



## **SIEM SHIPPING INC.**

### **REPORT FOR THE FIRST HALF AND SECOND QUARTER 2015**

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27 July 2015 – SIEM SHIPPING INC. (the “Company”; OSE Symbol: SSI) announces its results for the six-month period and quarter ended 30 June 2015, prepared in accordance with International Financial Reporting Standards (“IFRS”), as discussed below.

Siem Shipping Inc. is an owner and operator of vessels in specialist shipping sectors. Operating in the specialised reefer industry as STAR Reefers, it is a leading global owner and operator of refrigerated vessels and directly controls 28 vessels with a total capacity of 16 million cbft.

In the 1<sup>st</sup> half of 2015, the Company entered the car carrier market as a tonnage provider by agreeing to construct two 7,000 ceu pure car and truck carriers (PCTCs) for delivery in the second half of 2017 at the Uljanik d.d., a shipbuilder based in Croatia.

#### **Highlights for the First Half of 2015**

- **Net income of USD5.3 million (H1 2014: USD1.6 million)**
- **EPS USD0.58 (USD0.17)**
- **EBITDA of USD15.4 million (USD12.0 million)**
- **About 95% of fleet capacity is fixed for balance of 2015**
- **Contract backlog: USD421 million**
- **Ad-hoc share buy-back completed January 2015**
- ***Chile Star* and *Uruguay Star* sold**
- **Purchase of *Star First* and *Star Prima***
- **Order of two new PCTC vessels**
- **Sale of *Honduras Star* cancelled**

#### **Comparative Financial Statements (H1 2015 over H1 2014)**

Siem Shipping recorded a net income for the first half of 2015 of USD5.3 million (H1 2014: USD1.6 million). Earnings per share was USD0.58 (USD0.17).

Gross revenues were USD101.0 million (USD121.0 million). Net revenues after voyage expenses were USD80.7 million (USD75.5 million). The capacity decreased by 2% to 104.4 million cbft (106.9 million cbft). The increase in net revenue was due to higher rates being earned. The reduction in capacity was mainly due to redelivery of *Regal Star* in December 2014 and the sale of *Ecuador Star* in October 2014 as well as the sales of *Chile Star* and *Uruguay Star* in January 2015. The reduction was partly compensated by the charter-in of additional tonnage and that two C-Class vessels (*Cote D'Ivoirian Star* and *Colombian Star*) being back in service in 2015 after lengthening project in 2014.

Ship operating and administrative expenses were USD26.2 million (USD30.9 million), with the decrease mainly due to redelivery of *Regal Star* in December 2014 and the sales of *Chile Star* and *Uruguay Star* in January 2015. In December 2014, dry-dock amortisation expenses were reclassified from ship operating expenses to depreciation and amortisation expenses to reflect industry practice. Dry-docking costs are capitalised and amortised over the period until the next scheduled dry-docking, ranging from three to five years. For comparative purposes, the amortisation expenses recorded in the comparative figures for 2014 reflected the new classification.

Charter-in expenses were USD39.1 million (USD32.6 million). The increase is mainly due to the charter-in of additional tonnage.

EBITDA was USD15.4 million (USD 12.0 million). Depreciation and amortisation expenses were USD8.7 million (USD7.9 million). The increase of the depreciation was mainly due to a higher depreciable base following the lengthening of the four C-Class vessels (*Caribbean Star*, *Costa Rican Star*, *Cote D'Ivoirian Star* and *Colombian Star*).

Interest expense was USD1.5 million (USD2.6 million). The reduction was due to a new credit facility with a lower interest rate.

Other financial items were USD0.2 million (USD0.2 million), which included the mark-to-market revaluation of five-year interest swaps of USD0.3 million (USD0.3 million).

### **Comparative Financial Statements (Q2 over Q2)**

The Company recorded net income of USD4.8 million (USD3.2 million). Earnings per share was USD0.52 per share (USD0.33 per share).

Gross revenues were USD57.7 million (USD62.8 million) and net utilised capacity increased 1% to 55.2 million cbft (54.6 million cbft). Net revenue after voyage expenses was USD45.8 million (USD39.1 million).

Ship operating and administrative expenses were USD13.7 million (USD14.2 million). The reduction is due to the redelivery of *Regal Star* in December 2014 and the sale of *Ecuador Star* in October 2014 as well as the sales of *Chile Star* and *Uruguay Star* in January 2015.

Charter-in expenses were USD22.1 million (USD16.2 million). The increase is mainly due to the charter-in of additional tonnage.

EBITDA was USD10.0 million (USD8.6 million). Depreciation and amortisation expenses were USD4.5 million (USD4.1 million). The increase of the depreciation was mainly due to a higher depreciable base following the lengthening of the four C-Class vessels.

Interest expense was USD0.8 million (USD1.5 million). The reduction was due to a new credit facility with a lower interest rate.

Other financial items were negligible (USD0.1 million), which included the mark-to-market revaluation of five-year interest swaps of USD0.2 million (USD0.1 million).

### **Statements of Financial Position and Cash Flows**

Shareholders' equity was USD158.3 million at 30 June 2015 (31 December 2014: USD157.1 million), or USD17.36 per share (31 December 2014: USD16.28 per share). Cash flow from operating activities for H1 2015 was USD14.2 million (USD4.9 million). The cash position increased from USD37.5 million at year-end 2014 to USD44.3 million at 30 June 2015. During Q2 2015, the Company drew down the balance of the six-year USD 100 million loan from ABN AMRO Bank and Credit Suisse Bank. The funds were used to partly finance the acquisition of *Star First* and *Star Prima*. The facility carries an interest rate of Libor plus a

margin of 2.4%, an arrangement fee of 1% and a commitment fee of 1%. The net interest-bearing debt increased from USD64.2 million at year-end 2014 to USD84.6 million at 30 June 2015, after repayment of bank debt of USD7.7 million. The next scheduled repayment of bank debt of USD7.7 million in November 2015 was prepaid in July 2015. In addition to the liabilities on the balance sheet, the Company has significant long-term charter commitments.

### **Shareholder Information**

In December 2014, the Company announced that its Board of Directors had resolved to initiate an ad-hoc share buy-back programme to purchase shares in the Company at a maximum price of NOK60.0 per share for a maximum aggregate amount of USD5.0 million, with acceptances to be in inverse order of size of shareholdings tendered in the offer. The offer was extended on 7 January until 30 January 2015. On completion of the ad-hoc buy-back programme, 84 shareholders representing 529,074 shares accepted the offer in the buy-back programme for an aggregate consideration of NOK31.7 million (USD4.1 million). Following the buy-back and cancellation of shares, the issued and outstanding number of shares is 9,118,405 shares.

### **Principal Risks**

The Board currently believes that the principal risks and uncertainties for the Company include risks relating to the prospects for the specialised reefer industry such as the demand for fresh fruit, threats to the global economy, and competition from reefer container vessels, adverse climatic changes, crop diseases and crop harvests. The Company is also exposed to high fuel costs, although hedging will be undertaken when appropriate to mitigate this risk. In addition, the Company is exposed to the risks of piracy and to the performance of customers, service providers and suppliers. Furthermore, although the Company works hard to mitigate the normal risks in operating its ships, for example, by training its crew to a high standard and taking out insurance as appropriate, there nonetheless remains the risk that accidents and uncontrollable events will happen.

### **Auditing and Related Party Transactions**

The H1 2015 financial report has not been audited or reviewed by auditors. Information on 2014 related party transactions is disclosed in the Annual Report 2014 and for the first half of 2015 in the notes to this report.

### **Market**

In the first half of 2015, the average spot market rate was 69 cents per cubic foot per 30 days (“cents”), an increase of 19% compared to the same period in 2014 (58 cents). The average spot market rate for Q2 2015 was 58 cents compared to the Q2 2014 average of 54.5 cents.

In Q1 2015, the average spot market rate was 82 cents, up 32% on the same period in 2014 (62 cents). The primary driver behind the improvement was increased demand for specialised vessels for the large Falklands squid catch which employed large vessels for the first time in the early catching season. There was good employment of the fleet and due to lower bunker prices, the ability of specialised reefers to compete with the container lines was enhanced whilst continuing to provide a superior, fast reliable and direct service. Longshoremen strikes in US West Coast ports had a significant effect on container distribution and, consequently, specialised reefers were deployed to deliver time-sensitive citrus cargoes directly to Japan.

In Q2 2015, spot market rates fell sharply from the beginning of April and then again during mid-May once demand for squid and seasonal fruit ended. There was little growth in demand for bananas in the Mediterranean markets due in part to economic issues and the continued aggressive pricing policy of the container lines. Russian banana imports dropped 15-20%

during the period as a result of higher ruble pricing. Deciduous and citrus imports may be more adversely affected.

Only two ships from the global reefer fleet have been recycled in 2015.

### **Operational Issues**

Our in-house ship-management company has recently changed name from “STAR Reefers Poland” to “Siem Ship Management” to reflect the fact that it manages vessels other than reefer vessels. Following the purchase of the *Star First* and *Star Prima*, the redelivery of *Regal Star*, and the recent sale of *Chile Star* and *Uruguay Star*, our ship-management company now manages 18 vessels owned by the Company and two car carriers indirectly owned by Siem Industries Inc. The performance statistics of Siem Ship Management demonstrate continued improvement and superior results compared to previous third-party managers. It has built on its success with certification to ISO9001, ISO14001 and OHSAS18001 standards and implementation of a new web-based integrated management tool to enhance the management and monitoring processes of the fleet. No major health, safety, environmental and quality (HSEQ) issues were reported during the first half 2015, except for a minor injury to a crew member on board *Star Prima*.

In the first half of 2015, unplanned operational off-hire remained low at 0.1% of owned fleet (2014: 0.6%) with no significant incidents on our vessels leading to off-hire. During the first half of 2015, there were six operational incidents leading to off-hire. The main cause of the off-hire during Q2 was due to *Star Prima* having to divert to disembark a crew member with a minor injury.

### **Fleet Changes, Deployment and Contract Backlog**

In November 2014, the Company agreed to a contract with Fresh Carriers Company Ltd to charter out two vessels. The charters are for a three-year period at profitable rates. The vessels were delivered to Fresh Carriers Company in January 2015. The contract with Alaska Reefer Management to charter-out the *Wellington Star* was renewed in December for a further two-year period, which commenced in January 2015. Fyffes has also exercised its option to extend the charters of four *Star First-Class* vessels for an additional year. The contract with Banex to provide a regular weekly service from Ecuador to St Petersburg has been renewed for an additional one year. The service employs seven vessels.

*Regal Star* was redelivered to its owners on 31 December 2014 after a nine-year bareboat charter came to an end and will no longer form part of the Company’s fleet. In March 2015, the Company received a notice of claim from the owners of *Regal Star*, claiming the vessel did not comply with the requirements of its charter-party upon redelivery on 31 December 2014. The Company does not accept the basis of this claim and is taking legal advice.

In January 2015, the Company sold two of its older and smaller vessels, *Chile Star* and *Uruguay Star*, for USD5.0 million each. The sale generated a book loss of USD1.1 million per vessel, which was recorded in the 2014 accounts. The delivery of the vessels to the new owners took place during Q1 2015.

The Company acquired the 2006-built specialised reefer vessels *Star First* and *Star Prima* during Q2 2015. The Company is familiar with the two vessels as they have been on time charter to the Company since delivery from the shipyard in Japan. The acquisition has been financed by drawing down the balance of the USD100 million bank facility from 2014 and internally-generated funds.

At the 2012 Annual General Meeting, Star Reefers Inc changed its name to Siem Shipping Inc, to reflect the Company’s intention to diversify its exposure to shipping to include a

broader range of activities. Since then, the Board has evaluated different industrial shipping opportunities and decided to expand into the PCTC segment. Since 2012, the Company has gained operational experience in the deep sea transportation of cars by providing chartering, operational and technical management services to Siem Car Carriers. The Company has entered into two agreements. The first agreement is with Uljanik d.d., a shipbuilder based in Croatia, for the construction of two PCTCs, each with a capacity of 7,000 car equivalent units (“CEU”), for delivery in the second half of 2017. The second agreement is with Siem Car Carriers, which will charter the two new-builds for a period of five years from delivery. The Company has provided management services to Siem Car Carriers since 2012 on an arms’ length basis.

On 2 April 2015, the Company announced that it was selling another of its older and smaller vessels, *Honduras Star*. Subsequently, at delivery in June, the buyer failed to pay the purchase price within the contractually agreed period. This has resulted in a dispute of the buyer’s deposit and a claim by the Company against the buyer for damages.

As of 30 June 2015, 95% of fleet capacity for the remainder of 2015 had been fixed.

The contract backlog at 30 June 2015 was USD 421 million.

## **Outlook**

Spot market trading will remain sporadic in the banana trade lanes as a result of the Mediterranean traders being cautious and determining to focus on COA commitments and container line agreements rather than rely on the spot market. The summer low season is expected to return similar rates compared to 2014, with limited lay-up of vessels. With increased competitiveness on pricing and a superior quality direct service offering, specialised reefers are seeing increased interest in longer-term shipping contracts.

The Company’s reefer strategy is to maintain its position as a leading specialist reefer operator and to provide its customers with a high-quality service at highly competitive prices. Siem Shipping now controls a fleet of 28 vessels with a capacity of 16 million cbft. In the 1<sup>st</sup> half of 2015 the Company expanded into the car carrier “tonnage provider” market by entering into agreements with Uljanik d.d. for the construction of two 7,000 CEU capacity PCTCs for delivery in the second half of 2017. The Company is also continuing to evaluate opportunities in other sectors of the shipping market.

24 July 2015

The Board of Directors of Siem Shipping Inc.

<p>This release contains certain forward-looking statements regarding the intents, beliefs or current expectations. These forward-looking statements are based on information currently held. The Company assumes no obligation to update these statements. It is important to note that these forward-looking statements involve uncertainties about future performance. The Company’s actual results may differ materially from these statements as a result of various important factors beyond the control of the Company. Source of market rate data: Reefer Trends.</p>
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**SIEM SHIPPING INC. GROUP - First Half and Second Quarter 2015**

STATEMENTS OF COMPREHENSIVE INCOME <i>(in \$ thousand)</i>	2015		2014		2014	
	2Q		2Q		Jan-Jun	
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
Gross revenue	\$ 57,706	\$ 62,805	\$ 100,986	\$ 121,000	\$ 225,937	
Voyage expenses and other operating revenue	-11,943	-23,691	-20,258	-45,455	-76,496	
<b>Net operating revenue</b>	<b>45,763</b>	<b>39,114</b>	<b>80,728</b>	<b>75,545</b>	<b>149,441</b>	
Ship operating and administrative expenses	-13,660	-14,226	-26,187	-30,862	-59,706	
Time charter hire	-22,077	-16,244	-39,115	-32,636	-64,563	
<b>Earnings before interest, tax, depr. and amort.</b>	<b>10,026</b>	<b>8,644</b>	<b>15,426</b>	<b>12,047</b>	<b>25,172</b>	
Depreciation and amortisation	-4,458	-4,086	-8,734	-7,920	-16,310	
Impairment charges	-	-	-	-	-2,150	
<b>Operating income</b>	<b>5,568</b>	<b>4,558</b>	<b>6,692</b>	<b>4,127</b>	<b>6,712</b>	
Interest expense	-816	-1,475	-1,540	-2,643	-5,181	
Other financial items net	38	100	163	167	189	
Loss on sale of vessels	-	-	-	-	-1,059	
<b>Net financial items</b>	<b>-778</b>	<b>-1,375</b>	<b>-1,377</b>	<b>-2,476</b>	<b>-6,051</b>	
<b>Net income before tax</b>	<b>4,790</b>	<b>3,183</b>	<b>5,315</b>	<b>1,651</b>	<b>661</b>	
Taxes	-4	-13	-10	-26	-45	
<b>Net income</b>	<b>\$ 4,786</b>	<b>\$ 3,170</b>	<b>\$ 5,305</b>	<b>\$ 1,625</b>	<b>\$ 616</b>	
Other comprehensive income	-	-	-	-	-	
<b>Total comprehensive income</b>	<b>\$ 4,786</b>	<b>\$ 3,170</b>	<b>\$ 5,305</b>	<b>\$ 1,625</b>	<b>\$ 616</b>	

Earnings per share, basic and diluted (amounts in \$)	0.52	0.33	0.58	0.17	0.06
Wtd. avg. common shares outstanding	9,118,405	9,647,479	9,217,789	9,647,479	9,647,479
Issued and outstanding shares	9,118,405	9,647,479	9,118,405	9,647,479	9,647,479

**STATEMENTS OF FINANCIAL POSITION**

*(in \$ thousand)*

**ASSETS**

Tangible non-current assets:

	2015 30 Jun Unaudited	2014 30 Jun Unaudited	2014 31 Dec Audited
Vessels	\$ 199,879	\$ 199,754	\$ 175,697
Other non-current assets	96	116	101

Other non-current assets

Pension funds	126	195	126
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Current assets:

Inventory	4,857	8,629	5,563
Non-current asset held for sale	-	-	9,049
Receivables and other current assets	20,185	23,847	15,559
Bank deposits	44,324	17,463	37,473

**Total assets**

**\$ 269,467 \$ 250,004 \$ 243,568**

**SHAREHOLDERS' EQUITY AND LIABILITIES**

Shareholders' equity:

Share capital	\$ 91	\$ 96	\$ 96
Additional paid-in capital	78,687	78,687	78,687
Retained earnings	79,531	79,293	78,284

**Total shareholders' equity**

**158,309 158,076 157,067**

Interest-bearing debt, long-term

68,268 40,883 51,488

Interest-bearing debt, short-term

15,187 20,703 11,437

Other short-term debt

27,703 30,342 23,576

**Total liabilities**

**111,158 91,928 86,501**

**Total shareholders' equity and liabilities**

**\$ 269,467 \$ 250,004 \$ 243,568**

## STATEMENTS OF CASH FLOWS

(in \$ thousand)

	2015 2Q	2014 2Q	2015 Jan-June	2014 Jan-June	2014 Jan-Dec
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Net income before tax	\$ 4,790	\$ 3,183	\$ 5,315	\$ 1,651	\$ 661
Depreciation and amortisation	4,458	4,086	8,734	7,920	16,310
Impairment charges / Loss on sale of asset	-	-	-	-	3,209
Other	4,193	-3,717	198	-4,692	-355
<b>Cash flow from operating activities</b>	<b>13,441</b>	<b>3,552</b>	<b>14,247</b>	<b>4,879</b>	<b>19,825</b>
Sales of vessels	-	-	9,049	-	3,915
Paid dry-docking	-498	-284	-1,155	-846	-317
Capital expenditure vessels	-31,451	-	-31,757	-5,933	-6,950
<b>Cash flow from investing activities</b>	<b>-31,949</b>	<b>-284</b>	<b>-23,863</b>	<b>-6,779</b>	<b>-3,352</b>
Share buy-back	-	-	-4,063	-	-
New interest-bearing debt	28,125	-	28,125	9,000	79,000
Repaid interest-bearing debt	-1,875	-6,065	-7,709	-6,065	-74,093
Net changes in financing fees	57	-110	114	-149	-484
<b>Cash flow from financing activities</b>	<b>26,307</b>	<b>-6,175</b>	<b>16,467</b>	<b>2,786</b>	<b>4,423</b>
<b>Net change in cash</b>	<b>\$ 7,799</b>	<b>\$ -2,907</b>	<b>\$ 6,851</b>	<b>\$ 886</b>	<b>\$ 20,896</b>
Cash at beginning of period	36,525	20,370	\$ 37,473	\$ 16,577	\$ 16,577
<b>Cash at end of period</b>	<b>\$ 44,324</b>	<b>\$ 17,463</b>	<b>\$ 44,324</b>	<b>\$ 17,463</b>	<b>\$ 37,473</b>

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(in \$ thousand)

	2015 Jan-June	2014 Jan-June	2014 Jan-Dec
	Unaudited	Unaudited	Audited
<b>Shareholders' equity at beginning of period</b>	<b>\$ 157,067</b>	<b>\$ 156,451</b>	<b>\$ 156,451</b>
- Repurchased 529,074 shares	-4,063	-	-
- Net income for the period	5,305	1,625	616
<b>Shareholders' equity at end of period</b>	<b>\$ 158,309</b>	<b>\$ 158,076</b>	<b>\$ 157,067</b>

## Notes to the Accounts

### 1 Basis for Preparation

The consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The interim financial information for 2015 and 2014 is unaudited.

### 2 Significant Accounting Policies

The accounting policies used in the preparation of the financial statements are consistent with those disclosed in the annual financial statements for the year ended 31 December 2014. The consolidated condensed financial statements should be read in conjunction with the 2014 annual financial statements, which include a full description of the Group's accounting policies.

Dry-docking costs are capitalised and amortised over the period until the next scheduled dry-docking, ranging from three to five years. The dry-docking costs have previously been amortised under ship operating expenses; for 2014, dry-docking has been reclassified under the line item depreciation and amortisation.

### 3 Segment Reporting

As of 30 June 2015, the Siem Shipping fleet consists of 28 specialised reefer vessels with an average size of 575,000 cbft. The smallest vessel has a capacity of 424,000 cbft and the largest vessel 618,000 cbft. The vessels primarily transport fruit from the Southern to the Northern hemisphere.

Revenue	Q2 2015	Q2 2014	1H 2015	1H 2014	2014
Bananas	84%	80%	87%	79%	85%
Deciduous	6%	7%	5%	10%	5%
Citrus	5%	6%	3%	3%	2%
Fish	4%	6%	4%	7%	7%
Other	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%

### 4 Revenue

Revenue consists of time charters and voyage charters.

Other operating revenue consists of net revenue from short-term charters on non-core vessels and management fees.

<i>(in \$ thousand)</i>	Q2 2015	Q2 2014	1H 2015	1H 2014	2014
Gross revenue T/C	28,881	25,389	57,219	51,721	107,523
Gross revenue V/C	28,825	37,416	43,767	69,279	118,414
Total gross revenue	57,706	62,805	100,986	121,000	225,937
Voyage expenses and other operating revenue	-11,943	-23,691	-20,258	-45,455	-76,496
<b>Net operating revenue</b>	<b>45,763</b>	<b>39,114</b>	<b>80,728</b>	<b>75,545</b>	<b>149,441</b>

### 5 Tangible Assets

<i>(in \$ thousand)</i>	30 Jun 15	30 Jun 14	31 Dec 14
Book value beginning of year	175,798	200,984	201,014
Additions, including capitalised project costs	32,911	6,807	7,267
Disposal	-	-	-3,915
Reclassification - assets held for sale	-	-	-9,049
Depreciation and amortisation of dry-docking for the period	-8,734	-7,921	-16,310
Vessel impairment	-	-	-2,150
Loss on sale of vessel	-	-	-1,059
<b>Book value end of period</b>	<b>199,975</b>	<b>199,870</b>	<b>175,798</b>



## 6 Interest-Bearing Debt

<i>(in \$ thousand)</i>	Siem		Total
	Industries Loan	Bank Syndicate	
Balance (including financing fees) 31 December 2014	-	62,925	62,925
New debt	-	28,125	28,125
Repaid debt	-	-7,709	-7,709
Financing fees	-	114	114
Balance (including financing fees) 30 June 2015	-	83,455	83,455
Balance (including financing fees) 30 June 2014	43,654	17,932	61,586

## 7 Charter Commitments

From 1 July 2015

<i>(in \$ thousand)</i>	2015	2016	2017-2023	Total
Long-term charters	27,799	63,633	283,464	374,896

## 8 Related Parties

Siem Industries Inc. owns 81.3% of Siem Shipping Inc. Mr. Kristian Siem is Chairman of the Board in Siem Industries. Siem Industries is controlled by a trust whose potential beneficiaries include Mr. Kristian Siem and his family.

The Company leases office space from other Siem Group companies and shares joint office facilities with other companies in the Siem Group in the Cayman Islands.

Siem Industries has provided secondary guarantees for the timely payment of charter hire, relating to certain of the vessels Siem Shipping has on long-term charters. The fee paid to Siem Industries for providing the guarantees year-to-date was USD0.2 million. Siem Car Carriers AS is indirectly 100% owned by Siem Industries. Siem Shipping provides management services to Siem Car Carriers on an arms' length basis and the fee charged in year-to-date was USD0.5 million. Siem Shipping has also entered into an agreement with Siem Car Carriers to charter the two PCTC new-builds under construction for a period of five years from delivery in 2017. The contract is on an arms' length basis.

Also download our web page: [www.siemshipping.com](http://www.siemshipping.com)

For further information, please contact

Simon Stevens, CEO +44 207 747 0500

## **Responsibility Statement**

We confirm that, to the best of our knowledge, the condensed set of financial statements for the period 1 January to 30 June 2015 have been prepared in accordance with IAS 34 – Interim Financial Reporting, and give a true and fair view of Siem Shipping’s assets, liabilities, financial position, and profit and loss as a whole. We also confirm that, to the best of our knowledge, the interim 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 party transactions.

24 July 2015

Ole Martin Siem, Chairman

Kristian Siem, Director

Michael Delouche, Director

Kristian Eidesvik, Director

Harald Kuznik, Director

Sasha Siem, Director

Simon Stevens, Chief Exec. Officer