

# Pareto Oil and Offshore Conference

Company Presentation

5 September 2013



# Ocean Yield

- Established by Aker ASA in Q1 2012 with an attractive portfolio of oil service assets with long term charters
- Ocean Yield has thereafter invested about USD 650 million in five vessels
- Target of about USD 350 million in annual new investments
- Ocean Yield raised ~USD 150 million in new equity and was listed on the Oslo Stock Exchange in July 2013. Aker remains the main shareholder with 73.5% of the shares
- Attractive and growing dividends – currently 10.3% p.a. dividend yield
  - Target dividend for 2013 \$0.46 per share (payable in 2014)



# Attractive and diversified portfolio of oil service and industrial shipping assets

## Initial asset base...

FPSO

Dhirubhai 1



Subsea construction vessel

Wayfarer



Seismic vessel

Geco Triton



American Shipping Company bonds

- Bonds in AMSC, book value USDm 150.1 and nominal value of USDm 181.5
- AMSC owns 10 modern US flag/Jones Act product tankers on long term B/B charters

## ...and USD 650 million in recent acquisitions

Subsea vessel Lewek Connector



2 x AHTS

FAR Senator  
FAR Statesman



2 x car carrier 6500 CEU  
(newbuilds)





# USD 1.6 billion in contracted EBITDA with average charter tenor of 7.3 years



Unit	Counterparty	Contract type	Firm period ends	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Dhirubhai-1	Reliance	Bareboat / O&M	Sep-18														
Wayfarer	Aker Solutions	Bareboat	Sep-20														
Lewek Connector	EMAS/Ezra Holding	Bareboat	Oct-22														
Höegh 4401	Höegh Autoliners	Bareboat	Apr-26														
Höegh 4402	Höegh Autoliners	Bareboat	Aug-26														
FAR Senator	Farstad Supply	Bareboat	Mar-25														
FAR Statesman	Farstad Supply	Bareboat	Jun-25														
Geco Triton	WesternGeco	Bareboat	Dec-15														



\* Per end Q2 2013. EBITDA as reported, incl. mob. fees. ; tenor weighted by EBITDA

Source: Company



# Growth strategy

## Target ~USD 350 million in annual investments

### Target assets

- Modern assets
- Oil service
- Industrial shipping

### Chartering

- Solid counterparties
- Bareboat charters
- 5–15 years tenor, current avg. 7.3 years

### Financing

- Bank debt on project basis ~70%
- Equity ~30%





# Sale-leaseback – an attractive financing source

## Attractive funding source for growth

- 5-15 years funding at fixed interest rate
- Off balance sheet financing at competitive cost of capital
- Enables growth without dilution for current shareholders
- Diversification of funding sources
- Purchase options

## Positive effect on shareprice

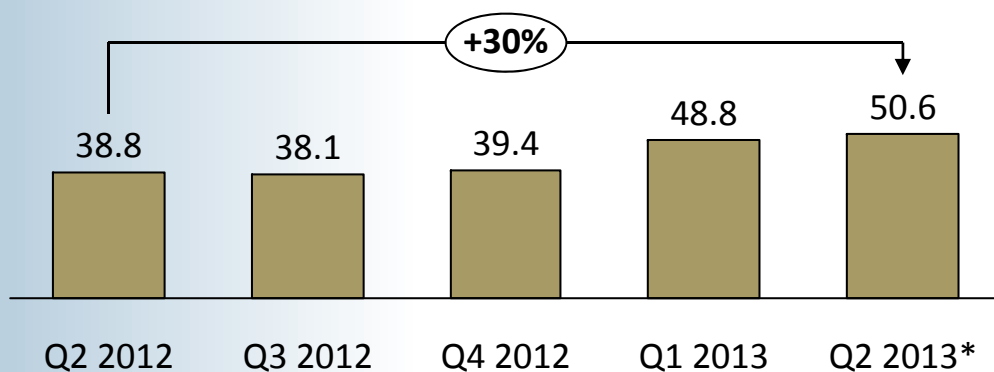
- Sale & leaseback transactions typically have a positive effect on shareprice due to
  - Increased growth capacity
  - Increased dividend capacity
  - Reduced need for equity issues

## Risk management

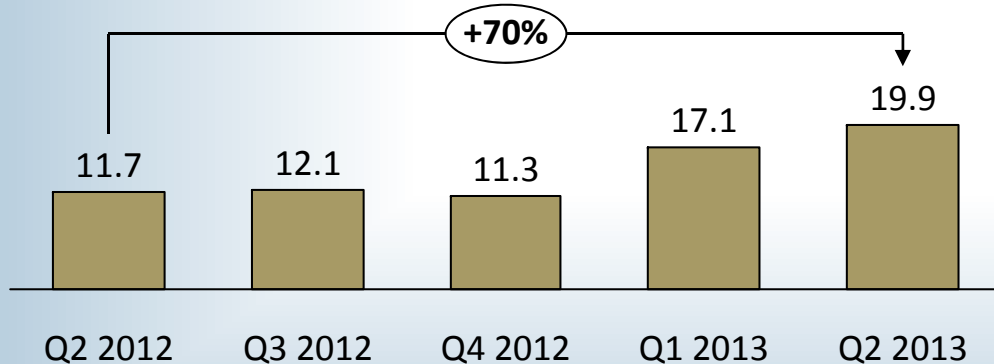
- No residual risk
- No interest rate risk or refinancing risk
- Limited financial covenants

# Development in key financials

## EBITDA per quarter (USDm)



## Net profit per quarter (USDm)



\* Full quarter with Far Statesman and the two Hoegh vessels will increase quarterly EBITDA by ~USD 5.7 million

\*\*As per close 03.09.2013, shareprice of NOK 27.1 and NOK/USD 6.07

## Dividend Yield

10.3%\*\* p.a

## Ambition for 2013 dividend per share

0.46 USD

# Ocean Yield - Summary

- Attractive and growing dividends – currently 10.3% p.a. dividend yield at conservative payout ratio
- USD 1.6 billion in contracted EBITDA provides stability and visibility in future earnings and dividend capacity from current portfolio
- With the proceeds from the IPO Ocean Yield now has a strong cash position and substantial investment capacity for further growth
- Attractive risk reward for sale & leaseback transactions







OCEAN YIELD