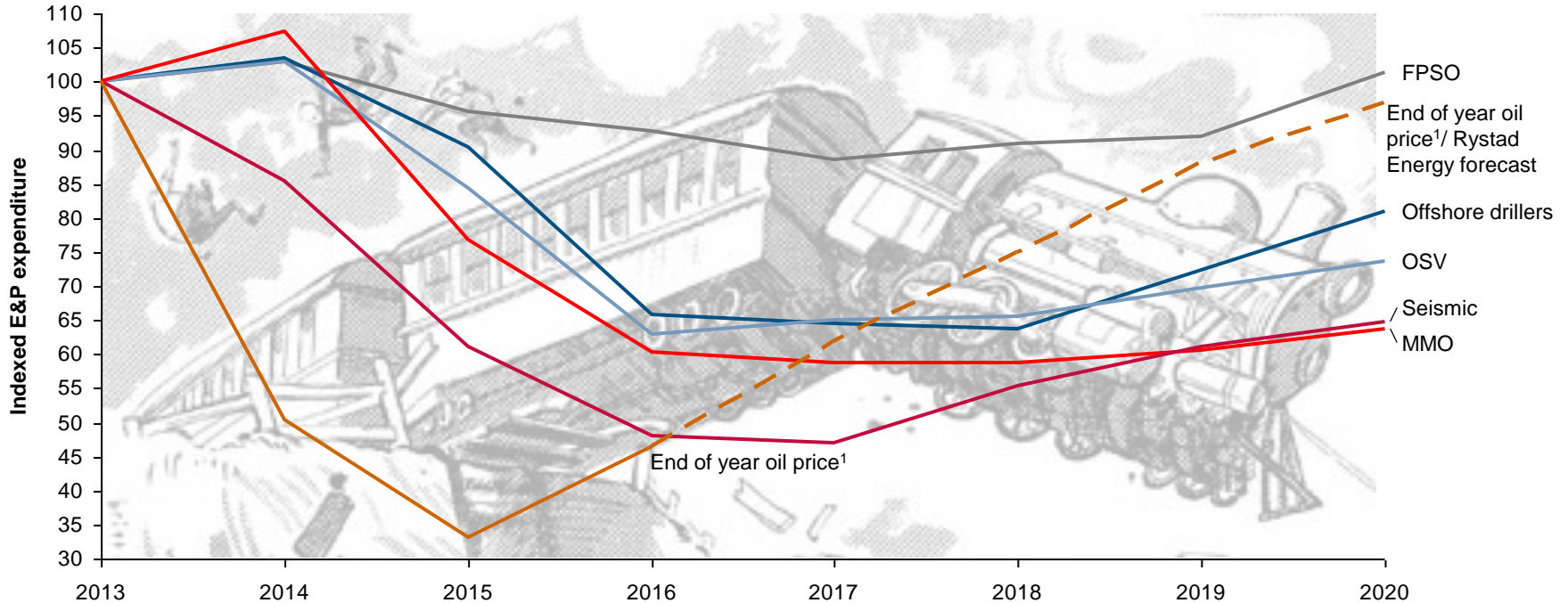


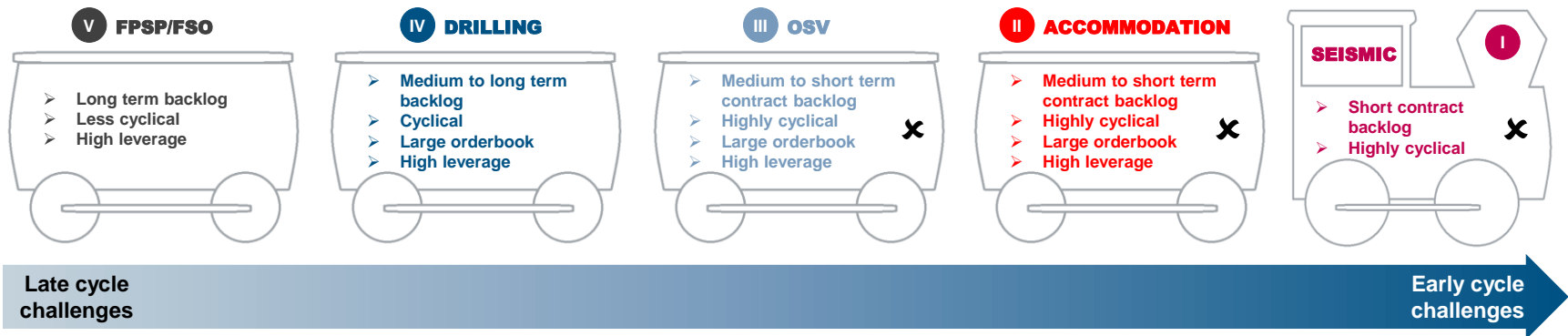
When the E&P spending train derailed into 2015, segments and companies were differently impacted by the crash

While some wagons crashed early, the industries with backlog have survived so far...

Some segments have experienced a drop in E&P spending of more than 50% since peak



Different timing for when the segments are required to restructure their balance sheets

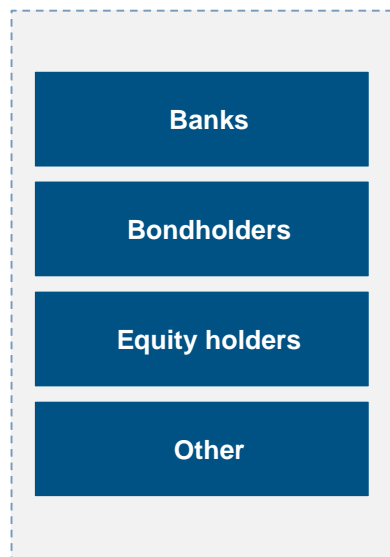


Note (1): 2016 oil price is trading as of 17.10.2016
Source: Rystad Energy as at 17.10.2016

Few have been sheltered from restructurings in the OSV space

Stakeholders different agendas create challenging negotiations

Affected stakeholders



Key expectations...

A Balanced solution	<ul style="list-style-type: none"> ✓ A sooner rather than later solution viewed as beneficial among the stakeholders ✓ A balanced solution where all stakeholders participate as well as contributes relative to rank in capital structure (banks, bondholders and shareholders) ✓ Early stakeholder involvement, understand their agenda and allow them to get a chance to present their views
B Runway throughout the downcycle	<ul style="list-style-type: none"> ✓ A comprehensive and robust solution based on realistic assumptions, that creates a runway throughout the downcycle (2020) ✓ A credible runway throughout the downcycle is a prerequisite for potential new equity
C Shareholder support	<ul style="list-style-type: none"> ✓ Pro-rata support from main shareholder in an equity issue is expected
D EV reduction?	<ul style="list-style-type: none"> ✓ New equity investors may require an EV reduction in order to be willing to invest <ul style="list-style-type: none"> ➢ Bonds typically trade at significant discount to par value ➢ Market cap represents an insignificant part of the total EV
E Scrapping	<ul style="list-style-type: none"> ✓ Older units to be scrapped or sold out of the market in order to restore market balance
F The surviving entities	<ul style="list-style-type: none"> ✓ Significant backlog at risk in the event of default, hence banks are likely to be pragmatic to secure a solution ✓ Tier 1 unit owners likely winners in upcoming consolidation

Source: Nordea Markets and company filings