INTERIM REPORT

Q4 2015

Highlights Fourth Quarter 2015

- Jacktel signed an 18 months accommodation service contract with Statoil for use of Haven at the Johan Sverdrup field. The contract commences June 2018, and secures a high utilization of the ASV at acceptable terms at least until 2020.

- In October Haven commenced a 6 months charter contract with Maersk Oil & Gas.

Operations

HAVEN commenced its charter contract on 5 October at the Dan F field offshore Denmark. Operation during fourth quarter has been satisfactory with zero lost time incidents and 100 % gangway connection.

In November, Jacktel signed an 18 month charter contract with Statoil for the provision of accommodation services during the installation of the Johan Sverdrup field. Prior to mobilising to the field, summer 2018, the legs will be extended and strengthened. In addition new footings, enabling the unit to be safely positioned at the Johan Sverdrup field, will be constructed and installed. A project team has been established. Leg sections and suction caissons will be pre-fabricated. Installation work on the unit is planned to start September 2017. The upgrade is expected to cost around USD 100 mill, and the entire investment will be recovered over the firm period of the contract.

Financial

(Figures in brackets refer to the corresponding period of 2014)

The Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB) and IFRIC as approved by the European Union.

Operating income for the fourth quarter was 7.7 MEUR (22 MEUR), of which 6.5 MEUR was related to the contract with Maersk Oil & Gas and 1.2 MEUR related to the insurance settlement in relation to the incident in August 2015, which resulted in a damage to one of the existing add ons (spud cans). Operating expenses was 6 MEUR (5.9 MEUR), of which 3 MEUR relate to ordinary vessel opex. The remaining 3 MEUR relates mainly to mobilization cost and repair of the add on.

EBITDA equaled 1.7 MEUR (16.1 MEUR), while the operating loss was 1.6 MEUR (68.6 MEUR). The 2014 figures include an impairment charge of 80 MEUR in December 2014.

Net financial expenses for fourth quarter equaled 5.2 MEUR (8.5 MEUR), of which 1.6 MEUR relates to interest payable on the bond loan and 3.5 MEUR relates to interest accrued on shareholder loans. Interest on shareholder loans accrues on principal and is payable at maturity in September 2019.

Net loss for the fourth quarter equaled 6.9 MEUR (loss of 77.1 MEUR).

Finance

The company has currently one outstanding bond loan amounting to 95 MEUR. The bond loan carries a coupon of 7% and is secured by a 1st lien mortgage on Haven. The bond loan has a term of 5 years and expires on 8 July 2019. In addition, there is a Term loan facility provided by parent company amounting to 99.8 MEUR with a coupon of 12 % and interest accruing on principal. See note 5 for further details.

Valuation

The value of Haven is linked to the development in the offshore oil and gas industry. The market in general is challenging in the short to mid-term, but there is some demand for accommodation services despite the challenges in the industry. Haven has been working for Mærsk Oil and Gas since early October 2015, and the Board remains optimistic with respect to winning additional work in 2016. In November 2015 a contract with Statoil was signed, securing at least 18 months of charter from June 2018.

The company has performed impairment tests on the value of Haven. The value of the unit is sensitive to changes in the main assumptions such as discount rate, future cash flow and utilization. The impairment test, in combination with valuations done by 3rd party brokers, support the current net book value of Haven.

Cash flow and liquidity
The negative cash flow from operating activities during the fourth quarter largely relates to normal fluctuations in working capital. In addition, as of year-end, the insurance settlement in relation to the incident during the demobilization from Ekofisk remained largely unpaid. After balance sheet date all outstanding accounts receivables as of December 31, 2015, as well as about 0.5 MEUR of the outstanding settlement from the insurance company has been received. The remaining part of the insurance settlement is expected to be received early Q2 2016.

The Board of Directors considers the company's liquidity position to be strong and confirms that the assumption of going concern forms the basis for the quarterly accounts. The company has long term financing in place and with the current order back log, the company has already secured a positive cash flow from operations until end of 2019 on an aggregate basis.

Risk
The company is exposed to general business market risk, including credit risk on its one customer and revenue risk after the current charter hire contract expires in March 2016. The credit risk of the current customer is considered marginal. Further commitments for Haven is secured from June 2018 for 18 months through the charter contract with Statoil for the Johan Sverdrup project. The company will continue to focus on securing charter contracts for the period between the current contracts. Future changes in prices and utilization of the unit may impact the valuation of the asset.

Future Prospects

Future prospects for the company depend on developments in the offshore market for support services to the oil and gas industry.

The market is expected to remain challenging in the short to mid-term. In the longer term, demand is expected to increase, driven mainly by an increasing and aging install base in the North Sea. Oil companies have postponed several maintenance activities during the last two years and will continue to do so in 2016 and 2017. In general the maintenance need has not disappeared and we expect that maintenance and upgrade projects will be reactivated in the medium to longer term, resulting in increased demand for bed capacity. The company believe Haven has comparative advantages for year round operation in harsh environment and remain confident that the unit should achieve a high utilization also in a more difficult market.

Statement from the Board of Directors and CEO

We confirm that, to the best of our knowledge, the un-audited financial statements for the fourth quarter of 2015, which have been prepared in accordance with IAS 34 Interim Financial Statements, give a true and fair review of the company's assets, liabilities, financial position and profit and loss of the company.

Oslo, 23 February 2016

Bjørn Henriksen **(Chairman)**	**Thomas Eik Gabestad**	**Kjetil Bollestad** **CEO** **Jacktel AS**

Condensed Income Statement

In EUR 1,000'	Non-audited Q4-2015	Non-audited 2015	Non-audited Q4-2014	Audited 2014
Operating income	7 741	60 123	22 018	78 025
Operating expenses	-6 009	-27 931	-5 888	-25 097
EBITDA	**1 732**	**32 191**	**16 130**	**52 927**
Depreciation	-3 352	-14 766	-4 737	-18 681
Impairment	-	-69 000	-80 000	-80 000
OPERATING PROFIT- EBIT	**-1 620**	**-51 575**	**-68 607**	**-45 753**
Interest income	8	8	390	423
Interest expenses	-5 148	-22 923	-9 486	-37 780
Other financial expenses	-98	-89	633	-1 315
NET FINANCIAL ITEMS	**-5 239**	**-23 004**	**-8 462**	**-38 673**
PROFIT/(LOSS) BEFORE TAX	**-6 859**	**-74 579**	**-77 070**	**-84 426**
Income tax expense (benefit)	-	-	-	-
NET PROFIT (LOSS)	**- 6 859**	**-74 579**	**-77 070**	**-84 426**

Statement of Comprehensive Income

In EUR 1,000'	Non-audited Q4-2015	Non-audited 2015	Non-audited Q4-2014	Audited 2014
Net profit this period	-6 859	-74 579	-77 070	-84 426
Other comprehensive income	-	-	-372	-
COMPREHENSIVE INCOME	**-6 859**	**-74 579**	**- 77 442**	**-84 426**
Earnings per share:				
- Basic	-0,14	-1,49	-1, 54	-1,69
- Diluted	- 0,14	-1,49	-1, 54	-1,69

Statement of Financial Position

In EUR 1,000'	Non-audited 31.12.2015	Audited 31.12.2014	Audited 31.12.2013
ASSETS			
Non-current assets:			
Property, plant and equipment	268 543	347 286	443 894
Total non-current assets	**268 543**	**347 286**	**443 894**
Current assets:			
Accounts receivable	4 426	6 676	10 067
Other current assets	4 278	2 226	1 358
Cash and cash equivalents	49 307	36 351	29 670
Total current assets	**58 012**	**45 252**	**41 096**
TOTAL ASSETS	**326 554**	**392 538**	**484 990**
EQUITY AND LIABILITIES			
Equity:			
Issued capital	17 977	12 191	12 191
Share premium	167 794	39 893	124 319
Uncovered loss	-74 579		
Total equity	**111 193**	**52 084**	**136 510**
Non-current liabilities:			
Shareholder loans	119 202	236 020	230 116
Other interest-bearing debt	93 605	93 214	67 500
Prepayments customers	-	-	5 415
Other non-current liabilities	-	-	1 872
Total long-term liabilities	**212 807**	**329 234**	**304 904**
Current liabilities:			
Accounts payable	949	619	183
Prepayments customers	0	5 358	9 418
Other interest-bearing debt	0	-	25 339
Other current liabilities	1 606	5 243	8 636
Total current liabilities	**2 555**	**11 221**	**43 576**
Total liabilities	**215 361**	**340 454**	**348 480**
TOTAL EQUITY AND LIABILITIES	**326 554**	**392 538**	**484 990**

Statement of changes in Equity

(In EUR 1.000)	Share Capital	Share premium	Uncovered loss	Total equity
Equity as at January 1, 2014	**12 191**	**124 319**	**-**	**136 510**
Share issues				0
Net income (loss)		-84 426		-84 426
Fair value adjustment hedging reserve		-		0
Equity as at December 2014	**12 191**	**39 893**		**52 084**
Share issues	5 787	127 901		133 688
Net income (loss)		-	-74 579	-74 579
Equity as at December 2015	**17 977**	**167 794**	**-74 579**	**111 193**

Cash Flow Statement

In EUR 1,000'	**Q4-2015**	**2015**	**Q4-2014**	**2014**
Net profit/(loss)	-6 859	-74 579	-77 428	-84 426
Depreciation and impairment	3 352	83 766	84 737	98 681
Other adjustments non-cash items	-	-	-	-372
Net interest	3 576	21 342	7 167	34 011
Changes in working capital	-8 250	-5 663	6 546	-4 616
Net cash from operating activities	**- 8 181**	**24 866**	**21 021**	**43 278**
Cash flow from investing activities				
Proceeds from sale of equipment	-	-	-	59
Aquisition of fixed assets	-1 156	-5 268	-915	-2 223
Interest received	8	8	18	51
Net cash from investing activities	**-1 148**	**-5 261**	**-897**	**-2 114**
Cash flow from financing activities				
Repayment of debt	-	-	-	-124 500
Proceeds from debt	-	-	-	95 000
Interest paid	-1 663	-6 650	-1 663	-4 983
Net cash from financing activities	**-1 663**	**-6 650**	**-1 663**	**-34 483**
Net change in cash and cash equivalents	-10 991	12 956	18 462	6 681
Cash and cash equivalents, opening balance	60 298	36 351	17 889	29 670
Cash and cash equivalents, closing balance	**49 307**	**49 307**	**36 351**	**36 351**

Notes to the interim report

1. General information

Jacktel AS is a 100% subsidiary of Master Marine AS, parent company in the Master Marine Group, located at Rosenkrantzgate 18 in Oslo, Norway. The Company, which was established in 2009, specializes in offshore accommodation and is the owner of the HAVEN jack up accommodation unit.

2. Basis of presentation

The financial statements of Jacktel have been prepared in accordance with International Financial Reporting Standards (IFRS), including IAS 34 Interim Financial Reporting, and interpretations adopted by the International Accounting Standards Board (IASB) and IFRIC as approved by the European Union ("EU"), as well as the additional relevant requirements under the Norwegian Accounting Act. The financial statements are prepared on a going concern basis and should be read in conjunction with the Company's financial statements as at 31 December 2014.

3. Significant accounting policies

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements and accompanying notes for the financial year ended 31st December 2014.

4. Related party transactions

Jacktel AS has a management agreement with its parent company, Master Marine AS, of which 3.1 MEUR has been paid per 4th quarter 2015.

5. Debt overview

31.12.2015

(1.000 EUR) **Description**	**Lender**	**Nominal amount**	**Int. rate**	**Book value (incl accrued interests)**	**Maturity**
99,8 MEUR Term loan facility	Master Marine AS	99 830	12 %	119 202	30 Sept 2019
95 MEUR Bond loan	Nordic Trustee ASA	95 000	7 %	93 605	8 July 2019
Total interest bearing debt				**212 807**	

Book value of the Bond loan is netted with costs to be accrued over the loan's lifetime.

Interest cost on bond loan is payable on a quarterly basis. Interest on Term loan facility accrues on principal and is payable at maturity.

6. Non-current assets

(1.000 EUR)	**Non-audited Q4 2015**	**Non-audited YTD 2015**	**Audited 2014**
IB	270 739	347 286	443 894
Additions	1 156	5 268	2 223
Disposals	0	-245	-150
Depreciation	-3 352	-14 766	-18 681
Impairment	0	-69 000	-80 000
UB	**268 543**	**268 543**	**347 286**

The Company's only non-current asset is the accommodation rig Haven.