



## BONHEUR ASA

### Report for the second quarter and the first half year 2008

The Group accounts for the second quarter 2008 and the first half year comprise Bonheur ASA and its subsidiaries ("The Group of companies") and the Group of companies' ownership of associates.

Comparable figures for the same period in 2007 in brackets.

#### *Highlights 2Q08:*

- Operating revenues were NOK 1 735 million (NOK 1 723 million)
- EBITDA were NOK 669 million (NOK 842 million)
- Operating profit (EBIT) was NOK 458 million (NOK 619 million)
- Result after tax was NOK 811 million (NOK 661 million)
- Majority's share of net result was NOK 451 million (NOK 349 million)
- Earnings per share were NOK 13.9 (NOK 10.8)
- Continued strong markets within offshore drilling
- Upgrade and lengthening of MV Braemar
- Sale of shareholding in Comarit for NOK 488 million

#### *Financial information*

As a consequence of Bonheur ASA's ownership of Ganger Rolf ASA above 50%, Ganger Rolf ASA is fully consolidated for accounting purposes as a subsidiary of Bonheur ASA. As Bonheur ASA and Ganger Rolf ASA have a joint ownership of their most important investments, the ownership structure also entailed full consolidation for accounting purposes of a number of companies.



## BONHEUR ASA

Financial key figures ( <i>figures in million NOK except for per share</i> )	2Q 08	2Q 07	Per 2Q08	Per 2Q07	2007
Operating revenue	1.735,1	1.723,3	3.520,9	3.370,3	7.765,9
EBITDA	668,7	842,0	1.328,1	1.482,2	3.895,0
EBIT	458,0	619,4	898,8	1.037,6	2.927,1
Net result after tax	810,7	661,2	1.193,1	1.000,0	2.684,6
Majority's share of net result 1)	450,8	349,1	554,2	525,5	1.504,0
Average number of shares outstanding	32.345.668	32.345.668	32.345.668	32.345.668	32.345.668
Basic / diluted earnings per share NOK	13,9	10,8	17,1	16,2	46,5 / 46,4
Interest bearing liabilities			9.698,3	8.198,0	8.397,2

1) The minority interests consist of 46.58% of Fred. Olsen Energy ASA (FOE), 44.70% of Ganger Rolf ASA, 38.46% of Fred. Olsen Production ASA (FOP), 49.83% of Protura AS and 47.04% of GenoMar AS.

Operating revenues amounted to NOK 1 735 million (NOK 1 723 million) in the quarter, an increase of NOK 12 million. The increase in revenues compared with the 2nd quarter last year is mainly related to increased revenues within the offshore drilling segment, partly offset by lower revenues within floating production, renewable energy and the tanker segment. Revenues in the quarter were negatively impacted by lower USD and GBP exchange rates.

EBITDA in the quarter were NOK 669 million (NOK 842 million). After depreciation of NOK 211 million (NOK 223 million), operating result (EBIT) was NOK 458 million (NOK 619 million).

Net financial items were positive in the quarter with NOK 400 million (positive NOK 38 million). The increase in net financial items from last year is mainly due to gain on sale of shares in Comarit of NOK 409 million, lower USD interest rate and unrealized currency gain on interest bearing debt, as a consequence of lower USD and GBP exchange rates at the end of the quarter compared with the beginning of the quarter.

The Group of companies' result after estimated tax was NOK 811 million (NOK 661 million), of which NOK 451 million relate to the majority interests.

Minority interests' share of net result in the quarter was NOK 360 million (NOK 312 million).

Revenues year to date were NOK 3 521 million (NOK 3 370 million) while EBITDA year to date were NOK 1 328 million (NOK 1 482 million). Net financial items were positive with NOK 363 million (negative NOK 8 million). Net result before tax year to date was NOK 1 294 million (NOK 1 031 million) while net result after estimated tax was NOK 1 193 million (NOK 1 000 million), of which NOK 554 million (NOK 526 million) accrued to majority interests.

### **Business segments**

The Group of companies' business segments consist of Energy services, Renewable energy, Shipping and Other investments.

In the following, it is referred to the Group of companies' consolidated segments presented on 100% basis. Bonheur ASA and Ganger Rolf ASA have an ownership of 50% each in these segments unless otherwise indicated.



## BONHEUR ASA

Due to intra group eliminations, the figures are not necessarily identical with each individual company's separate accounts.

### Energy services

The segment consists of Offshore Drilling and Floating Production.

#### Offshore Drilling

(Figures in NOK million)	2Q 08	2Q 07	Per 2Q 08	Per 2Q 07
Operating revenues	1.207	1.039	2.377	2.005
EBITDA	619	520	1.231	933
EBIT	504	415	998	720
Net result	459	400	995	682

The segment consists of 53.4% ownership of Fred. Olsen Energy ASA (FOE).

*Extract from Fred. Olsen Energy's (FOE's) report for the second quarter and first half year 2008. (figures in NOK unless otherwise stated)*

**Note that FOE shows first quarter 2008 in brackets, while Bonheur ASA compares with second quarter 2007.**

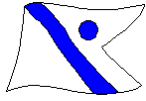
#### “FINANCIAL INFORMATION

Operating revenues in the quarter were 1,208.0 million (1,171.9 million), an increase of 36.1 million compared with the previous quarter. Revenues within the offshore drilling division increased by 23.9 million while revenues from external customers within the engineering and fabrication division increased by 12.2 million. The increase in revenues within the offshore drilling division is mainly due to higher dayrate for Byford Dolphin due to commencement of a new contract, improved operational uptime for Byford Dolphin and Borgsten Dolphin, higher dayrate for Bideford Dolphin for the whole quarter as well as full utilisation of Borgholm Dolphin. The increase in revenues was partly offset by reduced income for Borgny Dolphin as the rig has not been in operation during the quarter. Revenues within the engineering and fabrication division were 65.6 million, of which 14.1 million were related to inter-company activities and eliminated in the consolidated accounts.

Operating costs were 590.1 million (559.2 million), an increase of 30.9 million compared with previous quarter. Operating costs within the offshore drilling division increased by 21.6 million, while operating costs within the engineering and fabrication division, after intra-group eliminations, increased by 9.3 million. The increase in operating costs within the offshore drilling division is mainly due to higher repair and maintenance costs.

Operating profit before depreciation (EBITDA) was 617.9 million (612.7 million).

Operating profit before depreciation (EBITDA) for the half year was 1,230.6 million.



## BONHEUR ASA

Depreciation amounted to 122.9 million (127.6 million).

Depreciation for the half year amounted to 250.5 million.

Operating profit after depreciation (EBIT) was 495.0 million (485.1 million).

Operating profit after depreciation (EBIT) for the half year was 980.1 million.

Net financial expenses were 38.1 million (gain of 42.7 million). The increase in financial expenses is mainly related to the refinancing of the Company and currency effects in relation with the dividend payment. Capitalized interest expenses related to Blackford Dolphin in the quarter amounted to 23 million (37 million).

Net financial gain for the half year was 4.6 million.

Profit before tax was 456.9 million (527.8 million).

Profit before tax for the half year was 984.7 million.

Net profit, including an estimated tax charge of 6.0 million (1.2 million), was 450.9 million (526.6 million).

Net profit for the half year, including an estimated tax charge of 7.2 million, was 977.5 million.

Basic earnings per share were 6.8 (7.9).

Basic earnings per share for the half year were 14.7.

The **offshore drilling division** reported revenues of 1,156.5 million (1,132.6 million) and EBITDA of 611.7 million (609.4 million).

The **engineering and fabrication division** reported revenues of 65.6 million (62.5 million) and EBITDA of 10.6 million (3.3 million).

### MARKET AND PROSPECTS

The market for offshore services continued to strengthen during first half of 2008. Globally, the balance between supply and demand for offshore drilling units continued to be tight in all floater segments. The high demand for offshore drilling services is expected to continue.

Around 100 newbuild floating drilling units will be completed over the next years, of which three have been delivered. The delivery of these newbuilds will maintain a tight market regarding personnel and equipment, resulting in increased operating cost.

With the upgrade of Blackford Dolphin, the Group's offshore fleet will consist of two deepwater units (including the Belford Dolphin) and six mid water semi submersible drilling rigs in addition to an accommodation unit. Three of the semi submersible drilling rigs are operating in Norway. “



## BONHEUR ASA

### Floating production

(Figures in NOK million)	2Q 08	2Q 07	Per 2Q 08	Per 2Q 07
Operating revenues	96	105	188	202
EBITDA	37	50	66	77
EBIT	14	20	19	25
Net result	13	16	6	-8

The segment consists of 61.54% ownership of Fred. Olsen Production ASA (FOP).

*Extract from Fred. Olsen Production's (FOP's) report for the second quarter and first half year 2008.*

Comparable figures for the corresponding period in 2007 are in brackets below.

#### “Financial information

Operating revenues in the quarter were USD 18.9 million (USD 17.4 million) with an EBITDA of USD 7.5 million (USD 8.2 million). Half-year operating revenues were USD 36.2 million (USD 33 million) with an EBITDA of USD 13.0 million (USD 12.6 million). After depreciation of USD 4.5 million (USD 4.9 million) the operating result (EBIT) for the quarter was USD 3.0 million (USD 3.3 million). The EBIT for the first six months was USD 4.0 million (USD 4.1 million).

Net financial expenses for the quarter were USD 0.2 million (USD 0.8 million). For the half year net financial expenses were USD 2.0 million (USD 5.4 million). This includes a net unrealized currency gain of USD 4.5 million, a net unrealized gain of USD 2.4 million on interest rate hedges and unrealized and realized losses of USD 7.7 million relating to the market value of an equity derivative which relates to an underlying exposure to 4.9% of the outstanding shares in EOC Ltd. The first six months of last year included USD 4.4 million unrealized currency loss on intra group debt.

The result before tax for the quarter was USD 2.8 million (USD 2.5 million) and for the first six months USD 2.0 million (negative USD 1.3 million). The result after estimated tax was USD 2.8 million (USD 2.5 million) for the quarter. For the half year the result after estimated tax was USD 1.5 million (negative USD 1.3 million).

During the first six months FOP invested USD 69.8 million (USD 204.5 million) whereof USD 67.6 million (USD 31.7 million) into the conversion of the FPSO Knock Allan. The investment was financed by external debt and accrued funds. Total interest bearing debt at 30.06.2008 amounted to USD 218 million (USD 148.8 million at 30.06.2007) and net interest bearing debt was USD 77 million (negative USD 78.7 million).



# BONHEUR ASA

## Market Outlook

The signs of a stronger market for floating production continued during the quarter. This was in line with our comments in the 1<sup>st</sup> quarter report that projects delayed in 2007 due to drilling capacity constraints and development cost increases would be re-activated in 2008. Some of the speculative FPSO conversions have been contracted during the quarter and the supply surplus is reduced. This, in combination with high and stable oil prices, continue to improve the outlook for the FPSO sector.

The Company is pursuing various potential contract opportunities for Knock Dee and Knock Taggart and other mid-range project opportunities for new vessels. The Company is also participating in a tender for the continued management of MOPU Marc Lorenceau.”

## Renewable energy

(Figures in NOK million)	2Q 08	2Q 07	Per 2Q 08	Per 2Q 07
Operating revenues	43	51	130	145
EBITDA	17	34	77	111
EBIT	-8	-7	27	56
Net result	-23	-15	-17	10

Fred. Olsen Renewables (FOR) with subsidiaries owns and operates three wind farms in Scotland, Crystal Rig, Rothes, and Paul’s Hill and two turbines in Sweden. At the end of second quarter, the company had 178.7 MW in production and 117 MW under construction. In addition, FOR has a project portfolio under development in UK, Norway, Sweden and Canada.

Fred. Olsen Renewables (FOR) had operating revenues of NOK 42.6 million in 2Q 2008 (NOK 50.9 million in 2Q 2007). It was generated 66.1 GWh in the quarter (70.0 GWh). The reduction reflects less wind in 2Q 2008 and lower availability on one of the windfarms.

The operating result before depreciation (EBITDA) was NOK 16.7 million in 2Q 2008 (NOK 34.4 million), reflecting lower revenues, increased development activity, mainly related to Canada and higher administrative expenses. Result after depreciation (EBIT) was a loss of NOK 8.0 million (negative NOK 7.4 million). Result before tax is a loss of NOK 23.0 millions (loss of NOK 15.0 millions).

Total revenues per 2Q 08 was NOK 130 million ( NOK 145 million), while EBITDA was NOK 77 million (NOK 111 million). EBIT was NOK 27 million (NOK 56 million) and net result was negative NOK 17 million (positive NOK 10 million).

The construction work of Crystal Rig II (117 MW) is ongoing and the windfarm is expected to commence full operation in 2010. A further extension by 20 MW has been applied for.

Construction of Mid Hill (75 MW) and Windy Standard II (90 MW) (50% owned by FOR), of which both have consent, are postponed pending grid connection. Codling (50% owned by



## BONHEUR ASA

FOR), offshore Ireland (appr. 500 MW) is also consented, but grid connection is still pending. There are also consented 102 MW projects at Lista in Norway and 6 MW in Skåne, Sweden, however both have been appealed.

### Shipping

#### Tankers

(Figures in NOK million)	2Q 08	2Q 07	Per 2Q 08	Per 2Q 07
Operating revenues	7	146	26	191
EBITDA	2	129	16	154
EBIT	-6	115	0	123
Net result	-9	117	-7	122

The Group of companies had no tanker vessels in spot position during 2Q 2008, only "Knock Sheen" on time charter at USD 39.000 net per day. The ship has been through special survey and drydocking in the quarter and was offhire for about 40 days. This had a negative effect on the 2Q result with reduced earnings of about USD 1,6 million.

Progress on the company's 2 new building tankers is according to schedule. The vessels will be delivered to their new owners on delivery from the yard in 2009/2010.

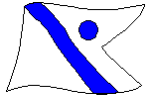
Total revenues during the quarter was NOK 7 million (NOK 146 million), EBITDA was NOK 2 million (NOK 129 million), EBIT was negative NOK 6 million (positive NOK 115 million) and net result was negative NOK 9 million (positive NOK 117 million).

Total revenues per 2Q was NOK 26 million (NOK 191 million), while EBITDA was NOK 16 million (NOK 154 million). EBIT was NOK 0 million (NOK 123 million), while net result ended up negative NOK 7 million (positive NOK 122 million).

#### Cruise

(Figures in NOK million)	2Q 08	2Q 07	Per 2Q 08	Per 2Q 07
Operating revenues	347	364	743	750
EBITDA	2	112	-31	193
EBIT	-37	67	-111	103
Net result	-40	66	-141	98

Fred. Olsen Cruise Lines (Holding) Ltd with subsidiaries (FOCL) owns and operates five cruise vessels: MV Black Prince, MV Black Watch, MV Braemar, MV Boudicca and MV Balmoral.



## BONHEUR ASA

In the quarter Braemar has been upgraded and lengthened by approximately 30 meters, increasing the passenger capacity by 200 to 950 passengers. The vessel will commence its inaugural cruise in July.

The operating revenues in the quarter amounted to NOK 347 million (NOK 364 million). The decrease is mainly due to the docking of MV Braemar, but also as a consequence of lower GBP rate in the period. Also the increased competition due to competitors moving their vessels from Caribbean to Europe, with negative effect both on volumes and yields, has reduced the net income.

EBITDA was positive with NOK 2 million (NOK 112 million). EBIT was negative in the quarter with NOK 37 million (positive NOK 67 million). EBIT and EBITDA in the quarter were heavily influenced by higher fuel costs, higher on-board costs and pre-operational costs for Braemar. Net result in the quarter was negative with NOK 40 million (positive NOK 66 million).

Year to date revenues were NOK 743 million (NOK 750 million). The reduction compared to last year is due to the same as explained for the quarterly figures, but in addition also the start-up costs for Balmoral and the cancellation of its inaugural cruise in February. EBITDA was negative with NOK 31 million (positive NOK 193 million), EBIT was negative with NOK 111 million (positive NOK 103 million) and net result negative with NOK 141 million (positive NOK 98 million).

### **Other Shipping activities**

Other shipping activities consists of 55% ownership of the Moroccan ferry company Comarit S.A. (sold at end of June), the ownership of 49.6% of the shipping investment company Oceanlink Ltd. and Ivarans Container Ltda which is 100% owned. The companies are included as associated companies in the Group accounts.

#### *Comarit S.A.*

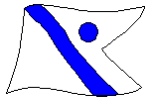
Bonheur ASA, Ganger Rolf ASA and Fred. Olsen Travel AS together owned 55% of the shares in the Moroccan passenger ferry company Comarit.

Ultimo June 2008 these shares were sold to the Moroccan shareholder who held the remaining 45% of the shares.

The total sales-price for the shares was 700 million Moroccan Dirham, equal to NOK 488 million. Based on the Bonheur Group of companies' share of Comarit's booked equity, the sale will yield a gain before tax of approximately NOK 409 million.

#### *Oceanlink Ltd.*

Oceanlink Ltd., of which Bonheur ASA and Ganger Rolf ASA together indirectly hold a 49.6% interest, operated a fleet of 5 AHTS vessels. Lately 4 of the vessels have been operating in Brazil and 1 offshore Tunisia. Oceanlink further operates 15 reefer vessels of which 5 are employed in the Sea Trade pool and 1 in the NYKCool pool. The remaining 9 vessels are on long term bareboat contracts to Korean interests.



## BONHEUR ASA

The result for Oceanlink Ltd. for the first half year is positive with USD 0.3 million. The positive change from 1<sup>st</sup> quarter is due to sales gains of USD 4.6 million, partly offset by repair works on the supply vessels and unemployment of 2 vessels in preparation for sales transactions.

### *Ivarans Container Ltda*

First Olsen Limited owns through a subsidiary of Ivarans Rederi AS a terminal in Santos, Brazil. The terminal is strategically placed for all kind of shipping activities and will render support services to company related activities.

## **Other investments**

Other investments together with Ganger Rolf ASA consists mainly of an ownership of 32.6% of NHST Media Group AS, an ownership of 12.6% of IT Fornebu Holding AS and an ownership of 51.98% of Genomar AS as well as 100% of the service companies Fred.Olsen Brokers AS and Fred.Olsen Travel AS.

### **NHST Media Group AS**

The NHST Media Group AS includes the newspapers Dagens Næringsliv, TradeWinds, Upstream, Europower, Fiskaren and Nautisk Forlag. The 2 quarter report has not yet been published.

### **GenoMar AS**

During the quarter the GenoMar group obtained revenues of NOK 8.5 million (NOK 9 million). EBITDA in the quarter were NOK 1.0 million (NOK 4,5 million). The reduction compared to last year is mainly due to lower sales price arising from prolonged cold weather in China, cost of strengthening the organization, start up cost of the new operation in Malaysia, and extraordinary costs to improve the condition for the breeders. These costs will continue and have an effect for the next quarter as well.

The weather in China has heavily affected the tilapia industry on a broad basis. It is uncertain how this will affect the overall development of the tilapia industry for the rest of the year.

In the Philippines sales are in line with the same period last year.

In February GenoMar AS signed contracts with the Malaysian government for rights to produce up to 40 000 tons of tilapia in two man made lakes. The operation follows planned progress. During the second quarter Trapia, the company's brand name for its special breed of tilapia, is assigned both Halal certificate and the CQL certification (Carrefour quality line).

During the second quarter the company has completed a capital increase of 2,348,996 new shares at NOK 25. - each, in total NOK 58 724 900. Increased net result for GenoMar AS is caused by higher interest income due to the capital increase.



## BONHEUR ASA

### **IT Fornebu Holding AS**

Second quarter 2008 was still influenced by a relatively good market for letting of property. The Terminal building of 38,000 square meters and the other buildings are fully let and there is only the previous SAS-building at Snarøyveien 57 where there are some areas available.

The income from renewed contracts has gone up in line with the increase in rentals in the office market. Increased number of employees in the Fornebu area has led to a considerable increase in income from the car park.

The building work for the first of the two building phases for the new portal building (about 28.000 square meters) is in line with the plan and the 1<sup>st</sup> phase is estimated to be ready for tenants moving in during the first half of 2009. There have already been signed contracts for about 50% of the first phase at acceptable rents.

### ***Other information***

#### **Annual General Meeting**

At the Annual General Meeting in Bonheur ASA on May 29<sup>th</sup>, the proposed dividend payment of NOK 15.60 per share was approved. The dividend was paid on 11<sup>th</sup> June, amounting to NOK 636 million in total.

#### **Capital and financing**

During the first half year, investments are mainly related to Energy Services (FOE and FOP), Renewable Energy (FOR) and the cruise segment.

Within FOE, capital expenditures amounted to NOK 785 million, of which a major part is related to the upgrade of Blackford Dolphin. In addition, investments during the period included the 5 year class renewal survey of Borgny Dolphin.

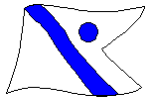
FOP had capital expenditures of NOK 350 million in the same period, mainly related to the upgrade of Knock Allan.

FOR had capital expenditures of NOK 22.5 million in the half year period, mainly related to the construction of Crystal Rig II.

Within the cruise segment capital expenditures in the first half year amounted to NOK 650 million, mainly related to the upgrade and lengthening of MV Braemar.

In total the Group of companies' gross investments net of intra-group eliminations, was NOK 2 035 million, hereof investments in property plant and equipment of NOK 1 822 million. Sale of the shareholdings in TusenFryd AS and Comarit amounted to NOK 678 million resulting in a net investment of NOK 1 357 million. Dividend payments to external shareholders during the first half year amounted to NOK 2 013 million (NOK 764 million).

Gross interest bearing debt of the Group of companies per 30 June 2008 was NOK 9 698 million, an increase of NOK 1 301 million since year end 2007. Cash and cash equivalents



## BONHEUR ASA

amounted to NOK 4 475 million a decrease of NOK 789 million since year end 2007. Net interest bearing debt of the Group of companies was NOK 5 223 million, an increase of NOK 2 090 since year end 2007. Equity to asset ratio was 43% compared to 48% at year end 2007.

### Outlook

The market for *offshore services* continued to strengthen during first half of 2008. Globally, the balance between supply and demand for offshore drilling units continued to be tight in all floater segments. The high demand for offshore drilling services is expected to continue.

Upon completion of the upgrade of Blackford Dolphin, FOE's offshore fleet will consist of two deepwater units (including the Belford Dolphin) and six mid water semi submersible drilling rigs in addition to an accommodation unit. Three of the semi submersible drilling rigs are operating in Norway.

The signs of a stronger market for *floating production* continued during the quarter. This was in line with the comments in the 1<sup>st</sup> quarter report that projects delayed in 2007 due to drilling capacity constraints and development cost increases would be re-activated in 2008. Some of the speculative FPSO conversions have been contracted during the quarter and the supply surplus is reduced. This, in combination with high and stable oil prices, continue to improve the outlook for the FPSO sector.

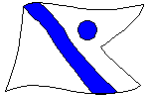
Within Renewable energy FOR continued to develop wind farm activities in Scotland, Sweden, Norway, Ireland and Canada. Per 30 June 2008 FOR had 179 MW installed capacity in operation and 117 MW under construction. The positive political focus on the renewable energy sector is expected to continue, and FOR is well positioned in the market.

The cruise segment continues to experience increased competition, higher fuel costs and higher food prices, which will influence earnings negatively during the second half year 2008.

### Risks and uncertainties

There are potential risks and uncertainties which may have an impact on the Group of companies' performance over the remaining six months of the financial year and which could cause actual results to differ from expected and historical results. Further information on the principal long-term risks and uncertainties of the Group is included in the latest Annual Report as published on website: <http://www.bonheur.net>.

There are no material changes related to financial risk management including interest rates and currency risks since the release of the Annual Report 2007.



## BONHEUR ASA

### **Transactions with related parties**

Except from ordinary transactions described in the Annual Report 2007 – note 31, there have been no significant transactions with related parties, except for a transfer of access to a number of land and marine sites in Canada for the purpose of developing renewable energy within these areas. During the first half year 2008 the Group of companies has acquired sites from the related company Fred. Olsen Ltd. and with the sites acquired in 2007, total purchases amount to GBP 1.2 million. The seller has on certain conditions the right to participate in a limited number of renewable energy projects initiated by the Group of companies and related to the transferred sites.



# BONHEUR ASA

## Consolidated Accounts

	Apr-Jun 2008	Apr-Jun 2007	Jan-Jun 2008	Jan-Jun 2007	Jan-Dec 2007
<b>INCOME STATEMENT</b>					
Revenues	1.735,2	1.723,3	3.520,9	3.370,3	7.765,9
Operating costs	-1.066,5	-881,3	-2.192,8	-1.888,1	-3.871,0
<b>Operating result before depreciation / impairment losses (EBITDA)</b>	<b>668,7</b>	<b>842,0</b>	<b>1.328,1</b>	<b>1.482,2</b>	<b>3.895,0</b>
Depreciation / Impairment losses	-210,7	-222,6	-429,3	-444,6	-967,9
<b>Operating result (EBIT)</b>	<b>458,0</b>	<b>619,4</b>	<b>898,8</b>	<b>1.037,6</b>	<b>2.927,1</b>
Share of result from associates	41,9	11,9	32,6	1,2	4,2
Result before finance	499,9	631,2	931,4	1.038,8	2.931,3
Financial revenues	508,4	154,4	704,7	250,5	810,2
Financial costs	-108,6	-116,3	-341,7	-258,6	-614,9
Net financial items	399,8	38,1	362,9	-8,1	195,3
<b>Result before tax (EBT)</b>	<b>899,7</b>	<b>669,3</b>	<b>1.294,4</b>	<b>1.030,7</b>	<b>3.126,6</b>
Estimated tax cost	-89,0	-8,1	-101,3	-30,7	-442,0
<b>Net result after estimated tax</b>	<b>810,7</b>	<b>661,2</b>	<b>1.193,1</b>	<b>1.000,0</b>	<b>2.684,6</b>
Hereof minority interests 1)	359,9	312,1	638,9	474,5	1.180,6
Hereof majority interests	450,8	349,1	554,2	525,5	1.504,0
Basic earnings / Diluted earnings per share (NOK)	13,9	10,8	17,1	16,2	46,5 / 46,4
Basic earnings /Diluted earnings per share from continued operations (NOK )	13,9	10,8	17,1	16,2	46,5 / 46,4
Basic earnings / Diluted earnings per share from discontinued operations (NOK)	-	-	-	-	-

1) The minority interests consist of 46.58% of Fred. Olsen Energy ASA, 44.70% of Ganger Rolf ASA, 38.46% of Fred. Olsen Production ASA, 47,04% of GenoMar AS and 49.83% of Protura AS.



# BONHEUR ASA

(NOK million)

## CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES

	Jan-Jun 2008	Jan-Jun 2007
Foreign exchange translation effects:		
- Recognised directly against equity	-579,1	-361,0
- Transferred to income statement	0,0	0,0
Hedging effects:		
- Recognised directly against equity	28,4	45,8
- Transferred to income statement	0,0	0,0
Fair value effects:		
- Recognised directly against equity	77,9	12,6
- Transferred to income statement	0,0	0,0
Change in equity in subsidiaries	0,0	10,1
Change in equity in associates	0,0	-0,2
Other changes directly in equity	0,7	2,9
<b>Net income recognised directly in equity</b>	<b>-472,0</b>	<b>-289,8</b>
<b>Profit for the period</b>	<b>1.193,1</b>	<b>1.000,0</b>
<b>Total recognised income and expense for the period</b>	<b>721,1</b>	<b>710,1</b>
<b>Attributable to:</b>		
Equity holders of the parent	473,1	233,8
Minority interests 1)	247,9	476,4
<b>Total recognised income and expense for the period</b>	<b>721,1</b>	<b>710,1</b>

1) The minority interests consist of 46.58% of Fred. Olsen Energy ASA, 44.70 % of Ganger Rolf ASA, 38.46% of Fred. Olsen Production ASA, 47.04% of GenoMar AS and 49.83% of Protura AS.



# BONHEUR ASA

(NOK million) - unaudited

## CONSOLIDATED

### BALANCE SHEET

	<b>30.06.2008</b>	<b>30.06.2007</b>	<b>31.12.2007</b>
Intangible fixed assets	159,9	166,1	141,2
Deferred tax asset	58,2	112,5	96,6
Property, plant and equipment	13.311,9	12.715,9	12.408,0
Investments in associates	55,7	207,9	131,1
Other financial fixed assets	1.058,6	731,1	874,0
<b>Non-current assets</b>	<b>14.644,2</b>	<b>13.933,5</b>	<b>13.651,0</b>
Inventories and consumable spare parts	247,5	269,7	263,0
Trade and other receivables	1.992,5	1.775,1	2.123,9
Cash and cash equivalents	4.475,2	4.006,7	5.263,6
<b>Current assets</b>	<b>6.715,2</b>	<b>6.051,5</b>	<b>7.650,5</b>
<b>Total assets</b>	<b>21.359,4</b>	<b>19.985,0</b>	<b>21.301,4</b>
Share capital	51,0	51,0	51,0
Share premium reserve	25,9	25,9	25,9
Retained earnings	5.196,6	5.165,6	5.459,8
Equity owned by the shareholders in the parent company	5.273,5	5.242,5	5.536,7
Minority interests 1)	3.956,3	4.478,1	4.716,0
<b>Equity</b>	<b>9.229,7</b>	<b>9.720,6</b>	<b>10.252,7</b>
Non-current interest bearing liabilities	8.193,3	6.809,4	6.770,7
Other non-current liabilities	626,2	686,0	820,9
<b>Non-current liabilities</b>	<b>8.819,5</b>	<b>7.495,4</b>	<b>7.591,6</b>
Current interest bearing liabilities	1.505,0	1.388,6	1.626,5
Other current liabilities	1.805,1	1.380,4	1.830,6
<b>Current liabilities</b>	<b>3.310,2</b>	<b>2.769,0</b>	<b>3.457,2</b>
<b>Total equity and liabilities</b>	<b>21.359,4</b>	<b>19.985,0</b>	<b>21.301,4</b>

Oslo, 17 July 2008

The Board of Directors

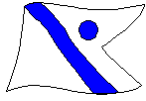
1) The minority interests consist of 46.58% of Fred. Olsen Energy ASA, 44.70% of Ganger Rolf ASA, 38.46% of Fred. Olsen Production ASA, 47,04% of GenoMar AS and 49.83% of Protura AS.



# BONHEUR ASA

## Cash flow statement - consolidated

<i>(NOK million)</i>	<b>Jan-Jun 2008</b>	<b>Jan-Jun 2007</b>
<b>Cash flow from operating activities</b>		
Net result after tax	1.193,1	1.000,0
<i>Adjustments for:</i>		
Depreciation	429,3	444,6
Net of investment income, interest expenses and net unrealized foreign exchange gains	-31,2	98,4
Share of result from associates	-32,6	-1,2
Net gain on sale of property, plant and equipment and other investments	-408,8	-152,0
Tax expense	101,3	30,7
Operating profit before changes in working capital and provisions	1.251,1	1.420,4
Increase (-) / decrease in trade and other receivables	-161,8	-334,3
Increase / decrease (-) in current liabilities	65,4	56,4
Cash generated from operations	1.154,8	1.142,5
Interest paid	-217,5	-210,5
Tax paid	-92,1	-14,2
<b>Net cash from operating activities</b>	<b>845,1</b>	<b>917,8</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	678,2	286,6
Interest and dividends received	78,9	76,6
Acquisitions of property, plant and equipment and changes in other investments	-2.113,8	-2.187,6
<b>Net cash from investing activities</b>	<b>-1.356,8</b>	<b>-1.824,5</b>
<b>Cash flow from financing activities</b>		
Net proceed from issue of shares in subsidiary	7,3	1.153,3
Increase in borrowings	5.736,3	1.433,3
Repayment of borrowings	-3.725,4	-396,2
Dividends paid	-2.013,4	-763,9
<b>Net cash from financing activities</b>	<b>4,8</b>	<b>1.426,5</b>
Net increase in cash and cash equivalents	-506,9	519,8
Cash and cash equivalents at 1 January	5.263,6	3.581,3
Effect of exchange rate fluctuations on cash held	-281,5	-94,5
<b>Cash and cash equivalents at 30 June</b>	<b>4.475,2</b>	<b>4.006,7</b>



# BONHEUR ASA

## **Note 1 - Introduction**

The Group accounts for the second quarter 2008 comprise Bonheur ASA and its subsidiaries ("The Group of companies") and the Group of companies' ownership of associates. The quarterly accounts of 2007 and the Group of companies' accounts for 2007 may be obtained by contacting Fred. Olsen & Co., Oslo, or at [www.bonheur.net](http://www.bonheur.net)

## **Note 2 – Financial framework and accounting principles**

The interim accounts have been prepared in accordance with Oslo Stock Exchange rules and regulations and IAS 34 "Interim Financial Reporting". The accounts do not include all information required for annual accounts and should be read in conjunction with the Group of companies' annual accounts for 2007 and the previous interim reports issued in 2007. The interim financial report for the second quarter 2008 was adopted by the company's Board on 17 July 2008.

The accounting principles are described in the Group of companies' annual accounts. The Group of companies' annual accounts are prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union, and its interpretations, and the requirements following from the Norwegian Accounting Act, stock exchange rules and regulations, that were mandatory to apply at 30 June 2008.

## **Note 3 - Estimates**

The preparation of interim accounts involves the use of appraisals, estimates and assumptions influencing the amounts stated for assets and obligations, revenues and costs. Actual results may differ from these estimates.

The most important appraisals when applying the Group accounting principles and the primary sources of estimate uncertainties are the same for the preparation of interim accounts as for the Group of companies' annual accounts.

## **Note 4 – Property, plant and equipment - investments**

Fred. Olsen Production ASA (FOP) is carrying out a FPSO conversion project of the suezmax Knock Allan for Canadian National Resources' Olowi field in Gabon. During the first six months the conversion cost has been capitalized with NOK 343.4 million.

Fred. Olsen Energy ASA (FOE) continued the upgrade of Blackford Dolphin through the quarter, at the Keppel Verolme yard in Rotterdam, to a deepwater drilling unit capable of operating in up to 7 000 ft. of water depth. The unit is estimated to commence operations for Tullow Offshore Ghana in the second half of the third quarter.



# BONHEUR ASA

## Note 5 – Segment information

2. quarter	Energy services		Renewable energy		Shipping		Other investments		Total fully consolidated companies	
	2Q.08	2Q.07	2Q.08	2Q.07	2Q.08	2Q.07	2Q.08	2Q.07	2Q.08	2Q.07
Fully consolidated companies										
Revenues	1.303	1.144	43	51	354	509	36	19	1.735	1.723
Operating costs	-647	-573	-26	-17	-350	-269	-43	-22	-1.066	-881
Oper. result before depr. (EBITDA)	655	570	17	34	4	240	-7	-3	669	842
Depreciation	-137	-135	-25	-27	-47	-59	-2	-2	-211	-223
Operating result (EBIT)	519	435	-8	7	-43	181	-9	-4	458	619

2. quarter	Energy services		Renewable energy		Shipping		Other investments		Total associates	
	2Q.08	2Q.07	2Q.08	2Q.07	2Q.08	2Q.07	2Q.08	2Q.07	2Q.08	2Q.07
Associates										
Revenues	0	0	0	0	41	63	98	123	139	186
Operating costs	0	0	0	0	-12	-58	-84	-93	-95	-151
Oper. result before depr. (EBITDA)	0	0	0	0	30	5	14	30	44	35
Depreciation	0	0	0	0	-3	-18	-2	-5	-5	-23
Operating result (EBIT)	0	0	0	0	27	-13	12	25	39	12

Per 2. quarter	Energy services		Renewable energy		Shipping		Other investments		Total fully consolidated companies	
	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07
Fully consolidated companies										
Revenues	2.565	2.207	130	145	769	982	56	36	3.521	3.370
Operating costs	-1.269	-1.197	-53	-34	-785	-595	-87	-62	-2.193	-1.888
Oper. result before depr. (EBITDA)	1.297	1.010	77	111	-15	387	-30	-26	1.328	1.482
Depreciation	-279	-266	-50	-54	-96	-121	-3	-3	-429	-445
Operating result (EBIT)	1.017	745	27	56	-112	266	-34	-29	899	1.038

Per 2. quarter	Energy services		Renewable energy		Shipping		Other investments		Total associates	
	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07	Jan-Jun08	Jan-Jun07
Associates										
Revenues	0	0	0	0	145	130	189	206	335	336
Operating costs	0	0	0	0	-106	-123	-175	-174	-281	-297
Oper. result before depr. (EBITDA)	0	0	0	0	39	8	15	32	54	39
Depreciation	0	0	0	0	-18	-29	-5	-10	-22	-39
Operating result (EBIT)	0	0	0	0	21	-21	10	21	31	0

### **Companies fully consolidated in the accounts**

#### **Energy services**

*Offshore Drilling:* Fred. Olsen Energy ASA.

*Floating production:* Fred. Olsen Production ASA.

#### **Renewable energy**

Fred. Olsen Renewables AS.



## BONHEUR ASA

### **Shipping**

*Tankers:* First Olsen Ltd. – tankers.

*Cruise:* Fred Olsen Cruise Lines Ltd.

*Other shipping activities:* First Olsen Ltd. – other shipping activities.

### **Other investments**

Fred. Olsen Travel AS, Fred. Olsen Brokers AS, Fred. Olsen Fly- og Luftmateriell AS, Stavenes Byggeselskap AS, Oslo Shipholding AS, Fred. Olsen Cruise Lines Pte. Ltd., Borgå Group, GenoMar AS (51,98% ownership from 2 quarter), Bonheur ASA, Ganger Rolf ASA and First Olsen Ltd – other investments.

### **Associates**

#### **Renewable energy**

Eurowind AB (50% ownership).

#### **Shipping**

Other shipping activities: Comarit SA (55% ownership – sold in 2 quarter) and Oceanlink Ltd (49,5% ownership).

#### **Other investments**

GenoMar AS (44,86% - 1 quarter) and NHST Media Group AS (33,94% ownership).



# BONHEUR ASA

## Note 6 – Equity

### Reconciliation of movements in capital and reserves

(NOK million)

	Share Capital	Share premium	Translation reserve	Hedging reserve	Fair value reserve	Own shares 1)	Retained earnings	Total	Minority interests	Total equity
Balance at 1 January 2007	51,0	25,9	-288,9	50,0	22,7	-113,3	5.427,2	5.174,6	3.798,4	8.973,1
Total recognised income and expense			-361,0	45,8	12,6		536,4	233,8	476,4	710,1
Dividends to shareholders in parent company							-287,9	-287,9		-287,9
Dividends to minority interests in subsidiaries								0,0	-475,7	-475,7
Share issue in subsidiary							474,3	474,3	679,0	1.153,3
Purchase of shares in subsidiaries							-352,3	-352,3		-352,3
Balance at 30 June 2007	51,0	25,9	-649,9	95,8	35,3	-113,3	5.797,7	5.242,5	4.478,1	9.720,6
Balance at 1 January 2008	51,0	25,9	-1.354,4	46,7	12,9	-113,3	6.867,9	5.536,7	4.716,0	10.252,7
Total recognised income and expense	0,0	0,0	-579,1	28,4	77,9	0,0	945,9	473,1	247,9	721,1
Dividends to shareholders in parent company							-504,6	-504,6		-504,6
Dividends to minority interests in subsidiaries								0,0	-1.053,0	-1.053,0
Share issue in subsidiary							3,9	3,9	3,4	7,3
Share issue in associate							22,4	22,4		22,4
Purchase of shares in subsidiaries							-221,0	-221,0		-221,0
Common control transaction							-37,0	-37,0	41,9	4,8
Balance at 30 June 2008	51,0	25,9	-1.933,5	75,1	90,8	-113,3	7.077,4	5.273,5	3.956,3	9.229,7

### Share capital and share premium

Par value per share	NOK 1.25
Number of shares issued	40.789.308

### Translation reserve

The reserve represents exchange differences resulting from the consolidation of subsidiaries and associated companies having other functional currencies than NOK.

### Hedging reserve

The reserve comprises the effective portion of cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

### Fair value reserve

The reserve includes the cumulative net change in the fair value of available-for-sale investments until the investment is derecognised.

### Minority interests

As at 30 June 2008 the minority interests consist of 46.58% in Fred. Olsen Energy ASA, 38.46% in Fred. Olsen Production ASA, 44.70% in Ganger Rolf ASA, 47.04% i GenoMar AS and 49.83% in Protura AS.

1) Own shares are the Bonheur shares that are owned by Ganger Rolf.

## Note 7 – Interest bearing loans

Dolphin International AS, a subsidiary of Fred. Olsen Energy ASA (FOE), has signed a new six years bank credit facility up to USD 1 500 million. The credit facility will be used to prepay existing loans and for general corporate purposes. The FOE Group has per 30 June 2008 drawn USD 1 050 million on the facility. In the same period the Group has redeemed loan of USD 713 million.

Fred. Olsen Production ASA has a revolving reducing credit facility of USD 500 million. The facility runs for five years without payments. As of 30 June 2008 USD 218 million was drawn under the credit facility.

Fred. Olsen Cruise Lines Ltd (FOCL) has secured bank loans of GBP 147 million and a finance lease liability of GBP 39 million as per 30 June 2008. In the 2nd quarter 2008 FOCL has obtained secured bank loans of GBP 9.1 million and repaid GBP 9.3 million. In the 2nd quarter 2008 GBP 0.5 million of the finance lease liability has been repaid.



## BONHEUR ASA

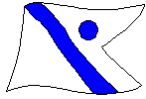
Fred. Olsen Renewables AS (FOR) has secured bank loans of GBP 47 million and finance lease liabilities of GBP 72 million as per 30 June 2008. In 2008 FOR has repaid GBP 4 million of the secured bank loans and GBP 0.5 million of the finance lease liabilities.

### **Note 8 – Events after 30 June 2008**

On 1 July 2008, Bonheur ASA purchased 125,000 shares in Ganger Rolf ASA at a price of NOK 221, - per share. Following the purchase, Bonheur ASA owns 19,669,382 shares in Ganger Rolf, representing 54.22 % of the issued shares.

On 1 July 2008, the subsidiary Ganger Rolf ASA purchased 125,000 own shares at a price of NOK 221, - per share. Total holding of own shares after the purchase is 1,063,250 shares at an average cost price of NOK 231.98 per share.

Early July Bonheur ASA and Ganger Rolf ASA received a notice of change from the Inland Revenue regarding the taxable income for 1999 following a corporate restructuring in 1999 / 2000. The change may lead to a payable tax liability of NOK 31 million in each company plus penalty tax and interest for each company. Both companies will dispute the notice of change.



## BONHEUR ASA

### ***Statement by the Board of Directors and the CEO***

The Board of Directors and the CEO have today considered and approved the condensed consolidated interim report of Bonheur ASA as at 30 June 2008 and for the first half year 2008 including condensed consolidated comparative figures as at 30 June and for the first half-year 2007.

The interim report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional Norwegian disclosure requirements for interim financial reports of listed public limited companies.

We consider the implemented accounting policies to be appropriate and in accordance with applicable accounting standards. Accordingly, it is our view that the interim report give a true and fair view of the Group of companies’ assets, liabilities and financial position as at 30 June 2008 and as at 30 June 2007 and of the results of the Group’s operations and cash flows for the first half-year 2008 and the first half-year 2007.

Oslo, 17<sup>th</sup> July 2008  
Bonheur ASA – the Board of Directors

Fred. Olsen  
Chairman  
(sign)

Anna Synnøve Bye  
Director  
(sign)

John C. Wallace  
Director  
(sign)

Andreas Mellbye  
Director  
(sign)

Anette S. Olsen  
Director and CEO  
(sign)