



Eidesvik

Presentation 2nd Quarter 2017

Oslo 25.08.2017

CEO Jan Fredrik Meling

Your Partner in Shipping

News in 2nd Quarter 2017



Geo Coral

4,750DWT, 100.8m LOA
Built 2010



Geo Caribbean

4,750DWT, 108.3m LOA
Built 2008



Oceanic Challenger

5,197DWT, 91.3m LOA
Built 2000/rebuilt 2006



Geo Celtic

4,750DWT, 108.3m LOA
Built 2007



CGG Alize

5,984DWT, 100m LOA
Built 1999



Oceanic Sirius

5,800DWT, 106m LOA
Built 2011



Oceanic Vega

6,013DWT, 106m LOA
Built 2010

Entered into an agreement with CGG to establish a new ownership set-up for 7 seismic vessels. This new set-up is based on the creation of a new Holding Company that will hold the shares in two entities. One of the entities will own the two vessels formerly co-owned by CGG and Eidesvik (Oceanic Vega and Oceanic Sirius), and the other will own five vessels formerly owned by CGG and currently cold-stacked (Geo Coral, Geo Caribbean, Geo Celtic, CGG Alize and Oceanic Challenger).

The two shipowning entities will be financially separated and no guarantees will be established between the two or from the owners. The new Holding Company, jointly owned by CGG and Eidesvik in equal parts should be operational at the beginning of the second quarter 2017.

CGG will continue to charter the Oceanic Vega and Oceanic Sirius from the new Company and will extend the current contract until March 2027, thus on a reduced charter rate through the whole charter period. CGG will progressively charter the Geo Coral (from the second quarter 2017 onwards), Geo Caribbean and Geo Celtic vessels, as the charters of other vessels currently in operation expire.



2nd Quarter 2017 results

(2nd Quarter 2016)

Revenues	MNOK 215,8	(180,0)
EBITDA	MNOK 125,7	(89,6)
Operating profit	MNOK 243,4	(35,4)
Pre-tax profit	MNOK 203,9	(-24,9)

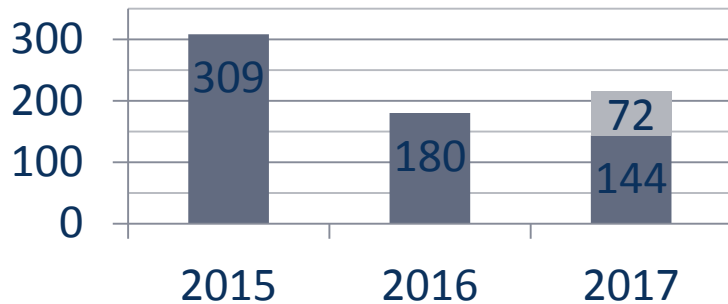
Q2 2017 profits influenced by termination fee of MNOK 72,0, impairment of vessel of MNOK - 22,8, and establishment of new JV including income contract change for Oceanic Vega and Oceanic Sirius.



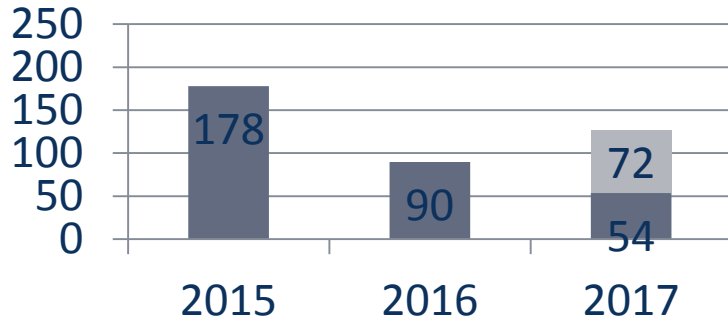
Results 2nd Quarter 2017

(in million NOK)

Operating revenue Q2



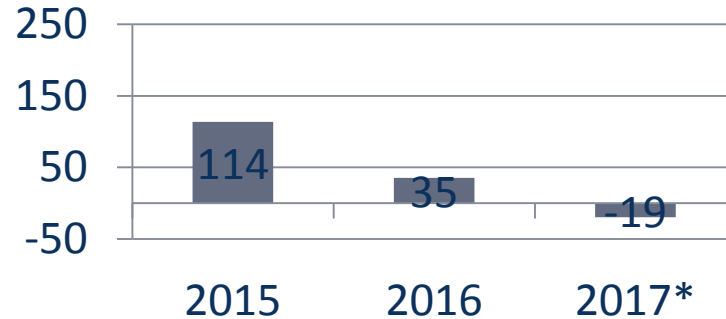
EBITDA Q2



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

- “Viking Neptun” was operated on lower rate in 2017.
- “Viking Poseidon” was sold in Q1 2017
- “Acergy Viking” on contract in 2017
- “Subsea Viking” on higher day rate in 2017
- “Viking Vanquish” rate reduced from 2017, partly compensated in Q2 2017
- “Viking Vision” contract terminated in Q4 2016
- “Veritas Viking” and “Vantage” on contract from 2017
- “Viking Lady” and “Viking Athene” laid up in Q4 2016
- “Viking Avant” operated on lower rate in 2017

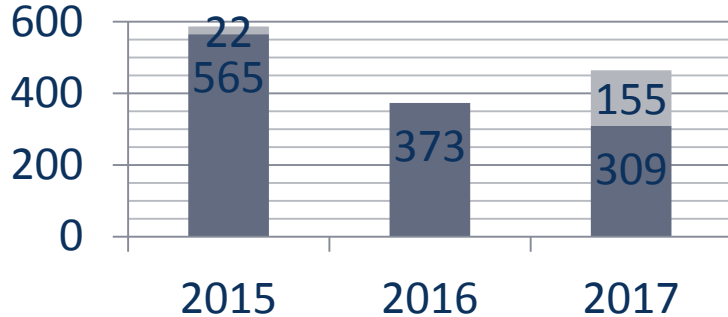
EBIT Q2*



Results pr 30.06.2017

(in million NOK)

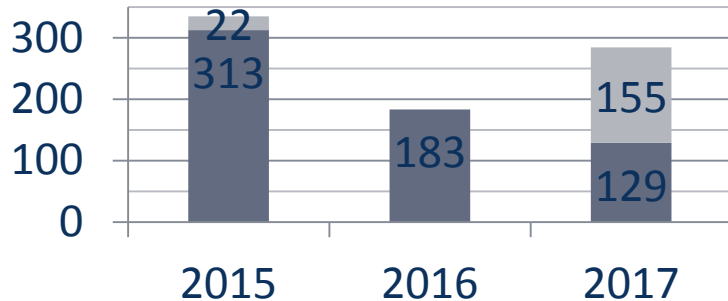
Operating revenue YTD



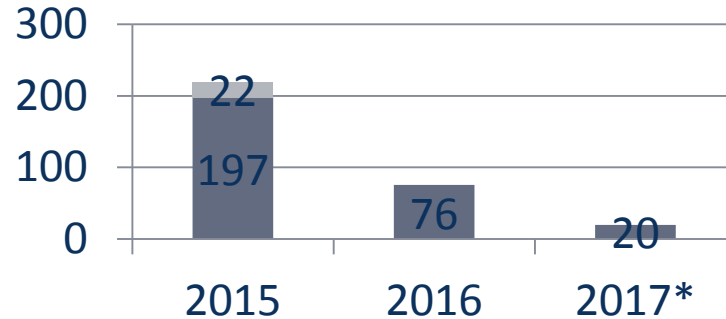
The results in compared to last year are influenced of:

- “Viking Neptun” was operated on lower rate in 2017.
- “Viking Poseidon” was sold in Q1 2017
- “Acergy Viking” not on contract in Q1 2016
- “Subsea Viking” on higher day rate in 2017
- “Viking Vanquish” rate reduced from 2017, partly compensated in Q1 and Q2 2017
- “Viking Vision” contract terminated in Q4 2016
- “Veritas Viking” and “Vantage” on contract from 2017
- “Viking Lady” and “Viking Athene” laid up in Q4 2016
- “Viking Avant” operated on lower rate in 2017

EBITDA YTD



EBIT YTD*



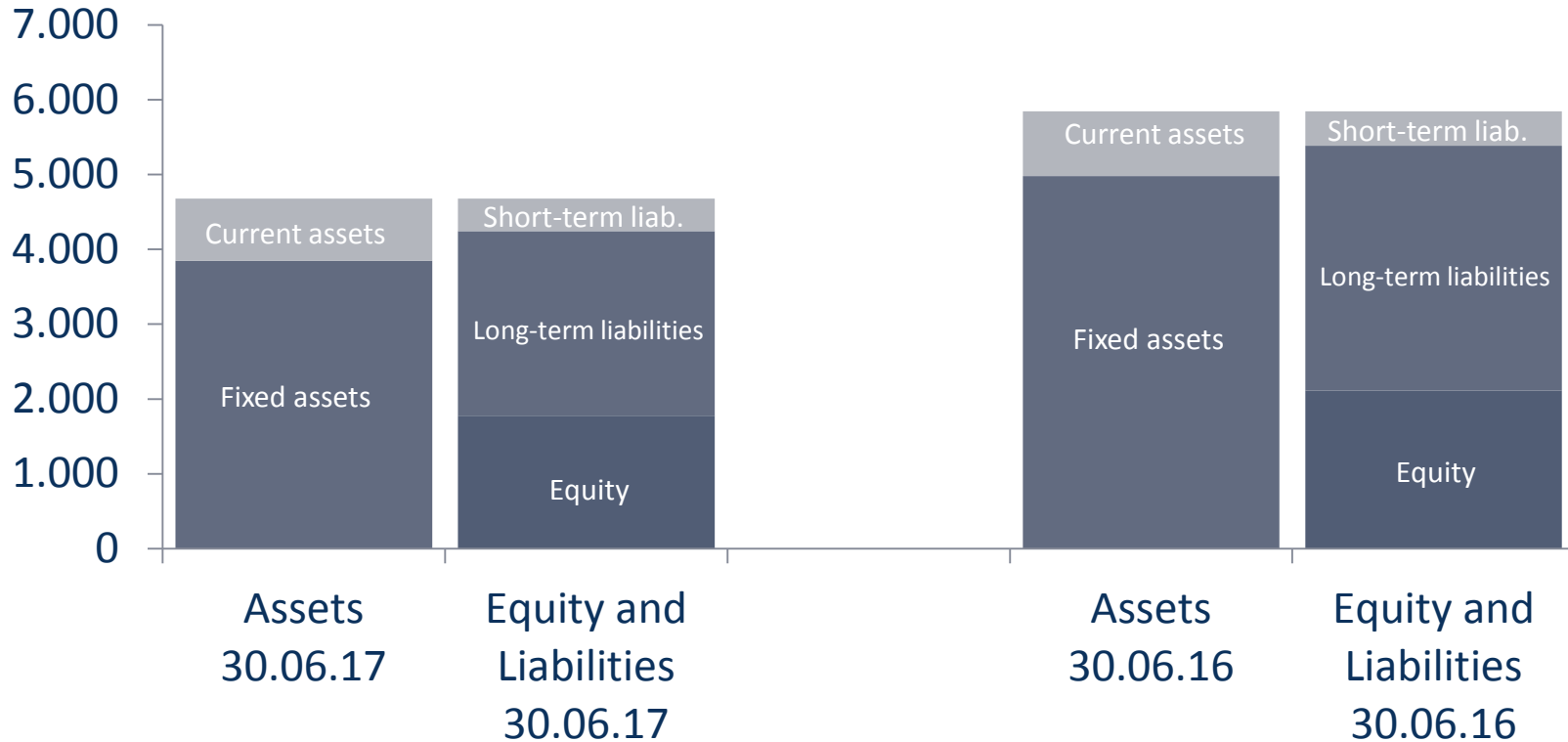
Cash Flow *(in million NOK)*

	2nd Quarter 2017	2nd Quarter 2016	1.1- 30.06.2017	1.1- 30.06.2016	2016
Net cashflow from operating activities	52,7	107,4	259,9	134,6	326,9
Net cashflow from investment activities	(1,0)	24,5	376,1	16,1	12,8
Net cashflow from finance activities	(85,4)	(93,1)	(583,4)	(231,1)	(492,2)
Net changes in cash holdings	(33,7)	38,8	52,6	(80,4)	(152,5)
Cash at beginning of period	636,1	583,1	549,7	702,3	702,3
Cash at end of period	602,4	621,9	602,3	621,9	549,8

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

Balance

(in million NOK)



Equity ratio 30.06.17: 38 % (36 %)

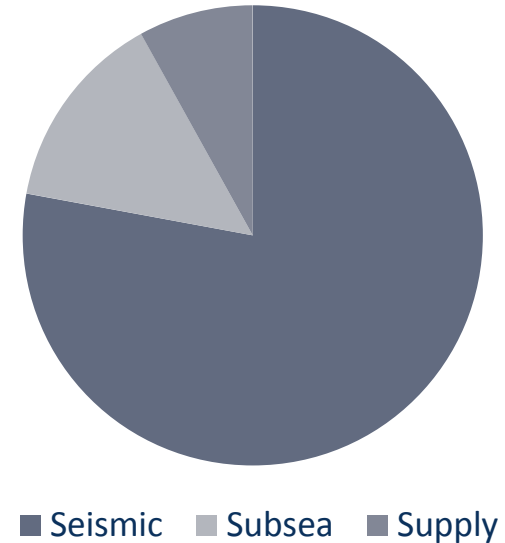
Segments

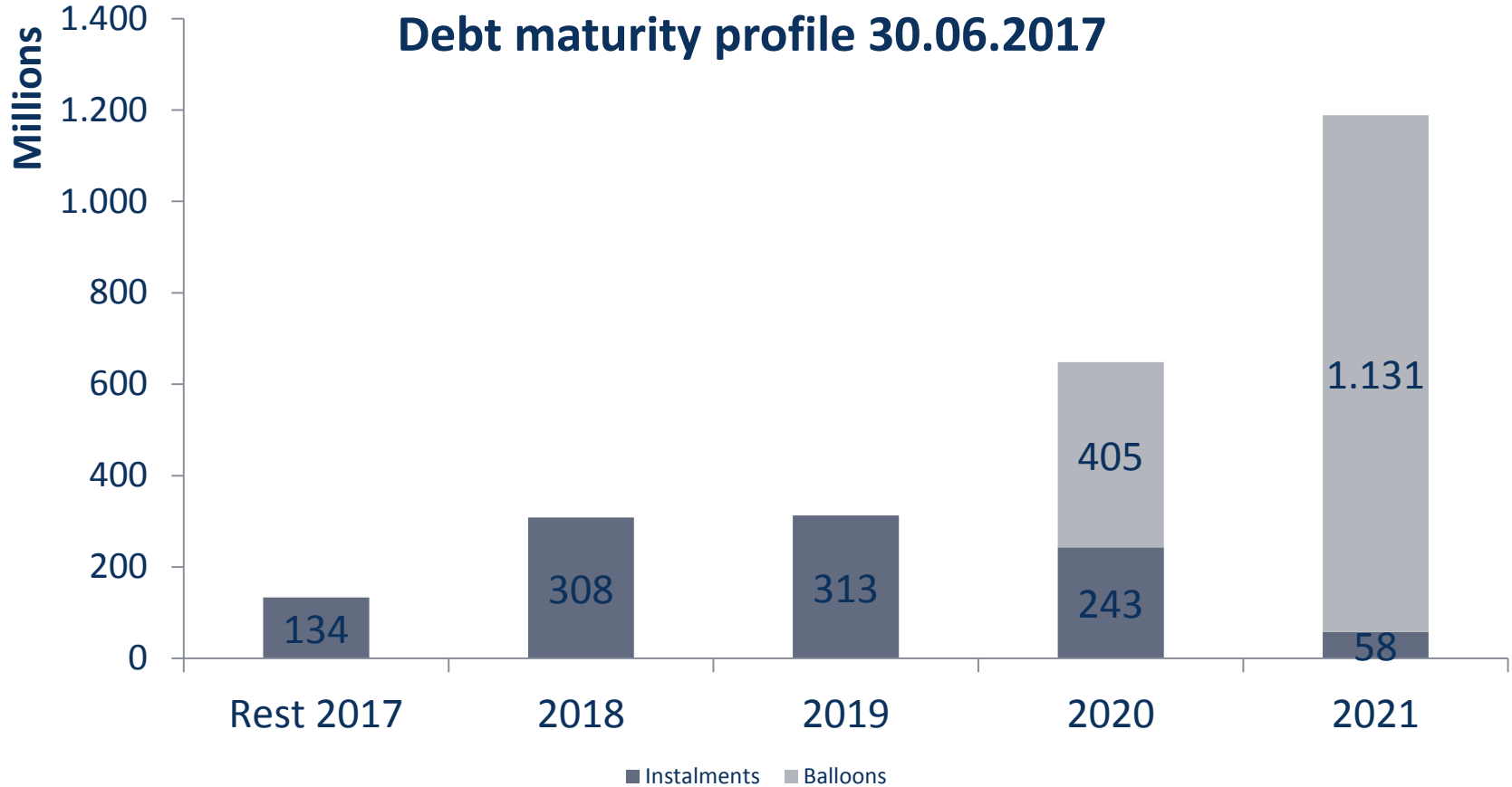
*Incl. Share of Joint Ventures
(MNOK)*

2nd Quarter 2017	Seismic	Subsea	Supply	Other
Revenue	451,1	81,2	46,7	4,7
EBITDA	434,5	38,6	12,6	-6,5
EBIT	260,3	11,9	-7,1	-7,0
EBITDA margin	96%	47%	27%	N/A
EBIT margin	58%	15%	-15%	N/A

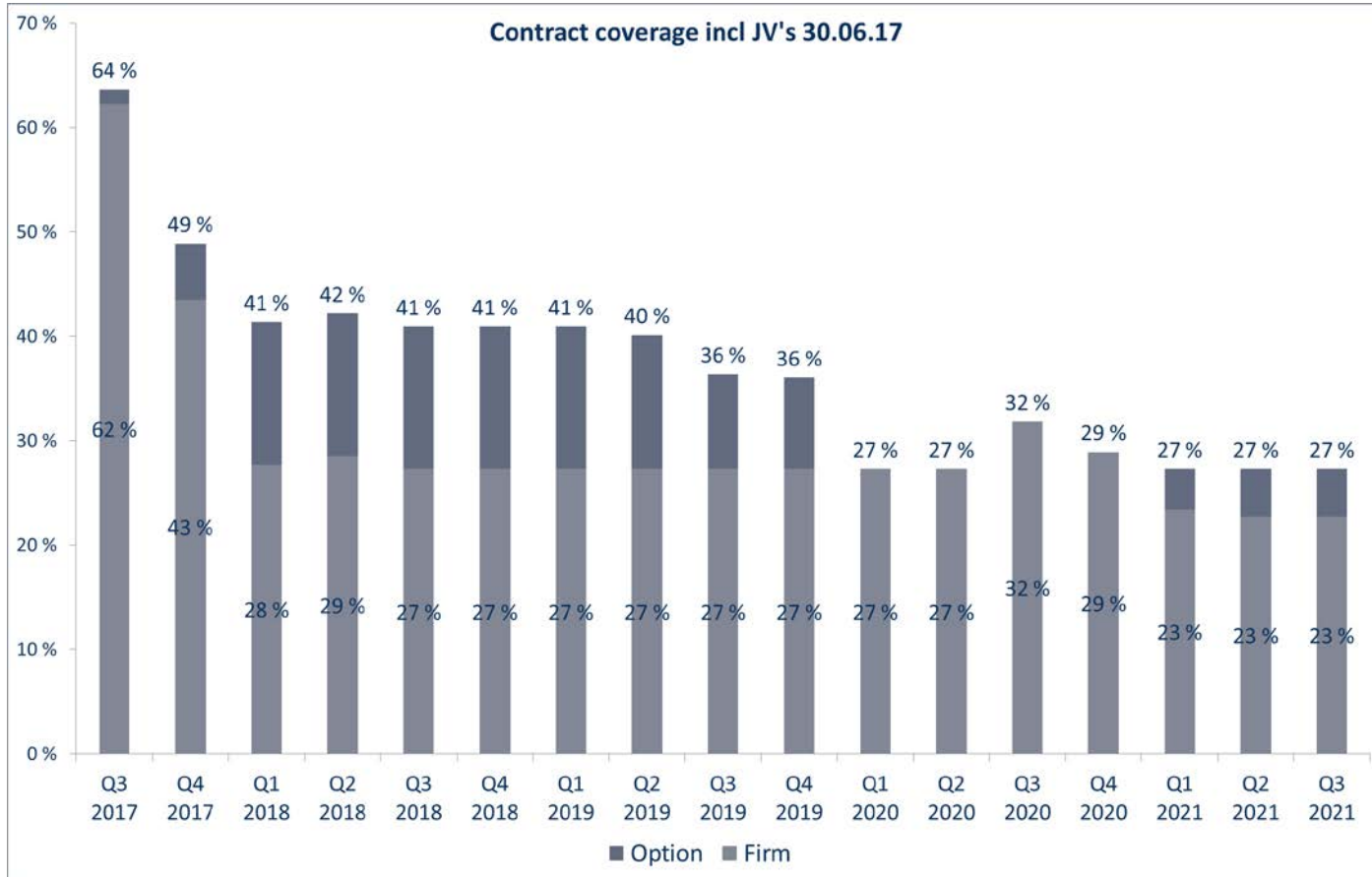
2nd Quarter 2016	Seismic	Subsea	Supply	Other
Revenue	71,0	88,8	66,2	4,6
EBITDA	68,9	48,7	20,6	-6,1
EBIT	43,5	10,0	-5,1	-6,6
EBITDA margin	97%	55%	31%	N/A
EBIT margin	61%	11%	-8%	N/A

**Revenue Q2
2017**

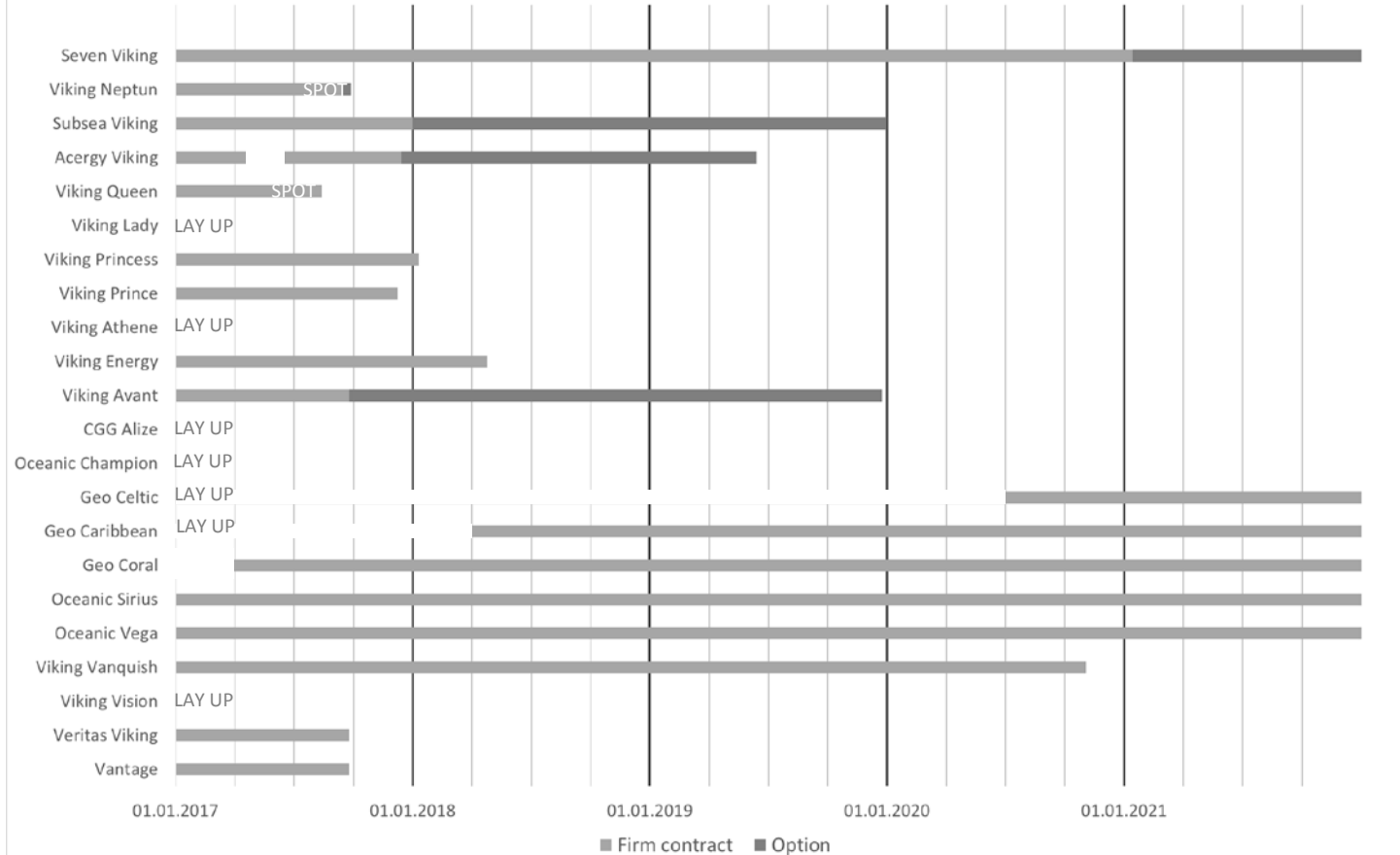








Contract Status



Market

Globally, the PSV fleet has high number of vessels laid up and the general rate level is still under pressure.

It is positive for the segment that it in the current period is completed several spot- and term contracts on increasing rate levels, however a substantial increase in the demand is necessary before we expect balance in this segment.

In the first half of 2017 the subsea fleet has maintained a good utilization level, however we expect a lower activity level towards the end of the traditional subsea season. Alternative markets, within amongst others the market for offshore wind, has absorbed some subsea tonnage, a positive trend we think will continue. Further, we expect awarding of several material SURF projects this year, which will demand vessel days towards the end of 2018 and beyond. We remain positive to the market prospects for this segment.

The seismic segment is still characterized by low tender activity and contract award of short-term contracts. We do not expect differently on this through the winter season.



Eidesvik

Thanks for Your attention!

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