SIEM OFFSHORE INC.
REPORT FOR THE SECOND QUARTER AND FIRST HALF YEAR 2015

20 August 2015 – Siem Offshore Inc. (the "Company"; Oslo Stock Exchange: SIOFF) reports results for the second quarter and first half ended 30 June 2015.

SELECTED FINANCIAL INFORMATION

(Amounts in USD millions)	2015 2Q	2014 2Q	2015 1H	2014 1H	2014 Jan- Dec
	Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
Operating revenues	124.4	114.2	250.4	208.6	491.3
Operating margin	41.1	38.2	79.8	75.1	194.1
Operating margin, %	33 %	33 %	32 %	36 %	40 %
Operating profit (loss)	(30.5)	18.7	(54.4)	47.3	84.3
Profit (loss) before taxes	(43.8)	12.6	(68.0)	31.2	73.4
Net profit (loss)	(45.0)	12.1	(70.6)	29.9	70.7
Net profit (loss) attributable to shareholders	(43.9)	11.7	(69.5)	26.7	58.1

HIGHLIGHTS FOR THE SECOND QUARTER

- The Company's Board of Directors approved a USD100 million Rights Issue, which was subject to the approval of an increase in the Company's share capital by its Shareholders, as part of its Finance Plan. The Company's largest shareholder, Siem Europe S.a r.l., has fully-underwritten the Rights Issue.
- Agreed a 6-month contract with options for the PSV "Siem Pilot".
- Agreed sale of the PSV "Siem Sasha" to Siem Offshore Ghana International AS, a company-owned 51% by Siem Offshore.
- Reached a new agreement with Daya Materials Berhad for the sale of the Offshore Subsea Construction Vessel ("OSCV") "Siem Daya 1" for USD120 million and a profit-split limited to an additional USD10 million.
- Entered into a 5-year charter for the OSCV "Siem Marlin" commencing in September 2015 with purchase options available after each of first 4 years and a purchase obligation at end of charter.
- Conducted a review of vessel valuations and elected to record impairments of an aggregate USD56 million on certain vessels.
- Placed two AHTS vessels in lay-up at the end of the second quarter.
- SOC was awarded a turnkey supply and installation contract for the inner array grid cable system for the Veja Mate Offshore Windfarm project. The marine installation works are scheduled to commence in 2016.
- Aggregate backlog for the Offshore Supply Vessels segment and the Industrial Segment is USD1.62 billion at the end of second quarter.

SUBSEQUENT EVENTS

- The Board of Siem Offshore Inc. appointed Idar Hillersøy as Chief Executive Officer of the Company with effect from 1 August 2015.
- Daya paid the deposit of USD10 million for the "Siem Daya 1".
- Extended contract for the R/V 'JOIDES Resolution' to TAMRF until 30 September 2016. TAMRF has further options to extend the charter until 30 September 2023 on an annual basis.

- At the Extraordinary General Meeting held 14 August 2015, the Company's Shareholders approved the proposal to increase the Company's authorised share capital which increased the number of authorised Common Shares available for issue and facilitates the completion of the Rights Issue.

MARKET AND OUTLOOK

The North Sea spot market for AHTS vessels and PSV vessels continued the trend from the first quarter with soft rates and utilization. Additional AHTS vessels and PSVs have returned to the North Sea from various parts of the world, especially from Brazil, leading to a further increased supply of vessels. Vessel owners have continued to put vessels into lay-up and additional lay-ups are expected if activity remains weak.

Oil operators have continued to cancel rig contracts and several projects expected to absorb vessels from the North Sea have been cancelled or postponed, such as South Stream, Kara Sea and other Arctic and Russian projects.

In Brazil, tendering activity for OSVs for the rest of 2015 is expected to be limited.

In West Africa, the activity level and demand for PSVs and AHTS vessels have dropped, and a large number of vessels are currently idle waiting for work. There are few new tenders for OSVs, and we expect this trend to continue into 2016.

The outlook for the OSV market is expected to remain challenging.

SOC experienced an increased tendering activity for EPIC-based contracts for both medium- and high-voltage power cables in the offshore windfarm ("OWF") market with scheduled marine installation activities in 2017, 2018 and 2019. SOC is also tendering for various operations and maintenance contracts.

RESULTS AND FINANCE

Income Statements (2Q 2015 over 2Q 2014)

Operating revenues were USD124.4 million (2014: USD114.2 million). The operating margin was USD41.1million (2014: USD38.2 million) and the operating margin as a percentage of revenues was 33% (2014: 33%).

Administration expenses were USD10.9 million (2014: USD12.7 million). The administration expenses include USD1.1 million of costs related to the settlement of a tax matter.

Operating profit (loss) was USD(30.5) million (2014: USD18.7 million) after depreciation and amortisation expenses of USD26.4 million (2014: USD23.3 million) and impairment costs of USD56 million (2014: USD-0-). At the end of the second quarter, the Company conducted a review of vessel valuations and recorded impairments of an aggregate USD56 million on certain vessels.

Net currency exchange gains (losses) of USD10.8 million (2014: USD3.7 million) were recorded on currency derivative contracts of which USD20.4 million was unrealised (2014: USD0.7 million). The currency derivative contracts are entered into in order to hedge future non-USD yard instalments and non-USD operating expenses.

Net financial items were USD(13.4) million (2014: USD(6.1) million) and included a net revaluation gain (loss) of non-USD currency items of USD(3.4) million (2014: USD6.8 million) due to changes in currency exchange rates during the quarter. Non-USD currency items are held to match short- and long-term liabilities, including off-balance sheet liabilities, in similar currencies. The financial expenses of USD12.9 million included a net unrealised gain of USD1.8 million for interest swap agreements (mark-to-market adjustment) which are entered into to hedge long-term interest rate exposure on floating rate borrowings.

The net profit/(loss) attributable to shareholders was USD(43.9) million (2014: USD11.7 million).

Income Statements (1H 2015 over 1H 2014)

Operating revenues were USD250.4 million (2014: USD208.6 million). The operating margin was USD79.8 million (2014: USD75.1 million) and the operating margin as a percentage of revenues was 32% (2014: 36%).

Administration expenses were USD21.1 million (2014: USD24.0 million).

Operating profit (loss) was USD(54.4) million (2014: USD47.3 million) after depreciation and amortisation expenses of USD53.2 million (2014: USD44.8 million) and impairment costs of USD56 million (2014: USD-0-). Net currency exchange gains (losses) of USD(25.3) million (2014: USD10.2 million) were recorded on currency derivative contracts of which USD(6.9) million was unrealised (2014: USD5.7 million). The currency derivative contracts are entered into in order to hedge future non-USD yard instalments and non-USD operating expenses.

Net financial items were USD(13.6) million (2014: USD(16.1) million) and included a net revaluation gain (loss) of non-USD currency items of USD6.6 million (2014: USD6.5 million) due to changes in currency exchange rates during the first half. Non-USD currency items are held to match short- and long-term liabilities, including off-balance sheet liabilities, in similar currencies. The financial expenses of USD24.8 million included a net unrealised gain of USD1.2 million for interest swap agreements (mark-to-market adjustment) which are entered into to hedge long-term interest rate exposure on floating rate borrowings.

The net profit/(loss) attributable to shareholders was USD(69.5) million (2014: USD26.7 million).

Statements of Financial Position and Cash Flows

Shareholders' equity was USD683.6 million at 30 June 2015 (31 December 2014: USD785.0 million), equivalent to USD1.76 per share (2014: USD2.03 per share). Net cash flow from operations for the first six months of 2015 was USD55.1 million and the cash position at 30 June 2015 was USD74.5 million.

The balance sheet included gross interest-bearing debt equivalent to USD1.2 billion. The Company made total drawings in the equivalent of USD33.2 million under credit facilities during the first six month of 2015 and made principal repayments of USD71.2 million. The weighted average cost of debt for the Company was approximately 4.3% p.a. at 30 June, including the effect of fixed interest rate swap agreements.

The Company has nine vessels under construction and all vessels have secured debt-financing.

The Company has reached agreement with the lenders to extend the NOK 2.5 billion credit facility for six anchor handling tug supply vessels to 2018 and with Siem Industries Inc. to extend the maturity date of the USD 60 million revolving credit facility to 2017. The Company also reached agreement with the Company's banks to ease certain covenant requirements.

In June 2015, a loan of USD 15 million was provided by Siem Industries Inc. to the Company. The Company has not drawn on the loan which will mature on the earlier of the completion of the Rights Issue or 31 August 2016.

At the Extraordinary General Meeting held on 14 August 2015, the Company's Shareholders approved the proposal to increase the authorised Share Capital. The increased Share Capital will increase the number of authorised Common Shares and facilitate the completion of the USD100,000,000 Rights Issue. The Rights Issue is underwritten by the Company's largest shareholder, Siem Europe S.a r.l., which is itself whollyowned by Siem Industries Inc. The subscription period for the Rights Issue started 19 August and will expire 2 September 2015.

Total future yard instalments for vessels under construction were equivalent to USD486 million at the end of the quarter. These instalments fall due with USD92 million in 2015 and USD394 million in 2016.

OFFSHORE SUPPORT VESSELS SEGMENT

The Fleet

The fleet in operation at the end of the second quarter totalled 46 vessels (2014: 43 vessels), including partly-owned vessels, two vessels in lay-up and two vessels operated on behalf of a pool member.

Results for the Second Quarter 2015

Platform Supply Vessels (PSVs)

The Company had twelve PSVs in operation, consolidated on a 100% basis, at the end of the quarter (2014: twelve). These PSVs recorded operating revenues of USD21.9 million and had 83% utilisation (2014: USD21.3 million and 90%). The operating margin before administration expense for these PSVs was USD11.9 million, (2014: USD11.8 million) and the operating margin as a percentage of revenues was 54% (2014: 51%).

One PSV is employed offshore West Africa, four are employed offshore Brazil, three are employed in the North Sea region and one PSV is on a bareboat contract. Two vessels came off a contract in West Africa in second quarter 2015. The Company has currently three vessels in West Africa tendering for work.

Offshore Subsea Construction Vessels (OSCVs)

The Company had six OSCVs in operation at the end of the quarter (2014: five).

The OSCVs earned operating revenues of USD30.6 million and had 98% utilisation (2014: USD23.3 million and 98%). The operating margin before administration expense for the OSCVs was USD21.5 million (2014: USD15.7 million) and the operating margin as a percentage of revenues was 70% (2014: 67%).

Five OSCVs operated on long-term contracts, with two operating in the US Gulf of Mexico, and three vessels in the North Sea/Europe. One vessel came of a long term contract outside West Africa in July, and is tendering for short term work prior to commencing a five year term contract in the third quarter 2015.

Anchor Handling Tug Supply (AHTS) Vessels

The Company had 10 AHTS vessels in operation at the end of the quarter (2014: ten), of which two are owned by a pool partner. Two of the AHTS vessels are placed in lay-up. All ten vessels are operated under a pool agreement where revenues and costs are shared in accordance with the pool agreement.

Siem Offshore's interest in the AHTS fleet represents operating revenues of USD14.2 million based on 67% utilisation (2014: USD33.6 million and 86%). The operating margin before administration expense was USD(2.4) million (2014: USD16.8 million) and the operating margin as a percentage of revenues was (17)% (2014: 50%).

One AHTS vessel is operating on a long-term contract in Brazil and one AHTS vessel is operating for Siem Offshore Contractors. One AHTS vessel recorded 65 days commercial off-hire related to a 5 year scheduled dry-docking. .

The remaining AHTS vessels have been operating in the spot market in the North Sea/Europe during the period.

Other Vessels

The Company had a fleet of nine smaller Brazilian-flagged vessels (fast supply vessels, crew vessels and oil spill recovery vessels) in operation at the end of the quarter (2014: nine). All vessels operated on term contracts in Brazil. The fleet earned operating revenues of USD5.9 million and had 92% utilisation (2014: USD5.4million and 95%). The operating margin before administration expense for the fleet was USD2.0 million (2014: USD0.9 million) and the operating margin as a percentage of revenues was 34% (2014: 17%).

The 50%-owned company, Secunda Canada LP, has a fleet of six offshore support vessels operating offshore Canada. The fleet earned operating revenues of USD9.2 million and had 87% utilisation 2014: USD11.4 million and 86%). The operating margin before administration expense for the fleet was USD3.8 million (2014: USD5.0 million), and the operating margin as a percentage of revenues was 41% (2014: 44%). The results for Secunda are recorded in accordance with the equity method and included as results from associated companies. Siem Offshore's 50% share of the net result for the second quarter was USD 0.5million (2014: USD0.9 million).

The 41%-ownership in the "Big Orange XVIII" recorded operating revenues of USD1.7million (2014: USD1.8million) and an operating margin of USD 0.5million (2014: USD0.7 million). The operating margin as a percentage of revenue was 28% (2014: 36%). These results are recorded in accordance with the equity method.

Results for the First Half 2015

Platform Supply Vessels (PSVs)

The PSV fleet recorded operating revenues of USD46.5 million and had 83% utilisation (2014: USD44.1 million and 91%). The operating margin before administration expense for these PSVs was USD26.3 million, (2014: USD21.9 million) and the operating margin as a percentage of revenues was 57% (2014: 50%).

Offshore Subsea Construction Vessels (OSCVs)

The OSCV fleet earned operating revenues of USD60.9 million and had 96% utilisation (2014: USD42.8 million and 98%). The operating margin before administration expense for the OSCVs was USD42.8 million (2014: USD29.1 million) and the operating margin as a percentage of revenues was 70% (2014: 68%).

Anchor Handling Tug Supply (AHTS) Vessels

Siem Offshore's interest in the AHTS fleet represents operating revenues of USD29.6 million based on 67% utilisation (2014: USD68.7 million and 87%). The operating margin before administration expense was USD1.1 million (2014: USD35.5 million) and the operating margin as a percentage of revenues was 4% (2014: 52%).

Other Vessels

The fleet of smaller Brazilian flagged vessels earned operating revenues of USD12.6 million and had 92% utilisation (2014: USD9.5 million and 91%). The operating margin before administration expense for the fleet was USD4.5 million (2014: USD0.7 million) and the operating margin as a percentage of revenues was 36% (2014: 7%).

The 50%-owned company, Secunda Canada LP, earned operating revenues of USD15.9 million and had 87% utilisation (2014: USD20.7 million and 79%). The operating margin before administration expense for the fleet was USD5.4 million (2014: USD8.9 million), and the operating margin as a percentage of revenues was 34% (2014: 43%). The results for Secunda are recorded in accordance with the equity method and included as results from associated companies. Siem Offshore's 50% share of the net result for the first six month was USD 0.1 million (2014: USD0.9 million),

The 41%-ownership in the "Big Orange XVIII" recorded operating revenues of USD3.4 million (2014: USD3.6 million) and an operating margin of USD1.0 million (2014: USD1.3 million). The operating margin as a percentage of revenue was 29% (2014: 38%). These results are recorded in accordance with the equity method.

Contract Backlog for Offshore Support Vessels

The Contract Backlog in per cent of each of the above categories of vessels is as follows:

Contract Backlog, %	2015	2016	2017
PSVs	66%	43%	23%
OSCVs *	83%	100%	91%
AHTS vessels	13%	5%	-
Brazilian-flagged vessels	99%	100%	100%
Secunda	81%	50%	22%
Big Orange XVIII	100%	75%	-

* The Contract Backlog reflects the sale of "Siem Daya 1" in August 2015.

The total contract backlog of firm contracts for the Offshore Support Vessels segment at 30 June 2015 was USD1.35 billion, including Big Orange XVIII, Secunda and the vessels under construction, and is allocated as follows:

(Amounts in USD millions)	2015	2016	2017 onwards
Backlog	125	270	950

Quality, Health, Safety & Environment (QHSE)

The Company's target includes zero personal injuries, no damage to the environment and no damage to or loss of equipment and property.

The good QHSE performance continued with no serious incidents throughout the fleet. The safety records this year report no serious injury to personnel or discharges to the environment.

Newbuilding Program

The Company had 9 vessels under construction at 30 June 2015. Six vessels were under construction in Poland, two in Germany and one in Brazil. These 9 vessels included one oil spill recovery vessel ("OSRV") for delivery in 2015, four dual-fuel PSVs with one for delivery in 2015 and three in 2016, one Cable-Lay Vessel ("CLV") for delivery in 2016, one AHTS vessel for delivery in 2015 and two Well-Intervention Vessels ("WIVs") for delivery in 2016. The Company has secured long-term employment for the OSRV, one of the four dual-fuelled PSVs, and for the two WIVs. The CLV shall be utilised by Siem Offshore Contractors for project work within the submarine power cable installation, repair and maintenance segment.

INDUSTRIAL SEGMENT

Submarine Power Cable Activities – Siem Offshore Contractors ("SOC")

Results for the Second Quarter 2015

Siem Offshore Contractors ("SOC") generated gross revenues of USD45.1million in second quarter 2015. The projects within SOC are accounted for using the percentage-of-completion method and no profit margin will be recorded until the respective projects are at minimum 25% complete. SOC recorded USD13.1 million in margin from its various projects in second quarter before administrative expense. Subject to the margin being forecasted as positive and prior to the project reaching a percentage-of-completion where margin is recognized, project revenue are recorded to match the accumulating costs of physical progress.

Project Overview

The Amrumbank West OWF ("Offshore Wind Farm") project for E.ON Kraftwerke GmbH involved the installation, post-lay trenching, termination and testing of 86 inner array grid submarine composite cables within the German Bight sector of the North Sea. By second quarter, all contractual works have been completed and agreed with the Client. The Client has expressed satisfaction with the performance of SOC in all areas. SOC expects to receive the final completion certificate for the project during August 2015. Positive margin has been recorded on this project in both first and second quarter 2015, and any remaining margin will be recorded in third quarter 2015.

The Baltic 2 OWF project for EnBW Baltic 2 GmbH involved the installation, post-lay trenching, termination and testing of 86 inner array grid submarine composite cables within the German sector of the Baltic Sea. By the second quarter 2015 all 86 cables were installed, terminated and tested and all post-lay trenching and rock-dumping works were also completed. The as-built survey works are scheduled to be completed within third quarter 2015 and as-built documentation shall be submitted during fourth quarter 2015. A positive margin was recorded on the project in 2014 as well as in first and second quarter 2015. The remaining margin will be recorded in second half of 2015.

The Nordsee One OWF project for Nordsee One GmbH involves the EPIC-based supply and installation of 59 submarine composite cables, including post-lay trenching, termination and testing works, forming the inner array grid of the Nordsee One OWF. The project is on track for mechanical completion by third quarter 2016. In line with the above, no margin will be recorded on this project in 2015.

The Nordsee One OWF export cable project for TenneT Offshore GmbH represents the consortium based EPIC-based contract for the Nordsee One export cable system in partnership with J-Power Systems. Commencement of the offshore installation works is expected for third quarter 2016 with completion scheduled in fourth quarter 2016. In line with the above, no margin will be recorded on this project in 2015.

The Veja Mate OWF project for Veja Mate Offshore Project GmbH involves the EPIC-based supply and installation of 73 submarine composite cables, including related accessories as well as cable installation, post-lay trenching, termination and testing works, forming the inner array grid of the Veja Mate OWF.. The project is on track for mechanical completion by second quarter 2017. In line with the above, no margin will be recorded on this project in 2015.

Since April 2015, the AHTS vessel "Siem Emerald" has been chartered as dedicated walk-to-work vessel to Ocean Breeze Energy GmbH. In May 2015, the ISV "Siem Moxie" joined the "Siem Emerald" and both vessels are now working on the Bard Offshore 1 OWF project as dedicated service operations vessels providing offshore accommodation and safe access to the individual foundations and platform for a large team of specialised technicians.

Results for the First Half 2015

Siem Offshore Contractors ("SOC") generated gross revenues of USD 86.1million. The projects within SOC are accounted for using the percentage-of-completion method, and no margin will be recorded until the respective projects are at minimum 25% complete. SOC recorded USD16.6 in margin from its various projects, before administrative expense. Subject to the margin being forecasted as positive and prior to the project reaching a percentage-of-completion where margin is recognized, project revenue are recorded to match the accumulating costs of physical progress.

Technology Investment – Siem WIS

Results for the Second Quarter 2015

Siem WIS recorded operating revenues of USD1.8 million (2014: USD0.2 million) and an operating margin before administration expenses of USD1.3 million (2014: USD0.1 million). The operating margin as a percentage of revenue was 71% (2014: 25%).

The Julius project commenced late April and Siem WIS is still onboard "Maersk Gallant" delivering the pressure control device ("PCD") services. The operation has been a good success for Siem WIS and has again proven the advantages of the PCD technology. Siem WIS has also been awarded a contract for a managed pressure drilling ('MPD") operation at Gullfaks, the mobilisation is currently ongoing and the offshore operation is scheduled to start early September. The Valemon operation is still on track for start-up in November 2015. It was possible to drill the Gudrun well without utilising MPD; however, Siem WIS has been on-call onshore during this operation.

Results for the First Half 2015

Siem WIS recorded operating revenues of USD2.3 million (2014: USD0.6 million) and an operating margin before administration expenses of USD1.6 million (2014: USD0.3 million). The operating margin as a percentage of revenue was 69% (2014: 49%).

Scientific Core-Drilling – Overseas Drilling Ltd, owner of the "JOIDES Resolution"

Results for the Second Quarter 2015

The scientific core-drilling vessel "JOIDES Resolution" recorded operating revenues of USD6.5 million (2014: USD6.5 million) and an operating margin before administration expenses of USD3.7 million (2014: USD3.7 million). The operating margin as a percentage of revenue was 56% (2014: 58%).

TAMRF extended the contract for the "JOIDES Resolution" until 30 September 2016 and holds further options to extend the charter until 30 September 2023 on an annual basis.

Results for the First Half 2015

The "JOIDES Resolution" recorded operating revenues of USD13.0 million (2014: USD12.9million) and an operating margin before administration expenses of USD7.1 million (2014: USD7.2 million). The operating margin as a percentage of revenue was 55% (2014: 56%).

Contract Backlog for Industrial Investments

The total Contract Backlog for the Industrial Segment at 30 June 2015 was USD278 million and is allocated as follows:

(Amounts in USD millions)	2015	2016	2017 onwards
Siem Offshore Contractors	25	154	67
JOIDES Resolution	13	19	-

On behalf of the Board of Directors of Siem Offshore Inc.
20 August 2015

Eystein Eriksrud, Chairman — Idar Hillersøy, Chief Executive Officer

CONSOLIDATED INCOME STATEMENTS

(Amounts in USD 1 000)	Note	2015 2Q	2014 2Q	2015 1H	2014 1H	2014 Jan-Dec
		Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
Operating revenues	4	124 425	114 231	250 420	208 608	491 312
Operating expenses		-72 416	-63 310	-149 511	-109 518	-250 153
Administration expenses		-10 923	-12 709	-21 083	-23 991	-47 033
Operating margin		**41 086**	**38 212**	**79 826**	**75 099**	**194 125**
Depreciation and amortisation	4, 5	-26 426	-23 329	-53 176	-44 770	-125 883
Impairment of vessels	5,9	-56 000	-	-56 000	-	-
Gain (loss) on sales of fixed assets		15	-26	-	6 635	18 728
Gain of sale of interest rate derivatives (CIRR)	6	92	92	184	184	368
Gain (loss) on currency derivative contracts		10 780	3 731	-25 272	10 147	-3 023
Operating profit	**4**	**-30 452**	**18 680**	**-54 438**	**47 295**	**84 316**
Financial revenues		2 409	1 511	4 658	2 258	9 091
Financial expenses		-12 867	-14 813	-24 801	-25 977	-55 868
Result from associated companies		525	467	-29	1 136	1 808
Net currency gain (loss)		-3 420	6 759	6 602	6 495	34 092
Net financial items		**-13 354**	**-6 076**	**-13 570**	**-16 088**	**-10 877**
Profit/(loss) before taxes		**-43 806**	**12 604**	**-68 008**	**31 207**	**73 439**
Tax benefit / (expense)	7	-1 238	-465	-2 597	-1 285	-2 729
Net profit/(loss)	**6**	**-45 043**	**12 139**	**-70 606**	**29 922**	**70 710**
Net profit/ (loss) attributable to non-controlling interest		-1 107	445	-1 156	3 247	12 563
Net profit/ (loss) attributable to shareholders		**-43 936**	**11 694**	**-69 449**	**26 675**	**58 147**
Weighted average number of shares outstanding ('000)		387 591	387 591	387 591	387 591	387 591
Earnings(loss) per share (basic and diluted)		-0,11	0,03	-0,18	0.04	0.15

Comprehensive Income Statements *(Amounts in USD 1 000)*	2015 2Q	2014 2Q	2015 1H	2014 1H	2014 Jan-Dec
	Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
Net profit/(loss)	-45 043	12 139	-70 606	29 922	70 710
Other comprehensive income (expense)					
Items that will not be reclassified to profit or loss					
Pension remeasurement gain (loss)	-	-	-	-	1 510
Items that may be subsequently reclassified to profit or loss					
Cash flow hedges	6 053	4 138	-26 340	8 449	-14 622
Currency translation differences	-3 502	1 570	19 848	5 506	-11 100
Total comprehensive income for the period	**-42 492**	**17 848**	**-77 097**	**43 877**	**46 499**
Net profit/ (loss) attributable to non-controlling interest	-1 139	357	-1 058	3 123	12 271
Net profit/ (loss) attributable to shareholders	**-41 353**	**17 491**	**-76 040**	**40 754**	**34 228**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in USD 1 000)	Note	30.06.2015	30.06.2014	31.12.2014
		Unaudited	*Unaudited*	*Audited*
Non-current assets				
Vessels and equipment	5	1 529 612	1 666 500	1 743 693
Vessels under construction	5,8	159 243	150 551	130 515
Capitalised project cost	5	9 220	13 016	10 965
Investment in associates and other long-term receivables		39 977	29 391	43 654
CIRR loan deposit 1)	6	24 227	37 812	28 453
Deferred tax asset		12 675	12 169	12 591
Intangible assets	5	24 446	28 947	25 937
Total non-current assets		**1 799 400**	**1 938 386**	**1 995 809**
Debtors, prepayments and other current assets		136 277	93 240	147 152
Asset held-for-sale		104 069	-	-
Cash and cash equivalents	6	74 533	129 485	117 623
Total current assets		**314 879**	**222 726**	**264 774**
Total assets		**2 114 279**	**2 161 112**	**2 260 584**
Equity				
Paid-in capital		526 236	526 236	526 236
Other reserves		-78 117	-5 691	-45 491
Retained earnings		235 500	271 407	304 237
Shareholders´ equity		**683 619**	**791 953**	**784 982**
Non-controlling interest		35 747	41 163	38 666
Total equity	**6**	**719 367**	**833 117**	**823 649**
Liabilities				
Borrowings	6,8	1 037 901	1 107 143	1 087 757
CIRR loan 1)	6	24 227	37 812	28 453
Other non-current liabilities		41 220	23 978	38 532
Total non-current liabilities		**1 103 348**	**1 168 933**	**1 154 742**
Borrowings	6	119 713	99 018	126 603
Accounts payable and other current liabilities		171 851	60 044	155 590
Total current liabilities		**291 564**	**159 062**	**282 193**
Total liabilities		**1 394 912**	**1 327 995**	**1 436 935**
Total equity and liabilities		**2 114 279**	**2 161 112**	**2 260 584**

1) Commercial Interest Reference Rate

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in USD 1 000)	**2015 1H**	**2014 1H**	**2014 Jan-Dec**
	Unaudited	*Unaudited*	*Audited*
Cash flow from operations			
Profit before taxes, excluding interest	-44 490	50 661	117 702
Interest paid	-25 803	-22 788	-46 362
Taxes paid	-1 360	4 639	-8 957
Results from associated companies	29	-1 136	-1 808
Loss/(gain) on sale of assets	-	-6 635	-18 728
Value of employee services	713	1 104	2 462
Impairment of vessels	56 000	-	-
Depreciation and amortisation	53 176	44 770	125 883
Effect of unreal. currency exchange forward contracts	6 865	-5 748	5 613
Change in short-term receivables and payables	6 766	-19 244	19 918
CIRR	-184	-184	-368
Other changes	3 359	-4 802	-11 010
Net cash flow from operations	**55 071**	**40 637**	**184 345**
Cash flow from investing activities			
Interest received	2 069	1 994	4 171
Investments in fixed assets	-55 100	-286 472	-525 674
Proceeds from sale of fixed assets	-26	24 555	76 290
Dividend from associated companies	945	48	-777
Investment in associated companies	-2 271	-	-11 146
Cash flow from investing activities	**-54 382**	**-259 876**	**-457 136**
Cash flow from financing activities			
Dividend payment			-6 533
Contribution from non-controlling interests of consolidated subsidiaries	409	762	1 336
Proceeds from bank overdraft	-1 398	4 801	5 624
Proceeds from new long-term borrowing	33 200	306 775	447 701
Repayment of long-term borrowing	-71 202	-59 942	-131 936
Cash flow from financing activities	**-38 990**	**245 864**	**316 193**
Net change in cash	**-38 302**	**26 625**	**43 401**
Cash at bank start of period	117 623	101 206	101 206
Effect of exchange rate differences	-4 788	1 655	-26 985
Cash at bank end of period	**74 533**	**129 486**	**117 623**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in USD 1 000)	Total no. of shares	Share capital	Share premium reserves	Other reserves	Retained earnings	Share-holders' equity	Non-Controlling interest	Total equity
Equity on January 1, 2015	**387 591 380**	**3 876**	**522 361**	**-45 491**	**304 237**	**784 983**	**38 666**	**823 649**
Cahange previous periods				205		**205**		**205**
Net profit to shareholders					-69 449	**69 449**	-1 156	**-70 606**
Value of employee services					713	**713**		**713**
Cash flow hedge				-26 340		**-26 340**		**-26 340**
Currency translation differences				-6 492		**-6 492**	98	**-6 393**
Total comprehensive income / (expense)		**-**	**-**	**-32 626**	**-68 737**	**-101 363**	**-1 058**	**-102 421**
Share issues in partially owned subsidiaries						**-**	409	**409**
Capital reduction in partially owned subsidiaries							-2 271	**-2 271**
Equity on June 30, 2015	**387 591 380**	**3 876**	**522 361**	**-78 117**	**235 500**	**683 619**	**35 747**	**719 367**

(Amounts in USD 1 000)	Total no. of shares	Share capital	Share premium reserves	Other reserves	Retained earnings	Share-holders' equity	Non-Controlling interest	Total equity
Equity on January 1, 2014	**387 591 380**	**3 876**	**522 361**	**-19 769**	**250 161**	**756 629**	**37 260**	**793 888**
Change previous periods					-1 510	-1 510		-1 510
Net profit to shareholders					58 147	58 147	12 563	70 710
Value of employee services					2 462	2 462		2 462
Pension remeasurement					1 510	1 510		1 510
Currency translation differences				-25 721		-25 721	-293	-26 014
Total comprehensive income / (expense)		**-**	**-**	**-25 721**	**60 609**	**34 887**	**12 271**	**47 158**
Share issues in partially owned subsidiaries						**-**	1 336	1 336
Capital reduction in partially owned subsidiaries							-12 201	-12 201
Dividend paid					-6 533	-6 533		-6 533
Equity on December 31, 2014	**387 591 380**	**3 876**	**522 361**	**-45 491**	**304 237**	**784 983**	**38 666**	**823 649**

Responsibility Statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2015 has been prepared in accordance with IAS 34 – Interim Financial. Reporting, and gives a true and fair view of the Company's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

20 August 2015

Eystein Eriksrud Chairman	Kristian Siem (sign.)	John C. Wallace (sign.)
Michael Delouche (sign.)	David Mullen (sign.)	Idar Hillersøy (sign

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Basis of Preparation

The consolidated financial information for the period 1 January to 30 June 2015 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014 which have been prepared in accordance with IFRSs.

Note 2 – Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014. With effect from 1 January 2014, new standards, amendments to standards and interpretations have become effective. The adoption of these amendments had no material impact on the reported income or net assets of the Company.

Note 3 – Financial Risks

3.1 Interest Risk

The Company is exposed to changes in interest rates as approximately 35% of the long-term interest-bearing debt was subject to floating interest rates at the end of scond quarter 2015. The remaining portion of the debt is subject to fixed interest rates.

3.2 Currency Risk

The Company is exposed to currency risk as revenue and costs are denominated in various currencies. The Company is also exposed to currency risk due to future yard instalments in relation to shipbuilding contracts and long-term debt in various currencies. Forward exchange contracts are entered into in order to reduce the currency risk related to future cash flows.

3.3 Liquidity Risk

The Company is financed by debt and equity. If the Company fails to repay or refinance its credit facilities, additional equity financing may be required. There can be no assurance that the Company will be able to repay its debts or extend the debt repayment schedule through re-financing of credit facilities. There is no assurance that the Company will not experience cash flow shortfalls exceeding the Company's available funding sources or to remain in compliance with minimum cash requirements. Further, there is no assurance that the Company will be able to raise new equity or arrange new credit facilities on favourable terms and in amounts necessary to conduct its ongoing and future operations should this be required.

3.4 Yard Risk

The process for construction of new vessels is associated with numerous risks. Among the most critical risk factors in relations to such construction is the risk of not receiving the vessels on time, at budget and with agreed specifications. In addition, there is the risk of yards experiencing financial or operational difficulties resulting in bankruptcy or otherwise adversely affecting the construction process. The Company has obtained certain guarantees of financial compensation including refund guarantees in case of delays and non-delivery. Further, the Company has the right to cancel contracts if delivery of vessels is significantly delayed. However, no assurance can be given that all risks have been fully covered.

NOTES TO THE FINANCIAL STATEMENTS

Note 4 – Segment Reporting by Business Area

(Amounts in USD 1 000)	2015 2Q	2014 2Q	2015 1H	2014 1H	2014 Jan-Dec
	Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
Operating revenue by business area					
Platform Supply Vessels (1)	21 866	21 260	46 486	44 091	104 423
Offshore Subsea Construction Vessels	30 568	23 332	60 924	42 846	104 844
Anchor Handling Tug Supply Vessels (1)	14 161	33 648	29 640	68 738	142 480
Other vessels in Brazil	5 924	5 449	12 639	9 482	19 351
Other/Intercompany elimination	-2 394	-4 603	-3 890	-4 897	-15 854
Operating revenue, OSV segment	**70 125**	**79 086**	**145 799**	**160 258**	**355 244**
Combat Management Systems	943	1 690	3 186	3 231	6 075
Submarine Power Cable activities	45 070	26 780	86 094	31 663	101 479
Scientific Core-Drilling	6 517	6 494	12 992	12 880	25 914
Siem WIS	1 769	181	2 349	575	2 601
Operating revenue, Industrial segment	**54 300**	**35 145**	**104 621**	**48 350**	**136 069**
Total operating revenue	**124 425**	**114 231**	**250 420**	**208 608**	**491 312**

(Amounts in USD 1 000)	2015 2Q	2014 2Q	2015 1H	2014 1H	2014 Jan-Dec
	Unaudited	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
Operating profit by business area					
Platform Supply Vessels	-14 633	5 289	-6 590	11 148	35 437
Offshore Subsea Construction Vessels	-7 378	10 406	6 860	19 380	48 073
Anchor Handling Tug Supply Vessels	-25 672	7 405	-35 645	16 667	39 232
Other vessels in Brazil	1 060	291	2 637	-571	-35 343
Other/Intercompany elimination	483	1 357	3 111	1 576	2 521
Operating profit, OSV segment	-46 139	**24 748**	**-29 627**	**48 199**	**89 919**
Combat Management Systems	-466	17	-492	6	-8
Submarine Power Cable activities	12 645	547	15 714	1 098	15 581
Scientific Core-Drilling	2 709	2 656	5 376	5 261	9 429
Siem WIS	835	-376	761	-555	355
Operating profit, Industrial segment	**15 723**	**2 844**	**21 360**	**5 811**	**25 357**
Administration expenses	-10 923	-12 709	-21 083	-23 681	-47 033
Currency gain / (loss)	10 888	3 797	-25 088	16 967	16 074
Total operating profit	**-30 452**	**18 680**	**-54 438**	**47 295**	**84 316**

(1) Platform Supply Vessel Category and Anchor Handling Tug Supply Vessel Category includes I/C revenue from contracting work for the 100% owned subsidiary "Siem Offshore Contractors GmbH" which is included in the I/C eliminations table above.

NOTES TO THE FINANCIAL STATEMENTS

Note 5 – Vessels Under Construction and Vessels and Equipment

(Amounts in USD 1 000)	Land and buildings	Vessels and equipment	Vessels under construction	Capitalised project costs	Total
Balance on January 1, 2015	4 128	2 138 949	145 015	17 597	2 305 689
Correction Opening balance 01.01.2015	-	6 325	-	1 821	8 146
Capital expenditure	98	21 102	33 702	-253	54 649
Movement between groups	-	1 024	-	-1 024	-
The year's disposal at cost	-	-112 650	-	-	-112 650
Effect of exchange rate differences	-231	-34 171	-4 974	-	-39 377
Purchase cost on June 30, 2015	**3 995**	**2 020 579**	**173 743**	**18 140**	**2 216 457**
Accumulated depreciation on January 1, 2015	-433	-398 951	-14 500	-6 632	-420 515
Correction of opening balance 01.01.2015	-	-1 402	-	-687	-2 089
The year's depreciation	-45	-50 986	-	-1 602	-52 632
Impairment of vessels (Note 9)	-	-70 000	-	-	-70 000
Reversal of impairment (Note 9)	-	7 000	7 000	-	14 000
The year's disposal of accumulated depreciation	-	8 546	-	-	8 546
Effect of exchange rate differences	25	4 278	-	-	4 303
Accumulated depreciation on June 30, 2015	**-453**	**-501 515**	**-7 500**	**-8 921**	**-518 387**
Net book value on June 30, 2015	**3 542**	**1 519 065**	**166 243**	**9 219**	**1 698 070**
		Economic life 2.5-30 years			

The balance of capitalised project costs relates to specific contracts. The costs are amortized over the term of the specific charter contracts.

Intangible assets

(Amounts in USD 1 000)	Goodwill	Research and development	Trademarks and licences	Total
Balance on January 1, 2015	17 318	2 704	9 683	29 705
Movement between groups	-	-	5	5
Investments	-	450	-	450
Effect of exchange rate differences	-1 379	-154	-24	-1 556
Purchase cost on June 30, 2015	**15 939**	**3 001**	**9 664**	**28 604**
Accumulated depreciation on January 1, 2015	-	-2 588	-1 180	-3 768
Movement between groups	-	-	22	22
The year's ordinary depreciation	-	-476	-7	-483
Effect of exchange rate differences	-	71	-	71
Accumulated depreciation on June 30, 2015	**-**	**-2 993**	**-1 165**	**-4 158**
Net book value on June 30, 2015	**15 939**	**8**	**8 499**	**24 446**

Goodwill was recorded following Siem Offshore's purchase of Siem Offshore Contractors.
Trademarks and licences refer to Siem WIS AS patented technology for the drilling industry. The figures include assets under development and developed assets, and the depreciation refers to assets that are not yet commercialized.

NOTES TO THE FINANCIAL STATEMENTS

Note 6 – Net Interest-Bearing Debt

(Amounts in USD 1 000)	**30.06.2015**	**31.12.2014**
	Unaudited	*Audited*
Total cash	74 533	117 623
Short-term interest-bearing debt	-119 713	-126 603
Long-term interest-bearing debt	-1 037 901	-1 087 757
Total interest-bearing debt	**-1 157 614**	**-1 214 360**
Net interest-bearing debt	**-1 083 081**	**-1 096 737**

The interest-bearing debt is denominated in currencies as follows: USD 76%, NOK 22 % and EUR 2 %. Long-term loan for the financing of "Siem Daya 1" has been moved to short-term loan in Q1 2015. This corresponds to the reallocation of "Siem Daya 1" from fixed assets to assets held–for-sale.

Unearned CIRR	**30.06.2015**	**31.12.2014**
Beginning of year	1 786	2 155
Recognized in the profit and loss account	-184	-368
End of period	**1 602**	**1 786**

Note 7 – Taxes

The Company is subject to taxes in several jurisdictions, where significant judgement is required in calculating the tax provision for the Company. There are several transactions for which the ultimate tax cost is uncertain and for which the Company makes provisions based on an assessment of internal estimates, tax treaties and tax regulations in countries of operation, and appropriate external advice. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the tax charge in the period in which the outcome is determined.

NOTES TO THE FINANCIAL STATEMENTS

Note 8 – Commitments

Committed capital expenses to be paid in future periods:

(Amounts in USD 1 000)	**30.06.2015**	**31.12.2014**
Combined contract value end of period for the vessels	660 102	678 076
Instalments paid	173 743	127 606
Unpaid instalments	**486 359**	**550 470**

Instalments falling due over the next two years

(Amounts in USD 1 000)	**USD**
2015	91 705
2016	394 654
Total	**486 359**

The Company had eight vessels under construction at the end of the quarter, excluding the commitment for the AHTS vessel for Secunda.

Six of these vessels are under construction in Poland and two in Germany. These eight vessels include four dual-fuel PSVs with one for delivery in 2015 and three in 2016, one Cable-Lay Vessel ("CLV") for delivery in 2016, one Anchor Handling Tug Supply Vessel ("AHTS") to be delivered in 2015 (Secunda) and two Well-Intervention Vessels ("WIV") for delivery in 2016.

The Company had one oil spill recovery vessel ("OSRV") under construction in Brazil at the end of the quarter. The vessel is scheduled for delivery in late 2015.

Note 9 – Exceptional items

	2015	**2014**	**2015**	**2014**	**2014**
(Amounts in USD 1 000)	**2Q**	**2Q**	**1H**	**1H**	**Jan-Dec**
Operating items	*Unaudited*	*Unaudited*	*Unaudited*	*Unaudited*	*Audited*
Impairment charge relating to vessel-segments:					
AHTS vessels	13 000		13 000		
PSVs	20 000		20 000		
OSCVs	23 000		23 000		
Brazilian built Oil spill - and recovery vessels					29 000
Reversal of 2014 impairment of Oil spill - and recovery vessels	-14 000		-14 000		
Brazilian built crew- and supply vessels	14 000		14 000		
Total	**56 000**	**0**	**56 000**	**0**	**29 000**

An impairment charge has been recognised against vessels within several segments of the company. As values are believed to be under pressure for the foreseeable future, the Company has concluded to record a impairment charge. Brokers valuation have been obtained and tested against book values, which for some of the vessels were higher than Brokers valuation. At year-end 2014 an impairment charge of USD 29,000 was recognised for two of the Brazilian built Oil spill and recovery vessels. At the end of first half 2015, USD 14,000 of this impairment were reversed as the Company believe that the 2014 impairment was in excess. Four of the Brazilian built fast crew- and fast supply vessels were charged with impairment at USD 14,000 at the end of first half 2015 as book values were higher than fair market values.

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