Nordic Heavy Lift ASA
General Presentation - 24 October 2007

First Mover in the Heavy Lift Installation Market
**Investment case**

- **First mover in the heavy lift installation market**
  - >70% increase in global drilling activity will boost installation work
  - 60-70% increase in heavy lift demand expected during 2010-2016E period
  - Late-cyclical oil service play geared towards increased offshore production and field development activity
  - Activity drivers: New platforms + Revamps of existing platforms due to subsea tie-backs & upgrades + Maintenance of older platforms

- **Limited heavy lift fleet growth & consolidated market**
  - Dominated by Heerema, Saipem, McDermott and Acergy (Sapura)
  - Newbuilds restricted to two pure crane vessels plus two combined small crane/pipelaying units

- **Nordic Heavy Lift to construct state-of-the-art heavy lift vessel with 5,000 tonne crane capacity**
  - Robust and proven design and concept (Sea of Solutions now a part of Ulstein)
  - Able to work in practically all geographic areas and all relevant water depths (incl. UKCS and NCS)
  - Turnkey contract with Sembawang Shipyard in Singapore, (hull fabrication subcontract with Nantong Yahua) and 5,000 tonne crane contract with Huisman. Rolls Royce is the provider of the power package and thrusters. Option for a second crane vessel
  - Delivery end-March 2010 at all-in delivered cost of $401 mill. Hedged currency risk.
  - Strong industrial and technical backing through Dyvi as co-founder, investor and manager

- **Attractive economics**
  - Balance sheet structure: $108m in new equity, $115m in bond, $185m in 1. priority carve-out
  - Conservative gross margin day rate (T/C) assumption of $380’ after deducting project related cost from overall lumpsum revenues and 80% utilisation yield EV/EBITDA 4.4x and P/E of 2.3x

- **Opportunistic approach**
  - Preparing for full operation post-delivery, but long term contract and/or M&A activity actively considered
Vision and Strategy

▪ **Vision**

Nordic Heavy Lift shall be a leading provider of offshore installation services in the medium sized heavy lift market.

▪ **Strategy**

Nordic Heavy Lift's strategy is to become a leading provider of the most modern- and technologically advanced fast going monohull crane vessel.
Capex and Funding

- Total Capex of $386m
  - Sembawang contract $225m
  - Crane contract with Huisman $91m+
  - Contingency $13m
  - Supervision, spares, other costs $20m
  - Capitalized interest cost $37m
- Total funding requirement of $401m
  - Incl. SG&A to delivery - March 2010
- Covered by
  - $108m in equity
  - $115m in bonds
  - $185m in bank/bond carve-out
- The equity and the bonds is scheduled to cover all financing needs until 2009E
  - Implied $7m cash/working capital at delivery

### Nordic Heavy Lift - Capex & Funding

<table>
<thead>
<tr>
<th>Capital expenditure</th>
<th>$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sembawang Yard contract</td>
<td>225</td>
</tr>
<tr>
<td>5,000t Crane</td>
<td>91</td>
</tr>
<tr>
<td>Contingency</td>
<td>13</td>
</tr>
<tr>
<td>Other costs / supervision / spares</td>
<td>20</td>
</tr>
<tr>
<td>Capitalized interest</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total capex</strong></td>
<td>386</td>
</tr>
<tr>
<td>SG&amp;A to delivery</td>
<td>10</td>
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<tr>
<td>Equity transaction fee</td>
<td>5</td>
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<tr>
<td><strong>Total funding requirement</strong></td>
<td>401</td>
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<tr>
<td>Cash equity</td>
<td>108</td>
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<tr>
<td>Bond issue</td>
<td>115</td>
</tr>
<tr>
<td>Bank/bond carve-out (2009E)</td>
<td>185</td>
</tr>
<tr>
<td><strong>Total funding</strong></td>
<td>408</td>
</tr>
<tr>
<td><strong>Implied cash/work cap at delivery</strong></td>
<td>7</td>
</tr>
</tbody>
</table>

Source: Company/Pareto
Dynamically positioning and 5,000 tonne crane
Can be upgraded with pipelaying and deepwater subsea capability

Length overall (hull) : 181 m
Breadth moulded : 46 m
Depth at side : 16 m
Operational draught : 7-11 m
Speed : 13-14 knots
Crane capacity fixed : 5,000 mt
Crane capacity revolving : 4,000 mt
Two main propulsion units : 5.5 MW each
Five thrusters : 4 x 3.2 MW + 1 x 2.7 MW
Diesel generator sets : 6x5,765 kW
Accommodation : 220-400
Helideck : S61N & S92
Total steel weight : 13,500 mt
NHL Vessel - Typical Module Lift

Improvements: Split hook and deepwater lowering (option)
Artist impression with/without J-lay
Heavy Lift Crane Vessels in Operation

Stanislav Yudin

Saipem 7000

DB 50

Balder & Thialf working on Holstein
Typical Field Installation Work to be Performed

Source: Energistyrelsen / Denmark
DUAL MAIN HOIST CONFIGURATION

JACKET LIFT
JACKET HANDLED BY TWO MAIN HOISTS
MAX. LOAD JACKET APPROX. 4000 mt
MAX. LENGTH JACKET INCREASED DUE TO ORIENTATION
Typical Jacket and Module Configuration
What the Vessel can install

- Fixed platforms: Jackets/MSF/decks
- Compliant tower: MSF/decks
- TLPs: Base frames/tendons/MSF/decks
- FPVs: Moorings/decks
- Spars: Moorings/MSF/decks
- FPSOs: Moorings
- Subsea: Templates/Christmas trees, etc

The Vessel can also be used for decommissioning work
High-Capacity Heavy Lift Crane Vessel

- Dynamically positioned heavy lift crane vessel focusing on offshore installation and construction work
- Suitable for all relevant water depths
- High speed of 13-14 knots reduces transit time compared to current fleet typically performing maximum 7 knots, and thus achieving increased up-time
- Worldwide operation, but focus on the Atlantic Basin but also the Mediterranean, Middle East, Southeast Asia and Australia
- Main focus on offshore jacket installation and piling, installation of module support frames (MSF), modules, topsides, TLP tendons, SPAR decks, FPV moorings, etc., but also suitable for decommissioning
- Flexible vessel design
  - Large subsea module handling, with option to upgrade capacity to handle subsea structures in 3,000 m water depth including heave compensation
  - Large deck area of approx. 5,500 m²
  - Prepared to accommodate pipelaying; S-lay and J-lay
  - Proven concept
- Option for one more vessel
Nordic Heavy Lift - First Mover in the High-End

- A flurry of newbuild subsea assets in the market
- These units are positioned to lift subsea modules, with typical crane capacity of 250t
- On the other end of the scale is Heerema with 3 out of the world’s 5 semi-submersible heavy lift vessels
- NHL is positioned in the high-end, being the largest ship-shaped crane vessel in the world
- The 5,000 tonne NHL crane vessel will be capable of performing most of the global installation work
Sembawang Shipyard

- Building the DP pipelayer & crane vessel Sapura 3000 for Sapura Crest & Acergy
- Sembawang Shipyard is a wholly owned shipyard of SembCorp Marine Ltd.
- The parent company SembCorp Marine Ltd. has a market cap of USD 3.5 billion
- Yards within the group includes PPL, Jurong, Sembawang and Cosco.
- The group has 11 shipyards including 4 in Singapore, 5 in China and 1 each in Indonesia and Brazil
- Sembawang has five docks totaling 775,000 dwt and in-house engineering facilities
- Four kilometers of continuous deep and sheltered berthage of up to 14m water depth
- The shipyard's 100,000 dwt dry dock with 14m draft is one of the deepest in South-east Asia

CLIENTS
- Acergy (UK)
- Allseas (NED)
- Bluewater (NED)
- BW Offshore (NOR)
- Halliburton (UK)
- Modoc (JAP)
- Saipem (ITA)
- Shell Exploration (NED)
- Sapura Acergy (MAL)
- Transocean (USA)

TRACK RECORD
- 16 FPSO/FSO conversions
- 2 Shuttle tank conversions
- 1 DP heavy lift conversion
- 2 DP heavy lift pipe-laying vessel constructions
- 8 Rig upgrades (min.)
- 1 Rig newbuilding

Sembawang has more than three decades of experience, servicing an annual average of 220 vessels of all types
Hull Construction and Crane Supplier

Nantong Yahua Shipbuilding

- Privately owned shipyard in the city of Nantong in China
- Headed by the chairman & president Mr. Zhao Jian
- Nantong has constructed the hull for the “Sapura 3000” heavylift crane/pipelay vessel currently under final construction at the Sembawang Shipyard
  - Of the same Sea of Solution design as NHL’s 5,000 tonne crane vessel
- Nantong has a solid track record when it comes to vessel construction. Experience from several barges, container vessels, chemical vessels, cargo vessels, bulk carriers and other hull constructions
- Planned steel work in China
  - New hull 10,041 t
  - Accommodation 816 t
  - Forecastle 530 t
  - Funnel 72 t
  - Helideck 125 t
  - Crane foundation 250 t

Huisman

- Leading crane and pipelay equipment manufacturer founded in 1929 - delivered J-lay to FDS 1, Balder and Saipem 7000, etc.
- Headquartered in Schiedam, Holland
- Fabrication in Holland, Czech Republic and China
- Reference list for 2006 includes
  - Reeled Rigid Pipe Lay system for Subsea 7
  - J-lay system to Acergy’s Seaway Polaris
  - Pipelay, pipe handling and 3,000 t crane to Acergy & Sapura Crest’s Sapura 3000

Heavy Lift Mast Crane. Source: Huisman
Dyvi is a family-owned shipowning and investment company founded in 1955.

Dyvi has a history of successful innovations and pioneering ventures within the shipping and offshore industry. More than 30 vessels have been built over the years; almost all of them prototypes and/or special-purpose vessels.

1962: Built the world’s first roll-on-roll off pure car carrier and has been shipowner of car carriers ever since. Present fleet counts 7 vessels (incl. 2 newbuildings).

1970-1980ies: Dyvi Offshore (now Seadrill) was Norway’s largest offshore oil drilling contractor. The company then owning 9 drilling rigs was sold to Smedvig in 1988.

1979: Established Dyvi Heavy Lift with a fleet of four semi-submersible heavy lift vessels plus management of additional units, now part of Dockwise fleet.


1999: Lead investor and project responsible for building the largest semisubmersible heavy transportation ships (Blue Marlin / Black Marlin). The owning company, Offshore Heavy Transport, was merged with Dockwise in 2001. Dyvi sold its owning interests in Dockwise in 2006.
Steady rise in offshore oil production projected

© Rystad Energy

Nordic Heavy Lift
Dramatic Increase in Deepwater Production is Foreseen
Massive growth in offshore drilling

No. of floating drilling rigs working + demand projections

Global floater rig count 1)

Source: ODS_Petrodata / Pareto
Historical and Expected Future Heavy Lift Demand

Number of heavy lifts +100 tonnes

<table>
<thead>
<tr>
<th>Average lifts/year</th>
<th>Platform Installation</th>
<th>Decommission.</th>
<th>Subsea</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-2006</td>
<td>229</td>
<td>115</td>
<td>62</td>
<td>406</td>
</tr>
<tr>
<td>2010-2016</td>
<td>357</td>
<td>219</td>
<td>95</td>
<td>671</td>
</tr>
<tr>
<td><strong>Growth</strong></td>
<td><strong>56%</strong></td>
<td><strong>91%</strong></td>
<td><strong>53%</strong></td>
<td><strong>65%</strong></td>
</tr>
</tbody>
</table>

Source: Rystad Energy
### The three main players; Heerema, Saipem and McDermott control about 67% of the market for lifts > 2000t

<table>
<thead>
<tr>
<th>Heerema</th>
<th>Saipem</th>
<th>McDermott</th>
</tr>
</thead>
<tbody>
<tr>
<td>The dominant player in the market</td>
<td>Operates 3 of the 5 semisubmersible crane vessels (SSCVs). Probably shelved its plan to build a 14,000 tonne SSCV ending up at &gt; $ 1.7 billion cost and 2011/12 delivery from Korea.</td>
<td>Operates S-7000 (1 of the 5 semisubmersible crane vessels) and further 2 vessels with lift capacity 2,000-3,000 mt</td>
</tr>
<tr>
<td>Operates on a global basis, but mainly in the Atlantic basin</td>
<td>Recently ordered a € 1bn ice class pipelaying vessel Yantai</td>
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</tr>
<tr>
<td>Owns and operates two vessels with lift capacity &gt; 3,000 t</td>
<td>Considering JV with Petrobras</td>
<td>50% interest in Seaway Heavy Lift owning 2,700 t Stanislav Yudin and 50% interest in Sapura-Acergy owning the 2,700 t unit Sapura 3000 to be delivered end 2007 from Sembawang. Ordered somewhat similar vessel to NHL at Merwede.</td>
</tr>
<tr>
<td>Leases another two with lift capacity &gt; 2000 t from Hydro Marine Services</td>
<td></td>
<td>Operates one crane-pipelaying vessel with lift capacity &gt; 1,000 t</td>
</tr>
<tr>
<td>Recently purchased Secunda Marine</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Supply: Typical Crane Vessels/Units with Crane Capacity > 2,000 tonnes

<table>
<thead>
<tr>
<th>Owner</th>
<th>Name</th>
<th>Type</th>
<th>Capacity (tonnes)</th>
<th>Speed (knots)</th>
<th>Accommodation (persons)</th>
<th>Built</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heerema</td>
<td>Thialf</td>
<td>SSCV</td>
<td>2*7000</td>
<td>6</td>
<td>736</td>
<td>1988</td>
</tr>
<tr>
<td>Heerema</td>
<td>Hermod</td>
<td>SSCV</td>
<td>4500+3600</td>
<td>6</td>
<td>336</td>
<td>1977</td>
</tr>
<tr>
<td>Heerema</td>
<td>Balder</td>
<td>SSCV</td>
<td>3600+2700</td>
<td>6</td>
<td>400</td>
<td>1978</td>
</tr>
<tr>
<td>Saipem</td>
<td>S-7000</td>
<td>SSCV</td>
<td>2*7000</td>
<td>10</td>
<td>800</td>
<td>1983</td>
</tr>
<tr>
<td>McDermott</td>
<td>DB 101</td>
<td>SSCV</td>
<td>3150</td>
<td>10</td>
<td>275</td>
<td>1978</td>
</tr>
<tr>
<td>Heerema</td>
<td>Hermod</td>
<td>SSCV</td>
<td>4500+3600</td>
<td>6</td>
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</tr>
<tr>
<td>McDermott</td>
<td>DB 101</td>
<td>SSCV</td>
<td>3150</td>
<td>10</td>
<td>275</td>
<td>1978</td>
</tr>
<tr>
<td>Saipem</td>
<td>S-3000</td>
<td>S2500</td>
<td>2700</td>
<td>12</td>
<td>330</td>
<td>2007</td>
</tr>
<tr>
<td>Saipem</td>
<td>Castoro Otto</td>
<td>DB 30</td>
<td>2100</td>
<td>5</td>
<td>294</td>
<td>1975</td>
</tr>
<tr>
<td>McDermott</td>
<td>DB 27</td>
<td>DB 2150</td>
<td>5</td>
<td>294</td>
<td>1975</td>
<td></td>
</tr>
<tr>
<td>Saipem</td>
<td>Yantai tbn</td>
<td>SHL 5000</td>
<td>395</td>
<td>14</td>
<td>234</td>
<td>2010</td>
</tr>
<tr>
<td>Saipem</td>
<td>Castoro Otto</td>
<td>DB 30</td>
<td>2150</td>
<td>8</td>
<td>339</td>
<td>1974</td>
</tr>
<tr>
<td>McDermott</td>
<td>DB 30</td>
<td>DLB</td>
<td>2160</td>
<td>6</td>
<td>270</td>
<td>1974</td>
</tr>
<tr>
<td>Saipem</td>
<td>Yantai tbn</td>
<td>SHL 5000</td>
<td>395</td>
<td>14</td>
<td>234</td>
<td>2010</td>
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<td>SHL 5000</td>
<td>395</td>
<td>14</td>
<td>234</td>
<td>2010</td>
</tr>
</tbody>
</table>

1) Speed & accommodation assumed similar to Saipura 3000
2) Ice-strengthened pipelay vessel

SSCV = Semi-Submersible Construction Vessel (self-propelled)
DV = Derrick Vessel (self-propelled)
DLB = Derrick/ pipelaying barge (non-self-propelled)
DB = Derrick Barge (non-self-propelled)
DVB = Derrick/ pipelaying Vessel (self-propelled)
History supporting >$ 400,000/day

Infield’s historical earnings applied on a typical 5,000 tonne crane vessel
Assuming linear relationship between crane capacity and earnings

- Typical historical heavy lift day rates between $ 280/d (T/C) and $ +500/d
- Average day rate 1992-2006 estimated at $ 380/d (source: Infield)
- Avg. historical utilization approx. 65%
- Recent day rates moving up
- Strong support for $ 380/d base case projections 2010E

Historical Bareboat day rates
(T/C approx USD 40’ higher)
Strong earnings potential in an undersupplied installation market

- The installation market is a late-cycle play
- +70% increase in drilling activity in the last 3 years
- 70% heavy lift demand growth projected 2010-2016E
- Limited heavy lift order book
- Strong day rate/earnings potential in a tight market
- Strong value creation to clients: Oil company revenue loss $3m per day with delayed installation (assuming 50’ boe/day)

Day rate change key offshore assets

1) Avg. historical day rate $380’ x avg historical 65% util
2) Base Case day rate $380’ x projected 80% util
## Typical First Year of Operation

### No. of lifts

<table>
<thead>
<tr>
<th>Project 1</th>
<th>Project 2</th>
<th>Project 3</th>
<th>Project 4</th>
<th>Project 5</th>
<th>Project 6</th>
<th>Project 7</th>
<th>Project 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>5</td>
<td>2</td>
<td>6</td>
</tr>
</tbody>
</table>

### Mobilisation from place

<table>
<thead>
<tr>
<th>Mobilisation from place</th>
<th>Singapore</th>
<th>Luanda</th>
<th>Lagos</th>
<th>Rotterdam</th>
<th>Lowestoft</th>
<th>N. Orleans</th>
<th>Trinidad</th>
<th>P. Gentil</th>
</tr>
</thead>
</table>

### Mobilisation date

|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

### Distance from/to

<table>
<thead>
<tr>
<th>Distance from/to</th>
<th>(nm)</th>
<th>7 230</th>
<th>1 089</th>
<th>4 171</th>
<th>108</th>
<th>4 807</th>
<th>2 065</th>
<th>6 305</th>
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</thead>
</table>

### Vessel average speed

<table>
<thead>
<tr>
<th>Vessel average speed</th>
<th>(knots)</th>
<th>12</th>
<th>12</th>
<th>12</th>
<th>12</th>
<th>12</th>
<th>12</th>
<th>12</th>
</tr>
</thead>
</table>

### Mobilisation to place

<table>
<thead>
<tr>
<th>Mobilisation to place</th>
<th>Luanda</th>
<th>Lagos</th>
<th>Rotterdam</th>
<th>Lowestoft</th>
<th>N. Orleans</th>
<th>Trinidad</th>
<th>P. Gentil</th>
<th>Vera Cruz</th>
</tr>
</thead>
</table>

### Mobilisation time

<table>
<thead>
<tr>
<th>Mobilisation time</th>
<th>(days)</th>
<th>25</th>
<th>4</th>
<th>14</th>
<th>0</th>
<th>17</th>
<th>7</th>
<th>30</th>
</tr>
</thead>
</table>

### Arrival date at destination

|-----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

### Preparations

<table>
<thead>
<tr>
<th>Preparations</th>
<th>(days)</th>
<th>5</th>
<th>7</th>
<th>10</th>
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<th>5</th>
<th>3</th>
<th>5</th>
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</table>

### Waiting time

<table>
<thead>
<tr>
<th>Waiting time</th>
<th>(days)</th>
<th>10</th>
<th>8</th>
<th>7</th>
<th>0</th>
<th>5</th>
<th>10</th>
<th>0</th>
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</table>

### Operation

<table>
<thead>
<tr>
<th>Operation</th>
<th>(days)</th>
<th>30</th>
<th>25</th>
<th>35</th>
<th>12</th>
<th>25</th>
<th>15</th>
<th>12</th>
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</table>

### "Unpreparations"

<table>
<thead>
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<th>(days)</th>
<th>3</th>
<th>2</th>
<th>5</th>
<th>2</th>
<th>4</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
</table>

### No. of days of project

<table>
<thead>
<tr>
<th>No. of days of project</th>
<th>(days)</th>
<th>73</th>
<th>46</th>
<th>71</th>
<th>16</th>
<th>56</th>
<th>42</th>
<th>32</th>
</tr>
</thead>
</table>

### Completion date of project

<table>
<thead>
<tr>
<th>Completion date of project</th>
<th>27-Jun-10</th>
<th>12-Aug-10</th>
<th>24-Oct-10</th>
<th>10-Nov-10</th>
<th>06-Jan-11</th>
<th>18-Feb-11</th>
<th>23-Mar-11</th>
<th>11-Jun-11</th>
</tr>
</thead>
</table>

### Historic/project

<table>
<thead>
<tr>
<th>Historic/project</th>
<th>Multiple</th>
<th>Lumpsum</th>
<th>10 350</th>
<th>2.25</th>
<th>33 268</th>
<th>24 951</th>
<th>16 634</th>
<th>16 634</th>
<th>49 902</th>
<th>41 585</th>
<th>16 634</th>
<th>49 902</th>
</tr>
</thead>
</table>

|------------------|----------|-------------|-------|------|------|-----|-----|-----|-----|--------|--------|-------|------|------|-----|-----|-----|-----|--------|

| Historic/project | Multiple | Project related cost | -12 525 | -8 350 | -4 125 | -6 263 | -10 700 | -14 613 | -14 750 | -16 700 | -12 525 | -8 350 | -4 125 | -6 263 | -10 700 | -14 613 | -14 750 | -16 700 |
|------------------|----------|----------------------|--------|-------|-------|-------|--------|--------|--------|--------|--------|-------|-------|-------|--------|--------|--------|--------|-------|

| Historic/project | Multiple | Gross margin | 19 713 | 16 063 | 11 542 | 10 190 | 32 439 | 26 499 | 11 645 | 32 137 | 19 713 | 16 063 | 11 542 | 10 190 | 32 439 | 26 499 | 11 645 | 32 137 |
|------------------|----------|--------------|--------|-------|-------|-------|--------|--------|--------|--------|--------|-------|-------|-------|--------|--------|--------|--------|-------|

| Historic/project | Multiple | Project T/C | 269 653 | 350 870 | 611 470 | 626 518 | 582 482 | 630 927 | 363 907 | 407 352 | 269 653 | 350 870 | 611 470 | 626 518 | 582 482 | 630 927 | 363 907 | 407 352 |
|------------------|----------|-------------|--------|-------|-------|-------|--------|--------|--------|--------|--------|-------|-------|-------|--------|--------|--------|--------|-------|

### Bunker assumptions:

- Consumption - steaming/day (mt) | 50
- Cost/tonne - steaming ($) | 400
- Cost/day - steaming ($) | 20 000
- Consumption - operating/day (mt) | 20
- Cost/tonne - operating ($) | 550
- Cost/day - ($) | 11 000

### PROFORMA PROFIT & LOSS STATEMENT

<table>
<thead>
<tr>
<th>PROFORMA PROFIT &amp; LOSS STATEMENT</th>
<th>Financials</th>
<th>Gross Margin (annualised) ($ 1 000)</th>
<th>140 850</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Opex/G&amp;A</td>
<td>p/d ($)</td>
<td>50 450</td>
</tr>
<tr>
<td></td>
<td>EBITDA</td>
<td></td>
<td>122 436</td>
</tr>
<tr>
<td></td>
<td>Depreciation</td>
<td>Basis value ($ 1 000)</td>
<td>385 000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Period (years)</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Bond loan</td>
<td>Basis value ($ 1 000)</td>
<td>115 000</td>
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<tr>
<td></td>
<td></td>
<td>Interest rate</td>
<td>11%</td>
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<tr>
<td></td>
<td>Bank loan</td>
<td>Basis value ($ 1 000)</td>
<td>185 000</td>
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<tr>
<td></td>
<td></td>
<td>Interest rate</td>
<td>7.5%</td>
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<tr>
<td></td>
<td>Pretax profit</td>
<td>($ 1 000)</td>
<td>80 511</td>
</tr>
<tr>
<td></td>
<td>Pretax ROE</td>
<td></td>
<td>74.55%</td>
</tr>
</tbody>
</table>
Cost-Effective Company Set-Up

- Corporate governance in accordance with public company guidelines (incl 40% mandatory offer threshold prior to listing)
- Management agreement with Dyvi AS at market terms

**Board of Directors**
Jan Frederik Dyvi (Chairman), Tove Raanes (Dyvi) Endre O. Sund (Sector Asset Mgmt)
Christine Rødsæther / Rob Boer

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**Nordic Heavy Lift ASA**
CEO Frederik Steenbuch

**Dyvi AS**

Corporate management agreement

**Nordic HL Shipowning**
Cyprus

**Nordic operating company**
Contracting

Until vessel delivery gradually build an organisation of 13-15 people.
- Senior management
- In-house team with marine contracting/heavy lift know-how handling marketing, engineering
- 100% owned by Nordic Heavy Lift

- Building supervision agreement
- Ship management agreement
Dyvi AS Management - Summary

**Corporate management**
- Dyvi to provide all corporate services/daily management required by Company
- Flexible solution whereby various parts of the services can be terminated with one month notice by Company
- Fee – actual cost +5%
- Actual cost includes general overhead of Dyvi based on generally accepted allocation criteria
- Termination: 6 months notice on full termination – Dyvi cannot terminate services with effect prior to year end 2008

**Building supervision/technical project management**
- Dyvi to provide full building supervision and technical project management services until delivery of Vessel
- Fee – actual cost (including out of pocket expenses for travel Oslo/yards) + USD 36 000 per month
- No termination except for material breach of contract

**Ship management operation**
- Dyvi to provide full ship management services (excluding the actual heavy-lift operation/crane operation which is to be handled by Company)
- Enters into force upon delivery of the Vessel
- Fee: Actual cost + USD 300 000 per year
- Termination: 6 months notice provided that termination notice cannot be submitted prior to delivery of Vessel
Project Organization
Technical Construction Management End 2007

Nordic Heavy Lift ASA
Frederik Steenbuch, CEO

Dyvi Oslo project team

Engebret Dahm
Project responsible Dyvi

Kaj Berge
Maritime Operations director, Dyvi

Pål Gilde, MsC
Project manager technical

TBN
Cost / time schedule controlling

Reidar Haakonsen
Technical support

TBN
Budgeting/accounting /reporting of cost

Erik Lyngnes
QA

Site team

TBN
Site manager

TBN
Multi-discipline naval architect/engineering

Crane expert consultant

Noice/vibration consultant

Electro/automation/marine consultants

Sea of Solution

Nordic Heavy Lift
Project Organization Planned Site team Organisation
(Singapore + 2 x China) - Peak Activity 2009

Pål Gilde, MsC
Project manager
Technical, Dyvi

Site team

Site manager

Secretary

Sr. manager machinery
Sr. manager steel
Sr. manager painting
Sr. manager Electric high voltage
Sr. manager automation
Sr. manager outfitting & accommodation
Sr. manager crane

Jr. manager machinery
Jr. manager steel
Jr. manager painting
Status Shareholders / Bondholders

- Currently some 80 shareholders including:-
  - Norwegian, ie Sector Asset Management, Orkla, Dyvi, Storebrand, KPL, Skagen, Odin, Furuholmen, Convexa
  - US, ie QVT and Millennium
  - Nominee accounts, ie Morgan Stanley, Goldman Sachs, JP Morgan, Barclays, Deutsche Bank
  - 10 largest own about 80% of the stock

- Currently about 60 bondholders, including hedge funds, mutual funds and large international banks:-
  - 13% Norwegian
  - 44% Other Europe
  - 43% U.S.
Risk Factors

▪ Design Risk : First class / experienced engineering company (Sea of Solutions) - Basic Design is already approved by DNV

▪ Fabrication Risk : Turnkey contract with one of the most experienced shipyards in the world; Sembawang. Sembawang is sub-contracting hull fabrication to Nantong Yahua, ie no interface challenge for NHL.

▪ Long lead items : All secured, ie 5,000 tonne crane, power package and thrusters

▪ Huisman crane : Experienced crane manufacturer with large number of orders. Builder of sophisticated J-lay systems

▪ Building Supervision Risk : Dyvi has many years of experience in advanced rig- and vessel projects

▪ Currency Risk : Currency exposure NOK/USD/EUR is hedged

▪ Finance Risk : Conventional debt financing - positive feedback from conventional lenders and Norway Export Credit Agency.

The project is proceeding according to schedule
Conclusion
Don't Ever Give a Lift to a Stranger

Thank you for your attention