



## **Refocused and picking up speed**

**Q1 presentation 2011**

**An Oslo Stock Exchange listed shipping company**

**Ticker: OTS**

**CEO: Haico Halbesma**

**CFO: Torbjørn Skulstad**

*Oslo – 25th May 2011*

# Agenda



- **Company overview:** CEO Haico Halbesma
- **Financials:** CFO Torbjørn Skulstad
- **Tax, bonds & loans:** CFO Torbjørn Skulstad
- **Market Outlook:** CEO Haico Halbesma

- **Operations developing according to plan**
- **Transition to shipping company effected**
- **Docking & crane upgrade completed on *CSV 101***
- ***CSV Bourbon Oceanteam 104* renamed *CSV Southern Ocean***
- **Cable lay barge *Oceanteam Installer* started two year contract**
- **Seasonal increase in engineering activity started**

- **EBITDA** **USD 4.4 million**
- **Operating revenues** **USD 12.7 million**
- **Equity percentage** **35%**

|   | <u>Q1 2011</u> | <u>Year 2010</u> |
|---|----------------|------------------|
| • <b>EBITDA / Revenue % Shipping</b>    | <b>55%</b>     | <b>54%</b>       |
| • <b>EBITDA / Revenue % Engineering</b> | <b>7%</b>      | <b>2%</b>        |

## Subsequent events Q2

- **The two Fast Support Vessels *Tiburon* and *Mantayara* moved to Venezuela for bareboat contracts**
- **One chartered Fast Support Vessel started a two-year time charter for Diavaz Mexico in the Bay of Campeche.**
- **Secured backlog for Oceanteam Engineering, providing an expected increase in activity and performance in Q2 and Q3 2011.**

# Oceanteam Shipping Overview

## OCEANTEAM SHIPPING ASA

### SHIPPING

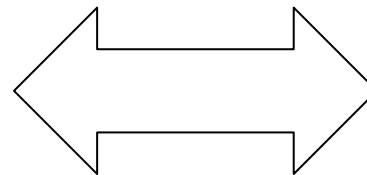
Ship Owning, Chartering and Ship Management

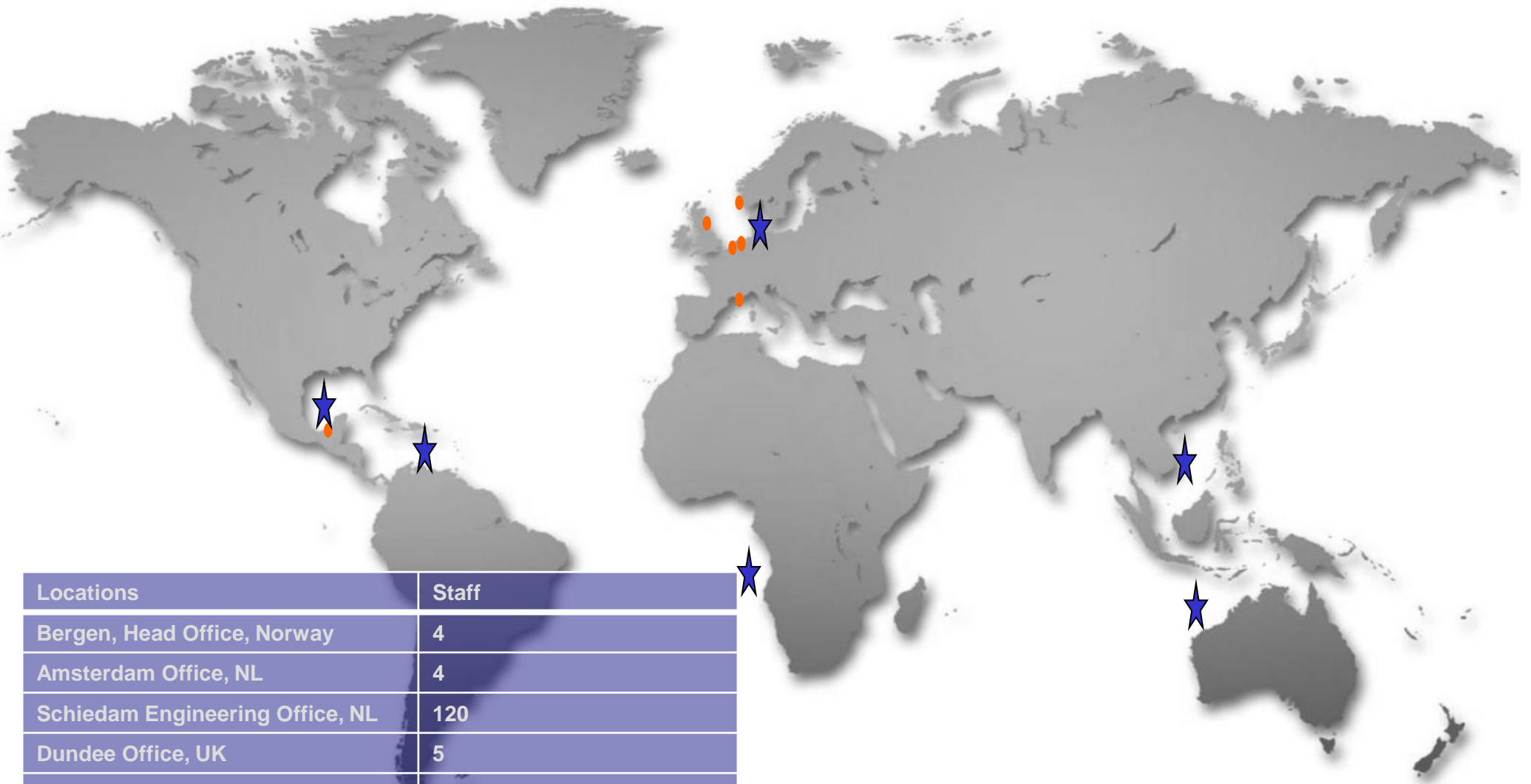
Revenue USD 7.5mio  
EBITDA USD 4.1mio  
EBITDA margin: 55%

### ENGINEERING

Engineering Services & Design  
Equipment Solutions

Revenue USD 5.2mio  
EBITDA USD 0.4mio  
EBITDA margin 7%





| Locations                       | Staff                    |
|---------------------------------|--------------------------|
| Bergen, Head Office, Norway     | 4                        |
| Amsterdam Office, NL            | 4                        |
| Schiedam Engineering Office, NL | 120                      |
| Dundee Office, UK               | 5                        |
| Monaco Office                   | 4 + marine crew          |
| Cd Del Carmen Office, Mexico    | 5 + marine crew          |
| <b>Total</b>                    | <b>140 + marine crew</b> |



|   |   |   |   |
|---|---|---|---|
| <p><b>CSV Bourbon Oceanteam 101</b></p> <ul style="list-style-type: none"> <li>•Built 2007</li> <li>•LoA 127m</li> <li>•Beam 27 m</li> <li>•Dwt 7.000t</li> <li>•Deck 2000m<sup>2</sup></li> <li>•Cranes 150t + 100t</li> </ul>    | <p><b>Ownership</b></p> <p>50 % Oceanteam Shipping ASA</p> <p>50 % Bourbon Offshore Norway AS</p>                        | <p><b>Backlog</b></p> <p>Shell Brazil Lta upto 31/12/2010</p> <p>Time Charter, BP Angola BV<br/>Duration: 1/3/2011- 31/12/ 2011</p>   | <p><b>Certified</b></p>    |
| <p><b>CSV North Ocean 102</b></p> <ul style="list-style-type: none"> <li>•Built 2009</li> <li>•LoA 137m</li> <li>•Beam 27 m</li> <li>•Dwt 10.000t</li> <li>•Deck 2500m<sup>2</sup></li> <li>•Cranes 2 x 100t</li> <li>•Deck eq. 7000t flex lay system; 2 x 120t tensioners</li> </ul>  | <p><b>Ownership</b></p> <p>50 % Oceanteam Shipping ASA</p> <p>50 % J Ray McDermott Norway AS</p>                         | <p><b>Backlog</b></p> <p>Time Charter:<br/>Eastern Marine / J Ray McDermott<br/>Duration: 08/2010 – 08/2015</p> <p>+ purchase option</p>   | <p><b>Certified</b></p>    |
| <p><b>CSV Southern Ocean</b></p> <ul style="list-style-type: none"> <li>•Built 2010</li> <li>•LoA 137m</li> <li>•Beam 27 m</li> <li>•Dwt 10.000t</li> <li>•Deck 2500m<sup>2</sup></li> <li>•Cranes 250t + 110t</li> </ul>    | <p><b>Ownership</b></p> <p>50 % Oceanteam Shipping ASA</p> <p>50 % Bourbon Offshore Norway AS</p>                        | <p><b>Backlog</b></p> <p>Bareboat:<br/>Salt Subsea Ltd / TS Marine Australia<br/>Duration:<br/>10/2010 – 31/12/ 2013</p>   | <p><b>Certified</b></p>    |
| <p><b>CSV North Ocean 105</b></p> <ul style="list-style-type: none"> <li>•Delivery Q1 2012</li> <li>•LoA 137m</li> <li>•Beam 27 m</li> <li>•Dwt 10.000t</li> <li>•Deck 2500m<sup>2</sup></li> <li>•Cranes 400t + 100t: vertical pipelay system</li> </ul>                            | <p><b>Ownership</b></p> <p>25 % Oceanteam Shipping ASA</p> <p>75 % J Ray McDermott Norway AS<br/>(fully financed)</p>  | <p><b>Backlog</b></p> <p>Time Charter 5 years upon delivery<br/>+ purchase option</p>    | <p><b>Certified</b></p>  |
| <p><b>FSV Mantaraya &amp; FSV Tiburon</b></p> <ul style="list-style-type: none"> <li>•Build 2006</li> <li>•LoA 33m</li> <li>•Beam 8 m</li> <li>•Deck 150m<sup>2</sup></li> <li>•Speed 25 knots</li> <li>•Passengers 75 pob</li> </ul>    | <p><b>Ownership</b></p> <p>100 % Oceanteam Shipping ASA</p>    | <p><b>Backlog</b></p> <p>Bareboat contract Venezuela<br/>Duration: 01/2011– 01/2014</p>   | <p><b>Certified</b></p>  |

## CONTRACTS SCHEDULE

|                                   |                   | 2011               | 2011               | 2012               | 2012               | 2013               | 2013               | 2014               | 2014          | 2015          | 2015          | 2016          | 2016          |
|-----------------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------|---------------|---------------|---------------|---------------|
|                                   |                   | Q1-2               | Q3-4               | Q1-2               | Q3-4               | Q1-2               | Q3-4               | Q1-2               | Q3-4          | Q1-2          | Q3-4          | Q1-2          | Q3-4          |
| Shipping                          | Type of contracts |                    |                    |                    |                    |                    |                    |                    |               |               |               |               |               |
| CSV BO 101                        | time charter      | Dry Dock           | Contract           | Tender/Option      | Tender/Option      | Tender/Option      | Tender/Option      | Tender/Option      | Tender/Option | Tender/Option | Tender/Option | Tender/Option | Tender/Option |
| CSV North Ocean 102               | time charter      | Contract           | Contract           | Contract           | Contract           | Contract           | Contract           | Contract           | Contract      |               |               |               |               |
| CSV Southern Ocean                | bareboat          | Contract           | Contract           | Contract           | Contract           | Contract           | Contract           | Tender/Option      | Tender/Option | Tender/Option | Tender/Option | Tender/Option | Tender/Option |
| CSV North Ocean 105               | time charter      | Under construction | Under construction | Under construction | Contract           | Contract           | Contract           | Contract           | Contract      | Contract      | Contract      | Contract      | Contract      |
| Option 1 - CSV North Ocean Series |                   |                    | Under construction | Under construction | Under construction | Under construction |                    |                    |               |               |               |               |               |
| Option 2 - CSV North Ocean Series |                   |                    |                    | Under construction | Under construction | Under construction | Under construction |                    |               |               |               |               |               |
| Option 3 - CSV North Ocean Series |                   |                    |                    |                    | Under construction | Under construction | Under construction | Under construction |               |               |               |               |               |
| Mantarraya                        | bareboat          | Contract           | Contract           | Contract           | Contract           | Contract           | Contract           |                    |               |               |               |               |               |
| Tiburon                           | bareboat          | Contract           | Contract           | Contract           | Contract           | Contract           | Contract           |                    |               |               |               |               |               |
| Barge Installer                   | bareboat          | Contract           | Contract           | Contract           | Contract           |                    |                    |                    |               |               |               |               |               |

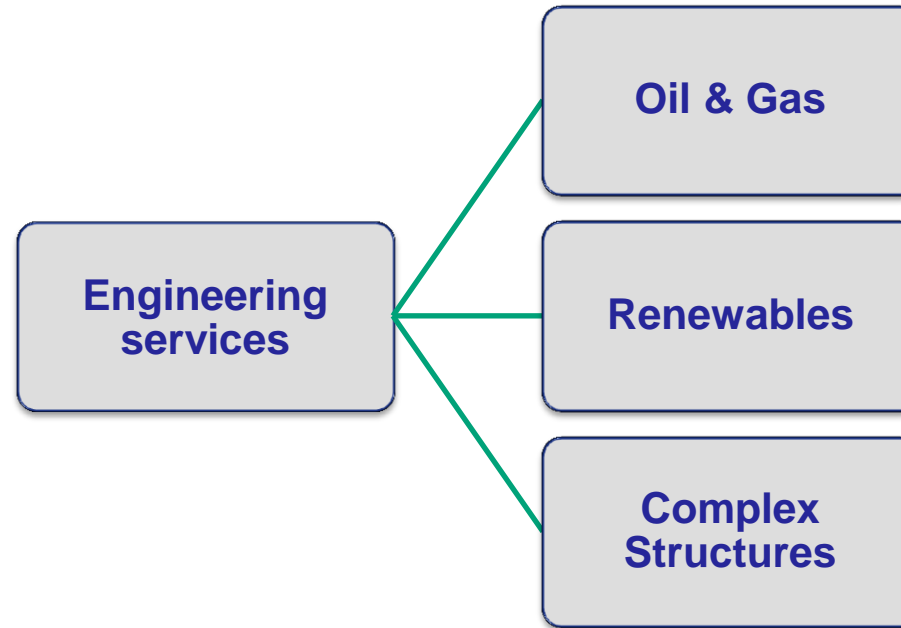
Dry Dock
  Contract
  Tender/Option
  Under construction
  No contract

# North Ocean CSV-series - Setting a new standard



- Uniquely flexible configuration
- High-end deepwater offshore construction tonnage
- Prepared for the most demanding and advanced deepwater subsea operations
- Strong operational track record
- Proven and recognised quality
- Building and operational economics
- Experienced in house engineering team turn vessels into complex and complete client solutions

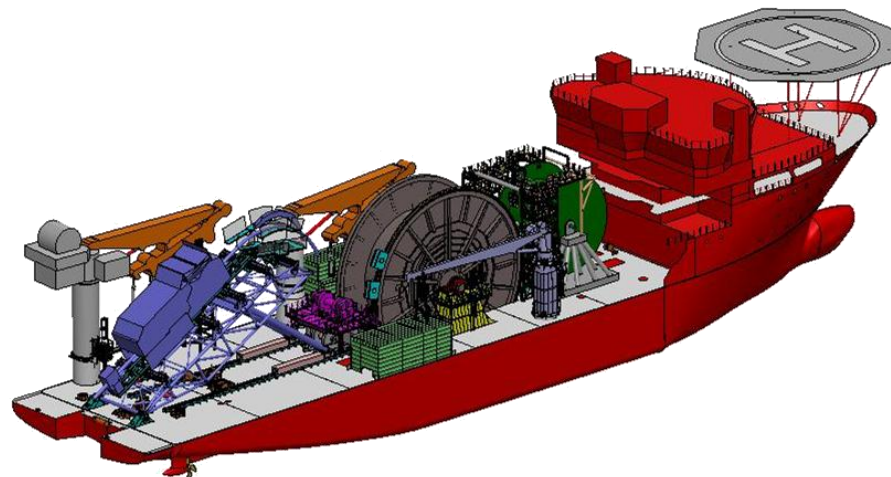




## Areas of business:

- Integrated support of Oceanteam Shipping and Client Solutions
- Integrated support of Oceanteam Joint Ventures and new investments
- Third party client projects such as for Chevron, Shell Brasil , BP, TAQA etc.
- Integrated support of equipment pool and related services

**Inhouse design & engineering capabilities**  
– creating state of the art project vessels

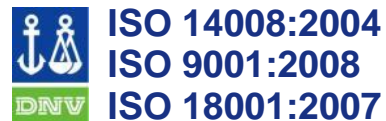


## Equipment & offshore base



Deepwater Offshore & Storage Base, Dundee, Scotland, UK

- High quality storage of equipment & cable
- Maintenance & repair services
- Mobilization base
- Fabrication



# Financials

# Key figures Q1 2011

USD 000

| Figures in USD Million   | Q1 2011    | 2010        |
|--------------------------|------------|-------------|
| Total operating revenues | 12,7       | 47,0        |
| Operating costs          | (5,6)      | (21,8)      |
| <b>EBITDA</b>            | <b>4,4</b> | <b>17,1</b> |

| Q1 2011                             | SHIPPING     |              | ENGINEERING |            | TOTAL        |
|-------------------------------------|--------------|--------------|-------------|------------|--------------|
|                                     | Q1 2011      | Q1 2010      | Q1 2011     | Q1 2010    | Q1 2011      |
| Revenue                             | 7 483        | 7 300        | 5 212       | 3 200      | 12 695       |
| Inter segment revenue               |              |              |             |            |              |
| Operating costs                     | (2 011)      | (2 600)      | (3 600)     | (2 500)    | (5 611)      |
| General & Administration            | (1 368)      | (357)        | (1 272)     | (483)      | (2 640)      |
| <b>EBITDA</b>                       | <b>4 104</b> | <b>4 343</b> | <b>340</b>  | <b>217</b> | <b>4 444</b> |
| <b>EBITDA percentage of revenue</b> | <b>55 %</b>  | <b>59 %</b>  | <b>7 %</b>  | <b>7 %</b> | <b>35 %</b>  |



# P&L report end Q1 2011

USD 000



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| GROUP  |       |                 |                |
|--|-------|-----------------|----------------|
|  |       | Unaudited       |                |
|  | Notes | Q1 2011         | Q1 2010        |
| Revenue                                      | 4     | 12 695          | 9 939          |
| <b>Total operating revenues</b>              |       | <b>12 695</b>   | <b>9 939</b>   |
| Operating costs                              |       | (5 611)         | (5 076)        |
| General & administration                     |       | (2 640)         | (1 680)        |
| Depreciation                                 | 2     | (3 956)         | (2 856)        |
| Write off assets                             | 2     | 2 098           |                |
| <b>Total operating expenses</b>              |       | <b>(10 109)</b> | <b>(9 612)</b> |
| <b>Operating profit (loss)</b>               |       | <b>2 586</b>    | <b>327</b>     |
| Financial income                             |       | 115             | 1 817          |
| Financial costs                              | 5     | (3 681)         | (2 232)        |
| Foreign exchange results (loss)              |       | (1 161)         | (2 118)        |
| <b>Net finance</b>                           |       | <b>(4 727)</b>  | <b>(2 532)</b> |
| <b>Ordinary profit (loss) before taxes</b>   |       | <b>(2 141)</b>  | <b>(2 205)</b> |
| Corporate income tax                         | 6     | (52)            | (19)           |
| <b>Net result from continuing operations</b> |       | <b>(2 194)</b>  | <b>(2 224)</b> |

# Balance sheet Q1 2011

USD 000



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| GROUP                            | Figures in USD '000     |                |
|----------------------------------|-------------------------|----------------|
|                                  | Unaudited<br>31.03.2011 | 31.12.2010     |
| <b>Assets</b>                    |                         |                |
| Deferred tax assets              | 3 831                   | 3 831          |
| Customer relations               | 3 669                   | 4 034          |
| Goodwill                         | 12 987                  | 12 987         |
| <b>Intangible assets</b>         | <b>20 487</b>           | <b>20 852</b>  |
| Investment in associates         | 5 850                   | 4 828          |
| Vessels and equipment            | 230 723                 | 221 517        |
| <b>Tangible assets</b>           | <b>236 573</b>          | <b>226 345</b> |
| <b>Total non current assets</b>  | <b>257 060</b>          | <b>247 197</b> |
| Trade receivables                | 8 585                   | 6 299          |
| Other receivables                | 4 157                   | 3 525          |
| <b>Receivables</b>               | <b>12 742</b>           | <b>9 824</b>   |
| <b>Cash and cash equivalents</b> | <b>13 822</b>           | <b>13 501</b>  |
| <b>Current assets</b>            | <b>26 564</b>           | <b>23 325</b>  |
| <b>Total assets</b>              | <b>283 624</b>          | <b>270 523</b> |

# Balance sheet Q1 2011

## Equity & Liabilities USD 000



|                                      |   | Unaudited      |                |
|--------------------------------------|---|----------------|----------------|
|                                      |   | 31.03.2011     | 31.12.2010     |
| <b>Equity and liabilities</b>        |   |                |                |
| Share capital                        |   | 1 291          | 1 291          |
| Equity                               |   | 17 318         | 23 632         |
| Revaluation reserve                  | 2 | 80 969         | 77 155         |
| <b>Total equity</b>                  |   | <b>99 578</b>  | <b>102 078</b> |
| Loans and borrowings                 |   | 151 138        | 141 694        |
| <b>Total non-current liabilities</b> | 4 | <b>151 138</b> | <b>141 694</b> |
| First year instalments               | 4 | 10 140         | 9 955          |
| Trade payables                       |   | 14 212         | 6 619          |
| Other current liabilities            |   | 8 558          | 10 175         |
| <b>Total current liabilities</b>     |   | <b>32 910</b>  | <b>26 749</b>  |
| <b>Total liabilities</b>             |   | <b>184 048</b> | <b>168 443</b> |
| <b>Total equity and liabilities</b>  |   | <b>283 624</b> | <b>270 523</b> |

# Tax, Bonds & Loans

- **NORWAY**

- Deductible tax loss of USD 117 million (NOK 700 million) confirmed by authorities
- The CSV vessel complies to the Norwegian Tonnage Tax regime with approx. 0% tax
- CSV 101, 104 and 105 are under the NTT regime
- CSV 102 will be using the deferred tax loss

- **THE NETHERLANDS**

- BV entities have a estimated tax loss to carry forward of EUR 45 million
- A restructuring is prepared to further utilize tax losses

# OTS Bond loan

| OTS ASA (M NOK)              | Q4 '10       | Q2 '11       | Q2 '12       | Q2 '13       | Q2 '14       |
|------------------------------|--------------|--------------|--------------|--------------|--------------|
| Bond loan                    | (400)        | (400)        | (400)        | (400)        | (400)        |
| Call balance                 | (21)         | (23)         | (57)         | (97)         | (141)        |
| OTS bonds                    | 30           |              |              |              |              |
| <b>Outstanding debt (OB)</b> | <b>(391)</b> | <b>(423)</b> | <b>(457)</b> | <b>(497)</b> | <b>(541)</b> |

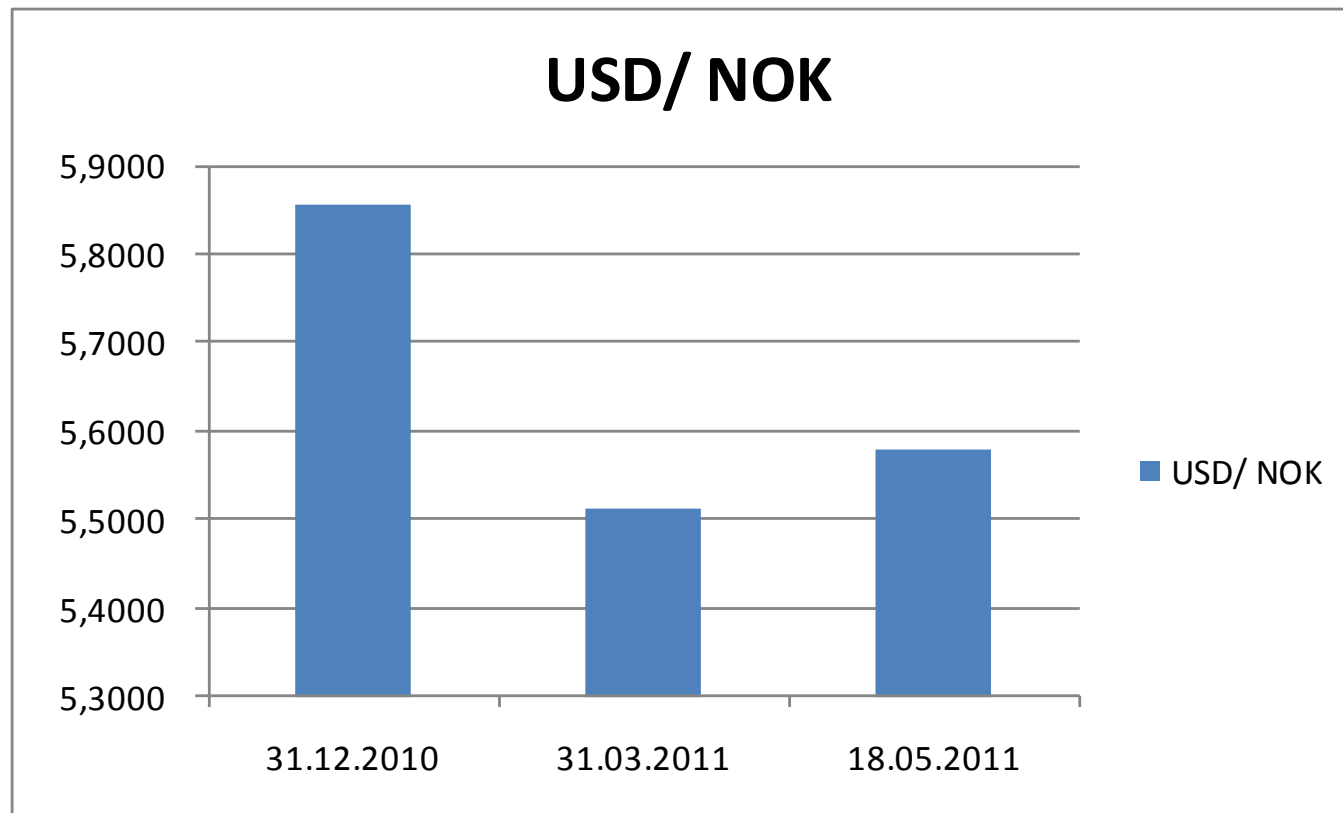
## Call premium if refinanced before:

- (<19th June 2011: NOK 23 million)
- <19th June 2012: NOK 34 million in addition to previous calls
- <19th June 2013: NOK 40 million in addition to previous calls
- <19th June 2014: NOK 44 million in addition to previous calls
- Interest is currently NIBOR + 4,75% + (1,00 point increase per anniversary)
- Call to be made 30 banking days before refinance date

- Number of shares 150.788.378
- Warrants I if bond loan is repaid before 19th June 2014, warrant II after 19th June 2014
- Warrants I: 148.986.069
- Warrants II: 295.996.677
- Subscription price NOK 0.10 for both warrants

# OTS Bond loan

## - Substantial exchange rate effects



# Our Market



**Significant fleet growth due to delivery 2011-2012**

| No. of vessels         | Year |      |      |      |      |      |      |      |      |      |      |      |      |
|------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Type                   | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Lay Barges             | 13   | 14   | 14   | 15   | 15   | 18   | 20   | 21   | 25   | 30   | 34   | 35   | 35   |
| Reel lay vessels       | 15   | 15   | 16   | 16   | 18   | 21   | 22   | 22   | 26   | 28   | 29   | 29   | 29   |
| Multiservice           | 5    | 6    | 9    | 11   | 12   | 14   | 16   | 17   | 19   | 19   | 19   | 19   | 18   |
| Diving Support Vessels | 46   | 48   | 48   | 49   | 53   | 58   | 66   | 73   | 88   | 92   | 92   | 92   | 92   |
| ROV Support Vessels    | 61   | 64   | 67   | 83   | 96   | 101  | 117  | 134  | 159  | 178  | 184  | 185  | 186  |
| Total                  | 140  | 147  | 154  | 174  | 194  | 212  | 241  | 266  | 316  | 348  | 359  | 360  | 360  |
| Fleet growth           |      | 5%   | 4%   | 13%  | 12%  | 9%   | 14%  | 11%  | 19%  | 10%  | 3%   | 0%   | 0%   |

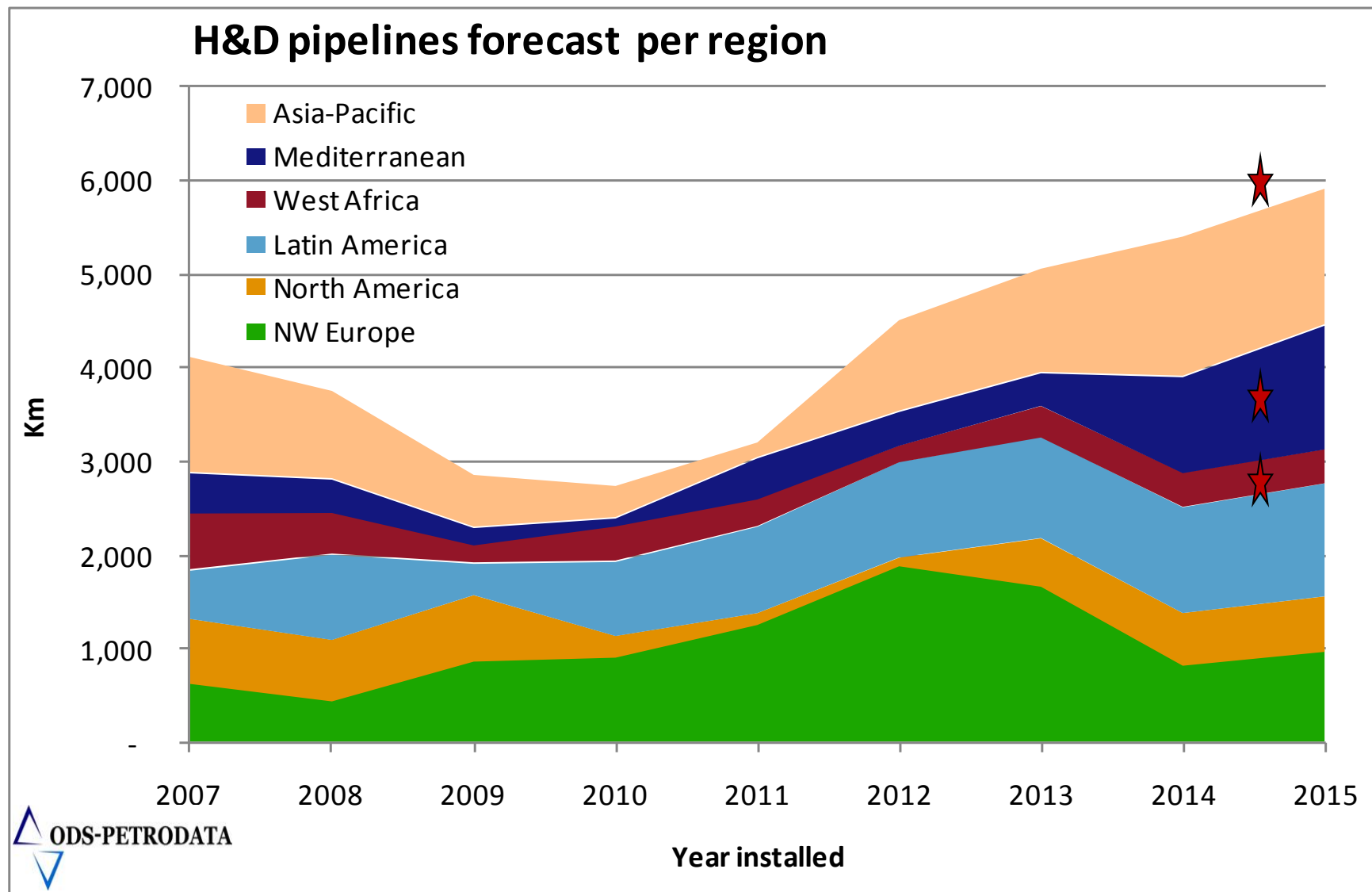
**Definitions:**

Harsh & Deepwater (H&D) = all water depths (wd) in North Atlantic and Rest of world > 100 m wd

Shallow & Benign (S&B) = all other waters

# OTS positioned in key growth areas

- Average annual demand growth of about 15% is expected up to 2015

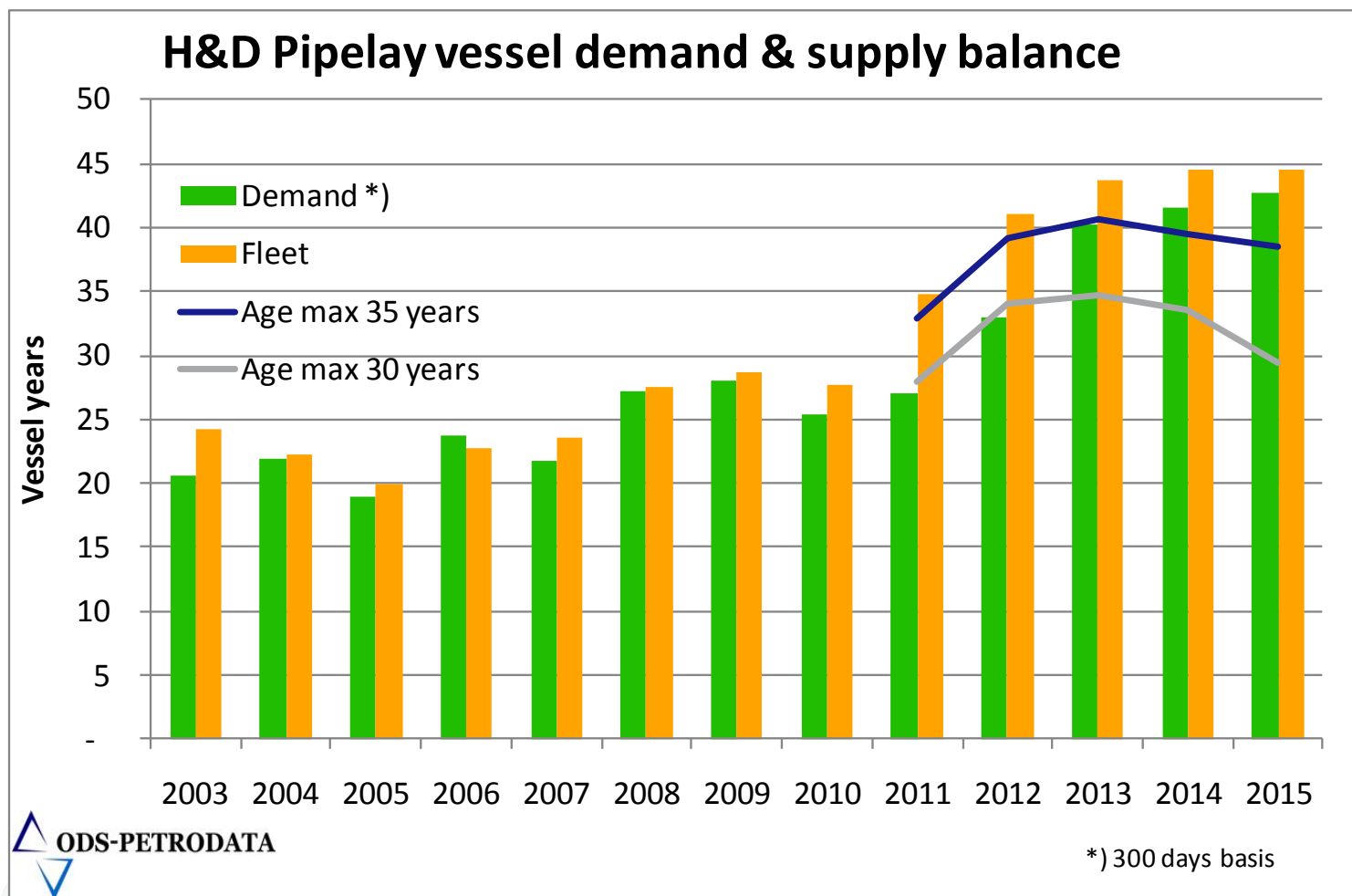


## Positioned in attractive market segments

| No. of vessels         | Year built  |           |           |            |           |           | Total      |
|------------------------|-------------|-----------|-----------|------------|-----------|-----------|------------|
|                        | Before 1980 | 1980-89   | 1990-99   | 2000-09    | 2010      | 2011-13   |            |
| Type                   | 1980        | 1980-89   | 1990-99   | 2000-09    | 2010      | 2011-13   | Total      |
| Lay Barge              | 8           | 3         |           | 9          | 2         | 13        | 35         |
| ★ Reel Lay Vessels     | 3           | 8         | 2         | 8          | 4         | 4         | 29         |
| ★ Multiservice vessels | 1           | 1         | 5         | 10         |           | 1         | 18         |
| Diving Support Vessels | 8           | 34        | 5         | 23         | 15        | 7         | 92         |
| ROV Support Vessels    | 8           | 7         | 21        | 90         | 20        | 40        | 186        |
| <b>Total</b>           | <b>28</b>   | <b>53</b> | <b>33</b> | <b>140</b> | <b>41</b> | <b>65</b> | <b>360</b> |

## Harsh & Deepwater pipelay vessel market

- No overcapacity from 2013



All overcapacity within the DP2+ pipelay market is within the S&B segment

## Operational goals

- **Continue marketing of seamlessly integrated complex operations with CSVs and in-house engineering know-how**
- **Initiate construction program of favorable building options:**
  - ✓ CSV North Ocean new build options remain secured
  - ✓ Significant construction risk reduction of North Ocean series
  - ✓ Introducing optimized “CSV North Ocean 200-series” design
- **Consolidate financial platform:**
  - ✓ Secure cash flows
  - ✓ Reduce exchange rate exposure
  - ✓ Refinance of Oceanteam Shipping ASA bond loan
  - ✓ Project management capabilities and back office systems
  - ✓ Maximize deferred tax position

Thank you



# Appendix

## Oceanteam Shipping ASA Resources

## CSV Bourbon Oceanteam 101

|        |                    |
|--------|--------------------|
| Built  | 2007               |
| LoA    | 127m               |
| Beam   | 27 m               |
| Dwt    | 7.000t             |
| Deck   | 2000m <sup>2</sup> |
| Cranes | 150t HC+ 100t AHC  |



Ownership: 50% Oceanteam Shipping ASA / 50% Bourbon Offshore Norway AS

Track record: Feb 2007 – Sept 2010 BP Angola BV

|           |                           |  |
|-----------|---------------------------|--|
| Back log; | Shell Brazil Lta          | 31 December 2010                             |
|           | Time Charter BP Angola BV | 1 March 2011 – 31 December 2011<br>+ options |







## CSV North Ocean 102

|                |  |
|----------------|--|
| Built          | 2009   |
| LoA            | 137m   |
| Beam           | 27 m   |
| Dwt            | 10.000t                                      |
| Deck           | 2500m <sup>2</sup>                           |
| Cranes         | 2 x 100t HC                                  |
| Deck equipment | 7000t flex lay system<br>2 x 120t tensioners |



Ownership: 50% Oceanteam Shipping ASA / 50% J Ray McDermott Norway AS

Track record: ABB - BritNed 20.000t power interconnector installation  
ABB - StatOilHydro Gjoia Power Cable Installation

Back log; Time Charter Eastern Marine / J Ray McDermott  
August 2010 – August 2015



## CSV Southern Ocean

|        |                            |
|--------|----------------------------|
| Built  | 2010                       |
| LoA    | 137m                       |
| Beam   | 27 m                       |
| Dwt    | 10.000t                    |
| Deck   | 2500m <sup>2</sup>         |
| Cranes | 1 x 110t HC<br>1 x 250t HC |



Ownership: 50% Oceanteam Shipping ASA / 50% Bourbon Offshore Norway AS

Back log; Fugro TS Marine Australia  
10 October 2010 – 31 December 2013



## CSV North Ocean 105

|          |   |
|----------|---|
| Delivery | Q1 2012   |
| LoA      | 137m  |
| Beam     | 27 m  |
| Dwt      | 10.000t   |
| Deck     | 2500m <sup>2</sup>                                    |
| Cranes   | 1 x 400t HC<br>1 x 100t HC<br>vertical pipelay system |



Ownership: 25% Oceanteam Shipping ASA / 75% J Ray McDermott Norway AS

Back log; Time Charter 5 years upon delivery





## FSV Mantaraya + FSV Tiburon FSV WAHOO

|            |                   |
|------------|-------------------|
| Build      | 2006              |
| LoA        | 33m               |
| Beam       | 8 m               |
| Deck       | 150m <sup>2</sup> |
| Speed      | 25 knots          |
| Passengers | 75 pob            |



Ownership: 100% Oceanteam Shipping ASA

Back log; 3 year bareboat contract  
January 2011 – January 2014  
2 year timecharter contract  
January 2011 – January 2013



## Equipment Support and Rental Services

- Horizontal Reel Systems
- Tensioning Systems
- Plough Systems
- Carousels and Cable Storage
- Jetting Equipment
- CLB Oceanteam Installer 65mtr x 22 mtr

