

# BONHEUR ASA

## REPORT FOR THE FIRST QUARTER 2010

### Comments to the accounts for Bonheur ASA

The Group accounts for the first quarter 2010 comprise Bonheur ASA and its subsidiaries (“The Group of companies”) and the Group of companies’ ownership in associates.

Comparable figures for the same period in 2009 in brackets.

### *Highlights 1Q 10:*

#### *(1Q 09 in brackets)*

- Operating revenues were NOK 1 925 million (NOK 2 919 million)
- EBITDA were NOK 747 million (NOK 1 550 million)
- Operating profit (EBIT) was NOK 375 million (NOK 1 141 million)
- Net result after tax was NOK 165 million (NOK 944 million)
- Majority’s share of net result was NOK 35 million (NOK 363 million)
- Earnings per share were NOK 1.10 (NOK 11.20)
- Proposed dividend payment of NOK 7.00 per share



## BONHEUR ASA

### Financial information

As a consequence of Bonheur ASA holding more than 50% of the shares of Ganger Rolf ASA, 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 entail full consolidation for accounting purposes of a number of companies. The main business segments comprise Offshore Drilling, Floating Production, Renewable Energy, Cruise, Shipping and Other Investments.

Financial key figures ( <i>figures in million NOK except for earnings per share</i> )	1Q 10	1Q 09	2009
Operating revenue	1 925,4	2 918,8	9 844,6
EBITDA	747,3	1 549,9	4 581,4
EBIT	375,2	1 141,2	2 852,1
Net result after tax	164,7	943,5	2 351,9
Majority's share of net result 1)	34,6	362,7	897,3
Average number of shares outstanding	32 345 668	32 345 668	32 345 668
Basic / diluted earnings per share (NOK)	1,1	11,2	27,7
Interest bearing liabilities	13 331,6	14 863,2	14 002,0

1) The minority interests mainly consist of: 46.23% of Fred. Olsen Energy ASA (FOE), 37.87% of Ganger Rolf ASA, 38.11% of Fred. Olsen Production ASA (FOP), 47.13% of GenoMar AS, and 0.37% of Oceanlink Ltd.

The Group of companies' operating revenues amounted to NOK 1 925 million (NOK 2 919 million) in the quarter. The decrease in operating revenues compared with the 1<sup>st</sup> quarter last year is mainly related to lower revenues within Offshore Drilling, Cruise, and Renewable Energy, partly offset by higher operating revenues within Floating Production. Four drilling units were off contract during the quarter, of which two due to class renewal surveys. Revenues in the quarter were also negatively impacted by lower average USD exchange rate against NOK compared to the 1<sup>st</sup> quarter 2009.

Earnings before interest, tax, depreciation and amortization (EBITDA) were NOK 747 million (NOK 1 550 million) in the quarter. The decrease is mainly related to Offshore Drilling which reported a decrease in EBITDA of NOK 825 million compared with the 1st quarter 2009, while Cruise and Floating Production reported an increase in EBITDA of NOK 44 million and NOK 18 million, respectively, compared to the same period last year. Renewable Energy and Shipping both reported a decrease in EBITDA of NOK 24 million and NOK 10 million, respectively.

Operating result (EBIT) for the quarter was NOK 375 million (NOK 1 141 million).

Net financial items were negative NOK 213 million (negative NOK 163 million). The increase is mainly due to higher unrealized losses following revaluation financial instruments at fair value compared to 1st quarter 2009.

Associates (NHST Media Group AS and Eurowind AB) were consolidated for accounting purposes with an aggregated positive result of NOK 1 million (negative NOK 5 million) during the quarter.

The Group of companies' result after estimated tax in the quarter was NOK 165 million (NOK 944 million), of which a positive result of NOK 35 million relates to the majority interests (NOK 363 million). The minority interests' share of net result in the quarter was NOK 130 million (NOK 581 million). Minority interests are higher due to the minorities' share of the result in FOE.



## BONHEUR ASA

### **Business segments**

The Group of companies' results for the individual business segments are included in Note 5.

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

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

### **Offshore Drilling**

The segment consists of 53.77% ownership in Fred. Olsen Energy ASA with subsidiaries (FOE).

(Figures in NOK million)	1Q 10	1Q 09
Operating revenues	1 197	2 109
EBITDA	626	1 451
EBIT	399	1 208
Net result	302	1 123

*Extract from FOE's report for the first quarter 2010 (figures in NOK unless otherwise stated).*

**Note that FOE shows fourth quarter 2009 in brackets, while Bonheur ASA compares with first quarter 2009.**

#### **“FINANCIAL INFORMATION (4th quarter 2009 in brackets)**

Operating revenues in the quarter were 1,196.5 million (1,127.9 million), an increase of 68.6 million compared with the previous quarter. Revenues from the offshore drilling division were 1,174.4 million (1,098.6 million), an increase of 75.8 million. Revenues from the engineering and fabrication division were 22.1 (29.6 million), a decrease of 7.5 million. The increase in revenues within the offshore drilling division is mainly due to commencement of new contract for Borgland Dolphin with increased day rate, partly offset by 25 days downtime for Blackford Dolphin and Borgholm Dolphin being off contract in the quarter.

Operating costs were 570.7 million (598.2 million), a decrease of 27.5 million compared with previous quarter. Operating costs within the offshore drilling division decreased by 37.0 million, partly offset by an increase within the engineering and fabrication division of 9.2 million. The decrease in operating costs within the offshore drilling division is mainly due to reduced operating cost on idle units and general lower repair and maintenance activity in the first quarter.

Operating profit before depreciation (EBITDA) was 625.8 million (529.7 million). EBITDA within the offshore drilling division increased by 112.8 million to 633.4 million (520.6 million), and EBITDA within engineering and fabrication division decreased by 16.7 million to negative 7.6 million (positive 9.1 million).

Depreciation and amortisation amounted to 236.0 million (237.5 million).

Operating profit after depreciation (EBIT) was 389.8 million (292.2 million).

Net financial expenses were 83.8 million (35.9 million).

Profit before tax was 306.0 million (256.3 million).



## BONHEUR ASA

Net profit, including an estimated tax charge of 12.6 million (6.4 million), was 293.4 million (249.9 million).

Earnings per share were 4.4 (3.7). ”

### Floating Production

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

(Figures in NOK million)	1Q 10	1Q 09
Operating revenues	162	144
EBITDA	67	49
EBIT	20	-7
Net result	-16	-16

*Extract from FOP's report for the first quarter 2010.*

#### “Financial information

Operating revenues in the quarter were USD 27.7 million (USD 20.9 million). Operating profit before depreciation (EBITDA) was USD 11.5 million (USD 7.2 million).

After depreciation of USD 8.2 million (USD 8.2 million) the 1<sup>st</sup> quarter operating result (EBIT) was USD 3.3 million (negative USD 1.0 million).

Net financial expenses were USD 3.9 million (USD 1.1 million) including USD 1.2 million on unrealized currency loss and mark to market valuation of long term interest rate swaps.

The result before tax was negative USD 0.7 million (negative USD 2.1 million). After tax, the result was negative USD 2.9 million (negative USD 2.4 million).

#### Market Outlook

Our outlook for 2010 as a whole remains cautiously optimistic.

Following the flurry of awards late 2009, which reflected a backlog of delayed projects, few new awards have been made in 1q 2010. The inquiry flow continued to improve during the quarter, though still below levels pre 2008 financial crisis. Medium to large scale projects continue to be favored, driven by national oil companies, the larger independents and major oil companies with access to financing. Asia and Brazil are the most active markets.

With fewer FPSO contractors in the market, and with financing limitations restricting activity for some contractors, the competitive picture is improving. This is partly offset by potential competition coming from distressed asset situation, idle units and units soon coming off-contract. Overall, there is potential for improved bidding discipline and contracts with an improved risk/reward balance.”



## BONHEUR ASA

### Renewable energy

Renewable Energy consists of 100% ownership in Fred. Olsen Renewables AS with subsidiaries (FOR).

(Figures in NOK million)	1Q 10	1Q 09
Operating revenues	66	88
EBITDA	33	57
EBIT	10	33
Net result	-47	8

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 the 1<sup>st</sup> quarter, the company had 178.7 MW in production and 138 MW under construction (Crystal Rig II). In addition FOR has a significant project portfolio onshore and offshore under development in UK, Norway, Sweden and Canada.

FOR had operating revenues of NOK 66 million in the quarter (NOK 88 million). The generation decreased from 144.5 GWh to 114.4 GWh, compared with the 1<sup>st</sup> quarter 2009, reflecting less wind. EBITDA were NOK 33.0 million (NOK 57 million). Net result was a loss of NOK 47 million (profit of NOK 8 million) including unrealized loss of NOK 36 million on interest rate-swaps.

The construction of Crystal Rig II is currently a few weeks behind schedule due to the weather conditions in Scotland in the quarter. Full operation at Crystal Rig II is estimated from 3Q 2010. FOR received consent for Gravdal, Norway (90 MW) in December 2009. The consent has been appealed. Verkanliden, Sweden (25 MW) received its final consent in January 2010. Rothes II (45 MW) was consented in January 2010. The Lista project (102 MW) applied for Enova investment support in January 2010.

### Cruise

Cruise consists of 100% indirect ownership in Fred. Olsen Cruise Lines Ltd , with subsidiaries (FOCL), located in Ipswich in the UK.

(Figures in NOK million)	1Q 10	1Q 09
Operating revenues	404	445
EBITDA	38	-6
EBIT	-10	-55
Net result	-49	-87

FOCL owns and operates four cruise ships, MV Black Watch, MV Braemar, MV Boudicca, and MV Balmoral.

Operating revenues in the quarter were NOK 404 million (NOK 445 million). During first quarter 2009 the fleet included MV Black Prince. Operating result before depreciation (EBITDA) was NOK 38 million (negative NOK 6 million). Operating result (EBIT) for the quarter was negative NOK 10 million (negative NOK 55 million). Net result in the quarter was negative NOK 49 million (negative NOK 87 million). Number of passenger days total 321 784 for the quarter. Income yield, i.e. average net ticket income per diem for the quarter was NOK 126, which is 20% higher than the corresponding period last year. This improvement in yields has been achieved by increasing the Company's forward booking position during last year and the improving economic conditions.

During the quarter, MV Balmoral has undertaken 86 nights of its 106-night World cruise and MV Black



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Watch completed its 73-night Around South America cruise. MV Braemar has been based in the Caribbean operating its fly cruise programme, leaving MV Boudicca to sail ex-Southampton on three 13-night cruises to the Canaries, a 28-night cruise to the Caribbean and a 22-night cruise to the Eastern Mediterranean.

### Shipping

Shipping consists of the tanker Knock Sheen, which is owned through First Olsen Ltd. (FOL, 100% owned) and the ownership share of Oceanlink Ltd. (99.63% at the end of the quarter), which operated 4 AHTS (Anchor Handling Tug Supply) vessels, 15 reefer vessels, and one container vessel. In addition the segment includes a 100% ownership in Fred. Olsen Windcarrier AS, a company developing transport and installation vessels for offshore wind turbines.

(Figures in NOK million)	1Q 10	1Q 09
Operating revenues	71	101
EBITDA	8	19
EBIT	-15	-14
Net result	-39	-31

Operating revenues in the quarter were NOK 71 million (NOK 101 million) and EBITDA were NOK 8 million (NOK 19 million). Net result before minority interest was negative NOK 39 million (negative NOK 31 million).

The Suezmax tanker Knock Sheen was on a 12 month T/C at USD 15,000 per day plus a profit split. Knock Sheen had no off-hire in the quarter.

Oceanlink Ltd operated the fleet of AHTS vessels, reefer vessels and the container vessel. The container vessel was sold and delivered to new owners in March 2010. One AHTS vessel is employed for the whole year in Norwegian waters. Another AHTS vessel started the year with a towage contract in South/West-Africa. In March the vessel mobilized to Brazil, preparing for a 3 year contract with Petrobras, commencing in April. The third AHTS vessel was released in April 2010 after have been kept detained by local charterers/buyers in Venezuela since 2008. The fourth AHTS vessel has as previously reported suffered from technical problems and delays in connection with repair works carried out in Brazil.

The average earnings level for the fleet of reefer vessels is about 16% lower compared to the same period in 2009.

#### **Fred. Olsen Windcarrier AS**

On 9<sup>th</sup> February 2010, Fred. Olsen Windcarrier AS placed an order for 2 offshore wind installation ships at Lamprell Energy Ltd., a London publicly listed company with yard facilities in Dubai. The total contract price was about USD 320 million for 2 ships and delivery is set for 2Q 2012 and 3Q 2012. There are 2 options for additional ships.

#### **Ivarans Container Ltda**

FOL 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 render support services to company related activities.



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### **Other investments**

Other Investments mainly consists of an ownership of 35.59% in NHST Media Group AS, 52.87% in GenoMar AS, 12.6% in IT Fornebu Holding AS as well as 100% in the service companies Fred. Olsen Brokers AS, Fred. Olsen Travel AS and AS Fred. Olsen Fly- og Luftmateriell.

#### **NHST Media Group AS**

The Group of companies own 35.59 % of NHST Media Group AS.

NHST Media Group AS achieved operating revenues of NOK 267 million in the quarter (NOK 248 million), an increase of 8% from the same quarter last year. Market share for almost all the publications have been stable or increasing during the quarter. The major change has been increasing advertising revenues for most publications, especially Dagens Næringsliv with more than 40% compared to first quarter 2009.

The restructuring measures initiated in 2008 to reduce the cost level were implemented within all business segments throughout 2009. This resulted in 4% (NOK 13.6 million) lower operating cost for first quarter 2010 compared to first quarter 2009.

EBITDA for the quarter were NOK 13.3 million compared to negative NOK 21.0 million in the 1<sup>st</sup> quarter 2009. Result before tax was NOK 3.6 million (negative NOK 34.2 million).

#### **GenoMar AS**

The GenoMar Group's operating revenues in the first quarter 2010 were NOK 8.5 million (NOK 8.4 million). Sales from the integrated food fish production in Malaysia accounts for approximately 50% of revenues. The installed capacity for production in Malaysia is at present around 5,000 tons per annum. The first export shipment of Trapia to the North American market took place in January and export to EU is expected to commence during 3<sup>rd</sup> quarter 2010.

#### **IT Fornebu Holding AS (ITFH)**

The Terminal building of 38 000 sqm and the other buildings are fully let. There are only a few areas available in the previous SAS-administration building.

There have been signed contracts with well known IT related companies for 81% of the total area of the new portal buildings (total 5 buildings of totally about 28 000 square meters).

ITFH has entered into a contract with Statoil to build their regional office building of about 65 000 sqm to be completed in 2012.

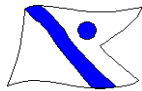
### **Other information**

#### **Capital and financing**

As per the end of the first quarter, investments during the quarter are mainly related to Offshore Drilling (FOE), Floating Production (FOP), Fred. Olsen Windcarrier AS (new building contracts) and Renewable Energy (FOR).

Within FOE, capital expenditures amounted to NOK 919 million in the quarter, related to class renewal surveys and general upgrades.

FOP had capital expenditures of NOK 72 million in the quarter, mainly related to the purchase the crude oil tanker M/T Chemtrans Lyra, which has been renamed Knock Muir.



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Windcarrier had capital expenditures of NOK 523 million related to the two new building contracts..

FOR had capital expenditures of NOK 119 million, mainly related to the construction of Crystal Rig II.

In total the Group of companies' investments net of intra-group eliminations, amounted to NOK 1 652 million.

Gross interest bearing debt of the Group of companies as per 31 March 2010 was NOK 13 332 million, a decrease of NOK 670 million since year end 2009. Cash and cash equivalents amounted to NOK 4 410 million, a decrease of NOK 2 055 million since year-end 2009. Net interest bearing debt of the Group of companies at the end of the quarter was NOK 8 922 million, an increase of NOK 1 385 million since year-end 2009. Equity to asset ratio was 41.3% at the end of first quarter, compared with 38.8% at the beginning of the quarter.

### **Dividend / Annual General Meeting**

With regard to the Annual General Meeting in 2010, the Board will propose the payment of a dividend of NOK 7.00 per share.

The Annual General Meeting is scheduled for Thursday 27 May 2010.



# BONHEUR ASA

(NOK million) - unaudited

## CONSOLIDATED

### CONDENSED INCOME STATEMENT

	Jan-Mar 2010	Jan-Mar 2009	Jan-Dec 2009
Revenues	1 925,4	2 918,8	9 844,6
Operating costs	-1 178,1	-1 368,9	-5 263,2
<b>Operating result before depreciation / impairment losses (EBITDA)</b>	<b>747,3</b>	<b>1 549,9</b>	<b>4 581,4</b>
Depreciation / Impairment losses	-372,1	-408,7	-1 729,3
<b>Operating result (EBIT)</b>	<b>375,2</b>	<b>1 141,2</b>	<b>2 852,1</b>
Share of result from associates	0,8	-4,9	-6,9
Result before finance	376,0	1 136,4	2 845,2
Financial revenues	102,1	192,3	676,7
Financial costs	-315,0	-355,7	-1 185,5
Net financial items	-212,9	-163,4	-508,8
<b>Result before tax (EBT)</b>	<b>163,1</b>	<b>973,0</b>	<b>2 336,4</b>
Estimated tax cost	1,5	-29,5	15,4
<b>Net result after estimated tax</b>	<b>164,7</b>	<b>943,5</b>	<b>2 351,9</b>
Hereof minority interests 1)	130,1	580,8	1 454,5
Hereof majority interests	34,6	362,7	897,3
Basic earnings / Diluted earnings per share (NOK)	1,1	11,2	27,7
Basic earnings /Diluted earnings per share from continued operations (NOK )	1,1	11,2	27,7

1) The minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 37.87% of Ganger Rolf ASA, 38.11% of Fred. Olsen Production ASA, 47.13% of GenoMar AS and 0.37% of Oceanlink Ltd.



# BONHEUR ASA

## CONSOLIDATED

### CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(NOK million) - unaudited

	Jan-Mar 2010	Jan-Mar 2009
<b>Profit for the period</b>	164,7	943,5
<b>Other comprehensive income</b>		
Foreign exchange translation effects:		
- Foreign currency translation differences for foreign operations	221,7	-440,9
- Foreign currency translation differences for foreign operations transferred to profit or loss	0,0	0,0
Hedging effects:		
- Effective portion of changes in fair value of interest hedges	-0,6	0,0
Fair value effects related to financial instruments:		
- Net change in fair value of available-for-sale financial assets	58,1	-9,7
- Net change in fair value of available-for-sale financial assets transferred to profit or loss	0,0	15,5
Other comprehensive income for the period	8,2	0,9
Income tax on other comprehensive income	-0,3	0,0
<b>Other comprehensive income for the period, net of income tax</b>	<b>287,0</b>	<b>-434,3</b>
<b>Total comprehensive income for the period</b>	<b>451,6</b>	<b>509,3</b>
<b>Attributable to:</b>		
Equity holders of the parent	177,6	146,1
Minority interests 1)	274,0	363,1
<b>Total comprehensive income for the period</b>	<b>451,6</b>	<b>509,3</b>

1) The minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 37.87% of Ganger Rolf ASA, 38.11% of Fred. Olsen Production ASA, 47.13% of GenoMar AS and 0.37% of Oceanlink Ltd.



# BONHEUR ASA

## CONSOLIDATED

(NOK million) - unaudited

### CONDENSED STATEMENT OF FINANCIAL POSITION

	31.03.2010	31.03.2009	31.12.2009
Intangible fixed assets	184,3	185,9	182,0
Deferred tax asset	85,9	88,2	79,1
Property, plant and equipment	18 127,0	17 749,9	17 414,8
Investments in associates	93,8	60,8	92,4
Other financial fixed assets	1 785,8	1 070,8	1 189,7
<b>Non-current assets</b>	<b>20 276,9</b>	<b>19 155,6</b>	<b>18 958,0</b>
Inventories and consumable spare parts	419,9	395,6	409,9
Trade and other receivables	2 102,3	2 632,2	1 989,0
Cash and cash equivalents	4 410,0	6 921,6	6 464,8
<b>Current assets</b>	<b>6 932,2</b>	<b>9 949,4</b>	<b>8 863,8</b>
<b>Total assets</b>	<b>27 209,1</b>	<b>29 105,0</b>	<b>27 821,7</b>
Share capital	51,0	51,0	51,0
Share premium reserve	25,9	25,9	25,9
Retained earnings	6 123,9	6 257,7	5 966,4
Equity owned by the shareholders in the parent company	6 200,9	6 334,6	6 043,3
Minority interests 1)	5 030,9	5 297,9	4 756,9
<b>Equity</b>	<b>11 231,8</b>	<b>11 632,5</b>	<b>10 800,2</b>
Non-current interest bearing liabilities	11 237,7	13 076,8	12 124,5
Other non-current liabilities	783,0	1 008,4	712,0
<b>Non-current liabilities</b>	<b>12 020,6</b>	<b>14 085,3</b>	<b>12 836,6</b>
Current interest bearing liabilities	2 093,9	1 786,4	1 877,5
Other current liabilities	1 862,7	1 600,9	2 307,4
<b>Current liabilities</b>	<b>3 956,7</b>	<b>3 387,3</b>	<b>4 184,9</b>
<b>Total equity and liabilities</b>	<b>27 209,1</b>	<b>29 105,0</b>	<b>27 821,7</b>

Oslo, 6 May 2010

The Board of Directors

1) The minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 37.87% of Ganger Rolf ASA, 38.11% of Fred. Olsen Production ASA, 47.13% of GenoMar AS and 0.37% of Oceanlink Ltd.



# BONHEUR ASA

## CONSOLIDATED

### STATEMENT OF CHANGES IN EQUITY

(NOK million) - unaudited

	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 2009	51,0	25,9	254,7	45,2	20,5	-113,3	5 904,0	6 188,1	4 883,8	11 071,8
Total comprehensive income for the period	0,0	0,0	-440,9	0,0	-5,8	0,0	592,9	146,1	363,1	509,3
Change in equity in subsidiary	0,0	0,0	0,0	0,0	0,0	0,0	0,4	0,4	51,0	51,4
<b>Balance at 31 March 2009</b>	<b>51,0</b>	<b>25,9</b>	<b>-186,2</b>	<b>45,2</b>	<b>14,8</b>	<b>-113,3</b>	<b>6 497,2</b>	<b>6 334,6</b>	<b>5 297,9</b>	<b>11 632,5</b>
Balance at 1 January 2010	51,0	25,9	-1 223,7	-1,3	43,4	-113,3	7 261,2	6 043,3	4 756,9	10 800,2
Total comprehensive income for the period	0,0	0,0	221,7	-0,6	57,7	0,0	-101,2	177,6	274,0	451,6
Common control transaction	0,0	0,0	0,0	0,0	0,0	0,0	-20,1	-20,1	0,0	-20,1
<b>Balance at 31 March 2010</b>	<b>51,0</b>	<b>25,9</b>	<b>-1 002,0</b>	<b>-1,9</b>	<b>101,2</b>	<b>-113,3</b>	<b>7 139,9</b>	<b>6 200,9</b>	<b>5 030,9</b>	<b>11 231,8</b>

#### 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 associates 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 31 March 2010 the minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 38.11% of Fred. Olsen Production ASA, 37.87% of Ganger Rolf ASA, 47.13% of GenoMar AS and 0.37% of Oceanlink Ltd.

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



## BONHEUR ASA

### CONDENSED STATEMENT OF CASHFLOW

<i>(NOK million) - unaudited</i>	<b>Jan-Mar 2010</b>	<b>Jan-Mar 2009</b>
<b>Cash flow from operating activities</b>		
Net result after tax	164,7	943,5
<i>Adjustments for:</i>		
Depreciation, impairment losses	372,1	408,7
Net of investment income, interest expenses and net unrealized foreign exchange gains	213,1	33,0
Share of result from associates	-0,8	4,9
Net gain on sale of property, plant and equipment and other investments	0,7	-3,0
Tax expense	-1,5	29,5
Operating profit before changes in working capital and provisions	748,2	1 416,6
Increase (-) / decrease in trade and other receivables	-70,7	-100,5
Increase / decrease (-) in current liabilities	-195,3	-157,6
Cash generated from operations	482,2	1 158,5
Interest paid	-139,6	-158,6
Tax paid	4,4	-32,5
<b>Net cash from operating activities</b>	<b>347,1</b>	<b>967,5</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	23,2	37,1
Interest and dividends received	18,1	23,0
Acquisitions of property, plant and equipment and changes in other investments	-1 652,1	-522,1
<b>Net cash from investing activities</b>	<b>-1 610,7</b>	<b>-462,0</b>
<b>Cash flow from financing activities</b>		
Increase in borrowings	255,1	178,0
Repayment of borrowings	-1 100,0	-910,2
Dividends paid	0,0	-285,9
<b>Net cash from financing activities</b>	<b>-844,9</b>	<b>-1 018,1</b>
Net increase in cash and cash equivalents	-2 108,5	-512,6
Cash and cash equivalents at 1 January	6 464,8	7 706,7
Effect of exchange rate fluctuations on cash held	53,7	-272,5
<b>Cash and cash equivalents at 31 March</b>	<b>4 410,0</b>	<b>6 921,6</b>



## BONHEUR ASA

### **Note 1 - Introduction**

The Group accounts for the first quarter 2010 comprise Bonheur ASA and its subsidiaries ("The Group of companies ") and the shares of associates. The quarterly accounts of 2009 and the Group accounts for 2009 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's annual accounts for 2009 and the previous interim reporting's issued in 2009. The interim financial report for the first quarter 2010 was adopted by the company's Board on 6<sup>th</sup> May 2010.

The accounting principles were described in the Group's annual accounts for 2009. The Group's annual accounts were 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 31<sup>st</sup> March 2010.

### **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 2009 Group accounts. There is uncertainty associated with the estimates which are applied on the calculation of taxes related to the Norwegian tonnage tax regime, according to a legal decision on 12<sup>th</sup> February 2010. For further information see note 7 – Taxes.

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

Early January 2009 FOP entered into an option agreement with El Paso Maritime B.V. whereby the vessel Knock Dee was exclusively retained for use as a floating storage and offloading vessel (FSO) for the Pinauna field offshore Brazil. Previously the option could be declared up until 31<sup>st</sup> December 2009. On 18<sup>th</sup> December 2009 the companies agreed a six months extension to the option agreement. The option may be declared up until 30<sup>th</sup> June 2010. The parties have agreed an option fee payable immediately which covers the whole option period. Previously, in August 2008, the parties entered into a Letter of Intent to finalize contracts for the above services with start-up in December 2009 and for a minimum period of 10 years.

On 9<sup>th</sup> February Fred. Olsen Windcarrier AS, which is indirectly owned 50/50 by Bonheur ASA and Ganger Rolf ASA, entered into agreements with Lamprell Energy Ltd. for the construction of two transport and installation vessels for offshore wind turbines with options for additional two vessels. The vessels will be built at the Jebel Ali yard in Dubai with contracted deliveries in 2<sup>nd</sup> and 3<sup>rd</sup> quarter 2012, respectively. The contract price is about USD 160 million per vessel.



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## Note 5 – Segment information

### Business segments (NOK million)

I. quarter	Offshore drilling		Floating production		Renewable energy		Cruise		Shipping		Other investments		Total fully consolidated companies	
	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09
Fully consolidated companies														
Revenues	1 197	2 109	162	144	66	88	404	445	71	101	25	33	1 925	2 919
Operating costs	-571	-658	-95	-94	-33	-30	-366	-451	-63	-82	-50	-54	-1 178	-1 369
Oper. result before depr. (EBITDA)	626	1 451	67	49	33	57	38	-6	8	19	-25	-21	747	1 550
Depreciation	-227	-243	-47	-56	-23	-25	-48	-49	-23	-32	-4	-3	-372	-409
Operating result (EBIT)	399	1 208	20	-7	10	33	-10	-55	-15	-14	-29	-24	375	1 141

I. quarter	Offshore drilling		Floating production		Renewable energy		Cruise		Shipping		Other investments		Total associates	
	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09	1Q.10	1Q.09
Associates														
Revenues	0	0	0	0	0	0	0	0	0	0	99	84	99	84
Operating costs	0	0	0	0	0	0	0	0	0	0	-94	-88	-94	-88
Oper. result before depr. (EBITDA)	0	0	0	0	0	0	0	0	0	0	5	-4	5	-4
Depreciation	0	0	0	0	0	0	0	0	0	0	-3	-3	-3	-3
Operating result (EBIT)	0	0	0	0	0	0	0	0	0	0	1	-6	1	-6

### Companies fully consolidated in the accounts

#### Offshore Drilling

Fred. Olsen Energy ASA.

#### Floating production

Fred. Olsen Production ASA.

#### Renewable energy

Fred. Olsen Renewables AS and Protura AS (2009 only).

#### Cruise

Fred Olsen Cruise Lines Ltd.

#### Shipping

*Tankers:* First Olsen Ltd. – Tankers.

*Shipping activities:* First Olsen Ltd. – Shipping activities, Oceanlink Ltd and

Fred. Olsen Windcarrier AS.

#### Other investments

Fred. Olsen Travel AS, Fred. Olsen Brokers AS, Fred. Olsen Fly- og Luftmateriell AS, Stavnes Byggeselskap AS, Oslo Shipholding AS, GenoMar AS, Fred. Olsen Cruise Lines Pte. Ltd., Fred. Olsen Capital Group (from 1<sup>st</sup> quarter 2010), Borgå Group, Borgå II Group, Bonheur ASA, Ganger Rolf ASA, Laksa AS, Laksa II AS, Knock Holding Group, Knock Holding II Group and First Olsen Ltd – Other investments.

### Associates

#### Renewable energy

Eurowind AB (50% consolidation percentage).

#### Shipping

Shipping activities: Oceanlink Offshore AS/DIS (21% consolidation percentage - From 4<sup>th</sup> quarter 2009), Oceanlink Offshore II AS/DIS (20% consolidation percentage - From 4<sup>th</sup> quarter 2009), Oceanlink Offshore III AS (15% consolidation percentage - From 4<sup>th</sup> quarter 2009), Eastern Reefer DIS (15% consolidation percentage – From 4<sup>th</sup> quarter 2009), Eastern Reefer II DIS (14% consolidation percentage



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– From 4<sup>th</sup> quarter 2009), Oceanlink Reefer II DIS (8% consolidation percentage – From 4<sup>th</sup> quarter 2009) and Oceanlink Reefer III DIS (24% consolidation percentage - From 4<sup>th</sup> quarter 2009).

### **Other investments**

NHST Media Group AS (33.92% consolidation percentage – 1<sup>st</sup> quarter 2009, 36.87% consolidation percentage – From 2<sup>nd</sup> quarter 2009).

### **Note 6 – Interest bearing loans**

The FOE Group has per 31<sup>st</sup> March 2010 drawn USD 1 060 million on its bank credit facility facility, which is fully drawn after repayments. The Group has redeemed USD 110 million of the credit facility in the 1<sup>st</sup> quarter 2010.

FOP has a revolving reducing credit facility of up to USD 500 million. The facility is secured by a first priority mortgage on the vessels and runs for five years from July 2007 without repayments and thereafter a further five years with semi-annual repayments of USD 25 million, bringing the facility down to USD 250 million at maturity. As of 31<sup>st</sup> March 2010 USD 199.1 million was drawn under the credit facility.

FOR has secured bank loans of GBP 204.2 million and finance lease liabilities of GBP 64.7 million as per 31<sup>st</sup> March 2010. Per 1<sup>st</sup> quarter 2010 FOR has drawn down secured bank loans of GBP 12.4 million, and repaid GBP 15.1 million of secured bank loans and GBP 0.7 million of the finance lease liabilities.

FOCL has secured bank loans of GBP 121.9 million and finance lease liability of GBP 35.1 million as per 31<sup>st</sup> March 2010. In the 1<sup>st</sup> quarter 2010 FOCL has repaid GBP 1.6 million of the secured bank loans and GBP 0.5 million of the finance lease liability.

FOL has secured bank loans of USD 78.2 million as per 31<sup>st</sup> March 2010. In the 1<sup>st</sup> quarter 2010 FOL has drawn down secured bank loans of USD 22.1 million.

Oceanlink Ltd, a subsidiary of First Olsen Ltd, has secured bank loans, finance lease liabilities, and other external loans of USD 88.7 million as per 31<sup>st</sup> March 2010. In the 1<sup>st</sup> quarter 2010 the company has repaid USD 7.3 million of the loans.

On 11<sup>th</sup> December 2009 Bonheur ASA completed a NOK 1,000 million 5 years unsecured bond issue with Ganger Rolf ASA as guarantor. Settlement date was 15<sup>th</sup> December 2009 and maturity date is 15<sup>th</sup> December 2014.

### **Note 7 - Taxes**

Early October 2008 Bonheur ASA and Ganger Rolf ASA received a notice of change from the Inland Revenue regarding the taxable income for 2006 following a change of conditions in a convertible loan given to Fred. Olsen Energy ASA. The change may lead to a payable tax liability of NOK 125 million in each company. Both companies have disputed the notice of change.

Early January 2009 a merged former subsidiary of 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 112 million inclusive penalty tax and interest. The company has disputed the notice of change.

The Supreme Court has concluded that the transition rules adopted by the Government in December 2007 regarding the transition from the old tax regime to the new tonnage tax system are in breach of the Constitution, paragraph 97. Based on this ruling a subsidiary of Bonheur ASA has reversed a previous tax expense charged in 2007. The effect is a tax income of NOK 113 million which has been included in the accounts for 2009. The accounting treatment of other financial consequences for the Group of companies of the above ruling is pending for further clarification from the Ministry of Finance.