



Eidesvik

Presentation 4th Quarter 2016

Oslo 28.02.2017

CEO Jan Fredrik Meling

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News in 4th Quarter 2016



Entered into agreement with CGG to terminate contract for Viking Vision. Original contract expiry was July 2017. Payment of the charter rate will continue to until original contract expiry.



News in 4th Quarter 2016



Awarded two contracts from CGG for the seismic vessels Vantage and Veritas Viking. The vessels shall be employed as source vessels. The contracts are 180 days firm each with further options. Contracts commencement are primo January 2017.

The Vantage and the Veritas Viking have been in lay-up respectively since August 2014 and November 2015.



News after 31.12.2016



Awarded new contract with Siemens Wind Power for Acergy Viking. The contract is for 6 months with options. Contract commencement is June 2017. The vessel will be used as accommodation-, service- and maintenance vessel.



News after 31.12.2016



Awarded contract extension with Chevron North Sea Ltd for the supply vessel Viking Princess. The contract is for one year plus options.



News after 31.12.2016



Eidesvik and CGG have agreed to amend the contract for Viking Vanquish, which is firm to November 2020. The dayrate is reduced and Eidesvik receives listed notes and other debt instruments as compensation.



News after 31.12.2016



Entered into an agreement for sale of the subsea vessel Viking Poseidon. The vessel will be delivered to new owners in 1st Quarter 2017. The sale has a negative P&L effect in 4th Quarter 2016 of MNOK 130, and a positive liquidity effect of approx. MNOK 180 after repayment of debt.



4th Quarter 2016 results

(4th Quarter 2015)

Revenues	MNOK 209,4	<i>(343,2)</i>
EBITDA	MNOK 135,9	<i>(232,2)</i>
Operating profit	MNOK -215,6	<i>(-115,6)</i>
Pre-tax profit	MNOK -354,0	<i>(-200,0)</i>

Q4 2016 profits influenced by termination fee of MNOK 35,3, impairment of vessels of MNOK - 303,5 (290,0) and agio of MNOK -96,7 (-47,5)

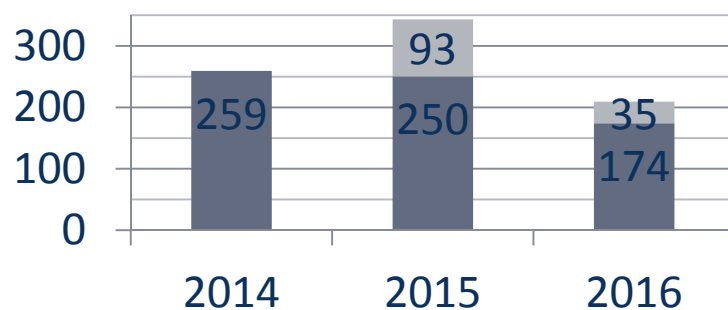




Results 4th Quarter 2016

(in million NOK)

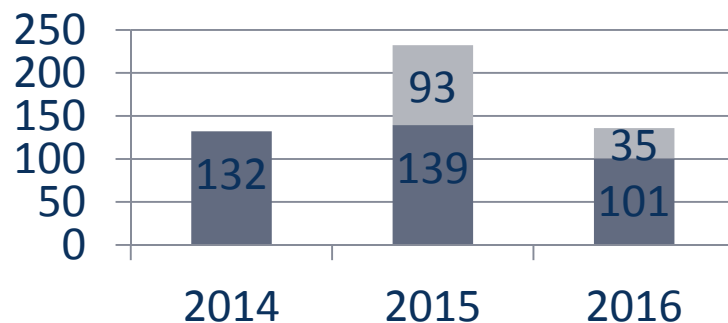
Operating revenue Q4



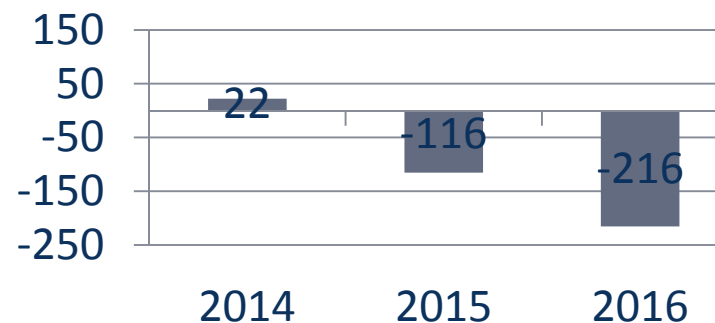
The results in 4th Quarter compared to last year are influenced of:

- Impairment of vessels totaling MNOK 303,5
- The subsea vessel "Viking Neptun" was operated on lower rate in 2016.
- "Viking Poseidon" contract terminated in Q2 2016 and "Viking Vision" in Q4 2016
- "Veritas Viking" and "Vantage" without contract
- "Viking Lady" and "Viking Athene" laid up in Q4 2016
- "European Supporter" and "Viking 2" sold

EBITDA Q4



EBIT Q4

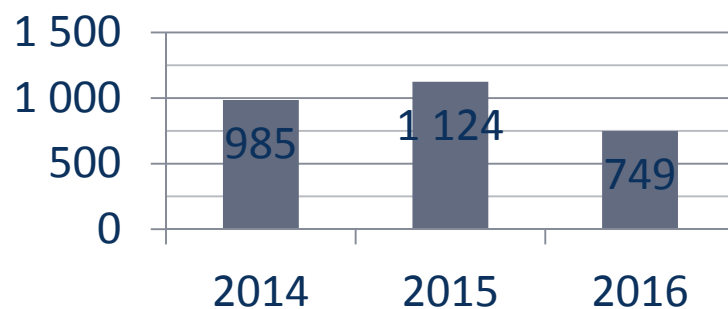




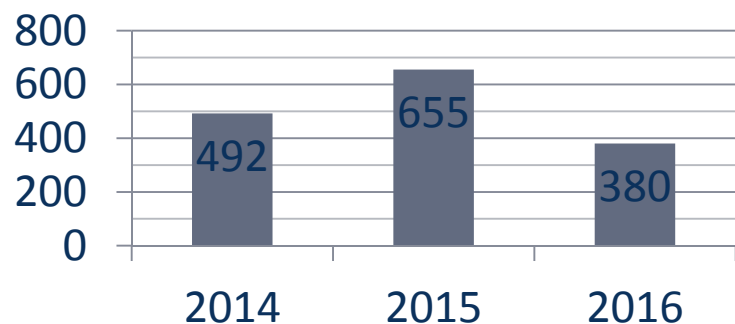
Results pr 31.12.2016

(in million NOK, Gain on sale and termination fee excluded)

Operating revenue YTD



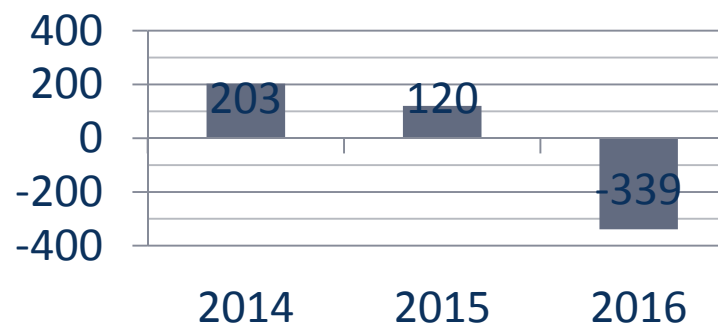
EBITDA YTD



The results YTD compared to last year are influenced of:

- Impairment of vessels totaling MNOK 508,8
- The subsea vessel "Viking Neptun" was operated on lower rate in 2016.
- "Viking Poseidon" contract terminated in Q2 2016 and "Viking Vision" in Q4 2016
- "Veritas Viking" and "Vantage" without contract
- PSV's "Viking Prince", "Viking Lady" and "Viking Athene" operated on weaker rates
- "European Supporter" and "Viking 2" sold

EBIT YTD





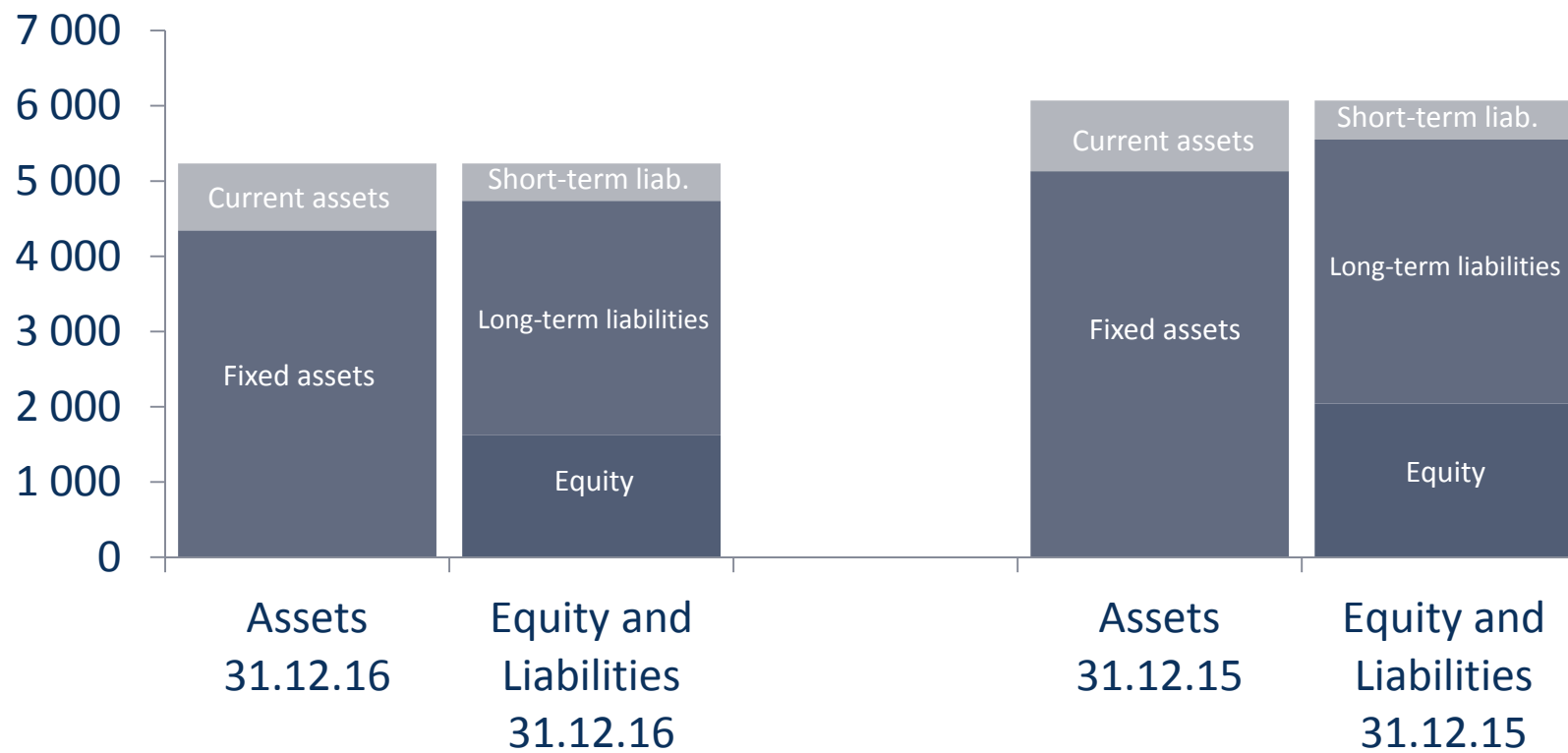
Cash Flow *(in million NOK)*

	4th Quarter 2016	4th Quarter 2015	1.1- 31.12.2016	1.1- 31.12.2015
Net cashflow from operating activities	110,7	249,3	282,1	640,0
Net cashflow from investment activities	20,1	216,5	55,6	(706,8)
Net cashflow from finance activities	(126,4)	(185,5)	(492,2)	219,5
Net changes in cash holdings	4,4	280,3	(154,5)	152,7
Cash at beginning of period	543,4	422,0	702,3	549,6
Cash at end of period	547,8	702,3	547,8	702,3

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



Balance (in million NOK)



Equity ratio 31.12.16: 31 % (34 %)



Segments

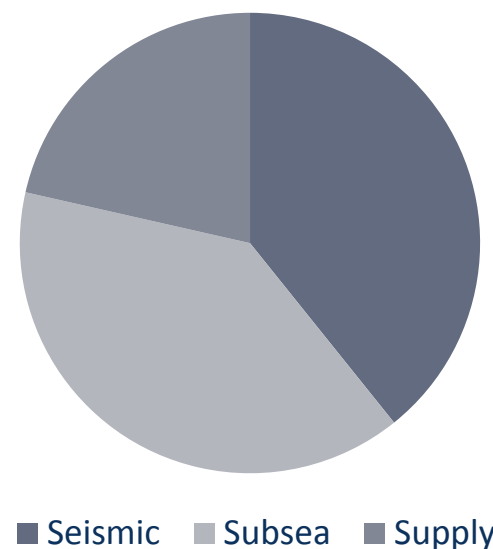
*Incl. Share of Joint Ventures
(MNOK)*

4th 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	62,3	-111,6	-179,0	19,6
EBITDA margin	90%	56%	33%	N/A
EBIT margin	64%	18%*	-10%*	N/A

4th Quarter 2015	Seismic	Subsea	Supply	Other
Revenue	75,5	231,0	84,0	4,7
EBITDA	68,5	172,8	32,0	2,9
EBIT	45,7	133,0	-287,0	2,4
EBITDA margin	91%	75%	38%	N/A
EBIT margin	60%	58%	4%*	N/A

*Excl. impairment

**Revenue Q4
2016**

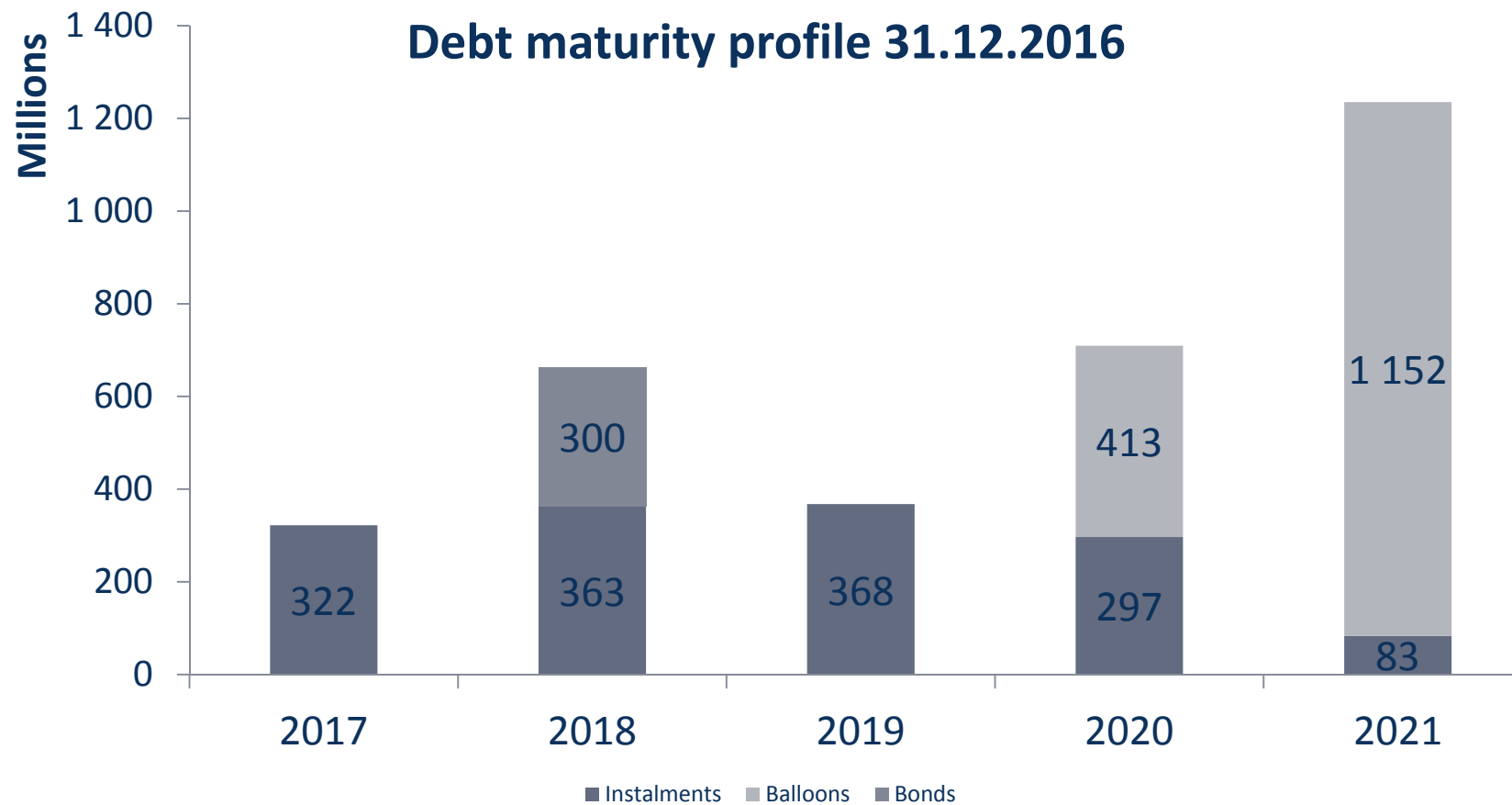


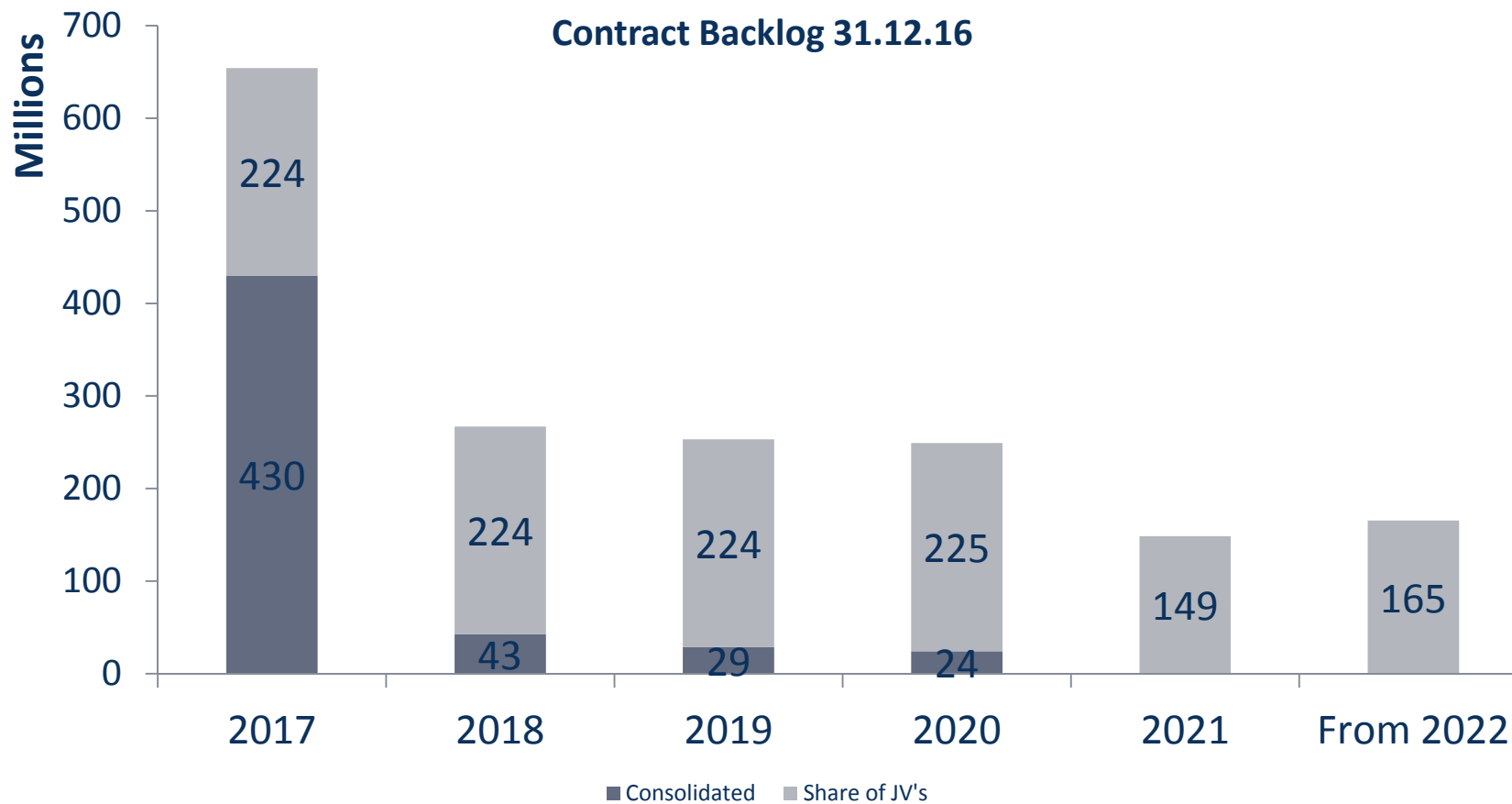
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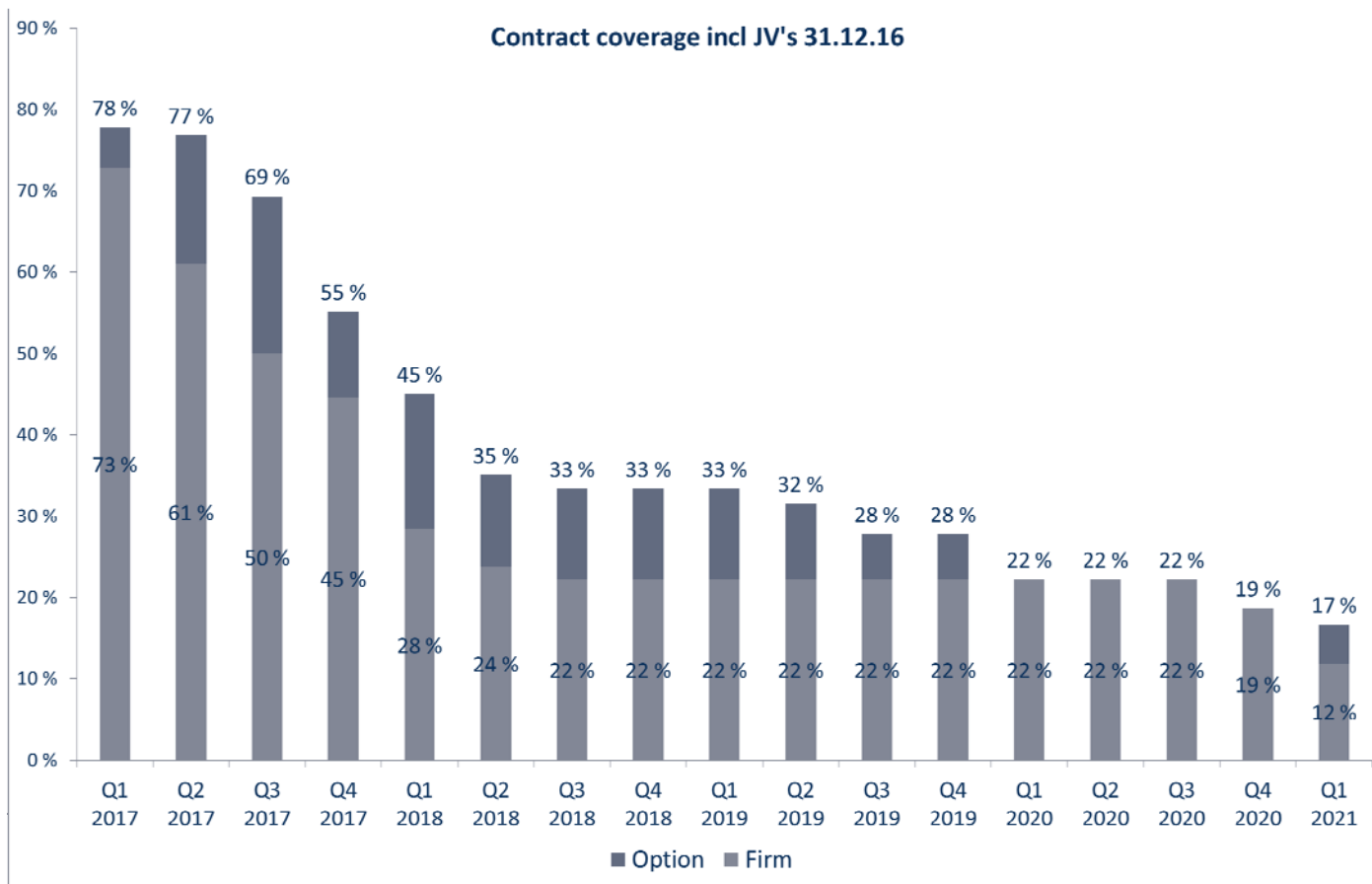
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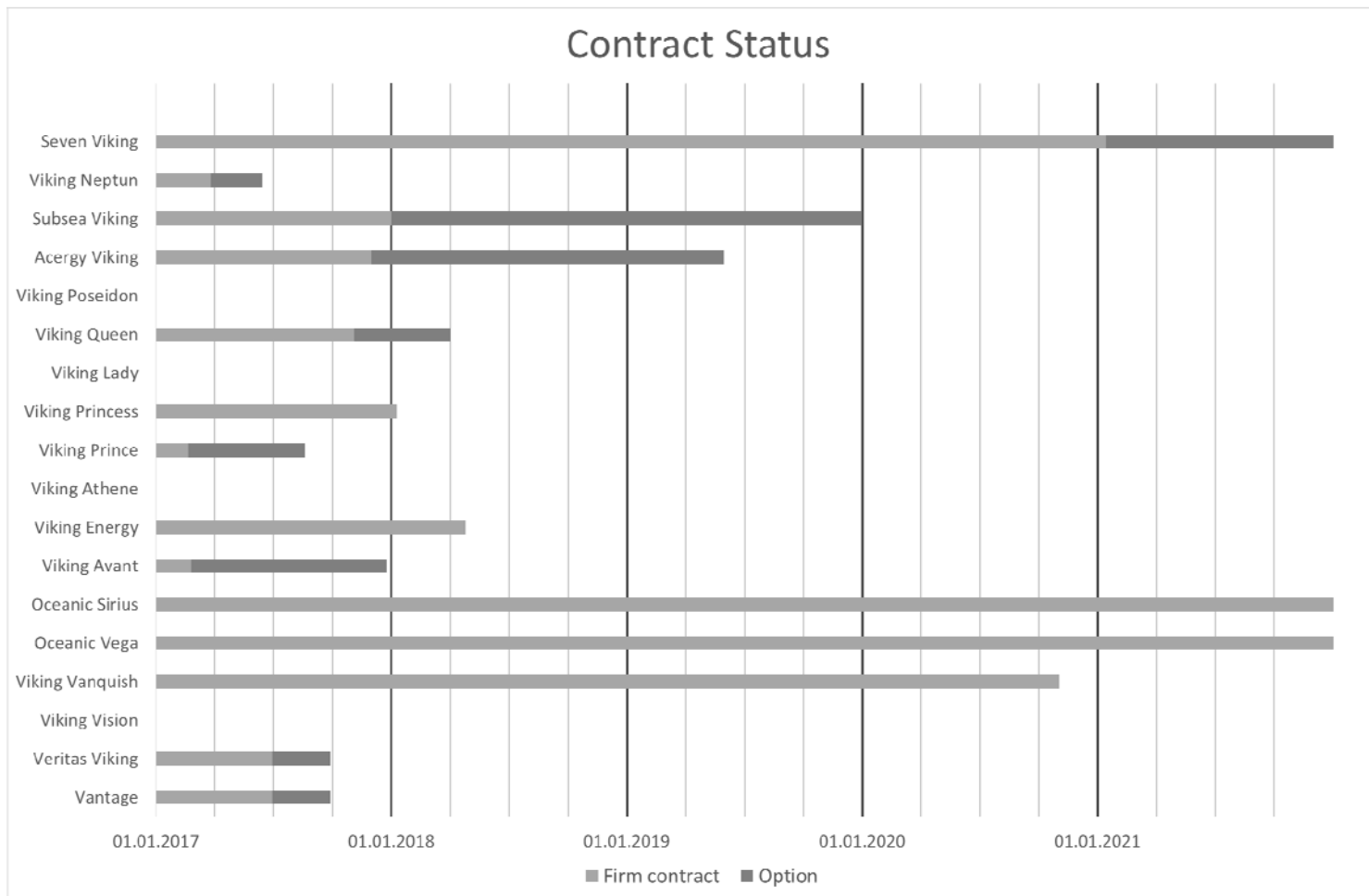


Debt maturity profile 31.12.2016









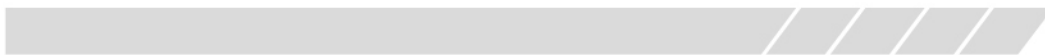


Market

The PSV segment is still characterized of low rates on both short- and long term contracts in spite of many vessels being stacked. Currently, it seems to be some time ahead before the market balances, and it seems necessary with a significant scrapping of vessels to restore market balance.

We do not see any significant activity increase in marine seismic, and uphold our weak market view in this segment.

In the subsea segment we see an increasing rate fixing level for vessels globally. We expect more activity within contract awards for field development and pipe lay which will be positive for the subsea segment in the long term. In the short term we expect a demanding market going forward, and do not see any imminent balance between supply and demand globally.





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Thanks for Your attention!

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