

Offshore Accommodation Market, 31 May 2012

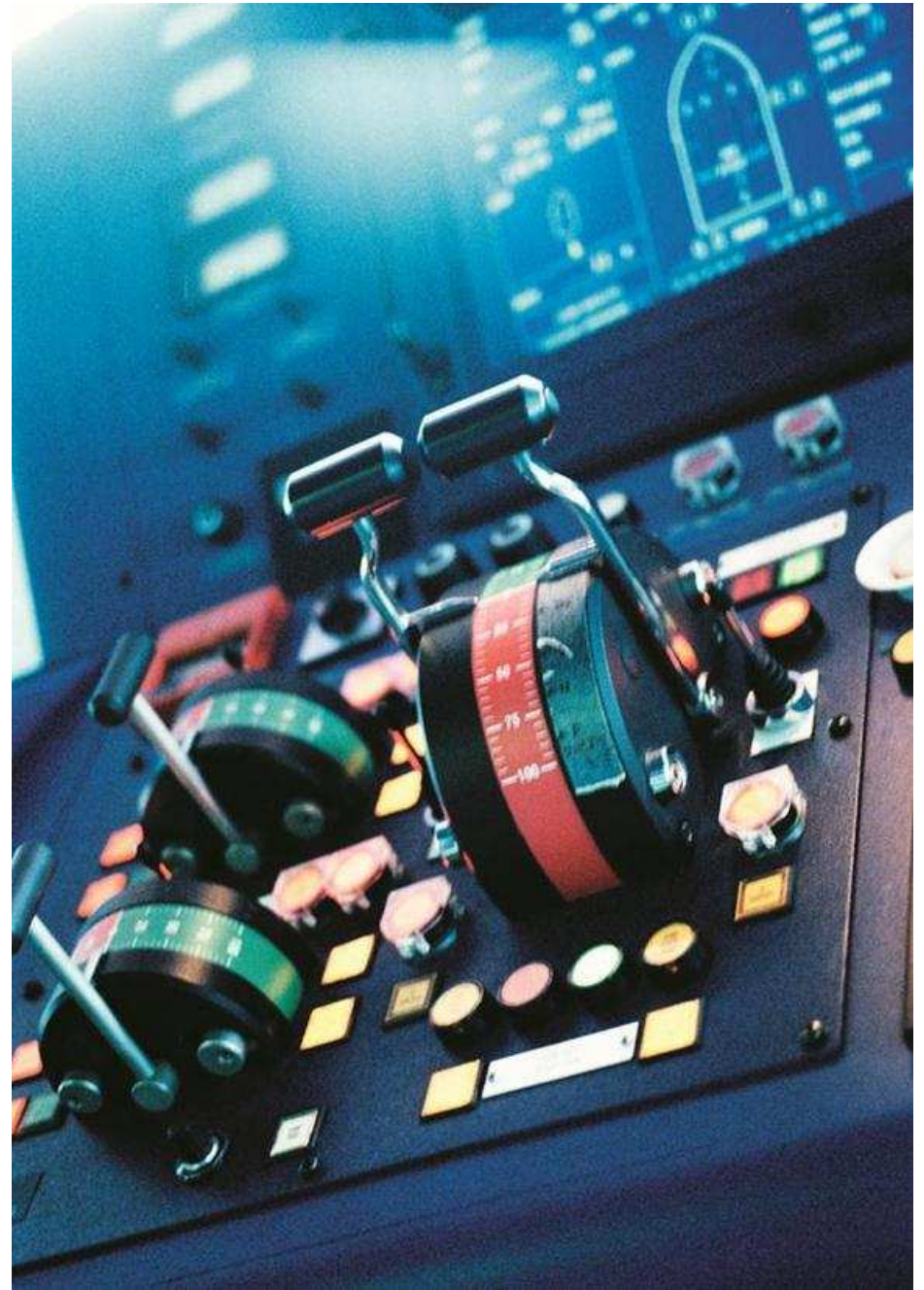


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Agenda

- **Prosafe introduction**
- Demand outlook
- Supply outlook

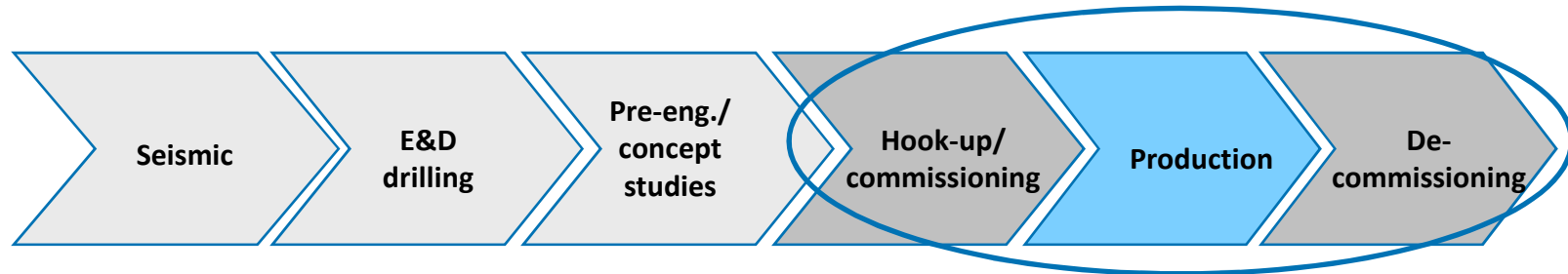


Prosafe – the leading accommodation rig company

- Global leader
 - The world's leading owner and operator of semi-submersible accommodation rigs in harsh environments
 - Strategically focused on high-end accommodation segment
- Long track record with versatile operations for national and major oil companies
- High cash flow generation, return of capital to shareholders, strong balance sheet and low cost of funding



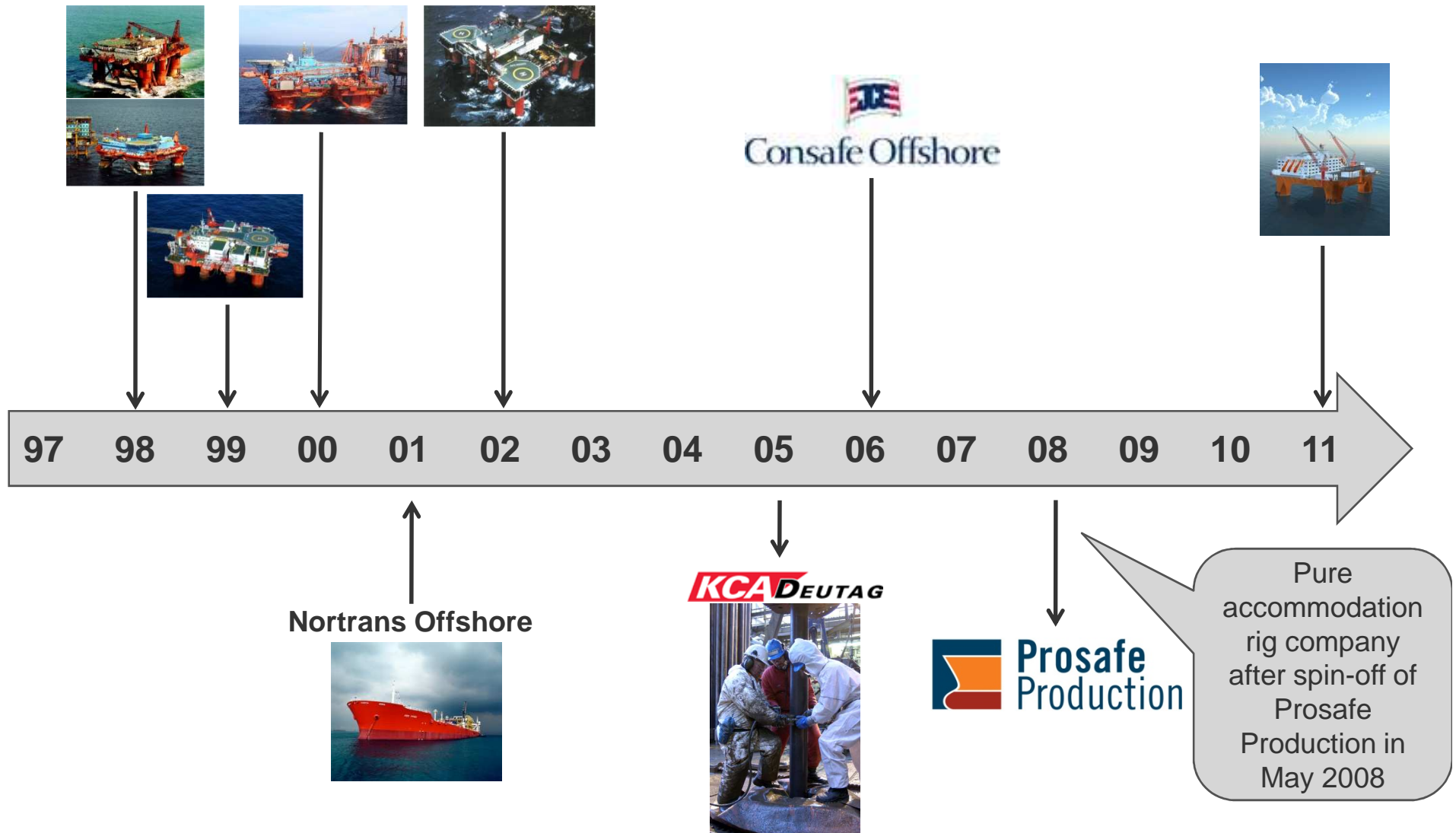
Offshore accommodation



- Hook-up/commissioning of new installations
- Maintenance, modifications, IOR projects and tie-ins of satellite fields to existing installations
 - ❑ Main part of Prosafe's contracts are related to fields that are in production
- Decommissioning
- Disaster recovery



Prosafe history

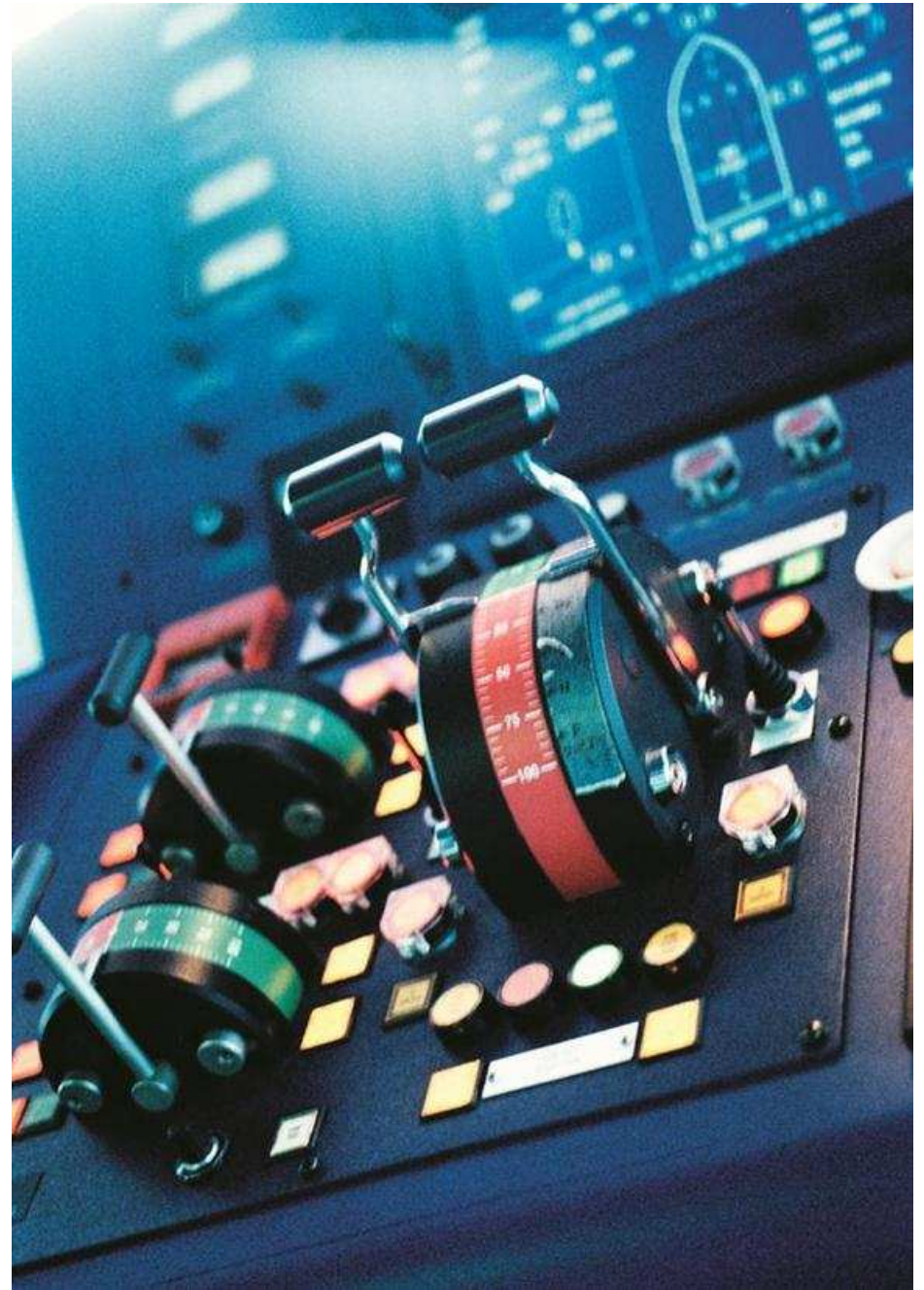


Long-term strategic targets

- Prosafe shall be the world leader in offshore accommodation and this shall be achieved by:
 - ❑ employing and training the right people
 - ❑ achieving safety and operational standards that are amongst the best in the offshore industry
 - ❑ maintaining or increasing the market share within the high end of the offshore accommodation industry by renewing and increasing the fleet of accommodation vessels
- Prosafe shall at least double shareholder value over a 5 year period, measured as the combined value creation of increased earnings per share and capital returned to shareholders

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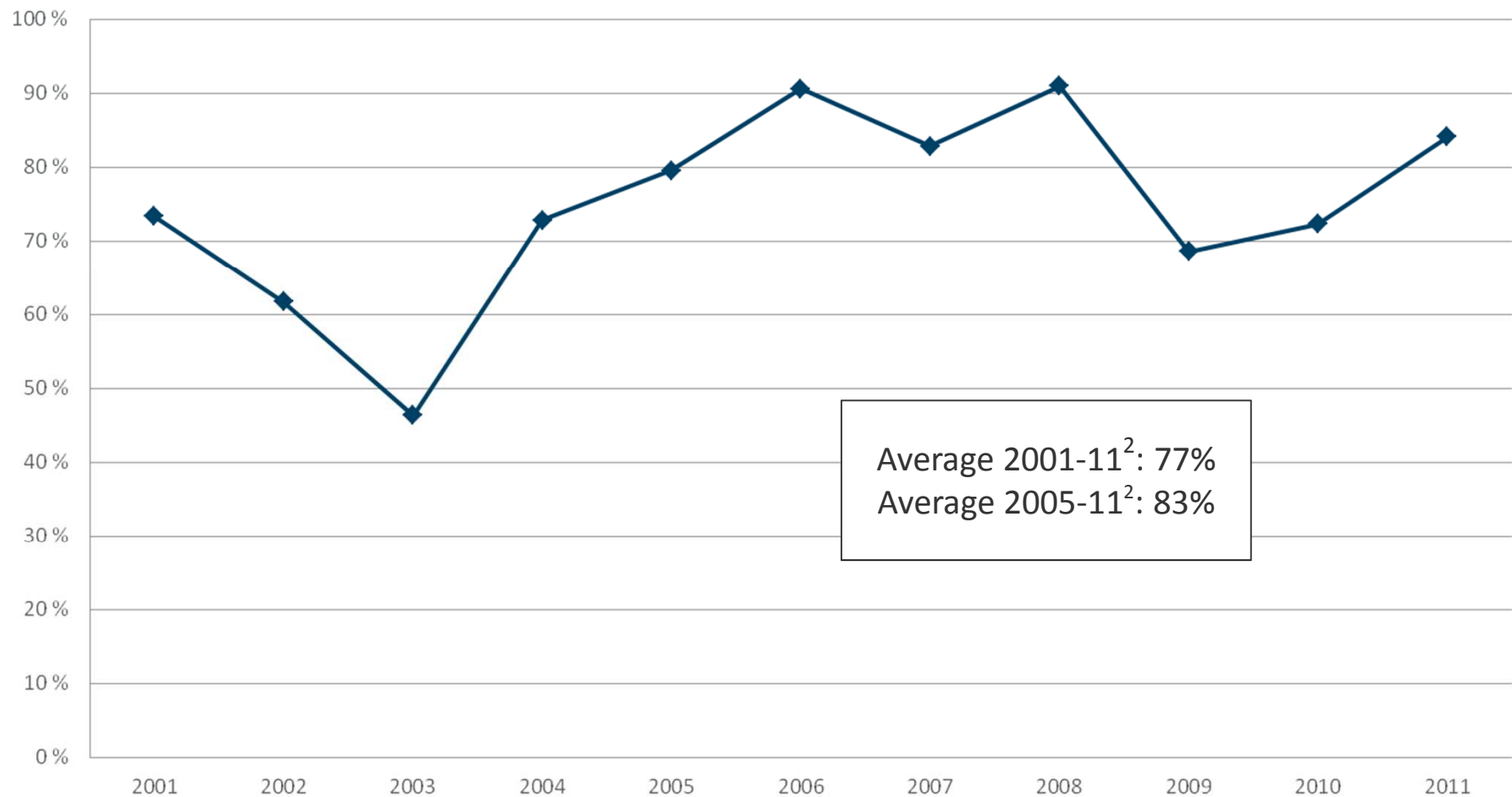
- Prosafe introduction
- **Demand outlook**
- Supply outlook



Offshore accommodation markets

	Average on-stream date	Number of fields	% of fields deeper than 100m	Total reserves (MMMBOE)
Latin America	1997	298	38 %	126
North West Europe	1998	519	26 %	104
South East Asia	2001	581	8 %	77
Australasia	2004	128	31 %	29
East Asia	2004	137	20 %	20
West Africa	1998	450	21 %	57

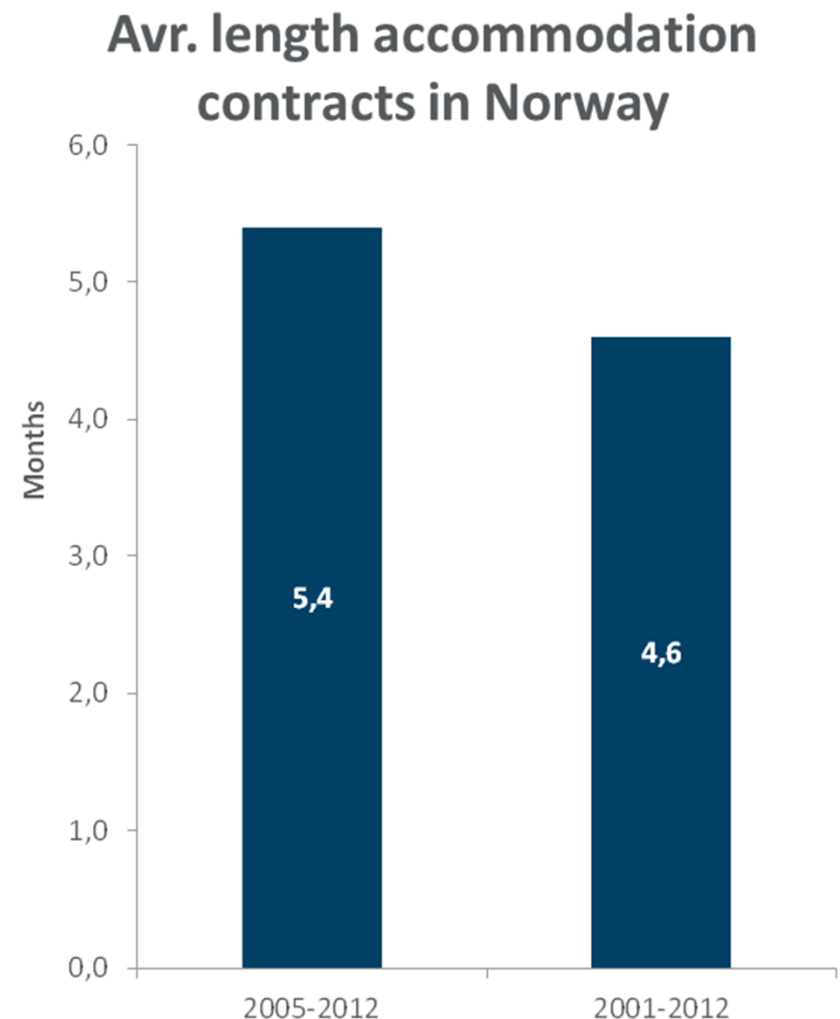
North Sea fleet utilisation¹



1. Prosafe's North Sea fleet,
2. Adjusted for longer yard stays

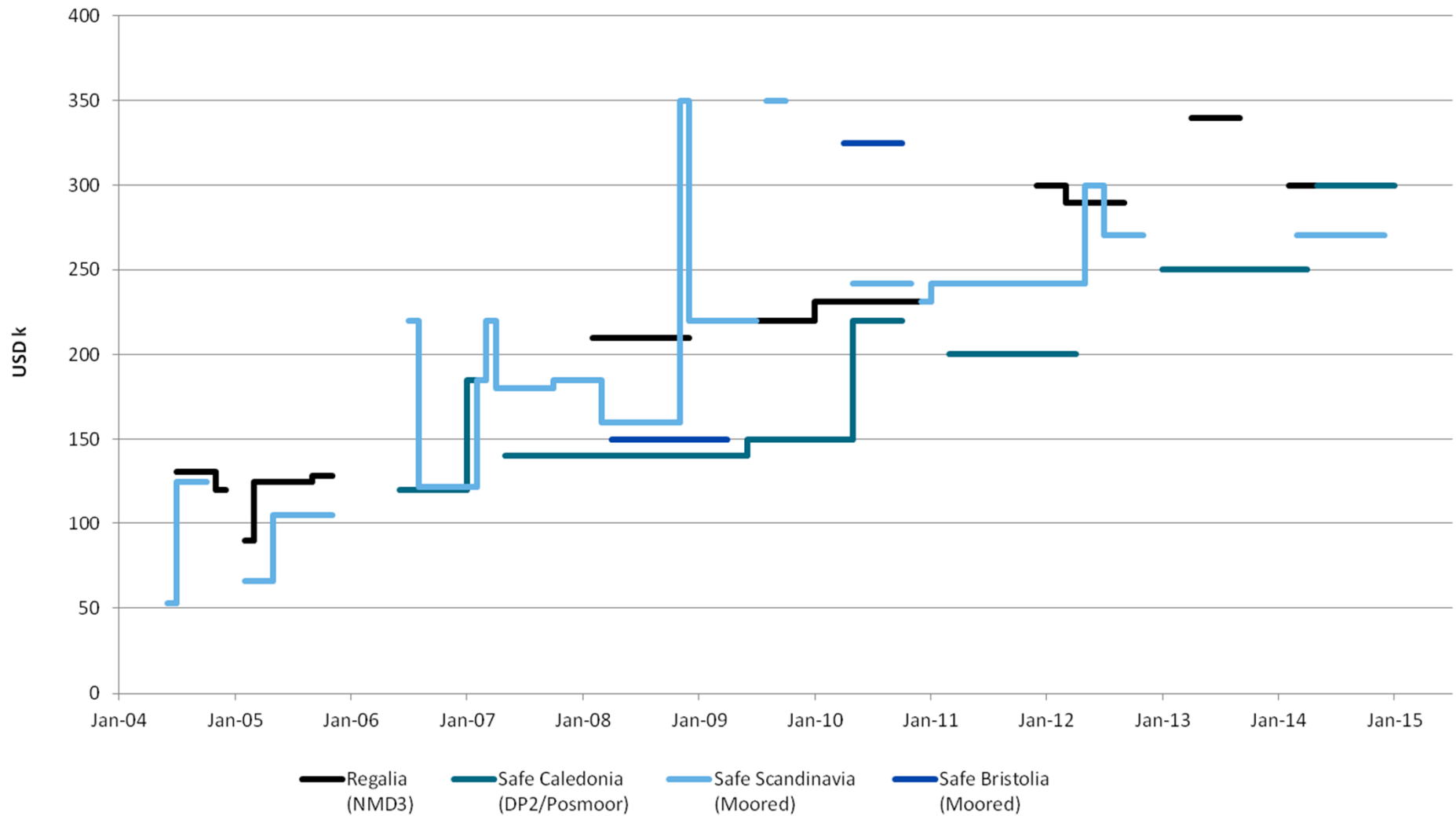
Typical length of contracts in Norway

- Few long-term contracts in the Norwegian accommodation rig market
- Average duration contracts in Norway¹:
 - Since 2000: 4.6 months
 - Since 2005: 5.4 months
- No contracts of more than 24 months
- Two contracts more than 12 months



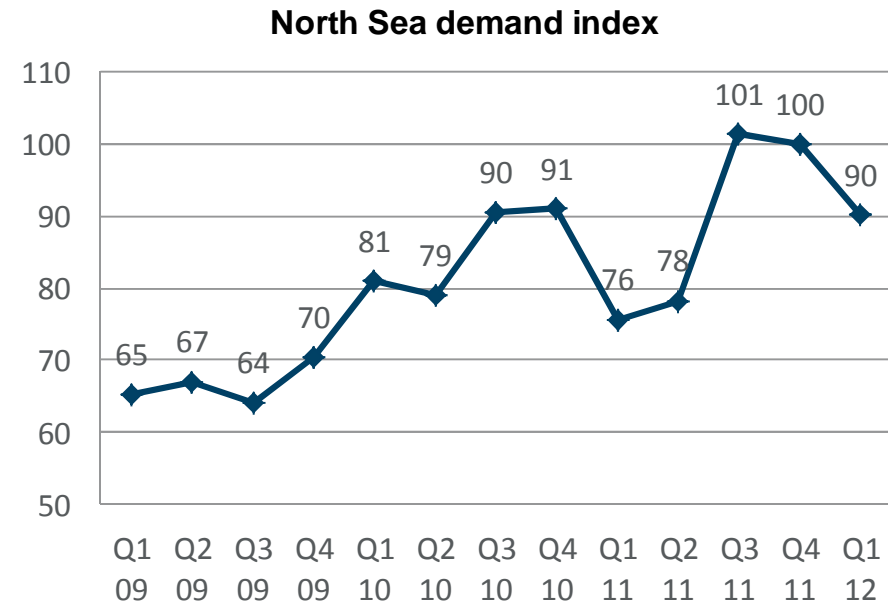
1. Prosafe contracts only. Based on duration at time of award

North Sea dayrates (time charter)



Demand - North Sea

- Tendering activity a bit lower than a few months ago following a period with strong contract awards
- Outlook remains favourable
 - But macro development creates some uncertainty
- Demand index lower than in Q3 and Q4 of last year



Based on firm contracts, extension options, projects in the tendering phase and prospects for the next 36 months. Index based on number of days in demand. Q4 11 = 100

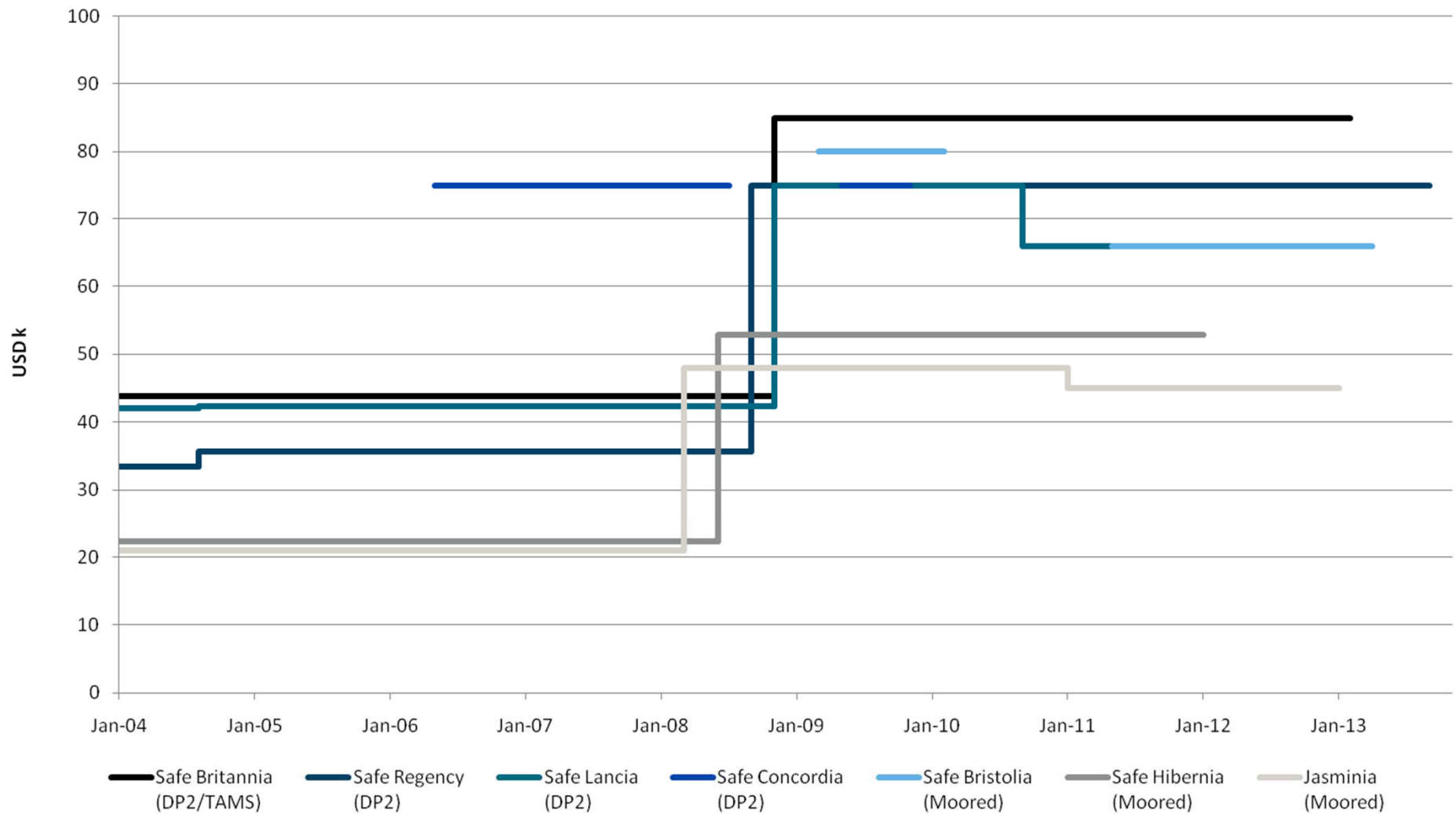
Source: Prosafe

Demand – Mexico

- The rigs are vital in assisting Pemex with maintenance and construction projects in order to keep up the production level at Cantarell
- Demand for accommodation semis in Mexico has been stable since the late 1990s and is anticipated to remain stable over the coming years

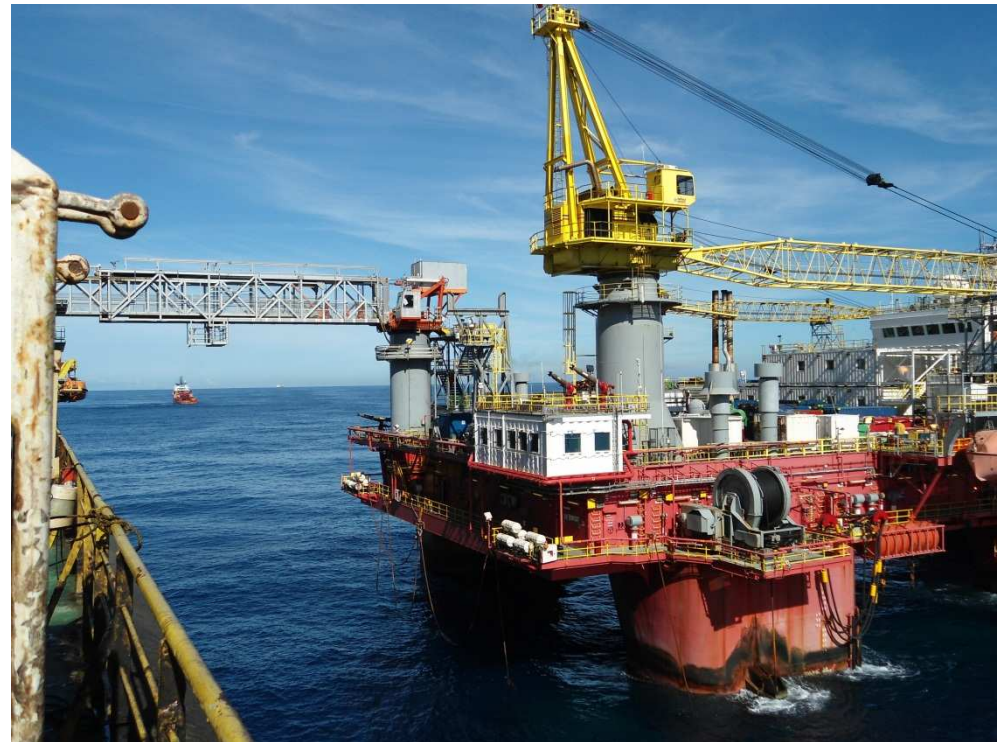


Gulf of Mexico dayrates (bareboat)



Demand – Brazil

- The demand currently comes from the Campos basin, where safety and maintenance units are assisting in connection with maintenance of FPSOs and fixed installations
- Longer term demand from other basins is expected to increase in line with anticipated growth in MMO activities

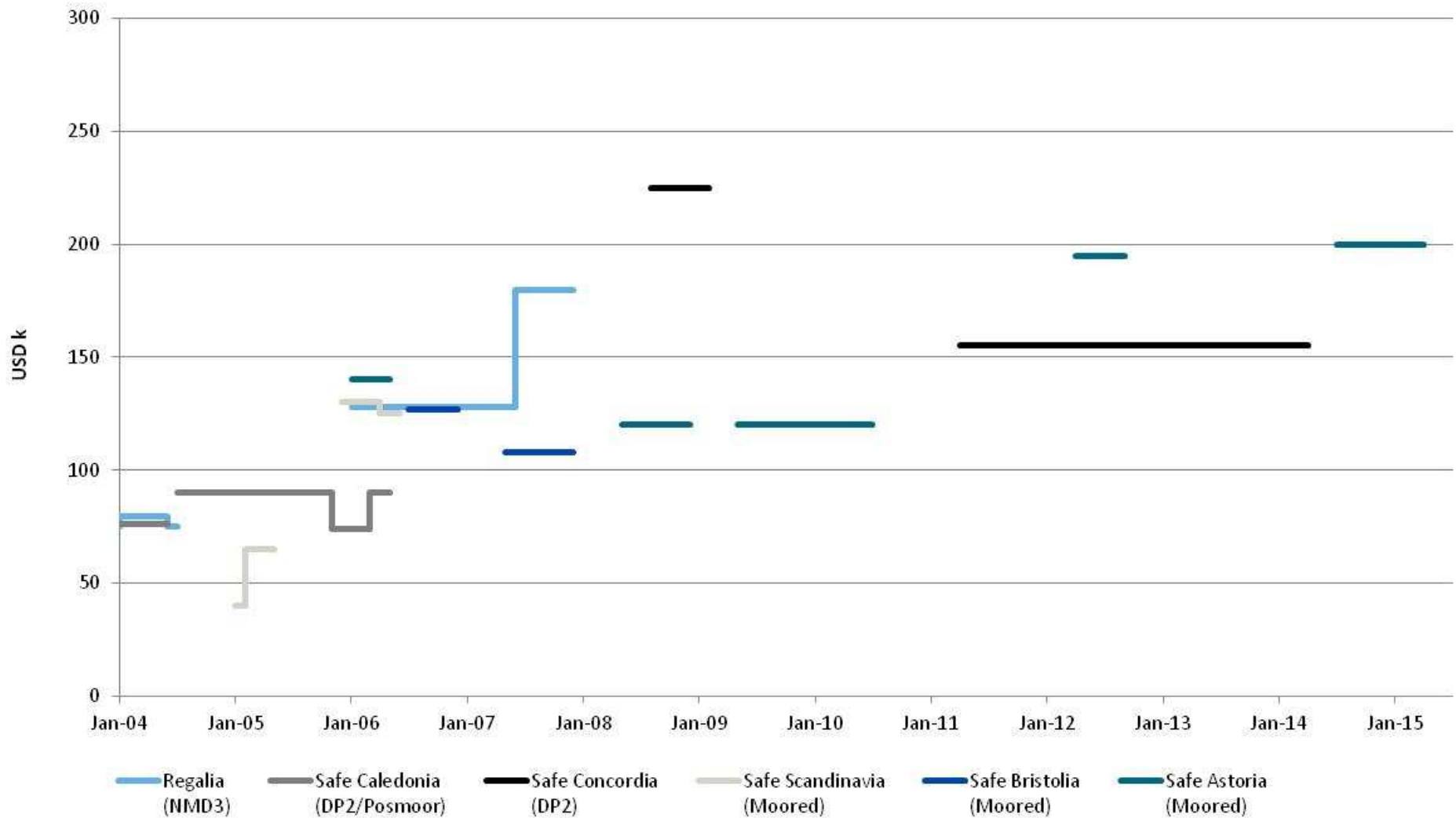


Demand – Asia and Australia

- Still fragmented market, but positive development in a region where semi-submersible accommodation rigs traditionally have not been widely used
 - Shell recently awarded Prosafe a contract for work in the Philippines
- Both the Australian and Asian markets appear promising

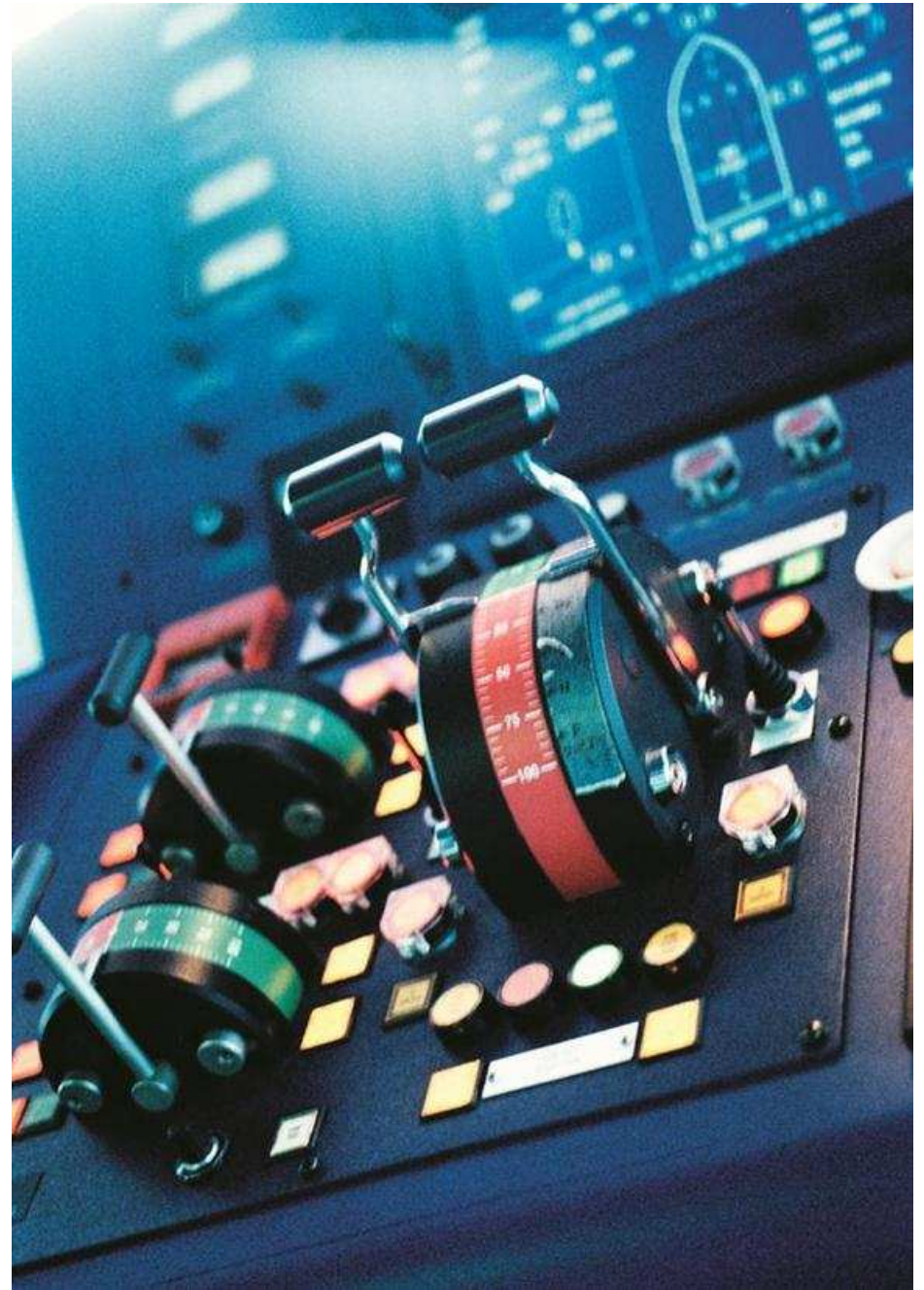


Rest of World dayrates (time charter)



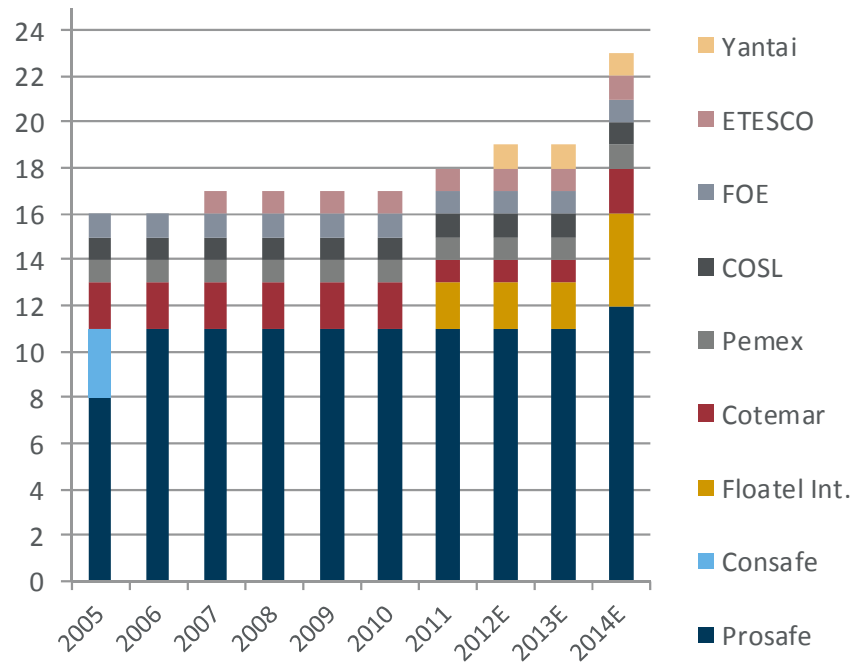
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- **Supply outlook**

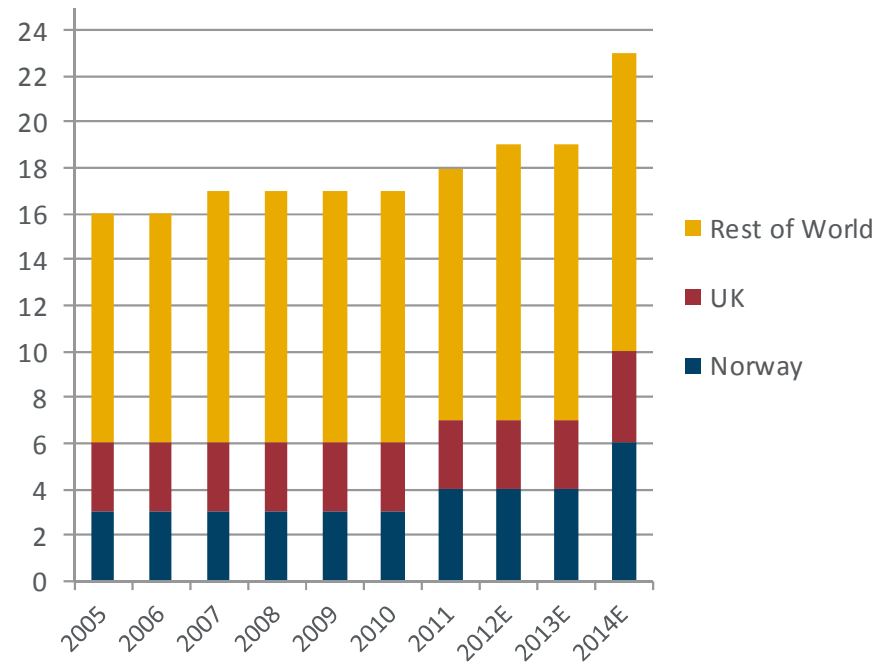


Supply of semi-submersible accommodation rigs

No. of accommodation semis by owner



No. of accommodation semis by regional capabilities



The world's most advanced and efficient harsh-environment semi-submersible accommodation rig

- Compliant with stringent Norwegian regulations
- Turnkey contract with Jurong in Singapore
- GVA 3000E design
 - ❑ Very efficient hydrodynamic rig design
- DP3 and 12pt mooring
- Accommodation capacity of 450 persons
- Delivery from yard in Q2 2014
- Total cost estimated at USD 350 million
 - ❑ 20/80 payment structure on yard cost (yard cost USD 292 million)
 - ❑ Financing supported by strong balance sheet
- Options for two more units
 - ❑ Valid until December 2012 and June 2013



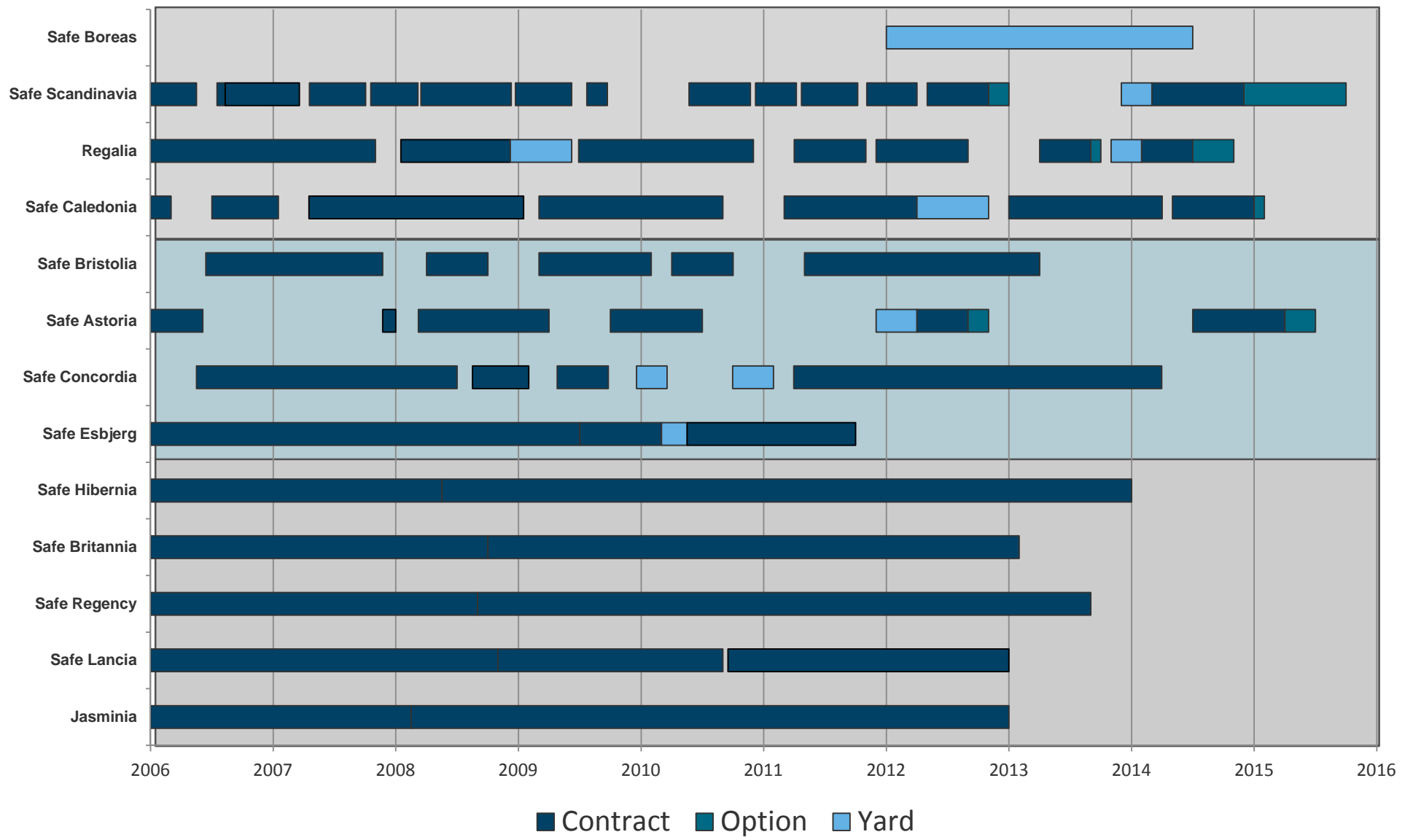
Safe Boreas

Safe Caledonia refurbishment and life extension

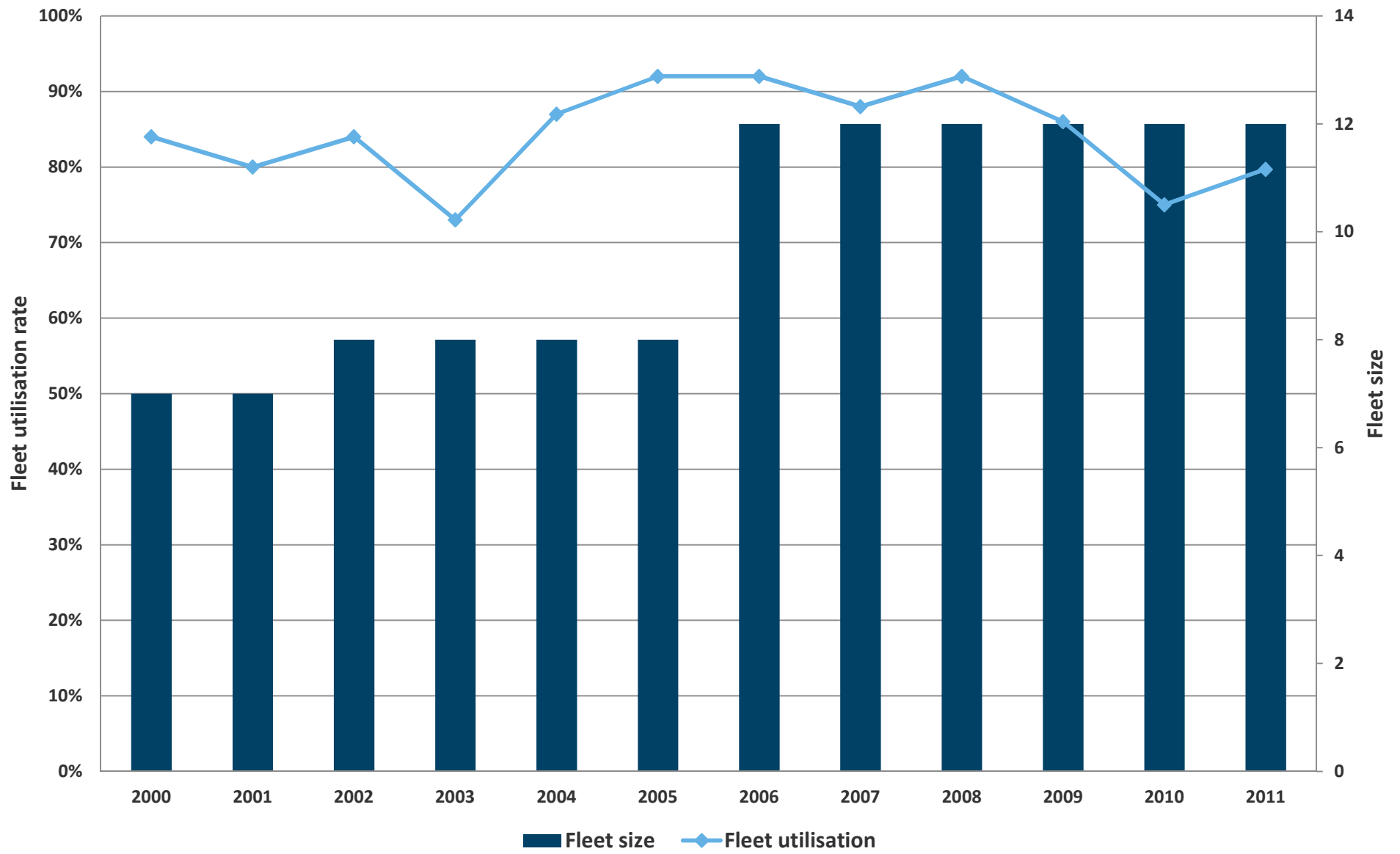
- Caledonia at Remontowa yard
- Accommodation modules completed
- Rig life to be extended by 20 years
- Cost estimate unchanged at USD 100 million
- Life extension and thereafter sea trials to be completed in Q4 2012
- Contract with BP in the UK North Sea commencing end 2012



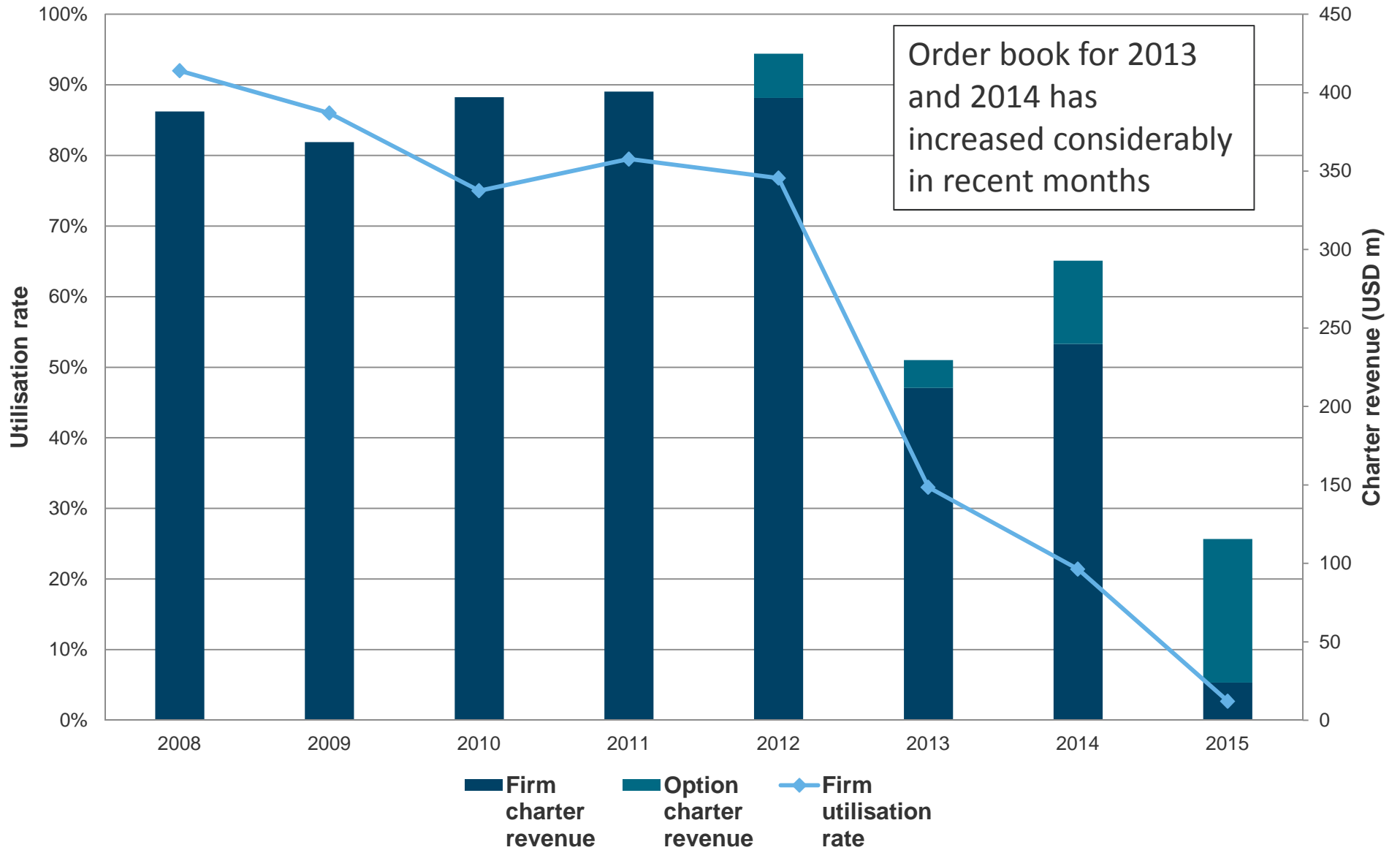
Contract status



Fleet size and utilisation



Utilisation rate and charter revenue



Summary

- Leading market position
- High quality and versatile rig fleet
- High dividend combined with fleet growth and renewal
- Order backlog has increased considerably in recent months
- Good market outlook next three years – beyond that, currently limited visibility

