

Earnings Presentation

Fourth Quarter 2010

CEO – Terje Sorensen

CFO – Dagfinn Lie

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Highlights Fourth Quarter 2010

- PSV “Siem Mollie” was sold in December and the Company recorded a net gain of USD 7 million in the fourth quarter.
- Delivery of the seventh AHTS vessel, the “Siem Diamond”, owned by the Company and the first AHTS vessel, the “Siem Garnet”, owned by the pool partner, Singa Star, whereupon the pool arrangement for the current eight vessels became effective and managed by the Company.
- Four AHTS vessels commenced operations for Petrobras in Brazil under their respective four year contracts.
- The Company replaced its NOK 1.8 billion loan and guarantee facility for six AHTS vessels with a NOK 2.5 billion loan and guarantee facility for same number of vessels. The new facility provides increased debt leverage from 50% up to 70% on vessels with long term employment.

Subsequent Events

- Delivery of the second AHTS vessel, the “Siem Opal ”, to the pool partner, Singa Star.
- Sale of the Company’s minority shareholding of 34% in the company, WellCem AS, at a price equal to cost.
- One year contract extension for the MRSV “Siem Marlin”, with charterer’s option to extend for a further 2 year + 1 year.
- The Company has agreed to acquire a large-size PSV of VS 485-design. The investment will be done through the 51% owned subsidiary Siem Meling Offshore DA at a price of NOK 345 million. The vessel will partly be financed by a debt facility of NOK 262 million. The vessel shall commence 1 +1 year charter for Statoil upon delivery from the yard, which is scheduled in mid-March 2011. The vessel is a sister vessel of the “Siem Pilot”.

Income Statement

Amounts in USD million	Q4		January - December	
	2010 Unaudited	2009 Unaudited	2010 Unaudited	2009 Audited
Operating Revenue	60.9	49.2	228.3	183.6
Operating expenses	(34.9)	(33.4)	(127.6)	(106.0)
Administration expenses	(8.0)	(5.4)	(26.0)	(19.6)
Operating margin [1]	18.0	10.4	74.6	57.9
Depreciation and amortisation	(20.7)	(10.3)	(59.3)	(37.2)
Gain/(Loss) on sale of assets	7.1	2.9	6.3	1.0
Gain/(Loss) FX forward contracts [2]	3.5	0.6	(4.4)	58.9
Net financial items [3]	(4.9)	8.2	(6.9)	21.3
Profit before tax	2.9	11.7	10.3	102.0
Income Tax Provision	0.8	3.0	(0.6)	1.8
Net Profit	3.7	14.7	9.7	103.8
Attributable to minorities	(0.3)	0.0	(0.5)	1.4
Attributable to equity holders	4.1	14.7	10.2	102.4
Net Profit	3.7	14.7	9.7	103.8
Earnings per share [4]	0.01	0.04	0.03	0.35
Average number of shares outstanding [5]	395,752	359,774	377,417	292,474

[1] Operating revenue less operating expenses

[2] Revaluation of off-balance sheet currency exchange contracts entered into in order to hedge future yard installments

[3] Including revaluation of non-USD currency balance sheet items

[4] Net profit / Average number of shares outstanding (diluted)

[5] Weighted average number of shares outstanding (diluted) ('000)



Operating Margin

Operating Margin – Q4

Amounts in USD million	Q4 2010			Q4 2009		
	Operating revenue	Operating expenses	Operating margin	Operating revenue	Operating expenses	Operating margin
PSV	26.7	(10.8)	15.9	21.9	(11.1)	10.8
MRSV	14.1	(5.1)	9.0	18.0	(10.2)	7.8
AHTS	15.1	(13.7)	1.4	0.3	(3.1)	(2.8)
Brazilian	4.1	(4.6)	(0.5)	6.1	(5.7)	0.4
CMS	0.8	(0.7)	0.2	2.0	(1.7)	0.3
Siem WIS	0.0	(0.1)	(0.0)	0.8	0.0	0.8
Other	0.1	0.0	0.1	0.0	0.0	0.0
G&A	0.0	(8.0)	(8.0)	0.0	(7.0)	(7.0)
Total	60.9	(43.0)	18.0	49.2	(38.8)	10.4

Siem WIS – Status applications

- The main focus within Siem WIS has been to improve the Pressure Control Device (“the PCD”) based on the experiences from the Gullfaks C operation for Statoil. These improvements are important to qualify the PCD for the second offshore operation for Statoil, which is aimed to be the final qualification of the PCD. Statoil cannot give any firm date for such second offshore operation, due to the rebuilding for further implementation of Managed Pressure Drilling (“MPD”) on Gullfaks C.
- Siem WIS has also progressed on the PCD qualification for Shell, which is an extended API test to qualify for High Pressure High Temperature (“HTHP”) wells. Shell is the largest user of MPD in the world and has drilled more than 200 MPD wells per year, with an outlook for nearly 400 wells in 2011. More than 50 of such wells require PCD equipment qualified for HTHP.
- Egil Josefsen has been appointed as new CEO in Siem WIS and he will start in his new position at first opportunity and latest within second quarter. Mr. Josefsen has previous experiences from BJ Services , Halliburton and Petroleum Technology Company, and holds currently the position as CEO of WellCem AS. Mr. Josefsen’s main priority will be to manage the further commercialization of Siem WIS.

Associated Companies

Amounts in USD million

Result from associated companies	Q4		31 December	
	2010	2009	2010	2009
Overseas Drilling Ltd. (50%)	2.2	2.5	8.0	6.3
KS Big Orange XVIII (41.33%)	(0.9)	0.6	(0.2)	0.2
Ocean Commander KS (35%)	0.2	0.4	2.6	1.3
Other	0.1	0.2	(0.3)	(0.2)
Total	1.5	3.6	10.0	7.7

Investments in associates and other long-term receivables	31 December	
	2010	2009
Overseas Drilling Ltd. (50%)	19.1	11.1
KS Big Orange XVIII (41.33%)	3.8	4.0
Ocean Commander KS (35%)	2.3	6.9
Other	3.4	3.4
Total associate	28.6	25.4
Other long term receivables	9.2	8.0
Total investments in associates and other long-term receivables	37.8	33.4



Financial Position and Cash Flow

Statement of Financial Position

Amounts in USD million	31 December 2010 Unaudited	31 December 2009 Audited
Intangible assets	15.2	14.1
Vessels under construction	106.0	208.5
Vessels, equipment and other	1,287.9	762.5
CIRR loan deposits	65.0	73.2
Investment in associates and other long-term receivables	37.8	33.4
Debtors, prepayments and other current assets	84.5	101.2
Cash and cash equivalents	115.2	91.1
Total Assets	1,711.5	1,284.0
Total Equity	769.1	702.7
Borrowings falling due after 1 year	744.6	403.1
CIRR loan	65.0	73.2
Other non-current liabilities	12.6	8.2
Borrowings falling due within 1 year	65.6	43.0
Trade creditors and other current liabilities	54.6	53.6
Total Liabilities	942.4	581.3
Total Equity and Liabilities	1,711.5	1,284.0

Consolidated Statement of Cash Flows

Amounts in USD million	31.12.2010	31.12.2009
Cash flow from operations	Unaudited	Audited
Profit /(loss) before taxes, excluding interest	23.7	106.6
Depreciation and amortization	59.3	37.2
Effect of unreal. currency exchange forward contracts	-3.6	-31.2
Other changes	-39.9	-33.3
Net cash flow from operations	39.4	79.2
Cash flow from investments activities		
Investments in fixed assets	-510.3	-361.6
Repayment of loan to shipyard	26.3	0.0
Received from sale of fixed assets	31.6	4.2
Other investments activities	10.9	5.8
Cash flow from investments	-441.5	-351.6
Cash flow from financing activities		
Settlement for sale of interest rate derivatives	0.0	-12.6
Received from raising of new equity	56.0	147.4
Received from raising of new borrowing	503.9	218.0
Repayment of borrowing	-139.1	-61.2
Cash flow from financing activities	420.8	291.6
Effect of exchange rate differences	5.3	-1.5
Net change in cash	24.1	17.7
Cash at bank start of period	91.1	73.4
Cash at bank end of period	115.2	91.1

Future Yard Instalments

Amounts in USD
million

Future yard instalments	Q1-2011	Q2-2011	Q3-2011	Q4-2011	2012	2013	2014	Total
AHTS Vessels	0.0	83.2	0.0	0.0	0.0	0.0	0.0	83.2
FCVs and FSVs	2.1	0.4	0.0	0.0	0.0	0.0	0.0	2.5
OSRVs	13.0	9.4	8.4	7.8	15.6	0.0	0.0	54.2
PSVs	0.0	0.0	0.0	0.0	62.8	65.3	0.0	128.1
Total	15.1	93.0	8.4	7.8	78.4	65.3	0.0	268.0

Debt financing	Q1-2011	Q2-2011	Q3-2011	Q4-2011	2012	2013	2014	Total
AHTS Vessels	0.0	49.9	0.0	0.0	0.0	0.0	0.0	49.9
FCVs and FSVs	1.2	1.5	0.4	0.0	0.0	0.0	0.0	3.1
OSRVs	0.0	32.7	7.3	2.8	16.1	0.0	0.0	59.0
PSVs	0.0	0.0	0.0	0.0	62.6	62.6	0.0	125.1
Total	1.2	84.1	7.7	2.8	78.7	62.6	0.0	237.1

Newbuildings are fully financed through debt facilities.

Debt Facilities (forecasted)

Amounts in USD
million

Debt facilities	Q1-2011	Q2-2011	Q3-2011	Q4-2011	2012	2013	2014	Total
Open balance	810.2	768.7	827.1	819.1	794.1	769.2	752.0	810.2
Drawings 1)	1.2	84.1	37.7	2.8	78.7	62.6	0.0	267.1
Instalments	-42.7	-25.8	-45.7	-27.9	-103.6	-79.8	-82.8	-408.1
Closing balance	768.7	827.1	819.1	794.1	769.2	752.0	669.2	669.2

Current cost of debt below 4% p.a.



Employment and Deliveries

Vessels in Operation and Shipbuilding Contracts

Vessels in Operation

PSV Employment

Vessel	Ownership	2011				2012				2013				2014				2015				
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Siem Sasha	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Sophie	100 %	Contract	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option
Siem Louisa	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Danis	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Hanne	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siddis Skipper	51 %	Contract	Contract	Contract	Contract	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option
Siem Carrier	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Supplier	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Hugin Explorer	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Sailor	51 %	Contract	Contract	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option
Siem Pilot	51 %	Contract	Contract	Contract	Contract	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option	Contract option
Total order backlog in % and USD mill.		70%	81			42%	51			19%	22			0%	0			0%	0			



Contract



Contract option



Spot work

Vessels in Operation

MRSV and AHTS Employment

Vessel	Owner-ship	2011				2012				2013				2014				2015			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Siem Swordfish	100 %																				
Seven Sisters	100 %																				
Siem Marlin	100 %																				
Adams Vision	100 %																				
Total order backlog in % and USD mill.			100 %	55			80%	36			19%	8			0%	0			0%	0	

Vessel	Owner-ship	2011				2012				2013				2014				2015			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Siem Pearl	100 %																				
Siem Emerald	100 %																				
Siem Sapphire	100 %																				
Siem Aquamarine	100 %																				
Siem Ruby	100 %																				
Siem Topaz	100 %																				
Siem Diamond	100 %																				
Total order backlog in % and USD mill.			61%	77			57%	73			57%	73			50%	64			0%	0	

Vessels in Operation

Other Employment

Vessel	Type	Ownership	2011				2012				2013				2014				2015				
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Big Orange XVIII	WSV	41 %																					
Joides Resolution	SPV	50 %																					
Total order backlog in % and USD mill.			54%	15			50%	15			37%	11			0%	0			0%	0			
Marati	OSRV	100 %																					
Marabá	OSRV	100 %																					
Parnaíba	FSV	100 %																					
Paropriá	FSV	100 %																					
Paracaru	FSV	100 %																					
Capela	FSV	100 %																					
Piracicaba	FSV	100 %																					
Parati	FSV	100 %																					
Atalaia	FSV	100 %																					
Total order backlog in % and USD mill.			76%	21			57%	15			48%	12			22%	5			0%	0			



Contract



Contract option



Spot work

Vessel Deliveries

Vessel	Type	Ownership	2011				2012				2013				2014				2015				
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Siem Amethyst	AHTS	100 %	Under Construction	Under Construction																			
Siem Caetés	FSV	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Carajás	FSV	100 %	Under Construction	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Piatã	FCV	100 %	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Siem Pendotiba	FCV	100 %	Under Construction	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Brazil 'TBN'	OSRV	100 %	Under Construction	Under Construction	Under Construction	Under Construction	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Brazil 'TBN'	OSRV	100 %	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract	Contract
Brazil 'TBN'	PSV	100 %	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction
Brazil 'TBN'	PSV	100 %	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction

Under Construction
 Contract
 Contract option





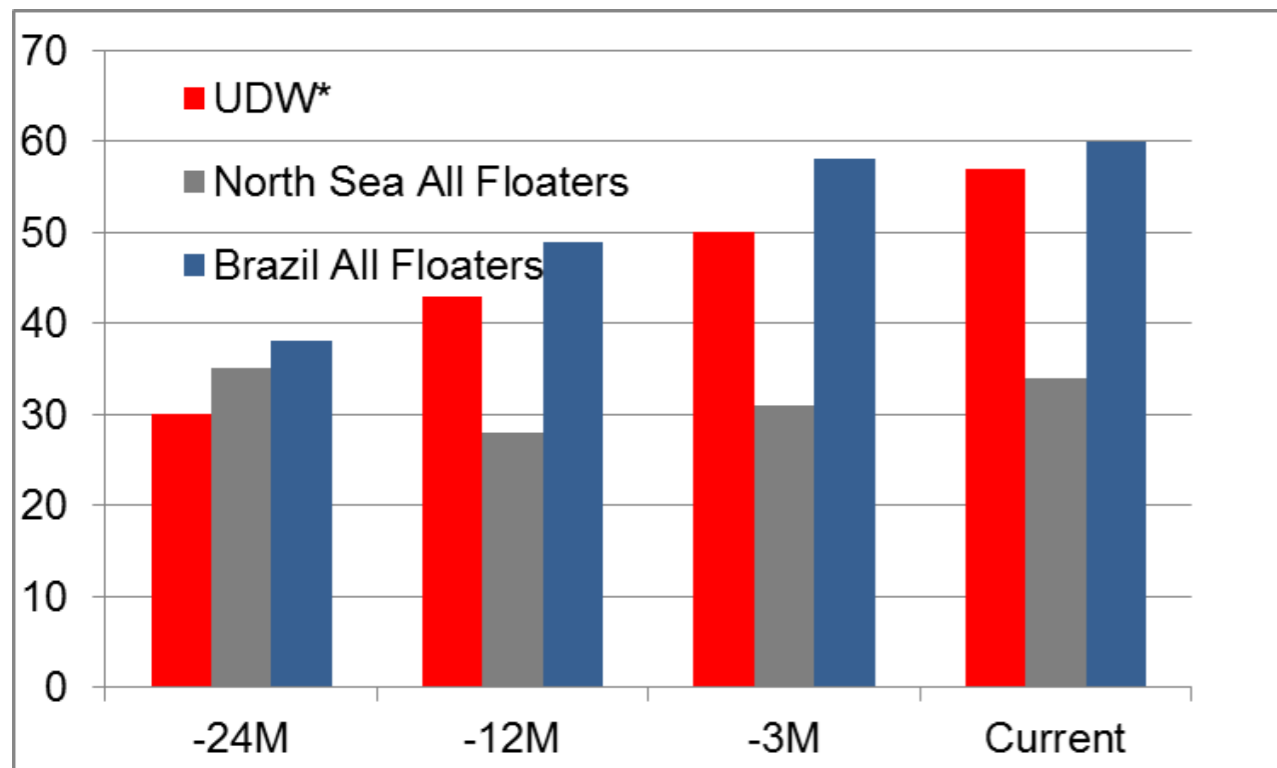
Market outlook

Market Outlook

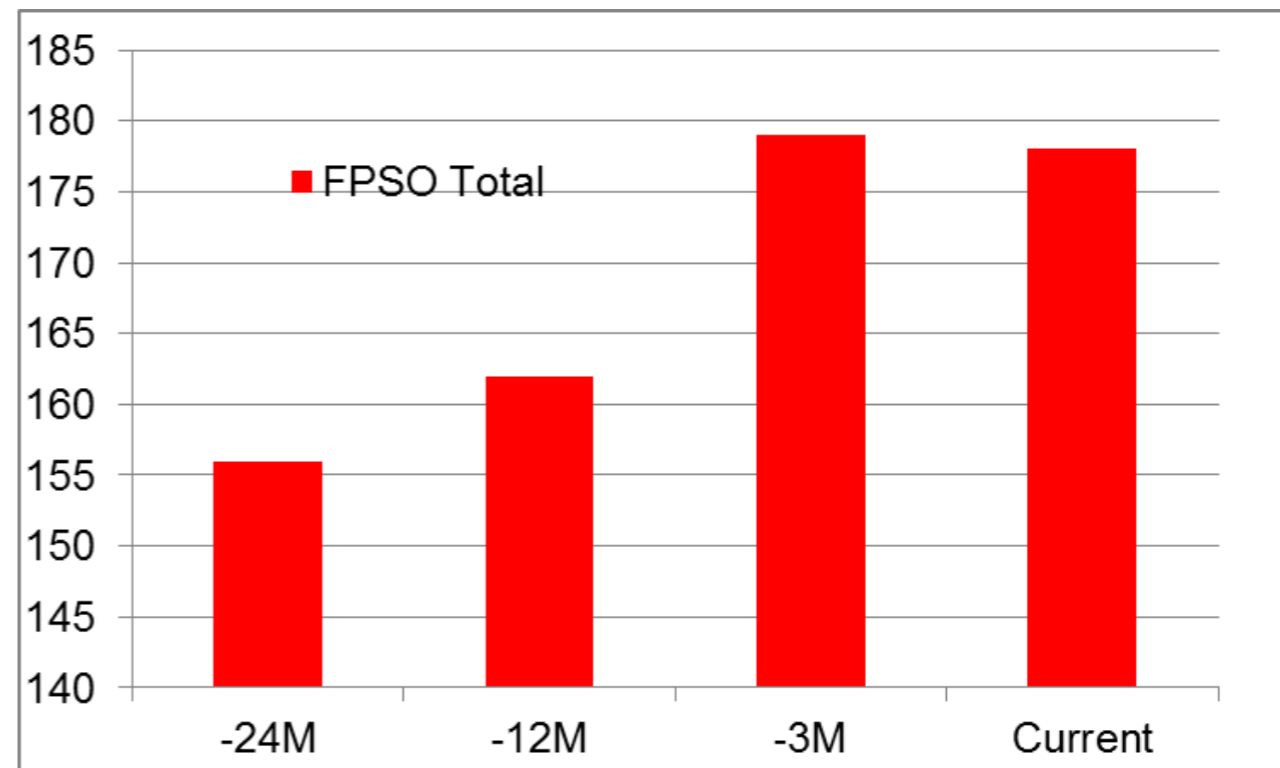
- The North Sea spot market has been weak during the fourth quarter 2010 as predicted.
- The North Sea spot market should improve from 2Q10 due to increased activity and vessels leaving for term contract work in other regions. Number of new AHTS vessels to enter the North Sea market is limited.
- Although there is a current overhang of vessels and more newbuilds to enter the market, the long-term outlook is positive with generally higher activity and E&P spending.
- Increase in Drilling, FPSO, and Subsea activities seen in coming years.
- Tendering activity for OSV vessels currently at a high level. Especially in Brazil, but also signs of improvement in the North Sea and West Africa.
- The majority of the Company's vessels are on long term contracts and the firm backlog of approx. \$ 1 billion provides a good basis for the coming years.

Global Rig and FPSO Market

Global Floater market



Global FPSO market



* = Ultra Deep Water (UDW)

- Total # UDW Drilling rigs currently working at 57, up from 43 twelve months ago (-12M).
- Total # North Sea Floater Rigs currently working at 34, up from 28 twelve months ago (-12M).
- Total # Floater Rigs currently working in Brazil at 60, up from 49 twelve months ago (-12M).
- Total # FPSOs currently working and under construction at 178, up from 162 twelve months ago (-12M).
- Continue to see increased activity going forward for both Drilling, FPSO and Subsea activities.

70 UDW Drilling Rigs under construction

Rig Name	Construction Status	Rig Name	Construction Status	Rig Name	Construction Status
1 Aker Drsh Tbn1	Planned	25 Island Innovator	Under Construction	48 Pride Drsh Tbn5	On Order
2 Aker Drsh Tbn2	Planned	26 La Muralla IV	Under Construction	49 Queiroz Delba Drsh Tbn1	Under Construction
3 Alpha Star	Under Construction	27 Noble Bully I	Under Construction	50 Queiroz Delba Drsh Tbn2	On Order
4 Atwood Advantage	On Order	28 Noble Bully II	Under Construction	51 Scarabeo 8	Under Construction
5 Atwood Condor	Under Construction	29 Noble Drsh Tbn5	On Order	52 Scarabeo 9	Under Construction
6 Atwood Osprey	Under Construction	30 Noble Drsh Tbn6	On Order	53 Schahin Drsh Tbn1	Under Construction
7 Bicentenario	Under Construction	31 Noble Globetrotter I	Under Construction	54 Schahin Drsh Tbn2	Under Construction
8 Bolshaya Medveditsa	On Order	32 Noble Globetrotter II	Under Construction	55 SeaDragon I	Under Construction
9 Carolina	Under Construction	33 Norbe VIII	Under Construction	56 SeaDragon II	Under Construction
10 COSLInnovator	Under Construction	34 Norbe IX	Under Construction	57 Sete Brasil Drsh Tbn1	On Order
11 COSLPromoter	Under Construction	35 Ocean BlackHawk	On Order	58 Sete Brasil Drsh Tbn2	On Order
12 Dalian Developer	Under Construction	36 Ocean BlackHornet	On Order	59 Sete Brasil Drsh Tbn3	On Order
13 Deep Ocean Molokai	Under Construction	37 Ocean Rig Mykonos	Under Construction	60 Sete Brasil Drsh Tbn4	On Order
14 Deepsea Metro I	Under Construction	38 Ocean Rig Olympia	Under Construction	61 Sete Brasil Drsh Tbn5	On Order
15 Deepsea Metro II	Under Construction	39 Ocean Rig Poseidon	Under Construction	62 Sete Brasil Drsh Tbn6	On Order
16 Delba III	Under Construction	40 Odebrecht Drsh Tbn5	Planned	63 Sete Brasil Drsh Tbn7	On Order
17 Delba IV	On Order	41 Odebrecht Semi Tbn1	Planned	64 Sevan Brasil	Under Construction
18 DragonQuest	Under Construction	42 ODN I	Under Construction	65 Severnoye Siyanie	Under Construction
19 ENSCO 8504	Under Construction	43 ODN II	Under Construction	66 Songa Eclipse	Under Construction
20 ENSCO 8505	Under Construction	44 Pacific Mistral	Under Construction	67 SS Amazonia	Under Construction
21 ENSCO 8506	Under Construction	45 Pacific Santa Ana	Under Construction	68 Stena DrillMAX ICE	Under Construction
22 Etesco VIII	Under Construction	46 Pacific Scirocco	Under Construction	69 West Auriga	On Order
23 Hai Yang Shi You 981	Under Construction	47 Petroserv Semi Tbn1	Under Construction	70 West Capricorn	Under Construction
24 West Vela	On Order				

- 70 UDW rigs currently under construction, of which 63 to be delivered before YE 2013