



Eidesvik

Presentation 4th Quarter 2015

Oslo 01.03.2016

CEO Jan Fredrik Meling

Your Partner in Shipping

News in 4th Quarter 2015



Sold the cable-lay vessel «European Supporter» and the seismic vessel «Viking II». A total gain on sale of MNOK 92,8 is recognized in the 4th Quarter accounts.

News in 4th Quarter 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 in 4th Quarter 2015



The PSV's «Viking Lady», «Viking Athene» and «Viking Prince» have been awarded shorter contracts in the period.

News after 31.12.2015



Entered into a 9-months contract with Siemens for «Acergy Viking». The vessel will be used as a support vessel for offshore wind on German sector. A gangway system will be installed on the vessel prior to contract commencement.

News after 31.12.2015



Awarded contract extension with Technip for «Viking Neptun». Contract commencement is primo April and will secure work for the vessel beyond 2016.

4th Quarter 2015 results

(4th Quarter 2014 in brackets)

Revenues	MNOK 343,2	(259,4)
EBITDA	MNOK 232,2	(132,0)
Operating profit	MNOK -115,6	(22,1)
Pre-tax profit	MNOK -200,0	(-254,7)

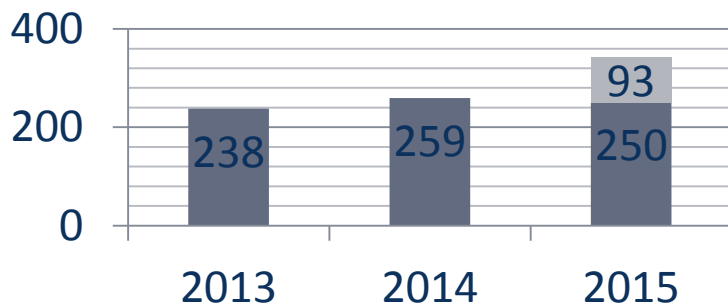
Q4 Profits influenced by gain on sale (MNOK 92,8), impairments (MNOK -290,0) and disagio (MNOK -47,5).



Results 4th Quarter 2015

(in million NOK)

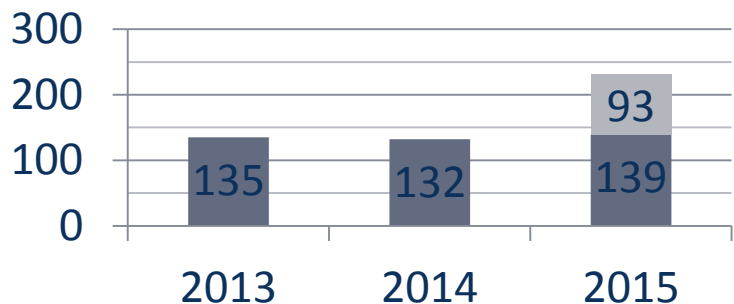
Operating revenue Q4



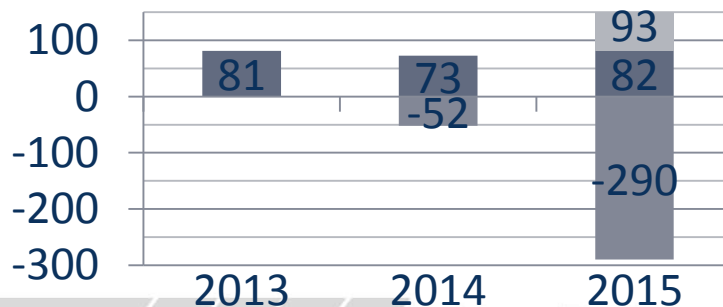
The results in 4th Quarter compared to last year are influenced of:

- Gain on sale of the vessels "European Supporter" and "Viking II" of MNOK 93
- 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 from Q2 2015
- Viking Nereus, Vantage and Viking II have been without contract in the period
- Impairment of 6 PSV's of MNOK 290 in 2015 and 3 seismic vessels of MNOK 52 in 2014

EBITDA Q4



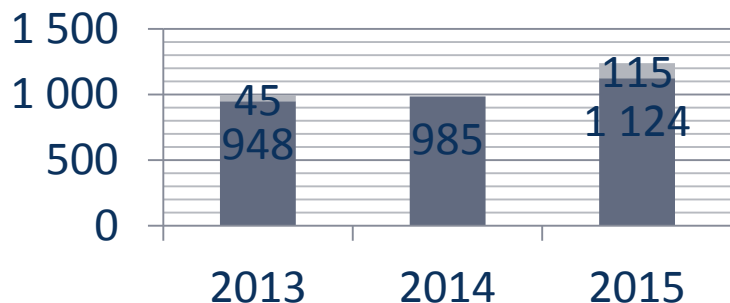
EBIT Q4



Results pr 31.12.2015

(in million NOK)

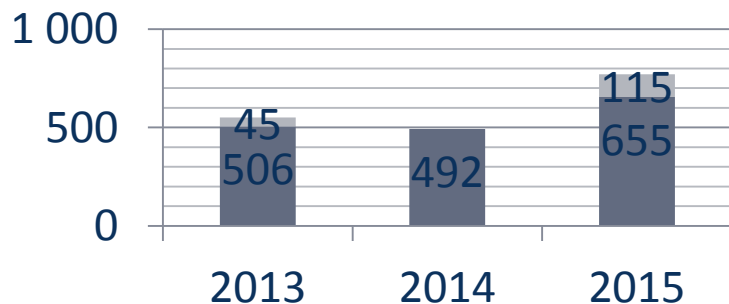
Operating Revenue



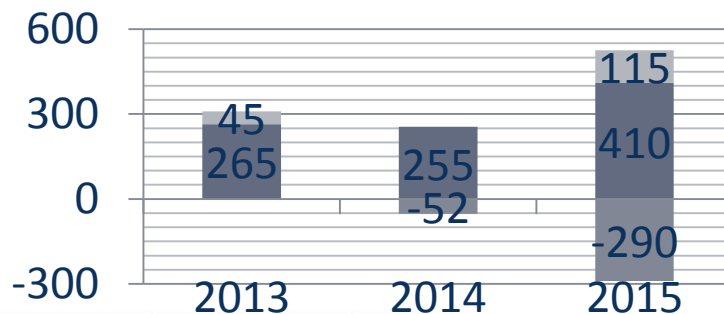
The results YTD compared to last year are influenced of:

- “Viking Neptun” commenced contract in 1st Quarter 2015
- Gain on sale of vessels and contract termination fee of MNOK 115
- 3 vessels with yard stay in 1st Quarter 2014
- 4 vessels without contract pr 31.12.2015
- Impairment charge of MNOK 290 in 2015 and MNOK 52 in 2014

EBITDA



EBIT



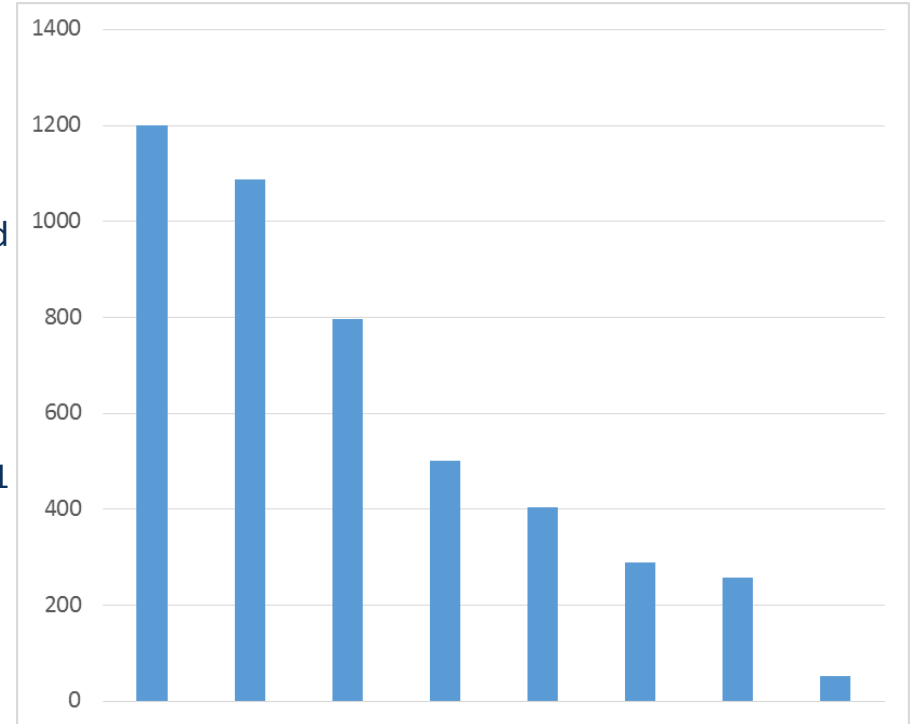


Long-term effects of different depreciation profiles and impairments in the OSV sector (MNOK)

In the OSV sector there are different accepted depreciation profiles. The consequence of following a more conservative profile results in higher reported ordinary depreciation (and lower EBIT), and lower reported book value of vessels.

Eidesvik follows a conservative depreciation profile compared to most of the other companies in the sector, and should presumably report lower impairments than other companies with similar assets.

Reference is made to attached chart. For each year from 2011 the sum of depreciation and impairment is divided by the assets for each company, indicating a relative depreciation rate. Eidesvik has the highest rate. The chart indicates the reduced accumulated depreciation and impairments for Eidesvik if the depreciation profile and impairments for the various OSV companies were applied in 2011-2015. The book value of Eidesvik's assets would increase correspondingly.



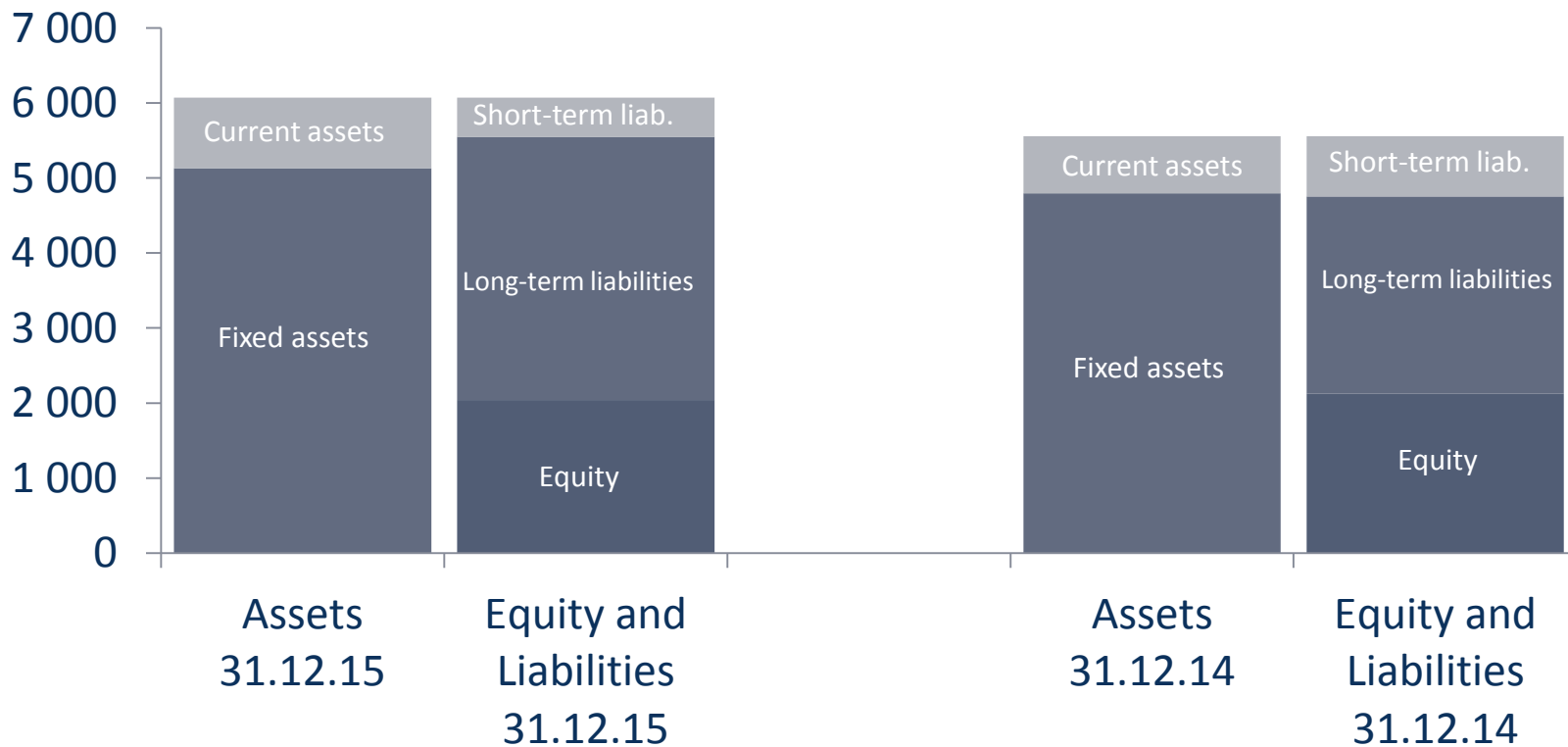
Cash Flow *(in million NOK)*

	4th Quarter 2015	4th Quarter 2014	YTD 2015	YTD 2014
Net cashflow from operating activities	249,3	176,7	640,0	537,5
Net cashflow from investment activities	216,5	(98,5)	(706,7)	(113,3)
Net cashflow from finance activities	(185,5)	(33,8)	219,4	(457,4)
Net changes in cash holdings	280,3	44,4	152,7	(33,2)
Cash at beginning of period	422,0	505,2	549,6	582,8
Cash at end of period	702,3	549,6	702,3	549,6

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

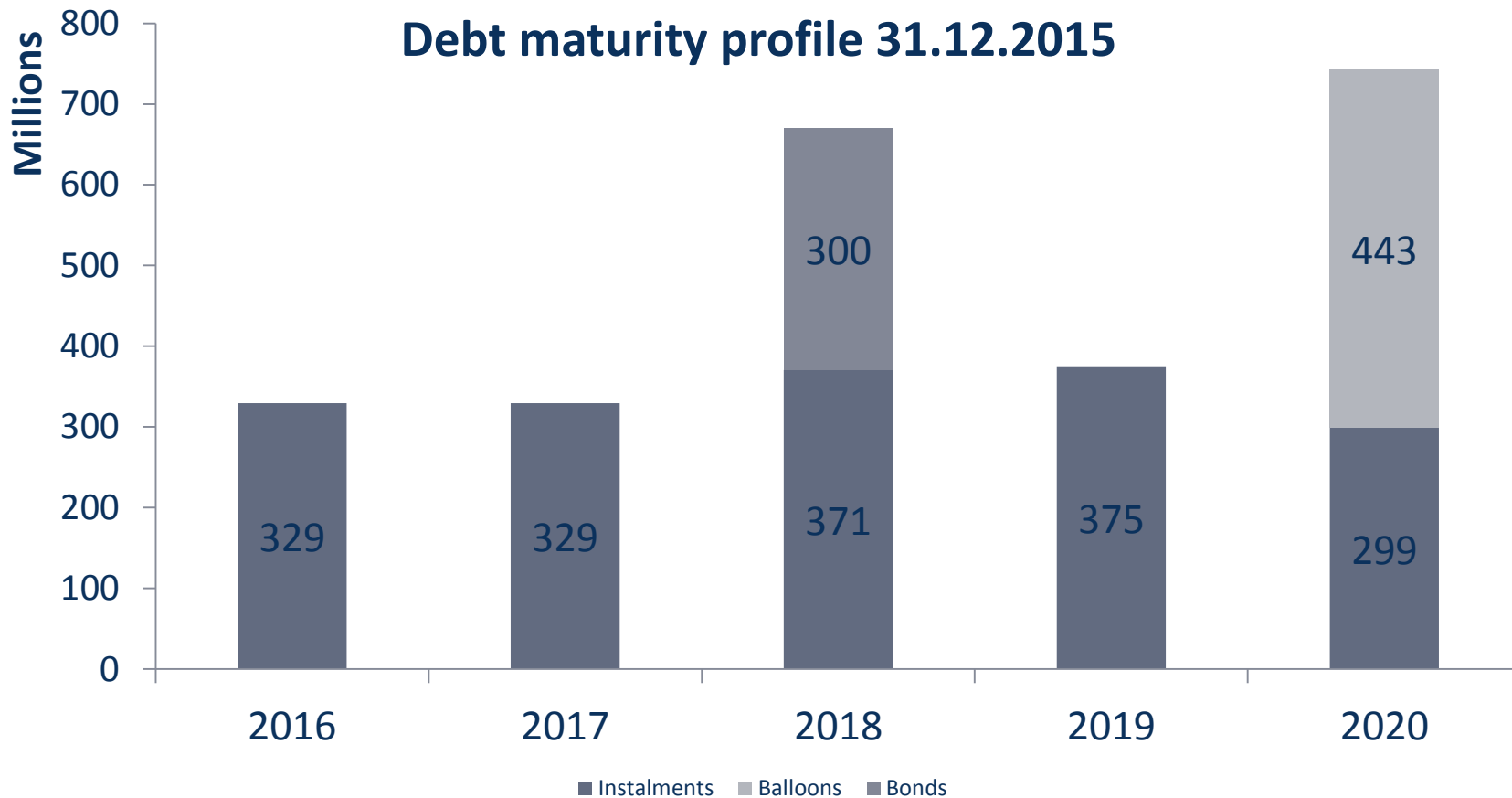
Balance

(in million NOK)



Equity ratio 30.09.15: 34 % (38 %)

Debt maturity profile 31.12.2015



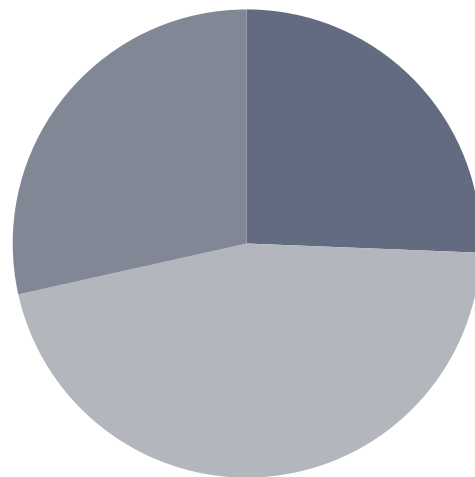
Segments

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

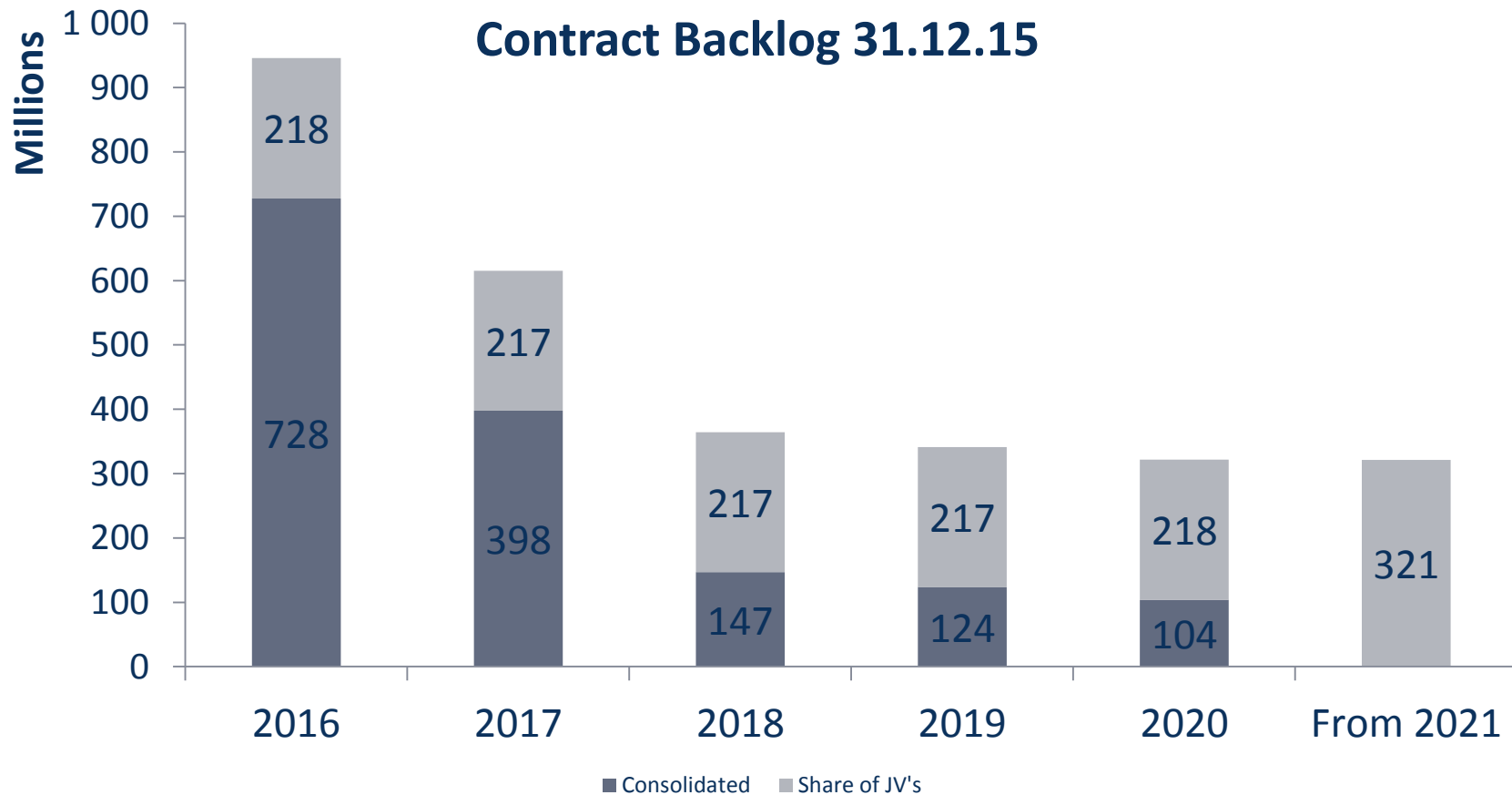
4th Quarter 2015	Seismic	Subsea	Supply	Other
Revenue	75,5	135,2	84,0	4,7
EBITDA	68,5	77,0	32,0	2,9
EBIT	45,7	37,2	3,0	2,4
EBITDA margin	91%	57%	38%	N/A
EBIT margin	60%	28%	4%	N/A

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	48,9	31,2	10,8	-8,6
EBITDA margin	100%	57%	35%	N/A
EBIT margin	65%	29%	9%	N/A

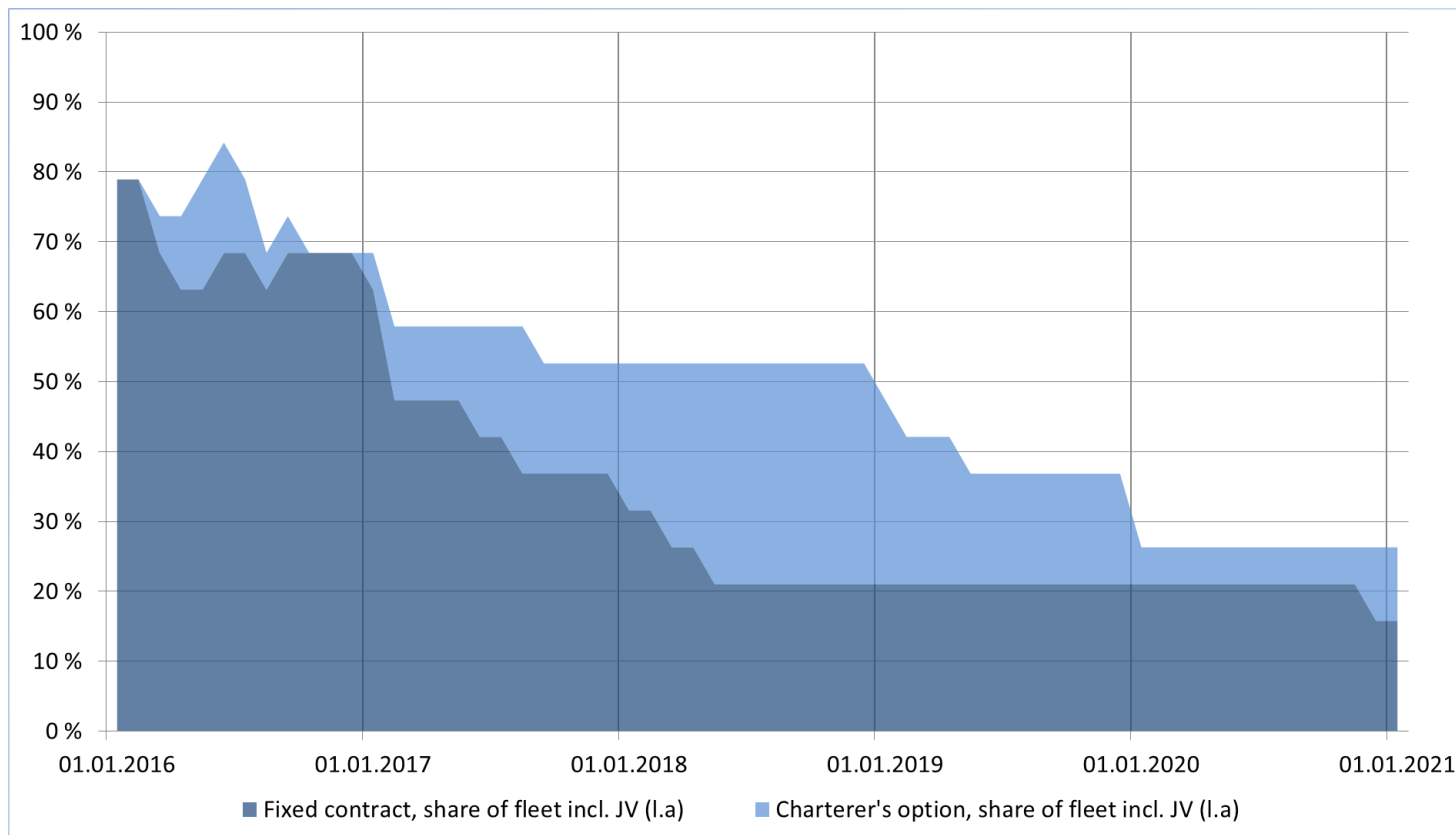
Revenue Q4 2015



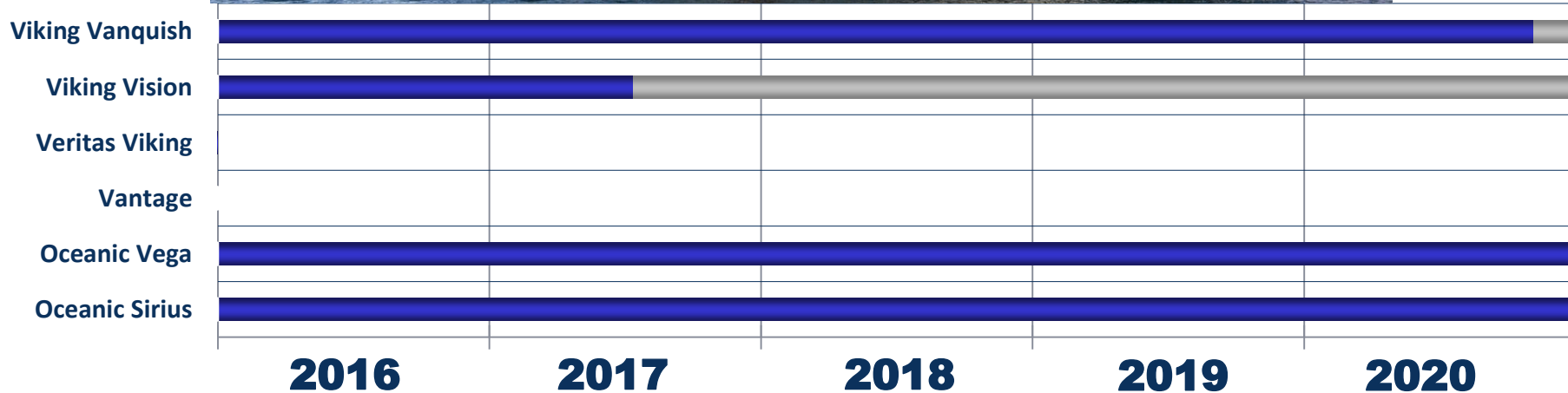
■ Seismic ■ Subsea ■ Supply



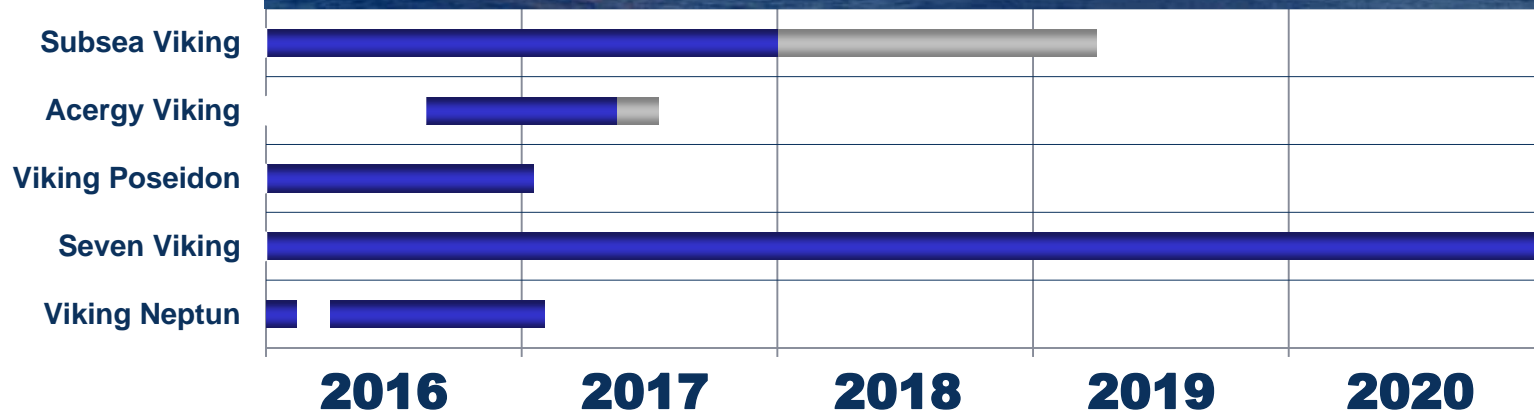
Contract coverage (per 31.12.2015)



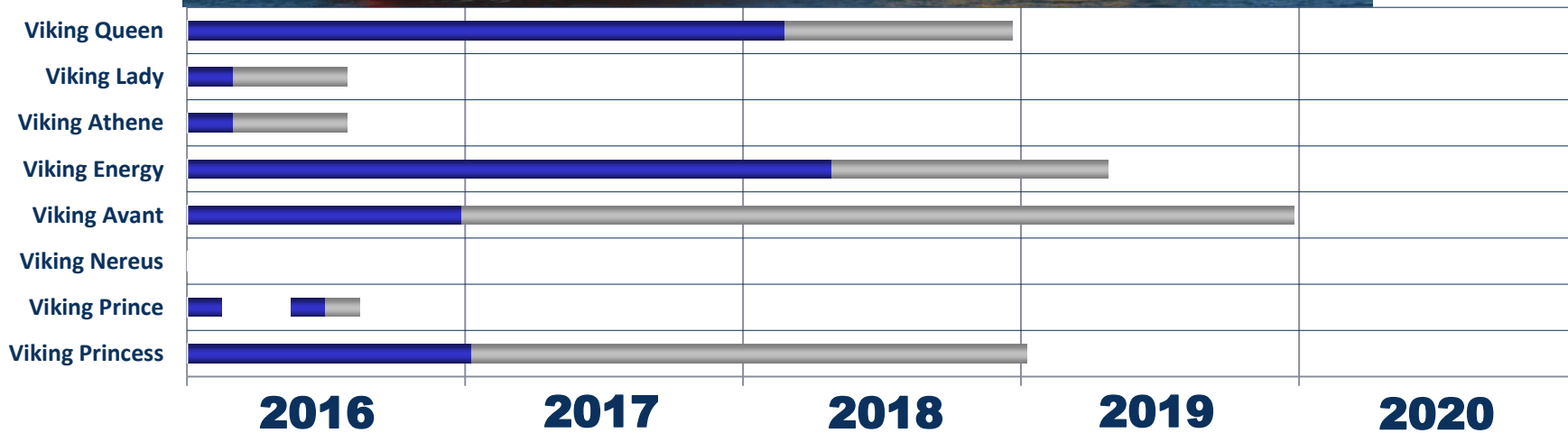
Contract status seismic



Contract status subsea



Contract status supply



Positioning for difficult markets

In order to be best possible positioned for difficult market conditions the company has accomplished the following:

Renewed and entered into new contracts in a very challenging market (turnover MNOK 465):

- Viking Neptun.
- Viking Energy and Viking Queen; battery solution.
- Acergy Viking; wind-market entry with Siemens.
- Viking Athene, Viking Lady, Viking Prince and Viking Princess.

Sold vessels – European Supporter and Viking II with debt-reduction of MUS\$ 12 and net cash effect of MUS\$ 17.

Renegotiated all loan agreements which had maturity in 2016, -17, -18 and -19.

Entered into agreement with sea-employees for working hours reduction

General reduction of operating expenses through lay-up and flag-change etc.

Reduced administration expenses.

Negotiated new agreements with major suppliers.

Market

The market conditions have deteriorated further through 4th Quarter 2015. Further, we experience additional cuts in the oil companies' investments, which will reduce the activity levels going forward.



Eidesvik

Thanks for Your attention!

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