the full year. "CSV North Ocean 102" has been on hire with ABB High Voltage AB starting in the second quarter of 2009, firstly on a mobilization rate and from September on an operational rate.

The vessel owning company for "CSV North Ocean 103" has been sold to Technip UK Ltd. to cover the liquidity need of the Company. In December 2009 50% respectively 75% of the vessel owning companies for "CSV North Ocean 102" and "CSV North Ocean 105" have been sold to J. Ray McDermott, whilst at the same time 5 year charter agreements were closed with J. Ray McDermott. Both charter

party agreements include purchase options for J. Ray McDermott.

As the sales transactions of both CSV North Ocean 103 and of 50% of the vessel owning company for CSV North Ocean 102 were sales Oceanteam was forced into due its liquidity position, the prices realised are considered to be below the sales price realised in normal circumstances, between a willing buyer and a willing seller. Forced sales transactions in the market did however, have a negative impact on broker fair value estimates and therefore on Oceanteam's balance sheet ratios.

DISCONTINUED OPERATIONS

Net result from discontinued operations amounted to EUR (35.8) million, related to losses and write-offs for the exit from the contracting business and for the sale of Imera Ltd. and Oceanteam Subsea Services Ltd. In the 2009 accounts provisions were included for a total amount of EUR 10.1 million. These provisions include Oceanteam's obligations as per the settlement reached early 2010 with Bouw-Combinatie Egmond VOF dating back from 2006, as well as the agreement with CICS Marine on the termination of the time charter on "CSV North Ocean 102".

Oceanteam's shareholding in Imera Ltd. has been sold to the management shareholders. Part of the agreement is that Oceanteam will receive an incentive upon successful financial closing of any of the projects at hand at the moment of sale. Oceanteam ASA sold its shareholding in Oceanteam Subsea Services to EXS Subsea AS in Norway.

BOND LOAN RESTRUCTURING

In July 2009 a restructuring of the bond loan and other unsecured loans was implemented, converting 52.5% of the outstanding loan amounts and interest into 87.5% of the Company's equity. 106.1 million shares were issued in the debt restructuring against a conversion rate of NOK 4.85 per share. In September 2009 Oceanteam improved its equity base by a rights issue placement of 29.5 million shares against a price of NOK 1.85 per share. Almost the full amount of the rights issue has been taken up by the providers of shareholder loans who made use of the possibility to convert their shareholder loan positions into equity.

INVESTMENTS

For the year 2009 the Group shows investments for a negative amount of EUR (23.7) million, which is the balance of investments in new assets (mainly "CSV Bourbon Oceanteam 104") and divestments (mainly "CSV North Ocean 103" and 50% of the shares in the vessel owning company for the "CSV North Ocean 102"). The Group's liquidity reserve as of 31 December 2009 amounted to EUR 23.9 million, of which approx. EUR 5.7 million was restricted or pledged as collateral under various guarantee arrangements.

The construction of "CSV Bourbon Oceanteam 104" is fully financed except for the variation orders on the vessel.

FOREIGN EXCHANGE RATE RESULTS

In 2009 the NOK appreciated against the Euro, leading to an unrealised exchange rate loss on the NOK 400 million bond loan. This loss was partly offset by an unrealized US dollar exchange rate gain on the bank loan in the vessel owning company for CSV North Ocean 102 due to the depreciation of the US dollar during 2010.

BALANCE SHEET

In 2008 Oceanteam applied the revaluation model according to IAS 16 for the valuation of its construction support vessels in operation. In 2009 the use of the model was extended to the asset class "CSV assets under construction". The effects of applying the revaluation model in 2009 amounted to EUR (6.1) million, consisting of a reduction of the reported values of the vessels "CSV Bourbon Oceanteam 101" and "CSV North Ocean 102", the effect of the sale of 50% of "CSV North Ocean 102" and applying the model for "CSV Bourbon Oceanteam 104" which is under construction.

Total Assets at year end amounted to EUR 187.4 million, as compared to EUR 359.4 million in the prior year, reflecting the extensive restructuring and asset sales the Company has gone through.

Equity as a percentage of Total Assets was 29.0 % as of 31 December 2009, compared to 26.2 % as of 31 December 2008. Per 31 December 2009 all loans and borrowings were included in short term debt. The Company reports the bond loan and bank debts as short term given the breach of the bond loan covenant of a minimum market equity of 35%.

CASH FLOW

Net cash flow from operating activities amounted to EUR (42.5) million in 2009 against EUR 1.1 million in 2008. The large cash out mainly relates to the losses from the discontinued operations and a decrease of payables, both reflecting the restructuring of the Company.

Net cash flow from investing activities was positive EUR 23.7 million in 2009 against minus EUR (138.0) million in the preceding year, reflecting the sale of "CSV North Ocean 103" and 50% of "CSV North Ocean 102".

Net cash flow from financing activities amounted to EUR 24.3 million in 2009, against EUR 91.8 million in the preceding year, related to the issuance of shares in the debt restructuring and net repayments of debt related to the sale of interests in "CSV North Ocean 103" and the "CSV North Ocean 102".

Net change in cash and equivalents was EUR 5.7 million in 2009.

PARENT COMPANY

The parent company showed a loss of NOK 492.4 million for 2009. The negative result was mainly attributable to net finance costs including write-offs on intercompany loans, restructuring expenses and losses on the sale of fixed assets.

The parent company's share capital per end 2009 amounted to NOK 7.5 million compared to NOK 152.3 million at the end of 2008.

RISK

A number of risk factors may adversely affect Oceanteam ASA in the future. Please note that the risks below are not the only risks that may affect Oceanteam's business or the value of the shares. Additional risks not presently known to the Board or considered immaterial may also impair its business operations and prospects.

For more information on risk it is referred to the notes to the consolidated financial statements: note 3 Financial Risk Management.

MARKET RISK

Market risk includes risk of fluctuation in oil prices, political, economical risk and other uncertainties, increased competition, and risk of war, other armed conflicts and terrorist attacks. The deteriorated financial climate has led to delays in projects in the oil and gas and renewable industries which might make it more difficult to obtain attractive contracts for the construction support vessels and fast support vessels. Also the demand for cable installation equipment and engineering services may be affected by the economic circumstances.

The current situation with the Company's main assets, the construction support vessels, is as follows. Currently discussions with BP Angola take place on the potential extension of the time charter for CSV Bourbon Oceanteam 101. "CSV North Ocean 102" will be on charter with ABB High Voltage AB, respectively J. Ray McDermott until mid 2015. "CSV Bourbon Oceanteam 104" is being tendered for both short and long term charters.

OPERATIONAL RISK

Operational risks include charters, service life and technical risk of vessels, the Group's limited operating history, risk for substantial responsibilities, the Group's ability to retain senior management and key personnel, risk for legal proceedings and contractual disputes, construction risk and employment risk for the vessels and equipment.

FINANCIAL RISK

The company is exposed to financial risk in different areas. Financial risks include interest rate and currency fluctuations, investment and trading risks in general, borrowing and leverage and risk in connection with the vessels under construction / Spanish tax lease. The company has sales revenues and liabilities in foreign currencies and is exposed to currency risks. This risk is particularly relevant for the liabilities in Norwegian Kroner and revenue and liabilities in the US dollar.

The company is exposed to changes in interest rates as the bulk of its debt has floating rates.

The objective of the Company is to reduce the financial risk as much as possible. Current strategy does not include the use of financial instruments, but is largely based on natural

hedging. This is, however, continuously being assessed by the Board of Directors.

In 2009 and 2010, the Company's exposure towards the US dollar will increase significantly, since the revenue from the charter contracts with J. Ray McDermott will be received in US dollar. Also "CSV Bourbon Oceanteam 104" is being tendered for US dollar charter contracts. Oceanteam therefore considers to changing reporting currency from Euro to US dollar.

Oceanteam's balance sheet is highly leveraged. The Company was per 31 December 2009 in breach with covenants of which the bond loan covenant on the market value equity of at minimum 35% of total assets is the most important. The nominal amount of the bond loan has been reduced to NOK 400 million and the maturity has been extended to June 2014. However, the bond loan agreement has been amended to include increasing interest margins and call premiums. Oceanteam strives to realise a refinancing of its debts to improve its financing structure.

The Company is in constructive dialogues with its banks and bond holders who have been very supportive during the difficult year 2009.

LIQUIDITY RISK

At year end the working capital and cash balance of the company were satisfactory. Per 31 December 2009 the Company was still involved in several commercial disputes related to its withdrawal from the contracting business and made provisions for an amount of EUR 10.1 million. Most of this amount has been paid in the first quarter of 2010 after having reached final settlements on the BCE and CICSA claims. These payments have had a negative impact on the liquidity position of the Company. At the moment of this report some commercial disputes remain. Provisions reflect the Company's estimated outcome of these disputes. Due to the nature of estimates uncertainties are connected to the amounts provided.

Per 31 December 2009 the Company was compliant with the 25% book equity ratio covenant of the bond loan but in breach with the minimum 35% market equity ratio covenant of the bond loan.

The company was compliant with the covenants in the loan agreement on "CSV Bourbon Oceanteam 101" vessel owning company. Certain covenants were waived for 2009.

In 2009 the financing covenants in the loan agreement on "CSV North Ocean 102" were changed as a consequence of the partnership with J. Ray McDermott. Per 31 December 2009 a breach of the minimum USD 3.9 million working capital covenant remained.

The financing terms and conditions for vessel owning company "CSV Bourbon Oceanteam 104" are under negotiation after Glitner Banki HF entered receivership and BN Bank ASA had to take over.

The vessel construction contract for "CSV Bourbon Oceanteam 104" is fully financed except for the variation orders on the vessel. The Company has not yet concluded a charter contract for "CSV Bourbon Oceanteam 104". Depending on the contents of a contract additional financing will be needed for vessel modifications and/or working capital.

EVENTS AFTER THE BALANCE DATE

In January 2010 the commercial disputes with Bouw-Combinatie Egmond VOF (BCE) and CICS Marine have been settled. The accounting effects of these settlements are included in the 2009 accounts. The settlement is full and final and parties have no more claims against each other.

In Q1-2010 Oceanteam ASA purchased 7.5% of the NOK 400 million bond loan back from the market at a price below the nominal value.

Oceanteam ASA, via its subsidiary Oceanteam Energy Holding N.V., called its option to increase its interest in DEP

BV from 50% to 70% in Q2-2010. The company will per Q2-2010 be reclassified from joint-venture to subsidiary.

2009 RESULT AND EQUITY

The consolidated accounts show a net loss of EUR (68.5) million. The consolidated equity is EUR 54.4 million. The equity ratio as a percentage of Total Assets is 29% as of 31 December 2009. The parent company's share capital amounted to NOK 7.5 million.

ALLOCATION OF NET INCOME

The board proposes the following allocation of the net loss:

	Parent (NOK 1000)
NET PROFIT / (LOSS)	-492 356
Covered by share premium reserve	-492 356
Other equity	-519 332
Share premium reserve covering previous years' losses	519 332
TOTAL ALLOCATION	-492 356
	Group (EUR 1000)
Total comprehensive income	-74 549
Attributable to majorities	-74 529
Attributable to minorities	-20

BOARD CHANGES

In 2009, four members of the board of directors, Mr. Willem Korndorffer, Mrs. Catharina Margaretha Maria Weisenborn, Mrs. Magny Øvrebø and Mr. Aksel Martin Økland were released from their position as part of the company's restructuring. We would like to thank them for their efforts and we highly value their contribution to the successful restructuring of the Company. Mr. Ronald Moolenaar joined as independent board member.

Bergen/Norway, 30. April, 2010

The Board of Directors Oceanteam ASA



Hessel Halbesma
Chairman and Director



Ronald P. Moolenaar
Director



Catharina Petronella Johanna Pos
Director



Haico Halbesma
CEO

CONFIRMATION FROM THE BOARD OF DIRECTORS AND CEO

We confirm that, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2009 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial positions and profit or loss of the entity and the group taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair view of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Bergen/Norway, 30. April, 2010

The Board of Directors Oceanteam ASA

Hessel Halbesma
Chairman and Director



Ronald P. Moolenaar
Director



Catharina Petronella Johanna Pos
Director



Haico Halbesma
CEO



CORPORATE GOVERNANCE POLICY

ADOPTED BY ITS BOARD OF DIRECTORS ON 30 OCTOBER 2006

REVISED VERSION ADOPTED ON 26 AUGUST 2009 AND 15 MARCH 2010

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1 INTRODUCTION

1.1 BACKGROUND

Oceanteam ASA (“**Oceanteam**” or the “**Company**”) is established and registered in Norway and must comply with Norwegian law, including corporate and securities laws and regulations. The Company’s aim is to comply with all applicable laws and regulations, as well as the Norwegian guidelines on Corporate Governance (Norsk anbefaling for eierstyring og selskapsledelse).

The Board of Directors adopted the first Corporate Governance Policy (the “**Policy**”) on 30 October 2006 to reflect and underline the Company’s commitment to good corporate governance. Following amendments to the Norwegian Code of Practice for Corporate Governance (the “**Code**”) issued by the Norwegian Corporate Governance Board (NCGB) the Policy was revised on 20 August 2009 and on 2010. The Policy is primarily based on the Code and is intended as a tool to maintain good relations and trust with the Company’s different interest groups. In furtherance of this goal, the Board has also adopted a Code on Board and Management Proceedings, and an Insider Trading Policy.

1.2 PURPOSE

This Policy includes the measures implemented for the purpose of clarifying the division of roles between the shareholders, the board of directors and the executive management more comprehensively than what follows from applicable legislation, and ensuring an efficient management of and control over the Company’s operations. The main goal is to have systems for communication, monitoring, accountability and incentives that enhance and maximize corporate profit, the long-term health and overall success of the business, and the shareholders’ return on their investment. The development of and improvements on the Company’s corporate governance is a continuous and important process, to which the Board and the management will devote a strong focus.

1.3 REGULATORY FRAMEWORK

The Company is a Norwegian public limited liability company to be listed on Oslo Børs (the Oslo Stock Exchange).

The Company is subject to the corporate governance requirements set out in the Norwegian Public Companies Act 1997 (the **NCA**), the Norwegian Securities Trading Act of 2007

(the **STA**) and the Norwegian Stock Exchange Regulations (the **SER**).

Any deviations from the guidelines provided in the Code will be explained in this Policy document, in accordance with the “comply or explain” principle of the guidelines. The status of compliance in respect of each recommendation provided in the Code will also be set out in the Company’s annual report.

1.4 MANAGEMENT OF THE COMPANY

Management and control of the Group is shared between the shareholders, represented in the General Meeting, the Board of Directors and the Chief Executive Officer (“**CEO**”) according to applicable company law. The Company has an external independent auditor elected by the General Meeting.

2 THE BOARD OF DIRECTORS

2.1 ROLE

Oceanteam shall be directed by an effective Board with collective responsibility for the success of the Company. The Board represents, and is accountable, to the shareholders of the Company.

The Board of Directors’ duties shall include the strategic guidance of the Company, an effective monitoring of the senior management, the control and monitoring of the financial situation of the Company and the Company’s accountability towards and communication to its shareholders.

The Board shall ensure that the Company is well organized and that its operations are carried out in accordance with all applicable laws and regulations, in accordance with the objects of the Company pursuant to its Articles of Association, and with guidelines given by the shareholders through resolutions in general meetings from time to time.

In order to ensure efficient and thorough working procedures, the Board may appoint one or more working committees to prepare matters for final decision by the Board as a whole. The appointment, composition and mandate of such committees shall be made in due consideration of issues such as the nature of the matter or project at hand, and the particular skills required (if any) to enlighten all aspects of the matter in the best possible manner.

Within a working committee, its members may delegate among themselves specific tasks. If the load of work and the particular skills required for a certain matter or project are found to be such that it would not be reasonably compensated within an ordinary directors' remuneration, or if work is to be assigned to any company associated with a director, the committee shall present the issue to the Board and seek its approval before any additional work is carried out or any assignments made. Further reference is made to section 3.1.

According to the Code (section 8) companies are recommended to appoint board committees composed of independent board members only in order to help ensure thorough and independent preparation of matters relating to financial reporting and compensation paid to the members of the executive management. At this point in time no such committee has been established, mainly due to the fact that the board currently only has and in the foreseeable future most likely will only have between 3 and 5 members. Nevertheless, matters to be resolved by the board are regularly prepared by one or more board members in cooperation with the management on a more informal basis.

The Board shall initiate such investigations as it deems necessary in order to carry out its responsibilities. The Board shall also initiate such investigations as demanded by one or more Board Members.

2.2 FINANCIAL CONTROL

2.2.1 SUPERVISION

The Board shall ensure that it is updated on the financial situation of the Company and has a duty to ensure that the Company's operations, accounting and asset management are subject to satisfactory control, and the Members of the Board have full and free access to officers, employees and the books and records of the Company. The Board shall ensure that the CEO reports monthly to the Board on the financial situation of the Company.

2.2.2 ADEQUATE CAPITALIZATION

The Board shall evaluate whether the Company's capital and liquidity are adequate with respect to the risks and the scope of the Company's operations at all times and whether it fulfills the minimum requirements established by law or regulation. The Board shall immediately take adequate steps

should it be apparent at any time that the Company's capital or liquidity is less than adequate.

If the Board of directors requests the general Meeting to issue a power to increase the share capital, the board will ensure that that the increase is designated to a specific purpose. If several purposes are of relevance, each purpose should be dealt with separately in the General Meeting.

2.3 COMPOSITION

2.3.1 NUMBER OF DIRECTORS

The Board of Directors shall have between three and nine directors including Chairman of the Board, cf § 5 in the Company's articles of association.

The Company has currently no employee representatives on its Board of Directors.

2.3.2 INDEPENDENT DIRECTORS

Oceanteam shall have a majority of directors that are independent from its management and main business partners, and no representatives of the management shall be Members of the Board. Further, the Board of Directors shall include at least two directors that are independent of the Company's major shareholders, i.e. shareholders holding more than 10 % of the shares.

Independence shall for these purposes mean that there are no circumstances or relationships that are likely to affect or could appear to affect the director's independent judgment. The test of independence includes whether the independent director:

- has been an employee of the Company for the last three years
- has received or receives additional remuneration from the Company apart from director's fee or participates in the Company's share option or performance related pay scheme
- has for the last three years had a material and regular business relationship with the Company
- has close family ties with any of the Company's directors or senior employees

The Directors of the Board are encouraged to hold shares in the Company.

2.4 APPOINTMENT AND TERMINATION – NOMINATION AND REMUNERATION COMMITTEE

The directors are appointed by the shareholders in a general meeting for a period of two years. The general meeting also elects the Chairman of the Board. The shareholders in a general meeting can resolve to remove directors.

At the present time, the Company has chosen not to operate a Nomination and Remuneration Committee, which deviates from section 7 of the Policy. However, the General Meeting may at any time resolve that the Company shall operate a combined Nomination and Remuneration Committee, and The Nomination and Remuneration Committee shall then be laid down in the Company's articles of association. The Committee shall consist of three members out of which one shall be a director of the Board and two shall be independent of the Company (i.e. not be a director or employee and otherwise fulfill the criteria of independence set out in 2.3.2 above). The members of the committee shall be elected by the shareholders in a general meeting.

The Committees (if and when appointed) shall make recommendations to the general meeting on the appointment and removal of directors. The Committee shall work towards a composition of the Board where due consideration is taken to commitment to shareholders return, independence and experience in the relevant sectors.

The board will, to the extent possible, ensure that, in matters of a certain substance where the chairman is or has been actively involved prior to the board meeting (such as acquisitions, mergers etc.), another board member will be appointed to chair the board meeting during the board's review of such matters, regardless of whether or not the chairman might be considered disqualified pursuant to § 6-27 of the NCA.

2.5 PROCEEDINGS

More detailed provisions on the role, the proceedings and confidentiality obligations of the Board of Directors and the CEO are set out in a separate document on Procedure for the Board of Directors and CEO.

This code has been adopted by the Board on 30 October 2006.

2.6 ANNUAL EVALUATION

The Board will annually, in connection with the first board meeting in each calendar year, evaluate its performance in the previous year. The evaluation shall include its own performance, the performance of the sub-committees and the performance of the individual directors. In order for the evaluation to be effective, the Board shall set objectives, on both a collective and individual level, against which their performance can be measured. The results of the evaluation shall not be made available to the public, but to the Nomination and Remuneration Committee if appointed pursuant to section 2.4.

2.7 RISK MANAGEMENT AND INTERNAL CONTROL

The Board shall ensure that the company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. Internal control and the systems shall encompass the company's corporate values and ethical guidelines. The Board will carry out an annual review of the company's most important areas of exposure to risk and its internal control arrangements. The Board will provide an account in the annual report of the main features of the company's internal control and risk management systems as they relate to the company's financial reporting.

3 REMUNERATION OF DIRECTORS AND MANAGEMENT

3.1 REMUNERATION OF DIRECTORS

The remuneration of the directors shall be determined by the shareholders in a general meeting and be disclosed in the annual accounts of the Company.

If appointed pursuant to section 2.4, the Nomination and Remuneration Committee makes recommendations to the general meeting in respect of annual remuneration of all directors.

The Directors, or companies to whom they are associated, shall not accept other appointments or engagements for the Company, without the Board's knowledge. In such cases the terms of appointment, including any remuneration shall be approved of by the Board.

Directors may receive shares as part of their remuneration.

3.2 REMUNERATION OF MANAGEMENT

The Board shall adopt guidelines for remuneration to management employees. The general meeting shall be informed of the guidelines.

Salary and other remunerations to the CEO shall be determined by the Board in meeting.

All elements of remuneration to the CEO, and the total remuneration for management shall appear from the annual report.

3.3 SEVERANCE PAYMENTS

No employees of the Group shall have employment contracts granting notice periods of more than 12 months.

4 DISCLOSURE AND TRANSPARENCY

4.1 GENERAL

The Company shall at all times provide its shareholders, Oslo Børs and the financial markets generally (through Oslo Børs' information system) with timely and accurate information.

Such information will take the form of annual reports, quarterly interim reports, press releases, stock exchange notifications and investor presentations, as applicable. The Company shall seek to clarify its long-term potential, including its strategy, value drivers and risk factors. The Company shall maintain an open and proactive investor relations policy, a best-practice website and shall give presentations regularly in connection with annual and interim results.

Generally, the Company shall disclose all insider information. The Company will under all circumstances disclose certain events including, without limitation, board and shareholder resolutions regarding dividends, mergers/de-mergers or changes in share capital, issue of warrants, convertible loans and all agreements of material importance that are entered into between group companies or related parties.

4.2 COMMUNICATION WITH SHAREHOLDERS

The Chairman and other directors shall make themselves available for discussions with the major shareholders to develop a balanced understanding of the issues and concerns of such shareholders, subject always to the provisions of the

NCA, the STA and the SER. The Chairman shall ensure that the views of shareholders are communicated to the entire Board.

Information given to the Company's shareholders shall simultaneously be made available on the Company's web site.

5 FAIR TREATMENT OF SHAREHOLDERS

5.1 GENERAL

The Board shall take into account the interest of all the shareholders of the Company and treat all shareholders fairly. There is and will remain to be only one class of shares and all shares are and will remain freely transferrable.

5.2 APPROVAL OF AGREEMENTS WITH SHAREHOLDERS AND OTHER RELATED PARTIES

All transactions that are not immaterial between the Company and a shareholder, a director or senior manager of the Company (or related parties to such persons) will be subject to a valuation from an independent third party. If the consideration exceeds 5 % of the Company's share capital such transactions shall be approved by the shareholders in a general meeting, to the extent required by the NCA Section 3-8.

The directors and senior management shall notify the Board if they have any material direct or indirect interest in any transaction entered into by the Company.

6 AUDIT

Under Norwegian law, the Company's auditor is elected by the shareholders in a general meeting.

The Board shall make recommendations to the general meeting on the auditor's appointment, removal and remuneration and shall also monitor the auditor's independence, including the performance by the auditor of any non-audit work. The Board will at least once a year have a meeting with the auditor without the presence of any representatives from the management. In the Management Code, the Board has adopted guidelines for the management's use of the Company's auditor for non-audit work.

The Board will inform the shareholders in the Annual General Meeting (the "AGM") on the auditor's fees specified on audit and non-audit work respectively.

Although the Company does not exceed the thresholds set out in section 6-41 of the NCA and is therefore not obliged to appoint an Audit Committee. Such committee will nevertheless be established within 30. June 2010 and will be composed and operate in accordance with the recommendations set out in the Code.

Upon the establishment of the Audit Committee the auditor will annually present a plan for the auditing work to the Audit Committee and have at least one annual meeting with the committee to go through the Company's internal control systems and to identify possible weaknesses and potential areas of improvement.

7 DIVIDEND POLICY

Oceanteam's objective is to yield a competitive return on invested capital to the shareholders through a combination of distribution of dividends and increase in share value. In evaluating the amount of dividend, the Board of Directors places emphasis on certainty, foresee ability and stable development, the Company's dividend capacity, the requirements for sound and optimal equity capital as well as for adequate financial resources to enable future growth and investments, and the ambition to minimize the cost of capital.

The Company is currently in the process of restructuring its balance sheet and of reorganizing its business activities and hence expects to distribute only limited if any dividends during the next few years.

8 SHAREHOLDER MEETINGS

The shareholders represent the ultimate decision-making body of Oceanteam through the general meetings.

The AGM of the Company will be held each year within the end of June. The AGM shall approve the annual accounts and report and the distribution of dividend, and otherwise make such resolutions as required under the applicable laws and regulations.

The Board of Directors may convene an extraordinary general meeting whenever it deems appropriate or when otherwise such meetings are required by the applicable laws or regulations. The Company's auditor and any shareholder or group of shareholder representing more than 5 % of the current issued and outstanding share capital of the Company may require that the Board of Directors convene an EGM.

The Board will make arrangements to ensure that as many shareholders as possible are enabled to exercise their shareholders rights by attending the general meetings, and that the general meetings become an active arena for meetings between the board of directors and the shareholders by inter alia:

- Posing the summons together with the agenda and all documents pertaining to each matter on the agenda on the Company's web-page not later than on the 21st day prior to the date of the meeting (except when otherwise decided by the general meeting, cf. NCA section 5-11b) irrespective of whether or not the company also resolves to summon the meeting by way of other forms of communication mail, facsimile or other electronic means (e-mail), ref § 7 in the Company's articles of association.
- Posing in the same manner on the web-page information about the total number of shares and voting rights at the date of the summons, as well as any draft resolutions, or if the meeting is not required to pass a resolution, a statement from the board in respect of each item on the agenda, and any forms required to be used in order to vote by proxy or by letter, unless such forms have been submitted directly to each shareholder.
- Ensure that the shareholders are adequately informed about their right to vote by proxy and of the procedures to be observed in doing so.
- Ensure that the summons, the documents and any further supporting material is sufficiently detailed and comprehensive in order for the shareholders to understand and form an opinion on the matters at hand.
- Ensure that the summons will specify that any shareholder wishing to attend the general meeting must notify the company within a certain time limit stated in the notice, which must not expire earlier than five days before the general meeting, ref § 7 in the Company's articles of association. Shareholders failing to notify the company

within the specified time limit may be denied entrance to the general meeting.

- Ensure that the shareholders' are adequately informed about their right to submit proposals to be resolved by the general meeting, cf. NCA § 5-11 and that proposal which are received within 7 days prior to the date of the summons are included in the summons. If the summons has already been sent, new summons shall be issued provided that the deadline for summoning has not been exceeded.
- Ensure that all other applicable provisions of the NCA, the Regulation on shareholders meetings of 6. July 2009 no 983 ("Generalforsamlingsforskriften") and section 5-9 of the Securities Trading Act are observed and complied with.

The Company will publish the minutes from general meetings on its web-site within 15 days from the date of the meeting and will also keep them available for inspection at the Company's offices.

The Board will not make contact with shareholders of the Company outside the general meeting in a way that may unfairly discriminate between the shareholders or infringe on any applicable laws or regulations.

The Board shall adopt procedures that ensure an independent chairing of the general meeting.

The directors, the Nomination and Remuneration Committee if appointed, and the auditor shall attend the general meetings.

9 CHANGE OF CONTROL, TAKEOVERS

9.1 GENERAL

The shares in Oceanteam are freely transferable, and the Company shall not establish any mechanisms that may hinder a takeover or deter takeover-bids, unless this has been resolved in a general meeting by a two-third majority (of votes cast and share capital represented). However, the Board may, in the case of a takeover-bid, take such actions that evidently are in the best interest of the shareholders, such as, inter alia, advising the shareholders in the assessment of the bid and, if appropriate, seeking to find a competing bidder ("white knight").

In the event of a take-over bid for the Company's shares, the Company's Board of directors shall issue a statement

evaluating the offer and make a recommendation as to whether shareholders shall or shall not accept the offer. If the Board finds itself unable to give a recommendation to shareholders on whether or not to accept the offer, it shall explain the background for not making such a recommendation. The Board's statement on a bid shall make it clear whether the views expressed are unanimous, and if this is not the case it shall explain the basis on which specific members of the Board have excluded themselves from the Board's statement. The Board shall consider whether to arrange a valuation from an independent expert. If any member of the Board or executive management, or close associates of such individuals, or anyone who has recently held such a position, is either the bidder or has a particular personal interest in the bid, the Board shall arrange an independent valuation in any case. This shall also apply if the bidder is a major shareholder. Any such valuation shall be either appended to the Board's statement, be reproduced in the statement or be referred to in the statement.

9.2 OVERVIEW OF NORWEGIAN STATUTORY PROVISIONS ON TAKEOVERS

9.2.1 VOLUNTARY OFFER

An offer to acquire shares in Oceanteam which, if accepted, trigger an obligation to put forward a mandatory offer must be made in an offer document and according to the requirements for voluntary offers set forth in the Norwegian Securities Act.

9.2.2 MANDATORY OFFER

Subject to certain exceptions, a mandatory offer has to be made in the event an acquirer (together with any concert parties) acquires more than 33 %, 40% or 50% of the voting shares in the Company.

The requirement to make a mandatory offer is triggered when a purchaser becomes the owner of such percentage of the shares. A mandatory offer must be made within four weeks after the threshold was passed. The only alternative to a mandatory offer at this stage is to sell a sufficient number of shares to fall below the relevant threshold.

All shareholders must be treated equally and the price to be paid is the higher of (i) the highest price paid by the purchaser during the last six months, and (ii) the market price when the obligation to make the mandatory offer was

triggered The offer must be made in cash or contain a cash alternative at least equal in value to any non-cash offer.

9.2.3 COMPULSORY ACQUISITION ("SQUEEZE OUT")

Compulsory acquisition of the remaining shares may be initiated by a shareholder who holds more than 90 % of the shares and voting rights. The acquisition is initiated through a Board decision of the shareholder and payment of the price offered. Failing agreement between the parties, the price shall be determined through a valuation by the court, but the acquirer will obtain title to the shares immediately.

* * *

Bergen/Norway, 15. April, 2010

The Board of Directors of Oceanteam ASA



Hessel Halbesma
Chairman and Director



Ronald P. Moolenaar
Director



Catharina Petronella Johanna Pos
Director



Haico Halbesma
CEO

BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE

1 IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

In accordance with item 7 of the Continuous Obligations for companies listed on Oslo Børs and Oslo Axess, the Board of Directors hereby provide its statement of Oceanteam ASA's compliance with the Norwegian Code of Practice for Corporate Governance (the "Code").

Oceanteam ASA has adopted a Corporate Governance Policy (the "Policy") based on the Code. The initial Policy was issued on 30 October 2006 and has been revised and updated regularly to ensure conformity with updates to the Code. The last update was made on 15. April 2010.

The Board has also adopted a code on Board and Management Proceedings and an Insider trading Policy, both of which are regularly updated.

2 BUSINESS

In the Board's opinion the business is clearly explained in the Articles of Association (§ 3). During 2009 the Company has been and is still being in a restructuring process and the Articles have been amended to reflect the changes in business and strategies deriving from that process.

3 EQUITY AND DIVIDENDS

The Company complies with clause 3 of the Code, but is working constantly towards strengthening the equity capital further.

4 EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

The Company is in compliance with clause 4 of the Code.

5 FREELY NEGOTIABLE SHARES

The company complies with clause 5 of the Code.

6 GENERAL MEETINGS

The Company complies with clause 6 of the Code.

7 NOMINATION COMMITTEE

The Company has so far chosen not to appoint a nomination committee due to the current size of the organisation and the status of operations. The Board is however regularly monitoring the issue.

8 CORPORATE ASSEMBLY AND BOARD OF DIRECTORS

The Company welcomes all shareholders to nominate candidates for directorship, but so far very few shareholders have expressed interest in being represented in the Board.

At present, the Board consists of three members including the chairman, two of which are males and one female. Hence, the Company is in compliance. The Company wishes to attract further qualified candidates for directorship and is working actively towards this goal. Yet, under the current circumstances in which the company is still in the process of restructuring its balance and has downscaled and refined its scope of activities, three directors are found to be sufficient in order to ensure that the Board's tasks and obligations are being performed in a prudent and reassuring manner and that the concern for diversity is looked after.

In the opinion of the Board, two out of the three directors are independent of the Company's executive management and material business connections and also of the company's major shareholders.

In the opinion of the Board, the Company therefore complies with clause 8 of the Code.

9 WORK OF THE BOARD OF DIRECTORS

The Company complies with clause 9 of the Code. Due to the small number of directors, no board committees have been appointed, but the directors share among them

the preparation of matters to be resolved according to qualifications.

Even though the Company is currently below the thresholds provided in § 6-41 of the Public Companies Act and is therefore not obliged to have an audit committee, the Board has decided that an audit committee shall be established, preferably within 30. June 2010.

10 RISK MANAGEMENT AND INTERNAL CONTROL

The Company complies with clause 10 of the Code.

11 REMUNERATION OF THE BOARD OF DIRECTORS

The Company complies with clause 11 of the Code. For further reference to the Board's remuneration please see note 3 in the Parent Company Financial Statements of the Board's annual report.

12 REMUNERATION OF THE EXECUTIVE MANAGEMENT

The Company complies with clause 12 of the Code. For further reference to the executive management's remuneration please see note 3 in the Parent Company Financial Statements of the Board's annual report.

13 INFORMATION AND COMMUNICATION

The Company complies with clause 13 of the Code.

14 TAKE OVERS

The Company complies with clause 14 of the Code.

14 AUDITOR

The Company complies with clause 15 of the Code in so far as that an audit committee has not yet been established, cf. the statement under item 9 above.



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CONSOLIDATED INCOME STATEMENT

GROUP	Notes	Figures in EUR '000	
		2009	2008
Total operating revenues	6	27 949	18 600
Operating costs	5	14 489	8 838
General & administration	7, 8	16 704	4 249
Depreciation	9, 10	13 614	4 339
Write off assets	9, 10	22 285	1 531
Total operating expenses		67 092	18 957
Operating profit (loss)		-39 143	-358
Financial gain on restructured debt	11, 17	24 844	
Financial costs	11	-17 924	-8 961
Foreign exchange results (loss)	11	-2 157	21 767
Net finance		4 763	12 806
Share of (loss)/ profit of associates		-	-
Ordinary profit (loss) before taxes		-34 380	12 448
Corporate income tax	12	-1 748	4 481
Net result from continuing operations		-32 632	7 967
Net result from discontinued operations		-35 846	-39 789
Net result		-68 478	-31 821
Attributable to:			
Equity holders of the Company		-68 458	-30 966
Minority holders of subsidiaries		-20	-855
		-68 478	-31 821
Earnings per share (in EUR)	25	-1,26	-2,18
Diluted earnings per share (in EUR)	25	-0,53	-2,18
Continuing operations			
Earnings per share (in EUR)		-0,60	0,52
Diluted earnings per share including warrants II (in EUR)		-0,25	0,52
Number of shares in the period		54 339	14 621
Number of shares in the period, diluted		128 946	14 621

CONSOLIDATED INCOME STATEMENT

GROUP	Figures in EUR '000	
	2009	2008
Statement of comprehensive income		
Total net result	-68 478	-31 821
Changes in revaluation model	10	48 900
Other comprehensive income		-
Translation differences	34	-
Total comprehensive income	-74 549	17 079
Attributable to:		
Equity holders of the Company	-74 529	17 934
Minority holders of subsidiaries	-20	-855

ASSETS

GROUP	Note	Figures in EUR '000	
		31.12.2009	31.12.2008
Assets			
Deferred tax assets	4, 12	700	1 490
Goodwill	9	6 549	6 549
Other intangible assets	9		4 081
Intangible assets		7 249	12 120
Investment in associates	10	813	
Vessels and equipment	10, 17	141 304	302 166
Tangible assets		142 117	302 166
Total non current assets		149 366	314 286
Trade receivables	13	3 461	11 237
Other receivables	13	10 615	15 635
Receivables		14 076	26 872
Cash and cash equivalents	14	23 944	18 278
Current assets		38 020	45 150
Total assets		187 385	359 437

EQUITY AND LIABILITIES

GROUP	Note	Figures in EUR '000	
		31.12.2009	31.12.2008
Equity and liabilities			
Share capital	16, 26	871	19 549
Other equity	16, 26	19 666	25 673
Revaluation reserve	10	33 854	48 900
Total equity		54 391	94 122
Loans and borrowings			200 997
Total non-current liabilities		-	200 997
Loans & Borrowings	10, 17	111 075	14 557
Trade payables	18	3 187	27 519
Tax payable	18	-	1 872
Public charges	18	223	856
Provisions	18	10 090	
Other current liabilities	18	8 419	19 514
Total current liabilities		132 995	64 318
Total liabilities		132 995	265 315
Total equity and liabilities		187 385	359 437

Bergen/Norway, 30. April, 2010

The Board of Directors Oceanteam ASA



Hessel Halbesma
Chairman and Director



Ronald P. Moolenaar
Director



Catharina Petronella Johanna Pos
Director



Haico Halbesma
CEO

EQUITY STATEMENT

GROUP	Figures in EUR '000	
	2009	2008
Equity at period opening balance (Number of shares: 15,227,891)	94 122	64 157
Profit after taxes majority	-64 458	-30 966
Profit after taxes minority	-20	-855
Revaluation of assets	-6 105	48 900
Translation differences	34	-
Share issue		
- Equity issue	34 817	12 886
Equity at period end (Number of shares: 150,788,393)	54 390	94 122

Subscription rights issued:

Warrants I - become active when bond loan and shareholder loans repaid before 19th June 2014:

Warrants II - become active when bond loan and shareholder loans are not repaid before 19th June 2014:

CASH FLOW STATEMENT

GROUP	Figures in EUR '000	
	2009	2008
Ordinary profit (loss) before taxes	-34 380	12 448
Depreciation and amortization of tangible assets	13 614	8 968
Write off assets	22 285	
Change in trade receivables	7 776	-3 892
Change in other receivables	5 020	-3 313
Change in trade payables	-24 332	13 124
Change in other accruals	-3 510	15 163
Net cash flow from operating activities of discontinued operations	-28 926	-41 448
Net cash flow from operating activities	-42 453	1 050
Net cash flow from investing activities of discontinued operations	-	
Net cash flow from investing activities of continuing operations	23 731	-138 040
Net cash flow from investing activities	23 731	-138 040
Issuance of shares	34 852	13 119
Issuance of debts	-10 514	78 693
Net cash flow from financing activities of discontinued operations	-	
Net cash flow from financing activities	24 338	91 812
Effect of changes to exchange rates on cash and cash equivalents	50	-
Net change in cash and equivalents	5 666	-45 178
Cash and equivalents at start of period	18 278	63 456
Cash and equivalents at end of period	23 944	18 278

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Oceanteam is an offshore services company. Oceanteam's business is the chartering of "State of the Art" Offshore Construction Support Vessels. In addition, Oceanteam provides rental services of flexible installation and burial equipment and sales of engineering services. We operate on a global basis where we service three markets:

- oil and gas
- offshore renewable (and the associated power grid networks)
- high voltage submarine power interconnectors

Oceanteam employs a small, competent team of international professionals whom have extensive international offshore services experience. They are responsible for developing opportunities, building long term relationships, managing contracts, support and finance.

The Group has offices in Bergen (Norway), Ciudad del Carmen (Mexico) and Amsterdam (the Netherlands). The core activities for Oceanteam are operations around CSV vessels and related services.

The Company is a public limited company incorporated and domiciled in Norway. The address of its registered office is Tveiteråsveien 12, 5232 Paradis, Norway.

The company is listed at the Oslo Stock Exchange.

These group consolidated financial statements were authorized for issue by the Board of Directors on 30 April 2010 and are based on the assumptions for ongoing concern. The Group annual accounts consist of the parent company Oceanteam ASA with its subsidiaries, joint venture companies and associated companies.

In 2009 Oceanteam has gone through a period of restructuring in which the Company has exited from the Subsea Cable Installation business and focussed on the provision of Construction Support Vessel, equipment and engineering services. The impact of the restructuring on the company in 2009 has been significant throughout the organisation and has strongly affected the 2009 financial results of the company. In the profit and loss accounts the line "Net result from the discontinuing operations" shows the result from Subsea Cable Installation business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The group accounts for Oceanteam ASA are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and the Norwegian Accounting Act § 3-9.

The Group's financial statements are based on the principle of historical cost of acquisitions, construction or production, as modified by the revaluation model of the CSV vessels, financial assets and derivative financial instruments, which are reflected at fair value.

The financial year follows the calendar year. The group was established as of 5th October 2005. Income statement items are classified by their nature.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

Oceanteam expects following impact from new Standards or Interpretations that are not yet adopted by Oceanteam.

(a) IFRS has been amended on the following issues:

- Amended IAS 1 Presentation of financial statements (2007) introduces the term "total comprehensive income", which is equivalent to the changes in equity in the period over and above changes associated with transactions with the owners carried out in their role as owner of the company. The total comprehensive income can either be presented in a combined statement, which includes both the profit and loss account and all changes in equity other than those relating to transactions with the owners (cf. above), or in a statement separate from the profit and loss account. Oceanteam has chosen to present the total comprehensive income as a separate statement.
- Amended IAS 23 Borrowing costs removes the possibility of expensing borrowing costs that can be directly attributed to a qualifying asset. Borrowing costs must therefore be capitalized together with the acquisition cost on acquisition, construction or production of the qualifying asset. In accordance with the transitional regulations, an amended IAS 23 will be applied for the qualifying assets for which enters in the balance sheet of borrowing costs begins on 1 January 2009 or later. The amendment will therefore not involve correction of accounting figures for previous accounting periods in the consolidated annual accounts for 2009.

(b) New and changed standards and interpretations that came into effect after 1 January 2009.

The following new and changed standards and interpretations came into effect after 1 January 2009 and have not been applied in the consolidated accounts for 2009:

IFRS 3R Business combinations (2008)

The standard has the following amendments, which are expected to be relevant to the group's operations:

- The definition of business has been expanded. This will probably mean that more acquisition will be considered to be business combinations.
- Contingent compensation must be measured at the fair value. Subsequent changes to the compensation will be recognized in the profit and loss account.
- Transaction costs over and above share issue and borrowing costs will be expensed as these are arise.
- Any existing ownership interests in the acquire party on the date of acquisition will be measured at the fair value and the gain or loss will be recognized in the profit and loss account
- Any minority interests will, for each individual transaction, be measured either at fair value or the minority's proportionate share of identifiable assets and liabilities in the acquired enterprise. Amended IFRS 3, which is mandatory from and including 1 July 2009 and will be implemented in the consolidated accounts for 2010 without retroactive effect.

IAS 27R Consolidated and separate financial statements (2008)

The standard requires that changes in holdings in a subsidiary, given that control of the subsidiary is to be maintained, must be recognized in the accounts as an equity transaction. When the group loses control of a subsidiary, any remaining holding in the former subsidiary must be measured at the fair value and the gain or loss must be recognized in the profit

and loss account. The amendments to IAS 27, which are mandatory from and including 1 July 2009, are not expected to have a material effect on the consolidated accounts.

IFRS 1 Initial application – amended standard Effective from 1 July 2009

IAS 39 / IFRIC 9 Built-in derivatives – amendments Effective from 30 June 2009

IFRIC 17 – Distribution of non-cash assets to owners Effective from 1 July 2009

IFRIC 18 – Transfer of assets from customers Effective from 1 July 2009

The following new and amended standards and interpretations have been issued but have not been adopted yet:

IFRS 1 Initial application – amendments 1 January 2010

IFRS 2 Share-based payment – amendments 01.01.2010

IFRS 9 Financial instruments

IAS 24 Related party disclosures

IAS 32 Financial instruments presentation

IFRIC 14 – Rule for defined benefit pension assets – amendments 1 January 2011

IFRIC 19 – Extinguishing Financial Liabilities with Equity instruments – new interpretation 1 July 2010

Improvements to IFRS Varies, 1 January 2009 at the earliest.

The new and amended standards will not have a material impact on Oceanteam's financial reporting in the first period of application.

(c) Changes in accounting principles

- IAS 16 Property, Plant and Equipment, Revaluation model

The company has applied the Revaluation model according to IAS 16 – 31 Revaluation model started from September 2008. From December 2009, Oceanteam applied the revaluation model for CSV asset under construction (CSV 104).

(d) Revaluation model on CSV vessels

The revaluation model is being applied to CSV vessels. The consequences in the accounts are an increase in the equity based on reporting the fair values on the CSV vessels.

In the revaluation model the fair value of the vessel is determined by broker estimated and adjusted for the value of the time charter on the vessel.

When Oceanteam has different rates on a time charter compared with the market rates used by the brokers, than the premium or discount is calculated and taken into the revaluation of the vessel. This can both be a premium or discount depending on Oceanteam rates compared with the market rates.

Two independent, reputable third party broker valuations are being used to measure the fair value of the CSV vessels. Broker values are based upon estimated feasible prices in transactions between a willing buyer and a willing seller for

prompt delivery of the vessel, charter free. The brokers base their valuations on actual supply and demand for similar vessels and replacement costs for similar vessels in the international market. Developments in the charter market, recent sales transactions and new buildings coming up for delivery are taken into account in the valuations

The CSV vessels are estimated to have an economic lifetime of 25 years. The average of the brokers values is adjusted with the value of the time charter connected to the CSV vessel. This value is calculated as the cash flow of the time charter, discounted with the weighted average cost of capital (WAAC) calculated for Oceanteam. The time charters that are taken into account are the contract with BP Angola on the CSV 101 and the ABB time charter and the J. Ray McDermott time charter on the CSV 102. The remaining length of the time charters is approx. 15 months including 6 months option for the CSV 101. On the CSV 102 the time charters continue for 5.5 years from the balance sheet date.

(e) Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Note 6 – Revenue recognition
- Note 9 – Intangible assets – goodwill and impairment testing
- Note 10 – Tangible assets herewith component accounting, residual values and the revaluation model
- Note 12 – Utilization of tax losses
- Note 20 – Business combination

(f) Component accounting

When an item of vessel, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, each component is depreciated separately. A separate component may be either a physical component or a non – physical component that represents a major inspection or overhaul. An item of vessel, plant and equipment will be separated into parts (“components”) when those parts are significant in relation on the total cost of the item.

2.2 BASIS OF CONSOLIDATION

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed

at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement (see Note 2.6).

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Transactions and minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(c) Associates (equity accounted investments)

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost.

The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group. Dilution gains and losses arising in investments in associates are recognized in the income statement.

(d) Joint ventures

The Group's interests in jointly controlled entities are accounted for by proportionate consolidation. The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements. The Group recognizes the portion of gains or losses on the sale of assets by the Group to the joint venture that it is attributable to the other ventures. The Group does not recognize its share of profits or losses from the joint venture that result from the Group's purchase of assets from the joint venture until it resells the assets to an independent party. However, a loss on the transaction is recognized immediately if the loss provides evidence of a reduction in the net realizable value of current assets, or an impairment loss.

2.3 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of Oceanteam that makes strategic decisions.

The CSV operations of vessel and services around are considered to be one segment where the chief operating decision-maker is the board.

2.4 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'EURO' (€), which are the company's functional and the Group's presentation currency in 2009.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are measured at balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within 'other (losses)/gains – net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the available-for-sale reserve in equity.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).

(c) All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

These consolidated financial statements are presented in EURO. All financial information presented in euro has been rounded to the nearest thousand.

2.5 TANGIBLE ASSETS

Tangible assets are stated at historical cost and the revaluation model on CSV vessels, less depreciation and impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight - line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Revaluation model:

- CSV vessels 25 years
- Revaluation surplus 15 years

Cost model:

- Crew boats 15 years
- Machinery 10-15 years
- Vehicles 3-5 years
- Furniture, fittings and equipment 3-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.1c, 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains - net, in the income statement. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

Component accounting

When an item of vessel, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, each component is depreciated separately. A separate component may be either a physical component, or a non – physical component that represents a major inspection or overhaul. An item of vessel, plant and equipment will be separated into parts (“components”) when those parts are significant in relation on the total cost of the item.

During Q3 in 2008 the Group has broadened its accounting principle according to IAS 16 and applies the revaluation model (IAS 16.31). The revaluation model is being used on CSV vessels. The consequences in the accounts are an increase in the equity based on reporting the fair values on the CSV vessels.

2.6 INTANGIBLE ASSETS**(a) Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the group’s share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in ‘intangible assets’. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

(b) Trademarks and licences

Acquired trademarks and licences are shown at historical cost. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives (3-5 years).

(c) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (3-5 years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the employee costs incurred as a result of developing software and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding three years).

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Nonfinancial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 RECEIVABLES

Receivables are recognised at fair value. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired.

2.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.10 SHARE CAPITAL

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received (net of any directly attributable incremental transaction costs and the related income tax effects) is included in equity attributable to the Company's equity holders.

2.11 TRADE PAYABLES

Trade payables are recognised initially at fair value.

2.12 BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs are capitalised to the extent that they are directly attributable to the purchase, construction or production of a non-current asset. Borrowing costs are capitalised when the interest costs are incurred during the non-current asset's construction period. The borrowing costs are capitalised until the date when the non-current asset is ready for use. If the cost price exceeds the recoverable amount, an impairment loss is recognised.

2.13 TAX

(a) Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is more likely than not that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend is recognized.

(b) Shipping activities

The shipping activities are operated in several countries and under different tax schemes, including the ordinary tax system in Norway and the Norwegian tonnage tax system. In addition we operate under local tax systems in Netherlands, Germany and Mexico. Our onshore activities are generally subject to the ordinary corporate tax rates within the country in which the activities are located. The variation in the tax systems and rates may cause tax costs to vary significantly depending on the country in which profits are accumulated and taxed. The Group's taxes include taxes of Group companies based on taxable profit for the financial period, together with tax adjustments for previous periods and the change in deferred taxes. Tax credits arising from subsidiaries' distribution of dividends are deducted from tax expenses. Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to offset the temporary differences. We recognize formerly unrecognized deferred tax assets to the extent that it has become probable that we can utilize the deferred tax asset. Similarly, the Company will reduce its deferred tax assets to the extent that it can no longer utilize these.

Deferred tax and deferred tax assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax and deferred tax assets are recognized irrespective of when the differences will be reversed. Deferred tax and deferred tax assets are recognized at their nominal value and are classified as non-current liabilities (non-current assets) in the balance sheet. Companies taxed under special tax shipping tax systems will generally not be taxed on their net operating profit from the approved shipping activities. A portion of net financial income and other non-shipping activities are normally taxed at the ordinary applicable tax rate. Taxation under shipping tax regimes requires compliance to certain requirements, and breach of these requirements could lead to forced exit of the regime. A forced exit of the Norwegian shipping tax system will lead to accelerated tax payments. Tax payable and deferred taxes are recognized directly in equity to the extent that they relate to factors that are recognized directly in equity.

Parts of the group's operations are structured in accordance with the rules governing taxation of shipping companies, tonnage tax. Tax and deferred tax for companies organized under this tax regime are dependent on the companies' dividend policies and expected future profits.

2.14 EMPLOYEE BENEFITS

(a) Pension obligations

The group has a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

(b) Stichting - Management Share Ownership Plan (MSOP)

On 5 April 2005 some employees purchased depository receipts, making them beneficial owners of 200 000 shares in the Company. The purchase is financed through sellers' credit. The Company at same date promise to give a bonus which will finance the investment provided certain goals are achieved. The Stichting was ended in April 2009 and all accruals for it were reversed.

2.15 PROVISIONS

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.16 REVENUE RECOGNITION

Continuing business (IAS 17 and IAS 18):

Oceanteam is an offshore services company and its operations is the chartering of Large Offshore Construction Support Vessels and Fast Support Vessels. In addition, Oceanteam provides rental services of installation and burial equipment and sales of engineering services.

Shipping/ equipment revenues:

Income is recognised when it is probable that transactions will generate future financial benefits that will accrue to the company and the amount can be reliably estimated. The majority of contracts are long-term time charter contracts. Income and expenses related to a charterparty are accrued based on the number of days the contract lasts prior to and after the end of the accounting period.

The mobilization of a vessel is the period for planning and preparation before construction work is expected to start on site. The demobilization is the period when all the special equipments for a project is being taken off until the vessel is ready for a new project. Mobilization (demobilization) fees are invoiced to the client and recognized over the mobilization (demobilization) period.

Sales income is presented minus VAT. In the event of off-hire periods, the vessel owner carries the risk beyond any worked up dry-dock days which in some instances are specified in the contract. The group has taken out off-hire insurance to cover major operational interruptions such as repairing collision damage or other serious unforeseen repair work.

Income from the sale of capital equipment is recognised when delivery takes place and most significant of risk and return is transferred.

Income from the sale of shares in subsidiaries and equipment are recognised when delivery takes place and most significant of risk and return is transferred. Income in the Group in 2009 is mainly chartering of the vessels CSV 101 and the CSV 102, the crew boats Mantarraya and Tiburon, and sales income from engineering services.

Income from services is recognised when provided.

Oceanteam entered a sale and purchase agreement in Q4 where Oceanteam sold 50% of shares in the North Ocean II KS/ AS (NO II) and 75% of the shares in North Ocean V AS (NO V). The NO II is classified as a joint venture and the NO V is classified as an associate from the 18th December 2009. The transactions are booked according to the purchase agreement where NO II is a joint venture company and the NO V is an associate company. The NO V is presented after the equity method and the NO II is consolidated for 50%.

Income from interest is taken to income based on effective interest rate method as it is earned.



Discontinued operations (IAS 11):

Revenues relating to projects are recognized in the income statement in line with the project's progress and when the project's results can be reliably estimated. Level of completion is calculated as an incurred costs percentage of anticipated total cost. For projects expected to generate a loss, the full estimated loss is recorded as cost immediately.

When it is probable that the Company will receive a contract, all cost are capitalised and when the contract is executed, the Company will start recognizing revenue according to percentage of completion. All cost regarding projects that Oceanteam has not won, is booked as cost directly.

The percentage of completion is an estimate of the total projects revenue and cost. Changes in the estimates are booked as profit if the project has a positive margin; if not the full estimated loss is recorded as cost immediately.

2.17 DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. Financial covenants may restrict the possibility to distribute dividends.

2.18 RESTRUCTURING OF UNSECURED LOANS

The 2009 restructuring of the unsecured loans has been accounted for according to IAS 39.40 and 39.41: "An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability."

Terms are considered to have been modified substantially when the net present value of the cash flows under the new terms, using the original effective interest rate (i.e., of the original debt instrument), differs by at least 10 percent from the present value of the remaining payments under the original terms: "The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed shall be recognized in profit and loss."

"If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability."

A contract that will be settled by the entity delivering or receiving a fixed number of its own equity instruments in exchange for a variable amount of cash or another financial asset is a financial asset or financial liability.

The nominal bond loan of NOK 800 million and shareholder loans of EUR 13.1 million were restructured during 2009. The first step was reducing the loans with 50% of the nominal value and the outstanding interest against conversion into 87.5% of the shares of the Company. The debt restructuring was followed by a rights issue in which existing shareholders had the opportunity to increase their diluted share in the Company. In these operations the number of shares in the company increased from 15.2 million to 150.8 million and warrants were issued to the parties supporting the financial restructuring of the Company.

The converted unsecured loans were accounted for as described below. For further details see note 17.

Converted shares Bond holders

Carrying value derecognised bond debt
 Nominal value of "new" bond loan
Less fair value of shares provided to the bond holders
 Financial gain on restructured debt

Less fair value of warrants (60,634,221 warrants * Fair value)

Less fees incurred
 Financial costs (restructuring debt)

Converted bond holder loans:

EGM 14. July - converted NOK 442 million (93,389,400 shares * NOK 2,10 share price 14th July)

Converted share holder loans:

The unsecured shareholder loans were converted to equity.

2.18 DISCONTINUED BUSINESS

The discontinued usiness was material and therefore the profit and loss accounts for 2009 and 2008 has been divided in Net result from continuing and discontinued business in accordance with IFRS 5.

3. FINANCIAL RISK MANAGEMENT**OVERVIEW**

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk)

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Management Committee, which a.o. is responsible for developing and monitoring the Group's risk management policies.

In the last part of 2008 the liquidity risk increased and the bond interests due in March 2009 were not paid. During 2009 Oceanteam went through an operational and financial restructuring which lead to a different level level of liquidity risk by the end of 2009 then on the balance sheet date of 2008.

CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. The Group currently owns no investment securities. The free liquidity is placed in bank accounts with banks of acceptable credit quality. The total theoretically credit risk is approx EUR 38 million where EUR 14 million is receivables and EUR 23.9 million is bank deposits, see note 13 and 14. Oceanteam's client are primarily large companies with high credit rating. The need for bank guarantee and preinvoicing are considered on individual basis.

TRADE AND OTHER RECEIVABLES

The exposure to credit risk is influenced mainly by the individual characteristics of each customer. In 2009 the 3 largest clients/ projects represented 51% of the Group's total revenue.

Geographically, there is a certain concentration of credit risk in Europe.

As the number of clients goes up, the Management Committee will monitor the need for analysing customer credit risk, whereby customers are to be grouped according to their credit characteristics. This will also cover a potential need for making allowances for impairment corresponding to an estimate of incurred losses in respect of trade and other receivables and investments. The collective loss allowance will be determined based on historical data of payment statistics for similar financial assets.

INVESTMENTS

Since inception in 2005, the Group has not invested in any liquid securities. In 2010 the company purchased 7.5% of the nominal bond loan of NOK 400 million.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses project-based costing to cost its services, which assists in monitoring cash flow requirements. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. This policy is seen as sufficient to ensure that the Group is able to manage the potential liquidity impact of circumstances that can reasonably be predicted, such as delays in the execution of projects. Such delays can either be caused by Oceanteam or the client involved in the contract in question.

The financial crisis starting in the autumn of 2008 significantly affected the possibilities of additional and re-financing through equity and debt. In Q2 2009 Oceanteam entered into liquidity problems. The Company had to raise bridge financing of NOK 90 million, sold major assets and restructured the bond loan and the other unsecured loans.

FINANCING COVENANTS

According to a liquidity covenant in its loan agreements, the Group shall at all times have a minimum free liquidity of EUR 5 million and 5% of interest bearing debt. At the balance sheet date, the Group had a liquidity position of EUR 23.9 million, of which approx. EUR 5.7 million. was restricted or pledged as collateral under various guarantee arrangements. The EUR 18.2 million in free cash consisted of approx EUR 16 million, in approx. USD 2 million and some NOK and GBP.

In Q1-2010 the liquidity position of the Company has reduced significantly due to payments on settlements reached and to trade and other creditors. The Company is, amongst others, preparing refinancing of its vessel owning companies to strengthen its liquidity position.

Per 31 December 2009 the Company was compliant with the 25% book equity ratio covenant of the bond loan but in breach with the minimum 35% market equity ratio covenant of the bond loan. Broker fair value estimates for the Company's vessels have increased in the first month of 2010 and are expected to follow improvements in the market.

The company was compliant with the covenants in the loan agreement on "CSV Bourbon Oceanteam 101" vessel owning company. Certain covenants were waived for 2009.

In 2009 the financing covenants in the loan agreement on "CSV North Ocean 102" were changed as a consequence of the partnership with J. Ray McDermott. Per 31 December 2009 a breach of the minimum USD 3.9 million working capital covenant remained.

The financing terms and conditions for vessel owning company "CSV Bourbon Oceanteam 104" were renegotiated after Glitner Banki HF entered receivership and BN Bank ASA had to take over.

The vessel construction contract for "CSV Bourbon Oceanteam 104" is fully financed except for the variation orders on the vessel. The Company has not yet concluded a charter contract for "CSV Bourbon Oceanteam 104". Depending on the contents of a time-charter contract additional financing could be needed for vessel modifications and/or working capital.

The Company has not been declared to be in default and is in constructive dialogues on the financing and covenant situation with both the bondholders and its financing banks. Harmonization of the financing covenants is one of the topics under discussion.

MARKET RISK

Market risk includes risk of fluctuation in oil prices, political, economical risk and other uncertainties, increased competition, and risk of war, other armed conflicts and terrorist attacks. The deteriorated financial climate has led to delays in projects in the oil and gas and renewable industries which might make it more difficult to obtain attractive contracts for the construction support vessels and fast support vessels. Also the demand for cable installation equipment and engineering services may be affected by the economic circumstances. The Company's cost base is only to a limited extent exposed to increases in the price of bunker oil as in time charter contracts fuel normally is for the account of the customer.

The current situation with the Company's main assets, the construction support vessels, is as follows. Currently discussions with BP Angola take place on the potential extension of the time charter for CSV Bourbon Oceanteam 101. "CSV North Ocean 102" will be on charter with ABB High Voltage AB, respectively J. Ray McDermott until mid 2015. "CSV Bourbon Oceanteam 104" is being tendered for both short and long term charters.

OPERATIONAL RISK

Operational risks include charters, service life and technical risk of vessels, the Group's limited operating history, risk for substantial responsibilities, the Group's ability to retain senior management and key personnel, risk for legal proceedings and contractual disputes, construction risk and employment risk for the vessels and equipment.

FINANCIAL RISK

The company is exposed to financial risk in different areas. Financial risks include interest rate and currency fluctuations, investment and trading risks in general, borrowing and leverage and risk in connection with the vessels under construction / Spanish tax lease. The company has sales revenues and liabilities in foreign currencies and is exposed to currency risks. This risk is particularly relevant for the liabilities in Norwegian Kroner and revenue and liabilities in the US dollar.

The company is exposed to changes in interest rates as the bulk of its debt has floating rates. The objective of the Company is to reduce the financial risk as much as possible. Current strategy does not include the use of financial instruments, but is largely based on natural hedging. This is, however, continuously being assessed by the Board of Directors.

In 2009 and 2010, the Company's exposure towards the US dollar will increase significantly, since the revenue from the charter contracts with J. Ray McDermott will be received in US dollar. Also "CSV Bourbon Oceanteam 104" is being tendered for US dollar charter contracts. Oceanteam therefore considers to changing reporting currency from Euro to US dollar when entering the mentioned USD contracts.

Oceanteam's balance sheet is highly leveraged. The Company was per 31 December 2010 in breach with covenants of which the bond loan covenant on the market value equity of at minimum 35% of total assets is the most important. The nominal amount of the bond loan has been reduced to NOK 400 million and the maturity has been extended to June 2014.

However, the bond loan agreement has been amended to include increasing interest margins and call premiums. Oceanteam strives to realise a refinancing of its debts to improve its financing structure. The Company is in constructive dialogues with its banks and bond holders who have been very supportive during the difficult year 2009. Although in breach with covenants, the Company was not placed in default. The Company is in constructive dialogues with both the bondholders and its financing banks on the financing and covenant situation. Harmonisation of the financing covenants is one of the topics under discussion. The Company does not expect to be put in default by its loan providers.

CURRENCY RISK

The Group is exposed to currency risk on sales, purchases, cash deposits and borrowings that are denominated in a currency other than the respective functional currencies of Group entities, primarily the Euro (EUR), but also U.S. Dollars (USD) and Norwegian Kroner (NOK). The Group's investments in subsidiaries are not hedged as those currency positions are considered to be long-term in nature and Oceanteam's policy is natural hedging which means an asset should have the same finance as operational revenues.

The major currency risk for the Group is the nominal bond loan of NOK 400 mill and the call premium and the timing of the refinancing of the bond loan. The total loan amount in USD is 59.6 million (32 million on Group balance) per 31.12.2009. Incurred interest costs are for the bond loan in NOK and for the other loans in EUR and USD. Provisions and other items are all in EURO besides a balance of NOK 8.7 million.

In other current receivables there are receivables regarding the sale transactions of the vessel CSV 102 and CSV 103. All major part will be released within the summer 2010. From the balance of NOK15.6 million in 2008 a large balance was concerning the time charter contract cancelled with the client Cicsa, and also the exiting from the contractor business has lead to lower turnovers. Trade receivable consists of USD 2 million and EUR 2.1 million. Other receivables have NOK 4 million and EUR 10.1 million.

Exchange rates used in the annual report:	Figures in '000		
	Exchange rates 01.01.2009	Exchange rates 31.12.2009	Exchange rates 31.03.2010
USD - American dollars	1,41	1,44	1,35
NOK - Norwegian kroner	0,10	0,12	0,12
EUR - European euro	9,87	8,32	8,04

The distribution of financial assets and liabilities, across the main operational currencies for the Group, is illustrated below:

	2009			2008		
	USD	NOK	EUR	GBP	USD	NOK
Receivables	2 000	4 000	2 403	1 857	4 519	28
Bank & Cash	2 000		15 635	1 511	497	582
Long term loans	31 950	407 500	-134 459			-81 095
Vendors			-19 273	-10 976	-2 424	-336
Short term debt		18 700				
Net exposure			-135 694	-7 608	2 592	-80 821
				-76	26	-808

USD exchange rate movements:	31.12.	Increase	Decrease
USD – American dollars	1,44		
USD – American dollars		1,50	1,30
Effect on asset 4.000 USD	2 779	2 667	3 077
Effect on liabilities 31.950 USD	22 197	21 300	24 577
Effect on assets balance per 31.12		-112	298
Effect on liabilities balance per 31.12		897	-2 380
NOK exchange rate movements:	31.12.	Increase	Decrease
NOK – Norwegian kroner	8,32		
NOK – Norwegian kroner		8,50	7,70
EUR	0,12	0,12	0,13
Effect on asset 4.000 NOK	481	471	519
Effect on liab. 426.200 NOK	51 257	50 141	55 351
Effect on assets balance per 31.12		-10	38
Effect on liabilities balance per 31.12		1 116	-4 094

The largest currency risk for Oceanteam is connected to movement in the NOK versus EUR and the timing of the refinancing of the bond loan.

INTEREST RATE RISK

The Group's borrowings are currently based on floating interest rates. Interest periods are normally 3 months. General market development will thus be reflected through changes in the Group's interest costs.

	2009	2008	
	Carrying amount	Carrying amount	
Cash balance	23 944	18 278	
Secured bank loans	62 085	101 350	
Unsecured loans	48 990	114 204	
Total loans and borrowings	111 075	215 554	
NIBOR/ LIBOR/ EURIBOR + margin	3%	4%	5%
Total effect on interests with margin increase with 100 basis points	3 332	4 443	5 554
Positive (negative) effects	1 111		-1 111

INTEREST RATE FLUCTUATIONS

An increase in the interest level with 100 bp will give an effect of EUR 1.1 million on the balance of loans and borrowings per 31.12. From December 2010 the margin of the bond loan will increase with 100 bp. The interests rates are also linked to the development of NIBOR/ EURIBOR and LIBOR margins.

CAPITAL MANAGEMENT

The Board's policy is to improve the capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's debt providers have imposed the following covenants regarding capital management:

- 25% book equity at all times;
- 35% value adjusted equity at all times;
- free liquidity of EUR 5 million and 5% of interest bearing debt;
- covenants in vessel owning companies

There are significant premium values connected to the CSV vessels. At the same time these estimates are connected with uncertainty. On 31 December Oceanteam was in breach with the market value adjusted equity covenant.

New vessels are not ordered before equity installments are allocated and full financing is in place with a reputable shipping bank. Long term cash flows are continually updated to identify risks and opportunities.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

(a) Corporate income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the world-wide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Some companies operate under the Norwegian Tonnage Tax system where the tax is estimated to be zero.

(b) Revenue recognition (discontinued operations)

As a consequence of income recognition based on the percentage of completion method, the trend of earnings is reflected immediately in the financial accounts. However, percentage of completion gives rise to one disadvantage. Due to unforeseen events, the final profit may occasionally be higher or lower than expected. It is particularly difficult to anticipate profit at the beginning of the project period and for technically complex projects or projects that extend over a long period.

(c) Revaluation model

The estimate of the fair value on the CSV vessels may change due to variation on charter hire, OPEX, WAAC and market conditions and operational risks of operating vessels. CSV assets under construction have a risk of variation orders which can increase the building costs.

(d) Goodwill

The recoverable amount of Goodwill is calculated based on estimated future cash flows, which are subject to uncertainty. Recoverable amount can affect the carrying amount to the extent that an impairment is necessary.

(e) Provisions

Provisions for contingent liabilities are estimated based on available information at the time of reporting. Subsequent events may add new information which calls for later adjustments to the carrying amounts of the provisions.

5. SEGMENT INFORMATION

The Company focuses on three markets; oil and gas, offshore renewables and High Voltage Submarine Power Interconnectors. In 2009 the restructuring focused on the CSV vessels with services around the vessels. The company works mainly in Europe, but has also time charters in Africa and activities in Mexico. The Group's decision maker is the board of Oceanteam ASA. Different segments are identified based on deliveries, and different markets to which similar services are delivered are reported as one segment. Oceanteams core business is operations of CSV vessels and services around the vessels and therefore reports all its operation as one segment.

Group	Figures in EUR '000
2009	CSV vessels including services
Profit and Loss Account 2009	
External operating revenues	2009 27 949
Total revenue	27 949
Project expenses	-14 489
Other operating expenses*	-16 704
EBITDA	-3 244
* The financial and operational restructuring has lead to an abnormal cost level	
Financial gain on restructured debt	24 844
Financial costs	-17 924
Foreign exchange results (loss)	-2 157
Net finance	4 763
Revenues from discontinued operations	11 100
Project expenses from discontinued operations	-46 946
Net result from discontinued operations	-35 846

Group	Figures in EUR '000
Key figures 2009	
Assets	142 117
Liabilities	132 995
Investments	-23 731
Man-labour years (average)	225
Man-labour years at 31.12.	100

Group	Figures in EUR '000				
2008 Primary reporting format - business segments	Oil & Gas	Subsea Power Distribution	Offshore Renewables	Unallocated	Total 2008
Profit and Loss Account 2008					
External operating revenues	25 100	2 417	49 943		77 460
Intercompany operating revenues	-	-	-	-	-
Sales	25 100	2 417	49 943	-	77 460
Project expenses/payroll expenses	18 395	651	75 969	5 000	100 014
Other operating expenses	-	-	-	-	-
EBITDA	6 705	1 766	-26 025	-5 000	-22 554
Depreciation and amortization	3 408	323	3 706	1 531	8 968
Operating profit(loss)	3 296	1 443	-29 731	-6 531	-31 523
Net financial items	1 641	305	7 477	-	9 422
Tax	113	22	7 938	-10 893	-2 821
Profit for the period	5 050	1 769	-14 316	-17 424	-24 921

Group	Figures in EUR '000	
Key figures 2008		
Assets	302 166	302 166
Liabilities	265 315	265 315
Investments	130 440	130 440
Man-labour years (average)		155
Man-labour years at 31.12.		168

Group	Figures in EUR '000	
Sales	2009	2008
Europe	18 585	65 983
Other	9 364	11 477
	27 949	77 460

Sales are allocated based on the area in which the services are rendered.

Total assets	2 009	2 008
Europe	152 201	222 492
Other	35 184	-
	187 385	222 492
Unallocated assets	-	-
	187 385	222 492

Total assets are allocated based on where the assets have been used. Oceanteam sold 100% of the CSV 103 and 50% of the CSV 102 and all of the WROV equipment in 2009.

6. REVENUE

Group	Figures in EUR '000	
Revenue comprises:	2 009	2 008
Sale of services	27 949	18 600
Total sales revenue	27 949	18 600
Total revenue	27 949	18 600

The group's operational vessels are essentially rented out on time charter parties. The group has evaluated "IFRIC interpretation 4 Determination whether an arrangement contains a lease" and has concluded that the time charters (TC) represent lease of assets and are therefore subject to IAS 17. When Crew is included Oceanteam this part of revenue will be accounted for in accordance with IAS 18.

Lease income from the lease of vessels is recognized on the profit and loss account using the straight line method for the duration of the lease period. The lease period starts on the date the vessel is made available to the leaser, and terminates on the agreed date for return of the vessel. Crew hire and payments to cover other operating expenses are reported as income according to the straight line method for the duration of the agreement.

Mobilization and demobilization income is booked in the period in which the work was performed. Income and costs associated with charter parties are recognized in the accounts on the basis of the number of days the contract lasts for and after the end of the accounting period. Revenues from the sale of vessels are recorded in the income statement once delivery to the new owner has taken place.

Oceanteam has two operating CSV vessels, the CSV 101 and CSV 102. The CSV 101 is on a three year contract with BP Angola and is working in Angola. The CSV 102 is on a contract with ABB until completion of the projects Britned and Gjøa until summer 2010. After that the CSV 102 is on a five year charter with J. Ray McDermott. The CSV 102 will have demobilization and a mobilization period in the summer 2010. Both the vessels are under time charter contracts where the day rates are including key personnel to operate the vessels. The day rate is depending on the status of the vessel: operative, stand by or non operative.

Oceanteam's operations in Mexico are two Fast Supporting vessels (FSV). These vessels are transporting people and light equipment from land to offshore installations and between offshore installations. One vessel is on contract with Diavaz and the other vessel is operative in the spot market.

The equipment pool of Oceanteam is being rented out in the spot market and Oceanteam is marketing the equipment for longer contracts. The revenue is recognized, in accordance with IAS 18, when the equipment and personnel is rented out and according to day rates.

The income from the engineering part of the Group and services is recognised when provided. The sale of services from the engineering is recognized after IAS 18 and percentage of completion when the outcome of the service contract can be measured reliably.

DISCONTINUED BUSINESS (IAS 11 AND IFRS 5):

In 2009 Oceanteam has gone through a period of restructuring in which the Company has exited completely from the Subsea Power Cable Installation contracting business and refocused on the provision of large construction support

vessels, equipment rental and associated engineering services. The impact of the restructuring on the company in 2009 has been significant throughout the organisation and has strongly affected the 2009 financial results of the company.

In 2008 and on the balance sheet of 2008 Oceanteam had 9 Subsea Power Cable Installation projects ongoing. All projects were measured after the Percentage of Completion method (PCM) and according to IAS 11. The contracts had fixed rates with addition of variation orders when agreed with the client. In 2008 approx. 76% of the operating income was from the Subsea Power Cable Installation projects. In the PCM the projects were measured of milestones achieved regarding the contracts. The measurement of percentage of completion for each project was calculated based on estimates of total project results. When a loss was calculated, the whole loss for the total project was accounted for. For 2008 the total loss on the projects was EUR 20 million.

7. GENERAL ADMINISTRATION

Group	Figures in EUR '000	
	2009	2008
Personnel cost	10 821	18 644
Personnel cost allocated to projects, including assets	-8 956	-14 288
Other including restructuring expenses	14 839	645
Total	16 704	5 001

Average number of man-labour years

Accumulated expenses for wages, pension premiums and other remuneration to the CEO, other group executives and members of the parent company's board were:

Group	Figures in EUR '000			
	2009	Wages	Pension premiums	Other remuneration
Haico Halbesma (CEO)		194		
Ruud van der Steeg (CFO)		189	47	79
Board		265		
Total		648	47	79
2008	Wages	Pension premiums	Other remuneration	
Haico Halbesma (CEO)	178			
Jonathan Mears	174			
Ruud van der Steeg (CFO)	82		2	
Board	159		102	
Total	511	-	102	

Name	Position	Remuneration in NOK '000
Mr. Hessel Halbesma	Chairman	1 258
Mr. Ronald Moolenaar	Director	32
Mrs. Catharina Petronella Johanna Pos	Director	200
Mrs. Magny Øvrebø	*	189
Mr. Aksel Økland	*	189
Mr. Willem Korndorffer	*	108
Mrs. Catharina Margaretha Maria Weisenborn	*	142

* In 2009, four members of the board of directors, Willem Korndorffer, Catharina Margaretha Maria Weisenborn, Magny Øvrebø and Aksel Martin Økland were released from their position.

There are no bonus agreements, options, or pensions plans for the CEO. Annual salary is NOK 1,4 mill. He has also waived his protection in relation dismissal. For this waiver twelve month salary is offered as compensation.

For the year 2009, the agreed fee for the chairman of the board is NOK 300.000 and NOK 200.000 for the other members of the board of directors. In addition, the agreed fee for the board committee is EUR 1.200 per day.

When the company was set up, some key employees were invited to join in a Dutch stichting. Through this stichting the employees purchased a total of 200.000 shares in the Company. At the same time the Company promised to finance this investment through a bonus 3 years after the purchase date. This bonus was contingent on reaching certain financial goals. The financial goals were not reached and the Stichting has been terminated in 2009.

Ronald Moolenaar, director since December 2009, has an agreement to invoice EUR 200 per hour through his personal company holdings.

8. GENERAL ADMINISTRATION - AUDITORS FEE

Group	Figures in EUR '000	
	2009	2008
Specification of auditor's fee		
Statutory audit	250	356
Other assurance services	54	58
Tax advisory	22	24
Other	98	19
Total	424	457

9. INTANGIBLE ASSETS

Group	Figures in EUR '000			
	Goodwill	Deferred Tax	Other intangibles assets	Total
2009				
Historical cost 31 December 2008	6 549	-	5 571	12 120
Additions		700		700
Disposals			-1 685	-1 685
Minority interests				-
Conversion variances				-
Historical cost 31 December 2009	6 549	700	3 886	11 135
Accumulated amortization 31 December 2008				-
Amortization				-
Impairments/reversals				-
Amortization 31 Desember 2009	-	-	-	-
Accumulated impairments 31 December 2008			-3 886	-3 886
Impairments/reversals				-
Accumulated impairments 31 December 2009	-	-	-3 886	-3 886
Book value 31 December 2009	6 549	700	-	7 249
Amortization rates			5 years	
Amortization method			Linear	

For the purposes of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. Value in use was determined by discounting the future cash flows generated from the continuing use of the unit.

Oceanteam had two external valuations on the company which the goodwill asset has arisen from. Both the independent, third parties valuations shows added values which is higher than the goodwill amount of 6.6 million EUR. In addition there is a cash flow model which calculates the estimated cash flow for a 5 years period. The assumptions are: a five year cash flow, a growth rate of 0% both in revenue and costs. The cash flow is discounted with the WAAC of 10%.

CASH FLOW-GENERATING UNITS

Oceanteam's goodwill originates from a acquisitions in 2008. The management will follow up recoverable amounts per identified cash-flow generating units (CGU). The legal unit is defined as the CGU.

DETERMINATION OF RECOVERABLE AMOUNT

Value in use, is used to find the recoverable amount. The calculations are based on future cash flows where budgets and strategically goals for the period 2010-2014 are used. In the periods no growth is used. Present value is calculated by using discounted cash flows where the weighed average cost of capital (WACC) is 10% before tax. WACC is based on risk free rate at 2.94%, marked share premium at 5%, cost of loans at 5.75% and based on an equity/ debt ratio at 0,67.

SENSITIVITY ANALYSIS

If the company changes the expected cash flows with 10% or increases used WACC with 10%, the company does not need to perform any additional write-downs related to the Goodwill,

Group	Figures in EUR '000					
2008	Other intang., GW, CR	Defered Tax	IP Imera	IP licenses, IT	IP licenses, concept	Total
Historical cost 31 December 2007	-	3 003	-	600	2 370	5 973
Additions	10 435	7 890	3 650			21 975
Disposals			-1 685			-1 685
Historical cost 31 December 2008	10 435	10 893	1 965	600	2 370	26 263
Accumulated amortisation 31 December	-	-	-	250	474	724
Amortisation			280	200	474	954
Conversion variances						-
Amortisation 31 December 2008	-	-	280	450	948	1 678
Accumulated impairments 31 December 2007	-	-				-
Impairments/reversals		10 893		150	1 422	12 465
Accumulated impariments 31 December 2008	-	10 893	-	150	1 422	12 465
Book value 31 December 2008	10 435	-	1 685	-	-	12 120
Amortisation rates			5 years	3 years	5 years	
Amortisation method			Linear	Linear	Linear	

10. TANGIBLE ASSETS

Group	Figures in EUR '000				
	Interconnectors under construction	Fast Support Vessels, Barge, Machinery & other	CSV assets under construction	Construction and support vessels (CSV)	Total
2009					
Historical cost 31 December 2008	2 988	63 722	93 435	93 121	253 266
Additions			17 949	15 299	33 248
Disposals	-2 988	-34 033	-82 788	-40 685	-160 494
Historical cost 31 December 2009	-	29 689	28 596	67 735	126 020
Accumulated depreciation 31 December 2008					-
Depreciation		-4 423	-	-5 147	-9 570
Disposals depreciation					-
Accumulated depreciation 31 December 2009	-	-4 423	-	-5 147	-9 570
Accumulated impairments 31 December 2008		-9 000			-9 000
Impairments/reversals					-
Accumulated impairments 31 December 2009	-	-9 000	-	-	-9 000
Historical Cost 31 December 2009	-	16 266	28 596	62 588	107 450
Revaluation reserve 31 December 2008					-
Net change in revaluation surplus					-
Revaluation reserve 31. December	-	-	-	-	-
Accumulated depreciation 31 December 2008				48 900	48 900
Revaluation change			9 158	-20 160	-11 002
Depreciation premium values			-	-4 044	-4 044
Revaluation reserve 31. December	-	-	9 158	24 696	33 854
Carrying amount 31 December 2009	-	16 266	37 754	87 284	141 304
Depreciation rates	40 years	3-15 years	5-25 years	5-25 years	
Depreciation method	linear	linear	linear	linear	

When internal resources are used to engineer and construct a fixed asset, the relevant costs are added to the historical cost. All construction financing costs are capitalized. The Construction Support Vessel's (CSV's) and the Crew Boats are financed and held for security, see note 17 loans and borrowings. The barge Oceanteam Installer is held for security related to the BCE legal case. The pledge is expected to be removed in Q2 2010. In Q2 the CSV 103 was sold, and in Q4 50% of the CSV vessel 102 and 75% of the option to build CSV vessel 105 was sold. Oceanteam interests in Oceanteam Subsea Services Ltd and IMERA Ltd were sold in Q4. In addition Oceanteam has the options to build CSV 105, CSV 106 and CSV 107.

INTERNAL CLASSES OF ASSETS:

Oceanteam has divided the different assets into four classes which is separated based on the nature and the use of the asset.

COMPONENT ACCOUNTING

When an item of vessel, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, each component is depreciated separately. A separate component may be either a physical component, or a non – physical component that represents a major inspection or overhaul. An item of vessel, plant and equipment will be separated into parts (“components”) when those parts are significant in relation on total capex of asset group.

REVALUATION RESERVE:

The revaluation reserve is MEUR 33.8 and includes two operating CSV vessels, CSV 101 and CSV 102, and one CSV under construction, CSV 104. From Q4 2009 the revaluation model was used on the CSV 104 under construction. The revaluation was done 31.12.2009 with EUR 9.1 based on the revaluation model. The CSV 104 vessel is four months to delivery of a total building period of 18 months. The reason to change principle is to better present the fair values of assets on Oceanteam’s balance.

THE REVALUATION MODEL:

Oceanteam is using the revaluation model on the Construction Support Vessels operating and one CSV vessels under construction. Increases in the carrying amount arising on revaluation of the CSV’s vessels are credited to other reserves in shareholders’ equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revaluated carrying amount of the asset charged to the income statement and depreciation based on the asset’s original cost is transferred from ‘other reserves’ to ‘retained earnings’.

The assumptions in the revaluation model are the following:

- * The model for the calculation of the revaluation has been developed in cooperation with external experts and has the following features:
 - * Oceanteam is updating the model quarterly
 - * Two external valuations from independent brokers where the Construction Support Vessel (CSV) is traded between a willing buyer and a willing seller in an active market
 - the brokers are evaluating the charter market for CSV’s vessels and comparable vessels
 - the brokers are evaluating the replacement costs of comparable vessels
 - the brokers are evaluating if any recent sales of comparable vessels in the market
 - * The average of two brokers valuation on a charter free CSV vessel with prompt delivery
 - * The estimated economically lifetime is 25 year from delivery of the vessel
 - * The calculated cash flow from the time charter on the revaluated CSV vessel is being compared with the estimated brokers charter. If the discounted cash flow from the time charter gives a surplus to the brokers charter, a premium is added. If not, the discount is reducing the revaluated value.
 - * The premium value of the vessel is depreciated linear at 15 years
 - * The cash flow from the charter is discounted with a WAAC of 10 percent. The calculation of the WAAC has the following assumptions:
 - 10 year state EUR and 10 year SWAP margin
 - a 40/60 ratio of equity/ debt
 - * When Oceanteam for the CSV vessels has a signed building contract, financing is secured, construction costs and fair value can be measured reliably, Oceanteam is applying revaluation model for the CSV Vessels. The accounting impact when applying the revaluation model is that the CSV Vessels are measured at fair value in the balance sheet.
 - * Per balance sheet date the CSV 101, CSV 102 and CSV 104 was revaluated

2008	Interconnectors under construction	Fast Support Vessels, Barge, Machinery & other	CSV assets under construction	Construction and support vessels (CSV)	Total
Historical cost 31 December 2007	520	62 111	46 358	24 480	133 469
Additions	5 478	12 878	47 077	69 718	135 151
Disposals	-3 010	-4 886			-7 896
Historical cost 31 December 2008	2 988	70 103	93 435	94 198	260 724
Accumulated impairments 31 December 2008	-	1 372		-	1 372
Depreciation		5 215		1 077	6 292
Disposals depreciation		-206			-206
Disposals depreciation	-	6 381	-	1 077	7 458
Accumulated impairments 31 December 2007					-
Impairments/reversals					-
Accumulated impairments 31 December 2008	-	-	-	-	-
Cost book Value 31 December 2008	2 988	63 722	93 435	93 121	253 266
Revaluation reserve				48 900	48 900
Book Value 31 December 2008	2 988	63 722	93 435	142 021	302 166
Financial costs included in historical cost		2 602	13 251	6 921	22 774
Internal cost included in historical cost		382	719		1 101
Depreciation rates	40 years	3-15 years	5-25 years	5-25 years	
Depreciation method	linear	linear	linear	linear	

11. NET FINANCE COST

Group	Figures in EUR '000	
	2009	2008
Interest income	-	846
Foreign exchange results	-2 157	20 595
Interest expense	-10 375	-8 176
Financial gain on restructured debt	24 844	
Other financial expense	-7 569	-3 843
Total	4 743	9 422

12. TAX

Group	Figures in EUR '000	
	2009	2008
Tax payable Norway*	-	-
Tax payable abroad	-	-
Adjustments previous year	-	-183
Changes in deferred tax abroad	-700	3 004
Income tax	-700	2 821
Reconciliation of tax payable		
Tax payable in profit and loss account		
Credit deduction, international		
Tax, international		
Corrections previous years		
Tax payable in balance sheet	-	-
Reconciliation of nominal and effective tax rate		
Profit before tax		
Applicable 28% tax rate	-	-
Variance, actual and expected income tax expense	-700	2 821
Explanation of why actual tax cost deviates from expected tax cost		
Tax effect from non-deductible costs		
Tax effect from non-taxable income		
Effect of shipping company taxation		
Difference between foreign tax rate and Norwegian tax rate		
Variance compared to applicable tax rate	-	-

* Tax payable in Norway is regarding to the entry of the tonnage tax regime. The tax will be payable over 10 years. It is classified as current liabilities and the liability is recognized at its nominal value.

DEFERRED TAX

Below is a specification of temporary differences between accounting and tax values, as well as calculation of deferred tax / tax asset at the end of the financial year.

Group	Figures in EUR '000	
	2009	2008
Basis for deferred tax		
Other current balance sheet items		
Amount linked to current balance sheet items	-	-
Deferred tax on equity transactions		
Deferred tax on revaluation model	-13 000	
Loss carried forward	98 750	10 728
Amount linked to long-term balance sheet items	85 750	10 728
Total basis for deferred tax assets	85 750	10 728
Total deferred tax (-) / tax assets		
- Deferred tax/ tax assets, companies taxed as shipping companies		
Deferred tax assets calculated	24 010	3 004
Calculation of deferred tax / tax asset		
Deferred tax recognised in balance sheet		
Deferred tax asset recognised in balance sheet	700	3 004

Deferred income tax and liabilities are offset when there is an enforceable right to offset deferred tax assets against deferred tax liabilities and when the deferred income tax relate to the same fiscal authority.

Oceanteam has recognized EUR 700.000 as a deferred tax asset for the operations in the Netherland. The deferred tax asset is based on latest forecast for the equipment business which indicates positive margins.

Parent company Oceanteam ASA has suffered large tax losses from exiting the contracting business. The basis for potential deferred tax loss is estimated to amount to EUR 100 million but is not recognized in the balance sheet as there is uncertainty to what extent the losses can be offset against future profits.

Revaluated vessels that are in the tonnage tax regime have no deferred tax on the revaluation surplus since taxed under the tonnage tax regime.

13. RECEIVABLES

Group	Figures in EUR '000	
	2009	2008
Trade debtors at nominal value	3 461	11 237
Revenues not invoiced	-	-
Other current receivables	10 615	15 635
Receivables 31.12.	14 076	26 872

In other current receivables there are receivables regarding the sale transactions of the vessel CSV 102 and CSV 103. An important part will be released within the summer 2010. Trade receivable consist of USD 2 million and EUR 2.1 million. Other receivables has NOK 4 million and EUR 10.1 million.

DISCONTINUED BUSINESS:

From the balance of EUR 15.6 million in 2008 a large balance was concerning the time charter contract cancelled with the client Cicsa, and also the exiting from the contractor business has led to lower turnover. The receivables from 2008 was mostly related to subsea contracting business which Oceanteam exited in 2009.

Ref also Note 4.2 (a)

14. CASH AND CASH EQUIVALENTS

Group	Figures in EUR '000	
	2009	2008
Cash		
Bank deposits	23 944	18 278
Cash and cash equivalents 31.12.	23 944	18 278
Of which is restricted deposits*	5 700	10 419
Unused overdraft facilities 31.12.	-	-

* Deducted employee tax due within 3 months and pledged accounts connected to CSV vessels sale and operations.

The cash on the group is restricted for EUR 5.7 million which gives EUR 18.2 million in free cash consisting of EUR 16 million in EUR and the rest of appr. USD 2 million and some NOK and GBP. The restricted cash is related to security for the vessel finance and for the sales transaction of CSV 102 and the option to build CSV 105.

15. INVESTMENTS IN GROUP COMPANIES

Overview group companies	Head Office	Equity interest	Voting share
Subsidiary companies:			
Oceanteam II BV	Amsterdam, Netherlands	100%	100%
IMERA NV	Amsterdam, Netherlands	100%	100%
Oceanteam Energy Holding NV	Amsterdam, Netherlands	100%	100%
Oceanteam Mexico BV	Amsterdam, Netherlands	100%	100%
Oceanteam Mexico SA de CV*	Ciudad Del Carmen, Mexico	49%	90%
Oceanteam Shipping 101 AS	Bergen, Norway	100%	100%
Oceanteam Shipping 102 AS	Bergen, Norway	100%	100%
Oceanteam Shipping 103 AS	Bergen, Norway	100%	100%
Oceanteam Shipping 104 AS	Bergen, Norway	100%	100%
Oceanteam Shipping 105 AS	Bergen, Norway	100%	100%
Oceanteam Shipping TPC AS	Bergen, Norway	100%	100%
North Ocean III AS	Bergen, Norway	100%	100%
North Ocean 102 AS	Bergen, Norway	100%	100%
Oceanteam Shipping GmbH	Wilhelmshaven, Germany	100%	100%

* Since Oceanteam II BV has control through voting shares this is considered as a subsidiary

The subsidiaries are fully consolidated. For Oceanteam Mexico SA de CV there is a 10% minority.

JOINT VENTURE COMPANIES, SEE NOTE 26:

CSV vessels - two CSV vessels in operation (CSV 101 and CSV 102) and building program for CSV vessels 104.

CSV 101:

Oceanteam Bourbon 1 AS	Bergen, Norway	50%	50%
Oceanteam Bourbon 101 AS	Bergen, Norway	50%	50%

CSV 102:

North Ocean II KS	Bergen, Norway	50%	50%
North Ocean II AS	Bergen, Norway	50%	50%

CSV 104:

Oceanteam Bourbon 4 AS	Bergen, Norway	50%	50%
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Engineering services in the Netherland

DEP BV	Schiedam, Netherlands	50%	50%
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Associates - building North Ocean V AS:

CSV 105

North Ocean V AS	Bergen, Norway	25%	25%
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Associates are all entities over which the group has significant influence but is not in control shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. During Q4 Oceanteam sold 75% of the shares in North Ocean V AS and the company was reclassified from a subsidiary in December 2009. The transaction was booked at the fair value of the transaction and the investment in the associate is EURO 813.000.

The delivery of the CSV 104 will be in Q2 2010 and the delivery of the CSV 105 is expected early 2012.

DISCONTINUED OPERATIONS:

Net result from discontinued operations amounted to EUR (35.8) million, related to losses and write-offs for the exit from the contracting business and for the sale of Imera Ltd. and Oceanteam Subsea Services Ltd. In the 2009 accounts provisions were included for a total amount of provisions of EUR 10.1 million. These provisions include Oceanteam's obligations as per the settlement reached early 2010 with BouwCombinatie Egmond VOF dating back from 2006, as well as the agreement with CICS Marine on the termination of the time charter on "CSV North Ocean 102".

Oceanteam's shareholding in Imera Ltd has been sold to the management shareholders of Imera Ltd. Part of the agreement is that Oceanteam will receive an incentive when an Interconnector project is closed for finance. Oceanteam ASA sold its shares in Oceanteam Subsea Services Ltd to EXS Subsea AS in Norway.

16. SHARE CAPITAL AND SHAREHOLDER INFORMATION

SHARE CAPITAL:

At 31.12.2009, Oceanteam ASA has a share capital of NOK 7,539,420, distributed on 150,788,393 A shares. There are also two kind of warrants issued: I of 148,986,069 and II of 295,996,677.

SHAREHOLDER OVERVIEW:

The major shareholders in Oceanteam ASA as well as shares held by executive employees and board members including shares owned by affiliated individuals and companies were at 31 December as provided below:

Shareholders		Number of shares	Equity interest
OCEANTEAM HOLDING B.V.	1	34 732 562	23,0 %
SIX SIS AG	1,2	12 615 392	8,4 %
KALFARET AS		7 157 102	4,7 %
NORTH SEA SHIPPING HOLDING A/S		6 590 433	4,4 %
STOREBRAND LIVSFORSIKRING AS		5 720 100	3,8 %
MP PENSJON		4 973 529	3,3 %
EUROCLEAR BANK S.A./N.V. ('BA')		4 652 234	3,1 %
ABN AMRO BANK N.V. LONDON BRANCH		4 479 439	3,0 %
VARNER-GRUPPEN AS		3 502 102	2,3 %
SPAREBANKEN ØST		3 502 102	2,3 %
TOLLEFSEN, IVAR ERIK		3 274 383	2,2 %
TOHA INVEST BV	1	3 101 921	2,1 %
BANQUE DE LUXEMBURG S.A		2 918 419	1,9 %
BOREA NOTERTE I AS		2 472 244	1,6 %
BOREA NOTERTE III AS		2 472 244	1,6 %
SONGA TRADING AS		2 393 103	1,6 %
RBC DEXIA INVESTOR SERVICES BANK		1 300 000	0,9 %
ODIN OFFSHORE		1 033 900	0,7 %
BOREA NOTERTE II AS		975 946	0,6 %
CREDIT SUISSE SECURITIES		817 157	0,5 %
Subtotal 20 largest		108 684 312	72,1 %
Others		42 104 066	27,9 %
Total		150 788 378	100,0 %
Board:			
Hessel Halbesma	1	42 196 261	28,0 %
Ronald P. Moolenaar	2	7 829 097	5,2 %
Total		50 025 358	33,2 %
Management			
Haico Halbesma, CEO	1	42 240 128	28,01%
Total of shares owned by executive employees		42 240 128	

1. Oceanteam Holding B.V. and Toha Invest B.V. are controlled by the Halbesma family. Haico Halbesma is currently CEO and Hessel Halbesma is Chairman of Oceanteam ASA. Haico Halbesma also owns 43 867 shares privately.

2. Ronald Moolenaar is a director in the board of Oceanteam ASA. For more information, please refer to related party transactions in note 19.

17. LOANS AND BORROWINGS

The table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows including interests.

	0 to 1 year	1 to 2 years	2 to 5 years	over 5 years	Total
At 31 December 2009					
Bank/bond borrowings	11 005	11 739	97 942	23 699	144 385
Other loans	707				707
Provisions	10 090				10 090
Trade and other payables	10 630				10 630
Total liabilities	32 432	11 739	97 942	23 699	155 722
At 31 December 2008					
Bank/bond borrowings	16 150	103 495	45 048	53 752	218 444
Other loans	2 407	27 668	1 821	1 214	33 110
Trade and other payables	49 760	-	-	-	49 760
Total liabilities	68 317	131 163	46 868	54 966	301 314

* the bond loan has II types of warrants depending on if the bond loan is refinanced or not. For further descriptions see note 25

			Figures in EUR '000	
		True rate of interest	31 Dec 2009	31 Dec 2008
CSV 101 (EUR)	Secured	EURIBOR + margin	17 688	20 288
CSV 102 (USD)	Secured	NIBOR + margin	21 103	42 800
CSV 103 (EUR)	Secured	EURIBOR + margin	-	35 302
CSV 104 (EUR)	Secured	EURIBOR + margin	20 720	2 960
Fast Supporting vessels	Secured	LIBOR + margin	3 067	4 100
Other loans		EURIBOR + margin	707	10 773
Bond loan (NOK)		NIBOR + margin	48 990	81 095
Financial lease (EUR)			-	18 236
Total long-term debt			112 275	215 553
1st year principal repayments			7 200	2 722
Total long-term debt			105 075	212 831

Collateral given are the vessel contracts / guarantees. Latest valuations conclude that real value of the collateral is significantly higher than the loans. Key financial covenants include: no dividend, free cash requirement, pledge accounts, various equity requirements and limitations on the ability to incur new indebtedness.

LOANS AND BORROWINGS

TOTAL BANK FACILITIES

As per 31 December 2009, the total carried interest bearing debt of the Company is EUR 63.3 million in addition to the NOK 400 million Bond Loan. In addition, bank guarantees in a total effective amount of EUR 6 have been issued on behalf of Oceanteam Bourbon 4 AS in favour of the builder as security for payments to be effected under the shipbuilding contracts.

During the year the Company has been in breach and had significant financial challenges. As per 31 December 2009 the Company still is in breach of financial covenants, amongst which the Market value adjusted equity of minimum 35% related to the bond loan. The Company is in an open dialogue with its banks about standardisation of the financial covenants.

SENIOR UNSECURED BOND LOAN – NOK 800/ 400 MILLION

The Company has issued an unsecured bond loan in the amount of NOK 800 million dated 13 June 2007. As a part of the 2009 Debt Conversion, the nominal value of the Bond Loan is written down to NOK 400 million.

Loan covenants for the Group include:

- Book equity ratio of minimum 25%
- Market value adjusted equity of minimum 35%

In addition to the mentioned write down of the nominal value of the Bond Loan, the following amendments to the terms of the loan were made:

- Maturity date stretched to 18 June 2014
- The interest margin (3.75% margin to NIBOR) increased by 100 bps per year from December 2010
- Nominal value increased to NOK 440 million if not repaid within 18 June 2012
- Nominal value increased to NOK 484 million if not repaid within 18 June 2013
- The Bond Loan is callable with the following call prices

NOK 423,035,043 through 18 June 2011

NOK 457,587,608 through 18 June 2012

NOK 497,587,608 through 18 June 2013

NOK 541,587,608 through 18 June 2014

NORDEA BANK NORGE ASA – EUR 45,000,000

All amounts below are presented on 100% basis, please note that only 50% is included in the group accounts since this is a joint venture company.

Oceanteam Bourbon 101 AS (borrower) has entered into a senior secured term loan and guarantee facility agreement dated 14 November 2007 and supplemented on 30 October 2008, 25 May 2009 and 30 June 2009 with Nordea Bank Norge ASA and Sparebanken Rogaland as banks and with Nordea Bank Norge ASA as agent for a total amount of EUR 45 million. The balance of the loan per 31 December 2009 is EUR 35.4 million. The interest rate of the loan is EURIBOR + 2.50 % p.a. The senior secured term loan will be repaid in quarterly instalments of EUR 1.3 million until March 2011 and then quarterly instalments of EUR 1.0 million until final instalment of EUR 22.6 million in December 2012.

Key loan covenants for the borrower include:

- Free cash of EUR 500,000, increased to EUR 1,000,000 when only 6 months of charter remain
- Vessel Value / Loan balance, minimum 125%

Other key loan covenants include:

- Value adjusted equity in excess of NOK 300 million and 35% of total value adjusted assets (Group)
- Free cash of EUR 5 million and 5% of interest bearing debt as from 1 January 2010 (Group)
- Remain listed on Oslo Stock Exchange (Company)

For the value adjusted equity and minimum free liquidity covenants at Group waivers for the year 2009 have been obtained from Nordea Bank Norge AS.

BNBANK ASA – USD 59,758,600

All amounts below are presented on 100% basis, please note that only 50% is included in the group accounts since this is a joint venture company.

North Ocean II KS (borrower) and Oceanteam ASA (as guarantor) have entered into a credit and guarantee facility agreement in the amount of USD 59,758,600 dated 20 July 2006 and amended 19 January 2009 with BNBANK ASA as bank and agent. The loan is divided in two tranches; first tranche consisting of USD 52 million with an interest of LIBOR +2.75% p.a. and the tranche second tranche consisting of USD 8 million with an interest of LIBOR +3.25% p.a. The balance of the loan per 31 December 2009 is USD 55.3 million. The loan will be repaid in quarterly instalments of USD 1.5 million until January 2014 when remaining balance of USD 31 million is due.

Key loan covenants for the borrower include:

- Free cash USD 1.95 million
- Market value adjusted equity of 25%
- Vessel Value / Loan balance, minimum 130%
- Working capital of USD 3.90 million

Other key loan covenants include:

- Market value adjusted equity of 30% (Group)
- Free cash of USD 3.25 million (Oceanteam ASA)

BNBANK ASA – EUR 48,000,000

All amounts below are presented on 100% basis, please note that only 50% is included in the group accounts since this is a joint venture company.

Oceanteam Bourbon 4 AS (borrower) has entered into a credit and guarantee facility agreement in the amount of EUR 48 million with BNBANK ASA and Glitnir Banki HF as lenders and BNBANK ASA as facility agent. The balance of the loan per 31 December 2009 is EUR 41.4 million and outstanding guarantee is EUR 27 million. The current interest is EURIBOR + 3,00 %. After delivery, the loan will be repaid in 24 quarterly instalments of EUR 0.8 million and a balloon of EUR 29 million together with last re-payment expected in Q2 2016.

The terms and conditions of this loan have been renegotiated with the banks as a consequence of Glitner Banki HF entering into receivership in 2009 and BNBANK ASA taking over Glitner Banki HF's share in the credit agreement.

Key loan covenants for the borrower include:

- Market value adjusted equity of 20%
- Vessel Value / Loan balance, minimum 125%
- Positive working capital

Other key loan covenants include:

- Free cash of EUR 5 million (Group)
- Market value adjusted equity (Oceanteam ASA) of 30%
- Market value adjusted equity (Bourbon Offshore Norway AS) of 25%

OTHER LOANS

The two Fast Support Vessels have been financed with two loans from Amstel Lease per 31 December 2009 the total balance of loans was USD 4.3 million. Each loan is repaid through 90 monthly instalments of USD 50,672.79 with last instalment in January 2014. The applicable interest rate is 7.175 %.

Shareholder loans amounted to EUR 13,1 had an interest rate of EURIBOR + 10 % and was converted to equity due to the restructuring.

Metalships & Docks SAU have agreed to a seller's credit to North Ocean II KS, connected to the variation orders for CSV North Ocean 102. The balance per 31 December 2009 is EUR 4,0 million. Normal credit terms apply, the loan will be reimbursed in eight quarterly instalments during 2010 and 2011.

In the EGM of 14th July 2009 the bond loan restructuring was approved and Oceanteam has booked the following:

Converted shares Bond holders	NOK '000	EUR '000
Carrying value derecognised bond debt	842 079	93 197
Nominal value of "new" bond loan	-400 000	-44 270
Less fair value of shares provided to the bond holders	-196 118	-21 705
Financial gain on restructured debt	245 961	27 222
Less fair value of warrants (60,634,221 warrants * Fair value)	-8 489	-939
Less fees incurred	-13 000	-1 439
Financial costs (restructuring debt)	-21 489	-2 378
Net finance (restructuring debt)	224 472	24 843
Converted bond holder loans:		000 EUR
EGM 14. July - converted NOK 442 million (93,389,400 shares * 2,10 NOK share price 14th July)		21 705
Total converted bond holder loan to equity:		21 705
Converted share holder loans:		000 EUR
EGM 14. July		6 882
Restructuring part II:		6 268
Total converted shareholder loan to equity:		13 150
Total equity effect of the restructured debt:		59 698

For the valuation of the shares the share price at the transaction date of 14th July 2009 has been used. For the valuation of the warrants included in the restructuring the latest trade price confirmed has been used.

REPAYMENT STRUCTURE OF THE BOND LOAN OF 400 MNOK:

	IRR (values)	Interest	Balance	NOK '000 Quarterly
* EGM 14. July 2009:	-400 000		-400 000	
	-	-13 570	-413 570	-3 393
* < 18 June 2011	359 580	-14 031	-427 601	-3 508
* < 18 June 2012	45 759	-14 507	-442 108	-3 627
* < 18 June 2013	14 928	-14 999	-457 107	-3 750
* < 18 June 2014	10 832	-15 508	-472 615	-3 877
	3,39%	-72 615		

The internal rate of return (3,39%) is used in the accounts to account for the expected call premium on the new bond loan.

18. OTHER CURRENT LIABILITIES

Group	Figures in EUR '000	
	2009	2008
Holiday pay and wages due	76	230
Incurring interest cost	866	231
Provisions	10 090	5 000
Other	7 700	4 561
Other current liabilities	18 732	10 021

Incurring interest costs are for the bond loan in NOK and for the other loans relevant currencies. Provisions consist of various claims related to Oceanteam's discontinued contracting operations. The disputes with BouwCombinatie Egmond CV and CICSA Marine have been settled and were paid in Q1-2010. Three claims remain, of which one relates to a customer of Oceanteam Power & Umbilical Ltd. that entered into liquidation in 2009, and the two other claims relate to suppliers to the same company. The amount of provisions is based on the Company's best estimates of the exposure and on legal opinions. Other liabilities are related to accrued interests on loans and other liabilities to the joint venture partners. All balance is in EUR besides approx. NOK 18.7 million.

Figures in EUR

19. RELATED PARTIES

OCEANTEAM HOLDING B.V.

Oceanteam Holding B.V. is controlled by chairman Hessel Halbesma and Haico Halbesma. Oceanteam Holding BV converted an amount of EUR 5.679.998 in shareholders' loans into 10.499.146 shares in the company as part of the debt restructuring. An amount of EUR 5.139.351 in shareholder loans was converted in the rights issue against 24.233.416 shares and 29.287.678 warrants.

Oceanteam Holding acts as guarantor for Oceanteam Mexico on the Amstel Lease financing of the Mexican Fast Support Vessels. Oceanteam Mexico pays a fee for this guarantee. For the period 2008 - 2009 an amount of EUR 320.000 was invoiced.

TOHA INVEST B.V.

Toha Invest B.V. Is controlled by chairman Hessel Halbesma. Toha Invest BV converted an amount of EUR 507.273 in shareholders' loans into 937.665 shares in the company as part of the debt restructuring. An amount of EUR 458.989 in shareholder loans was converted in the rights issue against 2.164.256 shares and 2.615.644 warrants. Group offices in Amsterdam are rented from Oceanteam Holding B.V. For the year 2009 an amount of EUR 97.000 was invoiced.

NORTH SEA SHIPPING AS

North Sea Shipping AS, a 100% subsidiary in the North Sea Shipping Holding AS which is a 4.4 % shareholder in the company, controlled by the Klepsvik/Økland family, has been retained by the Company for building supervision of the vessels. North Sea Shipping AS is also engaged for the technical and crew management of 'CSV North Ocean 102'. For the year 2009 an amount of EUR 4.084 million was invoiced.

NORTH SEA SHIPPING HOLDING AS

North Sea Shipping Holding AS converted an amount of EUR 694.463 in shareholders' loans into 1.283.675 shares in the company as part of the debt restructuring. An amount of EUR 628.362 in shareholder loans was converted in the rights issue against 2.962.895 shares and 3.580.851 warrants.

CHALLENGER MANAGEMENT SERVICES:

Ronald Moolenaar, director since December 2009, has an agreement to invoice EUR 200 per hour through his personal company holdings.

20. BUSINESS COMBINATIONS

ACQUISITION OF CONAT / OCEANTEAM MEXICO, SA DE CV IN JUNE 2008

The transaction value of 100 % of the shares within Compania Naviera de Transporte Maritimo, SA de CV (CONAT) is calculated to EUR 8,8 million. Oceanteam ASA purchased 90% 30th of June. CONAT is consolidated as a controlled subsidiary.

The fair value of property, plant and equipment has been based on independent valuations.

Group								EUR '000
Oceanteam Mexico		Consolidated						
Vessels	4 501	Equity	524	Vessels	13 489	Equity	831	
Receivables	1 384	Non current liabilities	5 084	Receivables	616	Non current liabilities	13 014	
Cash and cash equivalents	544	Current liabilities	820	Cash and cash equivalents	299	Current liabilities	560	
Total:	6 428		6 428	Total:	14 405		14 405	

According to IFRS 3 Business Combinations the purchase of CONAT has a calculated premium value for the vessels of EUR 7,9 million.

22. CONTINGENT LIABILITIES

The Group had a commercial dispute with its client VOF Bouwcombinatie Egmond. Ref note 4.2 (a). The amount of Oceanteam's claims was written off in the 2008 accounts and final settlement was reached in first quarter of 2010.

A total provision of EUR 10 million is accounted for at the balance sheet date. The liabilities include EUR 8 million for claims that have been settled in 2010 and approx EUR 2 million has been provided for claims that Oceanteam are disputing.

23. GUARANTEES

The parent company has issued guarantees for the subsidiaries and joint venture companies in the Group, see the Financial Statement of the parent company.

24. EVENTS AFTER THE BALANCE SHEET DATES

BOND LOAN:

Oceanteam ASA has purchased 7,5% of the nominal bond loan of NOK 400 million.

TRANSFER OF WARRANTS:

The chairman has transferred 111.096.338 warrants from privately owned companies to privately held share accounts.

TRANSFER OF CONTRACTS:

Oceanteam ASA called its option to increase its interests in DEP BV from 50% to 70% in Q2 2010. The joint venture company will be reclassified as a subsidiary per second quarter 2010.

DISPUTES:

Oceanteam has reached settlements with BCE and CICSA and still has a few disputes outstanding from the contracting business activities. A general provision was made for these disputes.

25. EARNINGS PER SHARE

The numerator and denominators used in the accompanying calculation of earnings per share above were calculated in the manner shown below. The scenario with warrants I will happen if the nominal bond loan will be repaid. If the bond loan is not repaid before 19th June 2014 the warrants II will be applicable.

	2009	2008		Warrants I:	Warrants II:
Net Profit (EUR '000)	-68 478	-31 821	Net Profit (EUR '000)	-68 478	-68 478
Shares per 1 January	15 228	13 844	Shares per 1 January	15 228	15 228
Transactions	135 561	1 384	Transactions	135 561	135 561
Shares 31 December	150 788	15 228	Shares 31 December	150 788	150 788
Weighted average of shares during the year	54 339	14 621	Weighted average of shares during the year	54 339	54 339
			Warrants issued	148 986	295 997
			Weighted shares and warrants	98 830	128 946
Earnings per share (EUR)	-1,26	-2,18	Earnings per share (EUR) including warrants	-0,69	-0,53

26. JOINT VENTURE

	Head Office	The company's total share capital	Equity interest	Voting share
CSV vessels - operations and building program for CSV vessels				
Oceanteam Bourbon 1 AS	Bergen, Norway	760	50%	50%
Oceanteam Bourbon 101 AS	Bergen, Norway	7 531	50%	50%
Oceanteam Bourbon 4 AS	Bergen, Norway	12 227	50%	50%
North Ocean II KS	Bergen, Norway	21 034	50%	50%
North Ocean II AS	Bergen, Norway	2 119	50%	50%
Engineering services in Netherland				
DEP BV	Schiedam, Holland	18	50%	50%

Total assets and liabilities for joint venture companies in the Group:	2009	2008
Current assets	6 523	12 442
Non - current assets	92 939	82 787
Current liabilities	11 947	11 810
Non current liabilities	87 515	83 420
Income	18 397	28 932
Expenses	13 600	23 474



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INCOME STATEMENT BY NATURE OF EXPENSE

01.01 - 31.12

PARENT				
Amount in NOK '000	Notes	2009	2008	
REVENUE				
Revenue	2	11 779	76 089	
Revenue		11 779	76 089	
OPERATING EXPENSES				
Loss by selling fixed assets	7	72 238		
Restructuring expenses	7	76 155		
Payroll expenses	3, 14	2 207	8 969	
Depreciation	7	14 123	19 043	
Write off equipment	7	4	18 903	
Other operating expenses	3	18 803	20 108	
Total operating expenses		183 530	67 024	
OPERATING PROFIT/ (LOSS)		-171 751	9 065	
FINANCIAL INCOME AND EXPENSE				
Profit on investment in subsidiaries	4	8 731	1 733	
Interest from group companies	4	32 264	59 922	
Foreign exchange result	4	-31 700	189 364	
Write off of financial assets	4	-244 199	-714 951	
Other financial expenses	4	-85 701	-66 809	
Net finance		-320 605	-530 740	
PROFIT/ (LOSS) BEFORE INCOME TAX		-492 356	-521 675	
Tax on ordinary income	5	-	21 998	
NET PROFIT/ (LOSS)		-492 356	-543 673	
Attributable to:				
Share premium reserve	13	-492 356	-543 673	
Total		-492 356	-543 673	

ASSETS

31.12

PARENT			
Amount in NOK '000	Note	2009	2008
NON CURRENT ASSETS			
Intangible assets			
Concessions, licenses, patents and similar	6	-	-
Deferred tax asset	5	-	-
Total intangible assets		-	-
Tangible assets			
Assets under construction	7	-	-
Movables, fixtures and other equipment	7		232 540
Office equipment	7	339	556
Total tangible assets		339	233 096
Financial assets			
Investments in subsidiaries	8	484 839	114 442
Loans to group companies	9, 10	120 180	575 458
Total financial assets		605 019	689 900
Total non current assets		605 019	922 996
CURRENT ASSETS			
Receivables			
Accounts receivable		-	2 233
Other receivables	10	78 466	1 569
Total receivables		78 466	3 802
Short term investments			
Cash and cash equivalents	11	133 546	36 281
Total current assets		212 012	40 083
TOTAL ASSETS		817 370	963 080

EQUITY AND LIABILITIES

31.12

PARENT				
Amount in NOK '000	Note	2009	2008	
EQUITY				
Owners equity				
Share capital	12	7 539	152 279	
Share premium reserve	13	103 053	426 223	
Total owners equity		110 592	578 502	
Accumulated profits				
Other equity	13	-	-519 332	
Total accumulated profits		-	-519 332	
Total equity	13	110 592	59 170	
LIABILITIES				
Other non-current liabilities				
Bonds	10	407 350	800 000	
Other non-current liabilities	10	176 378	81 199	
Total other non current liabilities		583 728	881 199	
Current liabilities				
Accounts payable		18 281	9 063	
Tax payable	5		-	
Public duties payable		1 135	609	
Other current liabilities	10	103 634	13 039	
Total current liabilities		123 050	22 710	
Total Liabilities		706 778	903 910	
TOTAL EQUITY AND LIABILITIES		817 370	963 080	

Bergen/Norway, 30 April, 2010

The Board of Directors Oceanteam ASA


Hessel Halbesma
Chairman and Director



Ronald P. Moolenaar
Director



Catharina Petronella Johanna Pos
Director



Haico Halbesma
CEO

INCOME STATEMENT BY NATURE OF EXPENSE

01.01 - 31.12

PARENT		
Amount in NOK '000	2009	2008
Cash flow from operating activities		
Profit/ (loss) before income taxes	-492 356	-543 673
Profit/ (loss) of sale of assets	72 238	34 031
Depreciation	14 123	19 043
Write off assets	4	18 903
Other non cash items	395 161	635 949
Change in accounts receivables	-74 664	10 197
Change in accounts payable	9 218	-14 620
Change in other accruals	91 121	7 690
Net cash flow from operating activities	14 845	167 519
Cash flow from investing activities		
Sale of fixed assets	155 251	
Pay-out from purchase of fixed assets	-	24 624
Pay-out from investments in subsidiaries	-168 176	-376 764
Net cash flow from investing activities	-12 925	-352 141
Cash flow from financing activities		
Pay-in from new loans raised	95 179	57 552
Pay-in from new equity	166	100 678
Net cash flow from financing activities	95 345	158 229
Net change in cash and cash equivalents	97 265	-26 392
Cash and cash equivalents at 01.01	36 281	62 673
Cash and cash equivalents at 31.12	133 546	36 281

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

PRIMARY ACCOUNTING PRINCIPLES

The financial statements, which have been presented in compliance with the Norwegian Companies Act, the Norwegian Accounting Act and Norwegian generally accepted accounting principles in effect as of 31 December 2009, consist of the profit and loss account, balance sheet, cash flow statement and notes to the accounts.

The financial statements have been prepared based on the fundamental principles governing historical cost accounting, comparability, continued operations, congruence and prudence. Transactions are recorded at their value at the time of the transaction. Income is recognized at the time of delivery of goods or services. Costs are expensed in the same period as the income to which they relate. Costs that cannot be directly related to income are expensed as incurred. The different accounting principles are further commented on below.

Assets/ liabilities related to current business activities and items which fall due within one year are classified as current assets/ liabilities. Current assets/ short-term debts are recorded at the lowest/ highest of acquisition cost and fair value. The definition of fair value is the estimated future sales price reduced by expected sales costs. Other assets are classified as fixed assets. Fixed assets are entered in the accounts at historical cost, with deductions for depreciation. In the event of a decline in value which is not temporary, the fixed asset will be subject to a write-down. The same principle applies to liabilities.

According to generally accepted accounting standards there are some exceptions to the basic assessment and valuation principles. Comments on these exceptions can be found in the respective notes to the accounts. When applying the basic accounting principles and disclosure of transactions and other items, the "substance over form" rule is adopted. Contingent losses which are probable and quantifiable are charged to the profit and loss account.

ACCOUNTING PRINCIPLES FOR MATERIAL ITEMS

REVENUE RECOGNITION

Revenue is normally recognized at the time of delivery of goods or services. Operating revenues have been reduced for VAT, discounts, bonuses and invoiced shipping costs.

COST RECOGNITION/ MATCHING

Costs are expensed in the same period as the income to which they relate is recognized. Costs that can not be directly related to income are expensed as incurred. All costs related to restructuring and discontinued activities are expensed at the time restructuring or discontinuation is decided upon.

OTHER INCOME (COSTS)

Material income and cost which are not related to day to day operations are classified as other operating income (costs).

USE OF ESTIMATES

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

PENSIONS

The company has a pension scheme that is classified as a defined contribution plan. The defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension

plans are recognised as an employee benefit expense in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

DEPRECIATION

Based on the historical cost of the asset, straight line depreciation is applied over the useful economic life of the fixed assets. The same rules apply for intangible fixed assets. Depreciation is classified as an operating cost. Finance leases are depreciated over the term of the lease and the liability is reduced in line with the lease payments after deducting interest.

CORPORATE INCOME TAX

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/ tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 28 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

Due to the exemption rule of gain/ loss related to disposal of shares within the EEC area, there is no deferred tax recorded on temporary differences related to shares in subsidiaries or the joint ventures.

Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

BALANCE SHEET CLASSIFICATION

Current assets and short term liabilities consist of receivables and payables due within one year. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

FIXED ASSETS

Fixed assets are entered in the accounts at historical cost, with deductions for accumulated depreciation and write-down. If the fair value of a fixed asset is lower than book value, and the decline in value is not temporary, the fixed asset will be written down to fair value.

Periodic maintenance and repairs are accounted for on an accruals basis. Costs related to normal maintenance and repairs are expensed as incurred. Costs related to major renewals and changes that increase the economic life of the fixed asset materially are capitalized. Assets are capitalized when a finite economic useful life can be defined, and the cost is deemed to be significant. Interest costs related to fixed assets under construction are capitalized as a part of the acquisition cost.

Finance costs related to assets under construction are capitalized as a part of the acquisition cost.

SUBSIDIARIES AND INVESTMENT IN JOINT VENTURES

Subsidiaries and investments in joint ventures are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiaries and the joint ventures, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions are recognized in the same year as they are recognized in the subsidiary or joint venture financial statement. If dividends / group contribution exceed withheld profits after acquisition, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

RESTRUCTURING OF THE BALANCE SHEET - THE DEBT CONVERSION

The Company's bond loan and shareholder loans were restructured during 2009. The reduction of the nominal value and the outstanding interest were converted into shares in the Company. The debt restructuring was followed by a rights issue in which existing shareholders had the opportunity to increase their diluted share in the Company. In these operations the number of shares in the company increased from 15.2 million to 150.8 million and warrants were issued to the parties supporting the financial restructuring of the Company. There are two scenarios for the issued warrants: Warrants I (total number: 148,986,069) will be effective if the bond loan is repaid before 19th June 2014, and warrants II (total number: 295,996,677) will be effective if the bond loan is not refinanced before 19 June 2014.

The costs of the restructuring are deducted from the capital increase. The debt conversion is booked to equity less expenses. The bond loan is booked at the restructured nominal value of 400 MNOK and in addition the accruals for the expected call premiums.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

CURRENCY

Cash, receivables and liabilities in foreign currency are valued using exchange rate at year end.

EVENTS AFTER THE BALANCE SHEET DATE

New information on the company's positions at the balance sheet date is taken into account in the annual financial statements. Events after the balance sheet date that do not affect the company's position at the balance sheet date, but which will affect the company's position in the future, are stated if significant.

NOTE 2 REVENUE

By business area	Amounts in NOK '000	
	2009	2008
Offshore Renewables	11 779	76 089
Total	11 779	76 089
Geographical distribution		
Europe	11 779	76 089
Total	11 779	76 089

NOTE 3 EMPLOYEES, BOARD AND AUDITOR

Employee benefits expense	Amounts in NOK '000	
	2009	2008
Salaries	4 504	5 248
Social security	627	889
Pension costs	232	116
Other benefits	53	2 716
Total	5 415	8 969

The company had 6 employees at the end of 2008 and the company had 5,5 average number of man-labour years during 2009.

Management remuneration 2009	CEO	CFO
	EUR '000	EUR '000
Salary	194	269

The CEO (Haico Halbesma) and the CFO (Ruud van der Steeg) are employed and paid through a Dutch subsidiary of Oceanteam ASA.

Board	NOK '000	
	Name	Remuneration
Mr. Hessel Halbesma	Chairman	1 258
Mr. Ronald Moolenaar	Director	32
Mrs. Catharina Petronella Johanna Pos	Director	200
Mrs. Magny Øvrebø	*	189
Mr. Aksel Økland	*	189
Mr. Willem Korndorffer	*	108
Mrs. Catharina Margaretha Maria Weisenborn	*	142

* In 2009, four members of the board of directors, Willem Korndorffer, Catharina Margaretha Maria Weisenborn, Magny Øvrebø and Aksel Martin Økland were released from their position.

There are no bonus agreements, options, or pensions plans for the CEO. Annual salary is NOK 1,4 mill. He has also waived his protection in relation dismissal. For this waiver twelve month salary is offered as compensation. For the year 2009, the agreed fee for the chairman of the board is NOK 300 000 and NOK 200 000 for the other members of the board of directors . In addition, the agreed fee for the board committee is EUR 1 200 per day.

When the company was set up, some key employees were invited to join in a Dutch stichting. Through this stichting the employees purchased a total of 200 000 shares in the Company. At the same time the Company promised to finance this investment through a bonus 3 years after the purchase date. This bonus was contingent on reaching certain financial goals. The financial goals were not reached and the Stichting has been terminated in 2009.

Ronald Moolenaar, director since December 2009, has an agreement to invoice EUR 200 per hour through his personal company holdings.

Auditor	Amounts in NOK '000	
	2009	2008
Auditor's fee consists of the following:		
Statutory audit	1 365	1 536
Other assurance services	274	255
Tax advisory	135	55
Other	544	
Total	2 318	1 846

VAT is not included in the auditor's fee.

NOTE 4 FINANCE INCOME AND COSTS

	Amounts in NOK '000	
	2009	2008
Finance income		
Income investment in subsidiaries	8 731	1 733
Interest income from group companies	32 264	59 922
Other financial income (agio)	-31 700	188 045
Total finance income	9 295	251 019
Finance costs		
Write-down investment in subsidiaries		-176 269
Write-down loans to subsidiaries	-244 199	-538 682
Other interest expenses	-75 597	-59 669
Other financial expenses	-10 104	-513
Other financial cost (disagio)		-6 627
Total finance costs	-329 899	-781 760
Result financial items	-320 605	-530 741

NOTE 5 CORPORATE INCOME TAXES

	Amounts in NOK '000	
Income tax expense	2009	2008
Tax payable	-	-
Changes in deferred tax	-	-
Write-down of deferred tax asset		21 998
Deferred tax from equity transactions		-
Total income tax expense	-	21 998
Tax base calculation		
Profit before income tax	-492 356	-521 675
Permanent differences *)	-19 933	177 798
Changes in temporary differences	-	343 877
Tax base	-512 289	-
Temporary differences:		
Fixed assets	-30 243	45 362
Non-current receivables	-165 924	-366 072
Non current assets	-	
Loss carry forward	-644 438	-94 465
Tax-deductible part of write-down *)	-	-5 288
Share of profit/loss in subsidiaries		-
Other temporary differences	-89 757	-2 415
Total	-930 362	-422 878
Temporary differences not included in base for calculating deferred tax	-935 167	-422 878
Deferred tax liability (asset)	1 346	-
Effective tax rate	2009	2008
Expected income taxes at statutory tax rate 28%	-137 860	-146 069
Permanent differences (28%)	-5 581	49 783
Deferred tax from equity transactions	-	-
Change in temp. differences not recognised	143 441	118 284
Deferred tax from share of loss in subs.	-	-
Income tax expense	0	21 998
Effective tax rate in % **)	0 %	-4,2 %

Oceanteam ASA has a large potential of deferred tax asset which is not recognized on the balance sheet.

NOTE 6 INTANGIBLE ASSETS

	Amounts in NOK '000	
	Licenses	Total
Acquisition cost at 01.01.09	23 544	23 544
Purchased intangibles	-	-
Disposals	-	-
Acquisition cost 31.12.09	23 544	23 544
Accumulated amortisation at 31.12.09	-	-
Accumulated impairments 31.12.09	-23 544	-23 544
Reversed impairments 31.12.09	-	-
Net carrying value at 31.12.09	-	-
The useful economic life is estimated to be 5 years		
Amortisation for the year	-	-
Impairments for the year	-	-

The company has purchased IP licenses from Oceanteam Holding B.V., the founder of the company. Due to the strategic change in 2008/ 2009, the licenses have been written off in 2008. There have been no expenses from research and development in the parent company during 2009.

NOTE 7 TANGIBLE ASSETS

Property, plant and equipment	Amounts in NOK '000		
	Equipment	Movables, fixtures, a.o.	Total
Acquisition cost at 01.01.09	-	688	688
Additions	279 672	878	280 549
Disposals	-247 230	-	-247 230
Acquisition cost 31.12.09	32 442	1 566	34 007
Accumulated amortisation at 31.12.09	-25 773	-1 227	-27 000
Accumulated impairments 31.12.09	-6 668	-	-6 668
Reversed impairments 31.12.09	-	-	-
Net carrying value at 31.12.09	0	339	339
Depreciation for the year	-13 568	-555	-14 123
Impairments for the year	-	-	-
The useful economic life is estimated to be:	10-25 years	3-5 years	

The company uses linear depreciation for all tangible assets and all the equipment has been sold during 2009. The lay equipment was sold to North Ocean II KS which is a joint venture company of Oceanteam ASA.

During 2009 the sale of the equipment and the financial restructuring has lead to significant costs. The restructuring costs are related to advisors used to sell out all equipment and to restructure the assets. In addition there have been costs related to the financial restructuring and provisions by exiting the contracting business. The restructuring cost is estimated to be NOK 76 million.

NOTE 8 INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

		Acquired	Location	Amounts in NOK '000	
				Ownership share	Voting share
Oceanteam Shipping TPC AS		2008	Bergen	100%	100%
North Ocean 102 AS		2009	Bergen	100%	100%
Oceanteam Shipping 101 AS		2008	Bergen	100%	100%
Oceanteam Bourbon 101 AS	*	2006	Bergen	50%	50%
Oceanteam Bourbon 1 AS	*	2006	Bergen	50%	50%
Oceanteam Shipping 102 AS		2008	Bergen	100%	100%
North Ocean II KS	*	2006	Bergen	50%	100%
North Ocean II AS	*	2006	Bergen	50%	100%
Oceanteam Shipping 103 AS		2008	Bergen	100%	100%
North Ocean III AS	*	2006	Bergen	100%	100%
Oceanteam Shipping 104 AS		2008	Bergen	100%	100%
Oceanteam Bourbon 4 AS	*	2006	Bergen	50%	50%
Oceanteam Shipping 105 AS		2008	Bergen	100%	100%
North Ocean V AS	*	2006	Bergen	25%	100%
Oceanteam Power & Umbilical II BV		2007	Amsterdam	100%	100%
Oceanteam Mexico B.V	*	2008	Amsterdam	100%	100%
Oceanteam Mexico S.A de C.V	*	2008	Ciudad del Carmen	49%	90%
DEP B.V.	*	2008	Schiedam	50%	50%
Imera NV		2008	Amsterdam	100%	100%
Oceanteam Energy Holding NV		2008	Amsterdam	100%	100%
Oceanteam Shipping GmbH	*	2007	Amsterdam	100%	100%
Oceanteam Geosciences Ltd	*	2008	Norwich	100%	100%

The investments in subsidiaries are valued at cost in the company accounts

* The shares are indirectly owned by Oceanteam ASA through subsidiaries.

Investments valued at cost (company accounts)				Amounts in NOK '000	
Company name	Share capital	Number of shares	Book Value	Equity	Net profit 2009
Oceanteam Shipping TPC AS	152	152	-	-6 903	-15 321
North Ocean 102 AS	100	100	-	100	-
Oceanteam Shipping 101 AS	11 552	11 552	11 552	11 613	15
Oceanteam Bourbon 101 AS	2 900	2 900	-	94 853	85 890
Oceanteam Bourbon 1 AS	6 030	6 030	-	6 194	-89
Oceanteam Shipping 102 AS	154 096	154 096	154 096	232 165	77 202
North Ocean II KS	177 730	177 730	-	279 337	63 725
North Ocean II AS	17 863	17 863	-	8	-5
Oceanteam Shipping 103 AS	100 519	100 519	71 633	46 196	-56 712
North Ocean III KS					
North Ocean III AS	8 110	8 110	-	2 122	-5 643
Oceanteam Shipping 104 AS	10 217	10 217	10 217	11 748	-12
Oceanteam Bourbon 4 AS	114 805	114 805	45 642	114 722	-42
Oceanteam Shipping 105 AS	21 191	21 191	-	42 679	20 772
North Ocean V AS	100	100	-	37	-28
Abroad companies in EUR 1 000					
Oceanteam II BV	18		9 118	-3 002	-11 791
Imera NV	45		45	12	-32
Oceanteam Energy Holding NV	45		10 017	3 427	172
Oceanteam Geoscience Ltd	-		-	-	-

NOTE 9 INTERCOMPANY BALANCES WITH GROUP COMPANIES AND ASSOCIATES

Loans to subsidiaries	Amounts in NOK '000	
	2009	2008
OPU B.V.	-	249 744
OPU LTD	-	164 936
Oceanteam Shipping TPC AS	13 065	-11 960
Oceanteam Bourbon 1 AS	-60	-
Oceanteam Bourbon 101 AS	-748	23 762
North Ocean II AS	1 806	-83
North Ocean II KS	-8 278	68 136
North Ocean III AS	-2 614	39
North Ocean III KS	-	278 168
Oceanteam Bourbon 4 AS	15 849	7 242
North Ocean V AS	-	18 978
Oceanteam Shipping GmbH	44 198	47 818
Oceanteam Subsea Service LTD	-	45 676
East West 1 Ltd	-	39 469
Oceanteam Power & Umbilical GmbH	-	57 119
Oceanteam II BV	79 840	37 583
Oceanteam Mexico	27 649	27 192
IMERA Ltd	-	46 598
Other	2 458	11 040
Write off of receivables	-52 985	-538 000
Sum	120 180	573 458

* In 2009 there has been a write off of NOK 162,2 million due to restructuring of contracting business.

NOTE 10 LIABILITIES AND RECEIVABLES

Receivables/ liabilities due in more than one year	Amounts in NOK 1 000	
	2009	2008
Loans to group companies	120 180	575 458
Long term liabilities due in more than one years	2009	2008
Bond Loan - nominal value	400 000	800 000
Bond Loan - expected call premium accrued	7 350	-
Other long term liabilities	-	81 199
Liabilities to group companies	176 378	-
Total	583 728	881 199

The Bond Loan has financial covenants which limit ability to incur new indebtedness, no dividend can be paid and booked equity and market adjusted equity ratio must be minimum 25% respectively 35%.

In July 2009 a restructuring of the Bond Loan and other unsecured loans was implemented, converting 52.5% of the outstanding loan amounts and interest into 87.5% of the Company equity. 106.1 million shares were issued in the debt restructuring against a conversion rate of NOK 4.85 per share. In September 2009 Oceanteam further improved its equity base by a rights issue placement of 29.5 million shares against a price of NOK 1.85 per share. Almost the full amount of the rights issue has been taken up by the providers of shareholder loans who made use of the possibility to convert their shareholder loan positions into equity.

In addition to the mention writedown of the nominal value of the Bond loan, the following amendments to the terms of the loan were made:

- * Maturity date to be stretched to 18 June 2014
- * The interest margin (to NIBOR) to be increased by 100 bsp per year from December 2010
- * Nominal value to be increased to NOK 440 million if not repaid within 18 June 2012
- * Nominal value to be increased to NOK 484 million if not repaid within 18 June 2013
- * The Bond Loan is callable with the following call prices
 - > NOK 423,035,043 through 18 June 2011
 - > NOK 457,587,608 through 18 June 2012
 - > NOK 497,587,608 through 18 June 2013
 - > NOK 541,035,043 through 18 June 2014

SECURED DEBTS:

In the 2009 accounts provisions were included for a total amount of provisions of EUR 10.1 million (NOK 84 million). These provisions include Oceanteam's obligations as per the settlement reached early 2010 with BouwCombinatie Egmond VOF dating back from 2006, as well as the agreement with CICS Marine on the termination of the time charter on the CSV North Ocean 102.

Oceanteam ASA's shares in KCI BV owned indirect through Oceanteam Energy Holding NV and cable lay barge Oceanteam Installer are pledged until May 2010.

NOTE 11 BANK DEPOSITS

Tax deducted from employees, deposited in a separate bank account NOK 395 000.

NOTE 12 SHARE CAPITAL AND SHAREHOLDER INFORMATION

SHARE CAPITAL:

At 31.12.2009, Oceanteam ASA has a share capital of NOK 7,539,420, distributed on 150,788,393 A shares. There are also two kind of warrants issued: I of 148,986,069 and II of 295,996,677.

SHAREHOLDER OVERVIEW:

The major shareholders in Oceanteam ASA as well as shares held by executive employees and board members including shares owned by affiliated individuals and companies were at 31 December as provided below:

Shareholders		Number of shares	Equity interest
OCEANTEAM HOLDING B.V.	1	34 732 562	23,0 %
SIX SIS AG	1,2	12 615 392	8,4 %
KALFARET AS		7 157 102	4,7 %
NORTH SEA SHIPPING HOLDING A/S		6 590 433	4,4 %
STOREBRAND LIVSFORSIKRING AS		5 720 100	3,8 %
MP PENSJON		4 973 529	3,3 %
EUROCLEAR BANK S.A./N.V. ('BA')		4 652 234	3,1 %
ABN AMRO BANK N.V. LONDON BRANCH		4 479 439	3,0 %
VARNER-GRUPPEN AS		3 502 102	2,3 %
SPAREBANKEN ØST		3 502 102	2,3 %
TOLLEFSEN, IVAR ERIK		3 274 383	2,2 %
TOHA INVEST BV	1	3 101 921	2,1 %
BANQUE DE LUXEMBURG S.A		2 918 419	1,9 %
BOREA NOTERTE I AS		2 472 244	1,6 %
BOREA NOTERTE III AS		2 472 244	1,6 %
SONGA TRADING AS		2 393 103	1,6 %
RBC DEXIA INVESTOR SERVICES BANK		1 300 000	0,9 %
ODIN OFFSHORE		1 033 900	0,7 %
BOREA NOTERTE II AS		975 946	0,6 %
CREDIT SUISSE SECURITIES		817 157	0,5 %
Subtotal 20 largest		108 684 312	72,1 %
Others		42 104 066	27,9 %
Total		150 788 378	100,0 %
Board:			
Hessel Halbesma	1	42 196 261	28,0 %
Ronald P. Moolenaar	2	7 829 097	5,2 %
Total		50 025 358	33,2 %
Management			
Haico Halbesma, CEO	1	42 240 128	28,01%
Total of shares owned by executive employees		42 240 128	

- Oceanteam Holding B.V. and Toha Invest B.V. and Norha Invest AS are controlled by the Halbesma family. Haico Halbesma is currently CEO and Hessel Halbesma is Chairman of Oceanteam ASA. Haico Halbesma also owns 43 867 shares privately.
- Ronald Moolenaar is a director in the board of Oceanteam ASA

For more information, please refer to related party transaction in note 19.

NOTE 13 EQUITY

	Amounts in NOK '000			
	Share capital	Premium fund	Accumulated profit	Sum
Equity 31.12.08	152 279	426 223	-519 332	59 170
Write down off shares	-151 518		151 518	0
Capital Increase	6 778	550 000		556 778
Equity transaction expenses		-13 000		-13 000
Reducing funds to cover earlier losses		-860 170	860 170	
Reclassifying funds				
Net profit for the year			-492 356	-492 356
Equity 31.12.09	7 539	103 053	-0	110 592

Diluted shares - warrants I or warrants II	Number of shares	Number of days in Q4	Weighted average '000:
Share capital before restructuring:	15 227 891	92	15 228
EGM 14. July - restructuring part I:	106 109 886	92	106 110
Rights issue 24 September 2009	29 450 616	92	29 451
Total number of shares per 30th September:	150 788 393		150 788

Warrants I - when bond loan and shareholder loans repaid before 19th June 2014:	Number of warrants I		Weighted average '000:
Warrants I - Providers MNOK 90 bridge loan	60 634 221	92	60 634
Warrants I - Participants Rights Issue	88 351 848	92	88 352
Total number of warrants II per 30th September	148 986 069		148 986

Warrants II - when bond loan and shareholder loans are not repaid before 19th June 2014:	Number of warrants II		
Warrants II - bond holders	260 512 504	92	260 513
Warrants II - Providers share holders loans	35 484 173	92	35 484
Total number of warrants II per 30th September	295 996 677		295 997

NOTE 14 PENSIONS

The company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The company's pension scheme meets the requirements of that law.

The company's pension scheme is a defined contribution plan funded through an insurance company.

NOTE 15 MATERIAL TRANSACTIONS

Oceanteams has changed its strategy in 2009 and has decided to reduce its contracting activities and restructured the company. Due to the change in strategy an impairment tests, there have been material write offs on the contracting activities. The exit of the contracting business has lead to a provision for EUR 10 million (NOK 89 million) per 31.12.2009.

In July 2009 a restructuring of the bond loan and other unsecured loans was implemented resulting in a decrease in debts and increase in equity. The balance sheet restructuring was completed 30th September 2009.

NOTE 16 EVENTS AFTER THE BALANCE SHEET DATE

Oceanteam ASA called it's option to increase its interests in KCI BV from 50% to 70% in Q2 2010. The joint venture company will be reclassified as a subsidiary per Q2 2010.

Oceanteam ASA has purchased 7,5% of the nominal bond loan of NOK 400 million.

Oceanteam has reached settlement with BCE and CICSA and has still outstanding legal cases from the contracting business activities. A general provision of 2 MEUR is made for these disputes.

NOTE 17 MARKET RISK

Oceanteam ASA has the exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk)

The receivable for Oceanteam ASA is one client which is ABB and the charter party of the joint venture company North Ocean II KS. Other group receivables will be depending on performance of the actual operations in the subsidiary, joint venture or associate.

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The market risk is currency risk reflected on the intercompany loans since these loans are in EURO. The intercompany loans has a fixed interest of 7 prc. The bond loan has quarterly roll over on the interest which is NIBOR plus a margin. By December 2010 the margin will increase with 100 bp, ref the restructured bond loan in note 10.

NOTE 18 PARENT COMPANY GUARANTEES

Oceanteam ASA has one outstanding Parent Company Guarantee connected to the discontinued operations.

Oceanteam ASA has also issued Parent Company Guarantees in connection with the vessel loans. The market values of the vessels are higher than the loan balances and it is deemed to be low risk of these guarantees becoming effective.

Oceanteam ASA has also issued Parent Company Guarantees under the Spanish Tax Lease agreements through which the North Ocean 100 series vessels are ordered. Internal controls are established and it is deemed to be very low risk that these guarantees will be called on.





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To the Annual Shareholders' Meeting of Oceanteam ASA

AUDITOR'S REPORT FOR 2009

Respective Responsibilities of Directors and Auditors

We have audited the annual financial statements of Oceanteam ASA as of 31 December 2009, showing a loss of TNOK 492 356 for the parent company and a total comprehensive income of TEUR -74 549 for the group. We have also audited the information in the Board of Directors' report concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss. The annual financial statements comprise the parent company's financial statements and the group accounts. The parent company's financial statements comprise the balance sheet, the statements of income and cash flows, and the accompanying notes. The group accounts comprise the consolidated balance sheet, the consolidated income statement and the statement of comprehensive income, the consolidated cash flow statement, the statement of changes in equity and the accompanying notes. The rules of the Norwegian accounting act and good accounting practice in Norway have been applied to prepare the parent company's financial statement. The rules of the Norwegian accounting act and International Financial Reporting Standards as adopted by the EU have been applied to prepare the group accounts. These financial statements and the Board of Directors' report are the responsibility of the company's Board of Directors and Managing Director. Our responsibility is to express an opinion on these financial statements and on the other information according to the requirements of the Norwegian Act on Auditing and Auditors.

Basis of Opinion

We conducted our audit in accordance with the Norwegian Act on Auditing and Auditors and good auditing practice in Norway, including standards on auditing adopted by Den norske Revisorforening. These auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and good auditing practice an audit also comprises a review of the management of the company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion,

- the parent company's financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of the parent company as of 31 December 2009, the results of its operations and its cash flows for the year then ended, in accordance with the rules of the Norwegian accounting act and good accounting practice in Norway
- the group accounts are prepared in accordance with the law and regulations and give a true and fair view of the financial position of the group as of 31 December 2009, the total comprehensive income, its cash flows and the changes in equity for the year then ended, in accordance with the rules of the Norwegian accounting act and International Financial Reporting Standards as adopted by the EU
- the company's management has fulfilled its duty to produce a proper and clearly set out registration and documentation of accounting information
- the information in the Board of Directors' report concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss is consistent with the financial statements and comply with the law and regulations

Emphasis of Matter – the going concern assumption

Without qualifying our opinion, we emphasize that there are significant uncertainties related to the company's ability to continue as a going concern. We refer to additional information in the financial statements and the Board of Director's report.

Bergen, 30 April 2010

KPMG AS

Knut Olav Karlsen

State Authorised Public Accountant

Offices in:

Oslo	Grimstad	Sandefjord
Bode	Haugesund	Sandnessjøen
Alta	Kristiansund	Stavanger
Arendal	Larvik	Stord
Bergen	Mo i Rana	Tromsø
Elverum	Molde	Trondheim
Finnsnes	Narvik	Tønsberg
Hamar	Røros	Ålesund

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Statsautorisert revisorer - medlemmer av Den norske Revisorforening

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OCEANTEAM ASSETS

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VESSELS



CSV BOURBON OCEANTEAM 101

Upon delivery in December 2007, this DP2 Construction Support Vessel has been operating as a field support vessel with BP Angola for the company's Greater Plutonium Field development (in Block 18). The first of the standard design NorthOcean 100 series, the vessel is jointly owned by Oceanteam and Bourbon Offshore Norway. The ship is 125 meters at length with a 27 meters. Its excellent seafaring capabilities, two 100tonnes heave compensated cranes, moon pool, 2000m2 free deck area and 120 accommodation enables CSV Bourbon Oceanteam 101 to be utilised for field support, construction, installation and IRM support.

General Description

Type:	DP2 Construction Support/ Flexible Product installation vessel
Classification:	DNV+1A1 HELIDEK DYNPOS AUTR EODK (+) NAUT-OSV CLEAN, CONF-(V3)
Flag:	Malta
Year Of Build:	2007
Builder:	Metalships, Vigo, Spain
Design:	Sawicon
Length over all:	125 m
Beam:	27 m



CSV NORTH OCEAN 102

This DP2 Construction Support Vessel was delivered in Q4 2008. The vessel has been working for ABB High Voltage AB since its delivery and been mobilised with a 7000 tonnes, 2 x 120 tonnes tensioners flexible product installation spread and will execute work for ABB power cable installation projects. CSV North Ocean 102 is equipped with two 100 ton heave compensated cranes. The second of the standard design North Ocean 100 series has been converted in one of the largest flexible product installation vessel in the world suitable for both subsea power cables and pipelines. The ship is 137 meter in length and has a 27 meter beam and can accommodate up to 199. The vessel is jointly owned by Oceanteam and J. Ray McDermott. Upon completion ABB charter the vessel will commence a long terms charter with J. Ray McDermott and will be utilised world wide.

General Description

Type:	DP2 Construction Support/ Flexible Product installation vessel
Classification:	DNV +1A1 HELIDEK DYNPOS AUTR EO DK(+) NAUT-OSV, CLEAN, COMF-(V3)
Flag:	Malta
Year Of Build:	2008
Builder:	Metalships, Vigo, Spain
Design:	Sawicon
Length over all:	137m
Beam:	27 m

VESSELS

**CSV BOURBON OCEANTEAM 104**

Anticipated for delivery in Q2 2010, this DP2 Construction Support / Flexible Product Installation vessel combines a moon pool, two large cranes (1 x 250tonnes and 1 x 100 tonnes, heave compensated), 2500m2 deck space, 120 accommodation and excellent seafaring capabilities, enabling her to be utilised for field support, construction, installation and IRM.

General Description

Type:	DP2 Construction Support/ Flexible Product installation vessel
Classification:	DNV+1A1 HELIDEK DYNPOS AUTR EO DK (+) NAUT-OSV CLEAN, CONF-(V3)
Flag:	Malta
Year of build:	2010
Builder:	Metalships, Vigo, Spain
Design:	Sawicon
Length over all:	137m
Beam:	27 m

**FSV MANTARRAYA / FSV TIBURON**

Both Fast Support Vessel of the new Axe Bow design have been operating in the Gulf of Mexico since its delivery in 2007. The vessels design combines capability, speed, running economics and comfort in such a way that both clients, passengers and crew have been satisfied with its performance since its introduction. The vessels are 34 meters long and 7 meter beam and have a cruising speed of 25 knots.

EQUIPMENT



OCEANTEAM INSTALLER

The CLB Oceanteam Installer is a flat bottom barge; built for shallow water operations, she is capable of being grounded in the course of her work. Measuring 65m long x 22m wide, she is equipped – as standard – with a crane, two spud poles, two trusters, a four point mooring system and a pull winch. For cable installation, different kinds of cable tanks, coils, and cable highways are available, as are a range of burial tools. The Oceanteam Installer is able to accommodate 32 persons.

General Description

Year built:	1982
Conversion:	2006
Port of Registry:	Wiesmoor/Germany
Class:	GL 100 A5 M Pontoon
Length over all:	65 m
Beam:	22 m
Max draft:	3 m
Deck space:	900 m ²
Deck Strength:	10 T /m ²



OCEANJET 900

The Oceanjet 900 system comprises the trenching ROV, a self-contained control cabin, transformer cabin, umbilical winch, and a LARS (Launch and Recovery System). The versatile design allows the complete system to be road transportable and easily mobilised/ demobilised on suitable vessels.

Performance

Thrusters, fwd/aft/lateral:	1500 kg thrust each
Vertical:	1500 kg thrust each
Jetting system:	Variable 250-690m ³ /h, 6-13 bar
Adjustable trench depth:	0.5 m – 2.0 m
Maximum:	kPa 70 kPa

Weights and Dimensions

Vehicle dimensions:	5000 x 4190 x 2970 mm
Vehicle weight in air:	13000 kg
A' Frame Transportation Dimensions:	12000 x 2986 x 3500 mm
A' Frame Operational Dimensions:	12000 x 2986 x 8640 mm
A' Frame weight:	35 tonnes
A' Frame incl. winch etc:	42 tonnes
Operational SWL:	20 tonnes

EQUIPMENT



OCEANPLOUGH 01

This Heavy Duty Flexible Plough is designed to trench large diameter flexible products in a wide range of soils. Used for post or simultaneous lay and burial, it is able to continuously vary its trench depth - up to 3m - through a combination of an articulated chassis and skid control. The high bollard pull of the plough enables it to trench through stiff and firm clays. In sand, the performance of the plough can be enhanced - in terms of speed and depth - through a subsea jetting facility, which injects water through the share's leading edge and tip.

General Description

Plough (on deck)	
Dimensions (LxBxH):	15 m x 6.5 m x 7m
Weight in air:	45 tonnes
Control Cabin	
Dimensions:	6 m x 2.54 m x 2.74 m
Weight:	12 tonnes
Umbilical Winch	
Dimensions:	3.5 m x 2.7 m x 3.1 m
Weight in air:	20 tonnes
HPU	
Dimensions:	1.9 m x 2.4 m x 2.6 m
Weight in air:	5 tonnes



OCEANTRENCHER 01

The Oceantrencher 01 is capable of progressively trenching up to 3.3m trench depths. It is suitable for soils ranging from silt and sand through to clay and soft and medium rock.

Principal data

Capability:	Cables, Umbilicals, Flexibles to 250 - 300mm OD.
Max bend radius:	3.3m.
Soils:	Silts/sands through clays to soft to hard rock.
Trench Depths:	Max 3.3m
Dimensions:	Carriage: 6.5m (L) x 5.5m (W) x 3.3m (H).
Weights:	24 to 42 T (Air); 22 to 37 T (Submerged)
Tractive Effort:	Up to 8 tonnes depending upon seabed conditions.
Ground Pressure:	Between 13 to 20 kpa depending upon tool used.
Total Power:	1360 kW, 3300V
Speed range:	Travelling: generally between 0 to 3 km/hr
Trenching:	generally between 1 to 20 m/min (60 to 1,200m/hr) and depending upon the soils, trench depth and tool used

EQUIPMENT



VERTICAL INJECTOR

Combining a plough and a jetting tool, the Vertical Injector is the ideal solution for the safe burial of cables – up to 10 metres – and may be operated in water depths from 0 to 50 metres. In practice, the cable is fed in to the injector from the top, above the surface, protecting the cable from the deck before it is laid in the bottom of the trench (meaning it is never exposed to hazards). Due to the shape of the Vertical Injector, the trench itself is backfilled immediately.

Lead dimension

**Jetting head:
(overburden
removal)**

5 m

Trench depth: 10 m

Operating depth: Max. 50 m in 5 m steps

Cable diameter: Max 190 mm

Water supply: 3600 m³/h

Water pressure: 16 bar

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