

Remedial Cyprus Public Company Limited

2nd Quarter 2007 Results

On 13th August, 2007, the Company's Board of Directors approved the unaudited consolidated accounts for the 6 months ended 30th June 2007.

Company background

The principal activities of the Company are to own and operate purpose-built Elevating Support Vessels ("ESVs"). The ESVs are designed to facilitate well intervention activities and provide work-over services to the offshore oil and gas industry. The use of the Company's ESVs allows customers to enhance hydrocarbon production from mature wells and fields. The size and robust design of the ESV will allow customers to achieve an increased operating efficiency by working from a custom designed facility and to benefit from higher utilisation levels due to reduced sensitivity to weather conditions, resulting in a lower cost of intervention per well for the client.

The Company's shares are traded on the OTC list of the Norwegian Securities Dealers Association.

Market Update

The Company continues its marketing discussions with a number of major oil and gas operators for our unique ESVTM vessel, with a view to securing long term charter contracts. The Company is currently engaged in a number of opportunities for the ESVTM in Latin America and the Far East.

During July 2007, the Company submitted its first tender for the provision of two vessels for a three year charter contract in Latin America. Under the application of the strict formal procedures applying to the tender, all of the tender responses were cited for technical non compliance and the tender was declared void. As the technical non compliance of Remedial was of a minor nature, Management regard the ESV as the best solution to meet the client's requirements and expect a favourable resolution within the next couple of months.

The Company is also engaged in developing two additional proposals out of its Far East Kuala Lumpur, Malaysia office. Management anticipates the ability to provide further updates on the status of these ongoing discussions by the end of the third quarter 2007.

Additional opportunities continue to be fielded by the Company for similar contract opportunities in other Latin America, Asia, West Africa and Middle Eastern locations.

Vessel Construction Update

Yantai:

Yantai cut spud-can steel during the first half of August. Yantai are currently maintaining a July 2008 delivery schedule, however Remedial management believe, that due to some issues related to the leg construction process, that the delivery of the vessel could slide. Remedial management expect the Yantai vessel to deliver in the second half of 2008.

Cosco:

Cosco opted to subcontract the fabrication of the leg chord for their vessel to Beacon Maritime, who commenced the fabrication of the leg chord during July. Cosco also cut spud-can steel during the first half of August and appear to have the opportunity to deliver the vessel during the third quarter of 2008 which will be on or ahead of schedule.

Beacon Maritime:

During the third quarter, Remedial entered into an LOI (taking the form of a limited expenditure contract) with Beacon Maritime for a third possible ESV and authorised some expenditures on long lead materials and equipment in order to facilitate a potential requirement. If Remedial enters into a final contract to build a new ESV at Beacon, expected delivery of the ESV will be during Q4 2008.

Financial Information

The functional currency of the group is the US dollar.

The result for the second quarter of 2007 was a loss of \$ 1.6m (Q2 06, nil). The result for the six months to June 2007 was a loss of \$ 2.2m (6m 2006, nil).

At 30 June 2007 the Company has cash and investments of \$ 254.7m (31 Dec 06, \$ 85.7m) and assets under construction of \$ 56.6m (31 Dec 06, \$ 20.5m).

At 30 June 2007, the Company has a total equity of \$ 103.3m (31 Dec 06, \$ 105m), long term borrowings of \$ 205m (31 Dec 06, nil) and a liability relating to the valuation of Founder warrants as calculated under IAS 39 of \$ 4.3m (31 Dec 06, \$ 3.2m)

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Consolidated Income Statement

US Dollars in thousands (except EPS figures) (not audited)	Second Quarter		First Half	
	2007	2006	2007	2006
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
INCOME				
Dividend & interest income	715	0	1,624	0
Total Income	715	0	1,624	0
EXPENSES				
Change in fair value of derivative financial instruments	(796)	0	(1,199)	0
Other expenses	(1,446)	0	(2,344)	0
Total Expenses	(2,242)	0	(3,543)	0
Loss Before Income Tax	(1,527)	0	(1,919)	0
Income tax	(106)	0	(242)	0
Net Loss For The Period	(1,633)	0	(2,161)	0
Loss per share	(0.27)	0.00	(0.36)	0.00
Fully diluted loss per share	(0.25)	0.00	(0.33)	0.00

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Consolidated Balance Sheet

US Dollars in thousands	30.06.2007 (not audited) \$ 000's	31.12.2006 (audited) \$ 000's
ASSETS		
Cash at bank and short term investment in securities	254,708	85,696
Intangible assets	2,247	2,250
Plant and equipment	464	238
Construction in progress	56,565	20,549
Other assets	1,512	31
Total assets	315,496	108,764
LIABILITIES		
Bank overdraft	0	47
Income tax liability	97	67
Accounts payable, accrued expenses and other liabilities	2,818	469
Derivative financial instruments	4,349	3,150
Bond Debt	204,948	0
Total liabilities	212,212	3,733
EQUITY		
Share capital	60	60
Share premium	108,894	108,894
Equity on warrants and options valuation	414	0
Accumulated deficit	(6,084)	(3,923)
Total equity	103,284	105,031
Total liabilities and equity	315,496	108,764

For further information, please contact:

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