

"World leading Offshore company - founded on a boy's dream"

Havila Shipping ASA 4th Quarter 2015

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01.03.2016



Highlights

- Cost cutting program initiated
- Lay up of two AHTS vessels
 - Havila Mars from October
 - Havila Neptune from November
- Havila Princess & Havila Faith terminated by Petrobras
- Restructuring agreement with bank signed within year end 2015
 - turned down by bond owners
- Impairment amounting to MNOK 1,388
 - Based on going concern values
- FX still influencing the numbers
 - Further weakening of NOK
- Halted payment of financial obligations
 - Trade creditors paid
- Ongoing negotiations with banks and bond owners



Summary of facts and figures Q4

Q4 15	Mill NOK	Q4 14	Mill NOK
▪ Adjustments <small>(IFRS)</small>	-38		
▪ Freight income	356	▪ Freight income	432
▪ Total income	362	▪ Total income	390
▪ EBITDA <small>(adjusted)</small>	194	▪ EBITDA <small>(adjusted)</small>	218
▪ EBITDA margin	49 %	▪ EBITDA margin	50 %
▪ adjusted			
▪ Utilization	87.8%	▪ Utilization	93.8%
Time charter fleet			



Summary of facts and figures 2015

2015	Mill NOK	2014	Mill NOK
▪ Adjustments <small>(IFRS)</small>	-39		
▪ Freight income	1 544	▪ Freight income	1 699
▪ Total income	1 567	▪ Total income	1 691
▪ EBITDA <small>(adjusted)</small>	768	▪ EBITDA <small>(adjusted)</small>	869
▪ EBITDA margin	48 %	▪ EBITDA margin	51 %
▪ <small>adjusted</small>			
▪ Utilization	90.0%	▪ Utilization	94.5%
Time charter fleet		Time charter fleet	

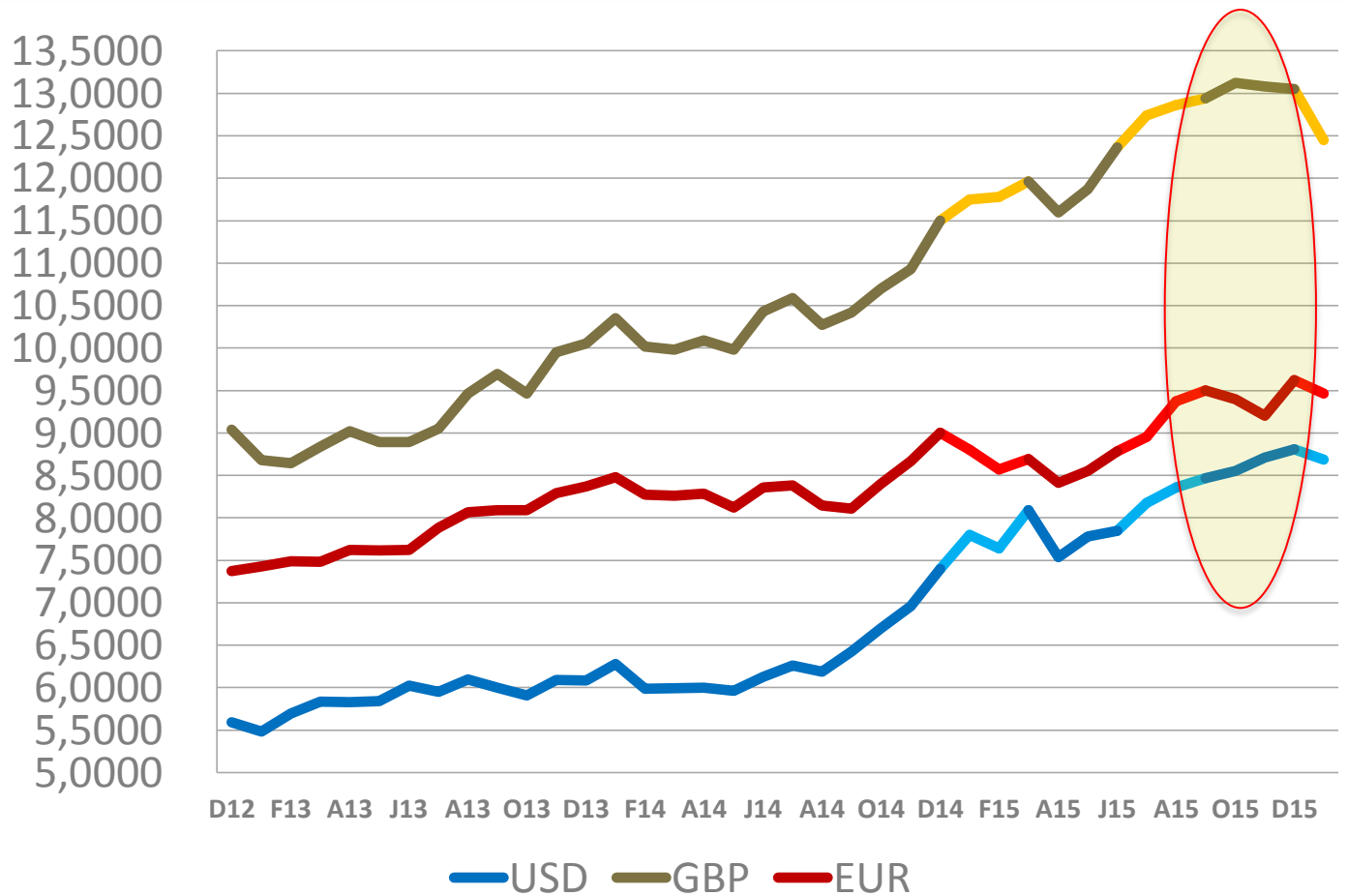


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Figures



FX exchange rates



Weaker NOK: Gives unrealized FX losses but increases future income

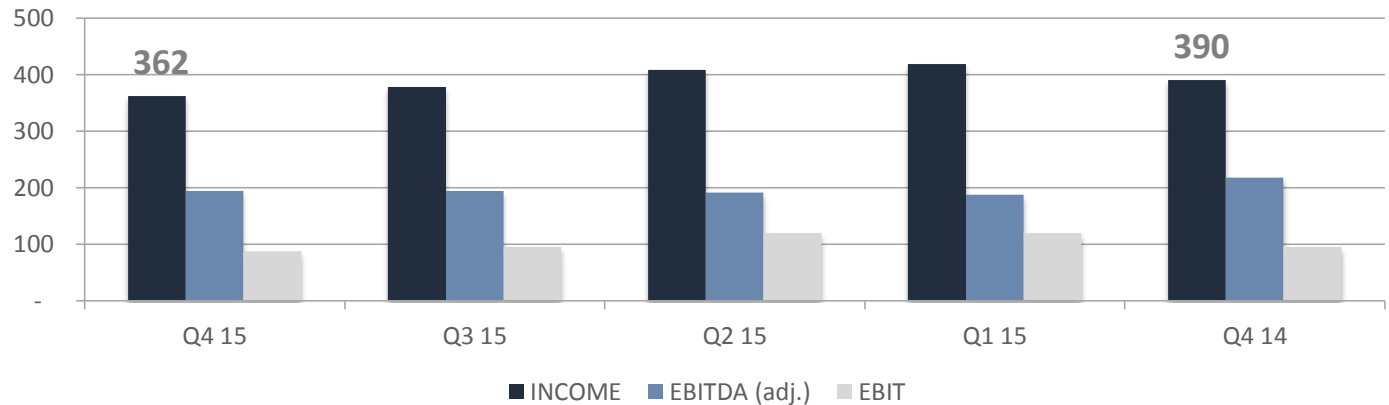
FX effects increases both income and expenses

Q4: NOK weakening against USD, EUR & GBP



Main figures

NOK mill	Q4 2015		Q3 2015		Q2 2015		Q1 2015		Q4 2014	
Income and gains *	-38									
	<u>362.2</u>		377.7		408.2		418.6		390.4	
EBITDA (Adjusted)	194.4	48.6%	193.8	51.3%	191.2	46.8%	187.8	44.9%	217.9	55.8%
Pre tax result	-54.1	-13.4%	-65.3	-17.2%	59.4	14.5%	- 60.6	-14.5%	-119.2	-30.5%



Q4: Pre tax result not including impairment

Financial expenses increased by unrealized loss: MNOK 31

Interest bearing debt

3M NIBOR average

Interest rates down

Q4: Down 0.07%

2015: 0.48%

- Q1 13: 1.87%
- Q2 13: 1.77%
- Q3 13: 1.71%
- Q4 13: 1.67%
- Q1 14: 1.68%
- Q2 14: 1.79%
- Q3 14: 1.71%
- Q4 14: 1.61%
- **Q1 15: 1.38%**
- **Q2 15: 1.43%**
- **Q3 15: 1.20%**
- **Q4 15: 1.13%**

NOK millions	Q4 15	Q3 15	Q2 15	Q1 15	Q4 14	Q3 14	Q2 14	Q1 14	Q4 13
Long term debt		4 399	4 880	4 944	5 012	4 836	4 890	5 416	4 827
Next year's instalments	5 640	1 329	876	991	899	1 106	1 104	652	1 106
Short term debt		52	51	61	11				
Total	5 640	5 779	5 807	5 997	5 922	5 942	5 994	6 068	5 933
Bank Deposit/Other interest-bearing assets	-211	-310	-326	-384	-357	-344	-351	-536	-407
Net	5 429	5 469	5 481	5 613	5 565	5 598	5 643	5 533	5 527

Stronger USD has increased Long term debt by MNOK 322 compared to initial amount.

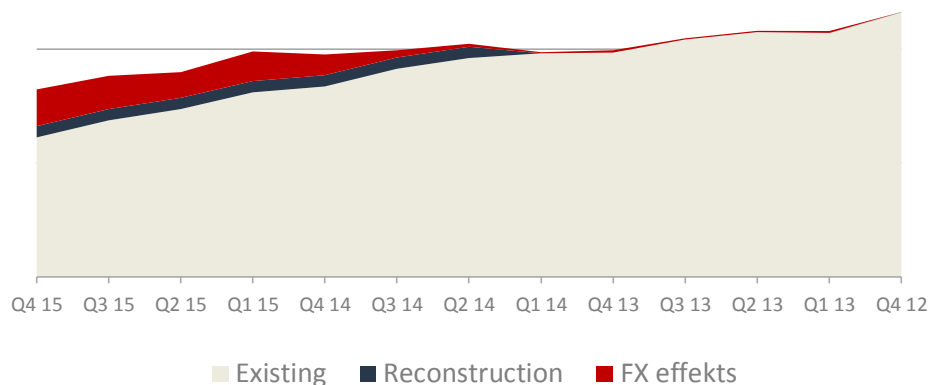
Q115: MNOK +79

Q215: MNOK - 35

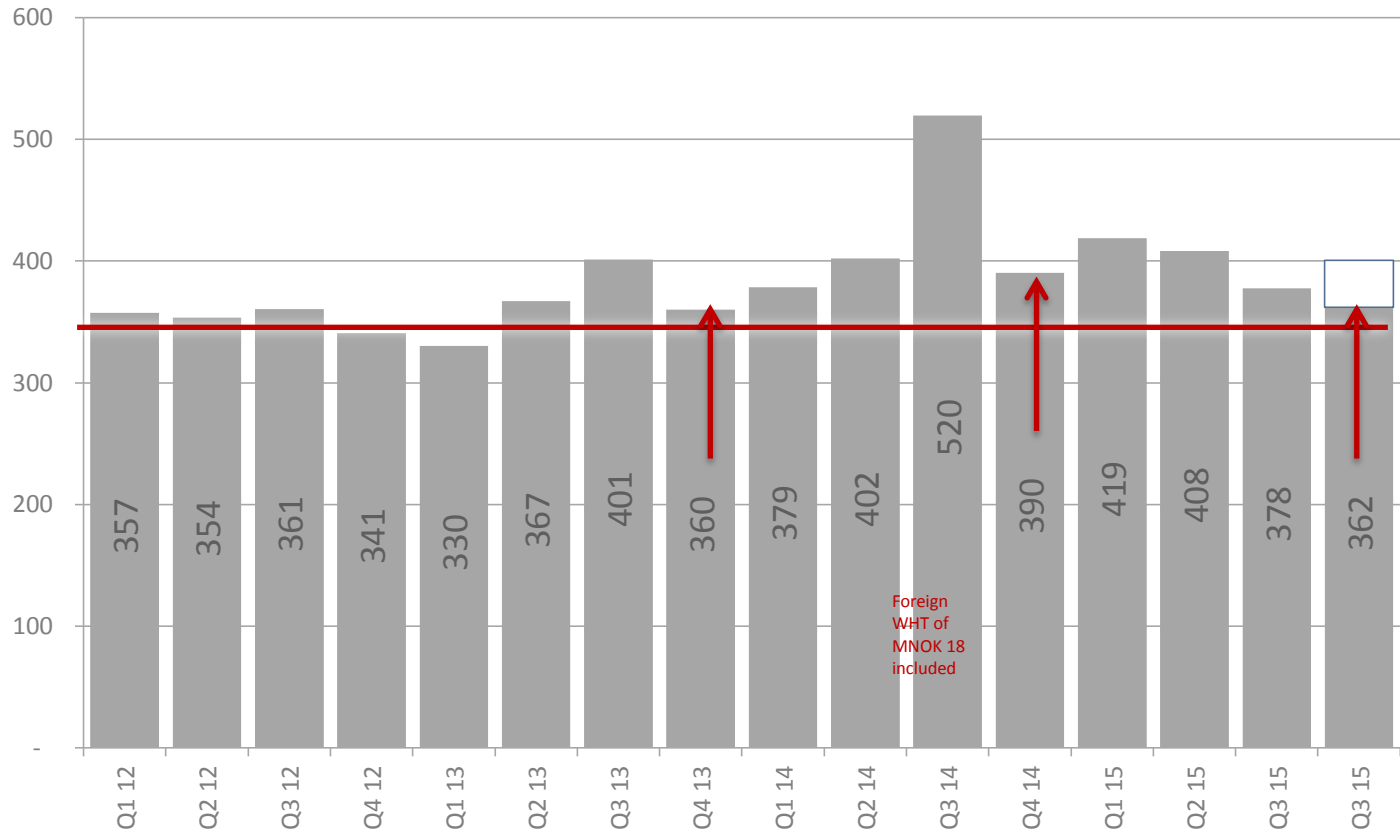
Q315: MNOK + 67

Q415: MNOK + 31

2015: MNOK =141



Quarterly income

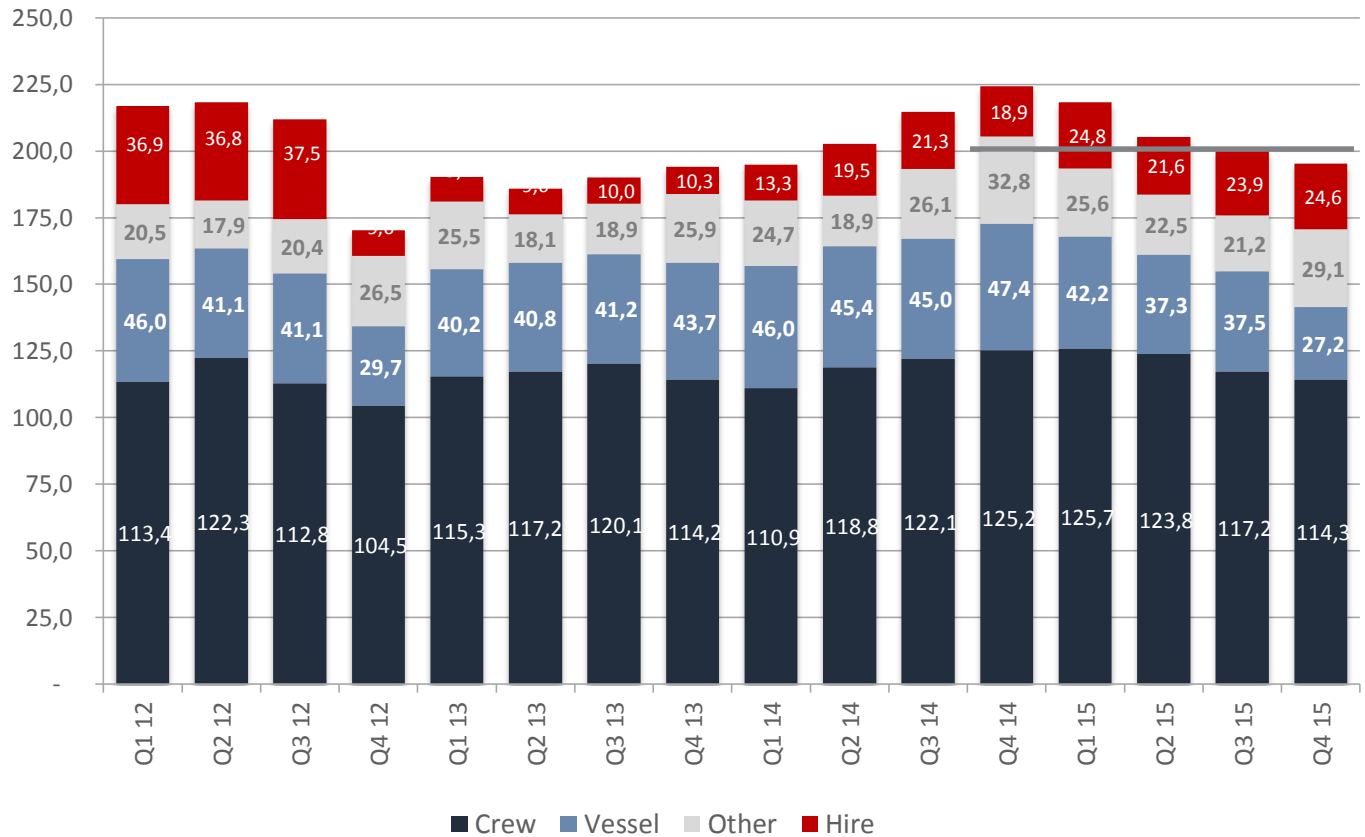


2012: 28 vessels From 2013: 27 vessels

Q4 15: Income reduced by MNOK 38



Quarterly vessel expenses

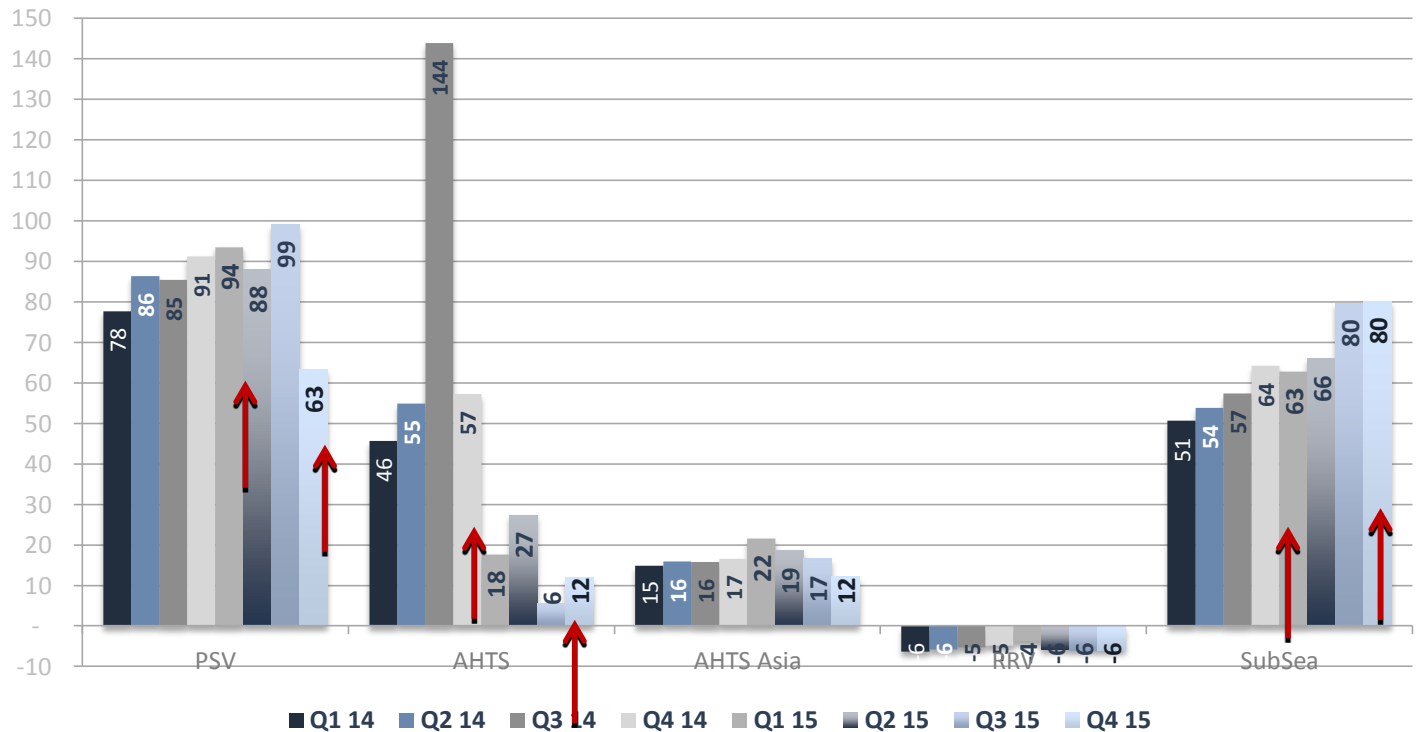


Cost cutting effects on crew and vessel expenses

Q4 15 Other: MNOK 2.5 related to restructuring process



Operating profit from segments



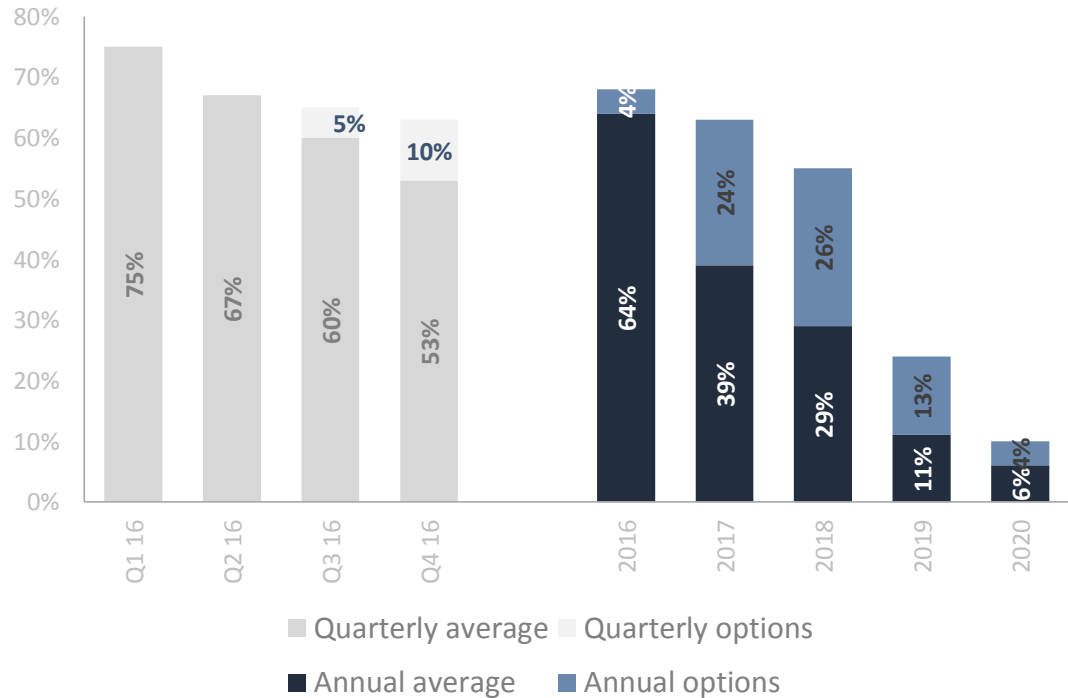
AHTS: Lay ups and December improvement | PSV: Special items Q4 15 | Subsea: FX and additional sale

Contractual coverage

Fleet utilization (time charter fleet)

- Q1 13: 88%
- Q2 13: 94%
- Q3 13: 93%
- Q4 13: 91%
- Q1 14: 93%
- Q2 14: 93%
- Q3 14: 95%
- Q4 14: 94%
- Q1 15: 92%
- Q2 15: 90%
- Q3 15: 90%
- Q4 15: 88%

Contract coverage 2016-2020



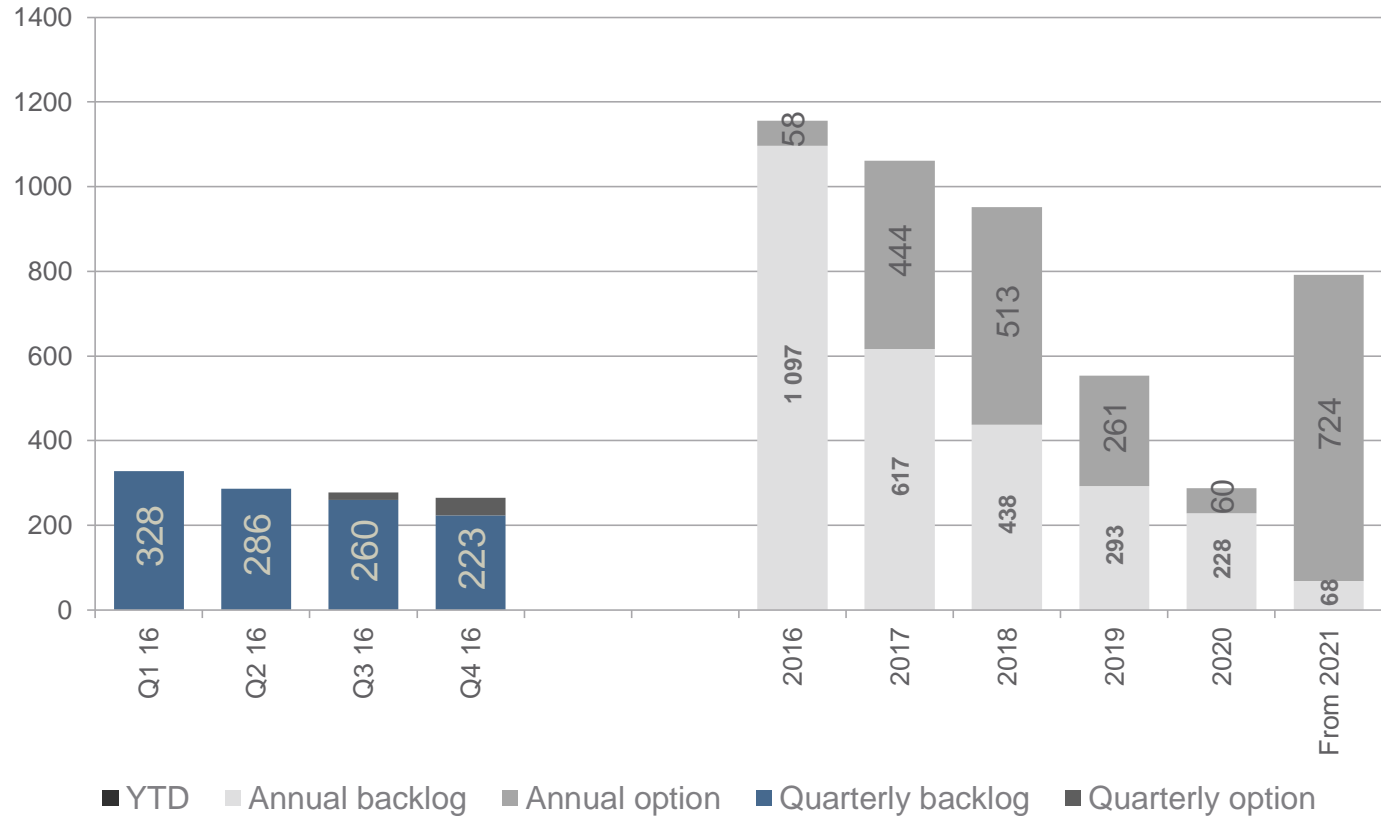
Fleet utilization

Lay ups and low utilization of spot vessels

2016: 64% firm / 68% options included



Contract backlog



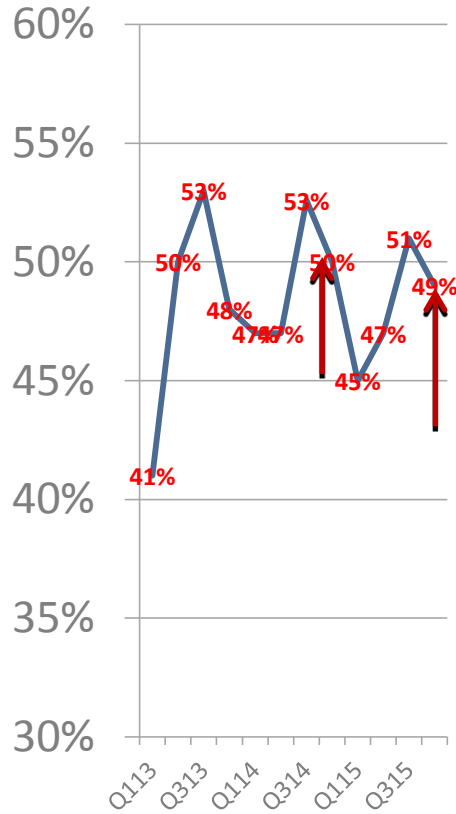
Backlog excluding options BNOK 2.7

Calculated on FX rates at end December

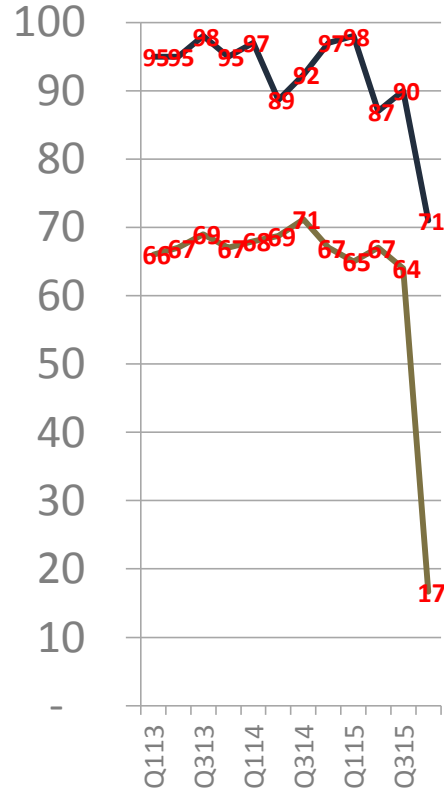


Key figures

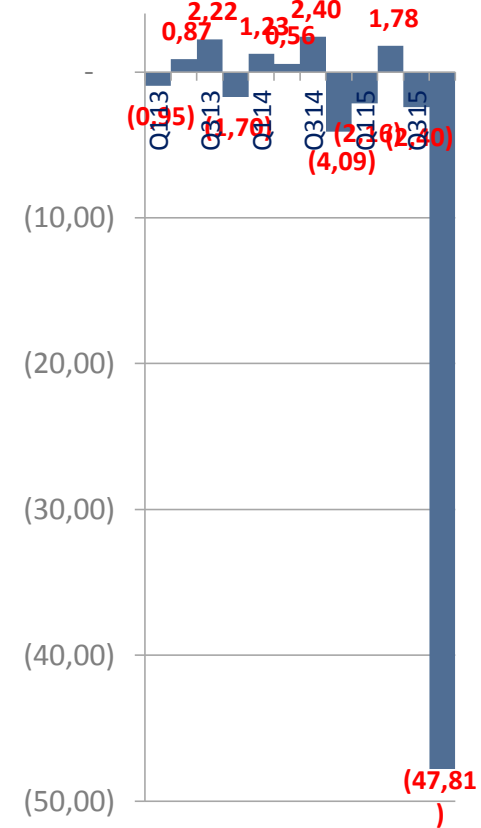
EBITDA %



VALUE PER SHARE



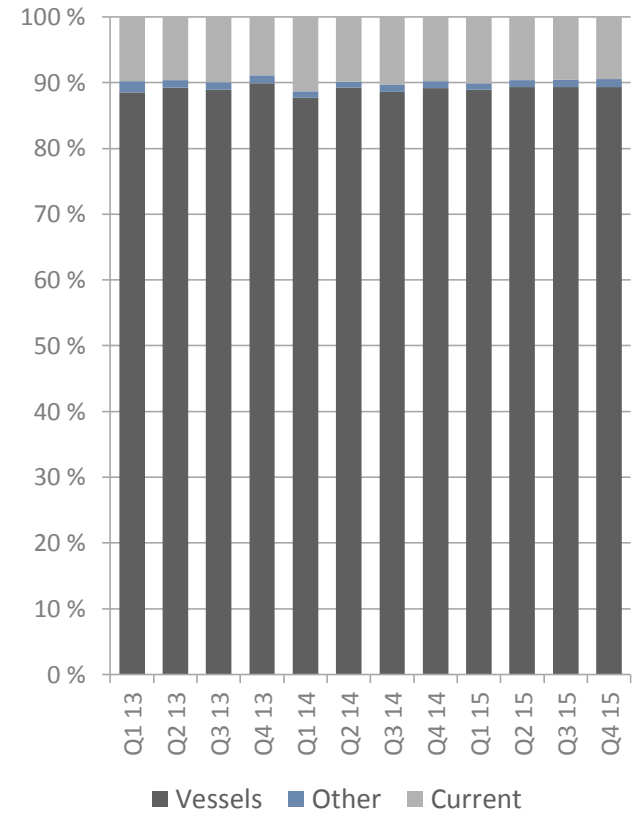
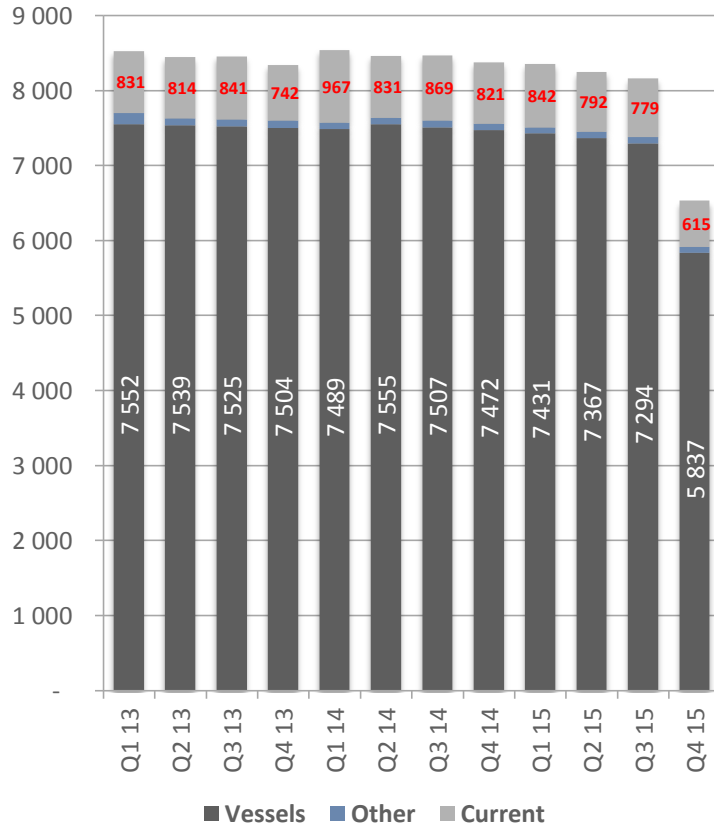
EARNINGS PER SHARE



— BOOKED EQUITY PER SHARE
 — MARKET ADJUSTED VALUE PER SHARE



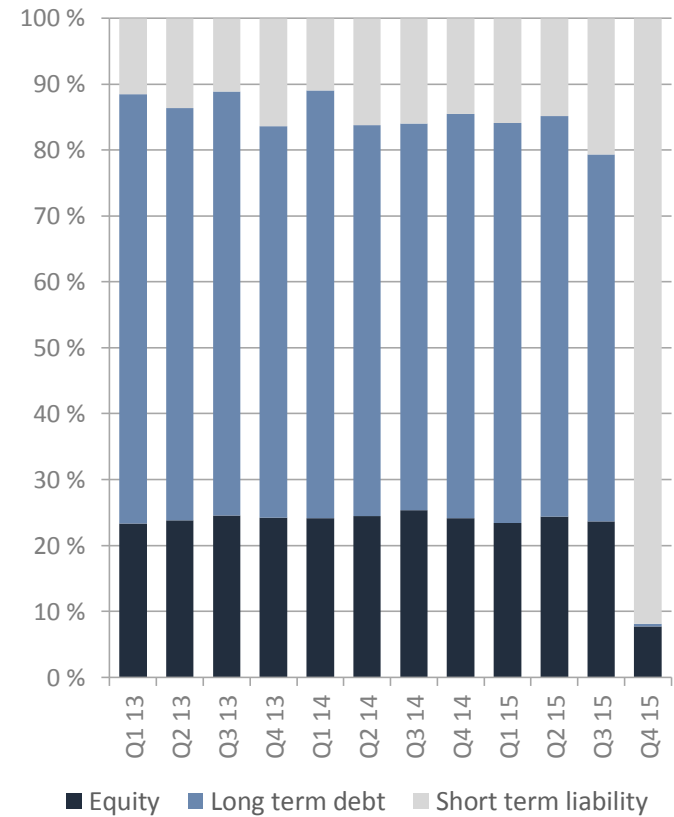
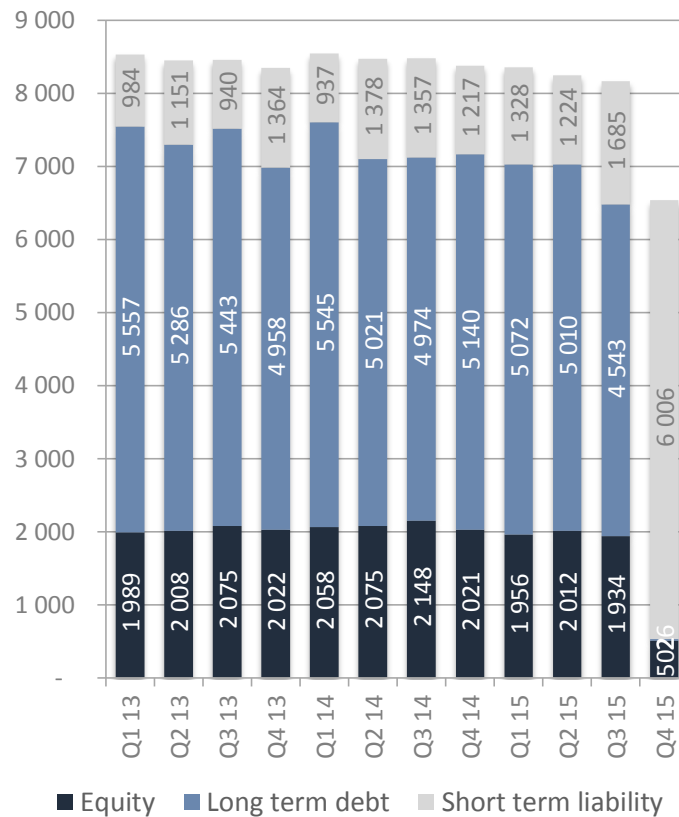
Assets



Assets reduced by BNOK 1.7 following impairment amounting to BNOK 1.4



Equity and liability



All debt considered short term following the situation
 Equity reduced following result



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Summing up



Market Q1 16

Spot Vessels

- AHTS
 - Havila Venus
 - Havila Jupiter
- Lay up
 - Havila Mars (Oct)
 - Havila Neptune (Nov)
- PSV
 - Havila Borg (end March)
 - Lay up
 - Havila Faith
 - Havila Princess
- Market
 - Challenging market
 - Possible effect of lay ups



This is Havila Shipping ASA

- Head-office in Fosnavåg, Norway
 - Offices in
 - Rio
 - Labuan
 - Aberdeen
- Partnership with POSH in Singapore
- A fleet of 27 vessels (+ one under management))
- 750 offshore staff
- 47 onshore
- Strong operating track record
- A qualified organisation focusing on human resources and solid seamanship

Segments	Current Fleet
PSV	14 + 1 (ext owner)
AHTS	9
SubSea	3
Rescue vessels	1



Largest shareholders

Shareholder	Address	Shares	Interest
Havila Holding AS	FOSNAVÅG	15 379 717	51,0 %
Torghatten ASA	BRØNNØYSUND	1 223 100	4,1 %
The Northern Trust Co.	Storbritannia	916 292	3,0 %
Jeki Private Limited	Singapore	500 000	1,7 %
Carvallo International Ltd	Singapore	394 726	1,3 %
Skandinaviska Enskilda Banken	Sverige	370 900	1,2 %
Spilka International AS	ÅLESUND	300 000	1,0 %
Pareto AS	OSLO	258 000	0,9 %
Nordnet Bank AB	Sverige	237 141	0,8 %
Bakkely Invest AS	ULSTEINVIK	214 800	0,7 %
Nordnet Livsforsikring AS	OSLO	213 417	0,7 %
KS Artus	FOSNAVÅG	203 800	0,7 %
Pacific Carriers Ltd	Singapore	185 926	0,6 %
Skandinaviska Enskilda Banken	Danmark	180 000	0,6 %
Danske Bank AS	Danmark	178 540	0,6 %
Bjørn Hetland	OSLO	178 540	0,6 %
Bernhd Brekke AS	TRONDHEIM	150 000	0,5 %
Nordea Bank Danmark AS	Danmark	147 920	0,5 %
Avanza Bank AB	Sverige	113 957	0,4 %
Olav Magne Tveitå	HORNNES	110 000	0,4 %
20 LARGEST		21 456 776	71,1 %
OTHER		8 722 823	28,9 %
Total number of shares		30 179 599	100,0 %

Summary

- Fourth quarter as expected – December better for AHTS
- Focusing on keeping vessels working
- Ongoing restructuring
- Contract coverage acceptable
- Interest rate level reduces financing expenses
- No capex / No new-builds
- www.havilashipping.no



Q1 / 2016: 10th May