



Eidesvik

Presentation 1st Quarter 2017

Oslo 16.05.2017

CEO Jan Fredrik Meling

Your Partner in Shipping



News in 1st Quarter 2017



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 in 1st Quarter 2017



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



News in 1st Quarter 2017



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



News in 1st Quarter 2017



The subsea vessel Viking Poseidon was sold. The vessel was delivered to new owners in 1st Quarter 2017. The sale has resulted in a gain on sale of MNOK 17,2, and a positive liquidity effect of approx. MNOK 180 after repayment of debt.



News in 1st Quarter 2017



Eidesvik has in 1st Quarter 2017 bought back the company's bond loan at 60% of the loan's principal.



News after 31.03.2017



Geo Coral

4,750DWT, 100.8m LOA
Built 2010



Geo Caribbean

4,750DWT, 108.3m LOA
Built 2008



Oceanic Challenger

5,197DWT, 91.3m LOA
Built 2000/rebuilt 2006



Geo Celtic

4,750DWT, 108.3m LOA
Built 2007



CGG Alize

5,984DWT, 100m LOA
Built 1999



Oceanic Sirius

5,800DWT, 106m LOA
Built 2011



Oceanic Vega

6,013DWT, 106m LOA
Built 2010

Entered into an agreement with CGG to establish a new ownership set-up for 7 seismic vessels. This new set-up is based on the creation of a new Holding Company that will hold the shares in two entities. One of the entities will own the two vessels formerly co-owned by CGG and Eidesvik (Oceanic Vega and Oceanic Sirius), and the other will own five vessels formerly owned by CGG and currently cold-stacked (Geo Coral, Geo Caribbean, Geo Celtic, CGG Alize and Oceanic Challenger).

The two shipowning entities will be financially separated and no guarantees will be established between the two or from the owners. The new Holding Company, jointly owned by CGG and Eidesvik in equal parts should be operational at the beginning of the second quarter 2017.

CGG will continue to charter the Oceanic Vega and Oceanic Sirius from the new Company and will extend the current contract until March 2027, thus on a reduced charter rate through the whole charter period. CGG will progressively charter the Geo Coral (from the second quarter 2017 onwards), Geo Caribbean and Geo Celtic vessels, as the charters of other vessels currently in operation expire.



1st Quarter 2017 results

(1st Quarter 2016)

Revenues	MNOK 248,9	(193,3)
EBITDA	MNOK 158,6	(93,6)
Operating profit	MNOK 56,3	(40,1)
Pre-tax profit	MNOK 135,1	(119,6)

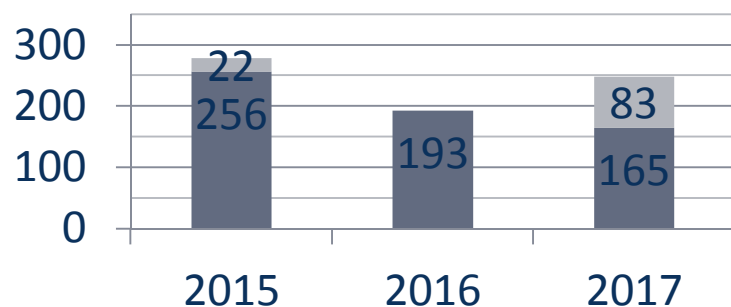
Q1 2017 profits influenced by termination fee of MNOK 66,2, gain on sale of vessel of MNOK 17,2, impairment of vessel of MNOK -66,2, and gain on buy-back of the company's own bond of MNOK 120.



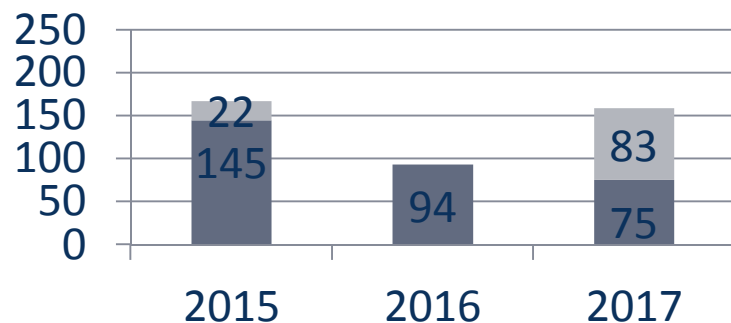


Results 1st Quarter 2017 (in million NOK)

Operating revenue Q1



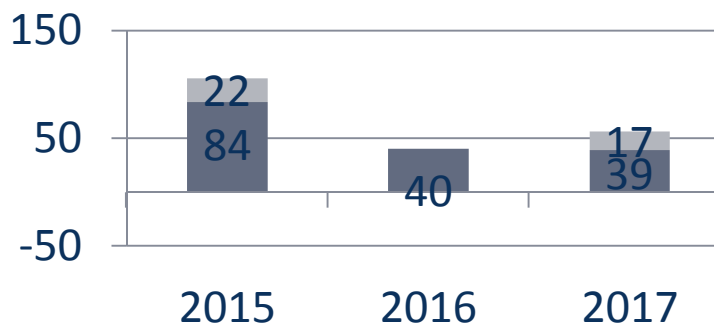
EBITDA Q1



The results in 1st Quarter compared to last year are influenced of:

- “Viking Neptun” was operated on lower rate in 2017.
- “Viking Poseidon” was sold in Q1 2017
- “Acergy Viking” on contract in Q1 2017
- “Viking Vanquish” rate reduced from 2017, partly compensated in Q1 2017
- “Viking Vision” contract terminated in Q4 2016
- “Veritas Viking” and “Vantage” on contract from 2017
- “Viking Lady” and “Viking Athene” laid up in Q4 2016
- “Viking Avant” operated on lower rate in 2017

EBIT Q1





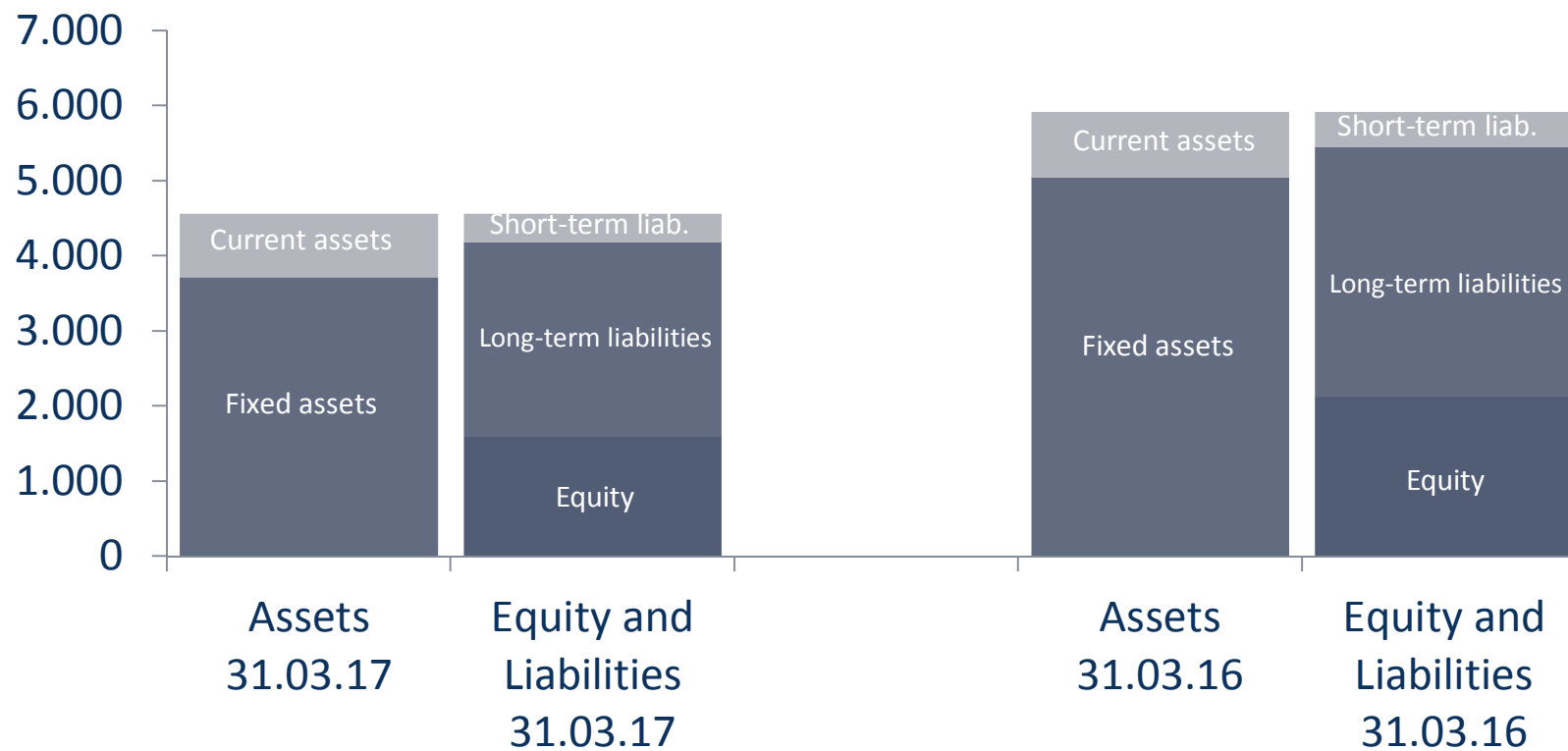
Cash Flow *(in million NOK)*

	1st Quarter 2017	1st Quarter 2016	1.1- 31.12.2016
Net cashflow from operating activities	207,3	27,2	326,9
Net cashflow from investment activities	377,0	(8,3)	12,8
Net cashflow from finance activities	(498,0)	(138,1)	(492,2)
Net changes in cash holdings	86,3	(119,2)	(152,5)
Cash at beginning of period	549,7	702,3	702,3
Cash at end of period	636,0	583,1	549,8

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



Balance (in million NOK)



Equity ratio 31.03.17: 35 % (36 %)



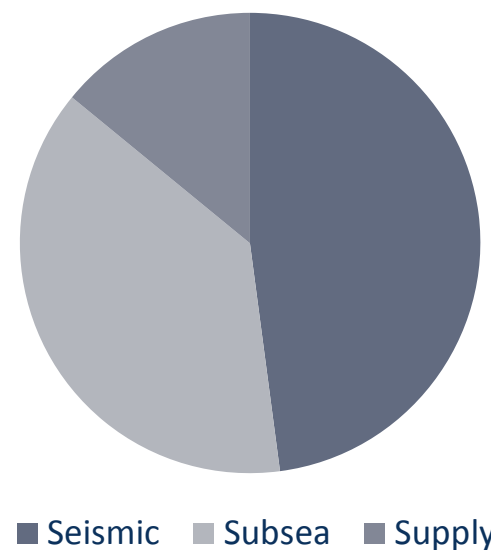
Segments

*Incl. Share of Joint Ventures
(MNOK)*

1st Quarter 2017	Seismic	Subsea	Supply	Other
Revenue	140,4	111,4	41,2	5,6
EBITDA	126,2	78,2	3,8	-2,8
EBIT	36,1	47,6	-16,5	-3,3
EBITDA margin	90%	70%	9%	N/A
EBIT margin	26%	43%	-40%	N/A

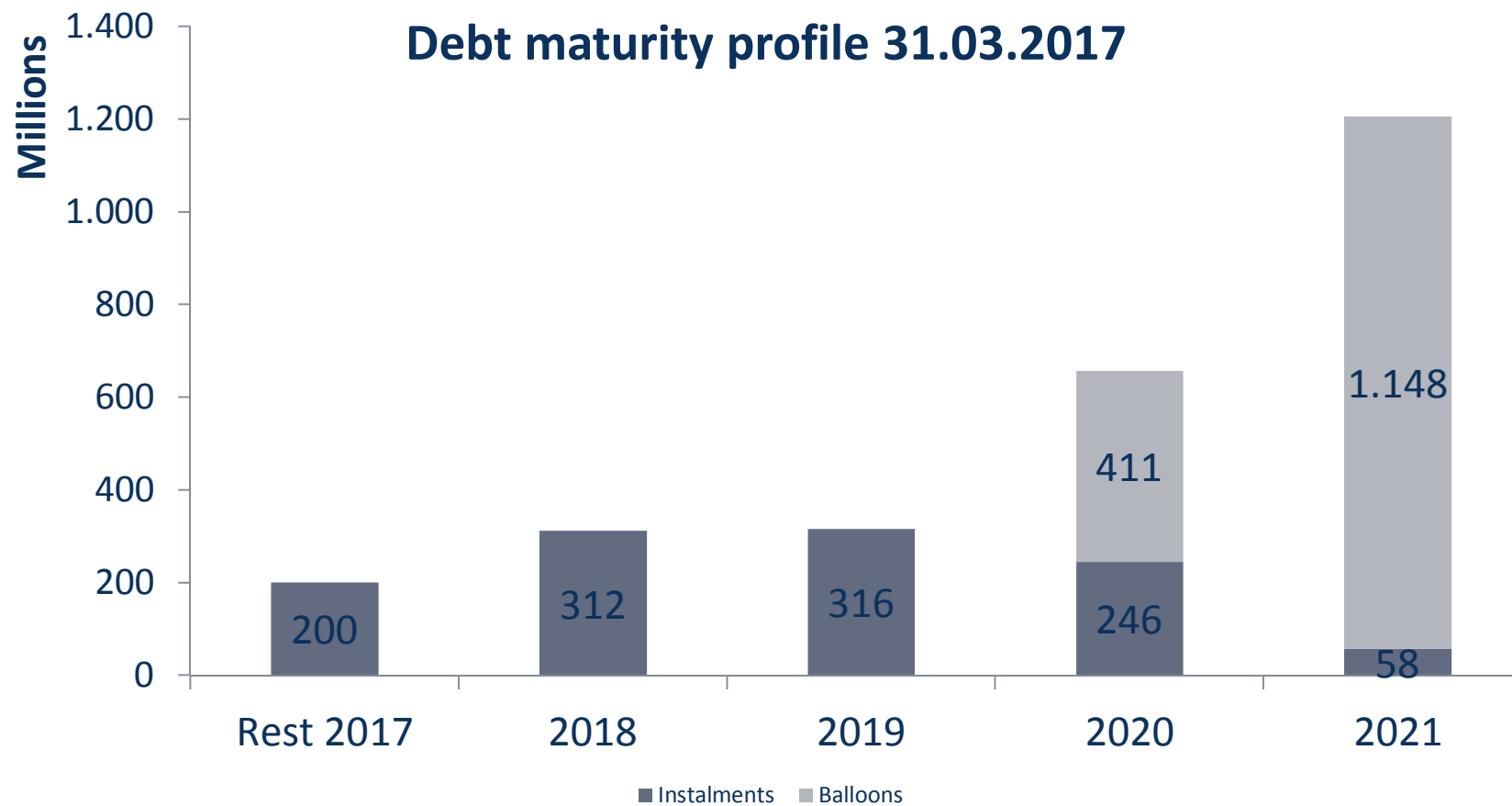
1st Quarter 2016	Seismic	Subsea	Supply	Other
Revenue	74,6	97,6	69,3	4,7
EBITDA	73,5	52,1	16,8	2,9
EBIT	47,5	13,8	-8,9	2,4
EBITDA margin	99%	53%	24%	N/A
EBIT margin	64%	14%	-13%	N/A

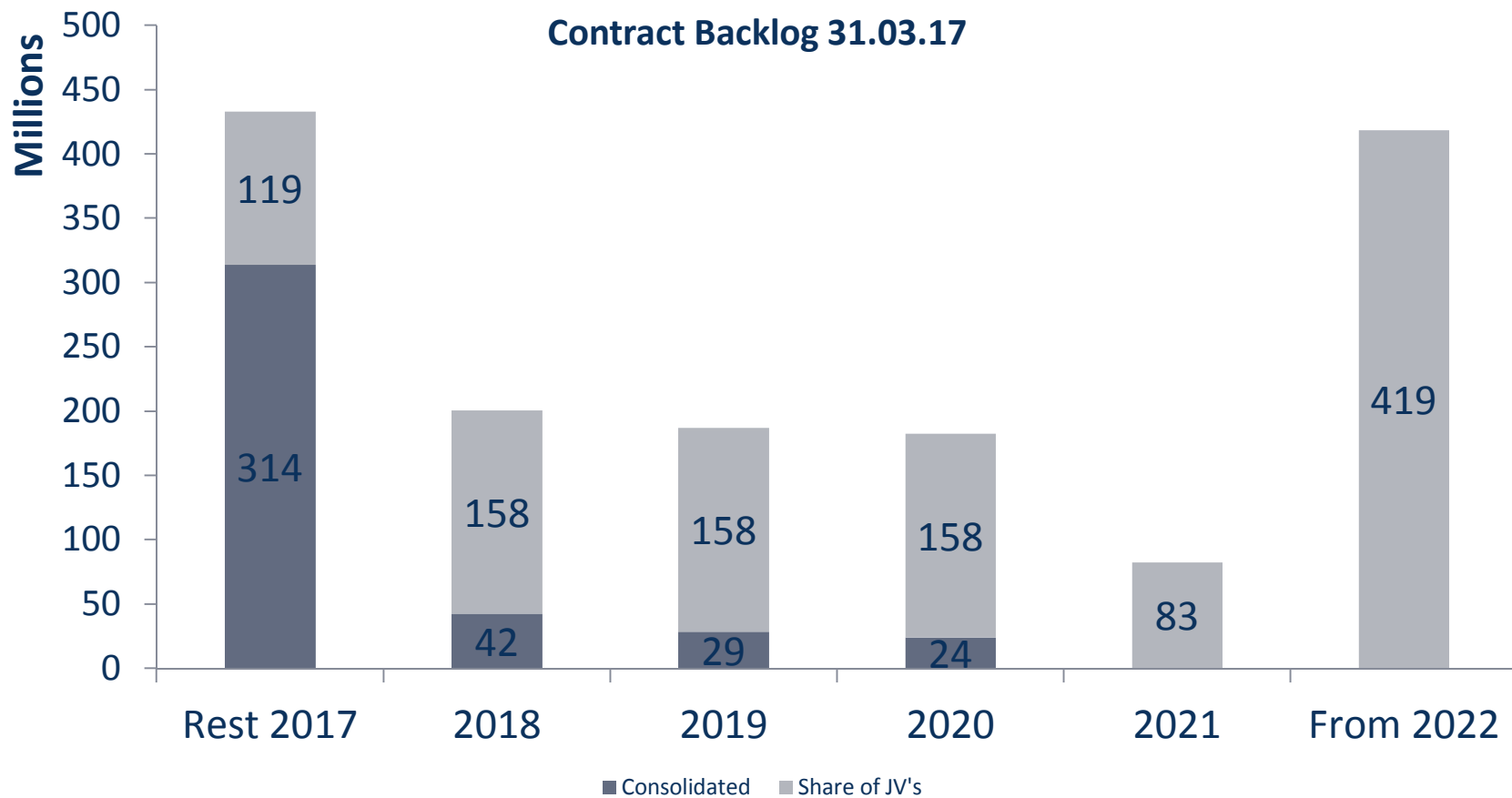
**Revenue Q1
2017**

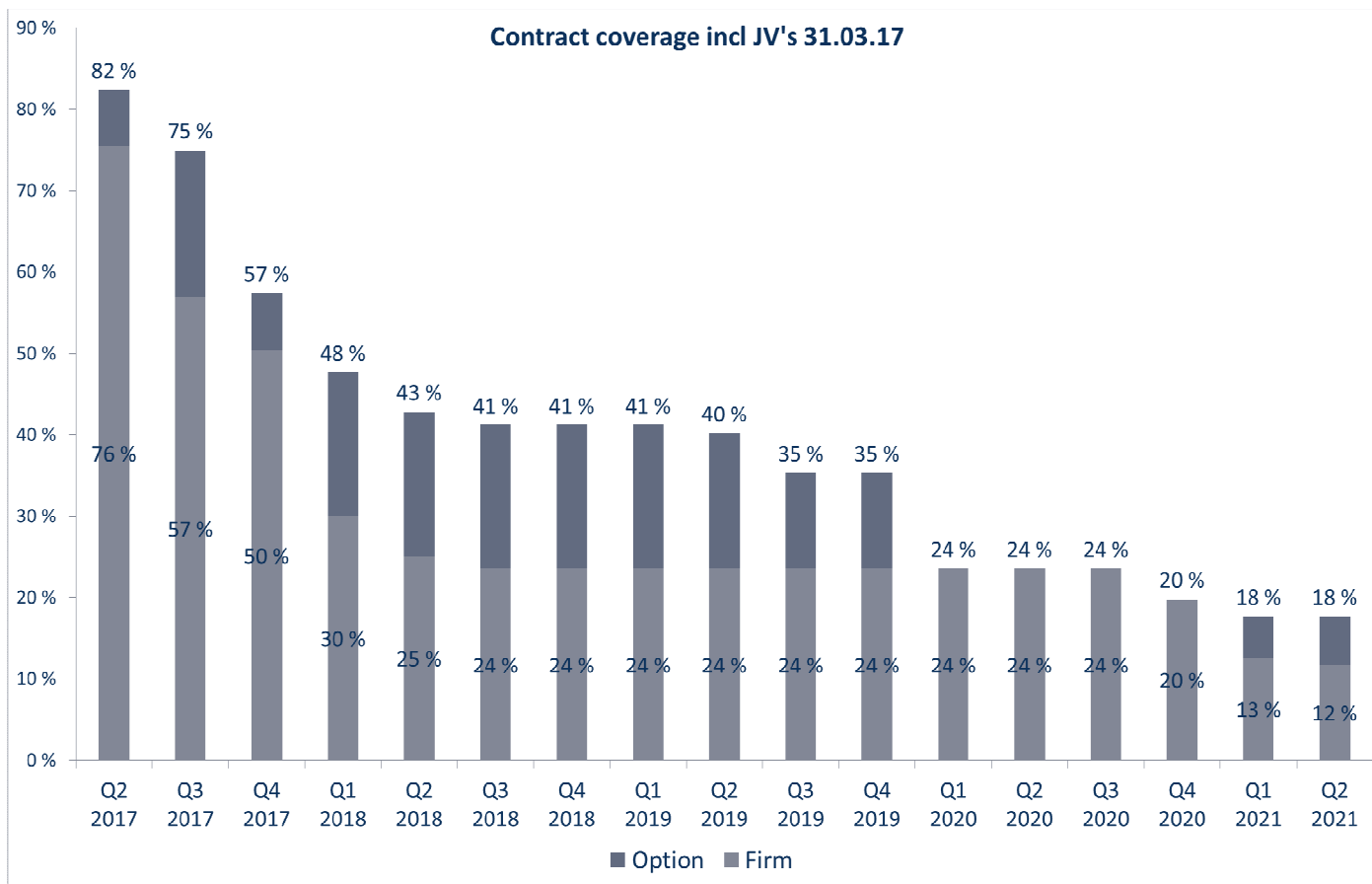


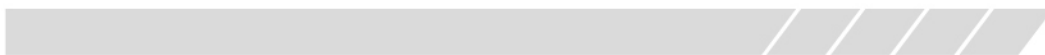
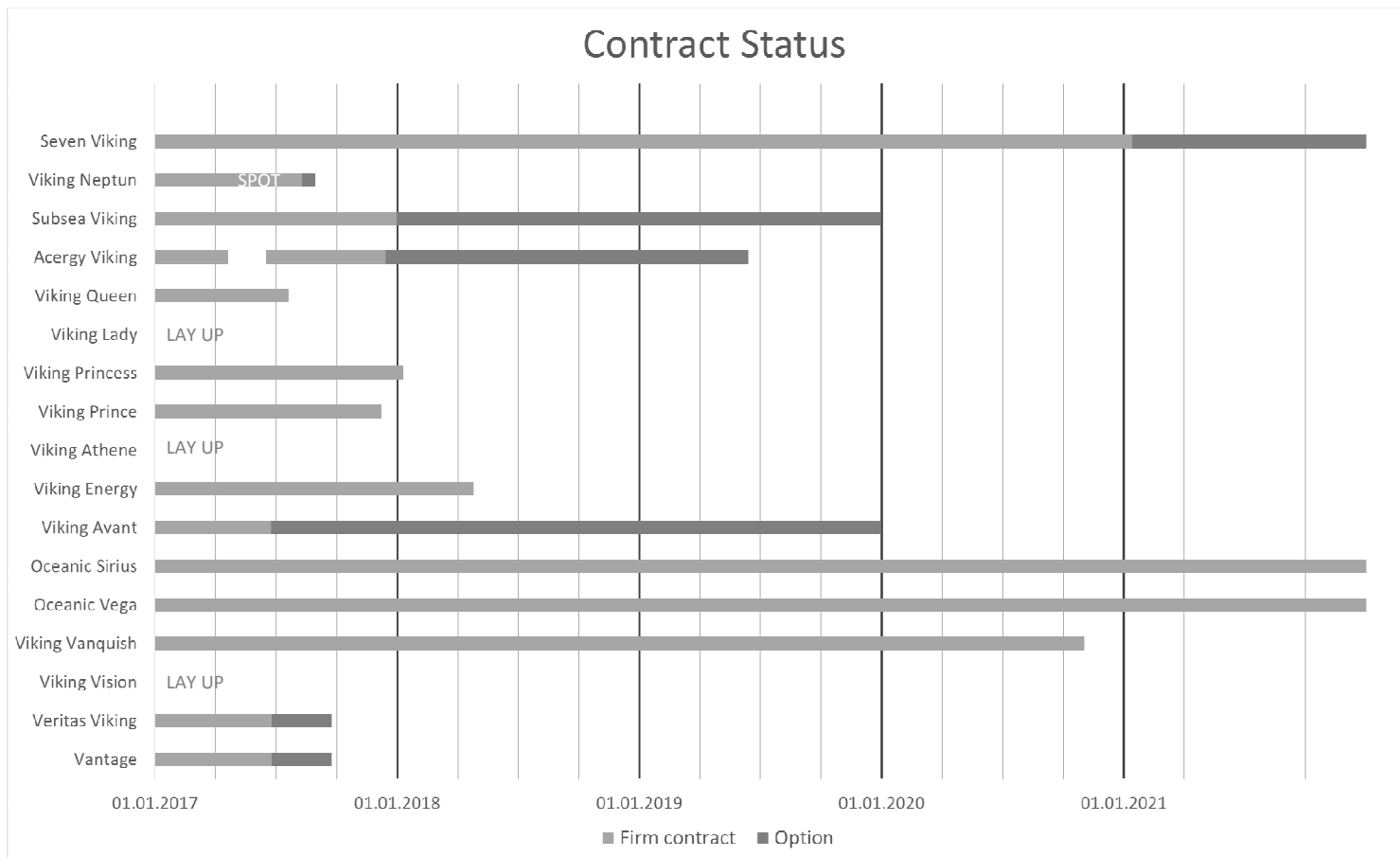


Debt maturity profile 31.03.2017











Market

The challenging market for supply vessels seem to continue. We do not see any material change in the short term. We do, however, see an increasing focus internationally on vessels operated on LNG, and think this market will strengthen going forward, also including supply vessels operated on LNG.

In the subsea segment we see increased activity in the long term, but a challenging market is expected in the short term.

We observe some activity increase in marine seismic, but we do expect a challenging market for this segment for some time going forward.





Eidesvik

Thanks for Your attention!

Your Partner in Shipping