



SECOND QUARTER 2015 AND FIRST HALF YEAR 2015 RESULTS

Highlights second quarter

- Awilco LNG ASA (Awilco LNG or the Company) reported freight income of MUS\$ 7.3 (MUS\$ 12.1 in Q1 2015) and EBITDA of MUS\$ 1.7 (MUS\$ 5.5 in Q1 2015).
- The 1983 built 125,000 cbm 2nd generation LNG carrier WilPower agreed sold.
- Vessel utilisation of 34 % compared to 67 % in Q1 2015 (trading vessels).

Subsequent events

- WilPower was sold and delivered to new owner on 30 July 2015.

Key financial figures

USD million	Q2'15	Q1'15	Q4'14	2014
Freight income	7.3	12.1	17.7	78.5
Voyage related expenses	1.3	1.8	2.5	11.2
EBITDA	1.7	5.5	8.5	41.0
Net profit/(loss)	(11.7)	(4.7)	(2.6)	(2.7)
Total assets	472.4	486.7	497.5	497.5
Total equity	175.4	187.1	191.8	191.8
Interest bearing debt	291.8	294.6	297.4	297.4
Cash and cash equivalents	7.6	17.4	20.8	20.8
Book equity ratio	37 %	38 %	39 %	39 %

FINANCIAL REVIEW

Income statement second quarter 2015

Freight income for the quarter was MUSD 7.3, down from MUSD 12.1 in the previous quarter. The decrease was due to lower utilisation and rates for both WilGas and WilPride. Fleet utilisation for the quarter ended at 34 % (trading vessels), compared to 67 % in Q1 2015. Voyage related expenses were MUSD 1.3 (MUSD 1.8 Q1 2015).

Operating expenses were MUSD 3.4 (MUSD 3.6 Q1 2015). Administration expenses for the quarter were MUSD 1.0, down from MUSD 1.2 in Q1 2015, mainly due to a reduction in the fair value of synthetic employee options. EBITDA for the quarter was MUSD 1.7 (MUSD 5.5 Q1 2015). Depreciation for the quarter was recorded at MUSD 4.2, compared to MUSD 4.3 in Q1 2015. An impairment loss of MUSD 3.2 was recorded in the quarter related to the sale of WilPower.

Net financial items was MUSD (6.0) compared to MUSD (5.9) in Q1 2015. Interest expenses on the WilForce and WilPride financial leases amounted to MUSD 6.1 (MUSD 6.0 Q1 2015).

Loss for the period was MUSD 11.7, compared to a loss of MUSD 4.7 in Q1 2015.

Income statement first half year 2015

For the first half of 2015, freight income was MUSD 19.4, compared to MUSD 40.0 in the first half of 2014. Voyage related expenses were MUSD 3.1 (MUSD 5.2), operating expenses MUSD 6.9 (MUSD 10.4) and administration expenses were MUSD 2.2 (MUSD 2.7). EBITDA in the first half of 2015 was MUSD 7.2, a decrease from MUSD 21.6 in the first half of 2014. Net loss for the period was MUSD 16.4, compared to a profit of MUSD 0.2 in the first half of 2014.

Statement of financial position

Book value of vessels was MUSD 438.6 as at 30 June 2015 (MUSD 462.8 31 March 2015). The decrease reflects presentation of WilPower as held for sale, amounting to MUSD 17.8, in addition to ordinary depreciation during the quarter. The 1983 built LNG carrier WilPower was agreed sold, and was presented as held for sale in the statement of financial position from 1 June 2015, together with remaining quantities of bunkers and luboils on board. The vessel was delivered to its new owners on 30 July 2015, together with settlement of the sales proceeds.

Total current assets were MUSD 15.8 as at 30 June 2015 (MUSD 23.7 as at 31 March 2015), of which cash and cash equivalents were MUSD 7.6 (MUSD 17.4 Q1 2015). There was an increase in prepayments of MUSD 3.0 compared to last quarter, which is presented as other short term assets.

Total equity as at 30 June 2015 was MUSD 175.4.

Total current liabilities were MUSD 17.4 as at 30 June 2015, compared to MUSD 16.9 as at 31 March 2015. MUSD 12.2 of the current liabilities relates to the short term portion of the WilForce and WilPride financial leases (MUSD 12.0 as at 31 March 2015).

MARKET UPDATE

The declining gas price trend in the Far East came to a halt in the quarter as the price persisted at just above USD 7/MMBTU. Towards the end of the quarter the price started to increase slightly for delivery in September. However, the marginal increase in Far East gas price has not re-opened any arbitrage opportunities between West and East.

After a disappointing 1st quarter, the LNG import to China improved somewhat as a result of reduced domestic gas production, and was up 2 % compared to same period last year. Chinese imports were

down by about 3 % in the 1st half compared to same period last year. The marginal increase in LNG import to China was offset by a declining LNG import trend into both Japan and South Korea.

Despite sustained low LNG import to Asia and limited arbitrage opportunities the LNG shipping activity increased somewhat during the last part of the quarter. However, as a result of continued oversupply of available vessels, market rates did not improve and spot rates for TFDE LNG carriers weakened from USD 35,000 per day at the beginning of the quarter to USD 30,000 at the end of the quarter.

On the supply side the Indonesian LNG plant Donggi Senoro started production of LNG on time at the end of the 2nd quarter. Nameplate production capacity is about 2 MTPA, of which 1.7 MTPA has been pre-sold to Japan.

During the 3rd quarter the Australian production plant Gladstone LNG is scheduled to start production and shortly thereafter the Australia Pacific LNG plant is expected to follow. Nameplate production capacity is 7.8 MTPA and 9 MTPA respectively. Australia has four additional liquefaction plants under construction, which will bring its exports from the current 33 MTPA to 83 MTPA by 2017, and Australia is thus expected to surpass Qatar as the world's largest LNG exporter over the next two years.

In total about 125 MTPA of new LNG capacity is currently under construction with expected startup by early 2019. This represents an expected increase of some 50% compared to 2014 production levels. Despite the weak energy prices Petronas has taken a conditional FID on its 12 MTPA Pacific North West LNG project in British Columbia, Canada. There are still several new export and import facilities under various stages of planning.

Despite the weakening LNG market in 2015, newbuilding activity has persisted and 15 newbuildings have been ordered so far in 2015. According to shipbrokers the total orderbook as of end Q2 2015 for LNG vessels above 100,000 cbm (excl. FSRU and FLNG) stand at 142 vessels, of which only 15 are available for contract. 15 vessels were delivered in 1H 15 and 14 vessels are scheduled for delivery in 2H 15.

ORGANISATION

The principal activity of Awilco LNG ASA and its subsidiaries is to invest in and operate LNG transportation vessels. The Group handles the commercial and technical operation of the vessels from its main office in Oslo, and currently has 9 employees. Awilco LNG purchases certain administrative and sub-management technical services from two companies in the Awilhelmsen Group; Awilhelmsen Management AS and Wilhelmsen Marine Services AS, see note 5 in the interim condensed consolidated financial statements for further details.

VESSEL CONTRACT STATUS

TFDE vessels

WilForce: employed on a three year charter with a one year option in charterer's favour to an oil and gas major, which commenced in January 2014.

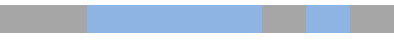

WilPride: is trading in the spot/short term market.

2nd generation vessels

WilGas: is undergoing preparations for cold lay-up, expected completed by end-August.

WilEnergy: is in lay-up and marketed for primarily project work.

Contract overview

	2015	2016
WilPride		Available
WilForce	On charter	On charter
WilGas	 Available	Available
WilEnergy	Lay-up - Marketed for project work	Lay-up - Marketed for project work

KEY RISKS AND UNCERTAINTIES

The Awilco LNG Group is through its global LNG shipping operations exposed to certain market, operational and financial risks. There have been no material changes to these key risks and uncertainties since the release of the 2014 Annual report. For a thorough explanation of the risk factors, please refer to the 2014 Annual report pages 30 to 32 and note 20, page 57 to 58.

OUTLOOK

As a result of the delivery of 32 newbuildings the last 12 months, there is currently an oversupply of vessels which will have to be absorbed before the market will improve substantially. The market for older tonnage has been even more affected by the increased fleet than the modern, more efficient tonnage. It is expected that the phasing out of older tonnage will increase due to the soft market.

Scheduled new LNG production and expected phasing out of older tonnage is expected to gradually improve utilisation and rates as the new production starts up. WilPride is currently operating in the spot market. Awilco LNG is continuously evaluating mid- and long-term employment opportunities for WilPride, in addition to longer term infrastructure projects and for its second generation vessels.

STATEMENT OF RESPONSIBILITY

We confirm, to the best of our knowledge, that the condensed set of financial statements for the first half year of 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting, and give a true and fair view of Awilco LNG ASA's consolidated assets, liabilities, financial position and income statement, and that the interim report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Oslo, 26 August 2015

Sigurd E. Thorvildsen
Chairman of the Board

Jon-Aksel Torgersen
Board member

Henrik Fougner
Board member

Annette Malm Justad
Board member

Synne Syrrist
Board member

Jon Skule Storheill
CEO

Interim Condensed Consolidated Income Statement

<i>In USD thousands, except per share figures</i>						
		Q2	Q1	Q2	1.1 - 30.6	1.1 - 30.6
		2015	2015	2014	2015	2014
	Note	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Freight income	2	7 290	12 135	19 856	19 425	40 023
Voyage related expenses	5	1 264	1 827	2 701	3 091	5 222
Net freight income		6 026	10 308	17 155	16 334	34 801
Operating expenses		3 376	3 567	4 817	6 943	10 433
Administration expenses	5	953	1 223	1 455	2 176	2 741
Earnings before interest, taxes, depr. and amort. (EBITDA)		1 697	5 518	10 882	7 215	21 627
Depreciation and amortisation		4 202	4 287	4 442	8 489	8 883
Impairment of vessel held for sale	4	3 189	-	-	3 189	-
Earnings before interest and taxes		(5 694)	1 231	6 440	(4 463)	12 744
Finance income		32	133	30	165	72
Finance expenses		6 062	6 059	6 290	12 121	12 623
Net finance income/(expense)		(6 031)	(5 926)	(6 260)	(11 956)	(12 551)
Profit/(loss) before taxes		(11 725)	(4 694)	180	(16 419)	192
Income tax expense		13	(24)	-	(11)	-
Profit/(loss) for the period		(11 712)	(4 718)	180	(16 430)	192
Earnings per share in USD attributable to ordinary equity holders of Awilco LNG ASA:						
Basic, profit/(loss) for the period		(0.17)	(0.07)	0.00	(0.24)	0.00
Diluted, profit/(loss) for the period		(0.17)	(0.07)	0.00	(0.24)	0.00

Interim Consolidated Statement of Comprehensive Income

Profit/(loss) for the period	(11 712)	(4 718)	180	(16 430)	192
Other comprehensive income:					
Other comprehensive income items	-	-	-	-	-
Total comprehensive income/(loss) for the period	(11 712)	(4 718)	180	(16 430)	192

Interim Condensed Consolidated Statement of Financial Position

<i>In USD thousands</i>		30.6.2015	31.3.2015	31.12.2014	30.06.2014
	Note	(unaudited)	(unaudited)	(audited)	(unaudited)
ASSETS					
Non-current assets					
Vessels		438 610	462 841	467 114	470 888
Other fixed assets		140	149	297	330
Total non-current assets		438 750	462 989	467 411	471 218
Current assets					
Trade receivables		2 467	2 439	2 520	3 889
Inventory		2 032	3 302	2 794	2 861
Other short term assets		3 764	512	3 960	4 203
Cash and cash equivalents		7 579	17 419	20 819	23 754
Total current assets		15 841	23 671	30 094	34 707
Vessel held for sale	4	17 772	-	-	-
TOTAL ASSETS		472 363	486 660	497 505	505 925
EQUITY AND LIABILITIES					
Equity					
Share capital	3	48 420	48 420	48 420	48 420
Share premium		126 463	126 463	126 463	126 463
Retained earnings		526	12 238	16 956	19 811
Total equity		175 408	187 120	191 838	194 694
Non-current liabilities					
Pension liabilities		198	172	165	152
Long-term interest bearing debt		279 349	282 485	285 556	291 577
Total non-current liabilities		279 547	282 657	285 721	291 729
Current liabilities					
Short-term interest bearing debt		12 228	11 977	11 699	11 219
Trade payables		582	162	467	1 008
Income tax payable		62	73	54	-
Provisions and accruals	6	4 535	4 672	7 725	7 277
Total current liabilities		17 408	16 884	19 945	19 503
TOTAL EQUITY AND LIABILITIES		472 363	486 660	497 505	505 925

Interim Consolidated Statement of Changes in Equity

For the period ended 30 June 2015

<i>In USD thousands</i>	Share capital	Share premium	Retained earnings	Total equity
Equity at 1 January 2015	48 420	126 463	16 956	191 838
Profit/(loss) for the period	-	-	(16 430)	(16 430)
Other comprehensive income for the period	-	-	-	-
<i>Total comprehensive income</i>	-	-	(16 430)	(16 430)
Balance as at 30 June 2015 (unaudited)	48 420	126 463	526	175 408

For the period ended 30 June 2014

<i>In USD thousands</i>	Share capital	Share premium	Retained earnings	Total equity
Equity at 1 January 2014	48 420	126 463	19 620	194 502
Profit/(loss) for the period	-	-	192	192
Other comprehensive income for the period	-	-	-	-
<i>Total comprehensive income</i>	-	-	192	192
Balance as at 30 June 2014 (unaudited)	48 420	126 463	19 811	194 694

Interim Condensed Consolidated Cash Flow Statement

<i>In USD thousands</i>	Q2 2015 (unaudited)	Q1 2015 (unaudited)	1.1 - 30.6 2015 (unaudited)	1.1 - 30.6 2014 (unaudited)
Cash Flows from Operating Activities:				
Profit/(loss) before taxes	(11 725)	(4 694)	(16 419)	192
Income taxes paid	-	-	-	(62)
Interest and borrowing costs expensed	6 052	6 045	12 097	12 594
<i>Items included in profit/(loss) not affecting cash flows:</i>				
Depreciation and amortisation	4 202	4 287	8 489	8 883
Impairment of vessel held for sale	3 189	-	3 189	-
(Gain)/Loss on sale of other fixed assets	-	45	45	-
<i>Changes in operating assets and liabilities:</i>				
Trade receivables, inventory and other short term assets	34	(22)	1 012	5 424
Trade payables, provisions and accruals	390	(3 355)	(3 965)	(2 161)
i) Net cash provided by / (used in) operating activities	2 142	2 306	4 448	24 870
Cash Flows from Investing Activities:				
Investment in vessels	-	-	-	(1 033)
Investment in vessels under construction	-	-	-	(505)
Investment in other fixed assets	-	-	-	(2)
Proceeds from sale of other fixed assets	-	89	89	-
ii) Net cash provided by / (used in) investing activities	-	89	89	(1 540)
Cash Flows from Financing Activities:				
Repayment of borrowings	(3 882)	(1 838)	(5 719)	(5 262)
Interest and borrowing costs paid	(8 100)	(3 957)	(12 058)	(12 557)
iii) Net cash provided by / (used in) financing activities	(11 982)	(5 795)	(17 777)	(17 820)
Net change in cash and cash equivalents (i+ii+iii)	(9 840)	(3 400)	(13 240)	5 511
Cash and cash equivalents at start of period	17 419	20 819	20 819	18 244
Cash and cash equivalents at end of period	7 579	17 419	7 579	23 754

Notes to the Interim Condensed Consolidated Financial Statements

Note 1 - Corporate information, basis for preparation and accounting policies

Corporate information

Awilco LNG ASA (the Company) is a public limited liability company incorporated and domiciled in Norway. The Company's registered office is Beddingen 8, 0250 Oslo, Norway.

The interim consolidated financial statements (the Statements) of the Company comprise the Company and its subsidiaries, together referred to as the Group. The principal activity of the Group is the investment in and operation of LNG transportation vessels. The Group owns and operates a fleet of four LNG carriers.

Basis for preparation

The Statements for the three months and first half year ended 30 June 2015 are prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The Statements have not been subject to audit or review. The Statements do not include all of the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, and the Statements should be read in conjunction with the Group's annual consolidated financial statements for the period ended 31 December 2014, which includes a detailed description of the applied accounting policies.

Significant accounting policies

The accounting policies adopted in the preparation of the Statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2014.

Additionally the Group has applied the following policy regarding non-current assets held for sale:

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through sale rather than continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell and presented separately as assets held for sale and liabilities held for sale in the statement of financial position.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan to sell will be withdrawn. In addition, the management is committed to the plan, and it is expected that the sale will be completed within a year. Once classified as held for sale assets are not depreciated or amortised.

Note 2 - Segment information

Operating segments

The Group currently owns and operates four LNG vessels, after disposing of WilPower in July 2015. For internal reporting and management purposes the Group's business is organised into one reporting segment, LNG transportation. Performance is not evaluated by geographical region. Revenue from the Group's country of domicile was nil in Q2 2015, same as in Q1 2015.

Information about major customers

The Group had one customer contributing with more than 10 per cent of the Group's freight income in Q2 2015. In the first half of 2015, two customers contributed with more than 10 per cent of the Group's freight income, varying between 19 and 74 per cent of the total.

Note 3 - Share capital

The number of issued shares was 67,788,874 at 30 June 2015. There were no changes in shares issued in Q2 2015. The share capital is denominated in NOK, and the nominal value per share is NOK 4 (in US dollars 0.74). All issued shares are of equal rights.

Note 4 - Significant events and commitments

Sale of vessel WilPower

The 1983 built LNG carrier WilPower was agreed sold, and was presented as held for sale in the statement of financial position from 1 June 2015, together with remaining quantities of bunkers and luboils on board.

An impairment charge of MUSD 3.2 was recorded in Q2 2015 based on the assessed fair value less costs to sell of the vessel disposal group. The vessel was delivered to its new owners on 30 July 2015.

Note 5 - Related party transactions

Agreements

Related party	Description of service	Note
Wilhelmsen Marine Services AS (WMS)	Technical Sub-management Services	1
Awilhelmsen Management AS (AWM)	Administrative Services	2
Astrup Fearnley Group	Ship Brokering Services	3

(1) The Group's in-house technical manager, ALNG TM, has entered into a sub-management agreement with WMS, whereby WMS assists ALNG TM in management of the Group's fleet. The sub-management services also include management for hire of the managing director in ALNG TM. ALNG TM pays WMS a management fee based on WMS' costs plus a margin of 7 %, cost being time accrued for the sub-manager's employees involved. The fee is subject to quarterly evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. WMS is 100 % owned by Awilco AS.

(2) AWM provides the Group with administrative and general services including accounting and payroll, legal, secretary function and IT. The Group pays AWM MNOK 4.3 in yearly management fee (approx. MUSD 0.5-0.6) based on AWM's costs plus a margin of 5 %. The fee is subject to semi-annual evaluation, and is regulated according to the consumer price index in Norway. The agreement can be terminated by both parties with three months notice. AWM is 100 % owned by Awilhelmsen AS, which owns 100 % of Awilco AS.

(3) One of the Company's Board Members is also the General Manager of the Astrup Fearnley Group. The Astrup Fearnley Group delivers ship brokering services on a competitive basis to the Group.

Purchases from related parties

<i>In USD thousands</i>	Q2	Q1	1.1 - 30.6	1.1 - 30.6
Related party	2015	2015	2015	2014
Wilhelmsen Marine Services AS	146	194	340	417
Awilhelmsen Management AS	137	135	272	365
Astrup Fearnley Group	-	-	-	158

Purchases from related parties are included as part of Administration expenses in the income statement, except from commissions paid to the Astrup Fearnley Group, which are included in Voyage related expenses.

Note 6 - Provisions and accruals

Provisions and accruals as at 30 June 2015 were MUSD 4.5 (MUSD 4.7 31 March 2015), of which deferred revenue was MUSD 2.9 (MUSD 2.4 31 March 2015).

Note 7 - Events after the balance sheet date

WilPower was delivered to its new owners, and the sales proceeds were settled, on 30 July 2015.