



OCEANTEAM

An Oslo Stock Exchange listed shipping company

Ticker: OTS

CEO: Haico Halbesma

CFO: Torbjørn Skulstad

Q4 2015 Presentation Oslo – 18 February 2016

CAUTIONARY STATEMENT

This presentation contains forward looking information. Forward looking information is based on management assumptions and analysis. Actual experience may differ, and those differences may be material. Forward looking information is subject to uncertainties and risks. This presentation must be read in conjunction with the Company's financial statement.

AGENDA

- Company Overview & Highlights
- Strategy
- Financials



OCEANTEAM

COMPANY OVERVIEW & HIGHLIGHTS

COMPANY OVERVIEW – Oceanteam the offshore service provider



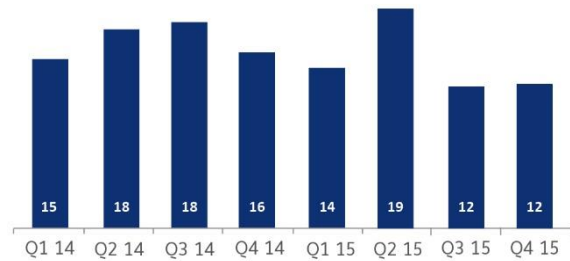
- High quality support to offshore contractors all over the world:
 - Fleet of large and advanced offshore vessels **Oceanteam Shipping**
 - Expertise in (rental) marine equipment, cable logistics and design engineering **Oceanteam Solutions**
- Our business strategy
 - To provide solution-driven services by combining our engineering, equipment and shipping expertise into a single service in accordance with clients' requests
- Our focus
 - Stable regions
 - Strong local partners
 - Diverse client base

PERFORMANCE HIGHLIGHTS Q4 2015

Revenue

12 mill.

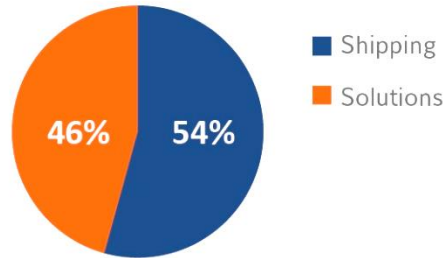
USD in million



Segment Revenue

Revenue split 2015

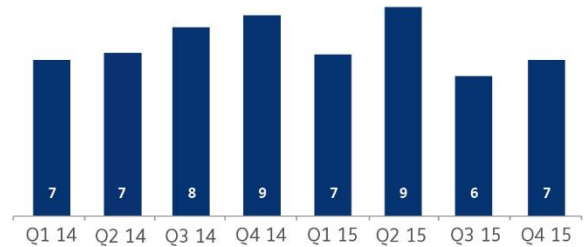
USD in million



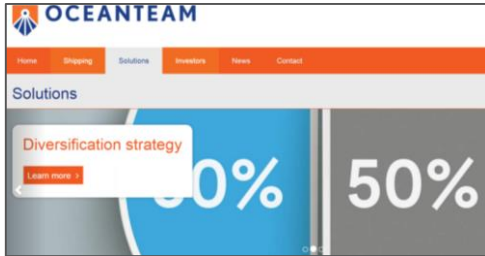
Ebitda

7 mill.

USD in million



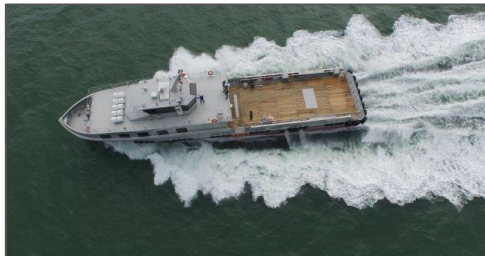
HIGHLIGHTS OF THE 4th QUARTER 2015



- Oceanteam Shipping ASA changed its name to Oceanteam ASA, reflecting the Company's growth in solution driven services



- RentOcean will serve under the name Oceanteam Solutions: we combine both high-end engineering know-how and equipment capabilities into a single service for our clients

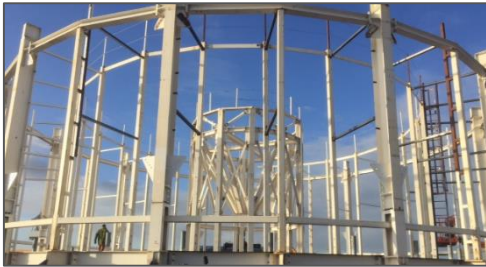


- Oceanteam Shipping acquired two new FSVs with guaranteed buy back option from builder. Vessels will be operational first half of 2016

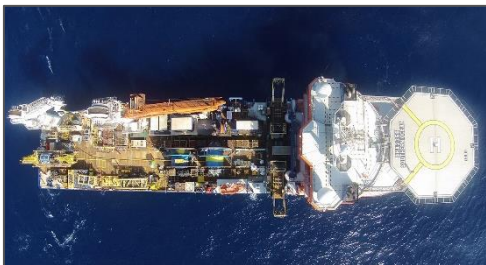
HIGHLIGHTS OF THE 4th QUARTER 2015



- Construction of Tampamachoco I is progressing as planned with a major step already completed: the keel has been laid



- Oceanteam Solutions won a contract for supply of a 2500t onshore turntable, accompanying equipment and cable crew



- Oceanteam Shipping's CSV and FSV fleet is fully operational and most of the vessels have contract coverage until early 2017 and beyond

PERFORMANCE HIGHLIGHTS 2015

Strategic

- Secured backlog & strong partners allowed company to navigate through volatile and challenging oil & gas market
- Rebranding of the Oceanteam Group to suit the solution driven services has been implemented
- Company established strong (local) partnerships and strategic alliances

Operational

- CSV Tampamachoco due for delivery end 2016 for long-term contract in Mexico
- Strategic contracts awarded with major players in the cable laying and cable manufacturing market
- Strong focus on quality, health, safety and environment with all ISO certifications in place



Financial

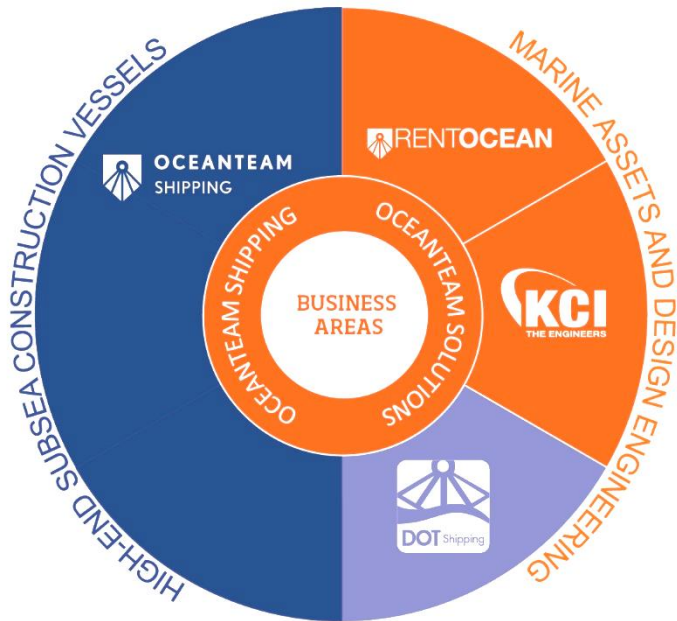
- To support growth the company secured flexible loan facility to meet future requirements
- To complete its value chain Oceanteam acquired remaining shares in Oceanwind
- The company repaid USD 35 million in bond debt as part of deleverage strategy to strengthen balance sheet



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STRATEGY

DIVERSIFICATION STRATEGY – Improve our performance



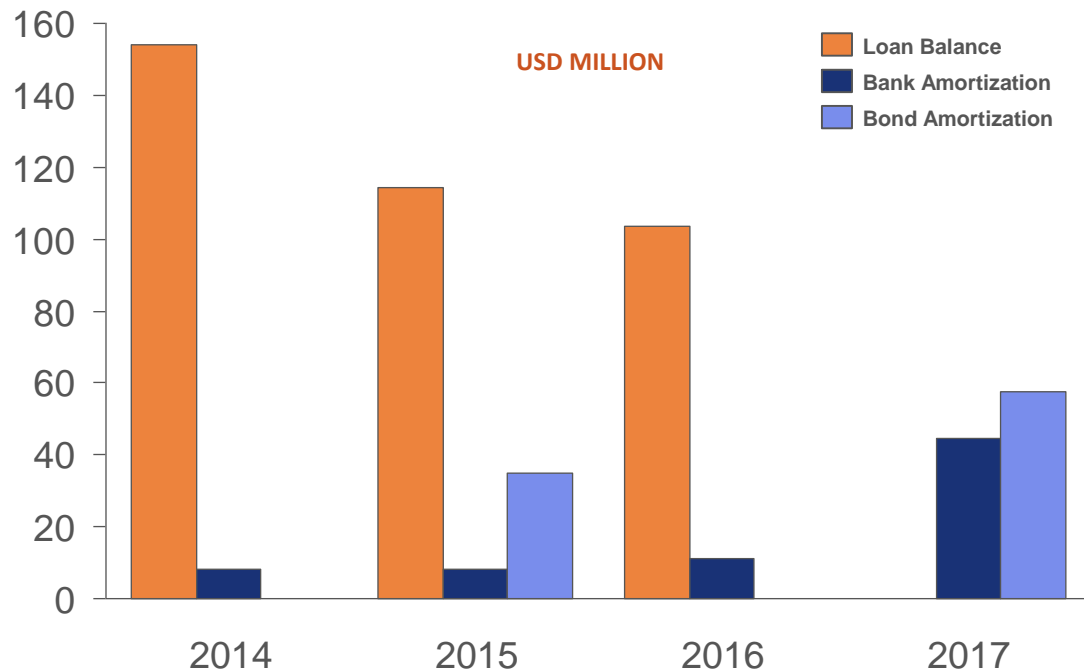
- Two operating segments:

- > **Oceanteam Shipping**
- > **Oceanteam Solutions**

Operating through variety of global business units and different markets

- This **diversification strategy** allows company to maintain and improve its performance, even during challenging market conditions
- Approx 50% of OceanTeam's earnings from **Solution driven services**. Strategy is to maintain this earnings split with average of 50% of income growth to come from solution driven services

FINANCIAL STRATEGY – Our financial priorities

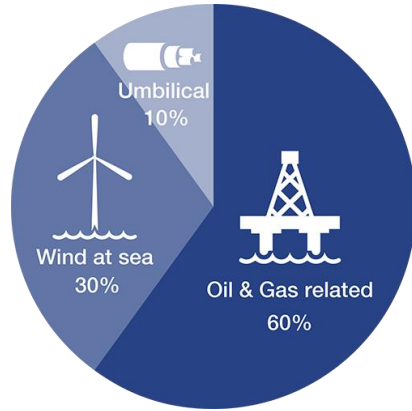


- ✓ **Diversified sources** of financing through many long term bank relations
- ✓ **De-leveraging of high yield bond**, lead to reduced quarterly finance costs of 1 mUSD from Q2 2015 and forward
- ✓ **Improved cost of capital** brings more value to shareholders
- ✓ ⇒ **Target: REFINANCING BOND due Oct. 2017**
⇒ To fund Growth strategy and clear dividends performance

EBITDA to date

- Q4 2015 – USD 7 million - 55% of revenue
- 2015 – USD 28 million

GEOGRAPHICAL STRATEGY – Captive markets with opportunities



- Well-positioned in important oil and gas exploration basins
- Rapidly expanding in areas that play key role in development of offshore wind farms
- Future growth strategies, including Latin America, West Africa and Asia Pacific



- Exploring new grounds: **DOT Shipping**, a joint venture with **Diavaz**
- Providing complete vertical supply chain through cutting edge engineering solutions and high end quality vessels
- Through this joint venture Oceanteam's operations are expected to grow significantly



FORECAST – Meeting our commitments

Short Term

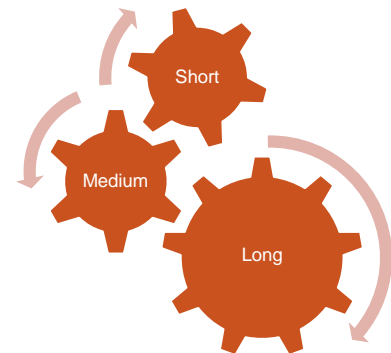
- Continue optimizing capital structure through: unlocking equity values, reducing capital & operational costs and facilitating growth
- Continue transition to increase solution services earnings by effectively combining engineering, marine assets and fleet

Medium Term

- Focus on growing our partnerships and develop new opportunities: Mexican market through DOT Shipping and Diavaz
- Continued investments when opportune to increase number of earning units

Long Term

- Refinancing Bond due Oct. 2017
> To fund growth strategy
- Dividend payments
- Utilise tax structure further to maximise shareholder's value and to facilitate growth



SHIPPING – Highlights

- CSV Bourbon Oceanteam 101 expected to be released early from Angola contract in May 2016
- Acquired two new FSVs with guaranteed buy back option from builder. Operational first half of 2016
- Extended contracts for FSVs in Venezuela by six months with two optional one-year extensions
- Construction of Tampamachoco I is progressing as planned with a major step being made: the keel has been laid
- Total backlog USD 211million



Part of the team working on construction of Tampamachoco I

SHIPPING – Backlog

Vessel contract backlog

		2015 Q1-2	2015 Q3-4	2016 Q1-2	2016 Q3-4	2017 Q1-2	2017 Q3-4	2018 Q1-2	2018 Q3-4	2019 Q1-2	2019 Q3-4	2020 Q1-2	2020 Q3-4
Shipping	Type of contract												
CSV BO 101	time charter												
CSV Southern Ocean	bareboat												
LV North Ocean 105	bareboat												
CSV Tampamachoco 1	time charter												
FSV Mantarraya	bareboat												
FSV Tiburon	bareboat												
Two new FSV's	Under construction												
FSV Cobos	time charter												
FSV Icos	time charter												

Contract
 Option
 Under construction

SOLUTIONS – Highlights

Oceanteam Solutions

- Awarded contract for major cable transport and storage project to be executed in 2016
- Successfully performed cable loadout at Velsen Noord base. The loadout is part of a long-term contract
- Contract award for supply of a 2500t onshore turntable, accompanying equipment and cable crew
- Awarded under a frame agreement additional scope and equipment to be mobilized early 2016

KCI The Engineers

KCI worked on multi discipline service contracts:

- Tender assistance and feed studies for sub stations and WTG foundations for several offshore wind projects
- Additional engineering scope for a large observation wheel in the Middle East
- Concept design and prototyping of an alternative propeller with a much higher efficiency
- Performing mooring analyses for an offshore construction vessel



Oceanteam Solutions successfully performed cable loadout at Velsen Noord base



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FINANCIALS

SHARE PRICE DEVELOPMENT



FMV developments

- Modern fleet, high-end deep water assets

Booked equity

- 43%
- USD 99 million (after 10% share buy back)

Market capitalization

- NOK 104 million (29.6 m shares @ NOK 3.50)

Free cash flow

- Steady, positive cash flow from existing operations
- Diversification in markets segment and geographical areas
- Continues high-end equipment investments

Consensus among credit analysts

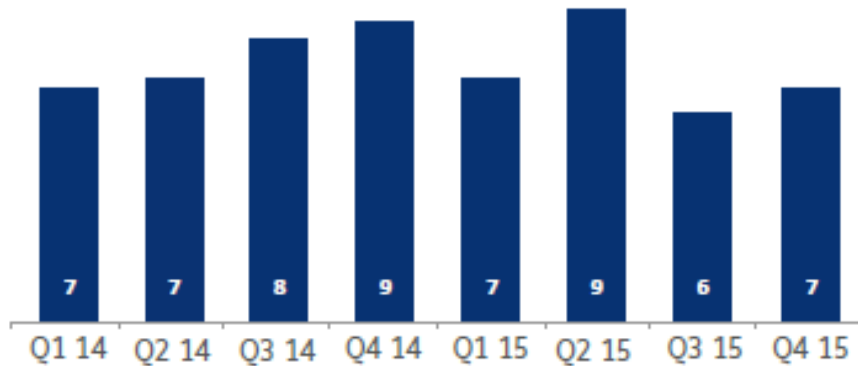
- Steady operations
- Key credit metrics remain overall stable

HISTORICAL EBITDA DEVELOPMENT

Ebitda

7 mill.

USD in million



EBITDA performance:

- 7 million EBITDA in Q4 2015
- 28 million EBITDA in 2015
- 2015 is without North Ocean 102 – replaced earnings with Oceanteam Solutions activities

P&L REPORT END Q4 2015

Figures in USD '000	Q4 2015	Q4 2014
Revenue	10 109	13 785
Net income from joint ventures and associates	2 250	2 051
Total operating revenues	12 358	15 836
Operating costs	(2 537)	(3 046)
General & administration	(2 941)	(4 211)
Depreciation	(3 076)	(2 731)
Write off	(1 556)	(233)
Total operating expenses	(10 110)	(10 221)
Operating profit (loss)	2 248	5 615
Net finance	(2 789)	(4 564)
Ordinary profit (loss) before taxes	(541)	1 051
Corporate income tax	(713)	(818)
Net result before increase (decrease) from vessel revaluation	(1 253)	233

Figures in USD '000	2015	2014
Revenue	49 548	56 670
Net income from joint ventures and associates	7 552	10 208
Total operating revenues	57 100	66 878
Operating costs	(14 676)	(15 210)
General & administration	(14 185)	(21 307)
Depreciation	(11 104)	(10 208)
Write off assets	(1 914)	(327)
Total operating expenses	(41 879)	(47 051)
Operating profit (loss)	15 221	19 827
Net finance	(12 254)	(16 077)
Ordinary profit (loss) before taxes	2 967	3 750
Corporate income tax	(751)	(620)
Net result before increase (decrease) from vessel revaluation	2 216	3 130

BALANCE SHEET Q4 2015

Figures in USD '000	31.12.2015	31.12.2014
Assets		
Intangible assets	20 031	20 744
Tangible assets	191 133	226 645
Total non current assets	211 163	247 389
Receivables	16 127	18 335
Cash and cash equivalents *	4 733	44 547
Total current assets	20 861	62 882
Total assets	232 024	310 271

* In addition to the cash and cash equivalent per 31 December 2015, the Group holds treasury shares of approximately USD 1.3 million in current market value. The Group also has EUR 14.1 million undrawn on the revolver loan available to support the equipment growth.

Figures in USD '000	31.12.2015	31.12.2014
Equity and liabilities		
Total equity	98 927	135 850
Total non current liabilities	101 038	110 764
First year instalments	13 640	43 100
Other current liabilities	18 419	20 557
Total current liabilities	32 059	63 657
Total liabilities	133 097	174 421
Total equity and liabilities	232 024	310 271

Book value of equity is 43%



THANK YOU!



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