

*Havila Shipping ASA's goal is to be a leading longterm  
supplier of quality assured supply services to offshore  
companies, both national and international*



## Presentation 3<sup>rd</sup> Quarter 2008



[www.havila.no](http://www.havila.no)

# This is Havila Shipping ASA



- ✓ Head-office in Fosnavåg, Norway.
- ✓ Building a team through our partner Posh Offshore in Singapore
- ✓ A fleet of 24 vessels included a new-building program of 11 modern vessels within 2011 .
  - ✓ 3 vessels being built in Kina
  - ✓ 2 vessels owned by Havila Ariel
- ✓ 300 offshore staff.
- ✓ 24 onshore
- ✓ Strong operating track record.
- ✓ A qualified organisation focusing on human resources and solid seamanship.

<b>Segments</b>	<b>Fleet- today</b>	<b>New-builds</b>
PSV	5	2
AHTS	5	5
SubSea	1	4
Rescue vessels	2	

# Havila Shipping..

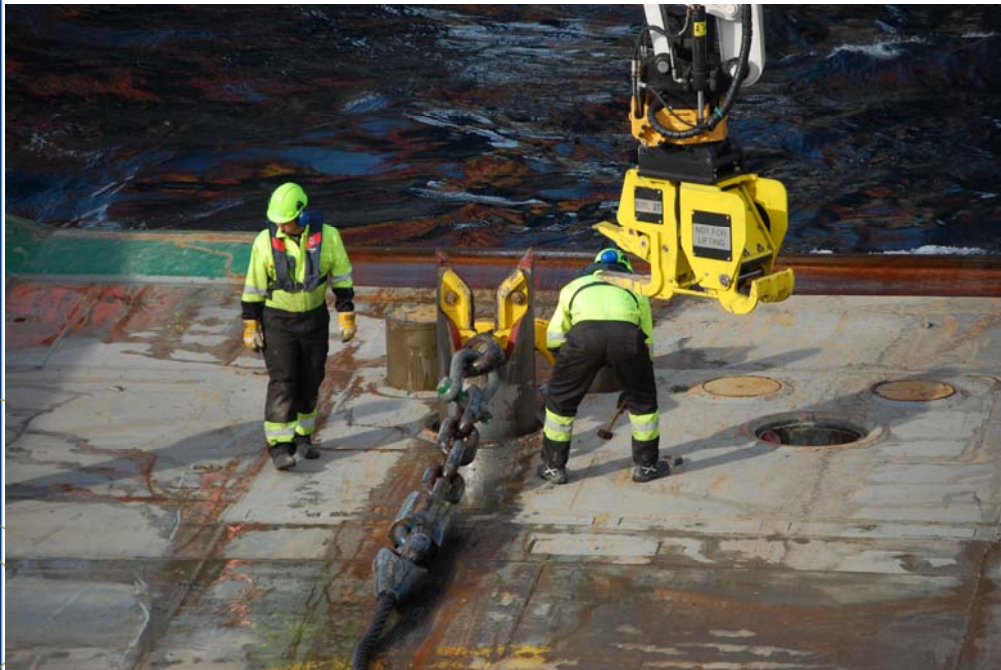
- ✓ **modernizing the fleet** – 4 new vessels the last 12 months
- ✓ a **preferred partner** within offshore services vessels – *5 of 12 vessels against StatoilHydro*
- ✓ extending the **international activity** with focus on Pacific Ocean  
– *4 newbuilds AHTS from Kina within 2Q 2009*



- ✓ maintaining a **balanced mix** between long contracts and spot marked  
– *4 large PSV/AHTS in the spot market by end of October*
- ✓ **creating values** for the shareholders  
– *NOK 12,50 + 4 paid out in 2008*
- ✓ focusing on **safe operations**
- ✓ focusing on **human resources**



# Safety & Quality focused



Havila Shipping ASA has a clear goal of **improving its performance** with regards to health, safety and environment both at sea and onshore.

The company's goal is for its ships to fulfill or **exceed our customer's expectations** as to standards within health, safety and environment.

# Latest news



## 17.10 Havila Faith

is from today on contract with Maersk Oil UK Ltd for a fixed period of 180 days with options. The value of the contract options inclusive are approx. GBP 6.9 million.

## 12.09 Havila Neptune

It is concluded a contract with Total E&P Libya for the AHTS vessel Havila Neptune. The contract engages the vessel for 140 days, starting next week, plus options. The estimated contract value is USD 11.5 mill for the firm period.



# 3<sup>RD</sup> QUARTER ACCOUNTS

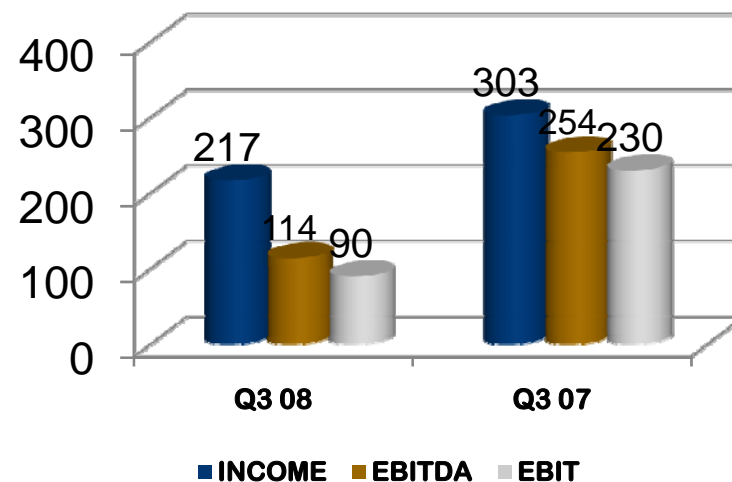


# Main figures Q3 2008

NOK mill	Q3 2008		Q3 2007		YTD 08		YTD 07	
Income and gains	<b>216,8</b>		<b>303,1</b>		<b>828,0</b>		<b>537,6</b>	
EBITDA	<b>114,4</b>	53 %	253,7	84%/	<b>552,1</b>	66 %	<b>395,9</b>	74 %
EBIT	<b>89,5</b>	41 %	230,4	76 %	<b>480,7</b>	58 %	<b>333,4</b>	62%
Pre tax result	<b>16,8</b>	8 %	218,0	72 %	<b>345,6</b>	42 %	<b>312,4</b>	58 %

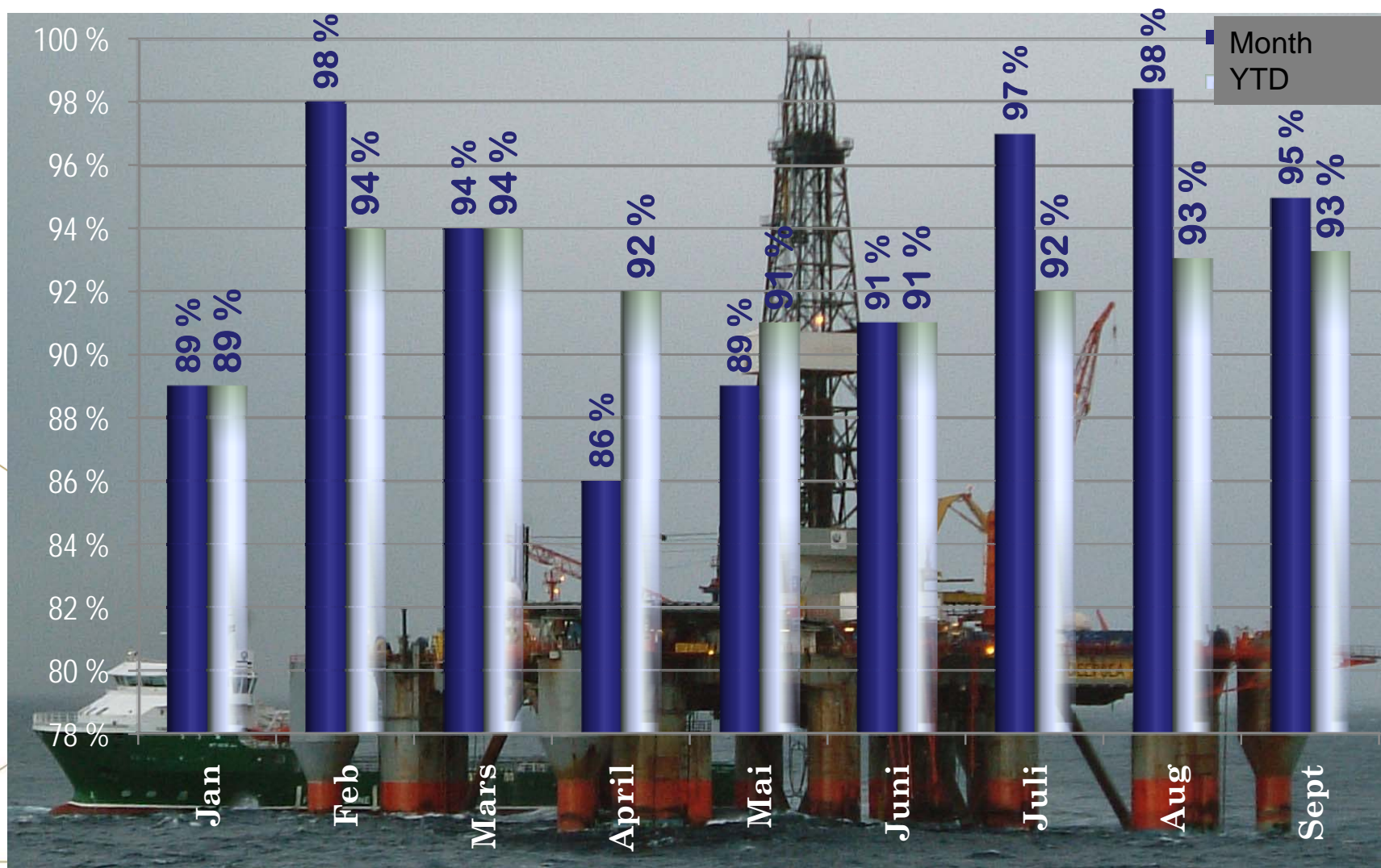
## Comments:

- Fleet utilization in Q3: 96,7% (88,6%Q2 / 96% iQ1)
- Low exch. rates for USD and GBP reduces income
- Increased exchange rates reduces the value of forward contracts and result in higher financial expenses
- Strong PSV fixtures in spot market. Average NOK 211.000 per day in Q3 from 2 large PSV vessels
- Sale and leaseback of Havila Mars and Mercury increases the operating expenses
- NOK 8 mill negative adjustments of income and expenses belonging to previous periods



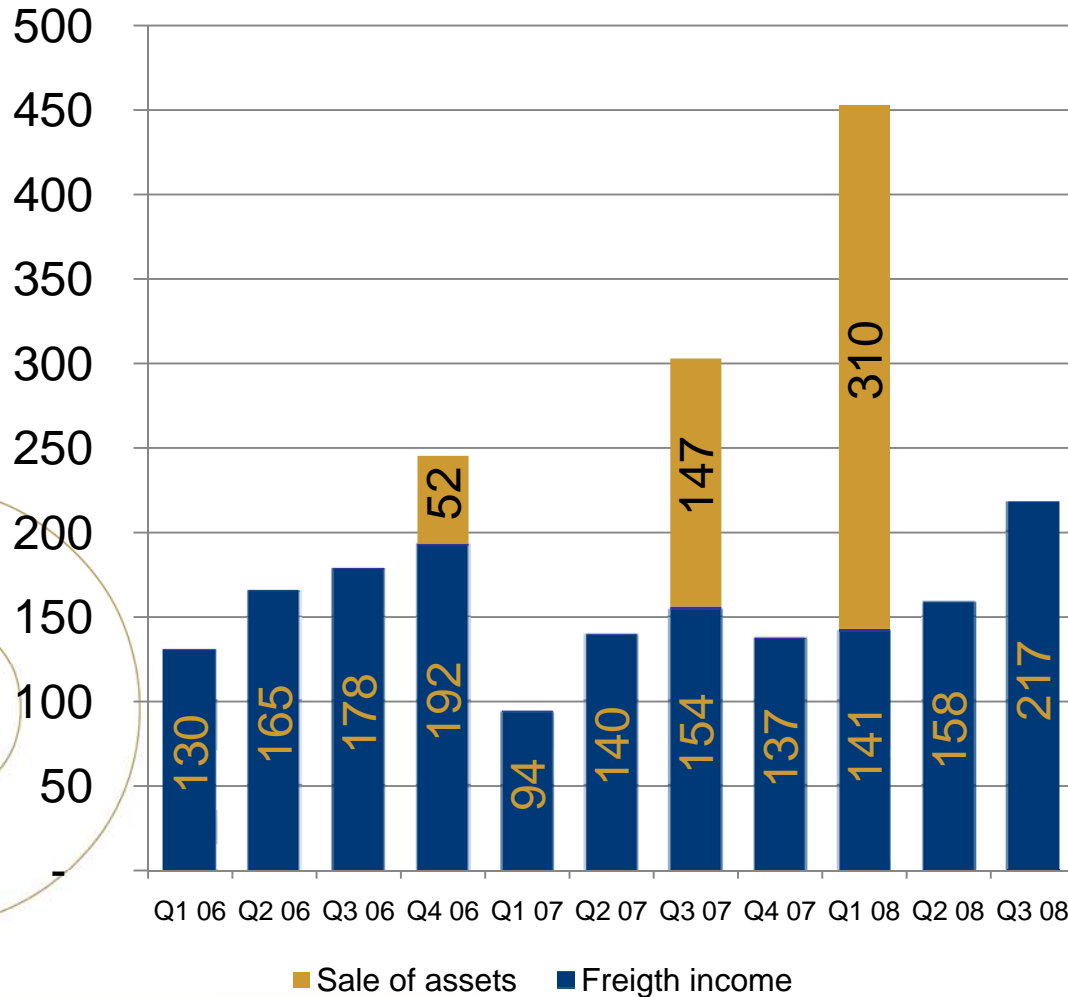


# Fleet utilization



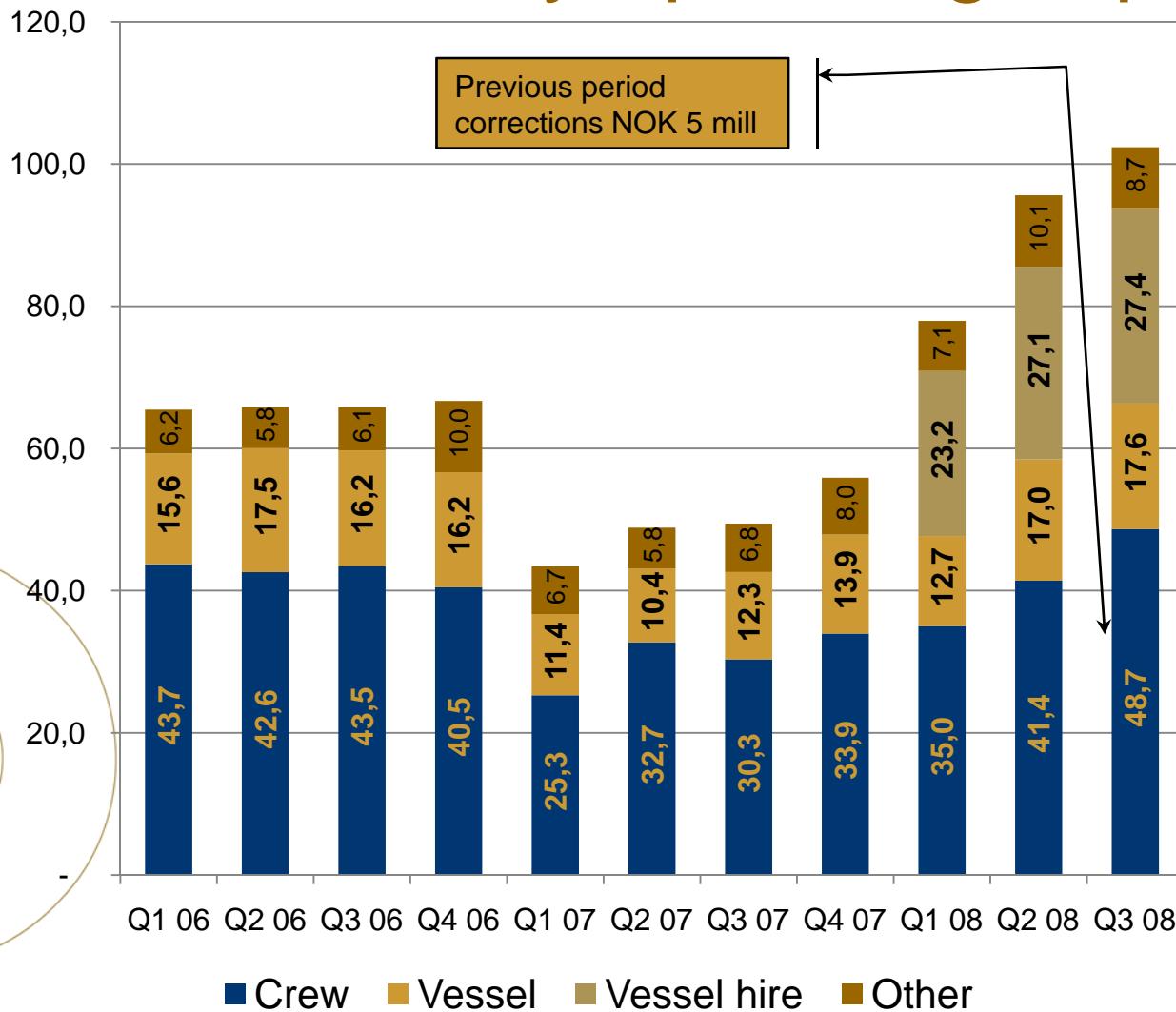


# Quarterly income



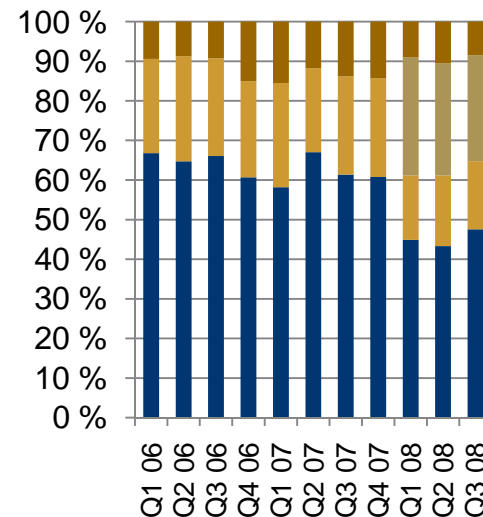
2006	vessels	newbuilds
Q1	18	5
Q2	17	11
Q3	17	11
Q4	Sale of 8 standby vessels	
	9	11
<b>2007</b>		
Q1	9	11
Q2	10	12
Q3	Sale of Havila Force	
	9	13
Q4	10	12
<b>2008</b>		
Q1	Sale of Fame, Mars and Mercury Leaseback Mars & Mercury	
	11	11
Q2	12	11
Q3 (+Posh)	13	11

# Quarterly operating expenses

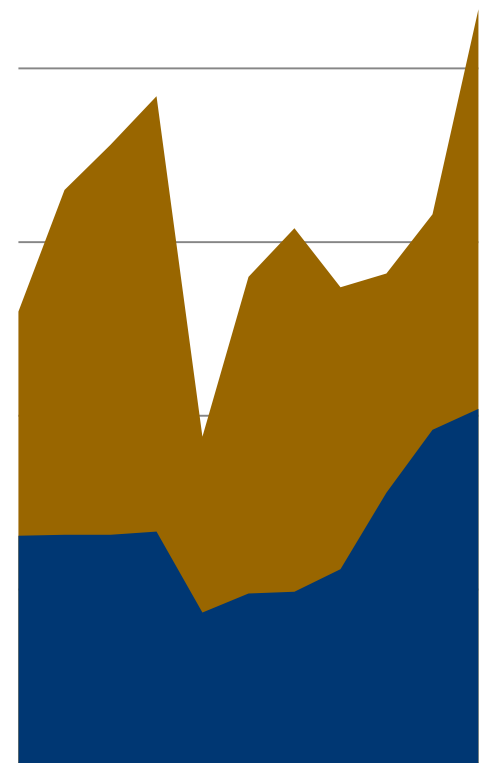
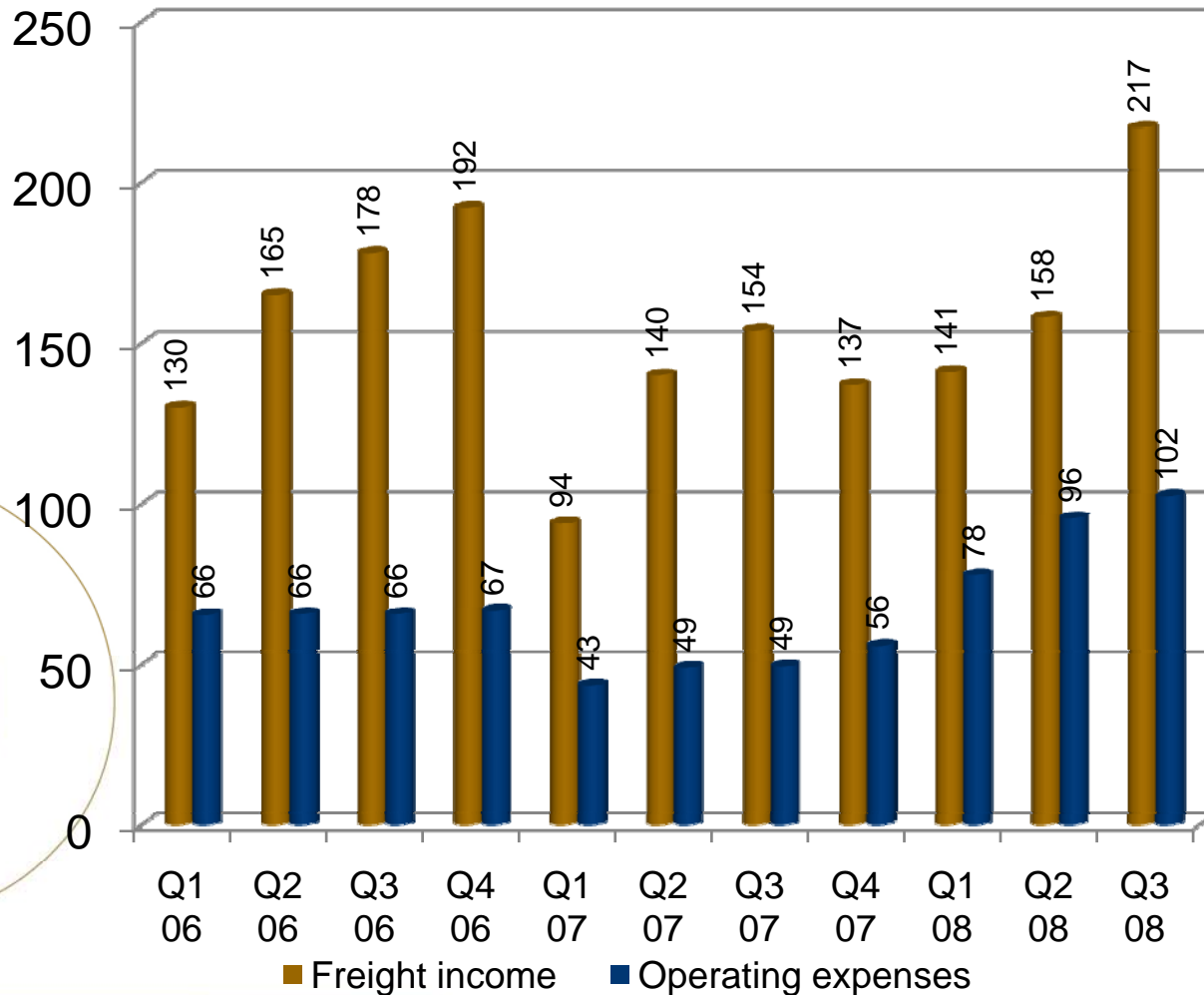


← NOK mill

↓ % of total expenses



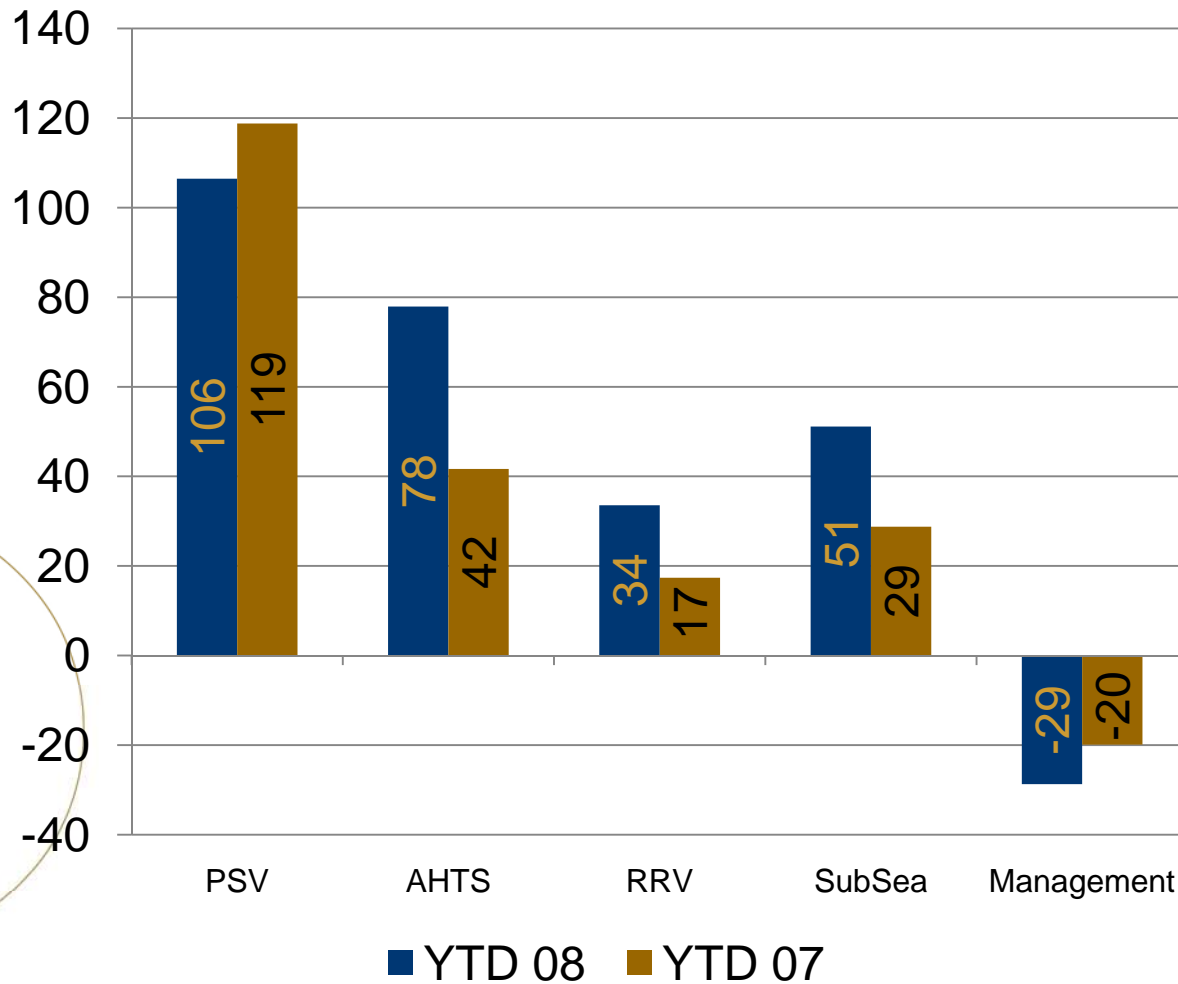
# Quarterly freight income and operating expenses





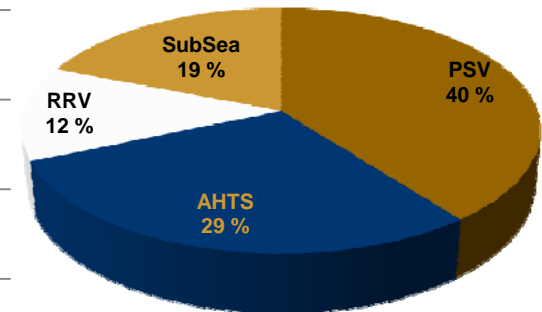
# Operating profit from segments

Excluding gains from sale of vessels

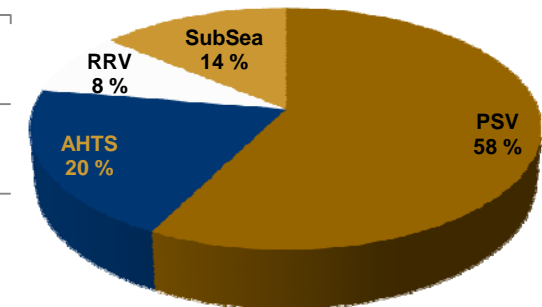


2008

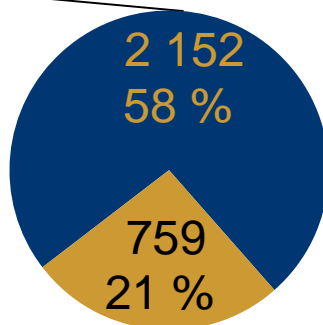
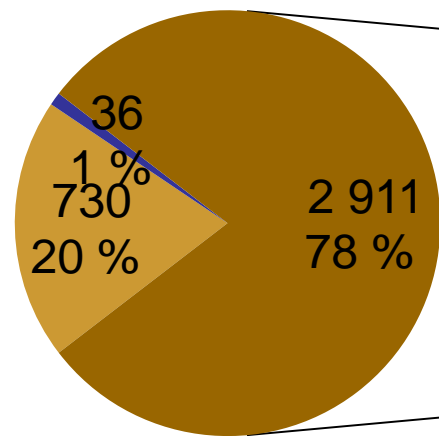
YTD



2007



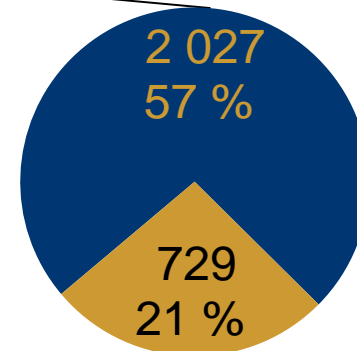
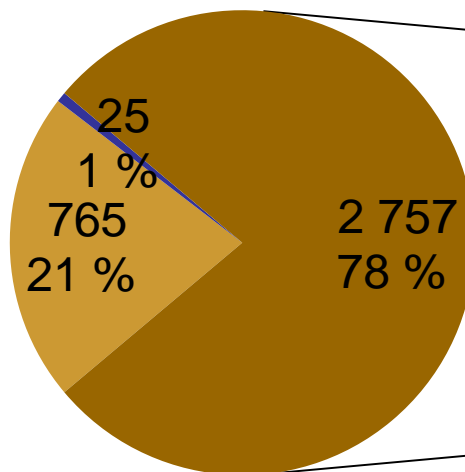
# Assets



30.09.08

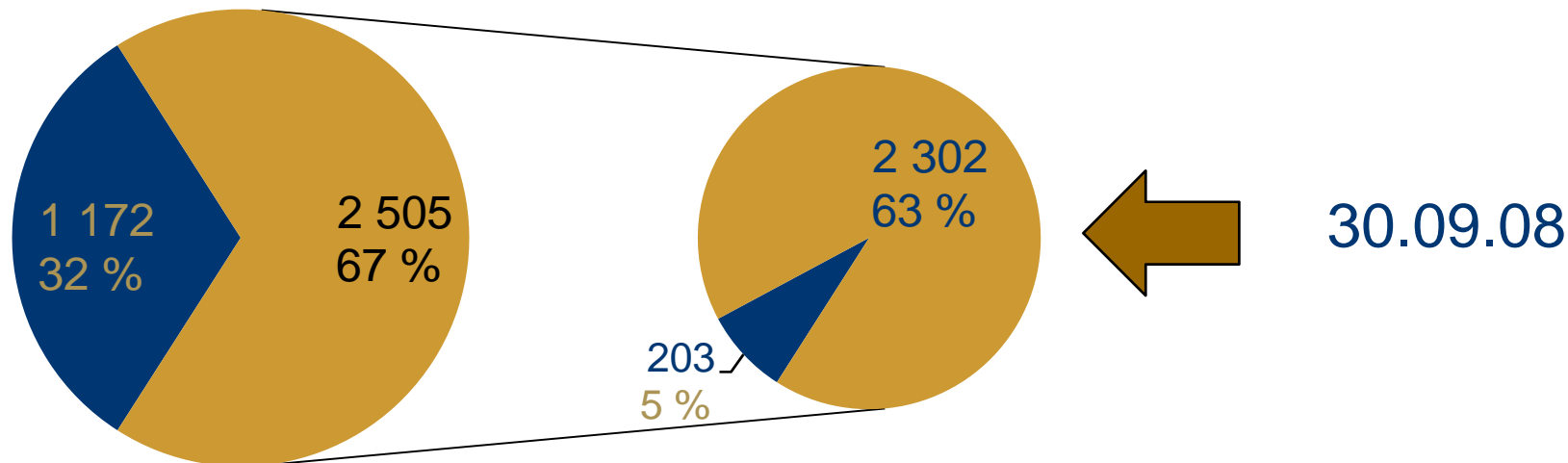
■ Current ■ Other ■ Vessels ■ New buildings

31.12.07

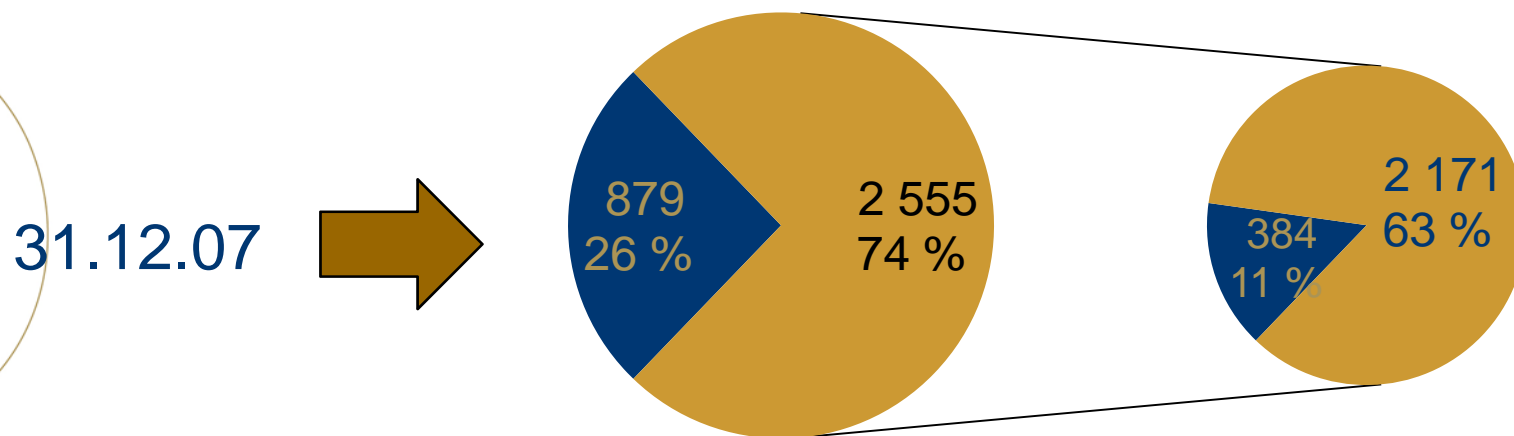


■ Current ■ Other ■ Vessels ■ New buildings

# Equity and liability



■ Equity ■ Short term liability ■ Long term debt



■ Equity ■ Short term liability ■ Long term debt



# Cash flow statement

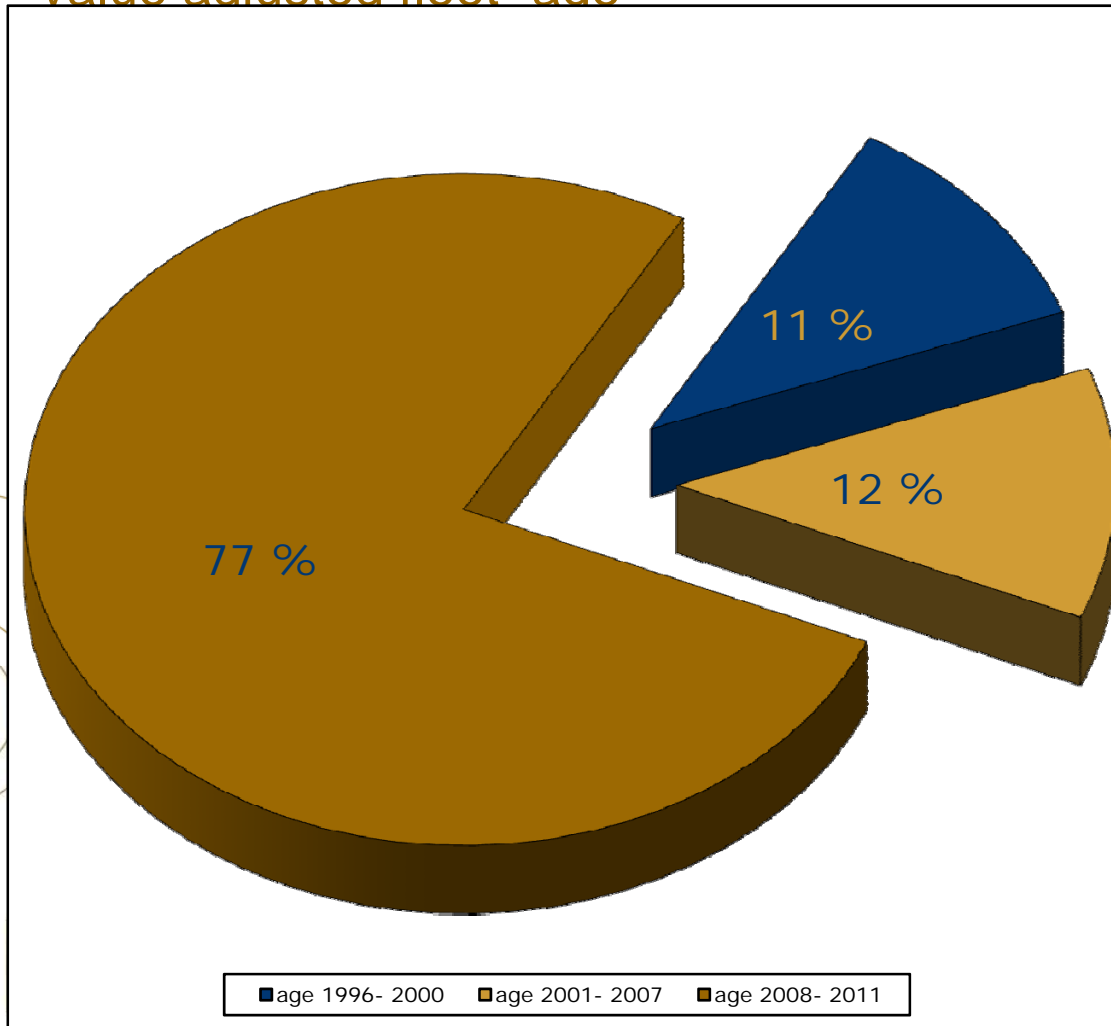


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NOK 1000		YTD 2008	YTD 2007
Cash from operating activity	<i>Kontantstrøm fra drift</i>	4 784	277 587
Cash flow from investing activity	<i>Kontantstrøm fra investeringer</i>	98 031	-355 981
Cash flow from financing activity	<i>Kontanstrøm fra finansiering</i>	-111 110	212 059
<b>Net change in cash</b>	<b><i>Nettoendring i kontanter</i></b>	<b>-8 295</b>	<b>133 665</b>
Liquid assets at start of period	<i>Likvider først i perioden</i>	524 669	668 470
<b>Liquid assets at end of period</b>	<b><i>Likvider sist i perioden</i></b>	<b>516 374</b>	<b>802 135</b>

# Modern fleet

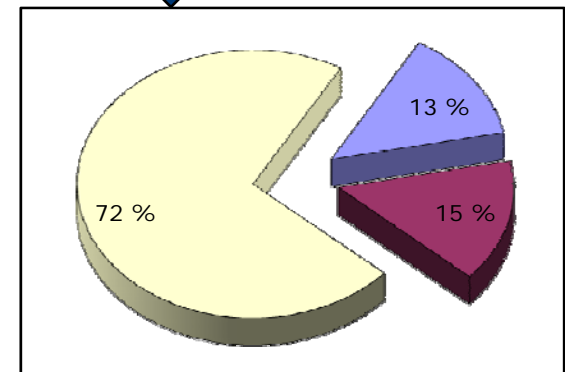
## Value adjusted fleet- age



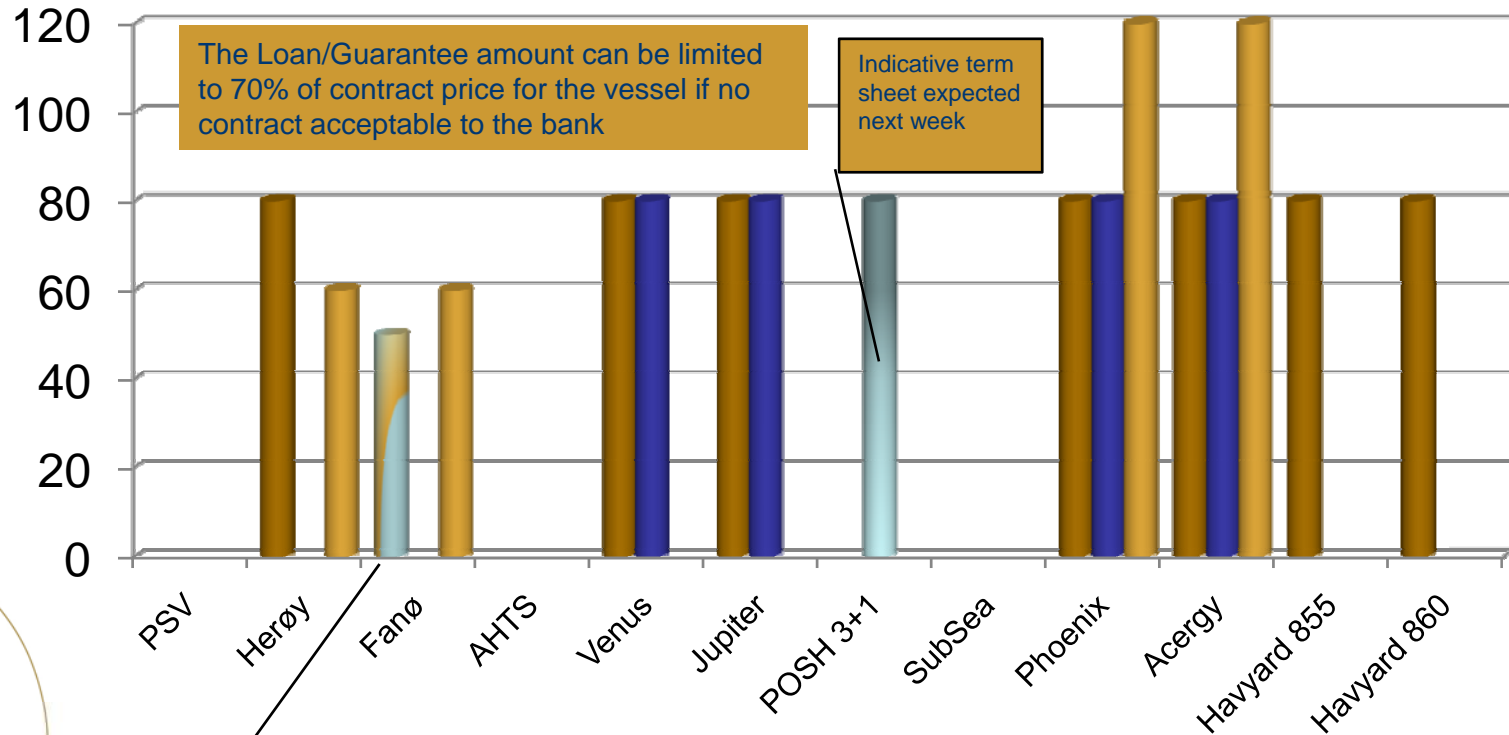
## INCLUDES CONTRACT OF 2. JULY

- Fleet values NOK 3,1 mrd
- Booked values NOK 2,2 mrd
- Excess value on new-builds not included
- Contract values on new-builds NOK 5,1 mrd
- Value adjusted average age of existing approx 4,7 years

Q1



# Financing new vessels

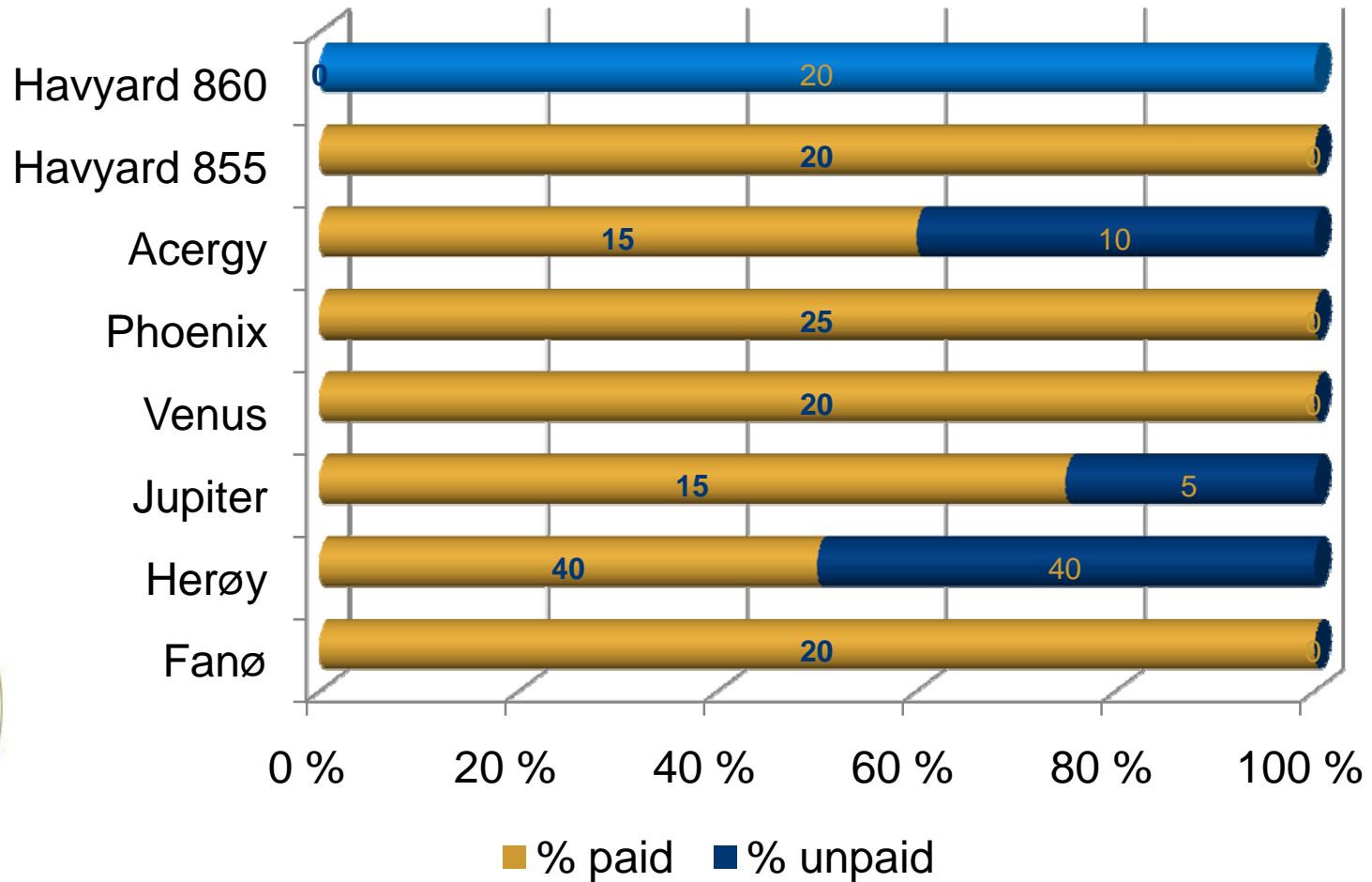


Fanø - partly financing from Eksportfinans? to be decided by Eksportfinans

- Eksportfinans % of contract value
- Bank Loan/Guarantee % of vessel costs
- Contract in months



# Upfront cash payment newbuilding contracts





# POSH Havila Pte Ltd, Singapore

Joint venture company established 2006  
50/50 owned by  
Pacc Offshore Services Holding Pte Ltd  
and Havila Shipping ASA through 100% owned company

## POSH Havila

In operation since July/August 2008  
Hire in vessels on bareboat charter from owners  
Vessels to be on timecharter in Asian waters

Implemented in the accounts as Associated company

# POSH vessel operations



POSH Veritas  
POSH Viking (Havila)  
Operating from July  
Both contract one year + 1y opt



10,800 BHP AHTS  
125 tons BP  
DP2



POSH Vantage  
POSH Venture (Havila)

March 2009



POSH Vibrant (Havila)  
POSH Voyager

October/November 2008



8,000 BHP AHTS  
100 tons BP  
DP



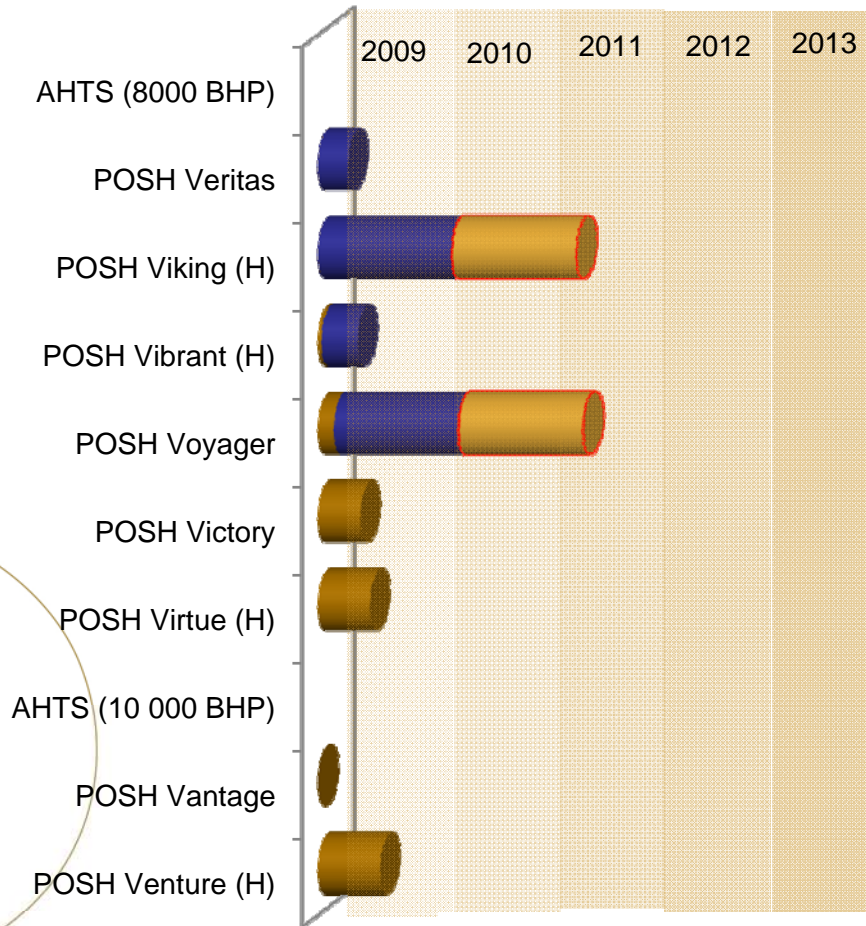
POSH Victory  
POSH Virtue (Havila)

February/March 2009





# Contract status – POSH fleet



Veritas: Operating – contract 5 months

Viking: Operating – Contract 1 Y + 1Y opt

Vibrant: Operating - 3,5 months + option

Voyager; Delivery november -1 Y contr + 1Y opt

Victory : Delivery January 09

Virtue: Delivery Feb/March 09

Vantage: Spot market

Venture: Delivery March 09

■ Contract ■ Options

# Shareholders 24.10.2008



[www.havila.no](http://www.havila.no)

Number of shares	In%	Name	
8 031 450	50,32	HAVILA AS	NOR
989 600	6,20	HAVILA SHIPPING ASA	NOR
949 100	5,94	PARETO AKSJE NORGE	NOR
921 400	5,77	FOSEN TRAFIKKLAG ASA	NOR
547 400	3,43	VERDIPAPIRFOND ODIN	NOR
495 800	3,11	PARETO AKTIV	NOR
353 000	2,21	VERDIPAPIRFOND ODIN	NOR
351 953	2,21	PICTET & CIE BANQUIE	CHE
301 700	1,89	TORGHATTEN TRAFIKKSELSKAP ASA	NOR
264 000	1,65	SIS SEGAINTERSETTLE	CHE
193 100	1,21	SG NANTES/NEWEDGE GR C/O SVENSKA HANDELSB	FRA
184 400	1,15	KS ARTUS	NOR
174 800	1,10	BAKKELY INVEST A/S	NOR
110 000	0,69	WILH. WILHELMOSEN ASA	NOR
108 567	0,68	CLEARSTREAM BANKING CID DEPT, FRANKFURT	LUX
86 600	0,54	HAVSULEN AS	NOR
85 499	0,54	DNB NOR SMB VPF	NOR
83 450	0,52	PACIFIC CARRIERS LTD	SGP
83 450	0,52	CARVALLO INTERNATION	SGP
60 000	0,38	ULMAR AS	NOR
14.375.269	90,07		

# New buildings SubSea

**Acergy Havila**



**SubSea Diving vessel :**

- Havyard 858 DSV design
- Length 120m
- Breadth 23 m
- 250 tons offshore crane
- Accommodation of 140
- Clean design,
- Ice class,
- Catalyst

**Havila Phoenix**



**SubSea IMR:**

- Havyard 855 design
- Length/ Breadth: 95 m/ 20 m
- 150 tons offshore crane
- Accommodation of 70
- Clean design,
- Catalyst

**Havila TBN**



**SubSea Construction :**

- Havyard 858 design
- Length/ Breadth: 110 m/ 23 m
- 250 tons offshore crane
- Accommodation of 140
- 1100 m3 deck,
- Clean design,
- Ice class

# Newest



## Havyard 860

- Havyard Leirvik AS
- NOK 1.500 million investment
- Delivery is planned in spring 2011.
- Based on well known and tested principles
- The overall length will be 160 meters
- Breadth will be 28 meters
- Cargo deck of 2400 m2.
- Accommodation of 140
- 250 t crane
- Odim 250 t CTCU



# New buildings AHTS/ PSV



## 2 x PSV – Havila Herøy / Fanø

Havyard 832 CD design  
Length/ Breadth 80,4/17,60  
800 m3 deck- area  
DP 2, clean and comfort class,  
catalyst

## 2 x AHTS Havila Jupiter/Venus

Havyard 845 design  
Length/ Breadth: 92 m/ 22 m  
275 tons Bollard Pull  
500 t winch- tipple drum  
Hybrid propulsion system  
Safe AHTS equipment  
Integrated ROV  
Catalyst

## 2 x AHTS Havila Posh 1 delivered

Length/ Breadth: 69,9 m/ 16,6 m

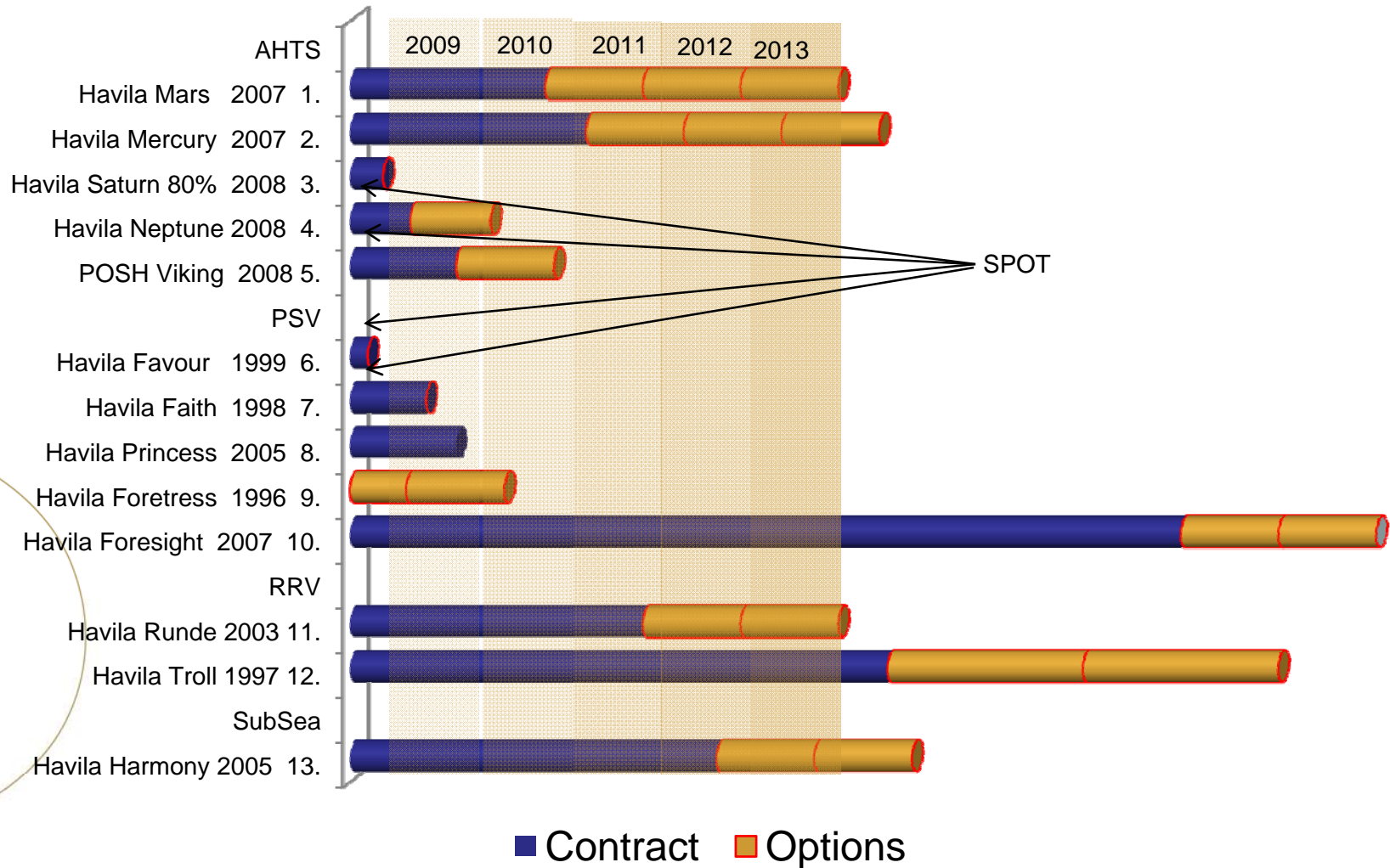
8000 BHP  
Bollard pull of appr.90 t

450 m3 deck area

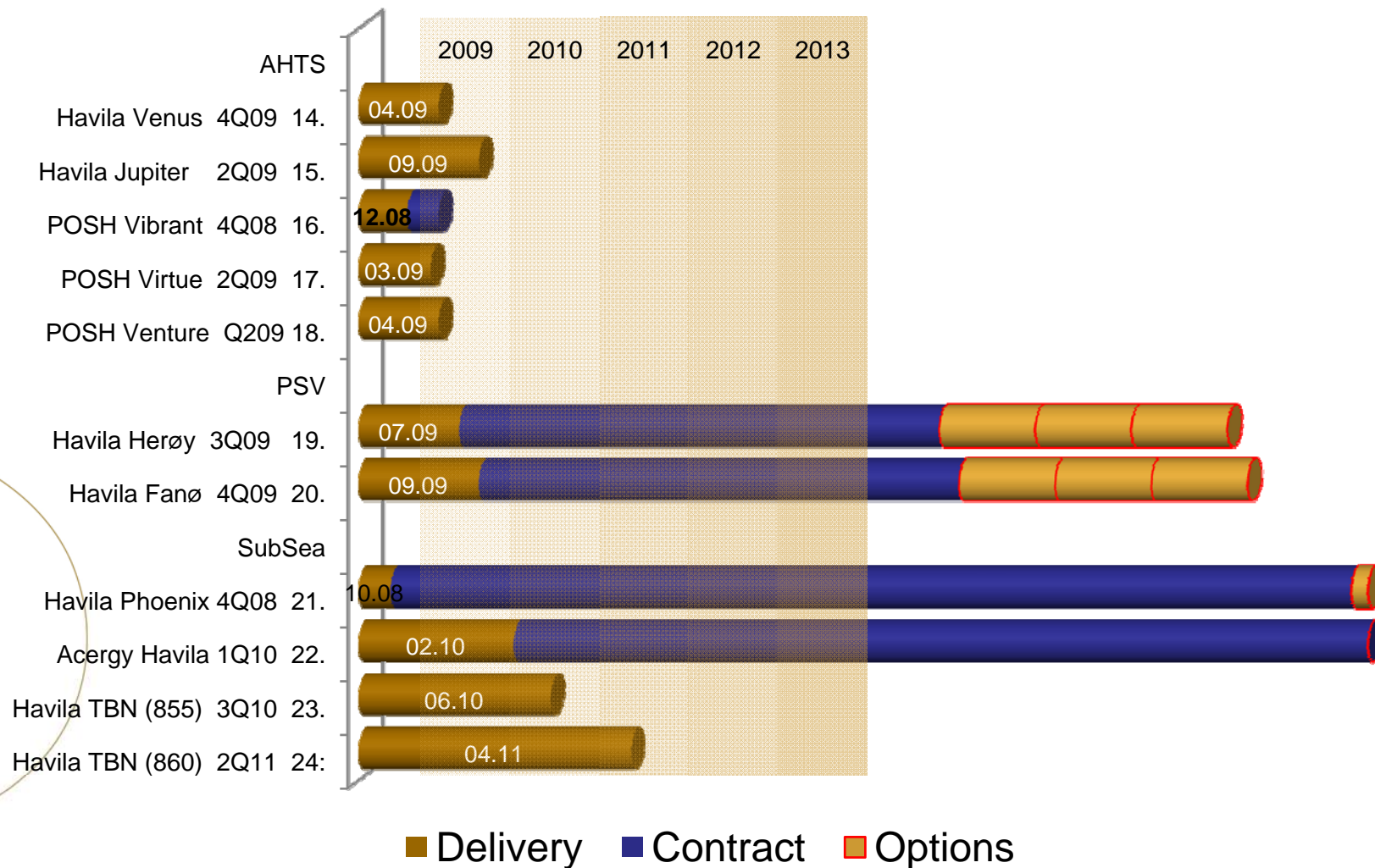
## 1 x AHTS Havila Posh 10800 BHP



# Contract status – existing fleet



# Contract status – New buildings



# Market comments



- Increased rates in Spot marked during 3rd quarter
  - Both for PSV and AHTS
  - One vessel outside North Sea during the quarter
  - One vessel leaved at the end of the quarter
- Few large new buildings AHTS expected to be delivered in near future. This will influence on the spot market
- Fundamentals is still strong within the Subsea segment.
- Focus on specialized built inspection- maintenance and repair (IMR) vessels.
- Late delivery, lack of capacity among suppliers is still a problem
- Crew situation in Norway will continue to be difficult in the coming periods

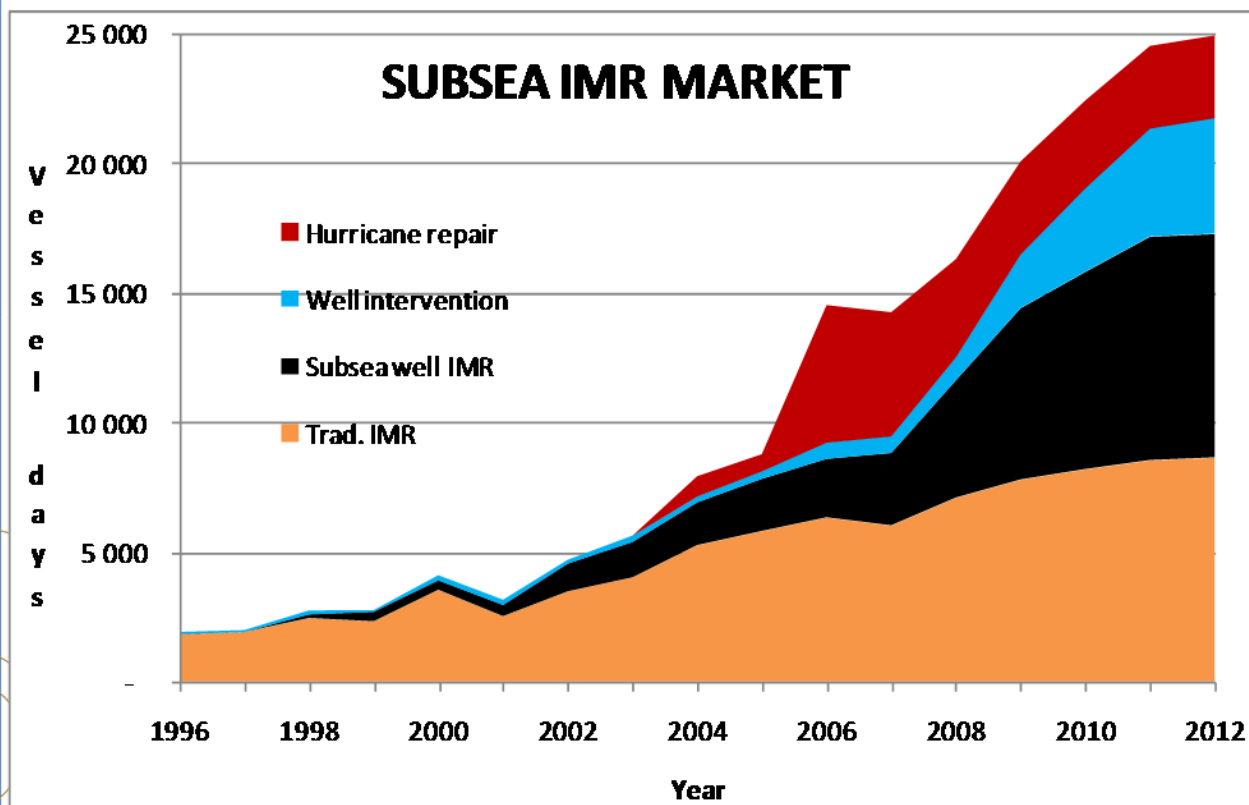
# SubSea vessels



[www.havila.no](http://www.havila.no)

No. of vessels						
Type	1970-89	1990-99	2000-04	2005-07	2008-11	Total
Lay Support Vessels	9	10	19	14	65	117
ROV Support Vessels	5	8	26	15	27	81
Diving Support Vessels	35	3	4	2	29	73
Lay Barge	13	1	2	2	11	29
Reel Lay Vessels	9	2	4	2	2	19
Well Intervention	1		1		13	15
Derrick Barges	2				1	3
<b>Total</b>	<b>74</b>	<b>24</b>	<b>56</b>	<b>35</b>	<b>148</b>	<b>337</b>

- growing demand. The total fleet is almost doubled in a few years
- approx. 20 % of the fleet is old and built before 1990
- North Sea is the most important region
- field development and pipeline installation is the key activity drivers



- Demand for IMR vessel days tripled in few years
- Increasing numbers of subsea wellhead will need continuously IMR (inspection, maintenance and repair) work in coming years
- New- building design Havyard 855 (delivery in 2010) is optimized for this segment
- Havila is focusing on quality vessel operation



# Summary



- Havila Shipping is focused on modern high-end vessels
- The company is creating values for the shareholders through dividend payments
- Havila Shipping has a strong financial situation
- AHTS market is stronger now than the average of 3<sup>rd</sup> quarter
- Strong international market for high end vessels
- Financial items will fluctuate in the future because of forward FX contracts against USD, EUR and GBP
- The crew situation and lack of capacity among the suppliers, will become a challenge also forward
- The industry is capital intensive and are effected by the financial crises



Financial calendar 2009  
**Will be published within  
22nd December 2008**

**Contact:**

**CEO NJÅL SÆVIK** (047) 909 35 722 [njaal@havila.no](mailto:njaal@havila.no)

**CFO ARNE JOHAN DALE** (047) 909 87 706 [ajd@havila.no](mailto:ajd@havila.no)

# P & L ACCOUNT BALANCE SHEET

# Figures Q3 2008



NOK 1000		Q3 2008	Q3 2007	YTD 2008	YTD 2007
Freight income	<i>Fraktinntekter</i>	216 781	154 297	516 048	387 788
Other income	<i>Andre inntekter</i>		2 032	156	3 052
Profit by sale of assets	<i>Gevinst salg av eiendeler</i>		146 771	311 813	146 771
<b>Total income and profit</b>	<b><i>Totale inntekter og gevinst</i></b>	<b>216 781</b>	<b>303 100</b>	<b>828 017</b>	<b>537 611</b>
Crew expenses	<i>Mannskapsutgifter</i>	48 664	30 337	125 063	88 350
Hire vessels	<i>Leie fartøy</i>	27 390		77 703	
Vessel Costs	<i>Fartøykostnader</i>	17 635	12 273	47 345	34 060
Other operating expenses	<i>Andre utgifter</i>	8 669	6 821	25 749	19 316
<b>Total operating expenses</b>	<b><i>Totale driftsutgifter</i></b>	<b>102 358</b>		<b>275 860</b>	<b>141 726</b>
<b>Operating profit before depr.</b>	<b><i>Driftsresultat før avskrivning</i></b>	<b>114 423</b>	<b>253 669</b>	<b>552 157</b>	<b>395 885</b>
Depreciation	<i>Avskrivninger</i>	24 897	23 309	71 480	62 462
<b>Operating profit</b>	<b><i>Driftsresultat</i></b>	<b>89 526</b>	<b>230 360</b>	<b>480 667</b>	<b>333 423</b>
Interest income	<i>Renteinntekter</i>	6 998	7 269	25 113	21 697
Other financial income	<i>Andre finansinntekter</i>	4 584	14 555	8 273	25 651
Interest expenses	<i>Rentekostnader</i>	- 42 669	- 29 126	- 115 289	- 75 230
Other financial expenses	<i>Andre finanskostnader</i>	- 16 315	- 7 190	- 23 781	- 13 834
Net change in value financial instruments	<i>Netto verdiendring finanselle instr</i>	- 27 678	2 181	- 31 770	20 957
<b>Net financial items</b>	<b><i>Netto finansposter</i></b>	<b>- 75 080</b>	<b>- 12 311</b>	<b>- 137 454</b>	<b>- 20 759</b>
<b>Associated companies</b>	<b><i>Tilknyttede selskaper</i></b>	<b>2 416</b>	<b>-76</b>	<b>2 416</b>	<b>- 279</b>
<b>Profit before tax</b>	<b><i>Resultat før skatt</i></b>	<b>16 862</b>	<b>217 973</b>	<b>345 639</b>	<b>312 385</b>
Taxes		4 979	- 6 169	- 7 514	- 15 942
Minority interest	<i>Minoritets interesser</i>	- 4 541	- 93	- 5 897	52
<b>Profit for the period</b>	<b><i>Resultat etter skatt</i></b>	<b>17 300</b>	<b>211 897</b>	<b>332 228</b>	<b>296 495</b>

# Assets



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ASSETS NOK 1 000	EIENDELER	30.09.08	31.12.2007
<b>FIXED ASSETS</b>	<b>VARIGE DRIFTSMIDLER</b>		
Vessels	<i>Fartøyer</i>	2 152 040	1 320 213
Buildings, office equipment etc.	<i>Bygninger, kontorutstyr etc</i>	7 968	588
Excess value in associated company	<i>Merverdi i tilknyttet selskap</i>		
Contract New buildings	<i>Nybyggingskontrakter</i>	758 680	729 234
<b>Total tangible fixed assets</b>	<b>Totalt varige driftsmiddel</b>	<b>2 918 688</b>	<b>2 050 035</b>
<b>Financial fixed assets</b>	<b>Finansielle eiendeler</b>		
Investments in associated company	<i>Investering i tilknyttet selskap</i>	4 160	1 246
Derivatives	<i>Derivater</i>	8 332	10 065
Other long-term receivables	<i>Andre langsiktige fordringer</i>	15 888	12 897
<b>Total financial fixed assets</b>	<b>Totalt finansielle eiendeler</b>	<b>28 380</b>	<b>24 208</b>
<b>Total fixed assets</b>	<b>Sum varige eiendeler</b>	<b>2 947 068</b>	<b>2 074 243</b>
<b>CURRENT ASSETS</b>	<b>Omløpsmidler</b>		
Trade receivables	<i>Kundefordringer</i>	165 694	94 793
Other short-term receivables	<i>Andre kortsiktige fordringer</i>	47 881	21 040
Vessels hold for sale	<i>Fartøyer for salg</i>		707 230
Derivatives	<i>Derivater</i>		12 093
Market based securities	<i>Markedsbaserte verdipapir</i>	121 819	53 663
Bank deposit	<i>Bankbeholdning</i>	394 555	471 006
<b>Total current assets</b>	<b>Sum omløpsmidler</b>	<b>729 949</b>	<b>1 359 825</b>
<b>TOTAL ASSETS</b>	<b>SUM EIENDELER</b>	<b>3 677 017</b>	<b>3 434 068</b>

# Equity and liabilities



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<b>EQUITY AND LIABILITIES</b>	<b>EGENKAPITAL OG GJELD</b>	<b>30.09.2008</b>	<b>31.12.2007</b>
<b>EQUITY</b>	<b>EGENKAPITAL</b>		
Share capital	<i>Aksjekapital</i>	199 500	399 000
Agreed reduction of share capital	<i>Ikke registrert kapitalendring</i>		- 199 500
Share premium fund	<i>Overkursfond</i>	40 975	40 975
Other equity	<i>Annen egenkapital</i>	906 740	622 143
Minority Interest	<i>Minoritets egenkapital</i>	25 057	16 859
<b>Total equity</b>	<b><i>Sum egenkapital</i></b>	<b>1 172 272</b>	<b>879 477</b>
<b>LONG TERM DEBT</b>	<b>LANGSIKTIG GJELD</b>		
Debt to financial institutions	<i>Gjeld til banker</i>	1 664 097	1 540 402
Bond loan	<i>Obligasjonslån</i>	450 000	450 000
Deferred tax	<i>Utsatt skatt</i>	101 807	95 981
Derivatives	<i>Derivater</i>	6 631	
Other long term debt	<i>Andre langsiktig gjeld</i>	79 073	84 122
<b>Total long term debt</b>	<b><i>Sum langsiktig gjeld</i></b>	<b>2 301 608</b>	<b>2 170 505</b>
<b>CURRENT LIABILITIES</b>	<b>KORTSIKTIG GJELD</b>		
Trade Creditors	<i>Leverandørgjeld</i>	22 489	62 245
Tax payable	<i>Betalbar skatt</i>	14 730	7 753
Other short-term debt	<i>Annen kortsiktig gjeld</i>	165 918	314 088
<b>Total current liabilities</b>	<b><i>Sum kortsiktig gjeld</i></b>	<b>203 137</b>	<b>384 086</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>SUM EGENKAP OG GJELD</b>	<b>3 677 017</b>	<b>3 434 068</b>



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