



BW Offshore



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Q4 2014 presentation

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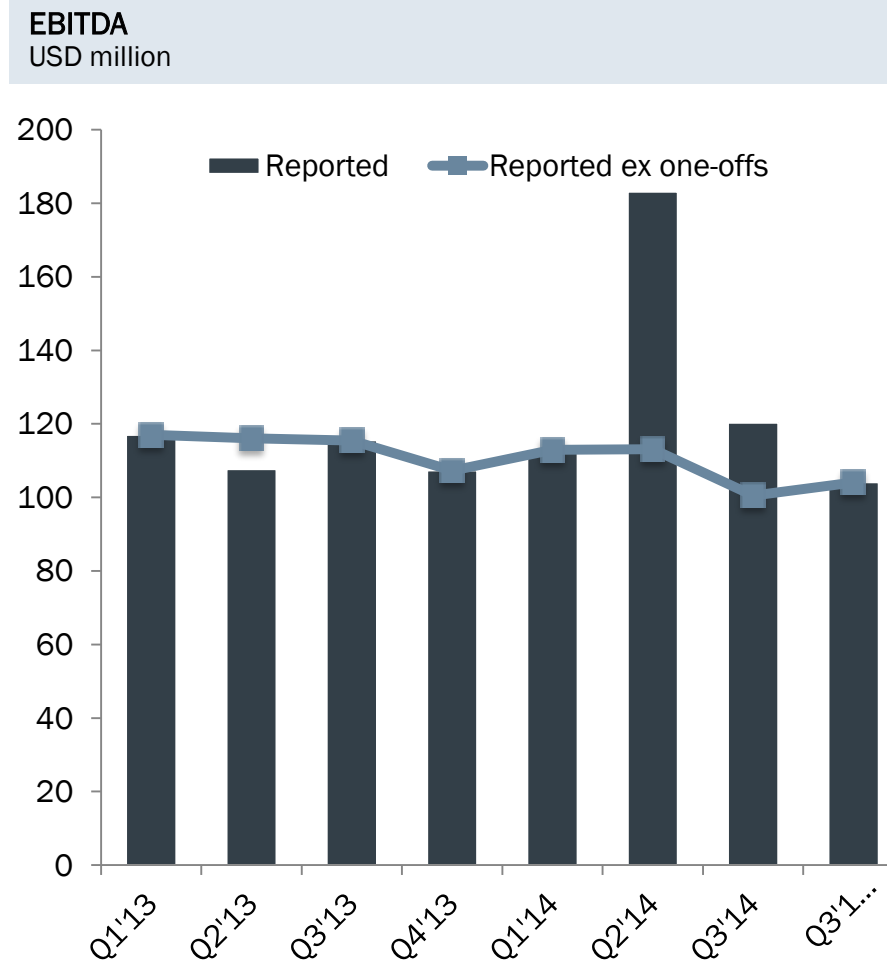
Cidade de São Mateus

- On Wednesday, February 11, 2015 at 12:50 local Brazilian time, there was an explosion on Floating Production Storage and Offloading (FPSO) unit Cidade de São Mateus
- Of the 74 persons onboard, there have been five fatalities and four crew are still missing. The remaining crew are all accounted for
- The bodies of the five deceased personnel have been brought to shore. Four are Brazilian nationals and one is Indian
- Five personnel with injuries are receiving medical care in hospital
- BW Offshore management is in Vitoria with the crew, and support to personnel and next of kin is ongoing
- A specialist team has returned to the unit to evaluate if conditions are sufficiently safe to allow the search and rescue efforts to continue
- “This is a terrible day for the families of the men we have lost and our hearts go out to them. We remain determined to continue the search for those still missing”, said Carl Arnet, CEO of BW Offshore



Key events

- Stable operations – with an uptime of 99.6% for 2014
- EBITDA of USD 104.1 million in Q4 2014 and USD 520.3 million for 2014
- Contract extensions for Berge Helene, Umuroa and Abo
- Dividend of USD 0.02 per share





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OPERATIONS

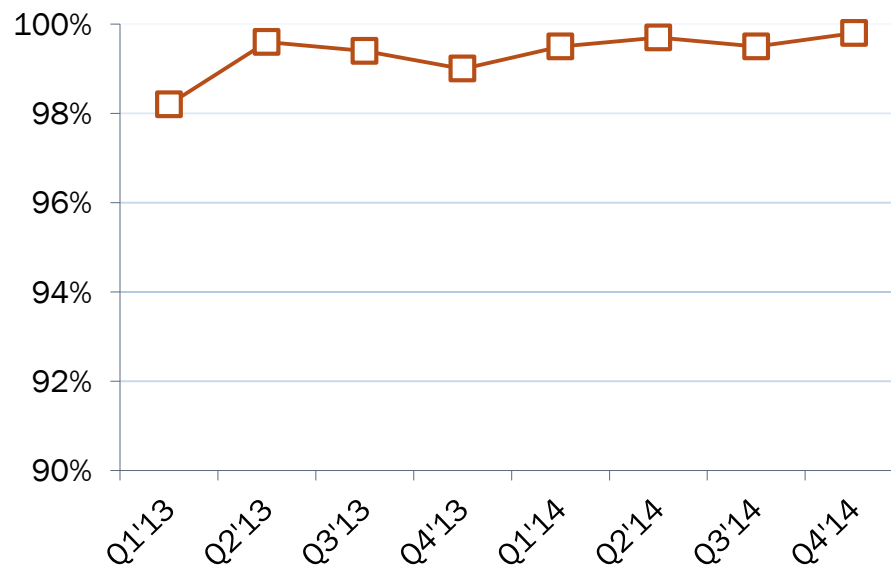




Operational status

- Fleet uptime 99.8% in Q4 and 99.6% for the full year
- Berge Helene contract extended to Q2 2017
- Umuroa firm contract extended to Q4 2016
- Abo firm contract extended to Q4 2016

Uptime



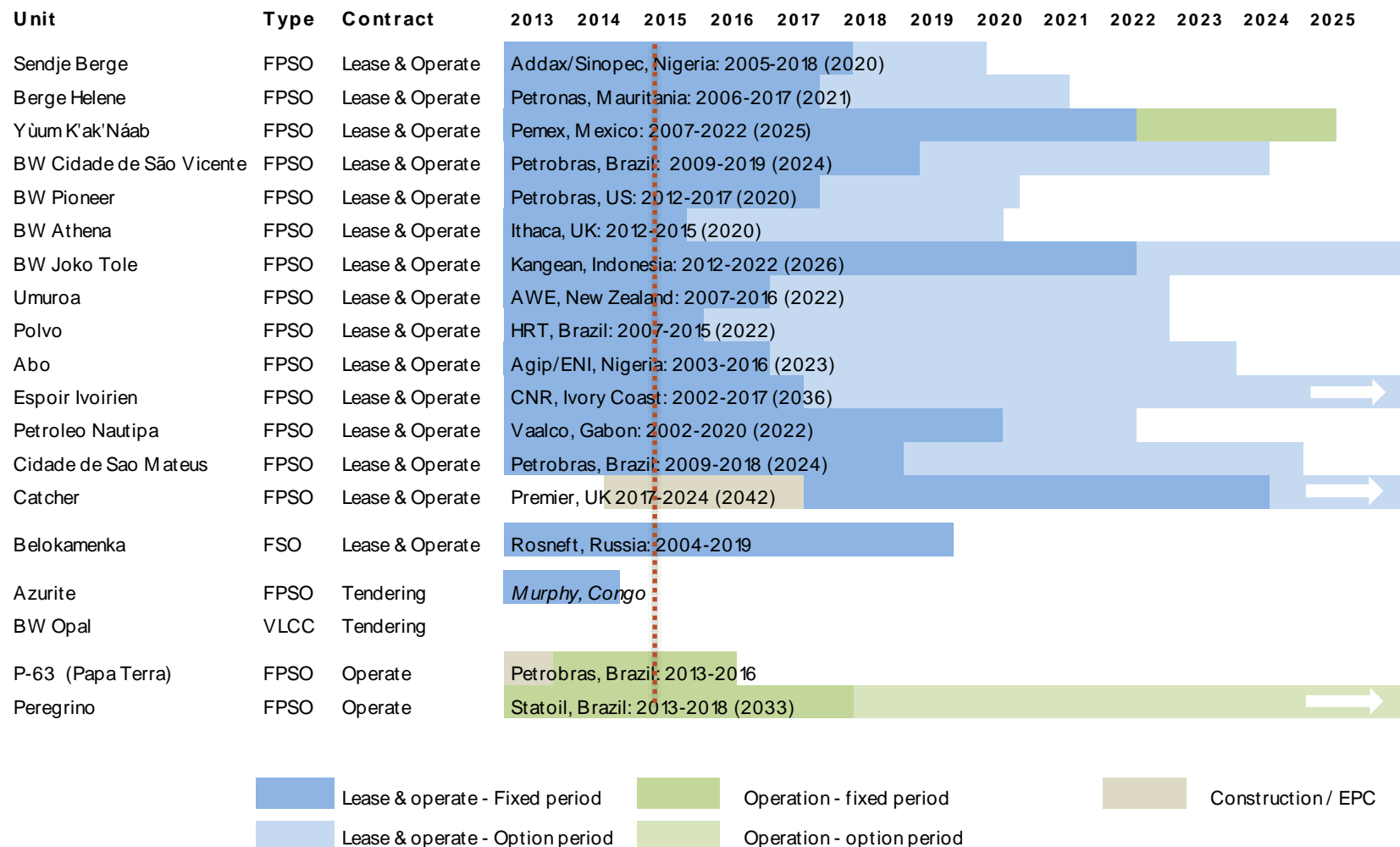
Catcher status

- Overall status
 - Worked 700,000 man-hours
 - Appointed UK Duty Holder
 - First oil mid 2017
- Hull progress
 - First steel cut on 9 January 2015
- Topsides progress
 - Awarded topside fabrication contract
 - First steel cut for E-house fabrication
 - All mechanical equipment purchase orders placed
- Turret mooring system progress
 - Mating cone fabrication





Fleet overview





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FINANCE

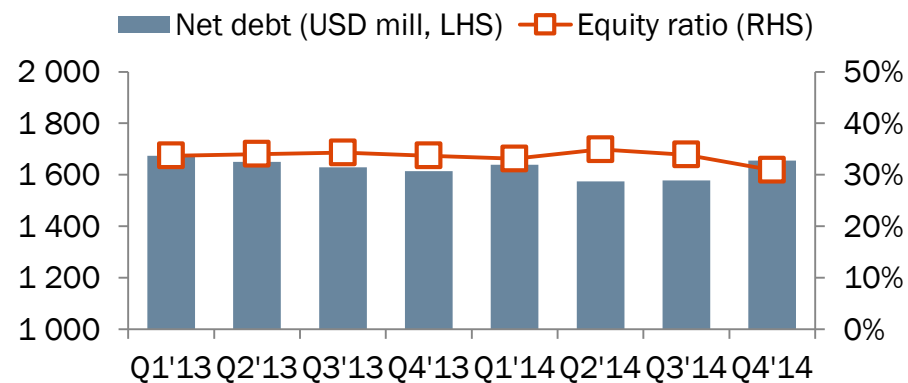


Financials

- EBITDA of USD 104.1 million in Q4 2014 and USD 520.3 in 2014
- Equity ratio 30.9%
- Dividend of USD 0.02 per share
 - Total dividend payments of USD 76 million for 2014, equal to NOK 0.73 per share

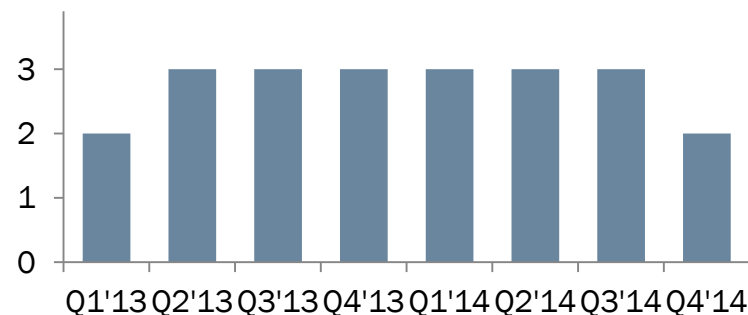
Net debt and equity ratio

USD million and percentage



Dividend

US cent per share





Income statement

USD million	Q4 2014	Q3 2014	2014
Operating revenues	264.8	248.5	1,070.4
Operating expenses	-160.6	-148.0	-571.9
Share of profit from associates and joint ventures	-0.1	19.8	21.8
EBITDA	104.1	120.3	520.3
Depreciation	-57.1	-55.7	-220.7
Amortisations	-0.7	-0.5	-2.3
Gain (loss) from sale of assets / impairments	0.0	0.0	0.2
EBIT	46.3	64.1	297.5
Net interest expense	-15.9	-16.6	-63.0
FX, financial instruments and other financial items	-8.7	2.3	-9.1
Profit (loss) before tax	21.7	49.8	225.4
Income tax expense	-9.0	-9.5	-38.2
Net profit (loss)	12.7	40.4	187.2

USD million	Q4 2014
Reported EBITDA	104.1
Adjustment for FX included in EBITDA	5.1
Operational EBITDA	109.2



Statement of financial position

USD million	31.12.2014		30.09.2014	
Total non-current assets	3,116.4	84.9%	3,077.9	86.5%
Total current assets	552.5	15.1%	481.0	13.5%
Total assets	3,668.9	100.0%	3,558.9	100.0%
<hr/>				
Total equity	1,132.2	30.9%	1,207.6	33.9%
<i>Total non-current liabilities</i>	<i>1,833.8</i>		<i>1,711.7</i>	
<i>Total current liabilities</i>	<i>702.9</i>		<i>639.6</i>	
Total liabilities	2,536.7	69.1%	2,351.3	66.1%
Total equity and liabilities	3,668.9	100.0%	3,558.9	100.0%

USD million	31.12.2014
Reported interest bearing debt	1,871.0
Cash and deposits	-215.4
Net interest bearing debt	1,655.6

Equity ratio	30.9%
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Cash flow statement

USD million	Q4 2014	Q3 2014	2014
Net cash flow from operating activities	133.2	125.1	548.9
Net cash flow from investing activities	-168.5	-87.7	-419.7
Net cash flow from financing activities	66.4	-49.3	-46.3
Net change in cash and cash equivalents	31.1	-11.9	83.0
Cash and cash equivalent at start of period	184.3	196.2	132.4
Cash and cash equivalent at end of period	215.4	184.3	215.4



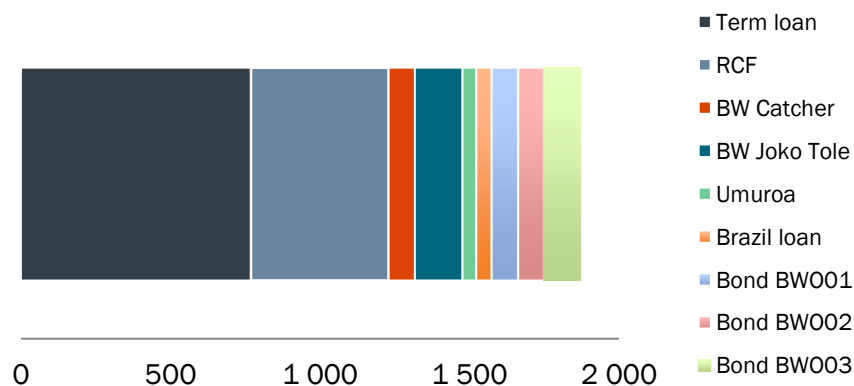


Financing

- Fully financed by operational cash flow, cash and existing facilities
 - Available liquidity including corporate facilities USD 337 million
- Utilised USD 88 million of USD 800 million bank financing for the Catcher project

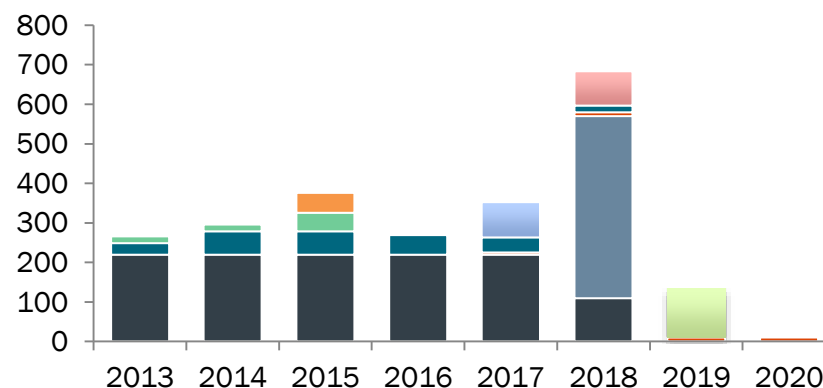
Gross debt USD million

Per 31.12.2014



Instalments USD million

Per 31.12.2014

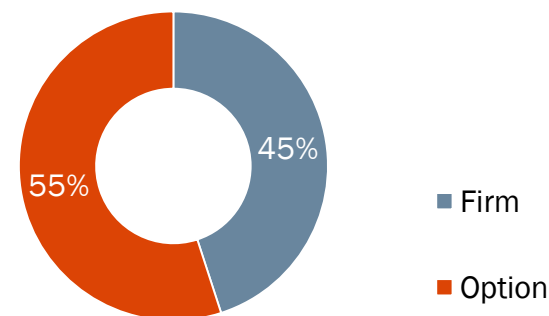




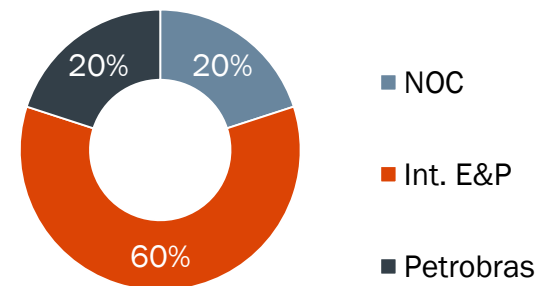
High revenue visibility

- USD 10.4 billion backlog secure high revenue visibility
 - USD 4.6 billion firm
- Contracts secured with good counterparties

Backlog: Firm and option



Backlog: Counterparties





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OUTLOOK

Prospects

- In general prospects are being delayed due to the drop in oil price
- Leviathan 1.6 BCFD gas FPSO
 - FEED for Noble Energy
 - Suspended from March
- Azurite FPSO – redeployment
 - Opportunities being evaluated





Current priorities

- Cidade de São Mateus
 - Search and rescue operations
- Catcher project
- Fleet performance
- Life extension programs
- Azurite redeployment
- New prospects





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