

# **New contract for jacket** to the Johan Sverdrup Process Platform

8 October 2015

Sverre Myklebust, Executive Vice President, Jackets

**KVÆRNER**<sup>™</sup>

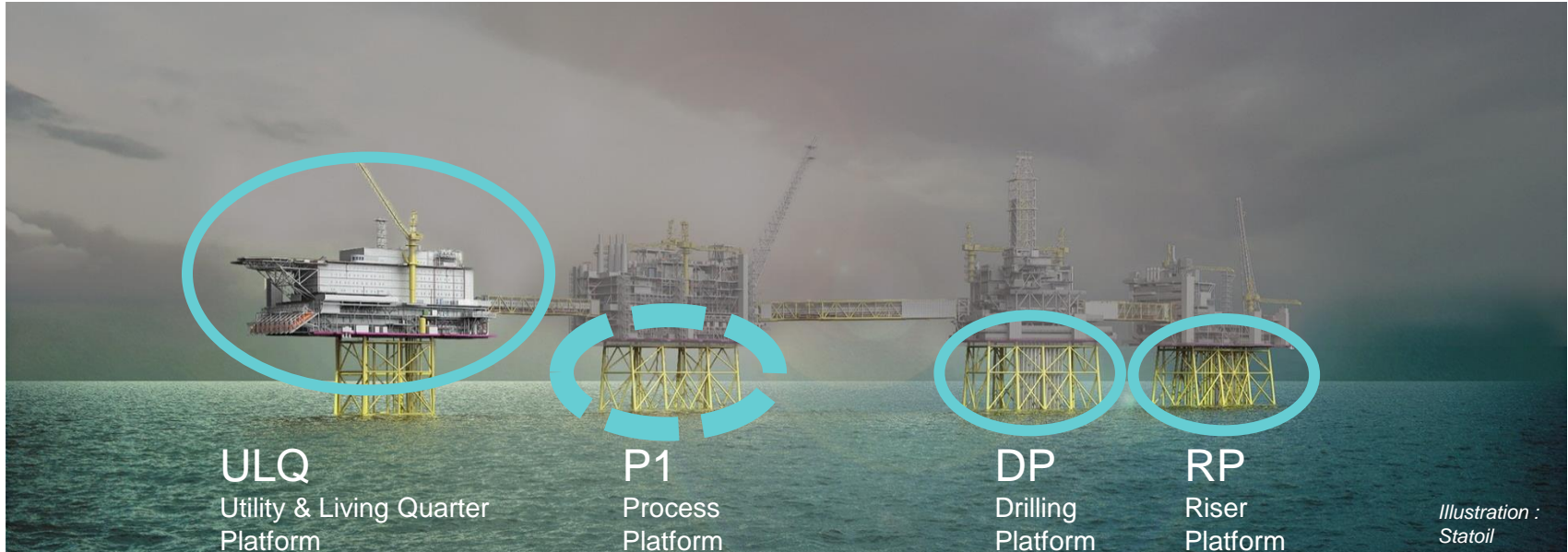
# Kvaerner involvement in Johan Sverdrup so far:

## 1 PLATFORM TOPSIDE:

- Scope: EPC delivery of ULQ topside
  - Value: Approx. NOK 6.7 billion
  - JV: Kvaerner 51% - KBR 49%
- Option: Hook-up and commissioning

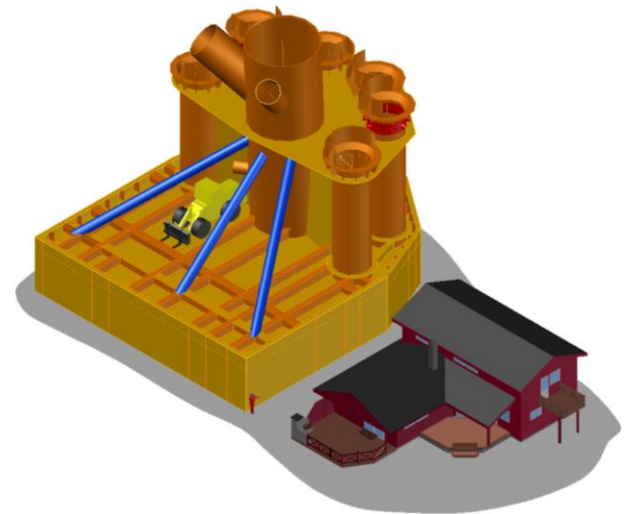
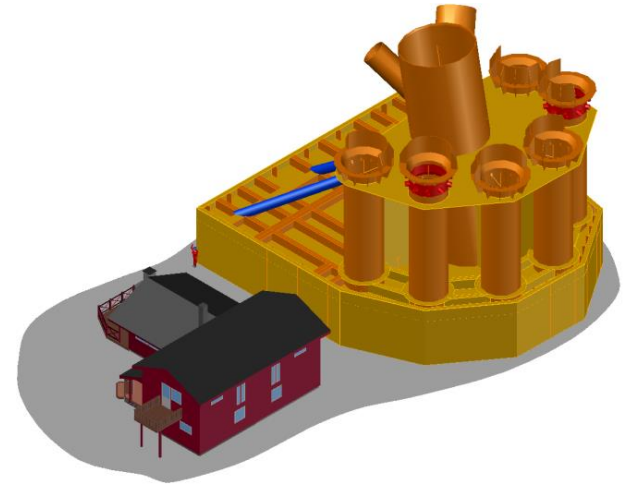
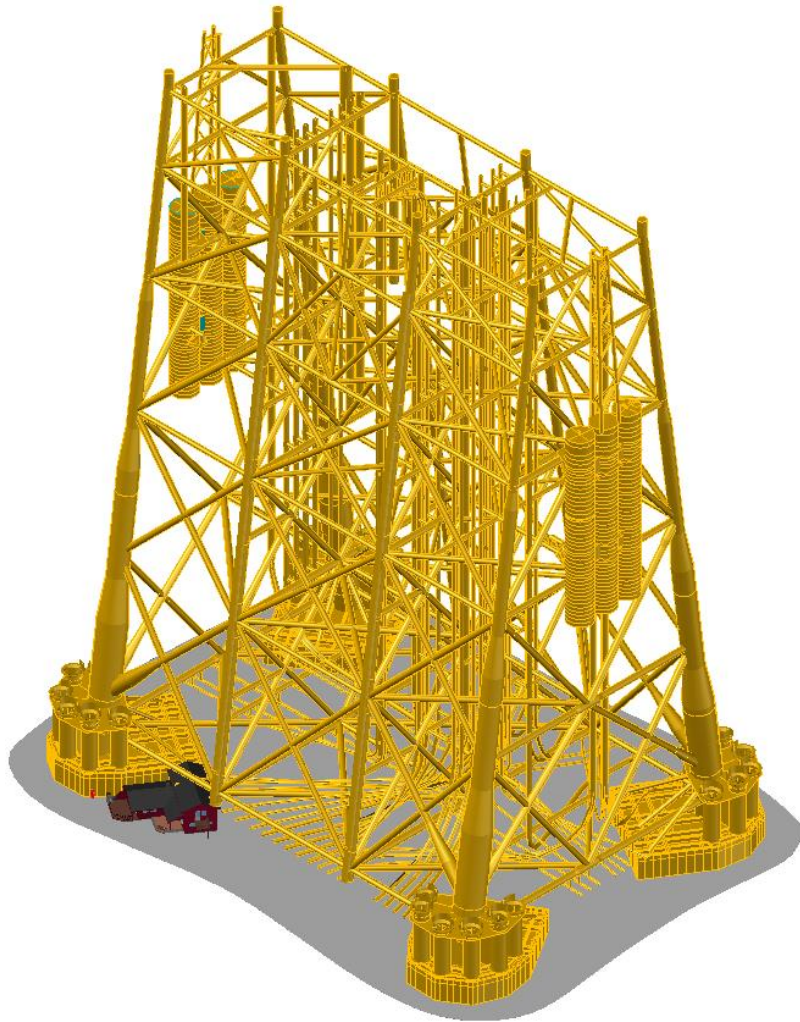
## 3 STEEL JACKET SUBSTRUCTURES:

- Scope: EPC for Riser Platform Jacket
  - Value: Approx. NOK 2 billion
- Scope: EPC for Drilling Platform jacket
- Scope: EPC for Process Platform jacket
  - Value: Approx. NOK 1 billion

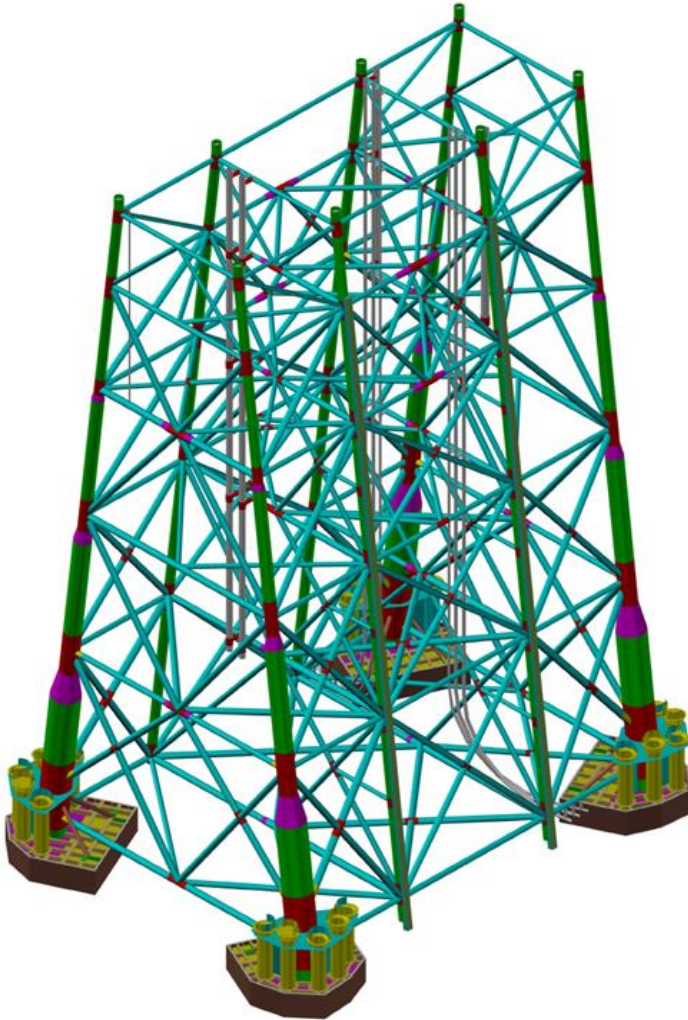


*Example RP jacket:*

# Large and advanced solutions



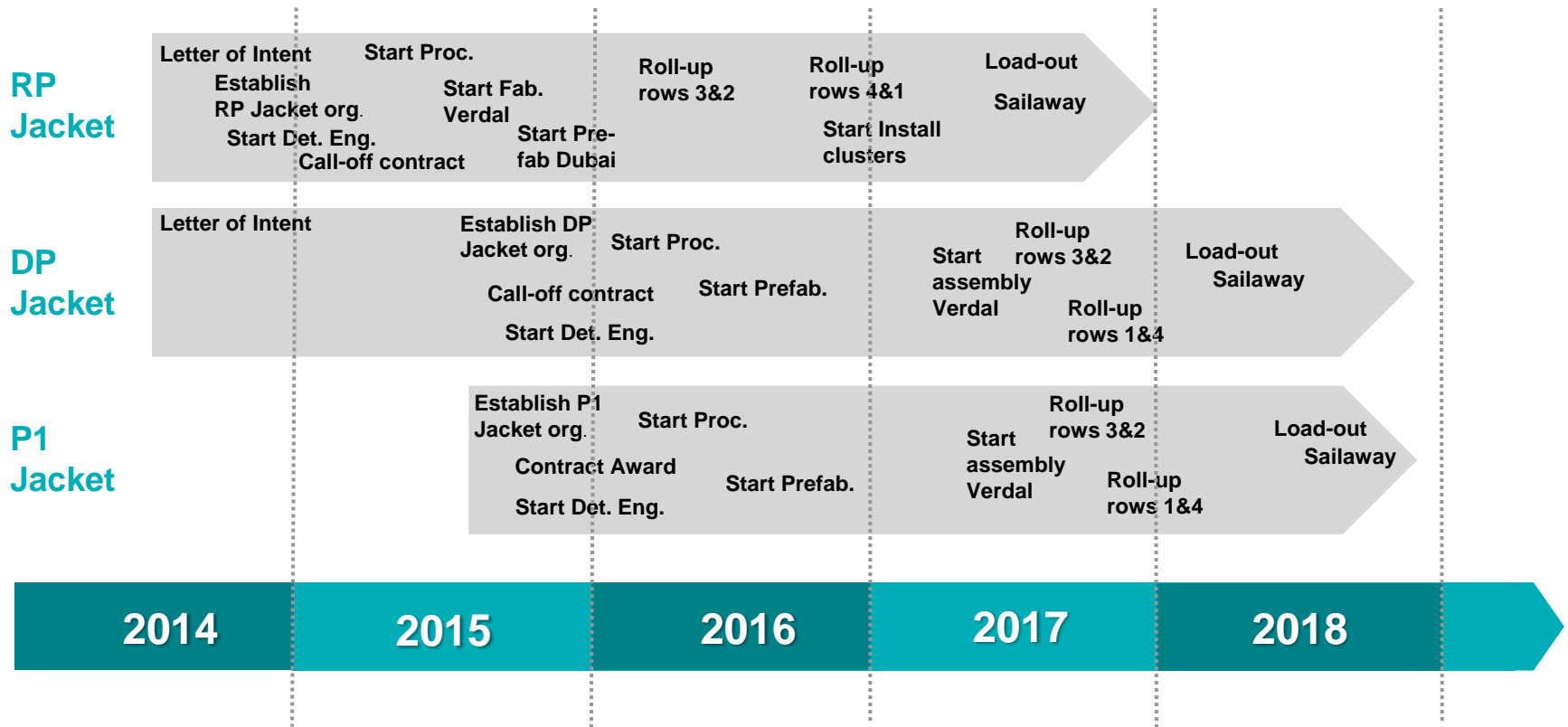
# Substructure for Johan Sverdrup Process Platform



- › Engineering: Starts in Oslo from Oct 2015
- › Pre-fabrication: Starts in Verdal summer 2016
- › Assembly: Starts in Verdal spring 2017
- › Delivery: Summer 2018
- › Average staffing: Approx. 120 employees
- › Peak: 180 employees in summer 2017
- › Expected supplier effects: Approx 500 people\*



# Johan Sverdrup - timeline



Long term fundamental demand for jackets:

# Leading supplier of demanding substructures



*Kvaerner's state-of-the-art facility in Verdal*

- New contract proves improved competitiveness appreciated by customers
  - With attractive price, predictable schedule, quality combined with sound margins
- Kvaerner is in 2015 able to offer jackets at same nominal price as in 2005
- Effects of industrialisation for jackets illustrate improvement potential for the industry

# Thank you for your attention



**KVÆRNER™**



# Copyright and disclaimer

## Copyright

Copyright of all published material including photographs, drawings and images in this document remains vested in Kvaerner and third party contributors as appropriate. Accordingly, neither the whole nor any part of this document shall be reproduced in any form nor used in any manner without express prior permission and applicable acknowledgements. No trademark, copyright or other notice shall be altered or removed from any reproduction.

## Disclaimer

This Presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. These statements and this Presentation are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Kvaerner ASA and Kvaerner ASA's (including subsidiaries and affiliates) lines of business. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for Kvaerner's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time in the Presentation. Although Kvaerner ASA believes that its expectations and the Presentation are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the Presentation. Kvaerner ASA is making no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the Presentation, and neither Kvaerner ASA nor any of its directors, officers or employees will have any liability to you or any other persons resulting from your use.