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**Fjord Line AS: Buy-back offer to bondholders in Fjord Line AS' FJOL01 PRO (ISIN NO 0010671084)**

Bergen, 27 June 2017

**To the bondholders in:**

**8.75 per cent Fjord Line AS Senior Unsecured Bond issue 2013/2018**

Capitalized terms used herein shall have the meaning assigned to them in the bond agreement for the Bonds dated 4 February 2013, (as amended by an amendment agreement dated 23 December 2014) (the "**Bond Agreement**"), unless otherwise stated herein.

Fjord Line AS ("**Fjord Line**", the "**Issuer**" or the "**Company**") offers to buy back FJOL01 PRO bonds up to a nominal amount of NOK 178.5 million (the "**Buy-Back Offer**"). FJOL01 PRO (ISIN NO 0010671084) (the "**Bonds**" or "**FJOL01**") is a senior unsecured bond issue maturing on 5 February 2018.

The Buy-Back Offer is conducted as an offer to all bondholders (subject to applicable legal restrictions) to sell all or a portion of their Bonds at a fixed price of 103.5 % of par value, where Fjord Line, through the Manager (as defined below), will receive offers for desired volume(s) for sale from the bondholders on a confidential basis. The Buy-Back Offer will be settled in cash. The Company will in addition pay accrued but unpaid interest on any Bonds repurchased.

Bondholders who wish to accept the Buy-Back Offer should contact the Manager (see details below) or alternatively complete and submit the attached offer form (the "Bondholders Offer Form"). Any individual or company whose Bonds are registered in the name of brokers, banks, investment companies or other nominees, must contact such persons to accept the Buy-Back Offer. All Bonds sold pursuant to the Buy-Back Offer are to be transferred free of any encumbrances and any other third party rights and with all rights attached to them. Any third party with such rights over the relevant Bonds or VPS, Euroclear or Clearstream account must waive its rights in the Bonds and approve the transfer of the Bonds to the Manager. Acceptances may be treated as invalid if any such rights holder has not waived such right and approved the transfer.

Sales offers must be submitted within 16:30 CET on 4 July 2017. The result of the Buy-Back Offer will be announced before 09:00 CET 5 July 2017. Settlement is expected to occur on or about 7 July 2017.

Norne Securities AS ("Norne Securities" or the "Manager") is acting as sole manager for the buy-back.

The Issuer reserves the right to, in its sole discretion, waive, amend, extend, accelerate, terminate or withdraw the Buy-Back Offer at any time. Information regarding any such amendments will be published under the Company's ticker on [www.newsweb.no](http://www.newsweb.no).

For more information, please contact representatives at Norne Securities Fixed Income Sales:

- Thomas Olsen, tel: +47 91 32 56 52 or +47 55 55 91 35, e-mail: [thomas.olsen@norne.no](mailto:thomas.olsen@norne.no)
- Stig Sevaldsen, Tel: +47 482 05 258, e-mail: [stig.sevaldsen@norne.no](mailto:stig.sevaldsen@norne.no)

To be considered in the Buy-Back Offer, orders must be received by Norne no later than 16:30 CET on 4 July 2017:  
Norne Securities Fixed Income e-mail: [bonds@norne.no](mailto:bonds@norne.no)

Fjord Line currently owns Bonds with a nominal value of NOK 121.5m. The company will cancel these Bonds together with all Bonds repurchased.

Other than the Buy-Back Offer, Fjord Line does not plan to provide any further offers to bondholders before maturity of FJOL01.

Attachment: Bondholders Offer Form

**Summary of buy-back procedure:**

Buy-Back Offer Period:	<ul style="list-style-type: none"> <li>• Commencement: 27 June 2017</li> <li>• Expiration: 16:30 CET, 4 July 2017</li> </ul>
Offer Price:	103.5 % of par value The Company will in addition pay accrued but unpaid interest on any Bonds repurchased.
Placing of Offers during the Buy-Back Offer Period:	Duly completed Bondholders Offer Forms must be submitted to the Manager no later than 16:30 CET on 4 July 2017
Announcement of the result of the BuyBack Offer:	Expected to be announced on 5 July 2017
Settlement of the Buy-Back Offer:	Cash payment in NOK
Settlement Date of the Buy-Back Offer:	Expected to be on 7 July 2017
Contacts:	<p>Any questions related to the Buy-Back Offer can be directed to :</p> <p><b>Thomas Olsen:</b> Tel: +47 91 32 56 52 or +47 55 55 91 35 E-mail <a href="mailto:thomas.olsen@norne.no">thomas.olsen@norne.no</a></p> <p><b>Stig Sevaldsen:</b> Tel: +47 482 05 258 E-mail <a href="mailto:stig.sevaldsen@norne.no">stig.sevaldsen@norne.no</a></p>

**Important information and restrictions:**

The Buy-Back Offer, any Bondholders Offer Form and any acceptances thereof are subject to Norwegian law, with Bergen District Court as the agreed legal venue.

The Buy-Back Offer is not directed to persons in any jurisdiction where the Buy-Back Offer would be in violation of applicable laws or whose acceptance of the offer requires that (i) further documents are issued in order for the Buy-Back Offer to comply with local law or (ii) registration or other measures are taken pursuant to local law. No document or material relating to the Buy-Back Offer may be distributed in or into any country where such distribution or offering requires any of the aforementioned measures to be taken or would be in conflict with any law or regulation of such country. No securities are being offered for sale or subscription to any person in any jurisdiction by this Buy-Back Offer.

The Buy-Back Offer is not being made directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States of America, its territories and possessions, any State of the United States and the District of Columbia (the "United States"), and the Buy-Back Offer will not be capable of acceptance by any such means, instrumentality or facility. This includes, but is not limited to, facsimile transmission, internet delivery, email, telex and telephones. The Buy-Back Offer is not being made to any U.S. person (as such term is defined pursuant to Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")). Copies of this document and any related offering documents are not being, and must not be, directly or indirectly mailed, emailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States and may not be electronically accessed by U.S. persons or from the United States. Any purported acceptance of the Buy-Back Offer or other offer or agreement to sell Bonds in the Buy-Back Offer resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported acceptance of the Buy-Back Offer and any other offer and/or agreement to sell Bonds that is post-marked in or otherwise dispatched from, evidences the use of any means or instrumentality of interstate or foreign commerce of the United States or is made by a person appearing or otherwise believed by the Company to be located or resident in the United States, or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

The Company will only accept offers with respect to the Bonds from a Bondholder or beneficial owner of the Bonds (or any person acting as agent, custodian, fiduciary or other intermediary capacity for a Bondholder or beneficial owner) who is not a U.S. person and who is outside the United States. Each person participating in the Buy-Back Offer will represent that it or any beneficial owner of the Bonds or any person on whose behalf such person is acting is not a U.S. person or a resident and/or located in the United States and will not be resident and/or located in the United States at the time of the submission of its offer pursuant to the Buy-Back Offer.

The information contained in this Buy-Back Offer does not constitute an invitation or inducement to engage in investment activity within the meaning of the United Kingdom Financial Services and Markets Act 2000 ("FSMA"). In the United Kingdom, this announcement is being distributed only to, and is directed only at (i) persons who have professional experience, knowledge and expertise in matters relating to investments and are "investment professionals" for the purposes of Article 19(5) of the FSMA (Financial Promotions) Order 2005 (the "FPO"), (ii) persons who are certified high net worth individuals for the purposes of Article 48 of the FPO or (iii) any other persons to whom it may otherwise lawfully be made under the FPO (all such persons together being referred to as "relevant persons"). This announcement and the Buy-Back to Bondholders is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons.

Each Bondholder is responsible for any taxes as a consequence of its acceptance of the Buy-Back Offer. The Company assumes no responsibility for any tax liability resulting from the acceptance of the Buy-Back Offer.

This document contains forward-looking statements and information that is necessarily subject to risks, uncertainties, and assumptions. No assurance can be given that the transactions described herein will be consummated or as to the terms of any such transactions. The Company assumes no obligation to update or correct the information contained in this announcement.

This offer to Bondholders is available at [www.stamdata.no](http://www.stamdata.no) and [www.newsweb.no](http://www.newsweb.no).

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**Bondholders Offer Form**  
**Potential Buy-Back of FJOL1 PRO (ISIN NO 0010671084)**

**Fjord Line AS (the "Company")**  
**Norne Securities AS (the "Manager")**

E-mail: [bonds@norne.no](mailto:bonds@norne.no)

Phone: +47 55 55 91 35

**Buy-Back Offer:**

By submitting this bondholders offer form (the "**Bondholders Offer Form**") to the Manager before the deadline of 16:30 CET on 4 July 2017, the Bondholder irrevocably commits itself to sell the Bonds specified in the table below to the Company (the "Offer") according to the terms and conditions of the Buy-Back Offer as described in detail in the press release from the Company dated 27 June 2017 (the "**Press Release**"). Once a duly executed Bondholders Offer Form has been submitted, the Bondholders Offer Form is binding and irrevocable for the Bondholder until the Company's deadline for acceptance at 16:30 CET on 4 July 2017, and may until such time not be withdrawn or modified or altered. A Bondholder may offer for sale all or a portion of its Bonds in the Buy-Back Offer. The Company is under no obligation to accept any Bondholders Offer Form from any Bondholder.

If the Company accepts the Bondholders Offer Form in whole or in part, the Bonds in respect of which the Bondholders Offer Form has been accepted will be transferred to the Company pursuant to the Bondholder's instructions to the Manager in this Bondholders Offer Form (and without obtaining any further instructions from the Bondholder). The Bondholder represents that the Bondholder is the owner of all such Bonds and that all such Bonds offered for sale are free of any encumbrances and any other third party rights and with all rights attached to them.

The Bondholders Offer Form must be correctly completed and received by the Manager no later than 16:30 CET on 4 July 2017.

The result of the Bondholders Offer Forms the Company will be announced before 09:00 CET on 5 July 2017. The Company will only communicate acceptance of Bondholders Offer Forms (if any) through a press release to be posted on the Company's website and on [www.newsweb.no](http://www.newsweb.no).

Cash settlement of Bonds accepted by the Company for purchase is expected to take place on 7 July 2017, unless settlement is delayed due to technical and/or administrative errors. The Company will pay the Offer Price together with accrued unpaid interest (if any) for the period up to but excluding the settlement date by crediting the Bondholder's bank account stated below.

**SPECIFICATION OF OFFERED FJORD LINE BONDS: ISIN: NO 0010671084**

<b>Number of Bonds Offered:</b>	
<b>Amount of Bonds Offered:</b> 103.5% of par value	NOK

The Manager is hereby authorized to transfer the above specified bonds from our/my VPS account to the Company and also to transfer the Bonds to another VPS account as part of settlement proceedings, and may instruct our/my VPS account operator to release the Bonds for such purpose.

\_\_\_\_\_  
Date and place

\_\_\_\_\_  
Bondholder signature

The bondholders must have legal capacity. When signing by authorisation, documentation in form of company certificate or power of attorney must be enclosed.

**Details of the Bondholder:**

Bondholder's VPS account no.	
Bondholder's Norwegian bank account to be credited	
Prime Broker (MUST BE COMPLETED FOR NON-NORWEGIAN BONDHOLDERS)	
Bondholder's full name/company name	
Name of contact person with Offer	
Telephone (day time)	
E-mail address	
Street address etc. (private sellers: state home address)	
Postal code and area, country	
Date of birth and national ID number / company registration number	

By signing this Bondholders Offer Form, the Bondholder expressly agrees and acknowledges the terms of the Buy-Back Offer, and confirms that the Bondholder has read and understood this Bondholders Offer Form (including the following page) and the Press Release.



The Bondholder also represents by signing this Bondholders Offer Form (and any person who is acting on behalf of any Bondholder that signs this form represents as to the Bondholder) that such Bondholder not resident and/or located in the United States and will not be resident and/or located in the United States at the time of the submission of its Offer pursuant to the Buy-Back Offer and is not a U.S. person (as defined pursuant to Regulation S under the US Securities Act of 1933, as amended).

Any Bondholder or authorised representative of a Bondholder making an offer to the Manager by means of the telephone will be deemed to agree and certify to all of terms and restrictions of the Buy-Back Offer and to have made the representations to the Company as set forth in this Bondholders Offer Form.

The Bondholder must be of age. If the Bondholders Offer Form is signed by a proxy, documentary evidence of authority to sign must be attached in the form of a Power of Attorney or Company Registration Certificate.

**Important Notice and disclaimers:** The Manager is acting on behalf of the Company in connection with the Buy-Back Offer and any agreement to sell. The Manager will not be acting on behalf of any other party in connection therewith and will not be responsible to any party other than the Company for providing the protections normally granted to its customers, or advice in relation to the request for Offer and any agreement to sell.

Any decision to submit an Offer should only be made on the basis of an independent review by you of publicly available information. By submitting the Offer and signing the Bondholders Offer Form you will be deemed to have acknowledged, represented to and agreed with the Manager that: (a) you have such business and financial experience as is required to give you the capacity to protect your own interests in connection with the sale of Bonds under the Buy-Back Offer; (b) you may not rely, and have not relied, on any investigation that the Manager or any of its respective affiliates, or any person acting on behalf of the Manager or any of its respective affiliates, may have conducted with respect to the Company, the Bonds, and neither the Manager nor any of its respective affiliates have made any representation to you, express or implied, with respect to the Company, the Bonds or the accuracy, completeness or adequacy of any publicly available information; (c) you understand that no disclosure or offering document has been prepared in connection with the Buy-Back Offer; (d) you understand that the Bonds are not and have never been listed on any regulated market place or stock exchange and that the Company is not subject to on-going disclosure requirements; (e) you have made your own assessment when submitting the Bondholders Offer Form based on such information as is publicly available (which you acknowledge you have been able to access, read and understand); (f) you have made your own investment decision regarding the Buy-Back Offer based on your own knowledge and investigation of the Company and the Bonds; (g) the Manager shall have no liability for any other representations (express or implied) contained in, or for any omissions from, such information or any other written or oral communication transmitted to you in the course of your evaluation of the Buy-Back Offer; (h) the Manager shall have no obligation to update any such information or to correct any inaccuracies therein or omissions therefrom which may become apparent, even where the Manager are aware of such inaccuracies or omissions; (i) you have consulted your own independent advisers or otherwise have satisfied yourself concerning, without limitation, any accounting, regulatory, tax or other consequences of selling the Bonds in the light of your own particular situation under the laws of all relevant jurisdictions.

In accordance with the Norwegian Securities Trading Act of 29 June 2007 no. 75, the Manager must categorize all new customers in one of three customer categories. All Bondholders that Offers Bonds and which are not existing clients of the Manager will be categorized as non-professional clients unless otherwise is communicated in writing by the Manager. For further information about the categorization the Bondholder may contact the Manager. The Manager will treat the Offer as an execution only instruction from the Bondholder and hence the Manager will not determine whether the Offer is suitable or not for the Bondholder as otherwise provided for in the Norwegian Securities Trading Act.

The Company and the Manager shall not bear any risk or liability in the event the Bondholders Offer Form or another form of acceptance of the Buy-Back Offer is not received for any reason whatsoever, including technical difficulties. The Manager may, in its sole discretion, accept applications placed by taped phone, e-mail, Bloomberg or other means they deem appropriate, but may request that the order is subsequently confirmed by the execution of this Bondholders Offer Form in writing, and may, if the Bondholder fails to satisfy such requirement, in its sole discretion, disregard the offer, without any liability towards Bondholder. Any offer placed by taped phone, e-mail or Bloomberg or by other means, shall be deemed made on the terms and subject to the conditions set out in this Bondholders Offer Form.

**Governing law and jurisdiction:** The Buy-Back Offer and all acceptances submitted in response thereto, including this Bondholders Offer Form, are governed by Norwegian law with the Bergen city court as legal venue. Any disputes arising out of, or in connection