



**Eidesvik**

## Presentation 3rd Quarter 2015

Oslo 13.11.2015

CEO Jan Fredrik Meling

Your Partner in Shipping

## News in 3rd Quarter 2015



Awarded a 50 days contract with options for further 50 days for Technip in Ghana for the OCV «Viking Neptun».

## News in 3rd Quarter 2015



Sold the cable-lay vessel «European Supporter» and the seismic vessel «Viking II». A total gain on sale of MNOK 95,5 will be recognized in the 4th Quarter accounts.

## News after 30.09.2015



Statoil has extended the contract for the PSV «Viking Energy» with 2 years from April 2016, with options for further 1 year. An agreement for installation of Energy Storage System on the vessel has been entered into.

## News after 30.09.2015



The PSV's «Viking Lady» and «Viking Athene» suspend operations as the Leiv Eiriksson Consortium claim the contract is fulfilled. The vessels will be kept out of operations until the parties have agreed on terms of cancellation.



## 3rd Quarter 2015 results

*(3rd Quarter 2014 in brackets)*

Revenues	MNOK 308,7	(259,1)
EBITDA	MNOK 193,2	(147,6)
Operating profit	MNOK 131,1	(91,0)
Pre-tax profit	MNOK -77,4	(-8,3)

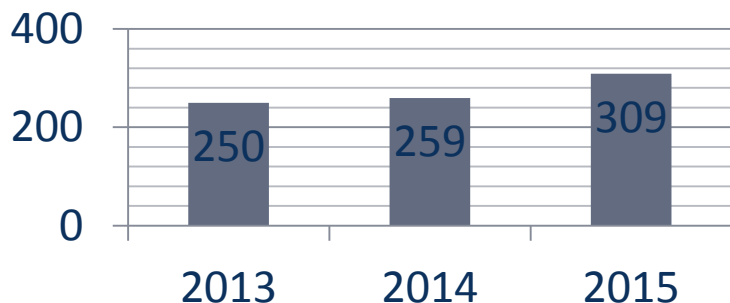
*Q3 Profits influenced by agio (MNOK -168,4).*



# Results 3rd Quarter 2015

*(in million NOK, Gain on sale excluded)*

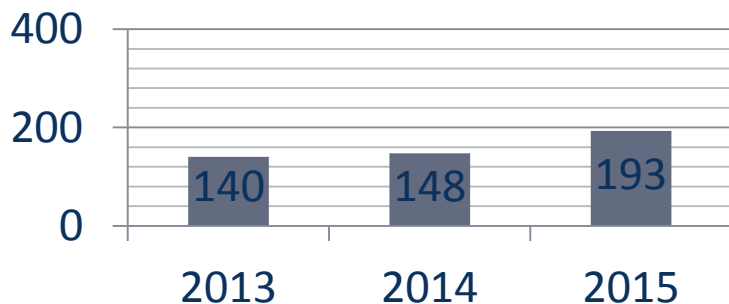
## Operating revenue Q3



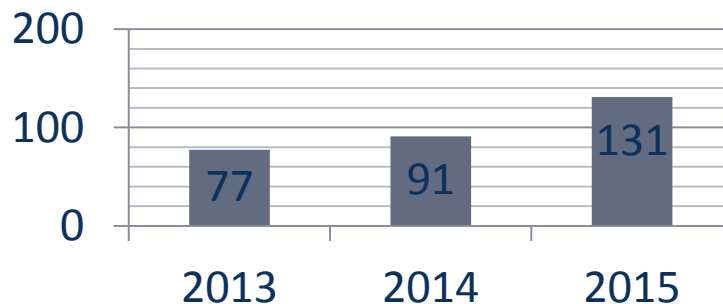
The results in 3rd Quarter compared to last year are influenced of:

- 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 Nereus, Vantage and Viking II have been without contract in the period

## EBITDA Q3



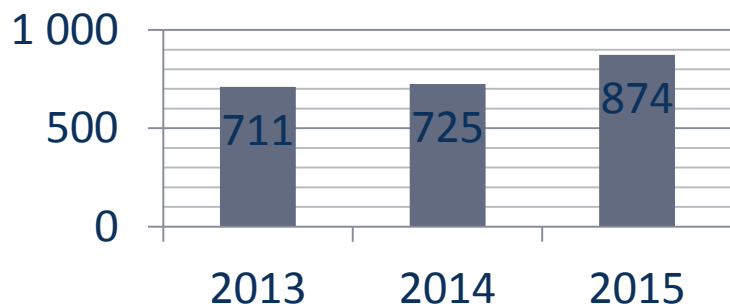
## EBIT Q3



## Results pr 30.09.2015

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

### Operating revenue YTD



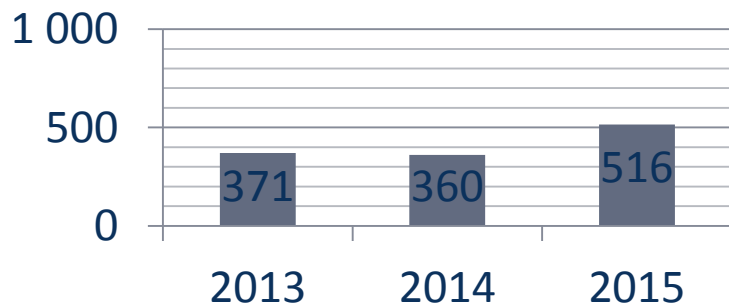
The results YTD compared to last year are influenced of:

- "Viking Neptun delivered and commenced contract in 1<sup>st</sup> Quarter 2015

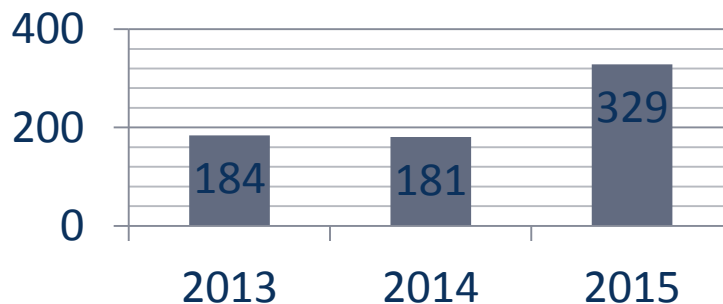
- 3 vessels with yard stay in 1<sup>st</sup> Quarter 2014

- 3 vessels without contract pr 30.09.2015

### EBITDA YTD



### EBIT YTD





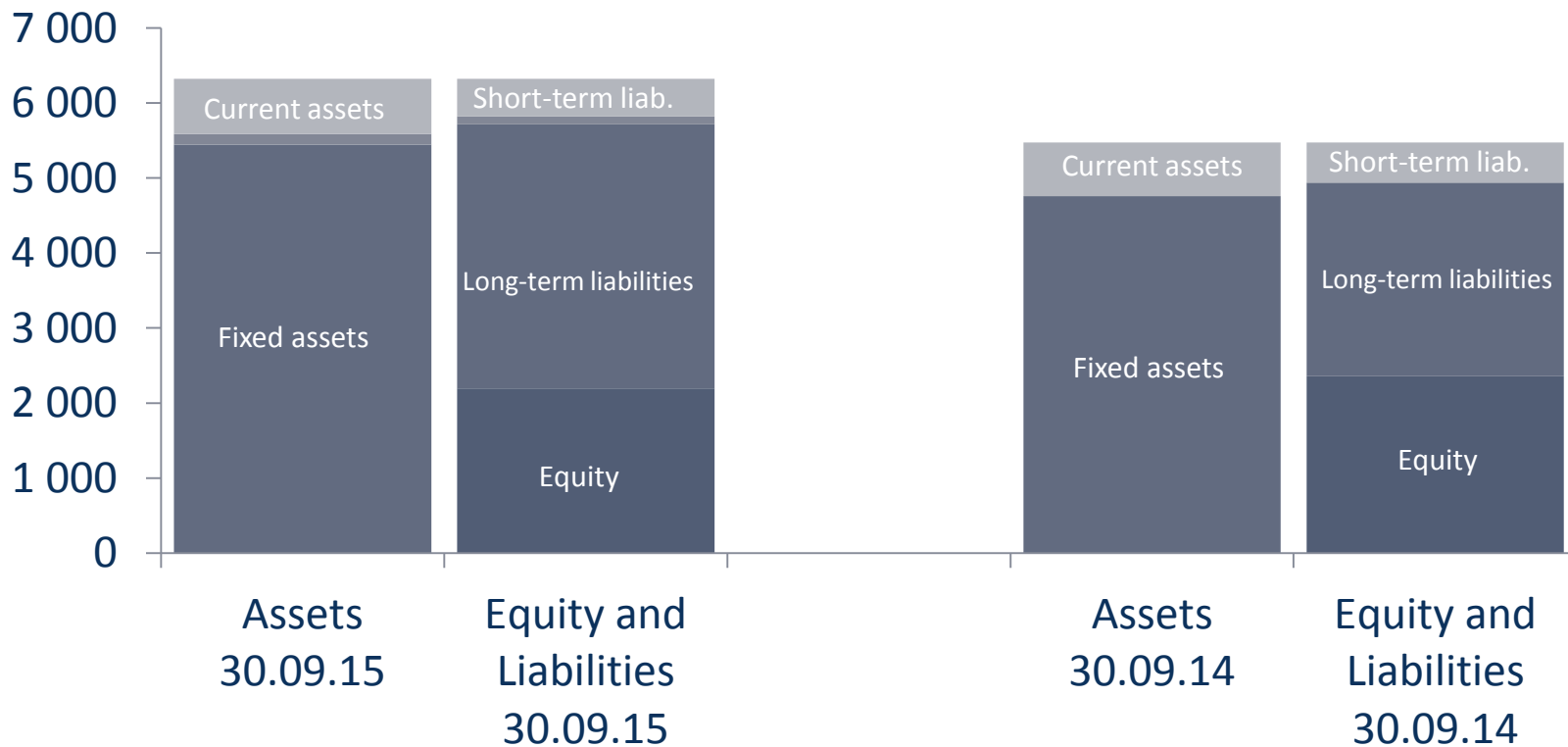
# Cash Flow *(in million NOK)*

	3rd Quarter 2015	3rd Quarter 2014	YTD 2015	YTD 2014	2014
Net cashflow from operating activities	<b>160,6</b>	181,3	<b>390,7</b>	360,9	<b>537,5</b>
Net cashflow from investment activities	<b>(1,1)</b>	6,0	<b>(923,2)</b>	(14,9)	<b>(113,3)</b>
Net cashflow from finance activities	<b>(153,5)</b>	(147,6)	<b>404,9</b>	(423,6)	<b>(457,4)</b>
Net changes in cash holdings	<b>6,0</b>	39,7	<b>(127,6)</b>	(77,6)	<b>(33,2)</b>
Cash at beginning of period	<b>416,0</b>	465,5	<b>549,6</b>	582,8	<b>582,8</b>
Cash at end of period	<b>422,0</b>	505,2	<b>422,0</b>	505,2	<b>549,6</b>

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

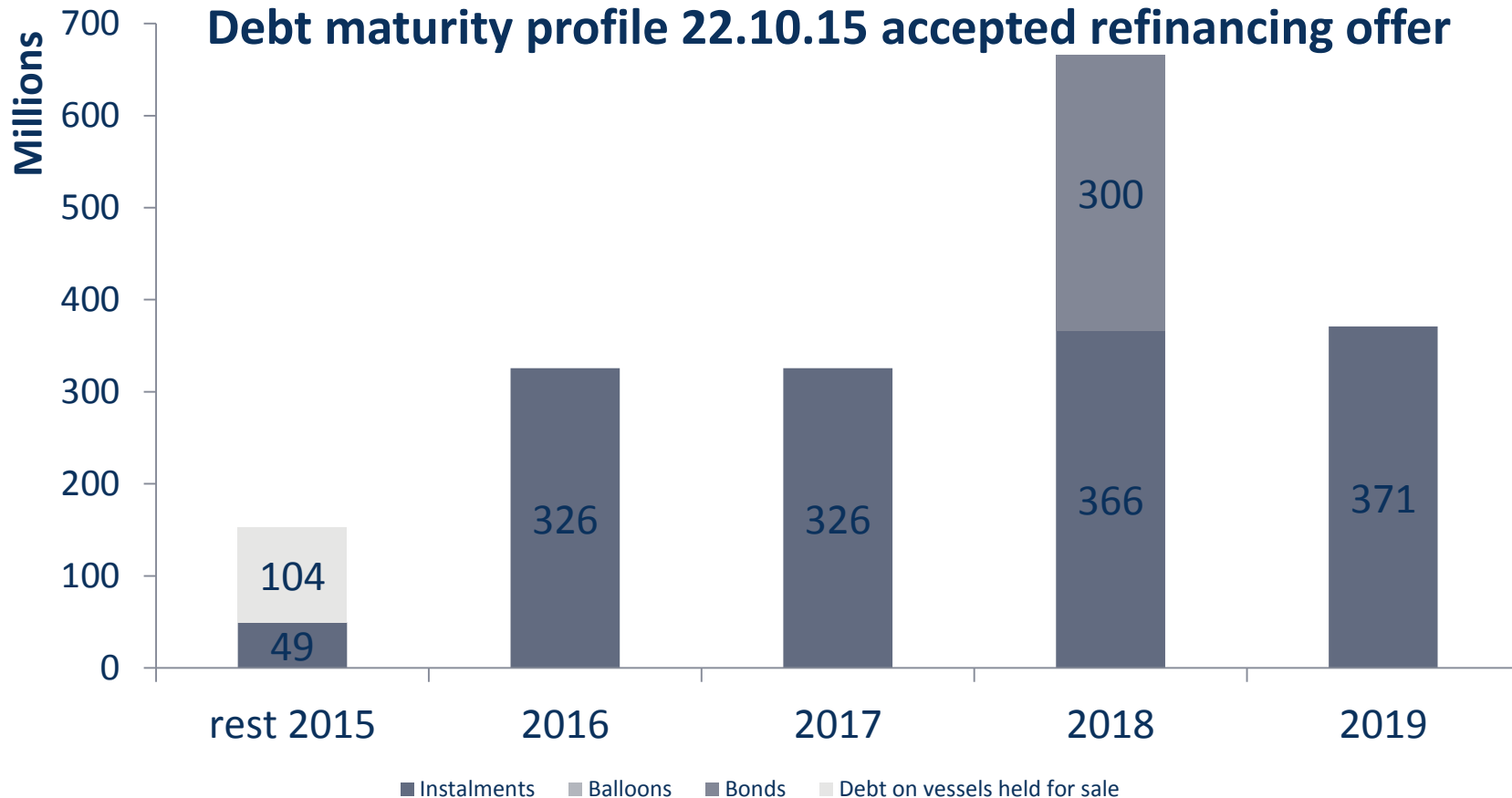
## Balance

(in million NOK)



Equity ratio 30.09.15: 35 % (43 %)

## Debt maturity profile 22.10.15 accepted refinancing offer



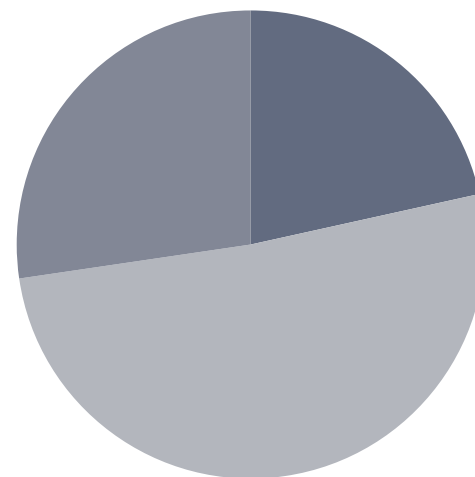
# Segments

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

3rd Quarter 2015	Seismic	Subsea	Supply	Other
Revenue	76,3	181,3	96,9	5,3
EBITDA	72,1	120,6	45,3	-1,2
EBIT	43,0	79,9	15,6	-1,7
EBITDA margin	94%	67%	47%	N/A
EBIT margin	56%	44%	16%	N/A

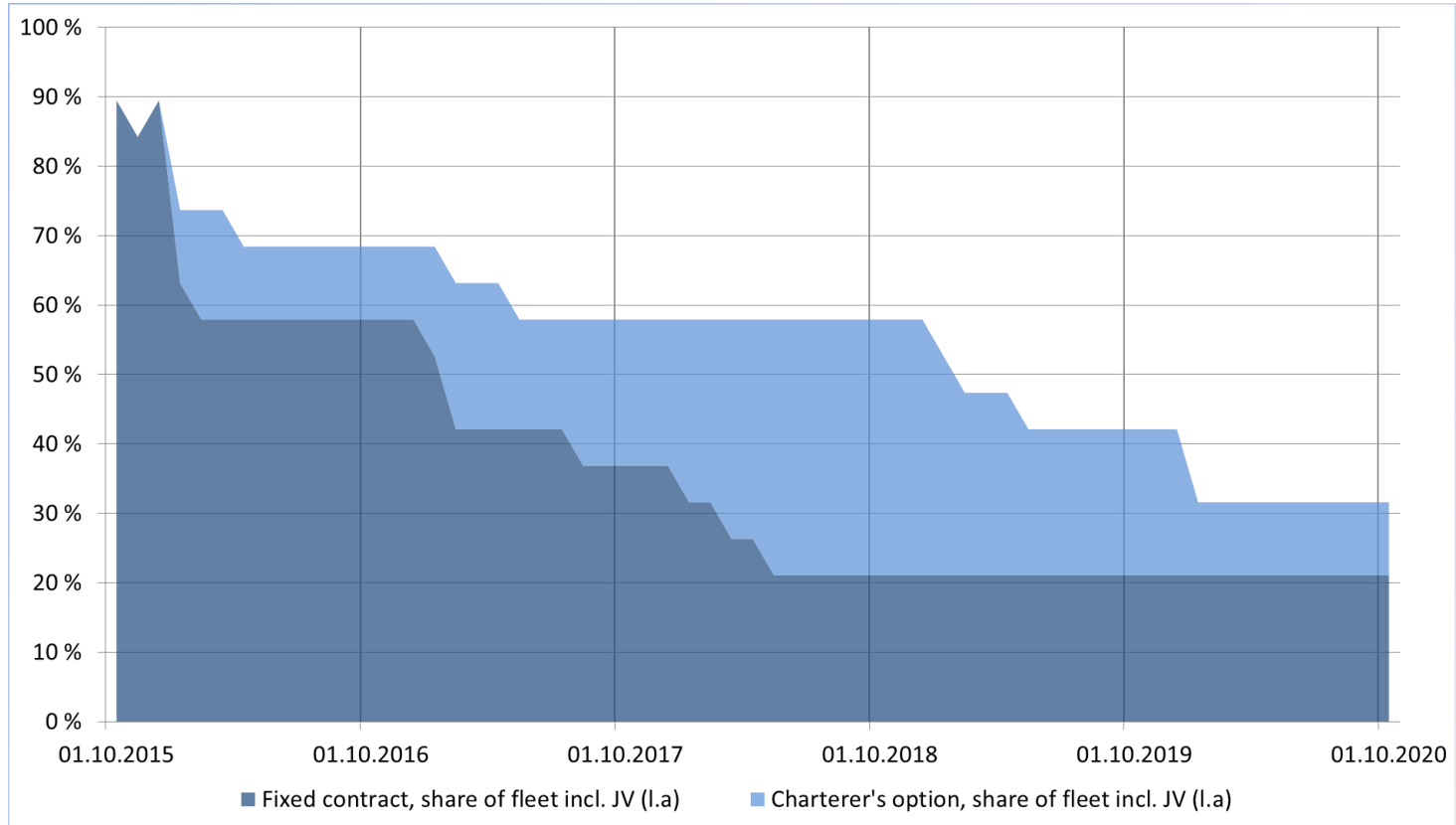
3rd Quarter 2014	Seismic	Subsea	Supply	Other
Revenue	69,5	103,0	123,5	6,3
EBITDA	69,3	58,6	57,7	-3,3
EBIT	44,6	28,1	27,2	-3,9
EBITDA margin	100%	57%	47%	N/A
EBIT margin	64%	27%	22%	N/A

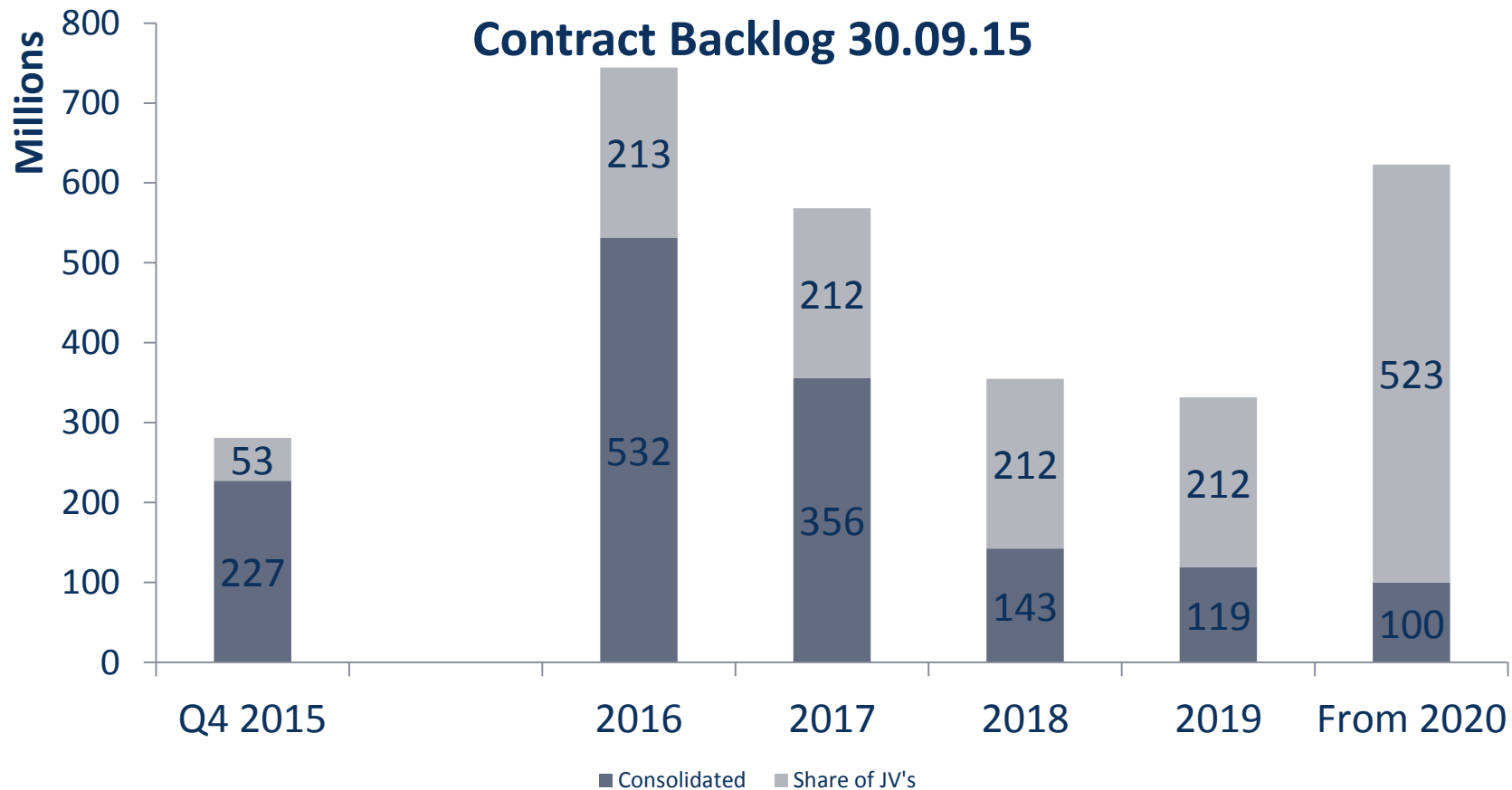
## Revenue Q3 2015



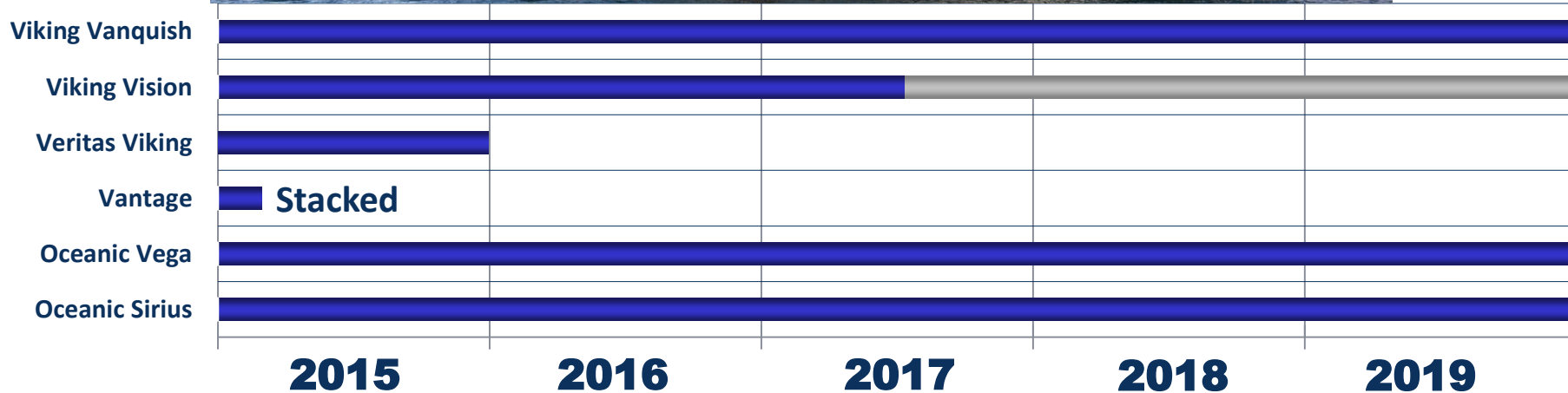
■ Seismic ■ Subsea ■ Supply

## Contract coverage (per 30.09.2015)



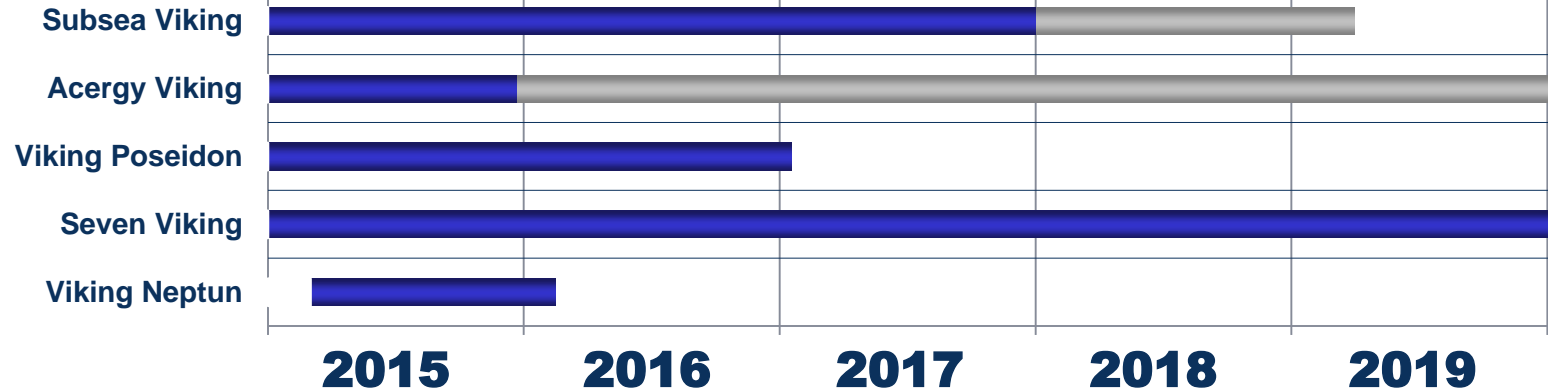


## Contract status seismic

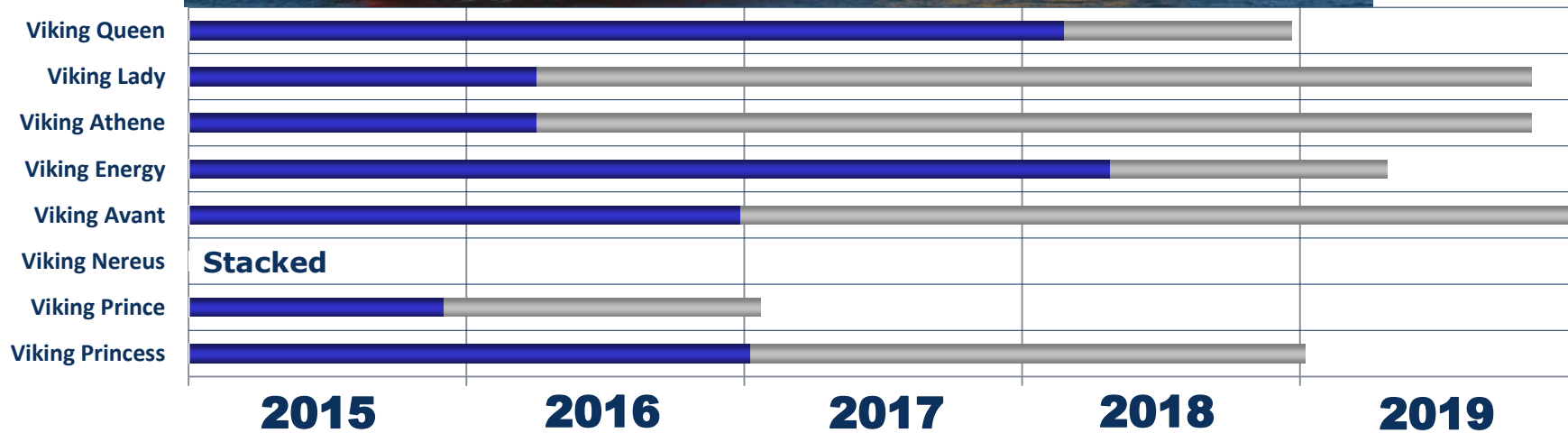




## Contract status subsea



# Contract status supply



## Cost reduction initiatives

Due to weak market outlook Eidesvik prepares for up to 7 vessels being taken out of operations in 2016.

In 2014 5 of those vessels were operated on ordinary contracts. Total estimated annual cost reductions from taking out the 5 vessels from operations in 2016 compared to the vessels' costs in 2014 is close to MNOK 160.

# Market

We still experience very challenging market conditions in all three segments. We now observe many vessels being laid up, especially within PSV and seismic. It is still difficult to see when this will restore the necessary balance in the market, and we expect difficult market conditions also in 2016.

Eidesvik plans for difficult market conditions and will continue to cut costs and , if necessary, lay up more vessels.



**Eidesvik**

Thanks for Your attention!

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