



**Eidesvik**

## Presentation 4th Quarter 2017

Oslo 28.02.2018

CEO Jan Fredrik Meling

Your Partner in Shipping

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## News in 4th Quarter 2017



*Entered into an agreement for contract extension with Siemens Gamesa Renewable Energy for “Acergy Viking” for support work in the market for offshore wind on German sector. The contract is firm to January 2020 and is in direct continuation of the current contract. The charterer has options for extension after the firm contract.*

## News in 4th Quarter 2017



*Awarded a contract for 18 months with 12 months options for Chevron North Sea Limited for the PSV “Viking Princess”. Commencement is January 2018 and is in direct continuation of the current contract.*

## News after 31.12.2017



*Entered a letter of intent of contracts with Seabed Geosolution for “Subsea Viking” and “Vantage” for work in the market for node seismic. Contract commencement are respectively ultimo January and primo February. The duration is expected to be the remaining part of 2018.*





## News after 31.12.2017



*Statoil has declared a one-year option for the supply vessel Viking Energy from April this year, in direct continuation of current contract. The vessel will be prepared for shore power, and equipment for better fuel consumption measurement will be installed.*

## News after 31.12.2017



*Entered into a contract with Deceiper Production Limited for “Viking Prince”. Contract commencement is in February 2018 and is for approx. 85 days.*



*Entered into a contract with Norske Shell for “Viking Prince”. Contract commencement is after the contract mentioned above and is firm for two wells.*

*Entered into a contract with Saipem for “Viking Queen”. Contract commencement is in March/April 2018 and is for between 100 and 160 days.*

## 4th Quarter 2017 results

*(4th Quarter 2016)*

|                  |             |                 |
|------------------|-------------|-----------------|
| Revenues         | MNOK 133,0  | <i>(209,4)</i>  |
| EBITDA           | MNOK 33,3   | <i>(135,9)</i>  |
| Operating profit | MNOK -158,9 | <i>(-378,3)</i> |
| Pre-tax profit   | MNOK -220,6 | <i>(-514,7)</i> |

*Q4 2017 profits influenced by impairment of assets and agio related to debt in foreign currency.*

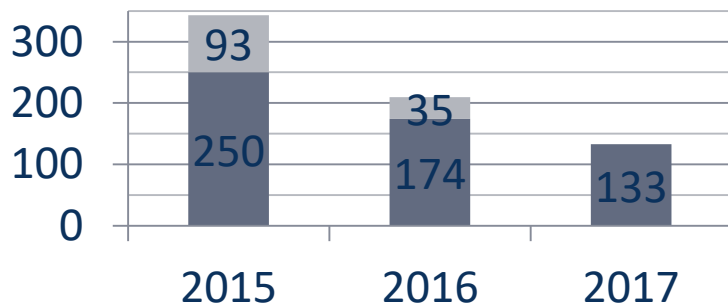




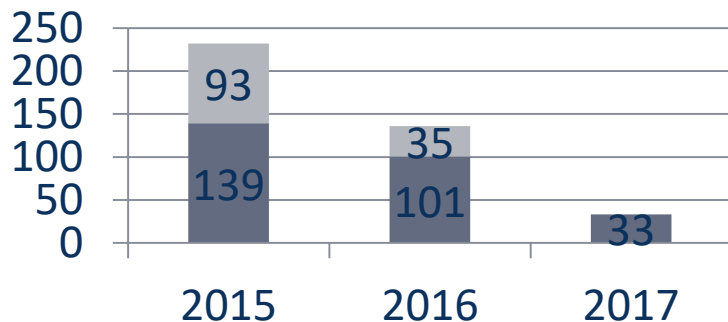
# Results 4th Quarter 2017

(in million NOK, impairments excluded)

## Operating revenue Q4



## EBITDA Q4



## EBITDA Q4 2017 vs. Q4 2016 (MNOK -67,3):

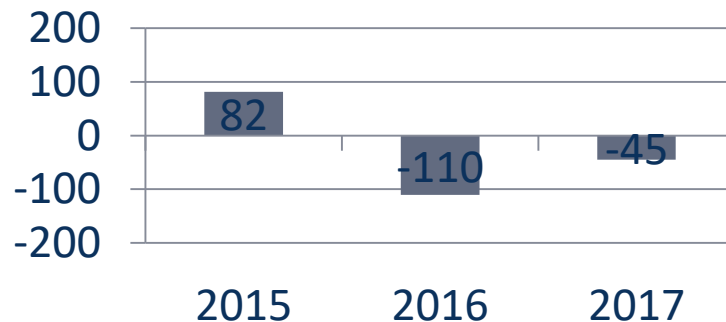
**Seismic:** Decrease of freight income of MNOK 10,0, increase in the total operating expenses of MNOK 4,9. Net decrease in EBITDA of MNOK 14,9.

**Subsea:** Decrease of freight income of MNOK 20,2, decrease in the total operating expenses of MNOK 8,5. Net decrease in EBITDA of MNOK 11,7.

**Supply:** Decrease of freight income of MNOK 9,5, decrease of total operating expenses of MNOK 0,5. Net decrease of MNOK 9,0.

Of **other** freight income and operating expenses is the change in EBITDA an decrease of MNOK 31,7.

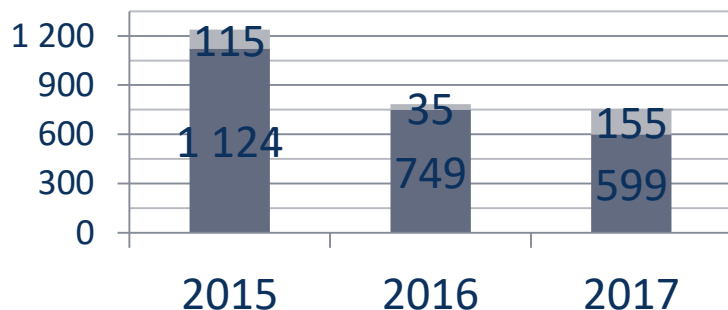
## EBIT Q4\*



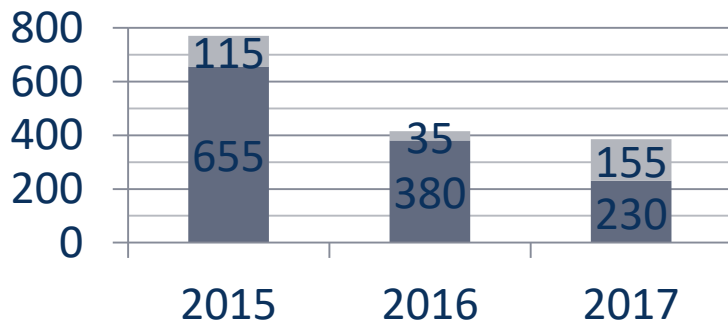
# Results pr 31.12.2017

(in million NOK, impairments excluded)

## Operating revenue YTD



## EBITDA YTD



## EBITDA 2017 vs. 2016 (MNOK -150,1):

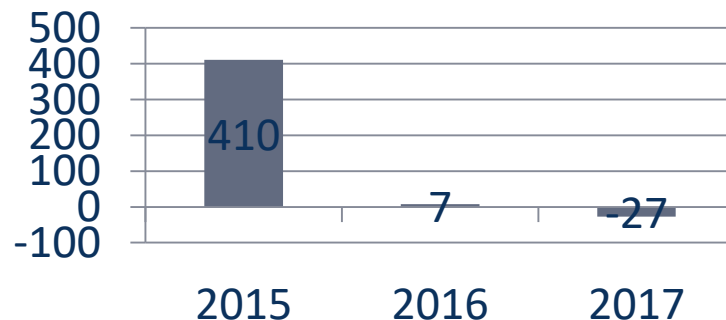
**Seismic:** Decrease of freight income of MNOK 23,2, increase in the total operating expenses of MNOK 42,2. Net decrease in EBITDA of MNOK 65,4.

**Subsea:** Decrease of freight income of MNOK 41,7, decrease in the total operating expenses of MNOK 26,5. Net decrease in EBITDA of MNOK 15,1.

**Supply:** Decrease of freight income of MNOK 78,0, decrease of total operating expenses of MNOK 38,1. Net decrease of MNOK 39,9.

Of **other** freight income and operating expenses is the change in EBITDA a decrease of MNOK 29,7.

## EBIT YTD\*



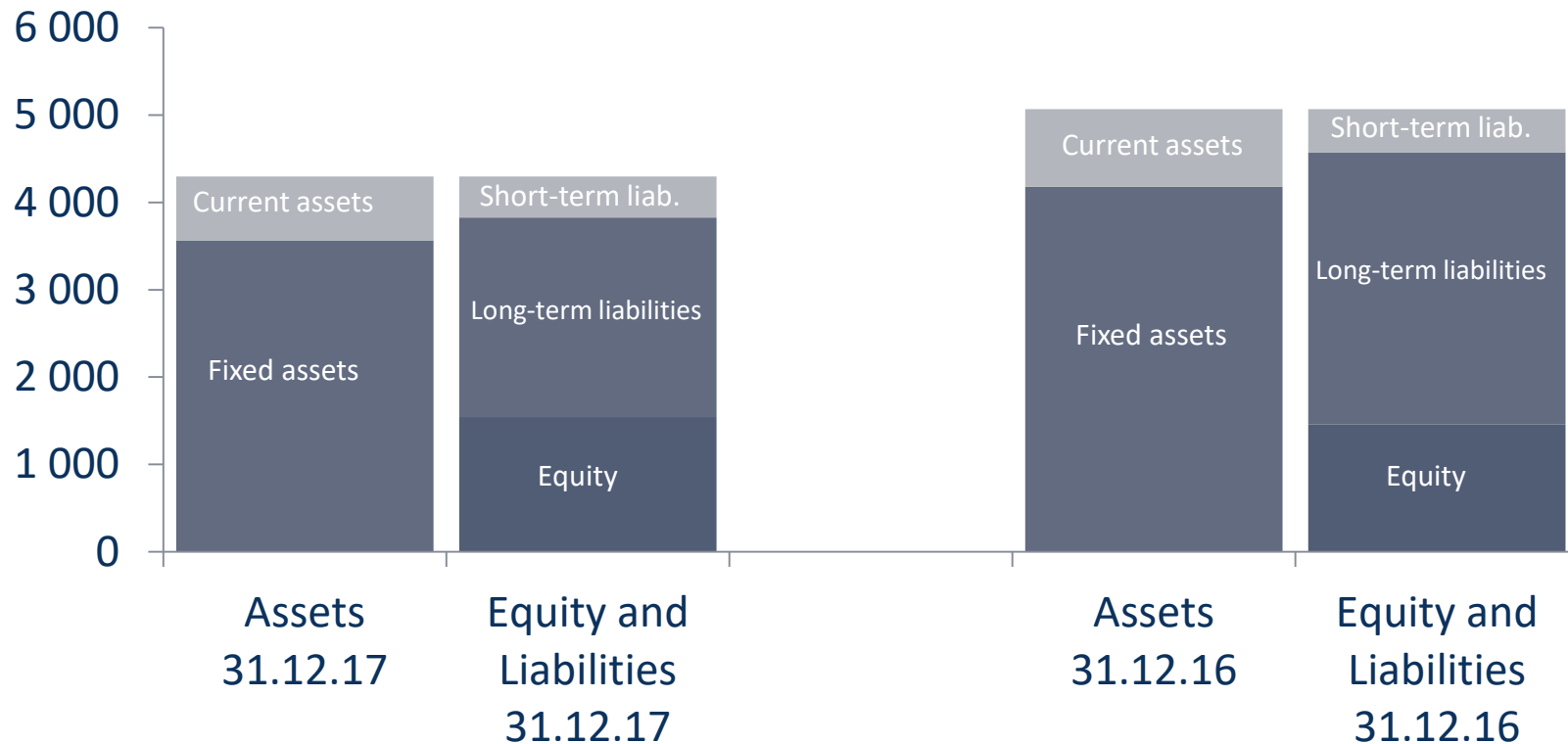
# Cash Flow *(in million NOK)*

|   | 4th Quarter<br>2017 | 4th Quarter<br>2016 | 1.1-<br>31.12.2017 | 1.1-<br>31.12.2016 |
|---|---------------------|---------------------|--------------------|--------------------|
| Net cashflow from operating activities  | <b>76,1</b>         | 112,7               | <b>362,5</b>       | 326,9              |
| Net cashflow from investment activities | <b>15,1</b>         | 20,1                | <b>410,9</b>       | 12,8               |
| Net cashflow from finance activities    | <b>(84,3)</b>       | (126,4)             | <b>(765,8)</b>     | (492,2)            |
| Net changes in cash holdings            | <b>6,9</b>          | 6,4                 | <b>7,7</b>         | (152,5)            |
| Cash at beginning of period             | <b>550,5</b>        | 543,4               | <b>549,7</b>       | 702,3              |
| Cash at end of period                   | <b>557,4</b>        | 549,7               | <b>557,4</b>       | 549,7              |

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

## Balance

(in million NOK)



Equity ratio 31.12.17: 36 % (29 %)

# Segments

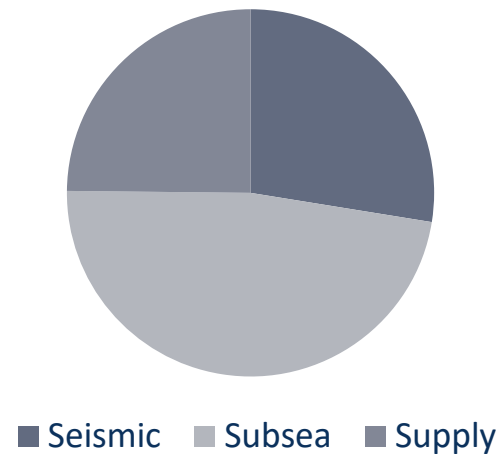
*Incl. Share of Joint Ventures  
(MNOK)*

| 4rd Quarter 2017 | Seismic | Subsea | Supply | Other |
|------------------|---------|--------|--------|-------|
| Revenue          | 48,7    | 84,2   | 43,9   | 4,4   |
| EBITDA           | 29,8    | 42,7   | 8,6    | -11,4 |
| EBIT             | -14,3   | -18,7  | -88,4  | -11,7 |
| EBITDA margin    | 61%     | 51%    | 20%    | N/A   |
| EBIT margin      | -29%    | -22%*  | -25%*  | N/A   |

| 4rd Quarter 2016 | Seismic | Subsea | Supply | Other |
|------------------|---------|--------|--------|-------|
| Revenue          | 97,5    | 97,7   | 53,3   | 5,1   |
| EBITDA           | 87,6    | 54,7   | 17,6   | 20,1  |
| EBIT             | -32,1   | -111,6 | -179,0 | 19,6  |
| EBITDA margin    | 90%     | 56%    | 33%    | N/A   |
| EBIT margin      | -33%    | 19%*   | -10%*  | N/A   |

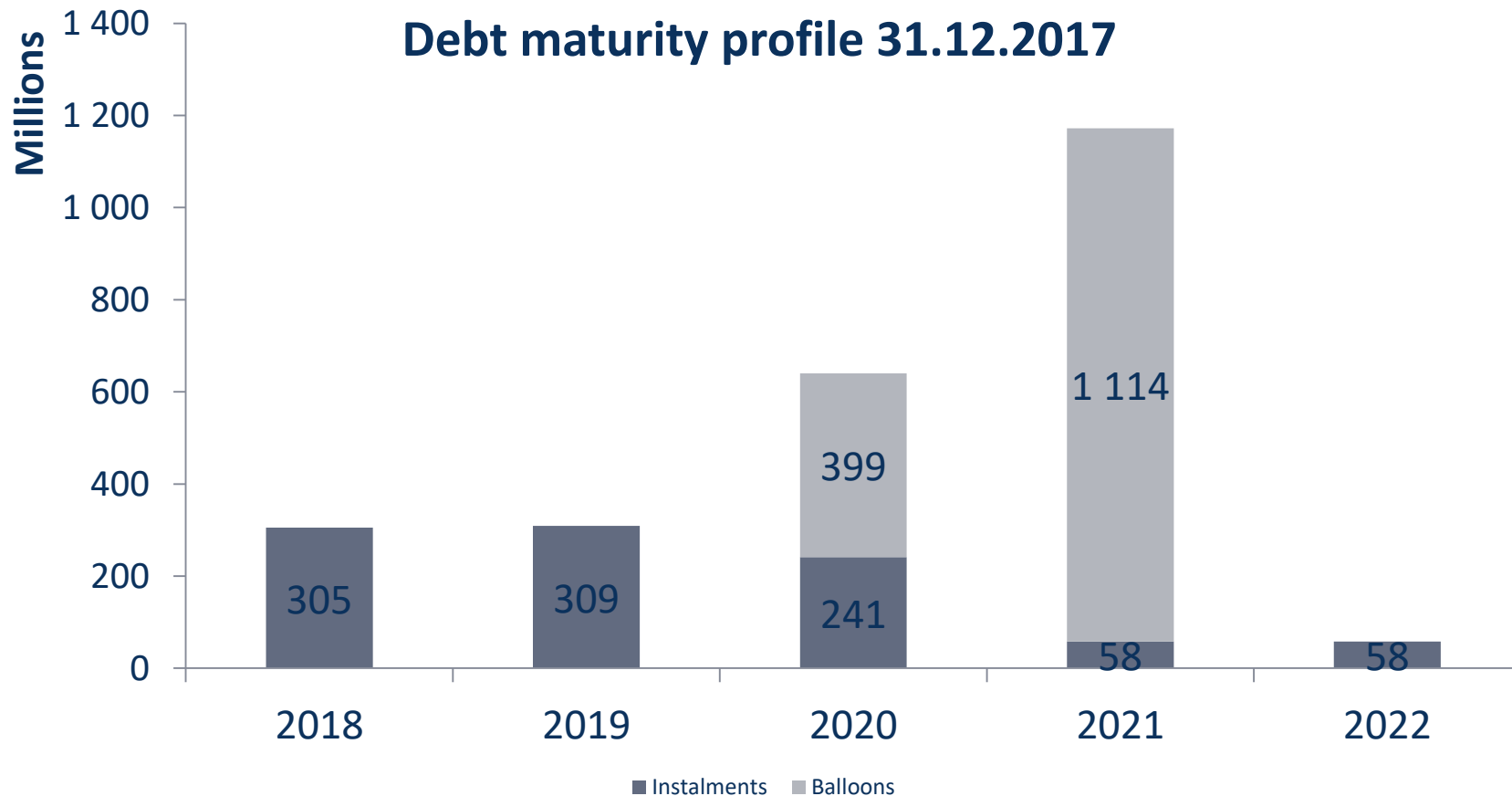
\*Excl. impairment

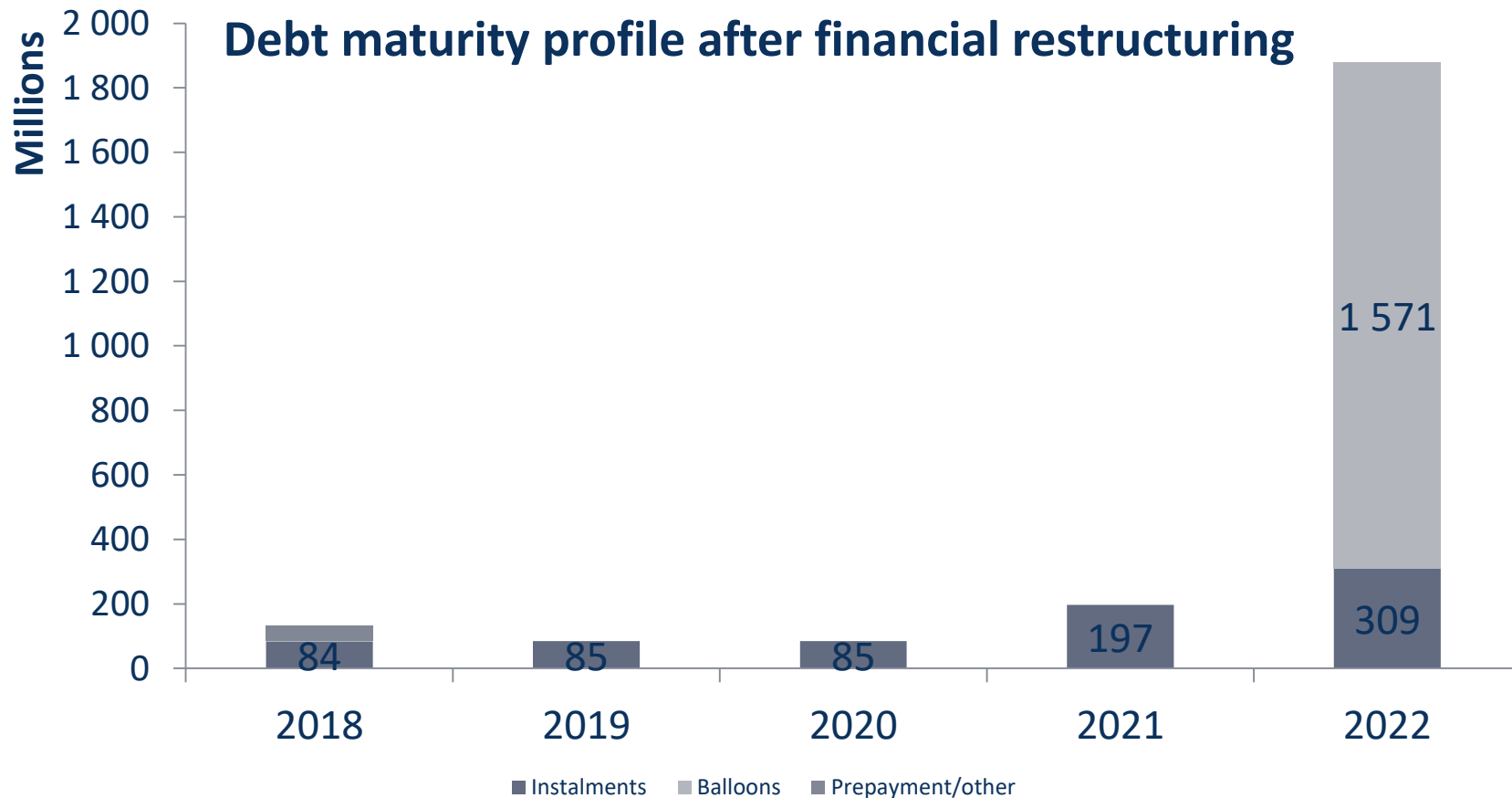
**Revenue Q4  
2017**

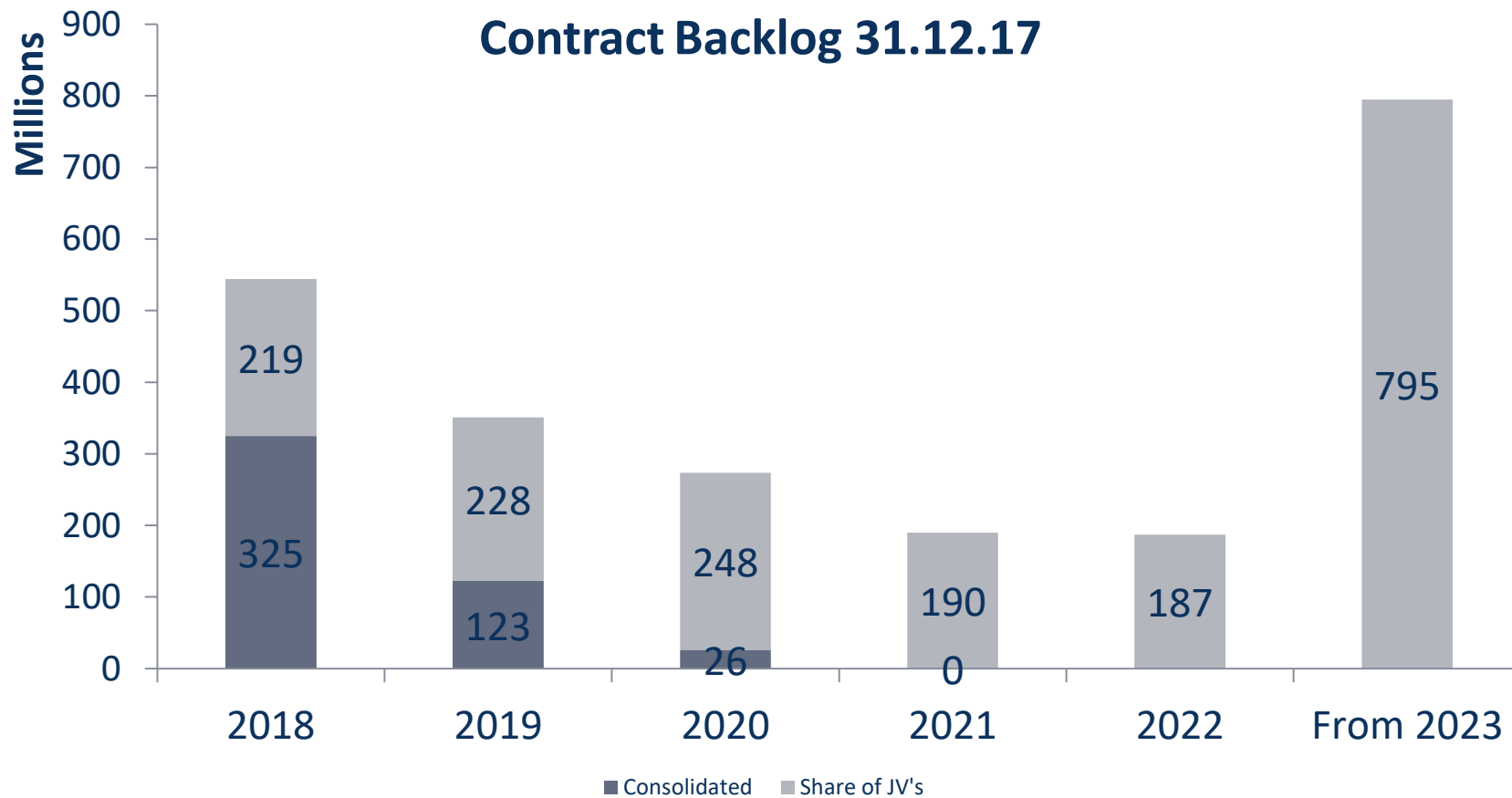




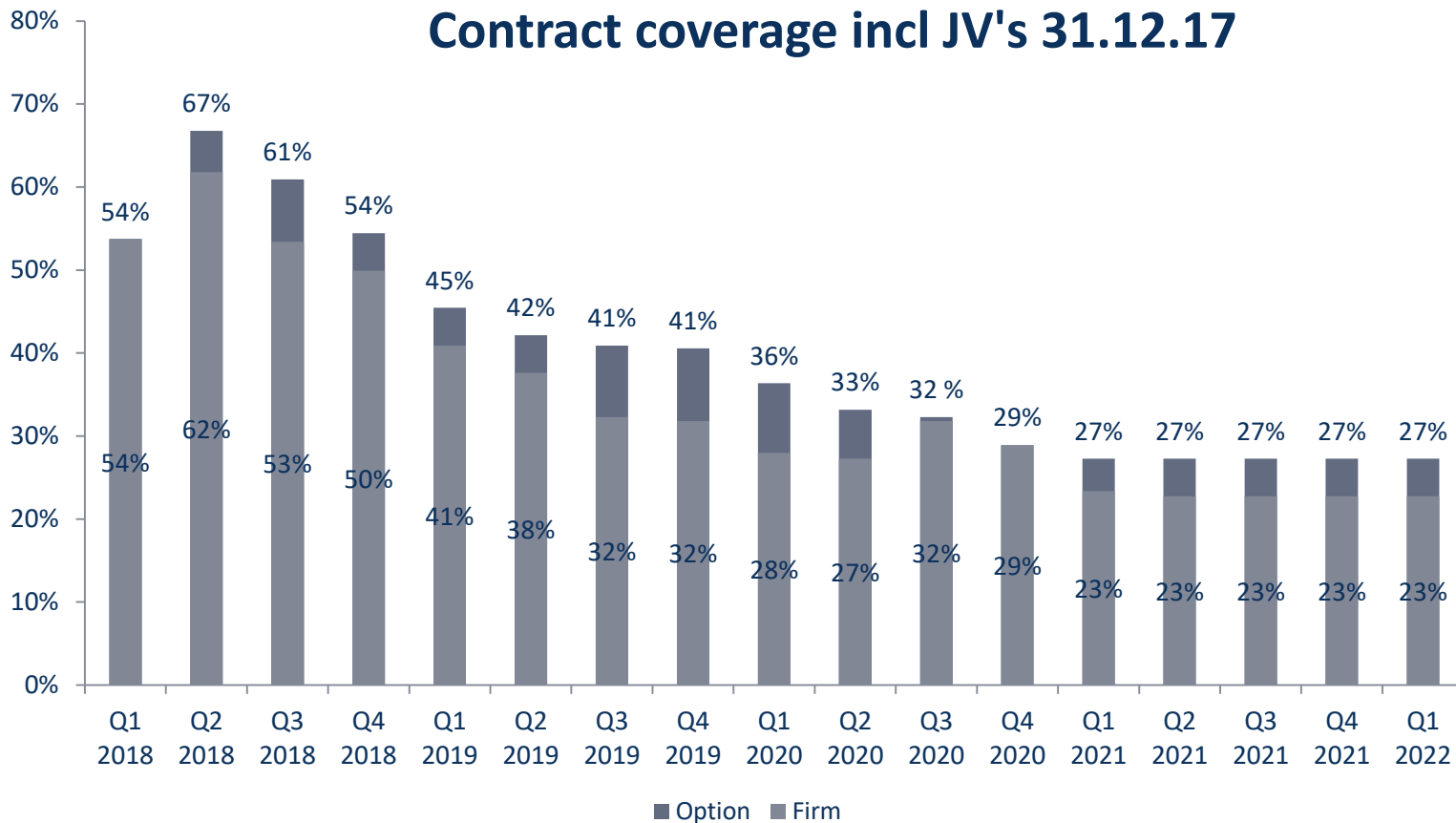
## Debt maturity profile 31.12.2017



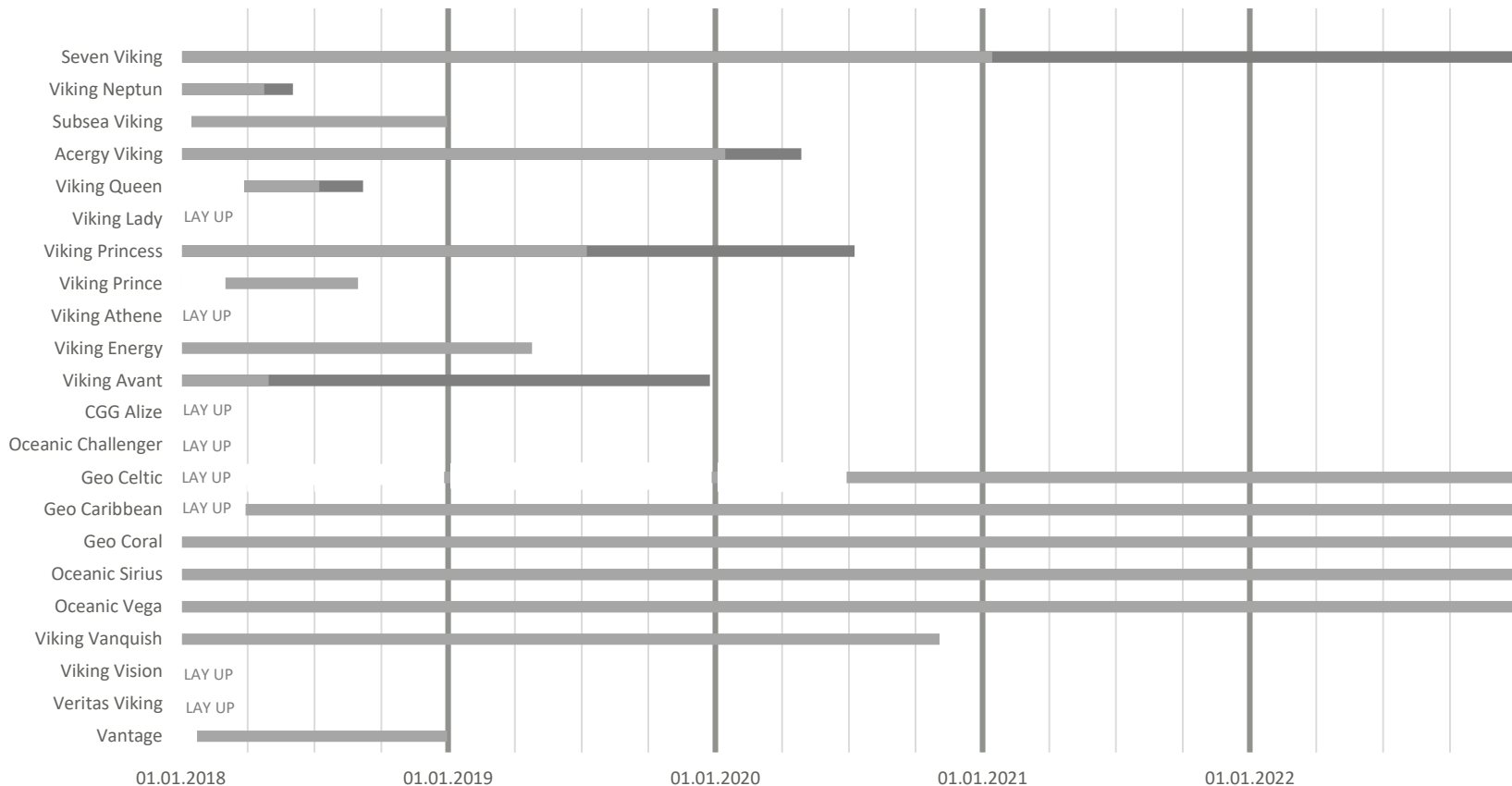




## Contract coverage incl JV's 31.12.17



## Contract Status



■ Firm contract ■ Option



# Market

*The PSV segment experienced a healthy number of tender requirements for both short and longer term periods over the last quarter. Rate levels remain volatile, however decent utilization have been achievable over the winter season. Operators are currently securing vessels for the upcoming summer season and we see a tightening in the market for large and modern PSVs.*

*The subsea segment started the year with several large EPCI awards with Johan Castberg as the main project in the North Sea. Offshore days for these construction projects are set to commence in 2019 and onwards, and our long term perspective for the activity level in this segment remains positive. For near term work the Walk to Work market remains active with several open tenders, and we expect an increase in IMR requirements with the start of the subsea season.*

*For streamer seismic there are some indications of improving market sentiment in 2018 with positive trend in bid activity. We have also experience improved bid activities in the ocean bottom seismic segment over the past months.*



**Eidesvik**

Thanks for Your attention!

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