

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NORDIC HEAVY LIFT ASA

4th QUARTER 2008

1. CONSOLIDATED INTERIM INCOME STATEMENT

In USD 1,000

	Note	4th Quarter		Full Year	
		(Unaudited)		(Unaudited)	(Audited)
		2008	2007	2008	2007
Revenues		-	-	-	-
Project related cost		-	-	-	-
Gross margin		-	-	-	-
Other sales, general & administrative costs		-599	-372	-2,854	-1,270
Depreciation		-	-	-	-
Other gains / losses - net		-	122	-	-
Operating result		-599	-250	-2,854	-1,270
Interest income		25	962	1,156	2,248
Interest expense	1	-32	-	-119	-64
Losses on derivative instruments		-5,148	0	-6,567	0
Foreign exchange gains/losses		-2,889	275	-1,054	251
Other financial items		-2	-39	-57	-48
Net financial items		-8,046	1,198	-6,641	2,387
Result before income tax		-8,645	948	-9,495	1,117
Income tax expense		-1,272	-	-1,272	-
Net result for the period		-9,917	948	-10,767	1,117
Net result attributable to the Shareholders of the Company		-9,917	948	-10,767	1,117
Result per share (basic and diluted)		-0.18	0.02	-0.19	0.02

2. CONSOLIDATED INTERIM BALANCE SHEET

In USD 1,000

	Note	<u>31 December 2008</u> (Unaudited)	<u>31 December 2007</u> (audited)
ASSETS			
Non-current assets			
Intangible assets		1,106	1,106
Vessel and other assets	1	134,362	53,041
Derivative financial instruments		172	2,087
Non-current restricted cash		-	34,387
Total non-current assets		<u>135,640</u>	<u>90,621</u>
Current assets			
Derivative financial instruments		158	478
Other current assets		572	3
Current restricted cash		39,243	63,600
Cash and cash equivalents		48,767	65,044
Total current assets		<u>88,740</u>	<u>129,125</u>
Total assets		<u>224,380</u>	<u>219,746</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital		4,655	4,655
Share premium reserve		99,461	99,461
Other equity		-13,238	-2,471
Total Shareholders' Equity		<u>90,878</u>	<u>101,645</u>
Non-current liabilities			
Long-term borrowings		112,547	111,651
Other non-interest bearing debt and provisions		7,931	3,285
Deferred tax		702	-
Total non-current liabilities		<u>121,180</u>	<u>114,936</u>
Current liabilities			
Trade and other payables		10,606	32
Current income tax liabilities		570	-
Other non-interest bearing debt		-	1,540
Provisions for other charges and liabilities		1,146	1,593
Total current liabilities		<u>12,322</u>	<u>3,165</u>
Total liabilities		<u>133,502</u>	<u>118,101</u>
Total Shareholders' Equity and Liabilities		<u>224,380</u>	<u>219,746</u>

3. CONSOLIDATED INTERIM CASH FLOW STATEMENT

In USD 1,000

	Full Year	
	2008 (Unaudited)	2007 (Audited)
Net result before tax	-9,495	1,117
Changes in fair value of financial assets	2,235	-2,565
Changes in fair value of financial liabilities	3,106	4,825
Change in other current assets	-569	-4
Changes in other current liabilities and accruals	10,127	3,059
Net cash flow from operations	14,899	6,432
Changes in restricted cash	58,744	-97,987
Investment in operating fixed assets	-71,491	-49,666
Investment in intangible assets	0	-1,106
Net cash flow from investing activities	-12,747	-148,759
Deemed dividend	-	-2,299
Long-term borrowings	896	115,000
Paid interest	-11,925	-7,584
Interest allocated to Profit & Loss account	2,095	
Transaction cost - borrowings	-	-2,978
Paid in equity	-	107,853
Transaction cost - issuing of share capital	-	-3,738
Net cash flow from financing activities	-8,934	206,254
Net changes in cash during the period	-16,277	65,044
Cash at beginning of period (1 January)	65,044	-
Cash at end of period (31 December)	48,767	65,044
Change	-16,277	65,044

4. CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

In USD 1,000 unless otherwise noted

(Unaudited)	Number of shares	Par value NOK	Share capital	Share premium	Other equity	Total equity
Proceeds from shares issued 5 January 2007	100	1,000.00	16			16
Proceeds from shares issued 2 May 2007	900	1,000.00	151			151
Share split 7 May 2007	1,999,000	0.50				
Proceed from shares issued 16 May 2007 (Private placement)	54,000,000	0.50	4,488	103,199		107,687
Transaction cost related to the issuance of share capital				-3,738		-3,738
Deemed dividend					-2,299	-2,299
Issuance of warrants to the founding shareholders					-1,289	-1,289
Net profit					1,117	1,117
Equity at 31 December 2007	56,000,000		4,655	99,461	-2,471	101,645
Net result for the year 2008					-10,767	-10,767
Equity at 31 December 2008	56,000,000		4,655	99,461	-13,238	90,878

5. ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

Nordic Heavy Lift ASA ("the Company" or "NHL") is a public limited liability company incorporated and domiciled in Norway. The consolidated financial information comprise the Financial Statements of Nordic Heavy Lift ASA and its subsidiaries Nordic Heavy Lift Management BV, The Netherlands and Nordic Heavy Lift Shipowning Ltd, Cyprus. The Dutch management company was established in March 2008 to render services to group Companies. The Cypriot ship owning company was established in 2007 as a vessel owner and vessel operating Company.

The Company's shares are registered for trading on the OTC list in Oslo, Norway.

This consolidated interim financial information for the 4th Quarter, 2008 as well as the full year 2008 has been prepared in accordance with IAS 34, "Interim financial reporting". The consolidated interim financial report should be read in conjunction with the Consolidated Financial Statements presented at year-end, 2007 prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as they provide an update of previously reported information.

The Consolidated Interim Financial Statements were approved by the Company's Board of Directors on 27th February, 2009.

The preparation of Consolidated Interim Financial Statements in accordance with IFRS requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Management has principally made estimates and assumptions in respect to fair values of financial instruments and provision for liabilities.

The accounting policies applied and the presentation of the consolidated interim financial information are consistent with the Consolidated Financial Statements prepared for year-end 2007.

Management has assessed that in its opinion there are no new IFRS accounting standards, amendments and interpretations to standards that are relevant to the Company with respect to the consolidated interim financial statements as reported.

Note 1

Interest expenses related to the senior secured bond and interest income from the related escrow account have been capitalized net as part of the carrying amount of the Vessel.