



Viking Supply Ships A/S Financial Report Q4 2012



SUMMARY OF EVENTS FOR THE PERIOD JANUARY – DECEMBER 2012

Total revenue for Q4 2012 was 207 MNOK, with an EBITDA of 21 MNOK. Total revenue for full year 2012 was 898 MNOK, with an EBITDA of 183 MNOK.

As expected the Q4 operating results have decreased compared to the Q3 operating results. The results are negatively impacted by a soft spot market for both the AHTS and the PSV fleet and a lack of fresh term activity and seasonal projects.

Viking Supply Ships has a clear focus on increasing the number of vessels on term contracts in order to improve the earnings stability. As a result of this 3 AHTS vessels were on term contracts in Q4 compared to 1 AHTS vessel at the beginning of 2012.

The average utilization for the AHTS fleet in Q4 was 60 % and 73 % for the PSV fleet.

Odin Viking was sold on a sale and lease back transaction for a duration of 8 years.

The AHTS fleet, combined with crew and ice management competence, is tailor-made to operate in harsh environments and ice conditions. There has been an increased contract activity in this niche, which is reflected in the two ice management contracts entered into by the vessels Brage Viking and Magne Viking for operations in Canadian waters. VSS is committed to have a substantial part of the fleet on longer term contracts, and have a focus on increasing the contract backlog.

Viking Supply Ships (VSS) conducts operations in the North Sea, Arctic and in the global offshore sector. The fleet comprises 14 offshore vessels that are equipped for and have the capacity to operate in areas with harsh environment, further 7 of the AHTS vessels are equipped to operate in Arctic areas.

For further information, please contact CEO Viking Supply Ships A/S, Christian W. Berg, ph: +45 41 77 83 80.

The interim financial statements have not been subject to audit or review.

OPERATIONAL HIGHLIGHTS FOR Q4

The Q4 and full year results were influenced by a weak North Sea spot market characterized by oversupply of vessels. The loss is MNOK 6 for the fourth quarter and MNOK 157 for the full year. Compared to previous years the market was positive in the first four months, but fell into a weak state for the remainder of the year.

Anchor Handling Tug Supply vessels (AHTS)

During the fourth quarter of 2012 three vessels were on term charters through the entire period, while five were traded in the spot market. The vessels on term charters obtained an average daily income of NOK 357.000. The vessels on the spot market obtained an average daily income of NOK 96.000 and a utilization of 37% in Q4.

Tor Viking II finished the long term charter with Shell US for their 2012 Alaska drilling campaign. The vessel has now returned to the spot market in the North Sea, and is available for Ice-breaking services for Swedish Maritime Authority together with Balder Viking.

Magne Viking was fixed during 2012 to Chevron Canada for an ice management assignment. The contract covers 150 days firm plus a 30 days option. Commencement was originally scheduled for September, but is now delayed till April 2013 due to the rig being delayed at its current operation.

Odin Viking was sold on a sale and lease back transaction for a duration of 8 years. In the transaction the vessel was sold for MNOK 296. An accounting loss of MNOK 14 was recorded and the liquidity was improved by MNOK 140.

Platform Supply Vessels (PSV)

The PSV market was dominated by several new builds entering the market and after a positive start on the year, the market was weak for the latter three quarters.

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Three of the vessels have been on medium term contracts during the fourth quarter, while three vessels have traded in the North Sea spot market. The vessels on term charters obtained an average daily income of GBP 12.000. The vessels on the spot market obtained an average daily income of GBP 3.200 and a utilization of 44%.

SBS Tempest finished the long term charter with Talisman in December, and has now returned to the North Sea spot market.

Freya Viking continued the long term charter with Centrica. The charter has been extended until September 2013 with an option to extend the charter for 1 year.

SBS Typhoon was extended with RWE, with the firm period lasting 2 wells with an optional period for another well. Each well has an estimated duration of 75 days.

It is a continued focus to increase the number of vessels on term contract. Currently VSS is participating with bids in several AHTS tenders and PSV tenders.

FINANCIAL HIGHLIGHTS**Results for the 4th quarter 2012**

Total revenue was 207 MNOK for Q4. The operating costs were 186 MNOK and EBITDA 21 MNOK. The operating profit (EBIT) was 23 MNOK.

Operating costs include a loss of 14 MNOK from the sale of Odin Viking.

Net financials was negative 29 MNOK. Financial costs include unrealized currency gain of 13 MNOK and realized value adjustment on interest rate swaps of negative 9 MNOK.

The result for Q4 2012 was negative 6 MNOK.

Results for full year 2012

Total revenue was 898 MNOK. The operating costs were 715 MNOK and EBITDA 183 MNOK. The operating profit (EBIT) was positive 6 MNOK.

One-off costs were 10 MNOK during H1. 6 MNOK is related to set-up cost in Copenhagen, Denmark and 4 MNOK is related to the relocation of two PSV vessels from India to the North Sea.

Net financials was negative 163 MNOK. Financial costs include realized value adjustment on foreign exchange forward contracts of negative 27 MNOK which is a one-off adjustment related to refinanced loans. Further net financials include unrealized currency gain of 25 MNOK and realized value adjustment on interest rate swaps of negative 19 MNOK.

The result for full year 2012 was negative 157 MNOK.

FINANCING AND CAPITAL STRUCTURE

The incorporation of Viking Supply Ships A/S Copenhagen, Denmark started in Q4 2011 and was completed during Q1 2012. Viking Supply Ships A/S now directly and through subsidiaries hold title to all offshore vessels and employ crew, as well as the land based organization.

Viking Supply Ships A/S is a 100 % owned subsidiary of RABT. RABT is a limited liability company registered in Sweden, with its domicile in Gothenburg, and corporate registration number 556161-0113. RABT is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange in Stockholm.

In March VSS issued a 5 year senior unsecured bond loan in the Norwegian capital market, with maturity in March 2017, totalling 300 MNOK. The bond agreement has a limit of 750 MNOK. The net proceeds from the bond shall be employed for investments, capital expenditures related to fleet expansion and general corporate purposes. The bond was listed on Oslo ABM on June 28th.

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VSS book equity amounted to 1 723 MNOK as at 31 December 2012 and was impacted by the result for the period of negative 157 MNOK and group contributions of 381 MNOK. The value adjusted equity ratio was 45 %.

OPERATIONAL AND FINANCIAL RISKS

VSS is characterized by a high degree of international operations and is thus exposed to a number of operational and financial risks. VSS works actively to identify, assess and manage these risks.

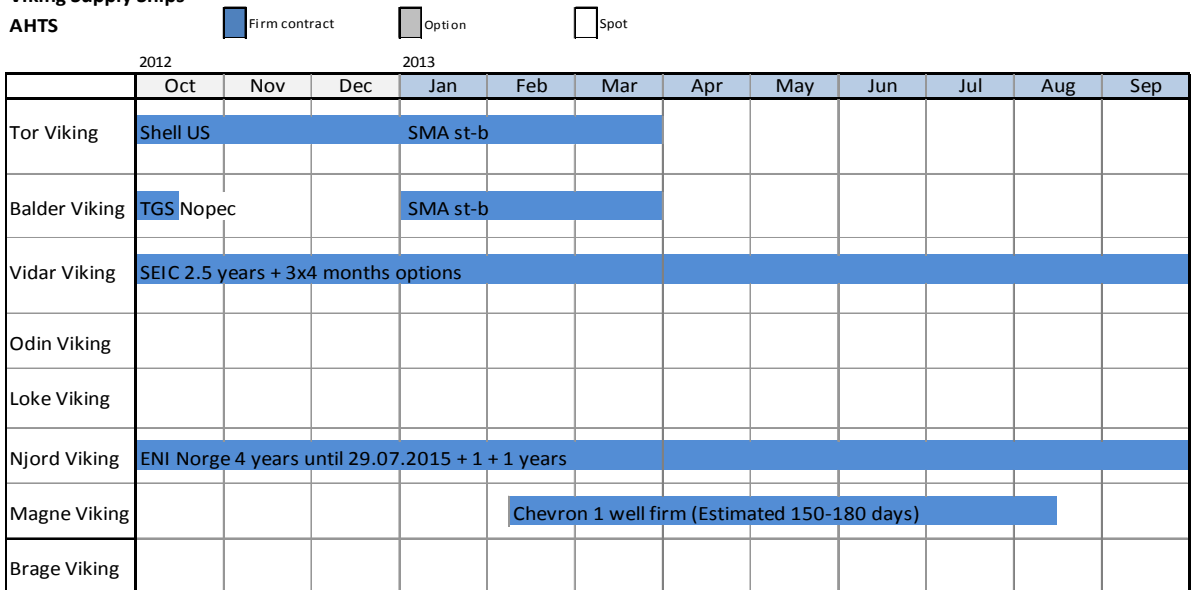
VSS is exposed to changes in the freight rates. To mitigate this operational risk, VSS has a clear focus on increasing the number of vessels on term contracts.

Long-term loans are the principal form of financing. Accordingly, interest rate fluctuations have an impact on VSS's earnings and cash flow. To reduce this risk the Group aims to actively manage the interest exposure through various types of hedging instruments.

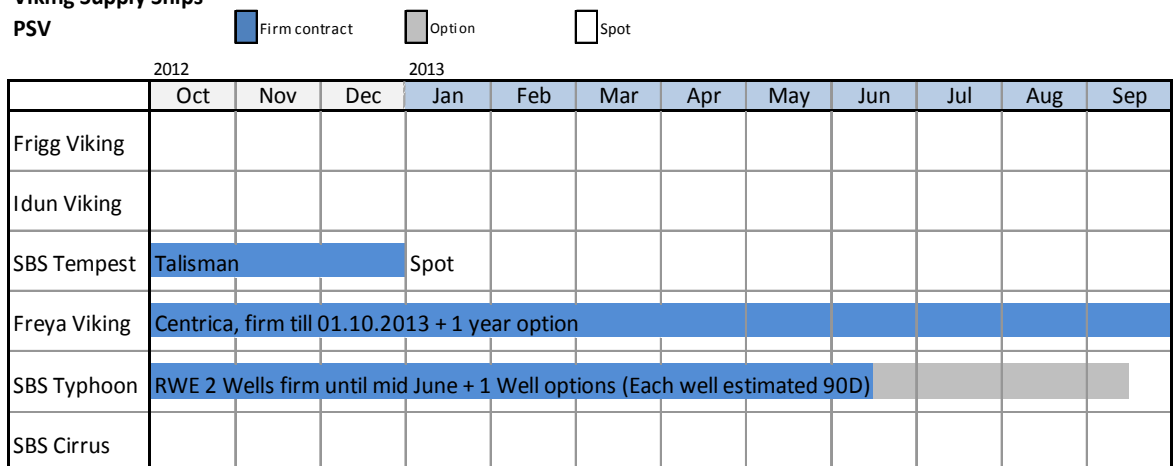
Part of the VSS's cash flow is generated in currencies other than NOK which is VSS's functional currency. This means that currency fluctuations have an impact on VSS's earnings and cash flows. The foreign exchange risk is primarily reduced by matching the exposure to revenues in various currencies with costs in the corresponding currency. In the same manner, assets in a certain currency are matched with liabilities in the same currency.

EMPLOYMENT OVERVIEW

Viking Supply Ships
AHTS



Viking Supply Ships
PSV



OUTLOOK

The first quarter of 2013 will be influenced by low activity typical for the season; hence we expect the spot market to remain weak during the beginning of the year. We expect the supply of AHTS vessels to be slightly reduced through 2013. This, along with the start of the construction season will gradually improve market conditions towards the end of the first quarter. 3-4 new semisubmersible rigs are expected to commence work in the North Sea during the first half of the year. This is expected to improve the demand for AHTS vessels.

We see increased tender-activity in the Arctic regions, and expect increased activity in this market segment going forward.

The large number of new-built PSVs being delivered is set to continue for the first part of 2013. Combined with a seasonal weak market, this is likely to result in low rates and low utilization throughout the first quarter of 2013. We expect the PSV market-balance to improve during the year, but we do not see the market improving significantly in the first half of the year.

Copenhagen, 25 February 2013

Managing Director:

Christian W. Berg

Board of Directors:

Christen Sveaas
Chairman

Henning Eskild Jensen

Lars Håkan Larsson

Anders Folke Patriksson

Per Magnus Sonnorp

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CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

(NOK '000)	Note	Q4 2012	Q3 2012	Q2 2012	Q1 2012	FY 2012
Total Revenue	2	207.442	279.335	253.140	157.705	897.622
Direct voyage costs		-11.752	-10.246	-30.158	-17.730	-69.886
Operating costs		-174.423	-160.403	-180.136	-130.033	-644.995
Total operating costs		-186.175	-170.649	-210.294	-147.763	-714.881
Operating profit before depreciation (EBITDA)	2	21.267	108.686	42.846	9.942	182.741
Depreciation	1	1.530	-64.528	-59.366	-54.877	-177.241
Impairment		-	-	-	-	-
Operating profit (EBIT)	2	22.797	44.158	-16.520	-44.935	5.500
Financial income		666	1	192	19	878
Financial costs		-29.763	-63.308	-36.766	-33.711	-163.548
Net financials		-29.097	-63.307	-36.574	-33.692	-162.670
Pre-tax result		-6.300	-19.149	-53.094	-78.627	-157.170
Taxes		0	0	3.651	-3.651	0
Result for the period		-6.300	-19.149	-49.443	-82.278	-157.170

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(NOK '000)	Q4 2012	Q3 2012	Q2 2012	Q1 2012	FY 2012
Result for the period	-6.300	-19.149	-49.443	-82.278	-157.170
Translation effect foreign operations	-34.362	-18.893	-5.545	172	-58.628
Actuarial gains / losses on defined benefit plans	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-
Other comprehensive income net of tax	-34.362	-18.893	-5.545	172	-58.628
Total comprehensive income for the period	-40.662	-38.042	-54.988	-82.106	-215.798

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

(NOK '000)	FY 2012
Cash flow from operating activities	-99.279
Cash flow from investing activities	271.731
Cash flow from finance activities	-86.163
Net changes in cash and cash equivalents	86.289
Cash and cash equivalents at the start of the period	114.738
Exchange gains/loss on cash and cash equivalents	-3.933
Cash and cash equivalents at the end of the period	197.094

CONDENSED CONSOLIDATED BALANCE SHEET

(NOK '000)	Note	31/12 2012	30/9 2012	30/6 2012	31/3 2012	31/12 2011
ASSETS						
Vessels and equipment		3.773.837	4.093.862	4.174.671	4.172.553	2.895.663
Tangible fixed assets	1,2	3.773.837	4.093.862	4.174.671	4.172.553	2.895.663
Financial fixed assets	4	96.616	78.416	29.513	28.591	24.262
Total fixed assets		3.870.453	4.172.278	4.204.184	4.201.144	2.919.925
Inventories		12.054	13.602	7.546	19.547	11.946
Accounts receivables		111.798	173.900	133.325	92.775	99.751
Other current receivables		51.225	60.870	68.654	58.101	173.727
Cash and cash equivalents	4	197.094	163.144	210.047	359.886	114.738
Total current assets		372.171	411.516	419.572	530.309	400.162
Total assets		4.242.624	4.583.794	4.623.756	4.731.453	3.320.087
EQUITY AND LIABILITIES						
Share capital		525	525	525	525	525
Retained Earnings and reserves		1.722.346	1.763.008	1.801.050	1.819.275	1.557.494
Total equity		1.722.871	1.763.533	1.801.575	1.819.800	1.558.019
Deferred taxes		11.676	33.415	28.353	28.353	34.868
Bond loan	3	295.566	295.303	294.750	294.750	-
Long-term debt to credit institutions	3	1.807.361	1.987.898	1.453.905	1.507.215	875.120
Other non-current liabilities		58.438	43.334	30.403	43.519	37.795
Non-current liabilities		2.173.041	2.359.950	1.807.411	1.873.837	947.783
Short-term debt to credit institutions	3	187.090	199.869	781.067	748.863	662.124
Accounts payable		43.194	52.796	53.298	50.715	24.802
Other current liabilities		116.428	207.647	180.405	238.238	127.359
Current liabilities		346.712	460.312	1.014.770	1.037.816	814.285
Total liabilities		2.519.753	2.820.261	2.822.181	2.911.653	1.762.068
Total Equity and liabilities		4.242.624	4.583.794	4.623.756	4.731.453	3.320.087

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**1. Depreciation**

Tangible fixed assets are recognized at cost or after deductions for accumulated depreciation according to plan and possible impairment. Straight-line amortization according to plan is based on the following useful lives:

- Vessels 25–30 years
- Docking and major overhaul measures 2.5–5 years
- Other equipment 5–10 years

Residual value of 30% (up from 0%) was implemented during the 4th quarter. The 2012 impact was a reduction in depreciation of 63 MNOK for the total fleet.

Impairment test as at 31 December shows no need for impairment.

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2. Segment information

The segment information is presented in accordance with the internal reporting structure and includes two segments – AHTS and PSV.

(NOK '000)	Q4 2012	Q3 2012	Q2 2012	Q1 2012	FY 2012
Total revenue (external revenue)					
AHTS 1)	168.536	232.367	210.487	112.671	724.061
PSV	38.906	46.968	42.653	45.034	173.561
Total	207.442	279.335	253.140	157.705	897.622
EBITDA					
AHTS	17.421	98.163	36.497	4.457	156.538
PSV	3.846	10.523	6.349	5.485	26.203
Total	21.267	108.686	42.846	9.942	182.741
EBIT					
AHTS	19.237	42.404	-13.693	-42.653	5.295
PSV	3.560	1.754	-2.827	-2.282	205
Total	22.797	44.158	-16.520	-44.935	5.500

1) VSS performs external ship management assignments for 5 icebreakers owned by the Swedish Maritime Authorities. External ship management is not considered a segment of its own. Revenues and costs for the AHTS include 29 MNOK for Q1, 24 MNOK for Q2, 23 MNOK for Q3 and 23 MNOK for Q4 for external ship management.

Seasonal effects

Revenue and results are impacted by seasonal effects with lower activity and rates during the winter season.

Tangible fixed assets are distributed as follows:

(NOK '000)	Q4 2012	Q3 2012	Q2 2012	Q1 2012	FY 2012
AHTS	3.209.658	3.504.481	3.548.949	3.580.033	3.209.658
PSV	564.179	589.381	625.722	592.520	564.179
Total tangible fixed assets	3.773.837	4.093.862	4.174.671	4.172.553	3.773.837

There are no significant revenue transactions between the segments.

3. Interest bearing liabilities

The vessels owned by the Company are primarily financed through bank loans with pledge in the vessels. Further securities have been given in the form of pledge in revenue and insurance policies. The interest-bearing debt in VSS per Q4 2012 is 2 290 MNOK. In July debt of 644 MNOK was refinanced with a consortium of two banks.

Parts of the interest-bearing liabilities are associated with so-called covenants, according to which VSS must fulfill certain key data. At the reporting date all covenants were in compliance.

In March VSS issued a 5 year senior unsecured bond loan in the Norwegian capital market, with maturity in March 2017, totaling 300 MNOK. The bond agreement has a limit of 750 MNOK. The net proceeds from the bond shall be employed for investments, capital expenditures related to fleet expansion and general corporate purposes. The bond was listed on the Oslo ABM on June 28th.

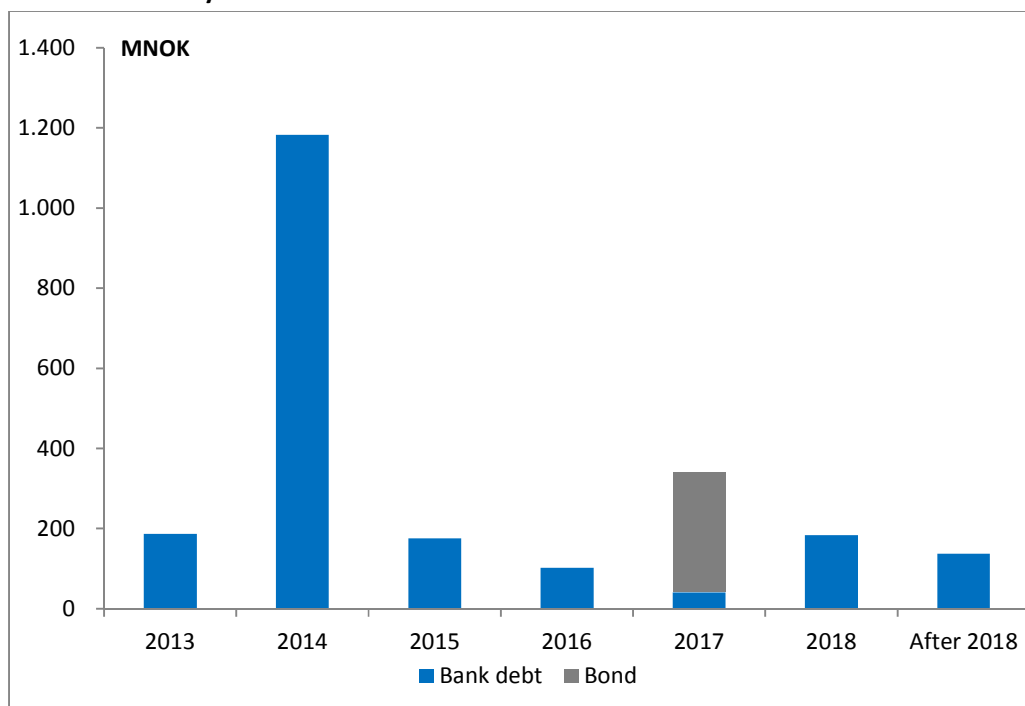
VSS has 11 % of its interest bearing debt in USD. The remaining loans are denominated in NOK. 40 % of the total loan portfolio has been swapped into fixed interest rate.

3.1. Classification by type of debt

(NOK '000)	31/12 2012	30/9 2012	30/6 2012	31/3 2012	31/12 2011
Bond loan	295.566	295.303	294.750	-	-
Current part of bond loan	-	-	-	-	-
Long-term debt to credit institutions	1.807.361	1.987.898	1.453.905	1.507.215	875.120
Short-term debt to credit institutions 1)	187.090	199.869	781.067	748.863	662.124
Total interest bearing liabilities	2.290.017	2.483.069	2.529.722	2.256.078	1.537.244

1) Due to refinancing of loan facilities in the AHTS segment, 634 MNOK was presented as short term debt in the Balance Sheet as at June 30, 2012. The facility was refinanced in July 2012.

3.2. Debt maturity



4. Cash and cash equivalents

(NOK '000)	31/12 2012
Restricted cash 1)	61.111
Free cash and cash equivalents	197.094
Total restricted and free cash and cash equivalents	258.205

1) The amount is included in the item "Financial fixed assets" in the balance-sheet.

5. Basis of preparation

Viking Supply Ships A/S is a 100 % owned subsidiary of RABT. RABT is a limited liability company registered in Sweden, with its domicile in Gothenburg, and corporate registration number 556161-0113. RABT is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange in Stockholm.

These condensed interim financial statements for the twelve months ended 31 December 2012 have been prepared in accordance with the accounting principles as described in the RABT's Annual report for 2011.