



Annual Report

2015

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Key figures

	2015	2014	2013
HSE			
Lost time injury frequency per million workhours - LTIF	0	1,0	0,8
Total recordable injury frequency per million workhours - TRIF	1,85	4,8	3,8
Number of critical incidents	0	0	0
Financial Information			
Operating income	457,5	825,7	1038,1
Results of operations	-47,6	-7,0	5,8
Result after tax	-36,4	-3,5	2,8
Total Assets	137,8	235,1	289,1
Total Equity	55,9	92,2	98,5
Solidity			
Own capital	41%	39%	34%
Debt ratio	1,5	1,5	1,9
Liquidity			
Liquidity ratio 1 & 2	1,3	1,5	1,4

Lost time injury frequency – LTIF (lost time injury frequency) shows the number of injuries with subsequent absence per 1 million hours.
Total injury frequency – TRIF (total recordable injury frequency) shows the number of treatment injuries per 1 million hours.
Critical incidents frequency per 1 million hours.

Own capital shows the own capital as % of total capital.

Debt ratio shows the relationship between total debt and own capital.

Liquidity ratio 1 shows the relationship between liquid assets and short-term debt.

Liquidity ratio 2 shows the relationship between liquid assets, excluding stock, and short-term debt.

All numbers are in MNOK.

Chief Executive Officer - Reader

Cofely Fabricom operates in the oil & gas industry offering Front-end engineering services, Maintenance & Modification (M&M) services, EPCI Modification projects and various construction and fabrication services to our clients' on-/ offshore assets.

As commonly known, the industry was struck by the plummet in oil price - a surprise for the operators, who had already started their quest for cost cutting and change. Cofely Fabricom chose to see this as an opportunity to change the contractor approach. We have internally restructured the organization to develop its flexibility, with regards to the market fluctuations and future opportunities. The Company has focused on implementing core values such as efficiency, predictability and competitiveness.

The Company has implemented a comprehensive improvement program with the aim to increase the cost awareness within the organization, and streamline procedures and processes. The priority has been to challenge the traditional market structures, whilst simultaneously have a solid focus on HSEQ and client relations. Furthermore, the Company has continued the downsizing of the Company to adjust the size to current market situation and to "fit-for-purpose".

Part of the comprehensive improvement program LEAN 2017 was launched in 2015. This program has the aim to assure profitability in the long term and focuses on cost reduction. One part of the cost reduction program is a renegotiation of all Cofely Fabricom's long term commitments.

Despite the fact that Cofely Fabricom did not succeed in the process of winning the contract for Maintenance and Modifications for Statoil's assets in Norway, we still value our long term relationship with Statoil, and Cofely Fabricom has shifted our focus to onshore projects, which have resulted in new contracts on Kollsnes and Kårstø for Statoil.

Moreover Cofely Fabricom renegotiated our running contracts with main clients, and changed the original M&M contract in to a more competitive Service Contract. In addition our Sales and Tender department has secured several interesting new projects in new markets, and are in competition for new projects and potentials in our existing and new markets.

The Company is now also focusing on synergies between all the Cofely Fabricom Oil, Gas and Power entities in the UK, Belgium and the Netherlands. This is to optimize the group's expertise across borders. We believe we need to have a wider perspective of the market in order to secure sustainable improvements that can handle boosts and bursts.

Looking ahead, 2016 will be a complex year filled with market opportunities and challenges. Cofely Fabricom is confident that the organization, becoming continuously more robust and cognisant, will face the market with an open mind, strength and skills.

Your commitment is highly appreciated.

Thank you.

Chief Executive officer, Stanley Maas



Annual Report 2015

The nature and locations

Group Fabricom includes the parent company Fabricom AS and subsidiaries Fabricom PMAE AS, Fabricom Nord AS and Fabricom Vigor AS.

Fabricom (Company and Group) performs engineering, modification, maintenance and installation work for the oil and gas industry for both onshore and offshore plants and installations. Fabrication work is carried out at workshops in Dusavik, Stavanger. The business is managed from the group's head office in Stavanger and local branch in Orkanger.

Fabricom activity level resulted in a turnover of 457 MNOK in 2015 compared to 826 MNOK in 2014. Fabricom (company and consolidated) produced a total of 726.000 hours in 2015 compared to 1.170.000 hours in 2014. Number of permanent employees has been reduced during the year as a result of the reduced activity.

Main activities

Fabricom (company and consolidated) assumes total responsibility for design, planning, installation, fabrication and commissioning of projects both offshore and onshore, as well as early studies (FEED), engineering services and maintenance tasks for the oil and gas industry in Norway.

Fabricom's activities:

1. Maintenance & Modification

The frame agreement for maintenance and modifications (M & M) of the Sleipner field (SVM) was awarded in 2010. The agreement has duration of 4 years with options to extend the agreement for two (2) periods of two (2) years. Statoil executed the first option and extended the contract with two (2) years until 2016. Maintenance and modifications on the Gudrun platform was also included in this frame agreement during 2014. The agreement expires 31st of July 2016 and Fabricom was not awarded M&M contract. In addition Fabricom has offered a Service Agreement to Statoil, which is under evaluation.

In May 2012 Fabricom was awarded a contract for modification services for the Gjøa platform. This platform is operated by Engie (former GDF Suez). The contract has duration of 5 years with optional extensions for two (2) periods of two (2) years. The contract value varies based on activity. Expected turnover in the coming years is expected to be 50-100 MNOK a year.

Det Norske has informed Fabricom of the intention to terminate the M&M and the contract is replaced with a Service agreement.

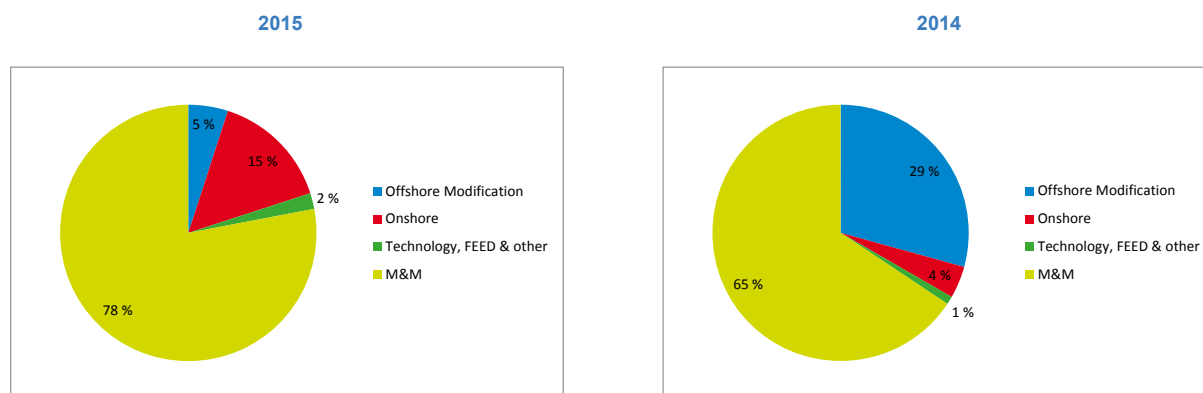


Figure 1: Activity in the business areas 2014 and 2015

2. Onshore Modifications

Fabricom has re-entered the onshore modification market and won 2 onshore contracts during 2015 at Kollsnes & Kårstø. The project at Kollsnes was awarded in August 2015 and has duration until November 2016. The Kollsnes project is mainly a construction project regarding installation of mechanical equipment and interconnecting piping with an estimated value of 50 MNOK. The project at Kårstø was awarded in September 2015 and main scope of work is mechanical work during shut down in 2016.

3. Construction Services

Fabricom has an impressive track record in performing construction services for the oil and gas industry, both on- and offshore. Fabricom's construction personnel often hold multi-disciplinary skills in addition to their basic trade competences and are thereby very attractive both on Norwegian continental shelf and internationally. In current market situation, Fabricom is taking advantage of this and are using, and exploring further opportunities to use these personnel on international projects within the Engie Oil, Gas & power division and within other industries than offshore, such as shipbuilding and onshore petrochemical.

Ownership

Fabricom AS (Company and Group) is owned 100 % by the Dutch holding company Fabricom Nederland B.V. This company is a part of the Belgium Group Fabricom which in turn is owned by the French multinational industrial enterprise. Engie (former GDF Suez) delivers solutions globally within the areas of oil and gas production, energy distribution, and water and waste management.

The owner's aim is to support the further local development of the Fabricom business and also take advantage of synergy effects in the Engie group through international co-operation and sharing of experience. The Engie's total resources, competence and products are therefore available to Fabricom (company and group) to facilitate growth and development in the Norwegian market.

Fabricom (company and group) in Norway is part of the Group's international division, Fabricom Oil, Gas & Power, performing work together with:

- Fabricom Oil and Gas (Netherlands) which specializes in both on-and offshore drilling and modification work
- Fabricom Contracting Ltd. (UK) which specializes in onshore refinery and petrochemical works as well as module fabrication
- Fabricom Offshore Services LTD (FEED studies, and engineering for the oil and gas industry)
- Fabricom in Belgium which specializes in piping fabrication, prefabrication of modules and installation work
- Fabricom Netherland which specializes in providing services and maintenance to the oil and gas industry

Synergies between the companies in this division ensure transfer of international competence and experience for the benefit of our clients in the oil and gas industry both onshore and offshore.

Going concern

Continued activity is assumed for Fabricom (Company and Group) and the financial statements for 2015 have been prepared based upon this assumption. The Board confirms that the financial statements give a true picture of properties, debts, financial position and results.

Safety and environment

Fabricom is an IA company (Inkluderende Arbeidsliv). The company works actively to ensure low absence due to sickness and the IA agreement is a part of this strategy.

In 2015, the goal of presence of work was 96%, and Fabricom's (company and consolidated) total presence of work in 2015 was 95,6 %. This means that the company had a presence at work at the same level as in 2014. Fabricom will continue the work to create a good working environment, and continue the efforts to prevent sickness, monitoring and follow up sickness.

Fabricom (Company and Group) has a target of zero injuries to people and the environment. The frequency target for number of LTI's (Lost Working Time Injuries) follows the primary target and is therefore zero. The company's objective is to avoid injuries to personnel at all times.

Total Recordable Injury Frequency (TRIF) Company and consolidate

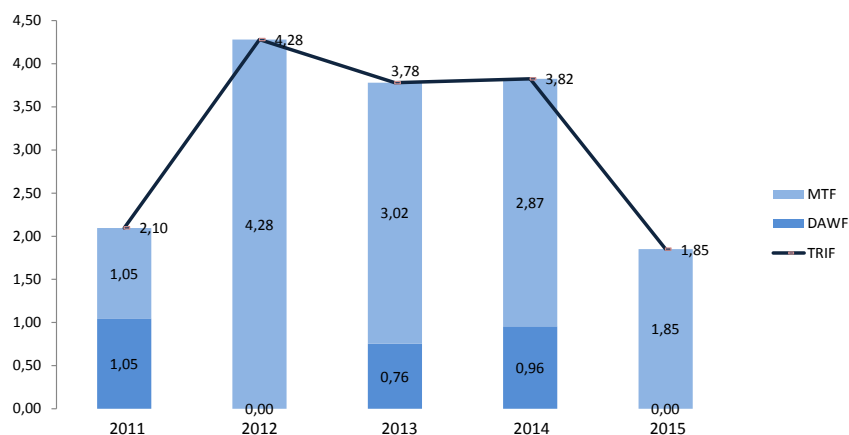


Figure 2: Frequency last 5 years

Total Recordable Injury Frequency in 2015 ended at 1,85 per million hours which is a reduction compared to 2014. There was reported one Medical Treatment in 2015. Neither of the injuries were considered serious and caused no permanent damages.

Fabricom's (Company and Group) Management is aware of the potential safety risks connected to our activities. Therefore we will continue to increase our efforts to develop safe working methods, to invest in new and proper equipment and, not least, to continue to influence attitudes and behavior promoting HSE in our company culture. Fabricom is committed to achieve the next level in HSE performance through change, learning and continuous improvement.

Natural environment

The activities of Fabricom (Company and Group) involve only a few minor environmental pollution risks due to the nature of the work and services. However the policy of Fabricom (Company and Group) in this area is that no pollution is insignificant and we have therefore developed an external environmental control system, which is now documented, implemented, certified and followed in accordance with ISO 14001:2004.

This means that Fabricom is conscious of waste handling and the use of raw materials and non-regenerative natural resources. Our environmental control system covers engineering, fabrication, installation and commissioning and enables us to undertake all phases of project execution in accordance with international environmental requirements. During the year, several external audits of the system were performed.

It has in 2015 been no serious incidents related to the external environment. The sorting rate of waste of our prefabrication in workshops was reported at 85,7% in 2015.

Fabricom (company and consolidated) has, as part of the Engie Group, extensive reporting obligations to the environment within the Group, as well as to customers and authorities. This is followed by the company that gives priority to preventive measures in all our activities to avoid the pollution of soil, air and water.

Gender equality

Fabricom has a personnel policy that is inclusive. Fabricom's remuneration policy is built on the principle of equal pay for equal work and is gender neutral. The remuneration level is grounded in the current agreements between the various unions and business.

Number of women constitutes 19 % of the total employees at the end of 2015. At the end of 2015, there was one woman in the company's management team. There are 7 women in senior positions with responsibility for human resources in the company, this constitutes 24%. There are no women as employee representative on the Board.

Life phase policy

Fabricom is an IA company and endeavors to ensure that employees in all phases of life have a good working situation and development opportunities throughout their career. Arrangements are in place to give opportunities to adapt to the individual co-workers' needs. No one in Fabricom unwillingly works part time. Part-time co-workers have had their position adapted to their needs.

Senior Policy

Fabricom considers the senior staff (58 years +) as valuable for the company from its long experience and expertise. It is therefore important that these employees has tasks and

challenges that are stimulating, so they are motivated and want to continue his career for many years.

As of December 31, 2015 Fabricom had about 90 employees over 58 years.

Cultural, religious and ethnic adaption

Fabricom (company and consolidated) has a personnel policy that is inclusive for people with ethnic background other than Norwegian, and has established human resources policies to achieve this.

Fabricom has more than 50 employees with an ethnic background other than Norwegian. These represent a total of 19 different nations. Fabricom has also made use of hired labour from many nations. Integration of foreign cultures has been a positive challenge, but an informative and positive process for the company and its employees.

Financial Statements

Based on the opinion of the Board of Directors, the profit and loss account and balance sheet with notes give adequate information concerning the financial standing of Fabricom (company and group) at the year-end. After finalization of the accounts, no events have occurred that materially affect the evaluation of the Company or Group's result. Concerning allocation and price development for the products included in the Group activities, the Board does not know of any matter that affects the evaluation of the group throughout the financial statement.

Fabricom AS' financial statements for 2015 are finalized showing a loss of NOK 36.414.000 The Board of Directors propose the following application of the year's result:

All figures in NOK '000:

Reserves for valuation variants	122
Other equity	- 36 536
Total	-36 414

Presentation of financial statements

2015 has been a financially very challenging year. The company was through an improvement program and turnaround throughout 2013 and started 2014 with control of the administrative costs and optimism with regards to the market prospects. During 1st half of 2014 the market prospects changed drastically which resulted in the need to downsize the company during the autumn of 2014 and this continued throughout 2015. This has burdened the operational result in 2015 as payroll cost for employees in the notice period often are idle time as the employees have been demobilized from the projects. Reduced activity also leads to lower turnover which results in reduced gross margin to cover the fixed costs. The operating result is thereby negative in 2015 of 47,6 million compared to a loss of 7 million in 2014.

Balance Sheet Liquidity

Both Fabricom AS and the Group have a solid equity ratio that constitutes 42% of total assets for Fabricom AS and 41% of total assets for the Group. The liquid assets are mainly invested in short-term papers in banks. Neither the Company nor group has long-term external debt.

Cash balance in the company and the group at the end of the year reduced compared to 2014. Cash within the Engie Group cash pool has been split into a separate line in the balance sheet.

There has been limited trading of foreign currency through the year. Accounting impact has therefore been limited.

Prospects

The drop in oil price during 2014 and 2015 has resulted in a drastic downturn in the Norwegian market within the Oil sector. The downturn in the Norwegian market started with the cost cut initiative from Statoil during 2014 and continued when Statoil announced their Efficiency (STEP) program with targets to reduce cost of 1,3 billion USD in 2016.

Even though Statoil is dominant in the Norwegian market, the whole industry is now going through a cost cutting and efficiency turnaround. This has resulted in a high downturn in the market and more than 30.000 employees has been made redundant as part of this process.

Even though the expectations are that the market within Oil & Gas in Norway will recover, there are different expectations to when this will happen. It is therefore expected that also 2016 will be a financially challenging year for Fabricom with reduced revenues and need for further downsizing and cost reduction.

However, Fabricom will continue the focus to improve processes, develop competence and increase our efficiency towards our clients in order to further improve our competitiveness and increase our performance. It is our primary goal to further strengthen Fabricom's position in the Norwegian oil and gas market such that we are considered as a preferred supplier by our customers; we secure attractive jobs for our employees and deliver satisfactory profit for our owners.

Stavanger, 18.03.2016



Terje Overvik
Styrets leder



Yanick Digaud



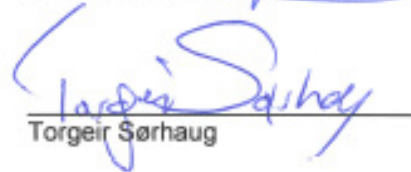
Michiel Hansson



Nils Vidar Juliassen



Stanley Maas
Administrerende Direktør



Torgeir Sørhaug



Income statement

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS		
2014	2015		Note	2015	2014
		Operating income and operating expenses			
825 737	457 450	Operating income	9	428 264	792 261
0	0	Result from associates	3,9	2 500	5 410
825 737	457 450	Total operating income		430 764	797 671
146 950	83 900	Raw materials and consumables used	13	318 085	533 250
564 398	322 711	Payroll expenses	11,12	66 311	156 727
6 487	5 716	Depreciation of fixed assets and intangible assets	2	5 716	6 487
114 913	92 751	Other operating expenses	11,16	89 055	110 038
832 748	505 078	Total operating expenses		479 167	806 502
-7 011	-47 628	Result of operations		-48 403	-8 831
		Financial income and financial expenses			
539	255	Other financial received		93	338
272	153	Other interest received		153	272
176	76	Other interest expenses		55	168
300	108	Other financial expenses	10	108	308
335	224	Result of financial income and expenses		83	134
-6 676	-47 404	Operating result before tax		-48 319	-8 698
3 203	10 990	Tax on ordinary result	8	11 905	5 223
-3 474	-36 414	Operating result		-36 414	-3 474
-3 474	-36 414	Result for the year		-36 414	-3 474
		Transfers:			
		Reserve for valuation variants	6	122	-988
		Other equity	6	-36 536	-2 486
		Total transfers		-36 414	-3 474

Balance sheet

All numbers in '000

GROUP FABRICOM NORWAY		FABRICOM AS	
2014	2015	2015	2014
ASSETS			
Fixed assets			
Intangible fixed assets			
11 195	22 185	8	21 519
			10 461
11 195	22 185	8	21 519
			10 461
Tangible fixed assets			
1 203	1 003	2	1 003
14 996	10 327	2	10 327
16 198	11 331		11 331
			16 198
Financial fixed assets			
0	15		0
0	0	3	15 811
0	15		15 811
			18 475
27 394	33 532		48 661
			45 135
Current assets			
Debtors			
64 760	36 917	4,14	35 192
0	0	4	6 137
94 095	29 148		26 813
158 855	66 065		68 142
			167 971
25 745	13 818	4,5	13 818
23 144	24 423	5	2 269
48 889	38 241		16 087
			29 724
207 744	104 307		84 228
			197 695
235 138	137 838		132 889
			242 829

Balance sheet

All numbers in '000


GROUP FABRICOM NORWAY

FABRICOM AS

2014	2015	Note	2015	2014
EQUITY AND LIABILITIES				
Equity				
Paid in-capital				
20 000	20 000	6,7	20 000	20 000
20 000	20 000		20 000	20 000
Retained earnings				
0	0	6	99	-23
72 257	35 859	6	35 638	72 174
72 257	35 859		35 737	72 151
92 257	55 859		55 737	92 151
Liabilities				
Provisions for liabilities				
280	0	12	0	151
280	0		0	151
Current liabilities				
17 194	6 047	4	38 849	74 115
51 717	39 550		23 083	24 869
0	0	4	0	17 494
73 690	36 382	15	15 220	34 049
142 601	81 979		77 152	150 527
142 881	81 979		77 152	150 678
235 138	137 838		132 889	242 829

Sola, 18.03.2016



Terje Overvik
Styreleder


Stanley Maps
CEO


Nils Vidar Johannessen


Yanick Bigaud


Michel Hanson


Torgeir Sørhaug

Cash flow statement

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015	Note	2015	2014
Cash flow from operating activities				
-6 676	-47 404		-48 319	-8 698
0	0		0	0
-3	0		0	-3
6 487	5 716		5 716	6 487
14 381	27 843	2	28 654	3 126
-34 668	-11 147		-34 401	-38 643
13 797	15 209		22 304	48 702
-6 682	-9 783		-26 046	10 971
Cash flow from investing activities				
0	0		0	0
-4 435	-865	2	-865	-4 435
-4 435	-865		-865	-4 435
Cash flow from financing activities				
0	0		13 274	0
-2 758	0		0	-2 758
-2 758	0		13 274	-2 758
-13 875	-10 648		-13 637	3 779
62 764	48 889		29 724	25 945
48 889	38 241	5	16 087	29 724
25 745	13 818		13 818	25 745
23 144	24 423		2 269	3 979
48 889	38 241		16 087	29 724

Notes to consolidated financial statements

NOTE 1

ACCOUNTING PRINCIPLES

The accounts for Fabricom AS and the consolidated Group accounts are prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting practices. Accounting principles are described below.

Consolidation principles

The consolidated accounts include Fabricom AS and subsidiary companies in which Fabricom AS has a direct controlling influence in fact and in law. The consolidated accounts is prepared with equal accounting principles for similar transactions in all companies. The companies' internal sales and internal accounts are eliminated in the consolidated accounts.

Shares and interests in associated companies are valued according to the equity method.

Principle rules for evaluation and classification of assets and liabilities

Assets intended for permanent possession are classified as fixed assets. Other assets are classified as current assets. Outstanding claims due within one year are classified as current assets. Classification of short-term debt and long term debt are based on the same evaluation.

Fixed assets are valued at acquisition cost, but are written-down to real value when the loss in value is considered to be permanent. Fixed assets with limited economic life are written-down according to plan.

A few balance sheet items are evaluated according to other principles as explained below.

Goodwill

Capitalized goodwill in connection with the acquisition of other businesses is determined by the part of the purchase price beyond the value of individual assets at the acquisition date.

Goodwill is posted at historical cost price and is depreciated over the first five accounting years in equal amounts.

Shares and interests in associated companies

Investments in associated companies and subsidiaries are valued according to the equity method. Investments in shares are valued at cost.

Trade debtors and other debtors

Trade debtors and other debtors are valued at face value. In addition there is an appropriation for unsecured debtors.

Projects / Work in progress

Projects / work in progress are valued at direct cost for materials and wages, including social cost with the addition of indirect cost based on budgeted administration cost. The company therefore allocates cost on an "as-incurred" basis. Profit are included on projects where there are reliable estimates of outcome.

Any losses are taken into account as soon as they are identified. The net value of work in progress/advance invoicing of production is posted in the balance sheet by deducting advance payments from customers from the project value. Work on account is valued at sales value at 31.12.

Taxes

Tax cost is placed together with the accounting result before tax. Tax cost consists of payable taxes for the year (tax on this years taxable result) and changes in net deferred taxes. The tax cost is divided between ordinary result and extraordinary result according to taxable basis.

Deferred tax liabilities and deferred tax assets are shown as net items in the balance sheet.

Pension liabilities

AFP

The company and Group participates in the new arrangement for negotiated pension between the trade unions (LO) and the employers' association (NHO), AFP arrangement. The old agreement is phased out. For further information see note 12.

Group pension liabilities

The company and Group has a contribution pension plan which complies with compulsory occupational pension. For further information see note 12.

Expenses related to contribution pension plan is charged according to received invoices.

Foreign currency

The company calculates foreign currency at the exchange rate on the accounting date. Gains and losses on foreign currency exchange are classified as financial transactions.

Estimates

The compilation of the result assume that the company use estimate and assumption which affects the result and the valuation of assets, liabilities and commitments on the balance date. These are settled to best estimate based on the information on the balance date according to generally accepted accounting principles. Actual figures can deviate from estimates.

NOTE 2 INTANGIBLE ASSETS AND FIXED ASSETS
FABRICOM AS

All numbers in '000

	Land	Buildings	Machinery/ Fixtures	Total
Purchase cost 01.01.	0	9 143	118 586	127 729
Increase	0	91	775	865
Decrease	0	0	17	17
Purchase cost 31.12	0	9 243	119 344	128 577
Accumulated ordinary depreciation 31.12.	0	8 230	109 018	117 247
Book value 31.12	0	1 003	10 327	11 331

Ordinary depreciation for the year	0	290	5 426	5 716
Ordinary depreciation rate in %	-	5	10-30	
Economic life	~	20 years	3 - 7 years	

Depreciation is linear over the technical/financial lifetime.

GROUP FABRICOM NORWAY

All numbers in '000

	Goodwill	Land	Buildings	Machinery/ Fixtures	Total
Purchase cost 01.01.	12 687	0	9 143	124 209	146 039
Increase	0	0	91	775	865
Decrease	0	0	0	17	17
Purchase cost 31.12	12 687	0	9 234	124 967	146 887
Accumulated ordinary depreciation 31.12.	12 687	0	8 230	114 640	135 557
Book value 31.12.	0	0	1 003	10 327	11 331

Ordinary depreciation for the year	0	0	290	5 426	5 716
Ordinary depreciation rate in %	20	0	5	10 - 30	
Economic life	5 years	~	20 years	3 - 7 years	

Depreciation is linear over the technical/financial lifetime.

Goodwill of NOK 12 687 is regarding acquisition of shares in Vigor Industries and Orkla Engineering in January 2007.

NOTE 3

SUBSIDIARIES

COMPANY'S INCLUDED IN THE ACCOUNTS OF GROUP FABRICOM NORWAY

Company	Registered office	Share ownership	Voting rights
Fabricom PMAE AS	Sola	100,00 %	100,00 %
Fabricom Nord AS	Sola	100,00 %	100,00 %
Fabricom Vigor AS	Orkanger	100,00 %	100,00 %

FABRICOM AS

All numbers in '000

Company	Time of purchase	Registered office	Share ownership/ voting rights	Share of Equity capital	Share of result for the year	Book value
Fabricom Nord AS	01.09.2002	Sola	100,00 %	1 358	-5	1 358
Fabricom Vigor AS	04.01.2007	Orkanger	100,00 %	5 411	-3 094	5 411
Fabricom PMAE	01.09.2002	Sola	100,00 %	9 042	310	9 042
Total investments in subsidiaries					-2 789	15 811

The companies are valued according to the equity method, see table below:

	Fabricom PMAE AS	Fabricom Nord AS	Fabricom Vigor AS
Acquisition cost	13 742	1 259	16 000
Equity value at date of acquisition	110	110	2 647
Opening balance 01.01.	8 732	1 363	8 505
Group contribution	-1 921		-3 369
Share of year result	2 231	-5	275
Closing Balance 31.12	9 042	1 358	5 411

Share of result of the year is included in the operating income, see note 9.

Result from Fabricom PMAE AS, Fabricom Nord AS, Fabricom Vigor AS are shown in separate line in the income statement.

Fabricom AS guarantee for the operation in the companies Fabricom PMAE AS, Fabricom Nord AS and Fabricom Vigor.

NOTE 4 ACCOUNTS WITH COMPANIES IN THE SAME CORPORATION/ASSOCIATES

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015		2015	2014
		Trade debtors:		
0	0	Account receivable subsidiaries	205	246
0	0	Other debtors subsidiaries	0	0
0	0	Group contribution	6 137	13 274
25 745	13 818	Cashpool within the group	13 818	25 745
		Liabilities:		
0	0	Account payable subsidiaries	32 819	57 316
0	0	Other short-term liabilities within the group	0	17 494

NOTE 5 CASH, BANK, ETC.

All numbers in '000

FABRICOM AS

The bank and cash balance per 31.12.15 is NOK 16.087, of which NOK 2.238 are tied-up funds for payment of taxes. NOK 13.818 is cashpool within the group.

GROUP FABRICOM NORWAY

The bank and cash balance per 31.12.15 is NOK 38.241, of which NOK 10.802 are tied-up funds for payment of taxes. NOK 13.818 is cashpool within the group.

The company has through cashpool within the group a credit for 50 MNOK.

With regards to hired out personell the company has met the general requirements cf. The Payment Act, section 4-1, second paragraph.

NOTE 6 EQUITY CAPITAL

All numbers in '000

FABRICOM AS	Share Capital	Reserve for valuation variants	Other equity capital	Total
Equity capital 01.01.	20 000	-23	72 174	92 151
Profit of the year		122	-36 536	-36 414
Equity capital 31.12.	20 000	99	35 638	55 737

GROUP FABRICOM NORWAY

Equity capital 01.01.	92 257
Stocks Vigor	15
+ Profit of the year	-36 414
Equity capital 31.12.	55 859

NOTE 7 NUMBERS OF SHARES AND SHAREHOLDERS
FABRICOM AS

The company's shareholder and title	Number	Percentage ownership
Fabricom Nederland B.V.	20 000	100 %

Numbers of shares and face value are specified in the balance sheet. There are no classes of shares in the company.

GROUP FABRICOM NORWAY

Note information is identical to information given under Fabricom AS.

NOTE 8 TAXES

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015	Temporary differences in connection with:	2015	2014
374	299	Current assets/liabilities	0	0
-5 549	-5 084	Fixed assets	-5 057	-5 516
-280	0	Pension liabilities	0	-151
-5 593	0	Loss Carry forward previous year	0	-5 593
-30 411	-83 954	Loss Carry forward	-81 019	-27 481
-41 459	-88 738	Total temporary differences	-86 076	-38 742
-11 195	-22 185	Deferred tax (+)/tax advantage (-), 25 %	-21 519	-10 461
Specification of the difference between accounting profits before tax and taxable income for the year				
-6 676	-47 404	Accounting profit before tax	-48 319	-8 698
0	0	+/- Reversal result from subsidiaries	-2 500	-5 410
-4 016	-671	+/- Change in temporary differences	-610	3 446
0	0	+ Difference in accounting and taxable value profit from associates	0	0
406	126	+ Permanent differences	349	358
0	0	+ Group contribution	3 136	9 774
-10 286	-47 950	= Tax basis	-47 943	-7 422
0	0	Loss Carry forward	0	0
0	0	Taxable income	0	0
Tax cost in the profit and loss account				
-1 510	0	Correction tax payables	0	-1 510
0	0	Change in deferred tax due to tax adjustment previous year	0	0
-1 693	-12 764	Change in deferred tax	-12 779	-1 075
0	1 775	Change in tax rate	1 722	0
0	0	Tax due to group contribution	-847	-2 639
-3 203	-10 990	Total tax expenses	-11 905	-5 223

Deferred tax assets of 21.519 is mainly tied to the value of loss carry forward. Loss carry forward will only be of value if it can be settled towards future taxable profit. Hence, the value of deferred tax assets is tied to expected future profit. It is uncertain whether/when there will be a taxable profit.

NOTE 9 OPERATING INCOME

The company's business is engineering, mechanical construction and associated technical services. The work is done in part in its own fabrication plant and in part at the customers construction sites. The main employment area in 2015 has been Rogaland and the Norwegian continental shelf.

The company's turnover is mainly from Maintenance and Modifications.

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015	Operating income distributed on type of business and geographical location:	2015	2014
1 591	1 779	Studies & Technology	1 779	1 591
539 607	356 847	M&M projects	352 426	539 607
35 167	66 063	Onshore projects	41 615	29 990
242 602	23 856	Offshore modification	23 540	214 304
0	0	Result from associates	2 500	5 410
6 769	8 905	Other income	8 904	6 768
825 737	457 450	Total operating income	430 763	797 671

NOTE 10 FINANCIAL MARKET RISK
FABRICOM AS

The company's financial market risk is limited. The currency exchange risk is connected to foreign suppliers of services and is limited in extent and maturity. The credit and liquidity risk is regarded as negligible.

GROUP FABRICOM NORWAY

Note information is identical to information given under Fabricom AS.

NOTE 11 PAYROLL COST

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015	Payroll cost consist of the following items:	2015	2014
464 623	253 808	Salaries	49 968	126 510
69 270	42 686	Social security contribution	9 174	17 249
18 014	12 725	Pension cost, see note 13	742	1 271
12 491	13 492	Other personnel cost	6 426	11 697
564 398	322 711	Total payroll cost	66 311	156 727
702	498	Average number of employees	126	211

Remuneration Fabricom AS Board of Directors Payroll 34

Remuneration Group Fabricom Norway Board of Directors Payroll 90

Payroll cost Managing Director is booked in parent company.

Auditor

Auditor fee booked as cost is NOK 309 of which NOK 69 is related to audit of subsidiaries. There has been no invoice for other services during the year.

NOTE 12 COSTS, OBLIGATIONS AND FUNDS RELATING TO PENSIONS
Pension liabilities AFP

The company has pension agreement (AFP) for its employees in accordance with LO/NHO arrangement from 62 year to 67 year. As of 31.12.15 the arrangement includes 122 persons in Fabricom AS and 453 persons in Group Fabricom Norway. The old AFP agreement is phased out.

Group pension liabilities

Fabricom AS and subsidiaries Fabricom PMAE AS, Fabricom Nord AS and Fabricom Vigor AS are obliged according to law to have a occupational pension (OTP). Pension agreement for the company and Group comply with this law.

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015		2015	2014
		AFP pension		
0	0	Current service cost	0	0
34	0	Interest cost	3	17
-779	-180	Benefits paid	-115	-416
-167	-54	Liability (gain) / loss (+)	-20	-43
0	0	Special events	0	0
-129	-33	Payroll tax	-19	-62
-1 040	-268	This year net pension cost AFP	-151	-505
		AFP pension		
245	0	Present value of Defined Benefit Obligations, end of year	0	133
245	0	Net pension liabilities	0	133
35	0	Payroll tax, 14,1 % of future pension liabilities	0	19
280	0	Net pension liability including payroll tax	0	151
		Pension		
-1 040	165	Net AFP pension cost this year	-151	-505
19 055	12 560	Net group pension cost, defined benefit	893	1 776
18 014	12 725	Total pension cost profit and loss account	742	1 271
280	0	Pension liabilities AFP	0	151
280	0	Total pension liabilities in the balance	0	151

Economic assumptions:

	2015	2014
Discount rate	2,50 %	3,00 %
Salary increase	0 %	0 %
Long term inflation	1,50 %	1,75 %
Social security escalation rate	2,25 %	3,00 %
Pension increase	2,25 %	3,00 %
Local tax rate	14,10 %	14,10 %

Demographic assumptions:

	2015	2014
Turnover; withdrawal decrements before 45 years old	0 %	0 %
Turnover; withdrawal decrements after 45 years old	0 %	0 %
Preretirement rate at age 62	0 %	0 %
Disability decrements	IR73	IR73
Ordinary mortality (spouse)	K2013	K2013
Retiree mortality	K2013	K2013

NOTE 13 RAW MATERIALS AND CONSUMABLES

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015		2015	2014
45 939	20 376	Raw materials and consumables	20 376	43 594
0	0	Fabricom PMAE AS, Services	243 181	376 902
0	0	Fabricom Vigor AS, Services	281	9 323
101 011	63 525	Subcontractors	54 248	103 430
146 950	83 900	Total raw materials and consumables	318 085	533 250

NOTE 14 ACCOUNT RECEIVABLE

All numbers in '000

GROUP FABRICOM NORWAY			FABRICOM AS	
2014	2015		2015	2014
64 760	36 917	Account receivable	35 192	63 846
64 760	36 917	Total mortgages	35 192	63 846

NOTE 15 GUARANTEES
Guarantee liabilities

The company has made guarantees to customers for a total of kr 62.626 (through Atradius and BNP) as security for correct execution of contracts.

The company has a surety up to NOK 300 million NOK towards Atradius to cover for contract guarantees.

The company has a house rental guarantee for 13 million NOK.

The company has given a guarantee for operations and liabilities in the subsidiaries Fabricom PMAE AS, Fabricom Nord AS and Fabricom Vigor. These companies exist solely to trade internally with Fabricom AS and will not appear as separate business areas.

NOTE 16

RENTAL AGREEMENT

FABRICOM AS

All number in '000

Annual rental cost is 36.248. This includes rental of accomodation in Trondheim (duration 31.03.2017), Forus (duration 31.07.2023) and workshop Dusavik (duration 31.12.2016).

GROUP FABRICOM NORWAY

All number in '000

Total annual rental cost is 36.449. This includes rental agreement in Orkanger (duration 31.12.2016) in addition to agreements in Fabricom AS.





Translation from the original Norwegian version

To the Annual Shareholders' Meeting of Fabricom AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Fabricom AS, which comprise the financial statements of the parent company, showing a loss of NOK 36 414 000, and the financial statements of the group, showing a loss of NOK 36 414 000. The financial statements of the parent company and the financial statements of the group comprise the balance sheet as at 31.12.2015, and the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors's Responsibility for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian accounting act and accounting standards and practices generally accepted in Norway, and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Fabricom AS and of the group as at 31.12.2015, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian accounting act and accounting standards and practices generally accepted in Norway.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors report concerning the financial statements, the going concern assumption and the proposal for the coverage of the loss is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Stavanger, March 18th 2016
Deloitte AS

Svein Sivertsen
State Authorised Public Accountant (Norway)

Translation has been made for information purposes only

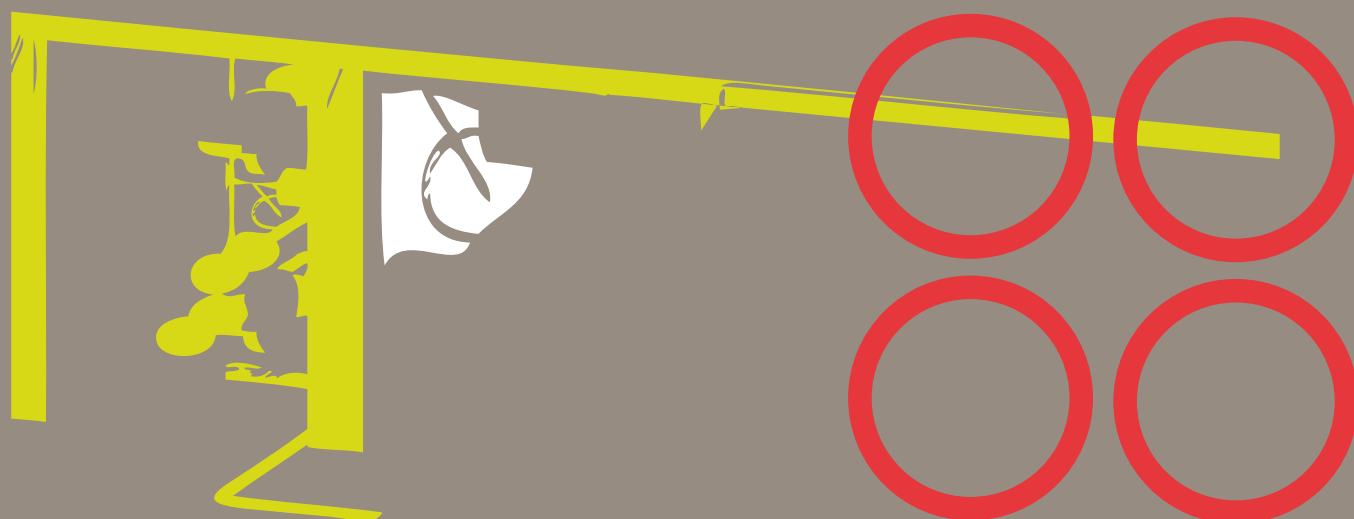
Core business

Our mission is to be competitive in our offering and create added value for our Clients.

Cofely Fabricom has an extensive track record in the modification, construction, installation and turnarounds of complex oil, Gas and power plants and this is what we will bring to the market.

Furthermore, Cofely Fabricom is within the North-western Europe renewable market part of the preliminary Contractors within the On- and Offshore wind farm construction and maintenance market. Cofely Fabricom will deploy these competences within the Norwegian market and we expect that the renewable market will accelerate rapidly, this not only due to the increased necessity to be more sustainable.

Cofely Fabricom will be ready for this.



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