BW Offshore

BW OFFSHORE

Pareto Securities
Oil & Offshore Conference

CEO Carl K. Arnet

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SMARTER TOGETHER.
EVERY DAY

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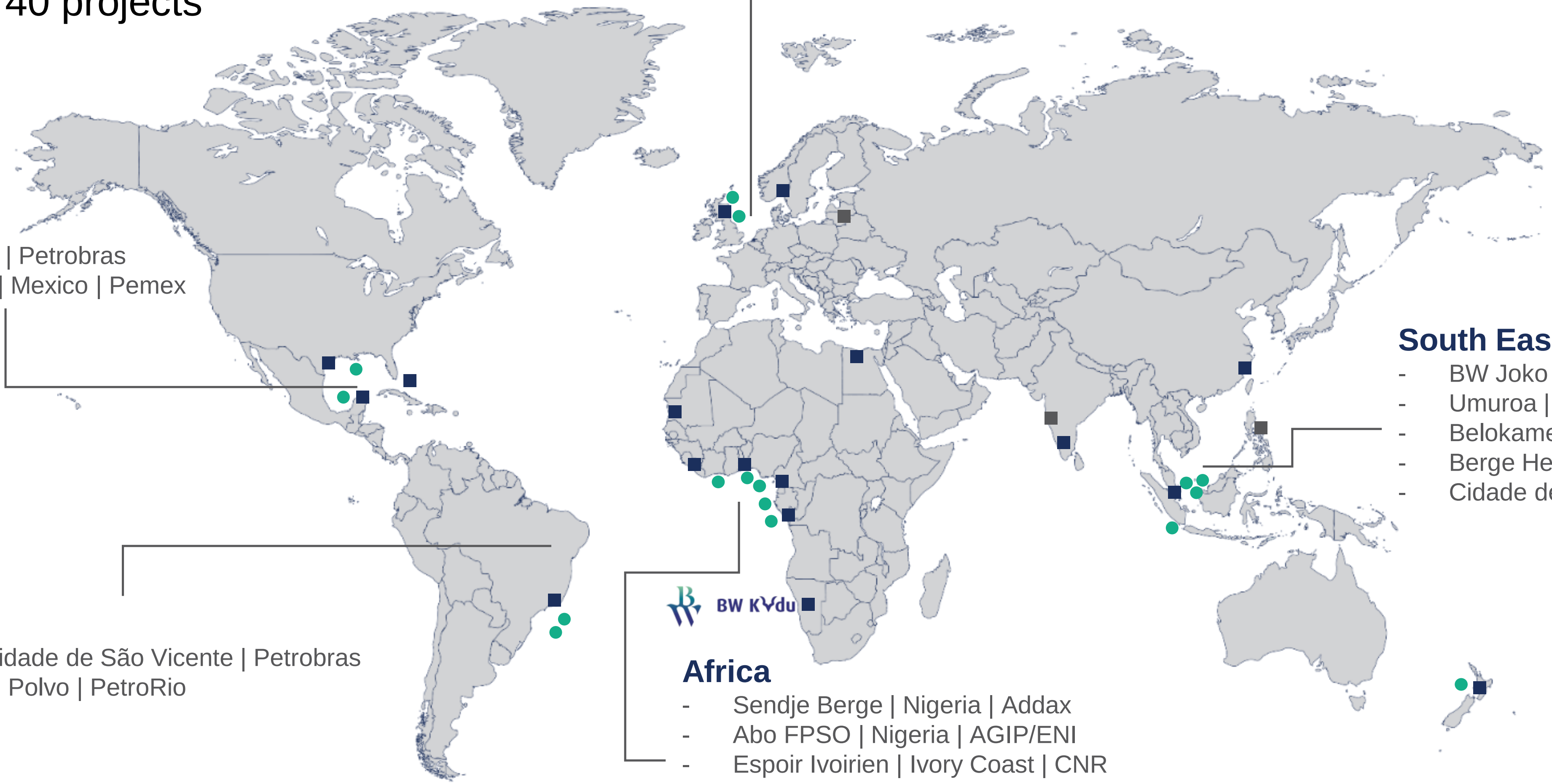
GLOBAL FOOTPRINT

- Production 600,000 boepd
- Executed 40 projects

Europe
- BW Catcher | UK | Premier
- BW Athena | lay-up

North America
- BW Pioneer | US | Petrobras
- Yùum K'ak'nàab | Mexico | Pemex

South East Asia & Oceania
- BW Joko Tole | Indonesia | KEI
- Umuroa | New Zealand | Tamarind
- Belokamenka | lay-up
- Berge Helene | Yard
- Cidade de São Mateus | lay-up



Brazil
- BW Cidade de São Vicente | Petrobras
- FPSO Polvo | PetroRio

Africa
- Sendje Berge | Nigeria | Addax
- Abo FPSO | Nigeria | AGIP/ENI
- Espoir Ivoirien | Ivory Coast | CNR
- Petróleo Nautipa | Gabon | Vaalco
- BW Adolo | Gabon | BW Energy

Units

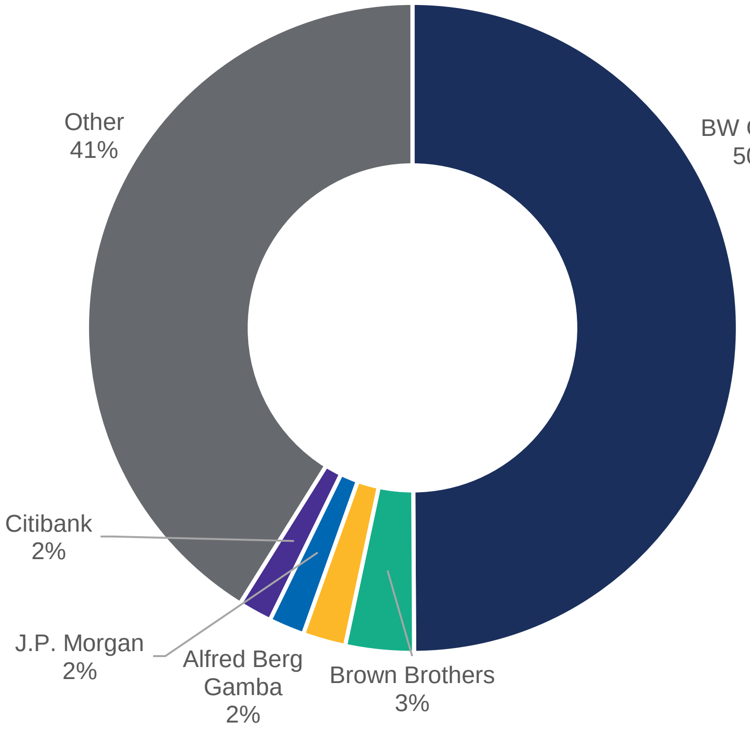
Offices

Crew centers

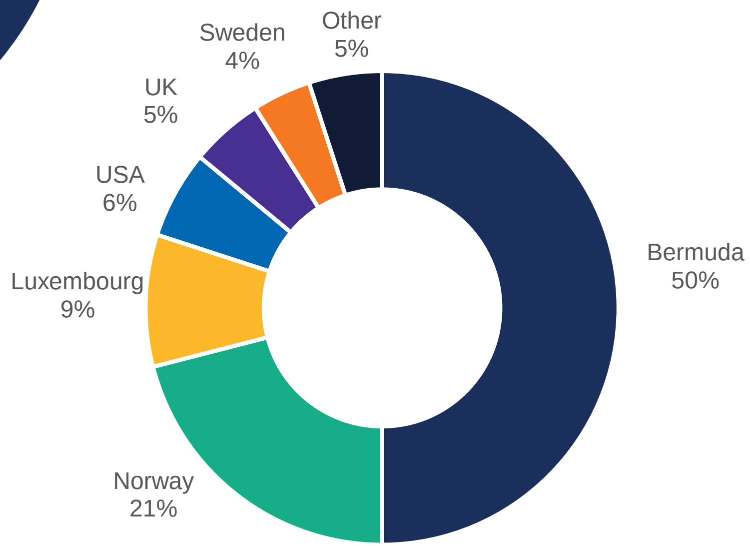
OWNERS AND INVESTORS

- Listed on Oslo Børs
  - Market cap USD ~1,275 million
  - 4 listed bonds
- 4,289 shareholders
  - Of which 3,864 are Norwegian
- Top 5 shareholders
  - BW Group 49.92%
  - Brown Brothers (Fidelity) 3.40%
  - Alfred Berg Gamba 2.13%
  - J.P Morgan (nominee) 1.77%
  - Citibank (nominee)1.67%
- Strong alignment with shareholders
  - Independent Directors ownership 360,761 (0.2%)
  - Management ownership 2,717,469 (1.47%)

Top 5 shareholders



Shareholders by geographic distribution



FLEET

FLEET CONTRACTUAL VIEW

Unit	Type	Contract	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Sendje Berge	FPSO	Lease & Operate	Addax/Sinopec, Nigeria: 2005-2021 (2023)													
Yúum K'ak' Náab	FPSO	Lease & Operate	Pemex, Mexico: 2007-2022 (2025)													
BW Cidade de São Vicente	FPSO	Lease & Operate	Petrobras, Brazil: 2009-2019 (2024)													
BW Pioneer	FPSO	Lease & Operate	Petrobras, US: 2012-2020													
BW Joko Tole	FPSO	Lease & Operate	Kangean, Indonesia: 2012-2022 (2026)													
Umuroa	FPSO	Lease & Operate	Tamarind, New Zealand: 2007-2019 (2022)													
FPSO Polvo	FPSO	Lease & Operate	PetroRio, Brazil: 2007-2019 (2022)													
Abo FPSO	FPSO	Lease & Operate	Agip/Eni, Nigeria: 2003-2018 (2019)													
Espoir Ivorien	FPSO	Lease & Operate	CNR, Ivory Coast: 2002-2022 (2036)													
Petroleo Nautipa	FPSO	Lease & Operate	Vaalco, Gabon: 2002-2020 (2022)													
BW Catcher	FPSO	Lease & Operate	Premier Oil, UK 2018-2025 (2043)													
BW Adolo	FPSO	Lease & Operate	BW Energy, Gabon 2018-2023 (2038)													
Berge Helene	FPSO	Tendering	Petronas, Mauritania: 2006-2017													
FPSO Cidade de São Mateus*	FPSO	Lease & Operate	Petrobras, Brazil: 2009-2019 (2024)													
Belokamenka	FSO/ULCC	Tendering	Rosneft, Russia													
BW Athena	FPSO	Tendering	Ithaca, UK													

Lease & Operate - fixed period
Lease & Operate - option period
Operation - fixed period
Operation - option period
Construction / EPC

*In lay-up pending agreement with Client

BW CATCHER - MILESTONES

- Completed project below budget
- Nameplate capacity of 60k bopd achieved in May
- Successfully completed the 168-hour performance test in July
- Successfully offloaded 17 cargos
- Awaiting Final Acceptance Certificate by Premier and partners
- Preliminary discussions started with Premier for increased production levels

BW ADOLO - MILESTONES

- Arrived in Gabon 28 July
- The vessel is hooked up to mooring system, risers and umbilicals
- Final commissioning and start-up preparations ongoing for first oil in September
- Gross CAPEX estimate of USD 125 million including reimbursable elements from BW Energy

DUSSAFU DEVELOPMENT

TORTUE PHASE 1 DEVELOPMENT

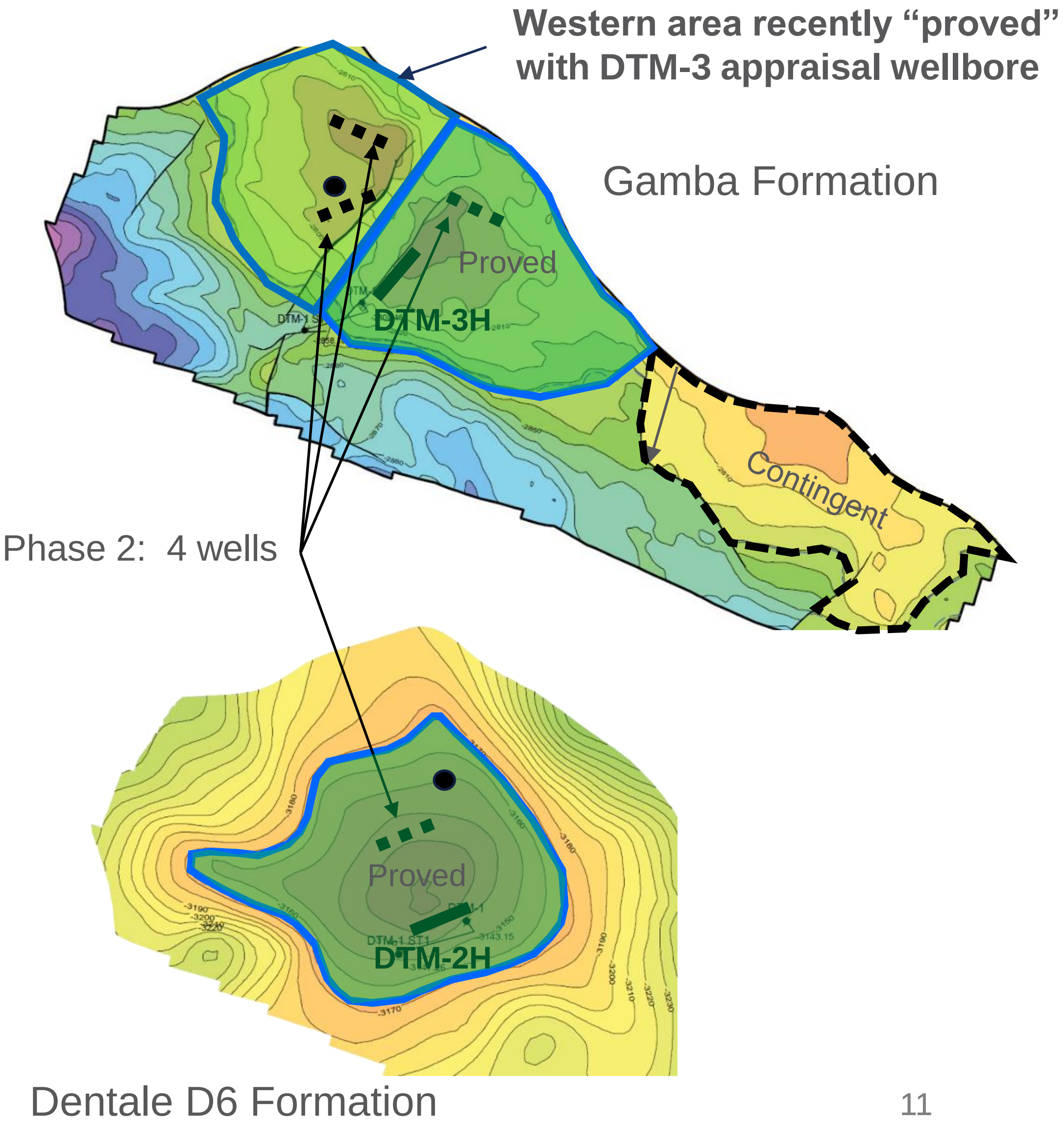
- On target for First Oil within 18 months of the acquisition
- Production start targeted September 2018
- Drilling operations completed:
  - DTM-2H horizontal production well
  - DTM-3H horizontal production well
- Installation work completed

BW Adolo on location in Gabon

BRINGING TORTUE PHASE 2 TO FID

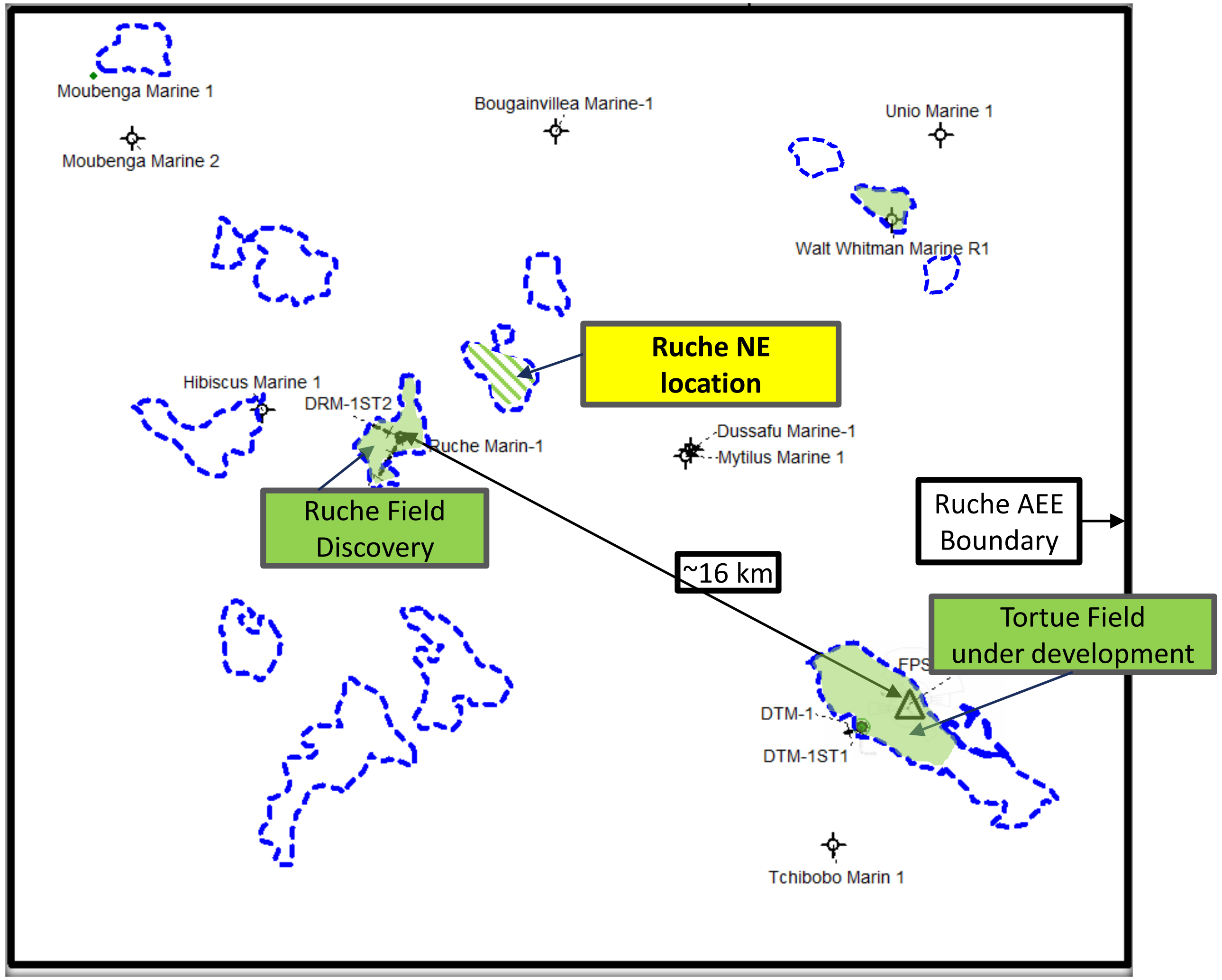
- Successful appraised and proved western Tortue (DTM-3) Gamba reservoir
- Proposing 4 additional subsea production wells tied back to the FPSO
- Secured long lead equipment orders and signed a LOI for the drilling rig
- Provisional budget: USD 275 million
- First Oil: 2020
- Internal estimate 2P gross reserves for Tortue field Phase 1 (2 wells) and Phase 2 (4 wells) of 30 to 40 mmbls
  - Excluding contingent reserves
- Projected incremental economics are robust and accretive to the Tortue Phase 1 development
- FID for Tortue Phase 2 scheduled for Q4 2018 (post Tortue Phase 1 start-up)
  - Subject to government, JV and board approval

Tortue Field



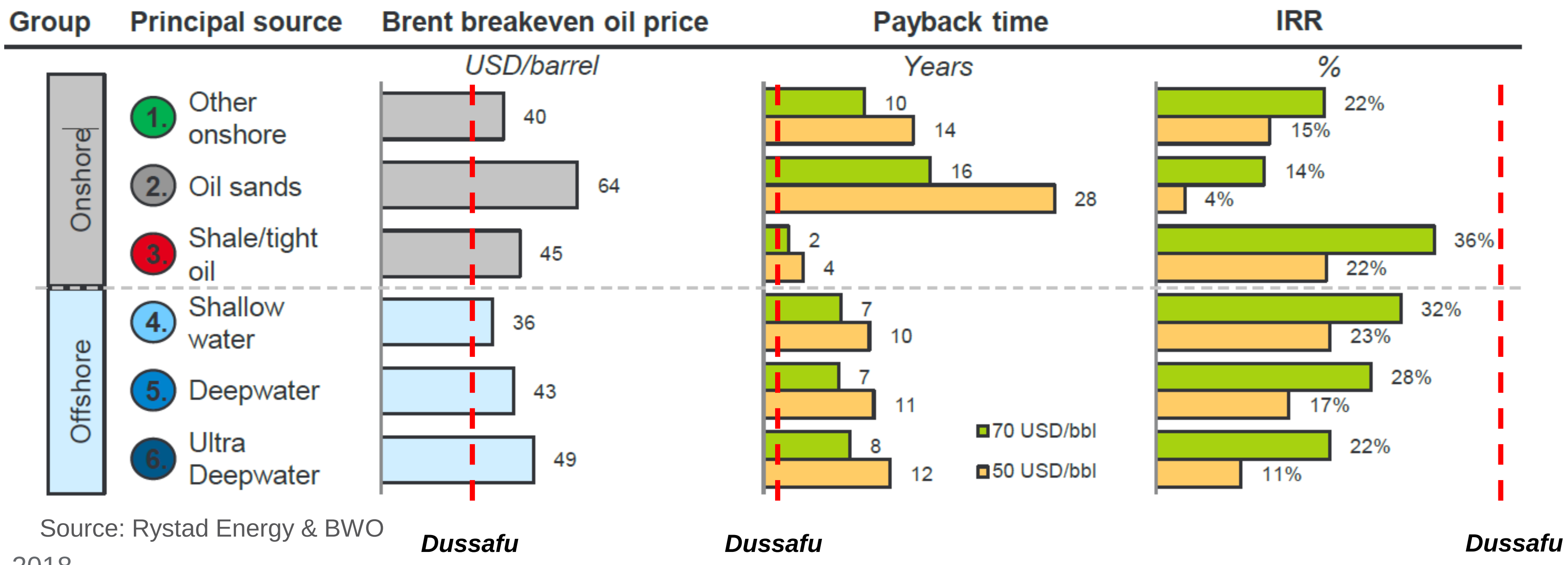
RUCHE NE DISCOVERY

- BWO drilled the Ruche North East appraisal well (DRNEM-1) to a measured depth of 3400 meters
- The well encountered 15 meters of good quality oil pay in Gamba formation
- In addition, the well encountered 25 meters of oil pay from multiple Dentale horizons
- BWO is now conducting an appraisal sidetrack to further delineate the Ruche NE field
- BWO expect to confirm commerciality of a Ruche area development



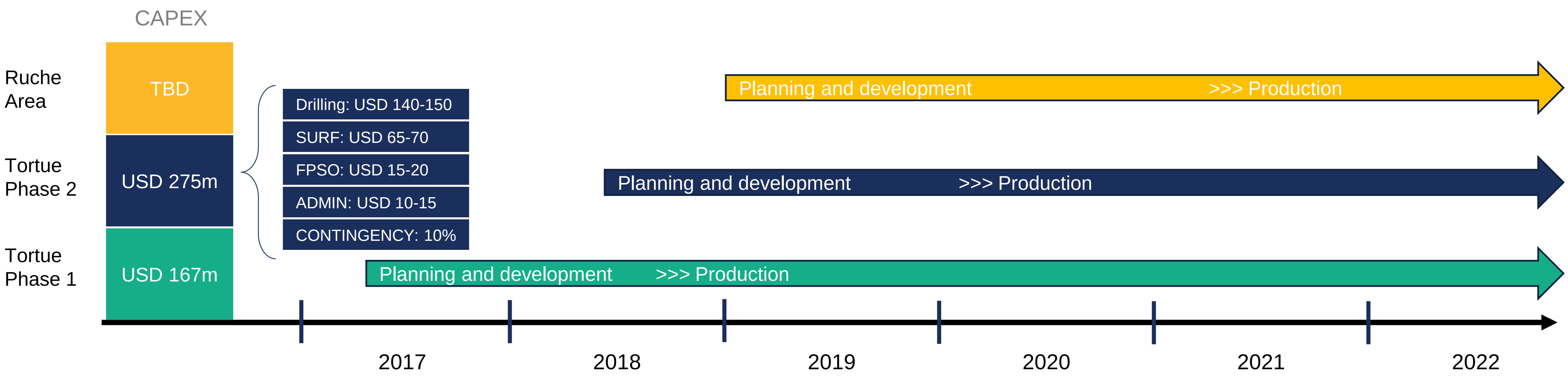
BWO MODEL BEING CONFIRMED

- BWO's strategy is unlocking value potential in field deemed uncommercial by the traditional approach
  - Dussafu was classified as contingent prior to BWO development plan
- BW's Dussafu has some of the same investment characteristics as tight oil:
  - Sequential development – reduced initial risk and time till payback but with much higher IRR than tight oil
  - Manageable break even price as initial and incremental investments can be evaluated in the current market



Source: Rystad Energy & BWO

3-5 YEAR PLAN



Tortue Phase 1

- Two production wells
- Produce 10 to 15k bopd gross
- Western Tortue Appraisal sidetrack
- Mid case gross reserve estimate of 15mmbbls from two wells

Tortue Phase 2

- Additional four production wells
- Producing in total 15 to 25k bopd gross
- Additional 15-25mmbbls reserves from four wells

Ruche complex development

- First Ruche NE appraisal well ongoing
- Two more appraisal wells in the Greater Ruche Area
- Development of Ruche complex
- Remaining Tortue contingent resources
- Remaining opportunities:
  - Additional Greater Ruche Area prospects
  - Greater Walt Whitman discovery area
  - Greater Moubenga discovery area
  - Prospects A&B

OUTLOOK

BUSINESS EVOLVING

1982-2013

- Design, build, install, lease and operate
  - FSO
  - FPSO
- Increased misalignment over time of risk-reward between FPSO company and reservoir owners
- Exploring potential new models including reservoir risk
  - First farm-in evaluation (Polvo)

2014-2016

- Oil price collapse had major operational impact
- Market for new FPSOs virtually evaporated
- Extended and amended debt in order to secure financial runway
- Balance sheet strengthened with new equity

2017+

- Access to proven reserves
- Leverage existing FPSO fleet and in-house capabilities
- New partnership models and contract structures with farm-in and FPSO rates linked to oil and gas revenue
- Organisation strengthened with skills and resources to be an operator and partner

OPPORTUNITY IN OFFSHORE OIL

- The general energy complacency and investor pressure on conventional big oil is providing opening for new companies with a different “view”
- Discovered oil deposits of < 200 mmbls are available
- Break even costs for oil developments have come down, mainly due to drilling and drilling related services and subsea infrastructure costs
- The main production asset is now around 50% of an offshore oil development
- Having access to existing production assets is a significant competitive advantage both in terms of project execution risk mitigation and time to First Oil

The Big Read Oil + myFT

Oil producers face their ‘life or death’ question

Fear of an imminent peak in demand means companies are less likely to invest. So does that make shortages and a price rise inevitable?

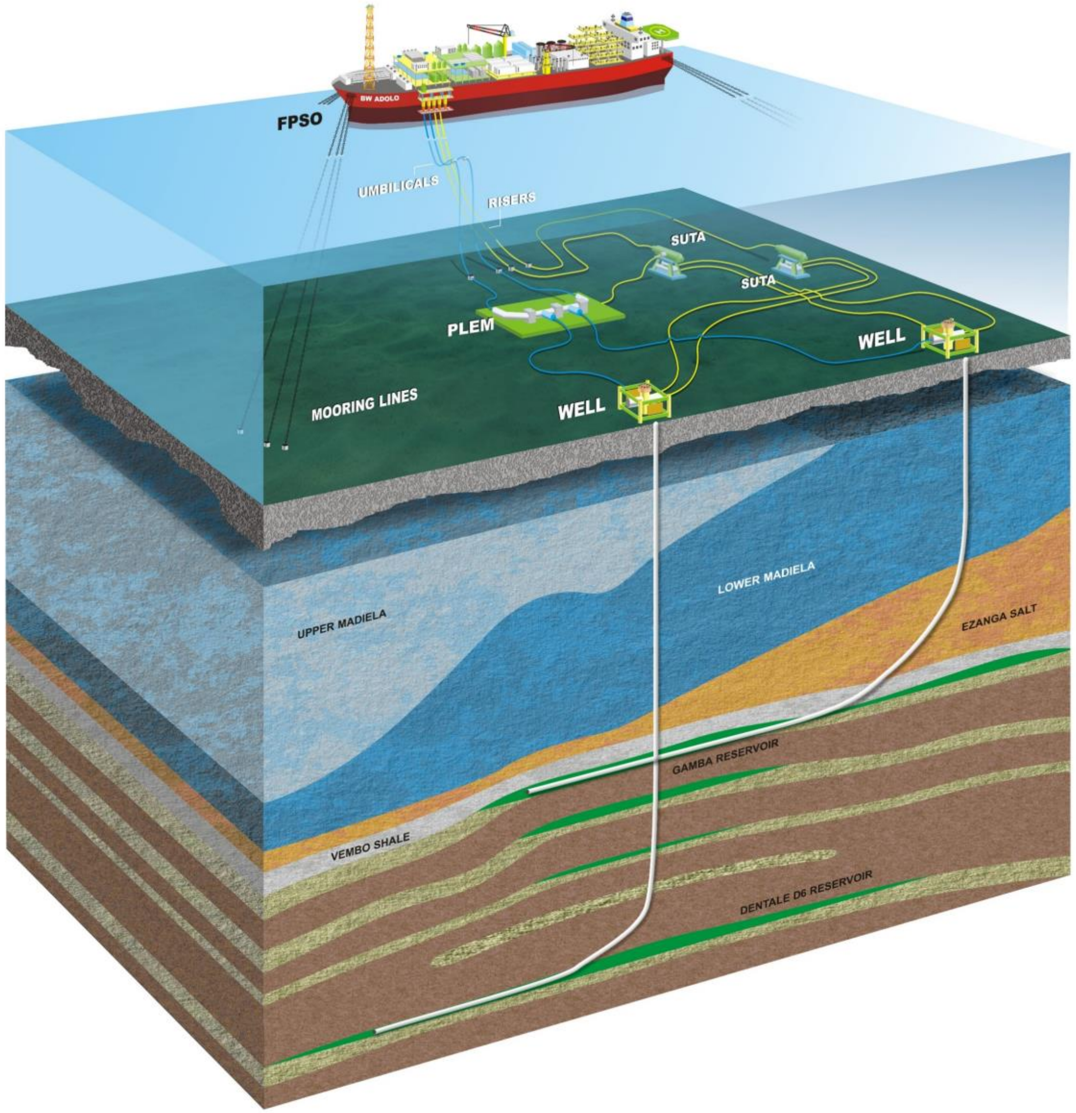
JUNE 19, 2018 by **David Sheppard** and **Anjli Raval** in London

Asked last month by a frustrated investor if, “hand on heart”, Royal Dutch Shell was more concerned about “the sustainability of the company or with the sustainability of the planet”, chief executive Ben van Beurden acknowledged that climate change will be “the defining challenge” facing the oil industry for years to come.

He then went on to describe the benefits of energy for millions of people around the world as “quite often a matter of life and death”. He could have been talking about his own industry, which has only just emerged from a brutal downturn and which, according to some, is facing an even graver challenge: whether to invest in oil at a time when climate concerns could see demand peak as early as the 2020s.

COMPETITIVE ADVANTAGE

- BW Offshore has a unique blend of competencies to undertake cost effective field developments offshore
- Customer focus and partner oriented
- Competitive existing assets to redeploy
- Capability to shorten cycle time from FID (Final Investment Decision) to FO (First Oil) significantly – ref. Dussafu
- Scale
- Competitive cost structure compared to traditional Oil Cos



CANDIDATES FOR FIELD DEVELOPMENT

Berge Helene

- Lay-up in Malaysia
- Condition assessment & preservation

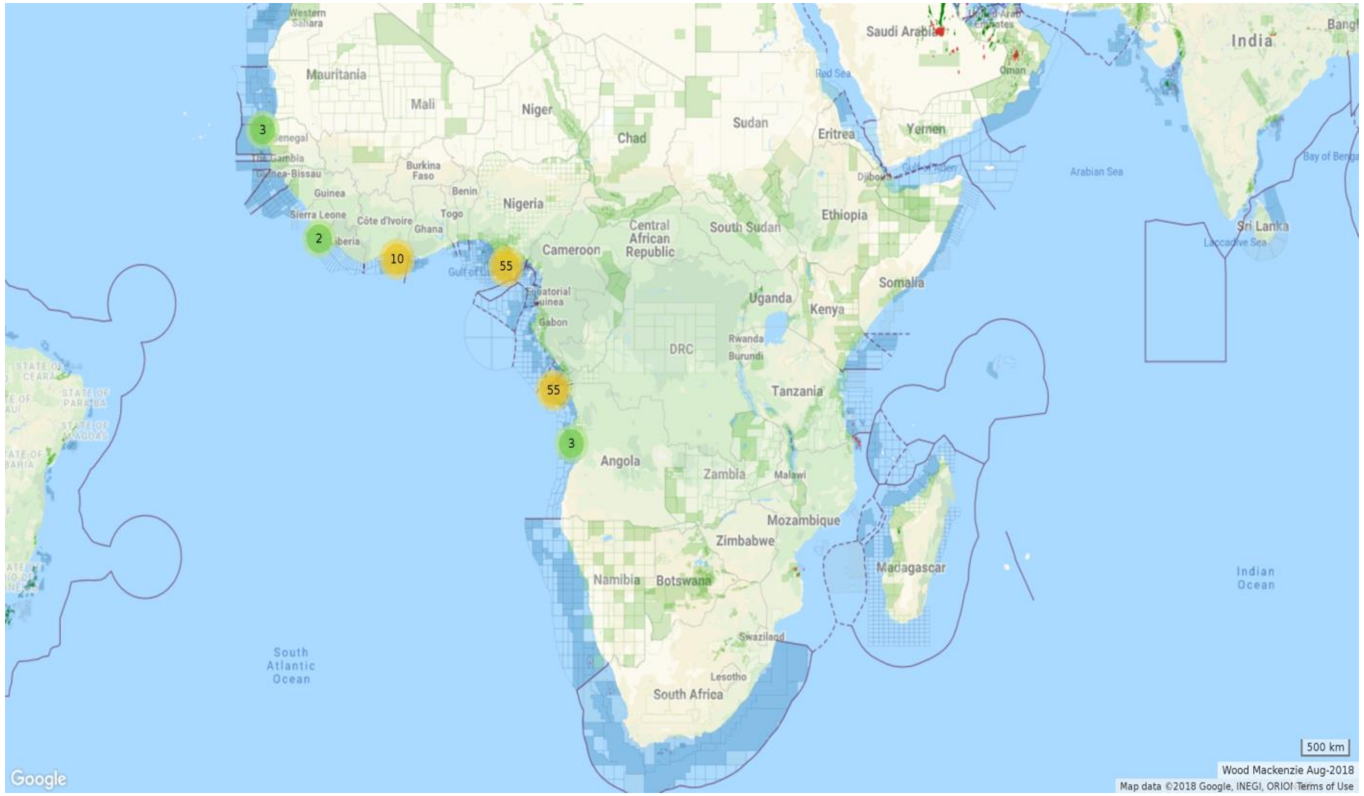
BW Athena

- Unit in lay-up in Scotland

MAIN FOCUS FOR OPPORTUNITIES

Oil + Oil & gas fields, oil >30mmbbl in reserves liquid, >30mmbbl in reserves oil

- Contingent fields are according to Woodmac not economical/ commercial
- Dussafu was classified as uneconomical prior to BW Offshore development plan
- Woodmac now shows Dussafu as the most profitable project under development in West-Africa
- Map shows number of fields classified as contingent with >30 mmbbl proven liquid reserves



Source: Woodmac GEM

COMING EVENTS 2018

Dussafu First Oil

Complete Ruche NE appraisal side track

Tortue Phase 2 FID

- Ruche area development strategy
- Kudu FID
- Cidade de São Vicente extension
- Cidade de São Mateus agreement

Q&A

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For further information please contact ir@bwoffshore.com