KNOT
Offshore Partners LP

MLPA Conference, Orlando

June, 2017

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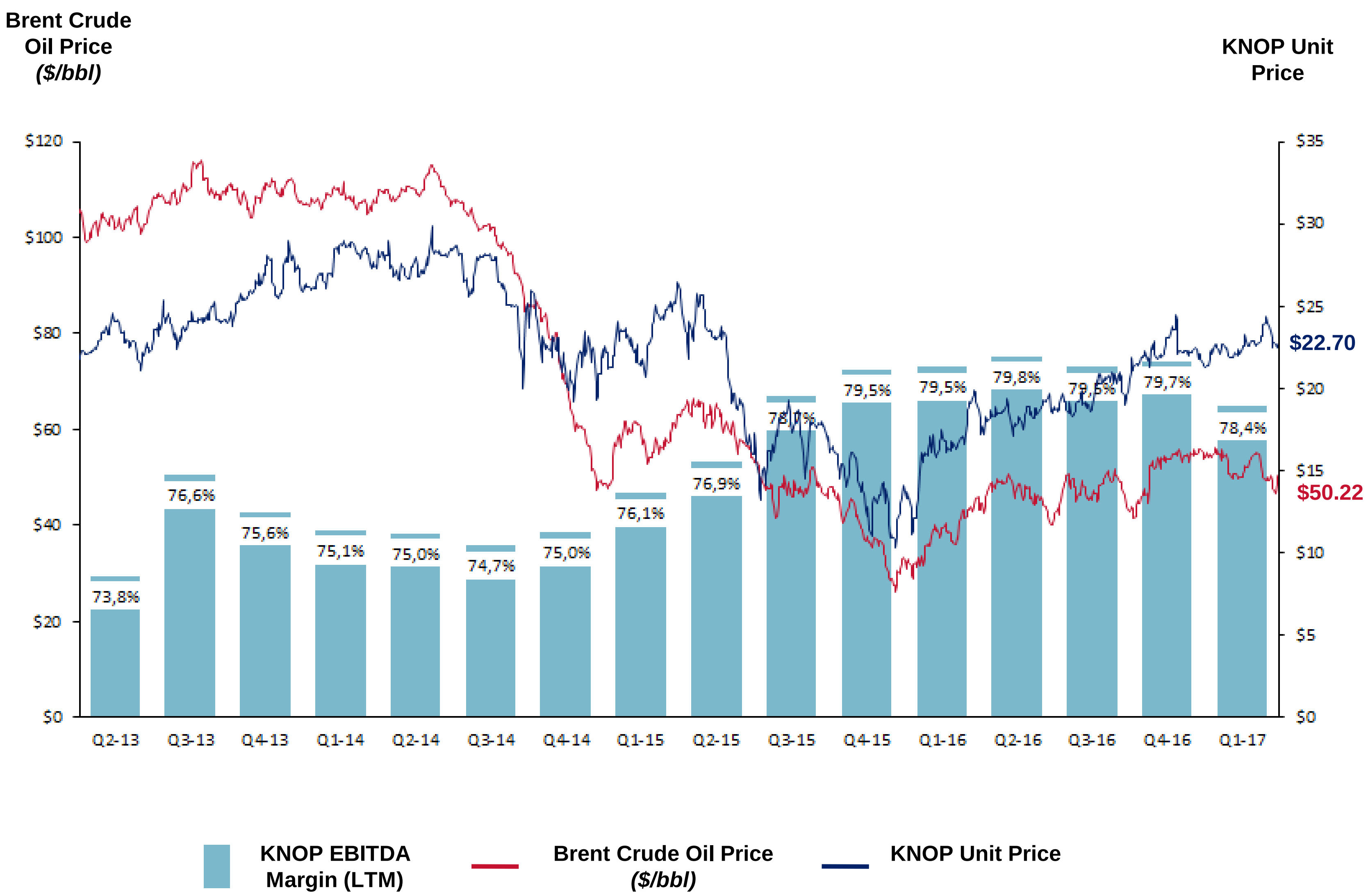
Forward-looking statements include statements with respect to, among other things: market trends in the shuttle tanker or general tanker industries, including hire rates, factors affecting supply and demand, and opportunities for the profitable operations of shuttle tankers; the ability of Knutsen NYK Offshore Tankers AS ("Knutsen NYK") and KNOP to build shuttle tankers and the timing of the delivery and acceptance of any such vessels by their respective charterers; forecasts of KNOP ability to make or increase distributions on its common units and make distributions on its Series A Preferred Units and the amount of any such distributions; KNOP's ability to integrate and realize the expected benefits from acquisitions, including the acquisition of the entity that owns the *Tordis Knutsen* and the intended acquisition of the entity that owns the *Vigdis Knutsen* ("KNOT 25"); the estimated net income and estimated EBITDA relating to the intended acquisition of KNOT 25 for the twelve months following the closing of the acquisition; KNOP's ability to consummate the second private placement of its Series A Preferred Units; KNOP's anticipated growth strategies; the effects of a worldwide or regional economic slowdown; turmoil in the global financial markets; fluctuations in currencies and interest rates; fluctuations in the price of oil; general market conditions, including fluctuations in hire rates and vessel values; changes in KNOP's operating expenses, including drydocking and insurance costs and bunker prices; KNOP's future financial condition or results of operations and future revenues and expenses; the repayment of debt and settling of any interest rate swaps; KNOP's ability to make additional borrowings and to access debt and equity markets; planned capital expenditures and availability of capital resources to fund capital expenditures; KNOP's ability to maintain long-term relationships with major users of shuttle tonnage; KNOP's ability to leverage Knutsen NYK's relationships and reputation in the shipping industry; KNOP's ability to purchase vessels from Knutsen NYK in the future; KNOP's continued ability to enter into long-term charters, which KNOP defines as charters of five years or more; KNOP's ability to maximize the use of its vessels, including the re-deployment or disposition of vessels no longer under long-term charter; the financial condition of KNOP's existing or future customers and their ability to fulfill their charter obligations; timely purchases and deliveries of newbuilds; future purchase prices of newbuilds and secondhand vessels; any impairment of the value of KNOP's vessels; KNOP's ability to compete successfully for future chartering and newbuild opportunities; acceptance of a vessel by its charterer; termination dates and extensions of charters; the expected cost of, and KNOP's ability to, comply with governmental regulations, maritime self-regulatory organization standards, as well as standard regulations imposed by its charterers applicable to KNOP's business; availability of skilled labor, vessel crews and management; KNOP's general and administrative expenses and its fees and expenses payable under the technical management agreements, the management and administration agreements and the administrative services agreement; the anticipated taxation of KNOP and distributions to KNOP's unitholders; estimated future maintenance and replacement capital expenditures; KNOP's ability to retain key employees; customers' increasing emphasis on environmental and safety concerns; potential liability from any pending or future litigation; potential disruption of shipping routes due to accidents, political events, piracy or acts by terrorists; future sales of KNOP's securities in the public market; KNOP's business strategy and other plans and objectives for future operations; and other factors listed from time to time in the reports and other documents that KNOP files with the U.S Securities and Exchange Commission ("SEC"), including its Annual Report on Form 20-F for the year ended December 31, 2016.

All forward-looking statements included in this presentation are made only as of the date of this presentation. New factors emerge from time to time, and it is not possible for KNOP to predict all of these factors. Further, KNOP cannot assess the impact of each such factor on its business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement. KNOP does not intend to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in KNOP's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

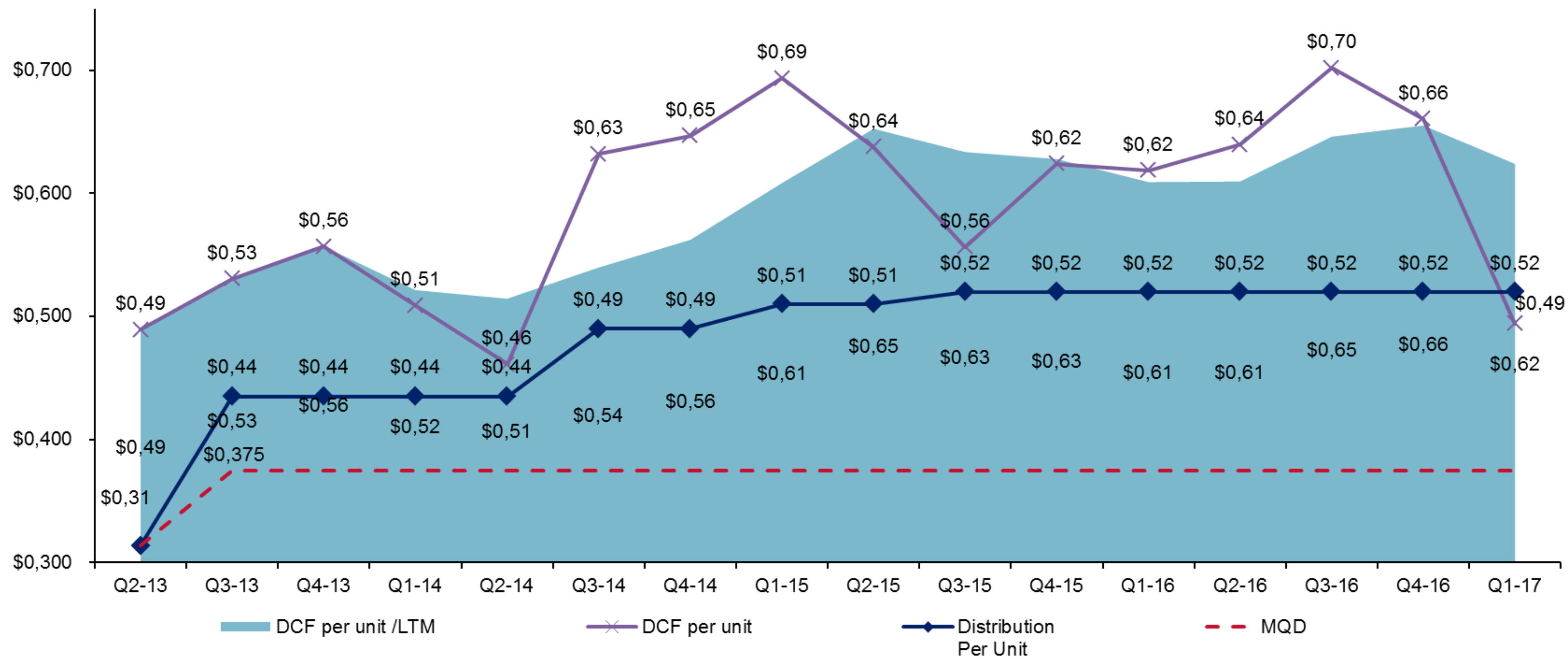
Company overview

- IPO April 2013, owning 4 vessels
- Today a fleet of thirteen state of the art shuttle tankers
- All vessels secured under fixed-fee revenue contracts with leading oil majors
- Visible growth potential with dropdown candidates from Knutsen NYK
- Annual distribution currently $2.08, yielding 9.24% with share price $22.50
- Attractive 1099 structure not K-1

Our contracts are fixed price - not fixed to price of oil

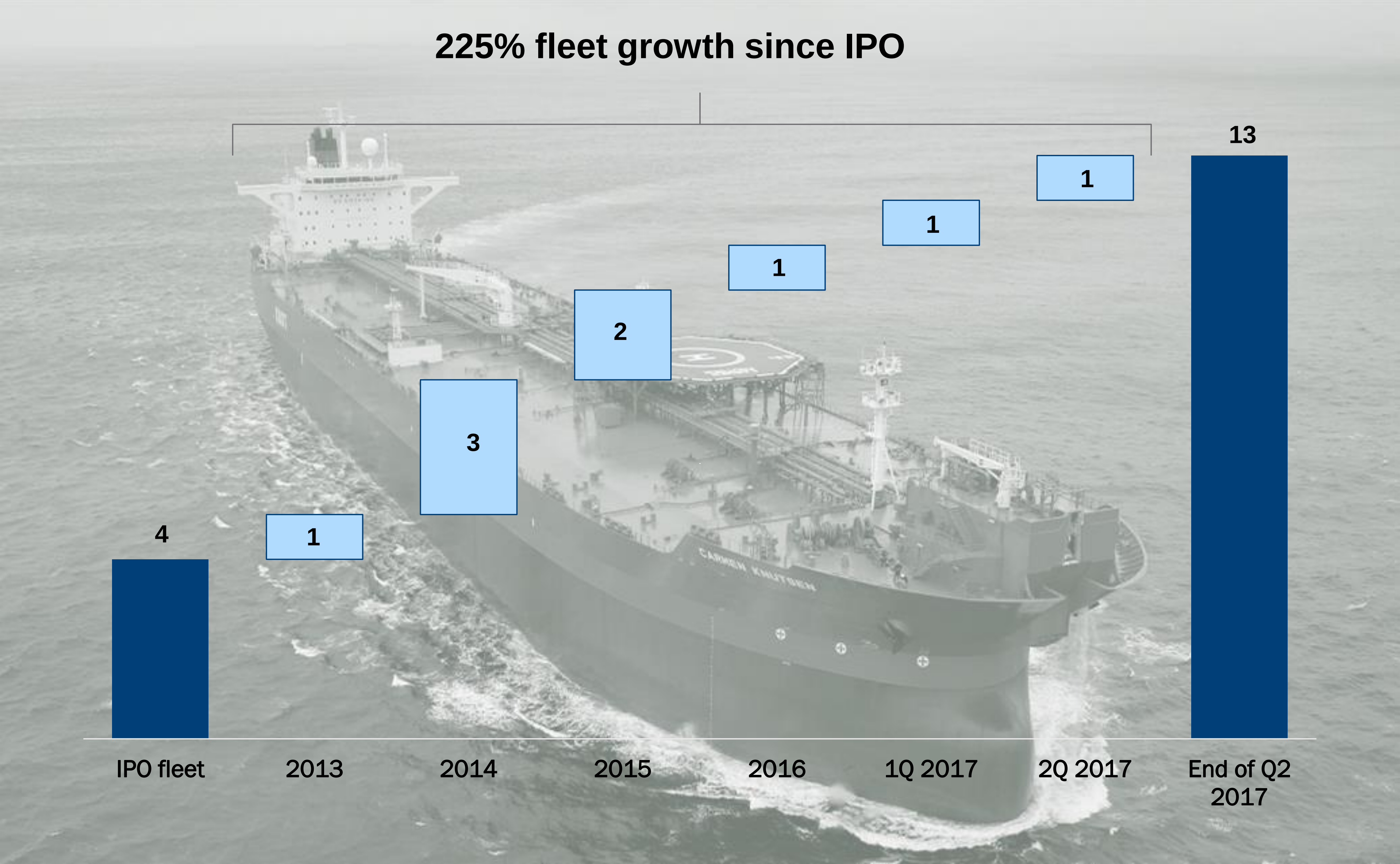


Stable and long-term sustainable distribution policy

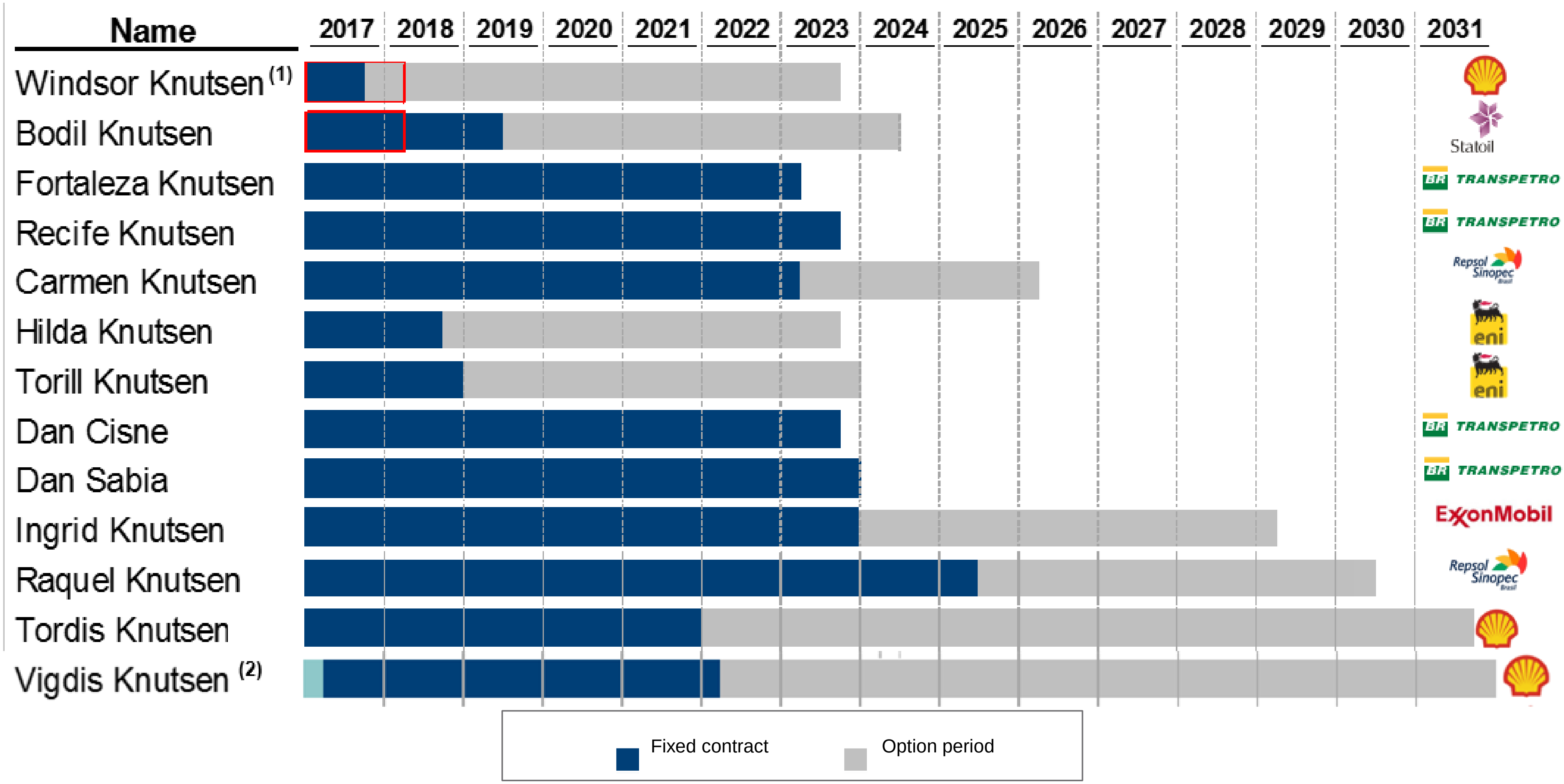


- Average Distribution Coverage Ratio of 1.18x since IPO
- Q1 affected by scheduled drydocking of Windsor, Raquel offhire and somewhat equity overhang as there is a delay in investing proceeds from equity offerings
- Coupon for preferred equity is deducted from the available DCF

Significant growth fleet since IPO



Long-term Contracts Backed by Leading Energy Companies

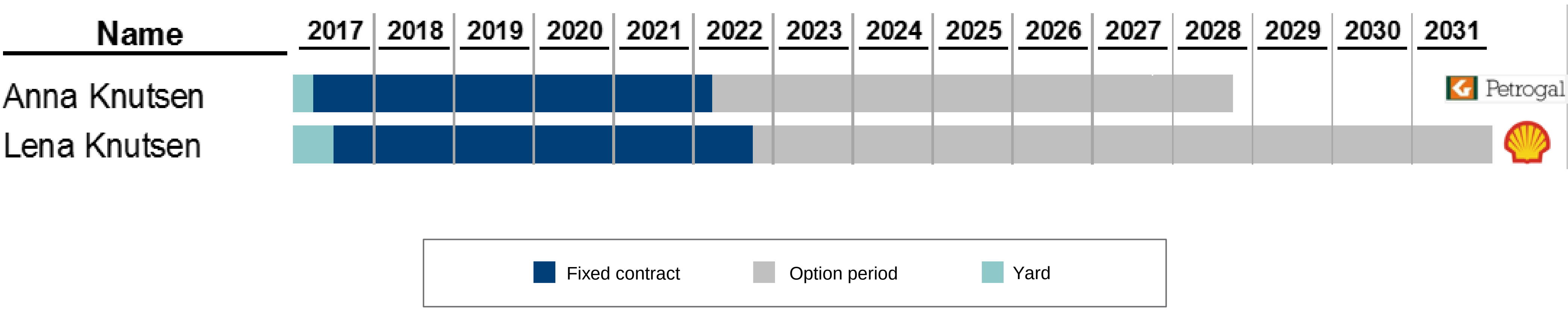


KNOP fleet has average remaining fixed contract duration of 4.8[(2)] years

Additional 4.12 years on average in Charterers option

(1) KNOT has guaranteed the hire rate to April 2018 (five years from IPO date)
(2) Purchase Agreement executed for Vigdis Knutsen; closing anticipated by June 1, 2017
(3) Remaining contract life is calculated as of 31/03/2017, including the acquisition of Vigdis Knutsen

Dropdown inventory: Two potential acquisitions[1]



Fixed contract periods for the dropdown fleet are 5.0[2] years on average

Charterers also have the option to extend these charters by 10.0 years on average

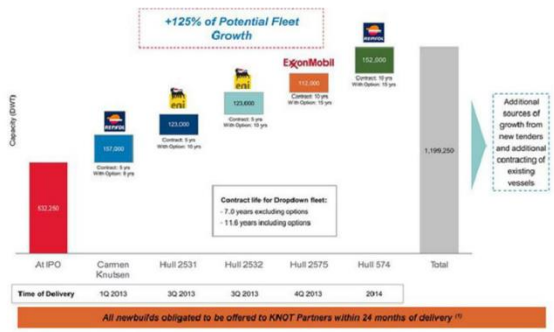
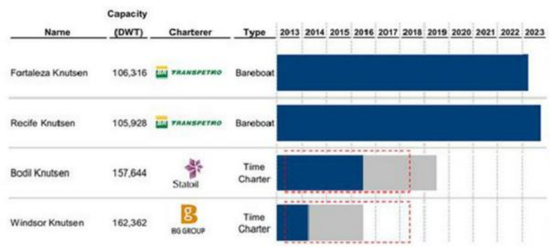
(1) The acquisition by KNOP of any dropdown vessels in the future is subject to the approval of the board of directors of each of KNOP and Knutsen NYK. There can be no assurance that any potential dropdowns will occur.
(2) Remaining contract life is calculated as of 31/03/2011.

The Hilda Knutsen refinancing marks the start of refinancing activity

Maturity	2018				2019				2021		2023/2024		2025	
Type of loan	TLF	TLF	TLF	TLF Bank	TLF	RCF	RCF	TLF	TLF	TLF	TLF	TLF	TLF	TLF ECA
Vessel security	Hilda	Hilda	Torill	Ingrid	Windsor, Bodil, Carmen	Windsor, Bodil, Carmen	Windsor, Bodil, Carmen	Fortaleza, Recife	Tordis	Vigdis	Dan Cisne	Dan Sabia	Raquel	Ingrid
Borrowing amount	$100,0	$89,2	$90,4	$22,4	$220,0	$20,0	$15,0	$140,0	$94,8	$94,8	$58,8	$57,0	$75,0	$55,1
Utilised 31 March 2017	$0,0	$75,6	$76,9	$20,4	$176,8	$5,0	$0,0	$115,9	$94,8	N/A	$49,7	$50,9	$72,3	$47,3
Unitilised 31 March 2017	N/A	N/A	N/A	N/A	N/A	$15,0	$16,0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maturity	April-24	August-18	October-18	December-18	June-19	June-19	June-19	June-19	November-21	February-22	September-23	January-24	March-25	November-25
Balloon amount	$58,5	$68,3	$68,3	$18,4	$145,4	$20,0	$15,0	$98,4	$72,1	$70,8	$6,5	$6,5	$30,5	$0,0
Interest type	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Fixed
Margin (bps)	220,0	250,0	250,0	225,0	212,5	212,5	250,0	212,5	190,0	190,0	240,0	240,0	200,0	Fixed 385bps

- The existing $ 75.6m *Hilda Knutsen* loan due August 2018 was on 30 March refinanced with a new $ 100m bank loan with Mitsubishi UFJ Lease & Finance (Hong Kong) Limited with maturity stretched to 2024 at attractive terms
- The Partnership will during second half of 2017 seek refinancing of the *Torill Knutsen* and *Ingrid Knutsen* loans which are due end of 2018

Have we delivered on expectation?

	IPO Guidance:	***Status June 2017*:**
Fleet growth:		*Fleet has grown 225% since IPO.* *Drop-down inventory is still four vessels representing growth potential of 275% since IPO* *Fleet utilization of 99.6%(1) since IPO*
Chartering:		*In addition to securing seven new drop-down vessels since IPO, we have also entered into new contracts for Windsor and extended Bodil and Carmen contracts*
Distribution:	*"10-15 per cent increase in distribution the first three years"*	*Distribution growth since IPO is 39 per cent* *Buyback program of units initiated*
Coverage ratio :	*"1.1x forecasted distribution coverage ratio"*	*Guided 1.3x for 2017* *Weighted average since IPO ~1.2x*

(1) For scheduled operations off-hire, 99.0% utilization taking into account for scheduled drydocking

Shuttle Tanker Market Overview

A Critical Component of Operator Infrastructure: Shuttle Tankers are substituting pipelines in Deep Sea oil production

Cost for field operator

Revenue for field operator

Seismic → Drilling → Subsea → Production → Storage → Transport

Advantages vs. Pipelines

- Superior, more economical alternative with lower initial investment in certain fields based on:
  - Distance from infrastructure
  - Water depth
  - Seabed terrain
  - Field size
  - Field life
- Destination flexibility
- Less capital expenditures
- Lease and services contracts
- Mobility of "pipeline"

Key Differences vs. Conventional Tankers

- Specially designed tankers with sophisticated bow loading and submerged turret loading equipment
  - Dynamic Positioning (DP) systems enable the vessel to stay on location in high seas and in harsh environments
  - 50% higher investment cost than conventional tankers
- Tender-based business drives newbuilds (versus speculative ordering)
- Longer-term contracts
- Stricter standards and specialized crewing

Shuttle Tankers:
Niche market where new capacity is based on long term contracts

	Specialized Asset Class	Standardized Asset Class		
	Shuttle Tankers	**LNG**	**Conventional Tankers**	**Dry Bulk Carriers**
Function	Transport from FPSO or production unit to terminal / refinery	Transports to and from terminal / refinery	Transports crude and products to and from terminal / refinery	Specializes in break bulk dry cargoes such as coal
Ordering	With contract	With contract / Speculative	Predominantly speculative	Predominantly speculative
Typical Trading	Long-term contracts: (5 - 15 years)	Long-term contracts (5 - 25 years)	Spot contracts, sometimes longer	Spot contracts, sometimes longer
Total Size / Capacity of Global Fleet	**74 Vessels** 9 m Dead Weight Tons	**458 Vessels** 67 m Cubic Meters	**5,600 Vessels** 540 m Dead Weight Tons	**10,600 Vessels** 788m Dead Weight Tons

Shuttle Tankers are a unique and highly specialized asset class that is integral to the offshore oil infrastructure

Sources: Fearnleys and Clarksons , 2017.

Midstream Energy is a Stable Segment

Midstream assets, like our shuttle tankers, are regarded as "mission-critical" or "must-run" components of the energy market

Sector Overview

- Midstream assets serve to gather, store, transport and process oil, natural gas and natural gas liquids (NGLs) from their production source within the upstream market to end users such as utilities, industrial businesses and residential homes that constitute the downstream market
- Midstream assets typically have favorable characteristics:
  - Low risk profile versus upstream assets
  - High barriers to entry
  - Attractive cash flow from operations
- Structural change, from assets being held by major oil and integrated E&P companies as a "necessity" to being held by Master Limited Partnerships (MLPs) and integrated infrastructure companies as a profit center

Low Risk Profile

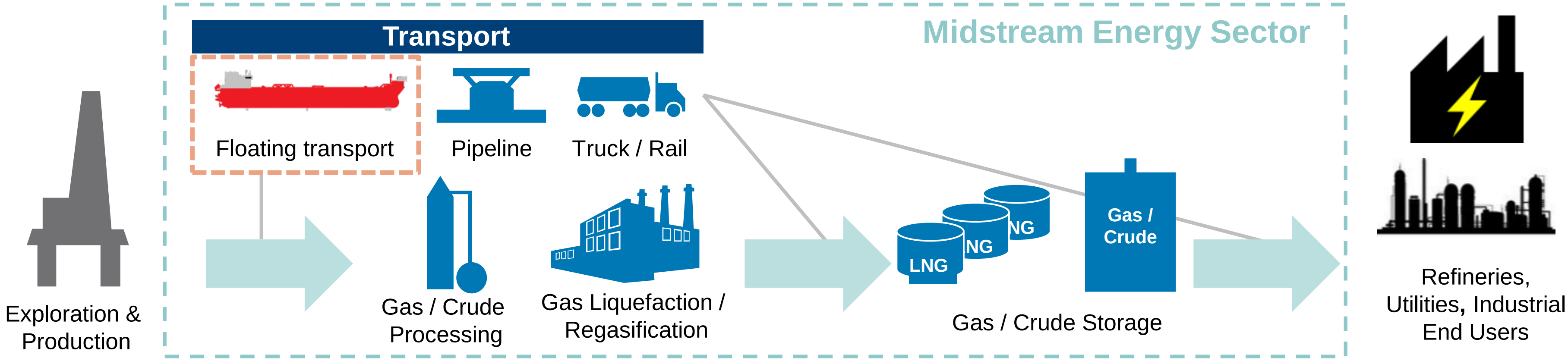
- Long-lived, high quality physical assets operating in the lower-risk segment of the energy chain
- Relatively low level of commodity price exposure, particularly versus upstream assets
  - Revenues derived from fee-based contracts that are largely insensitive to commodity price fluctuations

High Barriers to Entry

- Significant cost of investment and natural monopoly structure prevent competitors from entering and disrupting margins
- Long- term contracted transportation and processing agreements reduces competitor risk

Attractive Cash Flow from Operations

- Revenue forecast clarity from long-term fee-based contracts
- Contracts usually entail inflation escalation

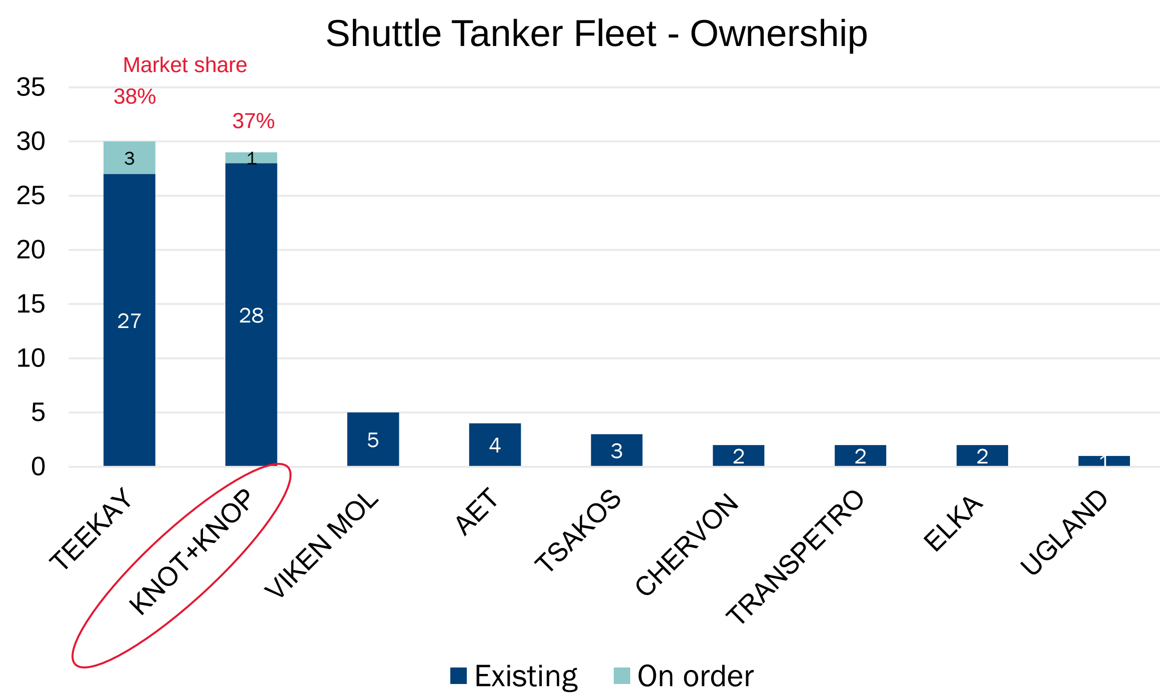


Knutsen NYK – Industry leader

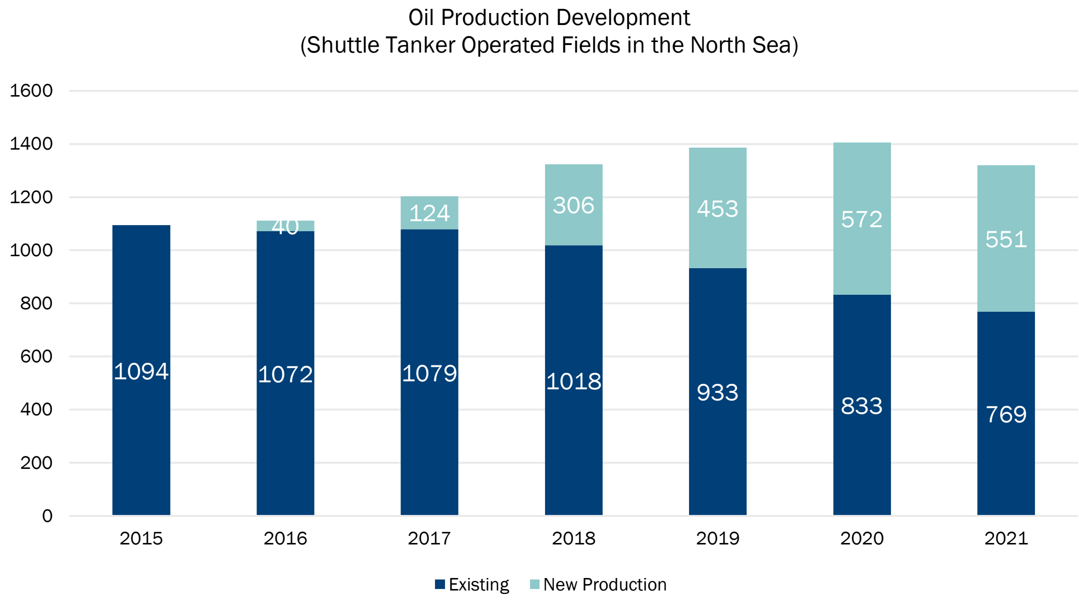
A highly Experienced Operator

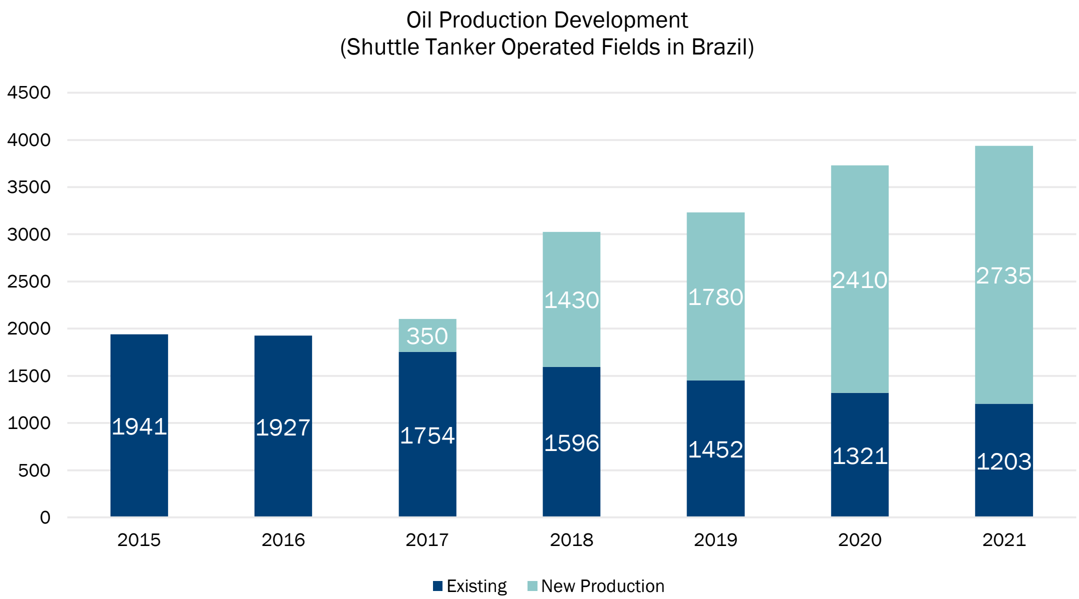
- Market leading shuttle tanker operator with experience
  - 30 years of experience in offshore loading and dynamic positioning operations
- Backed by two leading sponsors in the industry
  - NYK founded 1885 and biggest shipping company in the world according to Clarkson Platou
  - Knutsen Group founded in 1896
- Knutsen NYK is the exclusive vehicle for investment in shuttle tankers by its Sponsors

Knusten NYK is one of two dominating Operators in the Shuttle Tankers Sector



Oil production from shuttle tanker operated fields





North Sea:

- The 9% p.a. depletion rate applied to existing fields is very conservative as the average depletion rate 2000-14 is 6.0% p.a.
- The Johan Castberg field in the Barents Sea will be developed using a floater and shuttle tankers.
- Recent drilling in the Barents Sea has added significantly to reserves and prospects for development.
- In the latest licensing round in Norway new acreage was opened up with great success.
- The Barents Sea will become the new shuttle tanker frontier in the 2020s.

Brazil:

- A 9% depletion rate for existing fields is an official Petrobras figure.
- New production greatly impacted by the corruption scandals.
- However, sanctioned projects seem to move forward.
- The post 2020 Libra development (12-16 shuttle tankers) is moving forward according to plan, limited impact by corruption scandals.

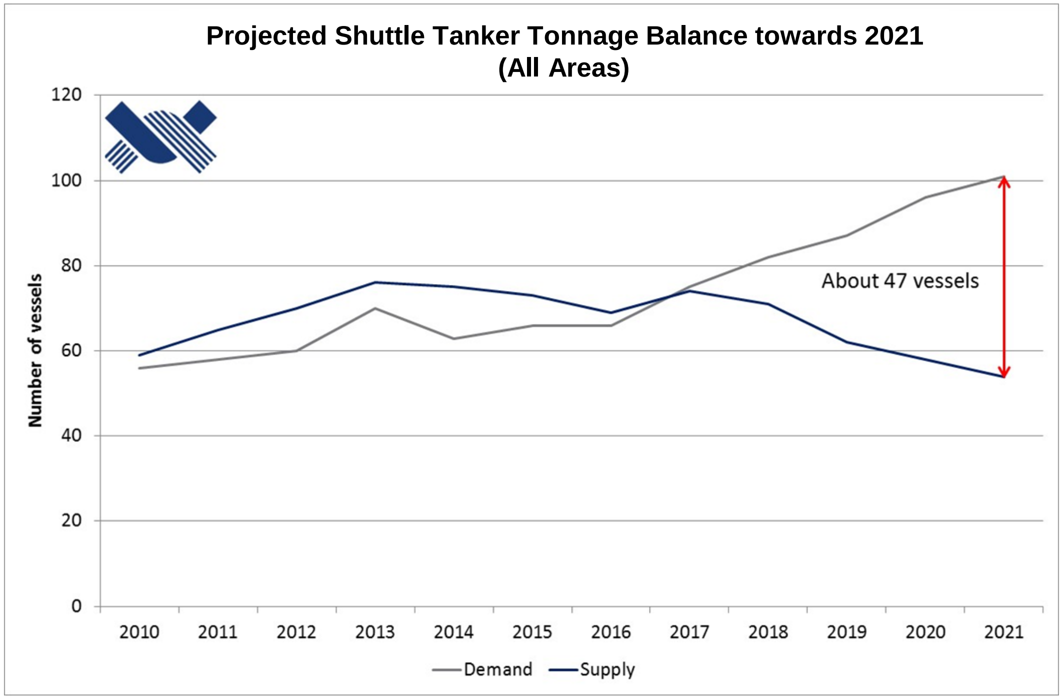
Source; Fearnleys February 2017

Tenders have returned

- As of today shuttle tanker market extremely tight, without any free capacity
  - No speculative newbuildings orders

- An active tender for long term contract for two shuttle tanker in the market and the sponsor has been invited

- Fearnleys sees a significant demand for new shuttle tankers going forward
  - Expects tenders for in excess of 40 vessels up to 2021
  - Including attrition demand which represent more than half of the demand



Sources: Fearnleys Consultants February 2017.

APPENDIX

Non-GAAP Financial Measures

Adjusted EBITDA

Adjusted EBITDA refers to earnings before interest, other financial items, taxes, non-controlling interest, depreciation and amortization. Adjusted EBITDA is a non-GAAP financial measure used by investors to measure our performance.

The Partnership believes that Adjusted EBITDA assists its management and investors by increasing the comparability of its performance from period to period and against the performance of other companies in its industry that provide Adjusted EBITDA information. This increased comparability is achieved by excluding the potentially disparate effects between periods or companies of interest, other financial items, taxes and depreciation and amortization, which items are affected by various and possibly changing financing methods, capital structure and historical cost basis and which items may significantly affect net income between periods. The Partnership believes that including Adjusted EBITDA as a financial measure benefits investors in (a) selecting between investing in the Partnership and other investment alternatives and (b) monitoring the Partnership's ongoing financial and operational strength in assessing whether to continue to hold common units. Adjusted EBITDA is a non-GAAP financial measure and should not be considered as an alternative to net income or any other indicator of Partnership performance calculated in accordance with GAAP. The reconciliation of Adjusted EBITDA is set forth in the tables below:

For the Quarter Ended

(USD in thousands)	16 April-13 to 30 June-13	30-Sep-13	31-Dec-13	31-Mar-14	30-Jun-14	30-Sep-14	31-Dec-14
Net income	3,971	6,357	7,902	6,424	2,497	12,563	5,908
Interest income	(3)	(16)	(5)	(1)	(3)	0	(9)
Interest expense	2,529	2,653	2,832	2,713	3,856	4,014	4,688
Depreciation	5,340	6,304	6,785	6,780	6,782	10,201	10,559
Goodwill impairment charge	-	-	-	-	-	-	-
Income tax (benefit) expense	-	(5)	(111)	19	(18)	(1)	15
EBITDA	11,837	15,293	17,403	15,935	13,114	26,777	21,161
Other financial items	911	371	(615)	199	3,220	(1,100)	5,333
Adjusted EBITDA	12,748	15,664	16,788	16,134	16,334	25,677	26,494

For the Quarter Ended

(USD in thousands)	31-Mar-15	30-Jun-15	30-Sep-15	31-Dec-15	31-Mar-16	30-Jun-16	30-Sep-16	31-Dec-16	31-Mar 17
Net income	7,186	6,887	8,802	17,567	10,663	11,578	19,357	19,505	11,429
Interest income	(1)	(2)	-	(5)	(2)	-	(6)	(15)	(36)
Interest expense	4,186	4,212	4,322	4,731	5,029	5,055	5,129	5,654	6,215
Depreciation	11,400	11,560	12,420	13,464	13,892	13,913	13,920	14,505	15,753
Goodwill impairment charge	-	6,217	-	-	-	-	-	-	-
Income tax (benefit) expense	3	3	-	(65)	3	3	3	(24)	3
EBITDA	22,774	28,877	25,543	35,692	29,585	30,549	38,402	39,625	33,364
Other financial items	5,571	(42)	6,624	(1,849)	3,486	3,592	(3,311)	(3,530)	(123)
Adjusted EBITDA	28,345	28,835	32,167	33,843	33,071	34,141	35,092	36,095	33,241

Non-GAAP Financial Measures

Distributable Cash Flow

Distributable cash flow represents net income adjusted for depreciation and amortization, unrealized gains and losses from derivatives, unrealized foreign exchange gains and losses, distributions on the Series A Preferred Units, goodwill impairment charge other non-cash items and estimated maintenance and replacement capital expenditures. Estimated maintenance and replacement capital expenditures, including estimated expenditures for drydocking, represent capital expenditures required to maintain over the long-term the operating capacity of, or the revenue generated by our capital assets. Distributable cash flow is a quantitative standard used by investors in publicly-traded partnerships to assist in evaluating a partnership's ability to make quarterly cash distributions. Distributable cash flow is a non-GAAP financial measure and should not be considered as an alternative to net income or any other indicator of KNOT Offshore Partners' performance calculated in accordance with GAAP.

The reconciliation of Distributable Cash flow is set forth in the tables below:

	For the Quarter Ended						
(USD in thousands)	**16 April-13 to 30 June-13**	**30-Sep-13**	**31-Dec-13**	**31-Mar-14**	**30-Jun-14**	**30-Sep-14**	**31-Dec-14**
Net income	3,971	6,357	7,902	6,424	2,497	12,563	5,908
Add:							
Depreciation	5,340	6,304	6,785	6,780	6,782	10,201	10,559
Goodwill impairment charge	-	-	-	-	-	-	-
Other non cash items;							
deferred cost amortization debt	870	338	287	279	1,416	308	1,018
Unrealized loss from interest rate derivatives							
and forward exchange currency contracts	434	252		-	1,642	-	4,213
IPO expenses covered by Predecessor	60	-	-	-	-	-	-
Less:							
Estimated maintenance and replacement capital							
expenditures(including drydocking reserve)	(2,980)	(3,477)	(3,738)	(3,738)	(3,738)	(5,659)	(5,747)
Other non cash items; Accrued income	-	-	-	-	-	-	-
Other non cash items; Deferred revenue	(477)	(486)	(486)	(486)	(486)	(858)	(858)
Unrealized gain from interest rate derivatives							
and forward exchange currency contracts	-	-	(994)	(99)	-	(1,846)	-
Distributable cash flow	**7,218**	**9,288**	**9,756**	**9,160**	**8,113**	**14,709**	**15,093**

Non-GAAP Financial Measures

. The reconciliation of Distributable Cash flow is set forth in the table below:

	For the Quarter Ended								
(USD in thousands)	31-Mar-15	30-Jun-15	30-Sep-15	31-Dec-15	31-Mar-16	30-Jun-16	30-Sep-16	31-Dec-16	31-Mar-17
Net income	7,186	6,887	8,802	17,567	10,663	11,578	19,357	19,505	11,429
Add:									
Depreciation	11,400	11,560	12,420	13,464	13,892	13,913	13,920	14,505	15,753
Goodwill impairment charge	-	6,217	-	-	-	-	-	-	-
Other non cash items;									
deferred cost amortization debt	284	287	289	289	287	287	310	315	348
Unrealized loss from interest rate derivatives									
and forward exchange currency contracts	4,597	-	4,032	-	4,348	1,608	-	2,911	-
IPO expenses covered by Predecessor	-	-	-	-	-	-	-	-	-
Less:									
Estimated maintenance and replacement capital									
expenditures(including drydocking reserve)	(6,175)	(6,264)	(6,749)	(7,516)	(7,895)	(7,894)	(7,894)	(8,100)	(9,120)
Distribution to Convertible Preferred Units	-	-	-	-	-	-	-	-	(645)
Other non cash items; Accrued income	-	-	-	-	(461)	(245)	(216)	(232)	(149)
Other non cash items; Deferred revenue	(858)	(858)	(858)	(858)	(858)	(787)	(751)	(751)	(726)
Unrealized gain from interest rate derivatives									
and forward exchange currency contracts	(6,175)	(6,264)	(1,789)	(4,864)	(2,089)	-	(4,438)	(7,375)	(1,258)
Distributable cash flow	**16,434**	**16,243**	**16,147**	**18,082**	**17,888**	**18,460**	**20,288**	**20,778**	**15,632**