

Santa Maria Offshore Limited

Statement of Financial Position

As of March 31, 2016 and December 31, 2015

(In thousands of US dollars)

Assets

	March 2016	December 2015
	(Unaudited)	(Audited)
Current assets:		
Cash	\$ 512	\$ 301
Due from related parties	28,101	32,913
Other accounts receivables	731	2,838
Prepaid expenses, net	371	627
Total current assets	<u>29,715</u>	<u>36,679</u>
Non-current assets:		
Jack ups and equipment, net	<u>224,094</u>	<u>228,627</u>
Total assets	<u>\$ 253,809</u>	<u>\$ 265,306</u>

Equity and Liabilities

Current liabilities:

Trade accounts payables	\$ 311	\$ 624
Due to related parties	10,510	13,101
Other accounts payables and accrued liabilities	539	1,991
Total current liabilities	<u>11,360</u>	<u>15,716</u>

Non-current liabilities:

Due to related parties	140,625	148,125
Deferred income tax	9,646	8,656
Total non-current liabilities	<u>150,271</u>	<u>156,781</u>
Total liabilities	161,631	172,497

Stockholders' equity:

Capital stock	96,001	90,400
Contributions for future capital increases	-	5,600
Accumulated deficit	(3,822)	(3,191)
Total stockholders' equity	<u>92,178</u>	<u>92,809</u>
Total stockholders' equity and liabilities	<u>\$ 253,809</u>	<u>\$ 265,306</u>

Santa Maria Offshore Limited

Statements of Loss and Profit

For the three months ended March 31, 2016 and for the year end December 31, 2015

(In thousands of US dollars)

	March 2016	December 2015
	(Unaudited)	(Audited)
Continuing operations:		
Operating leases income	\$ 9,737	\$ 39,055
Operating cost	-	1,425
Depreciation of assets under operating leases	4,557	17,790
Gross profit	<u>5,180</u>	<u>19,840</u>
Administrative expenses	958	2,700
Others expenses	-	123
Interest expense	3,696	21,151
Exchange loss (gain), net	167	
(Loss) profit before tax	<u>359</u>	<u>(4,134)</u>
Income tax expense	<u>990</u>	<u>1,837</u>
Net loss	<u>\$ (631)</u>	<u>\$ (5,971)</u>

Santa Maria Offshore Limited

Statement of Cash Flows

For the three months ended March 31, 2016 and for the year end December 31, 2015

(In thousands of US dollars)

	March 2016	December 2015
Cash flows from operating activities	(Unaudited)	(Audited)
Net profit	\$ (631)	\$ (5,971)
Adjustments for:		
Income tax recognized in results	990	1,837
Depreciation	4,557	17,790
Interest expense	<u>3,696</u>	<u>21,151</u>
	8,612	34,807
Movements in working capital:		
(Increase) decrease in:		
Due from related parties	4,812	(2,884)
Other accounts receivables	2,107	2,621
Prepaid expenses	255	143
Increase (decrease) in:		
Trade accounts payables	(313)	491
Due to related parties	(10,090)	(733)
Other accounts payables and accrued liabilities	<u>(1,452)</u>	<u>(2,000)</u>
Net cash flows generated (used) by operating activities	3,932	22,445
Cash flows from investing activities:		
Purchase of machinery and equipment	<u>(24)</u>	<u>(3,933)</u>
Net cash flows used in investing activities	(24)	(3,933)
Cash flows from financing activities:		
Proceeds from long-term debt	-	(18,774)
Interest paid	(3,696)	(21,151)
Contribution for future capital increases	-	5,600
Net cash flows (used) provided by financing activities	<u>(3,696)</u>	<u>(34,325)</u>
Net (decrease) increase in cash	211	(5,813)
Cash at the beginning of the year	301	6,114
Cash at end of the year	<u>\$ 512</u>	<u>\$ 301</u>