



ISLAND OFFSHORE

News release

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Island Offshore wins new BP well intervention services contract

Island Offshore, a leading name in global Light Well Intervention (“LWI”) activities, has been awarded a major contract extension with BP Exploration Operating Company Ltd (“BP”), one of the world’s most respected international energy companies.

The two-year contract extension, covering 2014 and 2015, has been awarded to Island Offshore and the North Sea RLWI Alliance, which operates three monohull vessels specially designed for well intervention tasks. Island Offshore’s Island Constructor - a 120m long, 8,200 ton, state-of-the-art Ulstein built X-Bow vessel – will perform the scope of work for the client.

Commenting on the award, Robert Friedberg, Managing Director of Island Offshore Subsea, says: “We are delighted to continue our successful operations for BP. This is an important extension of a contract that has now been in place for 5 years.”

“It demonstrates the strength of the relationship we have built with BP and the excellent standard of service that Island Offshore, and its partners in the North Sea RLWI Alliance, have delivered.”

He continues: “We have acquired some unique experience working with the BP team in the harsh environments West of the Shetland, and we look forward to building on that in the future.”

The value of the new contract is approximately NOK 0.5 billion (USD 86.5 million) and includes options for NOK 0.75 billion (USD 129.8 million).

Editor’s notes:

The North Sea Alliance was formed in 2004 to provide integrated wireline services to the growing subsea intervention market. The Alliance performs between 60-70 well interventions each year, providing services such as scale milling, gauging and logging operations, plug setting and re-perforating requirements. **Island Offshore** and the **North Sea RLWI Alliance** are currently the world leading riser-less wireline intervention, (“RLWI”), provider. To date the partners have performed close to 250 well interventions.

Island Offshore Subsea (www.iosubsea.no) is the Light Well Intervention Services (LWI) subsidiary of Island Offshore Management. The company, founded in 2005, has around 140 employees and is headquartered at Forus (near Stavanger) Norway, with its UK office in Aberdeen.

Island Offshore Management (www.islandoffshore.com) is the contract owner and operator of the world's most modern fleet of offshore service vessels. The Island Offshore fleet consists of 23 vessels in total, divided between large Platform Supply Vessels and state-of-the-art Sub Sea Support Vessels. Another six vessels are currently under construction. The company employs close to 1000 people offshore, in addition to the onshore management and engineering staff.

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