



stx OSV

Offshore & Specialized Vessels



3Q and 9M 2011 Results Presentation

STX OSV Holdings Limited

14 November 2011

stxosv



Disclaimer

This presentation should be read in conjunction with STX OSV Holdings Limited's results for the period ended 30 September 2011 in the SGXNet announcement. Financial figures are presented according to SFRS.

This presentation may contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. As these statements and financial information reflect our current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You are cautioned not to place undue reliance on these forward looking statements, which are based on the Company's current view of future events.



■ Agenda

- Business update
- Financial highlights
- Outlook





Key messages

- **Revenue** of NOK 9,291 million for 9M 2011, up 12% from NOK 8,309 million in 9M 2010
- **EBITDA** of NOK 1,478 million for 9M 2011, up 60% from NOK 922 million in 9M 2010
- **EBITDA margin**, representing EBITDA to total operating revenues, increased to 15.9% for 9M 2011, from 11.1% in 9M 2010
- **Order intake** of NOK 809 million in 3Q 2011 falling short of expectations due to macro uncertainties. Order intake may vary significantly on a quarter-by-quarter basis
- 50 vessels in the **order book**¹⁾ as at 30 September 2011, of which 37 of own design
- **Strong financial results** expected also for the fourth quarter of 2011
- **Challenging market situation** due to unstable global economic environment, despite strong underlying fundamentals in STX OSV's core markets

1) Includes firm orders only



3Q 2011

 **Business update**

Vessel deliveries and new contracts in 3Q 2011

Vessel deliveries

2 AHTS

- Skandi Skansen from Aukra (Norway) to DOF
- Skandi Saigon from Vung Tau (Vietnam) to Aker DOF Deepwater

1 Ice-breaking tug

- Mangystau-4 from Braila (Romania) to JSC Circle Marine Invest

Five more vessels delivered since the end of 3Q 2011

New contracts

Three new vessel contracts secured in 3Q 2011

- 3 Fishing trawlers for Aker Seafoods
- Hull construction and partial outfitting in Romania, and delivery from Norway

Six more contracts secured since the end of 3Q 2011

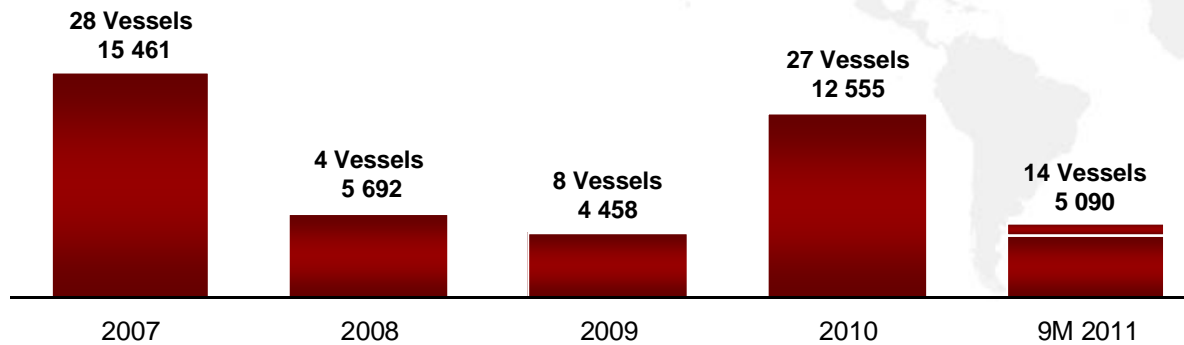
- 2 firm and 4 subject to financing

As of 30 September, the Group had 50 vessels in the order book¹⁾, 37 of which will be of STX OSV's own design.

1) Includes firm orders only

Order book development

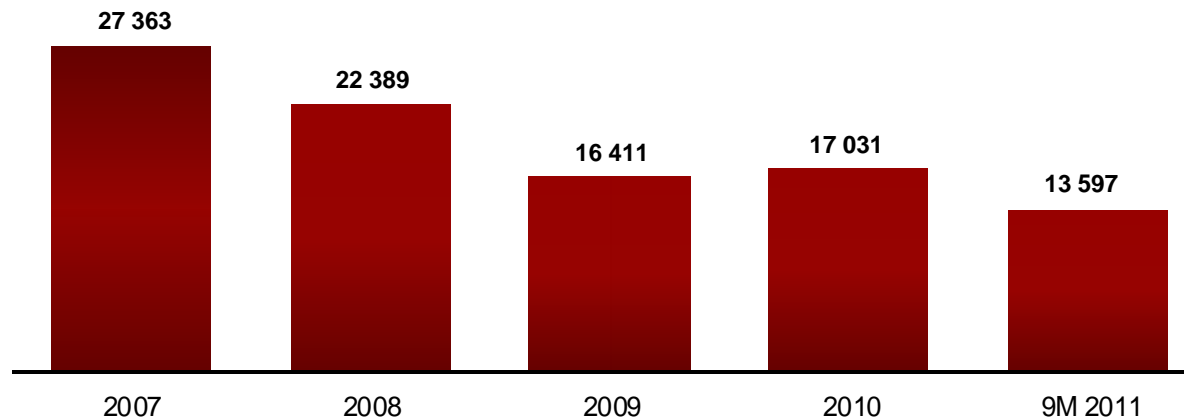
New order intake during the period (NOK million)¹⁾



3Q 2011: NOK 809 million
1H 2011: NOK 4 281 million

Note: Includes firm orders only

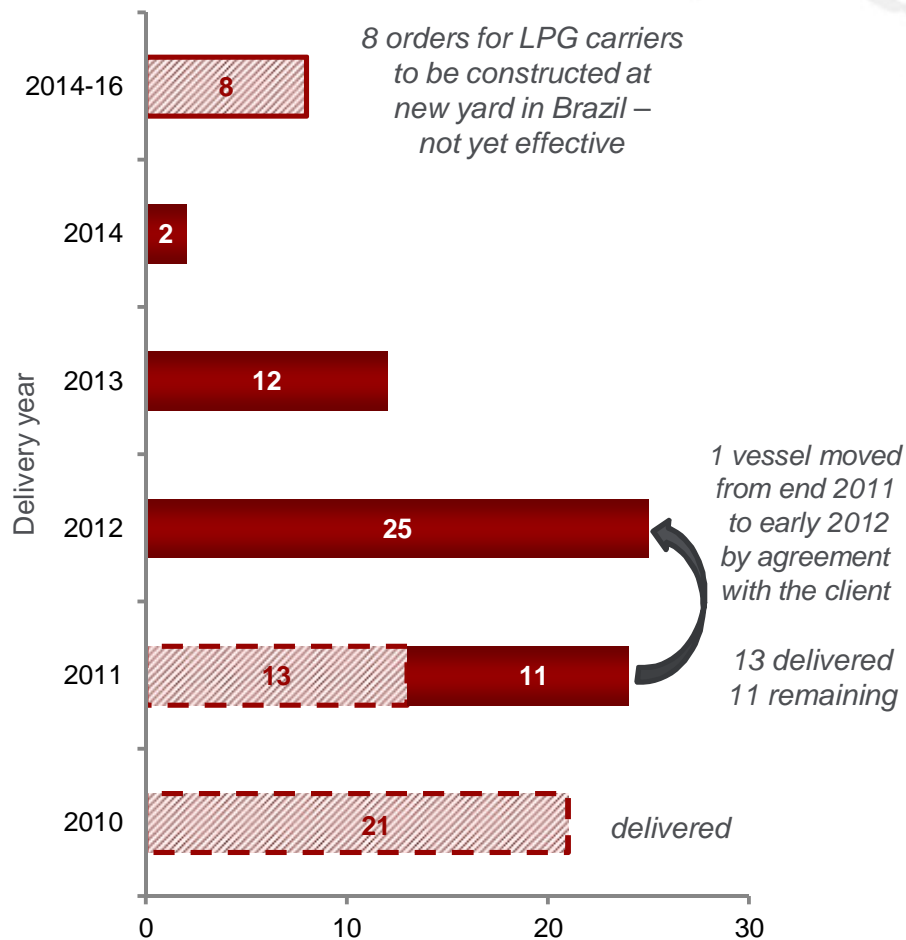
Order book at the end of the period (NOK million)¹⁾



1) Includes variation orders and trading packages

Order book status

Order book as of 30 Sept. 2011 (# of vessels)



Delivery year	Norway / Romania	Brazil	Vietnam	Total
2014-16		8 Other		8
2014		1 AHTS		2
	1 Other			
2013	2 AHTS 4 PSV	1 AHTS 1 PSV	2 PSV	12
	2 Other			
2012	16 PSV 1 OSCV 2 Other	2 AHTS 2 PSV	1 AHTS 1 PSV	25
2011	5 PSV 1 OSCV 3 Other	1 AHTS	1 AHTS	11

Note: Includes firm orders only

Order book by region and vessel type – 3Q 2011

By Region	Order book 30 June 2011	Deliveries 3Q 2011	Order intake 3Q 2011	Order book 30 Sept. 2011
Norway / Romania	36	2	3	37
Brazil	8	-	-	8
Vietnam	6	1	-	5
Total	50	3	3	50

By Vessel Type	Order book 30 June 2011	Deliveries 3Q 2011	Order intake 3Q 2011	Order book 30 Sept. 2011
AHTS	11	2	-	9
PSV (incl. MRV)	31	-	-	31
OSCV	2	-	-	2
Other	6	1	3	8
Total	50	3	3	50

Note: Includes firm orders only



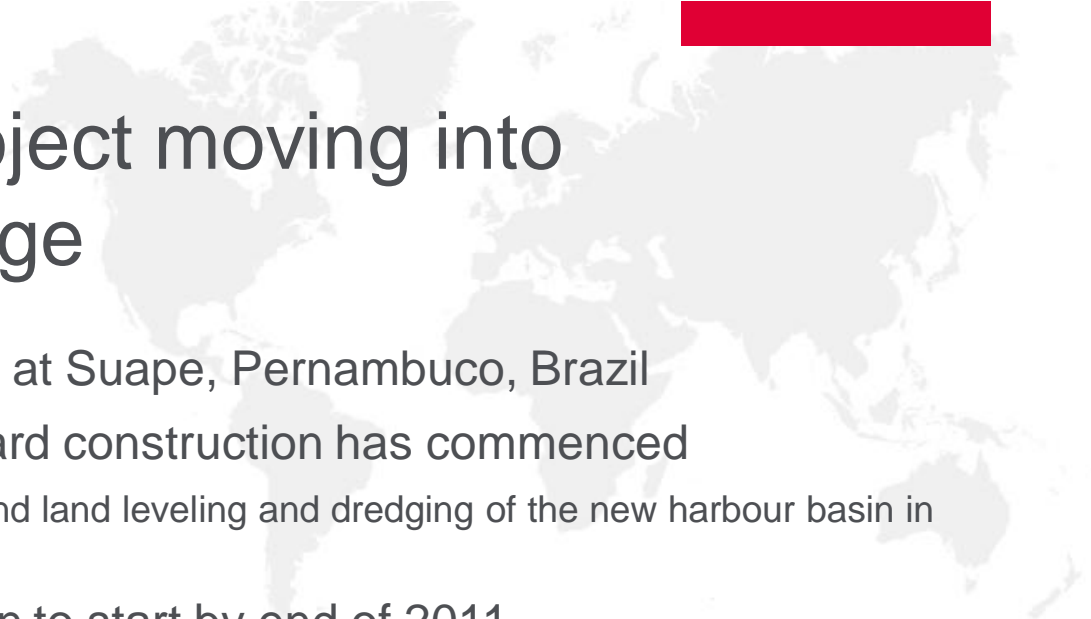

■ Strong operational performance

- Continued stable operations, successful project execution, improved productivity, and still favourable business environment
 - Resulting in exceptional financial results
- Successful and on-time deliveries of highly complex projects
 - All vessels delivered year-to-date on time or within contractually agreed grace period
 - One vessel coming for delivery in 4Q 2011 with minor delay
- Strong financial results expected to persist throughout 2011



■ Challenging market situation

- New order intake in 3Q 2011 falling short of own expectations
 - Healthy level of order inquiries, but challenging to convert into firm orders
- Delays mainly due to macroeconomic uncertainties, not fundamentals in the offshore market
 - Clients and lenders more risk averse
 - Concerns over global economic outlook
 - Currency volatility
 - Shipowners' access to financing
- Financing currently also influenced by uncertainty related to Norway's government-supported export credit institution Eksportfinans
 - Doubts raised over future availability of competitive long term financing from Eksportfinans to shipowners as a result of regulatory changes
 - STX OSV expects the issue to be resolved with limited impact on future business prospects



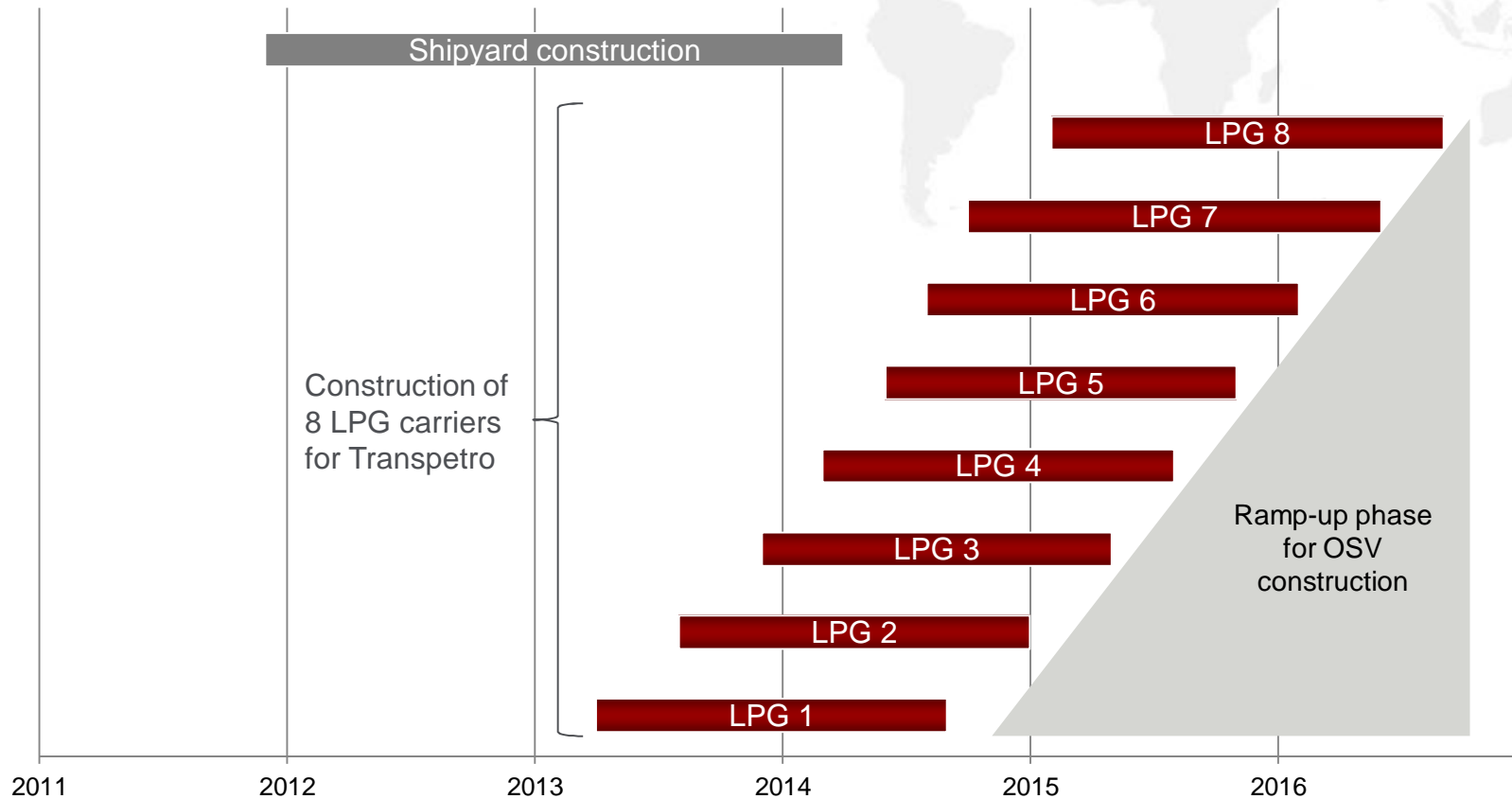
Brazil new yard project moving into implementation stage

- New shipyard development at Suape, Pernambuco, Brazil
- Preparatory work for shipyard construction has commenced
 - Land clearing started in August, and land leveling and dredging of the new harbour basin in October
- Actual shipyard construction to start by end of 2011
 - Major works contracts signed and in force
 - Construction period until 1Q 2014; however, shipbuilding projects scheduled to be gradually ramped up already from 2013
- Contracts with Transpetro for construction of 8 LPG carriers scheduled to be made effective on or around 17 November 2011
 - Triggering first down payment, and start of the construction and delivery schedule
 - Focus on risk management in order to ensure timely delivery according to contractual schedule
- Financing for yard construction and Transpetro project is in place
 - Financing of capex increase for yard construction (as announced in 2Q 2011) currently being finalized

■ New shipyard at Suape, Pernambuco, Brazil

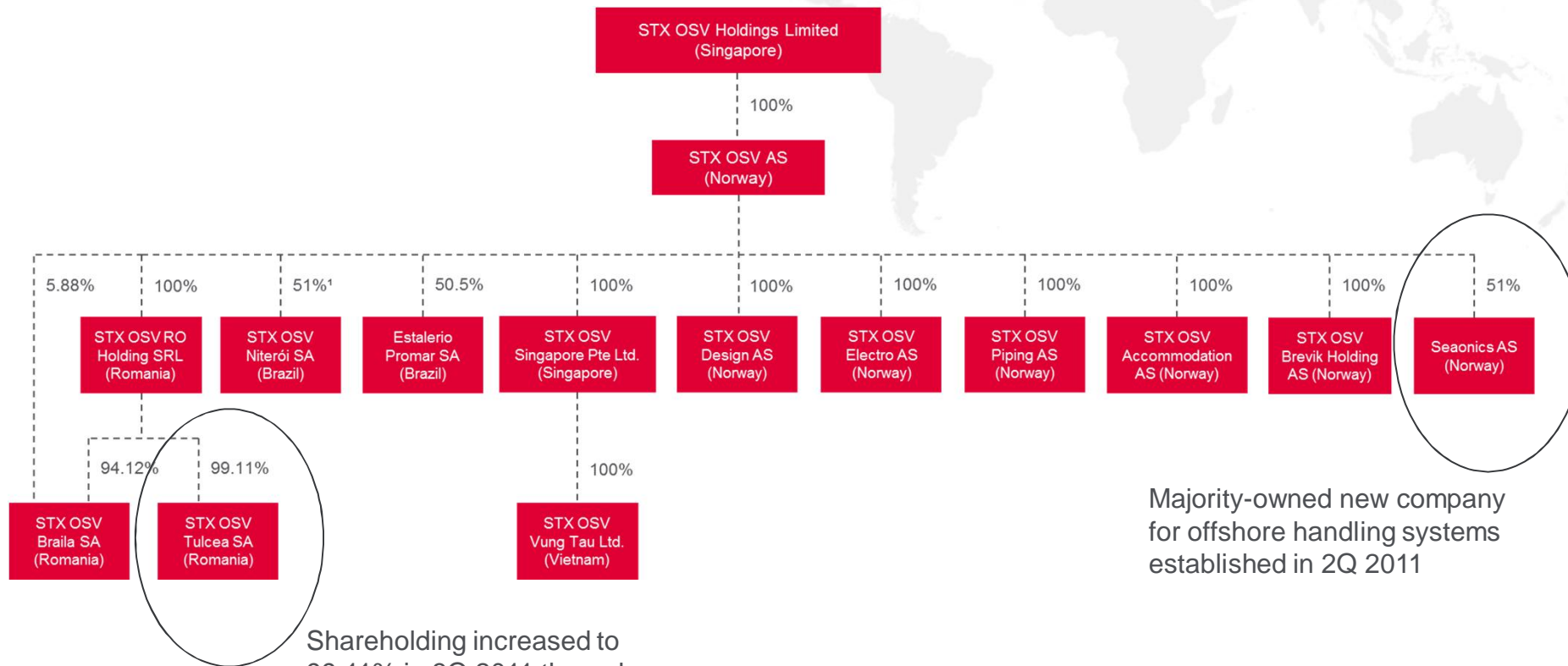


Revised schedule for new yard construction and Transpetro orders



Note: Tentative schedule

Update on corporate structure



Majority-owned new company for offshore handling systems established in 2Q 2011

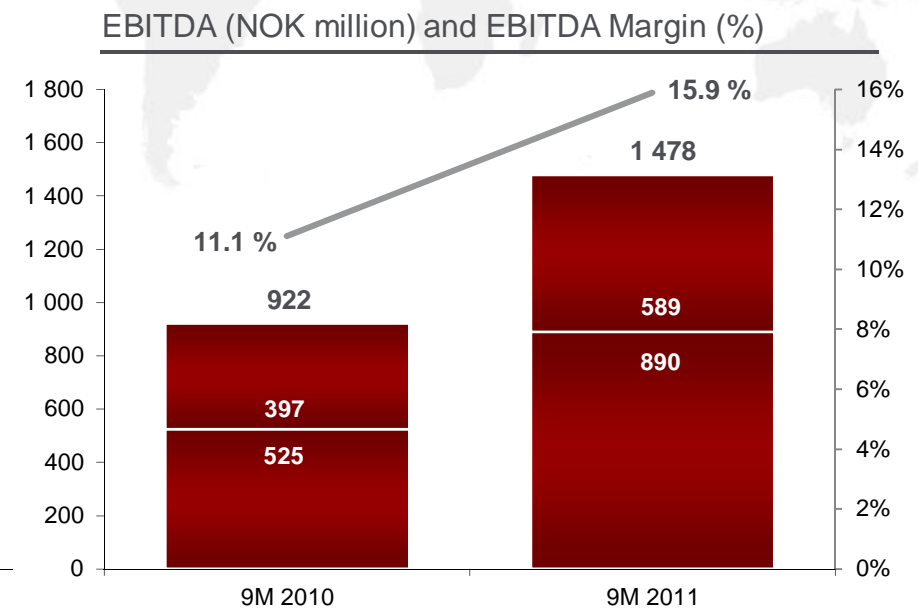
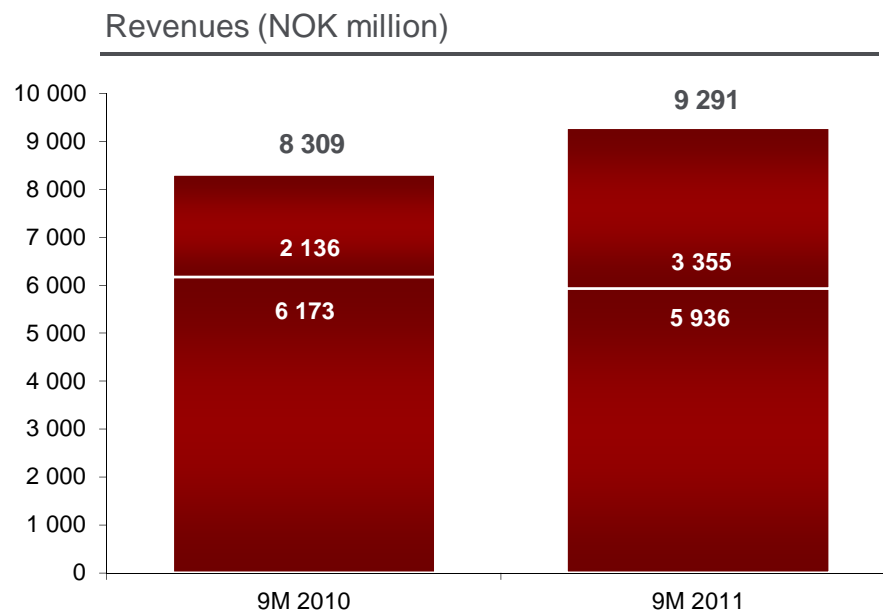
1) 100% voting rights



3Q 2011

Financial highlights

Strong margins and revenues

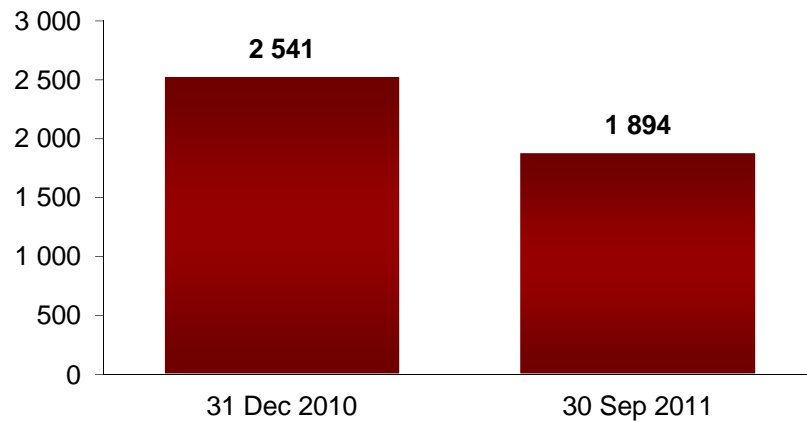


Statement of income – major items

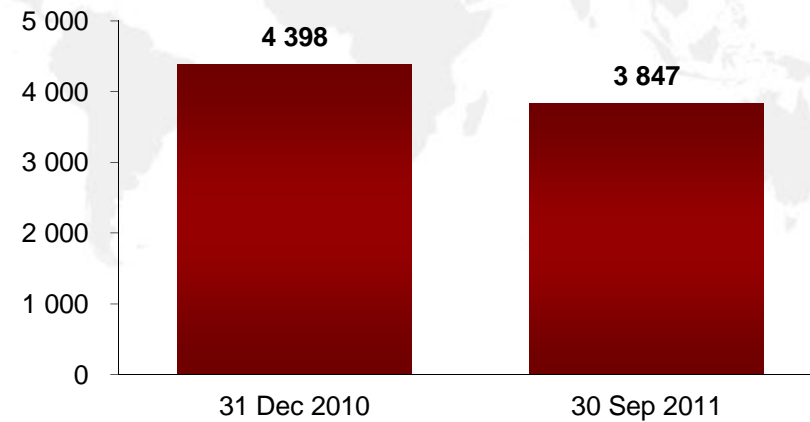
(NOK million)	3Q ended 30 September		D(%)	9M ended 30 September		D(%)
	2011	2010		2011	2010	
Revenue	3 355	2 136	57%	9 291	8 309	12%
Materials, subcontract cost and others	(2 209)	(1 269)	74%	(6 140)	(5 812)	6%
Salaries and related costs	(414)	(360)	15%	(1 291)	(1 218)	6%
EBITDA	589	397	48%	1 478	922	60%
<i>EBITDA %</i>	<i>17.6%</i>	<i>18.6%</i>	<i>n/m</i>	<i>15.9%</i>	<i>11.1%</i>	<i>n/m</i>
Operating profit	557	366	52%	1 385	831	67%
Net financial income / (cost)	(19)	(28)	-33%	(15)	300	n/m
Profit before tax	541	340	59%	1 385	1 135	22%
Profit for the period	376	154	144%	962	740	30%

Cash and cash equivalents, and construction loans

Net Cash (NOK million)¹

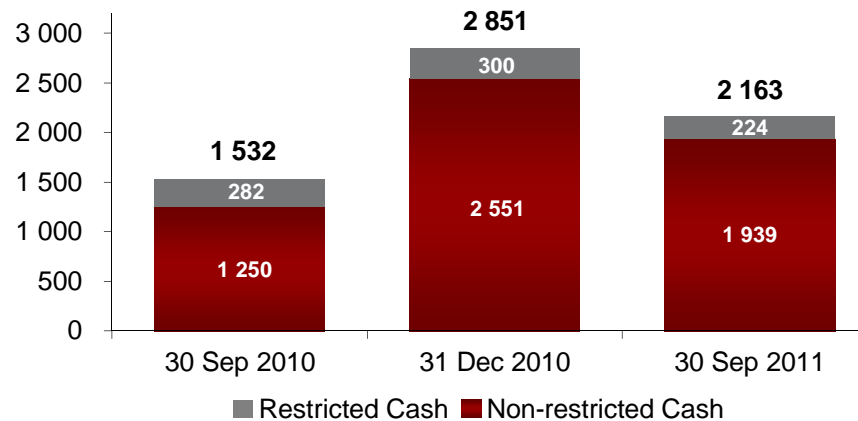


Construction Loans (NOK million)



(1) Cash and cash equivalents less sum of short-term and long-term interest bearing liabilities, excluding construction financing

Cash and Cash Equivalents (NOK million)



Major balance sheet items

(NOK million)	As at	
	30 September 2011	31 December 2010
Non-current assets	1 719	1 668
Current assets	12 261	10 585
Total assets	13 980	12 253
Total equity	2 896	2 418
Loans and borrowings and construction loans	3 873	4 442
Trade and other payables and construction work in progress	5 689	4 324
Other current liabilities	1 029	471
Interest-bearing long-term liabilities	243	266
Other non-current liabilities	250	332
Total liabilities	11 084	9 835
Total equity and liabilities	13 980	12 253

Cash flow highlights

(NOK million)	3Q ended 30 September		9M ended 30 September	
	2011	2010	2011	2010
Cash flows from operating activities	182	206	5	155
Cash flows from investing activities	(29)	(104)	(119)	(128)
Cash flows from financing activities	(296)	195	(494)	(33)
Net change in cash and cash equivalents	(143)	297	(608)	(6)
Cash and cash equivalents excluding restricted cash at the beginning of the financial period	2 074	964	2 551	1 267
Effects of currency translation differences	8	(11)	(4)	(11)
Cash and cash equivalents excluding restricted cash at the end of the financial period	1 939	1 250	1 939	1 250
Restricted cash at the end of financial period	224	282	224	282
Cash and cash equivalents at the end of the financial period	2 163	1 532	2 163	1 532

Earnings per share

	3Q ended 30 September		9M ended 30 September	
	2011	2010	2011	2010
Earnings for the period (NOK millions)	374	152	956	736
Earnings for the period (SGD millions)	83	34	213	166
Weighted average number of shares (millions)	1 180	1 000	1 180	1 000
Earnings per share (NOK)	0.32	0.15	0.81	0.74
Earnings per share (SGD cents)	7.07	3.43	18.06	16.58
Adj. weighted average number of shares (millions)	1 180	1 000	1 180	1 000
Diluted earnings per share (NOK)	0.32	0.15	0.81	0.74
Diluted earnings per share (SGD cents)	7.07	3.43	18.06	16.58
Exchange rates (SGD/NOK)	4.485	4.441	4.485	4.441

Note: Earnings per ordinary share for the financial period attributable to equity holders of the parent.
 SGD amounts are translated from NOK based on the exchange rates prevailing at the reporting dates.

Net asset value per share

	As at	
	30 September 2011	31 December 2010
Net asset value at the end of the period (NOK millions)	2 874	2 378
Net asset value at the end of the period (SGD millions)	641	521
Number of shares (millions)	1 180	1 180
Net asset value per ordinary share (NOK)	2.44	2.02
Net asset value per ordinary share (SGD)	0.54	0.44
Exchange rate (SGD/NOK)	4.485	4.565

Note: Net asset value at the end of the financial period, and at the end of the last financial year, attributable to equity holders of the parent.

SGD amounts are translated from NOK based on the exchange rates prevailing at the reporting dates.



3Q 2011

 Outlook



Outlook

- Strong fundamental market outlook for STX OSV's core products and markets
 - Projects under discussion within all vessel segments
 - High activity level in Norwegian / North Sea offshore market, as well as Brazil
- However, visibility on new order intake for the time being is clouded by the unstable global economic environment
 - Shipowners' access to financing a key concern
- Revenues for FY2011 are anticipated to be not less than FY2010. Strong financial results expected for FY2011
- STX OSV believes it is fundamentally well-positioned to seize opportunities in the market

3Q 2011

Q&A

