



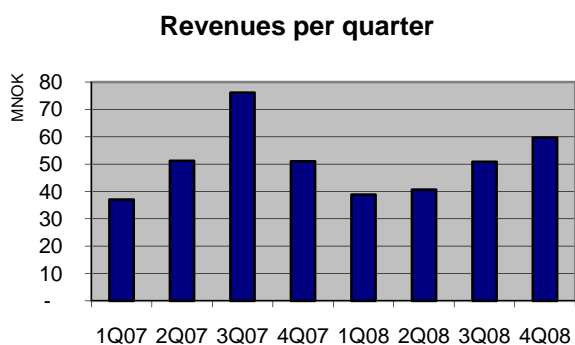
TECO MARITIME ASA

Report – 4Q 2008

27 February 2009

Statutory Results for 4Q 2008

- The total operating revenue in the 4Q was MNOK 59.7 (compared to MNOK 51.0 last year)
- **TECO Coating Service activities** contributed with MNOK 38.5 (compared to MNOK 32.8) of which:
 - MNOK 34.1 (MNOK 17.1) was from voyage based projects
 - MNOK 0 (MNOK 12.1) was from onshore projects
 - MNOK 4.4 (MNOK 3.6) was from sub-invoicing of goods purchased on behalf of customers
- **TECO Ship Service activities** contributed with MNOK 21.2 (compared to MNOK 18.2 last year) in turnover



- **Earnings**

Pre tax earnings in the 4Q were MNOK -9.0 (compared to MNOK 1.8 last year) after write-down on goodwill of MNOK 10.3.

- **Assets**

The company's total assets as of 31st December were MNOK 203.9 (compared to MNOK 271.2 last year)

The total equity as of 31st December was MNOK 125.8 (compared to MNOK 199.1 last year).

4th Quarter information

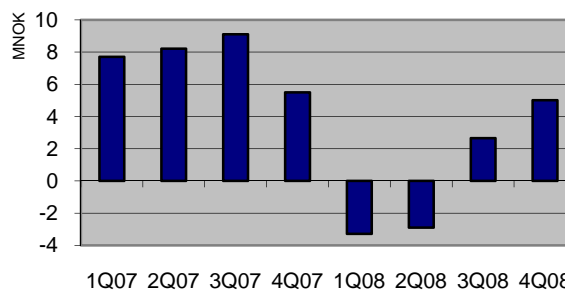
The Board is satisfied with the 4Q result given the challenging market situation. Adjusted for a MNOK 10.3 write-down of goodwill in the 4Q TECO shows

pretax profits of MNOK 1.3 in the 4Q compared to a loss of MNOK 0.5 in 3Q 2008.

The major part of the reported loss is, as explained above, due to write-down of goodwill. After analyzing the market and conservative calculation of future earnings, the management proposed to the Board to write-down close to 16% of the goodwill.

The Coating Activity has experienced challenges with respect to gaining new contracts. The financial crises is the reason given by several ship owners for why they choose to postpone planned projects and even terminate ongoing projects sooner than planned.

EBITDA per quarter



The Ship Service Activity is also experiencing less demand for their services and products except for the FRS and calibrating services. It is obvious that ship owners and the whole shipping industry have become more focused on short term cash flow and delaying project when they can.

In the 4Q accounts, a onetime loss of MNOK 1.2 is booked after a re-evaluation of goods in stock for the Ship Service Activity companies.

In the first half year report the Company reported that the demerger of TECO Maritime ASA would take place after the end of the creditors' two month notice period. This period ended in September and the demerger/merger of the Coating Activity was operationally effective from 27th November.

TECO Coating Service Activities

The Coating Contracting department provides upgrading and maintenance of cargo and ballast tanks, as well as general maintenance of painted

surfaces, onboard ships and rigs while the ship/rig is in operation. This activity represents 65% of the total group turnover in the fourth quarter. As this work is mainly performed during voyage, the owner avoids the costs associated with long periods of docking and prolonged off-hire periods. Additionally, the owner will be able to make more efficient use of the crew who, in addition to their contracted duties, will be available for other maintenance work onboard.

The Company also hires out qualified technical staff for various maintenance tasks during voyages. Such tasks are labour-intensive and are mainly performed by Polish and Bulgarian workers under the supervision of Norwegian project managers.

With considerable technical know-how in the area of coating, TECO has qualified teams specializing in the upgrading and maintenance of ships and rigs.

TECO Ship Service Activities

The Ship Service activities represent 35% of the total group turnover in the fourth quarter this year. The acquisitions and incorporation of our new marine services for TECO is nearing completion and the infrastructure is now for the most part in place to accommodate the expected growth in these new services we now have established. TECO acquired a 1.800 m2 warehouse and office facility in Spijkenisse outside Rotterdam during the first quarter 2008.

All activities in The Netherlands have now moved together in TECO's facility at Spijkenisse. We have established a Mechanical workshop for maintenance of our own equipment in addition to a full service facility for both FRS services, Marine Chemicals and Marine Electronics. Our Coating Contracting Service division is using the facility as its' main hub to mobilize and de-mobilize projects in Europe.

Recruitment of competent staff and training is very important going forward. This applies both to skilled technical staff working within our Ship Service activities as well as within our Coating Contracting activities. Our Ship Service activities include Marine Electronics, Fire Rescue and Safety and Tank Cleaning.

Our Marine Electronic services conduct repairs and maintenance of electronic control systems onboard ship in service, during dry-docking, or at our workshop.

Our FRS services offers both certified scheduled compulsory testing and calibration of fire and safety systems as well as repair and overhaul and filling of existing systems onboard.

Our Tank Cleaning services offer 24 hours standby and will assist with procedures, supply of cleaning chemicals and trouble-shooting on board any vessel.

Please see our web-site www.tecomaritime.com for more information.

The market

In the 3Q report we reported an optimistic view on the marked outlook for all our services in spite of the financial crises. We now see that our customers' challenges are affecting our own activity and that we will face challenging times due to the unstable financial situation. However, at the same time we believe that stricter rules and regulations regarding repair and maintenance of ships will counter some of the negative effects.

We still believe that we offer an ideal solution with our voyage based services where clients and TECO will mutually benefit by working together.



We expect that the market in which we are operating will continue to grow long term as a result of both stricter maintenance requirements as well as that of TECO providing the necessary skilled technicians and

services in the important ports we now are established.

Customers

General appearance of ships is often looked upon as indicative factor by surveyors in evaluating an owner or operators attitude towards maintenance. As such we have experienced an increased interest from owners for maintenance of also deck areas and superstructures. This combined with increased focus on maintenance of ballast tanks, cargo tanks and cargo holds, will lead to continued demand for our services.



The same development is expected for our other services. We are attracting a lot of attention for servicing of marine electronics as well as that of our tank cleaning services. We have strengthened our Tank cleaning services by recruitment of Supercargo staff based out of our office in Bergen, in Norway.

We expect growth within the next year in the respective activities as they are now being expanded and established in our facilities both in Rotterdam, Singapore and in Dubai.

Offshore Holding AS – former Davie AS

TECO Maritime ASA's ownership of 13.75% in Offshore Holding AS remains unchanged. Offshore Holding AS owns 71.4% of Davie Holding AS (former Davie Yards ASA) which in turn owns 71.9% of Davie Yards Inc. As of 31st December, Offshore Holding AS also owned 11.7% of Ocean Hotels Plc.

The value of TECO's shares in Offshore Holding AS is booked at a value of MNOK 11.1, up from MNOK 10.5 in the 3rd quarter, giving a revaluation surplus of

MNOK 1.6, compared to the historical cost price of the shares. The revaluation surplus is shown on a separate line under Equity in the Balance Sheet.

Davie Yards Inc. reported on the 18th December 2008 that the Government of Canada had authorized Export Development Canada (EDC) to make available up to \$380 million in financing and guarantees for Davie Yards Inc. The needed refinancing of the Yard is however still not completed and there is still a risk involved regarding the ability to complete the refinancing in today's financial market situation.

Events after the end of 4Q

In February the management renegotiated the loan agreement with SEB Privatbanken. A MNOK 6.0 loan was due on March 17th; it will now be repaid over 3 years.

The Board is not aware of any other significant events following the end of the quarter.

Prospects ahead

On the 22nd January, TECO announced a new contract for work at Sobrena Ship Yard in Brest for TECO Coating Services AS. The contract, with a contract value of EUR 1.2 million, was estimated to be completed in March. The start-up of the project is delayed due to the fact that the owner of the vessel had to give priority for an emergency docking of another vessel. As a consequence of this, only approximately 10% of the income is now estimated to be booked in 1Q, the rest in 2Q. This will impact the 1Q turnover and profit.

TECO Maritime ASA's group of companies is now established in Oslo, Porsgrunn, Bergen, Rotterdam, Dubai and Singapore, as well as having an education facility for ship's crew and specialists in Varna, Bulgaria and a crewing office in Gdansk, Poland. In addition, a mechanical workshop for servicing and maintaining our own equipment has been established in Fujairah, UAE.

The market and opportunities going forward supports growth in activity long term and TECO's success will be subject to successfully selling and delivering its services worldwide and meet customers expectation

on quality and efficiency. An increased focus on maintenance as well as stricter regulations imposed by the ship classification societies will lead to an expansion of the potential market.

The current financial market situation, which we have seen has had effect on some of our customers delaying start-up of new projects, may continue to delay start-ups and even lead to cancellation of ongoing projects.

The Board and Management are however confident that, aside from the expected set-back in the first quarter 2009, TECO's long term potential is to grow further.

Lysaker, 26th February, 2009

The Board of TECO Maritime ASA

Profit & Loss statement

(Unaudited)

Amount in 1 000 NOK	2008 Q4	2007 Q4	2008 1.1 - 31.12	2007 1.1 - 31.12
Operating Revenues	59 696	48 115	190 062	212 556
Cost of Goods sold	(27 861)	(20 407)	(95 621)	(119 213)
Other operating Expenses	(26 827)	(22 419)	(92 859)	(63 527)
EBITDA	5 008	5 289	1 582	29 816
Depreciation	(2 673)	(2 648)	(9 283)	(8 704)
Goodwill impairment	(10 300)	-	(10 300)	-
Operating result (EBIT)	(7 965)	2 641	(18 001)	21 112
Net finance + / (-)	(1 061)	(827)	(3 503)	(1 619)
Earnings before tax	(9 026)	1 814	(21 503)	19 493
Estimated taxation on ordinary result	(426)	294	2 995	(4 690)
Extraordinary result	-	-	-	-
Net Profit (Loss)	(9 452)	2 108	(18 508)	14 803
Total number of shares issued at the end of the period	32 453 464	32 558 587	32 453 464	32 558 587
Total number of own shares at the end of the period	-	-	-	-
Average number of shares outstanding during the period	32 453 464	32 558 587	32 488 218	29 996 872
Earnings per share	(0,29)	0,06	(0,57)	0,49
Diluted earnings per share	(0,29)	0,06	(0,57)	0,49

Balance Sheet

(Unaudited)

Amount in 1 000 NOK	2008 31.12	2007 31.12
Intangible fixed assets	4 162	1 969
Tangible fixed assets	35 127	22 590
Financial capital assets	11 313	67 396
Goodwill	55 533	65 833
Total fixed assets	106 135	157 788
Inventories	35 939	35 131
Current receivables	55 810	68 719
Cash and bank deposits	6 031	9 516
Total current assets	97 780	113 366
TOTAL ASSETS	203 916	271 153
Paid-in capital	95 439	95 902
Revaluation surplus	1 648	57 655
Other equity	28 759	45 546
Total equity	125 846	199 104
Provisions	1 587	77
Long term liabilities	28 899	20 242
Current liabilities	47 584	51 731
Total liabilities	78 069	72 050
TOTAL EQUITY AND LIABILITIES	203 916	271 153

Cash Flow Statement

(Unaudited)

Amount in 1 000 NOK	2008 Q4	2007 Q4	2008 1.1 - 31.12	2007 1.1 - 31.12
Cash flow from operating activities	6 927	(22 655)	14 041	(58)
Cash flow from investing activities	(6 661)	(47)	(21 746)	(44 412)
Cash flow from financing activities	2 052	16 581	4 221	50 546
Net change in cash etc	2 319	(6 122)	(3 484)	6 076
Cash etc at the start of the period	3 712	15 637	9 516	3 440
Cash etc at the end of the period	6 031	9 516	6 031	9 516

Changes in Equity

(Unaudited)

Amount in 1 000 NOK	2008 Q4	2007 Q4	2008 1.1 - 31.12	2007 1.1 - 31.12
Equity at the start of the period	132 209	196 017	199 104	41 536
Net Profit (Loss)	(9 452)	2 108	(18 508)	14 803
Paid-in capital	-	-	-	4 461
Paid-in premium	-	-	-	83 071
Cost of share issue (net tax)	-	3 459	(295)	(3 659)
Net repurchase / sale of own shares	-	-	(845)	1 283
Revaluation	613	(2 180)	(56 007)	57 655
Foreign currency translation, net	2 476	(301)	2 398	(47)
Equity at the end of the period	125 846	199 104	125 846	199 104

The financial statements are presented in accordance with the IAS34.
Please see latest annual report for details on accounting principles.

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