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Tittel:	BOA OFFSHORE - INITIATES FINANCIAL RESTRUCTURING
Meldingstekst:	<p>The financial situation of Boa Offshore AS and its subsidiaries (the "Boa Group", the "Group" or the "Company") has become significantly worse than anticipated only a few months ago, mainly attributable to i) the OCV market having weakened much more than anticipated, ii) the sales process of the Company's two AHTSs not progressing as planned, and iii) weaker performance of the Company's tug fleet. Consequently the Group's liquidity position is now severe, and certain liquidity covenants are expected to be breached by the end of 4Q16 or during 1Q17.</p> <p>Although a net refund related to the cancellation of two MPSVs ordered at Nantong Mingde Heavy Industry of NOK 445 million was received during 1Q16, the main portion of this cash has been spent on servicing the Group's debt obligations and running the Group's business.</p> <p>The Boa Group has during the last weeks worked on a proposal for a restructuring of the Group's business and balance sheet, which will be presented to and discussed with the Group's largest financial creditors, being banks and bondholders (the "Creditors"), going forward.</p> <p>While such discussions will be ongoing with the Creditors, the Group will continue to operate normally in all material respects, upholding the highest level of service to all its customers and continue to honor all its external suppliers and trade creditors. However, during the restructuring process no interest and amortization will be paid to bondholders and intercompany creditors. Regarding service of financial debt in other group companies, this will depend on the financial position of the relevant group company.</p> <p>«Boa Offshore is now deeply affected by the market situation. The outlook continued to weaken throughout this fall, and our financial situation is such that we have to go to our financial creditors. We will strive to carry out such discussions in an open and constructive way" comments Helge Kvalvik, CEO of Boa Offshore AS.</p>

Boa Offshore AS is owned by Taubatkompaniet AS, which is controlled by Ole T. Bjornevik and his family. Bjornevik comments to the financial restructuring: "The offshore market has developed weaker than expected and we need to prepare for the time it will take before it improves. As a consequence, the Group has to make major changes and adapt to the demanding market conditions, and this unfortunately also means that we now need to discuss with our financial creditors".

The Company has retained Pareto Securities AS and SpareBank 1 Markets AS as financial advisors and Ro Sommernes as legal advisor to assist the Company in this process.

The Company will hold a presentation of the 3Q 2016 figures in a conference call in due course. Further notice will be given in a separate notice.

For further information, please contact:

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About Boa Offshore:

Boa Offshore is a Norwegian-based global offshore supply vessel owner and operator with a well-diversified fleet of 35 units focused on subsea, barges, tugs, seismic, AHTS, engineering and project management. The company has the most sophisticated semi-submersible barge fleet in the world and holds the global market-leading position for heavy lift barges. The Boa group is an experienced and focused operator with more than 40 years of history.