



SIEM OFFSHORE

**Investor Presentation
Shippingklubben – Oslo**

Kristian Siem

Chairman, Siem Offshore Inc.

Terje Sørensen

Chief Executive Officer, Siem Offshore Inc.

Jan Atle Andresen

Business Development Manager, Siem WIS AS

28 February 2008



SIEM OFFSHORE

Brief Summary

- Established as a stand-alone company in July 2005
- Owner and operator of vessels for the global oil and gas service industry. The total fleet comprises 24 vessels in operation and 17 vessels under construction.
- Owns subsidiary that develops technology for managed pressure drilling, well intervention and increased oil recovery services
- Total number of employees year-end 2007: approx. 600
- Listed on the Oslo Stock Exchange (Ticker SIOFF)
- Market capitalization February 2008: NOK 4.4 billion (USD 845 million)



SIEM OFFSHORE

Brief Summary (continue)

- Vessel categories:
 - 14 Platform Supply Vessels (2 under construction)
 - 4 Multipurpose ROV & Support Vessels (3 under construction)
 - 10 Anchor Handling Tug Supply Vessels – 28,000 BHP (under construction)
 - Brazilian fleet of 11 vessels (2 under construction)
 - 2 Other vessels (Well Stimulation Vessel, Core Drilling)

See www.siemoffshore.com for vessel specifications



SIEM OFFSHORE

Profit & loss

(Unaudited figures in USD 1,000)

	4Q 2007	4Q 2006	2007	2006
Operating revenue	50,370	24,281	159,342	73,554
Operating expenses	-26,226	-20,104	-79,543	-53,074
EBITDA	24,144	4,177	79,799	20,480
Depreciation and amortisation	-6,318	-3,528	-18,961	-10,895
Other gains /(losses)	-1,035	321	-251	11,160
Gain on sale of interest rate derivatives	-3	0	23,484	0
Other gains /(losses) Currency exchange forward contracts	-252	17,947	39,618	20,789
Operating profit	16,536	18,918	123,689	41,533
Net currency items	3,293	-898	8,836	717
Result from associated companies	-43	392	-35	8,151
Financial income	1,619	427	3,667	805
Financial costs	-4,115	-2,604	-13,756	-5,460
Net financial items	755	-2,683	-1,287	4,213
Net profit before taxes and minorities	17,291	16,235	122,402	45,747
Tax expense	-1,547	-407	-1,937	-1,219
Net Profit	15,744	15,828	120,465	44,527
Attributable to minorities	699	231	1,333	485
Attributable to equity holders	16,442	16,059	121,797	45,012
Average number of issued shares ('000)	227,805	166,010	194,811	158,791
Earnings per share, USD per share	0.07	0.10	0.63	0.28

Commercial Interest Reference Rate “CIRR”

- Company applied for fixed interest rates options related to the long-term financing of such vessels. The Company was during 2006 and 2007 granted CIRR options free of charge from Eksportfinans.
- The Company has transferred the right to exercise such options to a first class international bank (the “Bank”).
- In consideration for an up-front payment of USD 23.5 million.
- The consideration is final and recorded as ‘Gain on sale of interest rate derivatives’ in the profit and loss accounts.
- The Company has recorded USD 950 million as long-term liabilities to reflect actual and potential long-term loans.
- Any long-term loans drawn from Eksportfinans will be placed as corresponding deposits in the Bank, as financial security for any loans drawn.
- At 31 December 2007, USD 93 million was drawn from Eksportfinans and USD 857 million of the USD 950 million was un-drawn positions.
- The auditor has questioned whether the sale of such interest rate options is presented in the 2007 annual account is in accordance with International Financial Reporting Standards (IFRS).

Associated companies

- **ODL (Joides Resolution)**
 - The conversion of the scientific core drilling vessel JOIDES Resolution, which was scheduled for completion in fourth quarter 2007, is delayed and it is expected that the vessel will commence its 7 year contract with Texas A&M Research Foundation (TAMRF) at the end of third quarter 2008.
 - An agreed conversion rate is earned since November 2007.
 - Any operating margin earned by the vessel owner during the conversion and/or standby phase will be capitalised and recorded during the operational phase of the contract.
- **Big Orange**
 - The vessel Big Orange XVIII is on a time charter contract with Schlumberger until August 2010 for well stimulation work in the North Sea Basin. KS Big Orange XVIII has no financial debt
 - The vessel carried out its 25th annual survey during 2007.

Balance sheet

(Unaudited figures in USD 1,000)

	31.12.2007	31.12.2006
Fixed assets		
Intangible fixed assets	9,232	7,939
Tangible fixed assets	504,023	240,762
CIRR loan deposit	950,415	0
Investment in associates and other financial fixed assets	18,088	19,271
Total long-term assets	1,481,758	267,972
Debtors, prepayments and other current assets	88,484	47,630
Bank deposits	188,308	34,384
Total current assets	276,792	82,014
Total assets	1,758,550	349,986
Shareholders' equity		
Paid-in capital	337,987	113,325
Other equity	25,609	-26,328
Net profit	121,797	45,012
Shareholders' equity	485,393	132,008
Minorities	13,895	10,107
Total equity	499,288	142,116
Liabilities		
Deferred taxes	0	7,907
Other provisions	840	290
Total provisions	840	8,196
Finance debt falling due after 1 year	244,704	172,384
CIRR loan	950,415	0
Other long-term liabilities incl. long-term tax debt	9,269	285
Total other long-term liabilities	1,204,388	172,670
Finance debt falling due within 1 year	23,891	3,521
Trade creditors and other short-term liabilities	30,143	23,483
Total current liabilities	54,034	27,004
Total liabilities	1,259,262	207,870
Total shareholders' equity and liabilities	1,758,550	349,986

Tangible assets	504,023
Unpaid yard instalment	1,181,643
Total tangible assets	1,685,666

Future yard instalments	
2008	252,039
2009	536,485
2010	393,119
Total future yard instalments	1,181,643



SIEM OFFSHORE

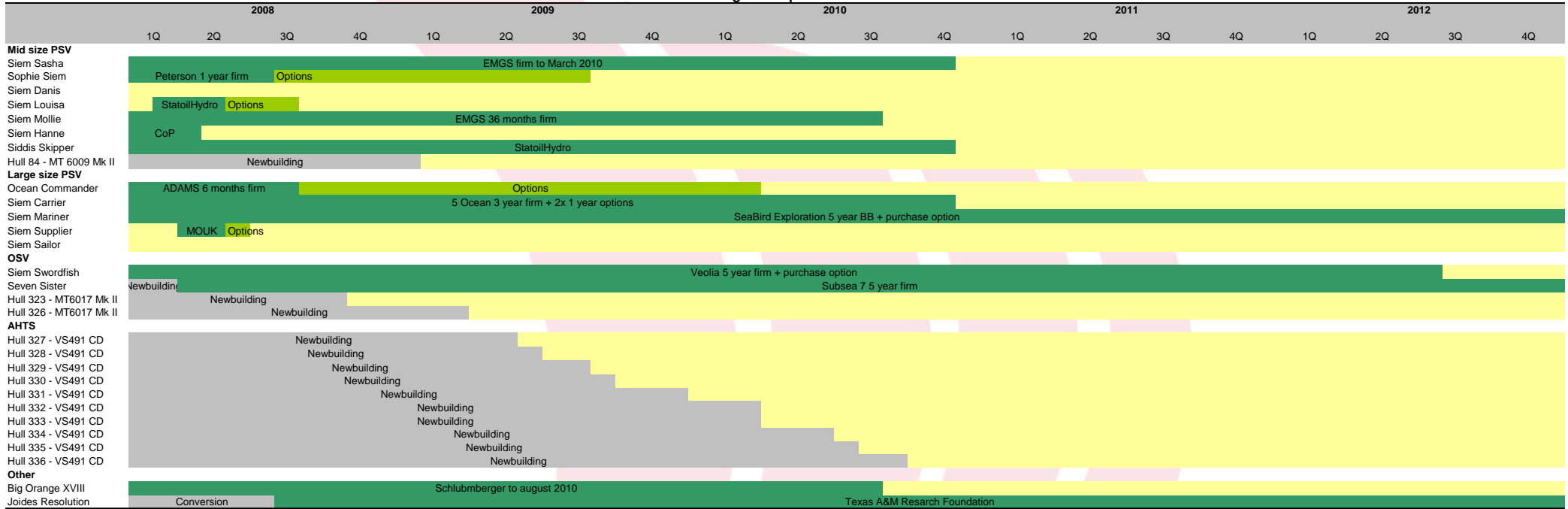
Shareholder Structure 25 February 2008

SHAREHOLDER	NO OF SHARES	%
SIEM INDUSTRIES INC.	85,504,538	33.68%
ACE CROWN INTERNATIONAL LIMITED	35,300,000	13.90%
ROVDEFRAKT AS	11,098,153	4.37%
ROVDE INVEST AS	8,979,352	3.54%
KNARDAL INVEST AS	6,497,730	2.56%
MP PENSJON	6,383,798	2.51%
NORDEA BANK NORGE ASA MARKETS	5,286,931	2.08%
OJADA AS	4,413,000	1.74%
STAVANGER OFFSHORE AS	3,532,000	1.39%
WELLIS AS	3,066,666	1.21%
TOTAL 10 LARGEST	170,062,168	66.98%
OTHERS	83,829,698	33.02%
TOTAL	253,891,866	100.00%
SHARES HELD BY MANAGEMENT	3,678,120	1.45%



SIEM OFFSHORE

Contract coverage and operation of current fleet



Loans and interest bearing debt

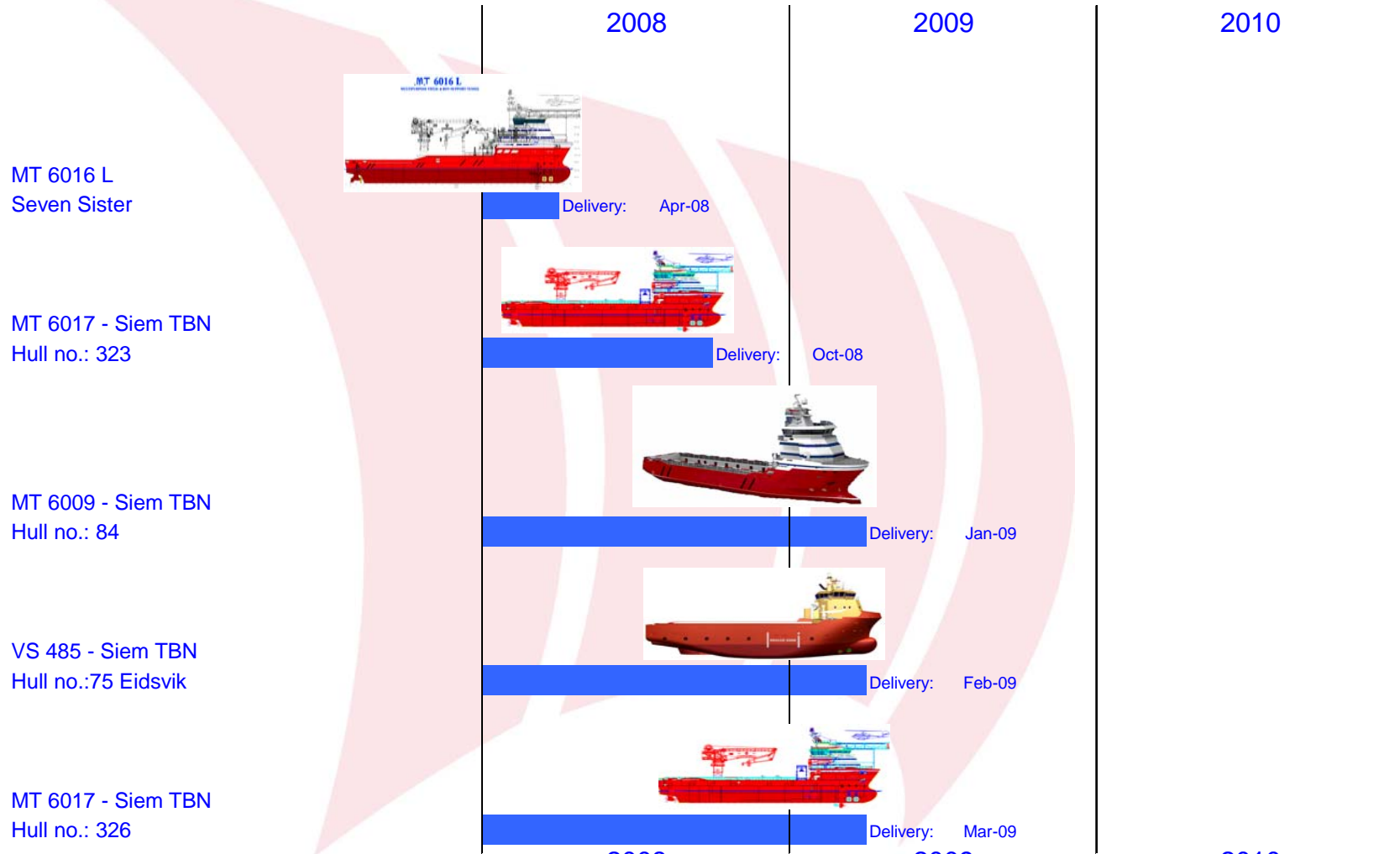
	31.12.2007
Total loan facilities	336,850
Undrawn facility	(67,350)
Interest bearing debt	269,500
Bank deposits	(188,308)
NIBD	81,192

	Unpaid yard instalment	Planned additional loans
PSV/MRSV	238,509	196,402
AHTS	925,000	650,000
Other	18,134	16,321
Total	1,181,643	862,723



SIEM OFFSHORE

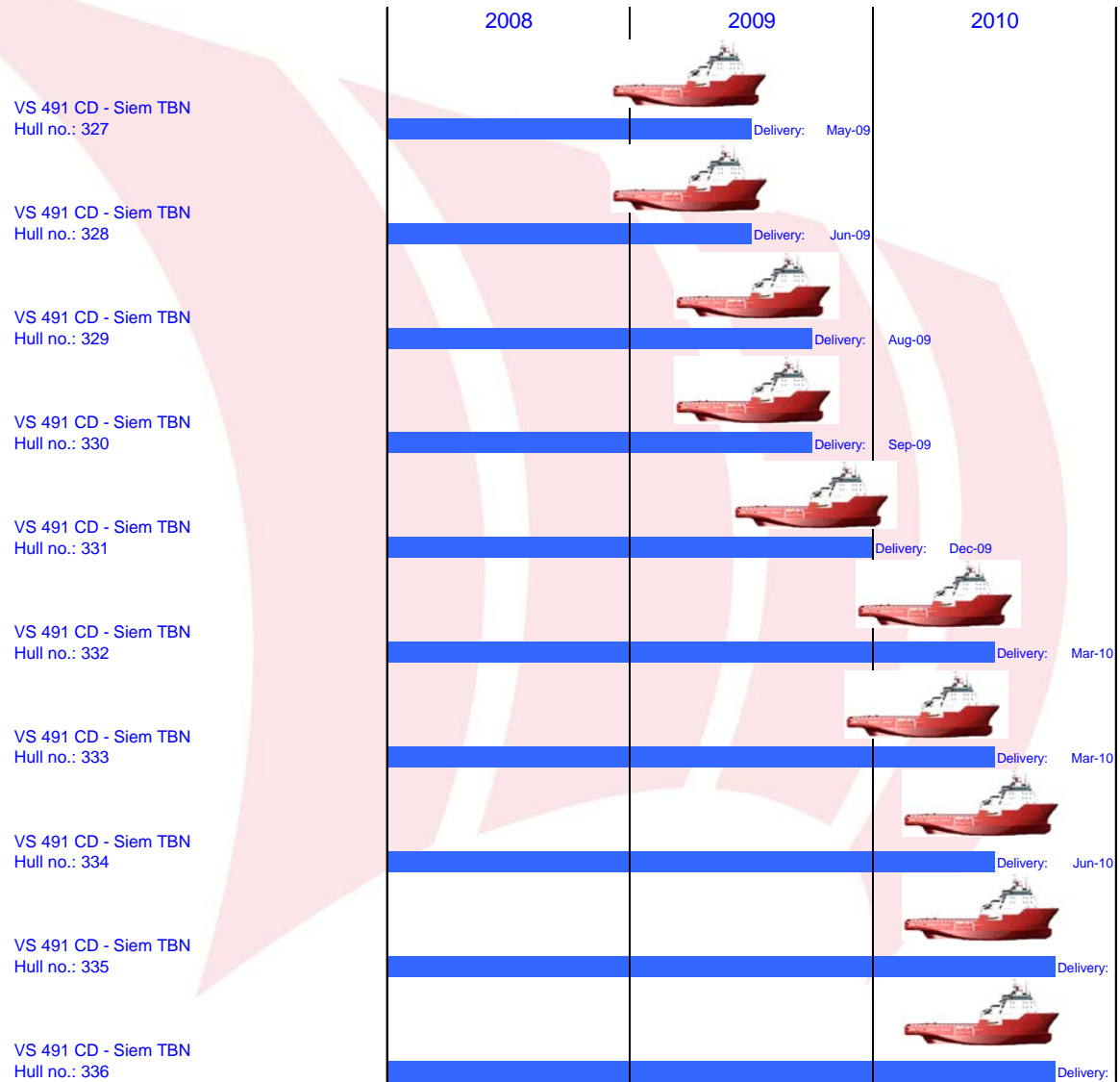
New building schedule





SIEM OFFSHORE

New building schedule – cont.





SIEM OFFSHORE

Market and Outlooks

- The demand for PSVs in the North Sea declined at the end of fourth quarter 2007.
- The day rates have increased somewhat during February 2008 as some vessels have secured medium-term fixtures and the level of activity has increased.
- There is an encouraging level of global interest in medium and long term employment of PSVs, in particular for mid- and large-size vessels for project-related work.
- We continue to feel confident about the specification and demand for the AHTS vessels we have under construction.
- The high number of vessels under construction is a concern and additional yard orders may lead to an oversupply of support vessels for the offshore industry.
- Replacement of older and smaller vessels will increase the demand for vessels of our type.