

TOPAZWORLD

Quarter 1, 2014

CONNECTING COUNTRIES

TOPAZ INSTALLER LAYS CABLE BETWEEN SWEDEN AND LITHUANIA

FROM BLACK SEA TO THE CASPIAN

THE CASPIAN VOYAGER TAKES TO THE CANAL

Q1 RESULTS

TOPAZ Q1 REVENUES TOP \$89M

Q1
2014

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IS PRINTED ON
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Message from the CEO

Welcome to the Q1-2014 issue of TopazWorld – and with this issue it really is a worldwide journey!

We drop in on the Topaz Installer, midway through a Baltic Sea contract to lay an important communications cable between Sweden and Lithuania.

We travel overland with Caspian Voyager from Turkey to the Caspian Sea – a trip that required the vessel to lose its bridge to fit under the bridges in the Volga-Don canal system.

We visit the coast of Nigeria, where Topaz Amani is supplying TOTAL's offshore operations.

And in this issue we also highlight our good first quarter results. The second quarter has sent us through turbulent waters, but I rest assured we together will navigate through. It however means roping the sails and the next few months will require every member of the Topaz family's skills and resilience.

I strongly urge everyone to focus on his or her role and always strive to do your best, and a little more. It's the added efforts and personal accountability that will make a difference that matters!

The holy month of Ramadan will soon be upon us. Everyone should embrace the cultural diversity of the organisation; this is a time for reflection, and for appreciating the values of friendship and family.

Thank you for the support and feedback you've already given the editors of Topaz World – and don't forget that we welcome your stories and especially your photos.

Until next time,

René Kofod-Olsen
Chief Executive Officer

OPERATION IN FOCUS



This photo: The Topaz Installer in moorings in Karlskrona, Sweden during a cable loading operation

A DAY IN THE THE LIFE OF THE TOPAZ INSTALLER

TOPAZ INSTALLER FACT BOX

Built 1999 / Upgraded 2012 / Class DNV +1A1 cable laying vessel, DYNPOS-AUTR

Length 88.2 m
Draft 4.5 m
BHP 7800 bhp
Deck area 400 m²
DP Class 2
Flag St. Vincent & the Grenadines

Turntable / Carousel 3600 tonnes
Crane TTS, Model gpoKAc 2000-35-30, Knuckle boom active heave compensation crane, SWL 35 tonnes @ 5-30 metres

Major Baltic power cable laid by Topaz Installer

The Topaz Installer, a specialized vessel on the Topaz fleet featuring a horizontal carousel, has just started laying cable in the Baltic for the important Nordbalt submarine power cable.

The cable runs under the Baltic Sea between Nybro in Sweden and Klaipada in Lithuania. When completed in 2015, the project should help significantly to reduce Lithuania's dependency on imported oil and gas.

The contractor is ABB, and the cable features ABB's innovative HVDC Light technology. At a total of 450 km (400 km of it under water), Nordbalt will be the world's longest HVDC Light cable.

Topaz Installer has been chartered by ABB to lay the cable – actually a pair of HVDC and fibre-optic cables in a bundle system.

Topaz Installer started on the first segment of the project on 11 April 2014.

At the starting point, the vessel picked up a small buoy connected by wire to the shore station. That wire was attached to the onboard cable, and in a procedure coordinated with the ABB shift leader onboard, the shore side started to pull the cable ashore.

Once the ABB shift leader confirmed that the cable ends were at their required position at the shore, the vessel was ready to move. Using the drawings on the survey screen next to the DP desk, and constantly checking weather conditions – the force and direction of the wind and current – the DP officer evaluated the heading to start the cable lay. In coordination with the ABB shift leader and the Cable Control Room, the required speed was defined. That started at two metres per minute and rose to a maximum of ten metres per minute.



▲ 1-2) Loading the cable from the factory chute into the horizontal carousel 3) Cable repair operation in Finnish waters, SW of Rauma, around April 2013 4) During dry-dock works in Santander, Spain in 2012 5) Taken during a delicate ROV survey and pull-in cable operation, where the vessel sometimes had to be 20 meters distance from the Dolwin Alpha station located in Borkum West II windfarm, Germany 6) New accommodation facilities including a pair of offices and a conference room were installed on the Installer, bringing her accommodation capacity from 52 to 72 7) A beautiful sunset seen over the Installer's gyro repeater 8) The team in PPE during an "Abandon Ship Drill" 9) The team aboard the Topaz Installer

During this operation, one officer is always at the DP desk while another is watching for nearby vessels.

Right at the beginning of Nordbalt project there was a near miss incident with a survey vessel, Grete Fighter, manoeuvring too close to the bow of Topaz installer. Fortunately the off desk officer noticed the Grete Fighter's unusual behaviour and started emergency procedures, including preparing to recover the cable. At the last minute, the survey vessel took evasive action and passed a couple of metres from Topaz Installer's bow.

With the two vessels a safe distance apart, the remotely operated underwater vehicle (ROV) was returned to its normal functions, supervising and filming the touchdown of the cable.

The fifty-kilometre cable lay took around eight days. At the end of the segment, the cable end was connected to a wire and a marker buoy, the ROV released the hook and was brought back to the vessel, and

Topaz Installer returned to its project base at Karlskrona, Sweden.

Loading at Kakrskrona

The seven-point mooring arrangement on the ABB pier at Karlskrona requires delicate manoeuvring. It is carried out in full manual mode with the Captain at the azimuth thruster controls and two other officers at aft stations all in contact by UHF radio – there is almost total silence on the bridge apart from the clear, calm orders of the Captain.

Once the vessel is in position, the loading of the cables starts. The ABB shift leader keeps the duty officer on the bridge informed of progress, and he passes that information to the Chief Officer so that the loading software can be updated and the draft checked.

Loading usually takes seven or eight days. Topaz Installer then moves to another berth to take on food provisions and bunkers, ready to sail back into the Baltic to continue the work.

Cable repair operation

The Topaz Installer also recently concluded cable repair operations in Finnish waters, Southwest of Rauma, around April 2013. Prior to the start of the operation, the team was worried that the vessel would not reach the operation area because of the 8-cm thick layer of ice covering the area.

Photo number 3 above were taken during the deployment of the final splice to the seabed using the Installer's newly acquired crane.

Once the structure was successfully laid on the seabed, the ROV cut the straps and the crane lifted the white frame to the surface, this time without the cable. After all post-lay ROV surveys were completed, the vessel and the team were ready to return to warmer latitudes.

CELEBRATING SUCCESS



CASPIAN VOYAGER SUCCESSFULLY TRANSITS FROM ISTANBUL TO BAKU

Topaz Marine recently won a tender bid from BP in Azerbaijan that involved the Caspian Voyager, a 79-metre, 4,000 DWT Platform Supply Vessel.

The problem was that the Caspian Voyager had to first get into the landlocked Caspian Sea. The Volga-Don Canal system provides the route – a vessel can cross the Black Sea and enter the waterways at Rostov on Don, leaving the canal at Astrakhan on the Caspian.

But there are severe restrictions on the size of vessel that can pass under the bridges and through the locks, including a maximum width of 17.2 metres, sea draft of 3.4 metres and a height of 14.2 metres.

To enter the Volga-Don system, the bridge and upper accommodation deck would have to be cut.

The Selah Shipyard in Tuzla, Turkey, did the modification works. On 26 March, the Caspian Voyager was towed out of Tuzla and arrived in Rostov five days later.

Upon arrival in the Caspian, a new wheelhouse and D accommodation deck were fitted on the vessel. Following sea trials and final acceptance from the client, the Caspian Voyager will be ready to commence work on 1 June.

On the next issue of TopazWorld, we will take you out on a day in the life of the Caspian Voyager. Watch out for it!

BEST TAXPAYER AWARDS FOR BUE KAZAKHSTAN

The Republic of Kazakhstan's National Business Rating Organization recognises businesses that honour their tax and other obligations.

For the year 2012-2013, two branches of Topaz Marine's BUE Kazakhstan unit – BUE Aktau and BUE Bautino – have been honoured as among as the best taxpayers in their regions. BUE Aktau received two Gold ratings while BUE Bautino won two Silver ratings. Several staff members also received individual awards, including Specialist of the Year Certificates and Medals for Efficiency and Performance. These awards were proudly accepted in recognition of the exceptional team effort in this area of the office and the company as a whole.



▲ From the left: Galiya Shayakhmetova (Senior HR Specialist), Ekaterina Bashmakova (Tax Accountant), Dejan Milosevic (Country Manager), Victor Chudikov (Marine Superintendent) and Marina Chernyshova (Assistant Finance Manager). Also an awardee but not present in the picture was Ekaterina Klycheva (Chief Accountant).

TOPAZ AMANI WORKING WITH TOTAL

The 3,3000 DWT MV Topaz Amani has joined the big league – supplying TOTAL's offshore operations in the Bight of Bonny, covering Nigeria's Ofon, Odudu and Amanam fields.

Topaz Amani came on charter with TOTAL E&P on 13 January, primarily supplying oilfields and barges with water, Marine Gas Oil (MGO) and general deck cargoes – there's 700 m² of deck space. That capacity and the eight refrigeration plugs give Topaz Amani a real advantage over other offshore vessels in the field to become a favourite of the client.

The vessel is also available for firefighting duties.



Clockwise from top left: Topaz Amani doing platform support duties, loading Schlumberger heavy equipments for transport, and the Amani alongside at Onne port.

FINANCE UPDATE



Strong Q1 results for Topaz

Topaz has just published its results for the first quarter of 2014, and delivered a satisfactory result.

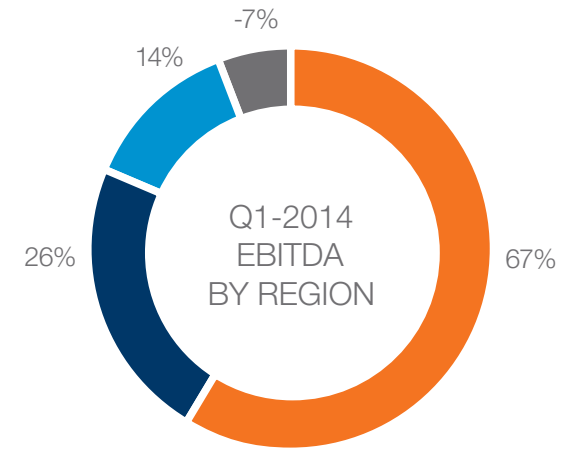
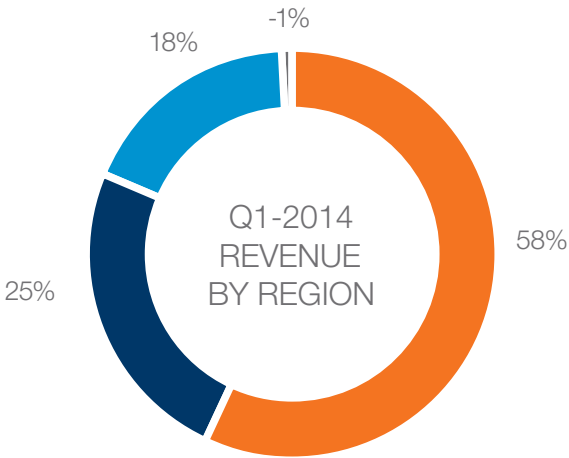
Total revenue for the quarter to the end of March 2014 was nearly \$90 million, with net earnings before tax and interest just under \$43 million. After tax profits came in at \$28 million, slightly ahead of budget.

The Caspian operations, with 59 vessels, contributed 58 percent of the revenues and 67 percent of earnings. The early termination of some key contracts in Azerbaijan caused turbulence with impact to Q2 if not resolved. In Kazakhstan and Russia, performance remains on par against budget.

The MENA region – responsible for a quarter of revenues and earnings – performed above budget in Q1, primarily due to contract extensions on Team Salalah and Team Muscat.

Global, with just 14 vessels, continues to suffer due to various off-hires in the spot market and the late deployment of new vessels; but revenues are expected to pick up towards the middle of the year.

	CASPIAN	MENA	GLOBAL	TOTAL (after adjustments)
Revenue	\$51m	\$22m	\$16m	\$89m
% of total revenue	58%	25%	18%	
EBITDA	\$28m	\$11m	\$6m	\$42m
% of total earnings	67%	26%	14%	



● Caspian ● MENA ● Global ● Corporate / Adj

✉ For comments, please email Jay Daga at jay.daga@topazworld.com

FUN PAGE

Scan and email us your correct submissions on or before 15th July 2014 and one lucky winner will win a “golden” prize!

R	E	D	N	A	T	N	A	S	W
E	A	M	S	O	X	B	E	X	I
L	X	O	T	V	K	Y	C	J	L
L	R	F	O	W	D	C	R	D	L
A	D	I	P	B	R	O	A	Z	T
T	U	L	C	W	V	T	R	E	O
S	E	L	A	H	O	S	W	A	L
N	C	F	R	D	L	F	T	V	E
I	G	Y	D	M	G	P	G	O	A
Z	B	C	G	H	A	Q	N	U	D
A	H	N	O	R	D	B	A	L	T
P	L	Z	J	A	O	S	O	I	S
O	K	Q	H	I	N	G	E	N	E
T	W	P	V	L	C	D	U	Z	C
X	S	M	D	N	A	I	T	C	I
J	L	R	E	D	N	E	F	Y	V
G	K	H	U	B	A	S	T	A	R
P	E	C	F	N	L	J	Z	B	E
V	O	I	L	F	I	E	L	D	S
N	Q	O	M	T	E	K	R	P	Q

QUOTABLE QUOTE

“What you get by achieving your goals is not as important as what you become by achieving your goals.”
- Goethe

“The secret of joy in work is contained in one word - excellence. To know how to do something well is to enjoy it.”
- Pearl Buck

Congratulations to TopazWorld Q4-2014 wordsearch winner: Shibu Sreenivasan, Corporate Office Driver. Thank you to all who submitted entries.

Answers to previous wordsearch:
1) Room to Read 2) Performance Management 3) Al Shaheen 4) MENA 5) Engine 6) Paryz 7) Bosun 8) Bond Offer 9) Competency Assurance Program 10) Salalah 11) Topaz Faye 12) Topaz Way

- Word Search
- 1. This project features the world’s longest HVDC Light cable which connects Sweden to Lithuania
 - 2. Means remotely operated underwater vehicle
 - 3. The special vessel featuring a horizontal carousel which is currently working in the Baltic Sea
 - 4. Provided the route for the Caspian Voyager to enter the Caspian Sea
 - 5. A term which refers to companies such as Saudi Aramco, Gazprom and Petrobras
 - 6. Meaning of “OFS”
 - 7. A tool which helps identify potential safety issues
 - 8. The training programme attended by some members of the Topaz management team
 - 9. The yard where modifications to the Caspian Voyager were done
 - 10. A place in Spain where the Installer was dry-docked
 - 11. Emergency repairs where done to these items by the team onboard the Topaz Rayyan
 - 12. The rating received by BUE Aktau as one of the best taxpayers in Kazakhstan.



* Remember some answers can be found backwards. Type “wordsearch” in the subject and email us at topaz.communications@topazworld.com

GETTING TO KNOW...

For this issue of TopazWorld, we get to know
Waldemar Janczur, Bosun, Topaz Installer

Your name and position:

Waldemar Janczur, Bosun on Topaz Installer – currently working in the Baltic Sea, laying cable as part of the Nordbalt project to link Sweden and Lithuania with a power and communications cable.

Your role:

As Bosun on Topaz Installer, I work from the Chief Officer's orders, handling deck maintenance and cargo operations and assigning tasks to ABs.

Your experience and expertise:

I have many years of experience offshore.

What do you like to do in your leisure time?

Swimming and visiting friends and relatives.

Highlights of your career at Topaz:

So far the main highlight for me has been my promotion from AB to Bosun.

Your family:

I have a wife and two children, a son and a daughter.

Leisure time:

I read quite a lot and I also watch movies.

If our internet connection was better, I would certainly be on the web more.



Bosun Waldemar
in action during a
MOB drill.

MARKETS & CLIENTS

A beautiful sunrise over Nigerian waters as the AHTSV Sea Marten tows jack-up rig AD9. Photo courtesy of Oleksandr Orlov and the team aboard the Sea Marten. As a token of appreciation for submitting a great photo, Oleksandr will receive a digital camera from the company.

If you would like to win a special prize for your photo submissions like Oleksandr did, watch out for the next issue of TopazWorld and find out how!

WHO PRODUCES THE OIL: NOCS VS IOCS

Traditionally the NOCs have primarily been producers of easily extracted conventional onshore oil. Through extensive R&D spending and technical investments, the NOCs have now shifted their focus and developed advanced in-house oilfield services subsidiaries. These investments have enabled them to gradually move towards producing the more complex offshore and unconventional onshore barrels such as shale oil or oil sands, and in this way narrowed the competitive gap between the NOCs and IOCs.

In the short term the NOCs primary focus is on oil, as oil plays a significant role in the economies of both the oil-importing and exporting countries.

In the longer term the NOCs are forecast to also be competitors in the gas industry, transitioning from their current strategy of partnering up with the IOCs to major stand-alone investors in infrastructure, knowledge, and technology in all stages of the production and transportation of gas.

These developments impact both the IOCs and the OFS companies. The former are impacted because they now face increased competition from capital intensive and technically capable NOCs; the latter because they can now expect increased business with the NOCs and because some of the NOCs are starting OFS subsidiaries of their own, thus increasing the competition.

FACT BOX

NOC = National Oil Company
(e.g. Saudi Aramco, Gazprom, Petrobras)

IOC = International Oil Company
(e.g. ExxonMobil, BP, Total)

OFS = Oilfield Services

TOPAZ EVENTS

THE SUN SMILES ON TOPAZ'S ANNUAL GOLF DAY

The Annual Golf Day hosted by Topaz Energy and Marine and our sister company, Nico International, has been held every year since 2008. This year's venue was the Montgomerie Golf Club in Dubai, and 27 March saw an exciting day's competition. The 95 golfers and their guests included peers in our industry, business partners and our suppliers.



The winning team of the Topaz Annual Golf Day: Aamir Inam, Parvez Ahamd, John Cragg and Richard Mogg

The action was followed by a dinner reception and awards.

With a net score of 57.3, the team of Aamir Inam (Nico International), Parvez Ahamd (Abu Dhabi National Bank), John Cragg (Vela International) and Richard Mogg (Wilhelmsen Ships Service) was hailed as the grand winner.



Nearest to the Pin (Hole #6): Sugwon Choi



Longest Drive (Hole #10): Debbie Murray

SAFETY AWARDS AT TOPAZ DOHA OFFICE

"Winning an award is always very special because it shows the recognition of your hard work and dedication" said Topaz Marine MENA Finance Manager Atul Verma, accepting the award on behalf of the Finance Team for Best Department of the Year 2013. Congratulations to Atul Verma and to Dilip Chhabria, Naresh Varma, Kunal Bokaria, Jayette Melendres and Ruby Irene Katigbak.

Also at the Doha office, Alma Amadure won the monthly QHSSE Quiz; and in February QHSSE Safety Awards went to Shyam Kumar and Everlindo Pineda for the Best Stop Cards, a tool which helps identify potential safety issues and how to address them.



Best Stop Card Winners: Shyam (left) and Everlindo (right), seen here receiving their prize from Operations Manager, Rajiv Kumar



QHSSE Winner: Alma Amadure with Head of QHSSE, Ian Trebinski



The Finance team: Jayette Melendres, Dilip Chhabria, Atul Verma, Naresh Varma, Kunal Bokaria, and Rube Irene Katigbak.

THE WILL TO LEAD TRAINING

A group of senior Topaz managers have completed 'The Will to Lead' programme at the KF Andersen Leadership Academy in Dubai.

'The Will to Lead' is an intensive five-day course, conducted by noted international leadership trainer Siegfried Andersen, which aims to show participants new ways to be successful leaders.

Participants from Topaz included Richard Ayling, Regional Director – MENA; Roy Donaldson, COO; Neil Graham, Head of Technical Services; Paul Jarkiewicz, Area Manager – Caspian; and Rune Zeuthen, Regional Director – Global.

'The Will to Lead' is part of the continuing soft skills training programme for Topaz senior management.



The participants of 'The Will to Lead' training in Dubai after successfully completing the course

FIREFIGHTING TRAINING FOR JEBEL ALI STAFF

Safety awareness is a top priority for Topaz, and as part of the requirements for the annual renewal of JAFZA's Operations Fitness Certificate, three Topaz staff underwent the Fire Aid Firefighting Course at Brigade Fire Training Center on 25 March.

The course gave the participants – Abhijit Deshmukh, Antoni Ivan Baltazar and Evangeline Pujalte – a thorough grounding in fire safety and use of extinguishers.

Aside from having a certified basic first aid fire fighter in the office, fire drills are also being conducted to provide awareness for all employees.



Abhijit Deshmukh



Evangeline Pujalte



Antoni Baltazar

QHSE UPDATE

Q1-2014 QHSE PERFORMANCE

In case you missed it, here is a snapshot of our QHSE performance up until Q1-2014.

We are pleased to report that we remain LTI-free for the period. Keep up the good work!

MEASURE	OUR PERFORMANCE
FATAL ACCIDENT RATE	ZERO
LOST TIME INJURY FREQUENCY (LTIf)	ZERO
TOTAL RECORDABLE CASE FREQUENCY (TRCf)	1.91
ENVIRONMENTAL INCIDENT FREQUENCY	0.24
PRO-ACTIVE RECORDABLE CASE FREQUENCY	1,654
MANAGEMENT VISIT RATE	19.0

ABANDON SHIP DRILL BY DMS CONQUEROR



Each Topaz vessel is required to do at least one Abandon Ship Drill and one Fire Drill each month. On board the 1,350 DWT Platform Support Vessel DMS Conqueror, the vessel's Master leads the Abandon Ship drill for all crew members.

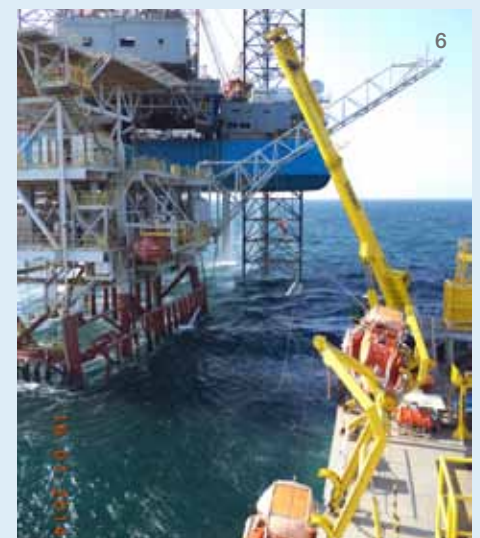
These drills help ensure that knowing what to do in emergency situations becomes second nature. They are mandated by official regulations, such as SOLAS, but more importantly they are essential to Topaz as a company that is absolutely committed to safety.

The team onboard the DMS Conqueror after successfully completing the drill.

DMS Conqueror's Safety Officer giving instructions to the team prior to the drill ▲

1-3) Fire and boat drills aboard the Topaz Rayyan 4) Emergency repairs done on a broken fender on the Topaz Rayyan 5) Topaz Rayyan conducts gangway operations at night in the PS1 field, offshore Qatar 6) Topaz Rayyan performs cargo transfer to the PS1 field's jacket 7) Partial eclipse of the sun seen from the PS1 field 8) The Topaz Arrow deploys its remotely operated underwater vehicle (ROV) 9) The Topaz Arrow team during night shift operations

Special thanks to the team aboard the Topaz Arrow and Rayyan for sharing these pictures.



The Topaz Arrow, working at the deep-water-Gunashli complex offshore Azerbaijan

