

**NEXUS FLOATING
PRODUCTION LTD**

FINANCIAL REPORT

THIRD QUARTER 2009



Nexus Floating Production Ltd: Third quarter 2009 results

The Nexus#1 FPSO was completed by Samsung Heavy Industries on 27 July 2009. Due to lack of employment for the vessel, Nexus agreed with Samsung to defer effective delivery to January 2010. On 27 October 2009 Nexus entered into an agreement for the sale of the Nexus#1 FPSO with Centennial Assets Ltd, an affiliate of the Brazilian EBX Group. Closing of the agreement took place on 13 November. The value of the Nexus#1 FPSO has been impaired by USD 154 million in accordance with the agreed sales price. As this price was lower than the cost to build the vessel, the value of the Nexus#2 FPSO has been impaired to no value. The negative effect of the impairment of the Nexus#2 FPSO is USD 94 million.

Nexus key financials (USD thousands)

| | Q3 09 | Q3 08 | YTD 09 | YTD 08 | 2008 |
|--------------------------------|----------|---------|----------|---------|---------|
| Revenues | 0 | 56 | 103 | 365 | 365 |
| EBITDA | -2 281 | -577 | -3 758 | -2 380 | -3 341 |
| Investment in the ships | 336 353 | 552 472 | 552 472 | 552 472 | 572 762 |
| Profit before tax | -256 852 | -96 | -258 169 | -899 | -96 411 |
| Earnings per share | N/A | N/A | N/A | N/A | N/A |

Key events/subsequent events

The Nexus#1 FPSO was completed and first stage of delivery was accomplished on 27 July 2009. Nexus had entered into an agreement with Samsung Heavy Industries under which the vessel would stay at the Samsung Yard for 6 months, and Samsung would have the responsibility for lay-up and preservation during this period. A part of the fifth installment was paid on delivery, and the remaining amount was postponed to the effective delivery date in January 2010.

On 27 October 2009 Nexus entered into an asset purchase agreement for the Nexus#1 FPSO with the purchaser Centennial Asset Ltd., an affiliate of the Brazilian EBX Group. The Nexus#1 FPSO was sold on an "as is- where is" basis and the purchaser will take on responsibility for the contracts and obligations related to the final construction, development and delivery of the Nexus#1 FPSO, including payment of the outstanding balance of USD 38.1 million due to Samsung Heavy Industries Ltd.

The purchase price was equal to the aggregate of the following:

- 1) USD 255,000,000 to fully repay the 1st priority lenders;
- 2) USD 87,500,000 to repay the 2nd lien bondholders, equal to a 50.00% recovery of the outstanding face amount; and
- 3) USD 7,972,500 to repay the convertible bondholders, equal to a 10.63% recovery of the outstanding face amount.
- 4) Approximately USD 11.3 million (which included the cash balance of Nexus) was paid for the purpose to be able to pay all debt and liabilities of the company in an intermediate period.
- 5) Approximately USD 38.1 million to be paid by EBX's payment to Samsung Heavy Industries Ltd. as the outstanding balance not yet paid.

Under certain conditions the holders of the 10.5% bonds and the convertible bonds can recover an additional amount not exceeding USD 67 million. It has been agreed that the liability shall not exceed the net assets of the company, and shall be subordinate.

The sale of the Nexus#1 FPSO was approved by the Board of Directors, its first priority lenders, as well as bondholders representing more than 2/3s of the outstanding amount in the USD 175 million 2nd lien bond loan and in the USD 75 million unsecured convertible bond loan respectively.

Project Status

The total cost for the project was within the budget of USD 665 million. The budget did not include for lay-up cost.

The Vessel was completed on 27 July 2009. A post-completion project team was set-up at site to follow up the lay-up and preservation performed by Samsung. This team was also intended to monitor close out of activities of certain agreed carry-over work to be performed by Samsung.

The day-to-day project management continued to be run from Arendal in Norway, by a project team consisting of personnel from Nexus Floating Production Norge AS and APL AS

(a company in the BW Offshore Group).

Samsung Heavy Industries worked more than 2,6 million hours to complete the FPSO without any lost time injuries or other major HSE incidents.

The agreement with APL for delivery of the turret, mooring and swivel systems have been novated to Centennial in connection with the sale of the Nexus#1 FPSO.

Finance

By the end of the third quarter the financial statement is highly influenced by the effects of the sale of the Nexus#1 FPSO. There was no operating income in the quarter compared to USD 56 thousand in 2008.

The operating cost for the third quarter is USD 1,9 million compared to USD 0,5 million in 2008. The increase is due to fees and other restructuring costs.

The value of the Nexus#1 FPSO has been impaired towards the agreed sales price. Due to the challenging market conditions and the new situation for the company the value of the Nexus#2 FPSO has been impaired to no value.

The impairment of the Nexus FPSO's has negative effect of USD 248 million for the company's result and balance

sheet. The effect of the agreed bond loan restructuring will be seen in the fourth quarter, and will reduce the company's debt and accordingly increase the equity by USD 95 million.

After the sale of the Nexus#1 FPSO the Board will have to outline a new strategy for the Company. The ability to continue as a going concern will depend upon the chosen strategy.

Purchases from BW Offshore and subsidiaries are included with USD 15.6 million.

Accounting principles

The accounting principles in the interim report are the same as for the 2008 Annual Report. The preparation of the interim report is based upon IAS 34. The interim report has not been audited.

Organisation

The Company is managed by Nexus Floating Production Norge AS.

Outlook

Through the sale of the Nexus#1 FPSO the company has sufficient funds for operations in a limited period

The contracts with Samsung Heavy Industries and with Advanced Production and Loading

AS for the Nexus#2 FPSO have not been affected through the sale of Nexus 1.

Short term market conditions are challenging. The number of FPSO contracts to be awarded in 2009 is limited, Brazil being the most active FPSO market. The credit crisis and the development of the global economy have resulted in delays and cancellations of several oil field developments.

The intended locations for vessel contracts are in harsh environment such as the North Sea, the Atlantic West of Shetland and East of Canada, the Norwegian Sea and the Barents Sea. Also hurricane and typhoon infested areas like the Gulf of Mexico, Australia and South East Asia are regions where the Nexus FPSOs are well suited. The harsh environment segment of the market is characterised by projects being delayed or cancelled.

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 Board of Directors will evaluate the situation for the company in order to conclude on the company's future strategy.

Singapore, 23rd November 2009

The Board of Directors

Consolidated figures¹ (in USD 1000)

NEXUS FLOATING PRODUCTION LTD
Consolidated figures according to IFRS

| INCOME STATEMENT (USD 1000) | Q3 2009 | Q3 2008 | YTD 2009 | YTD 2008 | 2008 |
|---------------------------------------|--------------------|--------------------|---------------------|---------------------|----------------|
| Revenues | 0 | 56 | 103 | 365 | 365 |
| Cost of sales | 74 | 16 | 146 | 239 | 95 237 |
| Employee benefits | 261 | 116 | 854 | 555 | 767 |
| Other operating expenses | 1 946 | 502 | 2 861 | 1 950 | 2 701 |
| EBITDA ² | -2 281 | -577 | -3 758 | -2 380 | -98 341 |
| Depreciation | 17 | 14 | 49 | 55 | 59 |
| Write down | 248 505 | | 248 505 | 0 | 0 |
| EBIT ³ | -250 803 | -592 | -252 312 | -2 435 | -98 400 |
| Financial income | -115 | 544 | 62 | 2 166 | 2 680 |
| Financial costs | -5 919 | -48 | -5 919 | -629 | -691 |
| Profit before taxes | -256 837 | -96 | -258 169 | -899 | -96 411 |
| Taxes | -15 | -17 | -138 | -13 | 625 |
| Profit after taxes | -256 852 | -113 | -258 307 | -912 | -95 786 |
| Earnings per share (USD) | -13,4833 | -0,0590 | -13,5596 | -0,0419 | -5,0282 |
| Diluted earnings per share (USD) | -13,4833 | -0,0590 | -13,5596 | -0,0419 | -5,0282 |

NEXUS FLOATING PRODUCTION LTD

BALANCE SHEET

(USD 1000)

| | 30.09 2009 | 30,09 2008 | 31,12 2008 |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 5 | 11 | 10 |
| Vessels under construction | 0 | 552 472 | 477 762 |
| Other non-current assets | 120 | 168 | 138 |
| Pension funds | 46 | 2 | 39 |
| TOTAL NON-CURRENT ASSETS | 171 | 552 652 | 477 949 |
| CURRENT ASSETS | | | |
| Other current assets | 697 | 14 864 | 2 358 |
| Cash and cash equivalents | 15 832 | 38 391 | 10 919 |
| Asset held for sale | 336 353 | 0 | 0 |
| TOTAL CURRENT ASSETS | 352 882 | 53 255 | 13 277 |
| TOTAL ASSETS | 353 053 | 605 907 | 491 226 |
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS EQUITY | -158 054 | 195 003 | 100 069 |
| LIABILITIES | | | |
| Interest bearing loans | 0 | 385 995 | 386 802 |
| Pension liability | 0 | 163 | 0 |
| Deferred tax liability | 1 464 | 2 065 | 1 461 |
| TOTAL NON-CURRENT LIABILITIES | 1 464 | 388 224 | 388 263 |
| CURRENT LIABILITIES | | | |
| Interest bearing loans | 505 594 | 0 | 0 |
| Trade and other payables | 2 080 | 21 126 | 1 157 |
| Income tax payable | 117 | 213 | 92 |
| Public duties payable | 46 | 42 | 163 |
| Other short-term liabilities | 1 806 | 1 300 | 1 481 |
| TOTAL CURRENT LIABILITIES | 509 643 | 22 681 | 2 894 |
| TOTAL LIABILITIES | 511 107 | 410 905 | 391 157 |
| TOTAL EQUITY AND LIABILITIES | 353 053 | 605 907 | 491 226 |

NEXUS FLOATING PRODUCTION LTD - KEY FIGURES

| | | 30.09 2009 | 30.09 2008 | 31.12 2008 |
|--------------------------------------|------|-----------------------|-----------------------|-----------------------|
| | Note | | | |
| Equity ratio | 1 | -44,8 % | 32,2 % | 20,4 % |
| Liquidity ratio | 2 | 0,7 | 2,3 | 4,6 |
| Net interest-bearing debt (USD 1000) | 3 | 489 762 | 347 604 | 375 883 |
| No. of employees incl. consultants | | 4 | 4 | 4 |

Notes:

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

NEXUS FLOATING PRODUCTION LTD

| CASH FLOW STATEMENT (USD 1000) | YTD 2009 | YTD 2008 | 2008 |
|--|---------------------|---------------------|-----------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Ordinary profit before taxes | -258 169 | -899 | -96 411 |
| Ordinary depreciation | 49 | 55 | 60 |
| Impairment | 248 505 | 0 | 95 000 |
| Share option program | 10 | 159 | 143 |
| Income tax paid | 0 | 0 | -210 |
| Interest income | -140 | -958 | -1 916 |
| Interest cost | 5 919 | 206 | 413 |
| Changes in debtors and creditors | 1 248 | 20 159 | 190 |
| Change in other balance sheet items | -46 | -10 385 | 3 164 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | -2 624 | 8 337 | 433 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Vessel under construction | -83 239 | -277 583 | -297 873 |
| Investment in other non-current assets | 0 | 28 | 0 |
| Interest received | 140 | 958 | 1 916 |
| NET CASH FLOW FROM INVESTMENTS ACTIVITIES | -83 099 | -276 597 | -295 957 |
| CASH FLOW FROM FINANCIAL ACTIVITIES | | | |
| Incorporation/increase in capital | 84 717 | 153 124 | 153 124 |
| Interest paid and capitalized | 5 919 | -206 | -413 |
| NET CASH FLOW FROM FINANCIAL ACTIVITIES | 90 636 | 152 918 | 152 711 |
| NET CASH FLOW | 4 913 | -115 342 | -142 813 |
| Cash as at start of period | 10 919 | 153 733 | 153 733 |
| Cash as at end of period | 15 832 | 38 391 | 10 919 |

NEXUS FLOATING PRODUCTION LTD

STATEMENT OF CHANGES IN EQUITY

(USD 1000)

| | Share capital | Retained earnings | Other paid-in equity | Currency translation effect | Share-based payments | Total equity |
|---------------------------------------|----------------|-------------------|----------------------|-----------------------------|----------------------|------------------|
| Equity as at 1 January 2008 | 194 927 | (10 108) | 9 428 | 25 | 1 651 | 195 923 |
| Share based payments | | | | | 145 | 145 |
| Net profit for the period | | (912) | | | | (912) |
| Currency translation effect | - | - | - | (153) | - | (153) |
| Equity as at 30 September 2008 | 194 927 | (11 020) | 9 428 | (128) | 1 796 | 195 003 |
| Equity as at 1 January 2008 | 194 927 | (10 108) | 9 428 | 25 | 1 651 | 195 923 |
| Share based payments | | | | | 108 | 108 |
| Net profit for the year | | (95 785) | | | | (95 785) |
| Currency translation effect | - | - | - | (176) | - | (176) |
| Equity as at 31 December 2008 | 194 927 | (105 893) | 9 428 | (151) | 1 759 | 100 070 |
| Equity as at 1 January 2009 | 194 927 | (105 893) | 9 428 | (151) | 1 759 | 100 070 |
| Net profit for the period | | (258 307) | - | | - | (258 307) |
| Share based payments | | | | | 10 | 10 |
| Currency translation effect | | | | 173 | | 173 |
| Equity as at 30 September 2009 | 194 927 | (364 200) | 9 428 | 22 | 1 769 | (158 054) |

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 was completed in July 2009.

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

For further information, visit: www.nexusfp.no

Or contact:

Anders Holm, CEO, aho@nexusfp.no, +47 90 60 50 72

Arild Bårdsen, CFO, aba@nexusfp.no, +47 92 66 75 90