

Lauritzen Offshore Services



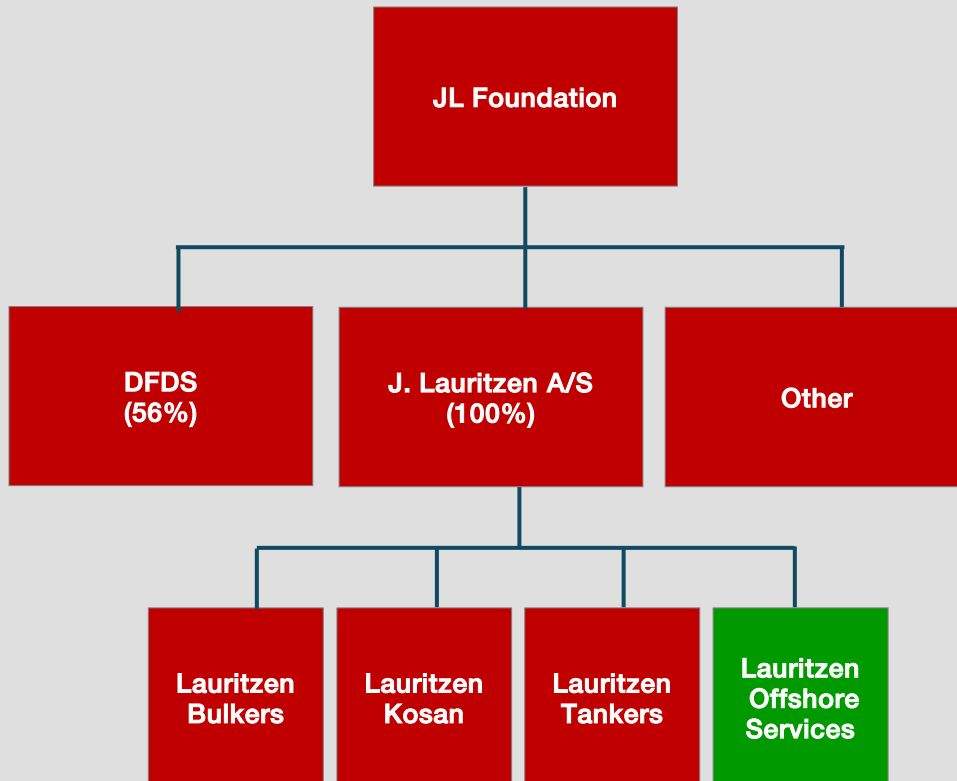
Anders Mortensen, President

October 27, 2009



J. Lauritzen A/s
Shipowners

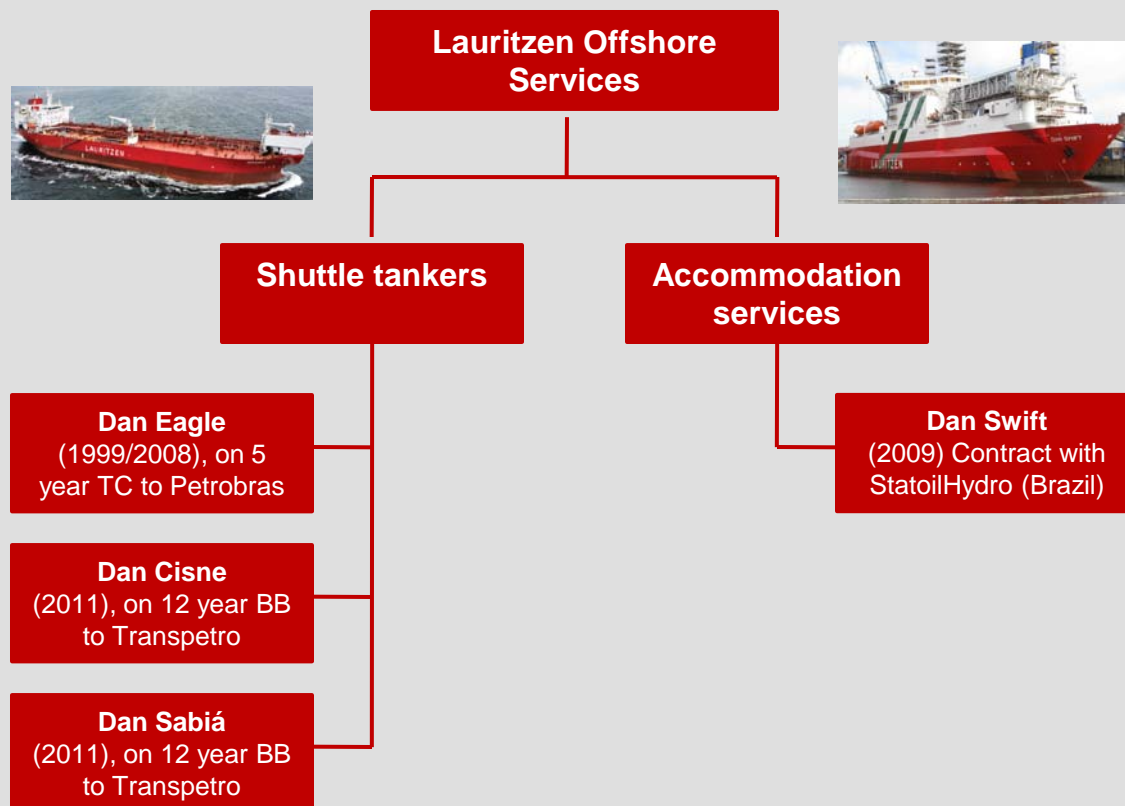
The J. Lauritzen Group



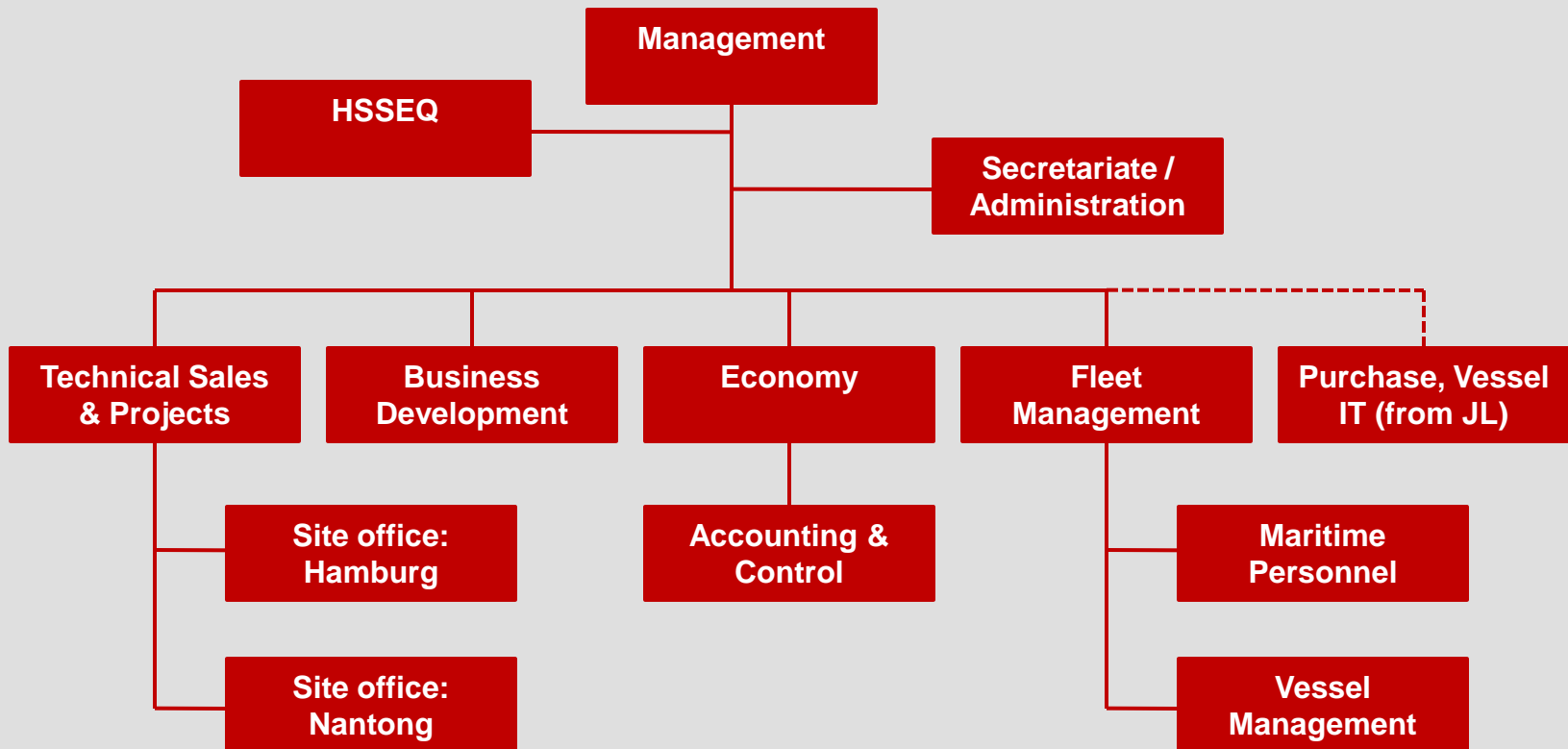
- ⚓ J. Lauritzen A/S is one of Denmark's leading ship-owning companies.
- ⚓ Founded in 1884, tradition and ambition continue to create value for our business partners world-wide with our constant emphasis on customer service, safety at sea and environmental protection.
- ⚓ The JL Foundation is a commercial foundation and is the ultimate owner of the J. Lauritzen Group.

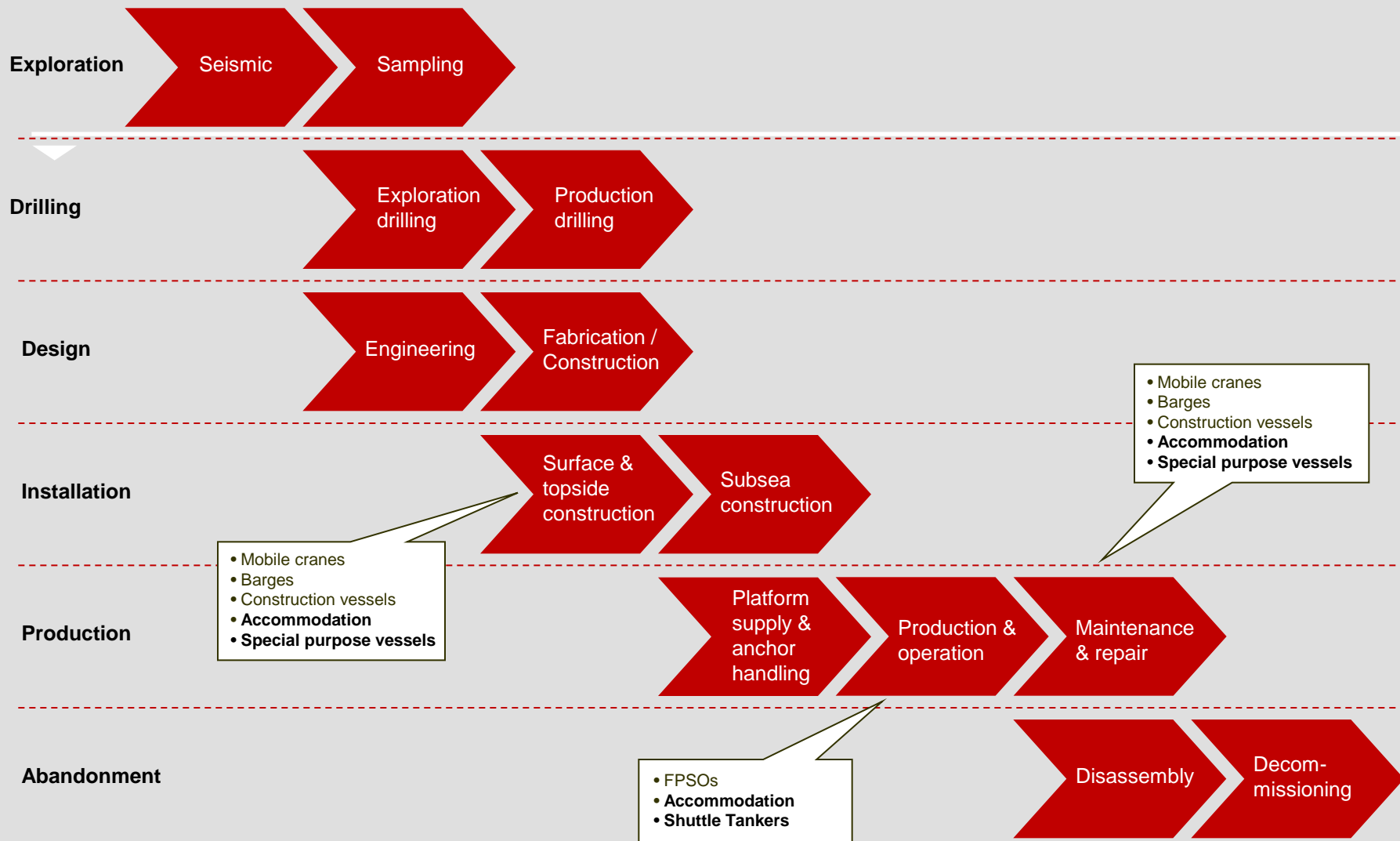
Lauritzen Offshore Services A/S: An Overview

- Established in 2008 as a spin-off from Lauritzen Tankers.



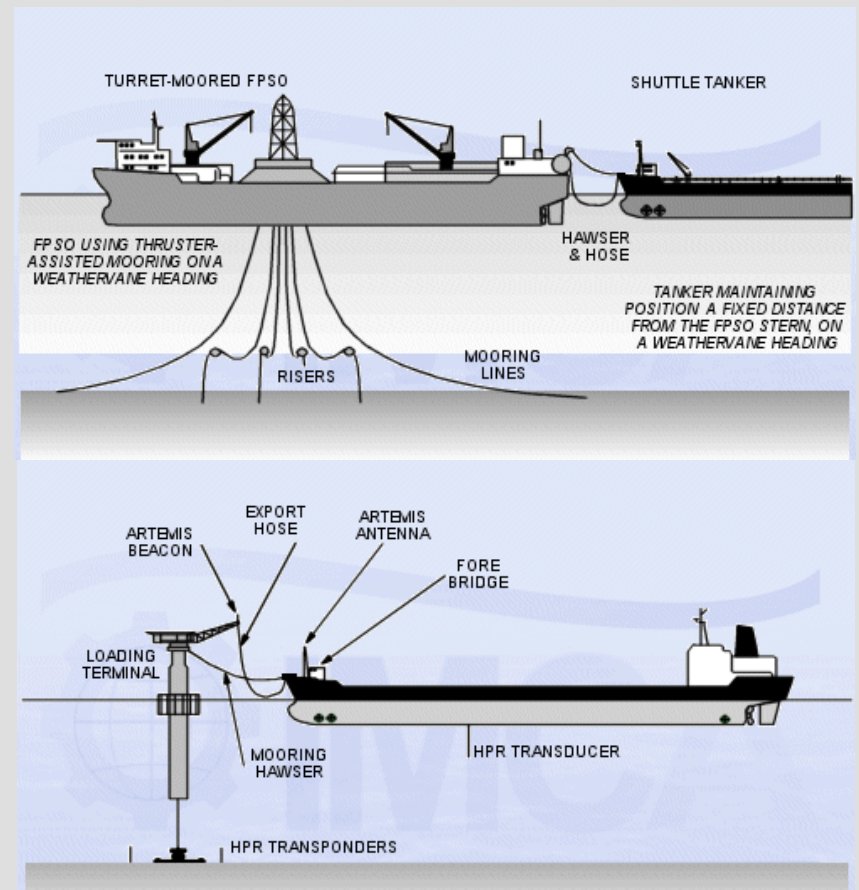
Lauritzen Offshore Services A/S: Organization





Shuttle Tanker Operations

- ⚓ Shuttle tankers are purpose-built vessels equipped for offloading operations at FPSOs or other offshore production systems.
- ⚓ Dynamic Positioning (DP) – the ability to remain on position - is an integrated part of the operation.
- ⚓ The market is characterised by:
 - ⚓ High average age of the fleet
 - ⚓ High entry barriers
 - ⚓ Long term contracts



Shuttle Tankers



Dan Eagle

- ⚓ Built 1999 (converted in 2008 at Remontowa)
- ⚓ 44,774 DWT
- ⚓ Contracted on 5 years TC to Petrobras (Brazil)

Dan Cisne & Dan Sabiá

- ⚓ To be delivered 2011 (Cosco Nantong)
- ⚓ 59,000 DWT
- ⚓ Contracted on 12 year BB to Transpetro (Brazil)



Dan Swift – Accommodation & Service Vessel

- ⚓ Monohull accommodation vessel - first of its kind (?)
- ⚓ The vessel is being outfitted to a high standard with 291 berths, DP2, 25mt crane, two telescopic gangways and full helicopter facilities.
- ⚓ Contract award by StatoilHydro (Brazil)



Dan Swift Key Features: Station-keeping

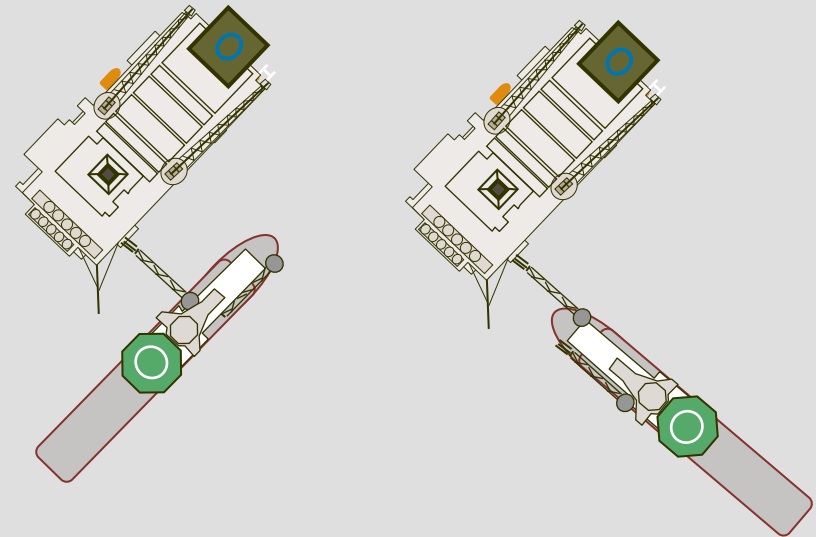
- ⚓ Dynamic Positioning system with 15,000 kW of thruster power.
- ⚓ Under the tested conditions, gangway can connect more than 82 percent of the time.
- ⚓ Environmental Reference Number: ERN (99,99,87)
- ⚓ High passenger comfort (probability is 99,6% that the crew will feel no worse than MIR 25).
- ⚓ Complies with the strictest Health, Safety & Environment requirements.



Dan Swift Key Features: Telescopic Gangways

- *The two-gangway solution provides complete flexibility and redundancy*

- ⚓ Optional vessel positioning to suit varying weather conditions.
- ⚓ Redundancy: spare gangway should one be damaged or under maintenance.
- ⚓ Under the tested conditions, gangway (when connected) will be operationally available close to 95% of the time.



Can service fixed as well as floating structures

Dan Swift Key Features: High Standard Interior

Danish flag ensures compliance with the highest accommodation standards.

- ⚓ Internet cafe
- ⚓ Gymnasium
- ⚓ Library
- ⚓ Swimming pool
- ⚓ Cinema
- ⚓ Conference rooms
- ⚓ High standard galley & mess



The Flexibility of Monohulls

- Lauritzen Offshore Services believes that the monohull accommodation concept is superior to traditional solutions and will be the preferred solution for future requirements.

Superior to semi-submersibles due to:

- ⚓ Self-propelled: fast and flexible transfer and repositioning.
- ⚓ Self-sustained: no requirement for anchor-handlers and PSVs.
- ⚓ Flexibility to emergency disconnect when needed (hurricanes and typhoons)
- ⚓ Lower capital cost

Superior to barges and jack-ups due to:

- ⚓ Most of the above...
- ⚓ Deepwater capabilities

Flexibility = Lower mobilization costs and time saving

Thank you for listening

Anders Mortensen

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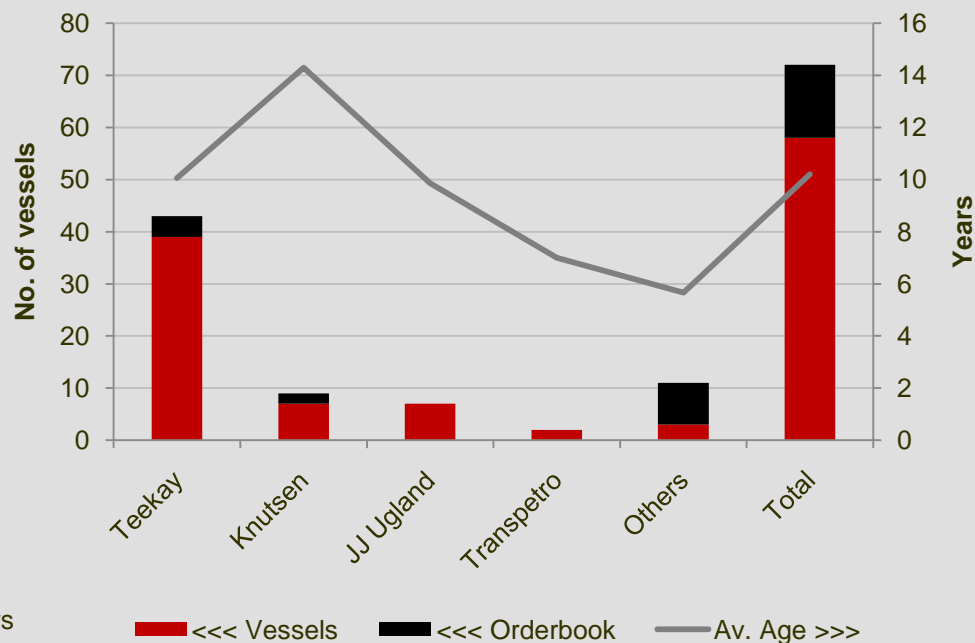
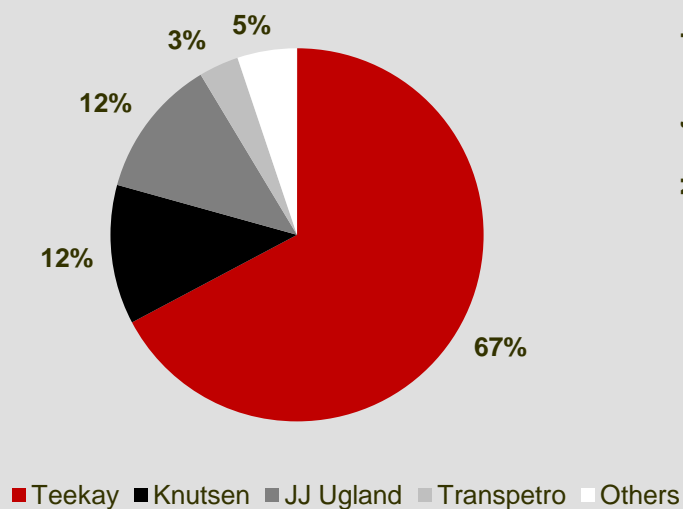


Appendix

Shuttle Tankers: Competitors

- The shuttle tanker fleet is concentrated between only a few owners, and the average age of the fleet is fairly high.

Global shuttle tanker fleet



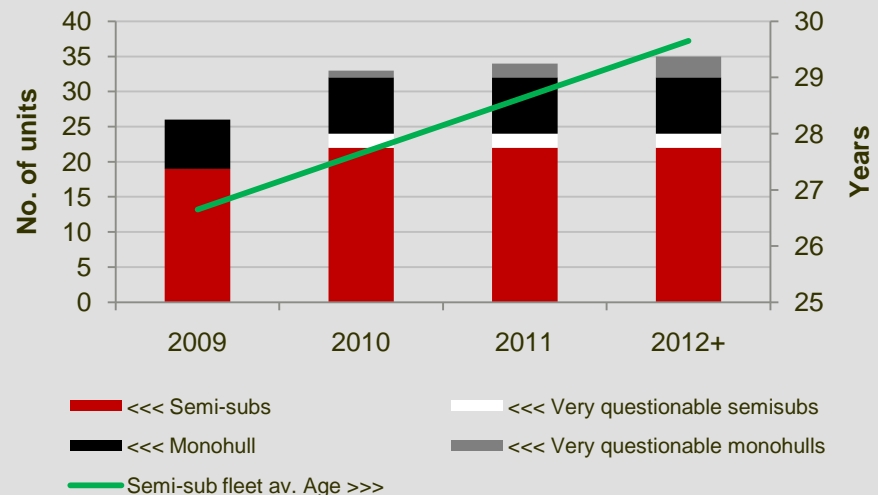
Regional Focus: Brazil

- *The most promising deep water oil exploration area in the world.*

- ⚓ Booming market! Petrobras plans to spend USD 174 bn in the period 2009-2013. ~ 60% is dedicated to exploration & production.
- ⚓ USD 25,8 bn are earmarked for contracting service providers such as transportation services.
- ⚓ National Oil Company acting under political mandate - i.e. non-cyclical market conditions.
- ⚓ Petrobras is the world's largest operator of floating production systems.
- ⚓ High entry barriers. Track-record required.
- ⚓ Long-term contracts and steady cashflow.
- ⚓ Several services needed (both shuttle tankers and accommodation).

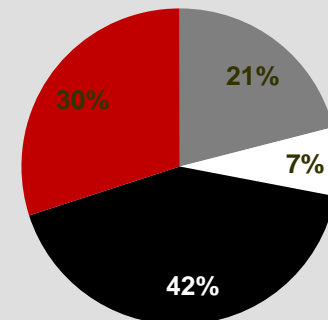
Offshore Accommodation Market: Supply

- ⚓ Average age of the existing accommodation fleet is very high.
- ⚓ Very limited supply coming into the market.
- ⚓ Many projects uncertain.
- ⚓ Only one competitive new monohull project is known to have survived.
- ⚓ Supply unable to keep up with demand when the offshore projects known to have been delayed resurfaces.



Accommodation vessels by type:

- Semi-sub
- Monohull
- Barge
- Jack-up



Offshore Accommodation Market: Demand

- ⚓ Exploration & production trending towards ever deeper waters supporting high-end DP units like Dan Swift.
- ⚓ Fairly uncyclical demand as both repair & maintenance and decommissioning are needed on a continuous basis.
- ⚓ Market balance tipping towards under-supply.
- ⚓ Higher utilization and dayrates expected to follow.

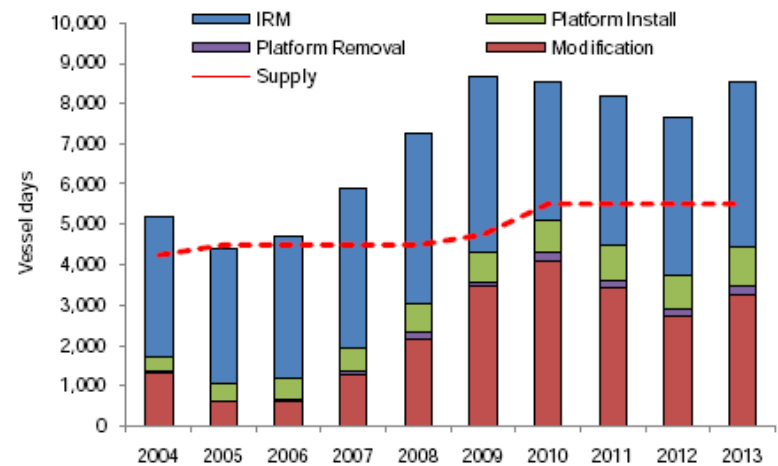


Figure 1-8: Combined Supply and Demand in Harsh Environmental Conditions 2004-2013

(source: Infield Systems Limited, London)

Market Segmentation

Flexibility in operations and conformance with strict Health, Safety & Environment requirements will be important drivers for market segmentation. High-end monohull units such as Dan Swift deliver added value in this respect.

