



BW OFFSHORE

Q4 2013 presentation

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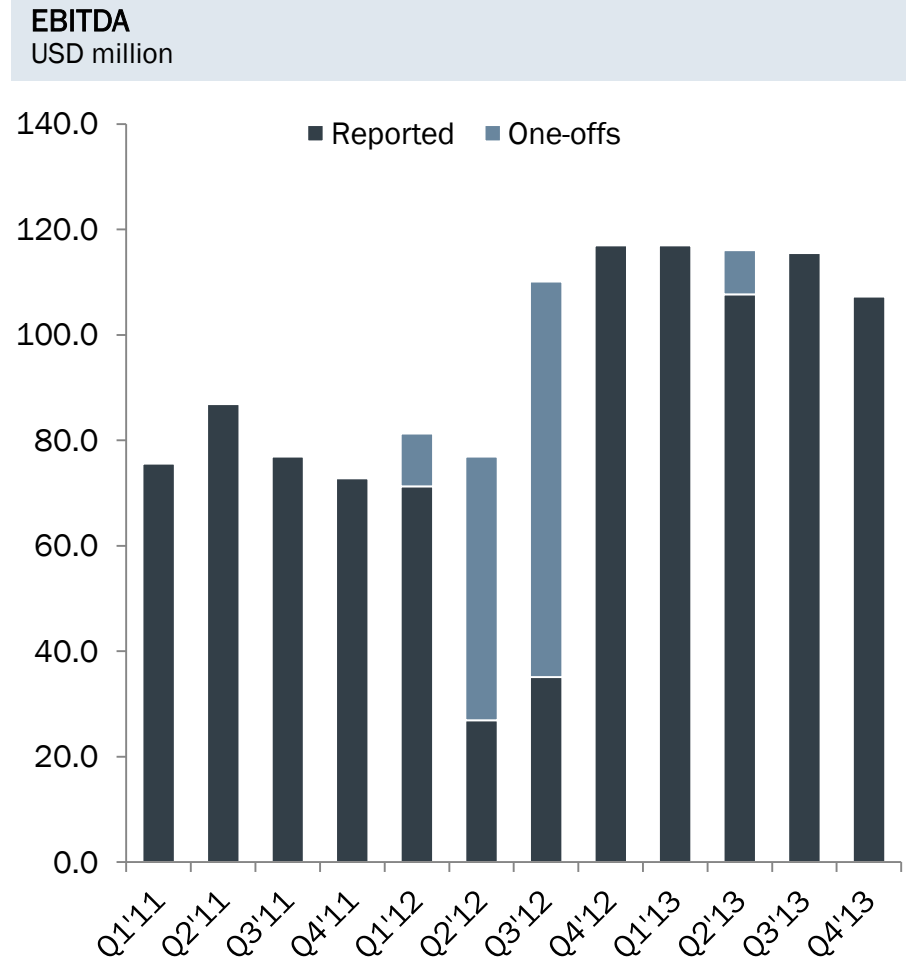
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Highlights Q4 and full year 2013

- Stable operations with an uptime of 99.0%
- EBITDA of USD 107.3 million in Q4 and USD 447.4 million for full year 2013
- Contract extensions for FPSO Polvo and FPSO Abo
- Letter of Intent for acquiring 30% ownership in Polvo oil field
- Acquired 2012 built DSME VLCC for future projects
- Dividend of USD 0.03 per share in Q4 and USD 0.11 per share in 2013





OPERATIONS

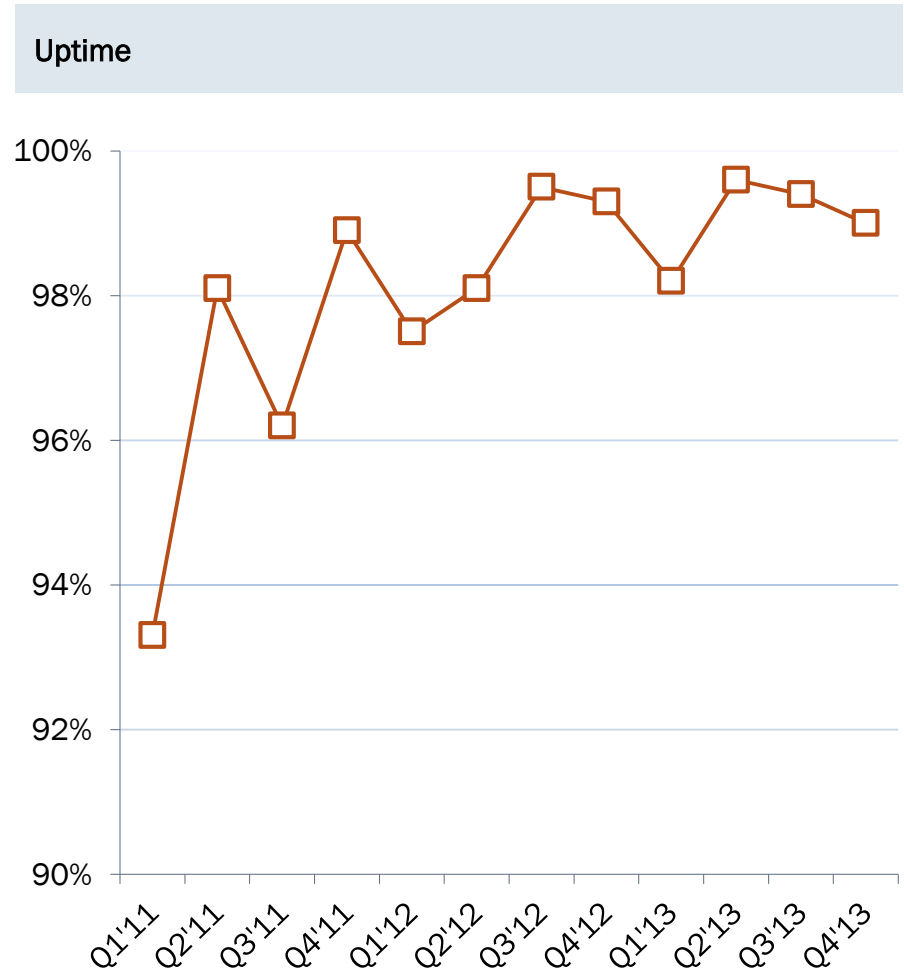




Operational highlights

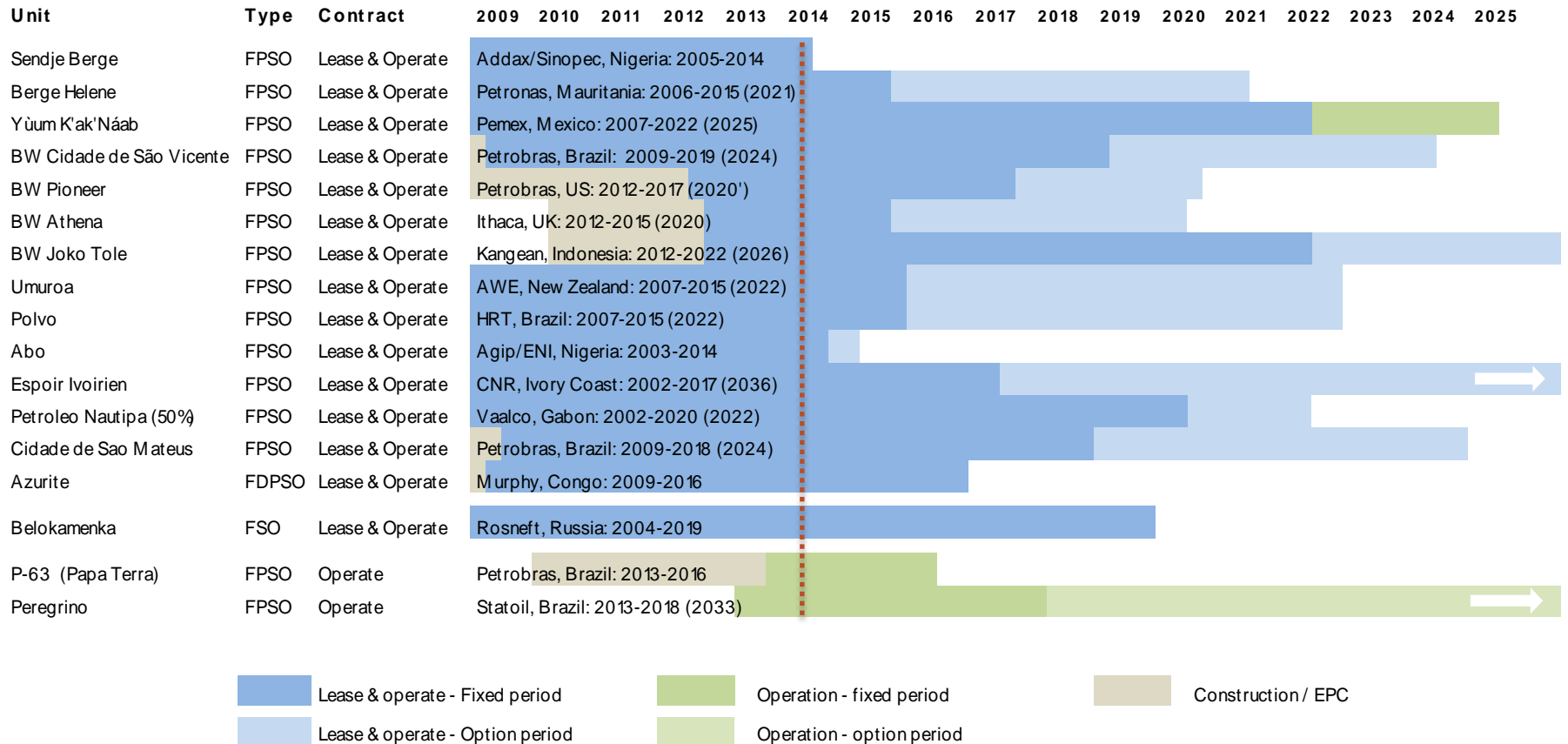
- HSSEQ performance
 - Lost time injuries (LTI*) frequency of 0.23
- Fleet uptime
 - 99.0% in Q4 2013 and for full year 2013
- Signed extension contract for FPSO Abo to Q2 2014
- Signed extension contract for FPSO Polvo to Q3 2015
- Commenced marketing of FPSO Azurite for new projects

* Injuries per million man-hours





Fleet overview



Polvo oil field

- Signed a Letter of Intent to acquire 30% of the Polvo oil field in Brazil from HRT
- BW Offshore's FPSO Polvo has produced on the field since first oil in 2007
- Average production in 2013 of approx 12,000 bbls of oil per day
- The field installations includes the Polvo A wellhead platform with drilling rig and infield pipelines
- Due diligence ongoing





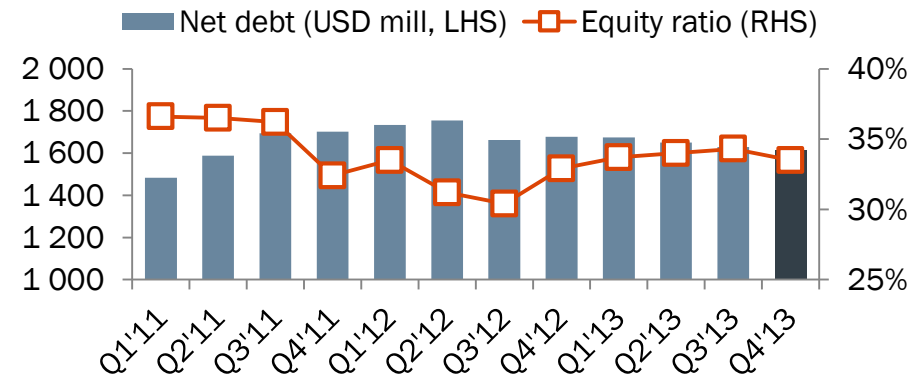
FINANCIALS



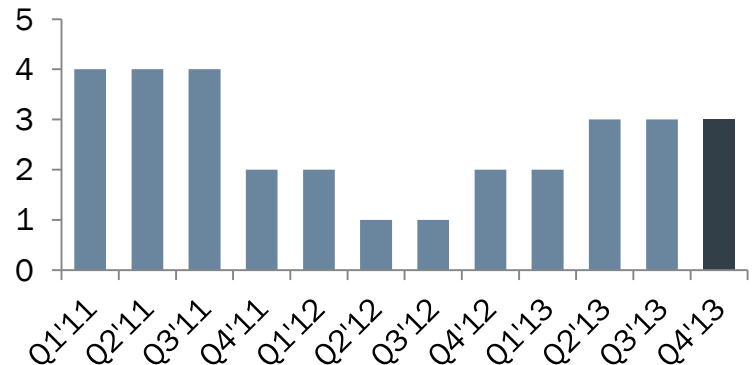
Financials

- EBITDA of USD 107.3 million in Q4 and USD 447.4 million for full year 2013
- Total equity of USD 1,124.1 million
 - Equity ratio 33.5%
- Q4 2013 dividend of USD 0.03 per share
 - Distributed USD 212 million since introduction of dividend in 2011, equal to NOK 1.92 per share

Net debt and equity ratio
USD million and percentage



Dividend
US cent per share





Income statement

USD million	Q4 2013	Q3 2013	2013	2012
Operating revenues	266.7	238.4	982.4	909.4
Operating expenses	-159.4	-123.0	-535.7	-661.1
Share of profit from associates	0.0	0.1	0.7	0.9
EBITDA	107.3	115.5	447.4	249.2
Depreciation	-67.4	-66.5	-263.7	-224.2
Amortisations	-0.5	-0.4	-2.0	-2.6
Gain (loss) from sale of assets / impairments	-0.2	0.0	-0.3	73.7
EBIT	39.2	48.6	181.4	96.1
Net interest expense	-14.4	-15.8	-60.7	-53.2
FX, financial instruments and other financial items	-1.6	-5.3	-0.7	-12.9
Profit (loss) before tax	23.2	27.5	120.0	30.0
Income tax expense	-9.0	-9.5	-36.4	-28.7
Net profit (loss)	14.2	18.0	83.6	1.3

USD million	Q4 2013
Reported EBITDA	107.3
Adjustment for share of profit of associates	0.0
Adjustment for FX included in EBITDA	1.1
Operational EBITDA	108.4



Statement of financial position

USD million	31.12.2013	30.09.2013	31.12.2012
Total non-current assets	2,910.7	2,946.9	3,084.5
Total current assets	443.9	382.5	339.2
Total assets	3,354.6	3,329.4	3,423.7
Total equity	1,124.1	1,141.4	1,030.4
<i>Total non-current liabilities</i>	<i>1,713.4</i>	<i>1,673.0</i>	<i>1,784.7</i>
<i>Total current liabilities</i>	<i>517.1</i>	<i>515.0</i>	<i>508.6</i>
Total liabilities	2,230.5	2,188.0	2,293.3
Total equity and liabilities	3,354.6	3,329.4	3,423.7

USD million	31.12.2013
Reported interest bearing debt	1,749.4
Cash and deposits	-135.5
Net interest bearing debt	1,613.9

Equity ratio	33.5%
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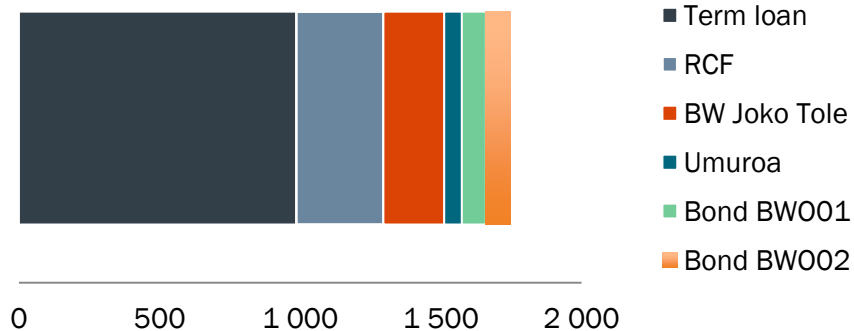


Financial strength

- Gross debt of USD 1,749 million
 - Net debt of USD 1,614 million
- Available liquidity of USD 400 million
- Financial capacity to take on a new lease project
 - Fully financed by operational cashflow, existing liquidity and new bank loan

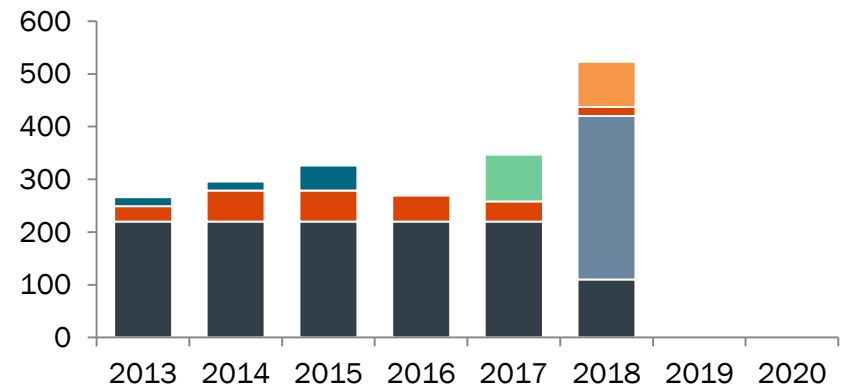
Gross debt
USD million

Per 31.12.2013



Instalments
USD million

Per 31.12.2013

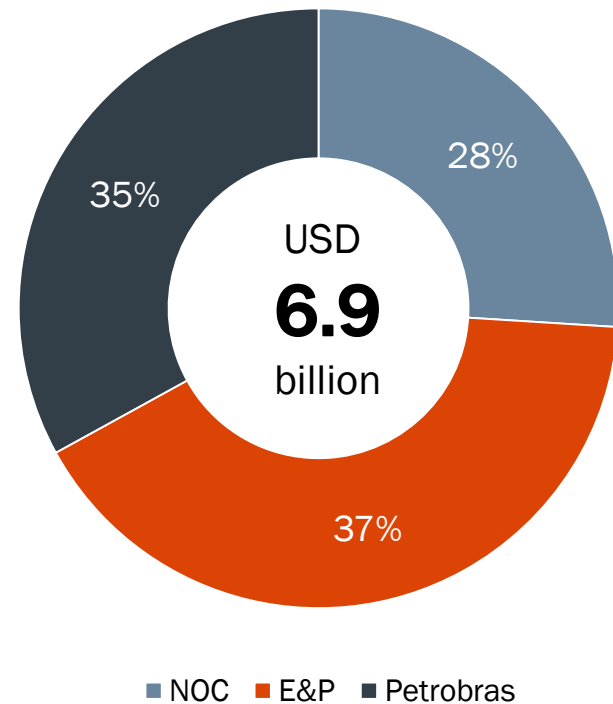


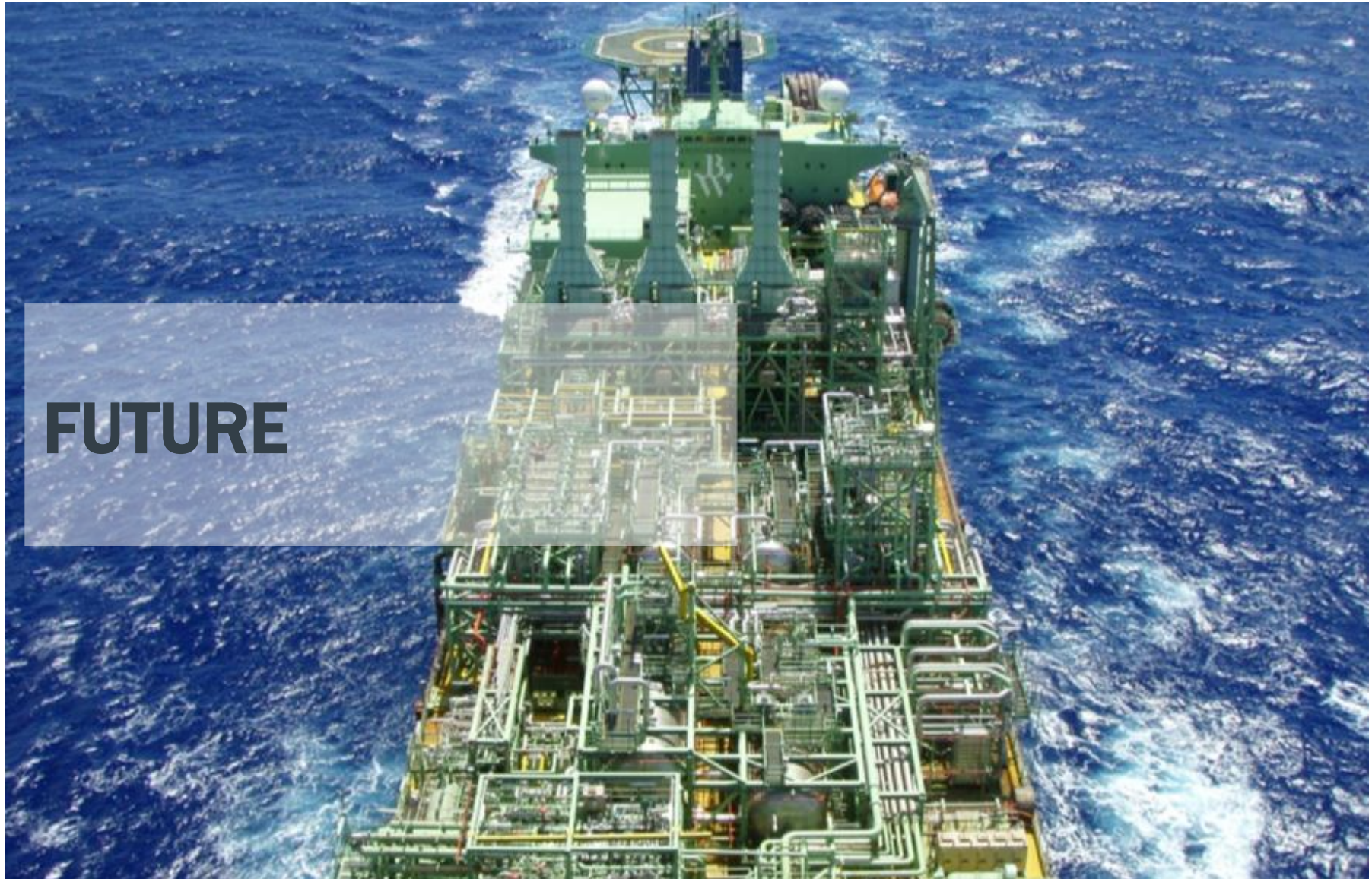


Orderbook

- Orderbook of USD 6.9 billion as of 31 December 2013
 - Whereof USD 3.3 billion are firm contracts
- Long term lease contracts with solid counterparties
 - Visible and sustainable revenue
- Portfolio with solid EBITDA-margins
 - 2013 EBITDA margin of 46%

Total orderbook and clients

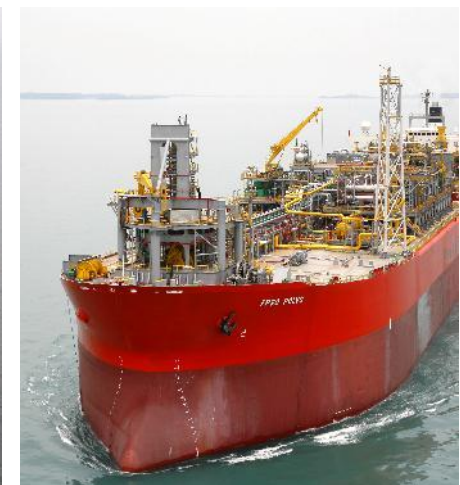




FUTURE

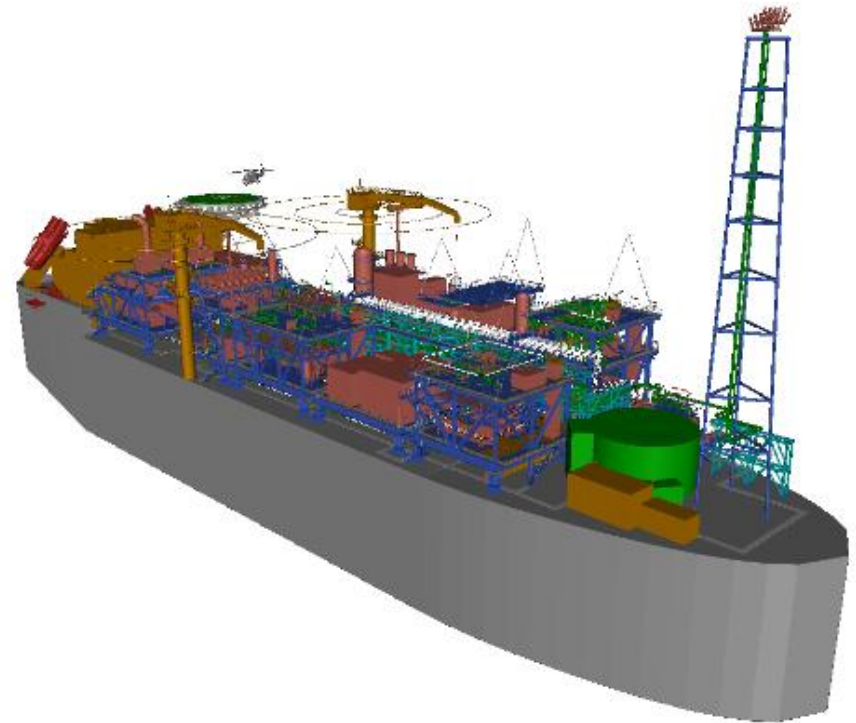
Maximising fleet value

- Operational improvements
- Secured extensions
 - Sendje Berge
 - Abo
 - Polvo
- Redeployment opportunities
 - Azurite



Projects

- Focused tender and FEED work
- Evaluating several projects meeting BW Offshore's financial targets
- Catcher status
 - Awarded FEED study Q4 2012
 - FEED study performed 1H 2013
 - Technical and commercial clarifications
 - Expected final decision Q2 2014
- Kudu status
 - Engineering performed 2013
 - Indicated award Q2 2014
- Ayatsil-Tekel status
 - Engineering performed 2013
 - Indicated award Q2 2014

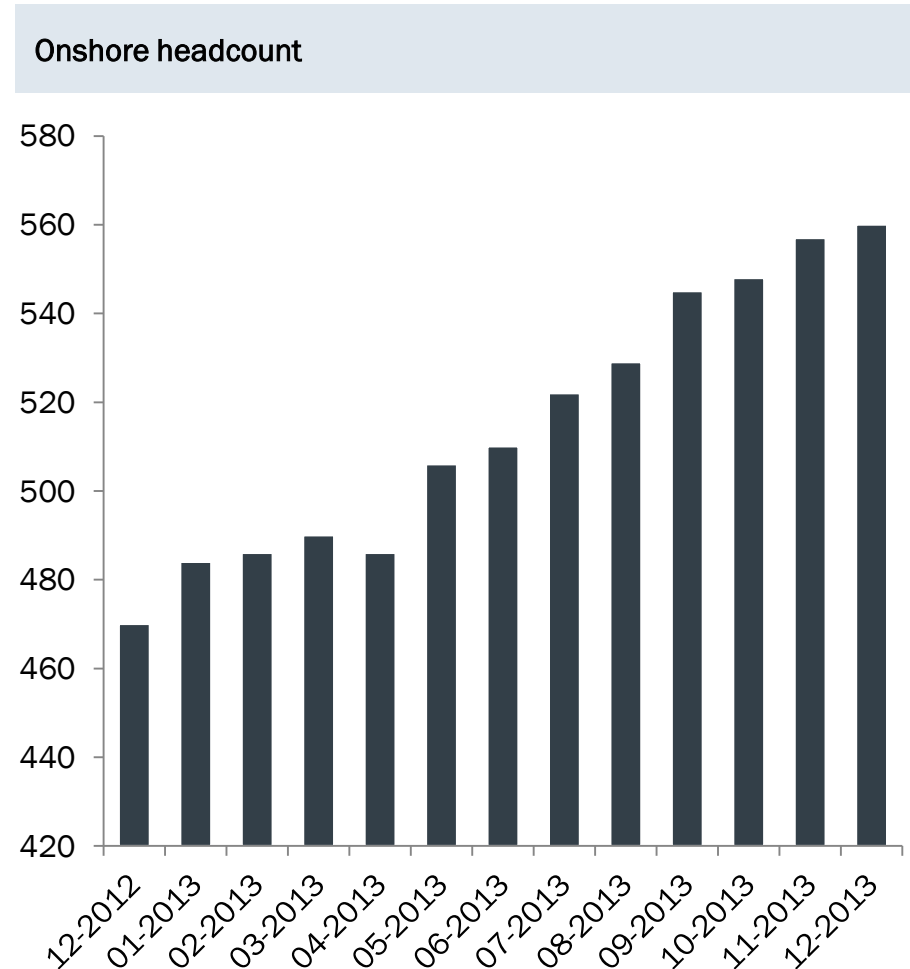


BW Offshore FPSO UK design



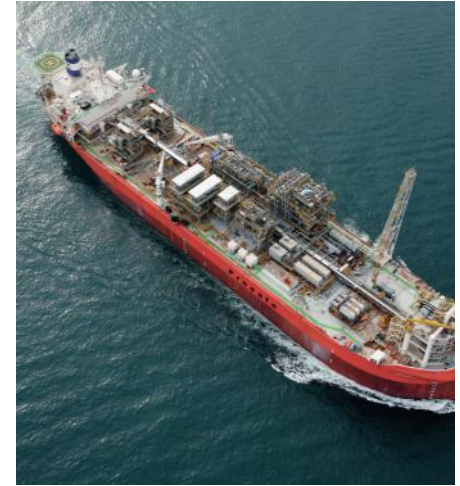
Strengthening execution capabilities

- Execution centres in Singapore and Oslo
 - Personnel
 - Competence
- Recruitment profile
 - Engineering
 - Procurement
 - Planning
 - Controlling
 - Project management
- More BW Offshore DNA in new projects
 - Increasing inhouse design development
 - Improving subcontractor interface



Current priorities

- Conclude project opportunities
- Conclude extension contracts for Sendje Berge and Abo
- Azurite redeployment
- Execute life extension programs
- Operational improvements in fleet
- Recruitment and strengthening of project and technical staff in Singapore, Oslo and Rio



Q & A





Further information: www.bwoffshore.com

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