

**NEXUS FLOATING
PRODUCTION LIMITED**

**Interim Consolidated
Financial Information**

**Third Quarter
2010**



Nexus Floating Production Ltd: **Third Quarter 2010 results**

During the quarter the main tasks for the Company have been to entertain the business opportunities related to the existing contracts for the Nexus#2 FPSO. All other activities have been cut back to save costs.

Finance

The Company had no operating income in the third quarter of 2010.

The total operating cost for the third quarter was USD 0.3 million compared to USD 2,3 million for the third quarter 2009. The decrease is due to less activity and cost savings.

The total result for the Company in the third quarter of 2010 was a loss of USD 0.4 million compared to a loss of USD 256,9 million for the third quarter of 2009. The loss in 2009 was related to the sale of the Nexus#1 FPSO.

The assets consist mainly of cash holdings of USD 3,3 million, of which USD 1,9 million is reserved for an equivalent short term liability.

The non-interest bearing debt of USD 67 million is related to the agreement made with the bondholders after the sale of Nexus#1 FPSO in 2009 giving the bondholders a potential additional recovery limited to such amount in the event the Nexus#2 project is reactivated. However, in the second quarter of 2010 the Company renegotiated this agreement and reached an understanding with the bondholders' committee to reduce the debt from USD 67 million to USD 15 million plus 20% of any additional net income in the event

the Nexus#2 project is reactivated or sold.

The booked liability of USD 67 million is not taking account for such understanding, and remains in the balance sheet as a formal liability with the maximum amount of USD 67 million recoverable by the bondholders. However, the contingent liability will, based on the agreement with the bondholders, never be effective for an amount higher than new values created by the Company after the sale of Nexus#1 FPSO. In the event no such new values are generated the current booked negative equity of USD 65 million is to be understood as a positive equity of USD 2 million.

Accounting principles

The preparation of the interim report is based upon IAS 34, and the accounting principles are equal to the 2009 Annual Report. The interim report has not been audited.

Organisation

The Company is managed by Nexus Floating Production Norge AS. The Board has initiated steps to reduce the running operational costs to a minimum level.

Outlook

After the sale of the Nexus#1 FPSO the Board has decided to evaluate the various options available to the

Company, specifically any opportunities related to the existing contracts for the Nexus#2 FPSO. The construction of the second vessel has been suspended with no further liability to the Company but with an option to restart construction at a later date. The agreement also gives the Company an option to terminate the Nexus#2 construction contract with an exposure limited to USD 67 million, which has already been paid under the contract.

The work to develop the Nexus#2 project is still ongoing. However, the Board wish to emphasise that the outcome of such work is uncertain, and that the Company's ability to continue as a going concern on the basis of its present capital, including maintaining listing on the Oslo Stock Exchange will require a successful outcome of such work in the 4th quarter of 2010 or 1st quarter of 2011.

The intended locations for the Nexus vessels are in harsh environments.

The operators have accumulated a backlog of prospects that are likely to move forward on present market conditions. The exploration activities in deeper waters and remote areas where FPSOs often are the chosen development solution are expected to continue.

Nexus Floating Production Limited
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Singapore, 12 November, 2010

The Board of Directors

Finn Bjørnstad
Chairman

Carl K. Arnet
Vice-Chairman

Harry J. Bitounis
Director

Jean-Jacques Royant
Director

Knut R. Sæthre
Director

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Consolidated figures¹ (in USD 1000)

INCOME STATEMENT (USD 1000)	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009	YTD 2010	TOTAL 2009
Revenues	0	0	0	0	0	0	103
Cost of sales	0	0	0	31	74	0	177
Employee benefits	196	156	100	343	261	451	1 197
Other operating expenses	151	335	208	3 992	1 946	693	6 853
EBITDA²	-346	-490	-308	-4 366	-2 281	-1 144	-8 124
Depreciation	12	13	15	15	17	40	64
Write down/(reversal)	0	0	0	-9 330	248 505	0	239 175
EBIT³	-358	-503	-323	4 949	-250 803	-1 184	-247 363
Financial income	2	4	16	89 370	-115	22	89 432
Financial costs	-15	-25	-103	-1 840	-5 919	-142	-7 759
Profit before taxes	-371	-523	-410	92 479	-256 837	-1 303	-165 690
Taxes	11	23	-1	1 548	-15	33	1 410
Profit after taxes	-360	-500	-411	94 027	-256 852	-1 270	-164 280
Other comprehensive income							
Exchange differences on translation of foreign operations	1	9	0	-7	101	10	166
Other comprehensive income for the period	1	9	0	-7	101	10	166
Total comprehensive income for the period	-359	-491	-411	94 020	-256 751	-1 260	-164 114
Earnings per share (USD)	-0,0188	-0,0258	-0,0216	4,9355	-13,4780	-0,0661	-8,6150
Diluted earnings per share (USD)	-0,0188	-0,0258	-0,0216	4,9355	-13,4780	-0,0661	-8,6150

¹ The figures are not audited

² Earnings before interest, taxes, depreciation and amortisation

³ Earnings before interest and taxes

Nexus Floating Production Limited
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NEXUS FLOATING PRODUCTION LTD

BALANCE SHEET

(USD 1000)

	30.09 2010	30.06 2010	31.03 2010	31.12 2009	30.09 2009
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	0	0	0	2	5
Vessels under construction	0	0	0	0	0
Other non-current assets	70	82	95	107	120
Pension funds	42	42	42	37	46
TOTAL NON-CURRENT ASSETS	112	124	137	146	171
CURRENT ASSETS					
Other current assets	12	1 644	1 742	86	697
Cash and cash equivalents	3 250	1 984	2 652	3 392	15 832
Asset held for sale	0	0	0	0	336 353
TOTAL CURRENT ASSETS	3 262	3 628	4 394	3 478	352 882
TOTAL ASSETS	3 374	3 752	4 531	3 624	353 053
EQUITY AND LIABILITIES					
SHAREHOLDERS EQUITY (note 1)	-65 293	-64 934	-64 444	-64 068	-158 054
LIABILITIES					
Interest bearing loans (note 1)	0	0	0	0	0
Non-interest bearing loans	67 025	67 025	67 025	67 025	0
Pension liability	4	4	4	0	0
Deferred tax liability	4	4	4	15	1 464
TOTAL NON-CURRENT LIABILITIES	67 033	67 033	67 033	67 040	1 464
CURRENT LIABILITIES					
Interest bearing loans	0	0	0	0	505 594
Trade and other payables	57	8	57	325	2 080
Income tax payable	-20	-9	12	65	117
Public duties payable	0	403	55	126	46
Other short-term liabilities	1 597	1 251	1 818	136	1 806
TOTAL CURRENT LIABILITIES	1 634	1 653	1 942	652	509 643
TOTAL LIABILITIES	68 667	68 686	68 975	67 692	511 107
TOTAL EQUITY AND LIABILITIES	3 374	3 752	4 531	3 624	353 053

Note 1:

The non-interest bearing debt of USD 67 million is related to the agreement made with the bondholders after the sale of Nexus#1 FPSO in 2009 giving the bondholders a potential additional recovery limited to such amount in the event the Nexus#2 project is reactivated. However, in the second quarter of 2010 the Company renegotiated this agreement and reached an understanding with the bondholders' committee to reduce the debt from USD 67 million to USD 15 million plus 20% of any additional net income in the event the Nexus#2 project is reactivated or sold. The booked liability of USD 67 million is not taking account for such understanding, and remains in the balance sheet as a formal liability with the maximum amount of USD 67 recoverable by the bondholders. However, the contingent liability will, based on the agreement with the bondholders, never be effective for an amount higher than new values created by the Company after the sale of Nexus#1 FPSO. In the event no such new values are generated the current booked negative equity of USD 65 million is to be understood as a positive equity of USD 2 million.

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NEXUS FLOATING PRODUCTION LTD - KEY FIGURES

		30.09 2010	30.06 2010	31.03 2010	31.12 2009	30.09 2009
	Note					
Equity ratio	1	-1935,2 %	-1730,7 %	-1422,3 %	-1767,9 %	-44,8 %
Liquidity ratio	2	2,0	2,2	2,3	5,3	0,7
Net interest-bearing debt (USD 1000)	3	-3 250	-1 984	-2 652	-3 392	-15 832
No. of employees incl. consultants		2	2	3	4	4

Notes:

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

CASH FLOW STATEMENT

(USD 1000)

CASH FLOW FROM OPERATING ACTIVITIES

	YTD 2010	YTD 2009	TOTAL 2009
Ordinary profit before taxes	-1 303	-258 169	-164 258
Ordinary depreciation	40	49	64
Impairment	0	248 505	239 175
Share option program	0	10	11
Income tax paid	-74	0	-30
Interest income	22	-140	-95
Interest cost	-142	5 919	-10 187
Financial gain	-22	0	-93 213
Changes in debtors and creditors	-317	1 248	2 176
Other non cash adjustments	0	0	0
Change in other balance sheet items	1 654	-46	-8 028
NET CASH FLOW FROM OPERATING ACTIVITIES	-142	-2 624	-34 385

CASH FLOW FROM INVESTING ACTIVITIES

Vessel under construction/Proceed from sale of vessel	0	-83 239	336 353
Investment in other non-current assets	0	0	0
Interest received	0	140	95
NET CASH FLOW FROM INVESTMENTS ACTIVITIES	0	-83 099	336 448

CASH FLOW FROM FINANCIAL ACTIVITIES

Incorporation/increase in capital	0	84 717	-319 777
Interest paid and capitalized	0	5 919	10 187
NET CASH FLOW FROM FINANCIAL ACTIVITIES	0	90 636	-309 590

NET CASH FLOW

Cash as at start of period	3 392	10 919	10 919
Cash as at end of period	3 250	15 832	3 392

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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 2009	194 927	(105 893)	9 428	(152)	1 759	100 069
Net profit for the period		(164 288)				(164 288)
Share based payments					11	11
Currency translation effect				175		175
Equity as at 31 December 2009	194 927	(270 181)	9 428	23	1 770	(64 033)
Equity as at 1 January 2010	194 927	(270 181)	9 428	23	1 770	(64 033)
Net profit for the period		(1 270)				(1 270)
Share based payments						-
Currency translation effect				10		10
Equity as at 30 September 2010	194 927	(271 451)	9 428	33	1 770	(65 293)

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.

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

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