



PRESS RELEASE

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Remedial Offshore Releases 1st Quarter 2008 Results

12 May, 2008 – The Remedial (Cyprus) Public Company Limited Board of Directors approved the unaudited consolidated accounts for the 3 months ended 31 March 2008. See “**Financial Information**” in this release for details.

Market Update

The Company continues to market its unique Elevating Support Vessels (ESV™ units) to major oil and gas operators with a view to securing long-term charter contracts. The Company is initially targeting opportunities for its ESV™ units in Latin America and the Far East.

As recently announced, Remedial has submitted a tender to Petroleos Mexicanos (Pemex) for a three-year charter of two ESV™ vessels. According to the official Pemex schedule, the outcome of the tender submission should be known on 20 May 2008. Remedial is continuing business development activities in Latin America and recently appointed Paschoalin Consultoria as its representative in Brazil and Argentina.

The Company continues to develop contract opportunities in the Far East. Initial contract discussions with a potential client have commenced and management expect these discussions will lead to a formal commercial proposal.

Vessel Construction Update

Latest photos of the construction build status can be seen at www.remedialoffshore.com.

COSCO: The ESV™ vessel under construction at COSCO (Nantong) Shipyards is 70% complete. The COSCO build schedule forecasts delivery of the vessel by mid-September 2008.

Yantai: The ESV™ vessel under construction at Yantai Raffles Shipyard (YRS) is 40% complete. YRS are maintaining their revised forecast delivery date of late Q1 2009.

Beacon Maritime: During the 3rd quarter of 2007, Remedial entered an LOI (as a limited expenditure contract) with Beacon Maritime for a potential third ESV™ unit but principally focused on the provision of

detailed engineering and long lead-time materials up to a value of \$3.5m. The LOI expired on 1 May 2008 and discussions are ongoing regarding the third potential ESV™ unit.

Owner Furnished Equipment

80% of the Owner Furnished Equipment has been delivered to the shipyards in accordance with the shipyard construction program. The key remaining items to be delivered to the shipyards are the vessel thrusters and cranes and these are also on schedule to meet the shipyard construction program.

Financing

During April 2007, Company shareholders authorised issuance of an additional 1.5m shares.

The Company has issued Notice of the Annual General Meeting. The full text AGM Notice is posted on our website (under the General Meetings tab in the Investor Information section). The AGM will be held on 21 May and proxies should be returned to the VPS Registrar by 19 May. Included within the AGM Notice is a resolution which seeks shareholder approval to issue 2.5m additional shares to finance the growth of the Company when appropriate. The Company expects to issue shares to finance the equity component of a third vessel once a client contract is received.

Financial Information

The functional currency of the group is the US dollar. The result for the 1st quarter of 2008 was a loss of \$1.0m (Q1 2007, loss of \$0.5m). The loss for the quarter includes an income \$0.1m (Q1 2007, expense \$0.4m) relating to the valuation of Founder Warrants.

At 31 March 2008, the Company had cash and cash equivalents of \$156.7m (31 Dec 2007, \$208.5m) and assets under construction of \$ 157.0m (31 Dec 2007, \$112.3m). Assets under construction include \$13.9m expenditures to procure long lead-time Owner Furnished Equipment and \$3.4m on the Beacon Maritime fabrication contract in relation to the future third vessel.

At 31 March, the Company had a total equity of \$101.4m (31 Dec 2007, \$102.1m) and long-term borrowings of \$209.1m (31 Dec 2007, \$ 209.1m).

The Company has two derivative financial instruments carried at fair value: a liability relating to the valuation of Founder Warrants as calculated under IAS 39 of \$4.0m (31 Dec 2007, \$4.1m) and a \$5.2m (31 Dec 2007, \$4.6m) asset relating to the fair value of put and call options within the \$210m bond agreement. The movement on the Founder Warrants is credited to the P&L. The movement on bond put and call options is credited to Construction in Progress.

Remedial Cyprus Public Company Limited
Consolidated Income Statement (not audited)

(Expressed in United States dollars in thousands, except EPS figures)

	First Quarter		Three Months	
	2008	2007	2008	2007
Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Gross Profit	-	-	-	-
Administrative Expenses	(1,241)	(898)	(1,241)	(898)
Other income (losses) - net	115	(403)	115	(403)
Other expenses	-	-	-	-
Operating loss	(1,126)	(1,301)	(1,126)	(1,301)
Finance income - net	149	909	149	909
Loss Before Income Tax	(977)	(392)	(977)	(392)
Income tax	(32)	(136)	(32)	(136)
Net Loss For The Period	(1,009)	(528)	(1,009)	(528)
Loss per share (basic and diluted)	(0.17)	(0.09)	(0.17)	(0.09)

(see next page)

Remedial Cyprus Public Company Limited

Consolidated Balance Sheet (not audited)

(Expressed in United States dollars in thousands)

	31 Mar. 2008	31Dec. 2007
Assets		
Non-current assets		
Plant and equipment	859	452
Construction in progress	156,988	112,346
Intangible assets	2,322	2,200
Derivative financial instruments	5,178	4,583
	165,347	119,581
Current assets		
Trade and other receivables	1,290	1,641
Cash and cash equivalents	156,690	208,489
	157,980	210,130
Total assets	323,327	329,711
Equity		
Capital and reserves attributable to equity holders		
Ordinary shares	60	60
Share premium	108,894	108,894
Other reserves	1,498	1,120
Accumulated deficit	(9,062)	(8,052)
Total equity	101,390	102,022
Liabilities		
Non-current liabilities		
Borrowings	209,130	209,086
Deferred tax liability	51	-
	209,181	209,086
Current liabilities		
Trade and other payables	7,456	13,620
Current income tax liabilities	1,026	903
Borrowings	309	-
Derivative financial instruments	3,965	4,080
	12,756	18,603
Total liabilities	221,937	227,689
Total liabilities and equity	323,327	329,711

Company Background

The Company's principal activities are to own and operate purpose-built Elevating Support Vessels (ESV™ units), an innovative new class of self-propelled jack-up rig/vessel hybrids. Each ESV™ hybrid is designed to facilitate offshore well intervention activities and workover services for the oil and gas industry. The Company's proprietary ESV™ technology allows customers to enhance hydrocarbon production from mature wells and fields. Vessel size and robust ESV™ design increase operating efficiency by provide a stable, efficient work environment. Well intervention and facility work benefit from higher utilisation levels (due to reduced sensitivity to weather conditions), resulting in a lower per-well cost of intervention.

Founded in 2006, Remedial Offshore (Remedial Cyprus PCL) is based in Limassol, Cyprus, and employs engineering & procurement personnel in Houston, as well as personnel in Mexico, Malaysia and the Bahamas, to support its growing ESV™ fleet. Shares in Remedial Offshore are traded on the OTC list of the Norwegian Securities Dealers Association under the ticker code "ROFF".

For more information, visit www.remedialoffshore.com