



Eidesvik

Presentation 3rd Quarter 2018

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Your Partner in Shipping



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News in 3rd Quarter 2018

Entered into a contract with TechnipFMC for “Viking Neptun”. Contract commencement was in August, and was for 25 days.

Merkur Offshore awarded a contract for “Viking Neptun” for support work in offshore wind on German sector. Contract commencement was medio September, and is firm to medio February with further options.



News in 3rd Quarter 2018

The contracts with Equinor for “Viking Avant” and “Viking Energy” are extended to respectively ultimo 2019 and ultimo April 2020.



News after 30.09.18

The contract for “Viking Neptun” is extended with Merkur Offshore to mid May, with further optional extensions.



News after 30.09.18

The contract with Siemens Gamesa for the charter of “Acergy Viking” has been extended with one additional year and is now firm until end January 2021 with options until end April.



News after 30.09.18

It is entered into a contract with a CGG subsidiary for “Veritas Viking”. The contract will commence ultimo November, and is firm for five months with further options.





3rd Quarter 2018 results

(3rd Quarter 2017)

Revenues	MNOK 118,3	<i>(157,0)</i>
EBITDA	MNOK 20,9	<i>(67,6)</i>
Operating profit	MNOK -47,8	<i>(-2,3)</i>
Pre-tax profit	MNOK -73,2	<i>(32,3)</i>

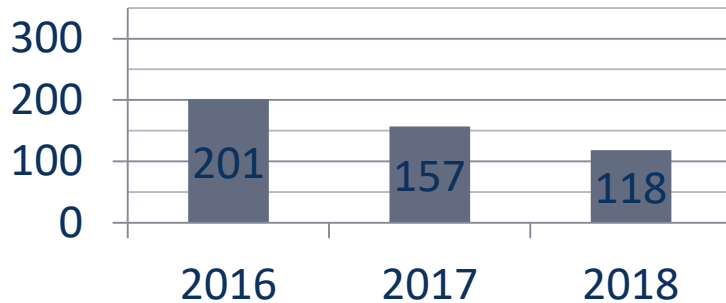
(Q3 2017 pre tax profit influenced by net agio of MNOK 58,9, and net financial items of MNOK 34,6)



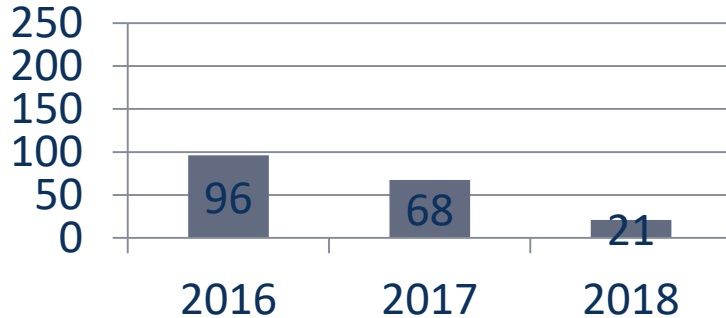
Results 3rd Quarter 2018

(in million NOK)

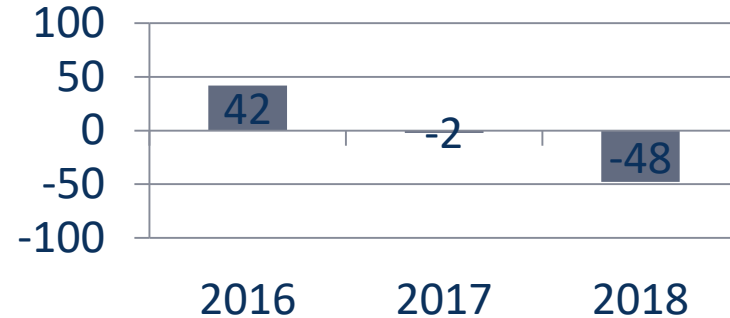
Operating revenue Q3



EBITDA Q3



EBIT Q3*



EBITDA Q3 2018 vs. Q3 2017 (MNOK -46,7):

Seismic: Decrease of freight income of MNOK 19,1, decrease in the total operating expenses of MNOK 0,9. Net decrease in EBITDA of MNOK 18,3.

Subsea: Decrease of freight income of MNOK 27,1, increase in the total operating expenses of MNOK 2,2. Net decrease in EBITDA of MNOK 29,3.

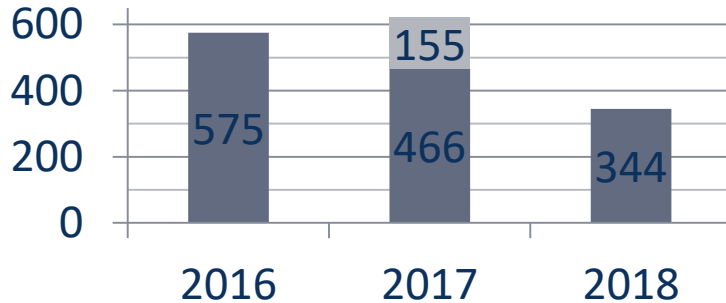
Supply: Increase of freight income of MNOK 8,1, increase of total operating expenses of MNOK 7,9. Net increase of MNOK 0,2.

Of **other** freight income and operating expenses is the change in EBITDA an increase of MNOK 0,7.

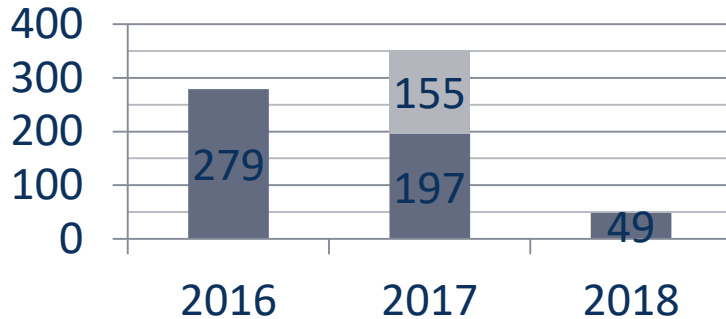
Results pr 30.09.2018

(in million NOK)

Operating revenue YTD



EBITDA YTD



EBITDA YTD 2018 vs. YTD 2017 (MNOK -303,3):

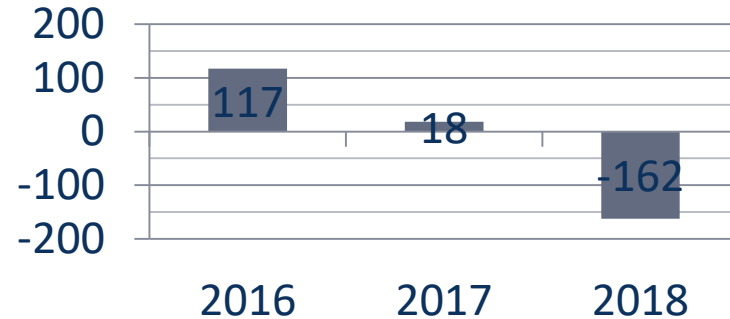
Seismic: Decrease of freight income of MNOK 62,3 and no termination fee of MNOK 138,2 in 2018, decrease in the total operating expenses of MNOK 9,0. Net decrease in EBITDA of MNOK 191,5.

Subsea: Decrease of freight income of MNOK 56,1 and no gain on sale of vessel of MNOK 17,2 in 2018, increase in the total operating expenses of MNOK 12,0. Net decrease in EBITDA of MNOK 85,3.

Supply: Decrease of freight income of MNOK 1,4, increase of total operating expenses of MNOK 19,4. Net decrease of MNOK 20,8.

Of other freight income and operating expenses is the change in EBITDA an decrease of MNOK 5,8.

EBIT YTD*



Cash Flow

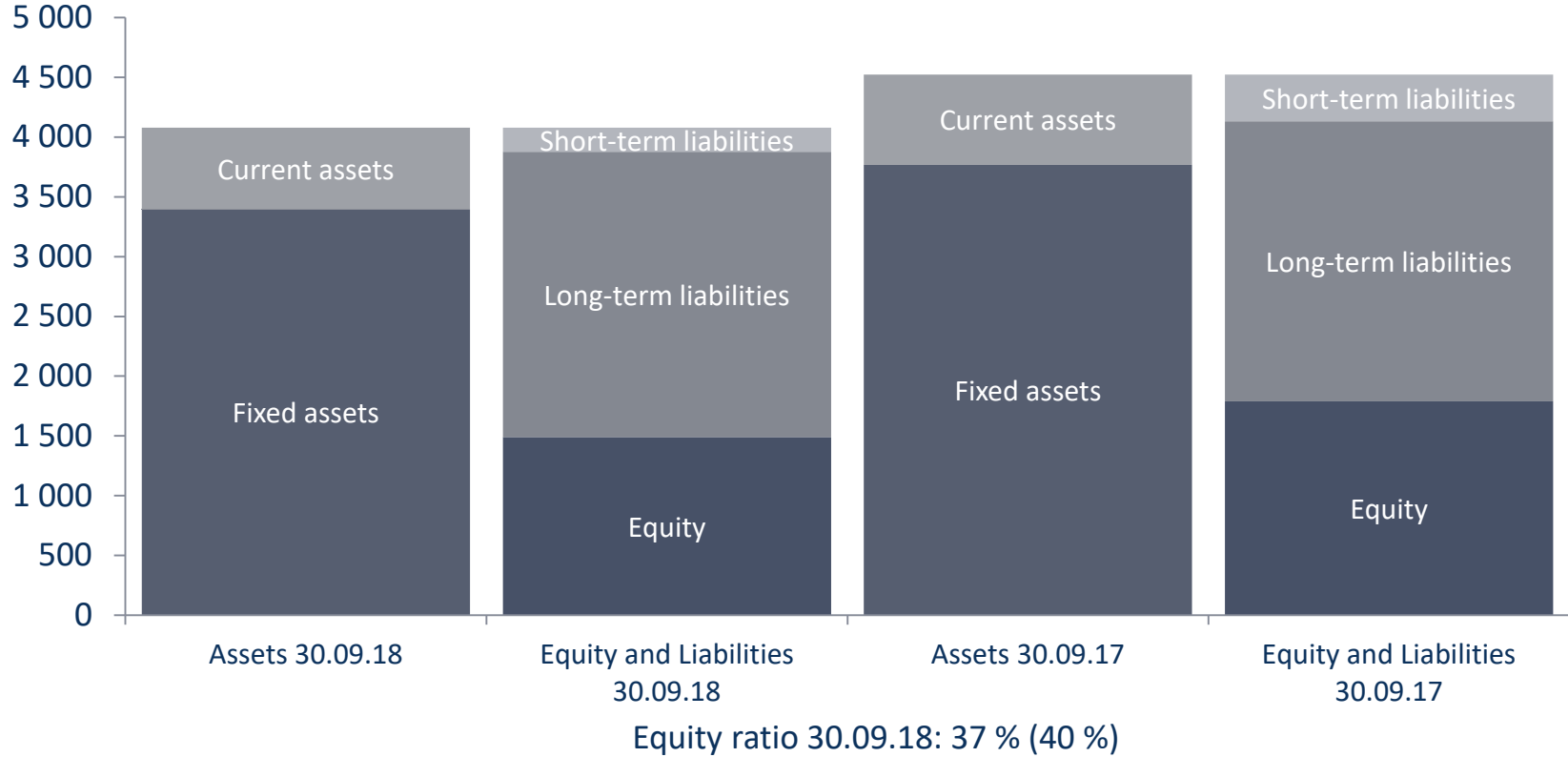
(in million NOK)

	3rd Quarter 2018	3rd Quarter 2017	1.1-30.9.2018	1.1-30.9.2017	2017
Net cashflow from operating activities	14,6	26,5	15,2	286,4	372,1
Net cashflow from investment activities	(10,8)	19,8	(38,5)	395,9	401,4
Net cashflow from finance activities	(53,4)	(98,1)	(43,8)	(681,5)	(765,8)
Net changes in cash holdings	(49,5)	(51,9)	(67,2)	0,8	7,7
Cash at beginning of period	539,8	602,4	557,4	549,7	549,7
Cash at end of period	490,2	550,5	490,2	550,5	557,4

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

Balance

(in million NOK)



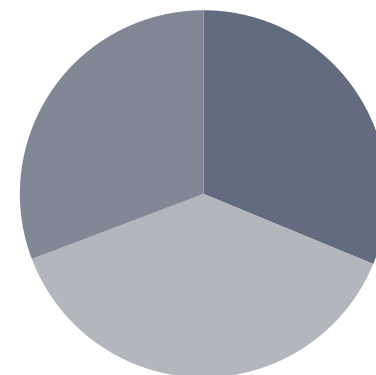
Segments

*Incl. Share of Joint Ventures
(in million NOK)*

3rd Quarter 2018	Seismic	Subsea	Supply	Other
Revenue	53,6	65,2	52,8	4,1
EBITDA	39,3	23,9	10,9	-4,1
EBIT	-9,2	-6,1	-7,5	-4,3
EBITDA margin	73 %	37 %	21 %	N/A
EBIT margin	-17 %	-9 %	-14 %	N/A

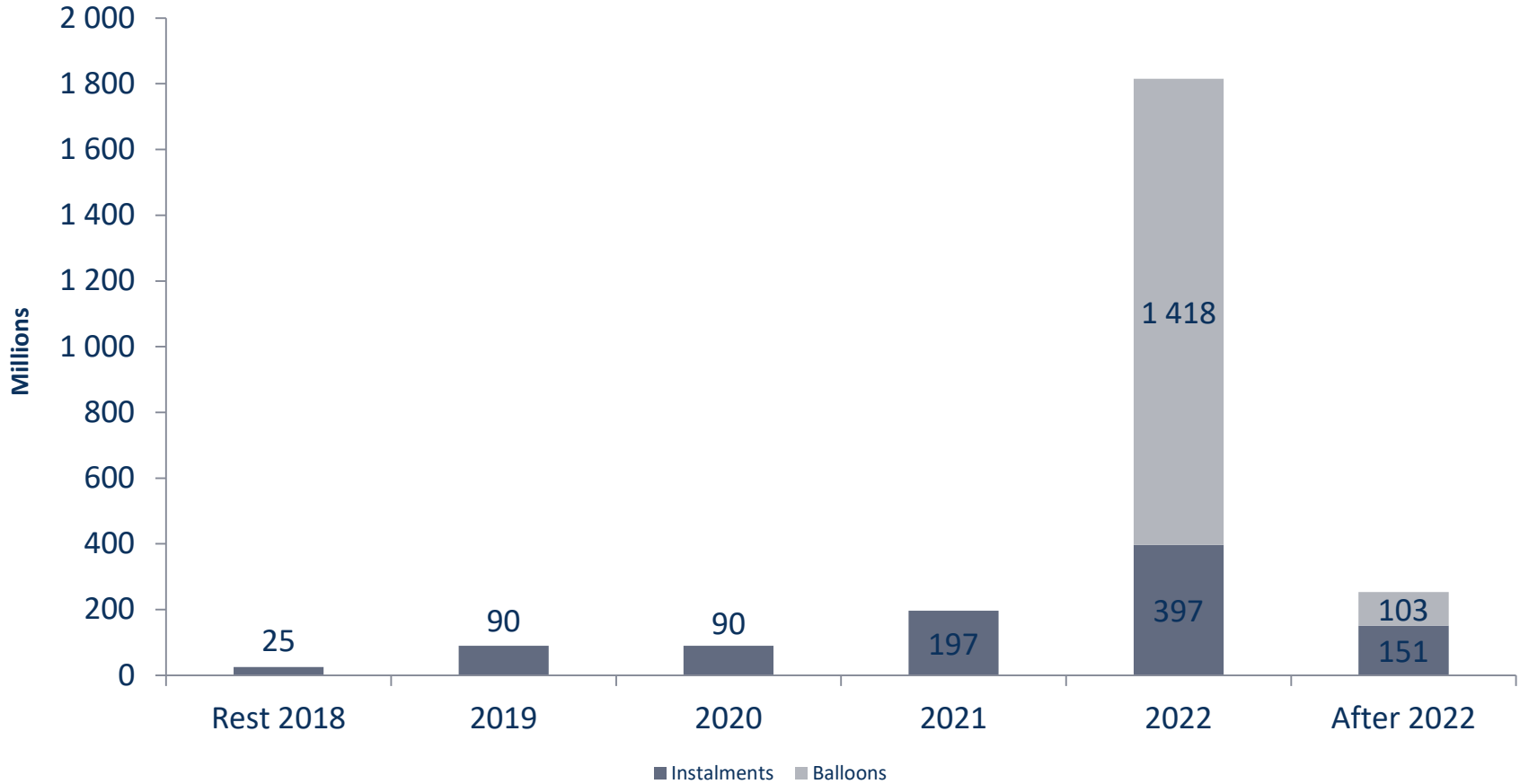
3rd Quarter 2017	Seismic	Subsea	Supply	Other
Revenue	62,3	93,1	44,7	4,7
EBITDA	49,9	53,5	10,7	-4,8
EBIT	5,1	26,9	-8,4	-5,3
EBITDA margin	80 %	57 %	24 %	N/A
EBIT margin	8 %	29 %	-19 %	N/A

**Revenue Q3
2018**



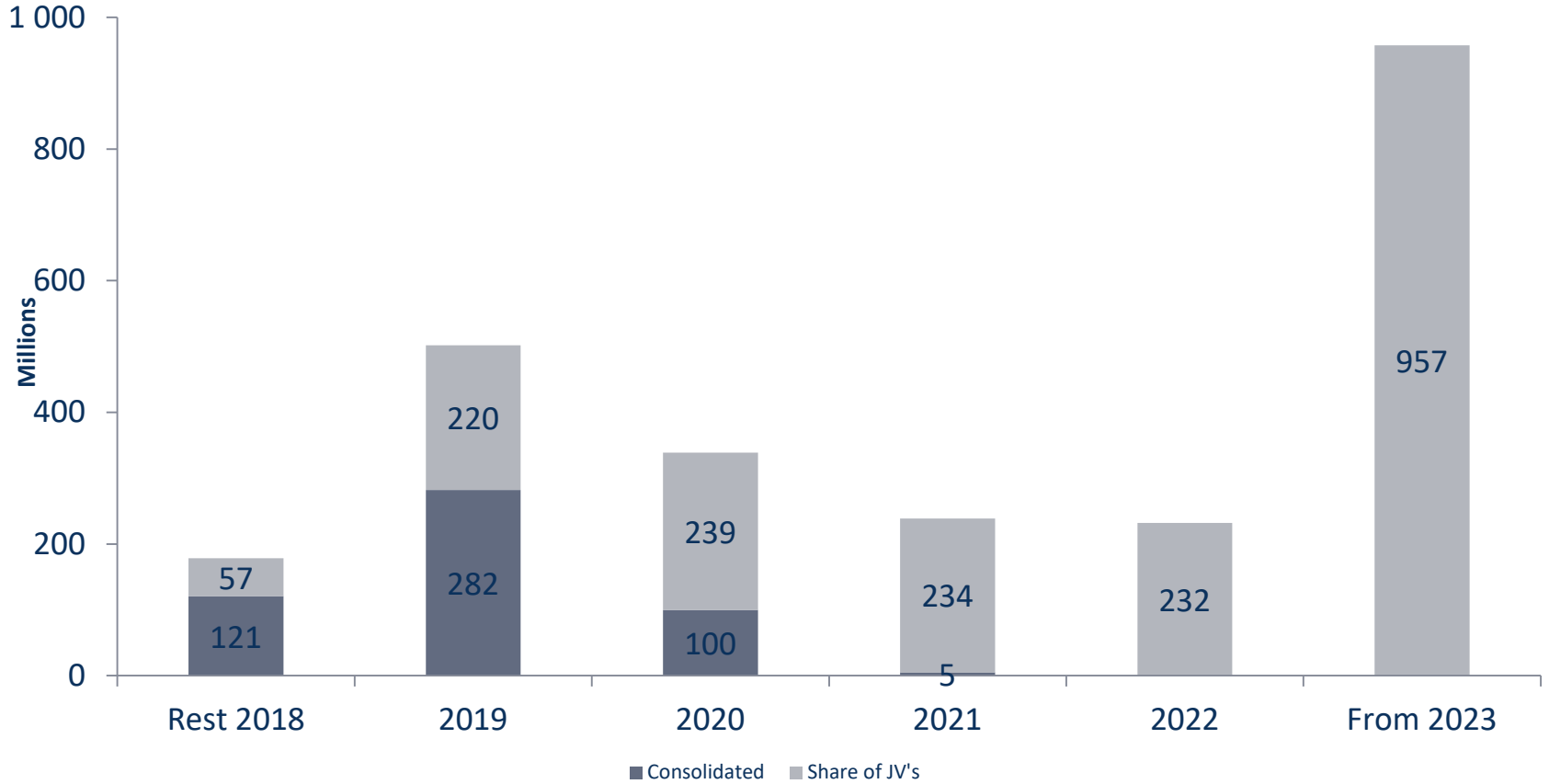
■ Seismic ■ Subsea ■ Supply

Debt maturity profile 30.09.2018



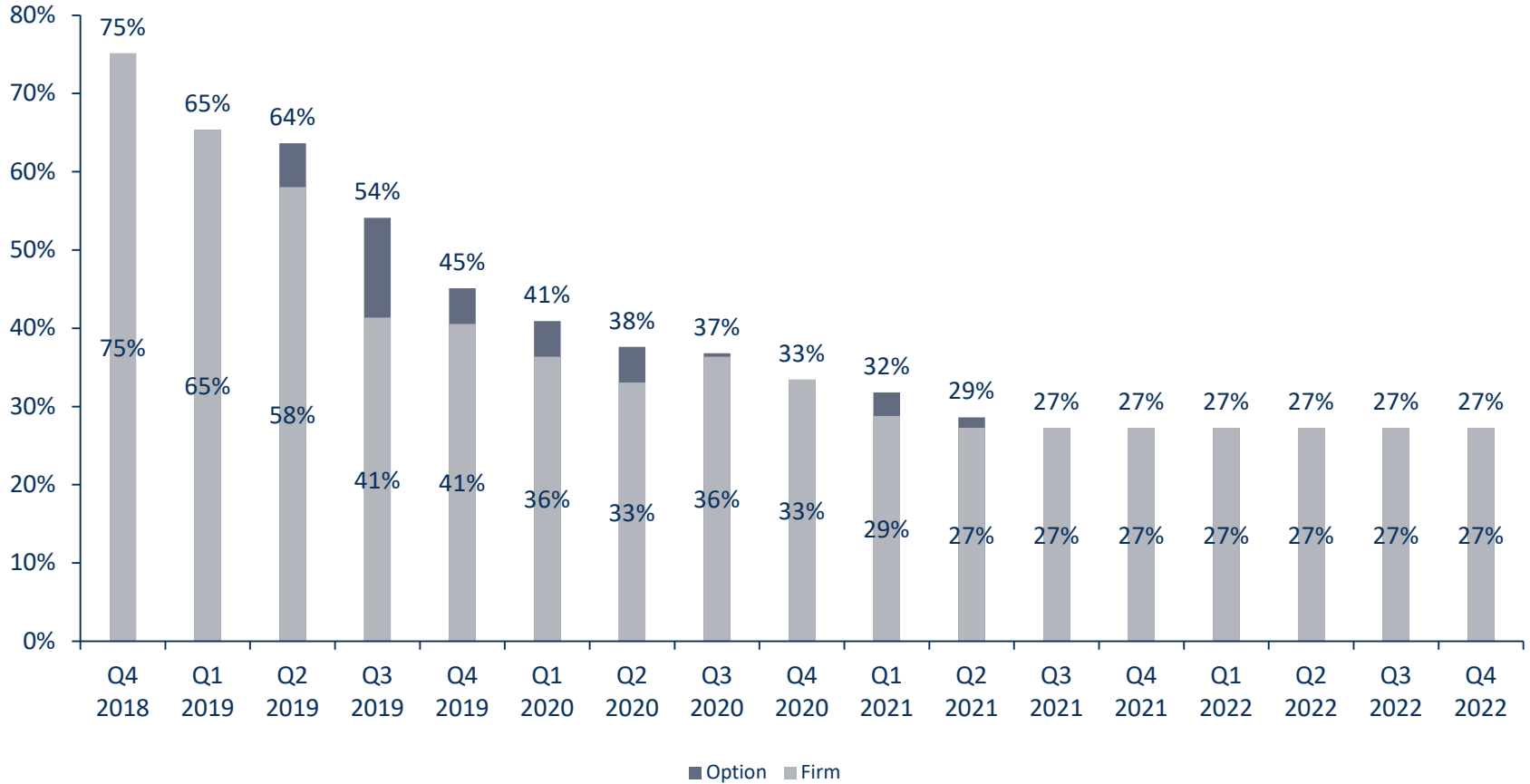


Contract Backlog 30.09.18

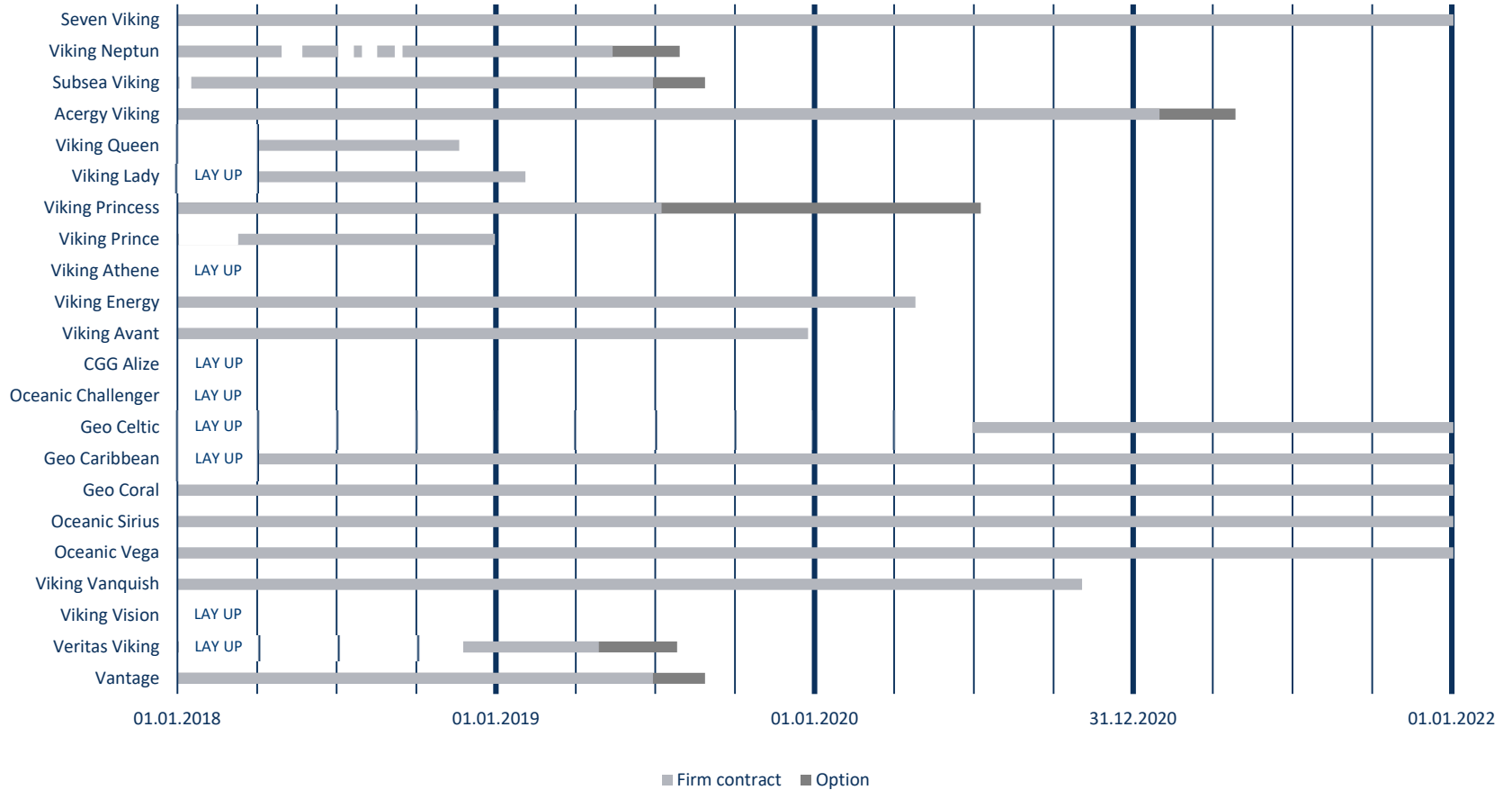




Contract coverage incl JV's 30.09.2018



Contract Status



Market

It has been a positive development in the rate level for larger PSV's for medium to long term contracts in 2018. The spot market has however been weak in the North Sea lately. It is expected a challenging market in the coming winter, but we expects a stronger market from spring 2019. We believe in a gradual market recovery for large PSV's in a long term perspective due to more rigs in work and the increasing exploration activity.

In the subsea segment it is a considerable activity and contract awards to the large subsea entrepreneurs, but much of this work will commence in later years. It will still take some time before the market for subsea vessels are in balance.

We believe in a market recovery starting 2020, and our medium to long term perspective remains positive for this segment.

In the seismic segment we see an increase in seismic spending year on year and also an increase in late sale of multi client seismic. The seismic market is in a considerable change with a concentration of vessels on fewer owners. We believe this will result in new opportunities for owners of seismic vessels, and we are positive to the seismic market in the future.

The Ocean Bottom segment remains active, and have shown signs of improvement so far this year.



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Thanks for Your attention!

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