

Presentation Q2 2015

10th July 2015



Second Quarter 2015 highlights

- Quarterly dividend increased to USD 0.1525 per share
 - Increase of 0.5 cents versus Q1'15
 - USD 0.61 per share annualized, representing a dividend yield of 7.9% p.a.
 - The dividend will be paid on or about 24th July
 - The ex-dividend date will be 15th July 2015
- EBITDA was USD 56.0m, compared with USD 55.2m in Q1'15
- Net profit was USD 25.8m, compared with USD 28.1m in Q1'15
 - Net profit after tax adjusted for non-recurring items was USD 27.1m, compared with USD 26.8m in Q1'15
- The EBITDA charter backlog at the end of Q2'15 was USD 2.6bn with an average weighted tenor of 10.1 years



Recent transactions

- Acquisition of 8 newbuilding chemical tankers
 - Total gross price of USD 306.8m
 - 15-year bareboat charters to Navig8 Chemical Tankers Inc.
 - USD 212m bank facility to finance the transaction
 - Took delivery of the first two HMD vessels on 1st June and 25th June
- New revolving USD 220m credit facility with security in Aker Wayfarer
- New unsecured bond issue of NOK 1,000m
 - Maturity in April 2020
 - Coupon of NIBOR + 4.00% p.a.
- AMSC secures USD 500m in bank refinancing commitments
 - Cash interest on bonds will increase from 50% to 70% upon closing in Q3'15



Attractive and diversified portfolio of industrial shipping and oil service assets

INDUSTRIAL SHIPPING

Chemical Carriers

4x 37,000 dwt IMO2
(2x Newbuilds)



4x 49,000 dwt MR IMO2
Newbuilds



Liquefied Ethylene Gas
Carriers (LEGs)

36,000 cbm newbuilds



Car Carriers

Newbuilds 8,500 CEU
XS1462E & XS1462F



PCTCs 6,500 CEU
Jacksonville & Jeddah



PCTCs 4,900 CEU
Beijing & Xiamen



OIL SERVICE

Diving Support &
Construction Vessel

SBM Installer



Subsea Equipment
Support Vessel

Wayfarer



Offshore Supply (AHTS)

FAR Senator
FAR Statesman



Subsea Construction
Vessel

Lewek Connector



Floating Production
Storage Offloading

Dhirubhai-1



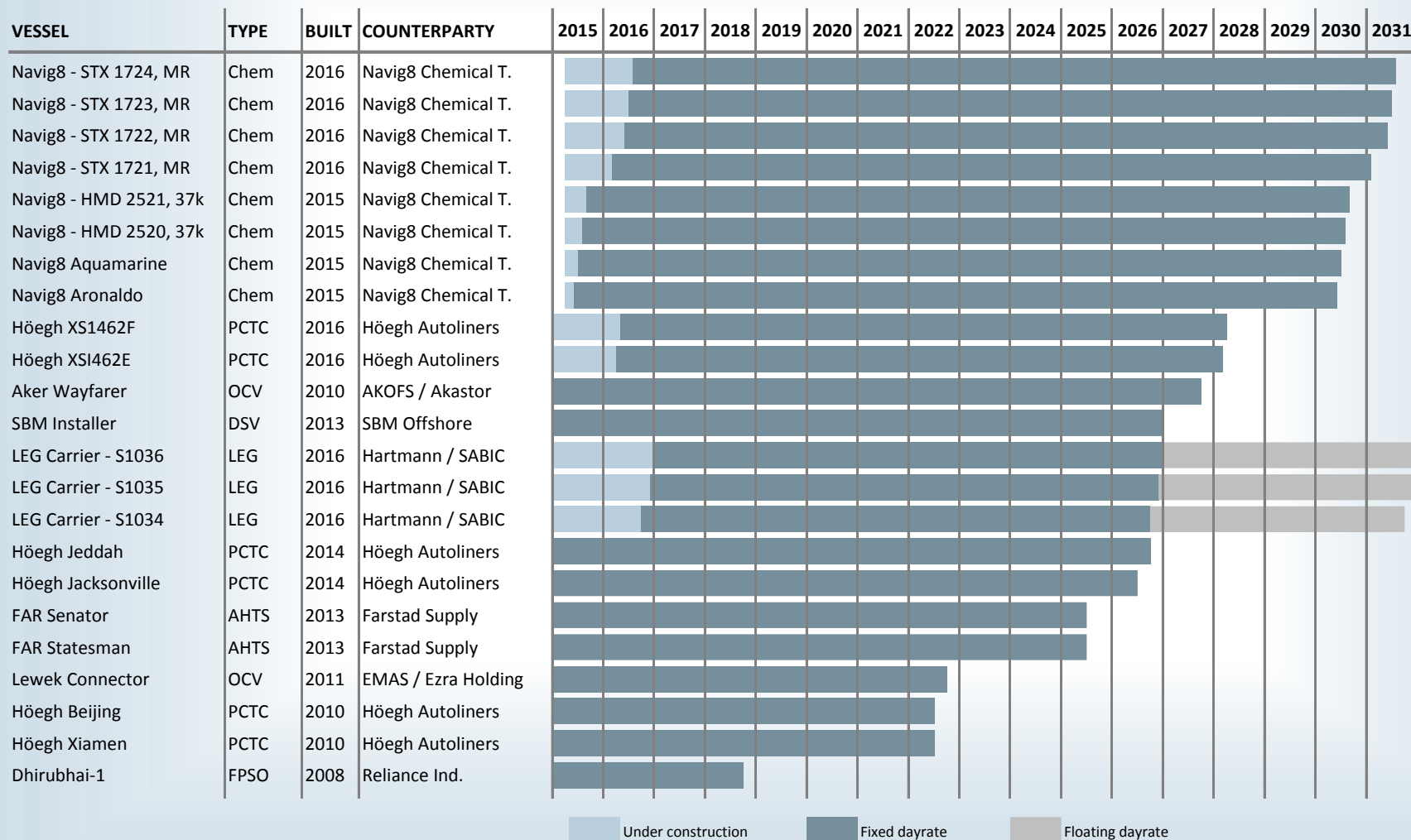
Bonds in American
Shipping Company

Bonds in AMSC with book value of USD 187m
and nominal value of USD 198m

EBITDA* backlog of USD 2.6bn with average tenor of 10.1 years



OCEAN YIELD



HARTMANN REEDEREI



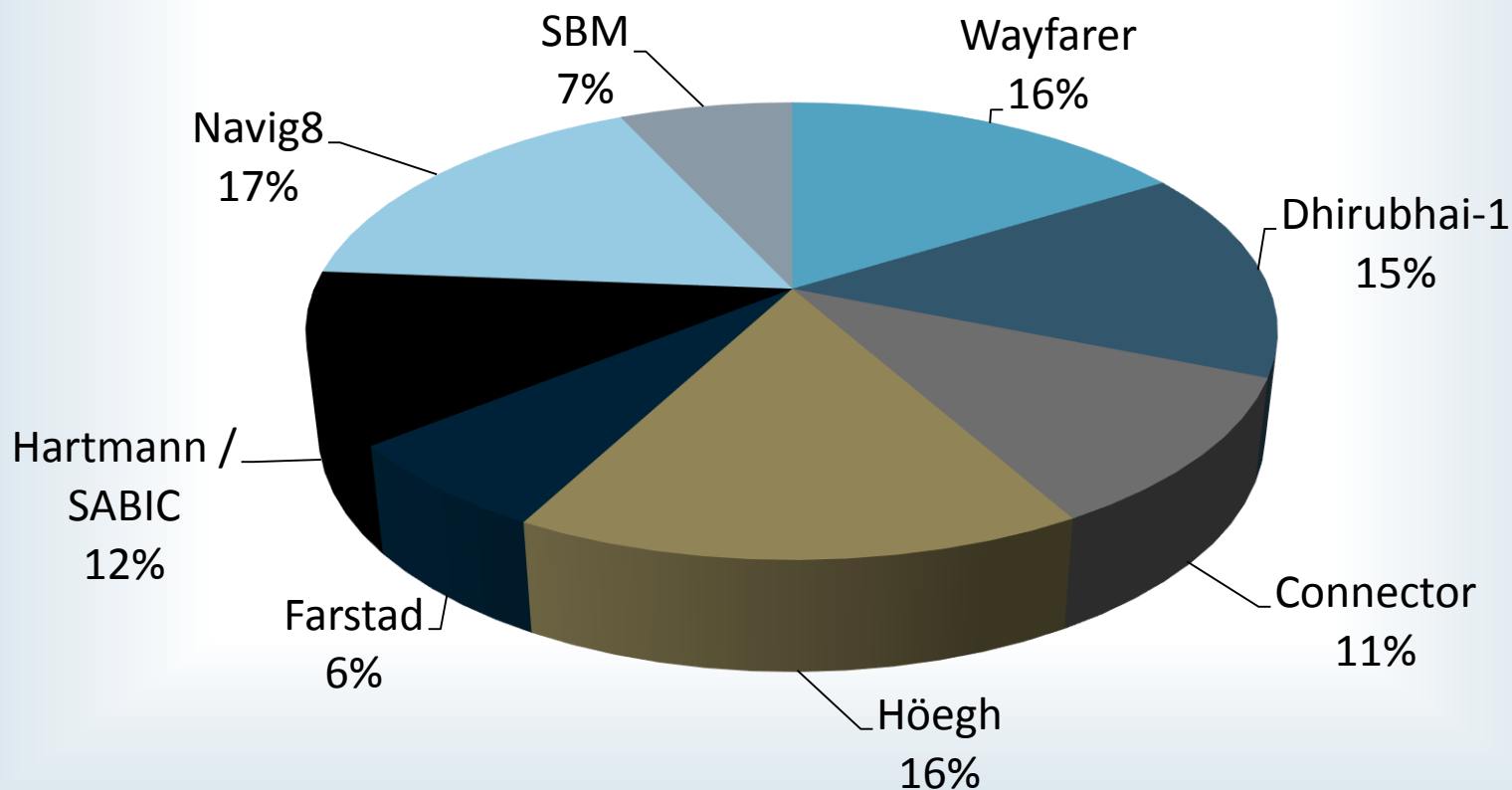
HÖEGH AUTOLINERS



*EBITDA backlog based on management's estimates on DB-1, certain options not being exercised, LIBOR forward curve, USDNOK and adjusted for finance lease effects.

Charter backlog

EBITDA backlog of USD 2.6bn – split per project



**EBITDA backlog based on management's estimates on DB-1, certain options not being exercised, LIBOR forward curve, USDNOK and adjusted for finance lease effects.*



Cash interest payment in AMSC bond to increase upon closing of USD 500m refinancing

- AMSC has secured commitments for a USD 500m bank refinancing
 - USD 350m club deal with four banks
 - USD 150m with CIT Maritime Financing
 - Average weighted tenor of 6 years
- AMSC bond agreement
 - Interest currently LIBOR + 6.00% p.a. of which 50% in cash and 50% payment-in-kind (PIK)
 - 70% cash upon closing of bank refinancing (expected Aug'15)
 - 90% cash 12 months post bank refinancing
 - 100% cash 24 months post bank refinancing
 - The option to extend the maturity date beyond Feb'18 must be exercised before closing of refinancing
 - *We do not expect this option to be exercised*



Steady production on the FPSO Dhirubhai-1



- Steady production with 99.2% utilization in Q2 2015
- Expect continued high utilization during 2H 2015
- Next periodical maintenance scheduled for May 2016
 - likely shutdown of ~3 days
- Not affected by oil price downturn - gas prices in India are regulated and prices are substantially below global market prices.
- Outstanding loan amount of USD 166m is expected to be fully repaid during 2017



Successful delivery of first two Navig8 Chemical Tankers

- Acquisition of 8 newbuilding chemical tankers for USD 307m
 - Seller credit of USD 31m
 - Long-term bank financing of USD 212m successfully closed
 - Cash of USD 64m
- Navig8 Chemical Tankers Inc.
 - About USD 400m in book equity, Oaktree 57% owner
 - Fleet of 32 modern chemical vessels
 - Vessels to enter pools operated by Navig8 Group

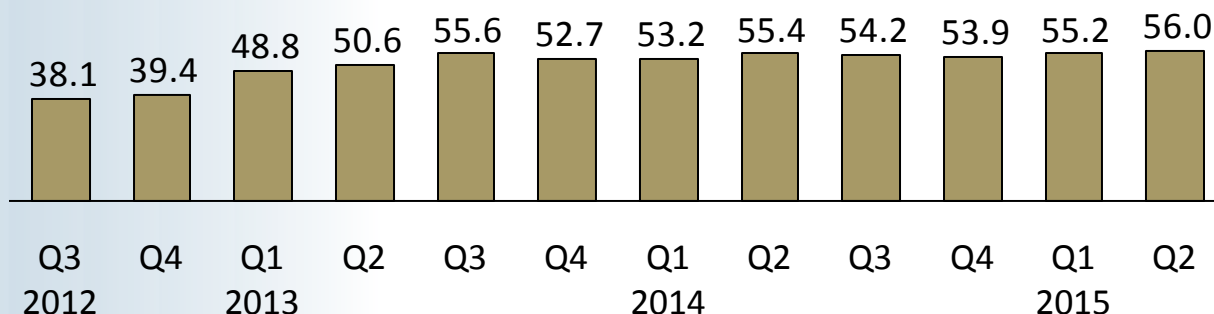
Delivery schedule

| | |
|---------------------|---------------------------|
| • Navig8 Aronaldo | Delivered 1 Jun 2015 |
| • Navig8 Aquamarine | Delivered 25 June 2015 |
| • Navig8 HMD 2520 | Expected 17 July 2015 |
| • Navig8 HMD 2521 | Expected 24 August 2015 |
| • Navig8 STX 1721 | Expected 25 February 2016 |
| • Navig8 STX 1722 | Expected 9 May 2016 |
| • Navig8 STX 1723 | Expected 20 June 2016 |
| • Navig8 STX 1724 | Expected 25 July 2016 |

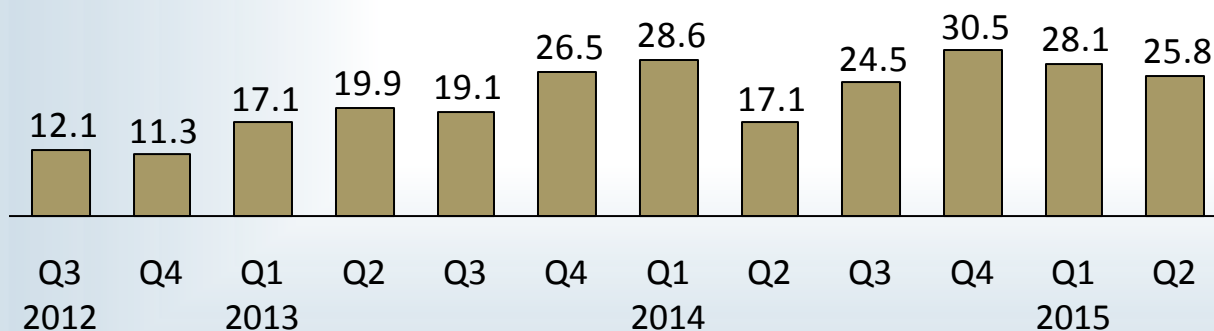


Steady EBITDA with built-in growth from delivery of newbuildings

EBITDA¹ per quarter (USDm)



Net profit per quarter (USDm)



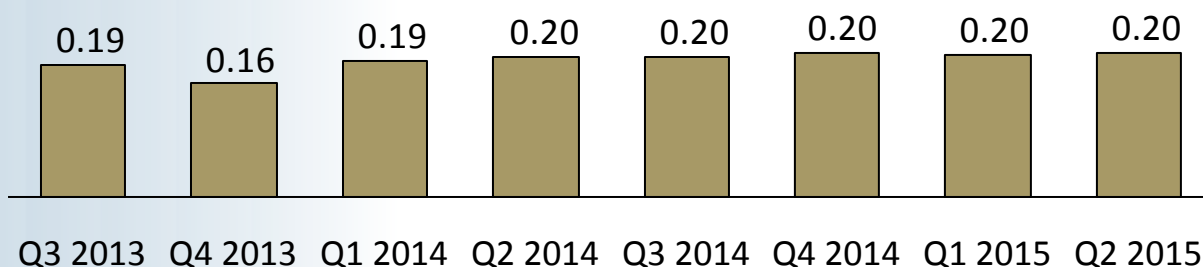
Committed projects will add about 40% to Q2 EBITDA once delivered.

Adjusted Q2 net profit was USD 27.1m vs. Q1 of USD 26.8m.

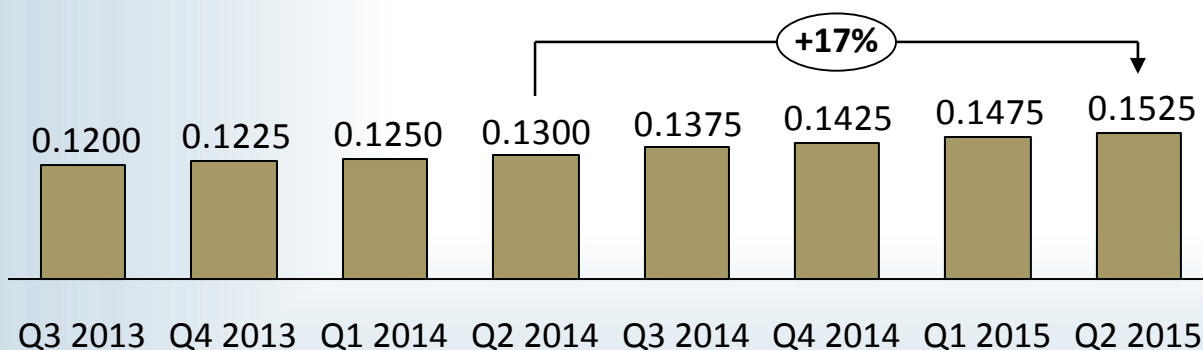
¹⁾ Q2'15 net profit was negatively impacted by a total non-recurring items of USD 1.3m.

Declared growth in cash dividends for the 7th consecutive quarter

Adjusted earnings per share (USD)**



Dividend per share (USD)



Dividend yield

7.9%* p.a.

Pay-out ratio on adjusted Q2 EPS

76%

Adjusted earnings yield

10.5%* p.a.

*As per 09.07.2015 - Q2 2015 dividend annualized, share price of NOK 62.75 and NOK/USD 8.16

**Reported EPS has been adjusted for non-recurring items. Reported EPS for Q3'13, Q4'13, Q1'14, Q2'14, Q3'14, Q4'14, Q1'15 and Q2'15 was USD 0.14, USD 0.20, USD 0.21, USD 0.13, USD 0.18, USD 0.23, USD 0.21 and USD 0.19, respectively.

P&L

Income statement

| | | 1st Quarter | 2nd Quarter | Jan - Dec |
|---|------|--------------|--------------|---------------|
| <i>Amounts in USD million</i> | Note | 2015 | 2015 | 2014 |
| Operating revenues | | 57.7 | 58.1 | 244.4 |
| Finance lease revenue | | 4.9 | 5.1 | 4.9 |
| Total revenues | | 62.6 | 63.2 | 249.3 |
| Vessel operating expenses | | (4.1) | (3.1) | (14.6) |
| Wages and other personnel expenses | 2 | (2.1) | (3.1) | (9.5) |
| Other operating expenses | 3 | (1.3) | (1.0) | (8.4) |
| EBITDA | | 55.2 | 56.0 | 216.7 |
| Depreciation and amortization | 4 | (24.2) | (24.2) | (96.4) |
| Loss from sale/disposals of vessels and equipment | | - | (0.1) | (3.8) |
| Operating profit | | 31.0 | 31.7 | 116.4 |
| Financial income | 5 | 4.4 | 4.6 | 30.2 |
| Financial expenses | 6 | (9.1) | (9.1) | (50.2) |
| Foreign exchange gains/losses | | 14.8 | (0.2) | 29.6 |
| Mark to market of derivatives | 13 | (12.9) | (1.0) | (22.5) |
| Net financial items | | (2.8) | (5.8) | (12.9) |
| Net profit before tax | | 28.2 | 25.8 | 103.6 |
| Income tax expense | 7 | (0.0) | 0.0 | (2.8) |
| Net profit after tax | | 28.1 | 25.8 | 100.8 |
| Weighted average number of shares outstanding | | 134.5 | 134.6 | 134.1 |
| Earnings per share (USD) | | 0.21 | 0.19 | 0.75 |

Comments

Finance lease revenue

- Navig8 Chemical Tankers contributed with only USD 0.2m in Q2'15 due to delivery of two vessels late in the quarter

Wages and other personnel expenses

- Higher than normal provisions for management incentive program due to the recent strong increase in the share price

Net profit after tax adjusted for non-recurring items

| Adjustments | | | Comments | |
|--|---------------------|---------------------|---|--|
| | 1st Quarter 2015 | 2nd Quarter 2015 | | |
| <i>Amounts in USD million</i> | | | | |
| Profit after tax | 28.1 | 25.8 | | |
| - Loss from sale of vessels and equipment | - | 0.1 | • Related to Dhirubhai-1 | |
| - One-off adjustment to Financial Income | - | - | | |
| - One-off adjustment to Financial Expenses | 0.5 | - | • Conversion of Aker Wayfarer loan into USD from NOK | |
| - Foreign exchange gains/losses | (14.8) | 0.2 | | |
| - Mark to market of derivatives | 12.9 | 1.0 | • Mainly related to loss on USDNOK cross currency swap on bond loan | |
| - Tax | 0.0 | (0.0) | | |
| Net profit after tax adjusted for non-recurring items | 26.8 | 27.1 | | |

Balance sheet

Balance sheet

| | 31 March 2015 | 30 June 2015 |
|--|------------------|-----------------|
| <i>Amounts in USD million</i> | | |
| ASSETS | | |
| Vessels and equipment | 1 271.8 | 1 269.1 |
| Intangible assets | 38.3 | 38.3 |
| Deferred tax assets | 11.4 | 11.4 |
| Restricted cash deposits | 20.1 | 20.1 |
| Finance lease receivables and related assets | 155.1 | 235.3 |
| Investments in AMSC Bonds | 183.8 | 186.7 |
| Other non-current assets | 0.7 | 0.7 |
| Total non-current assets | 1 681.1 | 1 761.8 |
| Trade- and other interest-free receivables | 16.3 | 13.4 |
| Cash and cash equivalents | 72.7 | 94.6 |
| Total current assets | 89.0 | 108.0 |
| Total assets | 1 770.1 | 1 869.7 |

Non-controlling interest of USD 11 million relates to the SBM transaction

| | 31 March 2015 | 30 June 2015 |
|---|------------------|-----------------|
| EQUITY AND LIABILITIES | | |
| Total equity att. to equity holders of the parent | 712.6 | 719.7 |
| Non-controlling interests | 10.5 | 11.0 |
| Total equity | 723.2 | 730.7 |
| Interest-bearing debt | 824.5 | 926.3 |
| Mobilization fee and advances | 38.7 | 36.2 |
| Other interest-free long term liabilities | 2.2 | 2.5 |
| Total non-current liabilities | 865.3 | 965.0 |
| Interest-bearing short term debt | 124.5 | 116.0 |
| Mark to market of derivatives | 46.6 | 47.7 |
| Trade and other payables | 10.4 | 10.4 |
| Total current liabilities | 181.6 | 174.1 |
| Total liabilities | 1 046.9 | 1 139.0 |
| Total equity and liabilities | 1 770.1 | 1 869.7 |
| Equity ratio | 40.9 % | 39.1 % |

Contractual obligations and financing

Contractual obligations

| <i>Amounts in USD million</i> | FPSO | Other Oil Service | Gas Carriers | Car Carriers | Other Shipping | Total |
|--|----------|-------------------|--------------|--------------|----------------|--------------|
| Already paid | - | 18.1 | 40.5 | 24.9 | 77.3 | 160.8 |
| 2015 (Q3-Q4) | - | 15.1 | 32.4 | 12.7 | 95.4 | 155.6 |
| 2016 | - | 55.9 | 170.1 | 87.2 | 103.9 | 417.1 |
| Total contractual obligations | - | 89.2 | 243.0 | 124.7 | 276.6 | 733.5 |
| Total remaining payments | - | 71.1 | 202.5 | 99.8 | 199.4 | 572.8 |
| Estimated / secured bank financing | 33.5* | 89.2* | 180.0 | 94.0* | 162.0* | 558.7 |
| Estimated payments to be funded by cash | | | | | | 14.1 |

**Already secured bank commitments*

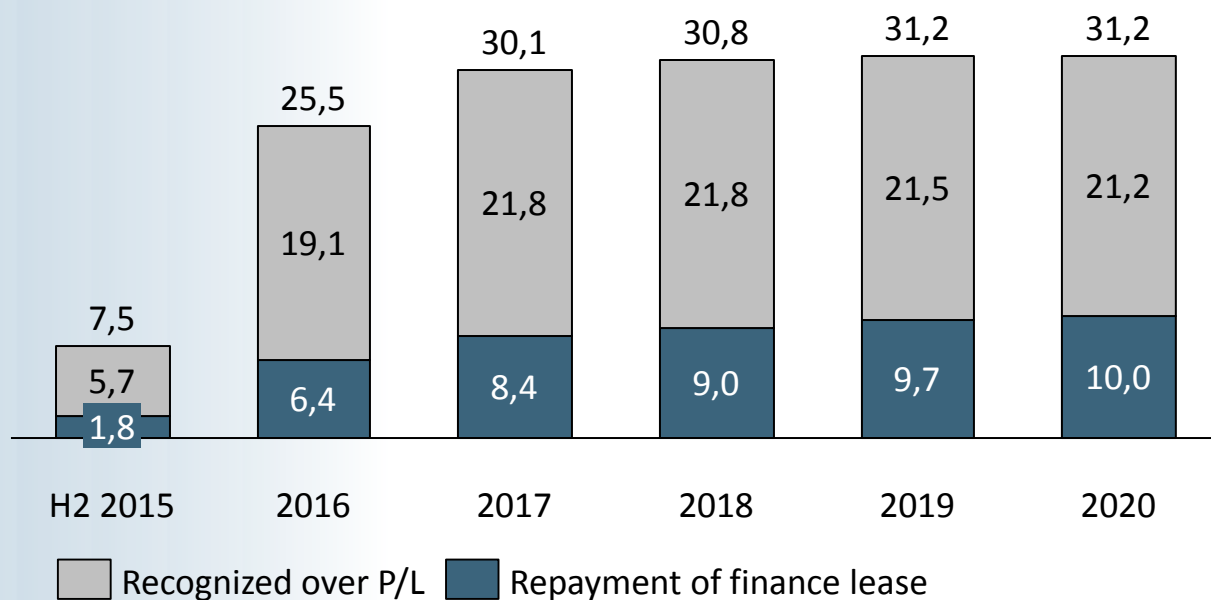
Financing

- Financing of 3 x LEG carriers will be initiated in 2015
- The contractual payments related to the Navig8 Chemical Tankers includes 10% seller credit
- Cash of USD 94.6m at the end of Q2, in addition to undrawn credit facilities of USD 126.1m.

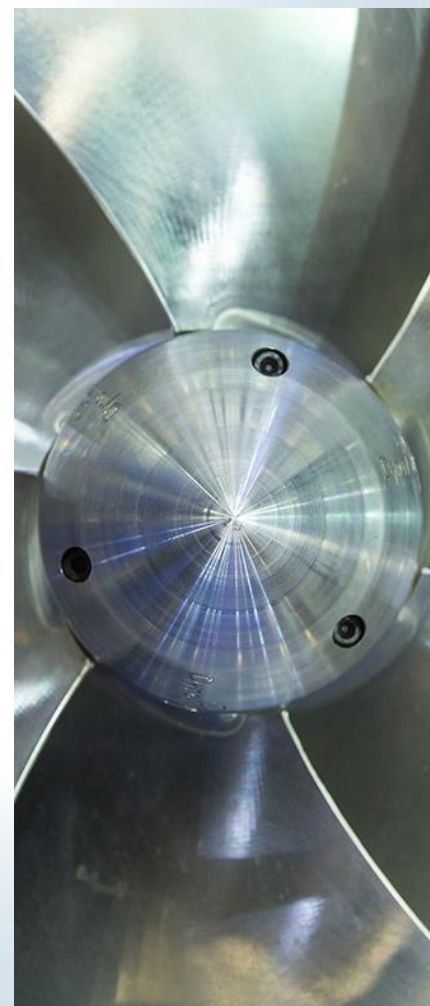


Accounting recognition of Navig8 Chemical Tankers finance lease

Cash received vs. income recognition (USDm)*



*Estimates based on forward LIBOR curve



Summary and outlook

- The EBITDA contract backlog of USD 2.6bn has an average weighted tenor of 10.1 years and is becoming more diversified
- Committed new investments not yet delivered should give strong increase in quarterly EBITDA by about 40% towards the end of 2016
- The company has increased quarterly dividends for the 7th consecutive quarter. The strong available cash position and substantial contract backlog gives comfort to continued payment of attractive and increasing quarterly dividends.
- Access to capital at attractive terms enables us to offer a competitive lease product. We continuously evaluate new transactions and expect to further increase our portfolio of vessels with long term charters.



Intentionally left blank

Intentionally left blank



OCEAN YIELD

