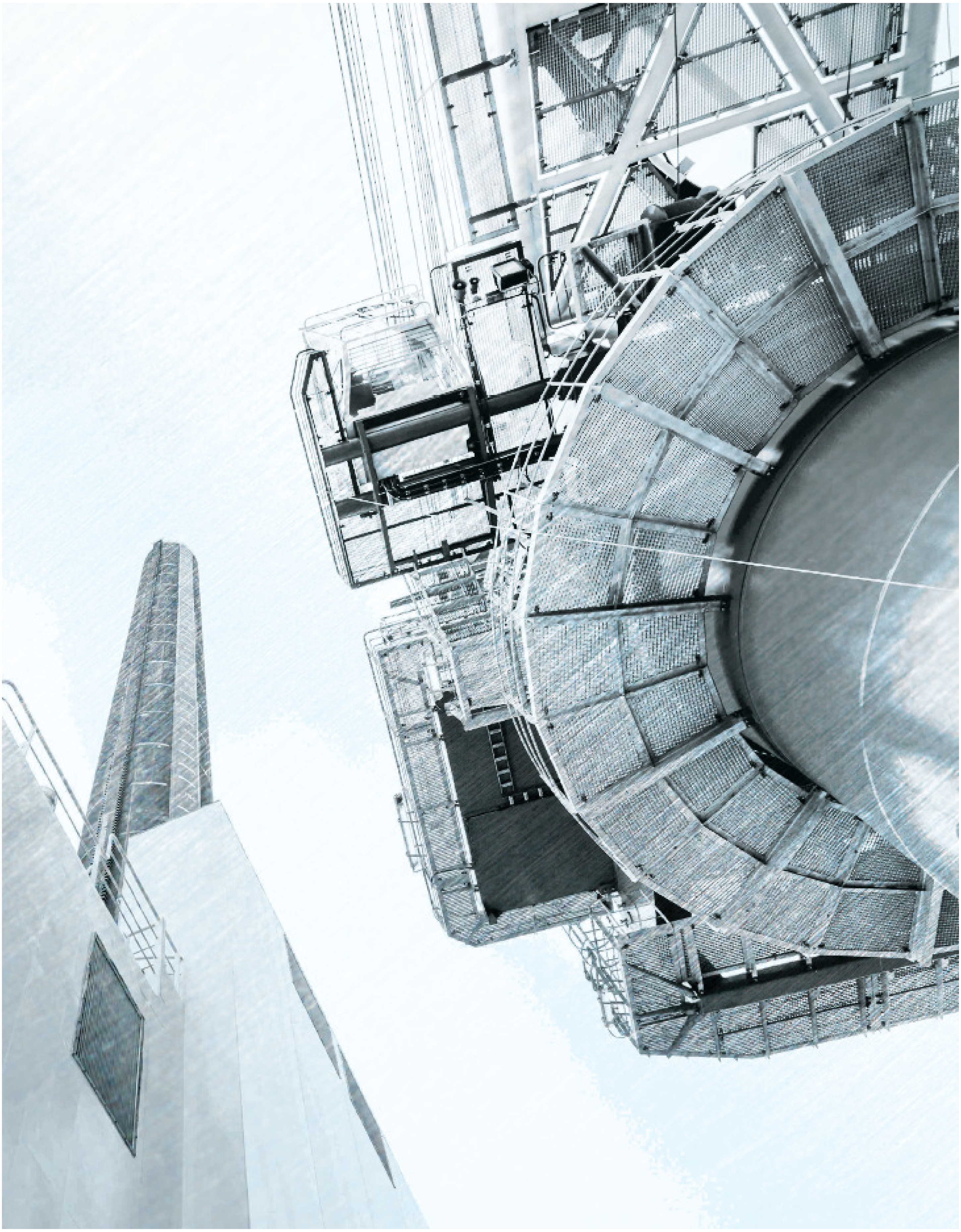
DBB Jack-Up Services A/S

Interim report first quarter 2016



Highlights of the report

Highlights of Q1 2016

- EBITDA was a EUR 1.4m profit in Q1 2016 compared to a loss of EUR 2.2m in Q1 2015. The main reason for the improved EBITDA is an increase in revenue, as a consequence of favourable weather conditions. In addition, market demand and the competitive environment has improved during the last year.
- J/U WIND SERVER commenced a three-year charter with Siemens Wind Power on 14 March 2016.
- J/U WIND successfully passed five-year classification renewal, but the vessel remained in dock longer than anticipated. The vessel resumed operations at the end of April 2016.
- J/U WIND PIONEER carried out interventions in the North Sea and Danish waters during the first two months of the year. Unfortunately, issues with the thruster system resulted in the vessel not being operational available from begin March 2016. The vessel is anticipated to resume operations by mid-May 2016.
- Weighted average utilisation for the first quarter 2016 was 42%. We expect a weighted average utilisation rate of 60-70% in the second quarter 2016.
- The outlook for 2016 is unchanged from the guidance provided at the release of the Annual Report 2015. The company projects a weighted average utilisation rate of 65-70% for all three vessels, which is expected to produce FY 2016 EBITDA of EUR 18-21m.

Information in this report

The information in this interim report is submitted in accordance with the Bond Agreement on FRN DBB Jack-Up Services A/S Senior Secured Callable Bond Issue 2015/2019 (ISIN NO 0010751332) dated 25 November 2015 between DBB Jack-Up Services A/S and, representing the bondholders, Nordic Trustee ASA.

According to the Bond Agreement, the consolidated financial statements of DBB Jack-Up Group are prepared in accordance with IFRS with Euro as the reporting currency.

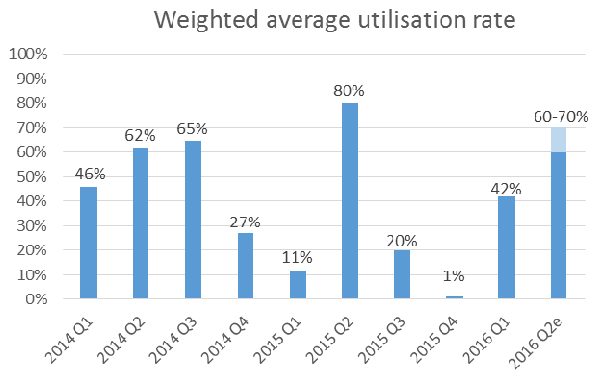
This report has not been reviewed by the company's auditors.

Management Review

Market development
The first quarter is traditionally a challenging period for the offshore wind operations & maintenance industry, due to the potentially limited number of days with weather conditions permitting safe operations at sea. However, the weather during the first quarter of 2016 was more benign than normal, thus the market was more favourable than usual for the season. In addition, market demand and the competitive environment has improved during the last year.

The short-term visibility of O&M tasks is satisfactory in the beginning of Q2 2016, with a good pipeline of potential projects in the high season from May until September.

Utilisation rates
The weighted average utilisation rate for Q1 2016 was at 42%. The utilisation was in the low end of the expectations of 40-50%, expressed in the Q4 2015 interim report, as J/U WIND and J/U WIND PIONEER were not operational available in the last month of the quarter.



Note: the weighted average utilisation rate indicates the number of days the vessels are chartered divided by the number of days in the quarter. Each vessel has a different weighting depending on its specifications.
The utilisation rates for 2014 are based solely on J/U WIND, the only operational vessel during the period. J/U WIND SERVER and J/U WIND PIONEER were included from the beginning of Q1 2015 and Q4 2015, respectively.

J/U WIND and J/U WIND PIONEER are expected to be operational available at the end of April and by mid-May respectively. Furthermore, with J/U WIND SERVER on time charter, we expect a weighted average utilisation rate of 60-70% in the second quarter 2016.

Outlook for 2016
The outlook for 2016 is unchanged from the guidance provided at the release of the Annual Report 2015. The company expects EBITDA in the range of EUR 18-21m (≈DKK 135-155m).

The expectations are based on a weighted average utilisation rate of 65-70% for all three vessels for the full year 2016. Management expects a significant improvement in the utilisation rate from the second quarter of 2016, as J/U WIND SERVER commenced a three-year charter with Siemens Wind Power on 14 March 2016. In addition, management expects an improved market during 2016.

Three-year time charter with Siemens Wind Power
The three-year charter with Siemens Wind Power for J/U WIND SERVER commenced 14 March 2016. Some 70-75% of the projected EBITDA for 2016[1] is expected to be derived from the charter with Siemens Wind Power assuming limited off-hire days.

Framework agreement with MHI Vestas Offshore Wind
In September 2015, DBB Jack-Up Services A/S and MHI Vestas Offshore Wind A/S extended their framework agreement for offshore wind O&M services by two years to run until the end of 2017. Some 20-25% of the projected EBITDA for 2016[1] is expected to be derived from the contract with MHI Vestas Offshore Wind.

[1] EBITDA for the Siemens Contract and the agreement with MHI Vestas do not include SG&A.

Vessel status

J/U WIND SERVER commenced a three-year charter with Siemens Wind Power. The vessel was delivered to Siemens Wind Power on the agreed delivery date that is 14 March 2016. The vessel was taken on-hire by Siemens Wind Power without any remarks in the on-hire survey.

J/U WIND PIONEER carried out interventions in the North Sea and Danish waters during the first two months of the year. Unfortunately, issues with the thruster system resulted in the vessel not being operational available from begin March 2016. The thruster system is currently being repaired, and the vessel is anticipated to resume operations by mid-May 2016.

J/U WIND successfully passed a planned overhaul of the jacking system including legs and spudcans, as part of its five-year classification renewal. The vessel remained in dock longer than anticipated, mainly because cylinders were more worn out than foreseen and consequently they were replaced. As a result, the jacking system was calibrated and thoroughly tested in order for the vessel to be fully operational for the upcoming high season. The vessel resumed operations at the end of April 2016.

CAPEX for the three vessels is estimated to be less than EUR 3m during 2016.

Risks and uncertainties

The DBB Jack-Up Group is exposed to various risks that can be of significance to the company’s future operations, results and financial position. For more information on significant risks and uncertainties, please refer to pages 34-35 and note 3 "Risk management" on pages 64-65 of the company’s Annual Report 2015.

Financial Review

REVIEW OF THE INCOME STATEMENT FOR Q1 2016

	2016 Q1 EUR´000	2015 Q1 EUR´000	Change EUR´000
Revenue	**4 196**	**1 025**	**3 171**
OPEX and project related costs	-2 064	-1 855	-210
SG&A	-780	-1 359	578
EBITDA	**1 351**	**-2 188**	**3 540**
Depreciation	-1 864	-1 277	-587
EBIT	**-513**	**-3 466**	**2 953**
Financials, net	-3 217	-1 517	-1 700
Income before tax	**-3 729**	**-4 983**	**1 254**

The fully consolidated results for the DBB Jack-Up Group shows net revenue for Q1 2016 of EUR 4.2m compared to EUR 1.0m in Q1 2015. The increase by EUR 3.2m is due to more benign weather conditions in Q1 2016 than it is normal for the season. In addition, market demand and the competitive environment has improved during the last year.

Vessel OPEX and project related costs increased to EUR 2.1m in Q1 2016 from EUR 1.9m in Q1 2015. The main reason for the EUR 0.2m increase was that OPEX for J/U WIND PIONEER was lower Q1 2015, as the vessel was in the process of being converted into a jack-up customised for offshore wind O&M.

SG&A expenses amounted to EUR 0.8m in Q1 2016, compared to EUR 1.4m in Q1 2015. The reduction of EUR 0.6m primarily reflects one-off costs in Q1 2015 related to performing a market study.

EBITDA was a EUR 1.4m profit in Q1 2016 compared to a loss of EUR 2.2m in Q1 2015. The main reasons for the improved EBITDA is the increase in revenue, as well as lower SG&A costs.

Depreciation charges increased to EUR 1.9m in Q1 2016 from EUR 1.3m in Q1 2015. The increase of EUR 0.6m reflects that that there were no depreciation of J/U WIND PIONEER in Q1 2015. Depreciation on J/U WIND PIONEER was initiated during Q3 2015.

EBIT was a EUR 0.5m loss compared to a EUR 3.5m loss in Q1 2015. The main reasons for the improvement in EBIT is the increase in revenue, as well as lower SG&A costs.

Financials, net increased to EUR -3.2m in Q1 2016 from EUR -1.5m in Q1 2015. The main reason for the higher interest costs is that interest costs related to J/U WIND PIONEER was capitalised on the vessel in Q1 2015. Capitalisation of interest costs was discontinued in Q3 2015 as the vessel became operational.

Income before tax was a EUR 3.7m loss in Q1 2016 compared to a EUR 5.0m loss in Q1 2015.

REVIEW OF BALANCE SHEET AT THE END OF Q1 2016

	31 Mar 2016 EUR´000	31 Mar 2015 EUR´000	Change EUR´000
Assets			-
Vessel, including fixtures & equipment	165 877	166 525	-648
Other non-current assets	6 892	-	6 892
Non-current assets	**172 769**	**166 525**	**6 244**
Trade and other receivables	2 857	2 454	403
Cash and cash equivalents	799	2 770	-1 971
Current assets	**3 656**	**5 225**	**-1 568**
Total assets	**176 425**	**171 750**	**4 675**
Equity and Liabilities			
Equity	**39 644**	**55 045**	**-15 401**
Subordinated loans	30 237	30 107	130
Bond loans	97 937	40 000	57 937
Bank loans and lease liabilities	4 775	31 096	-26 321
Other liabilities	3 832	15 501	-11 669
Total liabilities	**136 781**	**116 705**	**20 076**
Total equity and liabilites	**176 425**	**171 750**	**4 675**
Key ratios			
Subordinated capital ratio	39.6%	49.6%	-10.0%
NIBD (including capitalised financing costs)	103 976	68 326	35 650
Loan to Vessel ratio (NIBD/Vessel book value)	62.7%	41.0%	21.7%

The total value of the vessels amounted to EUR 165.9m at the end of Q1 2016, compared to EUR 166.5m at the end of Q1 2015. The reduced value of EUR 0.6m reflects depreciation that is partly counterbalanced by capital expenditure for the deployment of J/U WIND PIONEER, and five-year classification of J/U WIND.

Total equity declined to EUR 39.6m at 31 March 2016, compared to EUR 55.0m at 31 March 2015. This EUR 15.4m decline mainly relates to losses during the period.

The subordinated capital ratio (defined as total equity plus subordinated capital divided by total assets) at 31 March 2016 was 39.6%. The subordinated capital ratio has a safe margin relative to the company’s only financial covenant, which requires a subordinated capital ratio of 32.0% or higher, at the end of March 2016.

Senior Net Interest-Bearing Debt (NIBD) amounted to EUR 104.0m at 31 March 2016. Hence, the senior Loan to Vessel value stood at 62.7% at year-end.

REVIEW OF STATEMENT OF CASH FLOWS FOR Q1 2016

	2016 Q1 EUR´000	2015 Q1 EUR´000	Change EUR´000
EBITDA	**1 351**	**-2 188**	**3 540**
Working capital adjustments	-2 279	875	-3 153
Financial payments, net	-2 310	-327	-1 983
Other adjustments	378	-3 807	4 185
Net cash flows from operating activities	**-2 859**	**-5 447**	**2 588**
Investing activities	-1 231	-1 600	369
Net cash flows after investing activities	**-4 090**	**-7 047**	**2 957**
Financing activities	-	6 712	-6 712
Net cash flows after financing activities	**-4 090**	**-336**	**-3 754**
Available liquidity			
Cash and cash equivalents	**799**	**2 770**	**-1 971**
Cash on Retention Account	732	2 099	-1 367
Liquidity	**68**	**672**	**-604**
Available draw on working capital facility	5 335	2 184	3 151
Available liquidity	**5 402**	**2 856**	**2 547**

Cash flows from operating activities was an outflow of EUR 2.9m in Q1 2016 as an effect of positive EBITDA that was offset by an increase in working capital and financial payments. The increase in working capital is a result of the increase in revenue in Q1 2016.

Investing activities amounted to EUR 1.2m that primarily is related to the five-year classification renewal of J/U WIND.

Liquidity, net of cash on retention account, amounted to EUR 0.1m at 31 March 2016. Liquidity in excess of EUR 5.0m will be subject to cash sweep for additional amortisation of the bond loan. The cash sweep is measured semi-annual, initiated on 31 December 2016.

Available liquidity including available draw on working capital facility amounted to EUR 5.4m.

Consolidated financial statements for DBB Jack-Up Group

INCOME STATEMENT

1 January - 31 March

	Note	2016 Q1 EUR´000	2015 Q1 EUR´000
Revenue	2	**4 196**	**1 025**
Project-related expenses		-324	-253
Operation of vessels		-1 740	-1 602
Gross profit (net earnings from vessel activities)		**2 132**	**-829**
Administrative expenses		-290	-943
Staff costs, office staff		-490	-416
Earnings before interest, tax, depreciation etc. (EBITDA)		**1 351**	**-2 188**
Depreciation		-1 864	-1 277
Earnings before interest and tax (EBIT)		**-513**	**-3 466**
Financial income		191	41
Financial expenses		-3 408	-1 558
Income before tax		**-3 729**	**-4 983**
Tax on profit (loss)		774	919
Income for the year		**-2 956**	**-4 064**
Attributable to:			
Owners of DBB Jack-Up Services A/S		-3 082	-3 661
Non-controlling interests		126	-403
Income for the year		**-2 956**	**-4 064**

STATEMENT OF COMPREHENSIVE INCOME

1 January - 31 March

	Note	2016 Q1 EUR´000	2015 Q1 EUR´000
Income for the year		**-2 956**	**-4 064**
Items that will be reclassified subsequently to the income statement when specific conditions are met:			
Exchange adjustments of foreign entities, net of tax		21	-31
Total comprehensive income for the year, after tax		**-2 935**	**-4 095**
Attributable to:			
Owners of DBB Jack-Up Services A/S		-3 061	-3 692
Non-controlling interests		126	-403
Total comprehensive income for the year, after tax		**-2 935**	**-4 095**

BALANCE SHEET

End of period

	Note	31 Mar 2016 EUR´000	31 Dec 2015 EUR´000	31 Mar 2015 EUR´000
Assets				
Non-current assets				
Vessels, including fixtures & equipment	3	165 877	166 352	166 525
Financial assets		6 057	6 057	-
Deferred tax assets		835	699	-
Non-current assets		**172 769**	**173 108**	**166 525**
Current assets				
Trade and other receivables		2 857	634	2 454
Cash and cash equivalents		799	2 122	2 770
Current assets		**3 656**	**2 756**	**5 225**
Total assets		**176 425**	**175 864**	**171 750**
Equity and Liabilities				
Equity				
Share capital		11 093	11 093	11 093
Reserves		161	140	149
Retained earnings		14 938	18 021	29 215
Total equity attributable to owners of DBB Jack-Up Services A/S		**26 192**	**29 253**	**40 457**
Non-controlling interests		13 452	13 326	14 588
Total equity		**39 644**	**42 580**	**55 045**
Liabilities				
Non-current liabilities				
Subordinated loans		30 237	29 312	30 107
Bank and bond loans		96 006	95 849	64 679
Deferred income tax liabilities		1 204	1 909	4 871
Provision for other liabilities		252	231	139
Total non-current liabilities		**127 699**	**127 301**	**99 796**
Current liabilites				
Bank and bond loans		6 706	3 960	6 417
Trade and other payables		1 978	1 675	10 130
Provision for other liabilities		397	348	361
Total current liabilites		**9 082**	**5 983**	**16 908**
Total liabilities		**136 781**	**133 284**	**116 705**
Total equity and liabilites		**176 425**	**175 864**	**171 750**

STATEMENT OF CASH FLOWS

1 January - 31 March

	Note	2016 Q1 EUR´000	2015 Q1 EUR´000
Income before tax		**-3 729**	**-4 983**
Operating activities			
Adjustments for non-cash items			
Reversal financial expenses, net		3 223	1 386
Depreciation and writedowns for the period		1 864	1 277
Other adjustments		372	-3 676
Working capital adjustments			
Change in trade receivables		-2 382	73
Change in trade payables		103	802
Financial payments			
Financial receipts		-	-
Financial payments		-2 310	-327
Income tax expense			
Income tax expense		-	-
Net cash flows from operating activities		**-2 859**	**-5 447**
Investing activities			
Purchase of vessel, including fixtures & equipment (excl. interest)		-1 231	-1 600
Other cash flows from investing activites		-	-
Net cash used in investing activities		**-1 231**	**-1 600**
Financing activities			
Proceeds from issuance of ordinary shares		-	3 359
Proceeds from bank and bond loans		-	3 353
Change of subordinated loans		-	-
Repayment of debt to bank and bond holders		-	-
Net cash used/received in financing activities		**-**	**6 712**
Net (decrease)/increase in cash and cash equivalents		**-4 090**	**-336**
Cash and cash equivalents at beginning of period		162	1 267
Exchange gains/losses on cash and cash equivalents		-	8
Cash and cash equivalents at end of period*		**-3 928**	**940**

** Cash and cash equivalents in the cash flow statement include drawings on working capital facility*

Statement of changes in equity Q1 - Q1 2016

	Attributable to owners of the DBB Jack-Up Services A/S							
	Share capital	*Reserve for warrants*	*Translation reserves*	**Total reserves**	**Retained earnings**	**Total**	Non-controlling interests	**Total equity**
Balance at 31 December 2015	**11 093**	***136***	***4***	**140**	**18 021**	**29 254**	**13 326**	**42 580**
Total comprehensive income for the year, after tax	-	-	*22*	22	-3 082	-3 060	126	-2 934
Capital increase	-	-	-	-	-	-	-	-
Balance at 31 March 2016	**11 093**	*136*	*26*	**162**	**14 939**	**26 194**	**13 452**	**39 646**

Share capital

In 2016, the share capital consisted of 82,782,192 shares of DKK 1 each (EUR 11,093K). The shares are divided into two classes: 11,118,416 A shares of DKK 1 each and 67,663,782 B shares of DKK 1 each. Each A share carries one vote, while B shares do not carry voting rights, but carry preferential rights of dividend.

Reserves

Reserves on equity consist of the following:

Reserve for warrants consists of warrants to management, selected employees and the subordinated loan provider.

The translation reserve comprises foreign exchange differences arising on translation of financial statements of entities that have a functional currency different from DKK and translation from the functional currency to the presentation currency.

Statement of changes in equity Q1 - Q1 2015

	Attributable to owners of the DBB Jack-Up Services A/S							
	Share capital	*Reserve for warrants*	*Translation reserves*	**Total reserves**	**Retained earnings**	**Total**	Non-controlling interests	**Total equity**
Balance at 31 December 2014	**7 763**	***136***	***44***	**180**	**32 880**	**40 823**	**14 990**	**55 813**
Total comprehensive income for the year, after tax	-	-	*-31*	-31	-3 661	-3 692	-403	-4 095
Capital increase	3 330	-	-	-	-	3 330	-	3 330
Balance at 31 March 2015	**11 093**	*136*	*13*	**149**	**29 219**	**40 460**	**14 587**	**55 047**

Share capital

In 2015, the share capital was increased by 25,000,000 B shares of DKK 1 each (EUR 3,330k) by means of a cash payment. At the end of 2015, the share capital consisted of 82,782,192 shares of DKK 1 each (EUR 11,093K). The shares are divided into two classes: 11,118,416 A shares of DKK 1 each and 67,663,782 B shares of DKK 1 each. Each A share carries one vote, while B shares do not carry voting rights, but carry preferential rights of dividend.

Note 1 - TOTAL COMPREHENSIVE INCOME BY QUARTER

INCOME STATEMENT BY QUARTER

	2016 Q1 EUR´000	2015 Q4 EUR´000	2015 Q3 EUR´000	2015 Q2 EUR´000	2015 Q1 EUR´000
Revenue	**4 196**	**292**	**1 333**	**6 493**	**1 025**
Project related expenses	-324	-22	-35	34	-253
Operation of vessels	-1 740	-1 657	-1 407	-1 529	-1 602
Gross profit (net earnings from vessel activities)	**2 132**	**-1 388**	**-110**	**4 999**	**-829**
Administrative expenses	-290	-740	-168	72	-943
Staff costs, office staff	-490	-530	-441	-475	-416
Earnings before interest, tax, depreciation etc. (EBITDA)	**1 351**	**-2 657**	**-719**	**4 596**	**-2 188**
Depreciation	-1 864	-1 883	-1 506	-1 301	-1 277
Earnings before interest and tax (EBIT)	**-513**	**-4 540**	**-2 225**	**3 295**	**-3 466**
Financial income	191	60	0	7	41
Financial expenses	-3 408	-8 219	-2 994	-1 554	-1 558
Income before tax	**-3 729**	**-12 699**	**-5 219**	**1 748**	**-4 983**
Tax on profit (loss)	774	2 807	1 172	-269	919
Income for the year	**-2 956**	**-9 891**	**-4 047**	**1 479**	**-4 064**
Attributable to:					
Owners of DBB Jack-Up Services A/S	-3 082	-8 501	-4 109	1 412	-3 661
Non-controlling interests	126	-1 390	61	67	-403
Income for the year	**-2 956**	**-9 891**	**-4 047**	**1 479**	**-4 064**

STATEMENT OF COMPREHENSIVE INCOME BY QUARTER

	2016 Q1 EUR´000	2015 Q4 EUR´000	2015 Q3 EUR´000	2015 Q2 EUR´000	2015 Q1 EUR´000
Income for the year	**-2 956**	**-9 891**	**-4 047**	**1 479**	**-4 064**
Items that will be reclassified subsequently to the income statement when specific conditions are met:					
Exchange adjustments of foreign entities, net of tax	21	35	-0	0	-31
Total comprehensive income for the year, after tax	**-2 935**	**-9 856**	**-4 047**	**1 479**	**-4 095**
Attributable to:					
Owners of DBB Jack-Up Services A/S	-3 061	-8 465	-4 109	1 412	-3 692
Non-controlling interests	126	-1 390	61	67	-403
Total comprehensive income for the year, after tax	**-2 935**	**-9 856**	**-4 047**	**1 479**	**-4 095**

Note 2 - Segment reporting

The internal reporting framework used for reporting on revenue and expenses to the Executive Management Team and the Board of Directors has been set up to reflect and report on jack-up vessel revenue and expenses. As all three jack-up vessels operate on similar assignments, management reviews the results of the Group as a whole to assess performance: Thus, there is only one operating segment.

Revenue

The Group operates in Northern Europe. The geographical distribution of revenue is based on the country in which the wind farm is located.

Geographical distribution of revenue	2016 Q1 EUR´000	2015 Q1 EUR´000
Denmark	349	97
UK	3 848	180
Germany	-	748
Total	**4 197**	**1 026**

Sales to the three largest customers make up 54%, 30% and 15%, respectively, of total revenue in Q1 2016 (Q1 2015: 73% and 16%, respectively for the two largest customers).

Note 3 - Vessels and equipment

2016 Q 1 EUR´000	Fixtures & equipment	Vessels under construction	Vessels	Total
Cost as at 1 January	779	-	180 679	181 458
Exchange rate adjustments	1	-	156	158
Additions	4	-	1 257	1 260
Disposals	-	-	-	-
Cost as at 31 March	**784**	-	**182 092**	**182 876**
Depreciation as at 1 January	-301		-14 805	-15 106
Exchange rate adjustments	-0		-29	-29
Depreciation	-42		-1 822	-1 864
Disposals	-		-	-
Depreciation as at 31 March	**-343**	-	**-16 656**	**-16 999**
Impairment losses as at 1 January	-	-	-	-
Impairment losses as at 31 March	-	-	-	-
Carrying amount as at 31 March	**441**	-	**165 436**	**165 877**
- of which capitalised interests			18 644	18 644

2015 Q 1 EUR´000	Fixtures & equipment	Vessels under construction	Vessels	Total
Cost as at 1 January	626	84 449	89 056	174 131
Exchange rate adjustments	-2	-179	-20	-201
Additions	14	2 422	396	2 832
Disposals				-
Transferred during the year		-	-	-
Cost as at 31 March	**638**	**86 692**	**89 432**	**176 762**
Depreciation as at 1 January	-137		-9 028	-9 165
Exchange rate adjustments	0		32	32
Depreciation	-39		-1 238	-1 277
Disposals	-		-	-
Depreciation as at 31 March	-175	-	-10 235	-10 410
Impairment losses as at 1 January	-	-	-	-
Impairment losses as at 31 March	-	-	-	-
Carrying amount as at 31 March	**462**	**86 692**	**79 197**	**166 352**
- of which capitalised interests		9 607	8 022	17 629

Impairment of vessels

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised at the amount by which the asset's carrying amount exceeds its recoverable amount – measured using the higher of the fair value less cost to sell and value in use. An impairment loss is recognised if the higher of the fair value less cost to sell and value in use is less than the carrying amount of the assets.

The fair value less cost to sell is estimated based on independent broker indications, providing a range for what is expected to be the fair value of the assets. The value in use is calculated as the present value of the total expected cash flows during the rest of the vessels' economic lives, including any concluded framework agreements and signed charters and by using estimated utilisation and average day rates from a market study contracted by the company.

The market study is based on projected future installed base of offshore turbines, the average rate which a turbine needs assistance from a jack-up vessel in the turbines lifetime and DBB Jack-Up Group's expected market share.

Hence, the exact value used to measure impairment charges is subject to uncertainty and is based on what the company believes is the best estimate of the fair value.

Management's assessment of indication of impairment on vessels is based on the cash-generating unit (CGU) in which all jack-up vessels are included (jack-up vessel segment).

Since the end of 2015, no events or changes in circumstances have occurred that indicate that the carrying amount may not be recoverable. Accordingly no impairment tests have been carried since those referred to in the Annual Report for 2015.

Note 4 - Commitments and contingencies

Since the end of 2015, no significant changes have occurred to contingent assets and liabilities other than those referred to in the Annual Report for 2015.

Note 5 - Related party transactions

No significant changes have occurred to related parties or types and scale of transactions with these parties other than what is disclosed in the Annual Report for 2015.

Note 6 - Subsequent events

Other than the developments disclosed in the review, no significant events have occurred between the end of the quarter and publication of this interim report which materially affect the results for the period or the financial position.

Note 7 – Basis of reporting

General information
The interim report comprises the summarised consolidated financial statements of DBB Jack-Up Services A/S.

Accounting policies
Basis of consolidation
The interim report has been prepared in accordance with the international financial reporting standard IAS 34 on interim reports.
The consolidated annual report for 2015 has been prepared in accordance with the International Financial Reporting Standards (IFRS). Accounting policies have not changed in relation to this, except for all new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on the 1 of January, 2016. These IFRSs have not had any impact on the Groups interim report.
For a complete description of accounting policies, please refer to the pages 54-56 in the Annual Report for 2015.

Risks
For more information on significant risks and uncertainties, please refer to pages 34-35 and note 3 "Risk management" on pages 64-65 of the company's Annual Report 2015.

Management statement

The Board of Directors and Executive Management have reviewed and approved the financial report of DBB Jack-Up Services A/S for Q1 2016. The financial report has not been audited or reviewed by the company's independent auditors.

The financial report has been prepared in accordance with IFRS. In our opinion, the accounting policies used are appropriate and the overall presentation of the financial report for first quarter 2016 is adequate. Furthermore, in our opinion, the Management and Financial Reviews include a true and fair view of the development in the operations and financial circumstances, of the results for the period and of the financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group in accordance with disclosure requirements for issuers of bonds listed on the Oslo Stock Exchange.

Horsens, 3 May 2016

Executive Management

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Thorsten Jalk
CEO

Board of Directors

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Vagn Lehd Møller Chairman	Ove Carsten Eriksen	Esben Bay Jørgensen
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Lars Thorsgaard Jensen	Jess Abildskou	

Financial calendar 2016

Interim report Q2 2016 – 17 August 2016
Interim report Q3 2016 – 17 November 2016

For further information, please contact

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