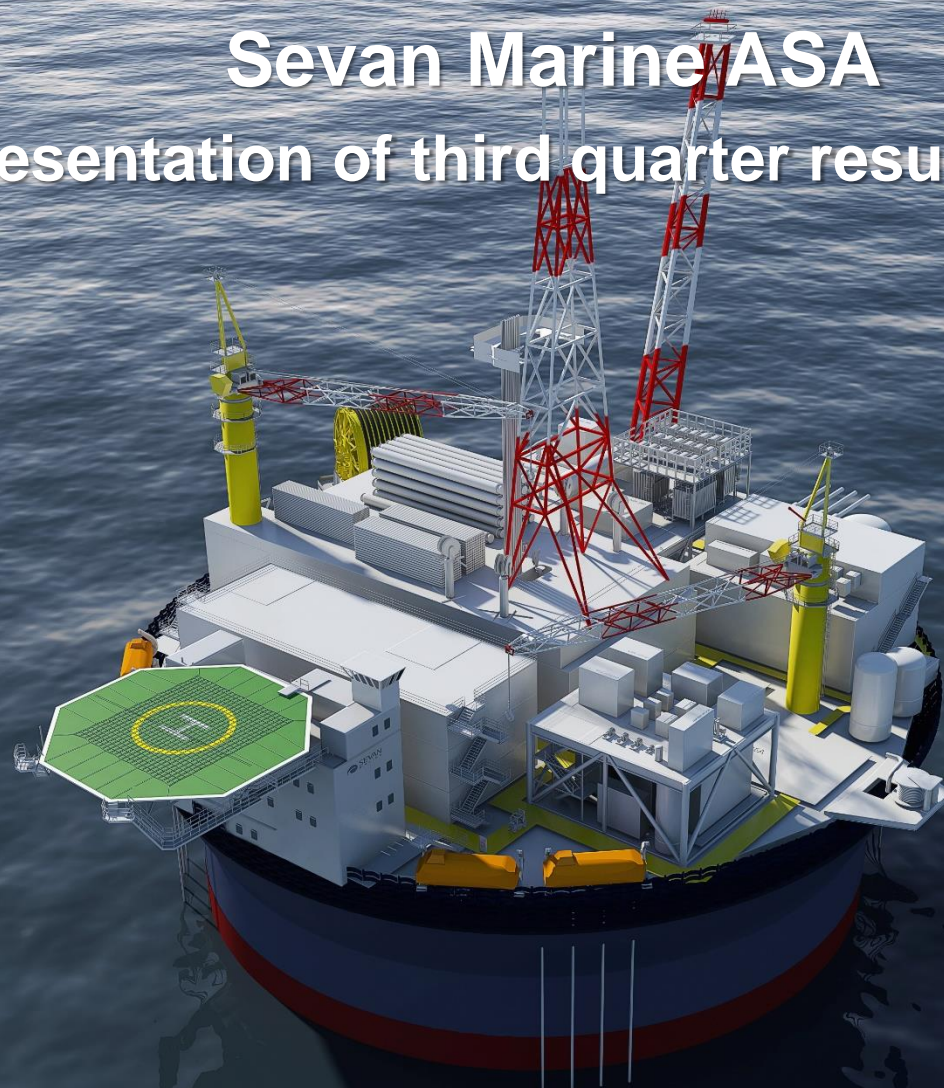


Sevan Marine ASA

Presentation of third quarter results 2014



Hotel Continental, Oslo, 19 November 2014

Presented by: Carl Lieungh, CEO
Kjetil Vangsnes, CFO

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Highlights

- Still high activity within the FPSO/FSO market segment
 - Prospecting related to several projects: Bream (Premier), Penguins (Shell), Sea Lion (Premier), Bentley (Xcite) and Culzean (Maersk)
- Significant market attention for the Sevan FLNG and HiLoad LNG Offloading solutions
 - In discussions with several oil & gas majors and specific project developers for the application of the Sevan FLNG unit for projects worldwide
 - Our offloading solution for LNG, HiLoad LNG, is being considered by a number of projects
- New Logitel agreements reduce risk and strengthen floating accommodation initiative
 - The agreement has opened a new line of business within the accommodation market
 - The agreement has reduced Sevan's risk exposure relative to Logitel. Down payment of MUSD 30 of the convertible loan was secured in the third quarter
- Weak quarter for Topside and Process Technology
 - Start-up cost for KANFA Aragon's subsidiary in Houston, Texas
 - This business development initiative is expected to significantly strengthen KANFA Aragon's market position in the US LNG and FLNG markets
 - The margins on two process equipment packages have been reduced

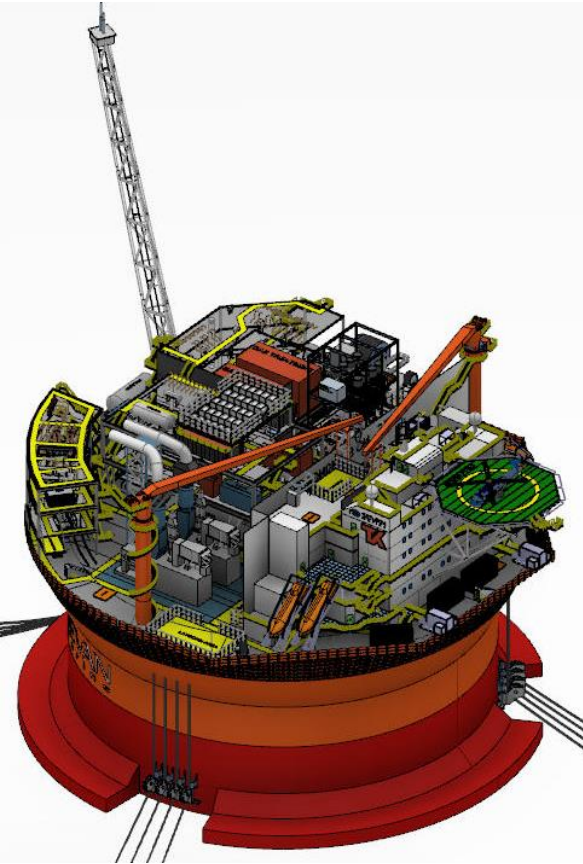
Highlights cont'd

- Operations and financial position
 - Operating revenue of USD 25.2 million was USD 2.2 million lower than last quarter.
 - EBITDA was positive with USD 1.5 million, which is USD 0.3 million higher than previous quarter
 - The Cash position was 30.7 USD million as of end September.
 - The Company has high equity (72%) and no interest bearing debt
- Dividend policy
 - The Board has communicated a strategic target of paying an annual dividend.

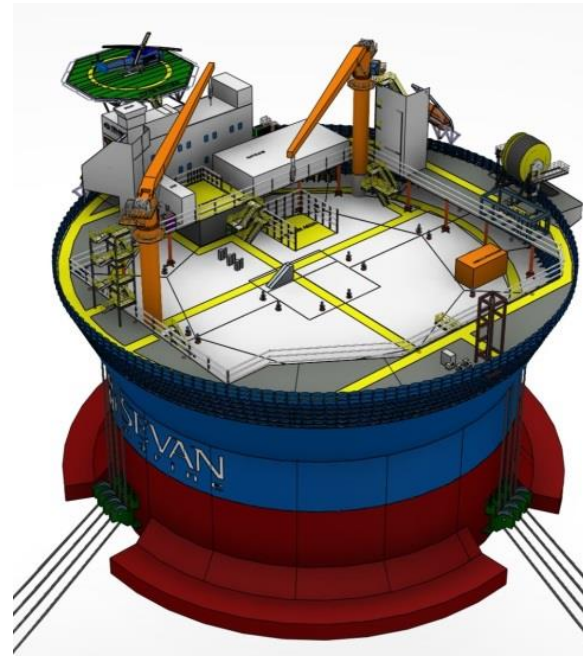
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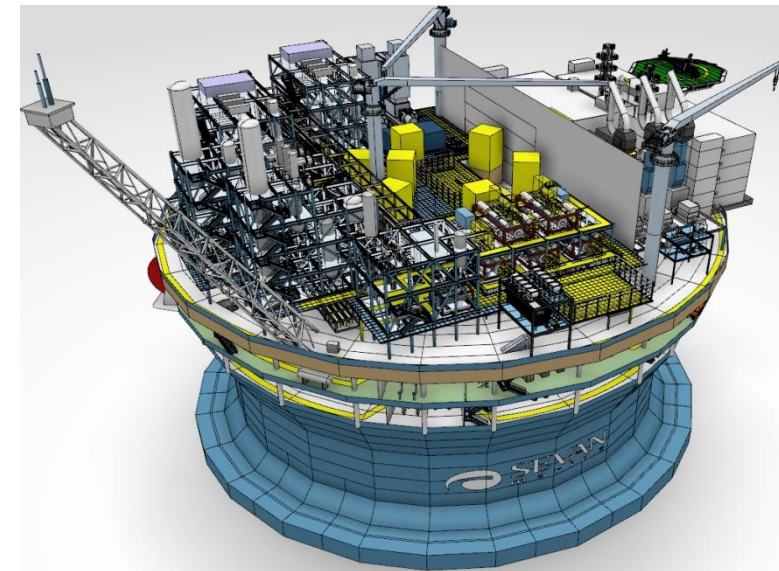
Sevan's core technology



FPSO



FSO



FLNG

Sevan FPSOs: Ongoing projects

Goliat



Field operator: ENI

Location: Sub-arctic Barents Sea

Hull size: Sevan 1000

Under construction at the
HHI yard in Korea

Western Isles



Field operator: Dana Petroleum

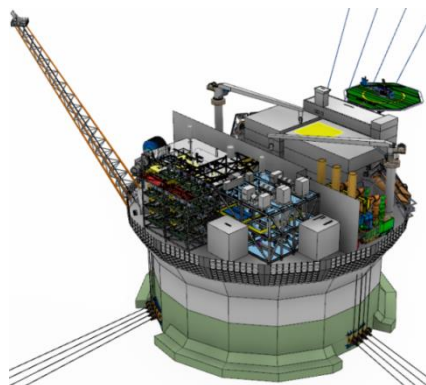
Location: North Sea, UK

Hull size: Sevan 400

Under construction at the
Cosco yard in China

Sevan FPSOs: Main prospects

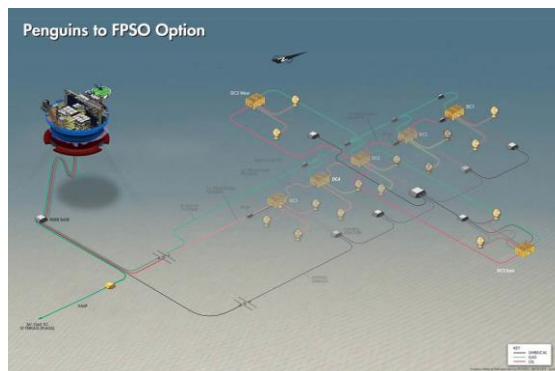
Bream



Field operator: Premier Oil
Location: North Sea, Norway
Hull size: Sevan 650

FEED ongoing

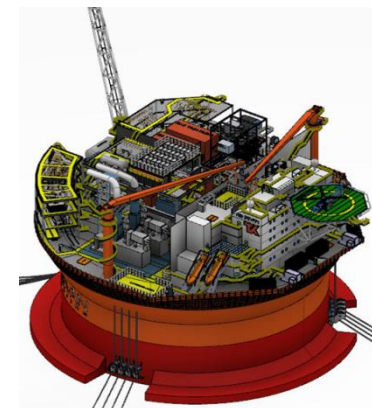
Penguins



Field operator: Shell
Location: North Sea, UK
Hull size: Sevan 400

Pre-FEED ph.2 completed
FEED expected Q1 2015

Sea Lion

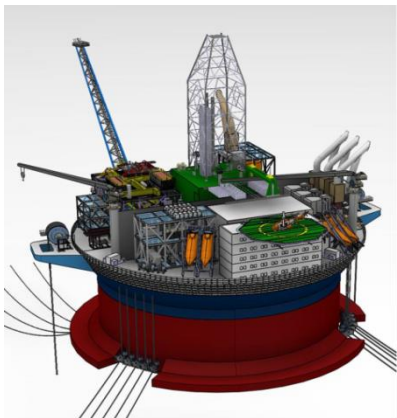


Field operator : Premier
Location: Falkland Islands
Hull size: Sevan 1200/1400

Pre-FEED (FSO)
FEED expected Q2

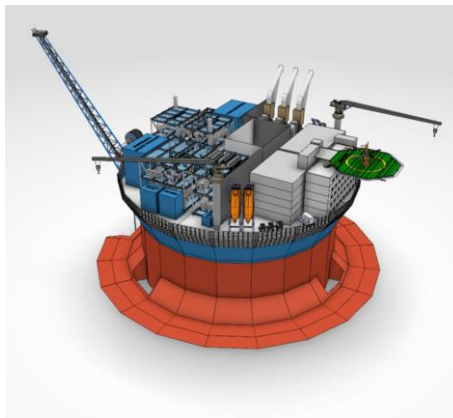
Sevan FPSOs: Other FPSO opportunities

SEVAN FDP SO



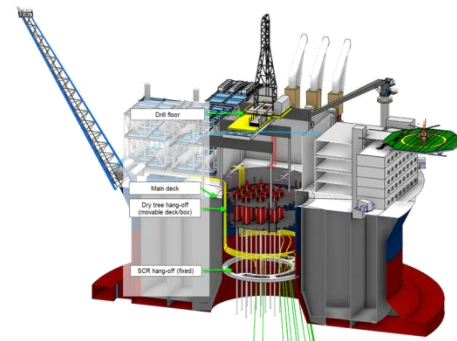
Concept study completed on a Sevan FDP SO.

SEVAN SCR FPSO



Study proposal prepared for a non-disconnectable deepwater FPSO utilizing Steel Catenary Risers (SCR) in the Gulf of Mexico.

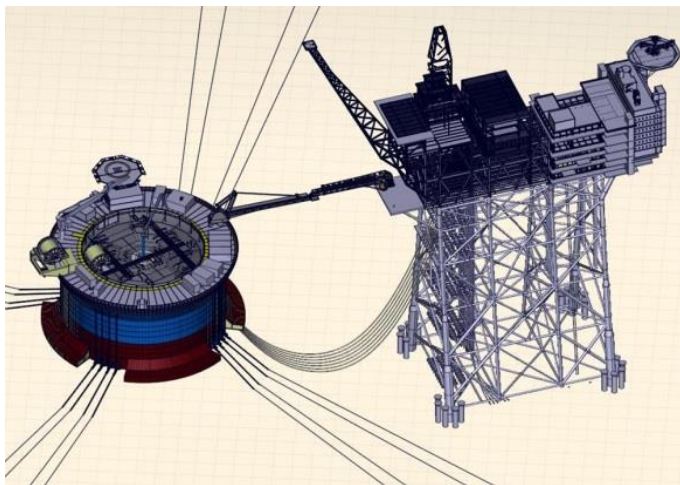
FWPSO



Study proposal prepared to explore the possibility of using dry-trees on a Sevan unit.

Sevan FSOs: Main prospects

Bentley



Field operator : Xcite
Location: North Sea, UK
Hull size: Sevan 1000

Pre-FEED ongoing with Teekay
FEED expected to start Q1 2015

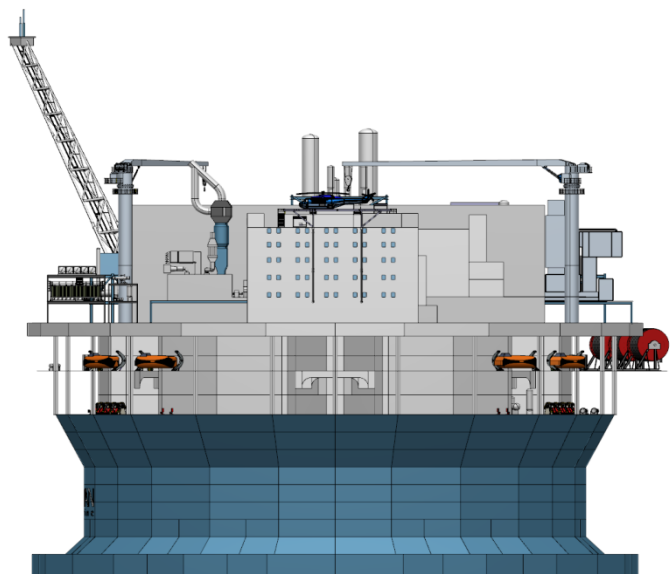
Culzean

Culzean Standalone Facilities Option



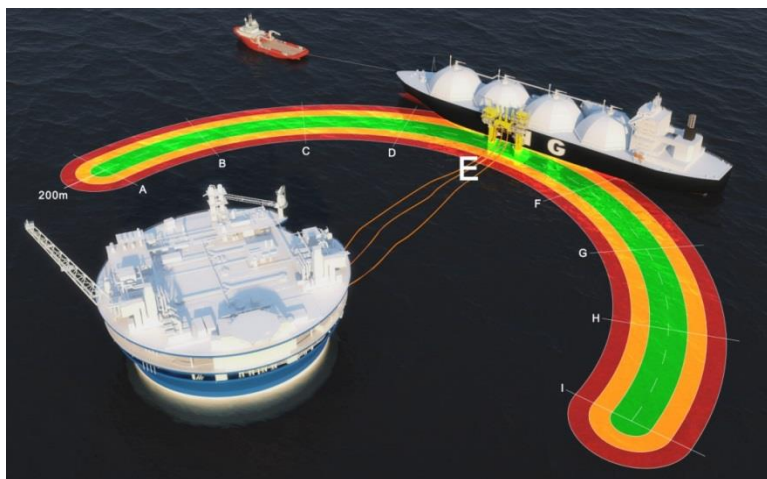
Field operator : Maersk
Location: North Sea, UK
Hull size: Sevan 400

Sevan FLNG and Offloading concepts



Sevan FLNG Unit

- The concept has been developed on a generic basis as far as we want at this stage. Further development will be in connection with a concrete project.
- Several oil companies and project developers have shown a keen interest in the solution.



HiLoad LNG

- High focus on offloading in the industry from a safety perspective.
- High interest from clients to explore HiLoad LNG as an alternative to the current side-by-side offloading solutions.

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Proven technology: Sevan designed Drilling Units

Sevan Driller

Field operator: Petrobras
Field: Pre-salt Brazil
Building year: 2009
Design: Sevan 650



Sevan Brasil

Field operator: Petrobras
Field: Pre-salt Brazil
Building year: 2012
Design: Sevan 650



Sevan Louisiana

Field operator: LLOG
Location: US GoM
Building year: 2013
Design: Sevan 650



Sevan Developer

Design: Sevan 650
Building year: 2013 /2014
Yard: Cosco Shipyard,
China



Sevan MODU MKII and Sevan Arctic MODU



- Working on Mark II (second generation) drilling rigs
- The Mark II version also includes an Ice version and a Harsh Environment version

Proven technology: Sevan designed Accommodation Units

Three Accommodation Units under construction



Six FAU Options with the Cosco Shipyard

- Teekay Offshore Partner has completed the acquisition of Logitel Offshore
- Logitel Offshore has the option to build 6 more FAUs at the Cosco Shipyard
- The first option was exercised in August 2014, with delivery Q3 2016



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KANFA



Studies/FEED

Process Eq. Packs.

Process Modules

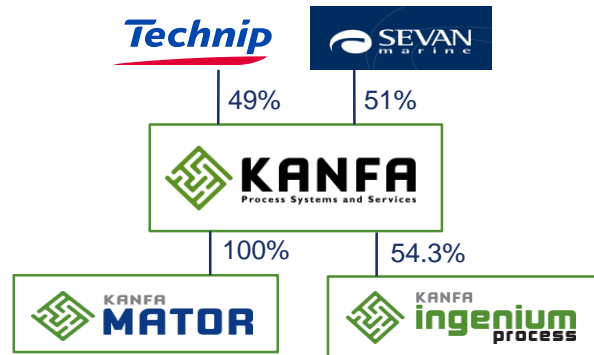
Process Optimization

A process technology company focusing on providing process equipment packages and modules as well as participating in studies and FEEDs together with Technip.

The co-operation with Technip is expected to provide new opportunities in the North Sea market (Norway and UK) as well as in the international oil & gas markets.

Traditional process equipment packages and modules includes: Main Separation systems, Water Injection systems, Produced Water Treatment systems, Chemical Injection systems Etc.

KANFA



- 60 employees
- Currently involved in the execution and delivery of process equipment packages for projects like Edvard Grieg, Piranema, Aasta Hansteen, Nyhamna, Martin Linge and Ivar Aasen
- High tendering activities

KANFA Aragon



A process technology company focusing on FLNG as well as traditional gas processes

- Patented FLNG liquefaction process based on an optimized dual nitrogen expander cycle
- Traditional gas processing and gas conditioning includes:
 - Gas compression
 - Gas dehydration, CO₂ and H₂S removal
 - Dew point control
 - Etc

KANFA Aragon



- 30 employees
- Has designed the 2.4 mtpa topside for the Sevan FLNG concept
- Involved with the dehydration (TEG) and vapour gas recovery packages for the Aasta Hansteen project
- Involved in various FLNG Pre-FEED studies
- Has recently established an engineering company in Houston, Texas together with five experienced engineering professionals in the Gas Processing and LNG Industry

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Q3 2014 – Profit & Loss statement

<u>Unaudited figures in USD million</u>	<u>Q3 14</u>	<u>Q2 14</u>	<u>Q3 13</u>	<u>Comment Q3 vs Q2</u>
Operating revenue	25,2	27,4	26,1	Reduced revenue in KANFA partly offset by increased revenue in Sevan
EBITDA	1,5	1,2	2,8	Reduced margin in KANFA compensated by increased revenue in Sevan
Operating profit	1,4	1,1	2,7	
Net profit	1,3	1,4	4,5	

Stable activity level (approximately MUSD 100 per year)

Note: See press release and Q3 2014 interim report dated November 18, 2014 for a more detailed description of the Q3 interim financial results.

Q3 2014 – Balance Sheet

<i>Unaudited figures in USD million</i>	30.09.2014	30.06.2014	31.12.2014	30.09.2013	Comment
Intangible assets	13	13	13	13	Goodwill KANFA
Deferred income tax assets	8	8	8	8	
Loan	50	60	60	51	Loan to Logitel
Other non-current assets	9	8	4	2	
Total non-current assets	80	89	85	74	
Trade and other receivables	54	39	41	32	MUSD 10 classified to current assets
Cash and cash equivalents	31	36	39	53	Cash tied up in projects (KANFA)
Total current assets	85	75	80	84	
Total assets	164	163	165	158	
Total equity	128	127	126	120	Paid out dividend MUSD 10.5 (NOK 1.2 per share) in Q2 14
Total non-current liabilities	3	3	4	5	
Total current liabilities	34	33	35	33	
Total liabilities	36	36	39	38	
Total equity and liabilities	164	163	165	158	
<i>equity-% excl. minority interest</i>	<i>72 %</i>	<i>71 %</i>	<i>75 %</i>	<i>75 %</i>	

Asset light and high equity

Note: See press release and Q3 2014 interim report dated November 18, 2014 for a more detailed description of the Q3 interim financial results.

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Outlook

- Generally positive for the FPSO/FSO market segment
 - High number of prospects in advanced phases (i.e. Pre-Feed, FEED) provides for cautious optimism regarding activity level in Sevan
 - Increased focus on cost effective solutions should be an advantage for Sevan
- Significant market attention for the Sevan FLNG and HiLoad LNG Offloading solutions
 - Studies expected in the short and medium term
- The drilling segment is expected to remain challenging in the short and medium term
- Teekay's entry into the FAU market is positive for Sevan
 - Is likely to generate increased activity in the short and medium term
- The co-operation with Technip is expected to open a larger market for KANFA
 - In terms of project size and geographic reach

Q & A

