

CONSOLIDATED INTERIM FINANCIAL STATEMENT

NORDIC HEAVY LIFT ASA

2nd Quarter 2008

CONSOLIDATED INTERIM INCOME STATEMENT

2nd Quarter 2008	2nd Quarter 2007	(In USD 1,000 unless otherwise noted - unaudited)	Note	1st Half year 2008	1st Half year 2007
0		Revenues		0	
<u>0</u>	<u>0</u>	Project related cost		<u>0</u>	<u>0</u>
		Gross Margin		0	0
-177		Salaries, social securities and pensions		-272	
-622	-1	SG&A		-879	-1
0		Depreciation		0	
2 686	30	Other (losses)/gains - net		-505	30
<u>1 919</u>	<u>29</u>	Operating profit		-1 656	29
241	558	Interest income	1	793	558
0		Interest expense	1	0	
31	19	Foreign exchange gains/losses		31	19
52	0	Other financial items		-16	0
<u>292</u>	<u>577</u>	Net financial items		808	577
2 212	606	Profit before income tax		-849	606
0	0	Income tax expense		0	0
<u>2 212</u>	<u>606</u>	Net profit for the period		-849	606
		Attributable to:			
2 212	606	- equity holders of the company		0	606
0.04	0.01	Earnings per share (basic and diluted)		0.00	0.01

CONSOLIDATED INTERIM BALANCE SHEET

(In USD 1,000 unless otherwise noted - unaudited)

	Note	<u>30 June 2008</u>	<u>31 December 2007</u>
ASSETS			
Non-current assets			
Intangible assets		1 106	1 106
Vessels and other assets	1	73 251	53 041
Derivative financial instruments		5 807	2 087
Non-current restricted cash			34 387
Total non-current assets		<u>80 164</u>	<u>90 621</u>
Current assets			
Derivative financial instruments			478
Other current assets		1 094	4
Current restricted cash		85 176	63 600
Cash and cash equivalents		55 869	65 044
Total current assets		<u>142 139</u>	<u>129 126</u>
Total assets		<u>222 303</u>	<u>219 746</u>
EQUITY			
Share capital		4 656	4 656
Share premium reserve		99 461	99 461
Other equity		-3 321	-2 472
Total equity		<u>100 796</u>	<u>101 645</u>
LIABILITIES			
Non-current liabilities			
Long-term borrowings		111 468	111 651
Other non-interest bearing debt and provisions		9 008	3 472
Total non-current liabilities		<u>120 476</u>	<u>115 123</u>
Current liabilities			
Trade and other payables		2	32
Current income tax liabilities		0	0
Other non-interest bearing debt		0	1 353
Provisions for other charges and liabilities		1 029	1 593
Liabilities classified as held for sale		0	0
Total current liabilities		<u>1 031</u>	<u>2 978</u>
Total liabilities		121 507	118 101
Total equity and liabilities		<u>222 303</u>	<u>219 746</u>

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	1000.00	16			16
Proceeds from shares issued 2 May 2007	900	1000.00	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	4 487	103 199		107 686
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					-1 288	-1 288
Net profit					606	606
Equity at 30 June 2007	56 000 000		4 655	99 461	-2 982	101 134
Net profit 2nd-half 2007					511	511
At 31 December 2007	56 000 000		4 655	99 461	-2 471	101 645
Net profit					-849	-849
Equity at 30 June 2008	56 000 000		4 655	99 461	-3 320	100 796

CONSOLIDATED CASH FLOW STATEMENT

(In USD 1,000 unless otherwise noted - unaudited)	30 June 2008	30 June 2007
Net profit before tax	-849	606
Working capital adjustments		
Changes in fair value of financial assets	-3 147	-99
Changes in fair value of financial liabilities	3 652	59
Change in other current assets	1 090	22
Changes in other current liabilities and accruals	-3 195	5 552
Net cash flow from operations	-2 448	6 140
Changes in restricted cash	12 811	-112 520
Investment in operating fixed assets	-13 351	-30 424
Investment in intangible assets	0	-1 091
Net cash flow from investing activities	-540	-144 035
Deemed dividend	0	-2 299
Issue of warrants	0	-1 136
New long-term borrowings	0	112 187
Paid interest	-6 186	13
Transaction cost - borrowings	0	0
Paid in equity	0	104 027
Transaction cost - issuance of share capital	0	73
Net cash flow from financing activities	-6 186	212 865
Net changes in cash during period	-9 175	74 970
Cash at beginning of period (1 January)	65 044	0
Cash at end of period	55 869	74 970
Change	-9 175	74 970

Accounting policies

Nordic Heavy Lift ASA ("the Company") is a public limited liability company incorporated and domiciled in Norway. The consolidated financial information comprises 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 company was established in March 2008 to render services. The Cypriot 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 2nd Quarter 2008, as well as for the first half 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 Statement 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.

This consolidated interim financial statement was approved by the Company's Board of Directors on the 19th August, 2008.

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 statement 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 statement 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.