SOLSTAD OFFSHORE

2nd Quarter / 1st half 2013

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

1. SOLSTAD OFFSHORE IN BRIEF

- Founded in 1964. In offshore since 1973.
- Operations worldwide – North Sea, Brazil, US Gulf, West Africa, Asia, Australia 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 1,800 onshore and offshore personnel

Segments	Current Fleet	New buildings	Weighted Average Age 1)
CSV	19	2	7,0
AHTS	21		9.0
PSV	9		7.5
Total:	**49**	**2**	**7.5**

1) Weighted average age excluding newbuildings based on broker valuations of the vessels as of 30.06.2013

2. SOLSTAD OFFSHORE – HIGHLIGHTS 30.06.2013

Operational & financial highlights 2Q 2013 / 1st Half 2013

- Net revenues NOK 909 mill incl. gain on sale NOK 36 mill.
- Adjusted EBITDA NOK 409 mill / Adjusted EBITDA margin 45%
- Margin influenced by strong utilization in the CSV segment and good overall operational performance
- Net revenues 1st half 2013 NOK 1.707 mill and adjusted EBITDA NOK 708 (40%)

2Q 2013 Events

- Sale of AHTS “Normand Mjolne” with booked gain of NOK 36 mill
- Sale of shares in “ResQ AS” (a maritime training center). Booked gain NOK 27 (financial income)
- PSV’s “Normand Trym” and “Normand Vibran” extended with Petrobras for 4 new years
- CSV “Normand Flower” secured a 3 year firm contract (+ 3 yearly options) with Oceaneering
- 2 years extension of AHTS “Nor Star” with BG Tunisia.
- Several medium term contracts in the AHTS segment at favorable market terms
- Refinancing of current part of long term debt according to plan

HIGHLIGHTS 30.06.2013 (CONT.)

Post Q2 2013 events

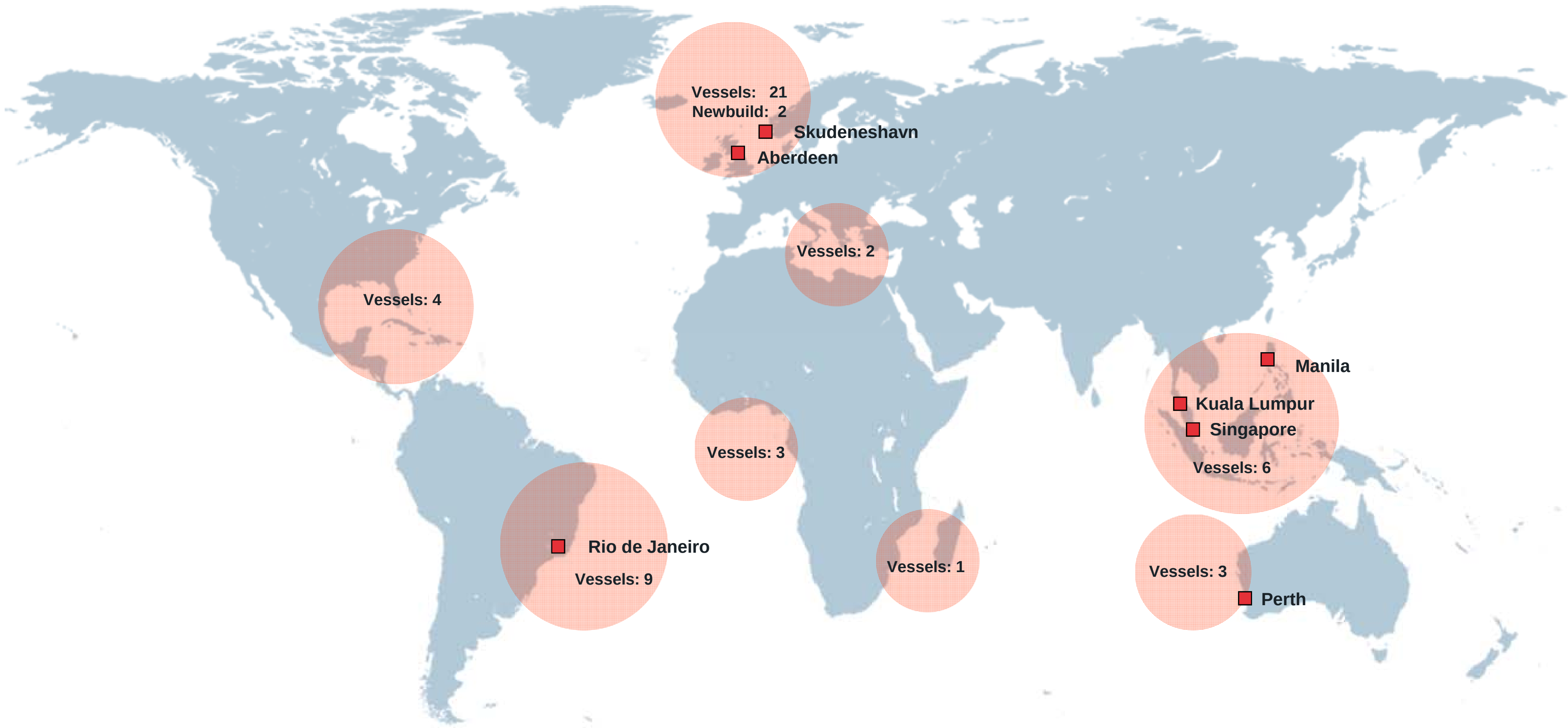
- Client exercised their option to purchase CSV “Normand Clough”.
  - Limited accounting effect as booked value equals sales price
  - Positive cash effect ~ NOK 200 mill

Backlog

- NOK 2,2 billion in new contracts so far in 2013
- Contract backlog of NOK 6,0 billion (NOK 11,6 billion incl. options) coming 5 years
- Contract coverage remaining 2013 of 71% (81% incl. options). 46% (67% incl. options) for 2014
- High coverage for CSV’s and PSV’s – open in AHTS segment

THE SOLSTAD OFFSHORE FLEET

(49 VESSELS IN OPERATION)

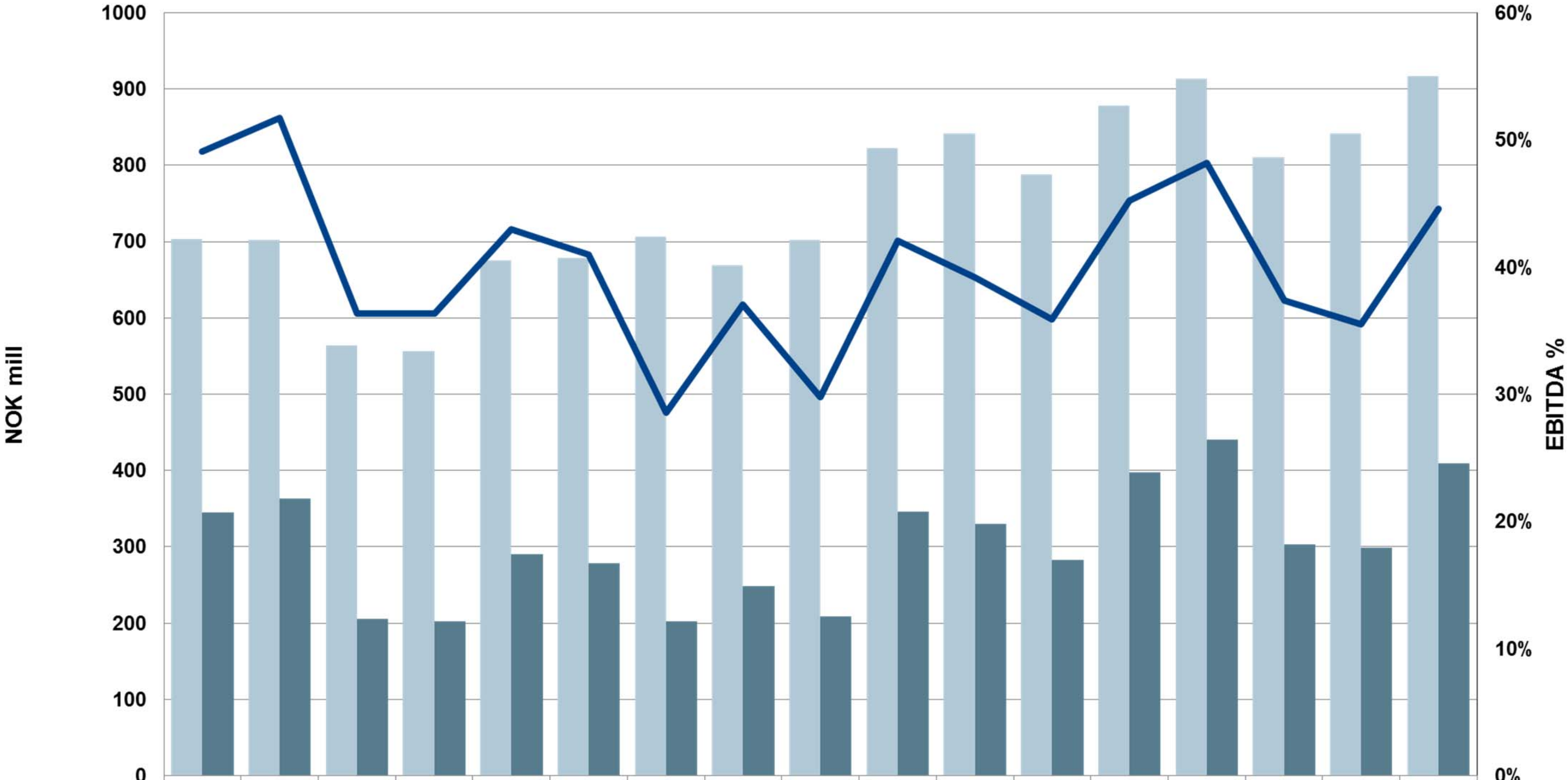


SOLSTAD OFFSHORE

3. FINANCIALS

OPERATING REVENUE AND EBITDA

(EX. RESULT FROM SALE OF ASSETS / INCL. SHARE IN JV)



	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	1Q 13	2Q 13
Opr.rev	703	702	564	556	675	679	707	669	702	822	842	788	878	913	811	842	917
EBITDA	345	363	205	202	290	278	202	248	209	346	330	283	397	440	303	299	409
EBITDA %	49%	52%	36%	36%	43%	41%	29%	37%	30%	42%	39%	36%	45%	48%	37%	36%	45%

PROFIT & LOSS ACCOUNTS

30. June 2013

(Mill NOK)	2Q 2013	2Q 2012	1H 2013	1H 2012	Total 2012
Total Operating Income	**909**	**878**	**1.707**	**1.666**	**3 362**
Operating expenses	(492)	(484)	(1.018)	(989)	(1 924)
Ord. Depreciation	(109)	(114)	(217)	(231)	(494)
Impairment	0	0		0	(91)
Joint Venture & Associated Companies	21	2	38	15	20
Operating Profit	**329**	**281**	**509**	**460**	**873**
Exit from financial leases (1)					(87)
Net Agio	(37)	(95)	(63)	(8)	32
Other fin. Items (2)	(96)	(130)	(224)	(275)	(452)
Result before taxes	**196**	**56**	**220**	**177**	**366**
EBITDA (3)	**409**	**397**	**708**	**685**	**1 428**

(1) 2012: NOK 87 mill booked as final settlement related to exit from UK Financial Leases
(2) Including gain on sale of shares of NOK 27 mill
(3) Including share in JV's / excluding result from sale of assets

BALANCE

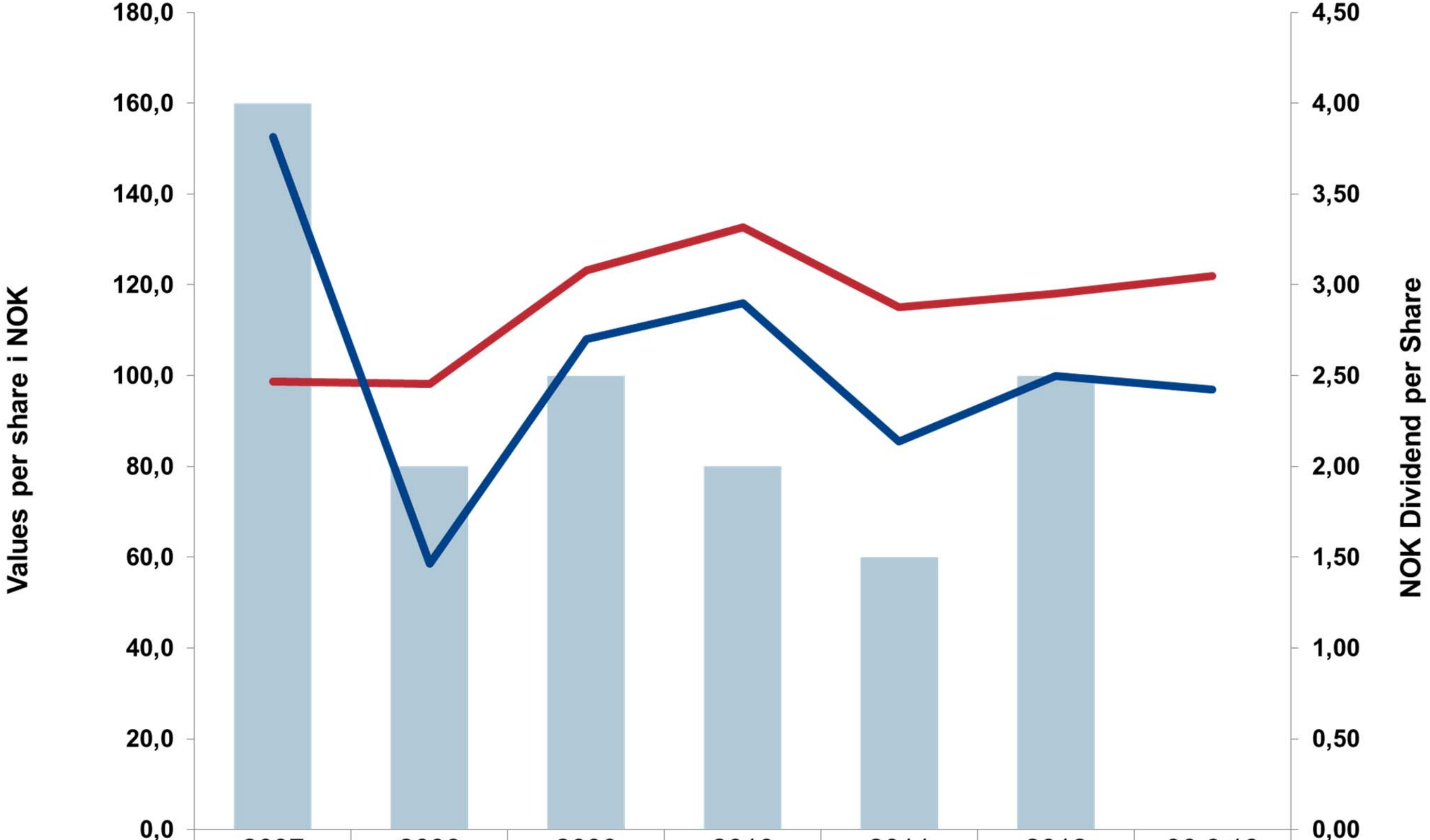
30. June 2013

(Mill NOK)	2013 30.06	2012 30.06	2012 31.12
Long Term fixed assets	13 282	14 535	13 086
Current assets	1 905	1 495	1 624
Total assets (1)	**15 187**	**16 030**	**14 710**
Equity	4 700	4 402	4 608
Long Term liabilites	8 262	9 190	7 287
Current liabilites (2)	2 224	2 338	2 815
Total equity an liabilites	**15 187**	**16 030**	**14 710**

Booked equity at 30.06.2013 NOK 122,- pr share

(1) JV booked as per equity method from 01.01.2012
(2) Incl NOK 1.547 million per 30.06.13 is current portion of long term debt. Refinancing according to plan

SOLSTAD OFFSHORE ASA - VALUES & DIVIDEND



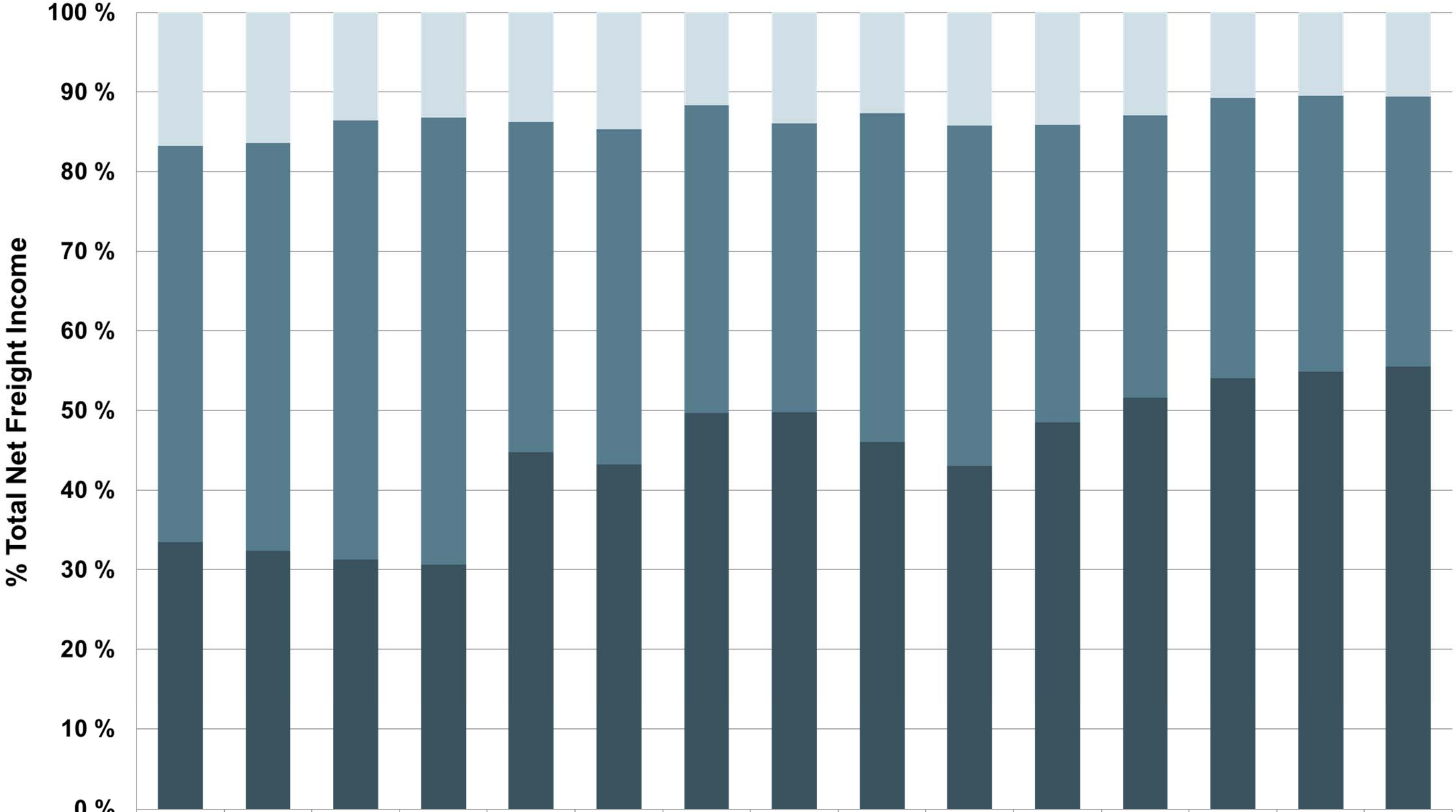
	2007	2008	2009	2010	2011	2012	30.6.13
Dividend/Share	4,00	2,00	2,50	2,00	1,50	2,50	
Book Value/Share	98,7	98,1	123,1	132,7	115,1	118,0	122,0
Share Price 31.12	152,5	58,5	108,0	116,0	85,5	100,0	97,0

SOLSTAD OFFSHORE

4. VESSELS AND MARKETS

SOLSTAD OFFSHORE

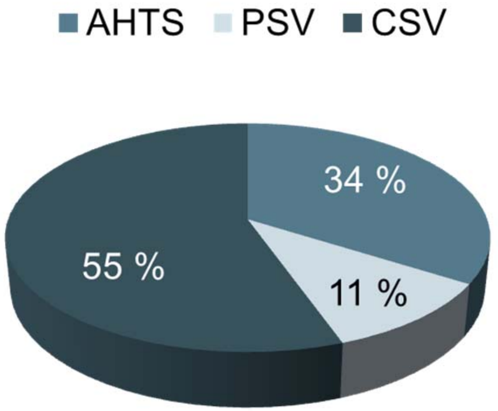
THE SOLSTAD FLEET – MARKET SEGMENTS



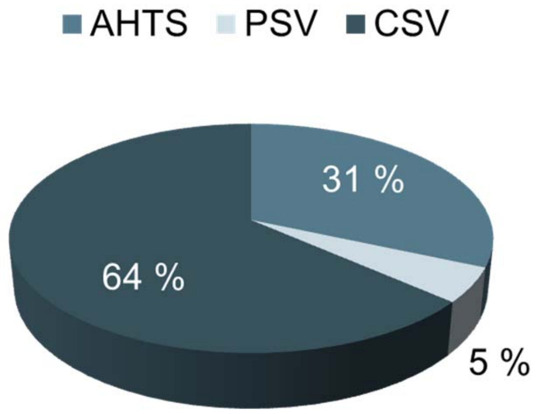
	2006	2007	2008	2009	2010	1Q '11	2Q '11	3Q '11	4Q '11	1Q '12	2Q '12	3Q '12	4Q '12	1Q '13	2Q '13
PSV	301	346	292	298	360	98	82	114	109	112	124	118	87	88	97
AHTS	893	1084	1183	1269	1087	282	271	298	354	337	328	324	286	292	311
CSV	601	684	670	693	1171	289	348	408	395	339	426	471	439	462	509

THE SOLSTAD FLEET – MARKET SEGMENTS

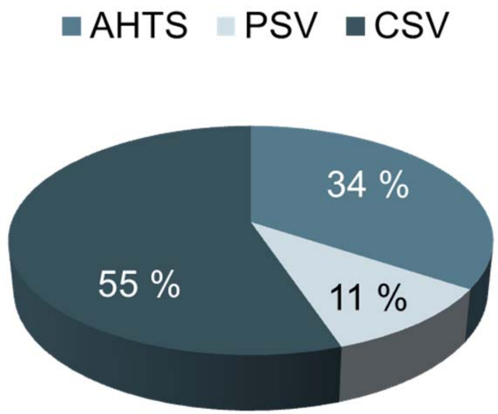
Freight Income 2Q '13



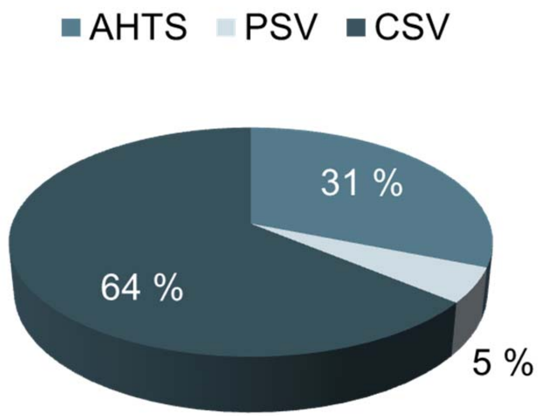
EBITDA 2Q '13



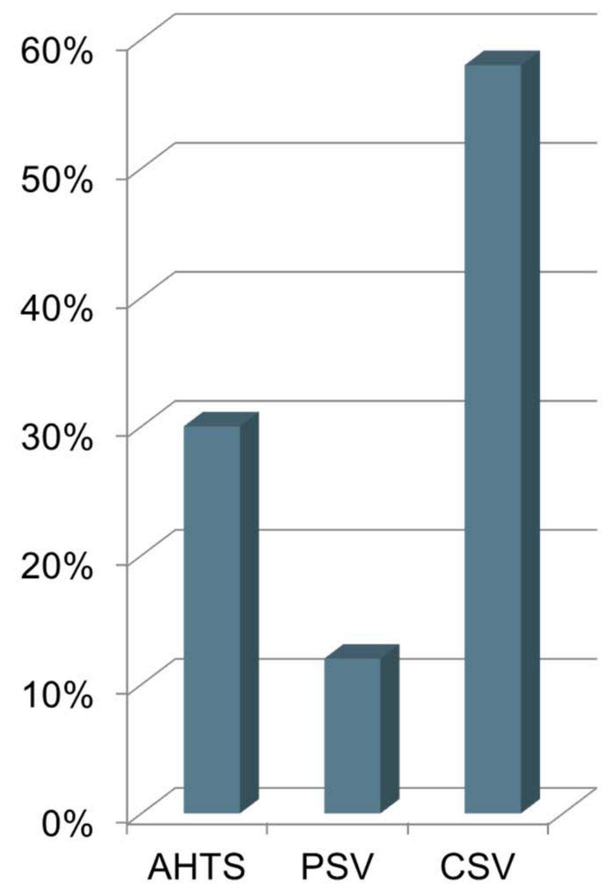
Freight Income 1H '13



EBITDA 1H '13



Segments based on Vessel Valution 30.06.13 (1)



1) Based broker valuations as of 30.06.2013 with SOFF's 50% share in "Normand Installer" and "Normand Oceanic

MARKET

Construction Service Vessels (CSV)

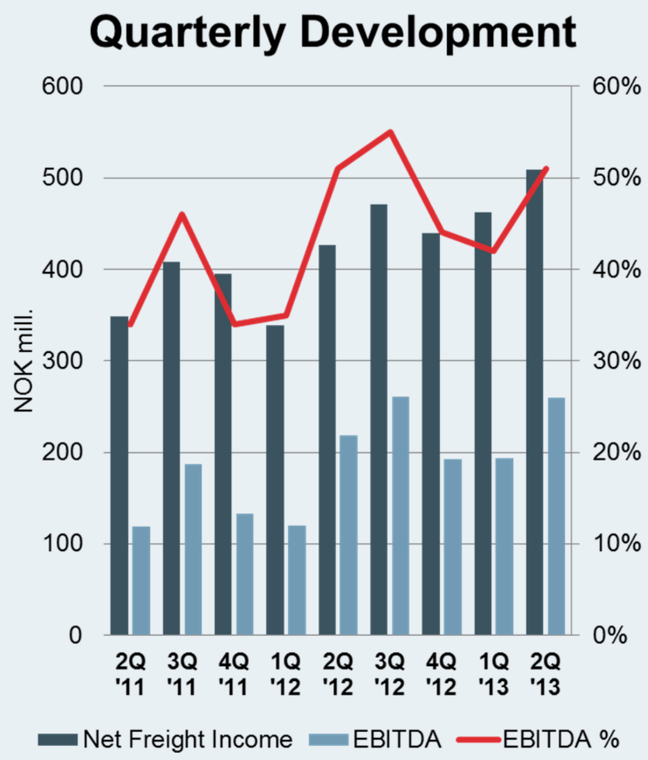
- Subsea market driven by solid fundamentals
  - High tendering activity and contract awards
  - The large subsea players are building substantial backlogs
- SOFF - strong position & favorable market exposure
  - 19 CSV's working for all the main players
  - 2 CSV's on order, both with 5 year T/C from delivery
  - Focus on long- and medium term contracts for the subsea vessels
  - DLB "Norce Endeavour" back in full operations, after repair period, from 22. April '13. Thereafter, full utilization and strong operational performance
  - Some available capacity during 4th quarter 2013

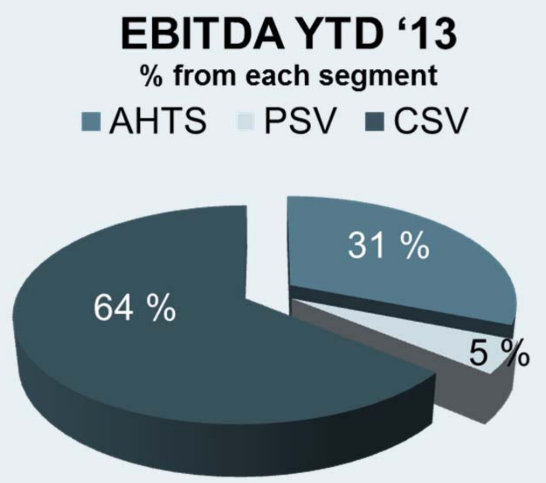
FLEET

Construction Service Vessels (CSV)

- Strong world wide subsea activity
  - 96% utilization during 2Q ’13

- Operational highlights
  - “Normand Flower” 3 year firm TC with Oceaneering
  - SapuraClough exercised their option to purchase Normand Clough.
  - Limited marked exposure during coming winter season





SOLSTAD OFFSHORE

MARKET

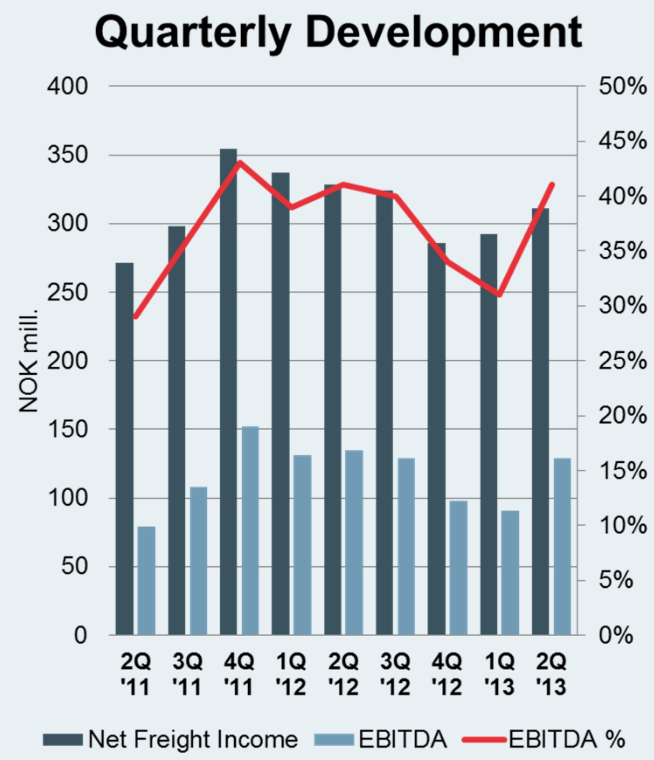
Anchor Handling Tug & Supply (AHTS)

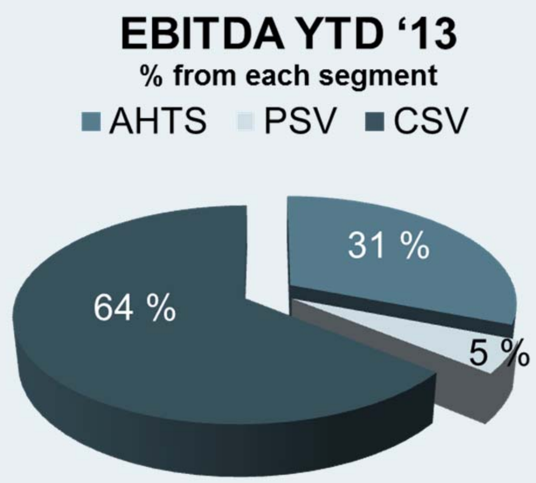
- Improved marked conditions in the North Sea spot-market through 2Q ’13
- Signed several new contracts for the Asia-fleet at improved terms.
- Positive medium to long term outlook
  - Large number of DW rigs to enter market in coming years
  - Limited number of larger AHTS’s under construction
  - Increased international bidding activity expected

FLEET

Anchor Handling Tug & Supply (AHTS)

- 21 AHTS's in operation world wide
  - Range from 5.500 to 32.000 bhp
  - Some 80% utilization in 2Q '13
- Operational highlights 2Q '13
  - Completed sale of the '85 built "Normand Mjolne"
- Currently 5 medium/large AHTS working in the North Sea spot-market





MARKET

Platform Supply Vessels (PSV)

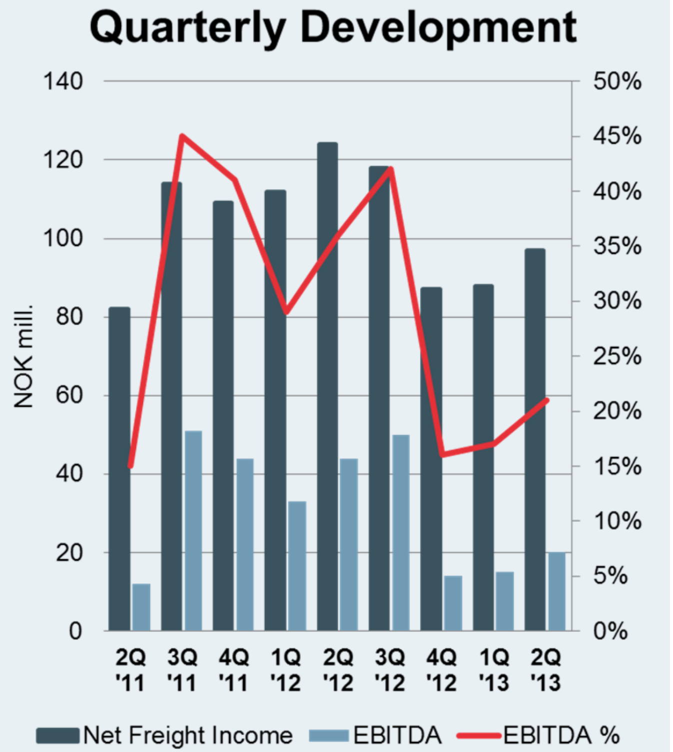
- Activity level is high,
  - High tendering activity
  - Improvement in day rates

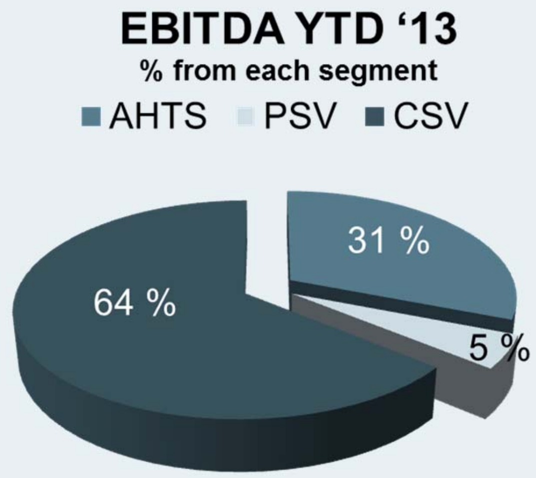
- Demand will continue to rise as new drilling rigs and production units begin their operations
- Still many new vessels under construction

FLEET

Platform Supply Vessels (PSV)

- Operational highlights 2Q '13
  - Positive market development YTD
  - 82% utilization
- Backlog further improved during 2Q '13
  - "Normand Trym" and "Normand Vibran" secured 4 year contracts with Petrobras, Brazil
  - "Normand Arctic" 2 years firm to BG
  - Several medium term contracts in the segment at improved terms
- Currently no vessels in the North Sea spot market
- Potentially some available capacity during 4th quarter 2013





SOLSTAD OFFSHORE

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 rates are picking up.

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

SOLSTAD
GREEN
OPERATIONS

THANK YOU!

SOLSTAD OFFSHORE ASA