



COMPANY PRESENTATION

26th November 2019

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Any investment in the Company and its securities involves inherent risks and is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of the investment. A summary description of certain risk factors relevant for the Company has been included on slides 24 – 26. A further description of applicable risks can also be found in the Company's financial statements and bond prospectuses (in particular the Company's bond prospectus of November 2019 for OCY06 and the 2018 annual financial statements and Q3 2019 interim report), all available on www.newsweb.no and/or www.oceanyield.no/investor-relations.

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1

Large and well-diversified fleet

- Ship-owning company with a modern fleet of 69 vessels, 65 of which are on long-term charter
- Tankers, Dry bulk, Container vessels, Car carriers, Gas carriers and Oil-Service

2

Strong earnings visibility

- Average remaining charter duration of 10.7 years provides earnings visibility
- EBITDA backlog of USD 3.7 billion per Q3 2019 adjusted for recent transactions
- Well diversified portfolio with 20 different counterparties

3

Proven investment track-record

- Strategy of building a diversified portfolio of assets with long-term charters
- Since inception in 2012, the company has invested a total of USD 3.6 billion
- Attractive market dynamics for leasing of vessels

4

Proven access to capital

- Proven access to capital markets and strong support from main shareholder, illustrated by NOK 717m equity issue fully underwritten by Aker ASA on 21st November 2019
- Competitive and improving terms in the bank market

5

Experienced team and Aker ASA as majority shareholder

- Management with proven track record and significant industry experience
- Aker ASA largest owner with 61.7%
- Listed on the Oslo Stock Exchange



69
VESSELS

\$2.9 BN
TOTAL ASSETS

\$3.7 BN
EBITDA BACKLOG

10.7 YR
CHARTER TENOR



THE SECOND LARGEST INVESTMENT IN AKER ASA





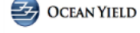
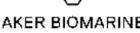


Portfolio composition

NOK billion, per 3Q 2019



Listed investments

Unlisted investments

Industrial Holdings				Financial Investments	
	Aker BP	40.0%	35.1	2.7	Cash
	Aker Solutions ¹⁾	34.8%	2.3	0.7	Listed financial investments
	Akastor ¹⁾	36.7%	1.1	0.6	Real Estate Investments ²⁾
	Kvaerner ¹⁾	28.7%	0.9	2.4	Other financial investments ²⁾
	Ocean Yield	61.7%	5.0		
	Aker BioMarine ²⁾	98.0%	2.4		
	Aker Energy ²⁾	49.2%	0.9		
	Cognite ²⁾	64.6%	<0.1		
Gross asset value			47.7	6.4	
Net asset value			43.1		

**Strong
industrial
owner with
continued
commitment**

**Leading energy
company in Northern
Europe**

**Significant
ESG
commitment**

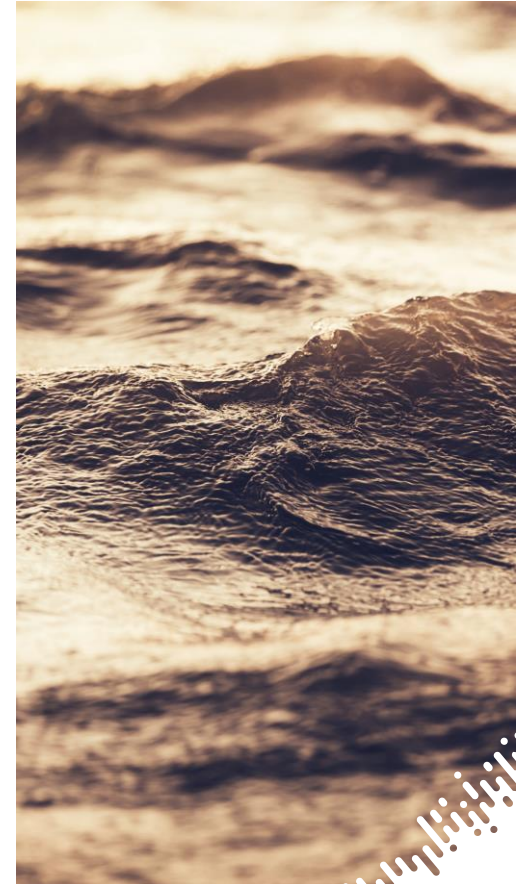
1) Owned partly through Aker Kvaerner Holding, in which Aker has a 70% ownership interest. Additionally, Aker has a direct ownership interest in Aker Solutions and Akastor

2) Reflected at book value

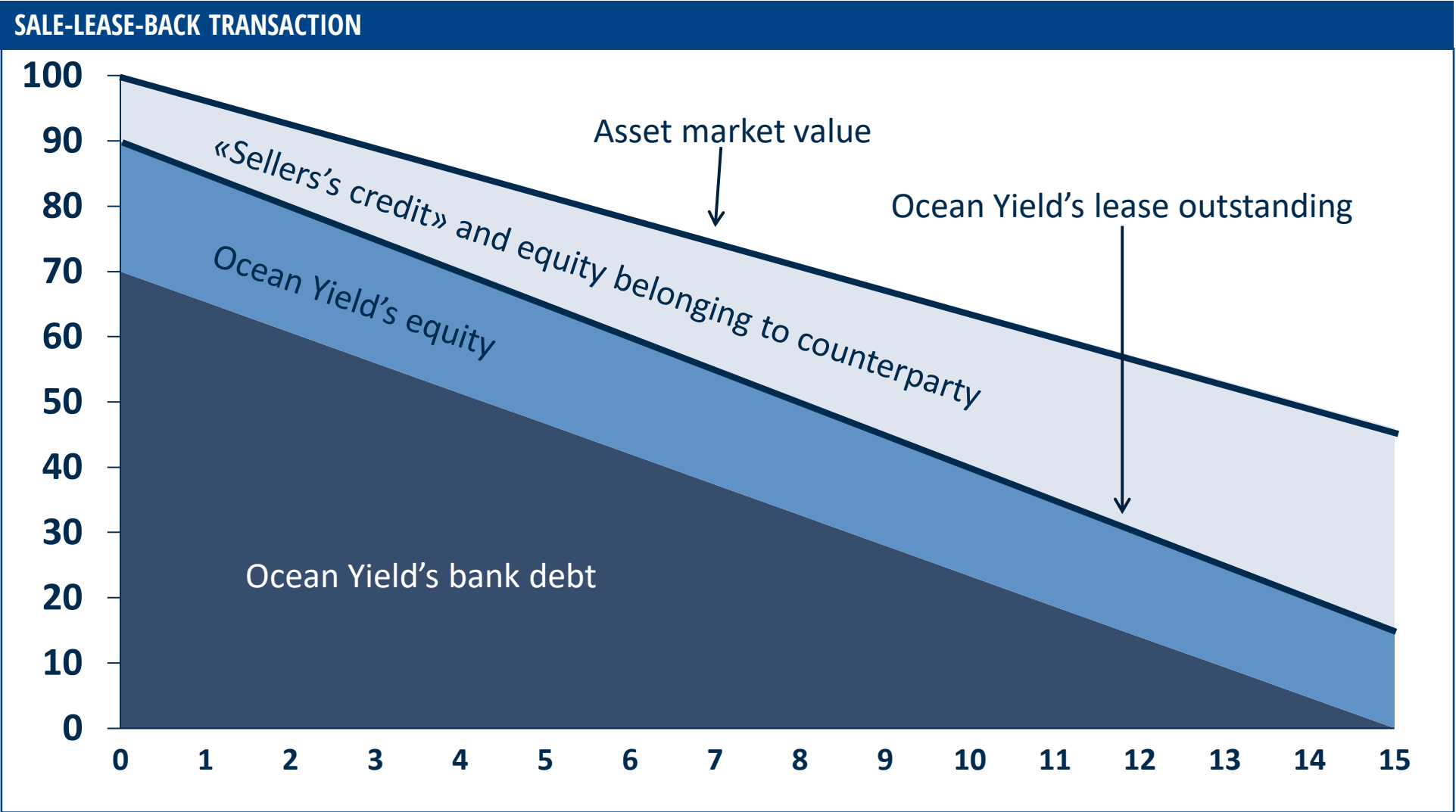


ATTRACTIVE MARKET FOR NEW LEASING TRANSACTIONS

- **Banks are reducing shipping exposure**
 - Focus on larger and more diversified companies
 - Focus on ancillary business
 - **Bond market is increasingly selective**
 - Only open for the large companies
 - **Equity capital is expensive**
 - Challenging market to raise equity
 - Many listed companies trades at a discount
- Leasing is an attractive alternative to fund growth

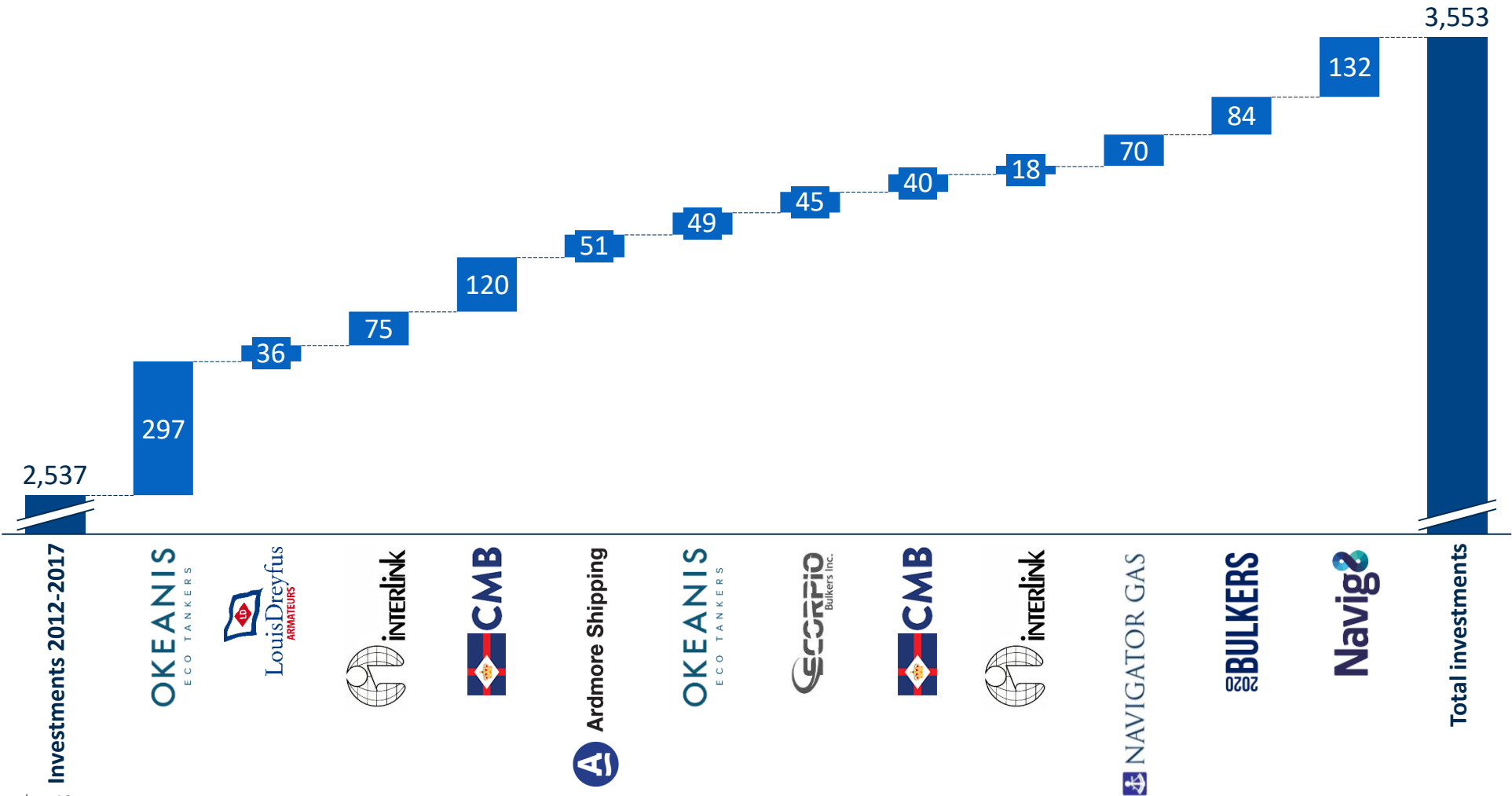


LEASE CASE STUDY: SIGNIFICANT BUFFER TO MARKET VALUES



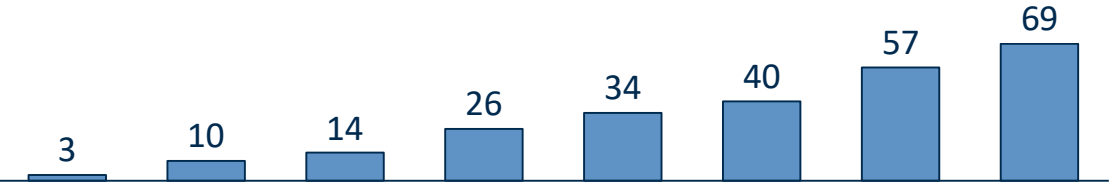
ATTRACTIVE MARKET FUNDAMENTALS FOR LEASING

NET INVESTMENTS OF USD 1.0 BILLION SINCE 2018

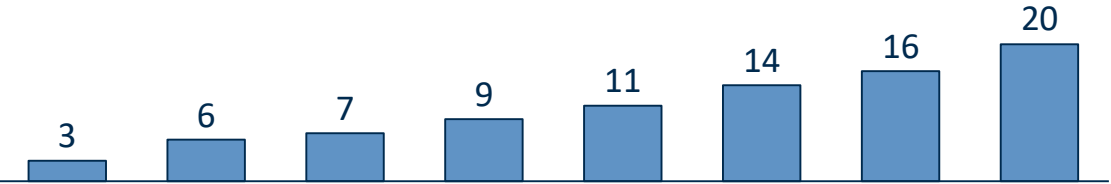


INCREASED DIVERSIFICATION IS REDUCING THE RISK

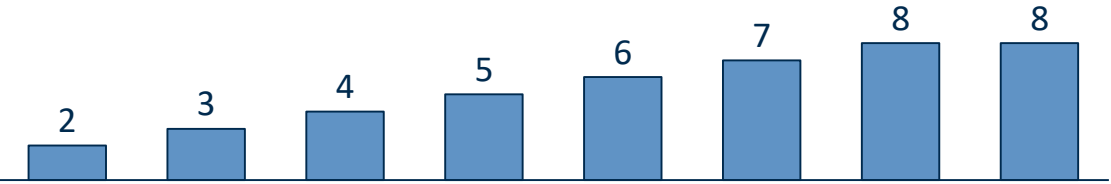
FLEET SIZE



CLIENTS

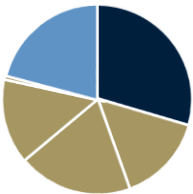


SEGMENTS

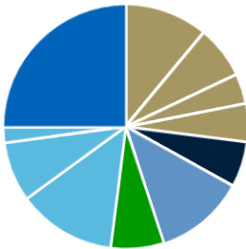


Start-up 2013 2014 2015 2016 2017 2018 Nov '19

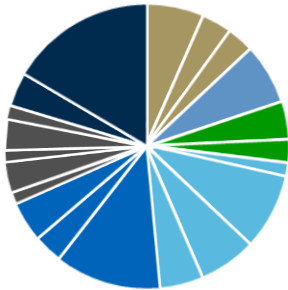
EBITDA BACKLOG



2013
USD 1.7bn



2016
USD 3.1bn



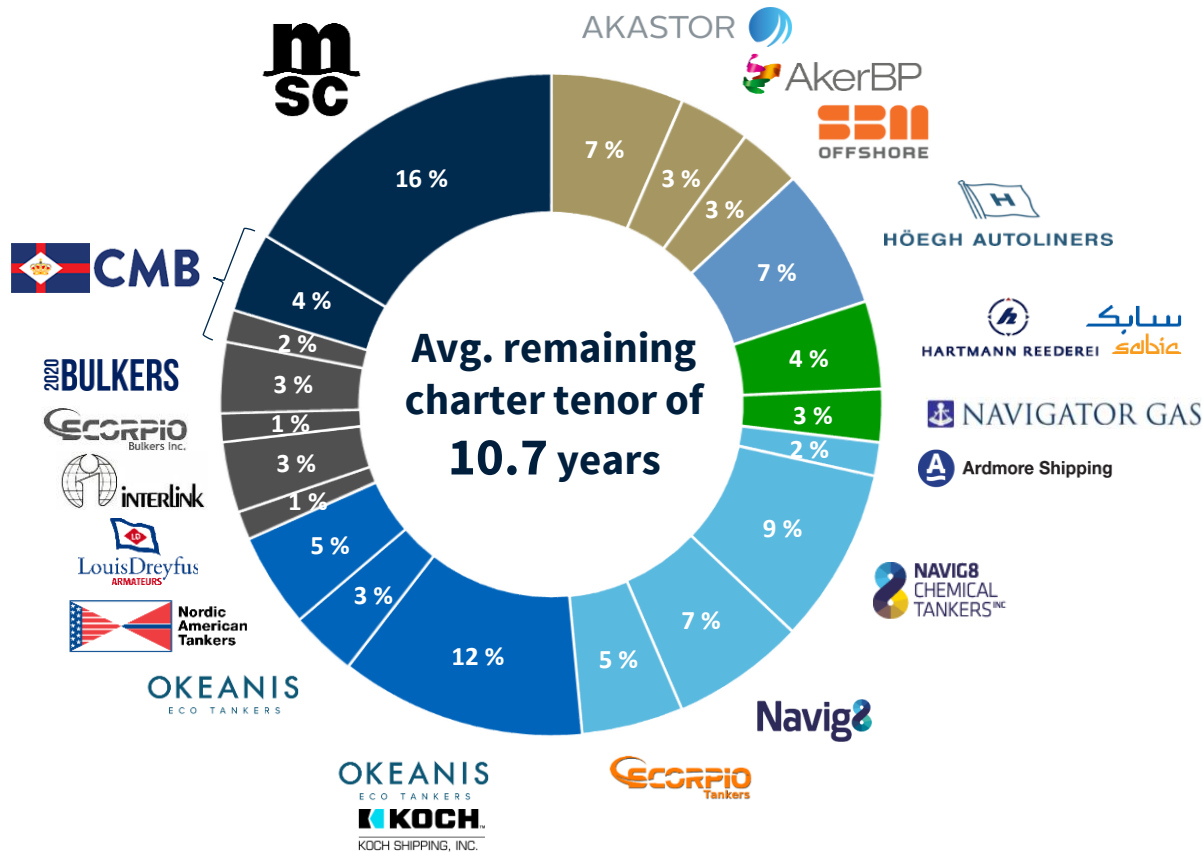
Q3 2019*
USD 3.7bn










*Adjusted for recent transactions

VESSELS WITH LONG-TERM CHARTERS

EBITDA¹ BACKLOG OF USD 3.7 BILLION, INCLUDING RECENT TRANSACTIONS



FLEET²

	Product / chemical	20
	Dry bulk	13
	Container vessels	10
	Crude	9
	Car carriers	6
	Oil-service	4
	Gas carriers	3
Total		65
Average age		3.3 yr

1) EBITDA backlog based on certain options not being exercised, LIBOR forward curve, FX, finance lease adjustments and post-quarter transactions
 2) Includes 49.9% ownership in 6 mega-container vessels, 75% ownership in one oil-service vessel and vessels acquired after quarter end
 Note that four vessels without long-term contracts are not included in charter backlog

VESSELS WITHOUT LONG-TERM CHARTER

FPSO DHIRUBHAI-1

Employment opportunities

- The FPSO Dhirubai-1 is being evaluated for several employment opportunities
- Final investment decisions on relevant prospects are not expected before H2 2020

Q3 2019

- Impairment of USD 68.4m reflects new estimates for future earnings and contract start-up date
- Net profit of USD -74.3m in Q3 for the FPSO, of which USD 68.4m is impairment and USD 6.7m is ordinary depreciation

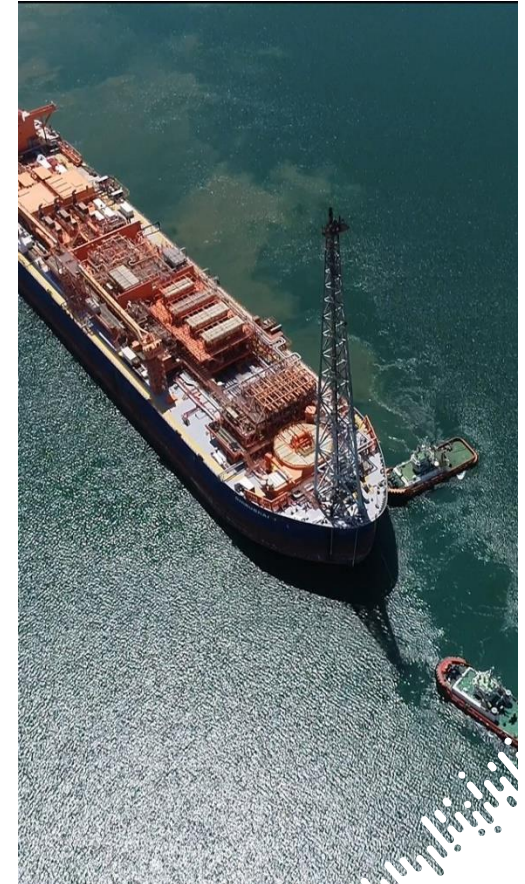
OTHER ASSETS

Connector

- Subsea construction and cable-lay vessel, 2011 built
- Short-term charters in anticipation of a market recovery

Far Senator / Far Statesman

- AHTS, 24,000 bhp, 2013 built
- Standstill agreement with Solstad extended until March 2020

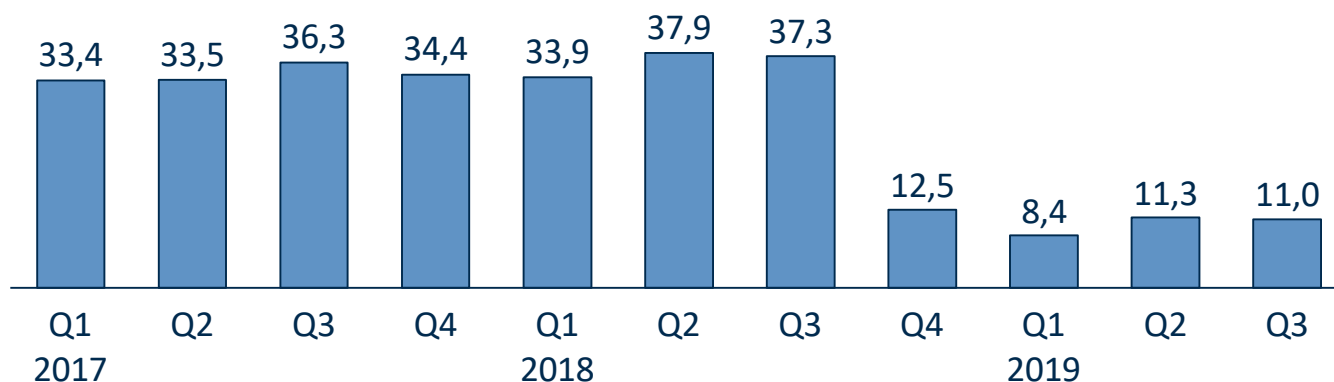


ADJUSTED EBITDA AND NET PROFIT

EBITDA ADJUSTED FOR FINANCE LEASES (USDM)



ADJUSTED NET PROFIT (USDM)



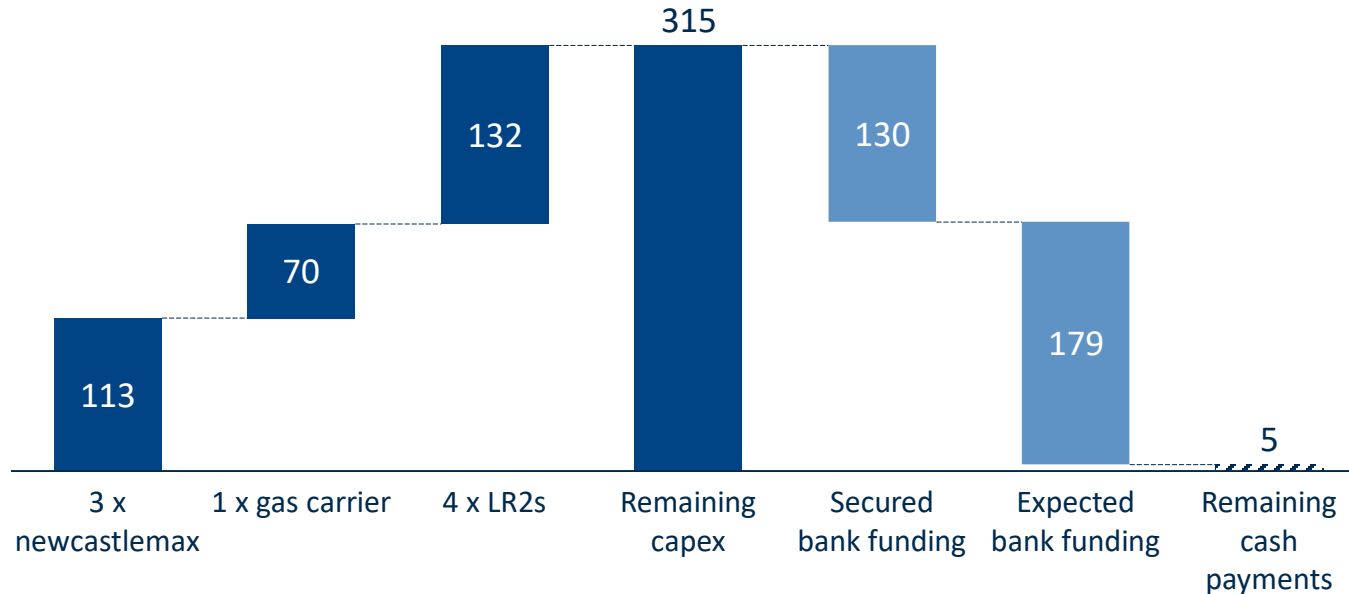
ADJ. NET PROFIT Q3 2019

From vessels *with*
long-term charter of
USD 22.5m

From vessels *without*
long-term charter of
USD -11.5m

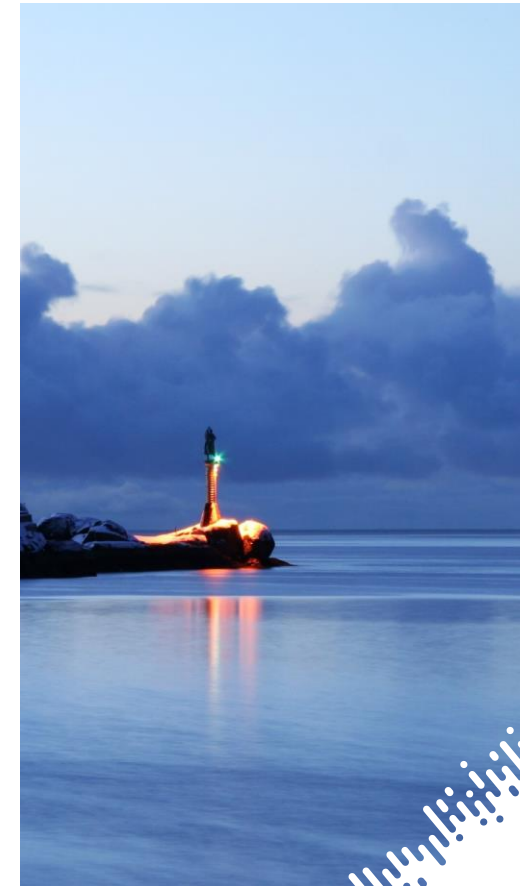
CAPEX AND FINANCING OVERVIEW

REMAINING CAPEX / FINANCING PER Q3'19 ADJUSTED FOR RECENT TRANSACTIONS (USDM)



COMMENTS

- Remaining obligations per Q3 2019 adjusted for recent transactions relates to three newcastlemaxes and one gas carrier. The company has already paid USD 11m related to one newcastlemax under construction.
- Two of the three newcastlemaxes and the gas carrier has been delivered in Q4 2019 and bank financing has been arranged
- Of the expected bank funding, a substantial part has already been credit approved by banks
- Private placement was completed in Q4 2019 raising gross proceeds of NOK 717m (USD 78m)



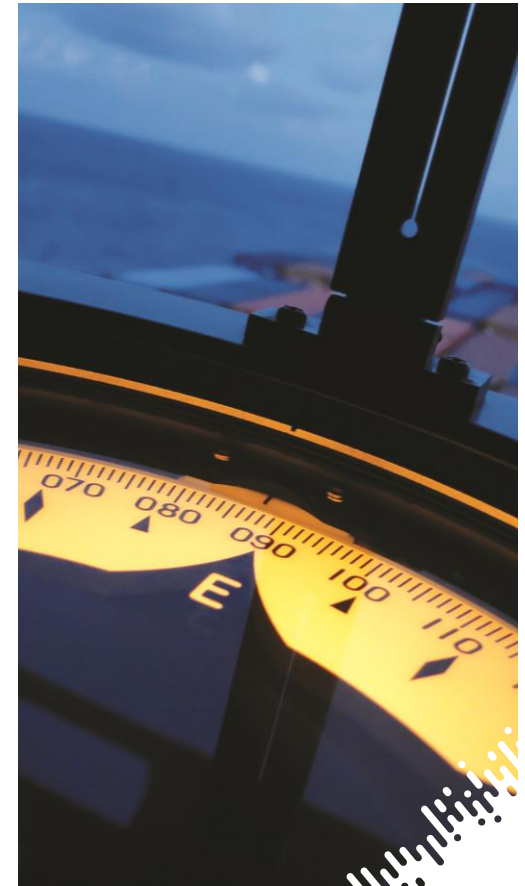
SUCCESSFUL PLACEMENT OF SUBORDINATED DEBT AND EQUITY

- **Hybrid bond – August 2019**

- Amount USD 125 million
- Tenor Perpetual
- Coupon LIBOR + 6.50% p.a.
- First call After 5 years at par
- Step-up 5% p.a. after 5.5 years
- Accounting treatment 100% equity
- Use of proceeds New investments and general corporate purposes

- **Equity issue – November 2019**

- Gross proceeds NOK 717 million (USD ~78 million)
- New shares 15.935 million
- Subscription price NOK 45 per share
- Guarantee Fully underwritten by Aker ASA



ACCESS TO BANK FUNDING AT ATTRACTIVE TERMS

BANK GROUP

Nordea



HSBC 



ING 



Swedbank 



Danske Bank



SpareBank 1
SR-BANK



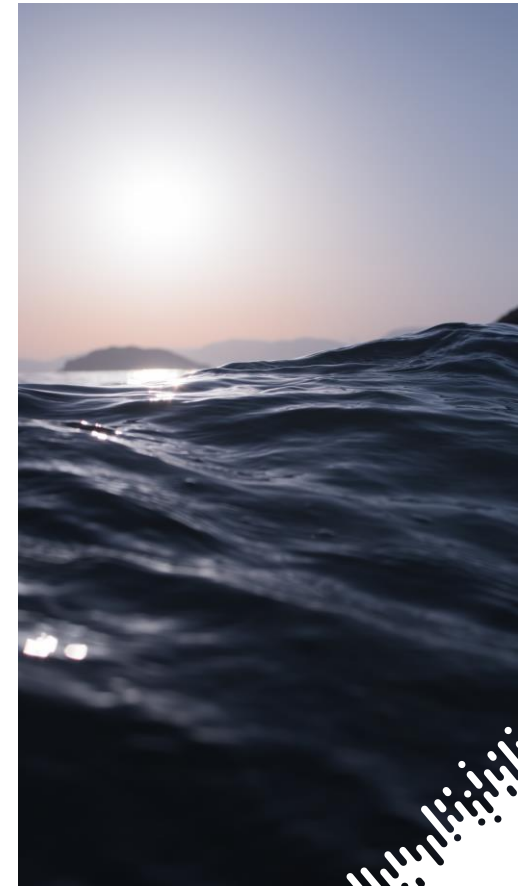
GIEK



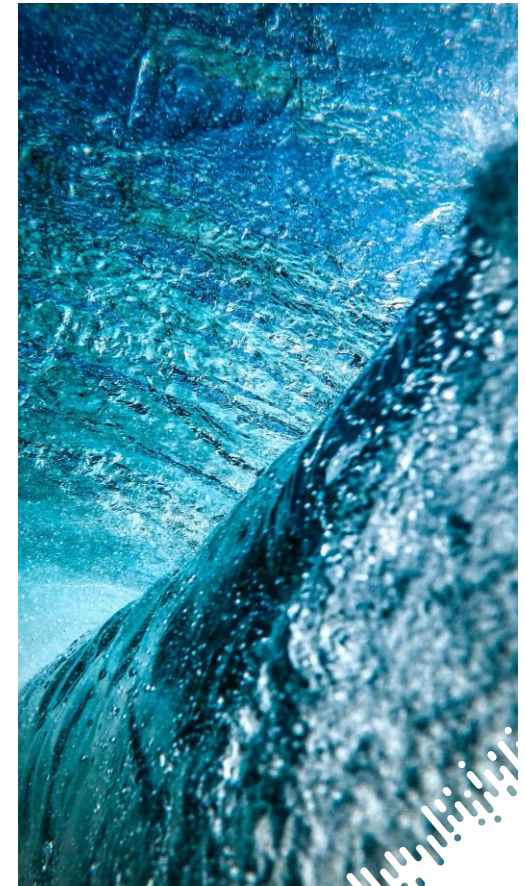
COMMENTARY

- Ocean Yield continues to secure bank funding at attractive terms
- Large and diversified group of banks
- Proactively working to broaden sources of financing
- Recent refinancing has lowered costs and increased tenor, as well as higher financing amounts
- Streamlined and standardised documentation

- **Fleet of modern vessels with low climate footprint**
 - Total average fleet age of 3.5 years for all 69 vessels with significantly lower CO2 emissions compared to the global average
 - Target to invest in modern vessels to reduce average air emissions per vessel
 - Identification, monitoring and targeting to reduce air emissions for vessels under operation
 - Three gas carriers with dual fuel engines uses ethane as propulsion
 - Most of the large tankers, bulkers and container vessels are or will be scrubber fitted
 - Ballast water treatment systems in place
- **Financial support for charity initiatives**
 - Stiftelsen VI, a foundation to enhance opportunities and rights for people with disabilities
 - Plastic Mission, an initiative for clean-up of plastics
- **Development of human capital**
 - Promote a corporate culture with open feedback
 - Performance review for employees
 - Initiatives for talent development and retention



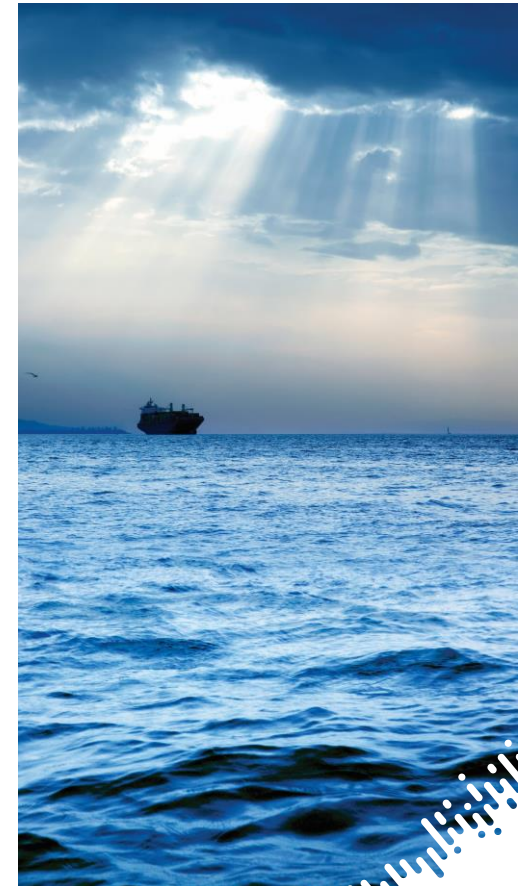
- **Health & Safety**
 - Health and safety training programmes
 - Emergency preparedness procedures
 - Target to reduce health and safety incidents
 - Performance monitoring and measuring
- **Whistleblower program**
 - Available on <https://www.oceanyield.no/Company/Integrity-channel>
 - Handled by external consultants, PWC, and offers anonymous reporting
- **Bareboat agreements requires strict compliance with international laws and conventions, including sanctions**
- **Strong commitment to anti-bribery**
 - Aker Floating Production (owner of FPSO) was the first company in Norway to be certified by the ISO 37001 Anti-Bribery standard by DNV GL
 - Program for supplier reviews and audits
- **Equal treatment of all shareholders**
- **Board of directors**
 - 3 of 5 independant board members
 - 2 of 5 board members are women





SUMMARY

- Stable earnings from 65 vessels on long-term charters
- Strong focus on securing satisfactory earnings from four vessels without long-term charters
- Attractive investment opportunities across several segments
- The current intention of the Board of Directors is to adjust the dividend from USD 0.1910 to USD 0.1500 per share per quarter as from Q1 2020
- Access to capital markets and support from Aker ASA



INCOME STATEMENT

INCOME STATEMENT

	Q2 2019	Q3 2019
<i>Amounts in USD million</i>		
Operating revenues	30.1	26.9
Finance lease revenue	26.6	30.4
Income from investments in associates	5.9	5.4
Other revenue	3.9	3.6
Total revenues and other income	66.5	66.3
Vessel operating expenses	(4.6)	(4.5)
Wages and other personnel expenses	(2.4)	(2.1)
Other operating expenses	(2.7)	(2.4)
Write down on trade receivables	-	(0.0)
EBITDA	56.8	57.2
Depreciation and amortization	(19.2)	(19.1)
Impairment charges and other non recurring items	(4.5)	(68.4)
Operating profit	33.0	(30.2)
Financial income	0.5	0.5
Financial expenses	(25.7)	(27.3)
Foreign exchange gains/losses	(3.5)	17.8
Change in fair value of financial instruments	2.0	(23.1)
Net profit before tax	6.2	(62.3)
Tax payable	(0.9)	(0.9)
Change in deferred tax	0.0	(0.0)
Net profit after tax	5.3	(63.2)
Non-controlling interests	0.1	0.3
Dividends on hybrid capital	-	-
Equity holders of the parent	5.2	(63.5)
Earnings per share (USD)	0.03	(0.40)



BALANCE SHEET

BALANCE SHEET				
	Q2	Q3		
<i>Amounts in USD million</i>	2019	2019	Q2	Q3
			2019	2019
ASSETS			EQUITY AND LIABILITIES	
Vessels and equipment	1,160	1,067	Common equity	784
Investments in associates	178	174	Hybrid capital	0
Finance lease receivables	1,348	1,436	Non-controlling interests	13
Restricted cash deposits	18	26	Total equity	797
Other non-current assets	2	2		
Shares in Solstad Offshore ASA	2	1	Interest-bearing debt	1,599
Total non-current assets	2,708	2,706	Mob fees and other non-current liab.	9
			Fair value of derivatives	12
			Total non-current liabilities	1,620
Trade- and other receivables	12	10	Interest-bearing short term debt	329
Cash and cash equivalents	87	176	Fair value of derivatives	25
Total current assets	99	186	Field abandonment provision	17
Total assets	2,807	2,892	Trade and other payables	20
			Total current liabilities	390
			Total liabilities	2,011
			Total equity and liabilities	2,807
			Equity ratio	28.4 %
				28.3 %

SUMMARY OF CERTAIN RISK FACTORS

Investing in the Company and its securities involves inherent and significant risk, which, if they were to materialize, may materially and adversely affect the Company's business, results of operations, financial condition and/or prospects. This may in turn result in a decline in the value of any securities issued by the Company and a loss of part or all of any investment.

The summary of risk factors set out below is not intended to be exhaustive, and the risks referenced are not the only ones facing the Company. Additional risks, including also risks which may not presently be known to the Company, or which is currently deemed immaterial, may also materially impair the Company's business operations and adversely affect the value of the Company's securities. The risks described only constitutes a high level summary of certain risks facing the Company and associated with an investment in the Bonds and must be viewed in context of other publicly available information, including in particular Company reports and historic announcements and periodic financial statements such as the Company's 2018 annual financial statements and report and Q3 2019 interim report. A further description of applicable risks can also be found in the Company's bond prospectuses, in particular the Company's bond prospectus of November 2019 for OCY06. All these documents are available on www.newsweb.no and/or www.oceanyield.no/investor-relations.

The order of appearance is not intended to indicate importance or likelihood of occurrence.

An investment in the Company's securities is suitable only for investors who are able to understand the risks associated with this type of investment and who can afford a loss of all or part of the investment. Before making an investment decision, prospective investors should carefully consider the information provided. Any investor must conduct its own investigations and analysis of the Company, and should consult his or her own expert advisors as to the suitability of any investment.

- **Certain risks relating to the Company's industry**
 - Continued volatility in global financial markets and other macroeconomic factors may adversely affect the Company's business, results of operations, financial condition and prospects. Uncertainty in relation to development of the world economy may reduce the demand for the Company's vessels without long-term charter, result in non-performance of contracts by its counterparties, limit the Company's ability to obtain additional capital to finance new investments or have other unforeseen negative effects.
 - As the Company's fleet consists of oil-service vessels and transportation vessels, the Company is exposed both to the offshore oil and gas industry which is significantly affected by, among other things, volatile oil and gas prices, and the seaborne transportation industry, which is cyclical and volatile.
 - Governmental laws and regulations, including environmental laws and safety regulations, may limit the activities of the Company's charterers and affect their ability to make charter-hire payments to the Company, reduce the vessel values and require capital expenditures for upgrades or modifications to the vessels, or expose the Company to liability.

SUMMARY OF CERTAIN RISK FACTORS

- Development and construction of new sophisticated, high-specification vessels could cause the Company's vessels to become less desirable to charterers.
- The Company's vessels may be damaged or lost due to events such as marine disasters, environmental accidents, war, terrorism, piracy or other events.
- Operating internationally exposes the Company to risks inherent in operating in foreign countries.
- Maritime claimants could arrest one or more of the Company's vessels.
- **Risks relating to the Company's operations**
 - The Company depends on the performance of the charterers of its vessels for its operating cash flows.
 - The Company has inherent risk related to vessel construction, where the Company is exposed to risks for late delivery or even cancellations of newbuilding contracts.
 - The Company will from time to time be subject to commercial disagreements, contractual disputes and litigation with its counterparties and others which may not be resolved in its favor. Even if payments are not disputed, charter payments may for various reasons be delayed. For information about certain specific disputes, see the Company's financial reports.
 - The Company may not be able to charter out its vessels at favorable terms following expiry or termination of the existing charter contracts.
 - Ocean Yield has inherent credit risk through the fact that a counterpart may not be able to meet its obligations under a long term charter contract.
 - The Company is also exposed to operating- and employment risk for the FPSO Dhirubhai-1 and Connector. If the Company is not able to secure a new long-term contract for the FPSO Dhirubhai-1 within a reasonable period of time, there is a risk of an impairment on the book value.
 - Certain of the Company's vessels are subject to purchase options held by the charterer of the vessel, which if exercised, could reduce the size of the Company's fleet and its future revenues.

SUMMARY OF CERTAIN RISK FACTORS



- The market value of the Company's vessels may decrease, which could limit the amount of funds the Company can borrow, trigger financial covenants under the Company's borrowing arrangements or lead to losses in the event of a vessel sale.
 - The Company will need to refinance its financial indebtedness in the future, which it may be unable to do on favorable terms or at all.
 - A significant portion of the Company's borrowing arrangements have floating interest rates and as a result interest rate fluctuations could negatively affect the financial performance of the Company.
 - Fluctuations in exchange rates could result in financial loss for the Company.
 - Certain of the Company's charter contracts, borrowing agreements and other instruments are subject to change of control provisions.
- **Risk relating to the Company's securities:**
 - The Company's securities are not a suitable investment for all investors, and each potential investor should have sufficient knowledge and experience to make a meaningful evaluation of the relevant security, the merits and risks of investing.
 - The Company's ability to generate cash flow and to repay its indebtedness will depend on the Company's future performance. The future performance of the Company will be affected by a range of economic, competitive, governmental, operating and other business factors, many of which cannot be controlled.
 - There can be no assurance given regarding the future development of a trading market for the Company's securities.
 - The pricing of the securities can be volatile, and it may be difficult or even impossible to trade and sell securities in the secondary market.
 - The Issuer's subsidiaries own significant parts of the Company's assets. Accordingly, repayment of indebtedness will depend upon the ability of such subsidiaries to make cash available to it, by dividend, debt repayment or otherwise. Furthermore, any unsecured securities issued by the Company will be structurally subordinated to the liabilities of any of the subsidiaries and to any secured debt.
 - Prospective investors may not be able to recover in civil proceedings for U.S. securities laws violations.



INVESTOR RELATIONS

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