



Q2

Unaudited First half year and 2nd Quarter results 2015

“Activity level on new build projects remains high”

Headlines

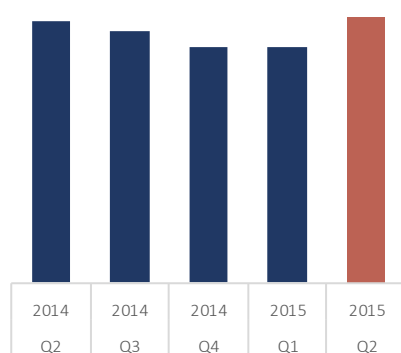


This Quarter

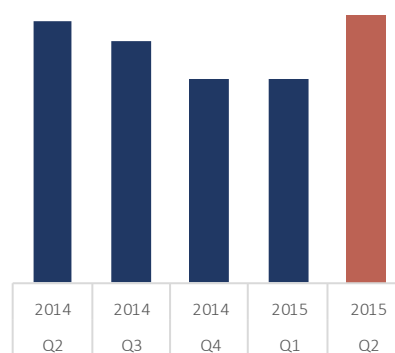
Operating Revenue 632 mNOK
EBITDA 82 mNOK

Cash Flow from Operations 5 mNOK
Order Intake* 106 mNOK
TRIF 2,3
Employees** 1 587

REVENUE



EBITDA



* includes frame agreements and exercise of options

** Employees end of quarter



Group Overview

Highlights for Beerenberg (Beerenberg Holdco II AS consolidated) in the 2nd quarter 2015 was

- Revenue of MNOK 632, in line with Q2 2014 due to increase in activity on newbuild projects.
- EBITDA MNOK 82 up MNOK 2 from Q2 2014.
- EBITDA margin was 13 % compared to 12,9 % q-o-q

Income Statement

The activity level in 2nd quarter 2015 was in line with last year. The reduced activity level on maintenance and modification was offset by increased activity on new build projects.

The EBITDA was MNOK 82, up MNOK 2 from 2nd quarter last year mainly due to product mix.

The earnings before tax (EBT) was MNOK 43, up from a loss of MNOK 6 last year. In 2nd quarter 2014 Beerenberg refinanced its business and cost related to the previous loans were expensed.

Balance Sheet

Total assets was MNOK 1 966 at the end of 2nd quarter with an equity ratio of 19,5%.

Changes in total assets are driven by higher working capital requirements on new build projects. The build up of working capital over the last 3 quarters is expected to stabilize at the current level. Beerenberg has not utilized its drawing facilities at the end of 2nd quarter. The overall trend towards tougher business climate is expected to require more working capital.

Net interest bearing debt was MNOK 983 compared to MNOK 1024 in 2nd quarter 2014. Most of Beerenberg debt is long term as a result of the issuing of a senior secured bond in 2nd quarter 2014.

Cash Flow

Cash flow from operations was MNOK 5 for the 2nd quarter of 2015. Further increase in working capital is the main reason.

Net investments were MNOK 4 of which the majority relates to equipment.

Order Backlog & Market

The market outlook for Beerenberg remains mixed. The drop in oil-price has re-enforced a number of cut backs related to maintenance and modification contracts which has impacted the activity level. In the 2nd quarter a major customer initiated a rebid process. The outcome of this process is likely to be known 2nd half of 2015.

The activity on new build projects are increasing with high tender activity so far in 2015. A number of the tenders is expected to be decided in the 2nd half of 2015.

Total order intake of MNOK 106 in 2nd quarter 2015 (including uncommitted options and frame agreements)

Total order backlog of MNOK 6,6 includes uncommitted options and frame agreement. The estimated backlog is company's best estimate based on historical utilization and has been adjusted for the lower activity level on offshore work.

HSEQ

At the end of Q2 2015 Beerenberg had 1587 employees, a slight reduction from last quarter.

During the 2nd quarter 2015 Beerenberg recorded 1 incident compared to 6 same period last year.

Total recordable incident frequency (TRIF) was 2,3 measured on last twelve months basis (LTM). 2nd quarter 2015 ended at 1,7 YTD compared to 7,5 YTD at the end of 2nd quarter 2014.

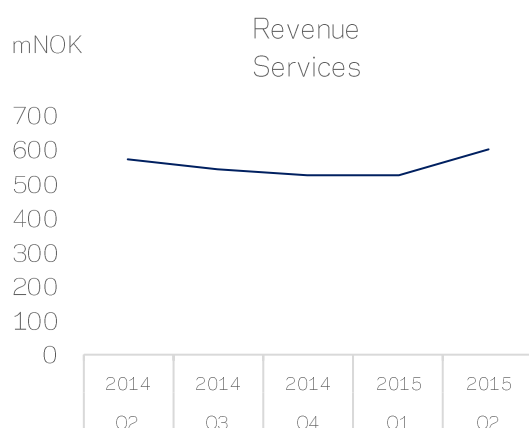
"Focus on cost efficiency"

Business Segments

From December 2014 Beerenberg has changed its organization to optimize and focus its business. As a consequence it has merged the former Cold Work Concepts and Maintenance and modification division into one segment, Services. The Benarx division consists of advanced insulation topside and subsea.

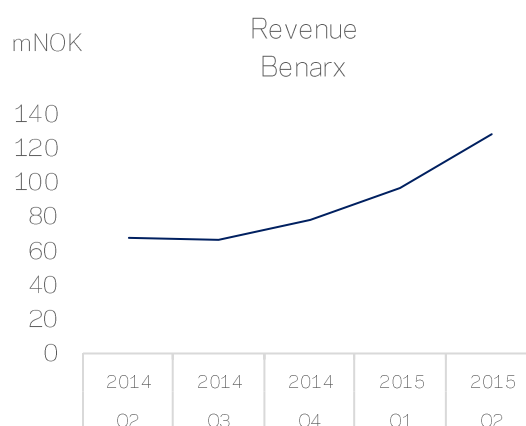
Services

The Services segment reports an increased revenue q-o-q from MNOK 573 to MNOK 603 for the 2nd quarter 2015. The increase in revenue relates to new build projects partially offset by reduction in activity in maintenance and modification. EBITDA was MNOK 58, down from MNOK 75 in 2nd quarter 2014. The reduction in margin relate to product mix and lower margin on maintenance and modification work.



Benarx

The Benarx division (Prefabricated insulation topside and subsea) continues to grow. Revenue was MNOK 129, a q-o-q growth of 90 %. EBITDA and EBITDA margin in the quarter was MNOK 24 (18,8 %) compared to MNOK 5 (7,5 %) in 2nd quarter 2014.



Declarations by the Board of Directors

The Board confirms that to the best of our knowledge, the condensed set of financial statement for the period 1st January 2015 to 30th of June 2015, has been prepared in accordance with all applicable accounting standards, and gives a true and fair view of the group's assets, liabilities, financial position and result for the period. The Board also confirms that the interim first half year report includes, to the best of our knowledge, a fair review of any significant events that arose during the six-month period and their effect on the half-yearly financial report, and a description of the principal risks and uncertainties facing the Beerenberg Holdco II AS group.

Bergen 27. August 2015
The Beerenberg Holdco II AS Board of Directors and CEO



Ketil Lenning
Chairman



Lars Marcusson
Director



Sebastian Ehrnrooth
Director



Marcus Planting-Bergloo
Director



Svein Eggen
Director



Morten Walde
CEO



FIGURES & NOTES

Figures for Beerenberg Holdco II

Condensed Consolidated Income Statement

Group Summary		Q2	Q2	YTD	YTD	FY
Amounts in NOK million	Note	2015	2014	2015	2014	2014
Operating revenues and other income	6	631,9	626,1	1 192,3	1 143,9	2 306,3
Operating Expenses		549,7	545,6	1 047,7	1 000,1	2 026,0
EBITDA	7	82,3	80,5	144,6	143,8	280,4
Depreciation		10,9	7,6	18,7	15,0	31,1
EBITA		71,4	72,9	125,9	128,8	249,3
Amortisation		9,1	10,2	19,3	20,5	41,0
Operating profit (EBIT)		62,3	62,7	106,6	108,3	208,3
Financial expenses	4	19,7	68,3	37,2	93,3	149,3
Profit before tax (EBT)		42,6	-5,6	69,4	15,0	59,0
Estimated tax		11,5	-1,5	18,7	4,1	18,0
Net profit		31,1	-4,1	50,6	11,0	41,0
Profit for the period is attributable to:						
Shareholders of the parent company		31,1	-4,1	50,6	11,0	41,0
Basic earnings per share (NOK)		0,12	-0,02	0,19	0,04	0,15
<i>EBITDA margin</i>		13,0 %	12,9 %	12,1 %	12,6 %	12,2 %
<i>EBITA margin</i>		11,3 %	11,6 %	10,6 %	11,3 %	10,8 %

Condensed Consolidated Statement of Comprehensive Income

		Q2	Q2	YTD	YTD	FY
Amounts in NOK million	Note	2015	2014	2015	2014	2014
Net profit for the period		31,1	-4,1	50,6	11,0	41,0
Other comprehensive income:						
Conversion differences		0,0	-0,4	0,0	-0,2	-0,4
Reclassification related to prior periods		0,0	-1,5	0,0	-1,5	0,0
Change in value of derivatives		2,0	3,7	3,2	0,5	3,4
Total comprehensive income		33,1	-2,2	53,9	9,8	44,0

Condensed Consolidated Balance Sheet

Group Summary				
		Q2	Q2	FY
Amounts in NOK million	Note	30.06.2015	30.06.2014	31.12.2014
Goodwill		883,9	890,1	883,9
Intangible assets		167,8	204,6	187,2
Buildings and other property		13,6	20,4	15,2
Machinery and equipment		173,5	169,5	184,0
Tools, Office machinery and similar assets		9,0	2,4	4,3
Financial Fixed Assets		0,1	0,0	0,0
Total non-current assets		1 247,8	1 287,1	1 274,5
Inventories		52,6	51,6	38,8
Trade Debtors		415,4	225,6	215,0
Earned Not Invoiced Revenue (WIP)		172,3	233,7	238,7
Other Short Term Receivables		27,8	45,0	22,6
Prepayments		2,4	8,1	1,1
Bank Deposit		47,4	64,8	90,6
Total Current Assets		718,0	628,9	606,9
TOTAL ASSETS		1 965,9	1 916,0	1 881,4
Share Capital		26,7	26,7	26,7
Share premium		240,3	240,3	240,3
Retained Earnings		66,5	22,3	22,2
Current year result after est. Tax		50,6	11,0	41,0
Total equity		384,1	300,3	330,2
Deferred tax		60,3	67,0	40,3
Pension Liability		7,5	6,2	7,9
Warranty		5,0	3,6	4,0
Financial Lease loan		3,2	12,1	5,7
Bond	4	1 027,0	1 076,3	1 024,0
Derivatives		24,1	14,0	33,0
Total non-current liabilities		1 127,0	1 179,2	1 115,0
Current Liabilities				
Overdraft & S/T debt		0,4	0,6	0,4
Trade Creditors		142,9	135,2	137,4
Current Tax Payable		25,5	4,9	38,5
Social Security, VAT and other taxes		91,6	71,7	79,6
Accruals		147,9	172,2	66,1
Deferred Revenue		0,0	0,0	10,5
Other Current Liabilities		46,4	52,1	103,6
Total Current Liabilities		454,7	436,6	436,2
TOTAL EQUITY & LIABILITY		1 965,9	1 916,0	1 881,4

Condensed Consolidated statement of change in equity

	Share capital	Share premium	Conversion reserve	Hedging reserve	Retained earnings	Total
01. January 2015	26,7	240,3	0,0	-1,6	64,8	330,2
Profit for the year					50,6	50,6
Other Comprehensive Income				3,2		3,2
Equity as per 30.06.2015	26,7	240,3	0,0	1,7	115,4	384,1

	Share capital	Share premium	Conversion reserve	Hedging reserve	Retained earnings	Total
01. January 2014	26,7	240,3	-1,2	-0,7	25,5	290,6
Profit for the year					11,0	11,0
Other Comprehensive Income			-0,2	0,5		0,3
Correction of classification			-0,2	0,2	-1,5	-1,5
Transactions with shareholders					-0,1	-0,1
Equity as per 30.06.2014	26,7	240,3	-1,6	0,0	34,8	300,3

Condensed Consolidated Statement of Cash Flow

	Note	Q2 2015	Q2 2014	YTD 2015	YTD 2014	FY 2014
EBITDA		82,3	80,5	144,6	143,8	280,4
Taxes paid		-6,5	0,0	-13,0	-8,6	-13,5
Change in net working capital		-68,9	-20,5	-122,8	-58,1	-44,1
Changes to other time restricted items		-1,4	0,8	-3,9	-1,2	-1,2
Net Cash flow from operating activities		5,4	60,8	4,9	75,9	221,6
Capex		-3,6	-25,5	-11,3	-38,5	-68,7
Net cash flow from investing activities		-3,6	-25,5	-11,3	-38,5	-68,7
Repayment of interest bearing debt	4	-1,3	-1 080,2	-2,6	-1 093,6	-1 150,8
Purchase of shares		0,0	0,0	0,0	0,0	6,2
Net incoming payment from Bond		0,0	1 078,5	0,0	1 078,5	1 078,5
Interest paid		-18,2	-15,3	-34,2	-29,4	-68,1
Net cash flow from financing activities		-19,5	-17,0	-36,8	-44,5	-134,2
Total cash flow		-17,7	18,3	-43,2	-7,1	18,7
Opening balance net bank deposits		65,1	46,5	90,6	71,9	71,9
Closing balance net bank deposits		47,4	64,8	47,4	64,8	90,6

Notes

Note 1 - General

Beerenberg Holdco II AS is a company domiciled in Norway. The consolidated financial statements of Beerenberg Holdco II comprise the company and its subsidiaries, together referred to as the Group. The Beerenberg Holdco II Group was established 01. March 2013, as a result of the Beerenberg Holdco II AS acquisition of all shares in Beerenberg Holding AS.

Beerenberg is delivering products and services to its customer in complex environments implying substantial operational risk with regards to quality, cost, time and not at least to injuries and accidents (HSE). Beerenberg works systematically to mitigate and manage risk on all levels. The annual report for 2014 provides further information on risks and uncertainties applicable to Beerenberg.

Beerenberg Holdco II AS is wholly owned by Beerenberg Holdco I AS which is wholly owned by Beerenberg Invest AS. Shareholders in Beerenberg Invest are specified in table below.

Shareholders Beerenberg Invest	A-Shares	%	B-Shares	%	Total Shares	%
Segulah IV L.P.	804 972	80,5 %	217 052 883	81,6 %	217 857 855	81,6 %
AlpInvest Partners 2012 I B.V.	92 121	9,2 %	24 931 110	9,4 %	25 023 231	9,4 %
AlpInvest Partners 2012 II B.V.	23 319	2,3 %	6 310 883	2,4 %	6 334 202	2,4 %
Management	79 588	8,0 %	17 705 124	6,7 %	17 784 712	6,7 %
Total	1 000 000	100,0 %	266 000 000	100,0 %	267 000 000	100,0 %

Note 2 - Basis for preparation

The interim financial statements for the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union and their interpretations adopted by the International Accounting Standards Board (IASB).

The interim report does not include all the information required for full annual consolidated financial statements, and should be read in conjunction with the financial statements of the Group for 2014. The accounting policies applied in the interim financial statements is the same as those described in the annual report for 2014. The condensed consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are unaudited.

The Annual Report for 2014 is available at www.Beerenberg.com

Note 3 - Judgments, estimates and assumptions

In applying the accounting policies, management makes judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The 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. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these interim financial statement, the significant judgments made by management in applying the Group's accounting policies and the key sources of uncertainty in the estimates were consistent with those applied to the consolidated financial statements as at and for the period ended 31. December 2014.

Note 4 – Bond and covenants

A bond of MNOK 1100 was issued in Q2 2014. In the same quarter long term loans to financial institutions and long term loan from the parent company Beerenberg Holdco I AS was fully repaid. In Q4 2014 the Group repurchased own Bonds with face value totaling MNOK 55.

The Bond implies covenants related to Incurrence testing, and quarterly Net Total Leverage ratio test (below 9.0). The Group is in compliance with covenants as of 30.06.2015.

Note 5 – Related party transactions

No related party transactions were conducted in Q2 2015.

Note 6 – Revenue by Segment

From December 2014 Beerenberg changed its organization to optimize and focus its business. The former Cold Work Concepts and Maintenance and modification division was merged into one segment, Services. Segment figures for Services for Q2 2014 and YTD 2014 are for the two previous segments Cold Work Concepts and Maintenance & Modifications combined. The Benarx business segment, which consists of advanced insulation topside and subsea, remains unchanged.

	Q2	Q2	YTD	YTD	FY
Amounts in NOK million	2015	2014	2015	2014	2014
Services	603,0	573,2	1 126,8	1 053,1	2 167,0
Benarx	129,0	67,8	225,3	119,8	308,4
Eliminations	-100,0	-15,0	-159,8	-29,0	-169,1
Total	631,9	626,1	1 192,3	1 143,9	2 306,3

Note 7 – EBITDA by Segment

	Q2	Q2	YTD	YTD	FY
Amounts in NOK million	2015	2014	2015	2014	2014
Services	58,1	75,3	102,5	135,1	240,7
Benarx	24,2	5,1	42,1	8,6	41,7
Other	0,0	0,0	0,0	0,2	-2,1
Total	82,3	80,5	144,6	143,8	280,4

Note 8 – Subsequent events

No events have occurred after the reporting date that are of significant impact when considering the financial position or result in the Group as of 30.06.2015.