



Eidesvik

Presentation 4th Quarter 2018

Oslo 27.02.2019

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Your Partner in Shipping

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News in 4th Quarter 2018

Eidesvik was awarded a contract for Viking Neptun for term work with Ocean Installer AS during two periods with commencement early 2020 and 2021 respectively.

The contract for “Viking Neptun” with Merkur Offshore was first extended to mid May, then further extended in February 2019 to ultimo June 2019 with further optional extensions.



News in 4th Quarter 2018

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



News in 4th Quarter 2018

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



News after 31.12.2018

Contract award with undisclosed client for “Viking Prince”. Duration is approx. 3 to 5 months, with commencement spring 2019.



4th Quarter 2018 results

(4th Quarter 2017)

Revenues	MNOK 145,0	<i>(133,0)</i>
EBITDA	MNOK 48,3	<i>(33,3)</i>
Operating profit	MNOK -14,3	<i>(-158,9)</i>
Pre-tax profit	MNOK -88,3	<i>(-221,1)</i>

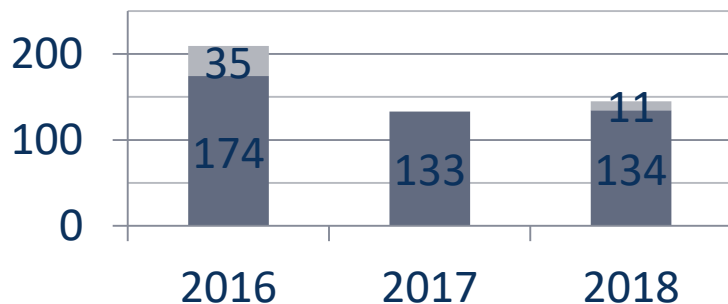
(Q4 2017 Operating profit influenced by impairment of assets of MNOK 114,0)



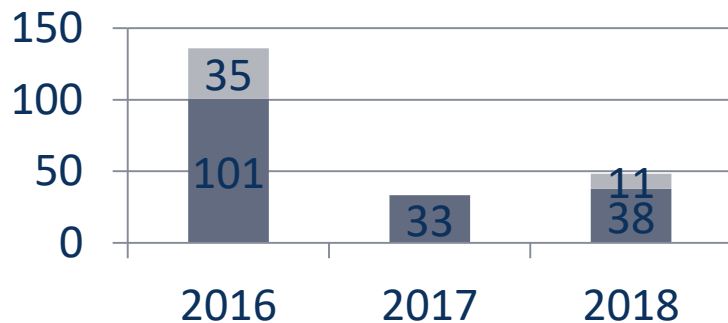
Results 4th Quarter 2018

(in million NOK)

Operating revenue Q4



EBITDA Q4



EBITDA Q4 2018 vs. Q4 2017 (MNOK 15,0):

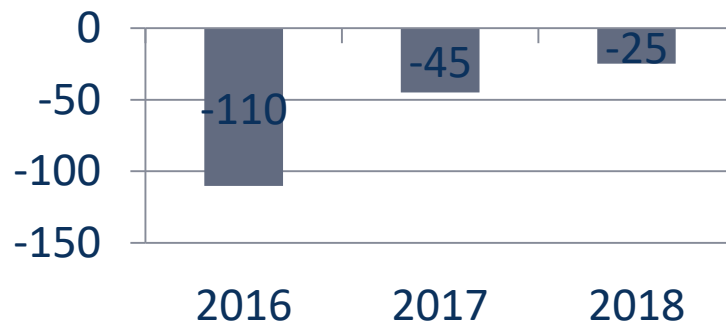
Seismic: Increase of freight income of MNOK 17,3, increase in the total operating expenses of MNOK 3,2. Net increase in EBITDA of MNOK 14,1.

Subsea: Decrease of freight income of MNOK 10,4, decrease in the total operating expenses of MNOK 0,1. Net decrease in EBITDA of MNOK 10,3.

Supply: Increase of freight income of MNOK 5,2, increase of total operating expenses of MNOK 4,9. Net increase of MNOK 0,2.

Of **other** freight income and operating expenses is the change in EBITDA an increase of MNOK 11,0.

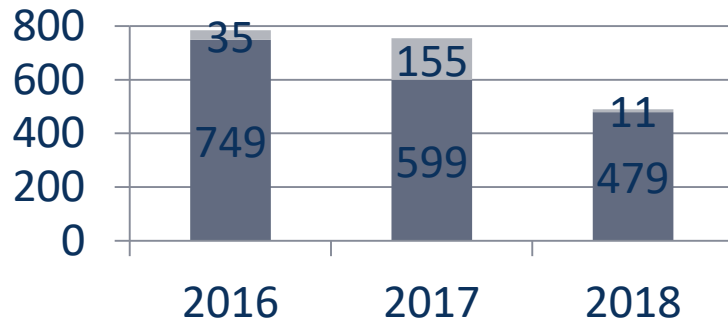
EBIT Q4*



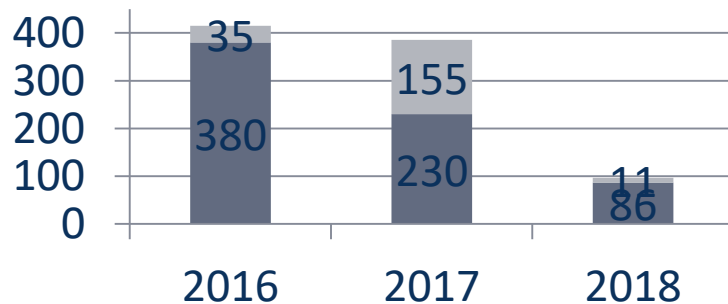
Results 2018

(in million NOK)

Operating revenue 2018



EBITDA 2018



EBITDA 2018 vs. 2017 (MNOK -288,4):

Seismic: Decrease of freight income of MNOK 45,0 and no termination fee of MNOK 138,2 in 2018, decrease in the total operating expenses of MNOK 5,8. Net decrease in EBITDA of MNOK 177,4.

Subsea: Decrease of freight income of MNOK 66,5 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 95,6.

Supply: Increase of freight income of MNOK 3,8, increase of total operating expenses of MNOK 24,3. Net decrease of MNOK 20,6.

Of other freight income and operating expenses is the change in EBITDA an increase of MNOK 5,1.

EBIT 2018*



Cash Flow

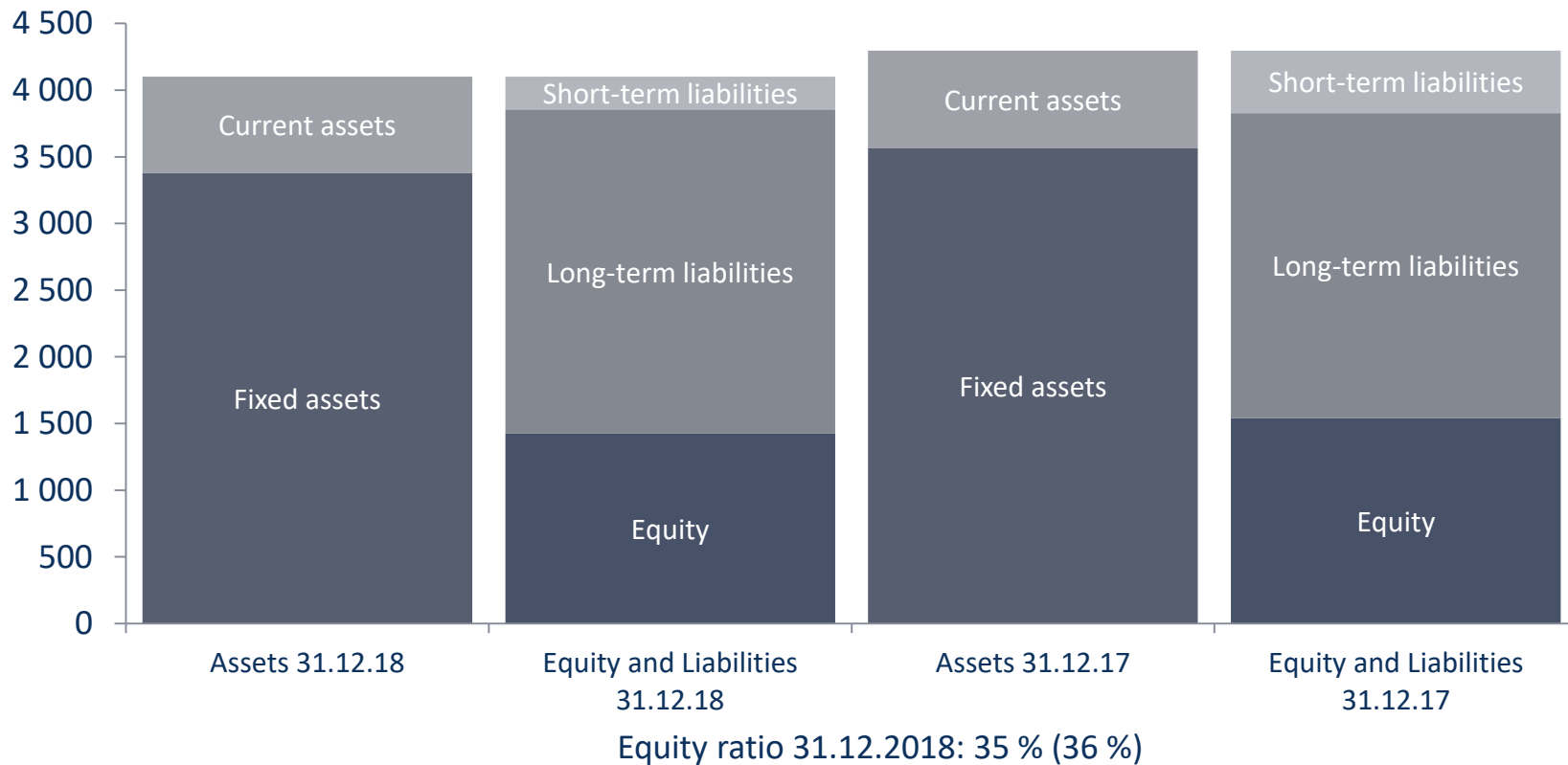
(in million NOK)

	4th Quarter 2018	4th Quarter 2017	1.1-31.12.2018	1.1-31.12.2017
Net cashflow from operating activities	77,7	76,1	90,0	372,1
Net cashflow from investment activities	(3,2)	15,1	(38,9)	401,4
Net cashflow from finance activities	(49,1)	(84,3)	(92,9)	(765,8)
Net changes in cash holdings	25,4	6,9	(41,8)	7,7
Cash at beginning of period	490,2	550,5	557,4	549,7
Cash at end of period	515,6	557,4	515,6	557,4

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

Balance

(in million NOK)



Segments

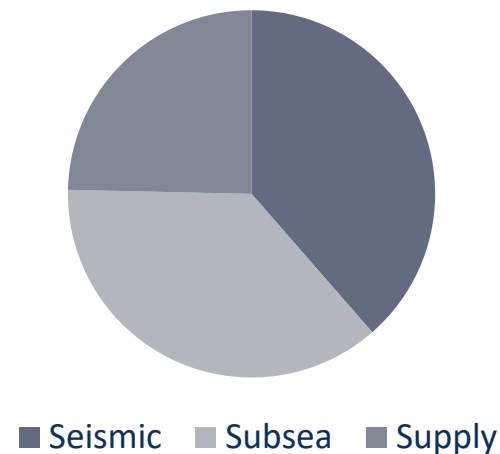
*Incl. Share of Joint Ventures
(in million NOK)*

4th Quarter 2018	Seismic	Subsea	Supply	Other
Revenue	76,7	73,1	49,0	4,2
EBITDA	56,4	30,6	8,9	-0,4
EBIT	14,5	3,4	-10,1	--0,7
EBITDA margin	74 %	42 %	18 %	N/A
EBIT margin	19 %	5 %	-21 %	N/A

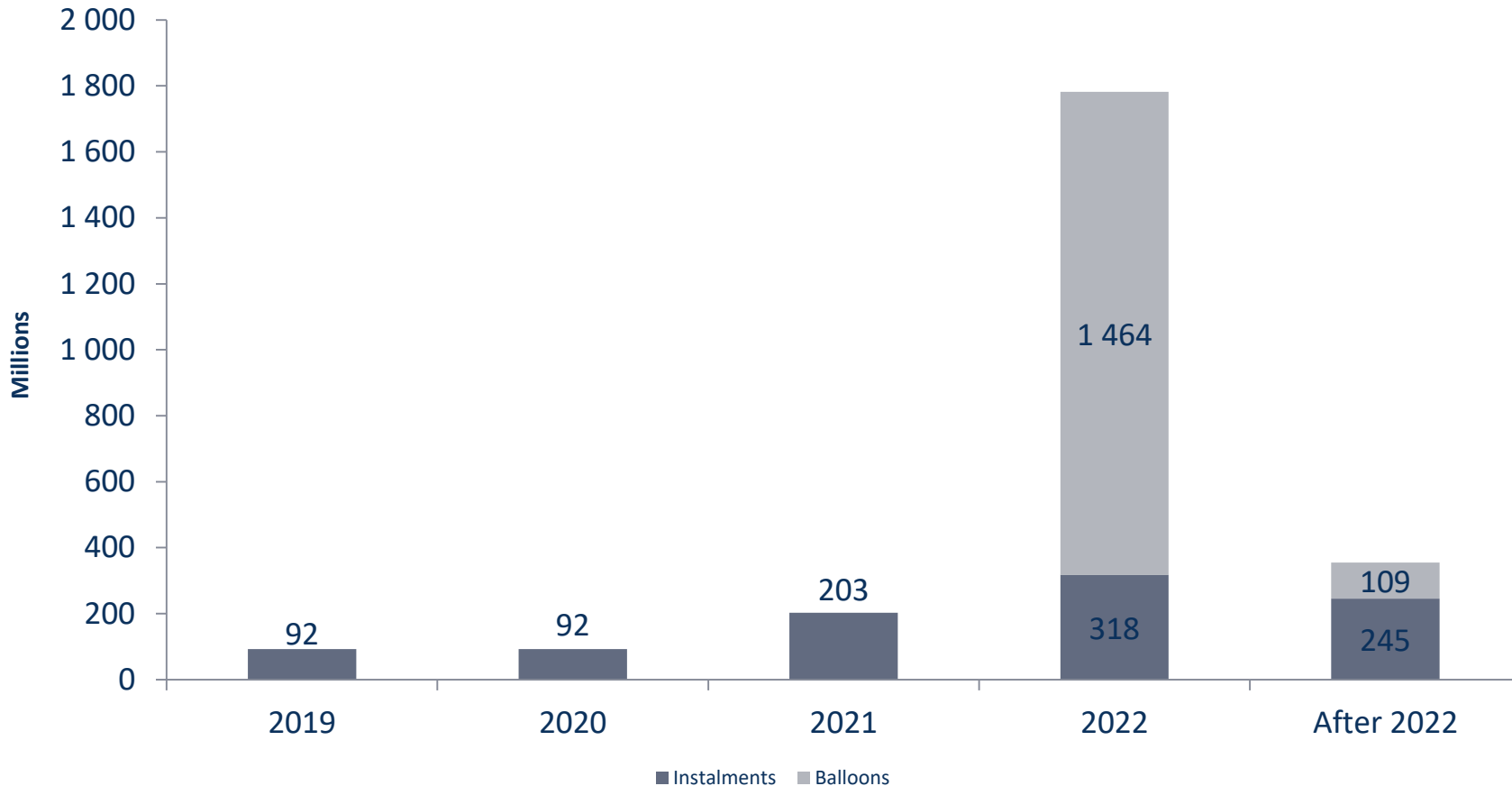
4th Quarter 2017	Seismic	Subsea	Supply	Other
Revenue	48,7	84,2	43,9	4,4
EBITDA	29,8	42,7	8,6	-11,4
EBIT	-14,3	-18,7	-88,4	-11,7
EBITDA margin	61 %	51 %	20 %	N/A
EBIT margin	-29 %	22 %*	-26 %*	N/A

*Excl. impairment

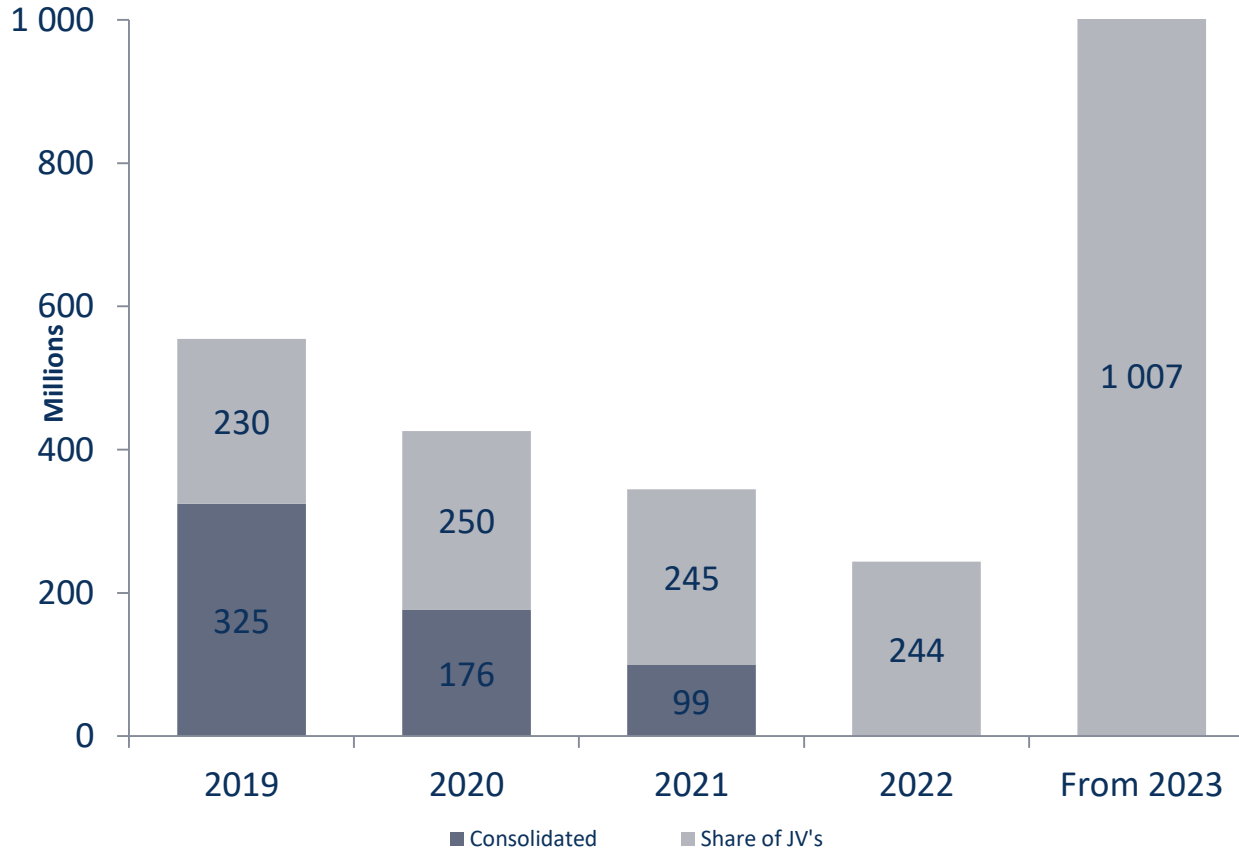
**Revenue Q4
2018**



Debt maturity profile 31.12.2018

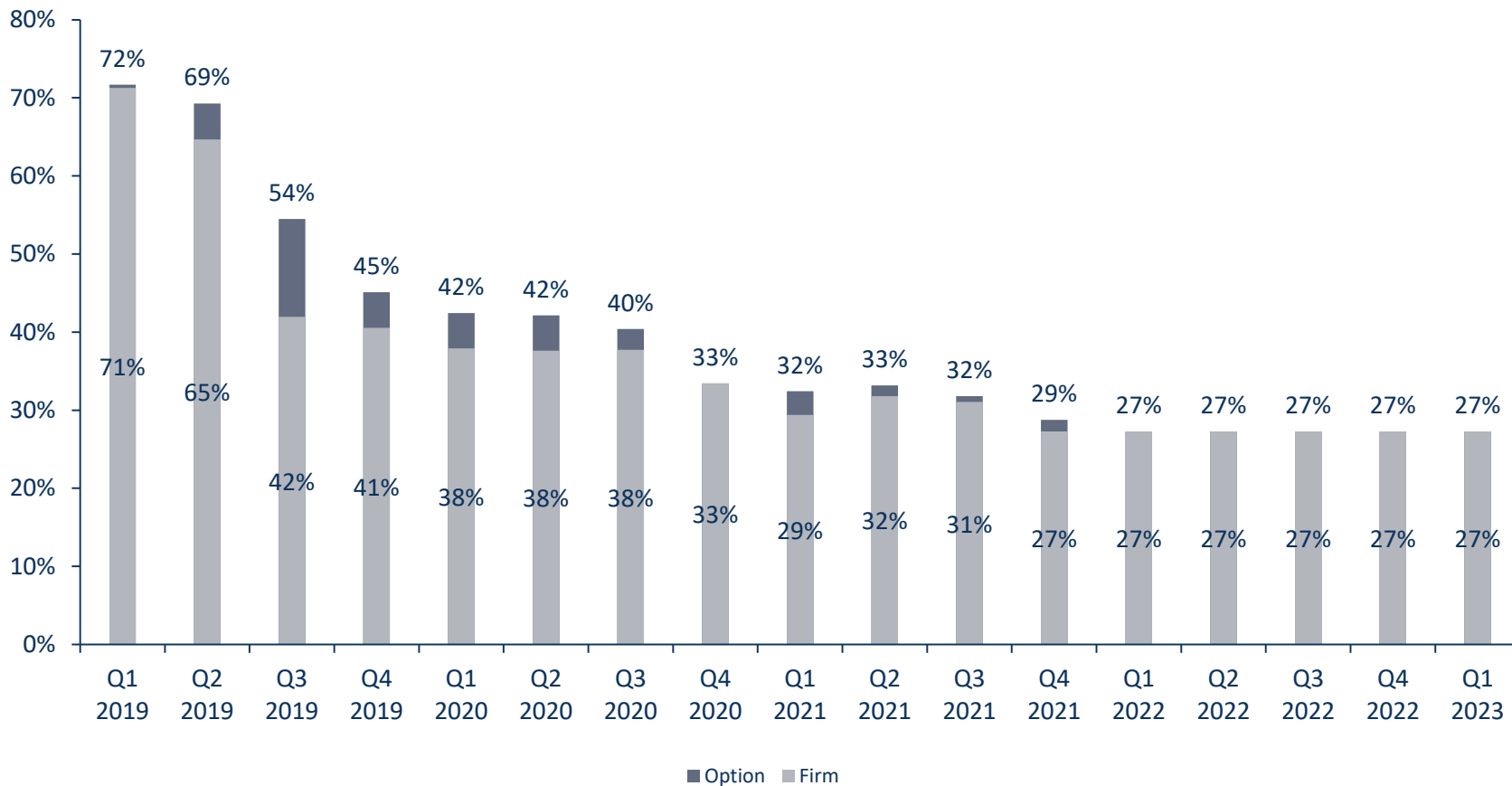


Contract Backlog 31.12.18

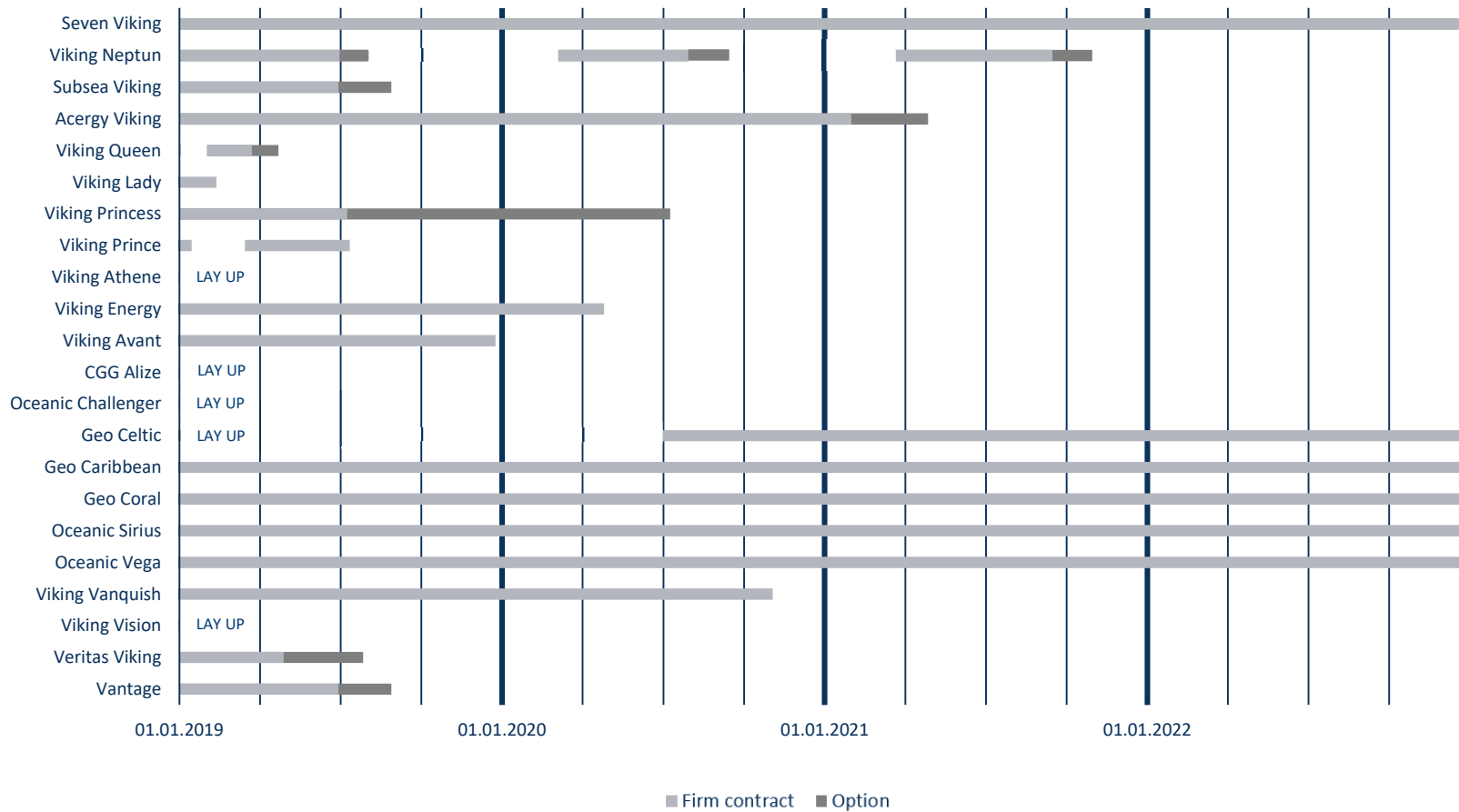


Consolidated total contract backlog Q4 2018 is MNOK 600 (MNOK 474 as of Q4 2017), up from MNOK 508 as of Q3 2018.

Contract coverage incl JV's 31.12.2018



Contract Status



Market

In the North Sea the PSV spot market has been challenging with a drop in utilization and rate levels under pressure during the last quarter of the year. The term market on the other hand has seen an increase in number of PSV fixtures and improved rate levels compared to the same period the previous year. The PSV segment still suffers from oversupply in all regions, however we are cautiously optimistic for the market outlook for large modern PSVs from the spring 2019 and onwards.

The trend with shorter project based contracts in the subsea and wind markets is expected to continue for the majority of 2019. Approaching 2020 however, we expect the market balance to support a movement towards more term contracts. We expect increased demand for SPS coded vessels driven by walk-to-work requirements in both O&G and the renewable market. Further, we have seen an increasing number of offshore projects being approved for development, in combination with an increasing number of projects reaching a late planning phase. These projects are expected to positively impact demand for subsea ships and ships serving the renewable wind market. Thus, we are positive medium- to long-term for the subsea and wind market.

For the second consecutive year seismic spending has increased year on year. Multi-client has already benefitted from this and there are signs of improved pricing momentum in contract seismic. We remain positive to the seismic market, in both medium and long term.



Eidesvik

Thanks for Your attention!

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