

BW Offshore

Q1 2009 presentation

19 May 2009



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Key events Q1 2009

- EBITDA of USD 28.5 million, adjusted for share of profit from associates
- BW Cidade de São Vicente hooked-up and delivered to Petrobras
- 99.98% operational availability
- BW Pioneer conversion in line with expectations
- Selective bidding activity



Visiting YUUM K'AK'NÁAB in March 2009
The Norwegian Crown Prince, HRH Haakon Magnus
The Norwegian Minister of Petroleum and Energy, Mr Terje Riis-Johansen
Pemex General Director, Mr Jesús Reyes Heróles



Q1 2009

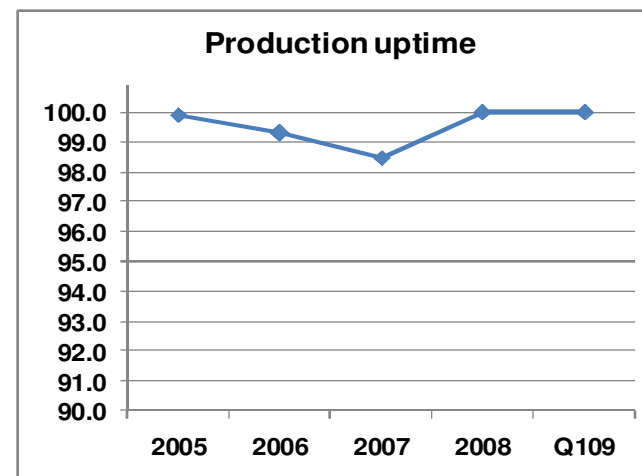
FLOATING PRODUCTION





Operations

- Excellent production uptime
 - Q1 2009: 99.98%
- YÙUM K'AK'NÁAB financial performance as planned
 - 100.00% availability on oil train
 - No flaring penalties





BW Cidade de São Vicente

- Petrobras – Tupi/Brazil
- First production test unit at prolific, sub-salt Tupi field in 2,200 meters of water depth
 - Unit arrived at the Tupi field in March, in line with the original schedule
 - Operations commenced 25 April



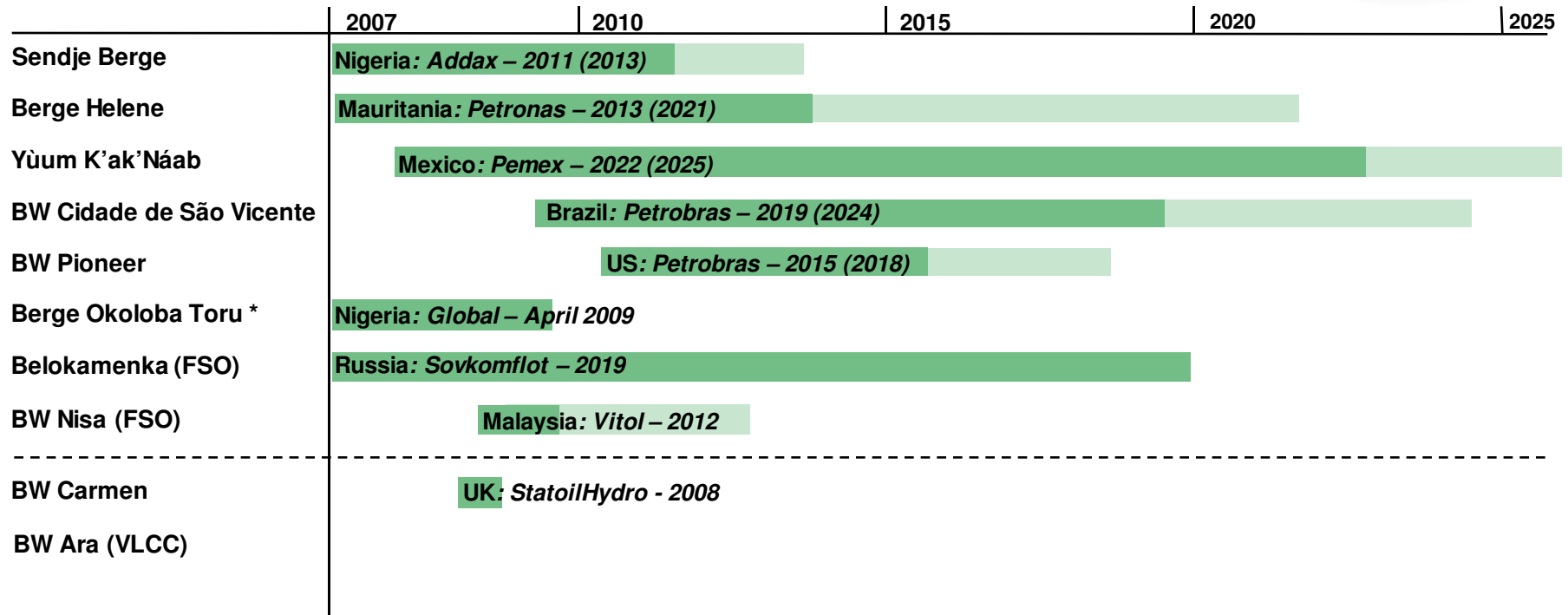




BW Pioneer

- Petrobras – Cascade & Chinook/US GoM
- First development with disconnectable solution in prolific, sub-salt area, 2,600 m water depth
 - Conversion progress in line with expectations, current progress 70%
 - Installed and completed for operations first quarter 2010



FPSO – fleet overview



 Fixed period
 Option period

Floating production order backlog is USD 3.1 billion

- 70 percent of the value over fixed periods
- 11 years weighted average contract length – whereof 8 years are fixed
- 95 per cent of the backlog are with major NOCs

The order backlog includes option periods

*LPG FPSO

Q1 2009

TECHNOLOGY & INSTALLATION



Backlog of USD 269 million



Q1 2009

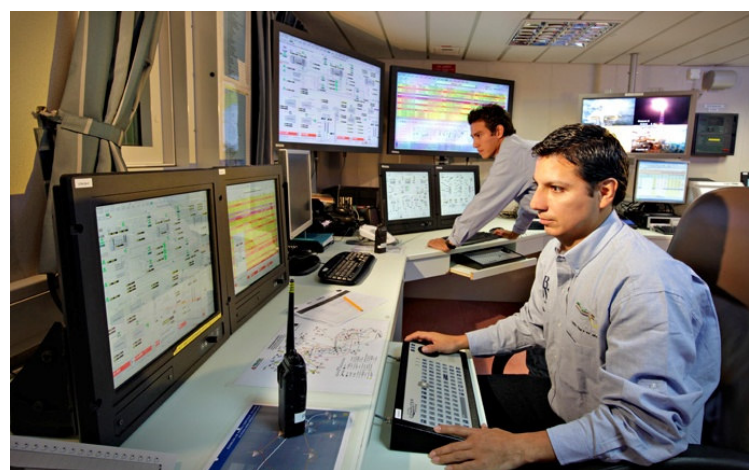
FINANCE





Comments to the figures

- EBITDA of USD 28.5 million, adjusted for share of profit from associates
 - USD 7.3 million gain on fx hedges
 - USD 39.5 million loss on Nexus Floating Production
 - Book value of Nexus investment to zero by 31 March 2009
- Operating cash flow USD 11.5 million
- Cash flow from investment activities includes BMG related capex





Floating Production

- Solid operational and financial performance from all units
- Evaluating alternatives for
 - Disposal of Berge Okoloba Toru
 - Employment of BW Carmen

USD million	Q1 09	Q4 08	Q1 08	2008
Operating revenue	44.6	55.8	43.7	190.9
Operating expenses	-27.8	-52.4	-40.3	-188.0
Share of profit (loss) of associates	0.3	-45.4	9.2	-45.3
Impairment charge of associates	0.0	0.0	0.0	-84.7
Gain on sale of shares	0.0	0.0	0.0	-127.0
EBITDA	17.1	-42.0	12.6	-0.1
Gain on sale of vessel	0.8	0.0	0.0	0.0
Depreciation, amortisation and write-downs	-5.6	-178.5	-5.8	-196.3
EBIT	12.3	-220.5	6.8	-196.3

2008 figures include effects from impairment charges, provisions, transactions and share sale



Technology & Installation

- Activity level remains high due to solid order book
- EBITDA margin 15.5%
- Share of profit from associates negatively influenced by Nexus Floating Production

USD million	Q1 09	Q4 08	Q1 08	2008
Operating revenue	75.7	112.2	66.7	395.9
Intercompany revenue	-21.0	-41.6	-2.1	-112.5
Revenue from external customers	54.7	70.6	64.6	283.4
Operating expenses	-63.1	-97.2	-63.5	-354.7
Intercompany expenses	20.1	37.9	2.1	108.8
Net operating expenses	-43.0	-59.3	-61.4	-245.9
Share of profit (loss) of associates	-39.5	0.0	0.0	-0.4
Impairment charge of associates	0.0	-12.5	0.0	-81.3
EBITDA	-27.8	-1.2	3.2	-40.5
Depreciation, amortisation and write-downs	-5.7	-6.4	-5.2	-189.1
EBIT	-33.5	-7.6	-2.0	-229.6

2008 figures includes effects from impairment charges and transactions
2009 figures includes effects from share of loss from associates



Income statement

USD million	Q1 09	Q4 08	Q1 08	2008
Operating revenue	99.3	126.4	108.3	474.3
Operating expenses	-70.8	-111.7	-101.7	-433.8
Share of profit from associates	-39.2	-45.4	9.2	-45.7
Impairment charge of associates	0.0	-12.5	0.0	-166.0
Gain on sale of shares	0.0	0.0	0.0	127.0
EBITDA	-10.7	-43.2	15.8	-44.2
Depreciation and amortisation	-11.3	-18.0	-11.0	-51.3
Impairment charge and write-offs	0.0	-166.9	0.0	-334.1
Gain on sale of assets	0.8	0.0	0.0	0.1
EBIT	-21.2	-228.1	4.8	-429.5
Net interest expense	-4.0	-6.2	-17.0	-33.6
Fx, fin instr and other fin items	-3.0	-38.7	-20.9	-54.3
Profit (loss) before tax	-28.2	-273.0	-32.3	-517.4
Income tax expense	-1.6	-6.0	-0.9	-15.2
Net profit (loss)	-29.8	-279.0	-33.2	-532.6

Reported EBITDA		-10.7
<i>Share of profit of associates</i>	-39.2	
<i>Impairment charge of associates</i>	0.0	
		39.2
Adjusted EBITDA		28.5
<i>Fx gain</i>		-7.3
Operational EBITDA		21.2

The figures includes a negative PPA impact. From Q208, the negative PPA impact is about USD 6 million quarterly in 2008 and 2009. No cash effect.



Balance sheet

- Equity ratio 39.4% (43.1% adjusted for CIRR financing*)
- Net interest bearing debt USD 709.1 million

USD million	31.03.09	31.03.08	31.12.08
Total non-current assets	1,943.4	2,756.9	1,962.7
Total current assets	322.9	315.2	338.7
Total assets	2,266.3	3,072.1	2,301.4
Total equity	894.0	1,473.5	923.4
Total non-current liabilities	1,026.8	1,300.6	979.1
Total current liabilities	345.5	298.0	398.9
Total liabilities	1,372.3	1,598.6	1,378.0
Total equity and liabilities	2,266.3	3,072.1	2,301.4

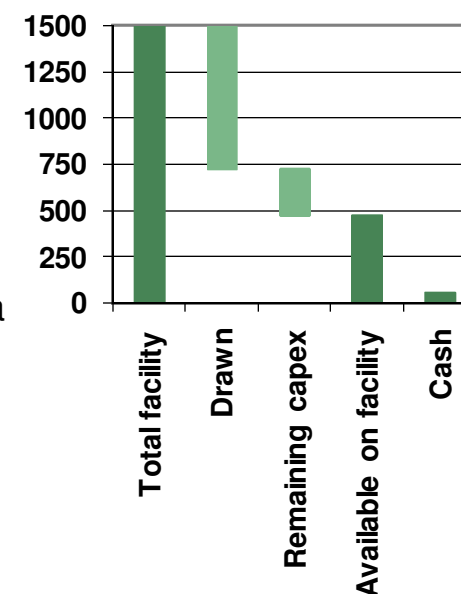
Reported interest bearing debt *	986.4
<i>Cash and deposits</i>	60.2
<i>Non-current deposits *</i>	217.1
	-277.3
Net interest bearing debt	709.1

* USD 192.1 million is related to the CIRR financing schemes; increases both long term debt and non-current deposits



Cash and facilities

- Cash at 31 March 2009 USD 60.2 million
- Remaining FPSO/FSO capex is USD 250 million per 31 March 2009, including
 - Conversion of BW Pioneer and BW Cidade de São Vicente
 - New upgrades for Sendje Berge, BW Carmen and BW Nisa
- USD 150 million in cash payments
 - Variation orders and milestone payments to be paid cash within 12 months
 - Will be booked as EBITDA over the fixed contract periods
- USD 1,500 million facility
 - Drawn 771.8 mill per 31 March 2009
 - LIBOR +125 bps



Q1 2009

OUTLOOK

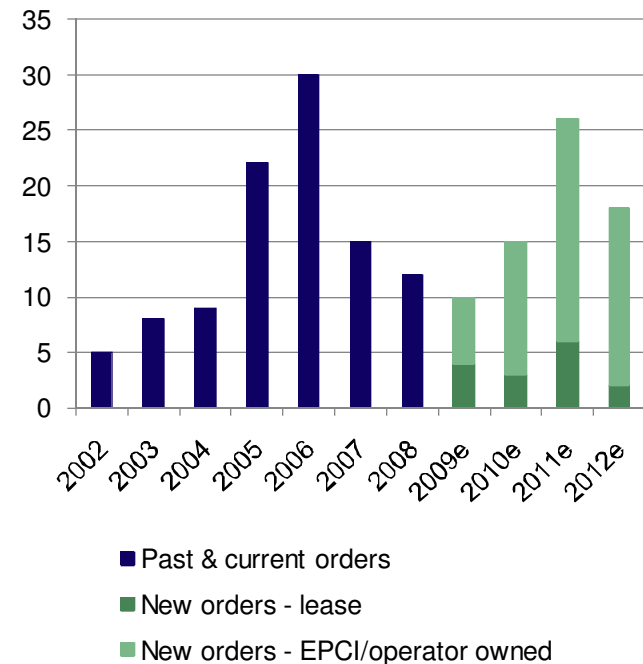


Market



- FPSO - active
 - Good number of opportunities in the market
 - Significant reduction of competitors
 - Historically highest number of prospects being worked
 - Oil companies attracted to top tier players

- Technology – more quiet
 - FPSO – quiet, except for internal work
 - LNG – some prospects moving forward
 - Oil terminals – some prospects moving forward



Source: Fearnley Offshore

Focus

- Operations
 - EBITDA improvement from existing units
 - FPSOs to commence operation in 2009 and 2010
- Costs
- Selective bidding
 - Project returns

