



2 November 2017



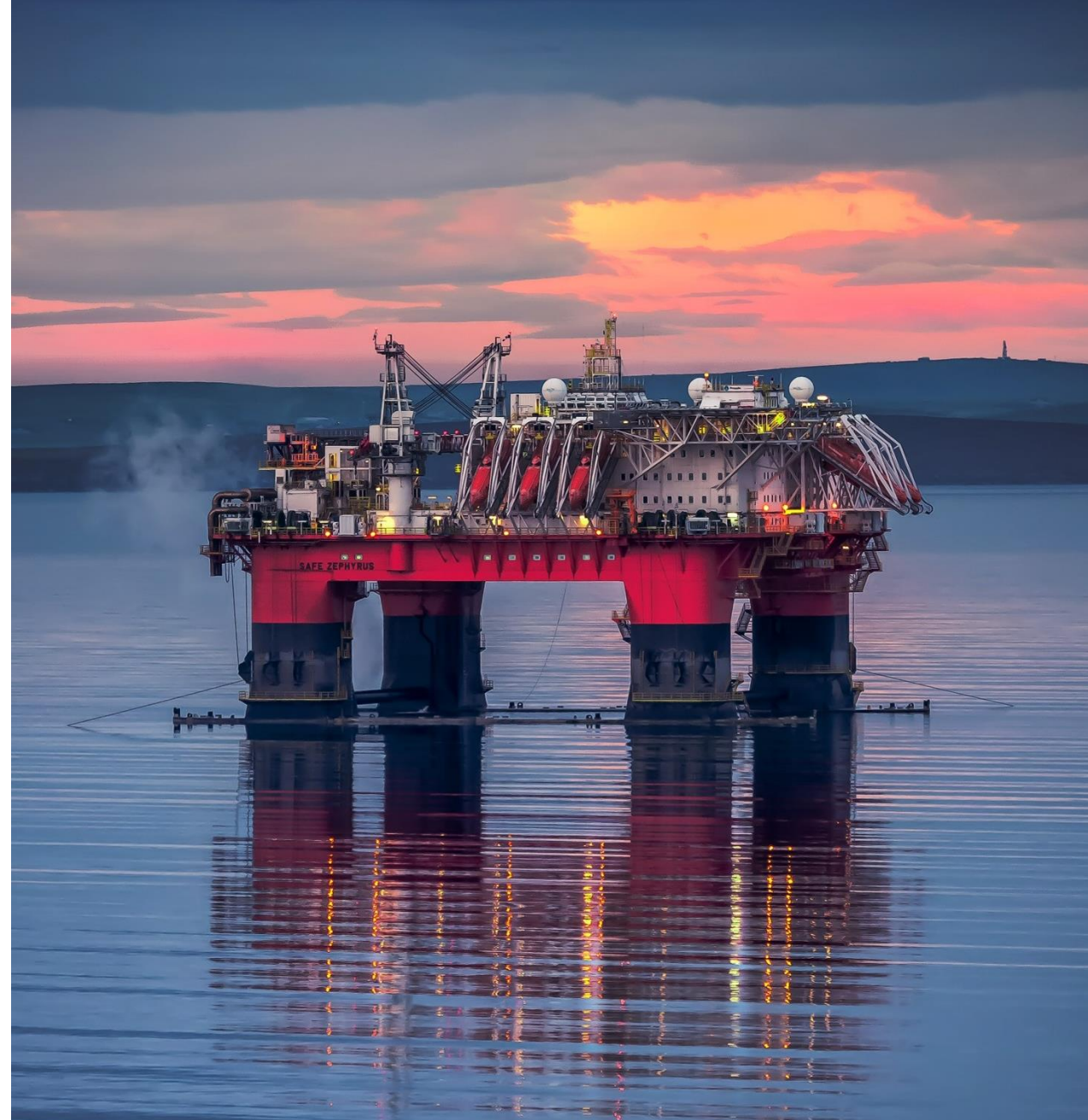
Q3 2017 results and market update

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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

- **Highlights**
- Financial results and guidance
- Plan the work – work the plan
- Status and outlook
- Summary



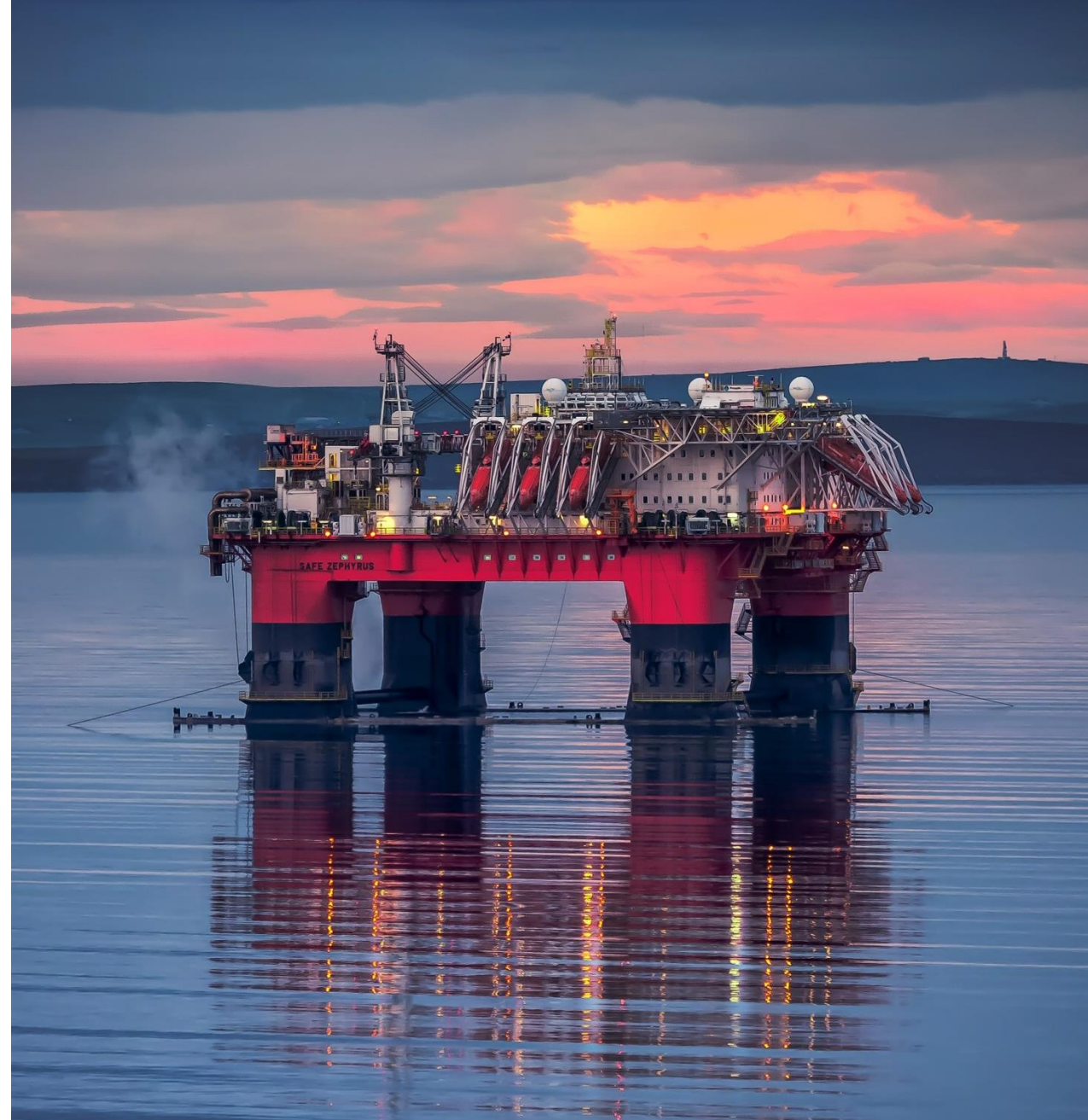
Highlights

- Good operating performance
- Utilisation of 38.9 per cent in the quarter (52%)
- Impairment of goodwill, older vessels and Safe Scandinavia
- Safe Boreas commenced firm 13-month contract early-August for Statoil at Mariner in the UK
- Delivering on cost and capex reductions. Focus on continuous improvement remains
- No Lost Time Injury (LTI) in the quarter



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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

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

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 Bristololia	28.2	42.9
Total	382.3	606.1

- No effect on financial covenants

EBITDA 2017 and capex guidance 2017

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



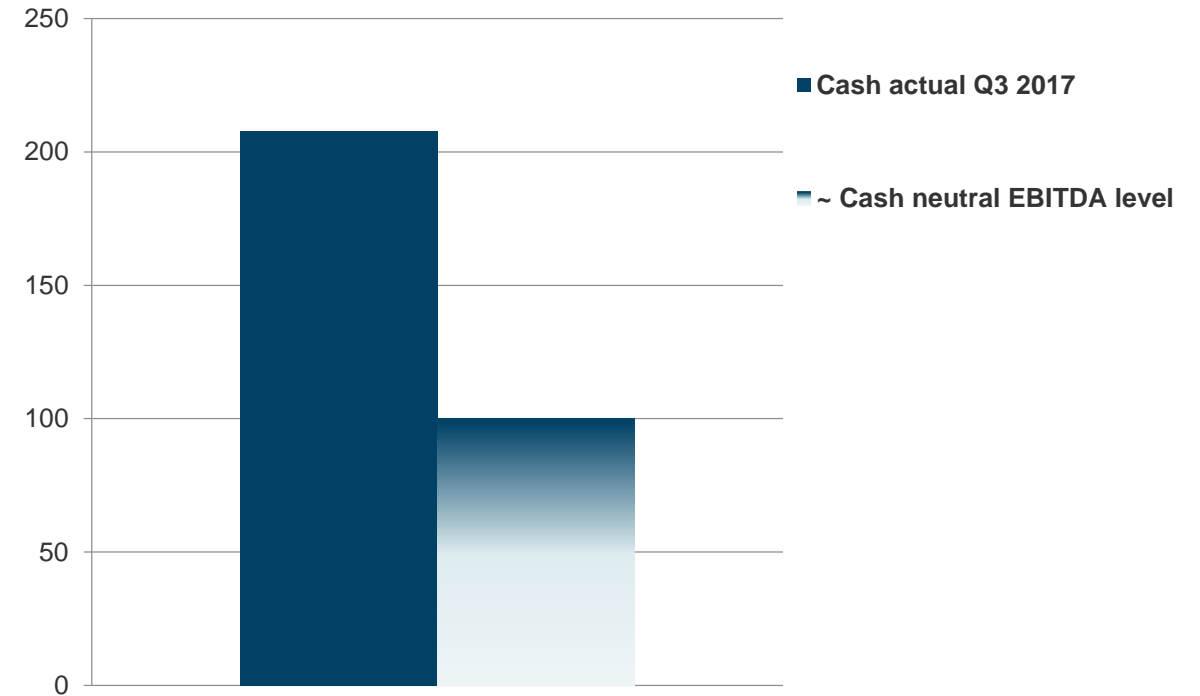
Significant cost and capex reductions achieved

	2011-2015 annual average levels	Revised current levels
Offshore opex ¹⁾	USD 180m	USD 125-140m
Onshore opex	USD 40m	USD 21-22 m
Onshore headcount reduction achieved (in %)		50 percent

1) Will be affected by activity level

Protecting the runway - financial and strategic flexibility

- Reduced cost and capex
- Cash neutral at EBITDA of approx. USD 100 million



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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



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



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

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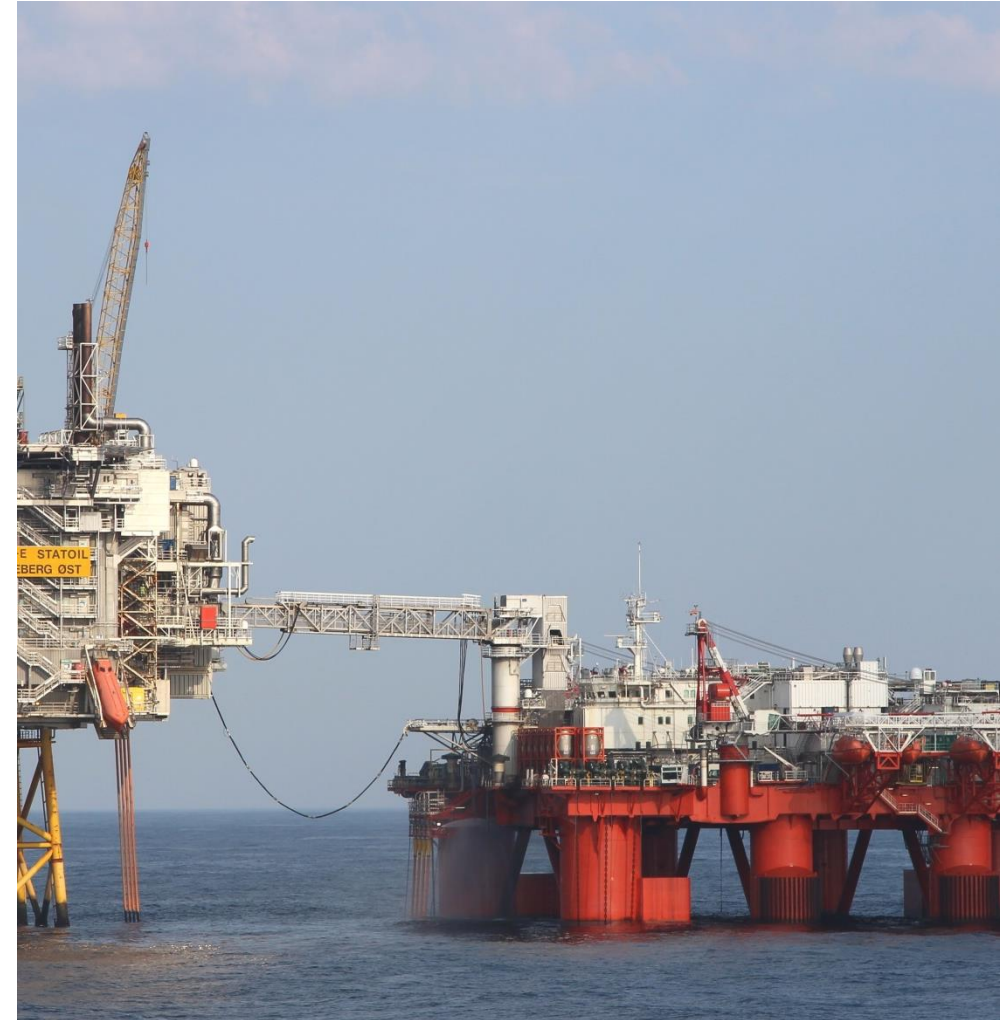
Safe Boreas commenced contract with Statoil

- 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



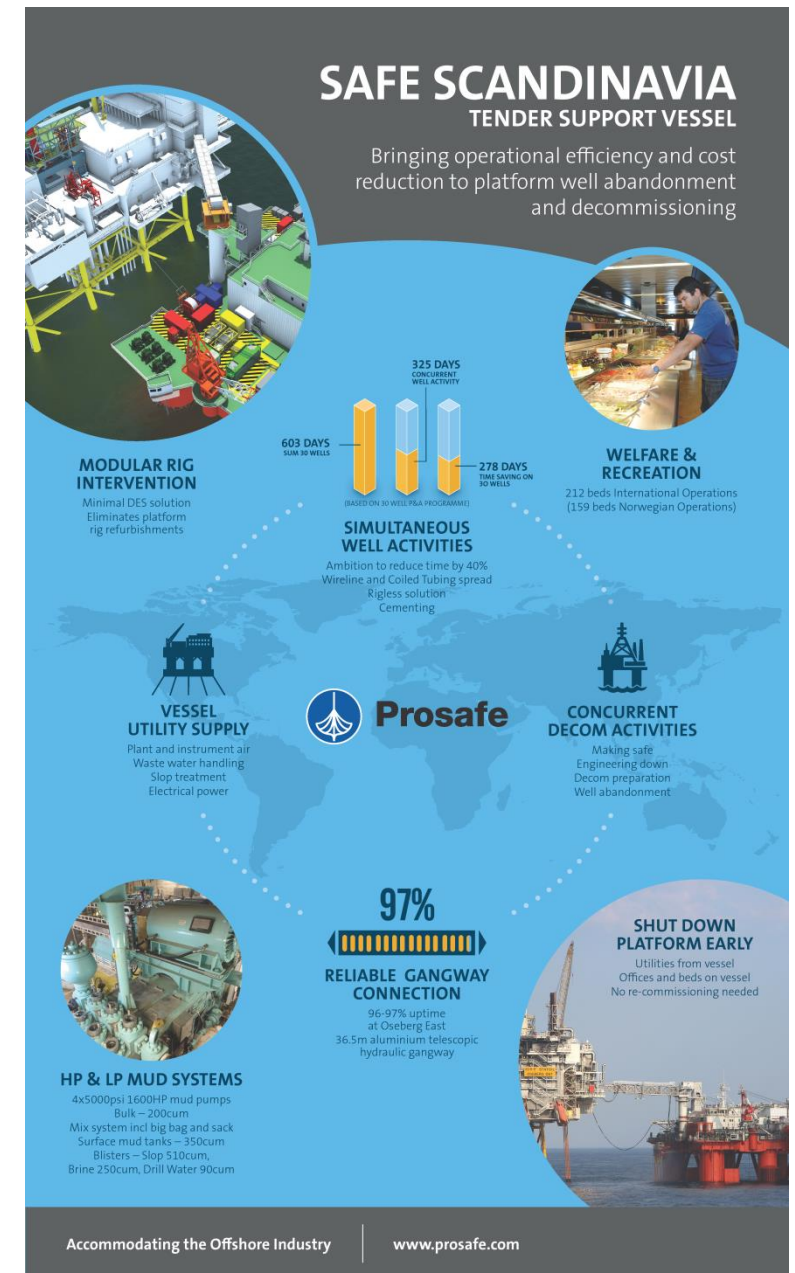
TSV Safe Scandinavia - Strong performance at Oseberg

- 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



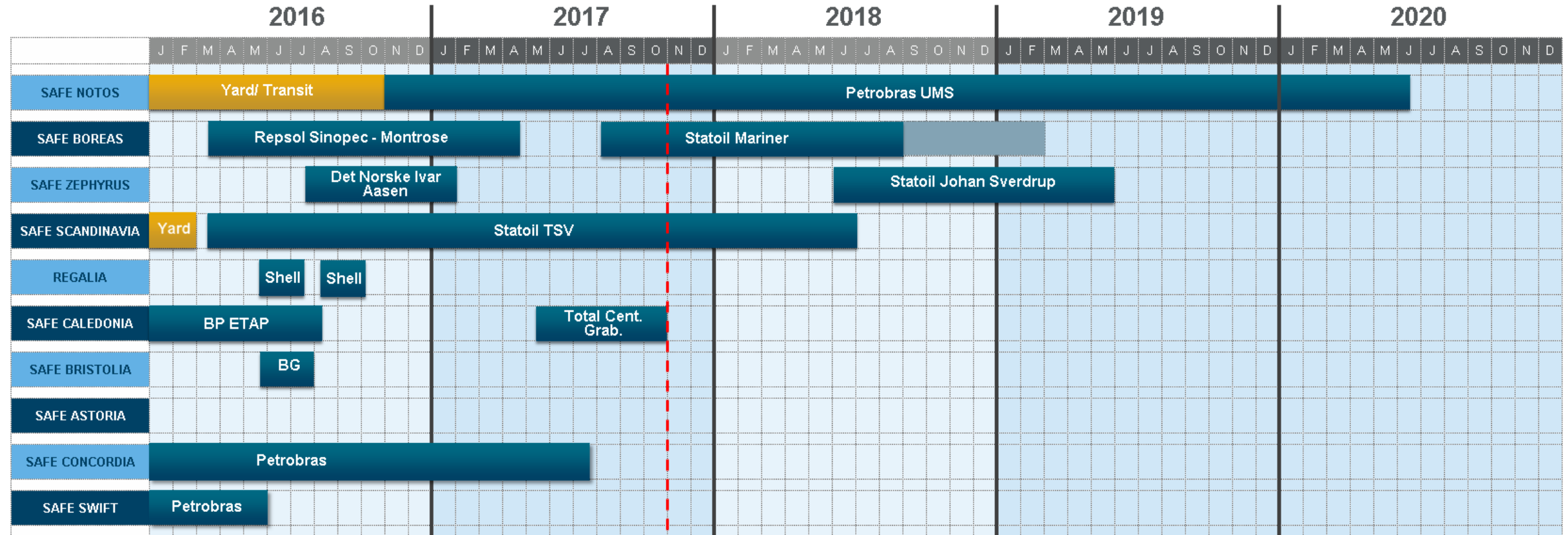
Safe Scandinavia – Positioning beyond 2018

- 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



Contract portfolio

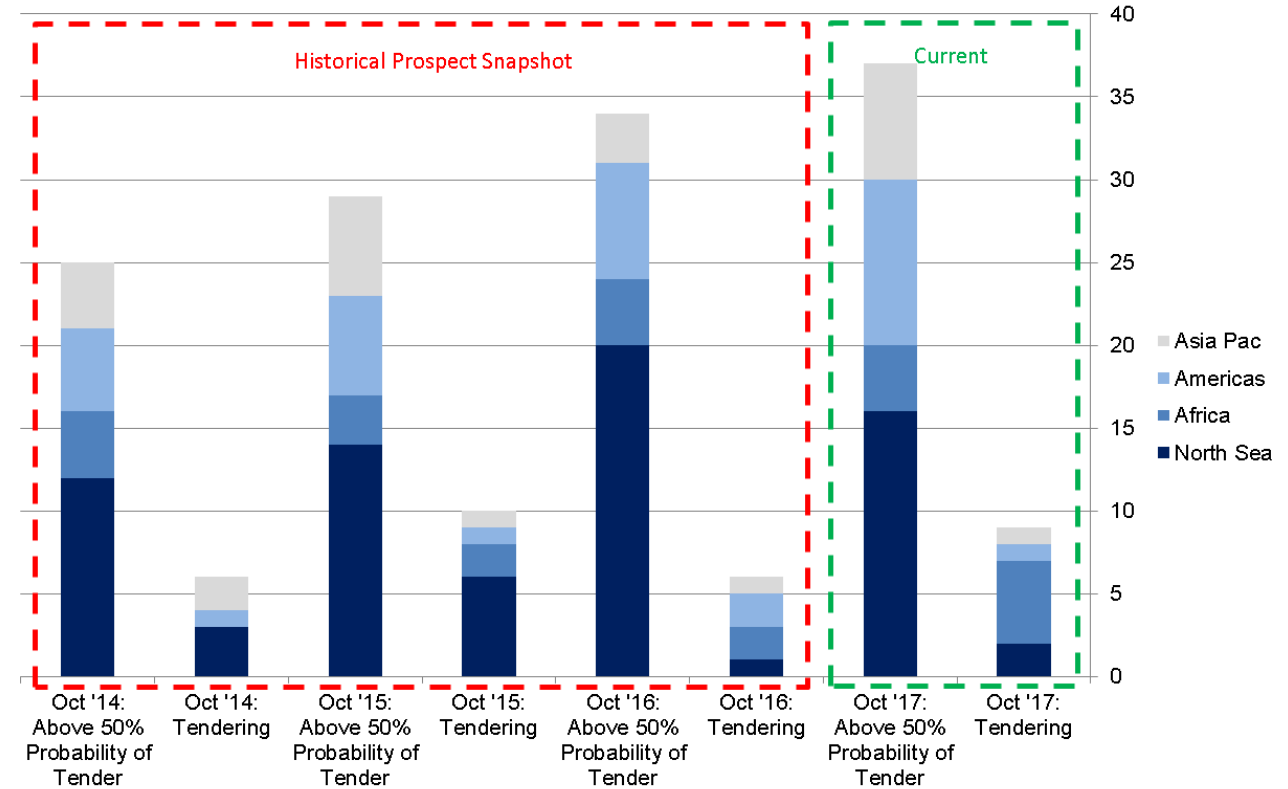
Firm order book at end Q3 2017 of approx. MUSD 375



Prospects and tendering – Prosafe business intel

- Nine tenders ongoing for 2017 through 2019 – 2 within 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

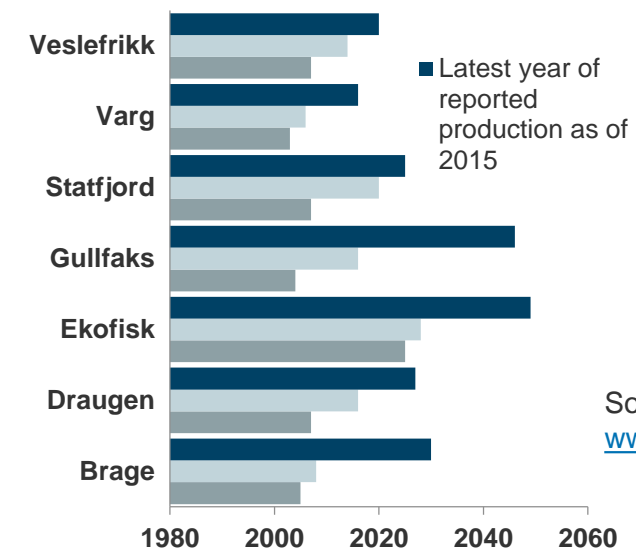
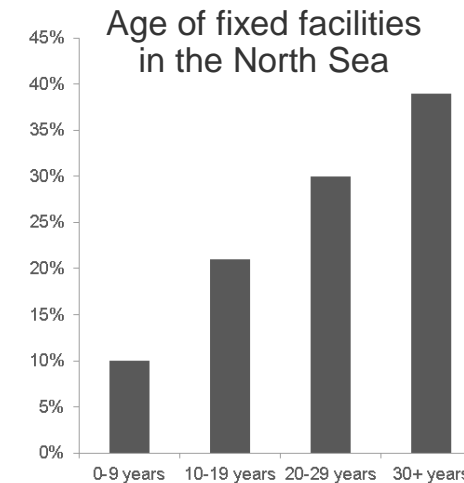


P90, P50 and P10 are prospects probability of moving to a tender.

Source: Prosafe

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

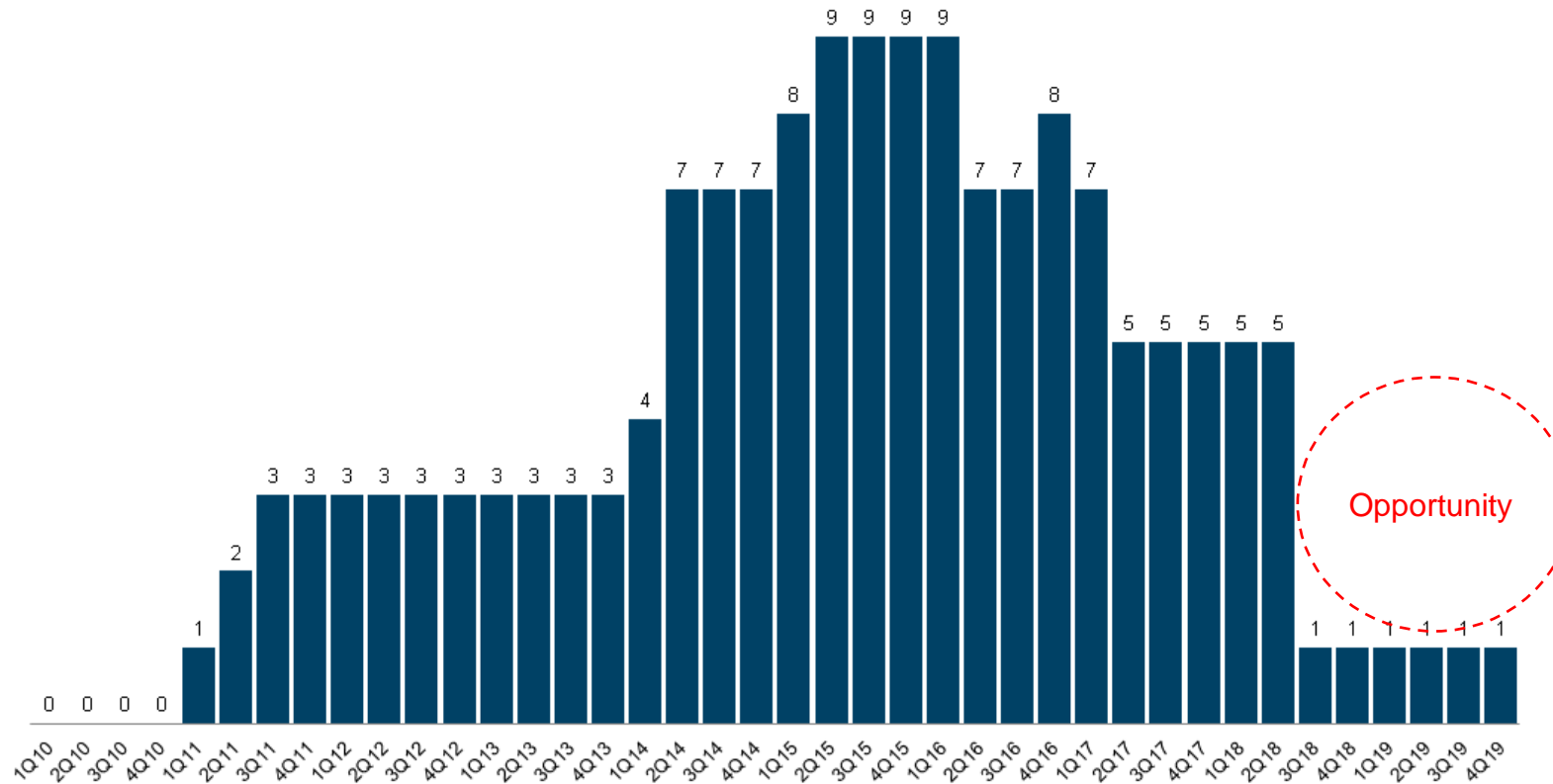


Source:
www.norskipetroleum.no

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

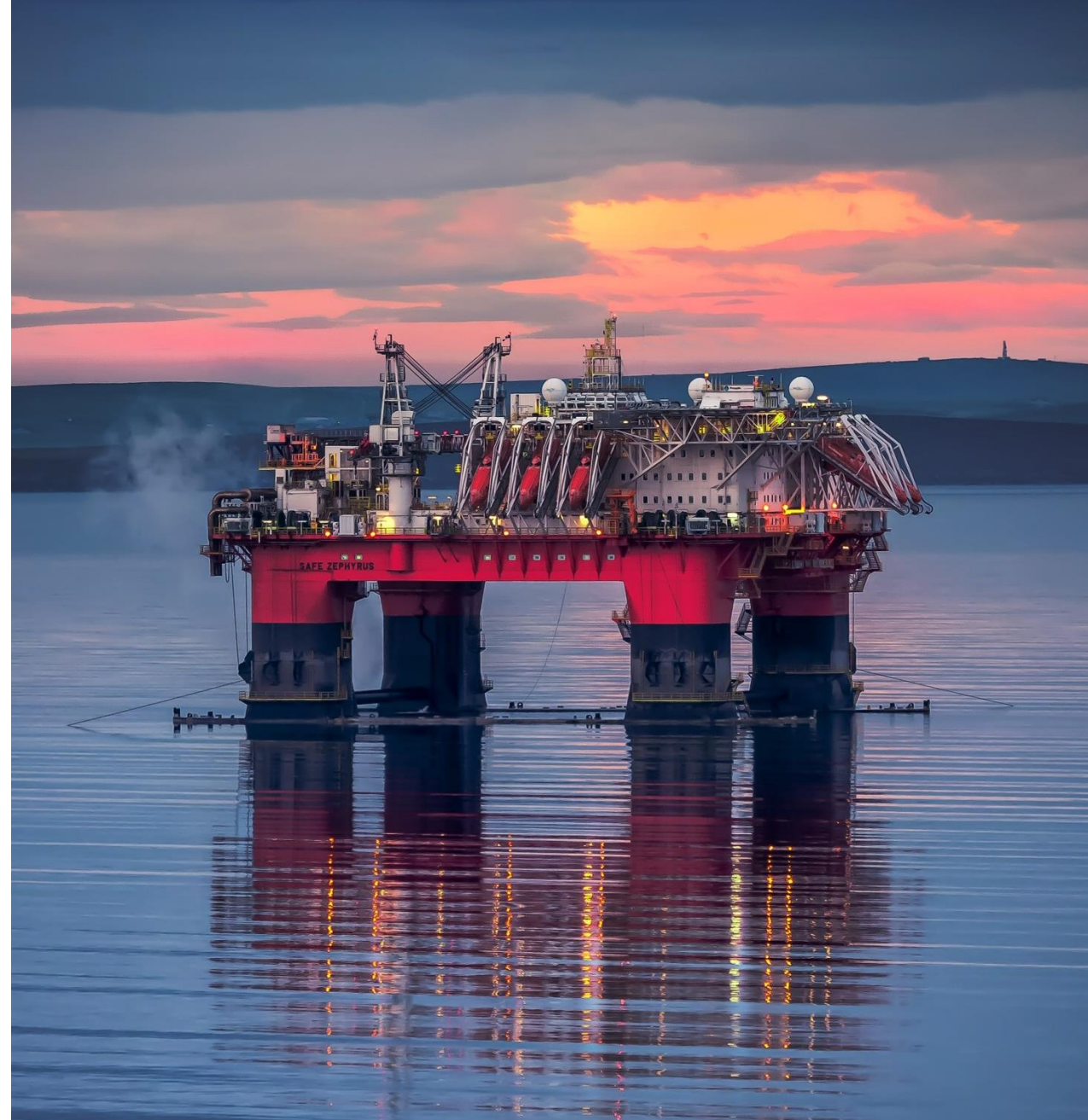
Mexico expected to return to a strong market longer term

- Mexico remains a major oil producer
- At the peak of the flotel market, around 9000 POB was 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



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- Utilisation of 38.9 per cent in the quarter (52%)
- Safe Boreas commenced firm 13 month contract early-August
- Good activity indicators in Americas
- Delivering on cost and capex reductions. Focus on continuous improvement remains
- Continue to be proactive in industry restructuring
- No Lost Time Injury (LTI) in the quarter



Appendix

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