

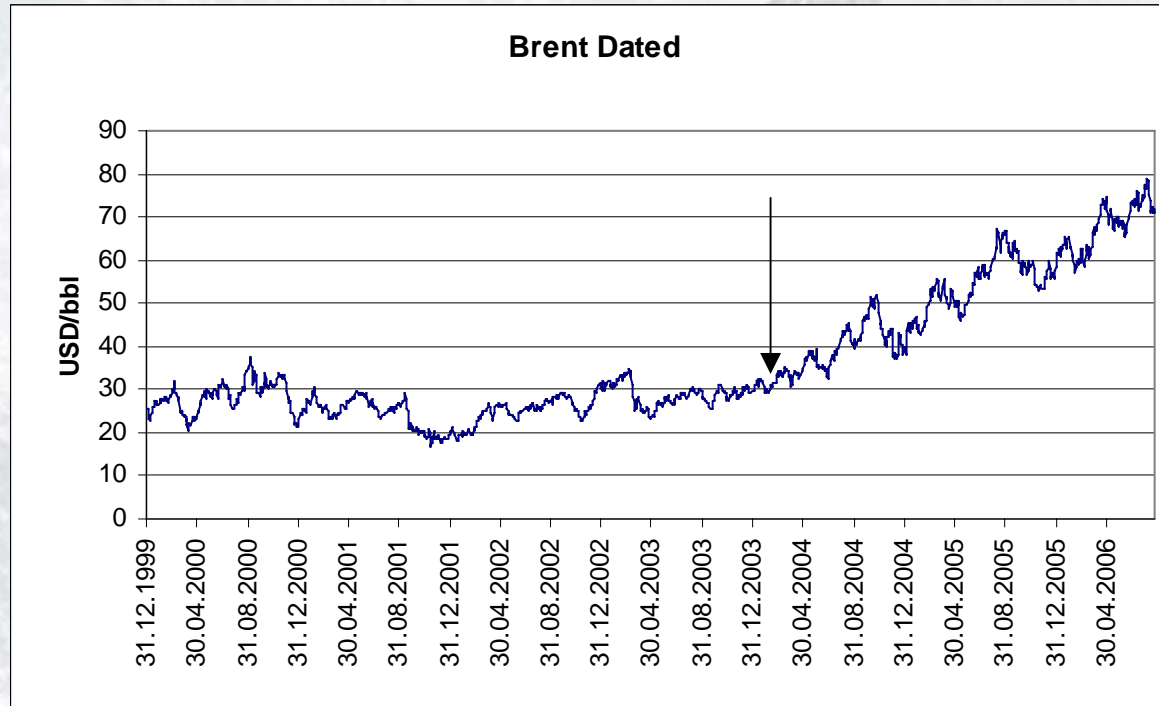
An aerial photograph of a large offshore supply vessel, likely a Songa Offshore vessel, at sea. The vessel is red and white, with a complex structure of steel beams and equipment. A yellow crane is visible on the deck. The vessel is moving through the water, creating a white wake. The text "Songa Offshore ASA Pareto Conference Sept 2006" is overlaid on the image.

**Songa Offshore ASA**  
**Pareto Conference**  
**Sept 2006**

- . Reflections on the industry
- . Songa's fleet
- . Contract cover
- . Project status
- . The future



Only 30 months since Brent was quoted at 29'ish

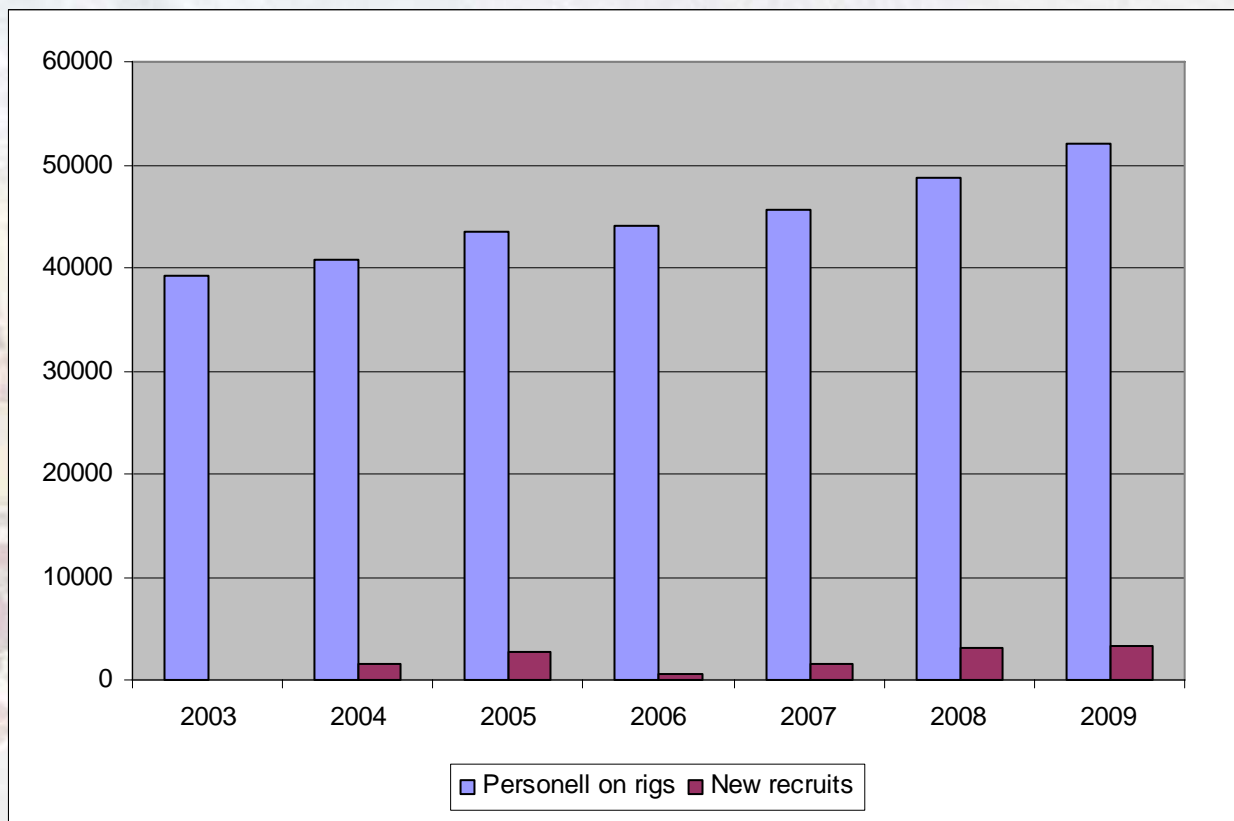


Source: Enskilda Sec

# Is it really that hard to recruit?

HR departments have been sleeping

Comparable shipping has been turning up 5% + growth rates since 2002



	aug.03	aug.04	aug.05	aug.06	aug.07	aug.08	aug.09
JU	309	318	328	331	348	372	389
Mid	56	65	78	77	77	78	79
DW	71	70	77	81	82	92	111
Sum	436	453	483	489	507	542	579
Pers	39240	40770	43470	44010	45630	48780	52110
Add's		1530	2700	540	1620	3150	3330
		3,9 %	6,6 %	1,2 %	3,7 %	6,9 %	6,8 %

- One midwater semi submersible rig – Songa Venus – pt in Singapore doing contract compliance upgrade. Contract in Australia with ENI/Inpex - 12 months at USD 205.000/day plus 2 x 6 months option priced at USD 225.000/day
- One midwater semi submersible rig – Songa Mercur – pt on her way to Singapore for contract preparation work. Contract in Australia with Chevron 360 days at 300.000/day plus 2 x 6 months option at market.
- One midwater drill ship – Songa Saturn - under refurbishment/upgrading. Contract for 3 wells at USD 340,000/day + 3 wells at USD 416,666/day + 2 wells option at USD 340,000/day with Noble Energy.
- One midwater semi submersible rig – Songa Dee - working in Norway for Hydro at Troll Field – paying approx 42,000/day until end 2008 – through a BBC with sellers.
- Part owner in one midwater semi submersible rig – DeepSea Bergen - working for Marathon Oil at approx USD144,000/day until approx 08/09. In direct continuation a 3 year contract with Statoil at approx USD 320,000/day.



# Corporate Strategy

## Vision

- Songa Offshore's vision is to be a drilling contractor in defined regions where there may be potential. Songa Offshore will become a reputable offshore drilling company – delivering high quality performance to our clients - based on competent and experienced personnel.

## Business objective

- Songa Offshore's objective is to acquire, enhance and efficiently operate drilling rigs, - and to be a provider of safe and superior performance, to our clients and shareholders, in the shallow and mid water floating rig market.

## Market

- Songa Offshore will build on its current position, both operationally and financially, and expect to make further investments and acquisitions in line with the Company's strategy.

## Chartering policy

- Songa Offshore's chartering policy is based on operational management of the Company's rigs (time-charter).

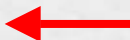
## Organization

- Songa Offshore will focus on attracting more key personnel with strong industrial competence and experience.

# Our business focus

Clean play midwater = 140 – 1000 m

	aug.03	aug.04	aug.05	aug.06	aug.07	aug.08	aug.09
JU	309	318	328	331	348	372	389
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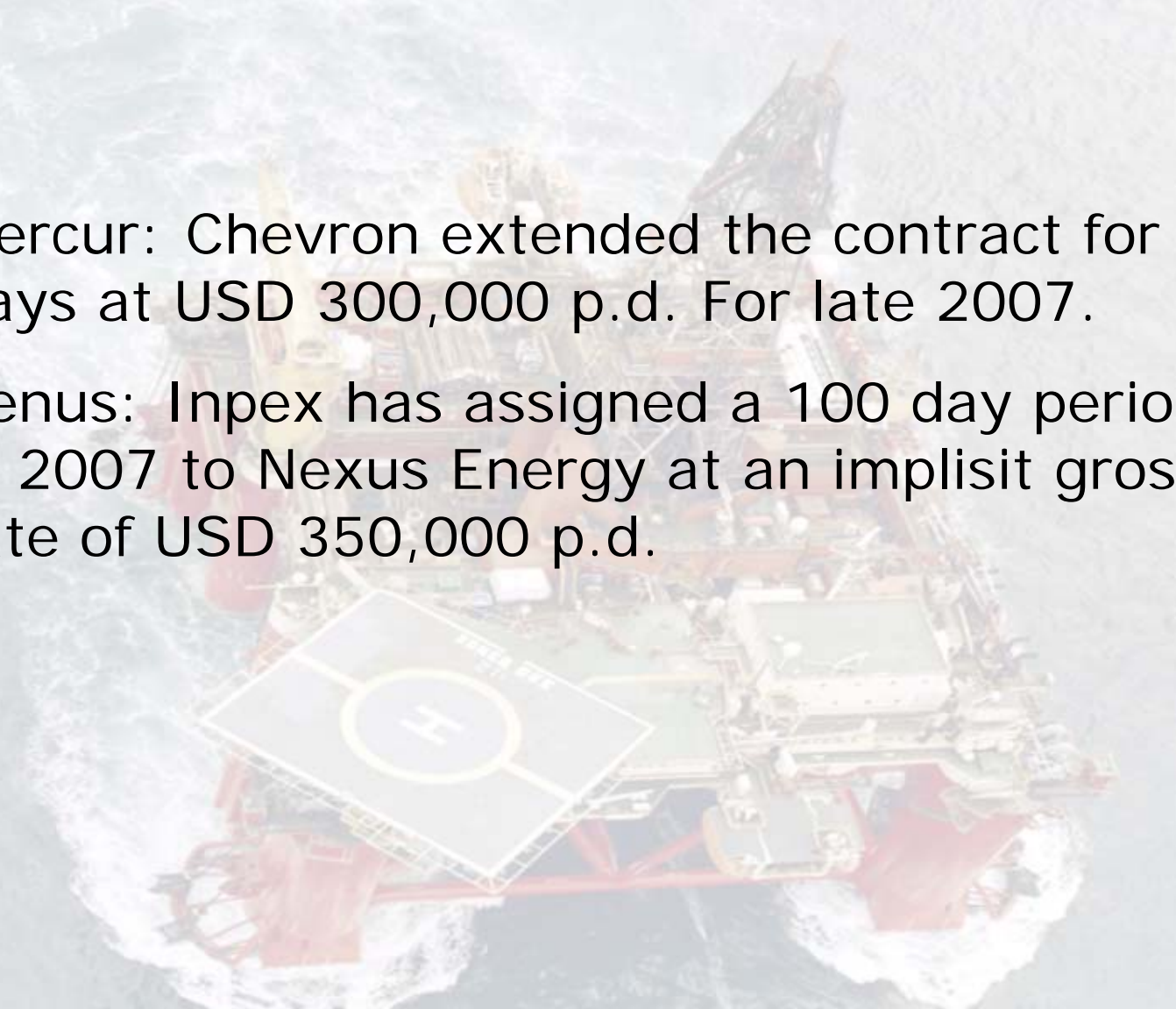


Source: Pareto



Mercur: Chevron extended the contract for 90 days at USD 300,000 p.d. For late 2007.

Venus: Inpex has assigned a 100 day period in 2007 to Nexus Energy at an implicit gross rate of USD 350,000 p.d.



Our reflections:

Rig to be delivered to Songa end 2008 / beginning of 2009 from Stena newly classed for operations in Norwegian sector

We have no offshore base in Norway

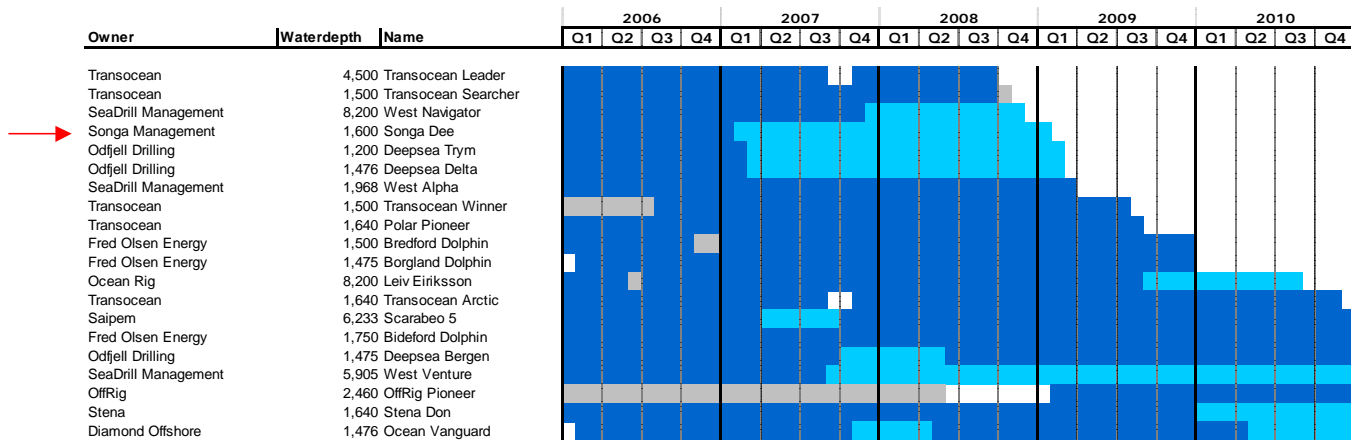
Rig with proven record as first class workhorse on NCS



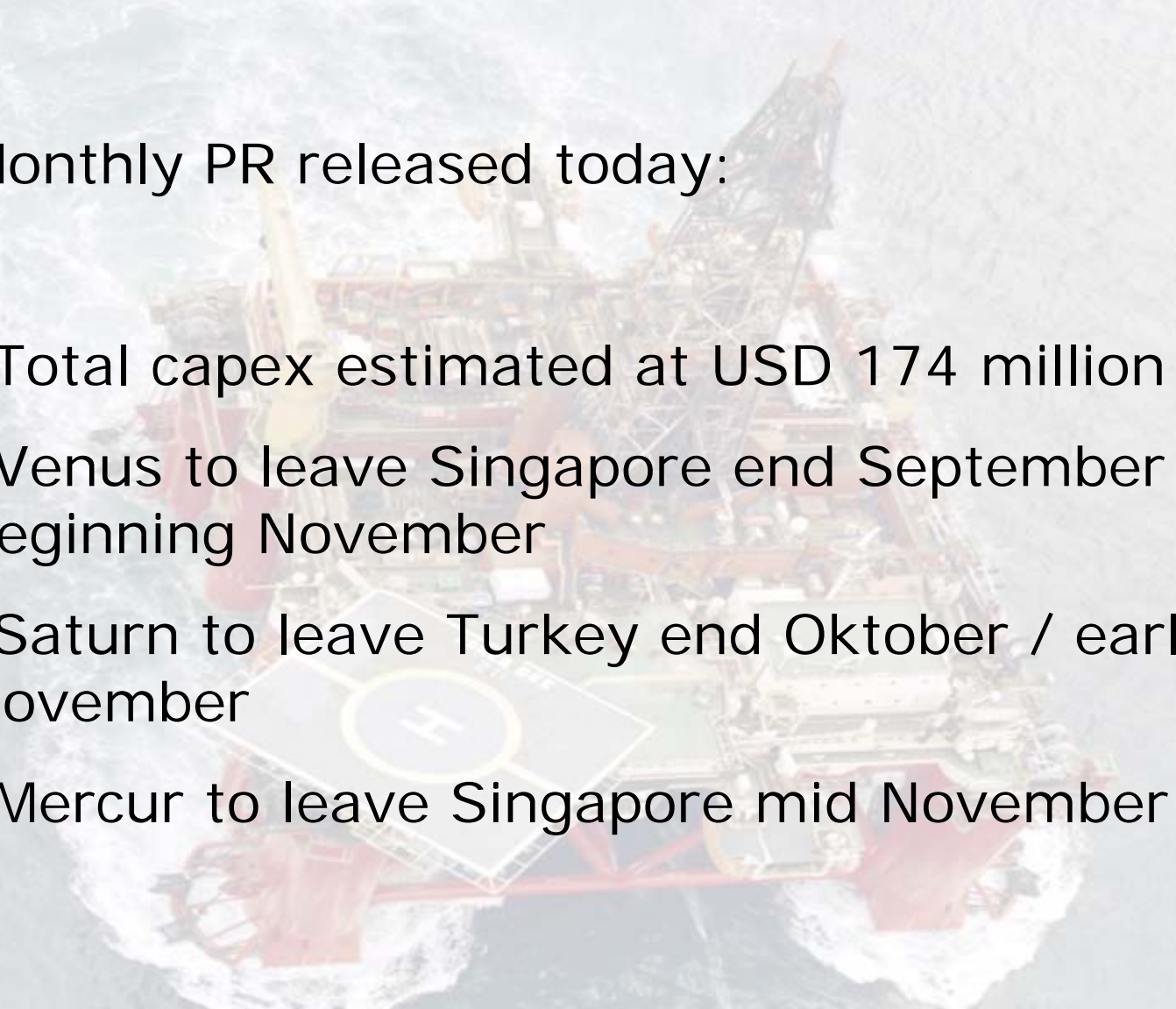


## Norway fleet

- Songa now have two of the first available rigs in Norway
- Transocean Leader fixed at 430' USD/day until June 2011
- Note that several of the existing contracts are well-contracts and likely to slide in time



Monthly PR released today:

- Total capex estimated at USD 174 million
  - Venus to leave Singapore end September / beginning November
  - Saturn to leave Turkey end Oktober / early November
  - Mercur to leave Singapore mid November
- 
- A large, complex offshore oil rig is shown from an aerial perspective, floating on the ocean. The rig features a prominent yellow crane and a red helipad with a white 'H' in the center. The structure is intricate with various pipes, platforms, and support beams.

## Shares

- Number of outstanding shares: 78.146.891
- Number of options to management: 2.500.000 at strike NOK 30
- BOP investors may convert 15,3 mUSD at NOK 35 per share, which equal to approximately 2.740.886 shares.
- Remaining 6,684,762 warrants, strike USD 1.50.
- Number of shares totally diluted: 90.072.539.

## Debt

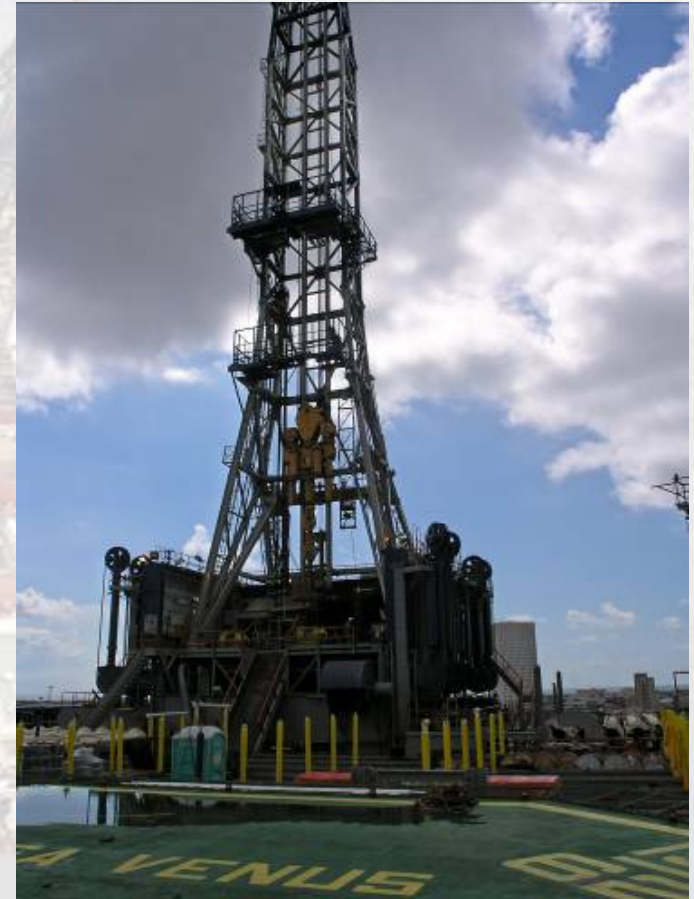
- USD 400 million bank loan with Nordea - 1st priority mortgage in all rigs. Interest rate: LIBOR + 2%. Quarterly repayment starting 31/12-2006, ending 27 months thereafter.
- USD 110 million (gross) bond loan. 2nd priority mortgage in Venus and Mercur. Interest rate: 9%. Maturity date: 2010.
- USD 75 million (gross) bond loan. 2nd priority mortgage in Dee. Interest rate: 9,75 %. Maturity date: March 2011. Callable in 2009 at 106%.
- USD 15 million BOP



## Status going forward

### Going forward

- All rigs in operation within Q4-06.
- Strong free cash flow next three years.
- Limited residual value risk when new builds come to market in 08/09.
- Management group in place – competent industry track record.

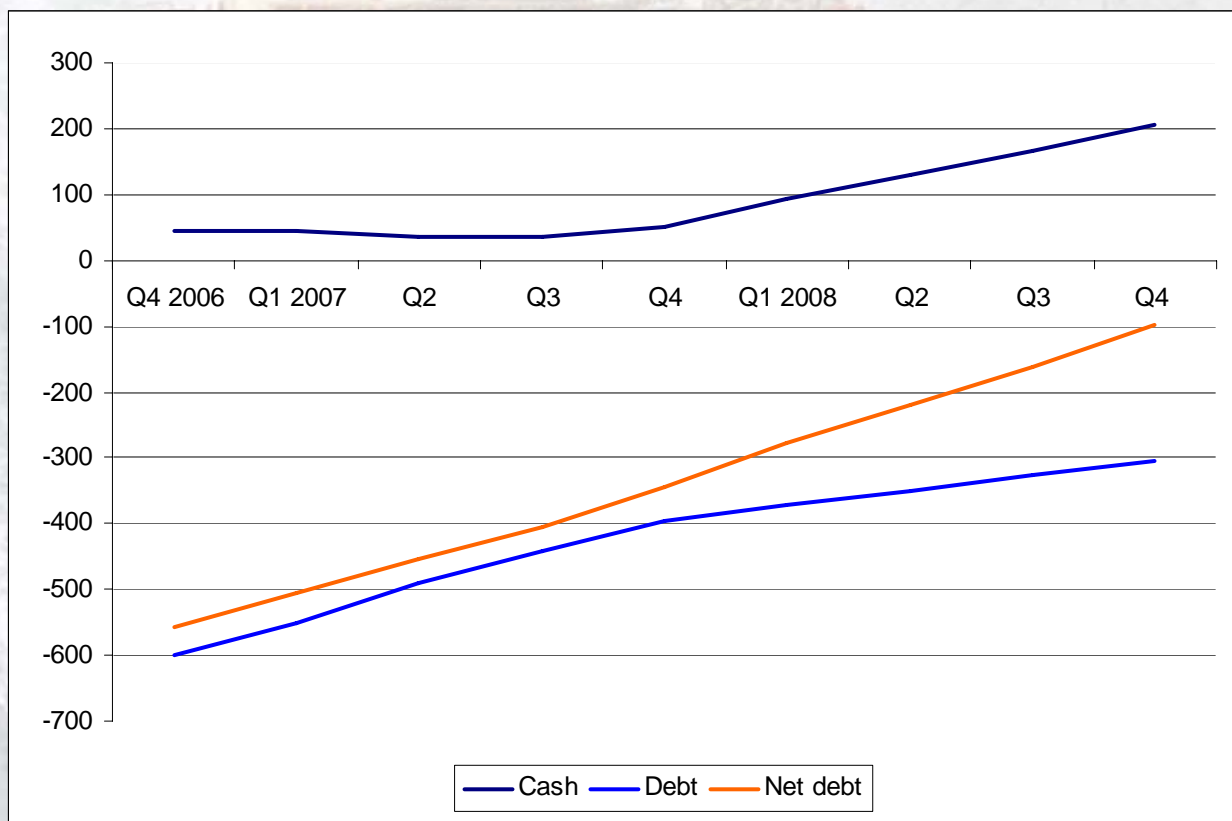


# A cash machine just about to wake up

MV = USD 800 mill at NOK 57 per share

EV YE2006 = USD 1400 mill

EBITDA 2008 estimated to USD 260 mill



# Appendix



## Songa Venus

- Friede & Goldman design
  - Pacesetter 1-900 class, built 1974
  - Enhanced 2005 with 4 new columns and caissons to increase VDL and pontoons for stability
- Drilling capacity 25,000 ft in 1250 – 1500 ft water
- Accommodation for 105 men
- Variable Deck Load 3,600 MT
- Traditional 8 point mooring system
- 3000 HP National Draw work
- Three National 12-P-160 Mud pumps
- 18 ¾" 10,000 psi Cameron BOP
- ABS class renewed June 2005
- Delivered on 7 June 2005
- Contract signed with ENI/Inpex - Australia



## Songa Mercur

- Friede & Goldman Pacesetter 9500 - Built in 1990
- Drilling capacity 25,000 ft in 1200 ft water
- Accommodation for 100 men
- 18  $\frac{3}{4}$  - 15,000 psi BOP
- Traditional 8 point mooring system
- Operating variable deck load of 3000 MT
- 3000 HP National Draw work and 3 x National 12-P-160 Mud pumps
- Class A 1 DNV renewed June 2005
- Delivered 16 June 2005
- Contract signed with Chevron in Australia



## Songa Saturn

- Type: Drill ship
- Built: 1983 Keppel FELS, upgraded 1995/1999
- Mooring system: 8 point
- Drilling depth: 25,000 ft
- Derrick: 1.3 million lb
- Draw works: 3,000 hp
- Accommodation: 120 persons
- Previous owner: Global SantaFe
- Water depth capacity after upgrade: approx 3,300 ft.  
Water depth capacity as is; approx 2500 ft.
- Delivered 11 November 2005
- Refurbishment work consist of steel replacement, water depth upgrade, new topside equipment and certain ballast enhancements. Included a 5-year special periodic survey.
- Contract signed with Noble Energy. Ready to drill Q3/Q4-06



## Songa Dee

- Built 1984, upgraded in 2004
- Water depth capacity: 1,800 ft,
- SBOP capability for 6,000 ft
- Variable deck load (operating): 4,700 tonnes
- Mooring system: Anchored with truster assist
- 120 man accommodation
- BOP Stack: Cameron UII 18 3/4" 15,000psi
- Bareboat back to back with sellers until 08/09. Rig working for Hydro in Norway.



## DeepSea Bergen

- Aker H-3.2 (enhanced)
  - Built: 1982 (Aker Stord), later upgraded
- Rig owner: Odfjell Drilling
- Drilling capacity 25,000 ft in 1500 ft water
- Accommodation for 100 men
- Hull dimensions: 303 x 220 x 113
- Variable loads: 6,250 KIPS
- Mud pumps: 3 National 12-P-1,600 pumps
- Cranes: 2 National OS 435 diesel Hydraulic
- Derrick: NorMar Beam leg, DLC 1,100,000 lbs.
- Currently working for Marathon until mid 2008 on the Alvheim field. Thereafter a 3 year charter in direct continuation with Statoil until mid 2011 on Haltenbanken Nordland.



## 20 largest shareholders

Date: 16.08.2006

13 782 997	17,64 SPENCER ENERGY AS		NOR
4 054 656	5,19 GOLDMAN SACHS INTERN EQUITY NONTREATY CUS	NOM	GBR
3 618 257	4,63 MORGAN STANLEY AND C CLIENT EQUITY ACCOUN	NOM	GBR
3 159 700	4,04 LEHMAN BROTHERS INC. EBOC-CUSTOMER SEGREG	NOM	USA
2 376 725	3,04 STATE STREET BANK & CLIENT OMNIBUS D	NOM	USA
1 729 840	2,21 BANK OF NEW YORK, BR S/A NATEXIS BANQUES		GUM
1 525 121	1,95 CREDIT SUISSE SECURI (EUROPE) PRIME BROKE	NOM	GBR
1 495 000	1,91 DEUTSCHE BANK (SUISS		CHE
1 422 946	1,82 UBS AG, LONDON BRANC EQUITIES/CORPORATE A		CHE
1 418 000	1,81 JPMORGAN CHASE BANK CLIENTS TREATY ACCOU	NOM	GBR
1 278 200	1,64 CREDIT SUISSE SECURI (EUROPE) LTD./FIRMS		GBR
1 100 000	1,41 LAUVHEIM HOLDING AS C/O NRP INVESTORSERV		NOR
1 029 019	1,32 SKANDINAVISKA ENSKIL A/C CLIENTS ACCOUNT	NOM	SWE
913 816	1,17 MELLON BANK AS AGENT MELLON BANK NA A/C MELLON NOMINEE 1	NOM	USA
831 000	1,06 JPMORGAN CHASE BANK S/A BANK OF AMERICA		GBR
605 800	0,78 UBS AG, LONDON BRANC S/A IPB SEGREGATED C	NOM	GBR
599 757	0,77 NORDEA BANK DENMARK S/A NORDEA (DK) CCA	NOM	DNK
596 200	0,76 BANK OF NEW YORK, BR BNY GCM CLIENT ACCOU	NOM	CYM
574 697	0,74 BANK OF NEW YORK, BR S/A AIB FBO GLG/EURO		IRL
540 000	0,69 UTHALDEN A/S V/HARALD MORÆUS HANS		NOR
<b>42.651.731</b>	<b>54,58</b>		

## 20 largest warrant holders

Date: 16.08.2006

2 207 666	33,03 SPENCER ENERGY AS		NOR
1 666 667	24,93 CREDIT SUISSE SECURI (EUROPE) PRIME BROKE	NOM	GBR
1 000 000	14,96 VESLIK AS		NOR
568 665	8,51 MUSLIK AS		NOR
270 000	4,04 SYNECO AS		NOR
200 000	2,99 LAUVHEIM HOLDING AS C/O NRP INVESTORSERV		NOR
156 667	2,34 JASTO A/S		NOR
144 444	2,16 MP PENSJON		NOR
125 000	1,87 ADRIAN SHIPPING		NOR
77 778	1,16 MELTZERS HØYSKOLEFON L. V/FORRETNINGSFØRER		NOR
50 000	0,75 NORSEMETER HOLDING A		NOR
39 000	0,58 SØLVBERG ULRIKA T		NOR
35 000	0,52 WISTH GRETE NICOLE TEFRE		NOR
33 333	0,5 STAUBO KARL ERIK		NOR
30 000	0,45 NORDEA ISSUER SERVIC SAMLEKONTO EMISJONER	FOR	NOR
25 000	0,37 F G H INVEST A/S		NOR
20 000	0,3 EVENSEN JAN E.		NOR
15 000	0,22 TEFRE PER		NOR
12 500	0,19 GOLTEN TRULS		NOR
10 000	0,15 ARETHUSA AS		NOR
<b>6.686.720</b>	<b>100</b>		

Share:  
OSE ticker "SONG"

ISIN NO 001 0268451

Warrant:  
OTC ticker "SONW"

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