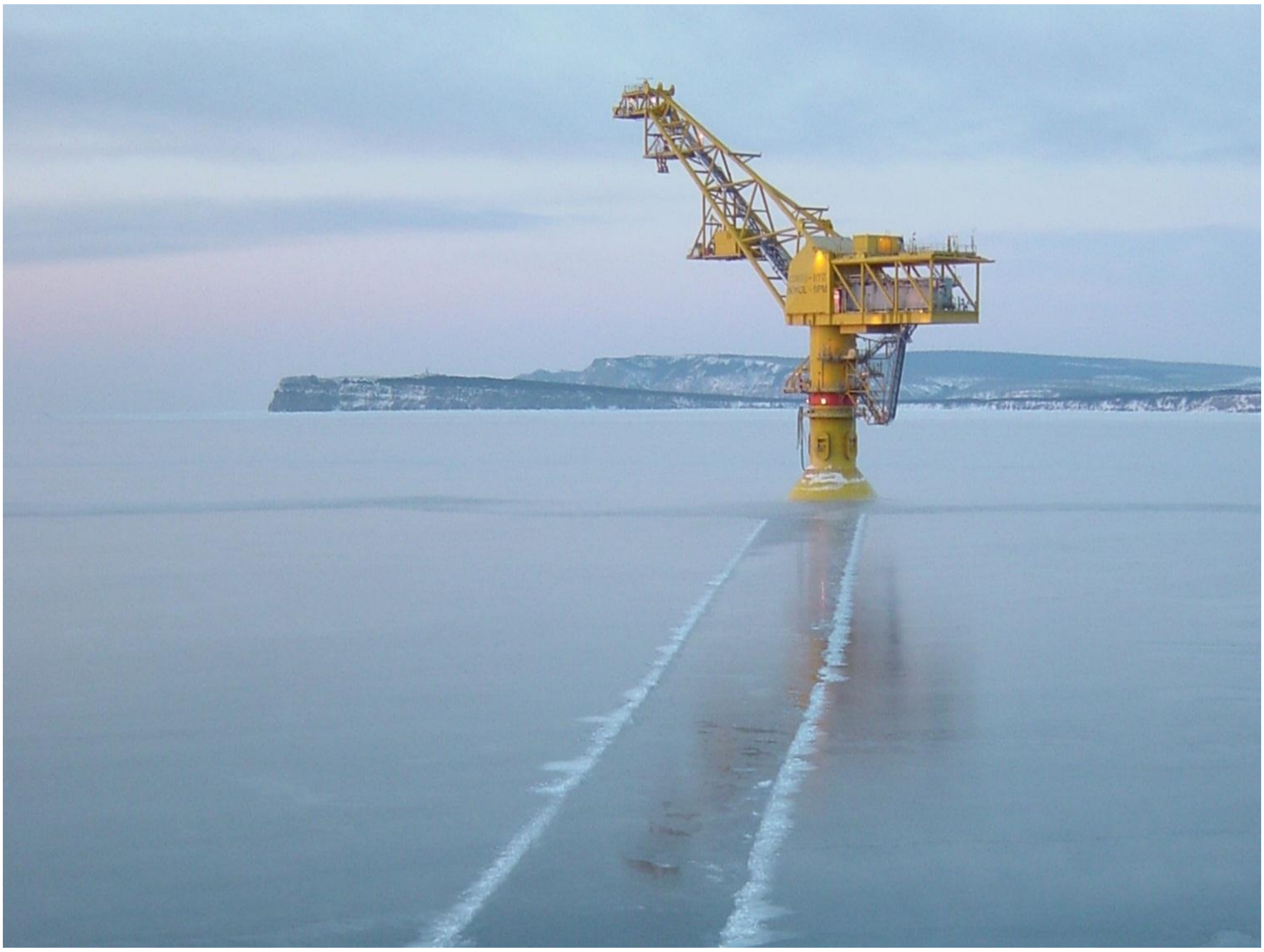
Aurelia Energy N.V.

Quarterly report

For the period ended March 31, 2015



Arctic Tower

Results and main developments for the three months ended March 31, 2015

First quarter results

The net result after tax for the first quarter of 2015 amounted to U.S.$(15.0) million loss compared to a loss of U.S.$(3.3) million for the first quarter of 2014. EBITDA for the first quarter of 2015 was U.S.$56.1 million compared to U.S.$40.0 million for the first quarter of 2014. The financial results for the first quarter of 2015 were mainly impacted by the following:

The SPM division generated U.S.$10.3 million EBITDA in the first quarter of 2015 compared to U.S.$1.4 million EBITDA in the first quarter of 2014. SPM results for the first quarter of 2015 were driven by two large projects that started during 2014 and have achieved significant progress. These projects are expected to continue to contribute to EBITDA during the remainder of this year. In the first quarter of 2014, progress on SPM projects was in early stages, resulting in less significant recording of EBITDA. Additionally, the SPM result for the first quarter of 2015 was impacted positively due to the final close-out of earlier delivered projects.

EBITDA for the FPSO division for the first quarter of 2015 amounted to U.S.$45.9 million compared to U.S.$40.3 million for the first quarter of 2014. The U.S.$5.6 million increase in EBITDA compared to the first quarter of 2014 was mainly driven by a U.S.$13.9 million increase in EBITDA for the FPSO Haewene Brim. This increase in EBITDA was due to U.S.$18.3 million amortization of deferred income in relation to the capitalized Brynhild project costs, partly offset by increased maintenance costs and reduced income due to constraints in production levels during the first quarter of 2015. EBITDA for the FPSO Glas Dowr reduced by U.S.$4.4 million compared to the first quarter of 2014, due to increased operational expenditures and accrued credits on the daily hire rate. These foreseen discounts to the hire rate will, once commercial agreement including terms for a contract extension is reached with the operator, become effective from January 1, 2015. Additionally, EBITDA of the FPSO Bleo Holm decreased by U.S.$2.3 million due to the decreased day rate following the contract amendment that became effective August 1, 2014. In the first quarter of 2015, the lower day rate was not fully offset by the higher tariff income. EBITDA of the FPSO Aoka Mizu remained at the same level compared to the first quarter of the previous year. Finally the FPSO tender costs in 2015 increased by U.S.$1.6 million, mainly due to the tender activities in relation to redeployment the FPSO Munin and of the FPSO Aoka Mizu.

During the first quarter of 2015, overhead costs were fully recovered, compared to U.S.$1.6 million unallocated expenses for the first quarter of 2014. The higher overhead recovery was driven by a increased project activity and utilization of the engineering staff compared to the first quarter of 2014. Additionally, Euro denominated costs decreased as a result of the decreasing Euro – Dollar exchange rate during the first quarter of 2015.

Depreciation expenditure for the first quarter of 2015 amounted to U.S.$36.7 million compared to U.S.$22.9 million for the first quarter of 2014. The increase was driven by the additional U.S.$18.3 million depreciation for the FPSO Haewene Brim following completion of the Brynhild project, partly offset by one of the assets being fully depreciated since April 2014.

Finance expenses for the first quarter of 2015 were U.S.$3.1 million lower compared to the previous year, at U.S.$15.3 million versus U.S.$18.4 million in the first quarter of 2014. Finance expense for the bond loan decreased by U.S.$1.4 million, from U.S.$11.4 million for the first quarter of 2014 to U.S.$10.0 million for the first quarter of 2015. The bond loan interest in the first quarter of 2014 included U.S.$1.4 million interest in relation to the U.S.$360 million unsecured bond loan that was repaid on January 27, 2014 and U.S.$10.0 million interest on the new U.S.$400 million bond loan. Additionally, finance expense for the first quarter of 2014 included U.S.$0.4 million of non-recurring costs in relation to the cancellation of the interest rate swap on the U.S.$360 million unsecured bond loan. Other interest costs decreased by U.S.$1.3 million compared to the previous year, due to further reduction of net debt, resulting from steady operating cash flow.

Currency exchange results were U.S.$16.3 million negative in the first quarter of 2015 compared to U.S.$0.2 million positive in the first quarter of 2014. The currency exchange results relate mainly to the negative fair value of Euro denominated forward exchange contracts that were entered into to hedge the currency exposure on SPM projects.

Income tax expense for the first quarter of 2015 amounted U.S.$2.8 million versus U.S.$2.2 million for the first quarter of 2014. The income tax expense in the first quarter of 2015 relates to U.S.$1.5 million withholding tax in relation to the Glas Dowr revenues, U.S.$0.6 million withholding tax incurred in relation to SPM revenues and U.S.$0.7 million corporate taxes in other jurisdictions. The U.S.$2.2 million income tax expense in the first quarter of 2014 included U.S.$1.6 million withholding tax in relation to the Glas Dowr revenues and a U.S.$0.6 million Dutch corporate tax payment.

Other developments

On April 15, 2015, an insurance claim amounting to U.S.$2.3 million (EUR 2.1 million) was awarded to the Company by its insurers, in relation to the fire in Bluewater's test facility in 2014. As most costs incurred due to this incident have already been recognized during 2014, in accordance with the Company's accounting policy, these insurance proceeds will contribute to the 2015 SPM result.

General information

Aurelia Energy N.V. (“the Company”) is the holding company of the Bluewater group (Bluewater), a specialized service provider to, and operator in, the offshore oil industry. Bluewater designs, develops, owns and operates floating production storage and offloading units (“FPSOs”), provides auxiliary equipment and services to FPSOs and designs, develops, performs project management and constructs single point mooring systems (“SPMs”).

An FPSO is a type of floating production unit used by oil companies to produce, process, store and offload hydrocarbons from offshore fields. FPSOs are either newly built or converted tankers upon which production equipment is mounted. The fluids (oil, gas and water) are processed onboard the FPSO vessel, and the treated crude oil is stored before being exported to an off take system utilizing shuttle tankers. Bluewater’s fleet of FPSOs is involved in the production, rather than the exploration or drilling phase of oil field development. The FPSOs are leased to oil companies under medium- and long-term service contracts or bareboat contracts.

SPMs are used to transfer fluids to and from a floating production unit, an offshore storage vessel or shuttle tanker while securing the unit, vessel or tanker to the ocean floor. Most SPMs consist of an anchoring system that is connected to the ocean floor and a fluid transfer system that permits the transfer of fluids between fixed and rotating parts of the mooring system. SPMs are generally developed and constructed for oil companies and contractors.

Revenues are earned from day rates consisting of a fixed facility fee and a compensation for operating the FPSO pursuant to leases with oil companies, supplemented from time to time with fees based on volumes of produced barrels of oil. Additionally, revenues are earned on a lump-sum or reimbursable basis from the design, engineering, procurement and management services that are provided in the various FPSO and SPM projects being managed.

FPSO and SPM projects are being managed from the initial design and engineering phase to final installation. Further, Bluewater engages subcontractors in the fabrication of FPSOs, SPMs and auxiliary equipment.

Condensed consolidated interim income statement
For the period ended March 31

In thousands of U.S.$		**March 31, 2015**	**March 31, 2014**
Operating activities			
Revenue	*1*	163,519	137,434
Raw materials, consumables used and other operating costs		(88,721)	(79,267)
Employee benefits expense		(18,730)	(18,121)
EBITDA		56,068	40,046
Depreciation and amortization expense		(36,669)	(22,920)
Results from operating activities (EBIT)		19,399	17,126
Finance income		26	42
Finance expenses		(15,302)	(18,380)
Currency exchange results		(16,330)	160
Net finance expense		(31,606)	(18,178)
Profit before income tax		(12,207)	(1,052)
Income tax expense		(2,771)	(2,200)
Loss for the period		(14,978)	(3,252)

The loss for the period is fully attributable to the shareholder.

The interim financial statements have not been audited

Condensed consolidated interim statement of financial position

In thousands of U.S.$		*Note*	March 31, 2015	December 31, 2014
Assets				
	Property, plant and equipment	*2*	1,070,366	1,104,156
	Intangible assets		15,525	15,941
	Other financial investments, including derivatives		24,031	24,330
	Deferred tax assets		56,025	56,025
Total non-current assets			1,165,947	1,200,452
	Inventories		1,533	1,639
	Trade and other receivables		110,511	108,619
	Construction contracts		11,356	12,538
	Prepayments for current assets		3,351	3,267
	Cash and cash equivalents		161,662	154,522
Total current assets			288,413	280,585
Total assets			1,454,360	1,481,037
Equity				
	Share capital		170,000	170,000
	Share premium		198,568	198,568
	Accumulated deficit		(62,615)	(47,637)
	Other reserves		(23,318)	(21,856)
Total equity attributable to equity holder of the Company			282,635	299,075
Liabilities				
	Loans and borrowings, including derivatives	*3*	560,809	582,208
	Deferred income		213,300	231,583
	Employee benefits		7,814	8,951
Total non-current liabilities			781,923	822,742
	Loans and borrowings	*3*	75,943	74,200
	Trade and other payables, including derivatives		110,380	93,065
	Deferred income		203,479	191,955
Total current liabilities			389,802	359,220
Total liabilities			1,171,725	1,181,962
Total equity and liabilities			1,454,360	1,481,037

The interim financial statements have not been audited

Condensed consolidated statement of changes in equity

Attributable to equity holder of the Company

	Issued Share Capital	Share Premium	Translation reserve	Investment revaluation reserve	Employee benefits reserve (IAS 19R)	Hedging reserve	Accumulated deficit	Total equity
Balance at Dec 31, 2014	**170,000**	**198,568**	**(11,825)**	**(2,787)**	**(7,554)**	**310**	**(47,637)**	**299,075**
Loss for the period	-	-	-	-	-	-	(14,978)	(14,978)
Foreign currency translation differences	-	-	(741)	-	-	-	-	(741)
Fair value of available-for-sale financial assets	-	-	-	2	-	-	-	2
Movement employee benefits reserve (IAS 19R)	-	-	-	-	-	-	-	-
Movement cash flow hedges	-	-	-	-	-	(723)	-	(723)
Total comprehensive income	-	-	(741)	2	-	(723)	(14,978)	(16,440)
Balance at March 31, 2015	**170,000**	**198,568**	**(12,566)**	**(2,785)**	**(7,554)**	**(413)**	**(62,615)**	**282,635**

The interim financial statements have not been audited

Condensed consolidated interim statement of cash flows

In thousands of U.S.$	**March 31, 2015**	**March 31, 2014**
Net cash from (used in) operating activities	50,999	105,489
Net cash from (used in) investing activities	(18,270)	(32,681)
Net cash from (used in) financing activities	(21,429)	(77,607)
Translation effect on cash	(4,160)	341
Net increase/(decrease) in available cash and cash equivalents	7,140	(4,458)
Cash and cash equivalents at the beginning of the period	154,522	122,663
Cash and cash equivalents at end of the period	161,662	118,205

The interim financial statements have not been audited

Notes to the unaudited condensed consolidated interim financial statements

Reporting entity

Aurelia Energy N.V. ("the Company") has its legal seat in Willemstad (Curaçao). The unaudited condensed consolidated interim financial statements of the Company as at and for the period ended March 31, 2015 comprise the Company and its subsidiaries (together referred to as "the Group" or "Bluewater" and individually as "Group entities") and the Group's interest in jointly controlled entities.

Statement of compliance

The unaudited condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRSs) as applied in the most recent annual financial statements.

Basis of preparation

These unaudited condensed consolidated interim financial statements are presented in thousands of US dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest thousand. The unaudited condensed consolidated interim financial statements have been prepared using accounting policies consistent with the recognition and measurement criteria of the International Financial Reporting Standards (IFRSs) as applied in the most recent annual financial statements. The information furnished in the unaudited interim condensed consolidated financial statements includes normal recurring adjustments and reflects all adjustments which are, in the opinion of management, necessary for fair presentation of such financial statements. Although the Company believes that the disclosures are adequate to make the information presented not misleading, it is suggested that these unaudited interim condensed consolidated financial statements be read in conjunction with the audited financial statements and the notes thereto for the year ended December 31, 2014.

The preparation of these unaudited interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the unaudited interim financial statements are:

- Revenue recognition on construction contracts based on the percentage of completion method;
- Estimation of the anticipated useful life and future revenues earned with the leased facilities;
- Estimation of the realizable amount of tax losses carried forward;
- Potential impact of claims and litigation.

1. Segment information

The disclosure of segment information is consistent with the internal reports regularly reviewed by the Group's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to them. Internal reporting is primarily based on business segments since the Company's risks and rates of return are affected primarily by differences in services and products produced.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly employee benefits expense, head office expenses, investments and related revenue and income tax assets and liabilities. For both presented periods there are no inter segment revenues.

In thousands of U.S.$	FPSO March 31, 2015	FPSO March 31, 2014	SPM March 31, 2015	SPM March 31, 2014	Consolidated March 31, 2015	Consolidated March 31, 2014
Total segment revenue	97,453	85,325	66,066	52,109	163,519	137,434
Total cost of operations	(51,511)	(45,024)	(55,815)	(50,756)	(107,326)	(95,780)
Unallocated expenses					(125)	(1,608)
EBITDA	45,942	40,301	10,251	1,353	56,068	40,046
Depreciation and amortization	(36,441)	(22,797)	(228)	(123)	(36,669)	(22,920)
Results from operating activities (EBIT)	9,501	17,504	10,023	1,230	19,399	17,126
Net finance costs					(31,606)	(18,178)
Income tax expense					(2,771)	(2,200)
Profit for the period					(14,978)	(3,252)
Segment assets	1,246,164	1,241,713	112,615	101,741	1,358,779	1,343,454
Unallocated assets					95,581	93,521
Total assets					1,454,360	1,436,975
Segment liabilities	1,106,329	1,059,719	65,396	79,673	1,171,725	1,139,392
Capital expenditure	2,343	28,043	104	1,385	2,447	29,428

Unallocated capital expenditure amounted to U.S.$21 thousand (2014: U.S.$1,004 thousand).

2. Property, plant and equipment

In thousands of U.S.$	FPSOs	FPSO under construction	Office equipment	Total
Cost:				
As at December 31, 2014	1,899,213	129,060	10,418	2,038,691
Additions	2,343	-	104	2,447
Disposals	-	-	(33)	(33)
Translation result	-	-	(26)	(26)
As at March 31, 2015	1,901,556	129,060	10,463	2,041,079
Accumulated depreciation and impairment losses:				
As at December 31, 2014	852,470	80,613	1,452	934,535
Depreciation for the period	35,991	-	239	36,230
Disposals	-	-	(27)	(27)
Translation result	-	-	(25)	(25)
As at March 31, 2015	888,461	80,613	1,639	970,713
Net book value	1,013,095	48,447	8,824	1,070,366

Additions FPSOs consists mainly of capitalized costs related to completion of the modification and life time extension work to prepare the FPSO Haewene Brim for tie-in and production of the Brynhild field. As these costs are fully reimbursed by the field owners, a corresponding amount has been recorded as deferred income. Depreciation of the capitalized costs and recognition of the deferred income are reflected in the income statement over the remaining guaranteed contract period.

As of March 31, 2015, an amount of U.S.$101,481 (March 31, 2014: U.S.$101,481) relating to capitalized interest is included in the historical cost value of the FPSOs and FPSOs under construction. Interest capitalized for the periods ended March 31, 2015 and 2014 amounts to U.S.$ nil.

3. Loans and borrowings

In thousands of U.S.$	March 31, 2015	December 31, 2014
Non-current liabilities		
Long-term bank loans	169,014	191,299
Unsecured subordinated bond	391,371	390,909
Derivatives	424	-
	560,809	582,208
Current liabilities		
Current portion of bank loans	75,943	74,200

The amount of long-term bank loans as per March 31, 2015 amounting to U.S.$169.0 million includes a U.S.$25.0 million deposit kept in a debt service reserve account which has been netted with the related bank loan.

The amount of the Unsecured subordinated bond as per March 31, 2015 amounting to U.S.$391.4 million is the net balance of the U.S.$400 million unsecured bond loan and the current balance of unamortized borrowing costs of U.S.$8.6 million.