

GulfMark Offshore, Inc.



Banc of America Securities Energy & Power Conference



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Cautionary Statement Regarding Forward-Looking Statements

This presentation includes forward-looking statements and projections, made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The Company has made every reasonable effort to ensure that the information and assumptions on which these statements and projections are based are current, reasonable, and complete. A variety of factors, however, could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation. While the Company makes these statements and projections in good faith, neither the company nor its management can guarantee that the anticipated future results will be achieved. Reference should be made to the Company's Securities and Exchange Commission filings for additional important factors that may affect actual results. This discussion is available at the SEC website, www.sec.gov, or the Company's website at www.gulfmark.com.

In this presentation, EBITDA is used as a financial measure to compare historical and projected performance of the Company as well as industry peers. In accordance with Regulation G under the Securities Exchange Act, a reconciliation of EBITDA with earnings from operations for the relevant periods accompanies this presentation.

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Reconciliation of Adjusted EBITDA



(\$ Millions)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>Nine Months Ended Sept. 30 2003</u>	<u>2004</u>
Net (loss) income	\$1.9	\$7.9	\$37.9	\$24	\$0.5	(\$0.7)	(\$5.1)
Interest expense, net	9.5	10.7	11.6	10.9	12.8	6.5	12.4
Income tax (benefit)	0.3	3.1	(12.2)	3.0	0.2	(0.1)	1.9
DD& A	<u>12.4</u>	<u>12.6</u>	<u>15.3</u>	<u>21.4</u>	<u>28</u>	<u>13.6</u>	<u>24.6</u>
EBITDA	\$24.1	\$34.3	\$52.6	\$59.3	\$41.5	\$19.3	\$33.8
Adjustments:							
Gain on sale of assets		(3.7)		(0.2)	0.0		(2.1)
Loss from unconsol. ventures	0.9	0.2		0.3	0.1	0.1	
Minority interest			1.5	(0.2)			
Other income (expense), net		(0.2)	0.0	(2.6)	1.2	1.0	0.3
Adjusted EBITDA	<u>\$25.0</u>	<u>\$30.7</u>	<u>\$54.1</u>	<u>\$56.6</u>	<u>\$42.8</u>	<u>\$20.4</u>	<u>\$32.0</u>

EBITDA is defined as net income (loss) before interest expense, net, income tax provision, and depreciation and amortization. Adjusted EBITDA is calculated by adjusting EBITDA for certain items that we believe are non-cash or unusual, consisting of: (i) gain on sale of assets; (ii) loss from unconsolidated ventures; (iii) minority interest; and (iv) other (income) expense, net. EBITDA and Adjusted EBITDA are not measurements of financial performance under GAAP and should not be considered as an alternative to cash flow data, a measure of liquidity or an alternative to income from operations or net income as indicators of our operating performance or any other measures of performance derived in accordance with GAAP. EBITDA and Adjusted EBITDA are presented because we believe they are used by security analysts, investors and other interested parties in the evaluation of companies in our industry. However, since EBITDA and Adjusted EBITDA are not measurements determined in accordance with GAAP and are thus susceptible to varying calculations, EBITDA and Adjusted EBITDA as presented may not be comparable to other similarly titled measures of other companies.

Company Overview



(\$ Millions except per share amounts)

Shares Outstanding	20,114,744
Current Market Cap (11/11/04)	\$387.0
Long Term Debt (9/30/04)	\$252.4
Working Capital (9/30/04)	\$22.6

EPS:

First Call Average:

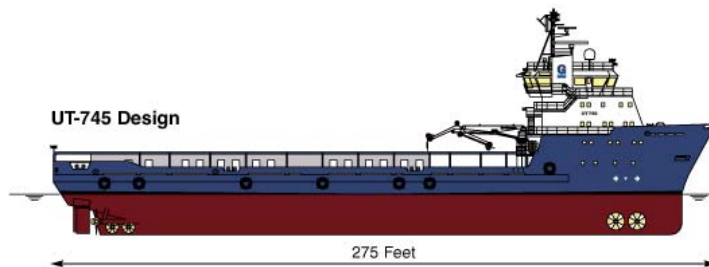
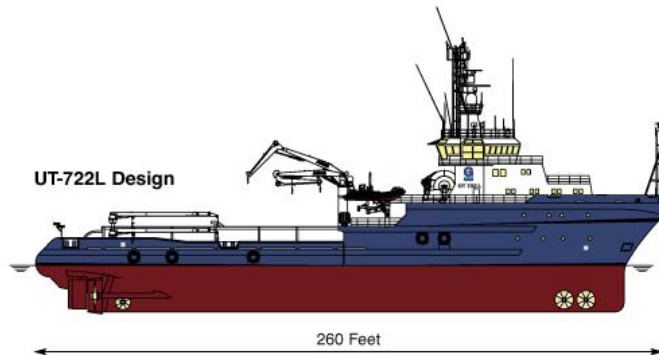
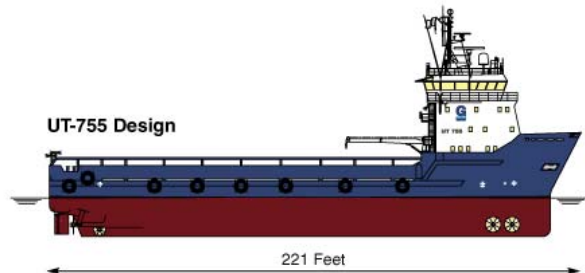
2004E	\$0.05
2005E	\$0.98

Key Investment Considerations



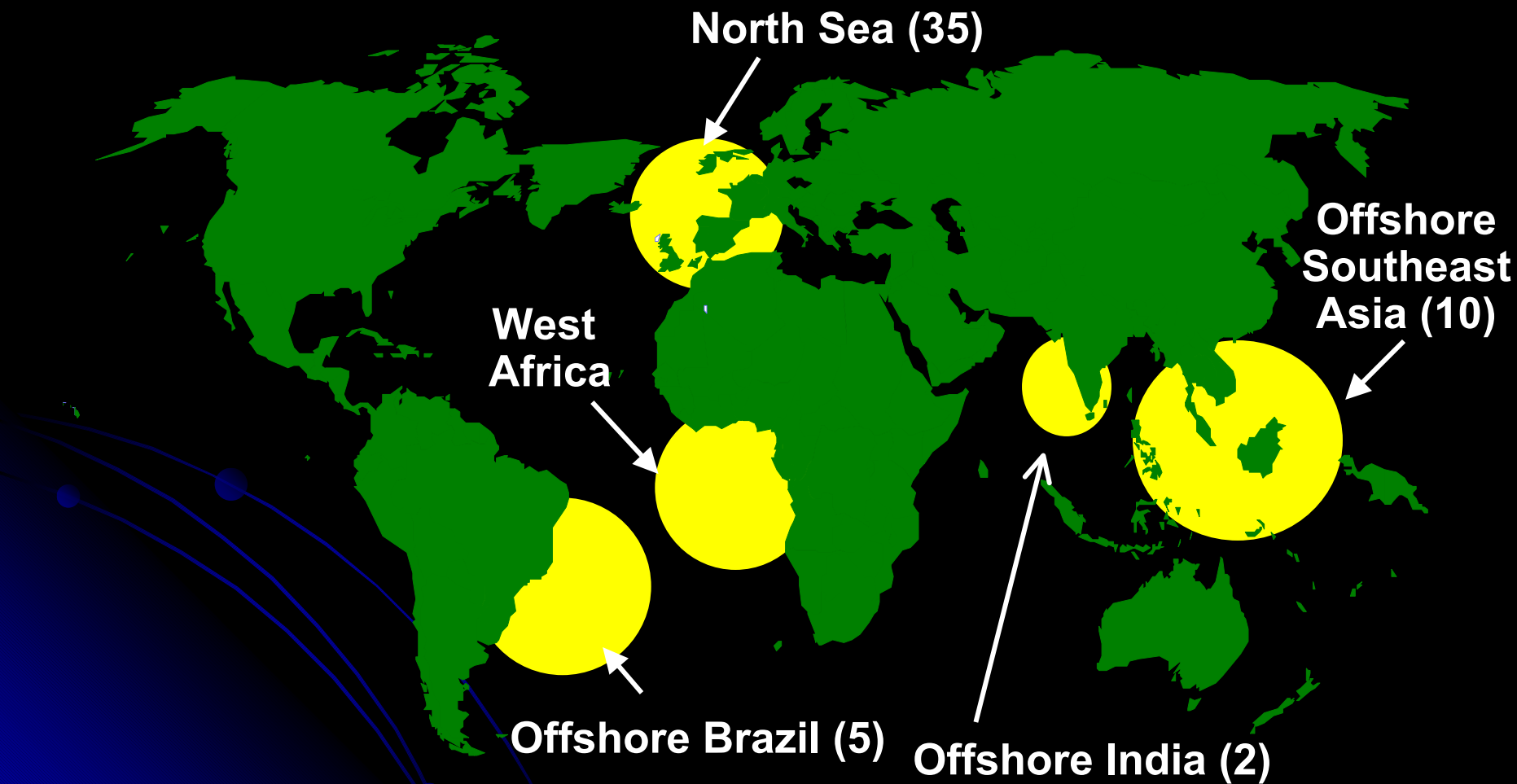
- **Technologically Advanced Fleet**
- **Strategically Positioned in Attractive International Markets**
- **Strong Operating Leverage to Improving Markets**
- **Prudent Financial Policies**

Highly Capable Fleet



- **Transportation of Material, Supplies, and Personnel**
- **Positioning of Drilling Structures**
- **Anchor Handling**
- **FPSO Support**
- **ROV Handling**
- **Firefighting**
- **Oil Spill Response**

Overview of Company*



* As of November, 2004.

Fleet Summary*



	North Sea	Southeast Asia	Brazil	India	Total
PSVs	25	3	3	2	33
AHTS	4	7	1	0	12
SPVs	6	0	1	0	7
Total	35	10	5	2	52
Owned	28	10	5	1	44
Avg. Age (Yrs.)**	10.2	21.6	8.8	7.9	12.9

(1) As of November 2004.

(2) Average age of owned vessels, excluding SPV's.



Recent Growth

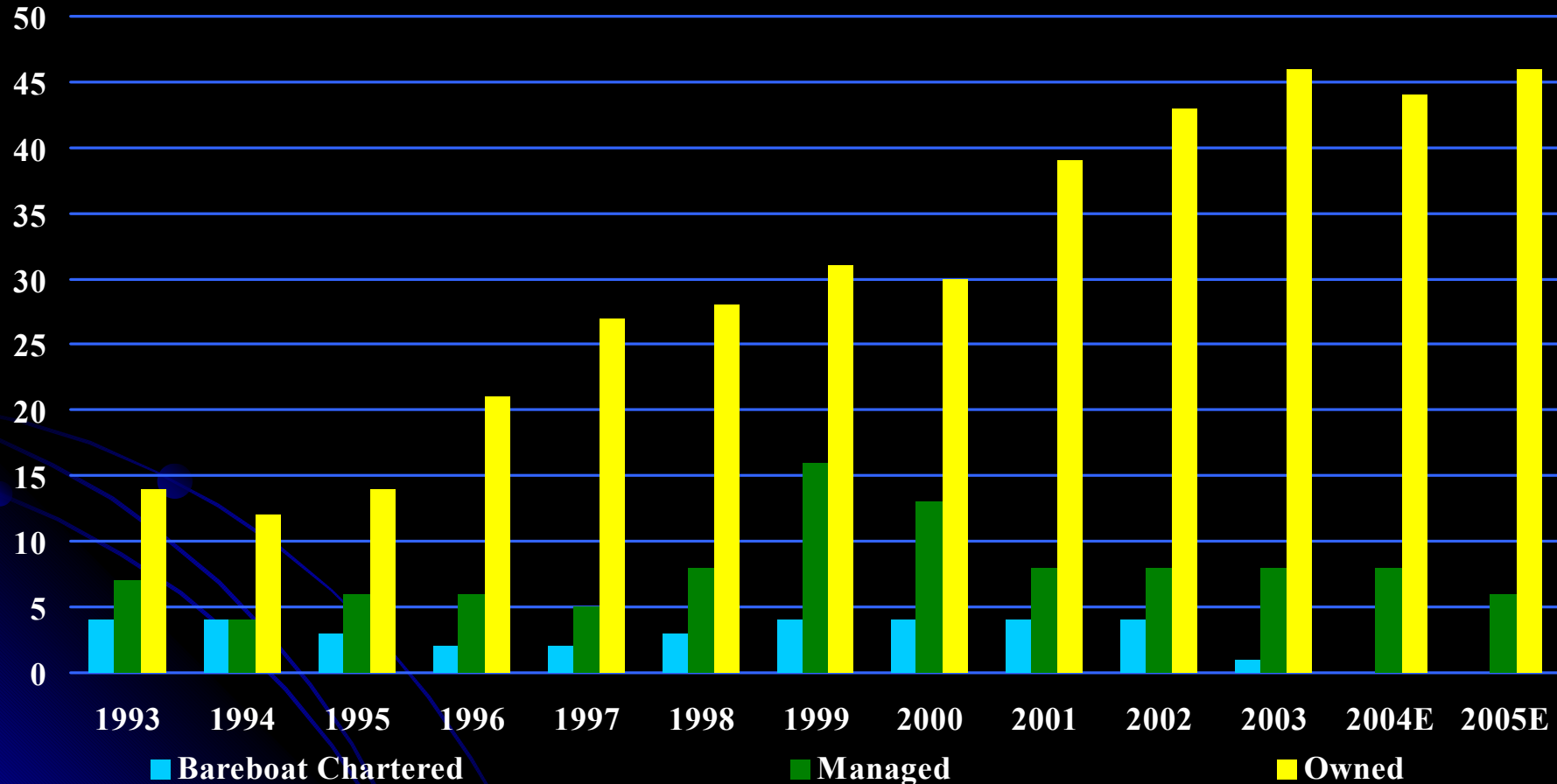
- **10 Vessels Already Delivered for \$210 Million**
 - 6 PSVs – North Sea
 - 2 UT 745
 - 4 UT 755/L
 - 3 AHTS (UT 722L – 16,000+ BHP) – North Sea
 - 1 MPSV - AHTS (UT 719-2) – Brazil*
- **2 Vessels Under Construction for \$24 million**
 - 2 AHTS (6,000 BHP) – Mexico*
 - Delivery expected Q1, 2005
- **Staggered delivery from 3Q 2001 through 1Q 2005**
- **Significant Appreciation in New Fleet Value**

* Built specifically to customer requirements for long term contracts.

Historical Fleet Development



of Vessels

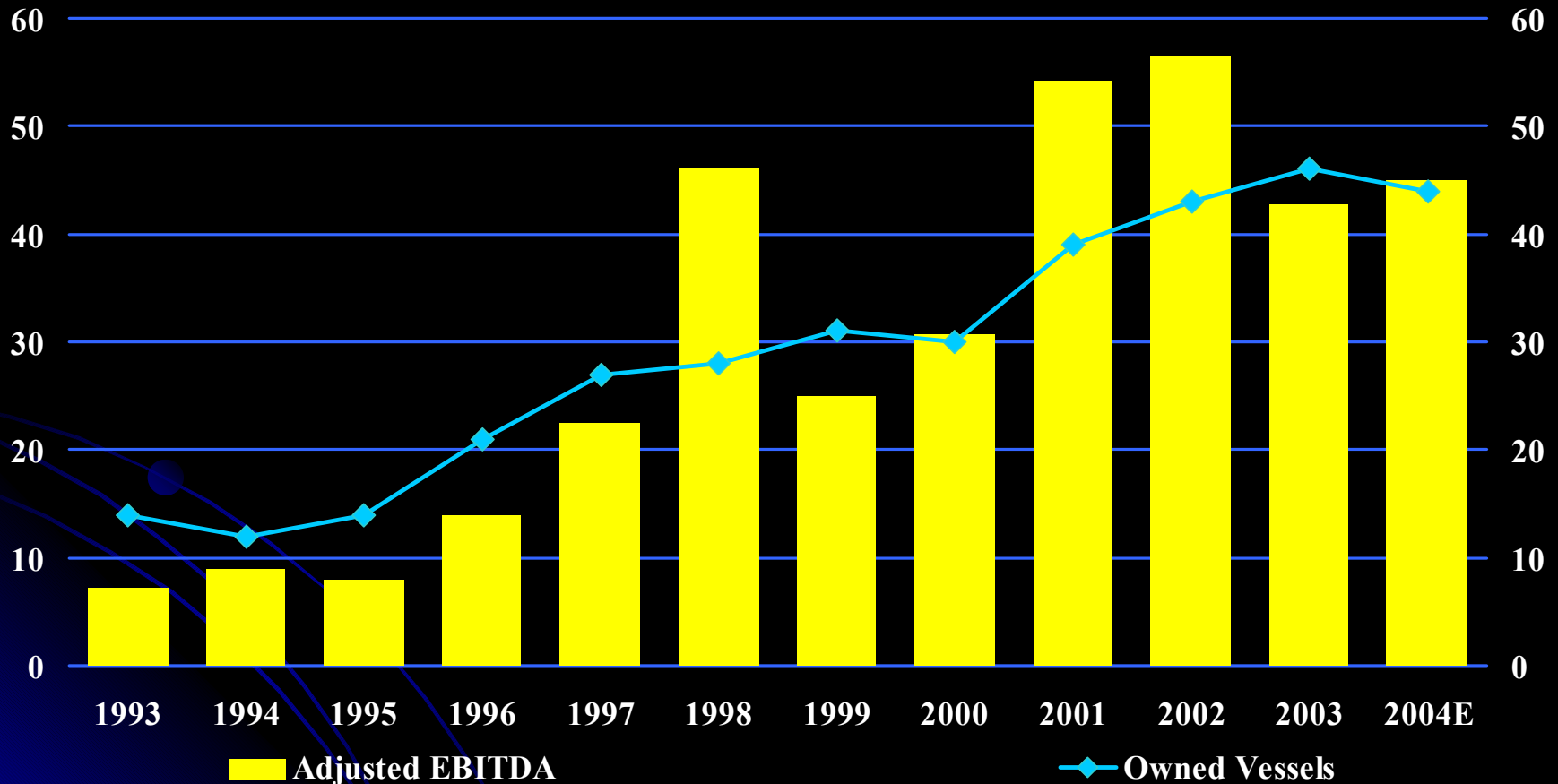


The Power of Ownership



Owned Vessels

Adjusted EBITDA



Strong Operating Leverage



- **New Vessel Deliveries**
- **2005 Operating Leverage Effect**

North Sea

- £100 / Day Increase = \$0.04 / Share*
- 1% / Day Increase in Utilization = \$0.03 / Share

Southeast Asia

- \$100 / Day increase = \$0.01 / Share
- 1% / Day Increase in Utilization = \$0.01 / Share
- **Low Capex/Maintenance Requirements**



Strong Customer Base

- **Historically, our largest end users have primarily been major oil companies and natural gas companies operating in the North Sea**
 - ExxonMobil
 - Shell
 - Statoil
 - BP
 - Norsk Hydro
 - ConocoPhillips
 - BHP
 - British Gas
 - Marathon
- **Recently, independents have gained larger positions in the North Sea and have shown greater interest in exploratory and development drilling**
 - Kerr-McGee
 - Apache
 - CNR
 - Burlington
 - Talisman
 - EnCana
 - PetroCanada
- **Increased activity in other international areas has further broadened our customer base**
 - Petrobras
 - Petronas Carigali
 - Murphy
 - Pemex
 - Total
 - ONGC
 - Unocal



Improving Markets

Increased E&P Spending

- Recent spending surveys confirm increased international spending in 2004, coupled with further estimated increases in 2005

Improving International Markets

- Identified projects should mean more drilling rigs, development projects, and construction support activity

Increased Demand for Modern Vessels

- Customers are demanding newer, modern vessels with greater functionality and reliability as the average industry vessel age continues to increase



E&P Spending Surveys

- **2004 Mid-year review – revised Worldwide E&P spending forecasted to rise 9%**
 - North America – 4%
 - International – 12%
- **60% intend to increase E&P spending in 2005**
 - 50% plan on double digit increases (primarily US independents)

North Sea Outlook



North Sea – United Kingdom



- **UK Department of Trade and Industry (DTI) 2004 Survey**
 - Operators expecting drilling activity to increase ~30% in 2004
 - Intentions higher for next three years than in recent years
- **Southern Basin expected to be 70% higher**
- **West of Shetland expectations are higher**
- **Northern and Central North Sea regions remain as the areas with the highest expectations**



North Sea - Norway

- Norsk Hydro's Norwegian giant Ormen Lange is scheduled for development in 2005. Hydro has recently awarded contracts worth \$3.5 billion, of the total cost of \$10.5 billion.
- Approx. \$3.1 billion will be spent on Langeled - the world's longest subsea export pipeline, which will run 1200 kilometers from Aukra, Norway to Essington, England.
- Statoil begins development of Snovhit project in Barents Sea – starting later stages of 2004 and running through 2006.
- Marathon Alvheim Field development work in Norway starting later half of 2005 lasting at least 10 wells.
- ConocoPhillips' four year drilling program on Ekofisk Field in Norway.



Mediterranean

- **2004 rig activity has accelerated and demand has outstripped earlier projections**
- **Deepwater drilling has expanded with Atwood Hunter & Scarabeo 6 on long-term contracts**
- **Recent deepwater successes likely to lead to expanded activity**
- **Recent rig problems (GSF Adriatic IV and J.Cunningham) have led to changed drilling locations and rig demand**
- **BP Black Sea program appears to have selected rig and will move forward.**
- **Removal of US sanctions is likely to increase interest and activity offshore Libya**



Offshore Brazil

- **Sixth Annual Auction of Oil E&P Licenses**
 - 24 oil companies, including global oil majors, took part – twice as many as in 2003
 - Properties seen as holding better promise
 - Extensions of tax breaks on imported equipment for oil exploration
 - Participants included: Statoil, Royal Dutch/Shell, EnCana, Repsol, Sk Corp, Kerr-McGee, and Devon among others

West Africa

- **The “Promised Land”**
- **Many programs announced but slow to start**
- **2005 Programs**
 - TFE – Angola Rosa/Lirio
 - Woodside – Mauritania Chinguetti
 - Shell – Bonga
 - BP – Plutonio



Other Areas

- **Southeast Asia**

- South East Asia strong in 2003 – 2004
- Continued Strength expected in 2005 throughout region, including Australia and New Zealand

- **Far East – India**

- Deepwater program now underway in India
- Steady demand expected in 2005



Marketing Strategy

- **GulfMark maintains operational flexibility and manages risk through its contract terms**
 - Long-term contracts
 - Short-term contracts
 - Profit sharing arrangements
 - Vessel pooling
- **GulfMark works with customers to determine their operational needs and provides vessels and equipment to efficiently deliver a total solution**

Demand for High-Capacity Supply Vessels



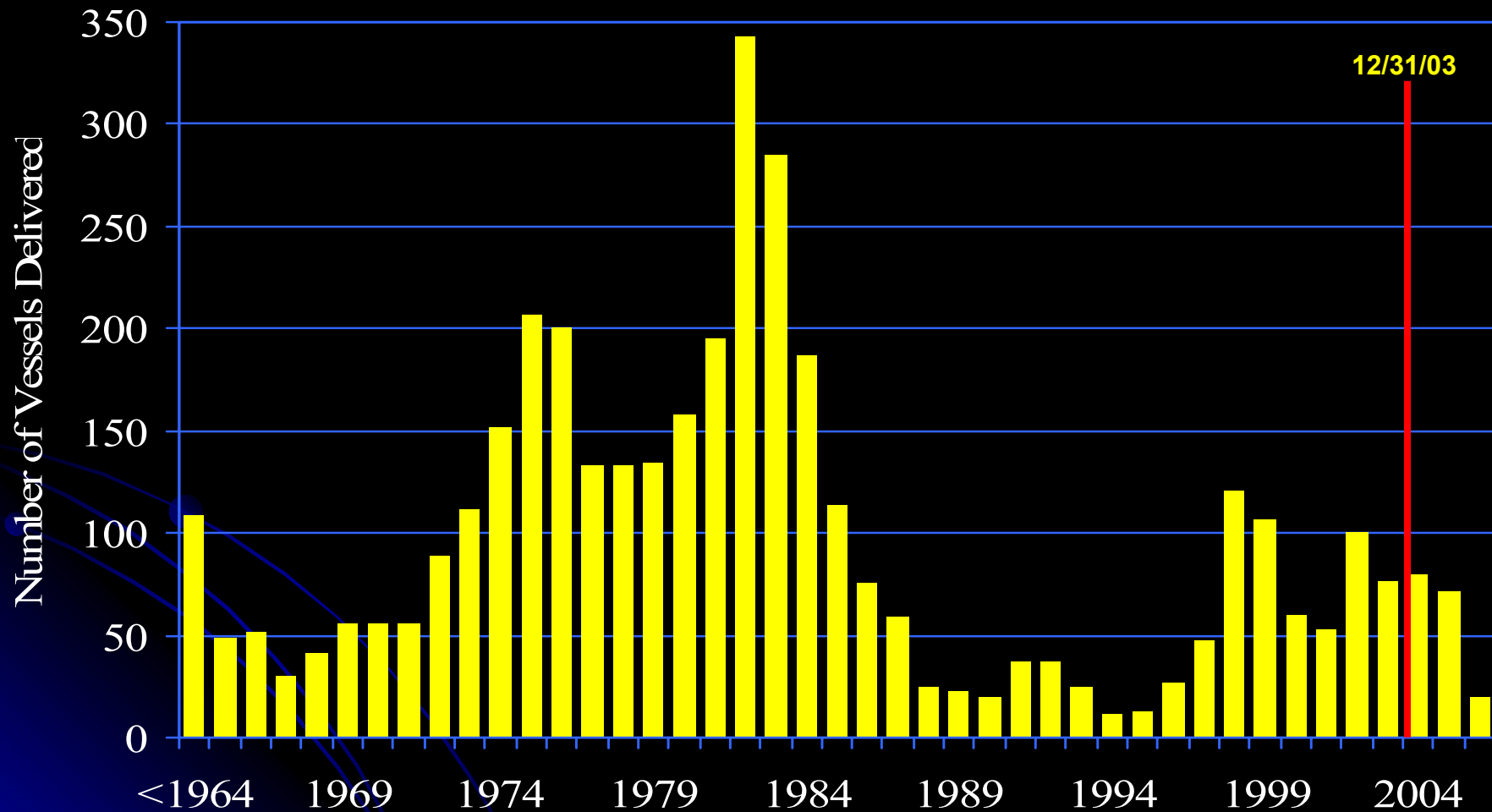
International demand for high-capacity supply vessels has shown impressive growth since 1997

- **Increased deepwater activity – creating new demand.**
- **Improved efficiency – replacing older vessels.**
- **Health and safety plus environmental issues – replacing older vessels.**

The number of high-capacity supply vessels in the North Sea has been relatively stable at around 200 units since 1997 (a slight downward trend).

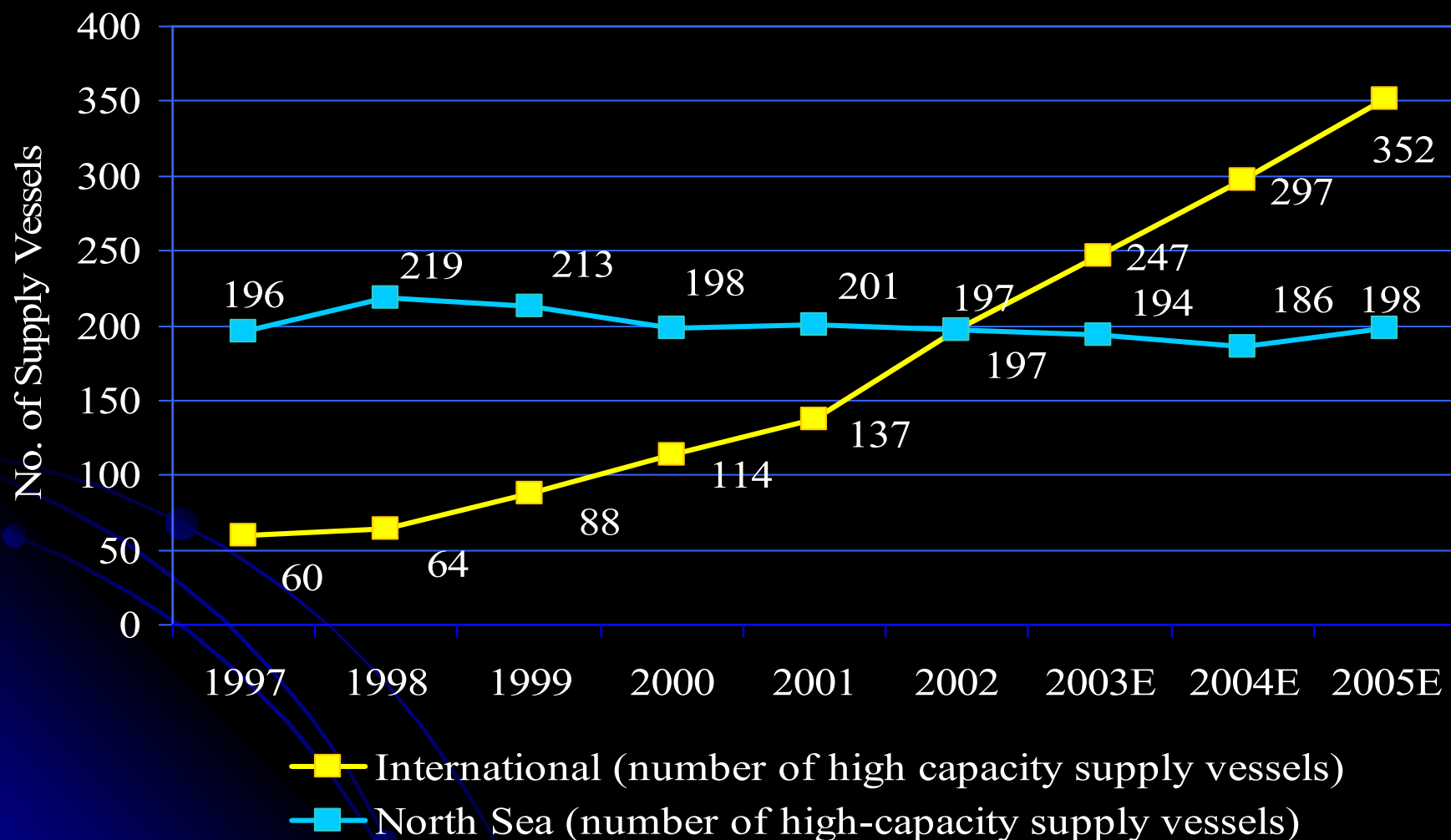
However, international demand over the same period showed impressive growth - total units have increased from 60 to 197 units. The first year in which the number of international high-capacity vessels exceeded the number of vessels available in the North Sea was 2002.

Historical Offshore Supply Vessel Deliveries





North Sea vs. International





Selected Financial Data

(\$ Millions, except per share amounts)

	<u>1998(*)</u>	<u>1999</u>	<u>2000(*)</u>	<u>2001(**)</u>	<u>2002</u>	<u>2003</u>	<u>1st Call</u> <u>2004E(*)(**)</u>
EBITDA	\$46.4	\$24.9	\$30.7	\$54.1	\$56.6	\$42.8	\$45.0
Net							
Income	\$18.9	\$1.9	\$5.4	22.2	\$24.0	\$0.5	\$1.0
Share							
O/S	16.6	16.6	16.6	16.8	19.6	20.3	20.0
E.P.S.	\$1.14	\$0.11	\$0.33	\$1.32	\$1.22	\$0.03	\$0.05

* Excludes gain on sale of vessels.

** Excludes deferred tax reversal.



Capital Expenditures

(\$ Millions)	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004E</u>	<u>2005E</u>
New Build Program	\$28.5	\$79.4	\$76.8	\$ 0.0	\$0.0
Brazil New Build	0.0	7.0	8.1	9.5	0.0
Mexico New Build	0.0	0.0	3.1	14.0	4.2
Dry Docking Costs	4.9	6.2	7.5	7.6	8.5
Other /Enhancements	1.5	1.7	3.6	1.8	1.0
Acquisitions	<u>50.3</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	\$85.2	\$94.3	\$99.1	\$32.9	13.7

Summary



- **Premier World Class Fleet**
- **Attractive Dynamics in Markets of Operation**
- **Newbuild Vessels Nearing Completion**
- **Powerful Upside Exposure**

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