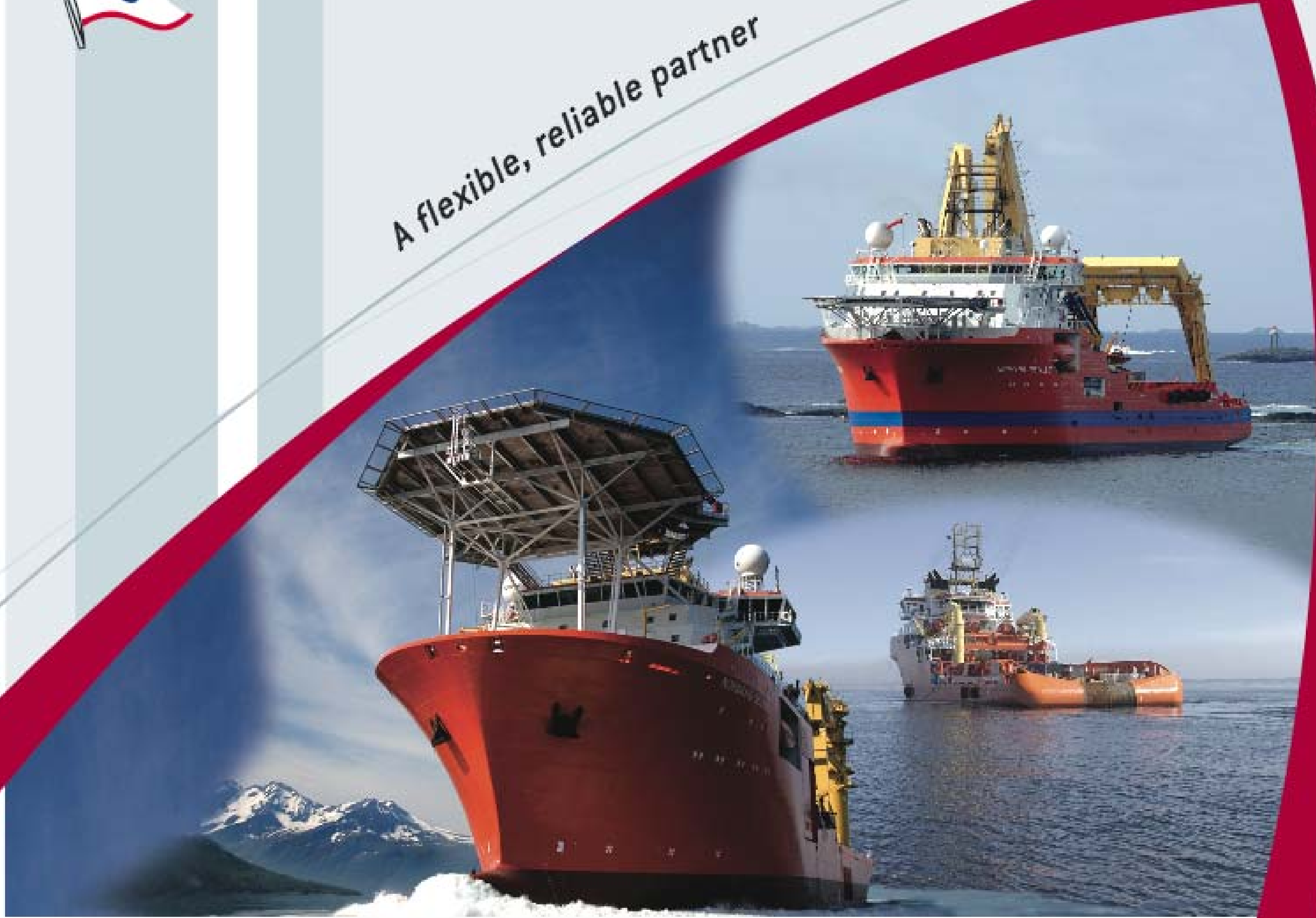
SOLSTAD OFFSHORE ASA

A flexible, reliable partner



SOLSTAD OFFSHORE ASA
4Q 2011

1. Solstad Offshore in brief
2. Highlights 2011
3. Financials
4. Vessels and markets
5. Outlook

SOLSTAD OFFSHORE IN BRIEF

- Head-office in Skudeneshavn, Norway.
- Branch offices in Aberdeen, Rio de Janeiro, Singapore and Perth
- Owner/operator of a fleet of 50 offshore service vessels
- Total 1,650 onshore and offshore personnel
- Worldwide operation – North Sea, Brazil, US Gulf, West Africa, Asia, Australia etc.
- Listed on Oslo Stock Exchange since 1997 (Ticker: SOFF).

Segments	Current Fleet	Newbuildings	Weighted Average Age*
PSV (Platform Support Vessel)	9		6.2
Large AHTS (Anchor Handling Tug Supply Vessel)	10		7.6
Small & Medium AHTS	12		10.8
CSV (Construction Service Vessel)	18		5.8
DLB (Derrick Lay Barge)	1		0.9
Sum:	**50**	**0**	**6.6**

* Weighted average age including newbuildings. Based on broker valuations of the vessels as of 31.12.2011

www.solstad.no

2. HIGHLIGHTS

A flexible, reliable partner

SOFF HIGHLIGHTS - 31.12.2011

Key highlights 2011 & YTD 2012

- 100% ownership in SOAPAC Ltd (eks NOR Offshore Ltd)
- 2 large CSV's delivered from yard in 2011 - "Normand Oceanic" and "NorCE Endeavour"
- Last newbuilding, "Normand Arctic" (large LNG PSV) delivered Jan '12
- Several new long and medium term contracts at improved day rates
- Proposed dividend for 2011 NOK 1,50 pr share

Acceptalbe margins in 4. quarter. Strong equity and liquidity buffer

- Freight revenues NOK 3.049 mill
- EBITDA NOK 1.134 mill (margin of 37%). 4Q alone generated a margin of 39%.
- Book equity ratio of 28% (NOK 4,4 billion) / Value Adjusted Equity 43% (NOK 8,8 billion)
- Net interest-bearing debt ~ NOK 10,0 billion. Cash and equivalents: ~NOK 660 million
- Extraordinary impairment NOK 160 mill "NorCE Endeavour" (DLB)

Solid contract backlog to first class counterparts. Advantageous position in 2012

- Contract backlog of NOK 5,5 billion (NOK 9,8 billion incl. options) coming 5 years
- Contract coverage for remaining '12 of 60% (80% including options).
- Solid and diversified customer base (Statoil, Petrobras, Murphy Oil, Saipem, Technip, Subsea 7)

3. FINANCIALS

A flexible, reliable partner

PROFIT AND LOSS ACCOUNTS

(mill NOK)	4Q 2011	4Q 2010	Totalt 2011	Total 2010
Total operating income	**856**	**707**	**3 049**	**2 617**
Gain on sale	-13			
Operating expenses	-554	-497	-1 943	-1 639
Ord. depreciation	-204	-185	-772	-639
Impairment	-160		-160	
Operating profit	**-75**	**25**	**174**	**340**
Net agio	-51	-2	-48	30
Other fin. Items (1)	-117	-82	-525	-237
Result before taxes	**-244**	**-60**	**-399**	**133**
Taxes (2)	20	28	-8	-114
Result after taxes	**-224**	**-32**	**-407**	**19**
EBITDA	330	210	1 134	981

(1) 2010 incl gain on increased ownership in NOR Offshore of NOK 117 mill
(2) 2010 incl NOK 116 million in tax related to change in transition rules from old tonnage tax regime

OPERATING REVENUE AND EBITDA

(Excl. gain on sale of asset) (MNOK)

BALANCE 31 December 2011

(mill NOK)	Totalt 2011	Totalt 2010
Long Term fixed assets	14 251	13 886
Current Assets	1 596	1 681
Total Assets	**15 847**	**15 566**
Equity	4 416	4 989
Long term liabilites	9 882	7 613
Current Liabilites*	1 549	2 964
Total equity and liabilites	**15 847**	**15 566**

Booked equity at 31.12.2011 NOK 115,- pr share

* NOK 742 million of Current Liabilites 31.12.11 is current portion of long term debt

4. VESSELS AND MARKETS

A flexible, reliable partner

MARKET
- Construction Service Vessels (CSV)

- Subsea activity on a high level… and increasing!
  - High tendering activity and contract awards
  - Clients are building substantial backlogs
  - Limited availability of CSV's

- Solstad have favourable exposure to a strong subsea market
  - New contracts signed at considerable better levels than previous contracts. Effect from 2Q '12.
  - "Normand Oceanic" and "Normand Clipper" on long term contracts. Effect from 2Q '12.
  - Focus on long and medium term contracts for the medium size subsea vessels
  - Still available capacity

MARKET

- Construction Service Vessels (CSV)

DLB “Norce Endeavour”

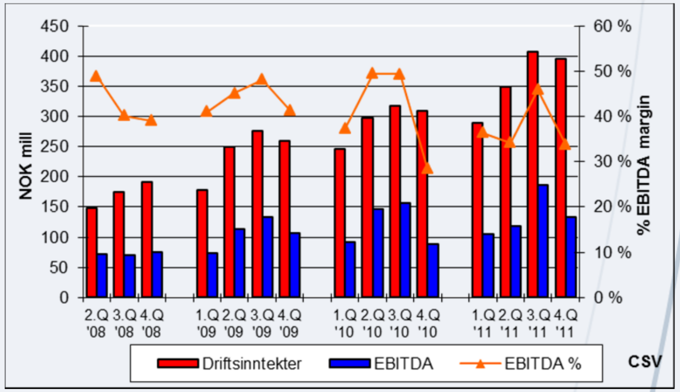
- Successful completion of second project in December-11 / Januar-12.
- Secured 40 – 100 days of work in Indonesia from July-12.
- High tendering activity
    - Presently bidding +/- 15 projects, mainly in SE Asia and Australia.
- In negotiations for 3 projects, all for execution in 2012-13.
- Project margins, still under pressure, but expected to improve from -13 onwards.

FLEET

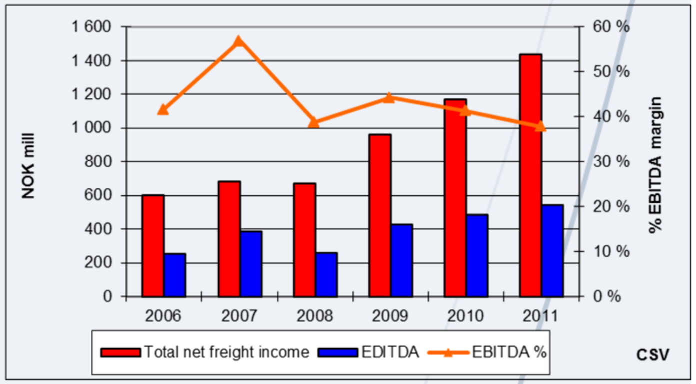
- Construction Service Vessels (CSV)

- 19 CSV's in operation with strong counterparts
  - Long term contracts with all the major subsea players
- EBITDA margin 4Q negativly influenced by
  - Utilization/day rates "N. Oceanic" and "NorCE Endeavour"
  - Year end accounting accruals
  - Technical 'one-offs'
- From 2Q '12 onwards
  - Close to 100% utlization
  - Improved margins

Quarterly development



Annual development



MARKET

- Anchor Handling Tug & Supply Vessels (AHTS)

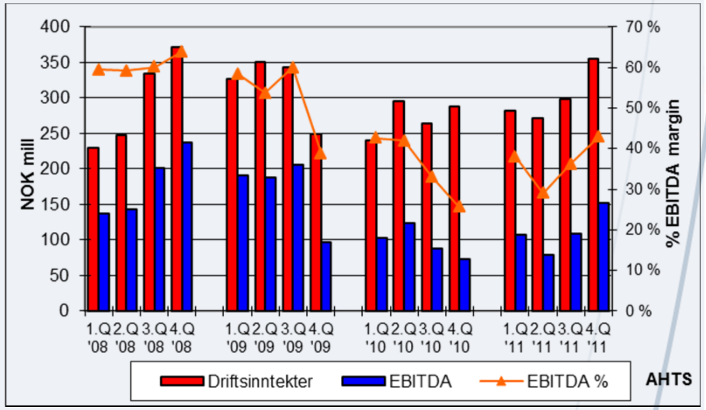
- Improved rates and utilisation
  - Volatile spot-market
- Strong long term outlook
  - Large number of deep water rigs to enter the market in coming years
  - North Sea activity to pick up further
  - Brazil continue to hire vessels
  - Increased day rate level in international markets
- Limited number of larger AHTS's under construction.
  - Substantial number of vessels delivered during '09 / '10.

FLEET

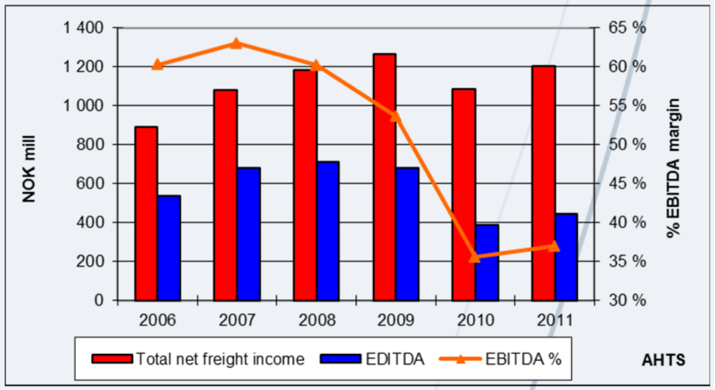
- Anchor Handling Tug & Supply Vessels (AHTS)

- 22 AHTS's in operation world wide
  - Range from 5.500 to 32.000 bhp.
- Represents approx. 40% of total turnover
- 43% EBITDA margin in 4Q '11
  - Periodically strong NS spot market during the quarter
- High expectations to the AH segment – increasing the spot exposure.
  - "Normand Titan" & "Normand Neptun" – coming off long-term contracts during 2Q
  - "Normand Ranger" & "Normand Prosper" positioned for a strong Northsea spot market
  - "Normand Draupne" & "Normand Skarven" available for summer season

Quarterly development



Annual development



MARKET

- Platform Supply Vessels (PSV)

- Increased demand for PSV's, but supply side continue to rise.
  - Considerable number of vessels still under construction

- Large number of new drilling rigs, production units and pipelaying vessels requires logistical support
- Large competition will give pressure on rates.

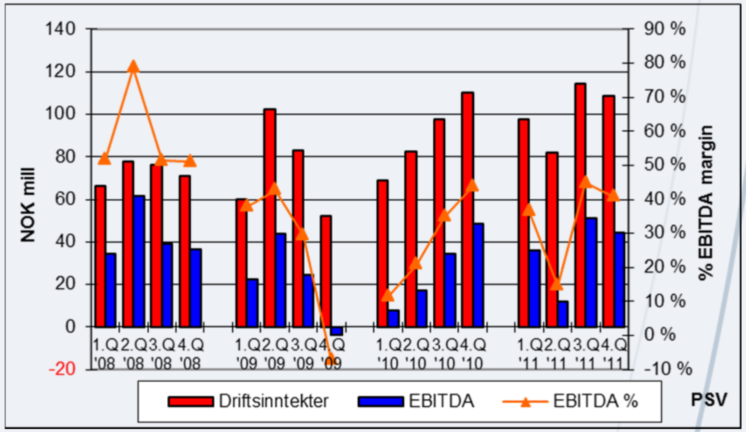
FLEET

- Platform Supply Vessels (PSV)

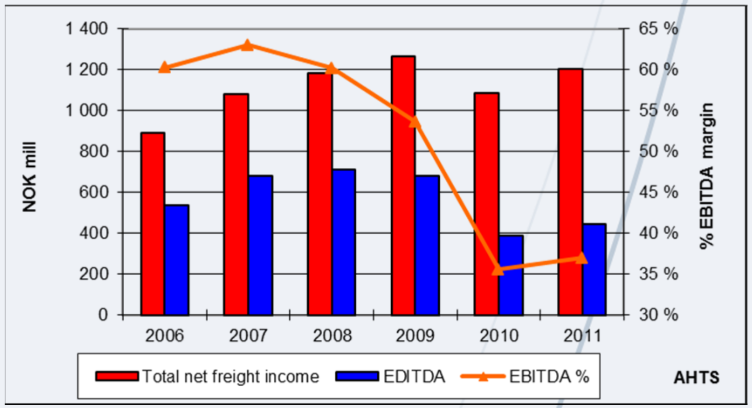
- 9 PSVs in operation
  - "Normand Arctic" delivered from yard early Jan. '12
  - 3 + 5 months to Statoil

- Contiued good performance during 4Q '11
  - Full utilization during the quarter
  - EBITDA margin 41%

Quarterly development



Annual development



5. MARKET/OUTLOOK

A flexible, reliable partner

MARKET OUTLOOK

- Steady high oil price
- E&P budgets expected to be on a steady high level
- Demand for large vessels driven by higher deepwater activity and increased number of floating production and drilling units
- Size and complexity of new SURF projects implies demand for advanced vessels
- So far we see a less speculative newbuilding orders.
- Healthy supply/demand balance on the vessel side

MARKET OUTLOOK

- Segments

- Construction Service Vessels (CSV)
  - High tendering and engineering activity gives busy execution years from 2012 onwards
  - Limited number of modern CSV's under construction
- Anchor Handeling Tug & Supply Vessels (AHTS)
  - North Sea spot market expected to be busy.
    - Will have a positive effect on long-term contracts in the Northsea and International.
  - Few larger vessels under construction
- Platform Supply Vessels (PSV)
  - Increased demand, but too many vessels will give pressure on rates.

Solstad Offshore expect improved market balance for our main segments and are well positioned to take advantage of this.

SOLSTAD GREEN OPERATIONS

THANK YOU!

SOLSTAD OFFSHORE ASA