

BW Offshore

Q4 2012 presentation

19 February 2013



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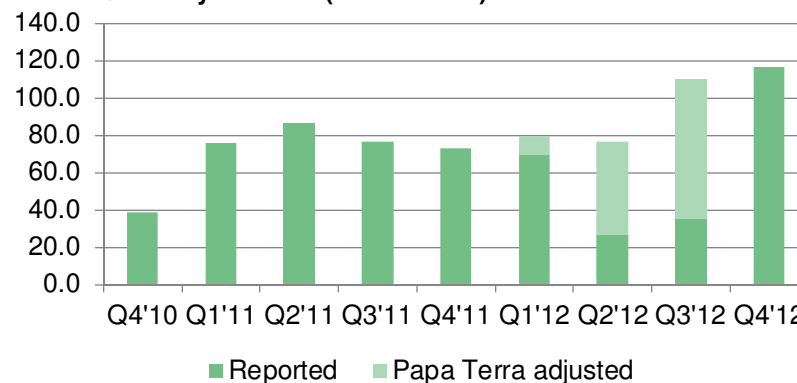


Highlights - Q4 2012

- EBITDA of USD 116.7 million
- Stable operations with an uptime of 99.3%
- P-63 (Papa Terra) arrived in Brazil 28 January 2013
- Completed handover for FPSO Peregrino operations
- Reversal of previous impairment of USD 75 million
- Quarterly dividend increased to USD 0.02 per share



Quarterly EBITDA (USD million)



OPERATION

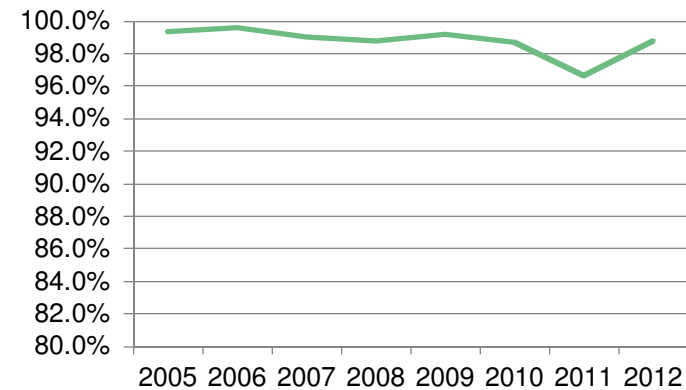


Operational highlights - 2012



- HSSEQ performance
 - Lost time injuries (LTI) of 0.8
- Fleet uptime
 - 98.8% in 2012
 - 373 crude oil cargos delivered
- Regularity on all units improved
- Strengthened technical and commercial support functions
- Start-up of three units
 - FPSO BW Pioneer
 - FPSO BW Joko Tole
 - FPSO BW Athena
- Assumed responsibility for Statoil's FPSO Peregrino in Brazil

Uptime



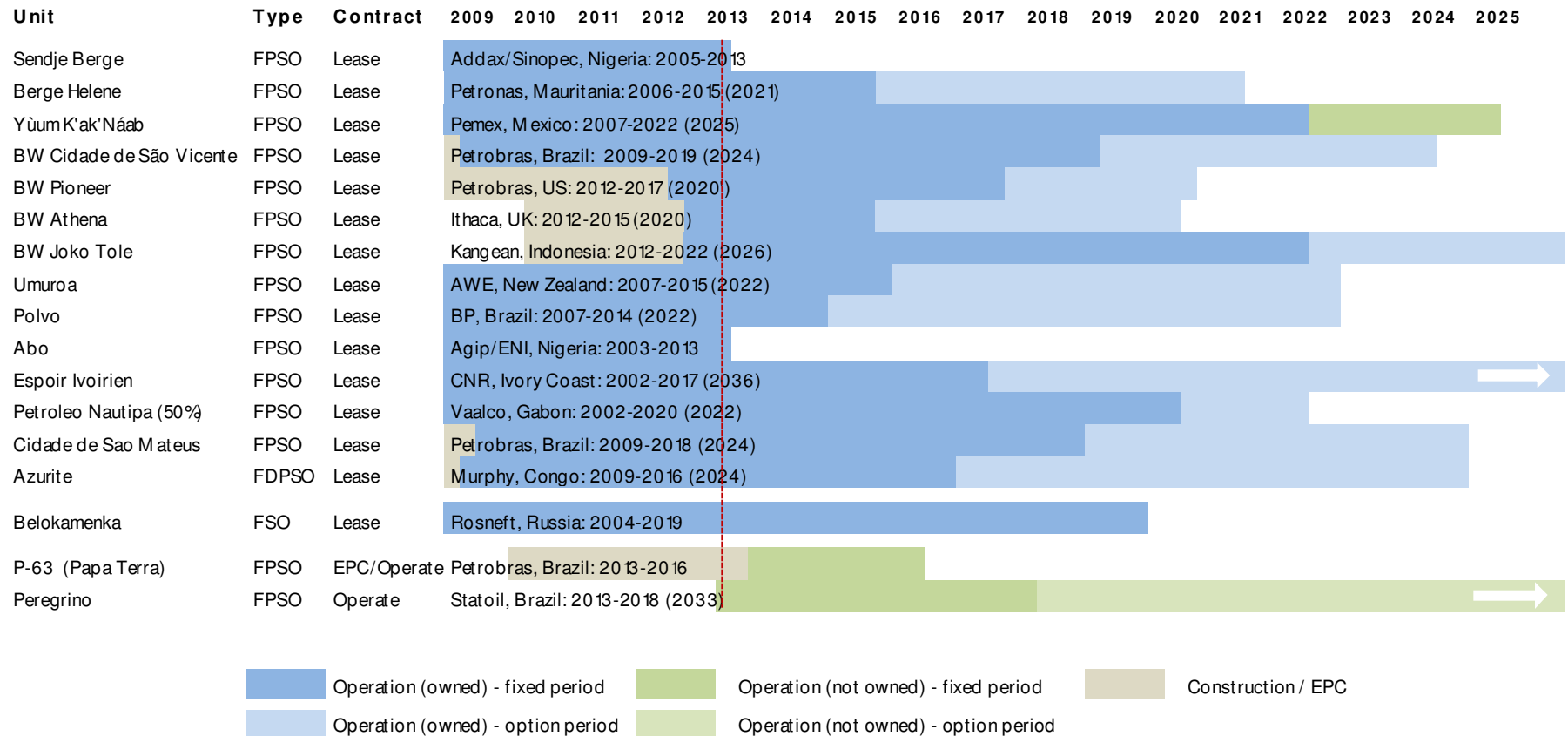
Picture: Øyvind Hagen, Statoil

Fleet extensions

- Three contract extensions in 2012
 - FPSO Esplor Ivorien
 - FPSO Petroleo Nautipa
 - FPSO Berge Helene
- Improved terms
- Extensions outstanding in 2013
 - FPSO Sendje Berge
 - FPSO Abo
- Commercial discussions ongoing with the clients



Fleet overview





Project status – Papa Terra

- 28 January P-63 (Papa Terra) arrived Rio Grande shipyard in Brazil
- P-63 was subject to minor damage to steel and equipment as the unit was hit at quay-side by P-58 which came loose during high winds
 - Repairs will be performed during the yard stay without impact to overall schedule
 - Cost of repairs will be covered by client construction insurance
- Project progresses according to the Q3'12 communicated plan





All six modules lifted onboard



19 February 2013

FINANCE

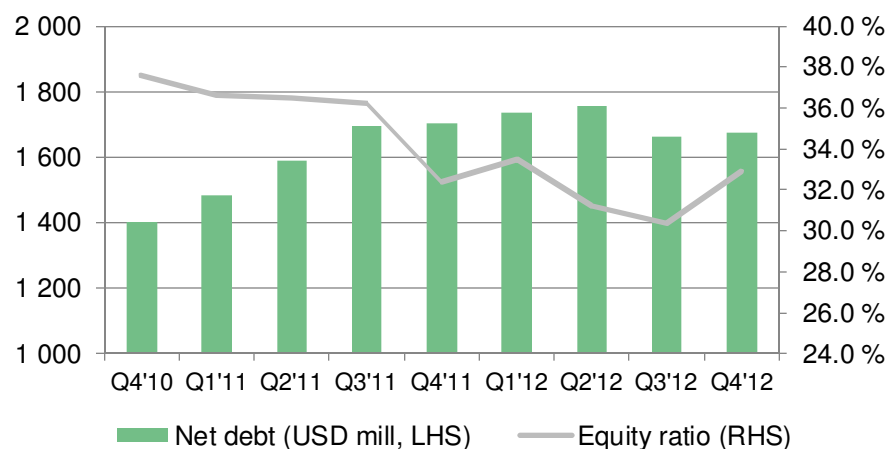




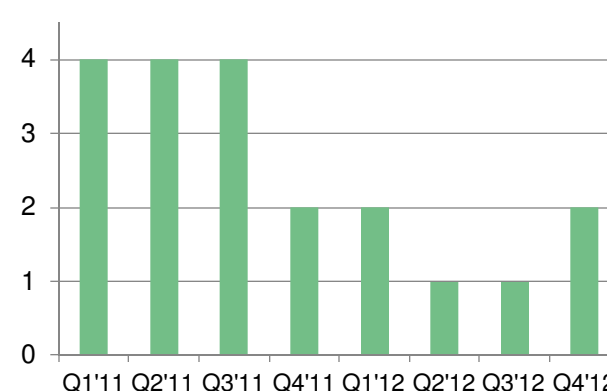
Financials - Q4 2012

- EBITDA of USD 116.7 million
 - Full year 2012 EBITDA of USD 247.9 million
- Strengthened balance sheet
- USD 75 million reversal of impairment
- Quarterly dividend increased from USD 0.01 to USD 0.02 per share

Net debt and equity ratio



Dividend (US cent / share)



P&L



USD million	Q4 12	Q3 12	Q4 11	2012	2011
Operating revenue	233.5	235.9	208.1	909.4	846.2
Operating expenses	-117.2	-200.9	-135.5	-662.4	-534.0
Share of profit from associates	0.4	0.1	0.2	0.9	-0.3
EBITDA	116.7	35.1	72.8	247.9	311.9
Depreciation	-63.2	-63.9	-46.8	-224.2	-178.6
Amortisations	-0.7	-0.6	-1.6	-2.6	-4.5
Gain (loss) on sale of assets / impairments	73.8	-0.6	-138.5	73.7	-119.8
EBIT	126.6	-30.0	-114.1	94.8	9.0
Net interest expense	-14.2	-14.5	-12.1	-53.2	-46.2
Fx, fin instr and other fin items	1.5	-8.1	2.6	-12.9	-33.7
Profit (loss) before tax	113.9	-52.6	-123.6	28.7	-70.9
Income tax expense	-8.0	-7.0	-27.4	-28.7	-43.9
Net profit (loss)	105.9	-59.6	-151.7	0.0	-115.5

Reported EBITDA	116.7
<i>Share of profit of associates (positive in Q)</i>	-0.4
<i>FX included in EBITDA (positive in Q)</i>	-2.7
Operational EBITDA	113.6

Balance sheet



- Equity ratio 32.9%
- Net interest bearing debt USD 1,677 million

USD million	31.12.12	30.09.12	31.12.11
Total non-current assets	3 084.5	3 021.1	3 009.6
<i>Assets of disposal group held for sale</i>	-	-	185.0
Total current assets	339.2	353.3	607.0
Total assets	3 423.7	3 374.4	3 616.6
Total equity	1 127.1	1 025.0	1 171.9
Total non-current liabilities	1 788.0	1 766.6	1 901.8
<i>Liabilities of disposal group held for sale</i>	0.0	0.0	0.0
Total current liabilities	508.6	582.8	542.9
Total liabilities	2 296.6	2 349.4	2 444.7
Total equity and liabilities	3 423.7	3 374.4	3 616.6

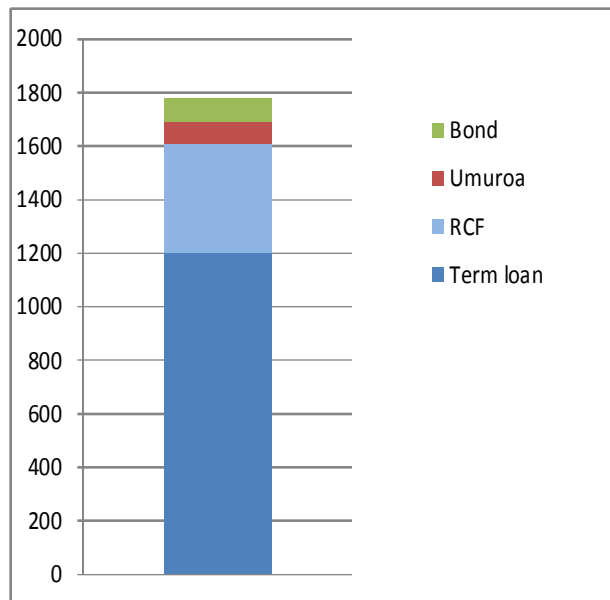
Reported interest bearing debt	1778.7
Cash and deposits	-101.9
Net interest bearing debt	1676.8



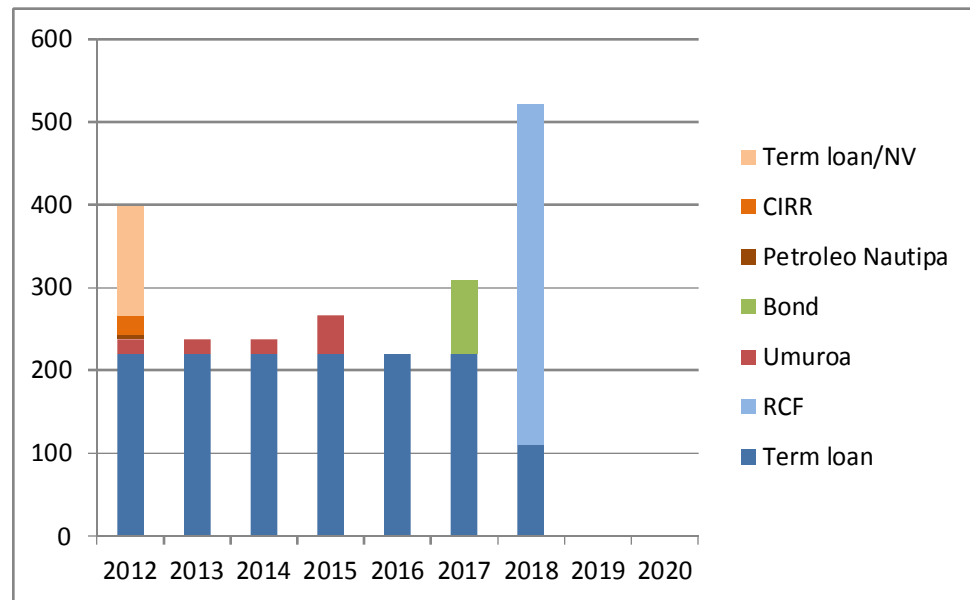
Debt and instalment profile

- Gross debt of USD 1,779 million
- Petroleo Nautipa-facility fully re-paid
- USD 250 million financing facility for BW Joko Tole targeted for 1H 2013

Gross debt (USD million)



Instalments (USD million)

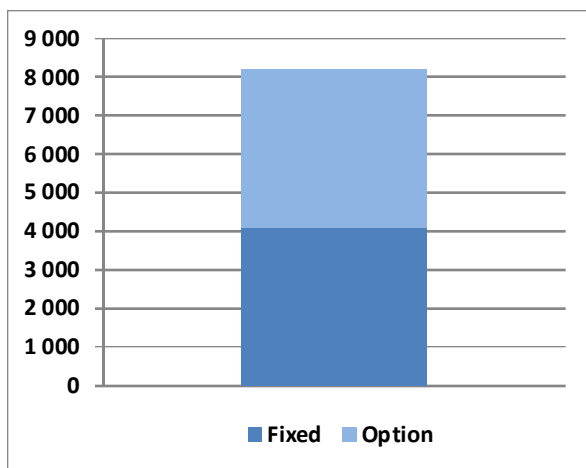




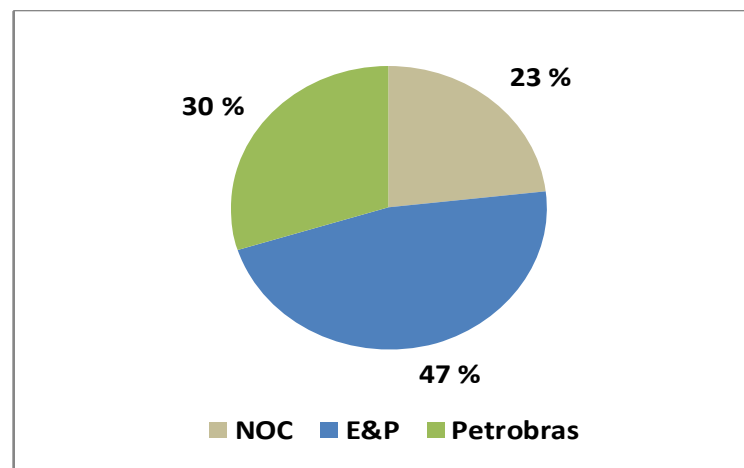
Orderbook

- Orderbook of USD 8.2 billion
 - Whereof USD 4.1 billion are firm contracts
- New orders of USD 1.7 million in 2012
- High value cashflow and backlog from solid counterparties

Orderbook (USD million)



Clients



OUTLOOK

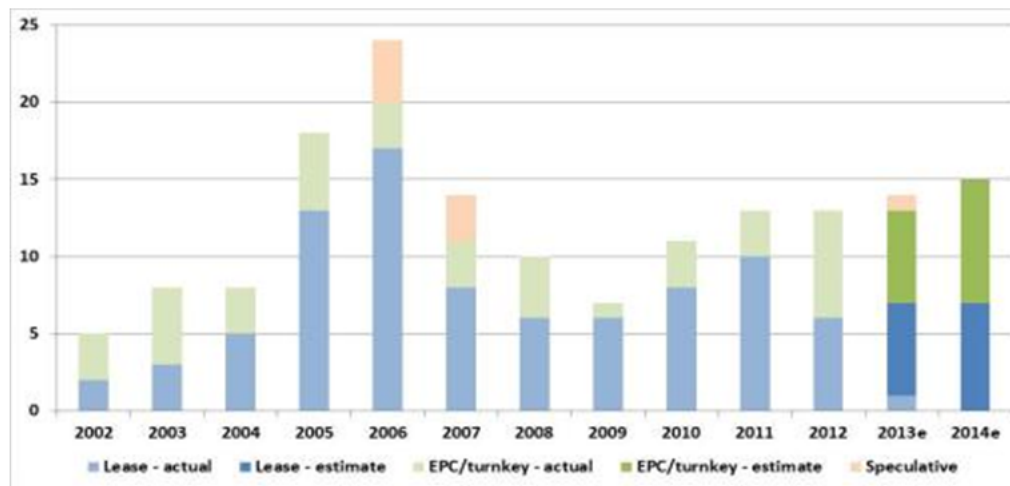




Market statement

- Large number of prospects
- High FEED activity
- FEED competitions are increasingly compensated
- FLNG activity is increasing
- Awards have been and will remain slow
- Limited competition and no new entrants
- Yard and supplier capacity remains good

FPSO orders



Source: Fearnley Offshore

Selected opportunities 2013



Project Name	Operator	Country	Indicated award
Madura FPSO	CNOOC	Indonesia	Q2 2013
Leviathan FPSO	Noble Energy	Israel	Q3 2013
Catcher FPSO	Premier Oil	UK North Sea	Q3 2013
Ande Ande FPSO	AWE	Indonesia	Q3 2013
Udele/Ofrima FPSO	Addax/Sinopec	Nigeria	Q4 2013
Lakhsa FPSO	Shell	Brunei	Q4 2013
Kudu FPSO	Tullow	Namibia	Q4 2013
<i>King LNG FPSO (Tamar field)</i>	<i>Pangea LNG BV</i>	<i>Israel</i>	<i>MOU (*)</i>

(*) *Owner engineer for development phase
Operations of the facility
Potential ownership*



Engineering and projects

- Broader teams involved in business development and tendering process
- Reduced risk through extensive pre-work before bidding (FEED)
- Standardising engineering documents and procedures
- Improving and standardising the engineering process
- Improving use of operational experience in the engineering process
- Strengthening the engineering and project team:
 - Targeted hiring of senior personnel
 - Recruitment program for engineers and graduates



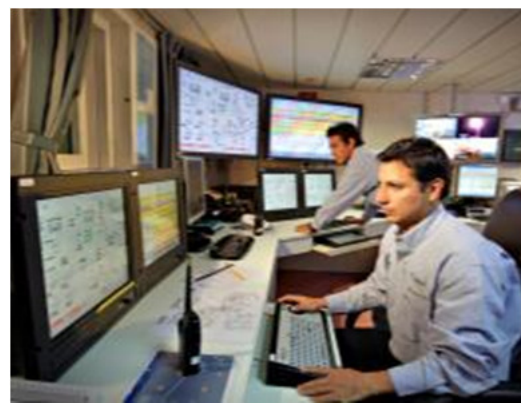
SUMMARY





Focus areas

- Papa Terra (P-63) project completion and start-up
- Extensions for Sendje Berge and Abo
- Operational improvements in fleet
- Selective approach to market opportunities



Q&A





Further information: www.bwoffshore.com

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