SOLSTAD OFFSHORE

4Q 2012 & PRELIMINARY ACCOUNTS 2012

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

SOLSTAD OFFSHORE IN BRIEF

- Founded in 1964. Head-office in Skudeneshavn, Norway.
- Operations worldwide – The North Sea, Brazil, US Gulf, West Africa, Asia etc.
- Listed on Oslo Stock Exchange (Ticker: SOFF).
- Main office in Skudeneshavn and branch office in Aberdeen, Rio de Janeiro, Singapore, Manila and Perth
- Total 1,650 onshore and offshore personnel

Segments	Current Fleet	New buildings	Weighted Average Age [1)]
CSV	19	2	6.7
AHTS	22		9.0
PSV	9		7.5
Total:	**50**	**2**	**7.4**

[1)] Weighted average age excluding newbuildings based on broker valuations of the vessels as of 31.12.2012

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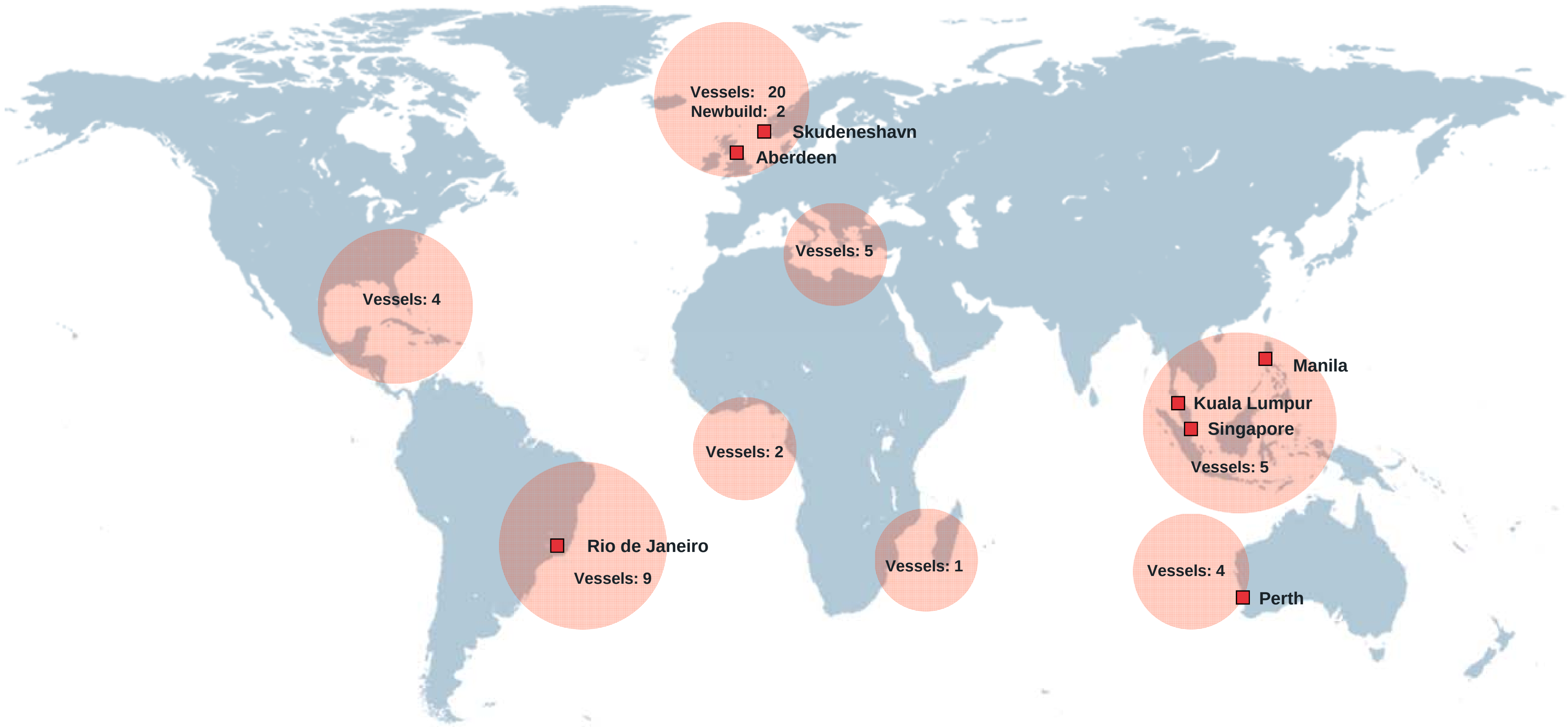
THE SOLSTAD OFFSHORE FLEET

(50 VESSELS IN OPERATION)



SOLSTAD OFFSHORE – HIGHLIGHTS 31.12.12

Major transactions 2012

- Took delivery of one newbuild PSV LNG (“Normand Arctic”)
- Declared purchase option on two smaller AHTS (“Nor Captain” and “Nor Spring”)
- Ordered one big CSV in JV with Ocean Installer – delivery 2Q 2014
- New ownership for “Normand Oceanic” through 50% owned JC with Subsea7

Financial Highlights 4Q 2012

- Net revenues NOK 759 mill
- Adjusted EBITDA NOK 303 mill / Adjusted EBITDA margin 37%
- Impairment NOK 91mill due to change of estimates for residual values for vessels from 01.01.2012
- NOK 87 mill booked as final settlement related to exit from UK Financial Leases

Financial Highlights 2012

- Net revenues NOK 3.362 mill including gain on sale “Normand Oceanic” NOK 53 mill
- Adjusted EBITDA NOK 1.428 mill / Adjusted EBITDA margin 42%
- Proposed dividend for 2012 NOK 2,50 pr. share

SOLSTAD OFFSHORE – HIGHLIGHTS 31.12.12

Operational & Commercial highlights 4Q 2012

- Large NS spot exposure during quarter
- “Norce Endeavour” started contract with Leighton Contractors 1.October 2012

Backlog

- Contract coverage remaining 2013 of 60% (74% incl. options). 30% (60% incl. options) for 2014
- Contract backlog of NOK 5,8 billion (NOK 10,7 billion incl. options) coming 5 years

Post Q4 2012 events

- CSV ordered for delivery 2Q ’14. Secured 5 year T/C with Reach Subsea
- “Normand Ferking” secured 3 year firm T/C with Statoil
- 21 vessels planned for dry-dock during 2013

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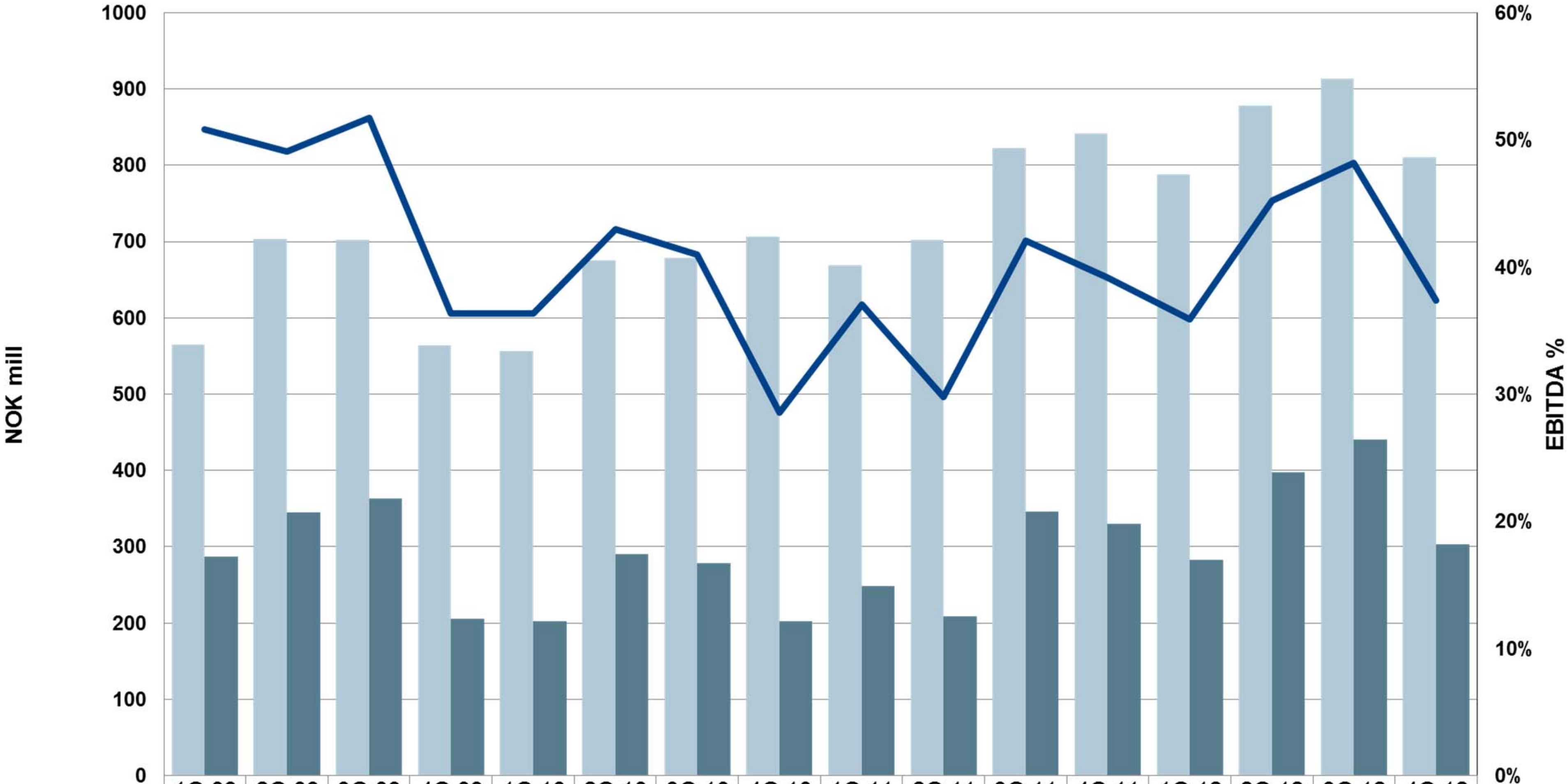
3. FINANCIALS

OPERATING REVENUE AND EBITDA

(EX. GAIN ON SALE OF ASSET / INCL. SHARE IN JV)



	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11	3Q 11	4Q 11	1Q 12	2Q 12	3Q 12	4Q 12
Opr.rev	565	703	702	564	556	675	679	707	669	702	822	842	788	878	913	811
EBITDA	287	345	363	205	202	290	278	202	248	209	346	330	283	397	440	303
EBITDA %	51%	49%	52%	36%	36%	43%	41%	29%	37%	30%	42%	39%	36%	45%	48%	37%

PROFIT & LOSS ACCOUNTS

31. December 2012

(Mill NOK)	4Q 2012	4Q 2011	Total 2012	Total 2011
Total Operating Income	**759**	**823**	**3 362**	**2 980**
Operating expenses	(479)	(542)	(1 928)	(1 910)
Ord. Depreciation (1)	(156)	(200)	(494)	(758)
Impairment	(91)	(160)	(91)	(160)
Joint Venture & Associated Companies (2)	(6)	0	21	12
Operating Profit	**28**	**(78)**	**871**	**163**
Exit from financial leases (3)	(87)		(87)	
Net Agio	43	(51)	32	(48)
Other fin. items	(90)	(115)	(452)	(514)
Result before taxes	**(107)**	**(244)**	**364**	**(399)**
EBITDA	**303**	**302**	**1 428**	**1 105**

(1) 2012: Change of estimates for residual value for vessels from 01.01.2012
(2) 2012: JV booked as per equity method from 01.01.2012 – comparative figures adjusted accordingly
(3) 2012: NOK 87 mill booked as final settlement related to exit from UK Financial Leases

BALANCE

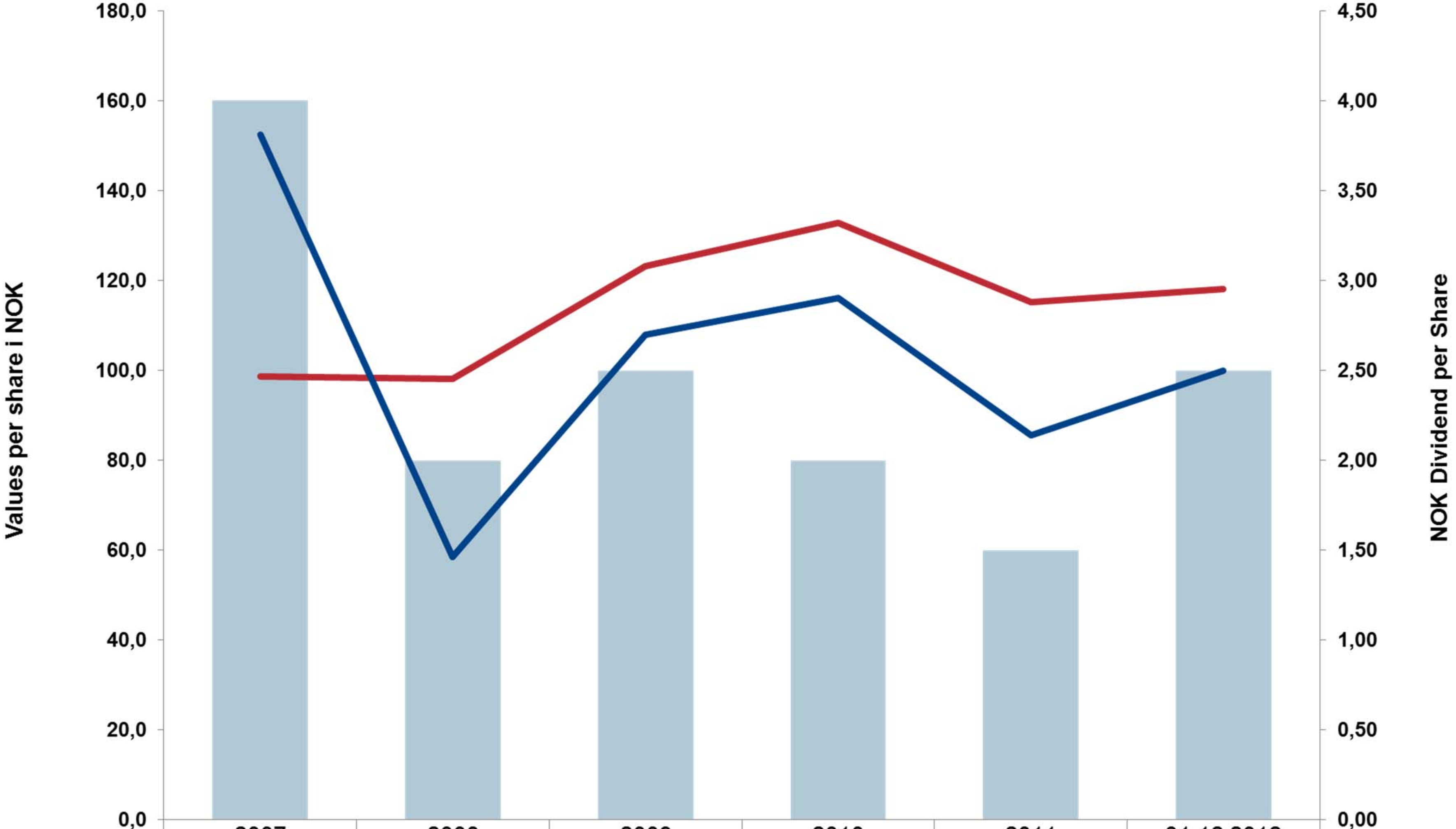
31. December 2012

(Mill NOK)	2012 31.12	2011 31.12
Long Term fixed assets	13 056	14 087
Current assets	1 605	1 582
Total assets (1)	**14 661**	**15 673**
Equity	4 643	4 416
Long Term liabilites	7 122	9 601
Current liabilites (2)	2 896	1 657
Total equity an liabilites	**14 661**	**15 673**

Booked equity at 31.12.2012 NOK 118,- pr share

(1) JV booked as per equity method from 01.01.2012 – comparative figures adjusted accordingly
(2) NOK 2.155 million of Current Liabilites 31.12.12 is current portion of long term debt. Refinancing according to plan

SOLSTAD OFFSHORE ASA - VALUES & DIVIDEND



	2007	2008	2009	2010	2011	31.12.2012
Dividend/Share	4,00	2,00	2,50	2,00	1,50	2,50 *
Book Value/Share	98,7	98,1	123,1	132,7	115,1	118,0
Share Price 31.12	152,5	58,5	108,0	116,0	85,5	100,0

* Proposed Dividend for 2012

4. VESSELS AND MARKETS

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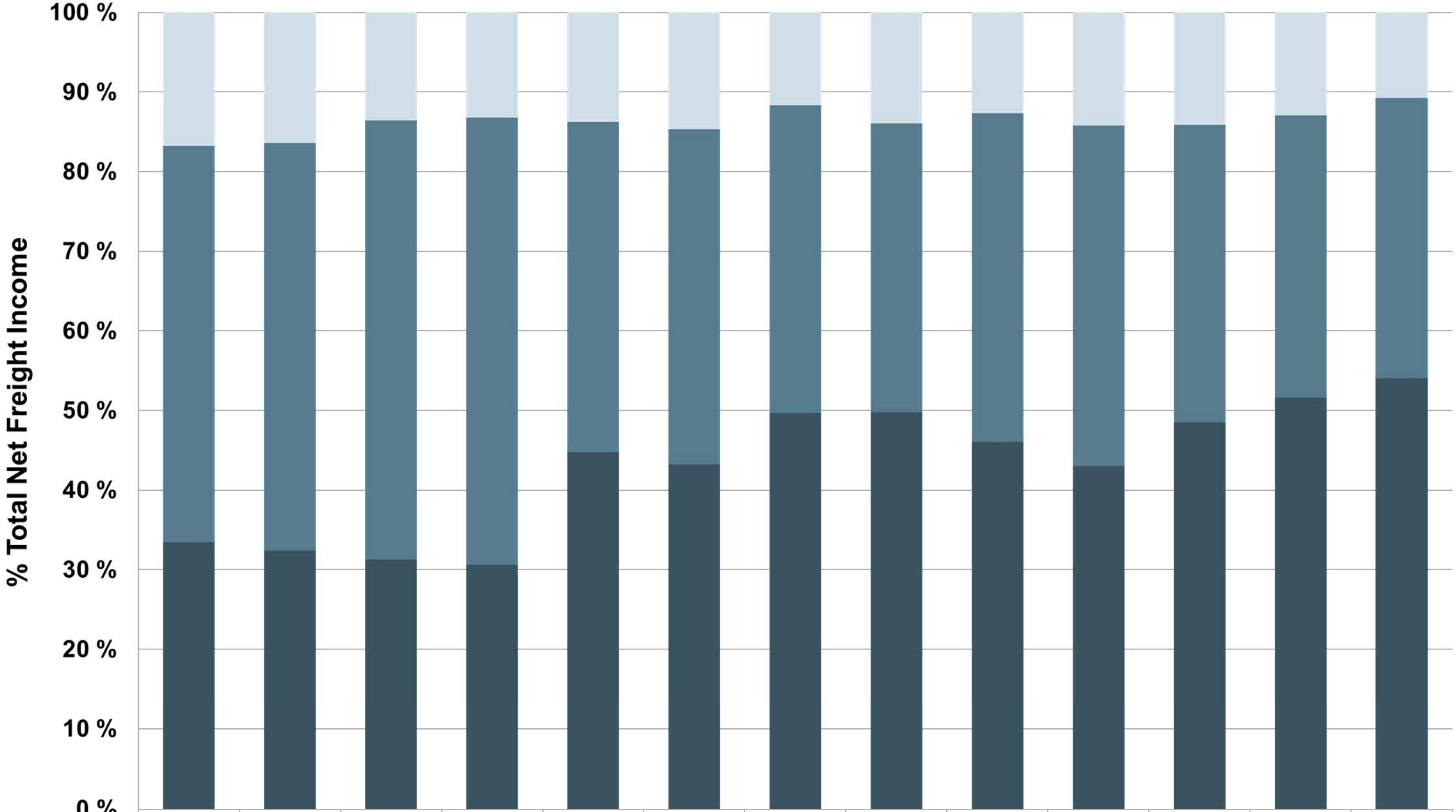
THE SOLSTAD FLEET – MARKET SEGMENTS



	2006	2007	2008	2009	2010	1Q '11	2Q '11	3Q '11	4Q '11	1Q '12	2Q '12	3Q '12	4Q '12
PSV	301	346	292	298	360	98	82	114	109	112	124	118	87
AHTS	893	1084	1183	1269	1087	282	271	298	354	337	328	324	286
CSV	601	684	670	693	1171	289	348	408	395	339	426	471	439

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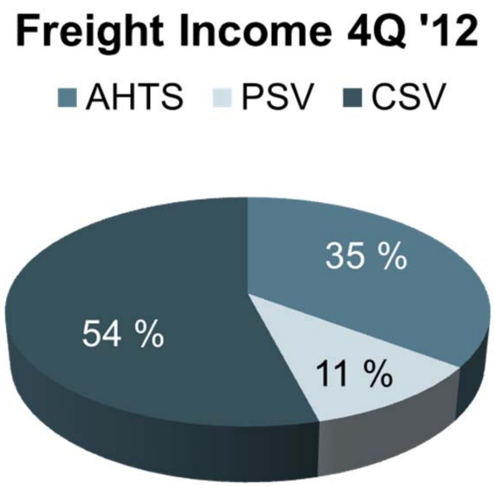
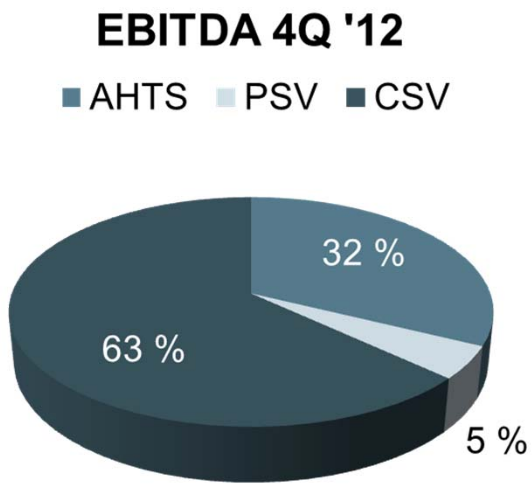
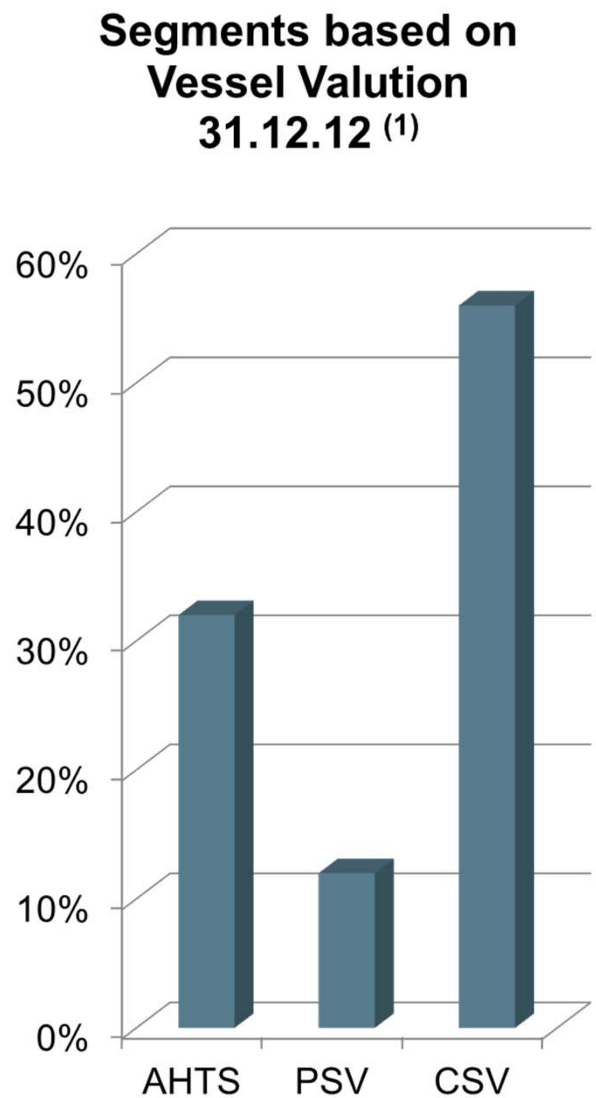
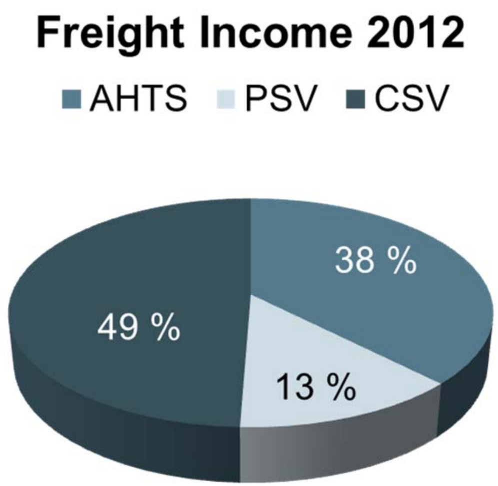
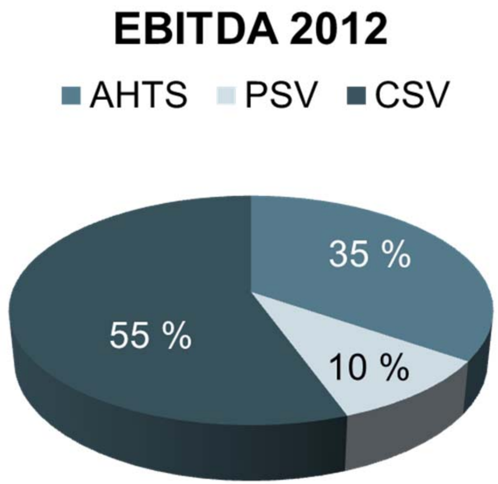
THE SOLSTAD FLEET – MARKET SEGMENTS











[1]Based broker valuations as of 30.12.2012 with SOFF's 50% share in "Normand Installer" and "Normand Oceanic

MARKET

Construction Service Vessels (CSV)

- Subsea market driven by solid fundamentals
  - High tendering activity and contract awards
  - Clients are building substantial backlogs
  - Limited availability of modern large CSV' s.
- SOFF has favorable market exposure
  - 19 CSV's working for all the main players
  - 2 CSV's on order, both with 5 year T/C from delivery
  - Focus on long- and medium term contracts for the subsea vessels
  - Some available capacity in 2nd half 2013

MARKET

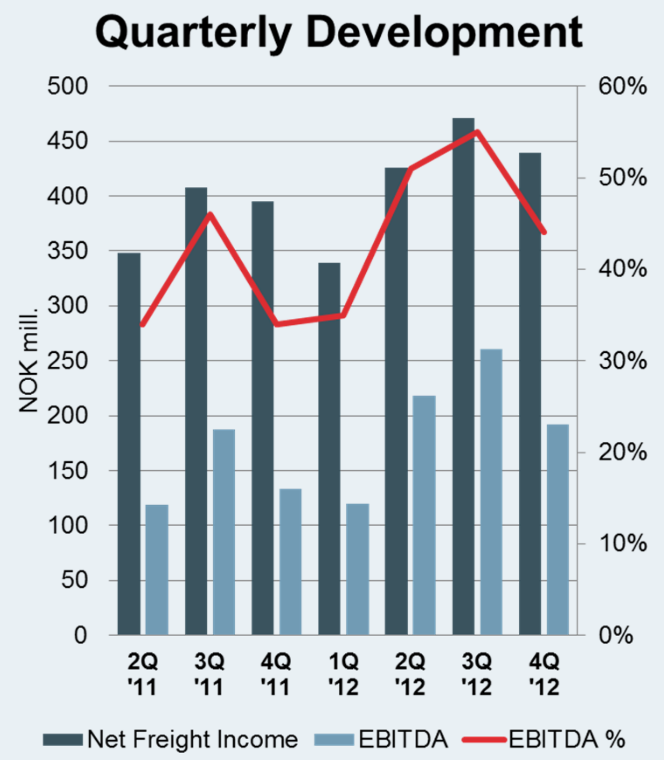
Construction Service Vessels (CSV)

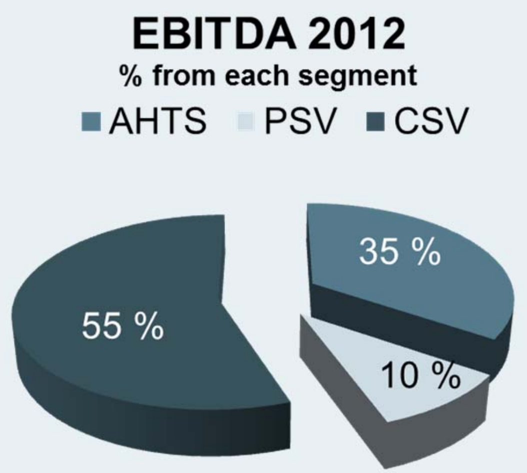
- Ordered a medium sized CSV for long term contract with Reach Subsea ASA
  - Favourable delivery time in May ‘14
  - Cost price ~NOK 600 mill
  - 5 year T/C with a total contract value ~NOK 650 mill
  - Continued focus towards the favourable subsea segment

FLEET

Construction Service Vessels (CSV)

- Margins 4Q ‘12 negatively affected by seasonal inactivity
  - 86% utilization
  - Good operational performance
- Completion of seasonal contracts
  - “Normand Baltic”, “Normand Mermaid” and “Normand Pioneer” all with full utilization from 1st March 2013
- Operational highlights 4Q 2012
  - “Normand Flower” upgraded with new 150t crane





MARKET

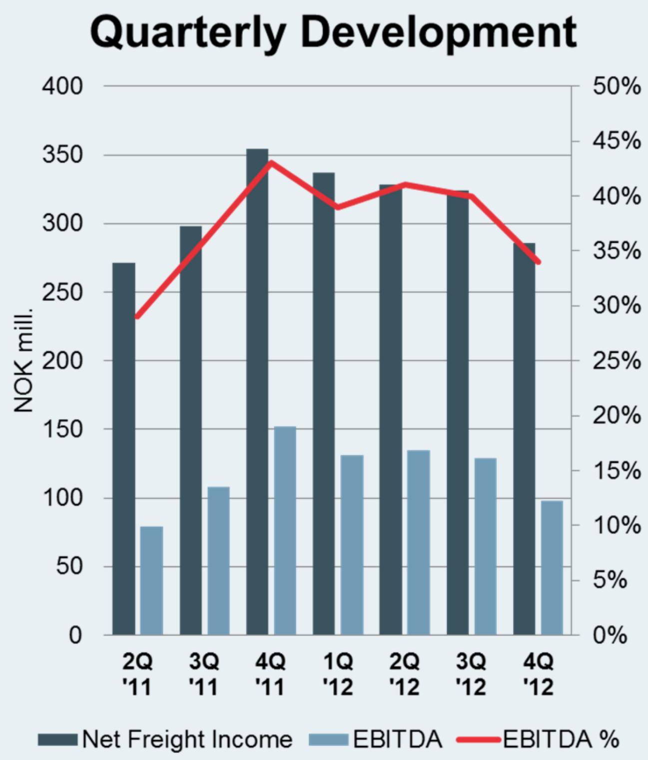
Anchor Handling Tug & Supply (AHTS)

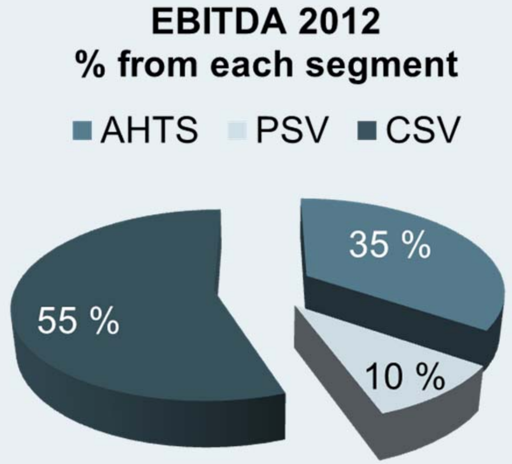
- Weak North spot market continued through 4Q
  - Decent activity but too many vessels
  - Volatile winter season expected also for 1Q ‘13
- Positive medium to long term outlook
  - Large number of DW rigs to enter market in coming years
  - Limited number of larger AHTS’s under construction
  - Increased international bidding activity

FLEET

Anchor Handling Tug & Supply (AHTS)

- 22 AHTS's in operation world wide
  - Range from 5.500 to 32.000 bhp
  - 88% utilization in 4Q 2012
- Operational highlights 4Q 2012
  - Completed planned dry-docking of 3 vessels
  - 4 vessels traded the spot market throughout the quarter
  - "Normand Mjolne" in lay-up from Dec.12
- Currently 4 large AHTS working in the spot market





MARKET

Platform Supply Vessels (PSV)

- Activity level is high,
  - High tendering activity
  - Rates are picking up

- Demand will continue to rise as new drilling rigs and production units begin their operations

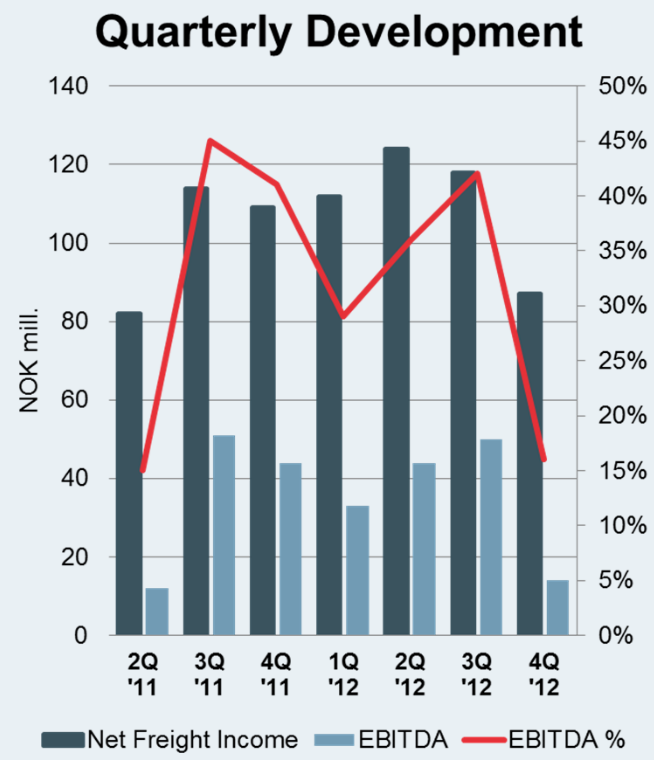
- Many new vessels are entering the market during 2013.

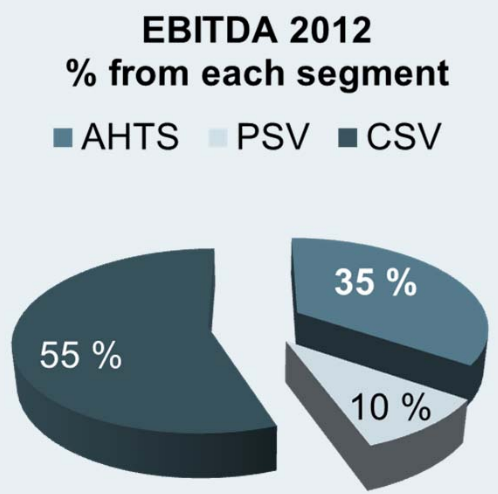
FLEET

Platform Supply Vessels (PSV)

- Operational highlights 4Q 2012
  - Margins negatively influenced by oversupply, low utilization and day rates in NS spot marked
  - 3 vessels traded the spot market throughout the quarter
  - 89% utilization

- Currently 3 vessels exposed to the North Sea spot market





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5. MARKET/OUTLOOK

FUTURE OUTLOOK

- A continued high oil price gives E&P budgets on a steady high level
- Demand for vessels, equipment and people, will continue to grow
- Strong focus on keeping cost on a competitive level
- Demand for Subsea construction vessels will continue to be strong as a consequence of increased activity level.
- AHTS & PSV market is volatile but can surprise positively

Solstad are well positioned to take advantage of a growing demand for offshore vessels

SOLSTAD GREEN OPERATIONS

THANK YOU!

SOLSTAD OFFSHORE ASA