

Remedial (Cyprus) Public Company Limited

Preliminary 4th Quarter 2007 Results

On 28th February, 2008, the Company's Board of Directors approved the unaudited consolidated accounts for the 12 months ended 31st December 2007.

Company background

The Company's principal activities are to own and operate purpose-built Elevating Support Vessels (ESVTM) which are innovative self-propelled jack-up rig/vessel hybrids. Each proprietary ESVTM unit is designed to facilitate well intervention activities and workover services to the offshore oil and gas industry. Using the Company's ESVTM technology allows customers to enhance hydrocarbon production from mature wells and fields. The size of each vessel and robust ESVTM design will allow customers to increase operating efficiency by working from a stable, custom-designed facility and to benefit from higher utilisation levels (due to reduced sensitivity to weather conditions), resulting in a lower per-well cost of intervention.

The Company's shares are traded on the OTC list of the Norwegian Securities Dealers Association under the ticker code "ROFF".

Market Update

The Company continues to market its unique ESVTM vessels to major oil and gas operators with a view to securing long-term charter contracts. The Company is initially targeting opportunities for its ESVTM hybrids in Latin America and the Far East.

As recently announced, Pemex has issued a call for tender detailing its need for two self-propelled auto-elevating workover platforms to be operated under a three-year contract. The call for tender requires responses to be submitted by the end of April 2008. The Company has also commenced initial discussions with other potential customers in Latin America.

The Company continues to develop contract opportunities in the Far East. Discussions with potential clients are ongoing and management expect at least one of these will develop into a formal commercial proposal.

In addition, as the first vessel nears construction completion, the Company is experiencing an increased number of enquiries regarding ESVTM capability and availability.

Vessel Construction Update

Yantai:

As previously reported, Remedial has been formally advised its ESVTM under construction at Yantai will now be delivered late Q1 2009 compared to a previously forecast delivery in Q3 2008.

Remedial and Yantai are in constant dialogue and actively cooperating to find means to accelerate the new delivery date, such as adding personnel to Yantai's project team and expediting Yantai's engineering deliverables. Construction of the spud cans and block sections of the hull continues and Remedial have started to ship the Owner Furnished Equipment to the yard in accordance with the construction schedule.

COSCO:

COSCO commenced keel lay of the ESV™ hull blocks during January 2008. The entire double bottom (lower deck) section of the hull is now in place along with the completed spud cans (see photos at www.remedialoffshore.com). The entire leg corner posts are welded and the double jointing and pipe bracing has commenced. Quarters and other components are under construction and key owner-provided items such as engines, pumps and switchgear have been delivered to COSCO. The COSCO build schedule remains on-track to deliver the vessel during the 3rd quarter of 2008.

Beacon Maritime:

During the 3rd quarter, Remedial entered into an LOI (taking the form of a limited expenditure contract) with Beacon Maritime for a third ESV™ unit and authorised expenditures on long lead-time materials and equipment to facilitate potential client requirements. Beacon continues to perform engineering work under the LOI pending full release of the contract, which will occur on receipt of a client contract award.

Owner Furnished Equipment:

During the 4th quarter the Company took delivery of a significant number of pieces of Owner Furnished Equipment ("OFE") including engines, pumps, motors and switchgear.

Financing:

Remedial was required under the terms of its \$ 210m Bond Agreement to notify the Bond Trustee of the delay in the forecast vessel delivery date from Yantai and to demonstrate the two vessels under construction remain fully financed through delivery. The Bond Trustee has confirmed they are satisfied Remedial has properly demonstrated its compliance with the above requirement.

During April 2007, the shareholders of the Company authorised issuance of an additional 1.5m shares. The Company intends to issue these shares to finance the future growth of the Company, when appropriate.

Financial Information

The functional currency of the group is the US dollar.

The result for the 4th quarter of 2007 was a loss of \$ 1.1m (Q4 06, loss of \$ 3.9m). The result for the year to December 2007 was a loss of \$ 4.1m (2006, loss of \$ 3.9m). The Company commenced activity in Q4 2006.

The loss for the quarter includes a \$ 0.2m expense (Q4 06, expense \$3.2m) relating to the valuation of Founder Warrants and a charge for the year of \$ 0.9m (2006, charge of \$ 3.2m).

At 31st December 2007, the Company had cash and investments of \$ 208.5m (31 Dec 06, \$ 85.7m) and assets under construction of \$ 111.6m (31 Dec 06, \$ 20.5m). Assets under construction include \$ 14.9m of expenditure in the procurement of long lead-time Owner Furnished Equipment and the Beacon Maritime fabrication contract.

At 31st December 2007, the Company had a total equity of \$ 102m (31 Dec 06, \$ 105m), long-term borrowings of \$ 209.1m (31 Dec 06, nil) and a liability relating to the valuation of Founder Warrants as calculated under IAS 39 of \$ 4.1m (31 Dec 06, \$ 3.2m). The Company recorded a \$ 4.2m asset relating to the fair value of the put and call options under the \$ 210m bond at the time of issuance of the bond. This entry had no effect on P&L as the corresponding entry was to increase long-term borrowings. At 31st December 2007, the fair value of the derivative asset had increased to \$ 4.6m.

Remedial Cyprus Public Company Limited Consolidated Income Statement

US Dollars in thousands (except EPS figures) (not audited)	Fourth Quarter		Twelve Months	
	2007	2006	2007	2006
	\$ 000's	\$ 000's	\$ 000's	\$ 000's
INCOME				
Dividend & interest income	314	453	2,415	453
Total Income	314	453	2,415	453
EXPENSES				
Change in fair value of Founder Warrants	(213)	(3,150)	(930)	(3,150)
Other expenses	(1,162)	(1,159)	(5,238)	(1,159)
Total Expenses	(1,375)	(4,309)	(6,168)	(4,309)
Loss Before Income Tax	(1,061)	(3,856)	(3,753)	(3,856)
Income tax	(52)	(67)	(376)	(67)
Net Loss For The Period	(1,113)	(3,923)	(4,129)	(3,923)
Loss per share	(0.19)	(5.51)	(0.69)	(5.51)
Fully diluted loss per share	(0.17)	(5.33)	(0.64)	(5.33)

Remedial Cyprus Public Company Limited

Consolidated Balance Sheet

US Dollars in thousands (not audited)	31.12.2007 (not audited) \$ 000's	31.12.2006 (audited) \$ 000's
ASSETS		
Cash at bank and short term investment in securities	208,489	85,696
Intangible assets	2,200	2,250
Plant and equipment	452	238
Construction in progress	111,610	20,549
Other assets	6,224	31
Total assets	328,975	108,764
LIABILITIES		
Bank overdraft	0	47
Income tax liability	168	67
Accounts payable, accrued expenses and other liabilities	13,620	469
Fair value derivative on Founder Warrants	4,080	3,150
Bond Debt	209,086	0
Total liabilities	226,954	3,733
EQUITY		
Share capital	60	60
Share premium	108,894	108,894
Equity on warrants and options valuation	1,120	0
Accumulated deficit	(8,053)	(3,923)
Total equity	102,021	105,031
Total liabilities and equity	328,975	108,764

For further information, please contact:

Rich Altman, CEO, phone: +1 242 328 2084

Stuart Bannerman, CFO, phone: +1 242 328 2084

Greg Salerno, VP – Corporate Media, phone: +1 281 227-3121