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DNB Oil, Offshore & Shipping Conference 2018

- Stig H. Christiansen, Deputy CEO and CFO

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

- Prosafe in brief
- Adapting to the downturn and focus on positioning
- Outlook
- Summary



This is Prosafe

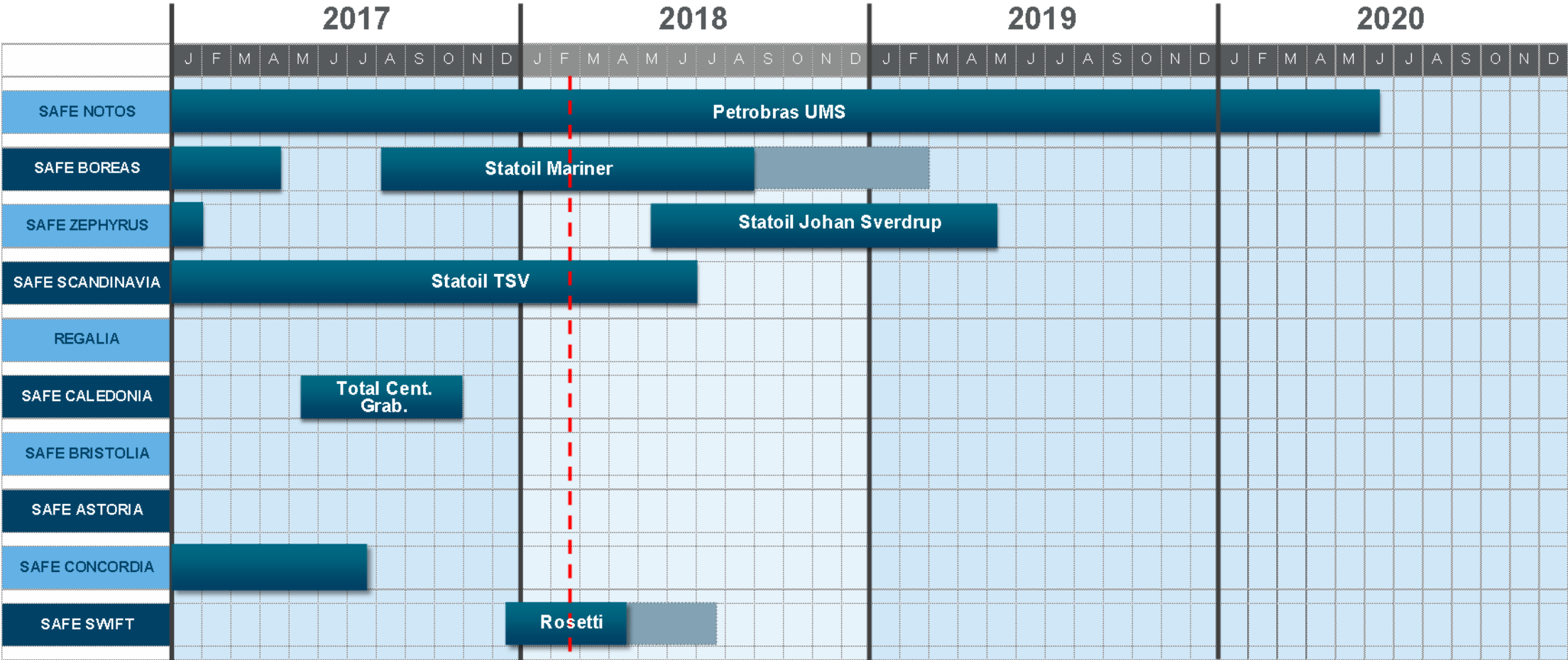


- The world's most diversified fleet of 8 semi-submersible accommodation-, service- and safety vessels and one TSV vessel
- Headquartered in Cyprus, offices in Brazil, Mexico, UK, Norway and Singapore
- Roughly 550 employees



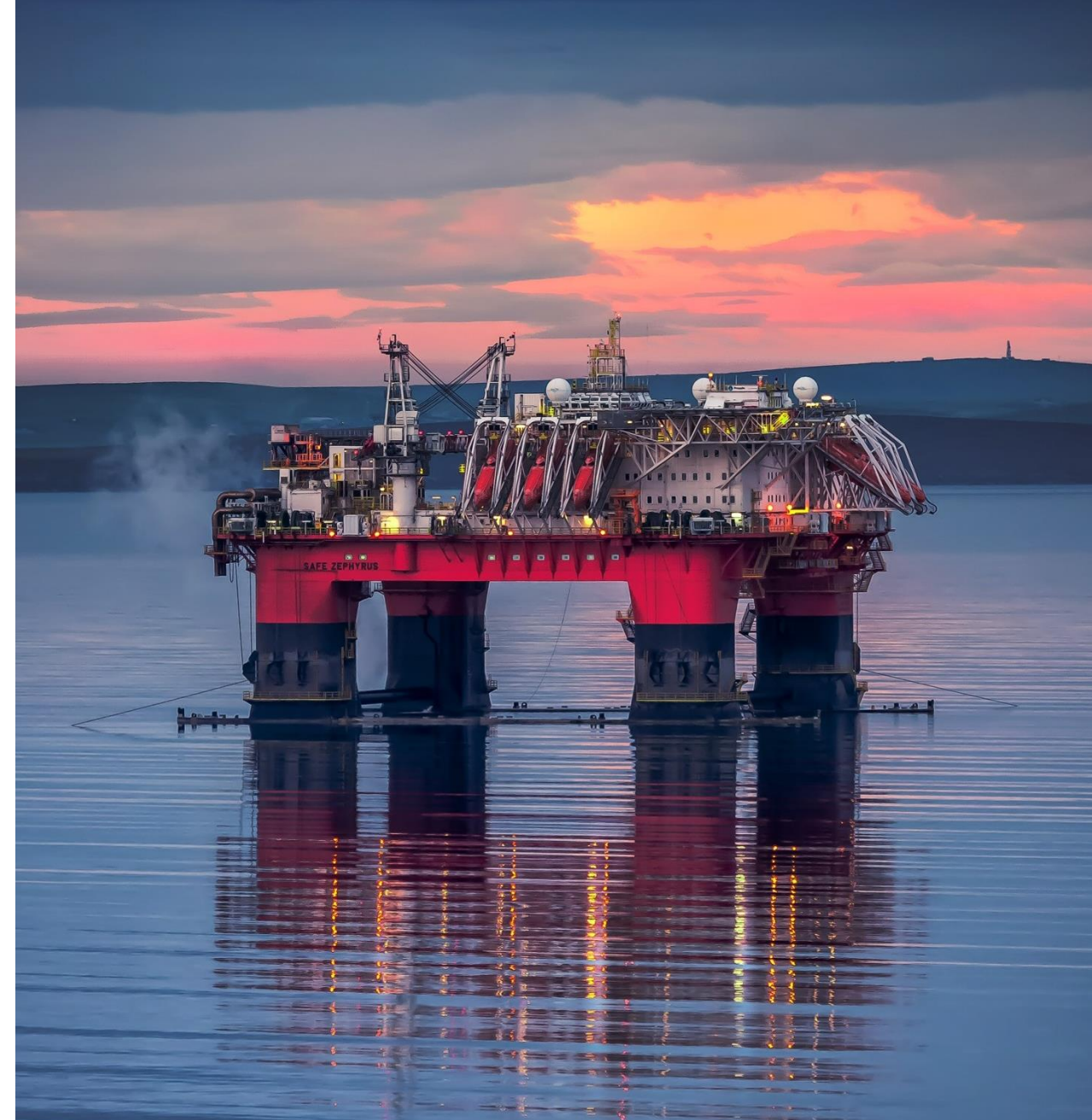
- ★ Current operations
- ★ Stacked vessels
- ★ Newbuild vessels
- Headquarters
- Offices

Contract status



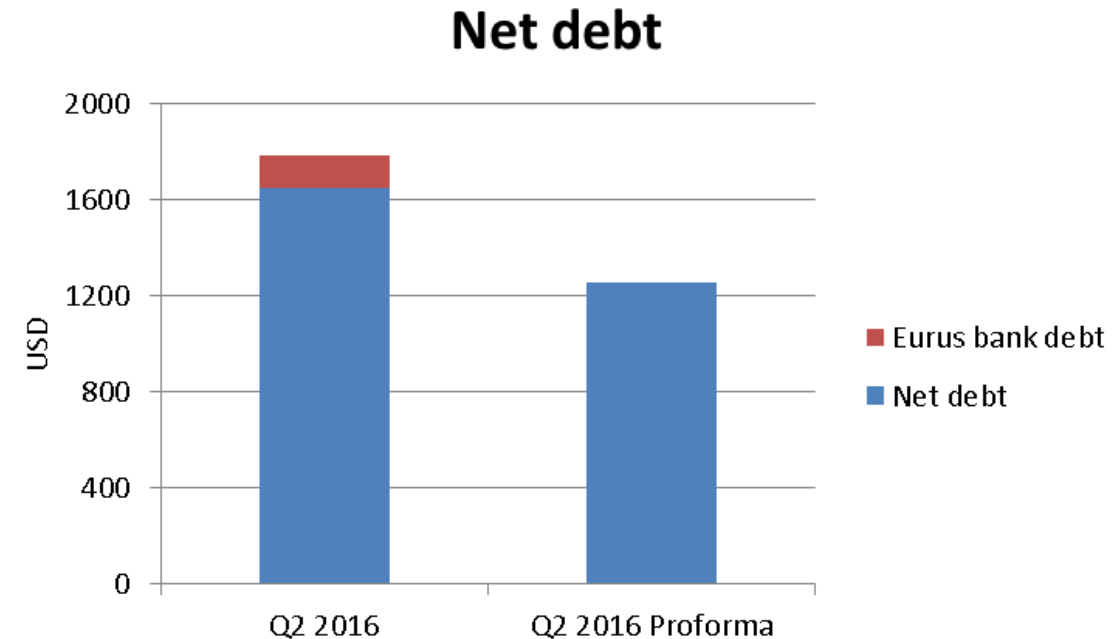
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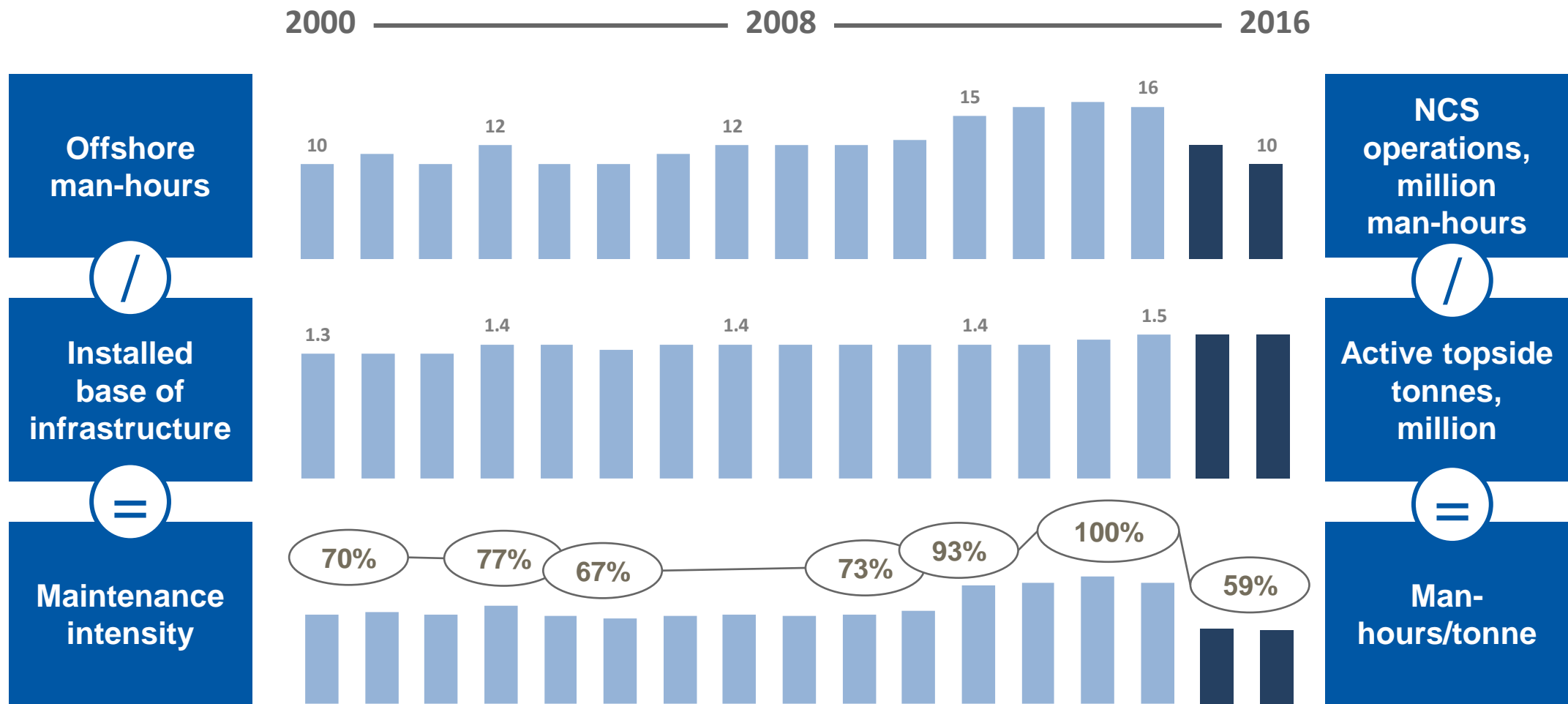


Restructured: “A billion dollar runway” secured through 2020

- Improved cash flow 2017-2020 of more than USD 1 billion from
 - Reduction of debt/new build investment USD 530 million
 - USD 290 mill bonds converted
 - USD 105 mill in equity proceeds
 - USD 135 mill in reduced Eurus commitment
 - Reduction of amortisation of USD 470 million
 - Interest saving from swap restructuring of approx. USD 23 mill



But, MMO intensity significantly down

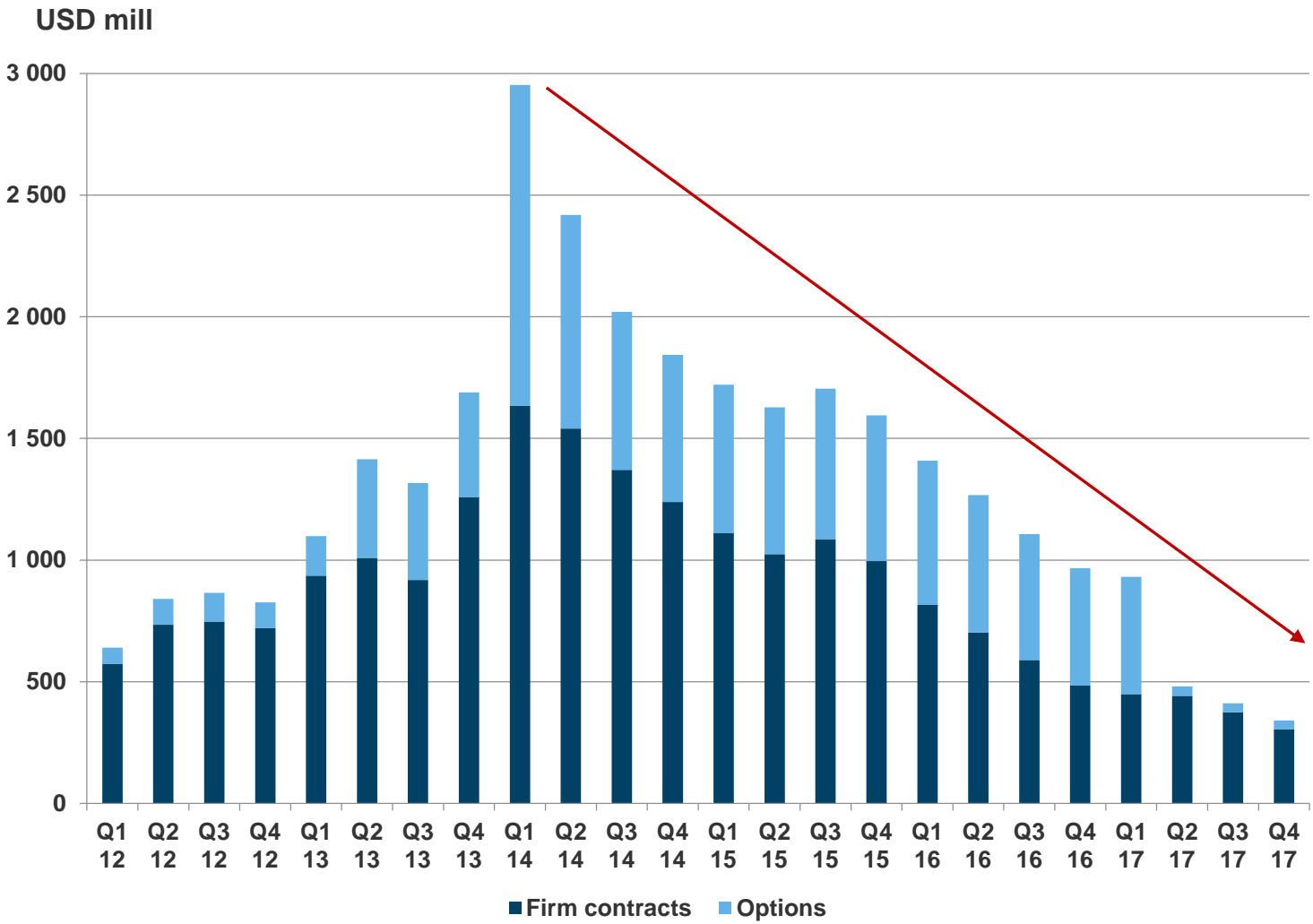


Maintenance intensity significantly down with the MMO-market as victim

Source: Rystad Energy

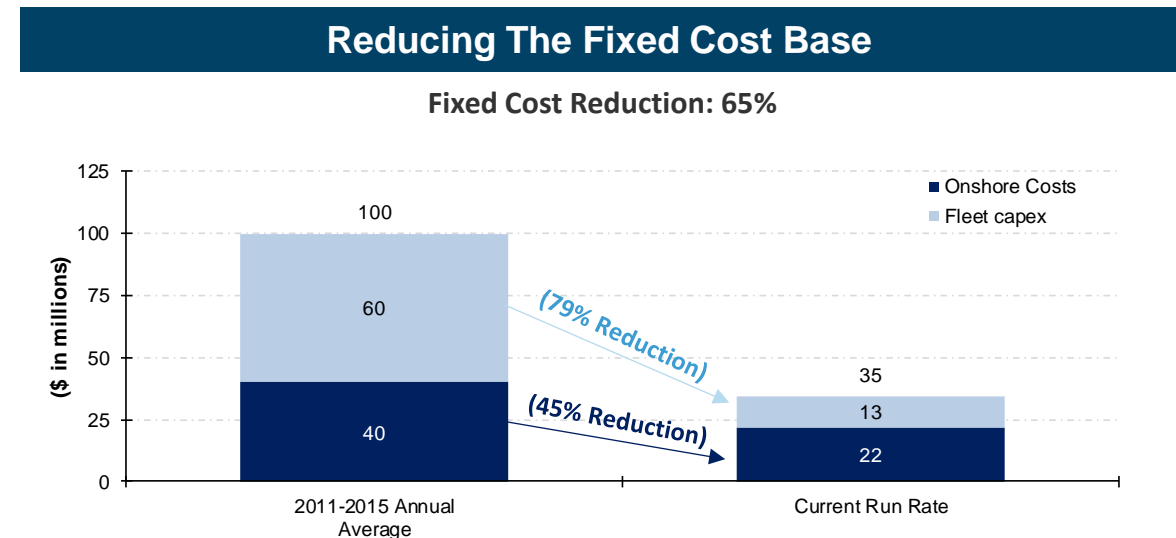
Prosafe has consequently seen its backlog deteriorate

Since the restructuring, the backlog fell from USD 1.4 billion to USD 340 million



Adapting to the downturn - significant reduction in costs

- Prosafe has operated with a resilient focus on reducing costs across the organisation since the downturn started
 - Reduced onshore operating costs by ~45%
 - Reduced onshore headcount by ~ 50%
 - Reduced vessel operating costs by 20%-40%
 - Reduced stacking costs by 30%-50%
- Operating as efficiently and as lean as possible, while maintaining market leading safety and operating metrics



Right-sizing and fleet renewal

- Right-sizing: Scrapped five vessels since June 2016
- Fleet renewal:
 - 3 new vessels on water and contract
 - 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 early April 2018
 - 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 all opportunities for strategic positioning

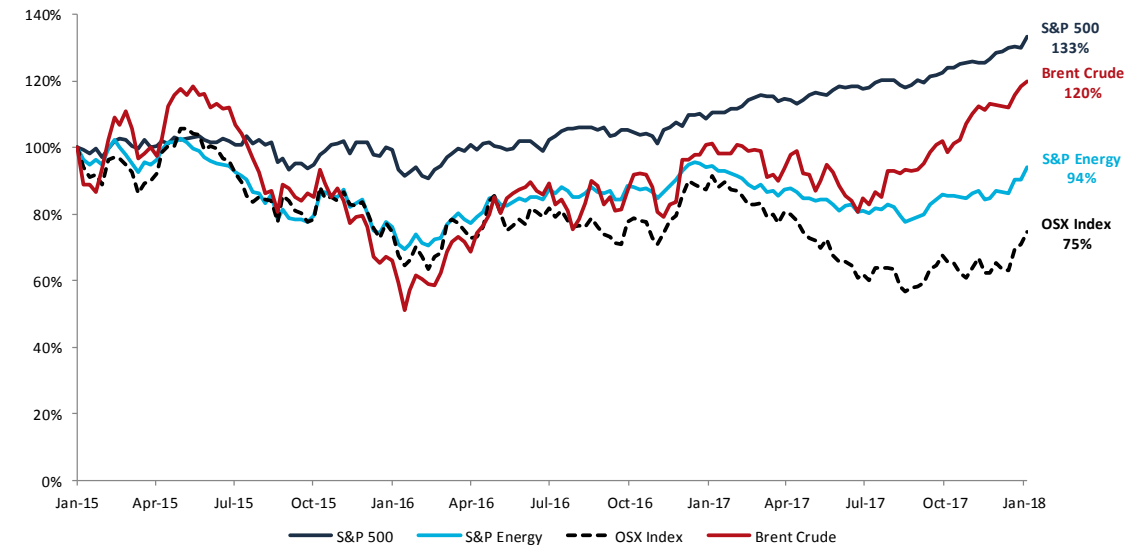
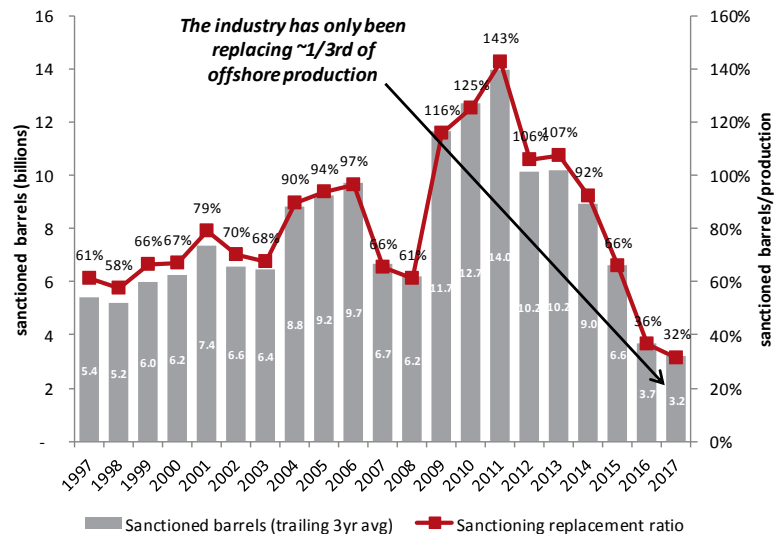
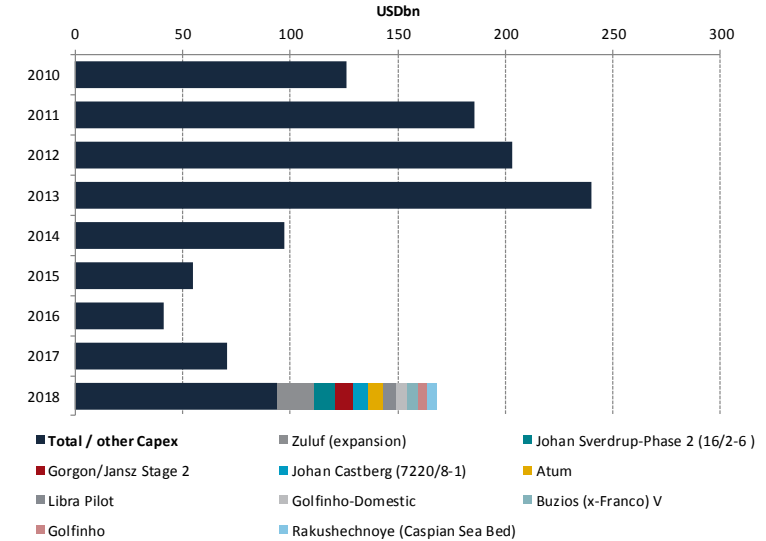
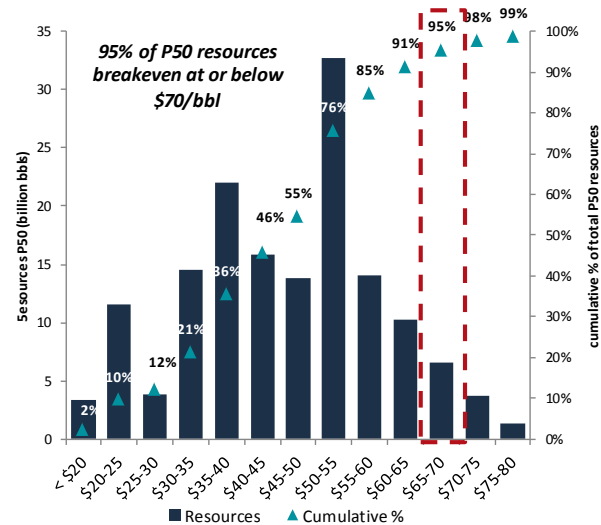


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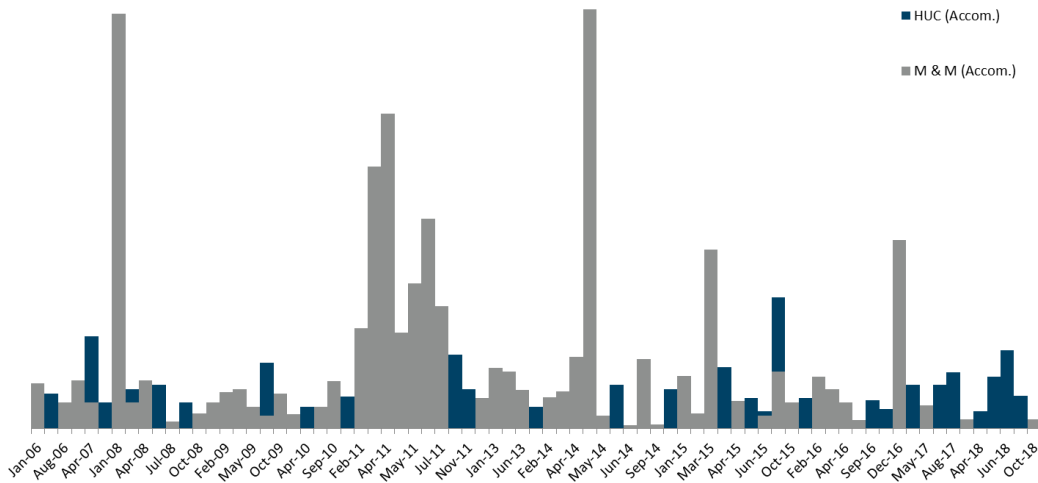


Positive macro indicators



NS Hardest Hit: From MMO to HUC to..Recovery from 19'?

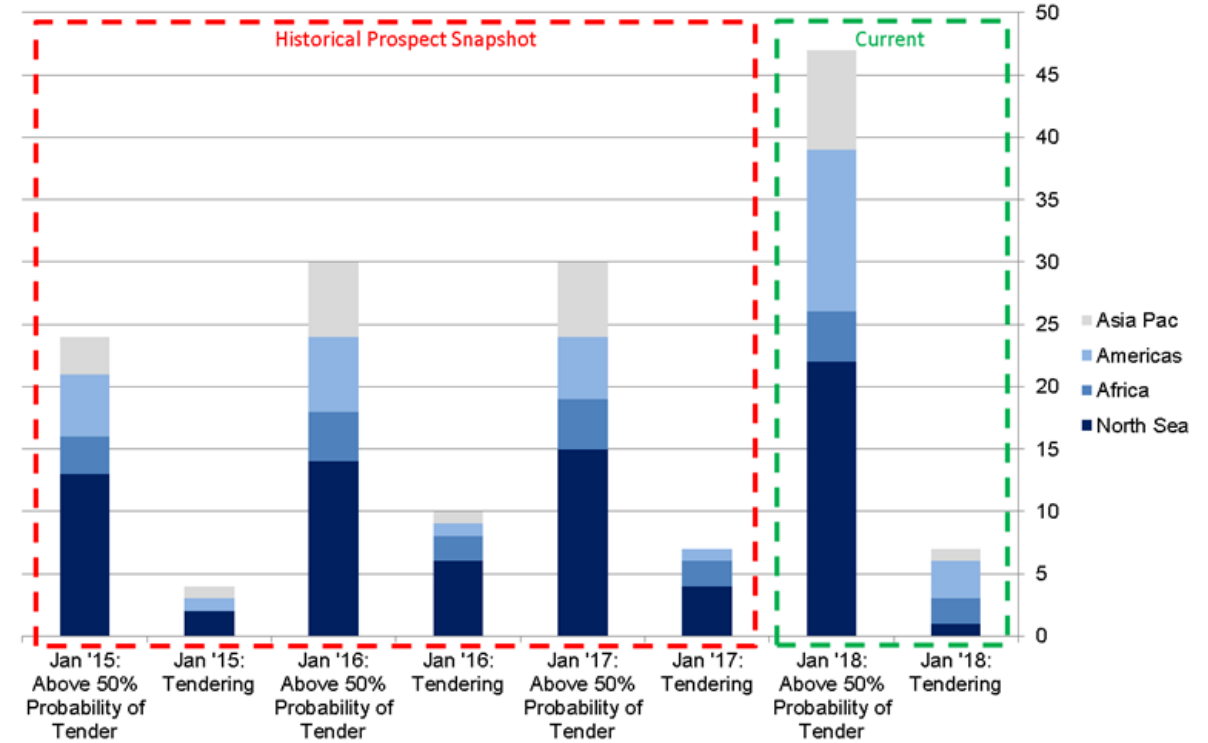
North Sea Activity Profile (months)



North Sea Activity Profile (Distribution by Duration)

- North Sea was one of the hardest hit regions during the downturn
~ 65% fall from 2013 peak
- Current activity is largely related to hook-up and commissioning (HUC) projects awarded prior to 2015

Tendering Activity – Three Year Outlook

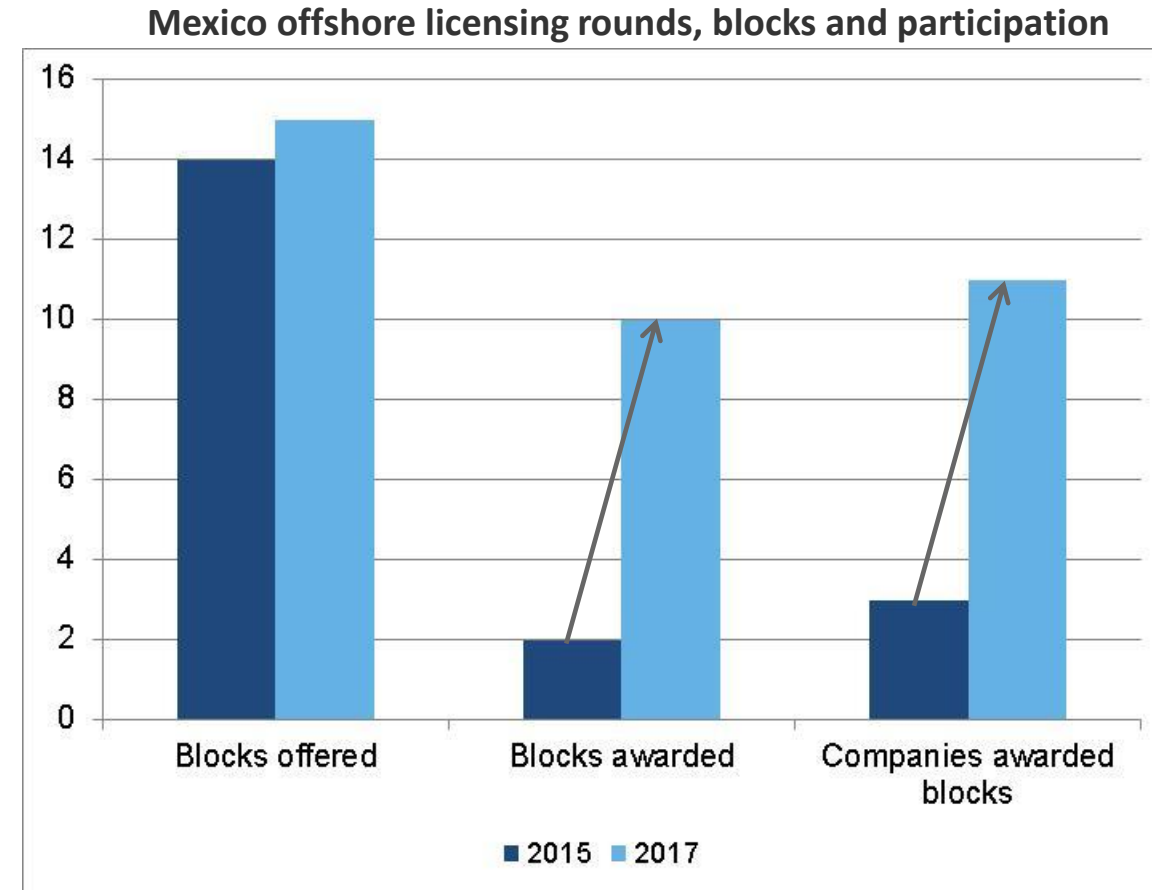


P90 and P50 are prospects probability of moving to a tender.
Source: Prosafe

International markets will be increasingly important

- Mexico

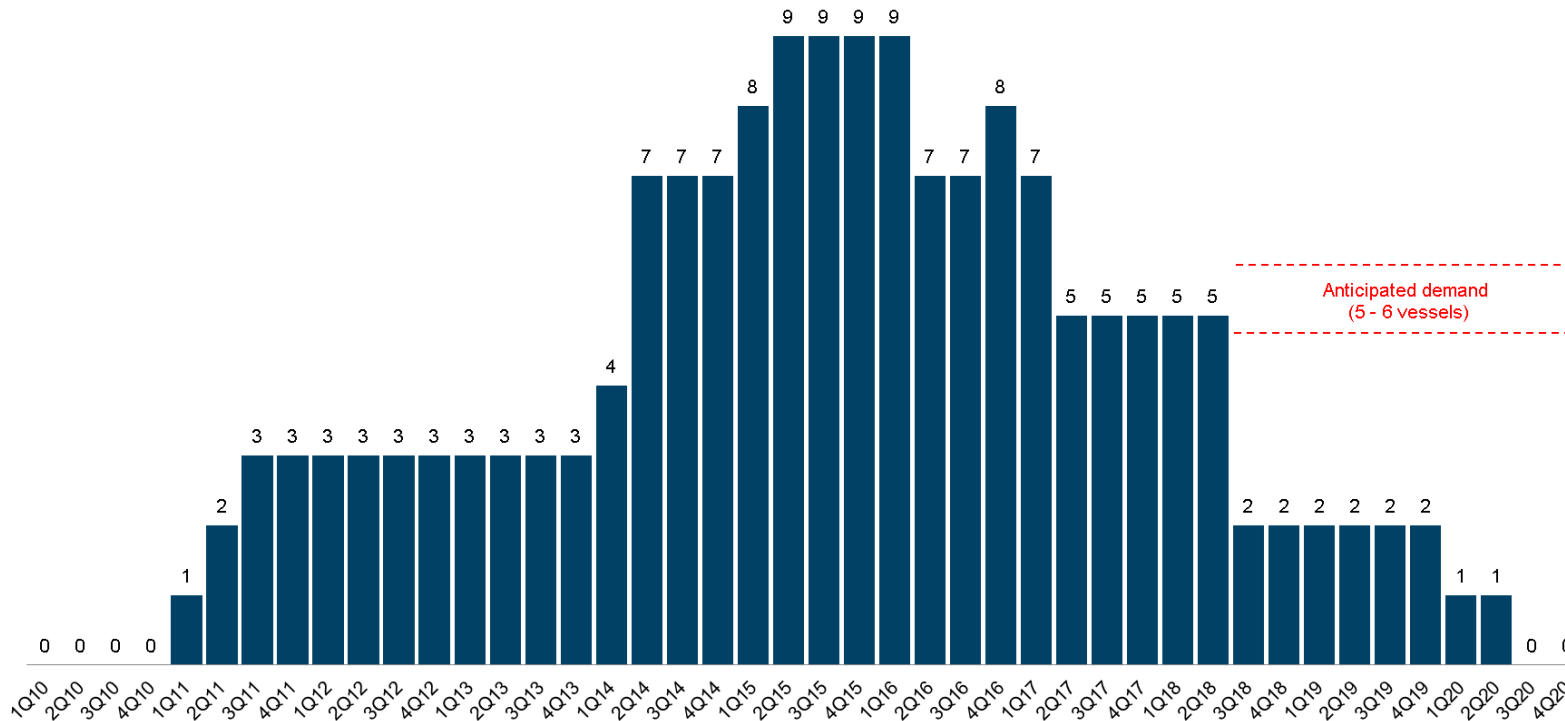
- Mexico is dominated by MMO activity
- Majority of activity is related to fixed platforms in shallow, benign waters relatively close to shore
- Although historically HUC was not a primary demand driver, this may change – although likely beyond 2020
- Supply in Mexico has been falling due to units being removed from the market



Source: SEB

Brazil - anticipate tender activity for long term

Brazil Contracted



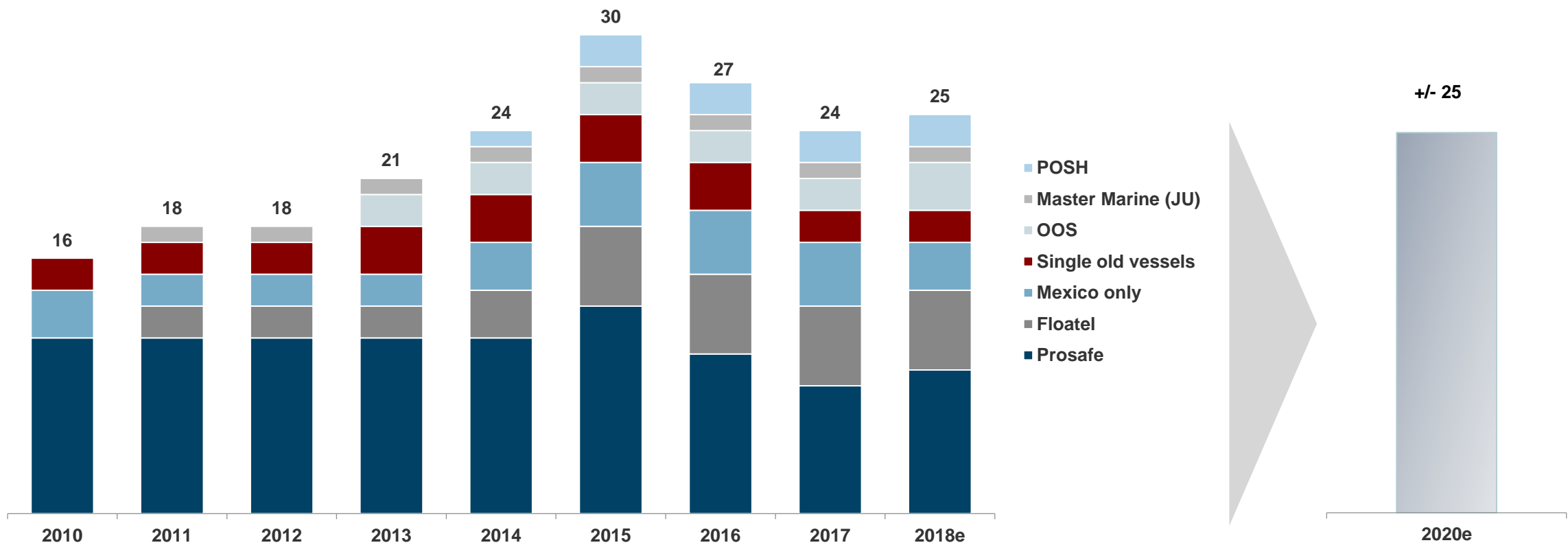
GTD: General Technical Description (minimum technical requirements)

Source: Prosafe

- Petrobras technical specifications ('GTD') have evolved substantially since 2010 – some of the highest requirements of any operator
- Anticipated that the GTD's will once again evolve for 2018 vessel intake – anticipated tender in Q2 2018
- 9 vessels with 8 owners operating in 2015, and 5 vessels with 4 owners in 2017
- Presently 5 vessels contracted, reducing to 2 vessels by mid-2018
- With demand forecasted to be in the 5-6 unit range, this may become a strong demand driver in the next 12-18 months although at market adjusted rates

Transparent competitive landscape & rebalancing towards 2020

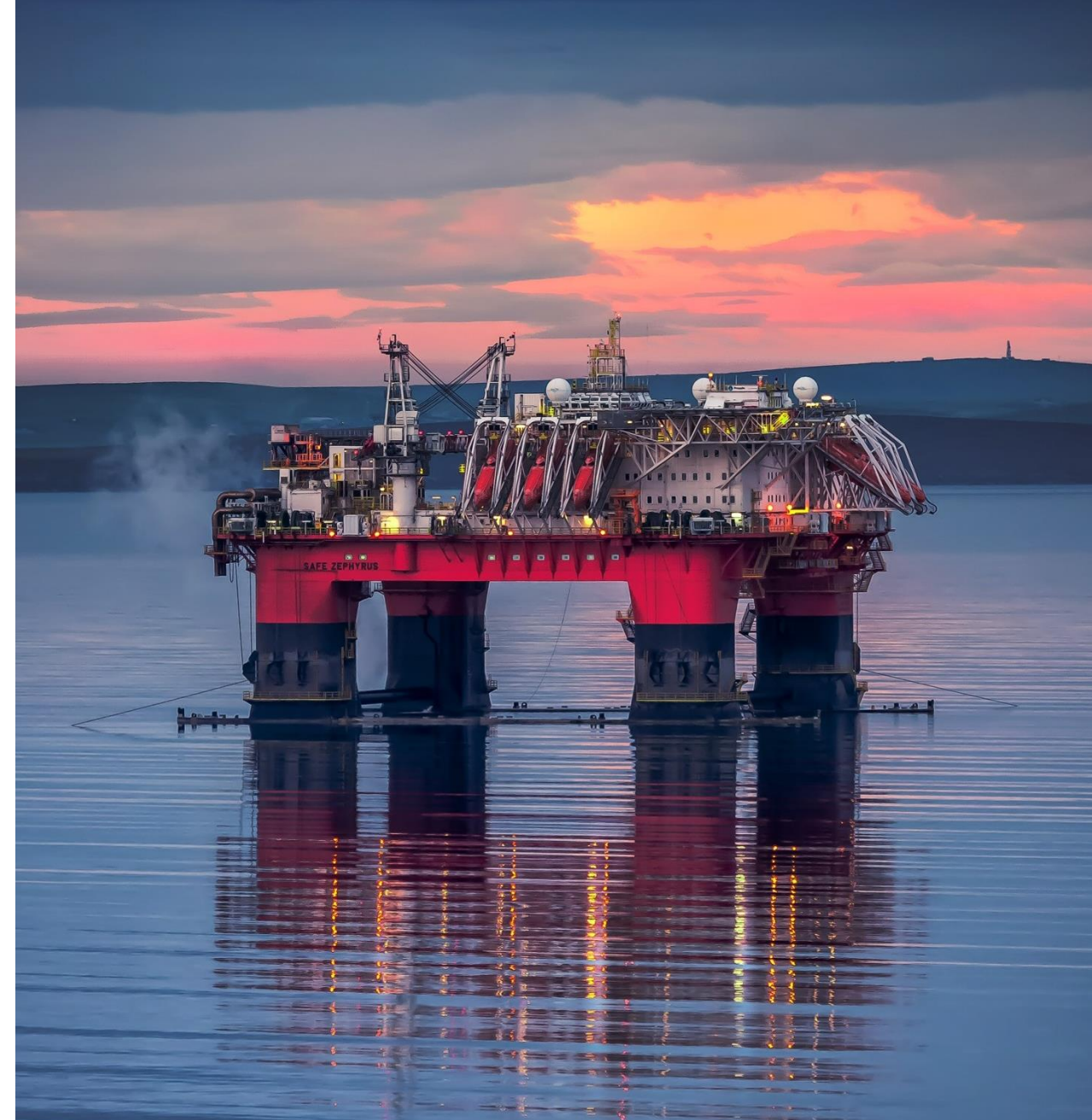
Gradually replacing the 70's and 80's built vessels with vessels from 2005 and beyond



Source: Prosafe estimates

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In sum – Focus on

- Commercial positioning
- Cash preservation (cash and spend)
- Fleet management in anticipation of market recovery
 - Fleet renewal
 - Scrapping
- Consolidation and other commercial arrangements
- Streamlined and efficient organisation



