



Eidesvik

Presentation 2nd Quarter 2015

Oslo 20.08.2015

CEO Jan Fredrik Meling

Your Partner in Shipping

News in 2nd Quarter 2015



Entered into an agreement for installation of Energy Storage System (Battery solution) for «Viking Queen»

Extended the fixed period of the contract with Lundin Norway AS from 900 to 1.200 days.

News in 2nd Quarter 2015



Awarded a 19 month contract for Chevron UK for the PSV «Viking Princess» with further options for 4x6 months.

2nd Quarter 2015 results

(2nd Quarter 2014 in brackets)

Revenues	MNOK 308,5	(245,7)
EBITDA	MNOK 177,7	(124,0)
Operating profit	MNOK 113,6	(63,4)
Pre-tax profit	MNOK 145,0	(-0,2)

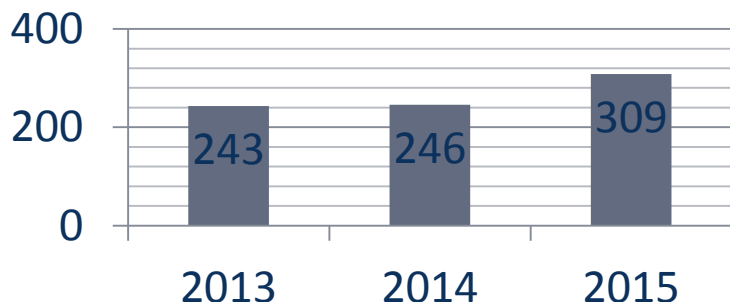
Q2 Profits influenced by agio (MNOK 60,3).



Results 2nd Quarter 2015

(in million NOK, Gain on sale excluded)

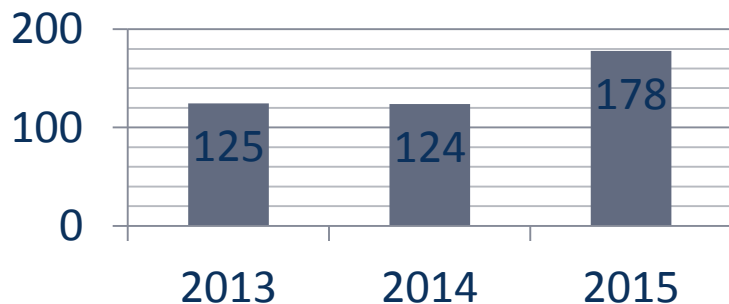
Operating revenue Q2



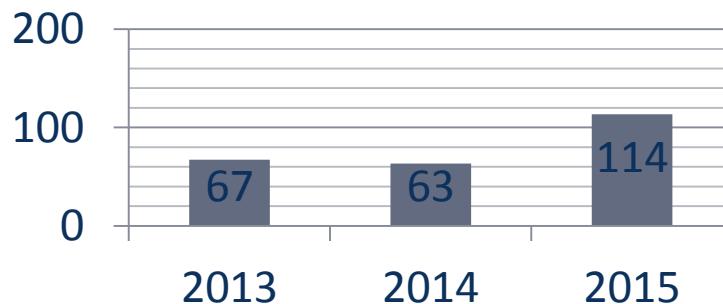
The results in 2nd Quarter compared to last year are influenced of:

- The subsea vessel "Viking Neptun" was delivered and commenced contract shortly after delivery in Q1 2015.
- The supply vessel "Viking Queen" has been operated on a contract with higher revenues in Q2 2015
- Viking Princess and Viking Nereus have been operated in the spot market in Q2 2015

EBITDA Q2



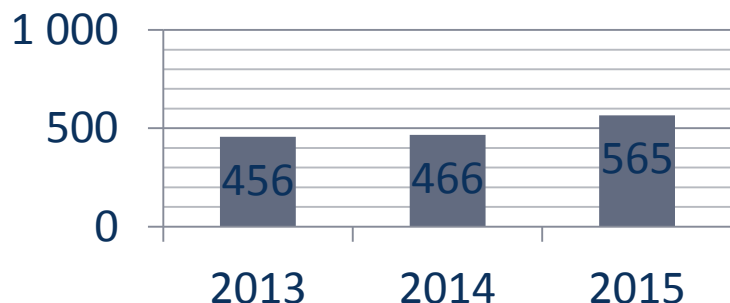
EBIT Q2



Results pr 30.06.2015

(in million NOK, Gain on sale and termination fee excluded)

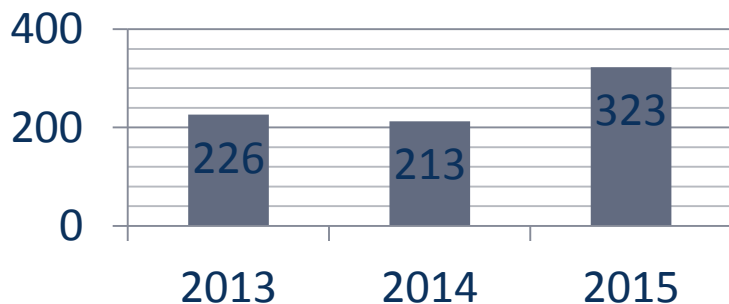
Operating revenue YTD



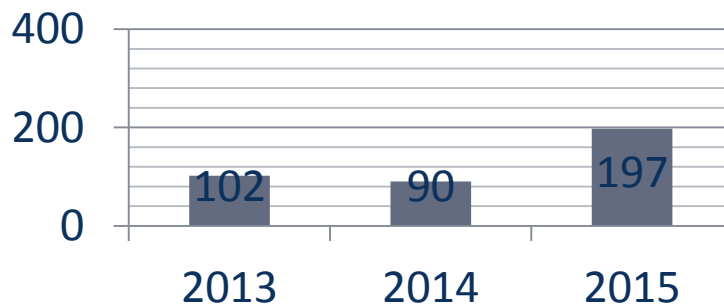
The results YTD compared to last year are influenced of:

- “Viking Neptun delivered and commenced contract in 1st Quarter 2015
- 3 vessels with yard stay in 1st Quarter 2014
- Geo Searcher Was sold in 2nd Quarter 2014

EBITDA YTD



EBIT YTD



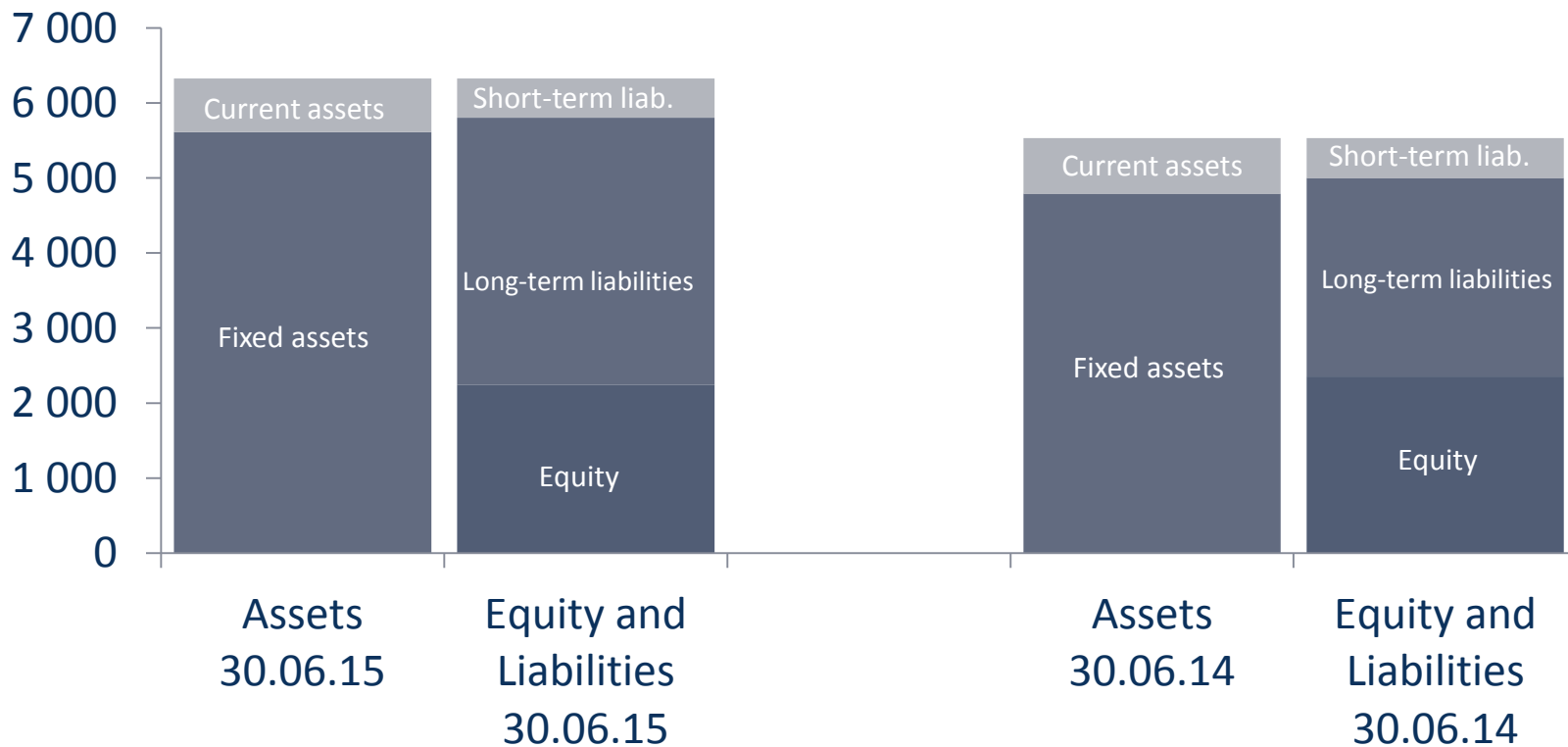
Cash Flow *(in million NOK)*

	2nd Quarter 2015	2nd Quarter 2014	YTD 2015	YTD 2014	2014
Net cashflow from operating activities	161,4	94,5	230,2	179,6	537,5
Net cashflow from investment activities	21,3	7,1	(922,2)	(20,9)	(113,3)
Net cashflow from finance activities	(75,9)	(115,0)	558,4	(276,0)	(457,4)
Net changes in cash holdings	106,8	(13,4)	(133,6)	(117,3)	(33,2)
Cash at beginning of period	309,2	478,9	549,6	582,8	582,8
Cash at end of period	416,0	465,5	416,0	465,5	549,6

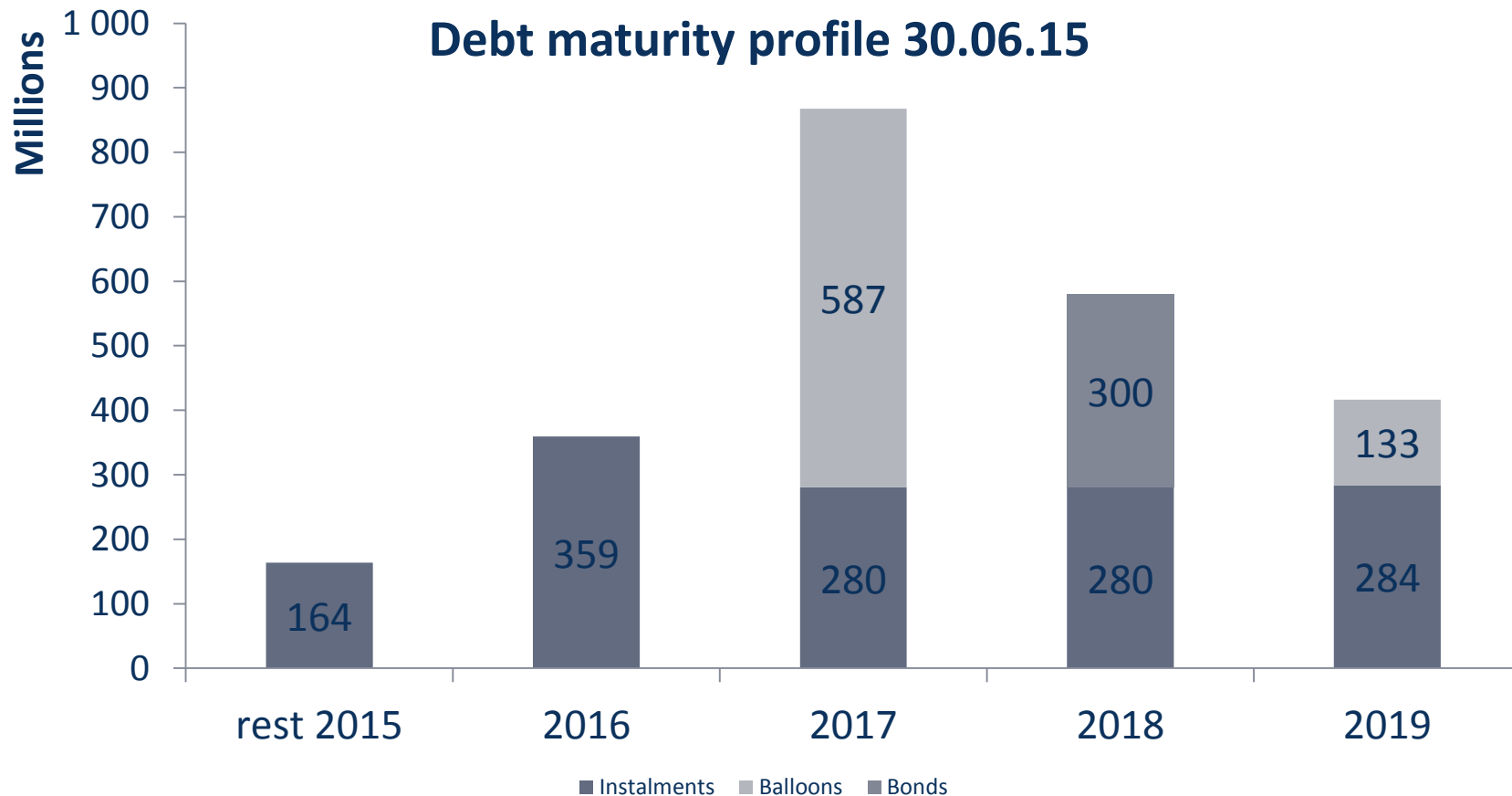
Interest paid is categorized under financing activities, interest received is categorized under operating activities.

Balance

(in million NOK)



Equity ratio 30.06.15: 35 % (43 %)



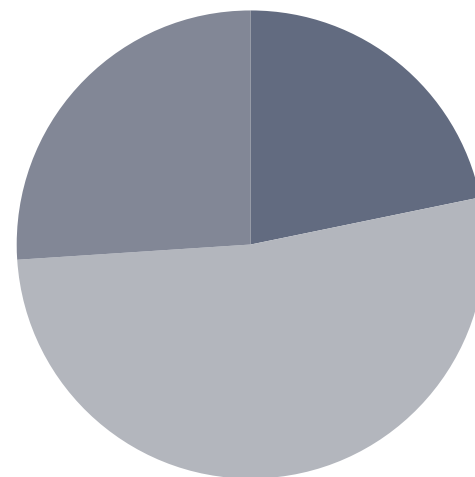
Segments

*Incl. Share of Joint Ventures
Excluded gain on sale
(MNOK)*

2nd Quarter 2015	Seismic	Subsea	Supply	Other
Revenue	76,6	183,6	91,6	5,3
EBITDA	74,3	122,5	31,5	-10,2
EBIT	50,4	80,8	-0,3	-10,7
EBITDA margin	97%	67%	34%	N/A
EBIT margin	66%	44%	0%	N/A

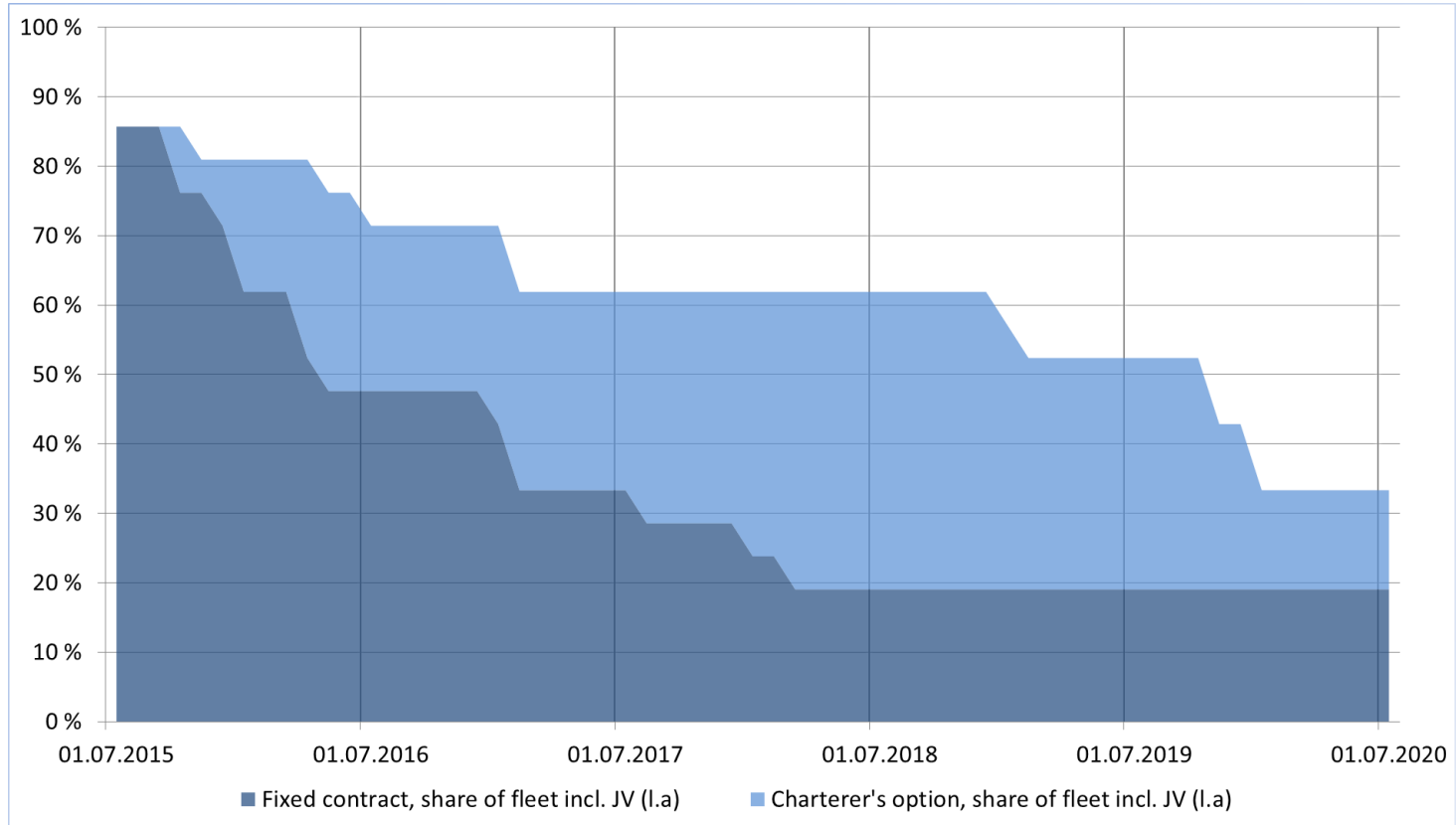
2nd Quarter 2014	Seismic	Subsea	Supply	Other
Revenue	67,7	102,2	112,1	5,7
EBITDA	66,4	57,4	43,8	-10,0
EBIT	39,9	29,9	12,5	-10,5
EBITDA margin	98%	56%	39%	N/A
EBIT margin	59%	29%	11%	N/A

Revenue Q2 2015

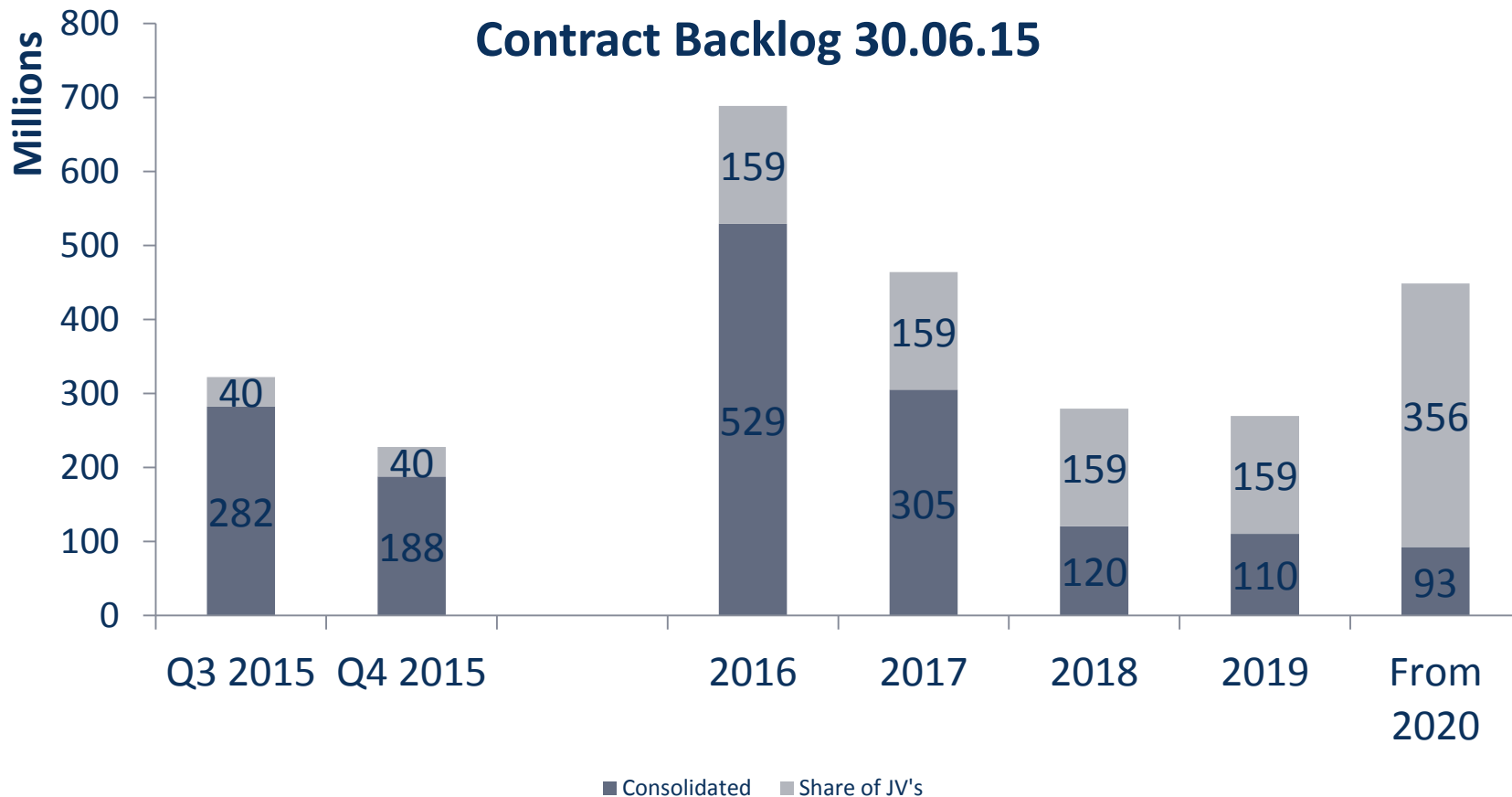


■ Seismic ■ Subsea ■ Supply

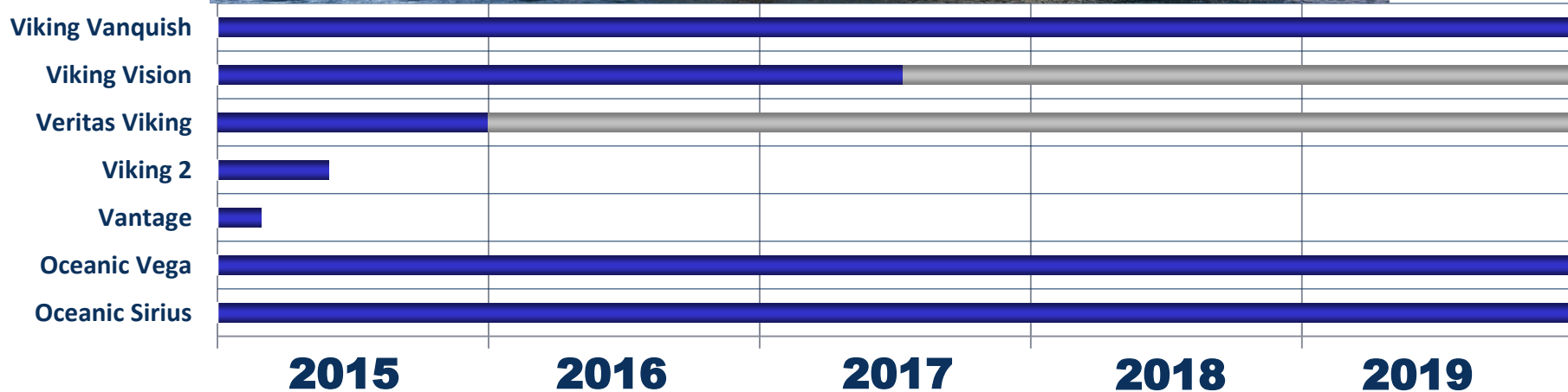
Contract coverage (per 30.06.2015)



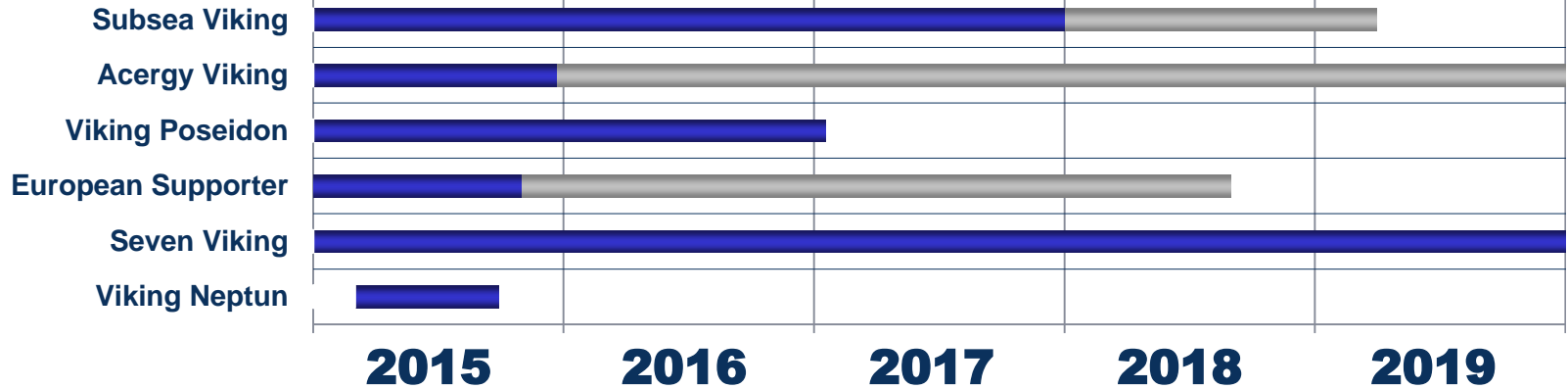
Contract Backlog 30.06.15



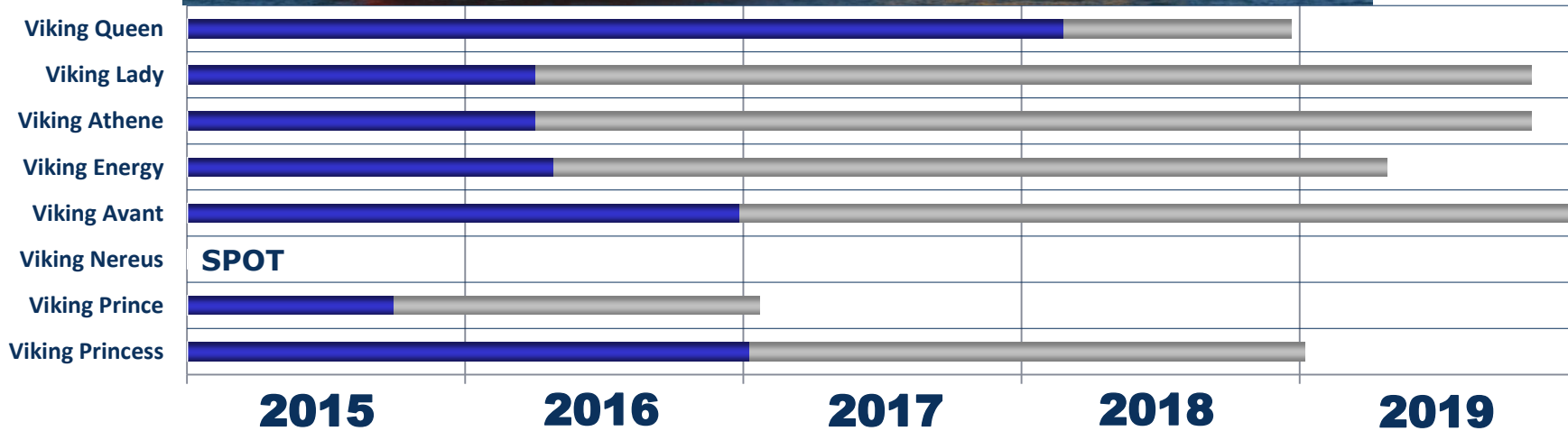
Contract status seismic



Contract status subsea



Contract status supply



Cost reduction initiatives

Cost reduction initiatives launched in H1 2015 reducing the annual costs from 2014 levels.

Total estimated annual cost reductions: MNOK 55

1. *Vessel operations:* MNOK 39

- *Flag change “Viking Nereus” and “Viking Princess”*
- *Reduced number of cadets and trainees*
- *New travel policy*
- *New insurance agreements*
- *Other*

2. *Administration:* MNOK 16

Market

We still experience very challenging market conditions in all three segments. The activity is falling while the industry is still facing a significant new building program. We do not see sufficient initiative to remove capacity from the market in a scale that will balance the demand and supply of vessels in the market.

Some of our vessels will end their contract in 2015, and we are continuously working with existing and new clients to secure employment for these vessels. For 2015 Eidesvik still has a good contract coverage.

In order to remain robust in times such as the current market situation, Eidesvik has initiated actions for cost reduction, fleet optimization and refinancing of long-term debt.



Eidesvik

Thanks for Your attention!

Your Partner in Shipping