



Nordic Chambers' Breakfast

Seminar: “The Energy Crisis”

May 19th, 2015

at Sheraton Grande Sukhumvit

Our Key Resource





The Downturn of the Oil Price

- Global Picture.
- Customer Thoughts.
- Economic Consequences.
- Consumer Problems.
- Comparisons to Other Eras.
- The USA, KSA-their plan.
- The Outlook.
- And Fircroft?



Effects of Current Decrease in Oil Price

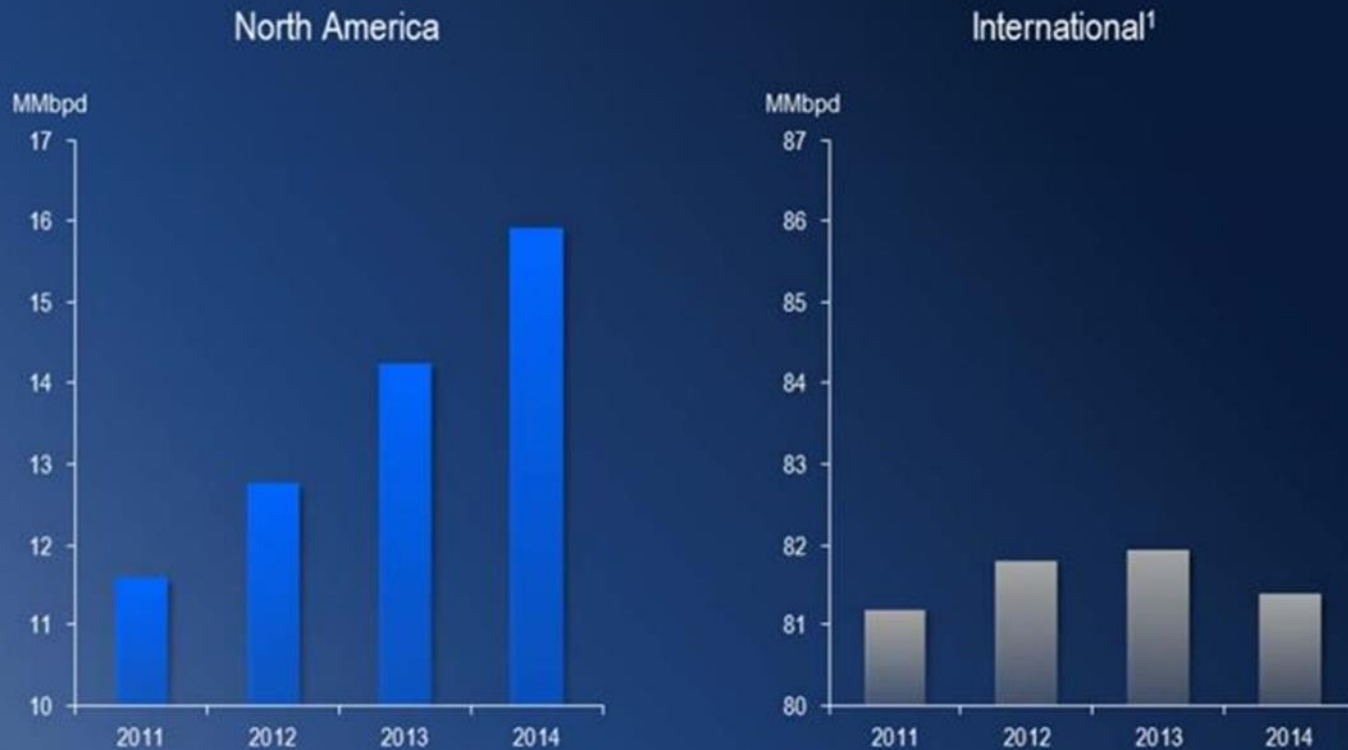
- Even with a partial recovery in Brent prices in the second half of this year, still expects international E&P spend to be down in the range of 10-15% versus 2014.
- In terms of geography, expect the GCC part of the Middle East to still post growth in investment levels in 2015 as the core part of OPEC prepares to pick up further market share, and as the rest of the global supply base continues to weaken.
- Expect to see double-digit spend reductions in Latin America driven by Mexico and Brazil, in Europe and Africa driven by the North Sea, and Sub-Saharan Africa and in Asia, driven by China, Malaysia and Australia.
- In North America, activity reductions and pricing pressure in the Gulf of Mexico.
- North America outlook assumes a widening gap between WTI and Brent prices in the coming year, and furthermore that future US tight-oil activity will be constrained by the available cash flow from production.



Oilfield Services - Market Outlook

- International spend to fall by 10 to 15% from 2014
- GCC Middle East investment up in 2015, but double-digit falls elsewhere
- Russia land resilient, but earnings subdued on weak ruble
- US tight oil constrained by cash flow, recovery to levels lower than before
- North America market facing extended period of service oversupply
- Overall market favors Schlumberger international weight

Diverging Trends in Global Oil Supply Capacity

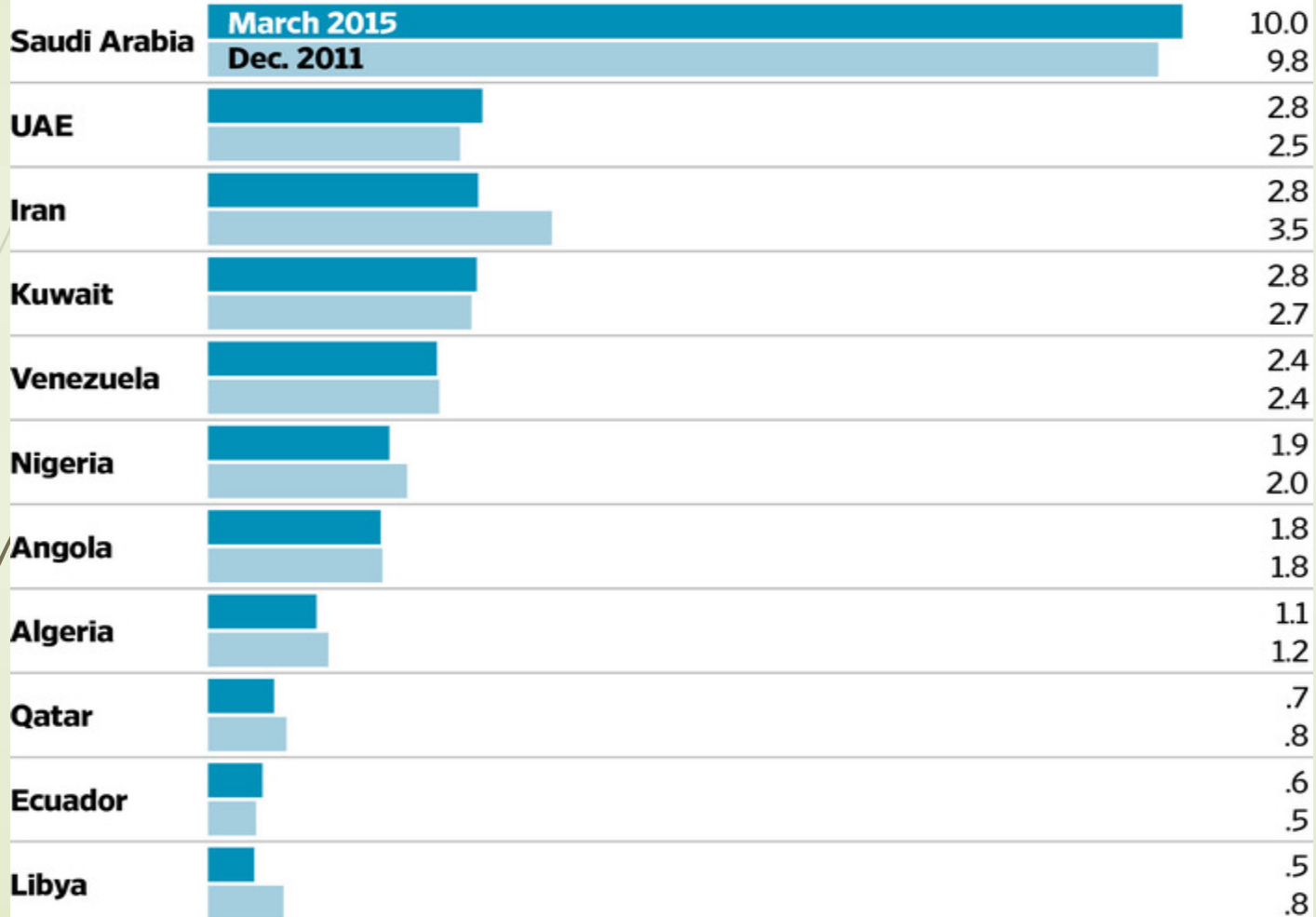


Source: IEA Oil Market Reports, SLB Analysis

¹Includes all OPEC and non-OPEC producers outside of North America

Quota Club

OPEC production now compared with December 2011, when it abandoned production limits, in millions of barrels a day



Note: Iraq has been permanently exempted from quotas since 1998
Source: Organization of the Petroleum Exporting Countries

THE WALL STREET JOURNAL.

FIRCROFT

Economic Consequences & Consumer Problems

- Cheaper Fuel For All Transport?
 - Are Your Flights Cheaper?
 - Cheaper Mass Produced Products?
 - Reduced Energy Costs?
 - OPEC Nations-Suffering?
-
- Are Any OF The Above True?



Same Problem Different Time?

- 1997-1998-Brent Crude Hit \$18 A Barrel.
- Brent crude is already closing back in on \$70.
- Panic Ensued & OPEC Countries Hurt Themselves.
- Large Inventories were Stockpiled.
- Reduced production brought the price back.
- They daren't do it today.
- China Is Now Stockpiling-Remember Iron Ore Recently? Think Australia.
- Oversupply-USA/KSA-No Retreat, No Quarter Given In The Market.



USA, Russia & KSA

- Last time out the Kingdom lost market share close to 10%.
- Saudi led decision to keep on pumping within OPEC.
- Idea-hinder the outsiders like Russia & USA.
- USA shale fields now accounting for close on 50% of worlds production growth.
- USA-looking for self sufficiency- dream for all Presidents since the 60s/70s.



The Outlook

- Technology is making drilling cheaper.
- Foreign foes like Venezuela, Russia & Iran are weakened financially and potentially destabilized.
- Risk of deflation.
- Big benefits to the global economy.
- What about the environment?





A Snapshot of our Business

Established 1970, one of most longstanding companies in engineering & technical recruitment

Oil & Gas, Power & Energy, Automotive, Mining & Minerals and Engineering

Over 9,000 direct and indirect contract personnel worldwide

Web-based database of over 380,000 personnel

Network of offices & joint operations supporting over 60 countries worldwide

Over 700 full time employees, globally

Group turnover for 2012: \$1,100m

Group turnover for 2013 \$1,600m

Leading and trusted brand in our chosen sectors

A reputation for excellence through our relationship approach

Global solutions, locally delivered

Financially stable organisation with a 4A 2 credit rating (Dun & Bradstreet 2012)

Global Solutions - Locally Delivered



Ref: TC/230114

Our Services

Contract Recruitment

Recruiting contract personnel for projects of any size or complexity, in any location.

Contractor Management

Managing every detail for your contractors' assignment.

Permanent Recruitment

Permanent recruitment specialists focussing on permanent positions.

Global Managed Solutions

Complex situations made simple with our Vendor Managed, Vendor Neutral and volume solutions.



Contractor Management

- Managing every detail for your contractors' assignment.
- Our in-house Contractor Management specialists ensure that the contractors we supply are in the right place, at the right time, and arrive safe and sound, with all the necessary legal and fiscal paperwork in place to work compliantly.
- The entire admin process is handled for you, so that you and your contractors can focus on the project in hand.
- Our comprehensive and reassuring services include:
 - Visa and work permit administration
 - Payroll and tax administration, including multiple currencies and multiple overseas locations
 - Travel services
 - 24-hour emergency advice and support
 - Accommodation arrangements
 - Meet, greet and security services
 - Pre-assignment medicals and inoculations
 - Substance testing



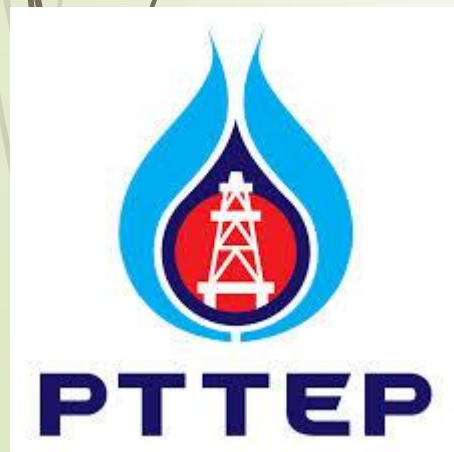
Permanent Recruitment

- A specialist team focusing on permanent positions.
- We have over 40 years' experience providing permanent staff in the Energy, Natural Resources & Engineering markets with a true global footprint.
- The result of this is a staffing partner that is on hand to support our client base on any project world-wide.
- Our team of Permanent Specialists operate as Subject Specialists within our core Energy & Engineering markets. Each of our Consultants has specific vertical discipline responsibilities.
- Our Permanent Staffing Services cover:
 - Contingency Recruitment
 - Campaign Management
 - Managed Service Provision
 - Retained Headhunt
 - Advertised Selection

Our Key Sectors & Established Accounts

- Oil & Gas
- Power & Energy
- Mining & Minerals
- Engineering
- Automotive



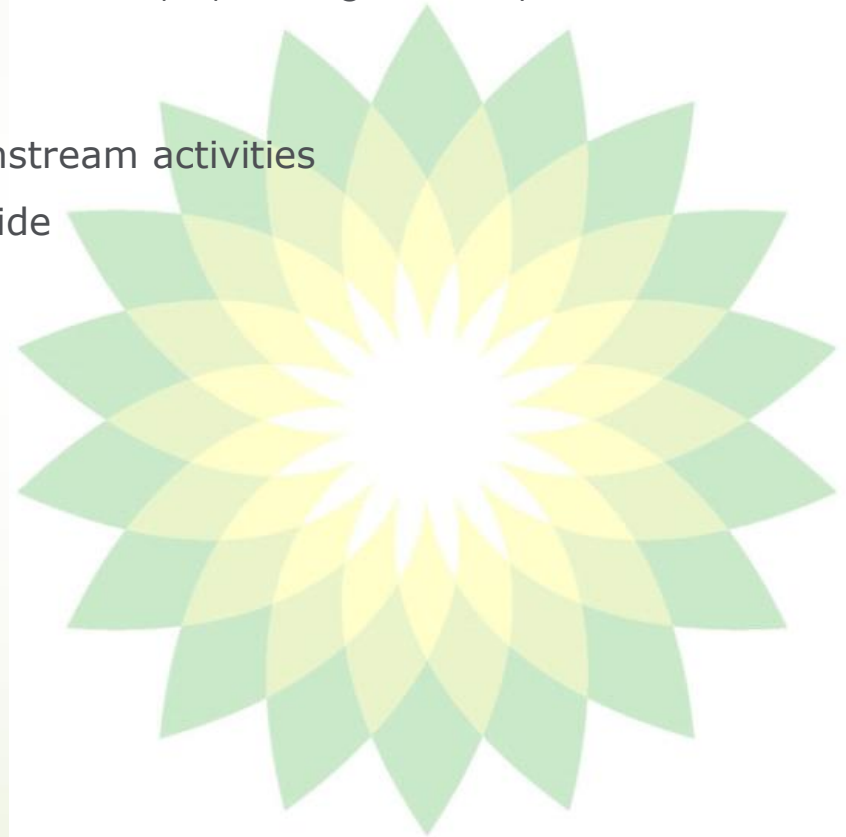


Performance Case Study - BP

BP is one of Fircroft's oldest and largest clients, with a relationship spanning over 40 years.

Current support

- Multiple global sites including Upstream and Downstream activities
- Currently supporting over 900 contractors worldwide
 - UK – Aberdeen, London and Sunbury
 - US – Houston, Gulf of Mexico and Toledo
 - Azerbaijan, Russia
 - Angola
 - Iraq
 - South East Asia
- Multi-discipline, seniority and experience levels





Why Fircroft?

- A **world-leader** in technical recruitment
- An award winning and innovative approach to business
- A financially stable and strong **business partner**
- Unrivalled database and access to world-leading
engineering experts
- A network of global offices and **highly qualified recruitment staff**

FIRCROFT

Please contact

Damien A Lee at Fircroft for further information:

Damien A Lee-Country Manager -Thailand

+66 2 653 2947

+66 81 967 7622

dlee@fircroft.com

THE RIGHT
PEOPLE FOR
THE JOB.

www.fircroft.com