

FOURTH QUARTER 2011

# FINANCIAL STATEMENTS

Published 14 February 2012



STX OSV HOLDINGS LIMITED  
Incorporated in Singapore  
Company Registration No. 201012504K

UNAUDITED RESULTS FOR THE FOURTH QUARTER  
AND FULL YEAR ENDED 31 DECEMBER 2011

**stx**osv

Offshore & Specialized Vessels

[www.stxosv.com](http://www.stxosv.com)

**TABLE OF CONTENTS**

<b>Paragraph</b>	<b>Description</b>	<b>Page</b>
1	UNAUDITED FINANCIAL STATEMENTS	3
(a)(i)	Statement of Comprehensive Income (Group)	3
(a)(ii)	Notes to the Statement of Comprehensive Income	4
(b)(i)	Statement of Financial Position	5
(b)(ii)	Aggregate amount of Group's Borrowings and Debt Securities	6
(c)	Statement of Cash Flows (Group)	7
(d)(i)	Statements of Changes in Equity	8
(d)(ii)	Share Capital	13
(d)(iii)	Number of Issued Shares excluding Treasury Shares	14
(d)(iv)	Sales, Transfers, Disposals, Cancellations and/or use of Treasury Shares	14
2	AUDIT	14
3	AUDITORS REPORT	14
4	ACCOUNTING POLICIES	14
5	CHANGES IN ACCOUNTING POLICIES	14
6	EARNINGS PER ORDINARY SHARE	15
7	NET ASSETS VALUE PER ORDINARY SHARE	15
8	REVIEW OF GROUP PERFORMANCE	16
9	VARIANCE FROM FORECAST STATEMENT	17
10	PROSPECTS	17
11	DIVIDEND	18
12	SEGMENT ANALYSIS	18
13	REVIEW OF SEGMENT PERFORMANCE	18
14	SALES BREAKDOWN	18
15	INTERESTED PERSON TRANSACTIONS	19
16	RULE 704(13)	19

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS**

**(a)(i) Statement of Comprehensive Income (Group)**

	Group			Group		
	4Q-2011 ended 31/12/11	4Q-2010 ended 31/12/10	Change %	Full year ended 31/12/11	Full year ended 31/12/10	Change %
Revenue	3,110	3,572	-12.9%	12,401	11,881	4.4%
Materials, subcontract costs and others	(1,457)	(2,506)	-41.9%	(7,597)	(8,318)	-8.7%
Salaries and related costs	(608)	(504)	20.8%	(1,899)	(1,722)	10.3%
Other operating expenses	(168)	(154)	9.3%	(550)	(511)	7.7%
<b>EBITDA</b>	<b>876</b>	<b>408</b>	<b>114.5%</b>	<b>2,355</b>	<b>1,330</b>	<b>77.0%</b>
Depreciation, impairment and amortization	(55)	(32)	70.0%	(148)	(124)	19.5%
<b>Operating profit</b>	<b>821</b>	<b>376</b>	<b>118.4%</b>	<b>2,207</b>	<b>1,206</b>	<b>82.9%</b>
Financial income	39	32	21.4%	123	393	-68.7%
Financial costs	(28)	(12)	134.2%	(127)	(73)	74.6%
<b>Net</b>	<b>11</b>	<b>20</b>	<b>-44.4%</b>	<b>(4)</b>	<b>320</b>	<b>n/m</b>
Share of results of associates	(5)	2	-302.4%	10	8	33.9%
<b>Profit before tax</b>	<b>828</b>	<b>399</b>	<b>107.7%</b>	<b>2,213</b>	<b>1,534</b>	<b>44.2%</b>
Income tax expense	(188)	(73)	158.8%	(611)	(468)	30.5%
<b>Profit for the period</b>	<b>640</b>	<b>326</b>	<b>96.3%</b>	<b>1,602</b>	<b>1,066</b>	<b>50.2%</b>
<b>Profit for the period attributable to:</b>						
Equity holders of the Company	638	294	116.6%	1,594	1,031	54.6%
Non-controlling interest	2	32	-93.5%	8	35	-76.0%
<b>Profit for the period</b>	<b>640</b>	<b>326</b>	<b>96.3%</b>	<b>1,602</b>	<b>1,066</b>	<b>50.2%</b>
<b>Other comprehensive income:</b>						
Exchange differences on translation of foreign operation:	(6)	(21)	-72.7%	(23)	(23)	-1.5%
Net fair value changes of available-for-sale financial asset	-	(1)	n/m	-	(1)	n/m
Income tax on other comprehensive income	-	1	-100.0%	-	1	n/m
<b>Other comprehensive income for the period, net of income tax</b>	<b>(6)</b>	<b>(21)</b>	<b>-72.7%</b>	<b>(23)</b>	<b>(23)</b>	<b>-2.2%</b>
<b>Total comprehensive income for the period</b>	<b>634</b>	<b>305</b>	<b>108.2%</b>	<b>1,579</b>	<b>1,043</b>	<b>51.4%</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	632	273	131.1%	1,571	1,006	56.2%
Non-controlling interest	2	32	-93.5%	8	37	-77.0%
<b>Total comprehensive income for the period</b>	<b>634</b>	<b>305</b>	<b>107.9%</b>	<b>1,579</b>	<b>1,043</b>	<b>51.5%</b>

**Notes:**

(i) N/M - Not meaningful.

(ii) As a result of rounding differences, numbers or percentages may not add up to the total.

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(a)(ii) Notes to the Statement of Comprehensive Income**

	Group			Group		
	4Q-2011 ended 31/12/11	4Q-2010 ended 31/12/10	Change %	Full year ended 31/12/11	Full year ended 31/12/10	Change %
Interest income	15	7	118.4%	45	36	23.5%
Dividend income	1	-	n/m	2	-	n/m
Foreign exchange gain <sup>1)</sup>	36	(13)	n/m	68	39	74.2%
Fair value of derivatives and embedded derivatives	-	9	n/m	3	198	-98.3%
Other financial income	(13)	29	n/m	5	120	-95.7%
<b>Financial income</b>	<b>39</b>	<b>32</b>	<b>22.2%</b>	<b>123</b>	<b>393</b>	<b>-68.7%</b>
Interest expense	(6)	(3)	75.7%	(16)	(25)	-34.0%
Foreign exchange loss <sup>1)</sup>	(44)	25	n/m	(80)	(64)	25.8%
Fair value of derivatives and embedded derivatives	-	-	n/m	-	-	n/m
Other financial expenses	22	(34)	n/m	(31)	16	n/m
<b>Financial expenses</b>	<b>(28)</b>	<b>(12)</b>	<b>134.2%</b>	<b>(127)</b>	<b>(73)</b>	<b>74.6%</b>
<b>Net financial items</b>	<b>12</b>	<b>20</b>	<b>-43.3%</b>	<b>(4)</b>	<b>320</b>	<b>n/m</b>
Depreciation of property, plant and equipment	(35)	(32)	9.0%	(124)	(121)	2.3%
Amortization of intangibles	-	(1)	-100.0%	(1)	(3)	-54.0%
Impairment charges	(21)	-	n/m	(23)	-	n/m
<b>Depreciation, impairment charges and amortization</b>	<b>(55)</b>	<b>(33)</b>	<b>70.6%</b>	<b>(148)</b>	<b>(124)</b>	<b>19.5%</b>
Bad debt	-	(2)	n/m	-	(2)	n/m
Provisions for bad debt	(37)	(20)	88.8%	(38)	(8)	377.5%
<b>Allowance for doubtful debts and bad debts written off</b>	<b>(37)</b>	<b>(22)</b>	<b>71.2%</b>	<b>(38)</b>	<b>(10)</b>	<b>283.7%</b>

<sup>1)</sup> Starting Q4 2011 the Group presents foreign exchange gain/loss gross, compared to previously being presented net. Prior year figures are stated accordingly.

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(b)(i) Statement of Financial Position**

	Group			Company		
	As at 31/12/11	As at 31/12/10	Change %	As at 31/12/11	As at 31/12/10	Change %
Property, plant and equipment	1,011	1,012	-0.1%	-	-	n/m
Intangible assets	415	348	19.5%	-	-	n/m
Investment in subsidiary	-	-	n/m	2,130	2,123	0.3%
Investment in associates	278	169	64.7%	-	-	n/m
Other investments	7	8	-13.1%	-	-	n/m
Interest-bearing receivables	1	1	-34.5%	-	-	n/m
Other receivables	5	27	-79.5%	-	-	n/m
Deferred tax assets	70	100	-30.1%	-	-	n/m
Employee benefits	1	3	-74.3%	-	-	n/m
<b>NON-CURRENT ASSETS</b>	<b>1,788</b>	<b>1,668</b>	<b>7.2%</b>	<b>2,130</b>	<b>2,123</b>	<b>0.3%</b>
Inventories	356	310	14.7%	-	-	n/m
Construction work in progress	5,768	5,608	2.8%	-	-	n/m
Trade and other receivables	1,830	1,816	0.8%	29	-	n/m
Interest-bearing receivables	1	-	n/m	-	-	n/m
Cash and cash equivalents	3,064	2,851	7.5%	653	623	4.9%
<b>CURRENT ASSETS</b>	<b>11,019</b>	<b>10,585</b>	<b>4.1%</b>	<b>682</b>	<b>623</b>	<b>9.5%</b>
<b>TOTAL ASSETS</b>	<b>12,807</b>	<b>12,253</b>	<b>4.5%</b>	<b>2,812</b>	<b>2,746</b>	<b>2.4%</b>
Paid up capital	4,138	4,138	0.0%	4,138	4,138	0.0%
Restructuring reserve	(3,190)	(3,190)	0.0%	(1,411)	(1,411)	0.0%
Other reserves	(97)	(81)	19.5%	7	-	n/m
Retained earnings	2,659	1,511	75.9%	39	1	n/m
Total equity attributable to equity holders of the Comp.	3,510	2,378	47.6%	2,773	2,728	1.7%
Non-controlling interest	43	40	5.8%	-	-	n/m
<b>TOTAL EQUITY</b>	<b>3,553</b>	<b>2,418</b>	<b>46.9%</b>	<b>2,773</b>	<b>2,728</b>	<b>1.7%</b>
Loans and borrowings	231	266	-13.0%	-	-	n/m
Deferred tax liabilities	122	230	-47.1%	-	-	n/m
Employee benefits	28	28	-2.0%	-	-	n/m
Other payables	4	-	n/m	-	-	n/m
Provisions	55	74	-24.6%	-	-	n/m
<b>NON-CURRENT LIABILITIES</b>	<b>440</b>	<b>598</b>	<b>-26.4%</b>	<b>-</b>	<b>-</b>	<b>n/m</b>
Loans and borrowings	28	44	-36.9%	-	-	n/m
Construction loans	2,379	4,398	-45.9%	-	-	n/m
Construction work in progress	1,480	1,115	32.8%	-	-	n/m
Trade and other payables	3,391	2,875	17.9%	15	18	-16.9%
Income tax payable	680	357	90.4%	24	-	n/m
Provisions	693	427	62.2%	-	-	n/m
Other current liabilities	163	21	661.2%	-	-	n/m
<b>CURRENT LIABILITIES</b>	<b>8,814</b>	<b>9,237</b>	<b>-4.6%</b>	<b>39</b>	<b>18</b>	<b>114.0%</b>
<b>TOTAL LIABILITIES</b>	<b>9,254</b>	<b>9,835</b>	<b>-5.9%</b>	<b>39</b>	<b>18</b>	<b>114.0%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,807</b>	<b>12,253</b>	<b>4.5%</b>	<b>2,812</b>	<b>2,746</b>	<b>2.4%</b>

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(b)(ii) Aggregate amount of Group's Borrowings and Debt Securities**

	As at 31.12.11		As at 31.12.10	
	Secured	Unsecured	Secured	Unsecured
Loans and borrowings	19	9	19	25
Construction loans *	2,379	-	4,398	-
Other current liabilities	-	163	-	21
<b>Total Amount repayable in one year or less, or on demand</b>	<b>2,398</b>	<b>172</b>	<b>4,417</b>	<b>46</b>
<i>* Construction loans are in general treated as short term maturing on vessel delivery.</i>				
Loans and borrowings	211	20	158	108
<b>Total Amount repayable after one year</b>	<b>211</b>	<b>20</b>	<b>158</b>	<b>108</b>
<b>Total</b>	<b>2,609</b>	<b>192</b>	<b>4,575</b>	<b>154</b>

**Details of any collaterals**

The secured portion of the Group's borrowings and debt securities refers mainly to the long term loans from "Innovation Norway" (a state-owned entity which promotes industrial development in Norway) which are secured by mortgages of an aggregate value of NOK 250 million. The loans are secured by investments, fixed assets such as property and plant as well as the dock at the Langsten yard. In 2009, the existing loans were restructured and the same mortgages were used to secure the restructured loans.

STX OSV Singapore Pte Ltd has a long term loan investment facility of USD 15 million with Nordea Bank. The loan is used towards financing of investments in its Vietnam subsidiary. The loan is secured by pledge of the shares in STX OSV Vung Tau Ltd.

Vessels under construction generally have a construction loan where the vessel itself functions as security.

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(c) Statement of Cash Flows (Group)**

	Group		Group	
	4Q-2011 ended 31/12/11	4Q-2010 ended 31/12/10	Full year ended 31/12/11	Full year ended 31/12/10
<b>OPERATING ACTIVITIES</b>				
Profit before tax	828	399	2,213	1,534
<i>Adjustments for:</i>				
Net interest	9	(14)	29	(11)
Gain/(loss) on disposal of property, plant and equipment, net	1	4	-	-
Unrealised foreign exchange gain/(loss)	(7)	11	15	25
Depreciation, impairment and amortization	55	33	148	124
Share-based payment expenses	4	-	7	-
Provisions	181	71	247	135
Share of results of associates	5	(3)	(10)	(8)
<b>Operating cash flows before movements in working capital</b>	<b>1,076</b>	<b>501</b>	<b>2,649</b>	<b>1,800</b>
Inventories	19	(68)	(46)	22
Construction work in progress (including construction loans)	454	(201)	(1,813)	(288)
Trade and other receivables, incl. other interest bearing receivables	1,062	114	343	220
Trade and other payables, incl. other liabilities	(1,059)	1,420	500	246
<b>Cash generated from operations</b>	<b>1,552</b>	<b>1,766</b>	<b>1,633</b>	<b>2,000</b>
Interest received	-	3	3	11
Interest paid	(17)	(4)	(21)	(13)
Income tax paid	(334)	(2)	(406)	(79)
Non-cash items related to restructuring of the Group prior to listing	-	(950)	-	(950)
<b>Cash flows from operating activities</b>	<b>1,202</b>	<b>813</b>	<b>1,209</b>	<b>969</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds from disposal of property, plant and equipment	-	1	2	1
Proceeds from disposal of investments	-	9	-	9
Purchase of property, plant and equipment	(69)	(22)	(119)	(81)
Purchase of intangible assets	(1)	(2)	(1)	(2)
Proceeds from repayment of non-current interest bearing receivables	-	44	-	7
Acquisition of subsidiary, net of cash acquired	-	-	(5)	-
Acquisition of additional equity interest in existing associates	(33)	(51)	(99)	(83)
Changes in other investments	1	1	1	1
<b>Cash flows from investing activities</b>	<b>(102)</b>	<b>(20)</b>	<b>(221)</b>	<b>(148)</b>
<b>FINANCING ACTIVITIES</b>				
Proceeds from loans and borrowings	-	-	-	17
Repayment of loans and borrowings	(8)	(58)	(46)	(113)
Proceeds from issue of shares	-	605	-	605
Purchase of non-controlling interest in subsidiary	-	(28)	(10)	(30)
Dividends paid, net of withholding tax	-	-	(450)	-
Change in other financial liabilities	-	(11)	2	(5)
<b>Cash flows from financing activities</b>	<b>(8)</b>	<b>508</b>	<b>(504)</b>	<b>474</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,092</b>	<b>1,301</b>	<b>484</b>	<b>1,294</b>
Effects of currency translation difference on cash and cash equivalents	4	-	-	(10)
<b>Cash and cash equivalents excl. restricted cash at beginning of financial period</b>	<b>1,939</b>	<b>1,250</b>	<b>2,551</b>	<b>1,267</b>
Cash and cash equivalents excl. restricted cash at end of financial period	3,035	2,551	3,035	2,551
<b>Restricted cash at end of financial period</b>	<b>29</b>	<b>300</b>	<b>29</b>	<b>300</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>3,064</b>	<b>2,851</b>	<b>3,064</b>	<b>2,851</b>

Fourth Quarter and Full Year 2011 Financial Statements

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(d)(i) Statements of Changes in Equity**

Group	Paid up Capital	Restructuring Reserve	Currency Translation Reserve	Fair Value Reserve	Option Scheme	Retained Earnings	Total Equity Attributable To Equity Holders of the Company	Non-controlling Interest	Total Equity
<b>At 1 January 2011</b>	<b>4,138</b>	<b>(3,190)</b>	<b>(79)</b>	<b>(2)</b>	<b>-</b>	<b>1,511</b>	<b>2,378</b>	<b>40</b>	<b>2,418</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	310	310	2	312
Other comprehensive income									
Exchange differences on translation of foreign operations	-	-	5	-	-	-	5	-	5
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>310</b>	<b>315</b>	<b>2</b>	<b>317</b>
<b>At 31 March 2011</b>	<b>4,138</b>	<b>(3,190)</b>	<b>(74)</b>	<b>(2)</b>	<b>-</b>	<b>1,821</b>	<b>2,693</b>	<b>42</b>	<b>2,735</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	272	272	2	274
Other comprehensive income									
Exchange differences on translation of foreign operations	-	-	(17)	-	-	-	(17)	-	(17)
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>(17)</b>	<b>-</b>	<b>-</b>	<b>272</b>	<b>255</b>	<b>2</b>	<b>257</b>
<b>Transactions with owners</b>									
Share-based payments	-	-	-	-	1	-	1	-	1
Final dividend paid for FY2010	-	-	-	-	-	(157)	(157)	(2)	(159)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(157)</b>	<b>(156)</b>	<b>(2)</b>	<b>(158)</b>
<b>At 30 June 2011</b>	<b>4,138</b>	<b>(3,190)</b>	<b>(91)</b>	<b>(2)</b>	<b>1</b>	<b>1,937</b>	<b>2,793</b>	<b>42</b>	<b>2,835</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	374	374	2	376
Other comprehensive income									
Exchange differences on translation of foreign operations	-	-	(5)	-	-	-	(5)	-	(5)
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>(5)</b>	<b>-</b>	<b>-</b>	<b>374</b>	<b>369</b>	<b>2</b>	<b>371</b>
<b>Transactions with owners</b>									
Change in non-controlling interest	-	-	-	-	-	21	21	(23)	(2)
Adjustment to share-based payments	-	-	-	-	3	-	3	-	3
Special dividend paid for FY2011	-	-	-	-	-	(311)	(311)	-	(311)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>(290)</b>	<b>(287)</b>	<b>(23)</b>	<b>(310)</b>
<b>At 30 September 2011</b>	<b>4,138</b>	<b>(3,190)</b>	<b>(96)</b>	<b>(2)</b>	<b>4</b>	<b>2,021</b>	<b>2,875</b>	<b>21</b>	<b>2,896</b>

Fourth Quarter and Full Year 2011 Financial Statements

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

(d)(i) Group	Statements of Changes in Equity						Total Equity Attributable To Equity Holders of the Company		Non-controlling Interest	Total Equity
	Paid up Capital	Restructuring Reserve	Currency Translation Reserve	Fair Value Reserve	Option Scheme	Retained Earnings				
<b>At 30 September 2011</b>	<b>4,138</b>	<b>(3,190)</b>	<b>(96)</b>	<b>(2)</b>	<b>4</b>	<b>2,021</b>	<b>2,875</b>	<b>21</b>	<b>2,896</b>	
<b>Comprehensive income</b>										
Profit for the period	-	-	-	-	-	638	638	2	640	
Other comprehensive income										
Exchange differences on translation of foreign operations	-	-	(6)	-	-	-	(6)	-	(6)	
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>-</b>	<b>-</b>	<b>638</b>	<b>632</b>	<b>2</b>	<b>634</b>	
<b>Transactions with owners</b>										
Change in non-controlling interest	-	-	-	-	-	-	-	20	20	
Adjustment to share-based payments	-	-	-	-	3	-	3	-	3	
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>20</b>	<b>23</b>	
<b>At 31 December 2011</b>	<b>4,138</b>	<b>(3,190)</b>	<b>(102)</b>	<b>(2)</b>	<b>7</b>	<b>2,659</b>	<b>3,510</b>	<b>43</b>	<b>3,553</b>	

Fourth Quarter and Full Year 2011 Financial Statements

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

(d)(i) Statements of Changes in Equity							Total Equity Attributable To Equity Holders of the Company	Non- controlling Interest	Total Equity
	Paid up Capital	Restructu- ring Reserve	Currency Translation Reserve	Fair Value Reserve	Option Scheme	Retained Earnings			
<b>Group</b>									
<b>At 1 January 2010</b>	<b>343</b>	-	<b>(55)</b>	<b>(1)</b>	-	<b>728</b>	<b>1,015</b>	<b>19</b>	<b>1,034</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	242	242	3	245
Other comprehensive income									
Exchange differences on translation of foreign operations	-	-	(2)	-	-	-	(2)	-	(2)
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>242</b>	<b>240</b>	<b>3</b>	<b>243</b>
<b>At 31 March 2010</b>	<b>343</b>	-	<b>(57)</b>	<b>(1)</b>	-	<b>970</b>	<b>1,255</b>	<b>22</b>	<b>1,277</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	342	342	-	342
Other comprehensive income									
Exchange differences on translation of foreign operations	-	-	1	-	-	-	1	-	1
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>342</b>	<b>343</b>	<b>-</b>	<b>343</b>
<b>Transactions with owners</b>									
Change in non-controlling interest	-	-	-	-	-	(7)	(7)	5	(2)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>(7)</b>	<b>5</b>	<b>(2)</b>
<b>At 30 June 2010</b>	<b>343</b>	-	<b>(56)</b>	<b>(1)</b>	-	<b>1,305</b>	<b>1,591</b>	<b>27</b>	<b>1,618</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	152	152	2	154
Other comprehensive income									
Exchange differences on translation of foreign operations	-	-	(3)	-	-	-	(3)	-	(3)
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>152</b>	<b>149</b>	<b>2</b>	<b>151</b>
<b>Transactions with owners</b>									
Change in non-controlling interest	-	-	-	-	-	-	-	9	9
Reversal of group contribution from earlier years	-	-	-	-	-	(240)	(240)	-	(240)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(240)</b>	<b>(240)</b>	<b>9</b>	<b>(231)</b>
<b>At 30 September 2010</b>	<b>343</b>	-	<b>(59)</b>	<b>(1)</b>	-	<b>1,217</b>	<b>1,500</b>	<b>39</b>	<b>1,539</b>

Fourth Quarter and Full Year 2011 Financial Statements

**UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2011**

(All amounts in NOK millions unless otherwise stated)

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

(d)(i) Statements of Changes in Equity  Group							Total Equity Attributable To Equity Holders of the Company	Non- controlling Interest	Total Equity
	Paid up Capital	Restructu- ring Reserve	Currency Translation Reserve	Fair Value Reserve	Option Scheme	Retained Earnings			
<b>At 30 September 2010</b>	<b>343</b>	<b>-</b>	<b>(59)</b>	<b>(1)</b>	<b>-</b>	<b>1,217</b>	<b>1,500</b>	<b>39</b>	<b>1,539</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	294	294	32	326
Other comprehensive income									
Exchange differences on translation of foreign operations	-	-	(21)	-	-	-	(21)	-	(21)
Net fair value changes of available-for-sale financial assets	-	-	-	(1)	-	-	(1)	-	(1)
Income tax on other comprehensive income	-	-	1	-	-	-	1	-	1
<b>Total comp. income for the period</b>	<b>-</b>	<b>-</b>	<b>(20)</b>	<b>(1)</b>	<b>-</b>	<b>294</b>	<b>273</b>	<b>32</b>	<b>305</b>
<b>Transactions with owners</b>									
Change in non-controlling interest	-	-	-	-	-	-	-	(31)	(31)
Restructuring (refer to 1(d)(ii)) :									
- Reclassification related to restructuring	(343)	343	-	-	-	-	-	-	-
- Issue of shares for restructuring purposes	3,533	(3,533)	-	-	-	-	-	-	-
- Issue of new shares during public offering	636	-	-	-	-	-	636	-	636
- Share issue expenses	(31)	-	-	-	-	-	(31)	-	(31)
<b>Total transactions with owners</b>	<b>3,795</b>	<b>(3,190)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>605</b>	<b>(31)</b>	<b>574</b>
<b>At 31 December 2010</b>	<b>4,138</b>	<b>(3,190)</b>	<b>(79)</b>	<b>(2)</b>	<b>-</b>	<b>1,511</b>	<b>2,378</b>	<b>40</b>	<b>2,418</b>

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(d)(i) Statements of Changes in Equity**

Company	Paid up Capital	Restructuring Reserve	Option Scheme	Retained Earnings	Total Equity
<b>At 1 January 2011</b>	<b>4,138</b>	<b>(1,411)</b>	-	<b>1</b>	<b>2,728</b>
<i>Comprehensive income</i>					
Profit for the period	-	-	-	185	185
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>185</b>
<b>At 31 March 2011</b>	<b>4,138</b>	<b>(1,411)</b>	-	<b>186</b>	<b>2,913</b>
<i>Comprehensive income</i>					
Profit for the period	-	-	-	(1)	(1)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>
<i>Transactions with owners</i>					
Share-based payments	-	-	1	-	1
Dividend paid	-	-	-	(157)	(157)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(157)</b>	<b>(156)</b>
<b>At 30 June 2011</b>	<b>4,138</b>	<b>(1,411)</b>	<b>1</b>	<b>28</b>	<b>2,756</b>
<i>Comprehensive income</i>					
Profit for the period	-	-	-	276	276
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>276</b>	<b>276</b>
<i>Transactions with owners</i>					
Adjustment to share-based payments	-	-	3	-	3
Dividend paid	-	-	-	(267)	(267)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>(267)</b>	<b>(264)</b>
<b>At 30 September 2011</b>	<b>4,138</b>	<b>(1,411)</b>	<b>4</b>	<b>37</b>	<b>2,768</b>
<i>Comprehensive income</i>					
Profit for the period	-	-	-	2	2
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>
<i>Transactions with owners</i>					
Adjustment to share-based payments	-	-	3	-	3
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>
<b>At 31 December 2011</b>	<b>4,138</b>	<b>(1,411)</b>	<b>7</b>	<b>39</b>	<b>2,773</b>

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(d)(i) Statements of Changes in Equity**

Company	Paid up Capital	Restructu- ring Reserve	Option Scheme	Retained Earnings	Total Equity
<b>Balance as at date of incorporation</b> (refer to 1(d)(ii))	-	-	-	-	-
<b>Comprehensive income</b>					
Profit for the period	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	-	-
<b>At 30 September 2010</b>	-	-	-	-	-
<b>Comprehensive income</b>					
Profit for the period	-	-	-	1	1
<b>Total comprehensive income for the period</b>	-	-	-	1	1
<b>Transactions with owners</b>					
Restructuring (refer to 1(d)(ii)) :					
-Issue of shares for restructuring purposes	3,533	(1,411)			2,122
-Issue of new shares during public offering	636				636
-Share issue expenses	(31)				(31)
<b>Total transactions with owners</b>	<b>4,138</b>	<b>(1,411)</b>	-	-	<b>2,727</b>
<b>At 31 December 2010</b>	<b>4,138</b>	<b>(1,411)</b>	-	<b>1</b>	<b>2,728</b>

**(d)(ii) Share Capital**

The Company was incorporated in Singapore on 11 June 2010 with a paid up capital of SGD 1 consisting of one ordinary share held by STX Europe Holding, of no par value.

On 25 October 2010, STX Europe Holding and the Company entered into a sale and purchase agreement pursuant to which the Company acquired STX Norway Offshore and its subsidiaries by issuing paid up capital of SGD 789,999,999 consisting of 999,999,999 shares, of no par value.

On 12 November 2010, the Company offered 180,000,000 new shares in the IPO at an offering price of SGD 0.79 per share.

	Number of shares issued	Share capital	
		SGD	NOK
Issue of shares on date of incorporation	1	1	4.47
Shares issued pursuant to the restructuring exercise	999,999,999	789,999,999	3,533,354,000
Issue of shares pursuant to initial publ. offering exercise	180,000,000	142,200,000	635,993,197
Share issue expenses	-		(30,868,202)
<b>At 31 December 2010 and 31 December 2011</b>	<b>1,180,000,000</b>		<b>4,138,478,999</b>

**1 UNAUDITED FINANCIAL STATEMENTS (cont.)**

**(d)(ii) Share Capital (cont.)**

**Share Options**

During 2Q-2011, 17,070,000 share options were issued by the Company to employees/directors of the Group. No options were issued during 4Q-2011.

No shares have been issued in respect of the share options and the outstanding share options remain at 17,070,000.

Refer to the 2Q-2011 announcement for additional information related to the options issued.

**(d)(iii) Number of Issued Shares excluding Treasury Shares**

Please refer to the information provided in 1(d)(ii) share capital above.

**(d)(iv) Sales, Transfers, Disposals, Cancellations and/or use of Treasury Shares**

Not applicable. The Company has no treasury shares.

**2 AUDIT**

The figures have not been audited nor reviewed by the auditors.

**3 AUDITORS REPORT**

Not applicable.

**4 ACCOUNTING POLICIES**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements for the year ended 31 December 2010.

**5 CHANGES IN ACCOUNTING POLICIES**

In the current financial period, the Group and the Company have adopted all the new and revised Financial Reporting Standards (FRSs) and Interpretations of FRSs (INT FRSs) that are relevant to its operations and are effective for annual periods beginning on 1 January 2011. Except for the Revised FRS 24, Related Party Disclosures, the adoption of the new or revised FRSs and INT FRSs does not result in any significant changes to the accounting policies of the Group and the Company, and has no material effect on the amounts reported for the current or prior periods.

**FRS 24 Related Party Disclosures**

The revised FRS24 clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies to its application. The revised FRS24 expands the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party has control or joint control over the entity, or has significant influence over the entity. As this is a disclosure standard it has no impact on the financial position, or financial performance of the Group.

## 6 EARNINGS PER ORDINARY SHARE

Earnings per ordinary share for the financial period attributable to Equity holders of the Parent:

	Group			Group		
	4Q-2011 ended 31/12/11	4Q-2010 ended 31/12/10	Change %	Full year ended 31/12/11	Full year ended 31/12/10	Change %
<b>(i)</b> Earnings for the period (in NOK millions)	638	294	116.6%	1,594	1,031	54.6%
Earnings for the period (in SGD millions)	138	65	114.5%	346	226	53.0%
Weighted average number of shares (in millions) <sup>1)</sup>	1,180	1,000	18.0%	1,180	1,000	18.0%
<b>(ii)</b> Earnings per share (NOK)	0.54	0.29	83.6%	1.35	1.03	31.0%
Earnings per share (SGD cents)	11.72	6.45	81.8%	29.30	22.59	29.7%
<b>(iii)</b> Diluted earnings per share (NOK)	0.54	0.29	83.6%	1.35	1.03	31.0%
Diluted earnings per share (SGD cents)	11.72	6.45	81.8%	29.30	22.59	29.7%
Adjusted weighted average number of shares (in millions) <sup>1)</sup>	1,180	1,000	18.0%	1,180	1,000	18.0%
Exchange rates:	31/12/11	31/12/10		31/12/11	31/12/10	
SGD/NOK	4.610	4.565	1.0%	4.610	4.565	1.0%

The SGD amounts are translated from NOK based on the exchange rates prevailing at the reporting date as shown above.

<sup>1)</sup> For weighted average number of shares as of 4Q-2011, please refer to paragraph 1(d)(ii) Share Capital. The outstanding share options as of December 31 2011 were anti-dilutive.

## 7 NET ASSETS VALUE PER ORDINARY SHARE

Net assets value at the end of the financial period, and at the end of the last financial year, attributable to Equity holders of the Parent:

	Group			Company		
	As at 31/12/11	As at 31/12/10	Change %	As at 31/12/11	As at 31/12/10	Change %
Net assets value at the end of the period (NOK millions)	3,510	2,378	47.6%	2,773	2,728	1.7%
Net assets value at the end of the period (SGD millions)	761	521	46.2%	602	598	0.7%
Number of shares (millions)	1,180	1,180	0.0%	1,180	1,180	0.0%
Net assets value per ordinary share (NOK)	2.97	2.02	47.6%	2.35	2.31	1.7%
Net assets value per ordinary share (SGD)	0.65	0.44	46.2%	0.51	0.51	0.7%
Exchange rates:	31/12/11	31/12/10		31/12/11	31/12/10	
SGD/NOK	4.610	4.565	1.0%	4.610	4.565	1.0%

The SGD amounts are translated from NOK based on the exchange rates prevailing at the reporting date as shown above.

**8 REVIEW OF GROUP PERFORMANCE**

**(a) Statement of comprehensive income (Group):**

STX OSV reported operating revenues of NOK 12,401 million for the twelve months of 2011, up 4.4% compared to full year 2010. The fourth quarter of 2011 was characterized by a high activity level and many projects in their final stages. 10 vessels were delivered during the quarter.

Operating profit for the full year 2011 was NOK 2,207 million, up from NOK 1,206 million in the corresponding period of 2010. The operating margin, representing operating profit to total operating revenues, increased to 17.8 % from 10.2 % in the corresponding period last year. The EBITDA margin for 2011 was 19.0 %, up from 11.2 % at the end of year 2010. STX OSV successfully delivered 23 vessels during FY 2011. The strong track record in operations, with stable operating performance, improving productivity, and on-time deliveries, was maintained throughout 2011. Successful project deliveries and the release of risk contingencies at the end of complex projects, contributed strongly to exceptionally high profits in the fourth quarter. Like in 2010, STX OSV maintains its strong focus on improving key HSE (Health, Safety, Environment) indicators, reflecting decreasing levels of injuries and sick leave absence.

Profit before tax increased from NOK 1,534 million for FY 2010 to NOK 2,213 million in FY 2011. With an effective tax rate of 27.6%, STX OSV achieved a profit margin after tax of 12.9 % for the full year 2011 compared to 9.0 % for the corresponding period of 2010.

**(b) Statement of financial position:**

Total assets increased by 4.5 % from NOK 12.25 billion at the end of 2010 to NOK 12.81 billion at the end of the December 2011 which is mainly related to increased construction work in progress and increased cash and cash equivalents.

Retained earnings have increased by NOK 1,147 million per year 2011. The change is reflecting the profit for the period from end of last year less dividend payments in second and third quarter 2011.

Construction loans were significantly reduced by NOK 2.0 billion when comparing year end 2011 to 2010 while trade and other payables have increased by 17.9 % to NOK 3.4 billion. The reduction in construction loans is related to the 23 vessel deliveries made in 2011, of which ten of these were delivered in the fourth quarter. The increase in trade and other payables are related to on-going projects and routine accounts payable.

Total interest-bearing liabilities, excluding construction loans, amounted to NOK 259 million at 31 December 2011 down from NOK 310 million at the end of 2010.

Cash and cash equivalents increased from NOK 2,851 million as of 31 December 2010 to NOK 3,064 million as of 31 December 2011. Of the total cash and bank deposits as of 31 December 2011, NOK 29 million relates to restricted escrow accounts, used as security for customer advance payment guarantees, and restricted bank accounts for employees' tax deduction compared to NOK 300 million as of 31 December 2010.

**8 REVIEW OF GROUP PERFORMANCE (cont.)**

**(c) Statement of cash flows:**

The cash flows from operating activities were NOK 1,209 million for the full year 2011 compared to NOK 969 million in 2010. Cash flow from operating activities can fluctuate significantly from quarter to quarter due to changes in working capital (highly impacted by Construction Work in progress). Please refer to 8 (b) for more details.

Cash flows from investing activities for the year were NOK 221 million mainly due to increased investments in associates (in line with the progress of construction of the related vessels ordered by these associated companies and the corresponding installments made) and general investments in PP&E.

Cash flows from financing activities for the twelve months of 2011 amounted to NOK 504 million which is mainly related to dividend payments (NOK 450 million) as well as repayment of loans and borrowings and purchase of outstanding shares in the shipyard in Tulcea (increasing our interest from 95.4 % to 99.1 %).

During the twelve months of 2011, all in all cash and cash equivalents were increased by NOK 484 million due to the aforementioned reasons.

**9 VARIANCE FROM FORECAST STATEMENT**

Not applicable. No forecast statement was previously provided.

**10 PROSPECTS**

The order intake for FY2011 was NOK 11.12 billion, of which the fourth quarter alone contributed NOK 6.03 billion. During the fourth quarter 2011, the order book increased to NOK 16,675 million from NOK 13,597 million at the end of the previous quarter. 14 new vessels were added to the order book, including contracts for eight LPG carriers for Transpetro to be constructed at the new yard in Brazil, which were made effective this quarter. The order intake also includes 3 PSVs and 3 other vessels – one of the latter being a research vessel for the Norwegian Defence Logistics Organisation. In total, STX OSV has signed firm contracts for 28 vessels during 2011. The order book comprised 54 vessels at the end of 2011, 32 of which were of own design. Order intake in the fourth quarter returned to levels sufficient to stabilize the order book length. Excluding the vessels to be constructed at the new yard in Brazil, 2011 as a whole saw a reduction in the order book length for the existing yard portfolio, both in terms of outstanding order book value and number of vessels.

The fundamental market outlook for STX OSV's core products and its main markets, namely the North Sea and Brazil, continues to be strong. Especially the demand for anchor handlers and offshore construction vessels is expected to increase going forward. In addition, STX OSV sees further opportunities in the other specialized vessels segment, which was a driver of new order intake in the second half of 2011.

At the same time, STX OSV's clients still face constraints in their ability to finance new vessel projects, due to continued uncertainty in financial markets and tightening credit markets. Consequently, uncertainty remains as to when the strong market fundamentals will translate into a sustained upturn in order activity. Timing of such upturn is critical for STX OSV's ability to maintain the current levels of throughput at all its yard locations.

During the fourth quarter 2011, construction started for STX OSV's new shipyard development in Suape. Financing for the yard construction project was successfully concluded and a project organization was put in place to drive the development of the new yard, which will further strengthen STX OSV's position in the key growth market Brazil. The shift towards deeper water exploration and operations in harsh environments will continue to drive order momentum for advanced vessels. STX OSV believes it is fundamentally well-positioned to seize opportunities in the market, and reinforce its market position.

**11 DIVIDEND**

**(a) Current financial period reported on:**

**Any dividend recommended for the current financial period reported on?**

Name of dividend	Final dividend
Dividend type	Cash
Dividend rate	Final Dividend of 10 Singapore cents per ordinary share
Tax rate	Tax Exempt one-tier dividend

**(b) Corresponding period of preceding financial year:**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

Name of dividend	Final dividend
Dividend type	Cash
Dividend rate	Final Dividend of 3.0 Singapore cents per ordinary share
Tax rate	Tax Exempt one-tier dividend

**(c) Date payable**

To be announced later

**(d) Book closure date**

To be announced later

**If no dividend has been declared/recommended, a statement to that effect**

Not applicable

**12 SEGMENT ANALYSIS**

Not applicable. The Group has only one reportable segment.

**13 REVIEW OF SEGMENT PERFORMANCE**

Please refer to paragraph 8 above.

**14 SALES BREAKDOWN**

	Group		Change %
	2011	2010	
Sales reported first half year	5,936	6,173	-4%
Operating profit first half year after tax before deducting non-controlling interests	829	464	79%
Sales reported second half year	6,465	5,708	13%
Operating profit second half year after tax before deducting non-controlling interests	1,378	742	86%

**15 INTERESTED PERSON TRANSACTIONS**

The nature of the Group's Interested person transactions has been explained in the Prospectus (page 173). As the Company was listed on 12 November 2010, specific details of transactions are disclosed below.

	Non-mandated		Mandated	
	4Q-2011 ended 31/12/11	Full year ended 31/12/11	4Q-2011 ended 31/12/11	Full year ended 31/12/11
<b>STX Corporation Group</b>				
Purchase of raw materials, shipbuilding parts and ancillary equipment from STX Corporation Group				
- Steel	-	-	-	12
- Generator sets	-	-	-	26
Design Service Contract for 15,000/9,500TLC Floating	-	2	-	-
STX OSV provision of project management services to STX Dalian Marine Engineering Co. Ltd	-	13	-	-
Annual Brand Fee Royalties to STX Corp.	8	8	-	-
<b>Sub-total</b>	<b>8</b>	<b>23</b>	<b>-</b>	<b>38</b>
<b>STX Europe Group</b>				
Amounts outstanding under guarantees by STX Europe Group	-	-	1,683	1,683
Commission fees paid to STX Europe Group	-	-	2	13
Outstanding value of FX-contracts entered into by STX Europe *	156	156	-	-
Purchase of ship designs from Aker Arctic Technology Oy (owned by STX Europe Group)	-	-	-	6
Joint sourcing office in Shanghai	-	-	-	1
Management service agreement with STX Norway Florø AS	-	-	-	2
STX OSV Tulcea – Hull for Hopper Dredger to STX Europe France	-	-	-	18
Docking services STX Norway Florø AS	-	-	-	6
<b>Sub-total</b>	<b>156</b>	<b>156</b>	<b>1,685</b>	<b>1,729</b>
<b>Total</b>	<b>163</b>	<b>179</b>	<b>1,685</b>	<b>1,766</b>

\* Approved in the IPO Prospectus.

**16 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Nil	Nil	Nil	Nil	Nil

**BY ORDER OF THE BOARD**

\_\_\_\_\_  
**Mr Roy Reite**  
 Executive Director & CEO  
 14 February 2012