



OCEANTEAM

An Oslo Stock Exchange listed shipping company

Ticker: OTS

CEO: Haico Halbesma

Pareto Oil & Offshore Conference- Oslo – 14 September 2016

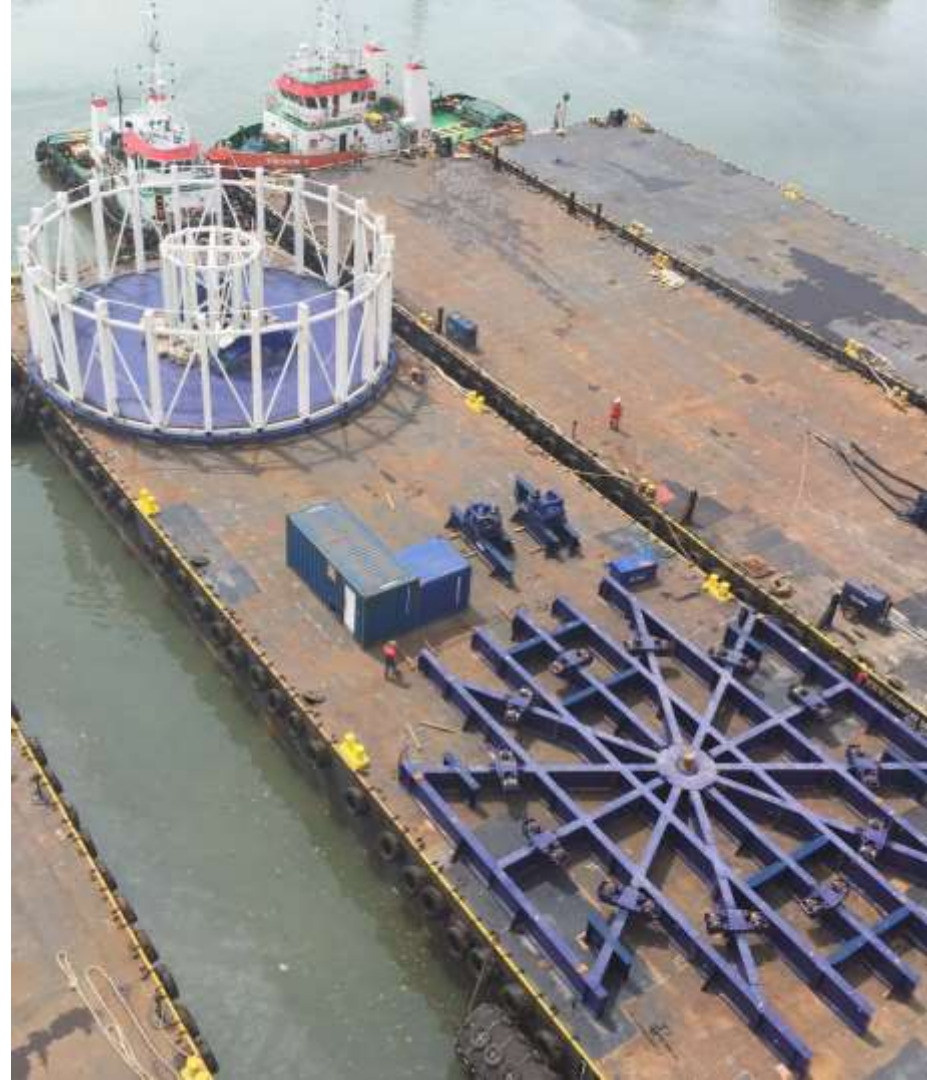
CAUTIONARY STATEMENT

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
- Market Outlook



COMPANY OVERVIEW – 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**

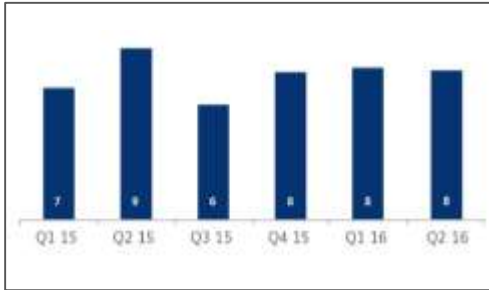
Our business strategy

- A one-stop-shop providing solution-driven services by combining our engineering, equipment and shipping expertise into a single service in accordance with clients' requests

Our strengths

- Solid local partners
- Diverse client base
- Agile and cost efficient organisation

HIGHLIGHTS 2016 - Securing future cash flow



- Consistently strong EBITDA in 2016 due to sustainable business operations and cash flow with solid contribution from Solutions and Shipping



- CSV Bourbon Oceanteam 101 secured a new charter for period of 3 years + options against reduced rates

CSV Southern Ocean was transferred to Shelf Subsea after sale of subsea business by Fugro NV. As a result charter is extended up to July 2021 against reduced rates

VESSEL CONTRACT BACKLOG

Vessel contract backlog



HIGHLIGHTS 2016 - Solutions

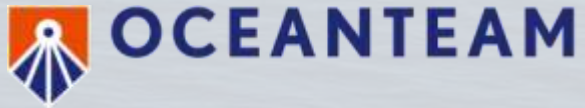
- New worldwide market opportunities in renewable energy and telecom industries, by further diversifying and accelerating our service-driven solutions



- Oceanteam Solutions won a contract to supply 4000T and 1100T turntables and auxiliary equipment for storage, splicing and multiple loadouts of cables



- Oceanteam Solutions successfully delivered cable lay spread in Poland, which included engineering and delivery of a 4000t demountable turntable and loading tower with built-in tensioner



Strategy

BUSINESS STRATEGY – How we create value

- Combine engineering know-how and a pool of special purpose equipment with our fleet to operate in different markets and geographical areas
- Provide complex offshore support by operating a fleet of large and advanced offshore vessels
- Provide solution driven services and support our clients' offshore cable, pipeline and umbilical installations, transportation and storage projects
- Use established strong (local) partnerships and strategic alliances for continuity in the growth of assets and services and to share know-how, networks and manage risks (Bourbon, Diavaz, McDermott)
- Recent investments, The Next Step, have focused on standardization of services and assets, making the company better scalable using standard of QHSE- and project management procedures and systems. Effect to date, reduced operational cost and improved project performance and control.



DIVERSIFICATION STRATEGY

- Oceanteam has a good mixture of asset-heavy and asset-light businesses in its portfolio

- Asset-heavy > Oceanteam Shipping, vessel owning operations:

- Bourbon JVs with 2x CSVs
- McDermott JV with 1x pipelay vessel
- Diavaz with 2x FSVs + large CSV starting 2017
- OTS owned/operated vessels:
 - 2x FSVs in Venezuela

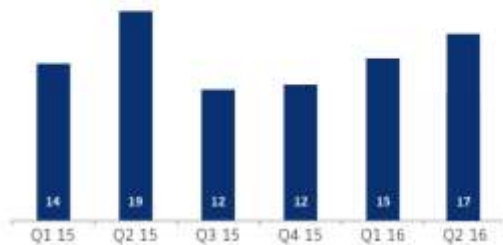
- Asset-light > Oceanteam Solutions, engineering services & equipment rentals:

- Subsidiary KCI: Design Engineering i.e.: observation wheels (Dubai-I), substations, specialist equipment
- Subsidiary Oceanteam Solutions: One-stop-shop services: complete set of high quality equipment & engineering suitable for offshore cable laying, umbilical installations, on- and offshore storage and transport
- Oceanteam Solutions' proportion of company's earnings has increased and will be a **key contributor** to future growth

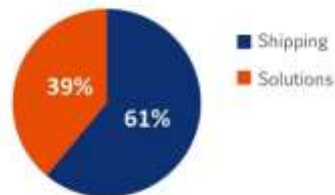


PERFORMANCE HIGHLIGHTS - Q2 2016

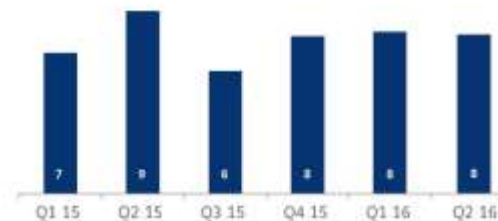
Revenue
16.8 mill.
USD in million



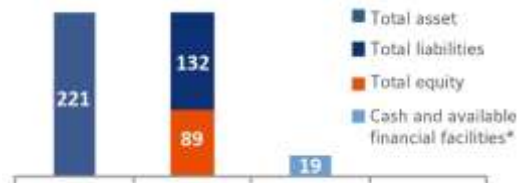
Segment Revenue
Revenue split



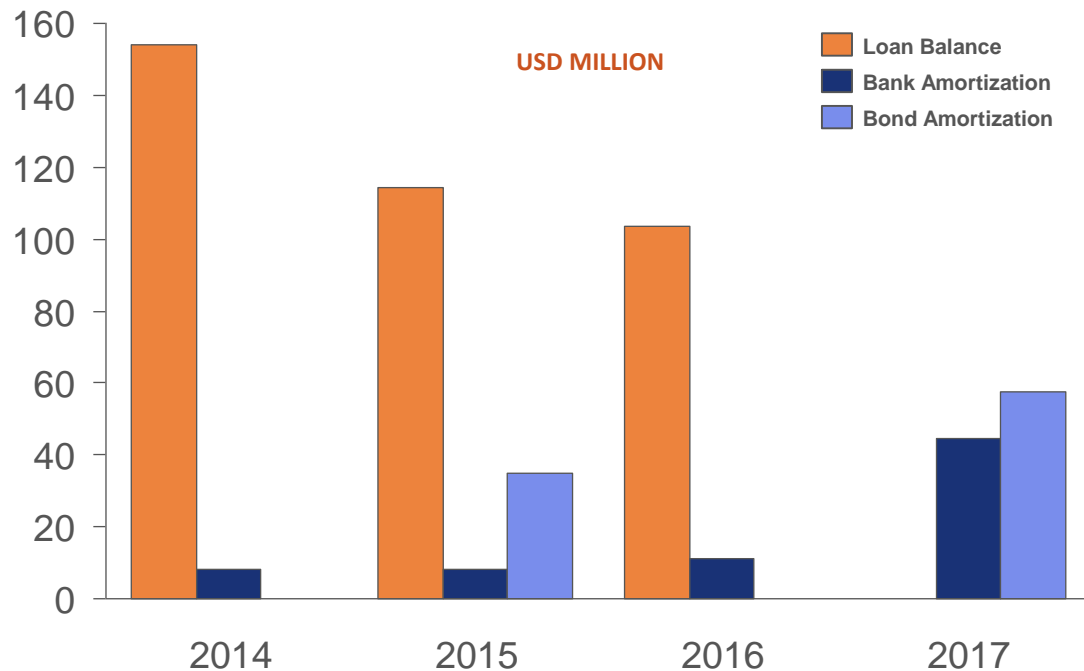
Ebitda
7.8 mill.
USD in million



Asset overview
Balance
USD in million



FINANCIAL STRATEGY – Our financial priorities



- ✓ **Diversified sources of financing**
- ✓ **Strong focus on de-leveraging**
- ✓ **Improve cost of capital**
 - ⇒ **Target: REFINANCING BOND due Oct. 2017**
 - ⇒ to fund growth and establish favorable dividend policy
- ✓ **Considering all options to secure a sustainable financing solution and preliminary plan to be presented by end 2016**
- ✓ **EBITDA for the quarter**
 - Q2 2016 – USD 7.8 million - 46% of Revenue

SHARE PRICE DEVELOPMENT



FMV developments

- Modern fleet of high-end deep water assets having long term charters secured

Booked equity

- 40.3%
- USD 89 million (after 10% share buy back)

Market capitalization

- NOK 70 million (26.6 m shares @ NOK 2.62)

Free cash flow

- Steady, positive cash flow from existing operations.
- Diversification in markets segment and geographical areas.
- Deleveraging and refinance process started.



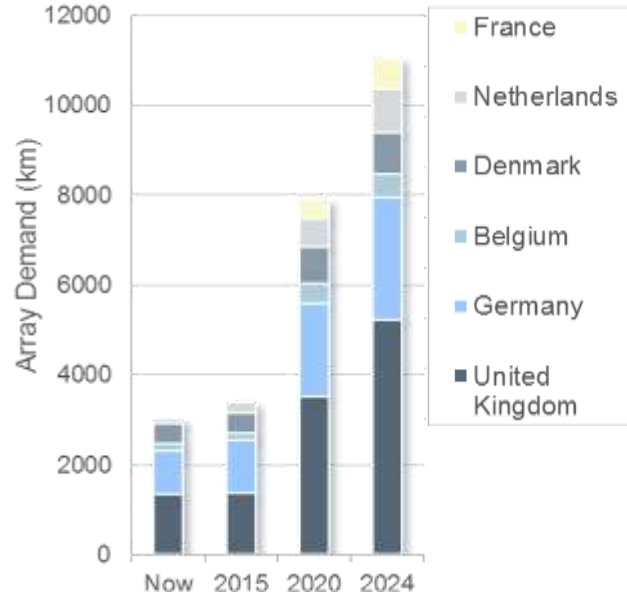
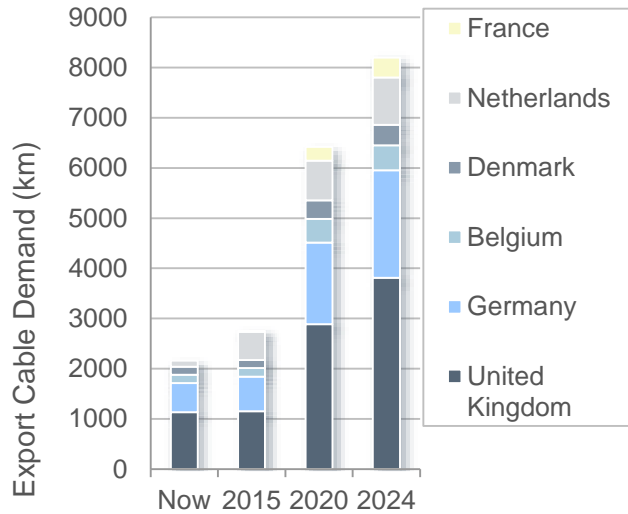
Market outlook

MARKET OUTLOOK – Oceanteam Solutions

GROWING DEMAND IN RENEWABLE ENERGY

DEVELOPER'S FORECAST REDUCED CAPEX and OPEX PER MWH AND REQUIRE INNOVATIONS.

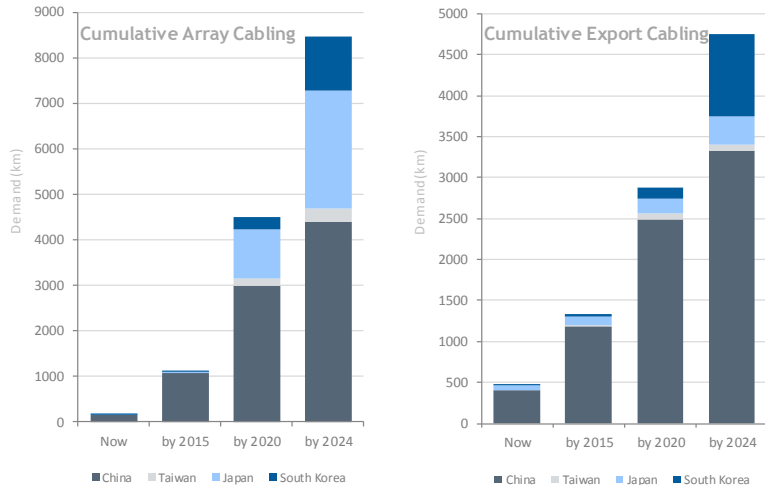
In APAC we see the same trend



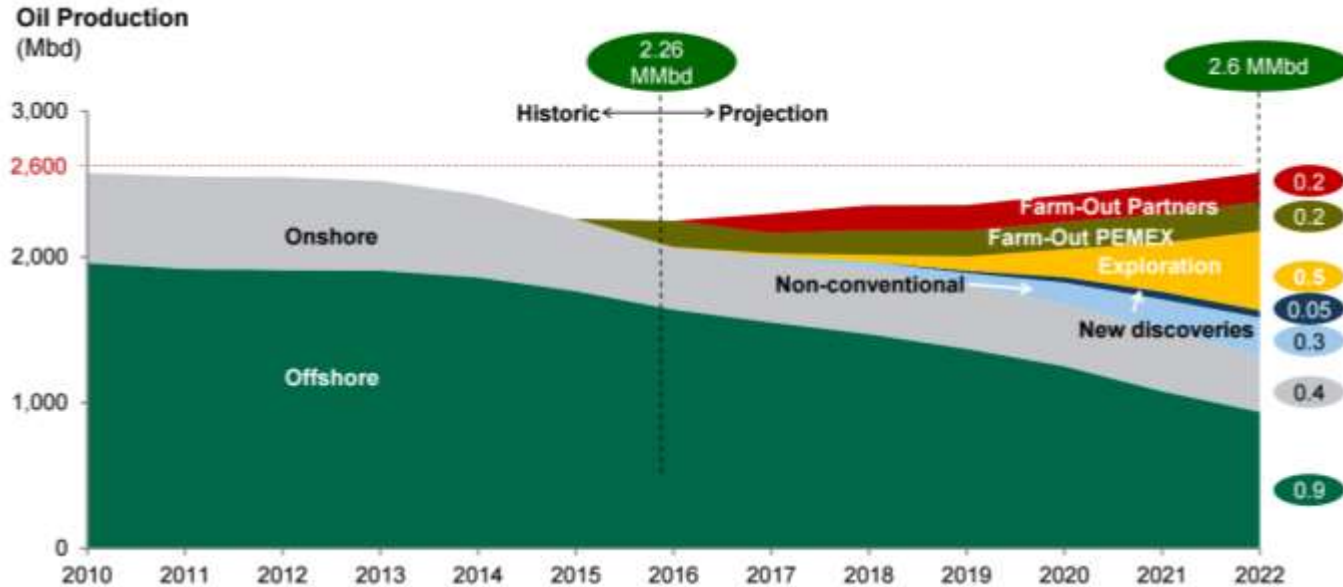
MARKET OUTLOOK – Oceanteam Solutions

GROWING DEMAND - EXPORT AND ARRAY CABLING ASIA

- Figure summarizes findings of the renewables research for Asia
- Growth forecasted to be highest in China, which contributes 52% of the growth to 2024 in array cables and 70% in export cables
- New additions across the region amount to 8298km of array cabling and 4268km of export cabling



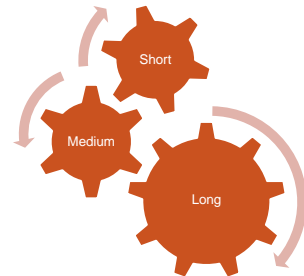
MEXICO OUTLOOK - Future growth depends on efficient implementation of the energy reform



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TO CONCLUDE

- Oceanteam to build a more robust capital structure to consider market and company developments
- Open to all options in the (re)finance and restructure mix
- Continue transition to increase solution services earnings by combining engineering, marine equipment and fleet into **Oceanteam Solutions**
- Focus on growing our partnerships and develop new opportunities to increase number of earning units
- Mexican market through DOT Shipping and Diavaz
- Utilise tax structure further to maximise shareholder's value and to facilitate growth





THANK YOU!



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