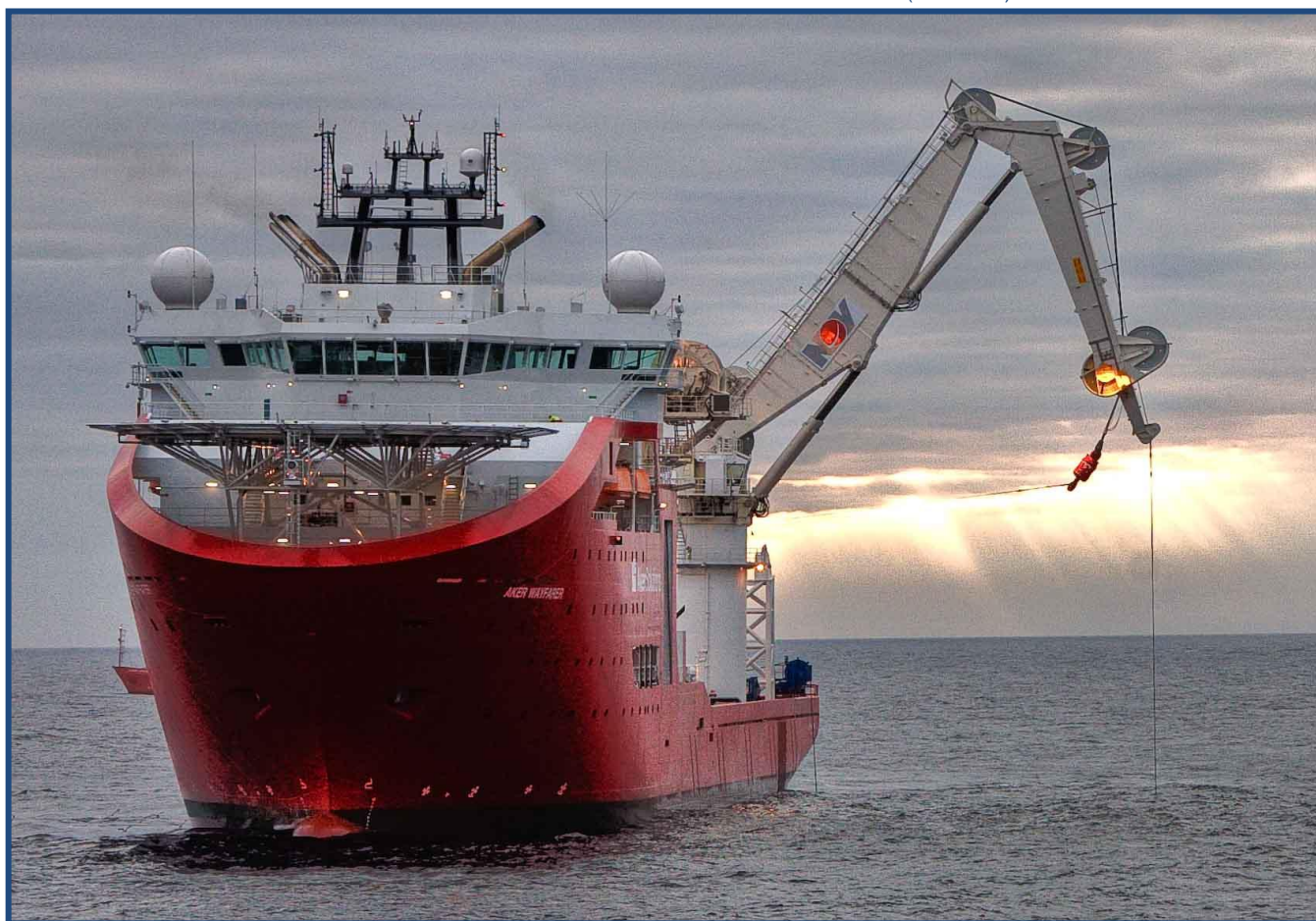




Ocean Yield AS
Second Quarter 2012
Report
(unaudited)



Second Quarter 2012 Report

Oslo, August 29th, 2012. Ocean Yield AS (“Ocean Yield” or the “Company”) announces preliminary results for the second quarter ending June 30th, 2012.

Financial Results

- Consolidated Revenues were USD 45.8 million for the second quarter 2012, and USD 91.1 million on a pro-forma basis for the first half 2012.
- Consolidated EBITDA was USD 38.8 million for the second quarter 2012, and USD 74.0 million on a pro-forma basis for the first half 2012.
- Consolidated Profit after tax was USD 11.7 million and USD 21.2 million on a pro-forma basis for the first half 2012.
- Total Assets were USD 1,160.1 million as of 30.06.2012 and Book Equity was USD 500.0 million. Total interest bearing debt was USD 551.1 million, including short-term portion of long-term debt.
- As of 30.06. 2012, the company had cash & cash equivalents of USD 78.4 million

Main events during the second quarter

- The FPSO *Dhirubhai -1*, which is on a long-term charter to Reliance Industries Ltd., operated according to plan. The commercial uptime was 99.8 %. Hence a maximum bonus payment of 5% was achieved during the quarter.
- In April 2012, the hull *Smart 2* was sold for USD 11.2 million. In connection with the sale, Aker Floating Production took an impairment charge of USD 3.3 million on equipment & spares related to the *Smart 2*.
- Our other vessels, the *Aker Wayfarer* and the *Geco Triton* received charter hire as per their respective bareboat agreements.
- Ocean Yield owns 93% of the senior unsecured bonds (AMSC 07/18 FRN C) issued by American Shipping Company. In July 2012, AMSC announced an agreement with its bank syndicate to extend its ten vessel loans to a common maturity date of June 30th, 2016. In connection with the closing of the bank agreement, Overseas Shipholding Group (OSG) confirmed the extension of AMSC's ten bareboat charters to a common expiration date in December 2019.
- In July 2012, Ocean Yield issued NOK 600 million in senior unsecured bonds. The company subscribed for NOK 100 million of the total volume issued. The bonds have a coupon of 3M NIBOR + 6.50% p.a. with final maturity on 6 July 2017.
- The Company is currently evaluating several investment opportunities within Oil-Service and Industrial Shipping.

The Board of Directors
Ocean Yield AS

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Income statement and total comprehensive income

Income statement	2nd Quarter	Pro forma
	2012	1st half 2012
<i>Amounts in USD million</i>		
Operating revenues	45,8	91,1
Cost of goods and services	(4,2)	(8,8)
Wages and other personnel expenses	(1,4)	(5,1)
Other operating expenses	(1,3)	(3,3)
EBITDA	38,8	74,0
Depreciation and amortization	(20,6)	(41,4)
Impairment charges and other non recurring items	(3,3)	(6,3)
Operating profit	15,0	26,3
Financial income	2,3	6,9
Financial expenses	(5,8)	(11,1)
Other items	0,0	-
Profit before tax	11,5	22,1
Income tax expense	0,2	(0,8)
Profit for the period	11,7	21,2

Total comprehensive income	2nd Quarter	Pro forma
	2012	1st half 2012
<i>Amounts in million</i>		
Result for the year	11,7	21,2
Other comprehensive income, net of income tax		
Currency translation differences	(7,4)	(0,4)
Total comprehensive income for the period	4,3	20,8
Attributable to:		
Equity holders of the parent	4,3	20,8
Minority interests	-	-
Total comprehensive income for the period	4,3	20,8

Balance sheet at 30 June 2012

<i>Amounts in USD million</i>	30 June 2012	30 March 2012	Pro forma 31 December 2011
ASSETS			
Vessels and equipment	858,5	905,1	918,4
Intangible assets	38,3	38,3	38,4
Deferred tax assets	9,6	9,1	8,5
Other shares	1,0	0,0	0,0
Restricted cash deposits	20,0	20,0	20,0
Investments in AMSC Bonds	136,7	141,0	133,4
Total non-current assets	1 064,1	1 113,5	1 118,7
Trade receivables, other interest-free receivables and short-term investments in shares	17,6	18,7	17,1
Interest-bearing short term receivables	0,0	0,0	-
Cash and cash equivalents	78,4	63,7	61,6
Total current assets	96,0	82,4	78,7
Total assets	1 160,1	1 195,9	1 197,4
EQUITY AND LIABILITIES			
Share capital	167,2	175,6	166,8
Other paid-in capital	381,2	400,4	380,3
Total paid-in capital	548,4	576,0	547,1
Retained earnings and translation reserves	(48,4)	(80,4)	(68,2)
Total equity attributable to equity holders of the parent	500,0	495,6	478,9
Minority interests	-	-	-
Total equity	500,0	495,6	478,9
Interest-bearing loans	481,7	511,8	532,2
Deferred tax liabilities	1,5	0,3	-
Pension liabilities	0,6	0,6	0,9
Mobilization fee and advances	93,1	99,4	101,7
Other interest-free long term liabilities	1,8	4,3	1,8
Total non-current liabilities	578,7	616,4	636,6
Interest-bearing short term debt	69,4	70,3	69,4
Trade and other payables	12,1	13,6	12,6
Total current liabilities	81,5	83,9	81,9
Total liabilities	660,2	700,3	718,5
Total equity and liabilities	1 160,1	1 195,9	1 197,4
Equity ratio	43,1	41,4	40,0

Cash flow statement

<i>Amounts in USD million</i>	Pro forma	
	2nd Quarter 2012	1st half 2012
Profit before tax	11,5	22,1
Sales losses/gains (-) and write-downs	3,3	6,3
Depreciation and amortization	20,6	41,4
Other changes in cash flow from operation	(8,2)	(12,6)
Net cash flow from operating activities	27,2	57,1
Proceeds from sales of vessels and equipment	11,2	11,2
Acquisition of vessels and equipment	0,0	(0,0)
Net cash flow from other investments	-	-
Net cash flow from investing activities	11,2	11,2
Proceeds from issuance of long-term interest-bearing debt	-	-
Repayment of long-term interest-bearing debt	(21,8)	(51,5)
Repayment of short-term interest-bearing debt	-	-
Net cash flow from financing activities	(21,8)	(51,5)
Net change in cash and cash equivalents	16,5	16,8
Effects of changes in exchange rates on cash	(1,9)	0,1
Cash and cash equivalents at the beginning of the period	63,7	61,6
Cash and cash equivalents at the end of the period	78,4	78,4