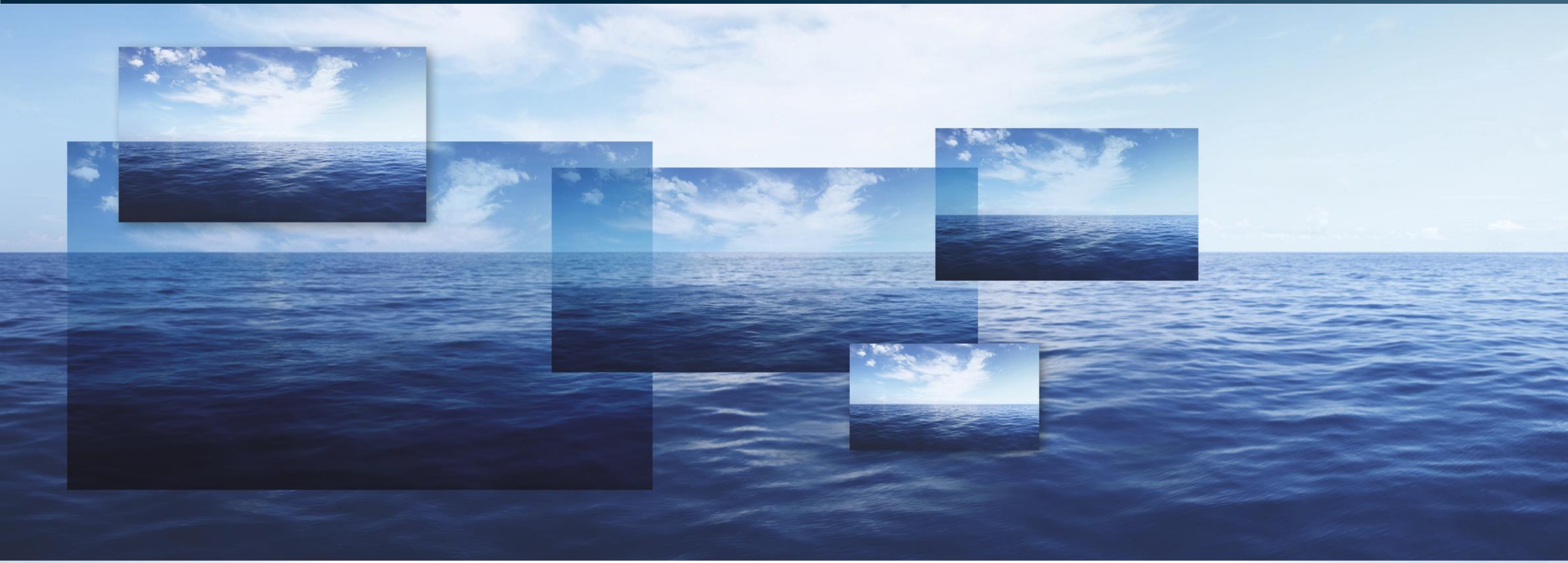
OCEAN YIELD



Pareto Conference

September 2014

Ocean Yield – The dividend yield company

Ocean Yield in brief	**A modern and diversified fleet of oil-service and shipping assets**
	All vessels on long-term charter, substantial charter-backlog
	Target growth of minimum USD 350 million in annual investments

Attractive and growing dividends	**Current dividend yield of 7.7% p.a.**
	Capacity to increase the current pay-out ratio
	Increased dividend capacity as earnings per share grow **– Delivery of newbuildings** **– New investments without raising equity** **– Reduced funding cost**

Attractive and diversified portfolio of oil service and industrial shipping assets

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Initial asset base…

FPSO

Dhirubhai 1

Subsea construction vessel

Wayfarer

Seismic vessel

Geco Triton

American Shipping Company bonds

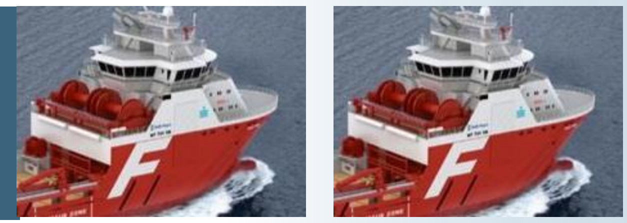
- Bonds in AMSC with book value USDm 171.7 and nominal value of USDm 190
- AMSC Market cap ~USD 480 million

…and USD 1.1 billion in recent acquisitions

Subsea vessel Lewek Connector

2 x AHTSs'

FAR Senator
FAR Statesman



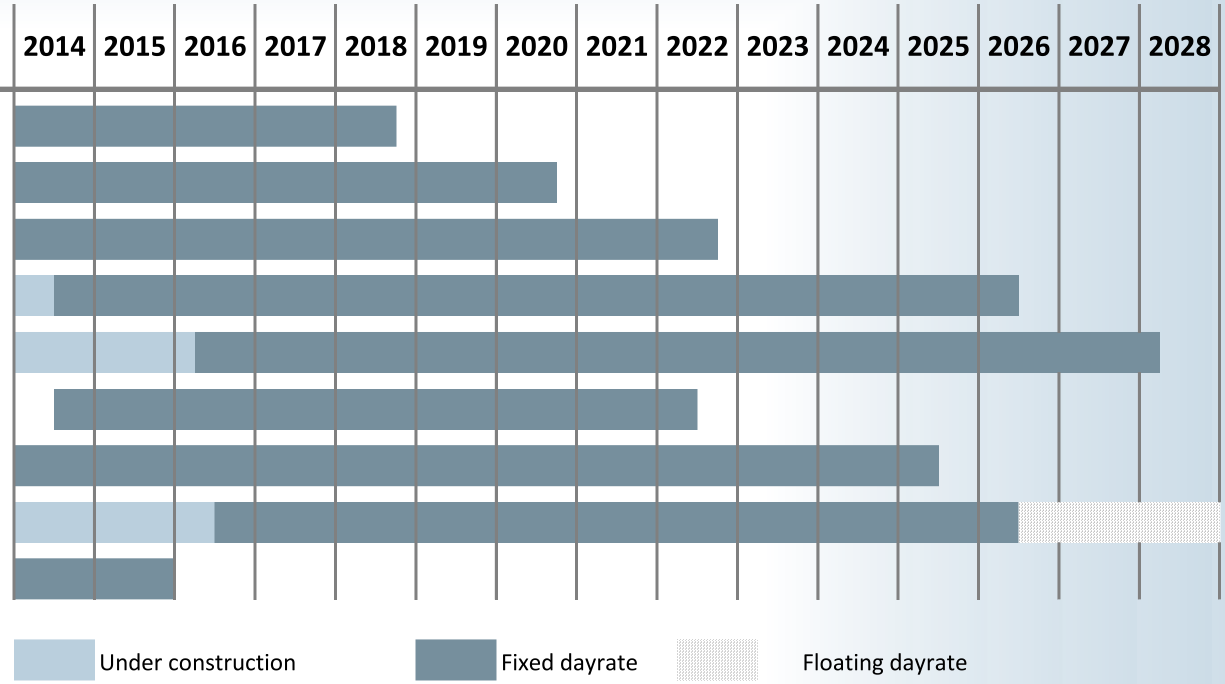
<u>6 x car carriers</u>
2x 6500 CEU
2x 8500 CEU (newbuilds)
2x 4900 CEU

3 x ethylene carriers

36,000 cbm (newbuilds)

All vessels on long term charter with USD 2.0 billion in contracted EBITDA*

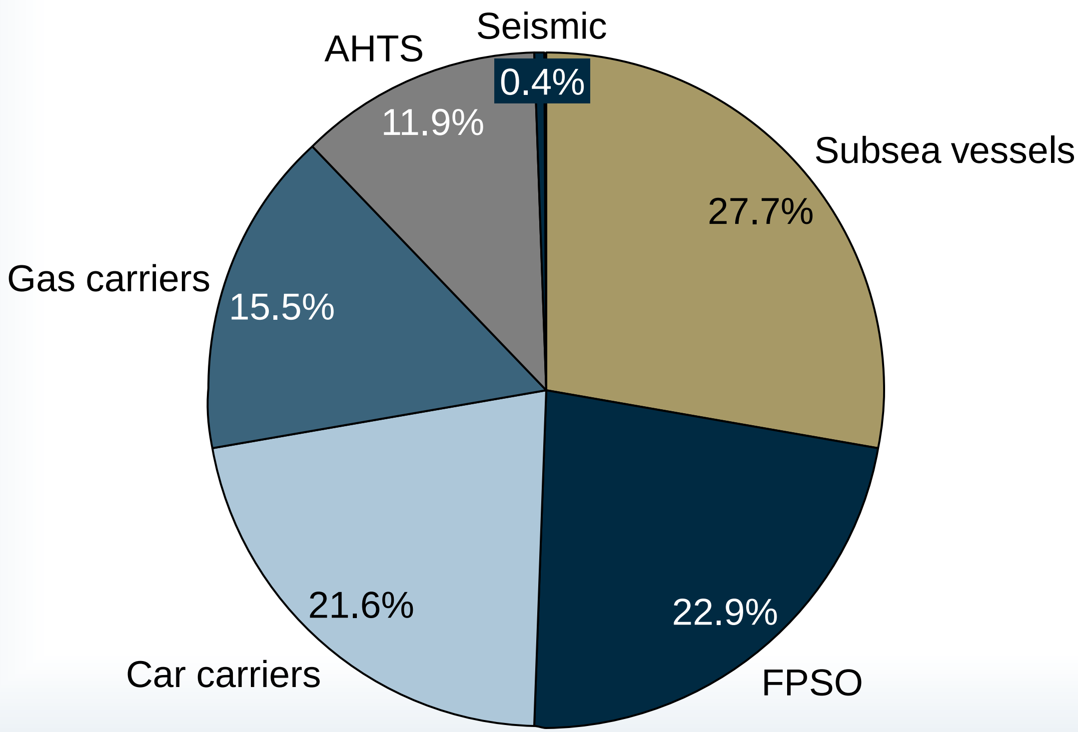
Unit	# no	Counterparty
Dhirubhai-1	1	Reliance
Wayfarer	1	Aker Solutions
Lewek Connector	1	EMAS / Ezra Holding
Höegh Jacksonville & Jeddah	2	Höegh Autoliners
Höegh XSI462E & XS1462F	2	Höegh Autoliners
Höegh Beijing / Xiamen	2	Höegh Autoliners
FAR Senator / Statesman	2	Farstad Supply
LEG Carrier - S1034 /S1035/S1036	3	Hartmann / SABIC
Geco Triton	1	WesternGeco



Per end Q2 2014. EBITDA as reported, incl. mob. fees. Figures are based on management's estimates regarding operating expenses on the Dhirubhai-1 which may be subject to change in addition to certain purchase options in bareboat charter contracts not being exercised

Strong sector diversification

Contracted EBITDA per segment



* Per end Q2 2014. EBITDA as reported, incl. mob. fees. Figures are based on management's estimates regarding operating expenses on the Dhirubhai-1 which may be subject to change in addition to certain purchase options in bareboat charter contracts not being exercised

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Liquified Ethylene Gas Carriers – 3 newbuildings

Vessel:	3 Liquified Ethylene Gas (LEG) Carriers
Yard cost:	~USD 243 million (total for the three newbuildings)
Yard / Delivery:	Sinopacific Offshore & Engineering, China, with delivery in H2 2016
Term:	15 years (10 years fixed and 5 years floating rate)
Charterer:	Hartmann Group with 10 years subcharter to SABIC Petrochemicals B.V.
EBITDA:	USD 31.5 million per annum (EV/EBITDA 7.8x)

Significant EBITDA growth from newbuildings

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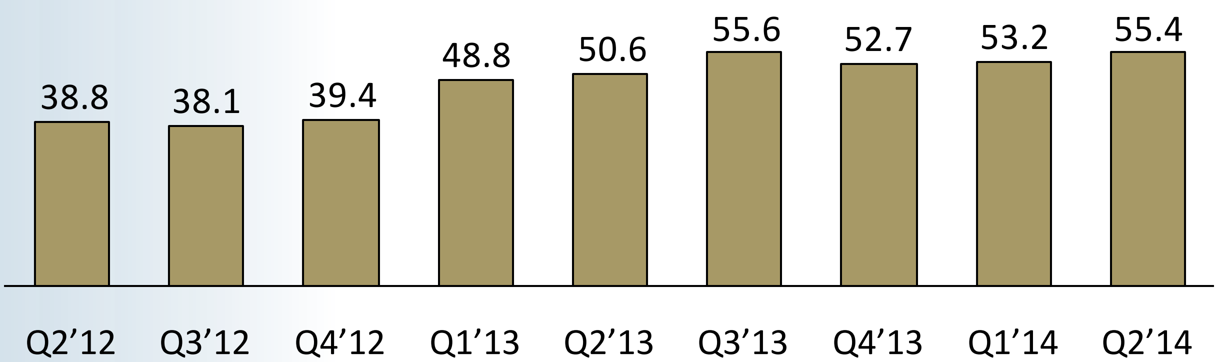
EBITDA per quarter (USDm)



Already committed projects will add USD 15m to Q2 EBITDA

Adjusted Net Profit / Dividend per share

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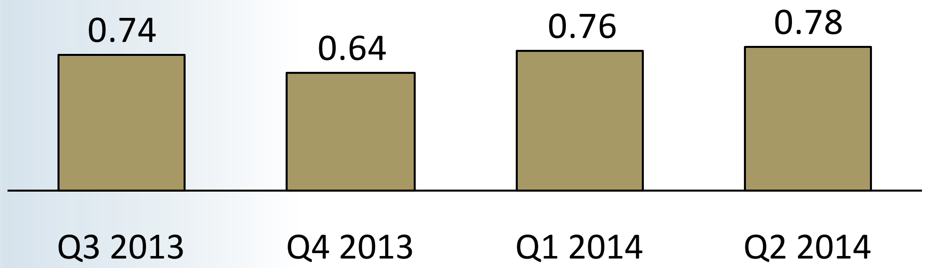
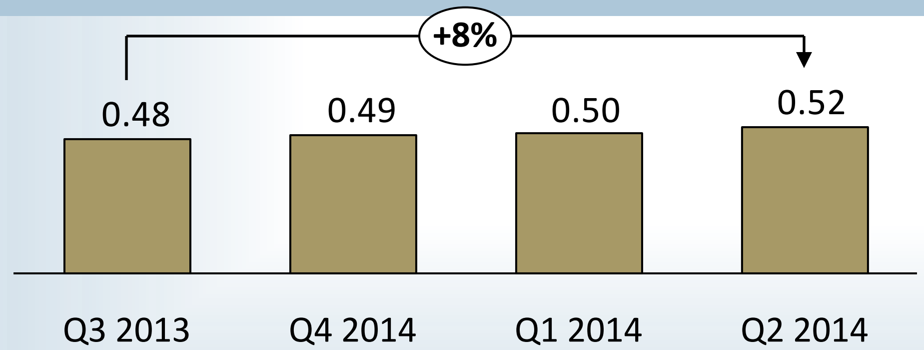
Adj. Net profit per share, annualized basis (USD)**



Dividend per share, annualized basis (USD)



Dividend yield

7.7%* p.a

Pay-out ratio on adjusted Q2 EPS

66%

Adjusted earnings yield

11.5%* p.a

*As per close 08.09.2014 – Q2 2014 dividend annualized, share price of NOK 42,50 and NOK/USD 6,30

**Reported EPS has been adjusted for non-recurring items. Reported EPS for Q3’13, Q4’13, Q1’14 and Q2’14 was USD 0.14, USD 0.20, USD 0.21 and USD 0.13, respectively.

New investments

- Invested USD 1.1bn in 12 vessels since the company was established 1st April 2012 (~2.5 years)

- Our target is minimum USD 350m in new investments per year
  - *Modern assets within oil-service and industrial shipping*
  - *Equity returns targeted in the range of 13-15% p.a.*
  - *Reasonable credit quality of counterparties*
  - *Contract duration in recent transactions have been 8-12 years*

- Capacity to make new investments without raising equity

Attractive credit markets will reduce funding costs

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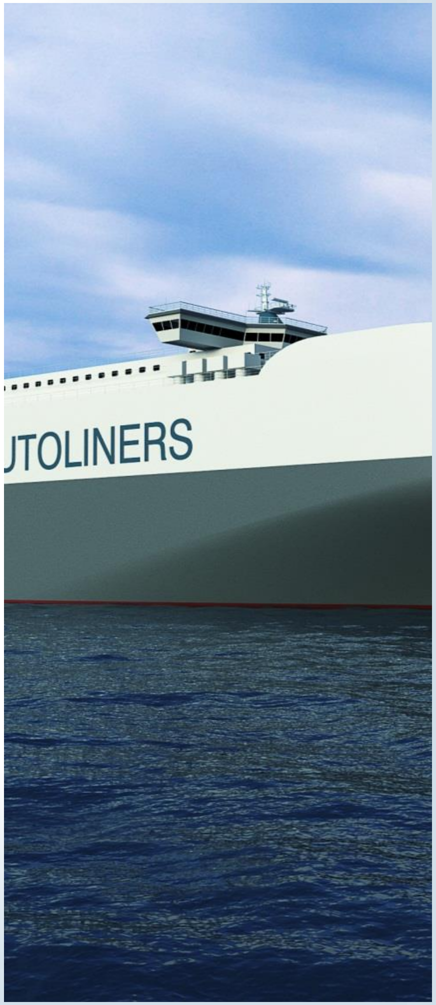
- Lower margins on bank loans
  - *Opportunity to reduce interest cost by refinancing existing bank loans*
  - *Recently arranged a USD 250m bank facility at LIBOR +2.25% p.a.*
  - *Bank margins on new facilities are indicated at even lower levels*

- Reduced funding cost in bond market
  - *New bond of NOK 600 million issued in March 2014 at NIBOR +3.90% p.a.*
  - *Tap issue of NOK 400 million in July 2014 at NIBOR +3.65% p.a.*
  - *Bond now trading at a spread of 3.63% p.a.*

Risk factors

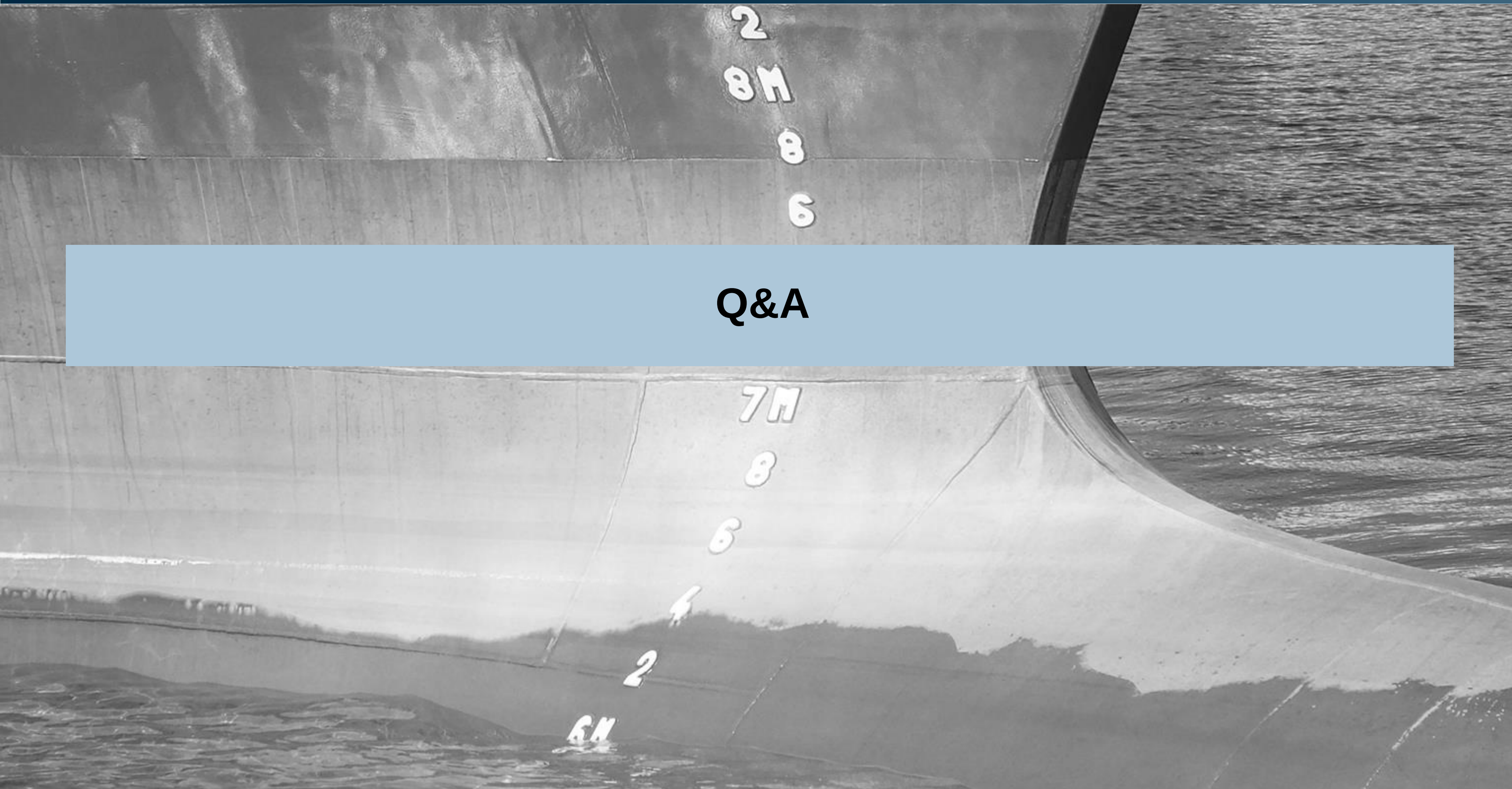
- Counterparty risk
- Operating risk Dhirubhai 1
- Residual risk
- Interest rate risk
- Refinancing risk



Investment highlights

- Increased earnings per share
  - *Delivery of newbuildings*
  - *New investments without raising new equity*
  - *Reduced funding cost*

- Growing dividends per share
  - *Higher pay-out ratio*
  - *Increased earnings*



Q&A

P&L

Income statement

Amounts in USD million	2nd Quarter 2014	2nd Quarter 2013	First Half 2014	First Half 2013
Operating revenues	62.1	60.0	121.8	116.6
Vessel operating expenses	(3.5)	(3.9)	(7.1)	(7.8)
Wages and other personnel expenses	(2.2)	(2.8)	(4.0)	(4.5)
Other operating expenses	(1.0)	(2.7)	(2.1)	(4.9)
EBITDA	**55.4**	**50.6**	**108.6**	**99.4**
Depreciation and amortization	(24.4)	(25.0)	(47.7)	(49.2)
Impairment charges and other non-recurring items	-	-	-	-
Operating profit	**31.0**	**25.5**	**60.9**	**50.2**
Financial income	4.7	7.3	20.7	11.7
Financial expenses	(14.9)	(9.4)	(29.3)	(17.5)
Foreign exchange gains/losses	2.0	(0.2)	1.3	(0.1)
Mark to market of derivatives	(5.3)	(3.4)	(4.0)	(6.7)
Net financial items	**(13.5)**	**(5.8)**	**(11.3)**	**(12.6)**
Net Profit before tax	**17.5**	**19.8**	**49.6**	**37.6**
Income tax expense	(0.4)	0.2	(3.9)	(0.5)
Net Profit after tax	**17.1**	**19.9**	**45.7**	**37.1**

Comments

- Operating Expenses: Lower than budgeted in Q2 related to the FPSO Dhirubhai-1
- Financial Expenses: One-off accounting effect of USD 5.5 mill related to refinancing of car carriers. Accrued bank fees booked in the balance sheet for the old loan is expensed over P&L in Q2 2014. USD 0.4 mill related to buyback of bonds.
- Derivatives: Negative mark to market of USD 5.3 mill related to interest rate swaps

Net profit after tax adjusted for non-recurring items

Adjustments

Amounts in USD million	1st Quarter 2014	2nd Quarter 2014
Profit after tax	**28.6**	**17.1**
- One-off adjustment to Financial Income	(11.5)	-
- One-off adjustment to Financial Expenses	6.0	5.9
- Foreign exchange gains/losses	0.7	(2.0)
- Mark to market of derivatives	(1.3)	5.3
- Tax	3.1	-
Net profit after tax adjusted for non-recurring items	**25.6**	**26.3**

Comments

- Accounting effect of financing of car carriers as bank fees related to old loan is expensed over P&L (USD 5.5 million) and USD 0.4 million related to repurchase of OCY Bonds
- Related to interest rate swaps on vessel loans and Ocean Yield bond loan

Balance sheet

Balance sheet

Amounts in USD million	30 June 2014	30 June 2013
ASSETS		
Vessels and equipment	1 366.4	1 307.3
Intangible assets	38.3	38.3
Deferred tax assets	10.5	9.7
Restricted cash deposits	20.1	20.0
Investments in AMSC Bonds	174.8	150.1
Other non-current assets	0.5	0.5
Total non-current assets	**1 610.7**	**1 526.0**
Trade receivables and other interest-free receivables	20.7	18.5
Cash and cash equivalents	102.8	60.1
Total current assets	**123.5**	**78.6**
Total assets	**1 734.2**	**1 604.6**

Amounts in USD million	30 June 2014	30 June 2013
Total equity	**707.1**	**522.0**
Interest-bearing debt	811.5	838.7
Deferred tax liabilities	1.0	1.3
Pension liabilities	0.3	0.4
Mobilization fee and advances	69.5	75.5
Other interest-free long term liabilities	1.4	(0.0)
Total non-current liabilities	**883.7**	**915.8**
Interest-bearing short term debt	117.6	125.4
Trade and other payables	25.9	41.4
Total current liabilities	**143.4**	**166.8**
Total liabilities	**1 027.1**	**1 082.6**
Total equity and liabilities	**1 734.2**	**1 604.6**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