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Strategies and development in Northern parts of Norway

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Who are ASCO?

- **A brief history**

- Established in 1967 in Aberdeen,
 - Originally Aberdeen Service Company (ASCo)
- Became an independent company in 1997
- ASCO acquired by Phoenix Equity Partner in October 2006



- **Current situation**

- ASCO Group are headquartered in Aberdeen
- Employ approximately 1600 people internationally, currently across
- 4 regions.
- Turnover of circa £ 500 M annually
- **We work for more major oil and gas operators in more locations around the world than any other specialist logistics company.**
- Operations in Norge, UK, Holland, Canada, Houston, Trinidad, Azerbadsjan, Australia, Oman and India.



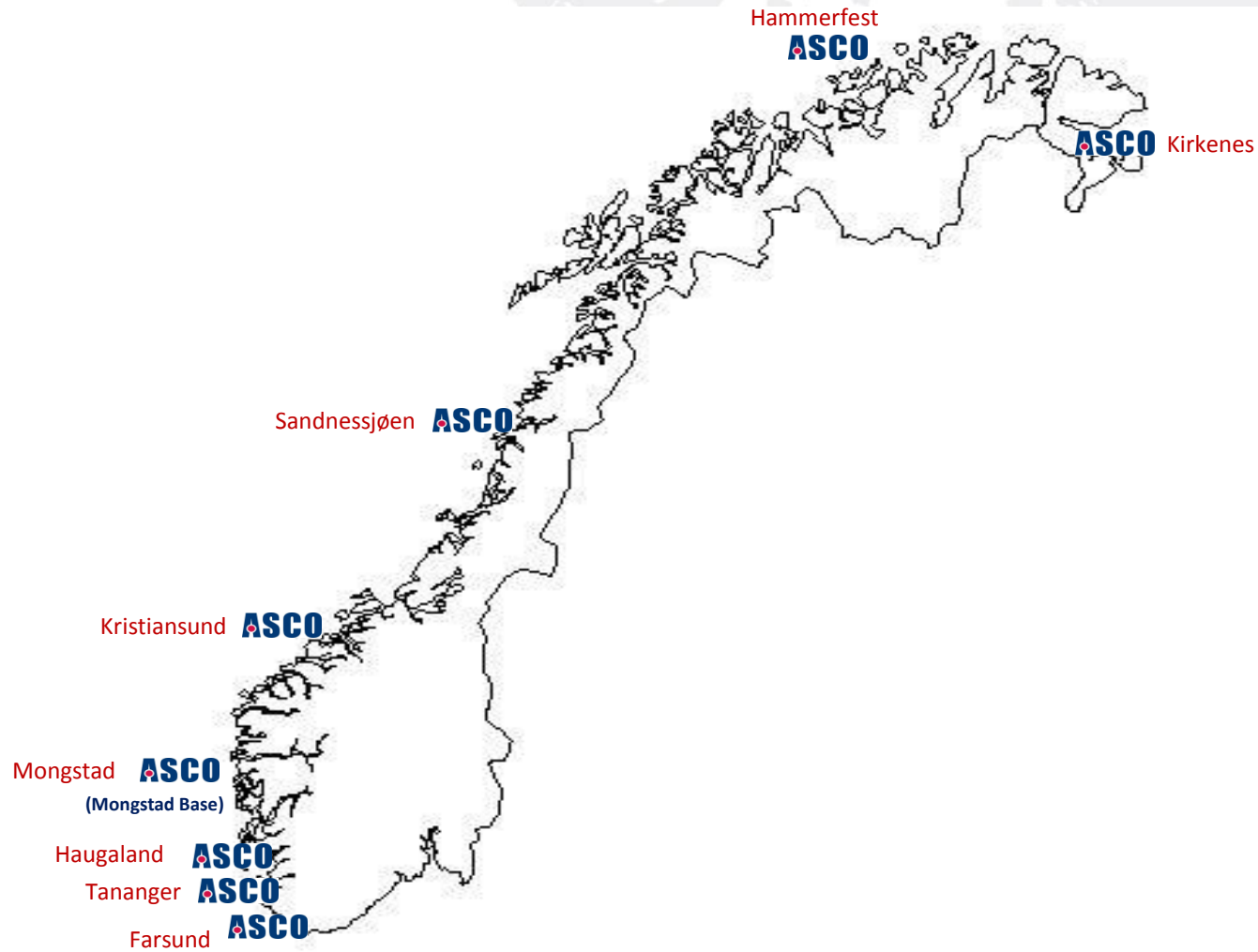
- **Business strategy**

- Our overall business strategy within the group is to:
Double our size over the next 5 years



- **Company established in 1995**
- **One of the leading Supply Base Operators on the Norwegian shelf**
- **Increased from 35 up to 110 employees the last 3 years**
- **Developed a Base network in Norway based on the need of the oil industry**
- **ILM (Integrated Logistic Model), consisting of :**
 - Supply Base Services
 - Transport / Forwarding
 - Waste Management
 - Container Fleet Coordination
 - Management of Drilling Fluid Bulk Plants
 - Marine Vessel Coordination

Base Network in Norway



ASCO Base - Sandnessjøen



Why Supply Base in Sandnessjøen / Nordland ?



- Oil activity in Norway is moving North
- Sandnessjøen is chosen as the main logistic hub in the Northern parts of the Norwegian Sea – by Statoil and BP
- ASCO opened Supply Base in 2010 to support the BP Skarv development
- High level of exploration drilling – very promising area
- Well positioned to support activity in the Lofoten / Vesteraalen area, expected to be opened after 2013

Hammerfest



Why Supply Base in Hammerfest ?

- Statoil operates the Snøhvit Gas Field (LNG plant at Melkøya)
- ENI develops the Goliat Field (production start in 2013)
- Well established at the main Oil Logistic Hub in the western parts of the Barents Sea
- Increasing activity due to the last discoveries Norvarg and Skrugard
- High interest for new licences
- High level of drilling activity in the years to come

ASCO Arctic Base - Kirkenes



Why Supply Base in Kirkenes ?

- **Located in one of the most interesting and promising areas in the Barents region**
 - Norwegian side of the Barents, Russian side of the Barents (incl Shtokman)
 - Close to the Russian border, familiar with customs regulations,
 - Ice free harbour 365 d/y
- **Well developed infrastructure**
 - Hotels, airport, hospital, industry etc
- **Great potential**
 - Develop feeder service between Kirkenes and the Murmansk region
 - Easy access to Russian labour (approx 650 Russians are already working in Kirkenes)
 - Training and development of people across the border
 - Opportunities for the industry in Norway, UK and Russia to build network and alliances

KILA - Kirkenes Industrial & Logistics Area



- **KILA**
 - Unique potential - large area (250 Acres)
 - Can be developed as a combined facility, Supply Base / Industrial hub
 - Berths can be multi user / public – secures better utilization of infrastructure
 - 15 mtr depth, well placed and protected from though wind and weather conditions
 - Separated from the city – no issues with noise due to operations evening / nights
- **Project - and Industrial hub**
 - Offer areas for vendors and oil service companies
 - Receive and handling of major project shipments
 - Long term storage
 - Great facility for pipe projects

Base development in Kirkenes

- **Well developed transport infrastructure**
- **Roadtransport**
 - 2 regular departures from Southern Norway and UK / Northern Europe by truck per week – in addition to daily expresss / hot shots
- **Seatransport**
 - 2 regular sailings per week from Southern Norway and UK / Northern Europe by boat per week – in addition to daily calls by Hurtigrutene
- **Distance to oil related supply industri, demands access to bigger areas and better planning**
 - Effective transport Road / Sea
 - Long lead times demands bigger stock / larger warehouse capacity
 - Expects oil service companies to establish departments

ASCO Customers



- **ASCO Norges main customers are :**

- BP Norge
- Talisman Energy Norge
- Marathon Petroleum
- BG
- DONG
- Lundin
- ExxonMobil
- Seadrill
- Odfjell Drilling
- Baker Hughes
- Songa Offshore
- MI
- Halliburton
- Statoil
- Tetra
- ConocoPhillips
- Elkem Aluminium (Alcoa)



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Thank you for your attention !