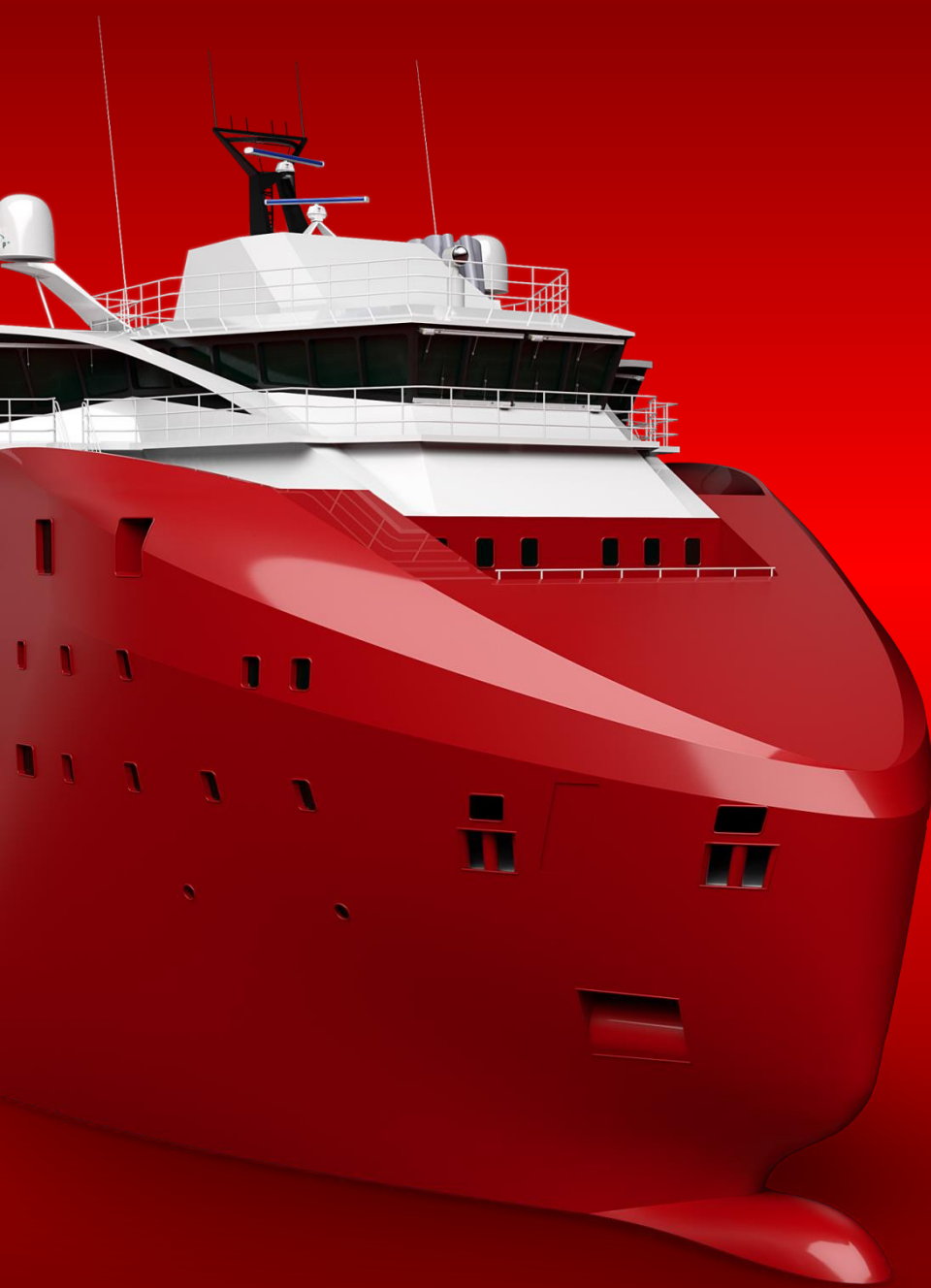


built on trust™



VARD™

a Fincantieri company

Disclaimer

This presentation should be read in conjunction with Vard Holdings Limited's results for the period ended 30 September 2014 in the SGXNet announcement. Financial figures are presented according to SFRS.

This presentation may contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. As these statements and financial information reflect our current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You are cautioned not to place undue reliance on these forward looking statements, which are based on the Company's current view of future events.



3Q 2014 Results Presentation

Vard Holdings Limited

11 November 2014

3Q 2014 Highlights

- **Revenue** of NOK 2 809 million, up 18.5% from NOK 2 370 million in 3Q 2013
- **EBITDA** of minus NOK 51 million, down from NOK 103 million in 3Q 2013
- **EBITDA margin** (EBITDA to total operating revenues) of minus 1.8% (3Q 2013: 4.4%)
- **Order intake** of NOK 714 million. Order intake may vary significantly on a quarter-by-quarter basis
- 40 vessels in the **order book** as at 30 September 2014, of which 24 are VARD designs
- Comprehensive **change program** under way in the European organization; stable operations expected going forward
- New yard management in place at **Vard Promar**; clear signs of operational improvement
- VARD well positioned amid softer **industry outlook**, but below average new order intake expected in the near to medium term
- Concerning **Brazil tax claim**, further assessment of legal position supports VARD's view; consequently no provisions made

3Q 2014

Business update

Vessel deliveries and new contracts – 3Q 2014

Vessel deliveries

2 PSVs

- Far Sun from Vard Langsten (Norway) to Farstad Shipping
- Far Sygna from Vard Vung Tau (Vietnam) to Farstad Shipping

2 OSCVs

- Normand Vision from Vard Sjøviknes (Norway) to Solstad Offshore
- Siem Stingray from Vard Brattvaag (Norway) to Siem Offshore

1 Other (Survey Vessel)

- Kanysh Satpayev from Vard Braila (Romania) to Circle Maritime Invest

New contracts

Two new vessel contracts secured in 3Q 2014

- 1 PSV for E.R. Offshore
- 1 PSV for Island Offshore ¹⁾

As at 30 September 2014, the Group had 40 vessels in the order book,
24 of which will be of VARD's own design.

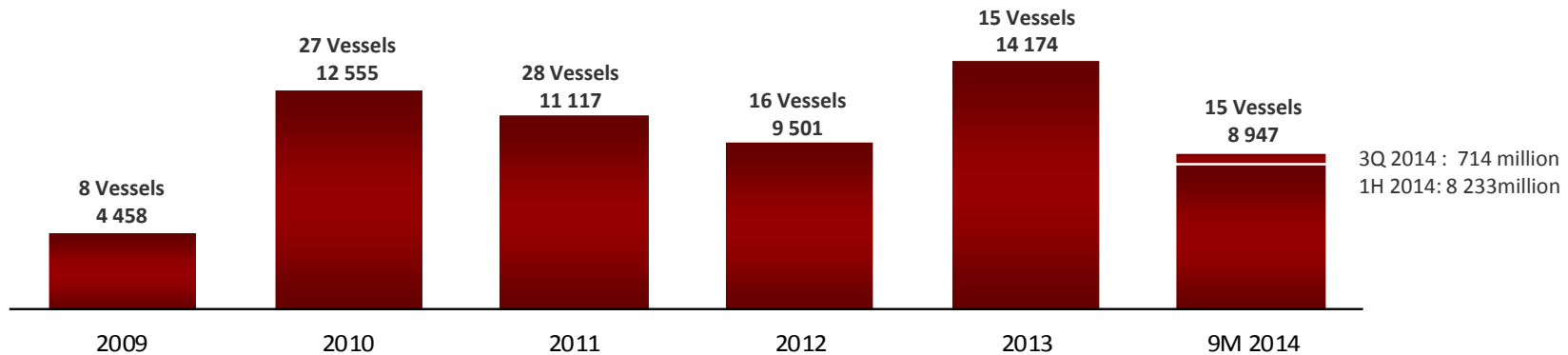
1) Announced 3 October 2014

Vessel deliveries – 3Q 2014

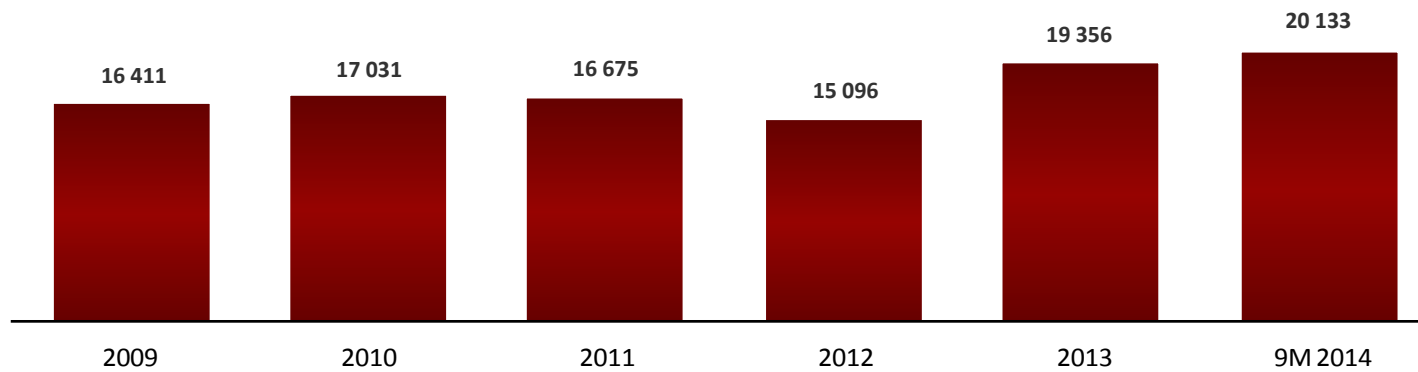


Order book development

New order intake during the period (NOK million)¹⁾



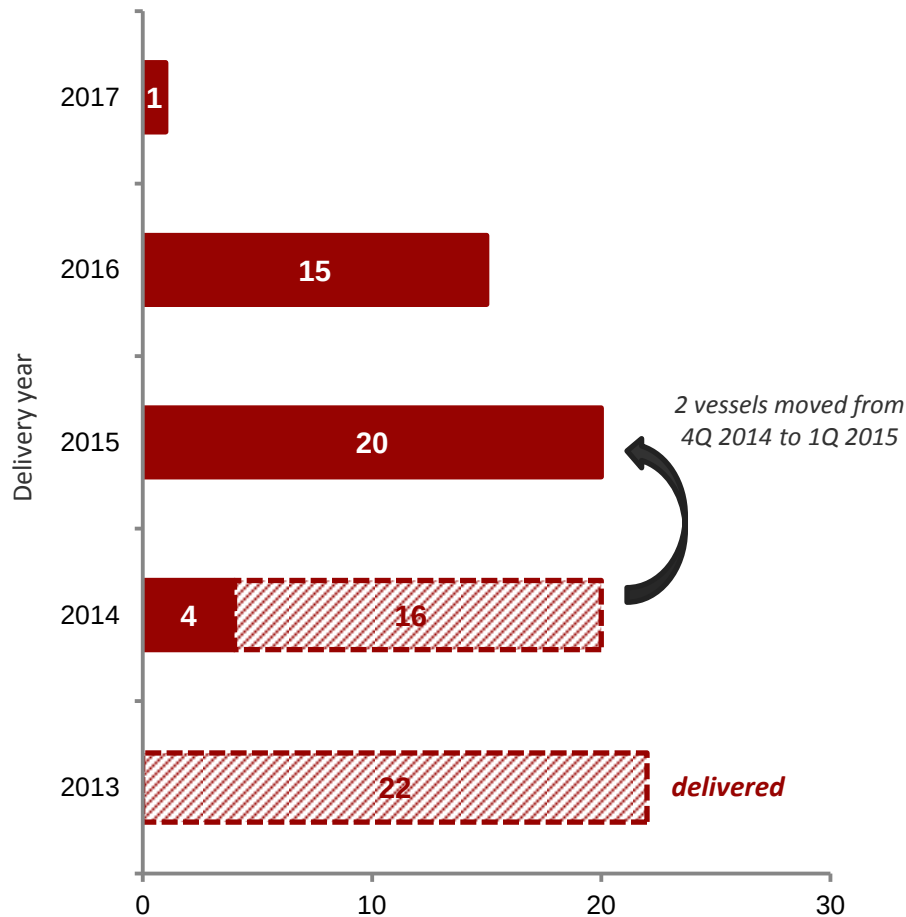
Order book value at the end of the period (NOK million)¹⁾



1) Includes firm orders only. Includes variation orders and trading packages

Order book status

Order book as of 30 September 2014 (# of vessels)



Delivery year	Norway / Romania	Brazil	Vietnam	Total
2017		1 OSCV		1
2016	2 AHTS 1 PSV 6 OSCV	1 OSCV 3 Other	2 PSV	15
2015	6 PSV 3 OSCV 2 Other	2 AHTS 4 Other	3 PSV	20
2014	2 AHTS 5 PSV 5 OSCV 3 Other	1 AHTS 1 PSV 1 Other	2 PSV	20
2013	3 AHTS 9 PSV 3 OSCV 4 Other	1 PSV	2 PSV	22

Order book by region and vessel type

By Region	Order book 30 Jun 2014	Deliveries 3Q 2014	Order intake 3Q 2014	Order book 30 Sep 2014
Norway / Romania	25	4	1	22
Brazil	12	-	-	12
Vietnam	6	1	1	6
Total	43	5	2	40

By Vessel Type	Order book 30 Jun 2014	Deliveries 3Q 2014	Order intake 3Q 2014	Order book 30 Sep 2014
AHTS	4	-	-	4
PSV	14	2	2	14
OSCV	13	2	-	11
Other	12	1	-	11
Total	43	5	2	40

Market situation

- Oil services industry adjusting to oil price decline and expectations of lower exploration and production (E&P) spending by oil majors
 - Cost pressure in the offshore supplier industry
 - Postponement of some exploration and development projects
 - Uncertainty concerning OSV fleet utilization and charter rate outlook, especially in the North Sea
- VARD well positioned to withstand a softer market in the near to medium term
 - Strong order book of firm contracts with solid major industry players
 - Strong position in market for subsea support and construction vessels
 - International client base with exposure to diverse oil and gas markets
 - Ongoing negotiations for various projects
- But below average new order intake expected for the remainder of 2014 and 2015

Operations – Romania and Norway

- Currently 15 projects in hull construction phase in Romanian yards, and six undergoing final outfitting in Norway
- A limited number of projects have incurred substantial cost overruns
 - Primarily due to the introduction of new production methodologies
 - Lower degree of completion in Romania than planned for several hulls, leading to higher cost in Norway
- Generally high workload at the hull production yard in Tulcea
 - Outsourcing of some steel works to subcontractors in progress
- But no changes in the delivery schedule expected as a result of mitigating actions taken

- Comprehensive change program under way in the European organization addressing key areas of improvement
 - Efficiency, productivity and workload management at the Romanian yards
 - Integrating planning across production phases and locations
 - Procurement
- Exchange of best practices and specialist personnel from within Fincantieri Group supporting the effort

Operations – Vietnam

- Five new orders secured year-to-date, ensuring good yard utilization and extending order book visibility to 2016
- Currently six projects in the order book, of which five under construction and one in planning stage
- Stable operations
- Following recent extension of the floating dock, Vung Tau yard is capable of taking on larger projects than previously
- Further expansion of operations under evaluation

Operations – Brazil (Vard Promar)

- Ten vessels in the orderbook
 - Two LPG carriers for Transpetro outsourced (EP01 and EP02)
 - Six more LPG carriers (EP03-08) to be built at Vard Promar, of which four already under construction and two in design phase
 - Two Pipe Lay Support Vessels (PLSVs) for DOF/Technip in early project stages
- First vessel built at the new yard (EP03) successfully launched in 3Q 2014
- Project estimates for projects EP03-06 revised downwards again
 - Slower than expected improvement in productivity, but expected delivery within contractually agreed deadlines
 - Higher degree of certainty now as first vessel in series reaches completion
- New yard management put in place during 3Q; large team of expatriates supporting the yard development
 - Changes implemented in organization structure, planning and building methodology, and training of local resources
 - Clear signs of operational improvements
- Target production volume expected to be reached by mid 2015

Operations – Brazil (Vard Niterói)

- Two more vessels to be delivered from the original Niterói order book
 - Pro31 and Pro33, both AHTS for DOF
 - Delivery now expected in 1Q 2015 and 3Q 2015 respectively
 - Project performance within existing provisions and forecasts
- Repositioning and downsizing of some activities at the yard continues
- Workload in Niterói maintained by outfitting work on first two LPG tankers for Transpetro (EP01 and EP02)
 - Contractually, part of the Vard Promar orderbook
 - Physically, hulls built at a third-party yard. Additional cost incurred for completion and rectification work as projects enter the final stage before delivery
- High activity level at the yard to secure upcoming delivery of first LPG vessel (EP01) and next AHTS (Pro31)

Vard Promar – Progress on LPG carriers



Update on Brazil tax claim

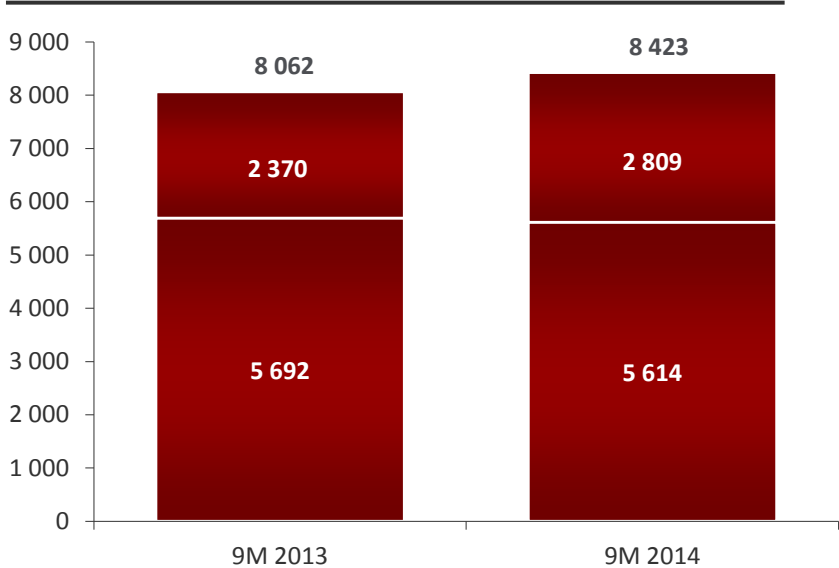
- On 5 August 2014, VARD informed about a tax claim of approximately NOK 200 million from tax authorities in Brazil, relating to transfer pricing of goods and services delivered from the Group's Norwegian entities to Vard Niterói in FY2010
- An appeal against the ruling has been filed
- Following a further thorough review of its legal position, VARD is of the view that
 - The Brazilian authorities' tax assessment leading to the tax adjustment claim is incorrect and unlawful
 - The Company's tax filings will prevail in the appeals process
- The Company has in cooperation with its legal counsel assessed the likelihood of a favorable ruling to be more likely than not, and hence no provision for the claim has been made

3Q 2014

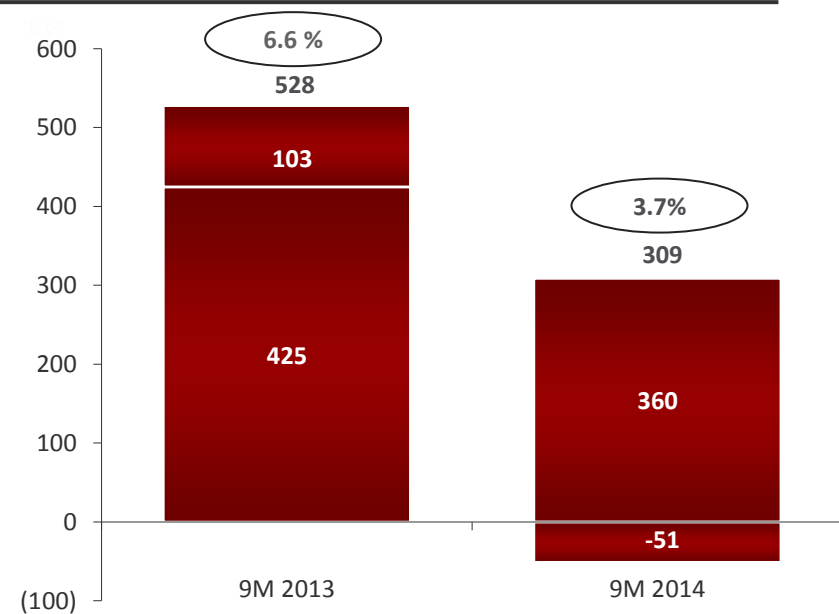
Financial highlights

Revenues and margins

Revenues (NOK million)



EBITDA (NOK million) and EBITDA Margin (%)

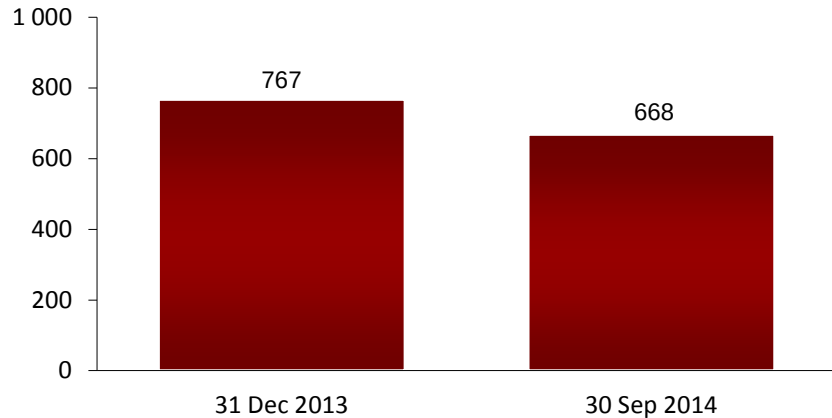


Statement of income – major items

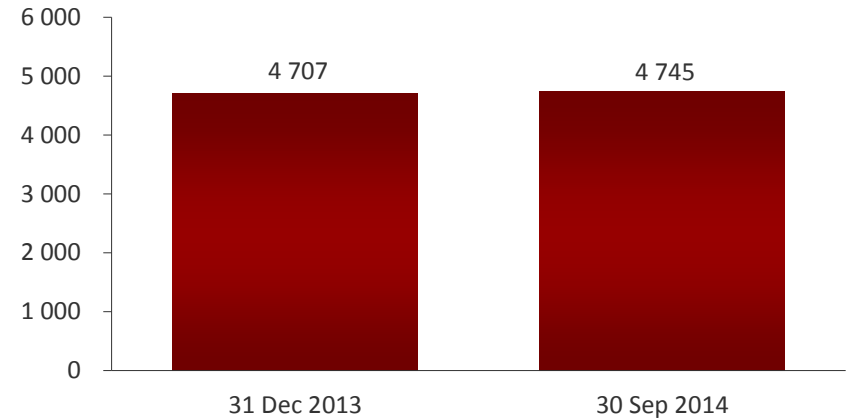
(NOK million)	3Q ended 30 September		Δ (%)	9M ended 30 September		Δ (%)
	2014	2013		2014	2013	
Revenue	2 809	2 370	18.5%	8 423	8 062	4.5%
Materials, subcontract cost and others	(2 137)	(1 627)	31.3%	(5 929)	(5 613)	5.6%
Salaries and related costs	(606)	(527)	15.0%	(1 769)	(1 530)	15.6%
EBITDA	(51)	103	n/m	309	528	-41.5%
<i>EBITDA %</i>	<i>(1.8%)</i>	<i>4.4%</i>	<i>n/m</i>	<i>3.7%</i>	<i>6.6%</i>	<i>n/m</i>
Operating profit	(108)	72	n/m	155	367	-57.8%
Net financial income / (cost)	(56)	35	n/m	(52)	39	n/m
Profit before tax	(154)	111	n/m	120	410	-70.7%
Profit for the period	(160)	58	n/m	30	194	-84.5%

Cash and cash equivalents, and construction loans

Net Cash (NOK million)¹

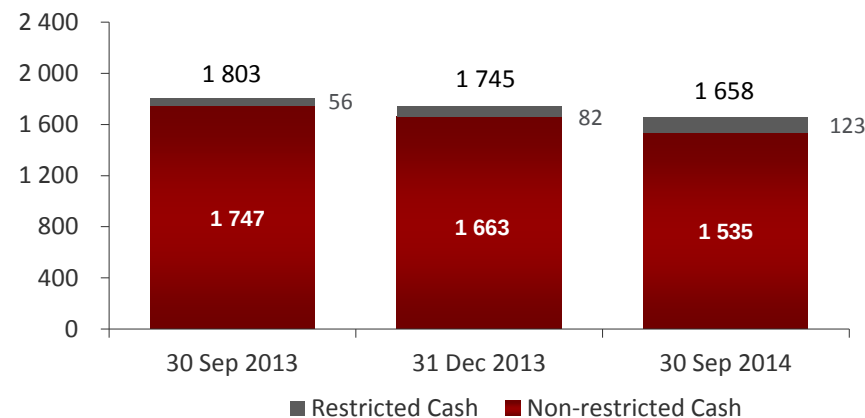


Construction Loans (NOK million)



(1) Cash and cash equivalents less sum of short-term and long-term interest bearing liabilities, excluding construction financing

Cash and Cash Equivalents (NOK million)



Major balance sheet items

(NOK million)	As at	
	30 September 2014	31 December 2013
Non-current assets	3 577	3 281
Current assets	9 920	10 390
Total assets	13 497	13 671
Total equity	3 714	3 708
Loans and borrowings and construction loans	4 982	5 012
Trade and other payables and construction work in progress	3 507	3 616
Other current liabilities	355	452
Long-term loans and borrowings	753	673
Other non-current liabilities	186	210
Total liabilities	9 783	9 963
Total equity and liabilities	13 497	13 671

Cash flow highlights

(NOK million)	3Q ended 30 September		9M ended 30 September	
	2014	2013	2014	2013
Cash flows from operating activities	126	(107)	314	(384)
Cash flows from investing activities	(299)	(350)	(455)	(678)
Cash flows from financing activities	11	208	(6)	372
Net change in cash and cash equivalents	(162)	(249)	(147)	(690)
Cash and cash equivalents excluding restricted cash at the beginning of the financial period	1 674	1 986	1 663	2 418
Effects of currency translation differences	23	10	19	19
Cash and cash equivalents excluding restricted cash at the end of the financial period	1 535	1 747	1 535	1 747
Restricted cash at the end of financial period	123	56	123	56
Cash and cash equivalents at the end of the financial period	1 658	1 803	1 658	1 803

Earnings per share

	3Q ended 30 September		9M ended 30 September	
	2014	2013	2014	2013
Earnings for the period (NOK millions)	(37)	76	195	244
Earnings for the period (SGD millions)	(7)	16	39	51
Weighted average number of shares (millions)	1 180	1 180	1 180	1 180
Earnings per share (NOK)	(0.03)	0.06	0.17	0.21
Earnings per share (SGD cents)	(0.59)	1.36	3.31	4.32
Adj. weighted average number of shares (millions)	1 180	1 180	1 180	1 180
Diluted earnings per share (NOK)	(0.03)	0.06	0.17	0.21
Diluted earnings per share (SGD cents)	(0.59)	1.36	3.31	4.32
Exchange rates (SGD/NOK)	5.055	4.784	5.055	4.784

Note: Earnings per ordinary share for the financial period attributable to equity holders of the parent.
 SGD amounts are translated from NOK based on the exchange rates prevailing at the reporting dates.

Net asset value per share

	As at	
	30 September 2014	31 December 2013
Net asset value at the end of the period (NOK millions)	3 857	3 688
Net asset value at the end of the period (SGD millions)	763	767
Number of shares (millions)	1 180	1 180
Net asset value per ordinary share (NOK)	3.27	3.13
Net asset value per ordinary share (SGD)	0.65	0.65
Exchange rate (SGD/NOK)	5.055	4.809

Note: Net asset value at the end of the financial period, and at the end of the last financial year, attributable to equity holders of the parent.

SGD amounts are translated from NOK based on the exchange rates prevailing at the reporting dates.

3Q 2014

Outlook

Outlook

- Softer industry outlook on the back of reduced oil price and more cautious investment climate
- Continued demand for certain vessel types, in particular in the subsea support and construction vessel market
- VARD well positioned with long and solid orderbook
- Ongoing contract negotiations for several projects, but below-average new order intake expected in the near to medium term
- Stable operations expected going forward in Europe, but strong focus on efficiency and change required to meet demands of a challenging market
- Vard Promar showing clear signs of operational improvement and better visibility
- Impact of legacy projects in Niterói and vessels outsourced from Promar gradually decreasing
- Positive EBITDA margin expected in Q4, and further improvements in 2015



3Q 2014

Q&A