

**NEXUS FLOATING
PRODUCTION LTD**

**FOURTH QUARTER
AND
PRELIMINARY RESULTS**

2008



Fourth quarter and preliminary 2008 results:

The Nexus#1 building project is progressing according to plan and the vessel is scheduled to be delivered on June 30th, 2009. The credit crisis and last months' development in the global economy and oil price have however resulted in delays and cancellations of several oil field developments. There is accordingly a reduced number of prospects for FPSO's in the short term. In a longer perspective the demand for FPSO's is expected to remain strong. This is also the main reason for the deferral of the Nexus#2 project another 18 months with delivery rescheduled to November 2012.

Nexus key financials (USD thousands)

	Q408	Q308	Q208	Q108	Q407	2008	2007
Revenues	0	56	247	62	0	365	193
EBITDA	-962	-577	-883	-919	-1 218	-3 341	-4 278
Investment in the ships	572 762	552 472	508 390	296 189	274 889	572 762	274 889
Profit before tax	-512	-96	-742	-60	-423	-1 411	-2 906
Earnings per share	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Main events during Q4

On 1st December 2008, Nexus agreed with Samsung Heavy Industries (SHI) and APL to suspend and defer the Nexus #2 project for additional 18 months. The agreement includes terms by which the project may be restarted at any point during the deferral period, subject to a firm employment commitment and funding.

The agreement also gives Nexus an option to terminate the Nexus#2 contract with an exposure limited to the amounts already paid under the two contracts.

Project Status

The Nexus#1 construction project is progressing according to plan.

The topside and hull has been integrated and commissioning will commence in February 2009. Delivery is scheduled for 30th June 2009, according to project plans.

The day-to-day project management is run from Arendal in Norway, by a project team

consisting of personnel from Nexus Floating Production Norge AS and APL ASA (a company in the BW Offshore Group). Nexus has a frame agreement with APL ASA for technical support and building supervision through the construction phases.

Samsung Heavy Industries is responsible for detail engineering and construction.

The site team at the yard in Korea consists of 25 persons following up the construction work.

Nexus has high expectations regarding the builder's HSE performance and the follow-up of this work is an important task for the Nexus site team, in addition to the inspections on quality related issues. By the end of the fourth quarter no lost time injuries have been reported on the Nexus project. More than 2.2 million hours have been worked.

Advanced Production and Loading AS (a company in the BW Offshore Group) has a contract for delivery of turret, mooring and swivel systems.

Finance

The company had no operating income in the fourth quarter of 2008, and USD 0.4 million in operating income for the full year. The income is generated from study work for oil companies.

In 2008 the company's cost related to marketing activities was USD 1.5 million compared to USD 0.3 million in 2007. As other operating cost elements have been reduced, the total operating cost has decreased compared to 2007 and amounted to USD 3,5 million for 2008 and USD 4.1 million for 2007.

At the end of the quarter the company had cash deposits of USD 10.9 million, and not drawn credit facilities of USD 170.0 million.

Under the assumption of a "no-income" scenario from operational contracts for 2009, the company will need additional funding to cover the running operational costs including interests and lay-up costs. The funds will have to be secured at the latest in fourth quarter 2009. The Board of Directors is currently pursuing

alternative financial strategies in order to solve the potential need for additional funding.

Organisation

The company is managed by Nexus Floating Production Norge AS, and this company has three full-time employees; Mr Anders Holm, CEO, Mr. Arild Bårdsen, CFO, and Ms. Solfrid Fløystad, Office Manager. In addition, Mr. Johan Beek works as the company's Senior FPSO Technical Advisor on the basis of a consultancy agreement.

Further the company has frame agreements with APL ASA (a company in the BW Offshore Group) for project execution, building supervision, administrative services, marketing and subsequent operation of the vessels. A total of approximately 50 persons are employed in the Nexus projects under the frame agreements.

Marketing activities & Outlook

Short term, the number of FPSO projects is limited. The number of new orders in 2009 will depend on

how the operators react to the recent market events. The credit crisis and correspondingly poor development in the global economy and the oil price have resulted in delays and cancellations of several oil field developments. It is a positive sign that several of the projects that were cancelled last year are back in the market.

The long term demand for FPSOs is however still looking promising. The operators have accumulated a backlog of projects that are likely to move forward on improved market conditions. The exploration activities in deeper waters and remote areas where FPSOs often are the chosen development solution are expected to continue.

The two contracted vessels are being marketed world-wide towards several fields with estimated first oil first half of 2010 through bids and dialogue with possible clients.

The intended locations for vessel contracts are harsh environments like the North Sea, the Atlantic West of Shetland and East of Canada, the Norwegian Sea and the Barents Sea. Also areas of hurricanes as the Gulf of Mexico,

and typhoon infested areas like Australia and South East Asia are regions where the Nexus FPSOs are well suited. The vessels are tailor-made for the weather conditions in these areas.

The letter of intent with Burgundy Global Exploration Corporation for employment of the Nexus#1 FPSO at the Camago Malampaya Oil Leg project offshore the Phillipines has not yet materialised into a contract. This will not happen unless the funding of the project is secured and Burgundy is able to provide satisfactory guarantees. Nexus considers this prospect to be only one of several business opportunities for Nexus#1.

In its capacity as a new built vessel with harsh environment capabilities and flexible top-side, the Nexus#1 FPSO should be well positioned in the market place. However, the short term prospects are limited, and the company is currently preparing for a potential lay-up period after delivery from the yard.

Singapore, 24th February 2009

The Board of Directors

Consolidated figures¹ (in USD 1000)

NEXUS FLOATING PRODUCTION LTD
Consolidated figures according to IFRS

INCOME STATEMENT	Q4	Q1	Q2	Q3	Q4	YTD
(USD 1000)	2007	2008	2008	2008	2008	2008
Revenues	0	62	247	56	0	365
Cost of sales	179	85	138	16	7	246
Employee benefits	861	242	197	116	213	767
Other operating expenses	178	654	795	502	742	2 692
EBITDA²	-1218	-919	-883	-577	-962	-3341
Depreciation	14	20	21	14	4	59
EBIT³	-1232	-940	-903	-592	-965	-3400
Financial income	-43	1197	425	544	514	2 680
Financial costs	879	-317	-264	-48	-62	-691
Other financial items ⁴	-26	0	0	0	0	0
Profit before taxes	-423	-60	-742	-96	-512	-1411
Taxes	674	-0,4	4	-17	638	625
Profit after taxes	251	-61	-738	-113	126	-786
Earnings per share (USD)	0,0132	-0,0032	-0,0387	-0,0059	0,0066	-0,0412
Diluted earnings per share (USD)	0,0132	-0,0032	-0,0387	-0,0059	0,0066	-0,0412

¹ The figures are not audited

² Earnings before interest, taxes, depreciation and amortisation

³ Earnings before interest and taxes

⁴ Cost related to the IPO

NEXUS FLOATING PRODUCTION LTD

BALANCE SHEET	31.12	31.03	30.06	30.09	31.12
(USD 1000)	2007	2008	2008	2008	2008
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	20	19	15	11	10
Vessels under construction	274 889	296 189	508 390	552 472	572 762
Other non-current assets	232	230	211	168	138
Pension funds	2	2	2	2	39
TOTAL NON-CURRENT ASSETS	275 143	296 440	508 618	552 652	572 949
CURRENT ASSETS					
Other current assets	5 643	4 781	3 751	14 864	2 358
Cash and cash equivalents	153 733	134 374	26 264	38 391	10 919
TOTAL CURRENT ASSETS	159 375	139 155	30 015	53 255	13 277
TOTAL ASSETS	434 518	435 595	538 633	605 907	586 226
EQUITY AND LIABILITIES					
SHAREHOLDERS EQUITY	195 923	195 991	195 288	195 003	195 069
LIABILITIES					
Interest bearing loans	233 678	234 434	235 206	385 995	386 802
Pension liability	177	189	189	163	0
Deferred tax liability	2 065	2 065	2 065	2 065	1 461
TOTAL NON-CURRENT LIABILITIES	235 921	236 688	237 460	388 224	388 263
CURRENT LIABILITIES					
Trade and other payables	967	1 125	104 194	21 126	1 157
Income tax payable	210	213	217	213	92
Public duties payable	72	52	120	42	163
Other short-term liabilities	1 426	1 525	1 355	1 300	1 481
TOTAL CURRENT LIABILITIES	2 674	2 915	105 886	22 681	2 894
TOTAL LIABILITIES	238 595	239 603	343 346	410 904	391 156
TOTAL EQUITY AND LIABILITIES	434 518	435 595	538 633	605 907	586 226

NEXUS FLOATING PRODUCTION LTD - KEY FIGURES

		31.12	31.03	30.06	30.09	31.12
		2007	2008	2008	2008	2008
	Note					
Equity ratio	1	45,1 %	45,0 %	36,3 %	32,2 %	33,3 %
Liquidity ratio	2	59,6	47,7	0,3	2,3	4,6
Net interest-bearing debt (USD 1000)	3	79 946	100 060	208 942	347 604	375 882
No. of employees incl. consultants		4	4	4	4	4

Notes:

- 1) Equity / total capital
- 2) Current assets / current liabilities
- 3) Interest bearing debt - cash

NEXUS FLOATING PRODUCTION LTD

	Q4	Q1	Q2	Q3	Q4	YTD
	2007	2008	2008	2008	2008	2008
CASH FLOW STATEMENT						
(USD 1000)						
CASH FLOW FROM OPERATING ACTIVITIES						
Ordinary profit before taxes	-423	-60	-742	-96	-512	-1 411
Ordinary depreciation	14	20	21	14	4	60
Share option program	92	92	54	13	10	169
Income tax paid	0	0	0	0	-121	-121
Changes in debtors and creditors	18	159	103 069	-83 068	-19 969	190
Change in other balance sheet items	2 243	992	915	-11 486	12 571	2 992
NET CASH FLOW FROM OPERATING ACTIVITIES	1 944	1 203	103 316	-94 622	-8 018	1 879
CASH FLOW FROM INVESTING ACTIVITIES						
Vessel under construction	-10 850	-21 300	-212 201	-44 082	-20 290	-297 873
Investment in other non-current assets	3	-18	2	44	30	58
NET CASH FLOW FROM INVESTMENTS ACTIVITIES	-10 847	-21 317	-212 199	-44 039	-20 260	-297 815
CASH FLOW FROM FINANCIAL ACTIVITIES						
Change of interest bearing loans	740	756	772	150 789	807	153 124
Incorporation/increase in capital	-2 201	0	0	0	0	0
NET CASH FLOW FROM FINANCIAL ACTIVITIES	-1 461	756	772	150 789	807	153 124
NET CASH FLOW	-10 364	-19 359	-108 110	12 128	-27 471	-142 812
Cash as at start of period	164 097	153 733	134 374	26 264	38 391	153 733
Cash as at end of period	153 733	134 374	26 264	38 391	10 919	10 919

NEXUS FLOATING PRODUCTION LTD
STATEMENT OF CHANGES IN EQUITY

(USD 1000)

	Q4 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008
Total shareholders equity at beginning of period	197 776	195 923	195 991	195 288	195 003
Profit after taxes for the period	251	-61	-738	-113	126
Currency translation difference	-73	50	-20	-185	-70
Incorporation	0	0	0	0	0
Issue of new shares	0	0	0	0	0
Convertible bond, equity part	-2 065	0	0	0	0
Equity transaction cost	-136	0	0	0	0
Share option program	169	78	54	13	10
Total shareholders equity at end of period	195 923	195 991	195 288	195 003	195 069

Disclaimer for forward-Looking Statements

This Report includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Nexus Floating Production Ltd. and its subsidiaries. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the Nexus Floating Production Ltd.'s businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although Nexus Floating Production Ltd. believes that its expectations and the information in this Report were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this Report. Neither Nexus Floating Production Ltd. nor its Directors or any of its subsidiaries is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the Report, and neither Nexus Floating Production Ltd., any of its subsidiaries nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the Report. Nexus Floating Production Ltd. undertakes no obligation to publicly update or revise any forward-looking information or statements in the Report.

Facts about Nexus Floating Production Ltd.:

Nexus Floating Production Ltd. has been established with the sole purpose of building, owning and operating Floating Production and Storage Vessels (FPSOs) for the international offshore oil production market. The company, which was incorporated by First Securities and APL on 6 May 2006, has signed Construction Contracts with Samsung, Korea, for the construction and delivery of two Floating Production Storage & Offloading vessel (FPSO), "Nexus#1" and "Nexus#2". The first vessel was contracted on June 19, 2006 with Samsung Heavy Industries Ltd. On June 18, 2007, the company signed the contract for the second vessel on substantially similar terms as the first. These FPSOs are new builds specified for operation in harsh environments. The first vessel will be delivered from the yard in June 2009, and the second in November 2012.

Nexus is founded as a Singapore company, governed under Singapore law and is managed by Nexus Floating Production Norge AS under a management agreement.

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