4 February 2016

Q4 2015 results

Disclaimer

All statements in this presentation other than statements of historical fact are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believe”, “may”, “will”, “should”, “would be”, “expect” or “anticipate” or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans or intentions. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation as anticipated, believed or expected. Prosafe does not intend, and does not assume any obligation to update any industry information or forward-looking statements set forth in this presentation to reflect subsequent events or circumstances.

Agenda

- **Recent developments**
- Financial results
- Proactive measures
- Operations/projects
- Outlook

Recent developments

- Contract inflow of approx. USD 55 million in the fourth quarter
- Q4 utilisation of 62 per cent
  - Six vessels were fully contracted during the quarter
- Fleet renewal with Safe Zephyrus delivered in January
- Several proactive measures in place and in progress in relation to the industry down-turn
  - Improved liquidity and headroom

Agenda

- Recent developments
- **Financial results**
- Proactive measures
- Operations/projects
- Outlook

Income statement

(Unaudited figures in USD million)	Q4 15	Q3 15	Q4 14	2015	2014
Operating revenues	103.9	154.1	154.1	474.7	548.7
Operating expenses	(52.5)	(56.5)	(60.2)	(211.8)	(236.1)
EBITDA	**51.4**	**97.6**	**93.9**	**262.9**	**312.6**
Depreciation	(24.5)	(26.3)	(16.5)	(86.5)	(64.3)
Impairment	(9.4)	0.0	0.0	(9.4)	0.0
Operating profit	**17.5**	**71.3**	**77.4**	**167.0**	**248.3**
Interest income	0.1	0.0	0.0	0.2	0.3
Interest expenses	(10.4)	(8.2)	(10.2)	(41.6)	(37.3)
Other financial items	(11.9)	(7.4)	(15.1)	(29.5)	(20.0)
Net financial items	**(22.2)**	**(15.6)**	**(25.3)**	**(70.9)**	**(57.0)**
Profit before taxes	**(4.7)**	**55.7**	**52.1**	**96.1**	**191.3**
Taxes	(2.1)	(2.5)	(1.1)	(10.5)	(12.5)
Net profit	**(6.8)**	**53.2**	**51.0**	**85.6**	**178.8**
EPS	**(0.03)**	**0.23**	**0.22**	**0.36**	**0.76**
Diluted EPS	**(0.03)**	**0.23**	**0.22**	**0.36**	**0.76**

Balance sheet

(Unaudited figures in USD million)	31.12.15	30.09.15	31.12.14
Goodwill	226.7	226.7	226.7
Vessels	1 714.8	1 698.3	1 027.3
New builds	228.5	213.6	311.8
Other non-current assets	4.9	5.5	5.7
Total non-current assets	**2 174.9**	**2 144.1**	**1 571.5**
Cash and deposits	57.1	85.2	122.4
Other current assets	91.4	112.9	122.9
Total current assets	**148.5**	**198.1**	**245.3**
Total assets	**2 323.4**	**2 342.2**	**1 816.8**
Share capital	72.1	65.9	65.9
Other equity	779.3	711.2	682.6
Total equity	**851.4**	**777.1**	**748.5**
Interest-free long-term liabilities	58.9	81.9	55.9
Interest-bearing long-term debt	1 207.5	1 277.3	830.1
Total long-term liabilities	**1 266.4**	**1 359.2**	**886.0**
Other interest-free current liabilities	166.1	175.3	182.3
Current portion of long-term debt	39.5	30.6	0.0
Total current liabilities	**205.6**	**205.9**	**182.3**
Total equity and liabilities	**2 323.4**	**2 342.2**	**1 816.8**

Covenants and funds

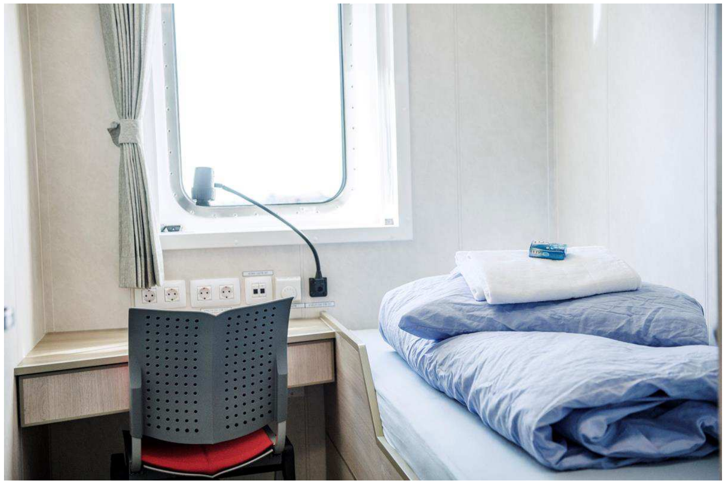
- Leverage ratio is reported with certain adjustments
  - EBITDA contribution from new builds/conversions/acquired vessels that have not been in operation for a full year is annualised and debt related to new builds under construction is excluded until delivery
- Reported leverage ratio in Q4 2015: 2.5
  - Credit margin therefore in the lowest grid: 2% and 2.25% on the USD 1.3 billion and USD 288 million facilities respectively
- Book equity: 36.6% at Q4 2015
- Funds: Cash plus undrawn facilities on the revolving loan tranche of USD 100 million as of end Q4 2015 and committed facilities for the three newbuilds

Agenda

- Recent developments
- Financial results
- **Proactive measures**
- Operations/projects
- Outlook

Strengthened the balance sheet via private placement

- Raised NOK 590 million in private placement in December
- The private placement was over-subscribed and supported by existing owners
- The proceeds has strengthened the company's balance sheet and liquidity position



Created additional headroom to financial covenants in credit facilities

- Leverage ratio (Net Debt to EBITDA, excluding debt related to new builds under construction, and with annualisation of contribution from new vessels that have not been in operation for a full year):
  - From 31 March 2016 to 31 December 2018: <6.0x
  - From January 2019 and thereafter: <5.0x
- Equity ratio now means the ratio of the book equity to total assets
  - Equity ratio to be minimum 25 per cent from 31 December 2015 until 31 December 2017
  - From January 2018 and thereafter: 30 per cent
- The company may seek to align covenants in bond loan agreements

Increased liquidity buffer from skipped payment options

- Option to voluntary skip scheduled amortizations amounting to USD 130 million in total under the USD 1,300 million facility in 2016
- New pricing
  - USD 1,300m credit facility: From 1.95% p.a. to leverage based grid pricing of 2.00-2.75%
  - USD 288m credit facility: From 2.25% p.a. to leverage based grid pricing of 2.25-2.75%

Increased liquidity buffer and financial flexibility

- Funding and liquidity reserve in place:
  - USD 100 million in undrawn facilities on the revolving tranche available as of end 2015
  - USD 130 million in skip payment options secured
  - USD 288 million available for Safe Notos and Safe Eurus
  - USD 30 million in sellers credit from Jurong for Safe Zephyrus
  - USD 29 million in sellers credit from Cosco for Safe Notos

Fleet renewal strategy nearing completion

- High quality and versatile fleet

- 20-year life extension for Regalia, Safe Caledonia and Safe Scandinavia completed

- Safe Boreas, new build 2015
- Safe Zephyrus, new build 2016
- Safe Notos, new build 2016
- Safe Eurus, new build 2016

Cost efficiency measures

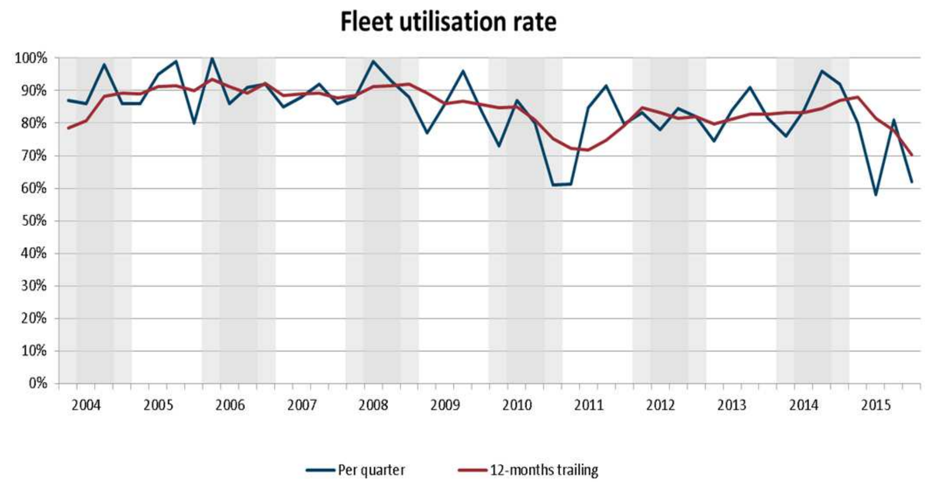
- Cost efficiency measures have been implemented and further actions will be taken in light of the industry downturn and outlook
- The whole cost structure is under review. About USD 15 million in permanent annual savings already achieved. There savings will be in addition to the greater effects from natural currency hedges and ordinary activity level adjustments
- The target is to at least double the savings and efficiency gains to USD 30-40 mill / annum

Agenda

- Recent developments
- Financial results
- Proactive measures
- **Operations/projects**
- Outlook

Large and modern fleet means lower risk

- Utilisation rate of 62 per cent in the fourth quarter
  - Six vessels were fully contracted
  - Seasonality in the North Sea
- Large and modern fleet of largely interchangeable vessels means greater flexibility and lower risk
- Modest counter-party risk
  - Clients are typically national oil companies, super majors and larger independents
- Global operations and opportunity set



Safe Zephyrus delivered

- Delivery of the Safe Zephyrus on 27 January 2016
- The final delivery instalment of the Safe Zephyrus was reduced by USD 30 million
  - This represents a seller’s credit from Jurong Shipyard Pte Ltd., to be repaid in a single payment on or before 15 June 2017
  - Increased liquidity for the company until mid-2017
- Prosafe has drawn USD 200 million on the credit facility in connection with delivery
- Safe Zephyrus is scheduled to commence a contract in Norway early Q3 2016

Safe Notos scheduled delivery in February

- In connection with the scheduled delivery of Safe Notos, the final delivery instalment of Notos will be reduced by about USD 29 million

- This represents a seller's credit from Cosco, to be repaid in a single payment end of 2016
  - Increased liquidity for the company until end 2016

- The company will draw USD 144 million on the USD 288 million credit facility in connection with delivery

Safe Scandinavia TSV conversion project

- 3 years firm (+ 4 years of options) contract with Statoil as a Tender Support Vessel (TSV) at Oseberg Øst in Norway
- Mechanical completion and commissioning of Scandinavia TSV is finalised
- As stated in the recent operational update, during the acceptance testing certain mud specifications showed a need for some adjustments, which are expected to be completed in the near future. Once the testing is complete, the vessel will start mobilising to Oseberg

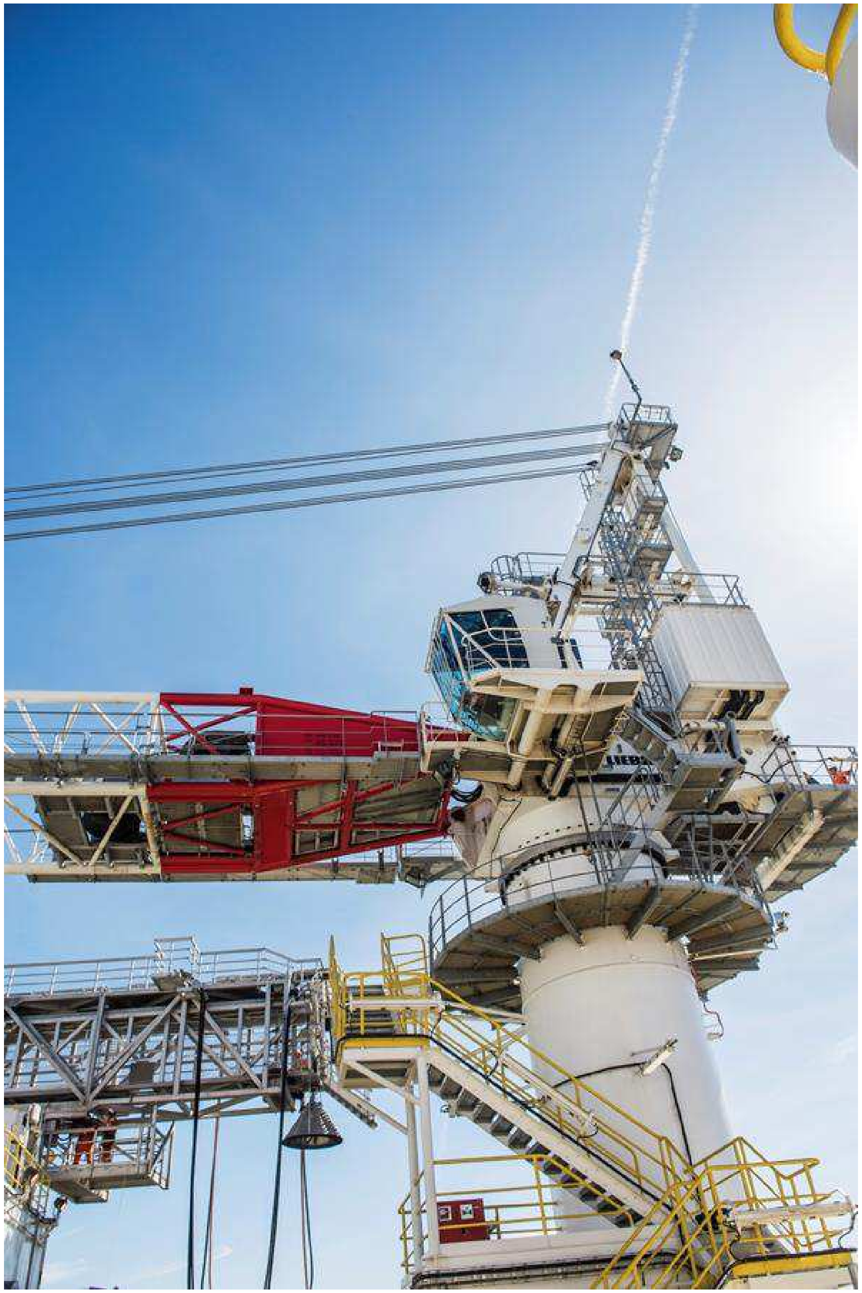
Capital expenditure

- Capex 2015 of USD 700 million

- Guidance of capital expenditure in 2016 of about USD 700 million

- Major capex items in 2016
  - New builds delivery instalments
  - Fixed price contracts

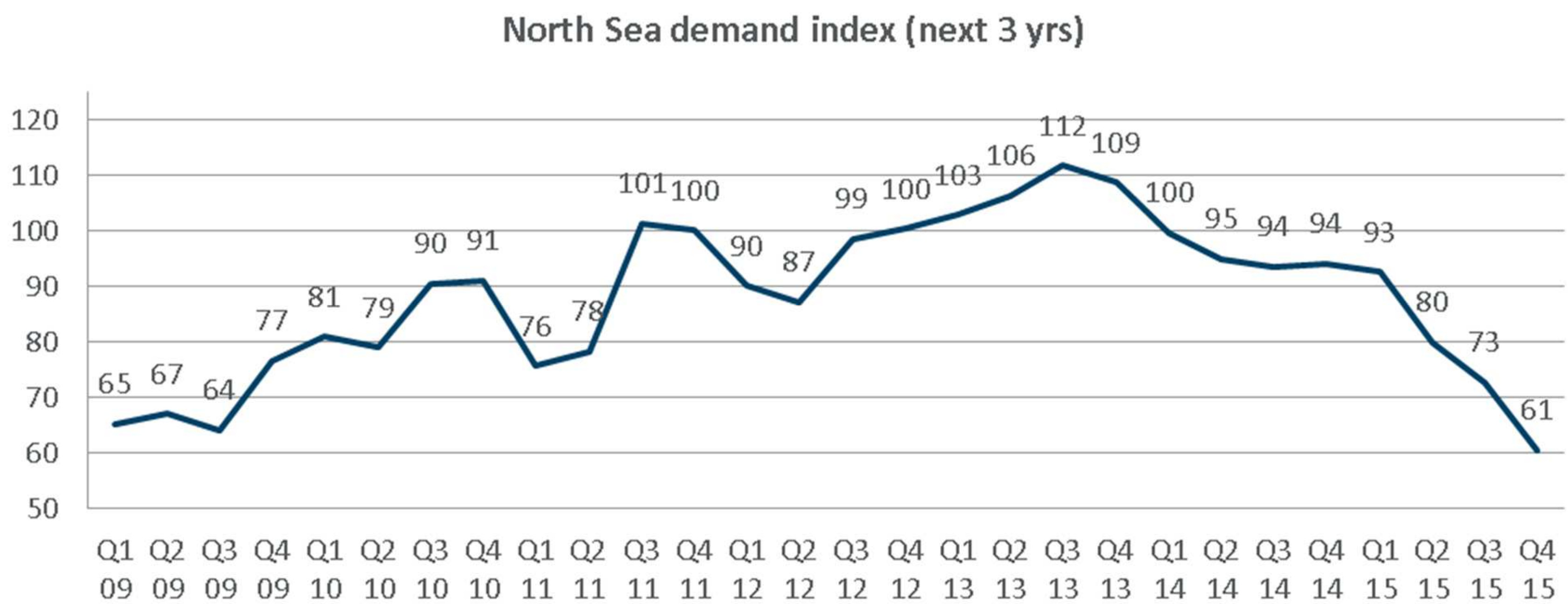
- Capex coming down to an estimated USD 50-60 million total for the fleet from 2017 onwards



Agenda

- Recent developments
- Financial results
- Proactive measures
- Operations/projects
- **Outlook**

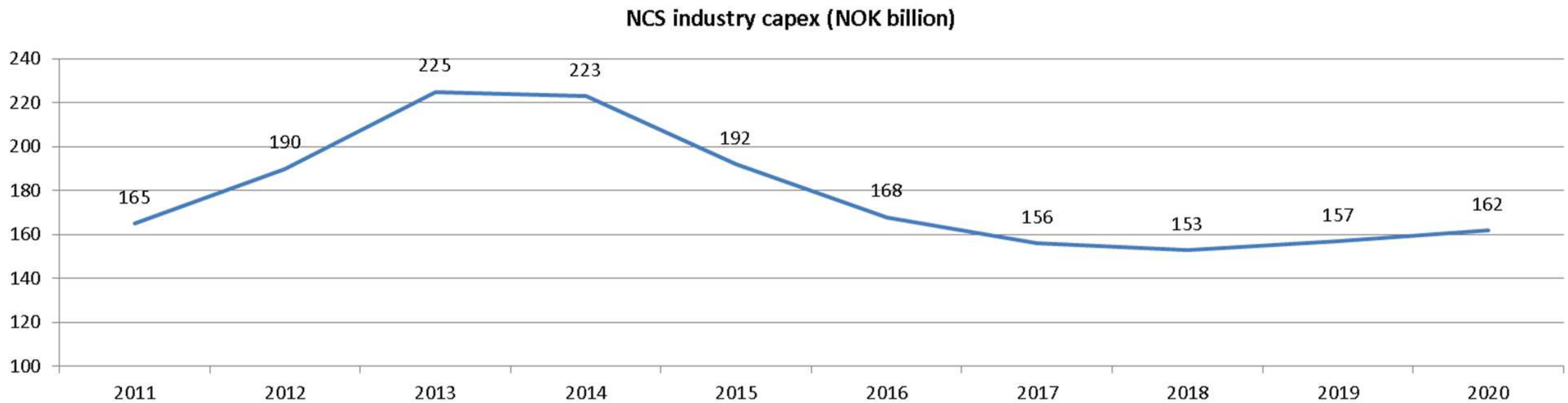
NS demand index dropping in line with oil price…



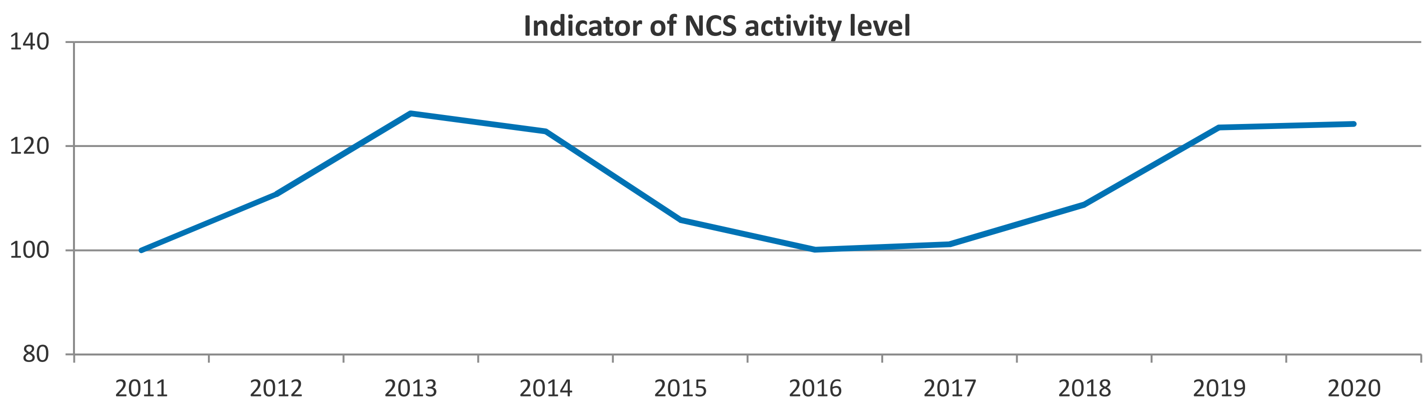
Based on firm contracts, extension options, projects in the tendering phase and prospects likely to go to tender in the next 36 months. Index based on number of days in demand. Q4 11 = 100

Source: Prosafe

…However, activity level forecasted to rebound from 2018 as cost reductions are taking full effect



Source: NPD Sokkelåret Q4 2015



Source: NDP Sokkelåret 2015 / Prosafe

Indicative result of cost effectiveness:
Index based on the industry total capex and cost level going forward

Lower cost = Higher activity (given same capex)

Example: Peak cost level assumed in 2014 with 30% cost reduction assumed by 2019

2011 = 100 (activity level)

Mexico

- Safe Britannia has completed her contract assignment end-2015 and is in operational readiness status awaiting future deployment

- Jasminia laid-up and Safe Hibernia extended until end of Q1 2016

- Pemex continues focus on spend and cost reductions in the current low oil price environment

- A by-product of the cost cutting is a decrease in offshore workforce in a region dependent on high levels of platform maintenance

- However, longer term demand outlook anticipated to be positive

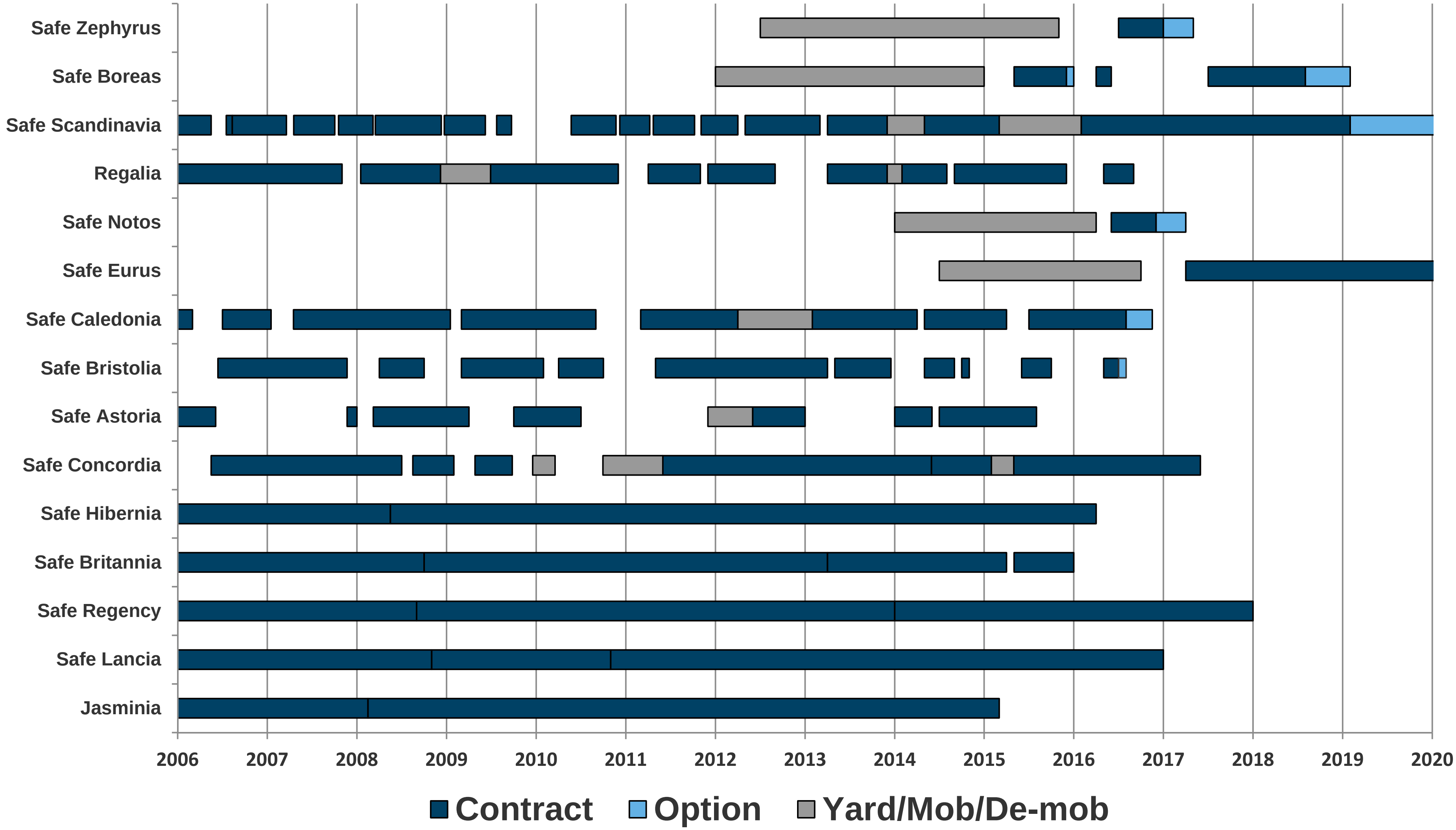
Brazil

- Safe Concordia continues to operate well and contracted through to mid-2017
- Safe Eurus to commence contract from end Q1 2017 on a three-year contract
- Pressure on Petrobras to lower costs – flowing through to contractors
- Brazil country instability adding to the overall industry uncertainty
- However, anticipate high-end equipment to be prioritised through the cycle

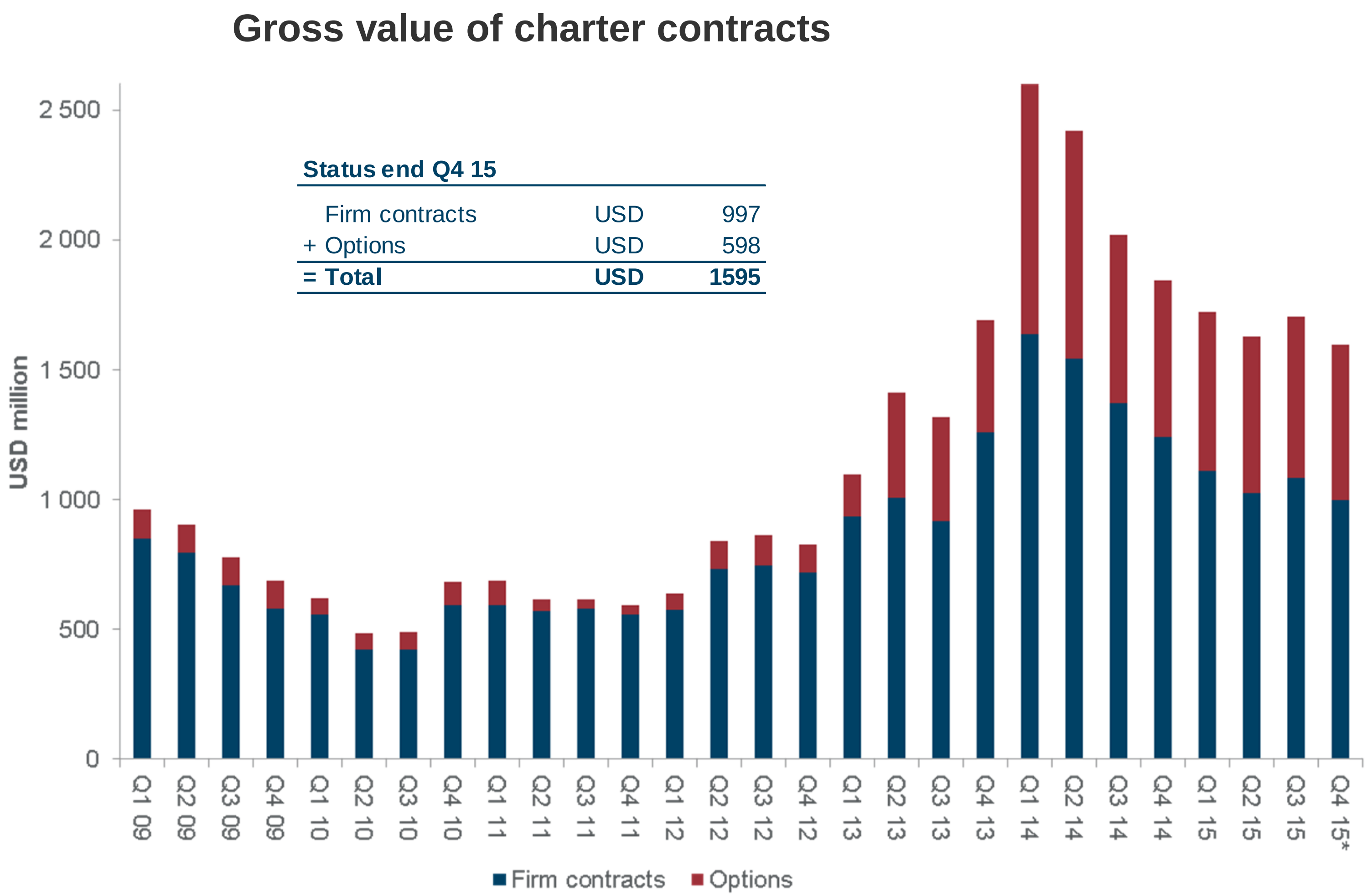
Other regions - opportunities

- A number of West African prospects have emerged with large operators
- Tendering ongoing for work in 2017 and 2018 including potential multi-year contracts

Contract coverage

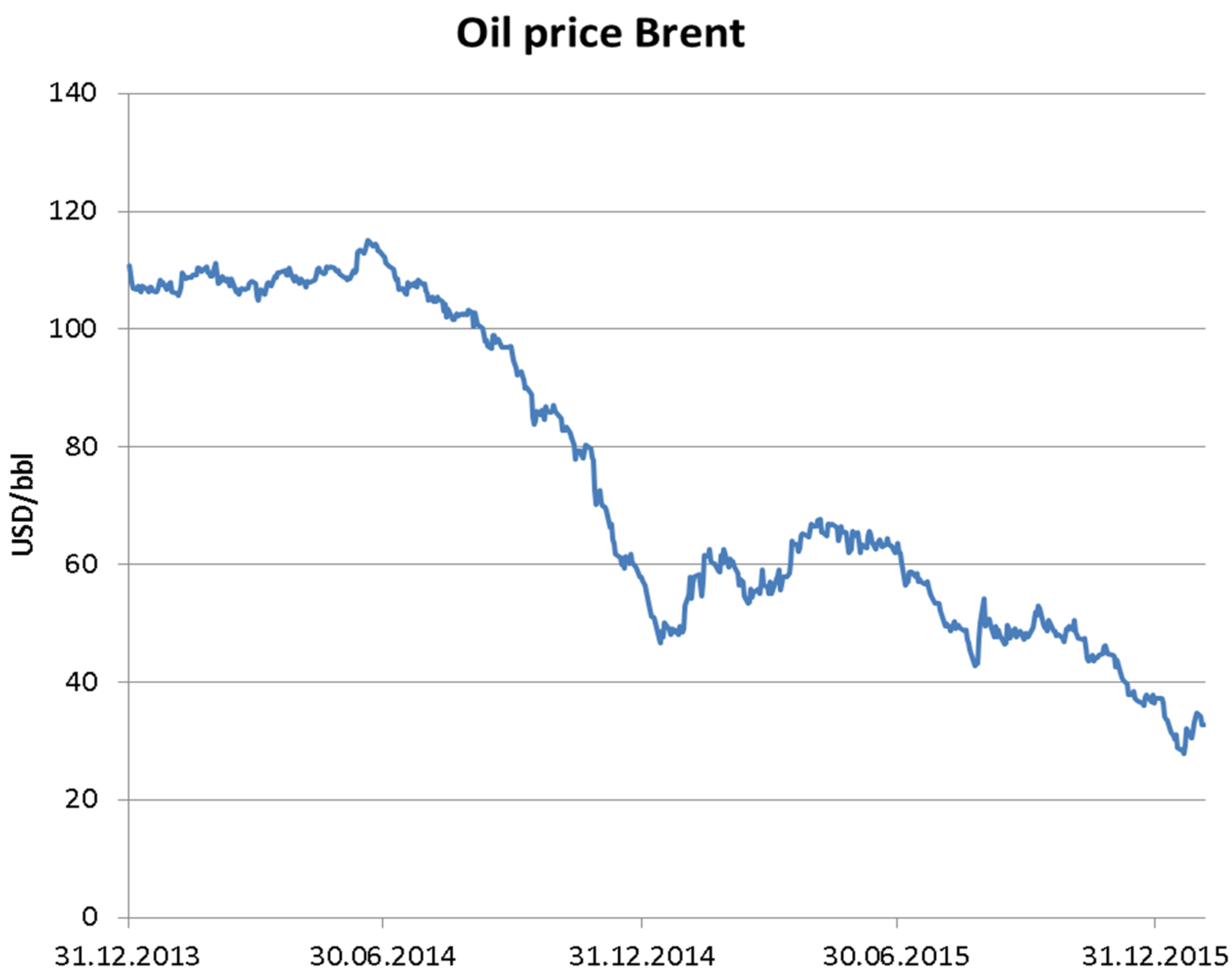


Contract backlog



* Including Statoil-Mariner amendment which was announced 4 January 2016

Oil price development will continue to drive activity levels



Summary

- Industry conditions remain challenging in the short to medium term
- However, prospects and indicators point towards demand improvement from 2018 and onwards
- Prosafe is relatively well positioned
- The clear market leader globally
- All new builds contracted
- Several proactive measures in place and in progress

Appendix

Operating revenues

(USD million)	Q4 15	Q3 15	Q4 14	2015	2014
Charter income	93.7	139.9	137.2	425.4	481.2
Mob/demob income	1.5	2.1	1.0	5.4	8.8
Other income	8.7	12.1	15.9	43.9	58.7
Total	**103.9**	**154.1**	**154.1**	**474.7**	**548.7**

Key figures

KEY FIGURES	Q4 15	Q3 15	Q4 14	2015	2014
Operating margin	16.8 %	46.3 %	50.2 %	35.2 %	45.3 %
Equity ratio	36.6 %	33.2 %	41.2 %	36.6 %	41.2 %
Return on equity	-6.4 %	28.3 %	28.1 %	14.3 %	23.9 %
Net interest bearing debt (USD million)	1 189.9	1 222.7	707.7	1 189.9	707.7
Number of shares (1 000)	259 570	235 973	235 973	259 570	235 973
Average no. of outstanding shares (1 000)	242 974	235 973	235 973	237 719	235 973
USD/NOK exchange rate at end of period	8.81	8.50	7.43	8.81	7.43
Share price (NOK)	21.00	23.70	23.00	21.00	23.00
Share price (USD)	2.38	2.79	3.10	2.38	3.10
Market capitalisation (NOK million)	5 451	5 593	5 427	5 451	5 427
Market capitalisation (USD million)	619	658	730	619	730