



6 December 2017



Company presentation

Disclaimer

All statements in this presentation other than statements of historical fact are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believe”, “may”, “will”, “should”, “would be”, “expect” or “anticipate” or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans or intentions. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation as anticipated, believed or expected. Prosafe does not intend, and does not assume any obligation to update any industry information or forward-looking statements set forth in this presentation to reflect subsequent events or circumstances.

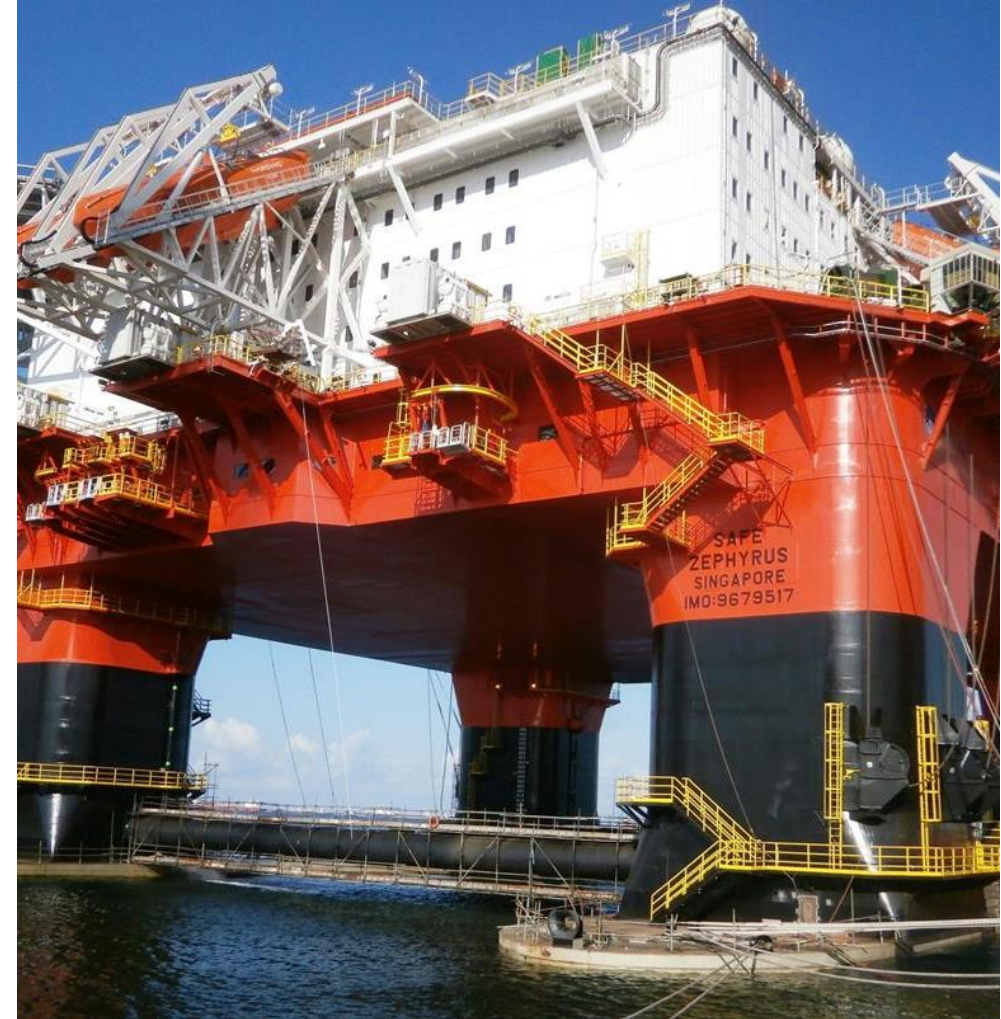
Agenda

- Introduction
- Plan the work - Work the plan
- Status and outlook
- Summary



Who we are

- 1** *World's most diversified fleet of 8 semi-submersible accommodation-, service- and safety vessels and one TSV vessel. Three new builds at Cosco and one monohull under management.*
- 2** *Mid to late cyclical, typically exposed to brownfield MMO type work as well as hook-up & commissioning and decommissioning*
- 3** *Book value of total assets is ca. USD 1.7 billion / ca. 500 employees*
- 4** *Headquartered in Cyprus - offices in Brazil, UK, Norway and Singapore*
- 5** *Working the plan to be the world leader within offshore accommodation*



Exploring various opportunities for strategic optionality



Prosafe: well positioned in global niche

- Prosafe is a leading company in a global niche
- Prosafe is the only listed, pure play offshore accommodation company in the world
- Prosafe is restructured and streamlined
- Market indicators: oil price up, break-even levels down, oil industry cash positive



- Prosafe as a mid to late cyclical company will benefit from several demand drivers across the value chain in a recovering market

Significant reductions in cost and capex

	2011-2015 annual average levels	Initial target levels (2016)	Current run rate
Onshore operating cost	USD 40m	USD 28-30m (-25-30%)	USD 22m (-45%)
Annual fleet capex¹⁾ 1) Excluding new-builds and conversions	USD 60m	USD 20-30m	USD 10-15m
Headcount reduction (in %)		35-40% onshore	Ca. 50% onshore

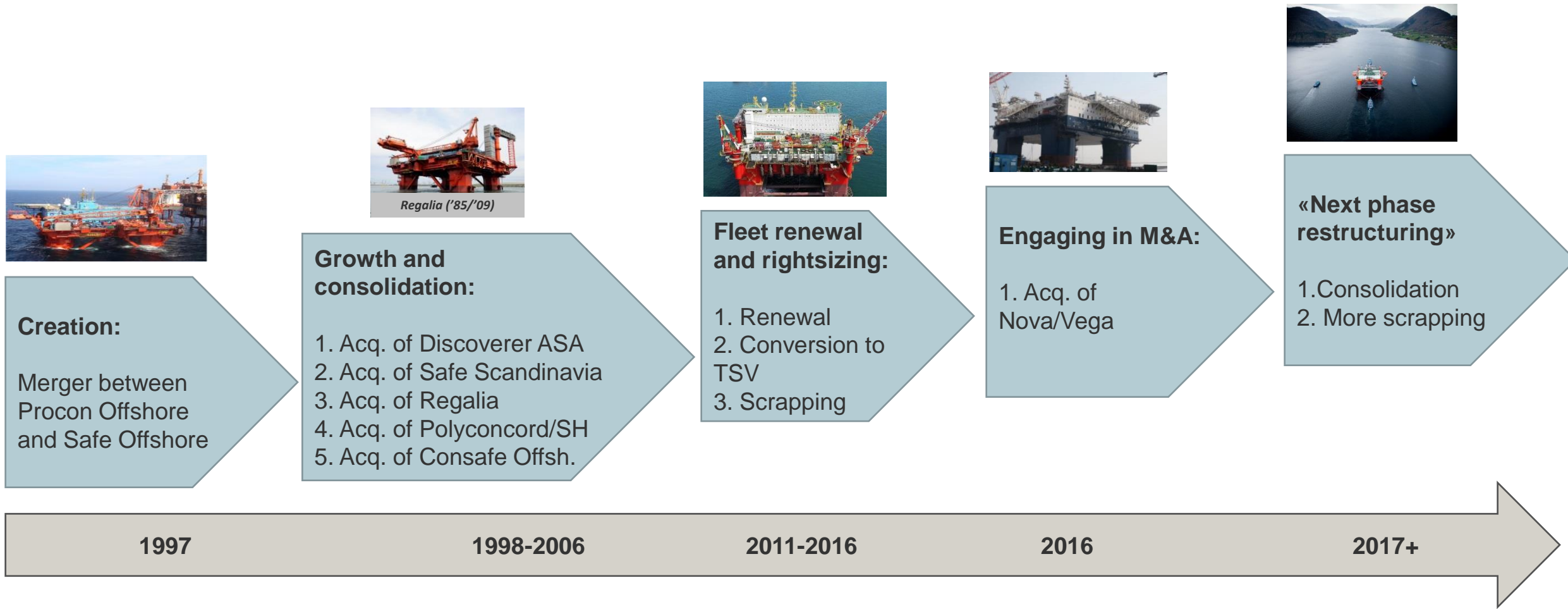
Opex (CPD k/d)* (figures in USD)	NCS/UK	NCS (TSV)	UKCS	Brazil
* Excl. fuel cost, any additional crew and project related costs	DP	Moored	Moored	DP
2014	75-80/60-65	100-105	50-55	60-65
2017e	60-65/40-45	85-90	30-35	40-45
% reduction	19%/32%	15%	38%	32%

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Proactive in restructuring of the industry



Fleet renewal – controlling 3 new builds at COSCO

- Negotiations with COSCO regarding Safe Nova, Safe Vega and Safe Eurus ongoing
 - The standstill agreement between Prosafe and COSCO related to Safe Nova and Safe Vega has been extended until December 2017
- Looking for optionality and value creation potential from financing terms, price and timing of delivery
- Right to cancel Safe Nova and Safe Vega newbuild contracts and claim a refund of instalments plus interest equal to approx. USD 60 million secured by Bank of China



TSV Safe Scandinavia – Westcon dispute

- Court proceedings commenced 22 August 2017
- The yard's budget for the work matured to approx. NOK 1.07 billion after several revisions
- Total cost claimed by yard approx. NOK 2.4 billion
 - Prosafe has already paid approx. NOK 2.1 billion
 - Yard has claimed additional approx. NOK 300 million*
- Prosafe has claimed:
 - Re-payments of approx. NOK 300 million*
 - And compensation for losses in connection with delayed start-up of contract
- Ruling before 15 January 2018

* excl. interest and legal cost

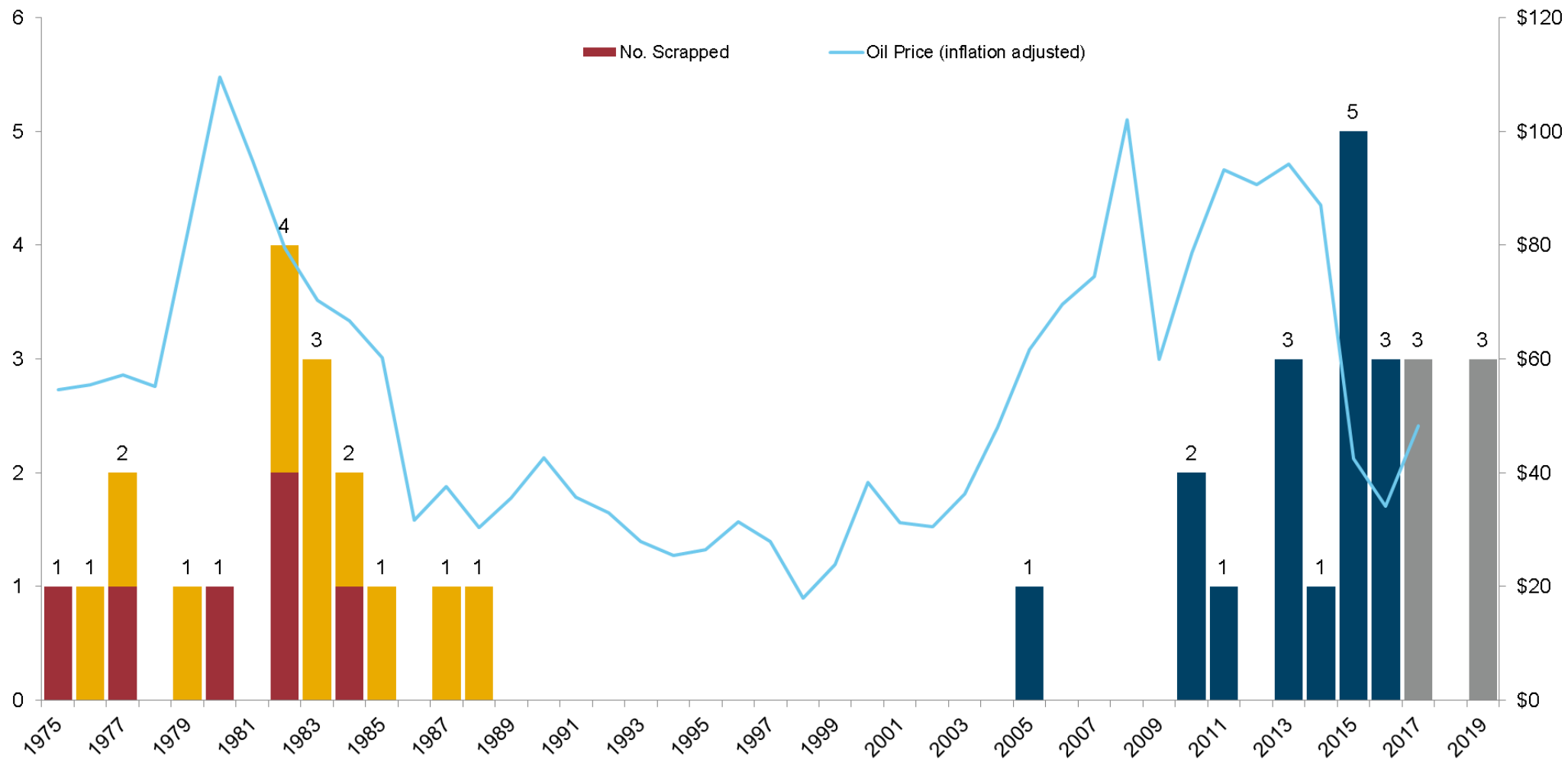


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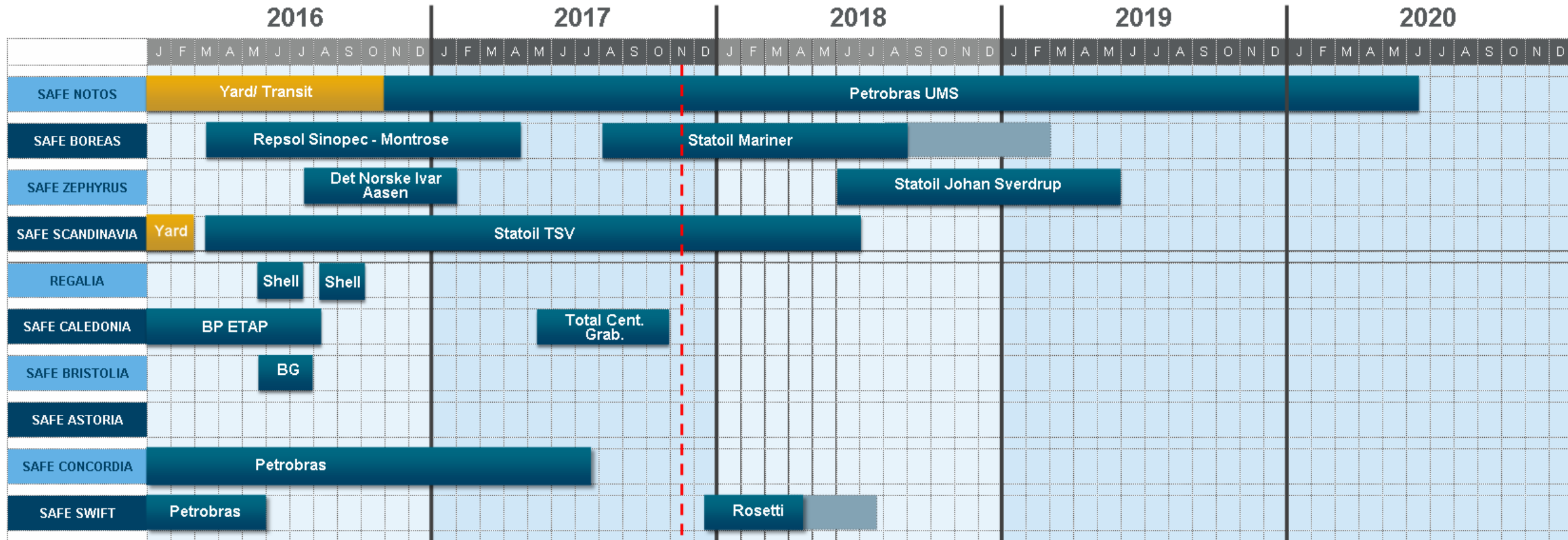


Contributing to fleet renewal and high-grading



Contract portfolio

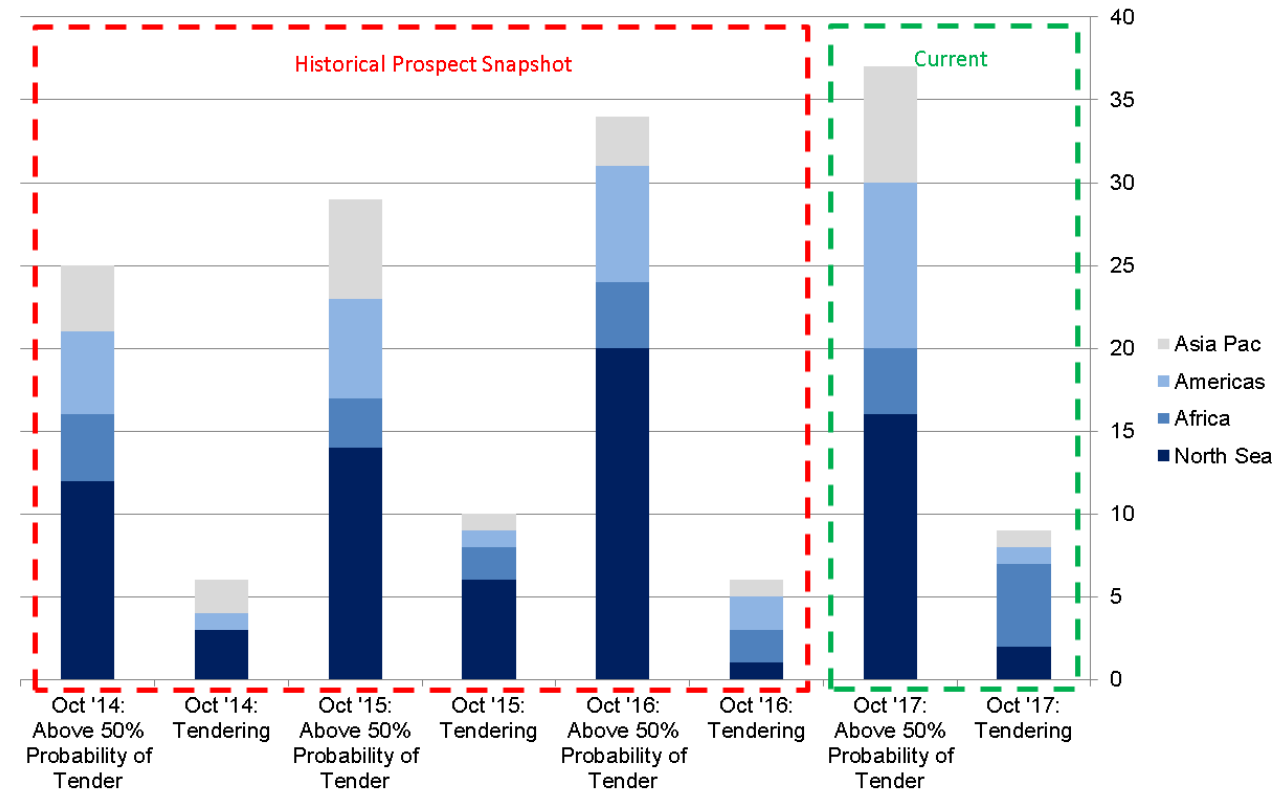
Firm order book at end Q3 2017 of approx. MUSD 375



Prospects and tendering – Prosafe business intel

- Nine tenders ongoing for 2017 through 2019 – two in the North Sea
- The prospect list with a three-year look-out remains at a relatively high level
- 18 prospects with high probability of going to tender – majority from 2018 onwards

Tenders and Prospects - outlook is generally three years



P90, P50 and P10 are prospects probability of moving to a tender.

Source: Prosafe

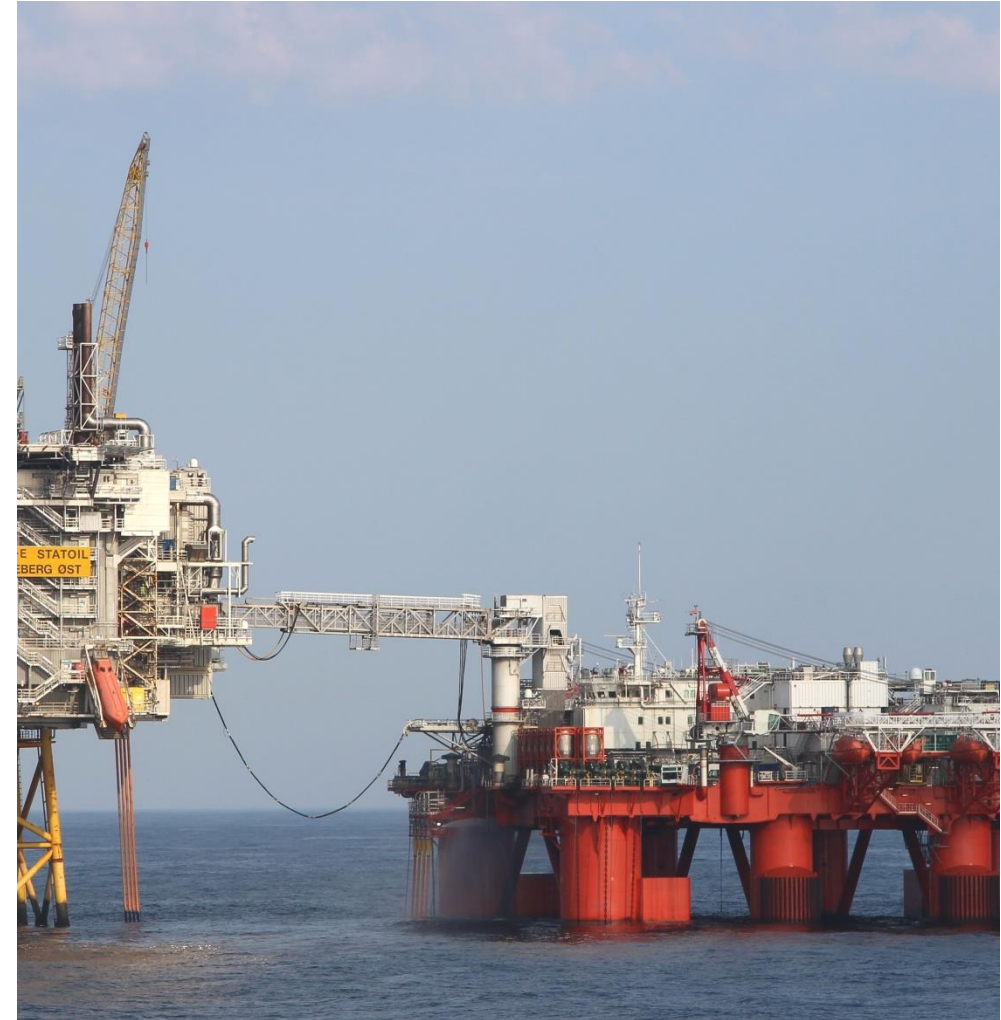
Safe Boreas commenced contract with Statoil

- In early August, Safe Boreas commenced on a 13-month firm contract with Statoil at the Mariner installation in the UK North Sea
- In addition, Statoil can exercise six one-month options
- Total value of the firm contract is approximately USD 131.8 million, including a re-phasing charge of USD 30 million that was paid to the company in 2016
- Some work related to Offshore Technical Guidelines (OTG) strengthening work was undertaken at the yard prior to commencement



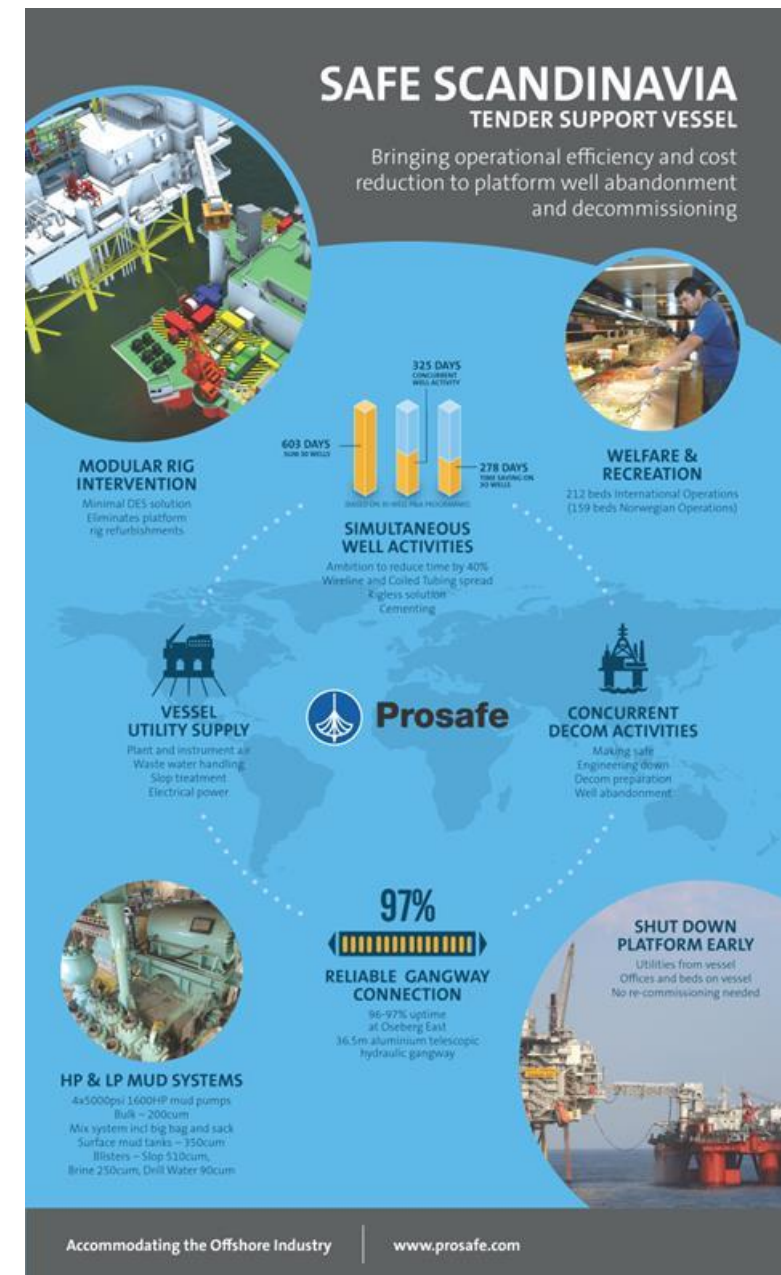
TSV Safe Scandinavia - Strong performance at Oseberg

- Firm contract with Statoil until end June 2018 at Oseberg East on the NCS
- Strong and efficient operational and technical performance
 - Drilling with TSV support started in March 2016
 - Services provided: Drilling support, well intervention, accommodation and other vessel support



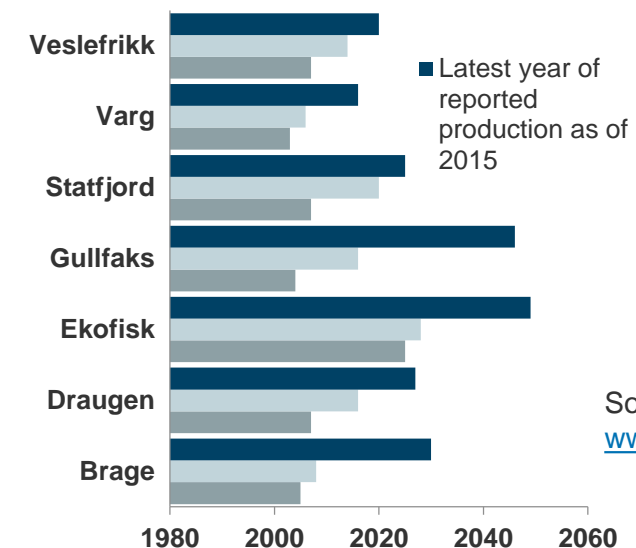
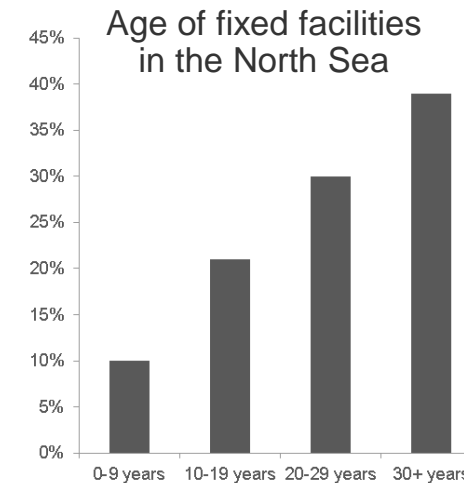
Safe Scandinavia – Positioning beyond 2018

- In dialogue with blue chip companies to collaborate within Plug and Abandonment (P&A) and decommissioning:
 - Permanent P&A
 - Ambition to reduce the total project time for P&A, “Making safe” / Decommissioning preparation by up to 30-50% with activities undertaken in parallel
 - Well intervention
 - “Making Safe” / other Decommissioning preparation activities concurrently with well abandonment
- Marketing started – North Sea focus



North Sea: Prospects developing from 2019 onwards

- Currently low tendering activity due to low and deferred operator spending
- Longer term, expect increased tendering and contracts related to support accumulating maintenance backlog and modification work at ageing infrastructure in the North Sea
- Prospects developing, although trending towards 2019 onwards

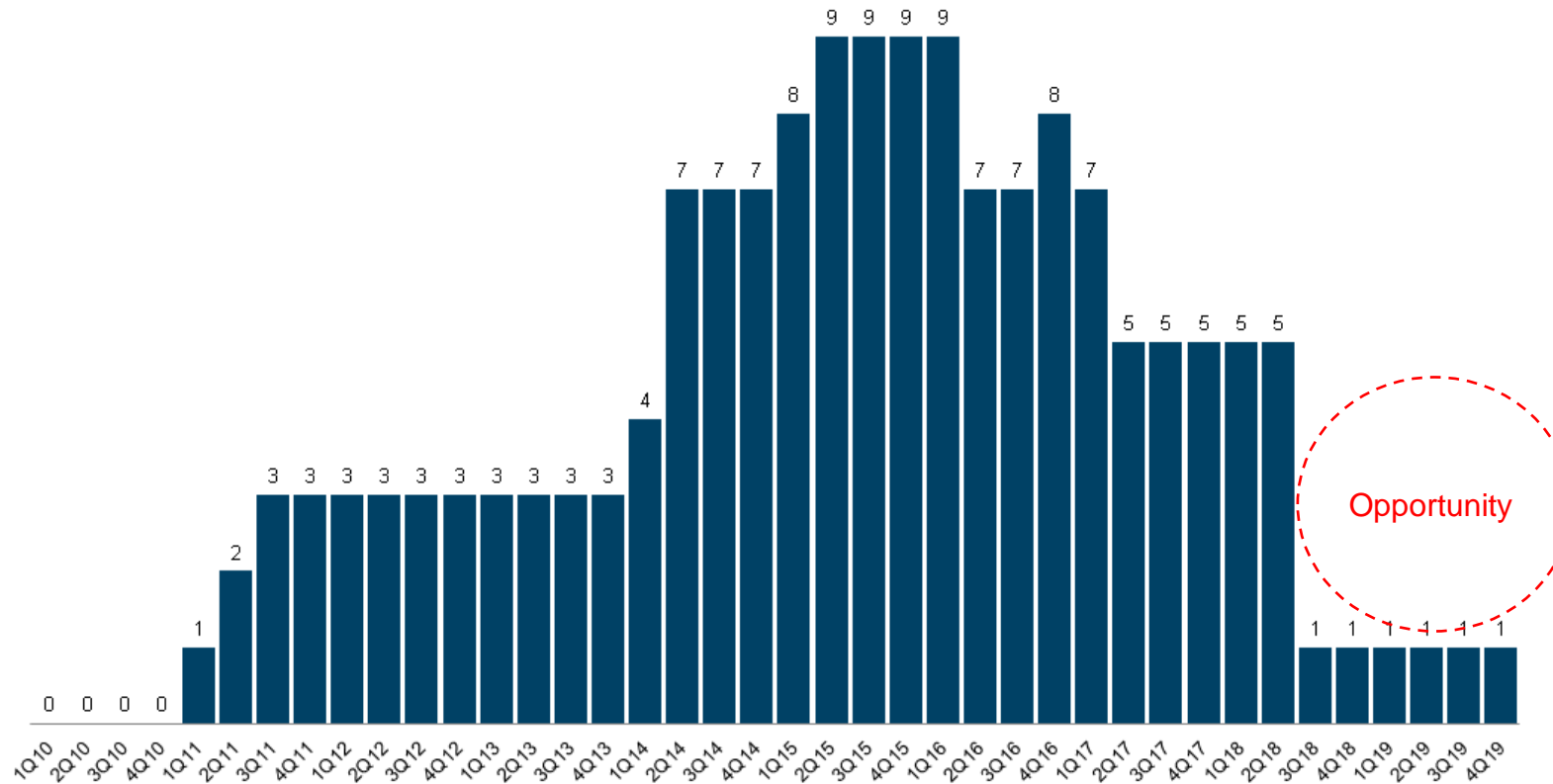


Source:
www.norskipetroleum.no

Brazil: Anticipate tender activity for long term

Brazil Contracted

■ Contracted Vessels



GTD: General Technical Description (minimum technical requirements)
Source: Prosafe

- Petrobras technical specifications ('GTD') have evolved substantially since 2010 – some of the highest requirements of any operator
- 9 vessels of 8 owners operating in 2015
- Presently 5 vessels contracted, reducing to 1 vessel by mid-2018
- Anticipated tender activity to address vessel shortage

Mexico expected to return to a strong market longer term

- Mexico remains a major oil producer
- At the peak of the flotel market, around 9000 POB were in Mexico (2015)
- In 2017, the total capacity in Mexico is around 4000 POB
- Ageing infrastructure will mean an ongoing demand for maintenance
- Currently only 5 vessels active
- Pemex expected to demand better, high-end vessels
- Longer term also demand from other E&P companies now positioning in Mexico in connection with 'farm out' projects



Summary

- Currently low tendering activity due to deferred operator spending. Most activity outside the North Sea
- The prospect list with a three-year look-out remains at a relatively high level
- Positioning TSV Safe Scandinavia towards and beyond June 2018 for strategic optionality based on vessel's unique characteristics in drilling and well support operations, as well as decom preparations
- Looking for optionality and value creation potential from financing terms, price and timing of delivery of COSCO new builds
- Cost and capex significantly reduced
- Continue to be proactive in industry restructuring
- Working the plan to be the world leader within offshore accommodation



Appendix

EBITDA and capex guidance

Guidance	
2017 EBITDA	Ca. MUSD 120
Average capex per year	Ca. MUSD 10-15 ¹⁾

1) Incl. SPS for the Safe Caledonia and OTG 13/14 works on Boreas in 2017 and without any new build deliveries



Impairment of goodwill, older vessels and Scandinavia

- Due to an anticipated deferred improvement of market conditions, an impairment charge of USD 609 million has been made in Q3 2017
 - USD 226.7 million relates to goodwill which has been fully impaired. The goodwill was related to the acquisition of Consafe Offshore AB in 2006
 - USD 382.3 million relates to the vessels

	Impairment	New book value
Safe Scandinavia	153.0	274.9
Regalia	116.9	75.7
Safe Concordia	57.0	103.2
Safe Caledonia	27.2	109.4
Safe Bristolia	28.2	42.9
Total	382.3	606.1

- No effect on financial covenants

Income statement

(Unaudited figures in USD million)	Q3 17	Q2 17	Q3 16	9M 17	9M 16	2016
Operating revenues	68.9	61.7	129.8	206.3	348.2	474.0
Operating expenses	(41.3)	(37.3)	(61.5)	(123.5)	(173.0)	(220.8)
EBITDA	27.6	24.4	68.3	82.8	175.2	253.2
Depreciation	(34.8)	(33.8)	(29.1)	(102.0)	(81.6)	(115.7)
Impairment	(609.0)	0.0	0.0	(609.0)	0.0	(84.7)
Operating profit/(loss)	(616.2)	(9.4)	39.2	(628.2)	93.6	52.8
Interest income	0.5	0.4	0.1	1.0	0.2	0.3
Interest expenses	(19.1)	(18.0)	(28.7)	(55.7)	(67.2)	(85.6)
Other financial items	2.3	(4.9)	196.8	1.0	188.5	222.2
Net financial items	(16.3)	(22.5)	168.2	(53.7)	121.5	136.9
Profit/(Loss) before taxes	(632.5)	(31.9)	207.4	(681.9)	215.1	189.7
Taxes	(2.5)	(1.1)	(5.5)	(5.2)	(9.8)	(17.1)
Net profit/(loss)	(635.0)	(33.0)	201.9	(687.1)	205.3	172.6
 EPS	 (8.89)	 (0.46)	 16.13	 (9.62)	 34.63	 8.36
Diluted EPS	(7.22)	(0.38)	15.78	(7.81)	34.10	8.10

Operating revenue

(USD million)	Q3 17	Q2 17	Q3 16	9M 17	9M 16	2016
Charter income	62.9	56.3	114.4	185.5	279.7	375.5
Mob/demob income	1.0	1.3	2.1	3.4	16.5	34.0
Other income	5.0	4.1	13.3	17.4	52.0	64.5
Total	68.9	61.7	129.8	206.3	348.2	474.0

Balance sheet

(Unaudited figures in USD million)	30.09.17	30.06.17	31.12.16	30.09.16
Goodwill	0.0	226.7	226.7	226.7
Vessels	1 555.0	1 967.0	2 029.3	1 887.3
New builds	124.9	124.9	122.2	318.8
Other non-current assets	11.2	12.3	13.9	4.1
Total non-current assets	1 691.1	2 330.9	2 392.1	2 436.9
Cash and deposits	207.8	218.8	205.7	183.4
Other current assets	58.4	41.6	89.1	90.9
Total current assets	266.2	260.4	294.8	274.3
Total assets	1 957.3	2 591.3	2 686.9	2 711.2
Share capital	7.9	7.9	7.9	6.7
Other equity	447.7	1 077.4	1 121.6	1 070.3
Total equity	455.6	1 085.3	1 129.5	1 077.0
Interest-free long-term liabilities	67.9	68.2	62.2	102.1
Interest-bearing long-term debt	1 329.0	1 335.7	1 342.9	1 373.3
Total long-term liabilities	1 396.9	1 403.9	1 405.1	1 475.4
Other interest-free current liabilities	86.2	84.2	104.4	105.8
Current portion of long-term debt	18.6	17.9	47.9	53.0
Total current liabilities	104.8	102.1	152.3	158.8
Total equity and liabilities	1 957.3	2 591.3	2 686.9	2 711.2