



**Eidesvik**

## Presentation 4th Quarter 2014

Oslo 26.02.2015

CEO Jan Fredrik Meling

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## News in 4th Quarter 2014



Entered into a 180-days contract with Technip for the large subsea construction vessel under construction at Kleven. The vessel, «Viking Neptun», will commence the contract primo March 2015.

The vessel was delivered from the yard medio February 2015.



## News after 31.12.14



Statoil has declared an option to extend the contract for 1 year from April 2015 for the LNG fuelled PSV «Viking Energy».



## 4th Quarter 2014 results

*(4th Quarter 2013 in brackets)*

Revenues	MNOK 259,4	(237,9)
EBITDA	MNOK 132,0	(135,2)
Operating profit	MNOK 20,9	(81,0)
Pre-tax profit	MNOK -254,7	(35,0)

*Q4 Profits influenced by disagio (MNOK -246,4) and vessel amortization (MNOK -52,0)*

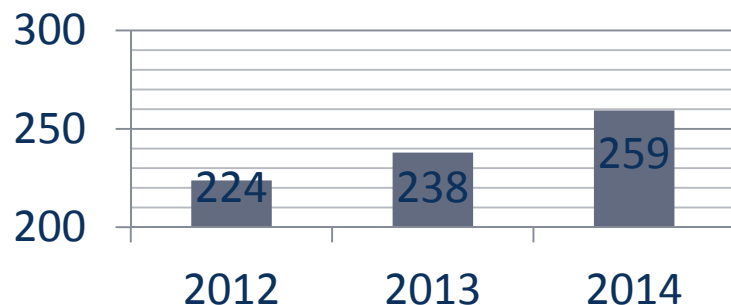




## Results 4th Quarter 2014

(in million NOK, Gain on sale excluded)

### Operating revenue Q4



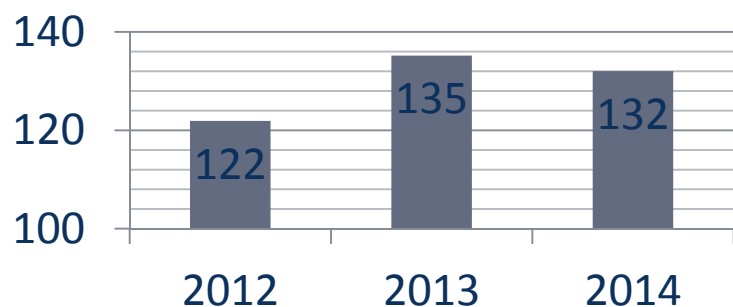
The results in 4th Quarter compared to last year are influenced of:

-Viking Forcados was sold in 3<sup>rd</sup> Quarter 2013 and Geo Searcher in 2<sup>nd</sup> Quarter 2014.

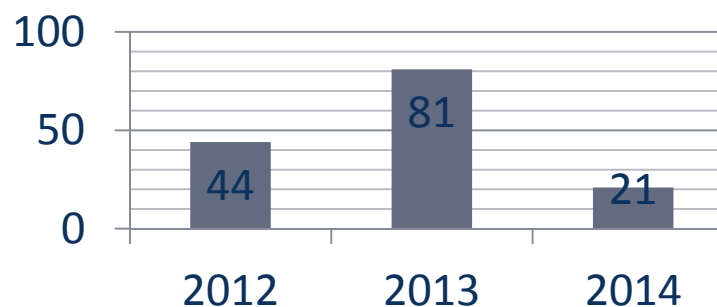
-Viking Prince and Viking Nereus has been operated in the spot market in Q4 2014

- Amortization of MNOK 52,0 related to 3 older seismic vessels with upgrade requirement.

### EBITDA Q4



### EBIT Q4

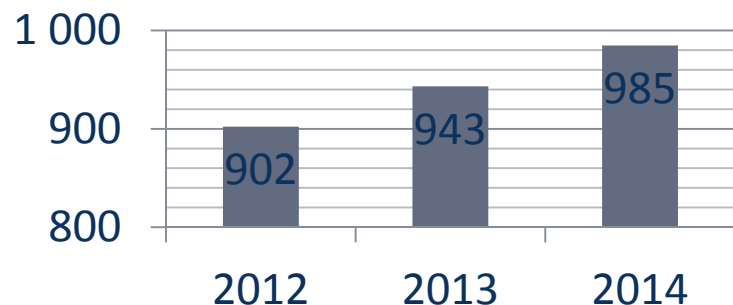




## Results pr 31.12.2014

(in million NOK, Gain on sale excluded)

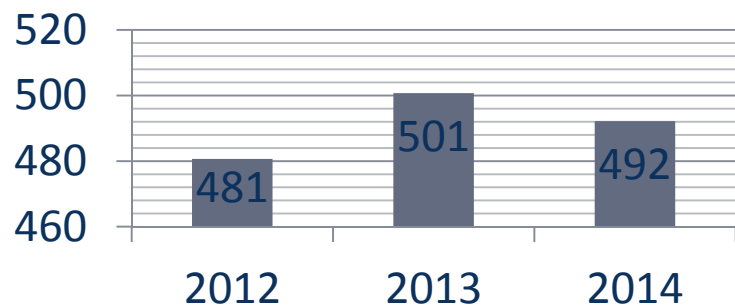
### Operating revenue YTD



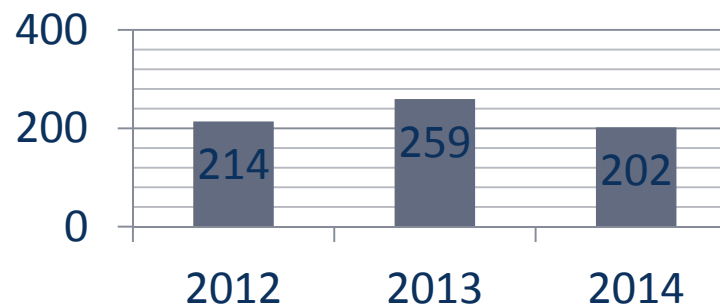
The results YTD compared to last year are influenced of:

- 3 vessels with yard stay in 1<sup>st</sup> Quarter 2014
- Viking Forcados was sold in 3<sup>rd</sup> Quarter 2013 and Geo Searcher in 2<sup>nd</sup> Quarter 2014
- Amortization of MNOK 52,0 related to 3 older seismic vessels with upgrade requirement in Q4 2014

### EBITDA YTD



### EBIT YTD





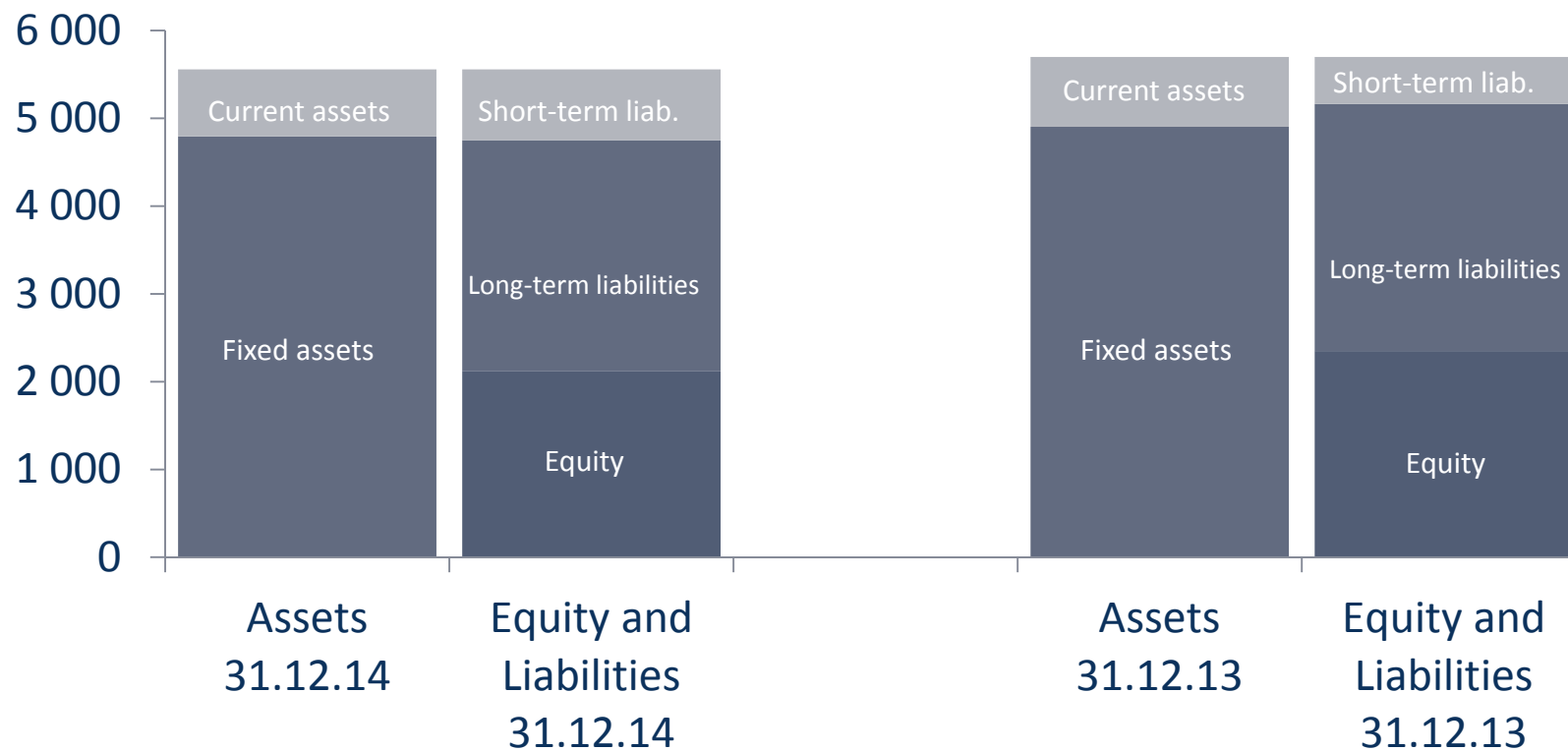
## Cash Flow *(in million NOK)*

	<b>4th Quarter 2014</b>	4th Quarter 2013	<b>YTD 2014</b>	YTD 2013
Net cashflow from operating activities	<b>176,7</b>	129,4	<b>537,5</b>	483,0
Net cashflow from investment activities	<b>(98,5)</b>	(64,6)	<b>(113,3)</b>	110,7
Net cashflow from finance activities	<b>(33,8)</b>	(89,1)	<b>(457,4)</b>	(265,9)
Net changes in cash holdings	<b>44,4</b>	(24,3)	<b>(33,2)</b>	327,8
Cash at beginning of period	<b>505,2</b>	607,1	<b>582,8</b>	255,0
Cash at end of period	<b>549,6</b>	582,8	<b>549,6</b>	582,8

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



## Balance (in million NOK)



Equity ratio 31.12.14: 38 % (41 %)





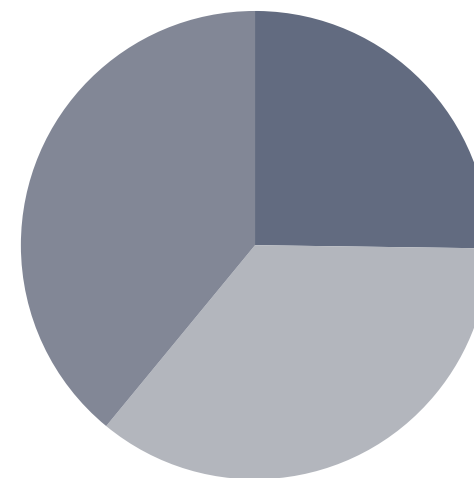
## Segments

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

4th Quarter 2014	Seismic	Subsea	Supply	Other
Revenue	75,2	106,7	116,5	6,1
EBITDA	75,2	60,9	41,1	-7,6
EBIT	-3,1	31,2	10,8	-8,6
EBITDA margin	100%	57%	35%	N/A
EBIT margin	-4%	29%	9%	N/A

4th Quarter 2013	Seismic	Subsea	Supply	Other
Revenue	70,1	96,5	113,8	7,2
EBITDA	67,7	50,4	54,5	-2,7
EBIT	39,3	22,7	22,1	-3,3
EBITDA margin	97%	52%	48%	N/A
EBIT margin	56%	23%	19%	N/A

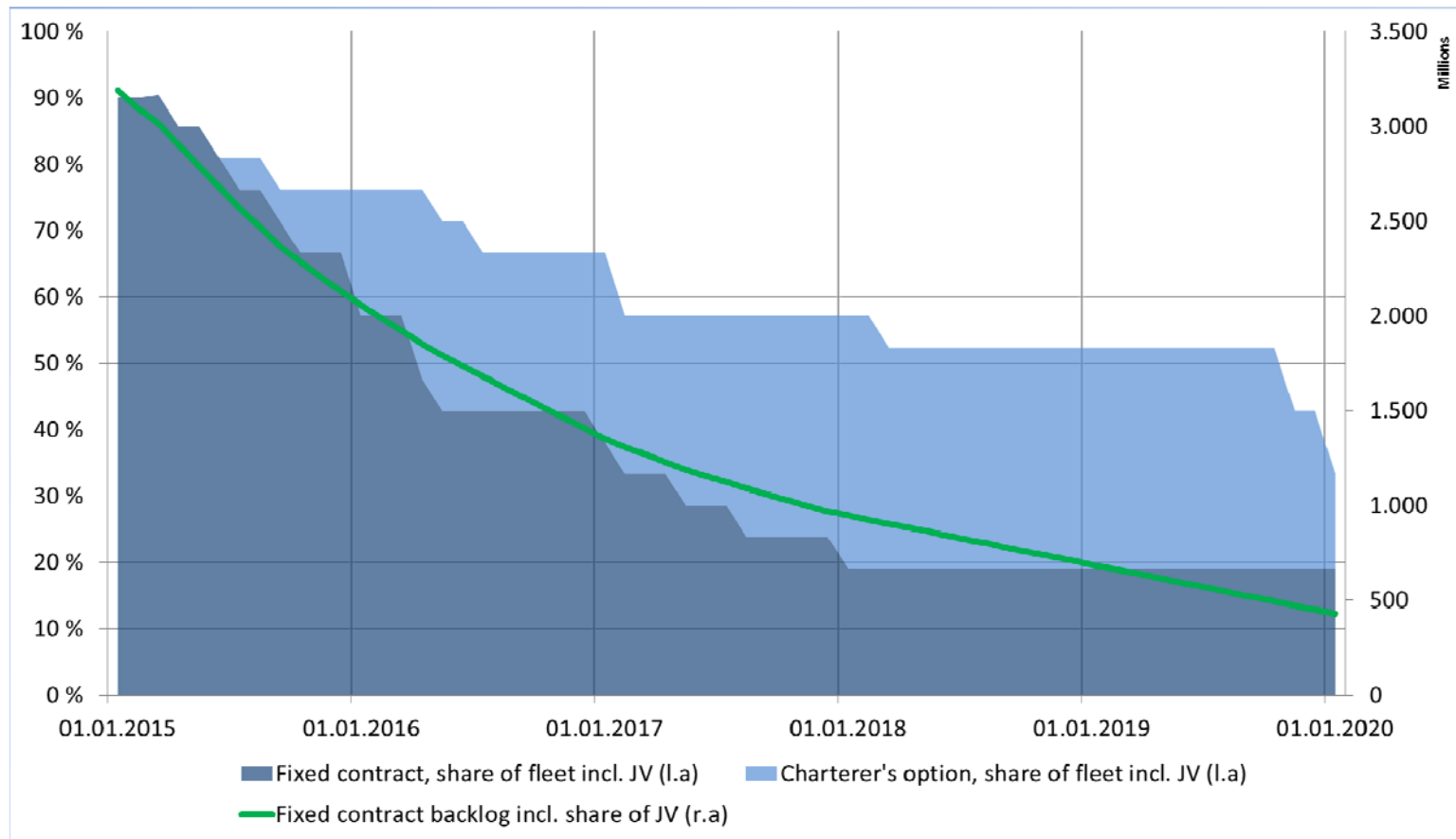
### Revenue Q4 2014



■ Seismic ■ Subsea ■ Supply

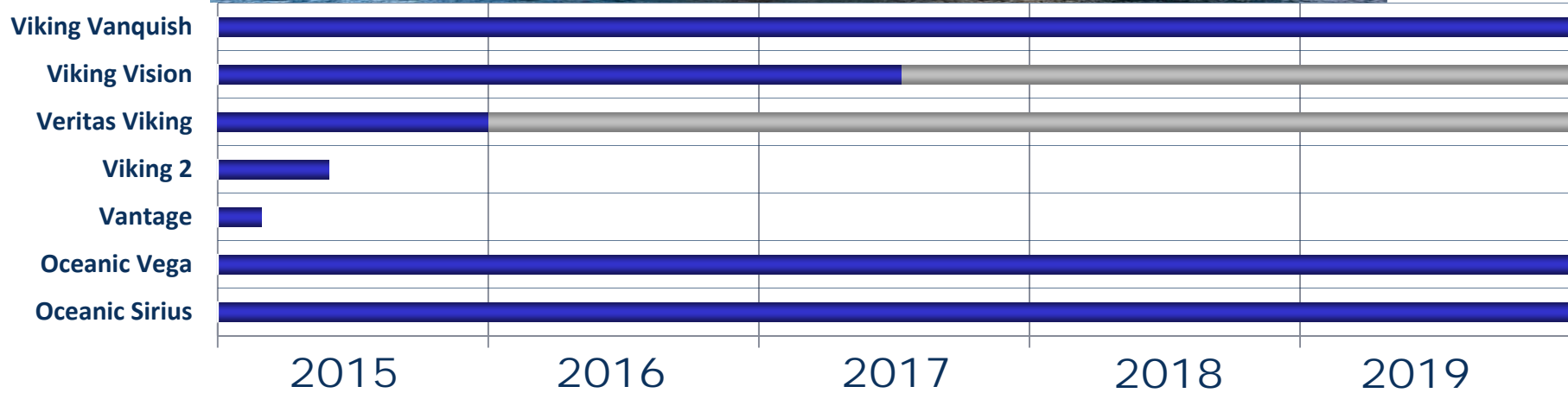


## Contract backlog (per 31.12.2014)



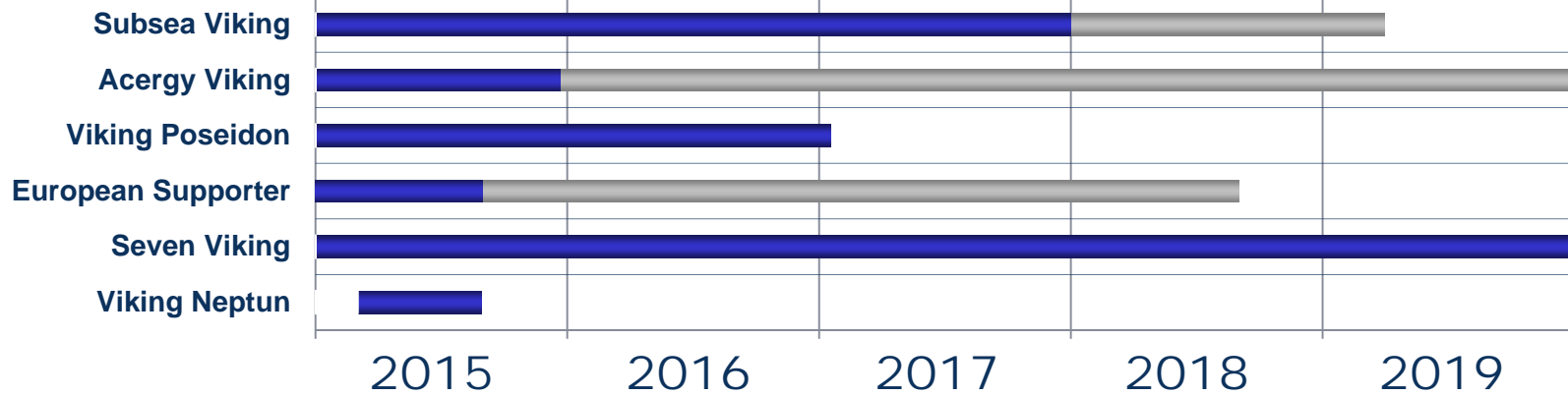


## Contract status seismic



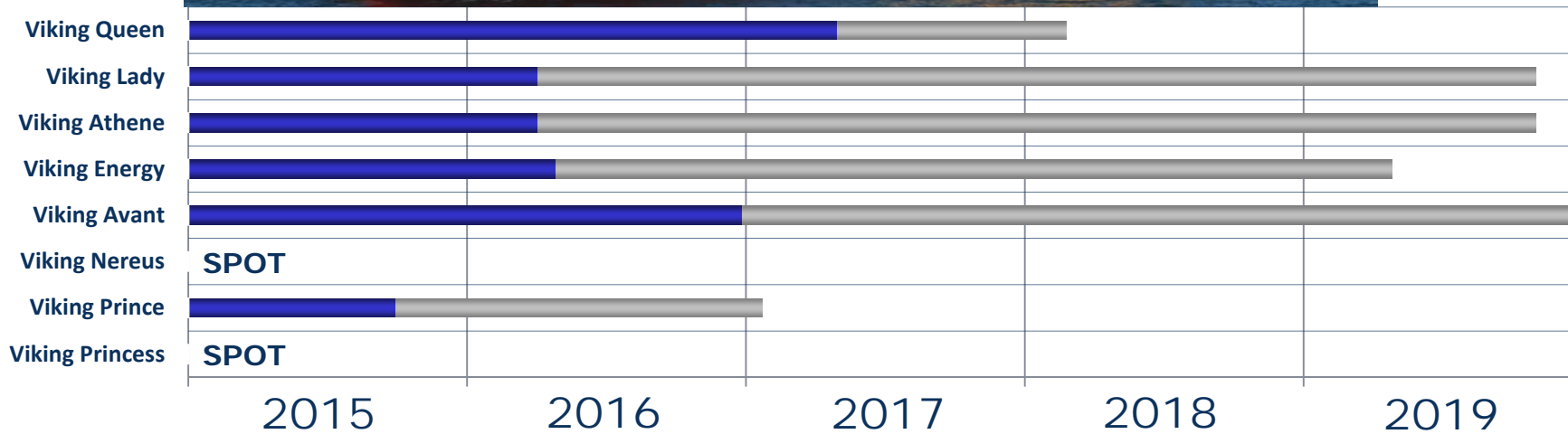


## Contract status subsea





# Contract status supply





## Market

The market conditions throughout our industry are very challenging. The steep reduction in oil price together with structural cost issues for the oil - and gas industry results in uncertainty in our market segments going forward.

The North Sea PSV spot market is weak and we expect more vessels to be laid up before we can see a stronger market. The soft spot market influences also the medium term market, and it is uncertain when we will experience a more balanced market for the PSV fleet.

The subsea market is more fragmented. There are several huge projects ongoing on global basis both in 2015 and 2016 which will require high end vessels. For Inspection, Repair and Maintenance work we see significant reduction in spending from oil companies, with corresponding reduction in demand for this category of vessels. However, we consider these substantial reductions in activity level not to be sustainable for a longer period of time.



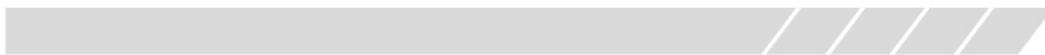


## Market (cont.)

The seismic market is also very challenging. The back -log for the main players are low for 2015. We expect more vessel to be retired or laid-up.

Eidesvik's total fixed contracts including pro rata shares of those in Joint Ventures amounts pr 31.12.14 to MNOK 3.188. For 2015 the amount is MNOK 1.133, and in 2016 MNOK 706. 79% of Eidesvik's fleet is operated on fixed contracts in 2015, and 47% in 2016.

Eidesvik makes plans for the difficult market conditions to continue the next years. Eidesvik works actively with cost reducing- and efficiency initiatives throughout the company. The Board of Directors of Eidesvik is of the opinion that financial strength and flexibility through this period is more important than maintaining dividend distribution. Therefore, The Board of Directors will propose to the General Meeting that no dividend will be distributed to the shareholders this year.





**Eidesvik**

Thanks for Your attention!

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